



Information on stream:

Understanding customers' needs and expectations



On behalf of CCWater

Published 9 September 2015

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1 Executive Summary

1.1 Introduction

Water companies are required by Licence Condition G to provide a Code of Practice for Domestic Customers. In the past, Ofwat approved the content of this Code but it now takes a risk-based approach to regulating the provision of this information, requiring companies to be responsible for ensuring that the right information is provided. Its report¹ 'Empowering water and sewerage customers through information' set out how it would like companies to approach this task. With this in mind, the Consumer Council for Water (CCWater) commissioned this research to understand more about how customers engage with information provided by water companies – specifically the information typically covered within a company's Code of Practice. This will help CCWater to support any representations that they make to water companies on the content of this Code, as well as other related information, such as the Code of Practices on Debt and Leakage.

All water companies publish their Codes of Practice on their websites. These are in a range of formats, from a single document to a series of leaflets. Some companies have already researched their customers' views on how they prefer to receive various information.

Each Code of Practice covers broadly the same set of topics, relating to most aspects of the water and sewerage service, such as how to get a meter or a new connection, charging and billing and what happens in the event of an incident, such as a supply interruption, flood or water quality complaint. Customers' needs for, and interests in, this will vary and this research aimed to find out more about their priorities for information, and the channels they are most likely to use for it.

1.2 Overview of methodology

This research comprised 12 group discussions conducted over 8 regions in England and in Wales. The sample was designed to cover a wide cross section of water customers including: four age groups from 20-80 year olds; all socio economic groups; a proportion of customers defined as vulnerable according to a set of financial, family and health criteria; rural and urban locations; customers who have English as a second language and customers late on the internet adoption curve.

Two of the groups were run as pilots, together with a further 4 cognitive depth interviews to ensure the discussion guide and materials were fully understood by respondents. The fieldwork took place in March and April 2015.

Qualitative research is employed when research objectives call for an exploratory and in-depth investigation of the complexities of attitudes and behaviour - specifically, in this case, to understand in detail the nuances in the way people seek and respond to information in different situations.

Qualitative research results in a great deal of rich and detailed data about a relatively small number of individuals, which is in turn used to generate insights around consumer needs and the actions that can be taken to meet them.

¹ http://www.ofwat.gov.uk/regulating/tools/consumerpolicy/pap_tec201305infoprovision.pdf

Respondents in this study were selected to broadly represent a cross section of the population in terms of their socio-demographic characteristics. However, due to the limited sample sizes used in qualitative research, the study does not purport to represent the overall population in a statistically representative way. The ultimate theory and recommendations are born out of rigorous and robust analysis and interpretation of the qualitative evidence – making reference to the weight and strength of opinion observed across the sample where relevant, but without quantifying these.

1.3 Key Findings

Establishing the wider context: how do customers access information?

- **Customers encounter information in three ways: they actively seek it themselves; they receive it, often unsolicited, and they chance upon it – often through word of mouth.** Each route has relevance for water companies when considering the most appropriate and/or effective way of making available Code of Practice information accessible.
- Some aspects of Behavioural Economics are helpful in understanding what motivates consumers to seek out, be receptive to, or ignore information. Consumers put more effort into information-gathering when motivated either by the fear of losing something e.g. money or a service; or by a potential reward such as a reduced bill. **In terms of unsolicited information, most experience information-overload in their lives and therefore absorb only what is immediately relevant.**
- **Doing what is easiest and habitual is also a default strategy for many people: this can translate into customers screening out much of the information that they receive.** Bill inserts are a case in point: water customers are unlikely to retain or recall information delivered this way unless they have a specific need which prompts an interest.
- Customers take pleasure in gleaning beneficial information, such as ways to get preferential deals, from the grapevine of friends and family – or independent sources such as Martin Lewis (Money Saving Expert) and comparison sites. This information is likely to resonate and people are more inclined to trust information from sources with no vested interest. **Trust is a relevant issue in information provision: many perceive that companies are better at informing customers about services (or deals) that will benefit the company and less transparent when it comes to information that might be to the customers' advantage (opportunities for discounts or rebates).**
- **The way customers use different channels (telephone, online, Live Chat etc.) to negotiate the plethora of information is highly dependent on an individual's capabilities.** Those who are more confident and/or experienced and who have active digital lives use whichever channel will best suit the circumstance. Those with lower capabilities in terms of confidence and/or fluency in the language and/or digital experience etc. tend to default to channels where they receive the reassurance of personal contact, primarily phone.

Water industry context

- **This research underlines that water industry Code of Practice information should be accessible to consumers across all channels.**
- **People are less well informed about their water services than they are about other utilities such as energy or broadband.** There is lower engagement as customers are not motivated by the drivers of *loss* or *reward* that exist in competitive markets. Lack

of choice means that customers are less savvy about their water provision and less guarded or vigilant about the service they receive when compared to their other utility providers. **This in itself underlines the importance of the delivery of Code of Practice information in a sector where customers have no option to switch.**

Code of Practice information: establishing consumer needs

- Relatively few customers experience problems with their water or sewerage services and therefore the methodological challenge for this research project was to put customers in the mindset of requiring specific information from their water company.
- A series of extended scenarios were therefore developed to enable respondents to put themselves in situations where they might require information. The scenarios were designed to reflect a range of situations of varying urgency and covering many different issues: poor water quality; financial hardship, supply failure, meter installation, leaks, billing enquiries etc. Scenarios were also included to explore information needs when customers find themselves in particular circumstances, such as moving home.

Customer information needs in service driven events

- **Customers know what to ask when they have an immediate or specific need during a service driven event.** They are able to take responsibility for seeking information which is usually couched by straight forward questions such as: can you assist *me*? How will it affect *me*? What do *I* do next? Customers expect responsive customer service to deliver clear and practical answers to their questions – and via their preferred channel.
- **However, customers cannot take responsibility for asking for information about matters they are unaware of and there are situations where the customer would benefit from this ‘unknown’ information.** For instance, customers making contact to find out how to set up a new direct debit for their new address could benefit from also hearing about the advantages of metering and/or supply pipe ownership.
- Code of Practice information relating to process, regulation or service standards is only relevant in relation to the specific issue in question – and only if communicated in a very consumer-friendly way (plain English, jargon-free, visual, across channels).

Customer information needs in other non service driven circumstances

- Customers also have information needs at certain times in their lives, such as when they are new to independent living or in financial hardship. Again, they cannot take responsibility for asking for information about matters they are unaware of.
- Water companies need to take responsibility for conveying information that customers wouldn't know to ask at the point at which the customer could benefit e.g. special tariffs for those experiencing financial hardship; basic information about billing or metering to those new to independent living.

- A key objective of this research was to understand information priorities i.e. what information is *core* to customers and what can be termed *non-core*. However the research process of using extended scenarios to elicit unprompted needs revealed that this was not a classification that works for customers. For customers, all information was 'non-core' most of the time; while any information could become 'core' in a given set of circumstances. Therefore what could be termed *core* and *non-core* was entirely dependent on the situation (and in the research context, the effect of this was to classify all information as 'core' on the basis that it may be needed at some point in the future). Hence, a more relevant distinction emerged to classify information needs:
 - The questions customers know to ask when in need of assistance (***Know To Ask***)
 - The information that customers do not know to ask for (***Don't Know To Ask***)

Conclusions

- Very few respondents across the sample could see themselves using a water industry Code of Practice, either as a first or last resort. Their information needs are being met elsewhere, either through websites customer bills, or telephone contact.
- The exploration of different Code of Practice information has highlighted a level of expectation that customers have in the water industry to apply compensation and adhere to service standards automatically. This assumption helps to explain why:
 - Customers perceive that general service standards and compensation information does not need to have a high profile in water company information provision strategies.
 - That in a service driven event, customers are not interested in information about the kinds of processes which do not change or affect their immediate situation; or background information about industry legislation.
- Information needs are highly contextual and preferences about the way customers wish to receive or seek information in a particular situation are highly individual. Furthermore, channel preference, as well as varying by individual, can change rapidly as people adopt new ways of 'consuming' information.

Recommendations

- With this in mind, the research has indicated three separate but linked strategies that water companies should consider when delivering information traditionally included in Codes of Practice in order to meet the information needs of their customers.

Responsive information provision strategy:

- This strategy is designed to provide support information to customers at the point of need e.g. during a service driven event. This includes unexpected and expected supply interruptions, billing queries, contact about leaks, pressure, water quality and complaints.
- At these moments, customers are seeking a good service experience with clear information, easily accessed via their preferred channel. The strategy involves responsive information delivery at the point of customer contact, or during a service event where the customer knows to ask about the immediate situation.
- It also reflects the importance for companies to take responsibility for customer 'blind spots' by providing additional relevant information – which customers don't know to ask for - from the Code of Practice in relation to the specific issue being experienced (later referred to as 'customer service plus').

Pre-emptive communications strategy:

- This strategy is designed to overcome the 'blind spots' that exist for many customers and to ensure relevant information is communicated to customers even though they have not contacted their company to ask for it.
- Customer experience of other organisations they deal with, such as supermarkets and Amazon, is that they pre-empt their needs with targeted and relevant offers and recommendations – and they expect the water industry to work in the same way. Therefore, this strategy has the water company taking responsibility for targeting information to customers in particular circumstances or moments in life when they are more receptive to information which has been selected to be relevant to them at that point.
- Customer groups include people sliding into water debt, those who have signed up to online billing and new home owners. For these groups there are clear triggers for the water companies to provide relevant and timely information that customers simply do not know to ask. This is the most challenging strategy to implement as it requires water companies adopting a marketing-led approach to information provision, by gathering customer intelligence, defining target audiences and channels, and creating well executed messages. The challenges involved are discussed further in section 6.

Reach communications strategy:

- This strategy relates to when the customer is motivated to find out specific information themselves (self-discovery) because a problem is not being resolved, or to research a more general query. This strategy requires the water company to provide the full suite of Code of Practice information but in a way that can be accessed easily. Customers are looking for intuitive websites, and intelligent online services such as Live Chat are now critical and have far more appeal than unwieldy Code of Practice booklets.

- These strategies, if adopted, have relevance for the broader issue that the industry faces in terms of building goodwill and trust with its customers. Trust is built over time and is multi-faceted in terms of the dimensions that lead to consumers trusting organisations – and we can identify two particular dimensions where effective information delivery is an essential ingredient:
 - Level of confidence about the honesty and integrity of the organisation
 - Perceived empathy and benevolence toward customers – that they ‘care’
- Information delivery is an important part of a wider strategy to build corporate reputation and trust. Information delivered in a timely and targeted way that is provided to help the customer will build perceptions of competence, honesty and customer-centricity.
- These strategies provide the key criteria for CCWater to evaluate the appropriateness of Code of Practice information provided by water companies by applying the following questions to any given topic area:
 - *What are the most frequently asked questions about this topic?*
 - *Are these ‘known unknowns’ addressed via a responsive information strategy using all the relevant channels?*
 - *Does the company inform the customer of additional and relevant information even when the customer has not asked for it (unknown unknowns)?*
 - *Does the company have a proactive information strategy to target information to specific groups in a timely and relevant way pre-empting their needs?*
 - *Is the company able to target all relevant customer groups – or are there barriers to doing so e.g. lack of customer data?*
 - *If not, is the company collaborating with third parties (landlords, charities etc.) to reach relevant target customers?*
 - *Is Code of Practice information - such as service standards and complaints procedures - available at the point of need (e.g. when a problem has escalated)?*
 - *Is Code of Practice information available in customer-friendly formats and language, and via a range of channels?*

2 Introduction

2.1 Background to the project

Consumer Council for Water (CCWater) represents the views of customers in the water sector across England and Wales. The water sector is unique in England and Wales, comprising regional monopolies (the water companies) who serve every household and nearly all businesses, and is undergoing substantial change².

Water companies are required by the regulator, Ofwat, to make information available to their customers on a wide range of subject areas, traditionally covered by their codes of practice. In the past, Ofwat approved Codes of Practice by comparing them against a set list of pre-determined features. More recently, however, it has started to take a risk-based management approach towards regulation and now states that companies should own their codes – and take responsibility for ensuring that they contain the right information.

In light of these changes - and since water companies usually develop their customer facing documents in consultation with CCWater - CCWater identified a need for new insight on customer expectations and needs around information which is provided by water companies in order to better reflect customer views when making representations to the companies.

In February 2015 CCWater commissioned Blue Marble Research to undertake this research.

2.2 Project aims and objectives

The following business objectives were outlined for this project:

- Water companies tend to develop customer facing documentation in consultation with CCWater and hence it is looking to create a benchmark against which to assess companies' codes of practice.
- To do this, CCWater needs to understand how household customers engage with information provided by their water company – and what information they need and expect to find.

This was realised through the following research specific objectives.

- To identify what type of information customers are likely to want from their water company relating to the areas typically covered in the codes of practice
- To understand how customers prefer to access this information i.e. via what channel.

² Non-households using more than 5,000m³ a year in England and 50,000m³ a year in Wales can choose who provides retail services; from April 2017 all non-households in England will be able to choose their retail service provider.

- To establish a framework for understanding how needs differ depending on the topic; and how they change depending on the situation.
- To provide an analysis of what information should be seen as 'core' to water company provided information, and what information is 'nice to have'.

2.3 Methodology

The research required a qualitative methodology, allowing respondents time to consider and deliberate information needs within different contexts.

Focus groups were considered to be the most appropriate method for the research, with the discursive dynamic enabling customers to share experiences and attitudes. Extended focus groups of two hours were used to ensure there was plenty of time to cover a range of different topics within each group.

Summary of methodology

- 2 pilot focus groups (conducted in Sutton Coldfield)
- 4 cognitive depths (conducted in Bristol)
- 10 focus groups x 8 respondents
- 6 locations (London, Reading, Weston-Super-Mare, St Asaph, Carlisle, Oldham)
- Each group lasting 2 hours

Respondents were asked to recount an occasion, using a pre-placement task that they brought along to the group discussions, where they had sought information from any utility company in the last two years. The purpose of this was to encourage respondents to consider situations where they have encountered a real-life information need, forming an important element of the 'warm-up' discussion at the beginning of the groups.

To aid engagement in the subject matter, stimulus material was developed to provide respondents with a range of scenarios to bring to life the context of different information needs. For the pilot groups, this consisted of a series of show cards arranged by topic (e.g. leakage, charges) with each show card displaying a short scenario (e.g. *Your water bill is a lot higher than expected, and you don't know why*). These short scenarios, however, encouraged respondents to shortcut to what they would do immediately to start a dialogue to get to their desired *outcome* of the scenario (typically telephone their service provider), without considering the *information needed* to reach that outcome. As such, the scenarios were altered for the main-stage research to form four extended versions, each of which covered a range of topics and encouraged respondents to consider their information needs in more depth. These much longer scenarios, found in Appendix (section 8), took a journey approach where respondents could consider information needs at every stage: *'then if this happened, what would you need to know...?'* These extended scenarios were tested via four cognitive depth interviews.

2.4 Respondent profile and sample structure

The sample was designed to ensure that it was broadly representative of water customers across England and Wales. The focus groups were:

- An even mix of males and females;

- Split out by broad age groups, and by socio-economic status – for the purposes of homogeneity and improving group dynamics and discussion;
- Spread broadly across 7 regions: Sutton Coldfield (pilot groups), London, Reading, Weston-Super-Mare, St Asaph, Oldham and Carlisle.

Mindful that the subject matter could potentially be abstract for respondents, we specifically recruited to ensure that:

- All respondents were water bill-payers;
- All had contacted a utility company with a query in the last 2 years.

The sample was also representative of customers with vulnerabilities which could impact on their ability to seek/ receive information.

- 9 respondents with English as a second language (ESL)
- 11 respondents from household with no internet access, to reflect the 15% of the population of bill payers without.

With these considerations in mind, we arrived at the following sample structure for the project.

Table 1 Sample structure

	Younger: 20-34 years	Middle: 35-54 years	Older: 55-69 years	Older old: 70-80 years
AB	Central London 3 x ESL Urban	Carlisle Suburban	Oldham Rural	Sutton Coldfield Rural <i>Pilot (viewed)</i>
C1C2	Oldham Rural	Reading Suburban 3 x ESL	Carlisle Suburban 2 x no internet	Wales – St Asaph Rural 2 x no internet
DE	Sutton Coldfield Rural 3 x 'vulnerable' 3 x ESL <i>Pilot (viewed)</i>	Central London 3 x 'vulnerable' 2 x no internet Urban	Weston Super Mare 3 x 'vulnerable' 2 x no internet Rural	Reading Suburban 3 x 'vulnerable' 3 x no internet

Definition of vulnerable respondents - all to be on low incomes and have 3+ of the following:

- Head of household unemployed
- Member of the household with a limiting long term illness or disability
- Living alone
- Living in social housing
- Low literacy or numeracy skills
- No access to the internet

- All household members being over 70 years
- Recent life event (e.g. bereavement, illness, accident, divorce)
- Large household size
- Single parent

2.5 Interpreting qualitative data

Qualitative research is employed when research objectives call for an exploratory and in-depth investigation of the complexities of attitudes and behaviour - specifically, in this case, to understand in detail the nuances in the way people seek and respond to information in different situations. Qualitative research results in a great deal of rich and detailed data about a relatively small number of individuals, which is in turn used to generate insights around consumer needs and the actions that can be taken to meet them.

Respondents in this study were selected to broadly represent a cross section of the population in terms of their socio-demographic characteristics. However, due to the limited sample sizes used in qualitative research, the study does not purport to represent the overall population in a statistically representative way. The ultimate theory and recommendations are born out of rigorous and robust analysis and interpretation of the qualitative evidence – making reference to the weight and strength of opinion observed across the sample where relevant, but without quantifying these.

3 How customers generally access information

Chapter summary

This chapter puts information needs for water customers into the context of finding and receiving information more generally. There are a number of relevant themes that emerge:

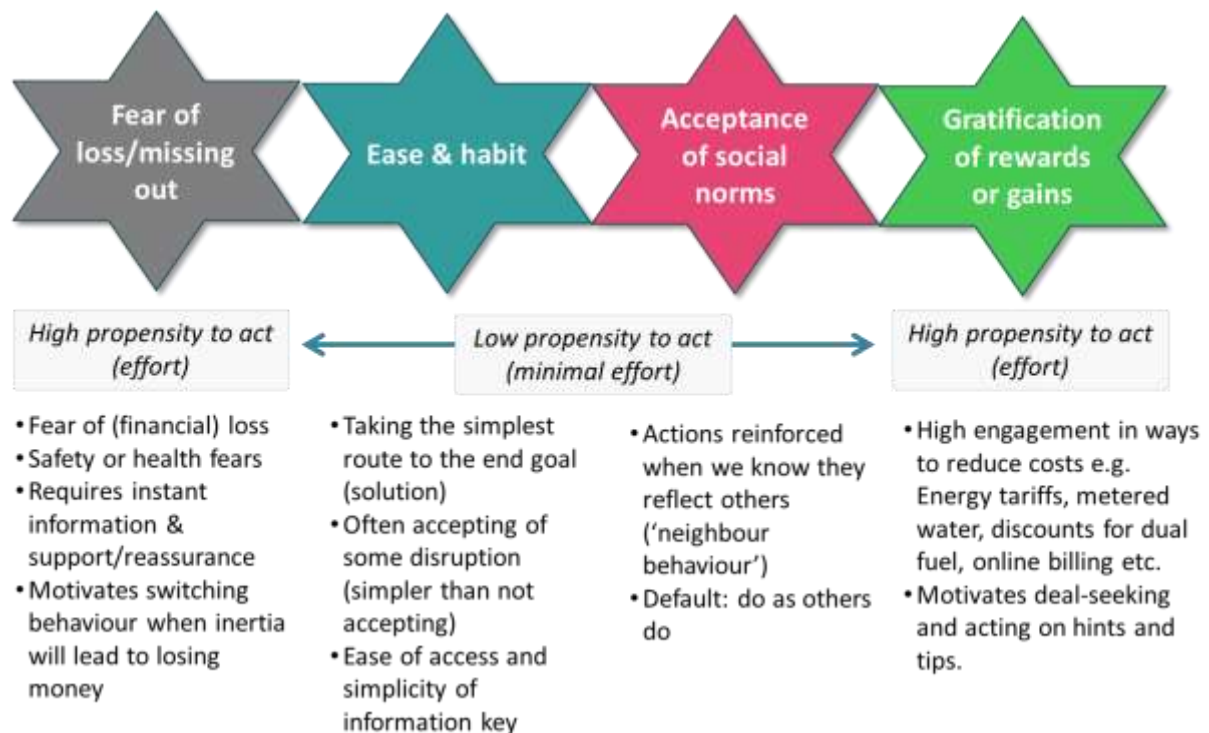
- Most people experience information overload in their lives and therefore **only absorb what is immediately relevant**.
- **The way customers access information is highly personal** and channel preference in a given situation depends on an individual's capabilities (their personal confidence, experience and digital behaviour).
- **People put effort into information gathering when motivated to do so:** core motivations are the fear of loss (money or service) or by a potential reward such as a bill reduction.
- **Customers perceive that companies are better at informing them about things that ultimately benefit the company than things that in benefiting the customer might also disadvantage the company** – such as discounts and deals. Information heard on the grapevine from unofficial channels (friends and family) is highly valued and trusted.
- **People are less well informed as water customers than they are as energy customers**, underlining the importance of information delivery in a sector where there is generally low awareness and engagement.

3.1 Consumer context: motivators affecting information needs

During the research, we observed four key human instincts (drawn from Behavioural Economics) that are pertinent to the way respondents manage their information needs day to day. The level of effort a person is willing to go to in order to seek information is determined by their motivation. Some motivations, for instance the fear of loss or the prospect of gratification or reward, are more powerful drivers of effort and action than others. This has important implications for understanding information needs: customers are far more likely to *actively seek* information in some situations over others.

The diagram below places these motivations on a spectrum. These different motivations are referred to throughout the report.

Figure 1 Spectrum of motivations affecting information needs



Broadly, customers encounter information in three different ways: information that they are motivated to *actively* seek, information that they *passively* receive and information that they chance upon. Each of these is considered below.

3.2 Seeking information

Respondents were required, via a pre-placement exercise before attending the focus groups, to think of an example of a situation in which they had sought information from a utility company.

The examples provided across the group tended to fall in to one of four broad categories:

- **Shopping for deals and switching provider** - examples in this category included respondents considering whether a dual fuel tariff might save them money, whether another energy or broadband provider might be able to offer them a better deal than their existing one, and negotiations with existing and new suppliers at the end of contract periods. In these situations, customers demonstrate strong motivation for seeking information due to the fear of financial loss, or the prospect of financial reward.
- **Problem solving** – i.e. needing information or advice about a specific issue and how to get it resolved. Examples included larger than expected estimated bills, intermittent broadband connection and liability for the costs of a water leak. The primary motivation here is fear of loss – be it financial loss, or loss of service levels. Respondents convey a greater sense of urgency in these situations, and quickly become frustrated if the solution is not forthcoming.

- **Account queries and transactions** – for instance wanting to cancel a service, reporting a damaged meter or finding out whether there is a credit balance.
- **General enquiries** – such as information on water saving devices, information on broadband speed, enquiries about hosepipe bans. Customers demonstrated very few examples of general enquiries during the research, particularly relating to water.

A common theme across all examples is that customers do not doubt the information they need is available, but rather make an evaluation of their experience based on how straightforward (or otherwise) the information is to find. Customers evaluate these situations as *service experiences* – and make their evaluation of that service based on a number of factors, as outlined in the table below.

Table 2 Features of successful and unsuccessful information seeking

Successful information seeking	Unsuccessful information seeking
<ul style="list-style-type: none"> ✓ Quick to access ✓ Easy to find ✓ One stop shop: one person, one click to find information ✓ Clear and transparent e.g. tariff comparisons ✓ Personal, relevant ✓ Ability to retain data trail/record of contact ✓ Trust the information is correct 	<ul style="list-style-type: none"> ✗ Slow, protracted ✗ Hard to find: <i>dead ends, blind alleys</i> ✗ Requested information never arrives ✗ Problems not solved ✗ Confusing e.g. tariffs hard to compare; bills difficult/impossible to understand ✗ Hard to communicate information need or interpret information provided: language difficulties, automated telephone (IVR), robot-like service

When recounting successful and unsuccessful service experience during the research, respondents drew on the theme of personalisation. Successful information seeking is characterised by a personal service and sufficient attention paid to the individual's problem. Unsuccessful information seeking, on the other hand, is when needs are met with a more generic, 'one size fits all' approach.

3.3 Receiving information

Junk mail, emails, pop ups, general info

Respondents have an almost visceral reaction when asked about information they routinely receive, and spontaneously begin talking about being bombarded with 'junk'.

"You get bombarded with all sorts of things after you've done internet searches [cookies]." Carlisle AB 35-54

"I think we are all conditioned to switch off." Weston Super Mare DE 55-70

"I've got about 100,000 emails – most of it is junk." Carlisle AB 35-54

The sheer volume of unsolicited material received means that many people simply ignore it all, or alternatively have developed shortcuts and strategies that enable them to quickly delineate 'junk' in order to bin/recycle/delete it without further consideration. These shortcuts include bright colours, glossy paper and a non-specific addressee (e.g. 'For the Homeowner'.) Bill inserts are included in this category.

"The bill would go in the file; the hanging-off stuff would go straight into recycling." Bristol AB 35-54

In a small number of cases, this type of information delivered via 'mass communication' does resonate, when it arrives at a moment that makes it timely and personally relevant, for instance material relating to an alternative provider when the contract renewal date is close.

Bills and other account information

Bills and account information, such as warranties and contract information are treated differently because they have direct personal relevance. Customers are motivated to store this information in the event that it is needed for future reference, such as a service dispute, and for security reasons – since this information often includes personal and sensitive details.

The way that this information is stored depends largely on personality. Some customers describe highly organised filing systems, while others 'pile' it together with other documents knowing that they can search and find it in the event they need it.

3.4 Information that is 'chanced upon'

Respondents give many examples of information they have received by chance, most often via word of mouth from friends and family. These frequently relate to ways of saving money. When information of this nature is received from someone that they know, people appear more likely to be tempted to act upon it. It is perceived to be 'tried and tested', and is therefore considered more trustworthy. Examples include:

- Receiving a Council Tax reduction if away from home for an extended period
- British Gas giving a £50 Amazon voucher to returning customers
- A rate rebate while in sheltered housing
- Saving money by switching to a water meter

Another motivation for acting on information that is chanced upon is the satisfaction and gratification in '*getting one over*' big companies. These examples tend to involve customers chancing upon information that puts them in a position of power over the company through having the 'inside track'. It is usually assumed that this is information the company would not have wanted the customer to know. Examples in the research included:

- Hearing that if a customer threatens to leave their broadband provider, they will be offered a discount or deal to keep their custom
- Hearing through viral social-media about mispriced products in Tesco

“See, nobody tells you this!” London DE 35-54

“Every now and then they [Sky] have specials, but you have to call and ask for it.” London DE 35-54

3.5 Channel preferences

The research identified that an individual’s personal capability (described below) is the primary driver for channel choice with the type of information need being secondary.

For many individuals, their general confidence and adoption of digital channels means that they have ‘high capabilities’ when it comes to information seeking. For them, the selection of channel depends on the nature of the problem. They have the personal skills to use multiple channels to suit their circumstances at any particular time, in order to achieve access to the information they need in the most effective way.

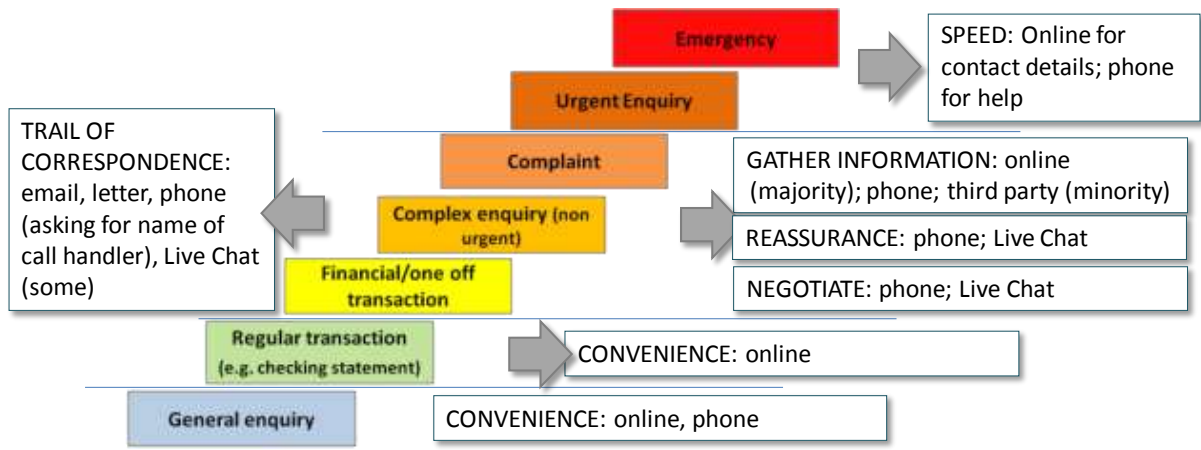
The diagram below illustrates how channel is selected based on the need of these individuals in each context. For instance, when making a general enquiry or regular transaction, convenience is key – so online or phone is likely to be selected. When making a complex enquiry, on the other hand, having an audit trail is important therefore written correspondence is often preferable.

“If I want something instantly, I’ll phone. If I’ve got time, I’ll go online. You’ve got time to think, time to evaluate, you don’t have to make an instant decision.” Carlisle AB 35-54

“I usually use the net up to any point that I can and then when it gets out of hand I use the phone” London, AB, 20-35

“If I know nothing is going to happen then I’ll leave something horrible on their Facebook page” London, AB, 20-35

Figure 2 Channel preferences of higher capability customers

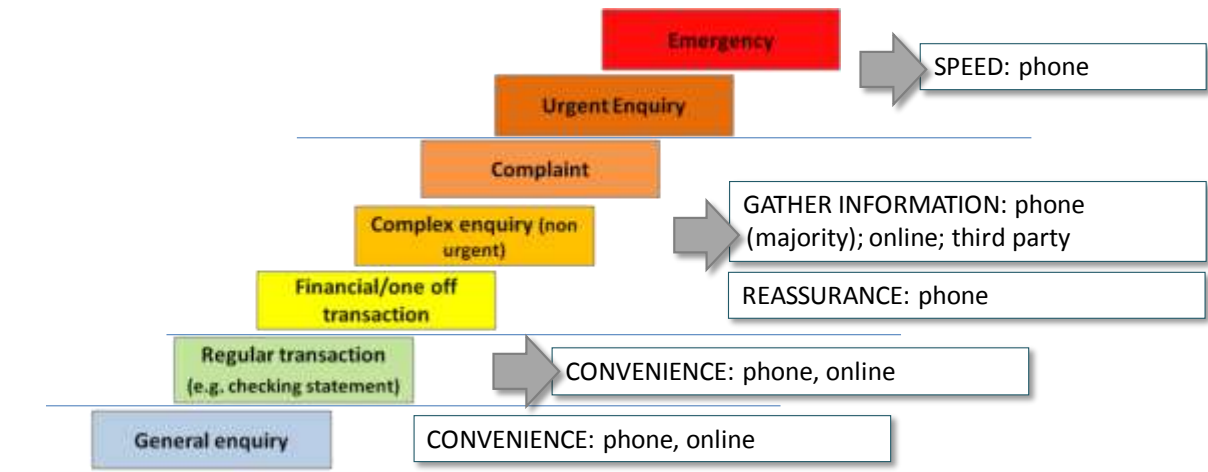


Others, however, demonstrate 'low capabilities'. In these cases, channel selection is based more on personal factors e.g. confidence, channel adoption and preferences rather than on the nature of the problem. As a result, many will default to face to face or telephone contact because of the perceived reassurance that person to person contact provides. In some cases, a known and trusted intermediary may be used, such as a family member or organisations such as CAB.

"You get a sense of security speaking to an actual person." Reading C1C2 35-54 (English as a second language)

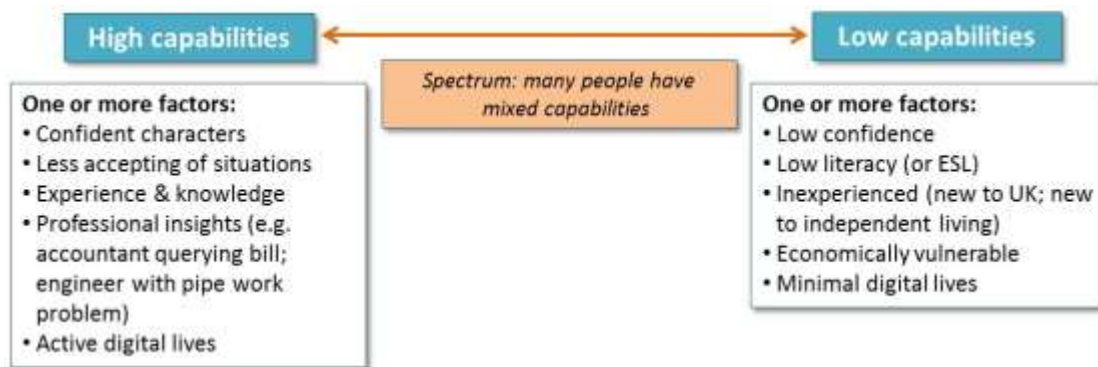
"I personally like the old fashioned touch. I phone up." Bristol DE 55-70

Figure 3 Channel preferences of lower capability customers



Level of capability is, of course, a spectrum – and is marked out by characteristics such as personal confidence, previous experiences and digital ability. The diagram below identifies the various factors that can determine where on the spectrum someone's information seeking capability lies.

Figure 4 Spectrum of characteristics affecting capability to seek and receive information



Capability is not necessarily correlated to socio-demographics. As the following verbatim illustrates, people who conveyed high capability in information seeking came from both ends of the socio-demographic spectrum.

"I'm an accountant...how did they come up with that figure?!" London, AB, 20-35

"We always complain if we are unhappy and think a company has fallen below standards." Reading, DE, 70-80

3.6 The customer mind-set: comparing water to other utilities

When it comes to information needs, respondents demonstrate a different mind-set in the context of water compared to other utilities.

Because customers have the power of exit in a competitive energy market, more tend to be engaged energy customers. They demonstrate high levels of engagement and consideration of their bill and of the service they receive. Respondents commonly provide examples of scenarios where they have actively sought information to questions they know to ask in this sector, for example details of different tariffs and prices. They are vigilant, commonly demonstrating low levels of trust.

When it comes to water and sewerage, on the other hand, there are few examples of customers actively seeking information, and few questions they know – or think - to ask. Customers demonstrate low engagement with this market because unlike other utilities, they have no control over their provider. As a result, they default to the position of trusting their water provider to do right by customers, and demonstrate less guarded and vigilant behaviour. It also puts them at a natural disadvantage because there are many cases when customers simply do not know to ask questions of their water and sewerage provider.

The original objective of this research was to understand information priorities i.e. what information is *core* to customers and what can be termed *non-core*. However the research revealed that this classification does not reflect the customer mindset precisely because they are not engaged in their water services: for customers, all information was 'non-core' most of the time; while any information could become 'core' in a given set of circumstances. As a result, the categorisation of core and non-core information needs is re-defined to

consider the distinction between what customers *know to ask* and *don't know to ask*. Some of the latter category will be of little interest to customers outside a very specific, narrow set of circumstances, raising questions about whether companies need to provide this information as a matter of course. This ultimately provides a new framework for the way Code of Practice information is presented to customers, and has important implications for how and when it is delivered, and who should take responsibility for making the information known – the customer or the water company.

“To be honest I don't know anything about the water company. I know I've got a book and I know I pay my money. I know I've got a meter but I don't know how it works.” Bristol DE 55-70

“I've got no option to be with them anyway. If it was from gas or electric that's different as it's an open market, I can take my gas or electric from anyone.”
Bristol C1 40-55

4 Response to current Water industry Code of Practice information

Chapter summary

This chapter reveals that customers are unfamiliar with the concept of Code of Practice information and that they question the relevance of the full suite of Code of Practice information for customers:

- Customers act on instinct: they feel they can judge when service is sub standard and act accordingly, regardless of published service standards.
- Publishing codes of practice, rather than looking transparent, is perceived to be a back-covering exercise for companies.
- Exposure to actual examples of codes of practice confirms suspicions that companies are hiding information in lengthy documents and complex text.
- Other than legal Terms and Conditions clauses, Code of Practice information is unfamiliar and is seen by customers as something which is not written for them.
- Large, all-encompassing documents look old fashioned: like offering Encyclopaedia Britannica in the age of Google. Instead, customers now expect to be able to access information at the point of need and via the channel of their choice.

Context

All water companies publish their Codes of Practice on their websites. These are in a range of formats, from a single document to a series of leaflets. Some companies have already researched their customers' views on how they prefer to receive various types of information. Each Code of Practice covers broadly the same set of topics, relating to most aspects of the water and sewerage service, such as how to get a meter or a new connection, charging and billing and what happens in the event of an incident, such as a supply interruption, flood or water quality complaint. Customers' needs for, and interests in, this will vary and this research aimed to find out more about their priorities.

As part of the research, a selection of existing hard copy documents and online Pdfs were shown briefly to help respondents to understand the type of information that is included in water companies' Codes of Practice. Although not an objective of this research, participants naturally commented on the format as it was presented. Primarily, however, the discussions revealed a number of insights about customers' expectations regarding Code of Practice information.

Findings

Customers clearly have an expectation that companies have minimum standards that they are obligated to abide by however they demonstrate little familiarity with the concept of a Code of Practice. A Code of Practice is considered to be for internal use, 'behind the scenes', and not something customers would expect to be told about as a matter of course. Indeed, respondents could not recall seeing the Code of Practice from other sectors and therefore could draw on no familiar equivalent (beyond contractual Ts and Cs) from other service providers they have.

Few see the relevance of a Code of Practice document or documents dictating when service standards have, or have not, been met. Ultimately, customers act on instinct and will seek assistance when they feel they are receiving sub-standard service: they do not require a 'rule book' to check if their issue is legitimate. Indeed for many, the idea of receiving information about agreed service standards sends alarm signals that the company is 'covering its own back' rather than looking out for their customers.

"You don't really need the [Code of Practice document]; if you have a problem you phone them up and tell them." Wales C1C2 70+

"I would just phone them and say 'look, this is happening, we need to sort it out; I don't care whether you came and I wasn't in or not, when are you coming?' So I wouldn't be bothered about that information." Reading C1C2 35-54

"During [it] you don't care about compensation due, you might care about that afterwards. While the emergency is on you don't stand there while your house is burning thinking am I going to claim on the insurance. It's more practical things that you want to know while the emergency is on." Oldham, AB, 55-69

The perception that companies are 'covering their own backs' is amplified when - as a way to introduce them to what the codes of practice might cover - customers are presented with examples of single Code of Practice documents from a number of water companies. Their spontaneous reaction is consistent:

- The volume of information is too great
- The language is too technical and hard to read
- They are perceived as opaque, rather than transparent – 'are companies intentionally trying to make this information difficult for me to find?'

"They're burying what you want, aren't they?" Oldham C1C2 55-69

"They're covering their backs?" Oldham C1C2 55-69

"What they are doing is saying 'we've printed it but you can't be bothered to look for it' – they're not going to put that on the front of your bill because they don't want you saving money really." London DE 35-54

Some customers question the relevance of a Code of Practice as a discrete document or series of documents, given they have never had cause to seek information of this kind and cannot anticipate needing to in the future.

"In 30 years I haven't had any occasion to need to Google anything to do with water."
Carlisle AB 35-54

For the majority, Code of Practice information appears to be abstract, unlikely to be useful or relevant, and acknowledge that they'd be more likely to 'google' at the point of need than reference a hardcopy document.

"Most of the stuff in there is not going to happen to you is it If you keep every piece of paper that came through the door you'd need another building."

"It's easily available online if you wanted to find some information." Weston Super
Mare DE Younger

Moreover, some customers are concerned about the potential for some groups of customers, for instance the elderly, to be put at greater vulnerability by the perceived inaccessibility of these documents.

*"Where would someone like an old age pensioner that's fragile get this information"?
Are the water companies doing their job?"* Carlisle C1C2 55-69

Across the research customers made reference to wanting 'bite size' information, wanting to be able to search online for an answer to their specific question, or receive this information over the phone. Customers have an expectation that this information will be readily available to them *if or when they need it*.

"If I had a problem, I don't think I'd even remember that I'd been sent this. I'd just get on the phone or live chat." London AB 20-34

"You need basic information and then if you have a problem, who to contact. Once you've contacted that, whether it's online or whatever, then you can be branched off."
Oldham C1C2 55-69

5 Customer information needs: what, when and how?

Chapter summary

Through the use of scenario stimulus, this chapter highlights that water customers want timely and relevant information as part of good customer service:

- Customers are able to take responsibility for seeking information when there is an immediate or specific need affecting their lives (such as a problem with supply or a bill query) and they know what to ask.
- Customers expect responsive customer service to deliver clear and practical answers to their questions – and via their preferred channel.
- However customers have knowledge ‘blind spots’ and cannot take responsibility for asking for information about matters they are unaware of: there are situations where the customer would benefit from water companies providing relevant information, unasked.
- Code of Practice information relating to service standards and guarantees is only relevant when it relates to a specific issue facing a customer.

5.1 Extended scenario stimulus development

One of the key challenges for this research was how to ask water customers to anticipate their information needs in relation to various situations that they may never have experienced first-hand. For the piloting phase, the initial approach was to show respondents simple scenarios e.g. *you have a leak on your property*. Respondents however, when imagining themselves in this scenario, were seeking a solution rather than information: their primary concern related to the service provided by the water company and the information they might need was a secondary consideration (or in many cases, completely irrelevant).

Following the pilot, a series of extended scenarios were developed to enable respondents to imagine themselves in more protracted situations where they might require Code of Practice information. The scenarios were designed in collaboration with CCWater to reflect a range of situations of varying urgency and covering many different issues including: poor water quality; financial hardship, supply failure, meter installation, leaks, billing enquiries etc. Prior to the main stage of fieldwork, these extended scenarios (show cards can be found in the Appendix) were tested cognitively with a small number of water customers to check that they were both easy to understand and elicited the desired response i.e. elicited real information needs.

The original objective had been to understand what information is *core* to customers and what can be termed *non-core*. However the research process of using extended scenarios to elicit unprompted needs revealed that this was not a classification that

customers found intuitive. All information was 'non-core' most of the time while any information could become 'core' in a given set of circumstances: therefore what could be termed core and non-core was entirely dependent on the situation (and in the research context, the effect of this was for respondents to classify all information as 'core' on the basis that you may need it at some point in the future). Hence, a more relevant distinction emerged to classify information needs:

- The questions customers know to ask when in need of assistance (**Know To Ask**)
- The information that customers do not know to ask for (**Don't Know To Ask**)

5.2 Scenario A – covering billing, service standards, complaints and leakage

This scenario imagines the arrival of a bill that is double what was expected, prompting the customer to call the company to query why. The company asks the customer to check the meter in the first instance and then to have an engineer come to read the meter. There is an issue with the engineer not keeping the appointment time. Ultimately the meter reading points to a leak on the pipe accounting for the high bill.

This scenario creates a situation where customers' reactions are motivated by the fear of losing money. Most would make contact with their water company in the hope of finding that the large bill is incorrect; but the underlying fear is that the bill is right and therefore the customer is unexpectedly worse off. Considering this to be an urgent enquiry - and feeling stressed by the situation – the majority of customers would instinctively pick up the phone, while the more tech-savvy would go to Live Chat. The least confident (and from the oldest sample group of customers aged 70+) would prefer face to face assistance in this situation – but knew this would be unlikely.

The way water customers respond to this scenario demonstrated that:

- People have no difficulty in seeking assistance in a stressful scenario. Using channels that offer personal service, they ask questions about how the situation will affect them: *Was the bill estimated? How do I check the meter? Do I have to pay this bill? Am I responsible for the leak? When will the meter reader come?* (i.e. questions they **Know To Ask**)
- There is additional – or secondary - information that is not perceived to be relevant in the heat of the moment, but which might be pertinent when the cause of the high bill has been confirmed as a leak on the customer's supply pipe. At the point of confirming the situation, customers would value additional information from companies about the leak allowance and the repair process, plus specific queries: *Does my household insurance cover the pipes? Who will fix the leak (approved suppliers)?* (i.e. questions customers, perhaps at a later stage, **Know To Ask**)
- Customers would find additional information potentially beneficial - but they would not know to ask for it. This might include, for instance, knowing about the leakage allowance. (**Don't Know To Ask - but would benefit from knowing**)

- Information about service standards, complaint procedures and compensation arrangements was not seen to be relevant here. Customers perceive the problem in this scenario can be dealt with satisfactorily via responsive customer service and it would not occur to them to think about legal or contractual requirements. (**Don't Know To Ask - not seen as relevant**)

5.3 Scenario B – affordability, metering and charges

In this scenario the customer finds themselves struggling to pay their household bills and thinking of ways to reduce outgoings – including water and sewerage costs. A call to their water company leads to a conversation about meters. Furthermore, a friend tells them that their bill went down after a water meter was fitted. An engineer is arranged to inspect the property's suitability for a meter followed by a wait of 4 weeks for the meter to be installed - which seems too long. Six months later the meter has not reduced the bill by as much as the customer has hoped and the original problem of affording the bill is as acute as it was at the outset.

For the majority of water customers it is difficult to identify with getting into water debt and this issue is treated as a problem originating from the customer rather than the water company. The scenario includes various aspects that would be seen as low stress enquiries for most people e.g. arranging for a meter to be fitted. However, the sample included people on low incomes who could identify with the real financial pressure on household budgets and for these people the scenario reflected a more urgent and therefore stressful situation.

People falling into the more capable customer profile responded differently to the more vulnerable or 'low capability' typology: they wanted to find out about ways to save money by saving water; they wanted to compare their bill with their neighbours to get a feel for whether their water usage is out of kilter with others; and they may even try negotiating with their water company to reduce the bill level. These 'higher capability' customers would use both phone and online channels to research the problem themselves before contacting the water company. The lower capability sample, feeling the urgency and stress of this scenario, would make direct contact with the water company – usually via phone. It was also evident amongst this group that information about ways to reduce bills and/or the availability of special assistance is widely shared via unofficial channels e.g. amongst friends and within families.

The way water customers respond to this scenario demonstrated that:

- There are some key questions that customers would know to ask in this scenario: *Will I be better off on a meter? Can I revert to unmetered bills if I'm not better off? Is there a charge for having a meter? Will the installation be disruptive?* (**Know To Ask**). Their choice of channel to answer these questions depends on how urgent they perceive the situation.
- Customers in this situation would find additional information on tariff options potentially beneficial - but they would not know to ask for it. This would include understanding the financial help available for those struggling to pay, special

tariffs, discounts or rebates and access to debt advice. Respondents offered examples of people they have known who have felt unable to seek help when they could not pay resulting in the debt spiralling. These stories raised the question of responsibility and whether the water company should be proactively seeking to help customers who have missed a bill payment. The research also illustrated that some water customers are confused about metering and have rejected it in their own minds but might benefit from a more accurate understanding. (***Don't Know To Ask - but would benefit from knowing***)

"You just feel it should be their duty to take care of things."

Reading C1C2 20-35

- Information about service standards, process for meter installation, complaint procedures and compensation was not seen to be relevant here. For most customers the elements within this scenario are a long way from becoming the serious breach of trust that might require seeking information on service standards or compensation if these are not met. (***Don't Know To Ask - not seen as relevant***)

5.4 Scenario C – unexpected interruption, water quality, complaints

In this scenario there is an unexpected supply failure affecting the neighbourhood – including an elderly neighbour – and the call centre is constantly busy. The water is off for 8 hours and the local shops sell out of bottled water. When the water returns 8 hours later it is cloudy and further attempts to call the water company are in vain as the line is still busy.

Although clearly a major incident for the water company, people said they would feel calm in this situation primarily because this is an event affecting a whole neighbourhood and people feel secure in numbers. Respondents anticipated two things that also make a dramatic situation relatively low stress: first that it would be temporary and second, that the water company would already be aware of the supply failure and dealing with the problem.

How customers respond to this scenario is affected by social norms: while everyone is affected and no one is in danger people feel secure. Indeed, the more capable type of customer would not feel the need to make direct contact with the water company, but instead would speak to neighbours, tune into local radio, check the website - and some would appreciate text updates if these were available. The less capable would also rely on the immediate community for information during the event, but would expect and feel reassured to see water company staff 'on the ground' too.

"We had a burst pipe and were without water for 2 days. They were very good with an automated phone message. We didn't need to go online"

Reading C1C2 20-35

The way water customers respond to this scenario demonstrated that:

- There are some key questions that customers know to ask: *How long will the stoppage last? Where can I access water? Can I drink or should I boil the cloudy water?* (**Know To Ask**)
- There are secondary questions that occur to a minority of people e.g. *will there be compensation?* However few would expect to seek out the answer to this particular question: instead they assumed that if compensation was due it would appear automatically on the next water bill. (**Some Know To Ask, many don't**) Some customers would find additional information potentially beneficial - but they would not know to ask for it. This might include information about any special arrangements for the vulnerable and the existence of the Special Assistance Register. This needs thoughtful customer service to establish the need of a potentially vulnerable customer: if they are concerned enough to make contact it suggests they are at least feeling vulnerable and initially need information and reassurance – as far as can be given at that point in time. (**Don't Know To Ask - but would benefit from knowing**)

"It's the people who can least afford to pay who often ended up paying the most, because they don't know what to do. I think people need to be aware of individual circumstances, so you know this lady is blind, she needs help, get the help to her."

Carlisle AB 30-55

- Information relating to: published procedures for unexpected incidents; water quality complaints process; minimum service standards; and compensation if these are not met, were not top of mind. (**Don't Know To Ask - not seen as relevant**)
- Respondents considered the implications for an alternative scenario which involved a sewage leak (rather than water supply failure) and affected a single household (rather than the neighbourhood), and reactions were very different. People acknowledged that this would present a much more urgent and stressful scenario requiring a very speedy response from the water company. In this instance, and on the assumption that the problem lay with the water and sewerage company rather than the householder, information relating to complaints, compensation and even details of an industry ombudsman were much more relevant.

"What's happened? Why has it happened? What are you going to do about it? Get rid of it NOW!" Carlisle, AB, 30-54

5.5 Scenario D – water pressure, pipe work, complaints

In this scenario the water pressure drops and it is taking much longer to run a bath. A neighbour is also affected and there is building work ongoing nearby which might have something to do with the drop in pressure. An engineer visits but the pressure is found to be within the acceptable limits. A few months later, a higher than expected bill reveals that there has been a leak which was not detected when the engineer visited previously.

This scenario was not perceived to be particularly urgent and the envisaged level of stress was reduced knowing that the problem was not specific to one individual but to neighbours' properties as well. The trigger to seek information would be driven by fear of loss – in this case receiving a reduced level of service. The higher capability typology would seek information by going online and Googling to find out possible reasons for water pressure to drop and to understand whether the problem related to their own pipes or those of the neighbours – or to the water company. Those with lower capabilities were more inclined to pick up the phone to the water company or a plumber without attempting to diagnose the problem further. Illustrating the low levels of knowledge that many, particularly younger, consumers have about water services, many automatically assumed that reduced pressure would be the householder's problem and would therefore call a plumber rather than the water company to achieve a solution.

"I wouldn't even link the two. I didn't even make the connection. I just thought the plumber will fix it." London, AB, 20-34

"I don't ever think 'what's happening?' I kind of go 'who should I call to fix it?'" Thames, AB, 20-34

The way water customers respond to this scenario demonstrated that:

- There are some immediate questions that customers know to ask: *How long will the pressure be low? Why has it dropped now? Is there a leak? If so, am I responsible for it? How can I get it fixed?* (**Know To Ask**)
- There are secondary questions that occur to some people (usually those on the higher end of the capability spectrum): *Do I share pipe work with other properties? How can I increase or maximise the pressure? What can affect water pressure?* (**Know To Ask**)
- Customers would find additional information potentially beneficial - but they would not know to ask for it. For some, this would include information on shared pipe work or simply knowing that the water company is the first place to call. Similarly, in areas where the pressure is known to be affected, it would be useful for customers to understand why – and what the minimum acceptable pressure is. This scenario was much more likely than the others to lead customers to think about their right to complain and whether they have grounds for complaint – and potentially therefore also information on the process of doing so. That said, customers are more likely to simply complain to the water company than to find out the process of complaining first. (**Don't Know To Ask - but would benefit from knowing**)
- Additional information may become relevant to some customers at some point – but was not seen as important to the majority e.g. understanding supply pipe ownership and the leak repair process. (**Don't Know To Ask - not seen as relevant**)

This was the only scenario in the research that would prompt customers to feel dissatisfied with the service: they were left with a reduced service and with no

explanation. However, this did not prompt the need to understand minimum requirements or legal obligations; instead customers said they would simply make a complaint when service has fallen below the standards *they* expect to receive, irrespective of what may or may not appear in published service standards.

5.6 Scenarios relating to life events

Scenarios were also included to explore information needs when customers find themselves in particular circumstances, such as moving home or facing financial difficulties. These scenarios provide water companies with opportunities to engage with customers at the point at which the information has relevance. In the wider context of information overload and customers screening out most of the communications around them, these events represent moments when people are more receptive to targeted information and companies have an opportunity to engage with them at that point in time.

In a moving home scenario:

- Customers were able to ask for information about their immediate needs: *How do I set up a direct debit? When will I receive the first bill? How do I provide a meter reading on moving day? Am I on a meter? (Know To Ask)*
- But there are other potentially relevant areas that water customers are not equipped to ask about because they are not aware of their need for it e.g. how metering works or if unmetered whether they might be better off on a meter at the property, supply pipe ownership, practical information about water usage which many (often younger) would find of value to them. Indeed, some respondents who had been wrong-footed by their ignorance when living independently for the first time (or living in the UK for the first time) were very keen to receive basic information, perhaps in the form of a welcome pack, to avoid confusion about e.g. billing arrangements. ***(Don't Know To Ask - but would benefit from knowing)***
- Younger customers particularly desire this type of information to be available in online and/or highly visual formats (rather than lots of text). This is important for people with English as a second language but also reflects that in lives bombarded with communication, people want to know that the important and valuable information will 'cut through'.

"If I received a booklet saying 'Renters in new flats' or something then maybe I'd read it 'cos it's not that whole booklet of legal rubbish [referring to a detailed Code of Practice booklet] that I might never need - hopefully." London, AB, 20-34

"If they could do all that on an app I'd have the app on my phone, definitely." Carlisle, C1C2, 20-34

"I didn't know about any of this stuff. All of these questions would've been really helpful." London, AB, 20-34

“Really dumb it down: what do I need right now?” London, AB, 20-34

In a financial hardship scenario:

- Customers were conscious that they might not be asking for assistance in this situation – but trying to cope alone. This raised questions about whether the water company should take responsibility for communicating with the financially vulnerable – or whether it is the individual’s responsibility to seek assistance. It also raised questions about the role of independent organisations such as CCWater or debt agencies to inform customers about the help that is available from water companies.

The scenarios illuminate the following:

Customers know what to ask when there is an immediate or specific need. They are able to take responsibility for seeking information which is usually couched in questions such as: can you assist *me*? How will it affect *me*? What do *I* do next? Customers expect responsive customer service to deliver clear and practical answers to their questions – and via their preferred channel.

However customers cannot take responsibility for asking for information about matters they are unaware of and there are situations where the customer would benefit from additional relevant information. For instance, customers making contact to find out how to set up a direct debit for their new home may benefit from also hearing about the advantages of a meter or in certain cases, supply pipe ownership.

Customers do not expect to need more formal Code of Practice information such as service standards and guarantees. However in some specific circumstances these will become relevant and therefore need to be communicated in a very consumer-friendly way (plain English, jargon-free, visual, across channels).

Customers also have information needs at certain times in their lives but cannot take responsibility for asking for information about matters they are unaware of.

Water companies need to take responsibility for identifying customers with particular vulnerabilities and then conveying information that customers wouldn’t know to ask at the point at which they could benefit e.g. special tariffs for those experiencing financial hardship; basic information about billing or metering to those new to independent living.

6 Implications for the industry: outlining strategies for delivering the types of information in codes of practice

Chapter summary

This chapter introduces three strategies that form the recommendations of the research to the industry.

These strategies reflect the current mindset of most water customers who assume companies will provide information in an accessible way at the point of need. The strategies also reflect their expectation that companies should take responsibility for informing customers – and not put the onus on customers.

The research indicates that there is a wider reputational benefit for companies to take a more proactive approach to information provision.

6.1 Building trust and goodwill

This research and its findings have relevance for the broader issue that the industry faces: building goodwill and trust with its customers within the context of a monopoly market and at a time when there is much cynicism about ‘big business’ in general – and particular issues of low awareness and engagement in the water industry.

Trust is multi-faceted, with various dimensions that together build consumer trust for organisations^{3,4}. We identify two particular dimensions where effective information delivery is an essential ingredient:

- **Level of confidence about the honesty and integrity of the organisation:** this research found that the traditional format (typically a lengthy, detailed document), which many companies have started moving away from, works in opposition to this dimension by making the information appear ‘hidden’ from the customer, and by making it the customer’s responsibility to find. More timely communication of situation-specific Code of Practice information has the opportunity to build customer confidence about water company honesty, integrity and customer-centricity.
- **Perceived empathy and benevolence toward customers:** again, the traditional format of the Code of Practice information works in opposition to this dimension by not proactively targeting specific information that the customer may stand to benefit from hearing. Information that is delivered to targeted groups of customers, whose circumstances dictate they may have a need for it regardless of their awareness to ask for this information, can demonstrate that water companies really know their

³ *The Role of Trust in Relationships: SSCP Europe Business School*

⁴ *Consumer Trust and Confidence: Some Recent Ideas in Literature. University of Surrey and Water Environment Technology, Chalmers University (Goteborg, Sweden)*

customers, and moreover that they will act in their favour – that they care. (NB: it is acknowledged that companies have been moving away from lengthy Code of Practice documents in recent years.)

The exploration of different Code of Practice information has highlighted a level of expectation that customers have in the water industry to apply compensation and adhere to service standards automatically. This assumption helps to explain why:

- Customers perceive that general service standards and compensation information does not need to have a high profile in water company information provision strategies.
- That in a service driven event, customers are not interested in information about the kinds of processes which do not change or affect their immediate situation; or background information about industry legislation.

6.2 Principles underpinning information needs

The research demonstrates that there are essentially three different types of scenario where customers need Code of Practice information:

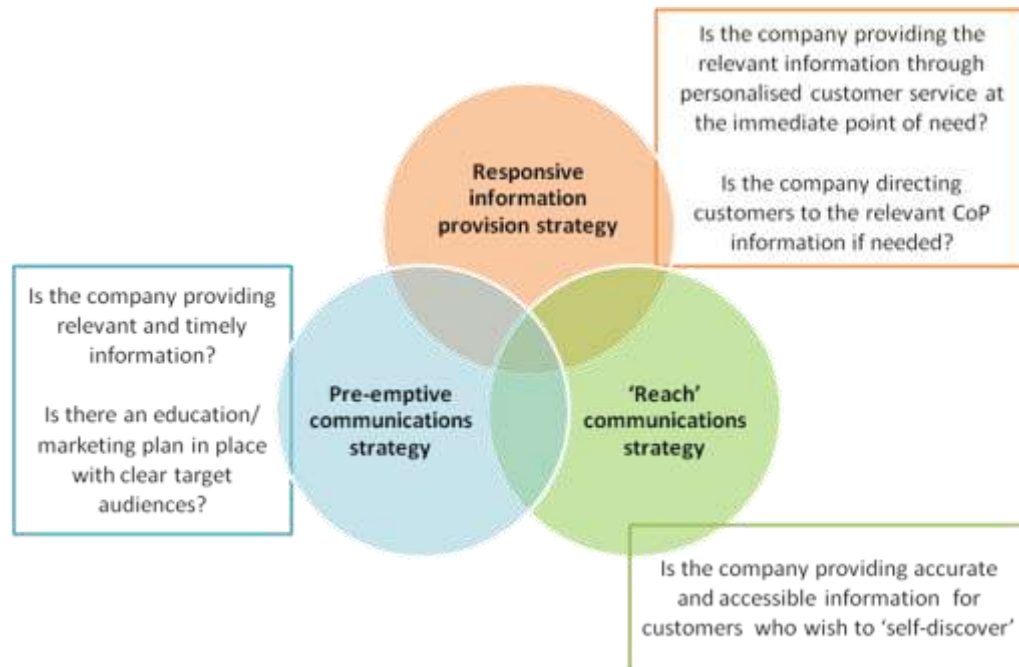
1. **Scenarios where the customer has a need that is triggered by a service event:** the analysis of the customer response to the scenario stimulus clearly illustrates that in some situations the customer is motivated by the fear of loss or the potential for reward. There are immediate questions that the customer instinctively knows to ask, which tend to be outcome orientated (*e.g. When will it be fixed? Who is going to pay for it?*), hence customers evaluate this as a customer service response.

However, the research illuminates that there is relevant Code of Practice information that customers do not know to ask for.

2. **Scenarios where the customer has a need that is triggered by a key life moment or personal circumstances:** these are scenarios where the customers could benefit from receiving information (e.g. about the Special Assistance Register or social tariffs), but do not know to ask for it.
3. **Scenarios where customers are prompted to self-seek specific Code of Practice information from water companies:** either because they are experiencing a problem that is not being resolved or when they want find information themselves ('self discover') about some aspect of the service – perhaps before making personal contact with their water company.

Three strategies are required to address these different types of scenario, shown in **Figure 5:**

Figure 6 Outline of three strategies



1. The first requires a **responsive information provision strategy**: providing timely and relevant information at the point of contact or need in response to questions the customer knows to ask. The strategy includes following up with any additional (relevant) Code of Practice information that the customer could benefit from knowing.
2. The second requires a **pre-emptive communications strategy**: communicating targeted Code of Practice information – when it is relevant - by anticipating information needs for customers in key life moments even if they have not made contact with the company.
3. The third is a **'reach' communications strategy**: enabling customers to search and find accessible Code of Practice information in the rarer circumstances when they are prompted to inform themselves of specifically relevant Code of Practice information.

These strategies are inter-linked. A customer may search independently for information (reach) which leads to direct contact with the call centre (responsive). The intelligence gathered by the water company on that call may in turn lead to proactive communications on a separate, but relevant matter (pre-emptive). Additionally, each strategy feeds directly in to building the dimensions of trust outlined in section 5.

With regards to channel, this research shows there is no 'one size fits all' approach to information provision. People are complex, as are the many situations in which people might need information from their water companies. Water customers are clear about their

expectations for good customer service experiences that meet individual needs. Moreover it is clear from this research that we live in a multi-channel world that is rapidly evolving, where people expect to be able to use the channel of their choice. We do, however, observe patterns in channel preference in each of the strategies.

6.3 Applying strategies to Code of Practice information provision

Chapter summary

This chapter details the three strategies that form the recommendations of the research to the industry.

The analysis that has informed these strategies is borne out of many hours of discussions with groups of water customers. Customers draw from their wider experience of being consumers across many sectors and naturally do not take into account industry-specific factors – such as the size of their water company. It is right to acknowledge, therefore, that the implications of implementing these recommendations will vary by water company – and that many companies will already adopt the various approaches contained within the strategies.

The three strategies form the basis of a framework for delivering Code of Practice information.

6.3.1 The responsive strategy

This made up of three elements:

1. Responding to *known unknowns*: the customer makes contact to raise a specific issue with the water company, and has questions they want answered. The company responds to these with immediate customer service. Hence providing the information that helps a customer in their immediate situation should take priority.
2. If the customer could benefit from further Code of Practice information relating to this particular issue, now is the time for the company to deliver it. This would include information that the customer does not know to ask for (*unknown unknowns*).
3. Timing is important. In the event that the situation becomes protracted, this is the moment when customers should be given information about the relevant aspects of the Code of Practice. This is termed ‘customer service plus’ because the company is being proactive in providing additional, relevant information that the customer is unlikely to ask for directly.

Figure 7 Responsive strategy

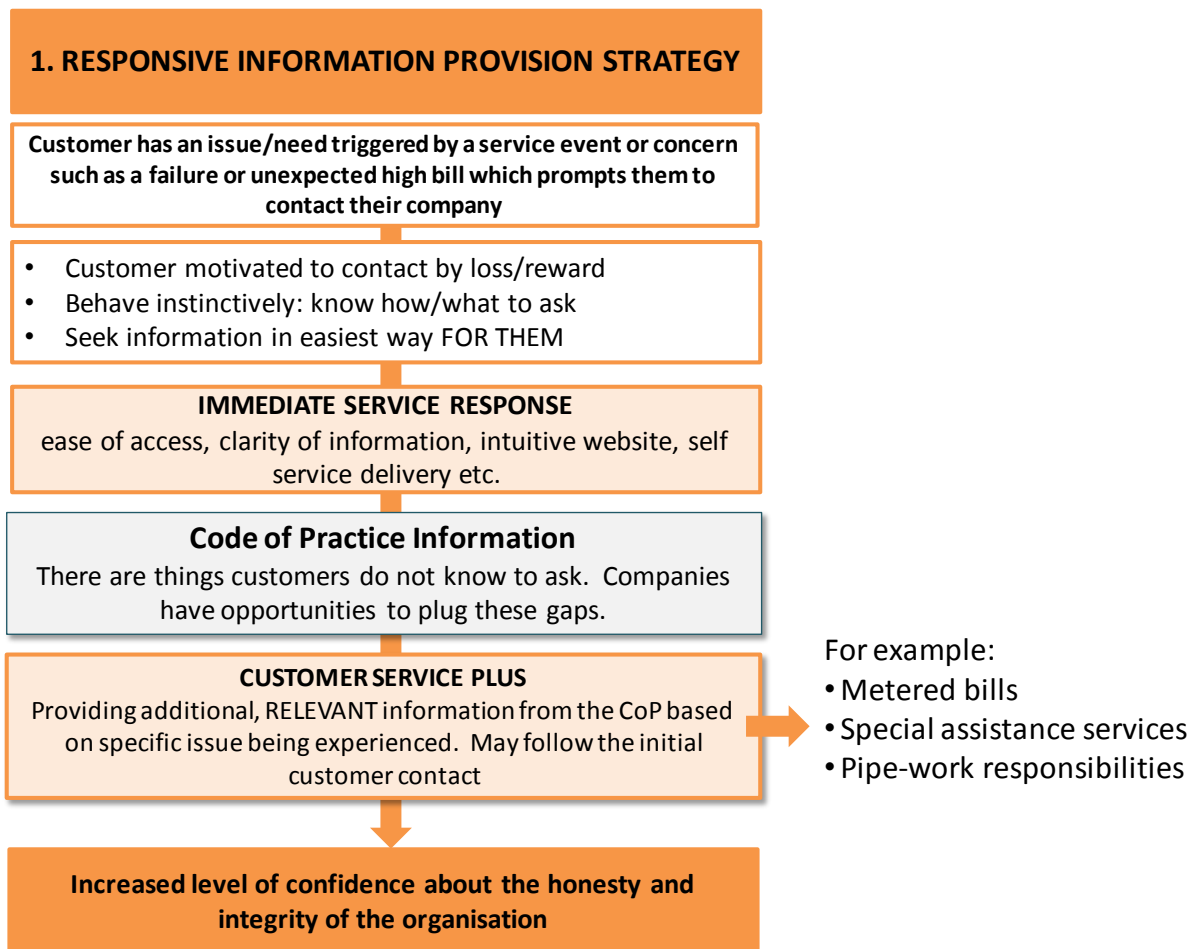


Figure 8 illustrates this strategy. Customers don't know to ask about some of the 'background' processes and financial information that might change the outcome of the immediate situation, like special tariffs, leakage allowance, Special Assistance services. Some of these topics have been identified in the research however there are other areas that are worth considering in this context. For example, the conditions that may prevent metering (such as shared supplies) and how customers may be put on an assessed charge instead; WaterSure and social tariffs; and water company assistance funds.

In terms of the **responsive strategy**, where customers are contacting the company or being contacted in response to an event, a great many customers expect to be able to access the information they need via the internet, Live Chat or via telephone (person to person). Other channels are relevant in some types of situation but not all. For example, an interactive voice call or automated message is deemed appropriate by customers in the event of an unexpected interruption, provided they quickly access the information they need. On the other hand, an interactive voice response (IVR) call is not acceptable to customers when they want to make a complaint.

The table below illustrates the expectations customers have of the channels they expect to use in different situations to make contact with/be contacted by the water company.

Table 3 Channel preferences in responsive strategy

	General enquiries	Enquiries/ problems e.g. water quality; meter fitting; leaks; low pressure;	Expected disruption	Unexpected incident (individual)	Unexpected incident (community)	Complaints
Automated phone (IVR)	✓	✗	✓	✗	✓	✗
Call centre	✓	✓	✓	✓	✓	✓
Live chat	✓	✓	✓	✓	✓	✓
Web	✓	✓	✓	✓	✓	✓
SMS/Text	✗	✗	✓	✓	✓	✓
Social media (Twitter, Facebook etc)	✗	✓	✓	✗	✓	✓
Local press/ radio	✗	✗	✓	✗	✓	✗
Signage	✗	✗	✓	✗	✓	✗
Letters	✗	✗	✓	✓ (after the incident)	✓ (after the incident)	
Leaflets	✗	✗	✓	✗	✓	✗
Magazines	✓	✗	✓	✗	✗	✗

6.3.2 The pre-emptive strategy

This involves the company identifying groups of customers (e.g. new occupants, homeowners, elderly, in debt), using both their own data and through collaboration with third party organisations (e.g. CAB, Age UK), to target relevant information that specific customer groups could benefit from knowing e.g. homeowners being targeted with information about pipe ownership, the elderly being targeted with information about the Special Assistance services.

This strategy is borne out of two insights. First, that information is ‘consumed’ by customers if it has personal relevance but largely ignored otherwise; and secondly from the experiences of a number of respondents in the research who found themselves in difficulties on account of their ignorance of how water services work or who were unable to make contact. For instance, a tenant who was unaware that the water bill was their responsibility; or a relative with mental health problems spiralling into debt behind closed curtains.

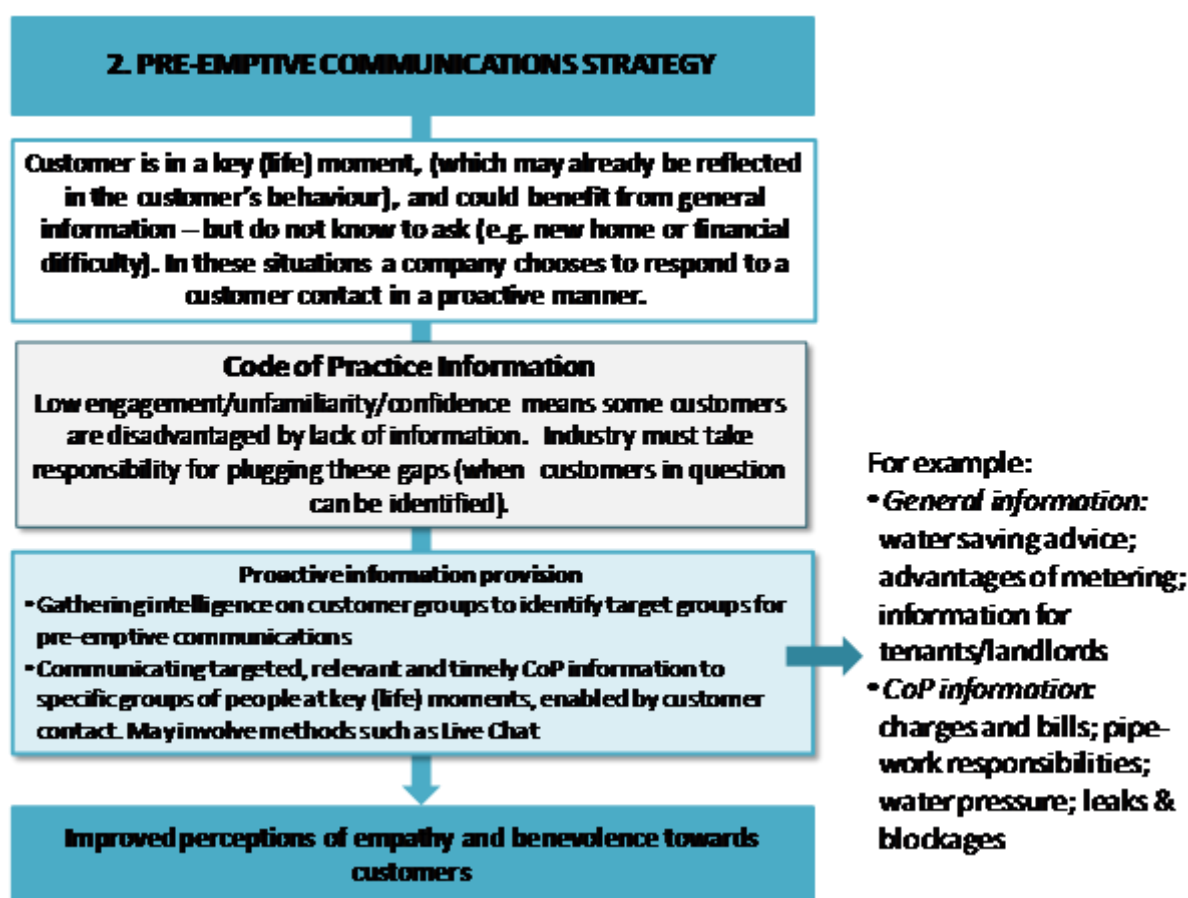
This strategy has two strands: the first is about water companies gathering intelligence that would enable them to target customer groups who could benefit from information but who will not reveal themselves to the water company by making contact themselves. The second takes the more conventional approach of providing information to specific groups who do reveal themselves to the water company e.g. new customers, moving customers or meter optants.

Customers see it as the water companies' responsibility to provide information when it is relevant and expect companies to be able to pre-empt their needs. This level of expectation is driven by the common experience of organisations who already pre-empt their needs with targeted and relevant offers and recommendations e.g. supermarkets, Amazon etc.

Clearly this strategy is challenging in an industry where companies are likely to be at different stages in the development of their customer segmentation and direct marketing strategies. It comes with cost implications and potential risks (e.g. resources required to collect and manage customer data, potential reputational risks of poorly executed targeting, compliance with data protection law). And not all customers are happy about companies holding lots of information about them, so any pre-emptive strategy should give this careful consideration.

However there are practical ways in which companies could identify specific groups for targeted communications that can be considered as a starting point e.g. via landlord registers, by logging all privately bought and sold houses; or mapping housing stock in e.g. areas with high levels of shared pipe ownership; or by working in collaboration with community groups and charities.

Figure 9 Pre-emptive Communications Strategy



Possible examples of the pre-emptive communications strategy:

When an older person moves into a new property and contacts the company to set up a direct debit. If the property they are moving into is unmetered, then part of a pre-emptive strategy would be to open up a conversation about the things which it hasn't occurred to the customer to ask about, but which might be relevant and beneficial to them, for example, establishing the size of the household to see if a meter might save them money. This is also an opportunity for companies to establish the relevance of any tailored services the household/bill payer might be glad of e.g. password scheme, large print bill.

In the second example, the company could target tenants in areas which are known to have high levels of recent immigrants and/or non English speaking households and provide general information about water services and billing responsibilities. Tailored information could be disseminated via community networks to ensure that it is targeted effectively and to help keep costs proportionate. Using administrative data and community networks the water companies could design a tailored on and offline communications programme to convey (in a highly visual way) the things which new customers need to know.

In terms of the pre-emptive strategy, **when the company is reaching out to target groups**, some channels are deemed more appropriate than others depending on the target group. For instance, call centre contact is deemed appropriate where the subject matter may be sensitive (e.g. when making contact with customers who are in debt) or where there may be

language barriers, whereas this form of contact is not deemed necessary when providing information to a new home owner who would be more likely to expect less tailored approaches. Some channels are not deemed appropriate for proactive communication with any target groups, namely automated (IVR) phone, local press/radio and signage as these channels are simply too generic.

The table below illustrates the expectations customers have of the channels a company will use to proactively communicate with target groups of customers.

Table 4 Channel preferences in a pre-emptive strategy

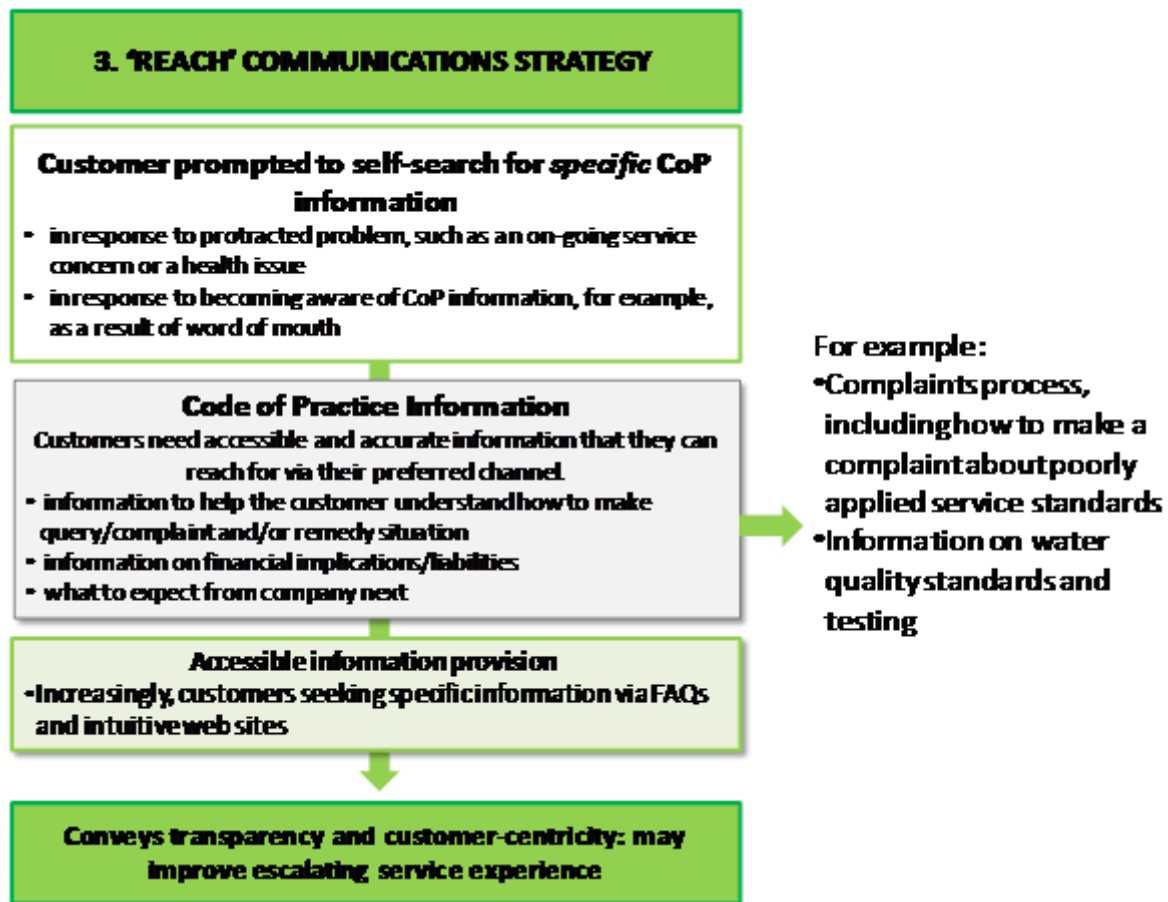
	New to independent living/ new to UK	Vulnerable / in debt	New home owners	New to meter	New to online billing customers
Automated (IVR) phone	x	x	x	x	x
Call centre – outbound calls	✓	✓	x	x	x
Live chat	✓	✓	✓	✓	✓
Web	✓	✓	✓	✓	✓
SMS/Text	✓	✓	✓	✓	✓
Social media (SMS, Twitter, Facebook etc)	✓	✓	✓	✓	✓
Local press/ radio	x	x	x	x	x
Signage	x	x	x	x	x
Letters	✓	✓	✓	✓	✓
Leaflets	✓	✓	✓	✓	✓
Magazines	✓	✓	✓	✓	✓

6.3.3 The reach communications strategy

The 'reach' communications strategy is about how companies present Code of Practice information for the minority of customers who wish to seek it out themselves i.e. via 'self-discovery' rather than an interactive customer contact. In the research, this was envisaged in situations where a problem was not resolved and e.g. the customer had a need to understand how to escalate a complaint; or in the more normal circumstance of customers simply wanting to do their own web-based research – perhaps before making direct contact via Live Chat or the call centre.

The main implication for water companies is that the full range of Code of Practice information is expected to be easy to find and straightforward for customers to understand: increasingly this is expected via intelligent websites using e.g. highly relevant FAQs.

Figure 10: Reach Communication Strategy



This is illustrated in Table 5 below.

In the reach strategy, **when the customer is reaching for information**, the key channel is the website. Should the customer contact the call centre or use Live Chat, they fall into the first 'responsive information provision' strategy.

Table 6 Channel preferences in a reach strategy

	Information to support a complaint	Enquiries or problems prompted by: water quality; pipe work etc	Service Guarantees and Standards	Information to remedy a situation	Information on financial implications of a situation
Automated (IVR) phone	x	x	x	x	x
Call centre – outbound calls	x	x	x	x	x
Live chat	x	x	x	x	x
Web	✓	✓	✓	✓	✓
SMS/Text	x	x	x	x	x
Social media (SMS, Twitter, Facebook etc)	✓	✓	✓	✓	✓
Local press/ radio	x	x	x	x	x
Signage	x	x	x	x	x
Letters	x	x	x	x	x
Leaflets	x	x	x	x	x
Magazines	x	x	x	x	x

7 Conclusions

This project has sought to understand, from the customer perspective, the optimum way to provide information to customers. In doing so, it has become clear that there is not a straightforward framework that can be employed to identify what information is needed, via which channel and when. The reason for this is twofold;

- Information needs are highly contextual; and preferences about the way customers wish to receive or seek information in a particular context is highly individual;
- Channel preferences, as well as varying by individual, can also change over relatively short timeframes as people adopt new methods of 'consuming' information.

To be of interest to customers, information needs to be timely and immediately relevant: the perception that its contents may never be relevant goes a long way to explaining why Code of Practice information is of very limited interest to customers. However, they do not give any indication that the information is not *important* and expect it to be accessible for them when the need, however unlikely, arises.

Information delivery should therefore be linked to a company's communication and service strategies where information is delivered as part of - or following - a service experience; and/or targeted to specific customer groups via communication campaigns. Consumers, in general, do not expect to work hard to find the information they need and there is a clear expectation that water companies will deliver service and therefore information via multiple channels.

The scope of this project has covered the type of information that customers need – and where possible how customers wish to receive it. It has identified three broad strategies on customer-centric information provision; the adoption of the *responsive*, *pre-emptive* and *reach* strategies will have a number of benefits, highlighted below.

The pre-emptive strategy in particular will pose greater cost and risk implications for many water companies and therefore measuring the effectiveness of targeting Code of Practice information proactively - and then sharing good practice across the industry - will be important.

7.1 Benefits for the industry

- The strategies show when customers may be most receptive to both general and specific Code of Practice information
- The strategies are born out of the customers' needs and therefore are in line with the industry-wide shift to more customer-centric behaviours.
- By providing timely and relevant information at the point of need – and specifically beneficial information provided proactively to customers – will enhance the trust and reputation of water companies

- Companies who are reviewing how to present the information that is currently covered in the Codes of Practice, bearing in mind the licence conditions that govern this, can do so in the light of this research.

7.2 Benefits for customers

- If companies adopt the *responsive* strategy, customers will be better informed at the point of need – and their water-related experiences and problems will be made easier.
- Customers will benefit from information that water companies provide *proactively* and become better informed over time.
- Customers informed in a relevant and timely way by water companies will feel more valued and have more goodwill creating a more balanced relationship.

7.3 Benefits for CCWater/industry regulators

- These strategies are in line with the information approaches that organisations in competitive sectors adopt to achieve customer satisfaction and loyalty – and therefore provide a means for a monopoly industry to demonstrate its intentions to achieve these same aims (to increase satisfaction and loyalty).
- This approach will help CCWater to understand whether the information strategies that water companies are adopting are likely to be effective. The strategies provide the key criteria for CCWater to evaluate the appropriateness of the information provided by water companies, using the following questions about any given topic area:
 - *What are the most frequently asked questions about this topic?*
 - *Are these 'known unknowns' addressed via a responsive information strategy using all the relevant channels?*
 - *Does the company inform the customer of additional and relevant information even when the customer has not asked for it (unknown unknowns)?*
 - *Does the company have a proactive information strategy to target information to specific groups in a timely and relevant way?*
 - *Is the company able to target all relevant customer groups – or are there barriers to doing so e.g. lack of customer data?*
 - *If not, is the company collaborating with third parties (landlords, charities etc.) to reach relevant target customers?*
 - *Is Code of Practice information - such as service standards and complaints procedures - available at the point of need (i.e. when a problem has escalated)?*

- *Is Code of Practice information available in customer-friendly formats and language?*
- *If not, how relevant is the information?*

8 Appendices

8.1 Pre-placement exercise

Thank you for agreeing to participate in this market research project. We'd like to ask you to do a bit of preparation in advance of the group. Please consider the questions below, complete this form and **PLEASE BRING IT TO THE RESEARCH GROUP TO HAND TO THE RESEARCHER**



We'd like you to think about an occasion in the last couple of years when you needed to find out some information from a utility company – that could be your electricity or gas provider, your water company or even your broadband or telephone provider. This should be an occasion when you needed information about something general or specific – we do not mean routine transactions such as checking balances or paying bills.

- Name of the organisation you were seeking information from:**
- What information were you trying to find out? Why did you need the information?**
- Describe how you went about finding out this information? Did you use the internet, did you telephone, did you ask someone who you thought could help?**
- Describe how easy or difficult it was to find the information you were looking for? Circle the facial expression that reflects how you felt when you were seeking the information – and explain why you felt this way?**



Thank you. We will use your example as part of the discussion group.

8.2 Discussion guide

Customer information needs

MAIN STAGE discussion guide: 2 hours

Introduction (10 minutes)

NB: respondents are not aware of client identity or research subject matter at this stage

Section primarily to inform respondents about the research process

- *Purpose of the project:* **SHOW STIMULUS SLIDE 1.** This research is being conducted on behalf of the Consumer Council for Water. CCWater is an independent organisation which represents the views of water and sewerage customers in the industry, by conducting research such as this and then working closely with water companies to make sure they take the views of customers on board in their activities. Specifically, we want to talk to you today about various different situations that customers can experience and discuss how companies can best communicate with you/ advise you in these different situations. Our main objective is to provide feedback about how customers can be best informed about different sorts of information in different types of situations.
- *Explain client observation*
- *Housekeeping:* timing for the afternoon/evening, loos, fire exit, refreshments
- *Reassurances:* confidentiality, taping, how the information will be used
- *Introductions in pairs:* name, occupation, who is in the household, hobbies and interests

Warm up – generic information needs (20 minutes)

*This section is primarily to warm up respondents and contextualise the research in real customer experiences. We will glean previous experiences of seeking information from utility companies. The section introduces terms like ‘channel’; it also enables the moderator to distinguish between information customers seek and information that is received. We will also help respondents to describe how they ‘consume’ information. **The section as a whole will provide input to objective 1.***

DRAWING ON PRE-PLACEMENT....

We asked you to think about an occasion in the last couple of years when you needed to find out some information from a utility company. Let’s hear some of these examples....

- What organisation were you seeking information from?
- What were you trying to find out? Why did you need the information?
- Describe how you went about finding out this information? What channel did you use? **STIMULUS 2/CHANNEL**
- Which face have you circled? What feeling does this face represent? Why did you feel this way?

Now I want to think about information that you **routinely receive** from any of the utility companies that you are a customer of. This is information you haven't asked for.

- Who recalls being sent information they haven't asked for - it just comes as a matter of course?
 - What type of information is this?
- When you get information you haven't asked for from a utility, what best describes what you do with it? **SHOW STIMULUS SLIDE 3**
 - What type of information do you read when it arrives?
 - What type is filed?
 - What do you generally throw away?
 - What have you ever referred back to?
- *If not mentioned:* what about information you get on the back of utility bills – or information leaflets that are sent with bills? IF KEEP/READ/STORE: what information is this that you keep? Why do you do this? Have you referred to it since? Probe fully
 - DOES IT DEPEND ON THE UTILITY e.g. if from energy companies would you respond differently than if from the water company?
- Group compare notes on what usually happens with information that is sent unasked from your utility providers

And can you recall any occasions when you've heard something useful relating to your utility services that you've **picked up just by chance** – chatting to friends or in the media?

- Probe: perhaps something that you'd never have thought of asking for directly but has been worth knowing

Moderator recap: so we've now talked about **information we go and look for, information we receive and information that we just pick up by chance.**

Focus on water related information needs (15 minutes)

*This section now narrows the conversation to water. NB it is likely that the conversation will have already included water related examples so the conversation will lead on naturally We will also explain the purpose of the project – to inform how water companies provide code of practice information. **The section will provide input to objectives 1 and 2.***

- Now thinking specifically about your water company, when (else) have you ever **sought information** from your water company? [Moderator note: respondents may be served by two companies for water and waste services]. If so...
 - What information were you looking for/ what question did you want answered?
 - How did you try to obtain the information? (channel) – **SHOW STIMULUS SLIDE 2**
 - And how did you want to receive the information? (format) **SHOW STIMULUS SLIDE 4**
 - And did you find or receive the information you needed?
 - How did you feel about the experience?

All water companies have a 'Code of Practice' which provides detailed information on their services and their obligations to you as a customer, as well as your responsibilities in certain situations. But different companies provide this information to customers in different ways, and we want to understand what works best for you. We already know from previous work with customers that people don't want to be 'overloaded' with information, so companies need to know how best to let you access this information. **INTRODUCE WATER COMPANY CODE OF PRACTICE STIMULUS**

- What are you thinking when I show you these examples?
- When would you expect to seek the type of information contained in here – in what sort of situations?
- And would you expect to be sent this type of information by your water company? If so, how? If not, why?
- More generally, has anyone ever received information that they think was a 'code of practice' or a 'customer promise' or about guaranteed standards from a utility company before? Or sought one out when you needed specific information? **PROBE FULLY ON EXAMPLES GIVEN...**
 - What format was it in?
 - When did it arrive (e.g. when taken out a new service? Annually?)/Where did you find it?
 - What did you think of it?
 - And what did you do with the document – where is it now? Has it been useful?

Information needs at water-specific situations: (40 minutes)

*This section entails showing two extended scenarios (according to the agreed group rotation). The approach is to understand the contextual needs in order then to develop a framework that accounts for the different triggers for needing information. **The section will provide input to objective 3.***

Now it's time to use our imagination! I want to run through some possible situations with you, and I want you to take some time to think about each one - and how you think you would react if you found yourself in any of the following situations. For each one, I'm going to prompt you with 3 questions to think about as a group.

EACH GROUP TO COVER 2 EXTENDED SCENARIOS (ROTATION OF A, B, C & D TO ENSURE EQUAL COVERAGE AND REMOVE ORDER EFFECT)

MODERATOR WORK THROUGH FIRST SCENARIO STEP BY STEP:

- Reveal each step of the scenario in turn and probe according to scenario sheet
- Discuss spontaneous response to each aspect of the scenario as it is revealed
- Probe fully, specifically on expectations re channel and format for all information needs – using response stimulus boards
- Within each group, ensure the following is covered at some point in the scenario discussions:
 - *It is possible that you cannot get through via phone or via the website – for example if there is a complete power failure. How would you expect to access information in this situation?*

- Then ask respondents to sort information cards according to a spectrum: 'high priority' – 'mid priority' - 'low priority'

REPEAT FOR SECOND SCENARIO.

Information needs for customer-centric situations: (40 minutes)

*Now we move the conversation to information needs that are not prompted by water related circumstances. **The section will provide input to objective 3.***

The situations we've looked at so far all relate to specific events or problems. But these codes of practice also contain information about more 'everyday' matters – we want to think now about whether or not companies should communicate about these, and if so – how best to do it.

This kind of information may not be useful to everyone, and it's the kind of information that some customers may not know about to ask for.

SHOW BOARD (Check rotation)

Moving: *We all move house in our lives: it is a major event when we have particular information needs. Here are some of the queries we may have relating to our water and waste water services...*

- Think back to the last time you **moved house** (or imagine the situation if it is a long time ago) – what are the questions you might have for a water company?
- SHOW BOARD: we have included some questions here – are there any you identify with? PROBE why did you need to know this? Where did/would you look for the information?
- Taking each bubble in turn, how would you find the answer to this?
- When would you be seeking this information?
- What would be the best channel for you?
- And in what format would you like the information?
- What would you like to see the water company doing to ensure you have this information when you need it?

Grapevine: *We all learn about things just by chatting to people or from the media. We talked about the sort of information you have found out about your utility services by chance. Here are a number of other examples of how people get wind of things – and perhaps want to know more. SHOW BOARD*

- Taking each bubble in turn, how would you find the answer to this?
- When would you be seeking this information?
- What would be the best channel for you?
- And in what format would you like the information?
- What would you like to see the water company doing to ensure you have this information when you need it?
 - NB: challenge if respondents ask for leaflets etc – relate to earlier conversations about what they do with unsolicited materials

- **Specific probes on Special Assistance Register:** the registers are run by all companies and are open to anyone who considers they need special assistance including pass word schemes to protect against bogus callers, bills in Braille or large format, priority help in case of a major incident. How and when do you want to find out about this information?

***Money:** We might all experience times when we are worried about making ends meet (or we may have loved ones in this boat). Again, there may be information available that could help customers in this situation. SHOW BOARD*

- Taking each bubble in turn, how would you find more information about this?
- When might you be seeking this information?
- What would be the best channel for you?
- And in what format would you like the information?
- What would you like to see the water company doing to ensure you have this information when you need it?

Reflect on priority sorting exercise (5 minutes)

*To finish, we want to look specifically at the different categories of information within the Codes of Practice and ask customers to look back at the prioritisations they have made throughout the groups. **The section will provide input to objective 4.***

Let's look at the different piles that you have created here as we have discussed the scenarios...

MODERATOR PROBE:

- What have you put at the high priority end of the scale and why?
- What have you put towards the low priority end and why?
- And what about the middle?
- For each pile, reflect on the implications for companies as they make this information available in different formats and via various channels

Summary (10 minutes)

We've discussed in detail various different scenarios over the last couple of hours. For the last 10 minutes, I want try and summarise what we've discussed. If you worked for CCWater and you had to give water companies 5 key guidelines on how to provide information to customers like you, what would those guidelines be? **SPLIT PARTICIPANTS IN TO TWO GROUPS WITH SHEET TO COMPLETE.**

- What guidelines have you come up with? Why did you decide on these?
- Is there anything else anyone would like to add?

8.3 Stimulus Materials

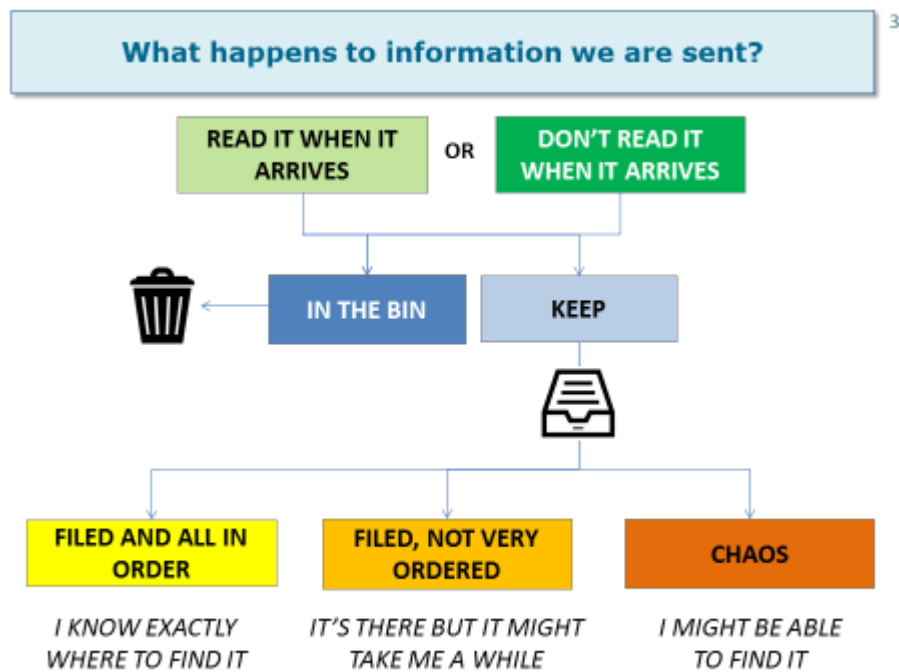
Stimulus 1



Stimulus 2



Stimulus 3



Stimulus 4



SCENARIO A: billing, service standards, complaints, leakage

A1: You are on a water meter. Your usual bill is about £150 for six months. You get a bill which is twice as much - £300.

Ground people in the situation

- What's going through your mind in this situation? How do you feel?
- What do you need to know/want to do?
- Where do you look for this information?

A2: You call your water company to query the bill using the telephone number for billing enquiries on the bill. When you get through, what questions do you ask?

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- How to make sense of the bill (Have I understood this?)
- Causes of high water use/high metered bills (Why has my bill doubled? Has my use gone up or is the bill for longer than six months?)
- Information about estimated bills including (Is the bill based on an actual or estimated meter reading)
 - Frequency of meter reading by company
 - Where is my water meter
 - how to read a water meter and submit your own meter reading if you disagree with the estimate
- Could my water meter be faulty? (Not on initial stimulus list, but something that customers may consider in this situation – it would be a last line of enquiry after more likely explanations for the high bill are explored by the company)

A3: The call handler says that your bill is based on an estimated meter reading and asks if you would be able to check the reading and send it in.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Where is my water meter
- How to identify my water meter
- How to read a water meter and submit your own meter reading if you disagree with the estimate

- Do I need to pay this bill whilst it is under query? What happens about payment whilst this is being sorted out?
- Service standards for responding to customer queries about charges e.g. how long it will take to respond

A4: The call handler explains that the meter is in a box in the pavement outside your house. You prefer that someone from the company visits to read the meter because you feel uncertain about doing it yourself. You ask that the meter reader knocks on your door when they call so they can show how to read the meter in future, and you can also find out first hand if the meter reading is correct or if there is a problem. The call handler agrees to this.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Within what timescale will someone visit?
- Can I have an appointment?
- What timeslots are available?
- If the call handler can't confirm the timing date at the point of the call, when will I be informed about this so I can be in if necessary?

A5: The call handler makes an appointment for you and confirms the date and timeslot. You are at home for the appointment but no-one knocks on your door. You don't know whether the meter has been read or not. A few days later you receive a reminder for the bill you have queried.

How do you feel about this? What do you do now? What do you need to know? IF DEFAULT TO PHONE THE COMPANY, PROMPT AROUND SERVICE STANDARDS, MISSED APPOINTMENTS, COMPLAINTS, COMPENSATION.

CoP themes are:

- Contact details for complaints and further information
- How to make a complaint and timescales for company response
- Explanation of compensation schemes, e.g. compensation due if break customer promise or fail to keep timescales
- Guaranteed Standards of Service

A6: Now rewind to your conversation with customer services when you called up to ask about your estimated reading. Instead - you find and read your water meter. You note that the reading has moved on by 50-odd units since the reading on the bill – and that was only a week ago! You also notice, for the first time, that there is water seeping out of the ground in the garden.

How do you feel about this? What do you do now? What do you need to know?

A7: You call the company back with your meter reading and the call handler says that it sounds like you have a leak on your water supply and this explains the high bill you have had.

How do you feel about this? What do you do now? What do you need to know?

CoP themes:

- How to check for unusual (e.g. unexpectedly high) water use/leaks
- Who is responsible for fixing pipework/leaks, customer or company? Details on what the company will do, e.g. repairs/replaces leaking pipes, whether for free or charge part/all of the costs to the customer
- How the company may be able to help the customer to find a leak
- Details of the company's leak repair policy: e.g. whether you can claim for a reduction on your metered bill if it has been affected by a leak
- Outline of leak repair process that company will follow, if they are repairing the leak
- Process that the customer has to follow if they are repairing the leak, especially if they want to qualify for a leakage allowance
- How my household insurance may cover leak repair
- How to find a reputable contractor to carry out the work
- How company can enforce leakage repair if the customer fails to carry out the work

SCENARIO B: Affordability, metering, charges

B1: Your bills have been mounting up in general and you are struggling to afford to pay them. You're now trying to think of ways to reduce your water and sewerage bills.

Ground in scenario

- What's going through your mind in this situation? How do you feel?
- What do you need to know?
- Where do you go looking to find this out?

CoP themes covered:

- How to make sense of the bill
- Online water use calculator
- Average size of water bills
- Ways of reducing your bill e.g. special rebates or discounts like rainwater drainage rebate
- Availability of financial help if struggling to pay
- What to do if your monthly payments are too high/ too low
- Water saving advice
- Different ways to pay your bill
- What are the options if I'm struggling to pay

If they phone the company then:

The call handler tells you that your bill is based on the property you live in, rather than the amount of water that you use and offers to send you something about water meters. You're not sure about this in case leads to bigger bills and stress about how much water you use – but the call handler says it might save you money. What do you need to know about water meters?

B2: You've spoken with a friend who lives a few streets away that their bill reduced when they had a water meter installed 6 months ago. You are not on a meter but you're wondering if this might be a possible way that you could reduce your bills.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Would going on a meter save money?
- Advantages of a meter
- Calculating bill changes if move to a meter
- Can I revert to unmetered bills?
- Cost of metered water
- Option for customer to switch to meter by choice

B3: You contact your water company to find out more. They say they will send an engineer to see whether your home is suitable for a meter.

How do you feel about this? What do you do now? What do you need to know?

B4: The meter engineer takes 4 weeks to come and fit the meter – you think this seems like far too long to wait.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Conditions for installing a new meter
- Contact details for queries and complaints
- How to make a complaint and timescales for company response
- Compensation if standards not met

B5: The meter is successfully installed. Your first (estimated) bill arrives since having a meter fitted and you want to check whether you are saving money now you have the meter.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Where is the meter and how to read and submit a reading
- How to read a water meter
- Compulsory customer service standards, for example responding to billing queries

B6: The meter didn't save you as much money as you'd hoped and in the last 6 months you have fallen behind in your water payments and are worried that even with a meter you are going to struggle to repay what you owe.

How do you feel about this? What do you do now? What do you need to know?

Probe:

- Information about repayment plans
- Information about special tariffs
- Information about debt advice
- Information about reverting back to unmetered bills – what are the options

SCENARIO C: Unexpected incident, water quality, complaints

C1: You wake up one morning and find that you have no running water...

Ground in scenario

- What's going through your mind in this situation? How do you feel?
- What do you need to know?
- Where do you go looking to find this out?

C2: Fortunately you have a full kettle and some orange juice in the fridge – but you are worried about your disabled neighbour. You try calling the water company, but you can't get through due to high call volume.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Company procedure for responding to incidents
- Emergency contact details
- When the water will be back on
- Advice about what to do whilst affected
- How the water company will help customers with special needs
- How the company will provide water in the interim

C3: The problem lasts for 8 hours. Another neighbour has offered to help by going to the local shop to buy some bottled water – but the shop has run out! The shop assistant says people have been rushing in to buy water because their water has been off – and believes the problem has been caused by a burst water main. What's more - your day has been disrupted as the schools and nurseries had to shut.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Minimum service standards for unexpected incidents
- Compensation due if company fails to meet service standards
- Contact details of the regulator/ ombudsman

C4: When the water comes back on, it looks cloudy and you are a bit worried.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- What causes discoloured tap water, and what to do if it's discoloured
- What my water company will do if my water tastes or smells different
- Process of making a complaint about water quality
- What the company will do if they think the complaint is urgent
- Timescales for carrying out tests and advising the customer of results
- What advice the company will give if they think there is risk to human health, e.g. boil water notices

- Arrangements for providing alternative supplies, including for vulnerable customers
- The process a company will follow to improve the appearance of the water when there is a risk to human health

C5: You can't get through to the water company to check if it is ok to drink the water.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Legal rights of customer after unexpected incident
- How to make a complaint and timescales for company response
- Water company legal obligations and regulation

Additional probe:

What if the example had been about a sewage leak on your property – a drain outside your backdoor - rather than the water supply being off?

How do you feel about this? What do you do now? What do you need to know?

Probe:

- Information needs at the moment you discover the problem
- Information needs about what causes blockages (what should not go down the sink/toilet)

SCENARIO D: water pressure, pipework, complaints

D1: You notice that the water pressure at home has dropped – it is taking too long to run a bath and you wonder what is going on.

Ground in scenario

- What's going through your mind in this situation? How do you feel?
- What do you need to know?
- Where do you go looking to find this out?

CoP themes covered:

- Contact details for water company
- Information of what affects water pressure
- How to check whether low pressure is an issue in your home, or on the network
- How to find out what is causing low water pressure where you live

D2: You speak to your neighbour about it – he is having the same problem and wonders if it relates to some building work a few houses down along the street.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- How to find out if you share pipework with neighbouring properties
- Advice when supply pipe feeds several home, leaving last houses with low pressure
- Who is liable for what e.g. shared ownership of pipes with neighbours; liability for paying bills if it rented accommodation
- Water company contact details

D3: You called the water company and they sent an engineer to visit your house to check the water pressure levels – but the engineer says the pressure is within the acceptable level and there is nothing he can do about it.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Advice on maximising pressure in the home
- Guaranteed standards of service for water pressure
- How to escalate complaint if customer is unhappy with company's decision e.g. referring to independent body like CCW
- Water company legal obligations and regulation

D4: Your bill arrives and it is higher than usual – you're on a meter and your bills are usually pretty consistent. Now you're wondering if the low pressure could be because of a leak somewhere in the system – which might also explain why your bill is higher this time?

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- How a customer can test if there's a leak on their property, if there are no outwards signs
- How the customer can ask the company for help in locating where a leak is
- The rules on who is responsible for pipework and fixing leaks: where customer and company responsibilities start and end
- Terms and conditions of the water company's leak repair policy e.g. whether a leakage allowance is due where the company reimburses you for leaked water
- What the company will do if they find a leak on the customer's property during other works e.g. will they repair or replace supply pipes that are leaking? Do they do this work for free or at a subsidised rate, or do they charge full cost to the customer?
- Outline of leak repair process that the company will follow if they are repairing a leak

D5: You call the water company again who come to investigate – it turns out there is an underground leak, which the company take responsibility for fixing. The problem is solved, but you're feeling a bit cross because the problem was not diagnosed correctly earlier on. You're wondering if you might be due some compensation.

How do you feel about this? What do you do now? What do you need to know?

CoP themes covered:

- Water company contact details
- Who is liable for what e.g. shared ownership of pipes; liability for paying bills if in rented accommodation
- Explanation of compensation schemes
- How to make a complaint and timescales for company response
- Information about when compensation won't be paid
- Compensation promise if company falls below standards

Scenario: moving house

MOVING HOUSE

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blue marble

Scenario: grapevine

I heard it on the grapevine...

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blue marble

Scenario: money's tight

Money's tight...

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