

**NEXT GENERATION
NETWORKS**

SUNSHINE TARIFF

**CUSTOMER RECRUITMENT
LEARNING REPORT**



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Contents

Executive Summary	5
1 Project Background.....	7
1.1 Project scope	7
1.2 The trial.....	7
1.3 Recruitment target	7
2 Customer recruitment.....	9
2.1 Approach to recruitment.....	9
2.2 Marketing techniques used	9
2.3 The participating households	12
2.3.1 WREN membership.....	12
2.3.2 Demographic characteristics	12
2.3.3 Electricity consumption	16
2.4 When they signed up	19
2.5 Reasons for not signing up	20
2.5.1 Enquiry follow ups	21
2.5.2 WREN membership.....	21
2.5.3 Summary of findings	22
2.6 Failed sign ups	23
3 Lessons learnt	24
3.1 Participant demographics	24
3.2 Timescales required	24
3.3 Tariff attractiveness.....	25
3.4 Value of trusted local advice	25
3.5 Challenges with switching	26
4 Recommendations.....	27

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Glossary

Abbreviation	Term
DSR	Demand side response
PV	Photovoltaic
WPD	Western Power Distribution
WREN	Wadebridge Renewable Energy Network

Executive Summary

The Sunshine Tariff trial sought to test the effectiveness of a time of use tariff in shifting demand to when solar PV was generating and to explore the feasibility of an offset connection agreement. Households were encouraged to take part in the trial and to switch to the Sunshine Tariff.

The marketing and promotion was carried out by the local community energy group, Wadebridge Renewable Energy Network (WREN), which had good local contacts and an existing network of members. This approach was chosen over the supplier, Tempus Energy, providing the marketing. It enabled WREN to use a wider range of marketing techniques and its reputation as a local trusted brand.

Considerable learning was gained from the recruitment and switching process, which is set out in this report. The key findings are as follows:

Participant demographics – those that were already engaged in energy issues were more likely to sign up. And the participating households tended to be more affluent than the wider population in Cornwall, which may result from being more engaged in energy issues, having more flexible load to shift and being more willing to take the risk of signing up to a trial.

Timescales required – The timescale for recruitment was significantly reduced to eight weeks, which contributed to lower than hoped numbers of participating households. The target number of households to take part was 240, however, only 46 were successfully recruited. The increased time would have allowed greater impact by word of mouth and potentially reached a much wider audience. Furthermore, allowing more time for switching and installing technology would have enabled a number of households to remain in the trial.

Tariff Attractiveness – It is, however, questionable that the extra time would have made a significant difference to the number of sign ups. There were several factors that made the tariff less attractive than hoped, which are set out below:

- **Tariff design** – The most common reason cited for choosing not to sign up to the tariff was that it didn't make financial sense for the customer
- **Market changes** – The Sunshine Tariff was attractive when the project launched and sign up was high. However, after six weeks, the energy market conditions changed and the tariff was less competitive, which reduced sign-up significantly
- **Length of trial period** – The six month trial period put some households off, as they were concerned about switching again at the end of the trial period.

Value of trusted local advice - Almost three quarters of the households that signed up for the trial were WREN members, suggesting that those already bought into the organisation trusted their advice. Evidence suggests that trust is a significant contributing factor to customers' switching patterns.

Challenges with switching – There were a number of barriers that prevented customers from switching suppliers, which had an impact on the number of sign ups.

There are several recommendations for recruiting customers. These are to allow longer for recruitment and switching, and to consider providing a non-switching option. One option would be to recruit from within a supplier's existing customer base, therefore removing the need to switch suppliers. This would both save time and avoid the extensive marketing required.

Lessons learnt also suggest that testing the tariff and marketing techniques before launching could have provided feedback on what was both attractive and unattractive about the tariff. It is also important to monitor the market to check for competitiveness and either adjust the fixed tariff before launching or track against a variable rate to ensure the tariff reflects changes in the market. Having multiple suppliers could also help mitigate this issue, as there would be more than one Sunshine Tariff available in the market.

Looking more generally at the viability of domestic demand side response, learning from recruiting for the Sunshine Tariff suggests that some external factors might need to change:

- All customers will need smart meters and in some cases will need to be half hourly settled
- Switching suppliers needs to be faster, more efficient and better understood
- Households will need to have more flexible loads
- Some households will require greater automation
- Some time of use tariffs will not be compatible with onsite generation or technology linked with Economy 7 when there is minimal value to be gained.

Some of the above issues are being addressed through government policy and others will change as the smart energy and storage market evolves over the next few years. Therefore, this type of time of use tariff may become much more attractive in the future.

1 Project Background

1.1 Project scope

This project sought to develop and trial the feasibility of an 'offset connection agreement', which would enable generation customers to connect to the grid on the basis that they can change the pattern of local demand on the network to offset the power generated.

The trial also sought to better understand what mix of low tariff, behavioural signals and technology options are the most effective in shifting demand. As well as the scale, longevity and reliability of the demand side response.

1.2 The trial

The Sunshine Tariff trial took place in Wadebridge, Cornwall, and used incentives and education to achieve a demand side response from domestic customers. The trial period was between April and August 2016. During this time, a time of use tariff incentivised a demand response between 10am-4pm and the change in load against a baseline was measured.

The proposed method for controlling load was to engage around 240 homes with four levels of intervention as follows:

1. Manual interventions (≈60 homes)
Customer directly turns on appliances based on the reward of a reduced tariff at a pre-arranged time of day.
2. Manual interventions with feedback (≈60 homes)
As above but with regular feedback from the local community energy cooperative on money saved and kW shifted, with both benchmarked against others in the trial.
3. Automated hot water controller (≈60 homes)
A controller pre-set to bring on electrical water heating at the time of reduced price, either by means of a timer, or by remote switching.
4. Automated Load switching (≈60 homes)
Tempus Energy (the supplier) identify the flexible loads in the customers' premises and add the ability for remote switching to it.

1.3 Recruitment target

The target number of households was 240 plus a control group. However, recruitment proved more challenging than expected with 89 households attempting to sign up and a

final number on the Sunshine Tariff being 46 (plus 15 in the control group). See breakdown below:

Figure 1: Number of households per subgroup

Group	Number of households
1	14
2	20
3	10
4	2
Control	15
Total	61

The reasons why recruitment was less successful than hoped provides useful learning in itself. See the sections below for more information.

2 Customer recruitment

2.1 Approach to recruitment

The local community energy group, WREN, was responsible for promoting the Sunshine Tariff and recruiting customers. However, all partners were involved in developing the approach, customer journey and marketing materials.

Attempts were not made to recruit a statistically representative sample due to the size of the population – approx. 3,270 households on the Wadebridge primary – and the time available for recruitment. Demographic information was collected when the customer signed up in order to ensure the findings took into account the characteristics of each household taking part.

It was important that the catchment area was restricted to the Wadebridge primary as the trial was testing whether an offset connection agreement was viable, which required clustering of customers on the same section of the network as the solar farm. This approach is different from other time of use tariff trials, which were less focused on clustering and more on achieving a higher number of participants.

The recruitment took place over an eight week period from 5 January 2016 to the end of February 2016. This was to allow up to 21 days to switch each customer and a week to schedule the smart meter installation before the launch of the tariff on 1 April. This timescale was extended by another month in an attempt to recruit more customers to start the tariff on 1 May.

When comparing this approach with another trial, the Low Carbon London trial recruited 1,100 customers onto a dynamic time of use tariff. The population of London is approximately 8.674 million and the Low Carbon London trial was not limited by the need for clustering.

2.2 Marketing techniques used

A range of marketing techniques were used by WREN, which are set out in the table below.

Figure 2. Marketing techniques used

Events	Launch Event Outreach events held in social housing, sheltered housing and the 'community hub for elderly' Betjeman Centre
Leaflets	A leaflet drop with Royal Mail to target specific postcode areas – 7000 leaflets

	15 local businesses The local library The local Doctors surgery Local Veg Box scheme The local schools
WREN communications	Newsletters to WREN members Personal recommendations from WREN staff and board members to friends and family
Print media	Press releases to local publications and national press Coverage included The Cornish Guardian, Western Morning News, North Cornwall Advertiser, The Bridge, Local Eyes, BBC South West, The Telegraph, The Times.
Radio	Local coverage, including BBC Radio Cornwall and Pirate FM National coverage on BBC Radio 4
TV	TV coverage on BBC Spotlight National TV coverage on BBC News
Social media	Facebook and Twitter
High street presence	Extended opening hours of the WREN Energy Shop 8:30-3.00 (Monday to Friday), as opposed to 11-3 (which will remain the Saturday hours) The main local supermarket (Co-Op) was the venue for a stall where two WREN personnel engaged with the public
Posters	Posters on local public notice boards

The table below sets out how each sign up first heard about the project.

Figure 3. How participants heard of the Sunshine Tariff

Origin of lead	Number of households
WREN employees/volunteers	11
WREN membership communications	25
Cornish Guardian	15
North Cornwall Advertiser	1
Leaflet drop	5
Tempus	4
Unknown	14

Almost half (48 per cent) of the households first heard of the trial directly from WREN and just over 20 per cent from local print media.

WREN was a trusted local brand that had the local contacts and relationships required to promote the tariff. The regular contact with its membership of 1,200 people, along with its presence on the high street with the WREN shop helped them reach those that were energy aware in Wadebridge. It proved harder to recruit those that were not so engaged in energy

issues, despite the range of marketing techniques used. This correlates with the Energy Policy Research Group’s study into switching, which found that greater awareness of the issue of energy prices results in being more active in the market.¹

When compared with the recruitment techniques used by other network trials (see table below taken from a study carried out by Citizens Advice²), WREN used a wider range of techniques than most.

Figure 4. Recruitment techniques used in other LCNF trials

	Letter	Email	Phone	Door-knocking	Outreach	Other / notes
DSR						
CLNR	✓		✓			British Gas recruitment; social landlords
ECHO	✓	✓				
Energywise	✓		✓	✓	Customer Field Officers	Website; drop-in events
Low Carbon London	✓		✓			
Storage / Electric Vehicles						
New Thames Valley Vision	✓			✓		Project officer presence in the local area
My Electric Avenue				✓	Cluster Champions	Website; partner networks; radio
NINES	✓				Development Officer	Website; community events
SoLa Bristol	✓		✓	✓	2 outreach workers	Facebook, school gates, open day, word of mouth, stalls at events, fliers, posters
Energy efficiency projects with no price signal						
Less is More				✓	5 energy charities	Also working with other local groups (eg housing association, community council). Using events, school gates stands, local fairs/fetes, existing drop-in centres, flyer drops.
SAVE	✓			✓	Community coach	Market research agency carrying out recruitment
Other						
Ashton Hayes					Pro-active residents	Low carbon village - community pull
CLASS	✓					Assumed consent
Smart Hooky				✓	Pro-active residents	Low carbon village - community pull. Community events. Prize draw

Recruitment for the Low Carbon London trial that successfully recruited over 1,000 customers was carried out by EDF (an energy supplier) from their existing customer base via email and the EDF website. The intervention group were then approached again by letter and phone call to invite them to switch to the dynamic time of use tariff. Some criteria were

¹ University of Cambridge Energy Policy Research Group, 2015, Why Do More British Consumers Not Switch Energy Suppliers? The Role of Individual Attitudes

² Citizens Advice, 2015, Capturing the findings on consumer impacts from Low Carbon Networks Fund projects

applied to the selection of these customers, such as not having a pre-payment meter or microgeneration.

2.3 The participating households

Altogether, around 380 people contacted WREN to discuss the tariff, of which 89 signed up and 61 took part in the trial. Of the 89 households that tried to sign up, 14 were outside the target area, taking the number down to 75 and then 14 withdrew at a later stage for other reasons (see section 3.5). The following sections identify the characteristics of the 75 households that initially signed up.

2.3.1 WREN membership

WREN had approximately 1,200 members, of which about 450 households were within the catchment area for the trial. Of the 75 households that signed up, 55 (73 per cent) were members of WREN. The assumptions that can be made about this group are:

- The link to WREN is important, as is trust
- They were already engaged on energy issues
- Many had their own generation, most often solar PV
- They had some buy-in to the trial being successful.

2.3.2 Demographic characteristics

An assessment of the metadata relating to demographic characteristics and electricity consumption of participants showed that there is a wide mix of households involved in the trial. The following sections look at different aspects of the metadata and compare the characteristics of the different subgroups.

Tenure

Most of the trial participants owned their home (92 per cent), with only 8 per cent being tenants. Those in privately owned homes were more likely to have invested in more permanent energy efficiency/generating measures,³ they may also have been more affluent and used more white goods, and therefore had a larger flexible load.

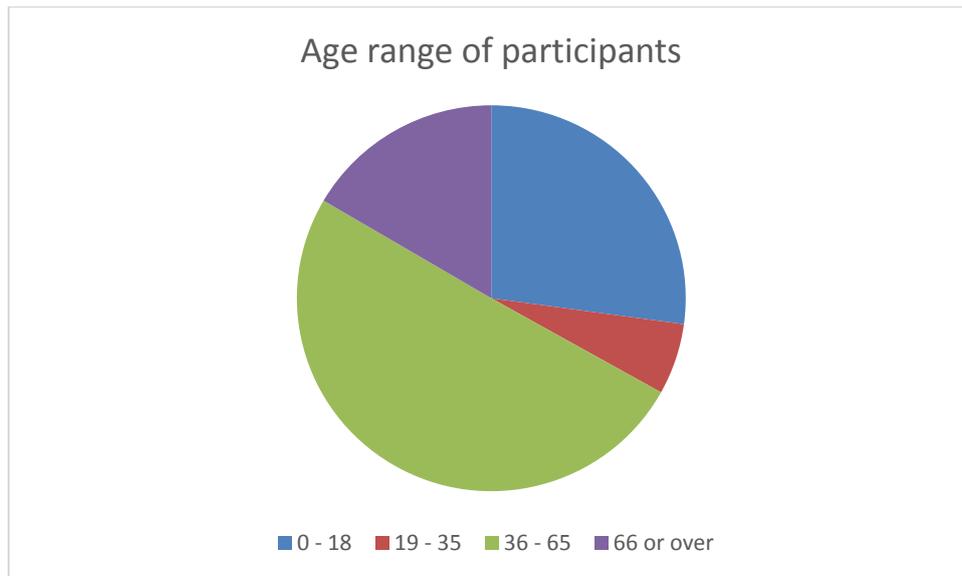
³ Department of Energy and Climate Change, 2013, United Kingdom housing energy fact file

Occupants

Age range

Half of the occupants of the households taking part in the trial were adults between the age of 36 and 65, as shown in the figure below.

Figure 5. Age range of participants



The wider Wadebridge and Padstow area comprises of 14.5% aged 0-15; 58.6% aged 16-64 and 26.9% aged 65 plus.⁴ Therefore the Sunshine Tariff attracted a slightly younger sample than the wider area population.

One third of the households had children under the age of 18 and just under one third had an occupant over 66 years of age. These groups were more likely to have someone at home during the day and therefore may have found the Sunshine Tariff more attractive as it would be easier to shift consumption to the daytime hours.

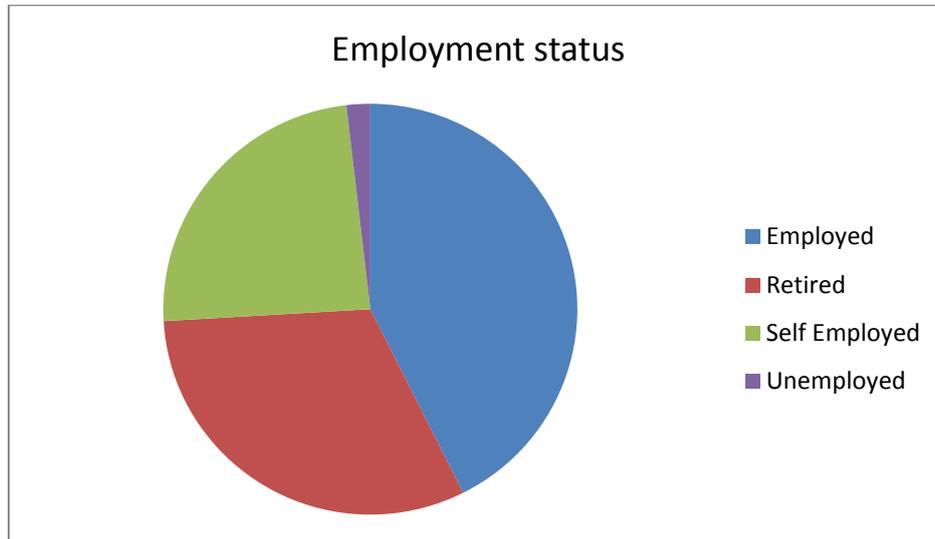
Employment status

43 per cent of the bill payers were employed, 24 per cent self-employed, 31 per cent retired and 2 per cent unemployed, as shown in the figure below. Although not a direct comparison, 59 per cent of 16-64 year olds in Cornwall were employed, 15 per cent self-

⁴ Office for National Statistics (2013) Census 2011 January 2013 release - <http://www.ons.gov.uk/ons/guidemethod/census/2011/index.html>

employed and 4 per cent unemployed in August 2016.⁵ The low number of unemployed participants suggests that they are less engaged in energy issues and/or the marketing did not reach them.

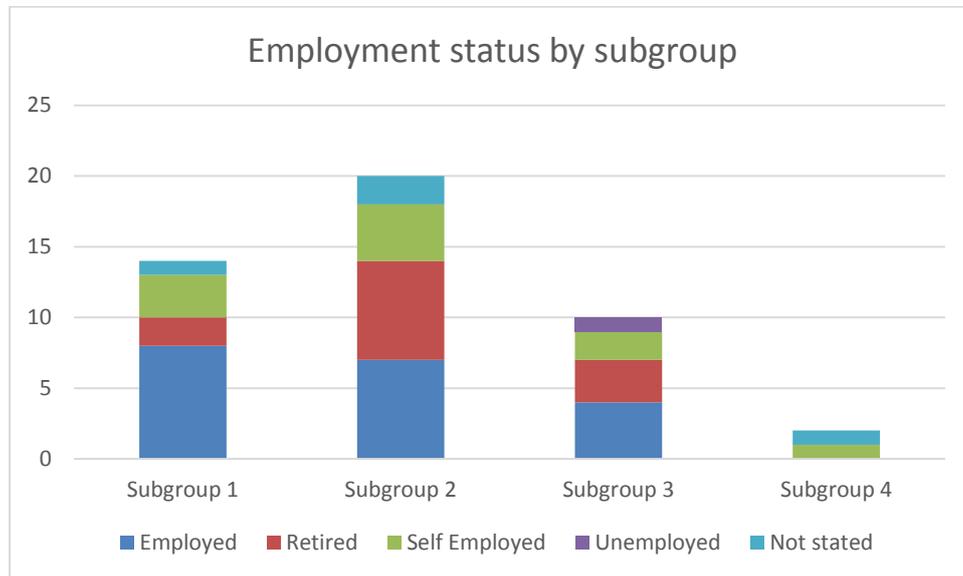
Figure 6. Bill payer employment status



There was not a significant pattern with employment status and choice of subgroup. It was assumed that retired or unemployed customers would opt for group 1 or 2 and greater manual control if they were at home, and those that were employed and not at home during the day would opt for greater automation. This was not the case, as illustrated below.

⁵ Cornwall Council, August 2016, Economy Monitoring

Figure 7. Bill payer employment status by subgroup



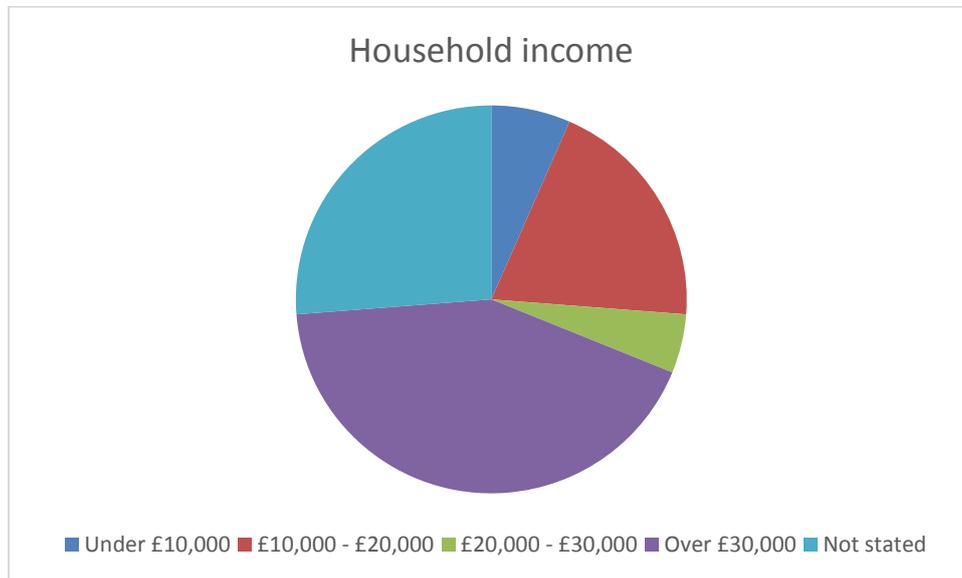
However, over half (58 per cent) of the retired customers opted for subgroup 2 with regular feedback with WREN. This is consistent with a hypothesis that older customers appreciate greater support.

Household income

Three quarters of the participants provided information on household income, of which almost half earned more than £30,000 per year. In 2010, the average full time annual earnings for individuals (before tax and contributions) in Cornwall were £21,258,⁶ which suggests that the slightly more affluent households were engaged in and attracted to the Sunshine Tariff although it should be noted that there may be more than one earner per household.

⁶ <https://www.cornwall.gov.uk/media/3627139/CostofLiving2012.pdf>

Figure 8. Household income



2.3.3 Electricity consumption

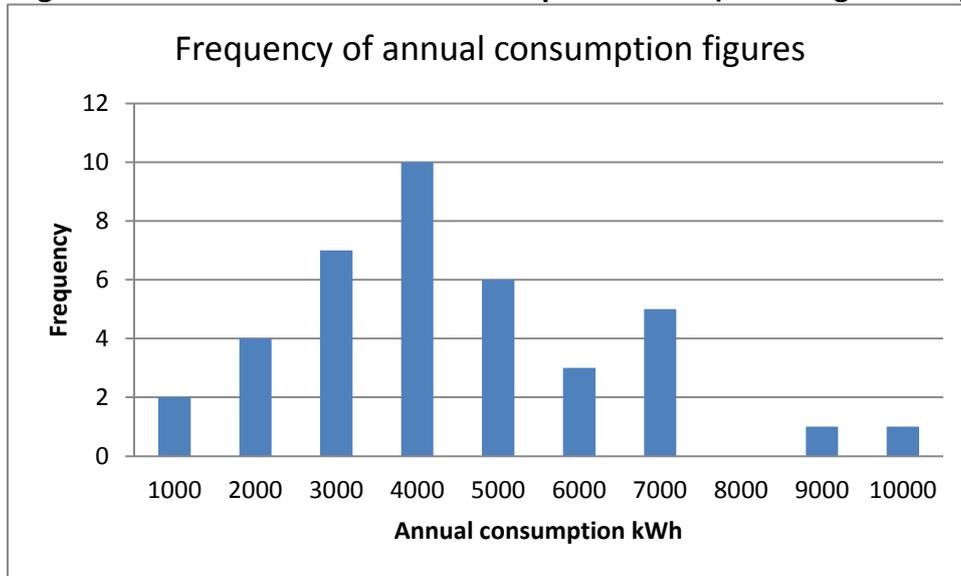
Annual consumption

Two thirds of participants provided information about their annual electricity consumption. Out of the 40 responses, one was extremely high (<10,000 kWh) and was considered as an outlier.

The average kWh per year including all responses was **4,412 kWh** and excluding the outlier was **3,961 kWh**, which is closer to the median of 3,627 kWh and the Elexon average for profile 1 customers of just over 4,000 kWh per year.

The figure below illustrates the distribution of annual consumption values, which is quite wide and suggests that the time of use tariff was attractive to a range of energy users.

Figure 9. Distribution of annual consumption values (excluding outliers)



Heating methods

The participating households were heated using a variety of sources, indicating that electric heating was not an important deciding factor for signing up to the trial. The following charts show how the households heated their water and space.

Figure 10. Water heating methods

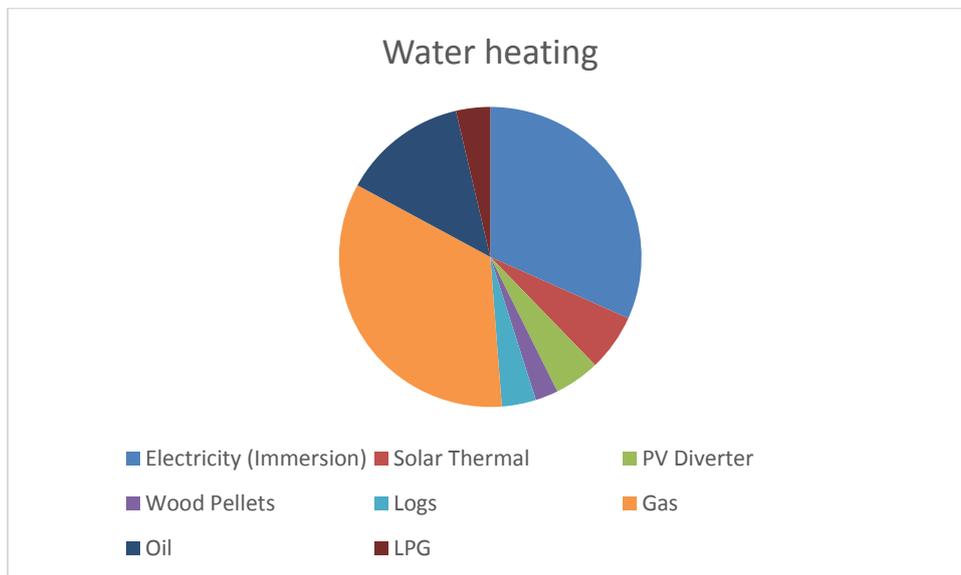
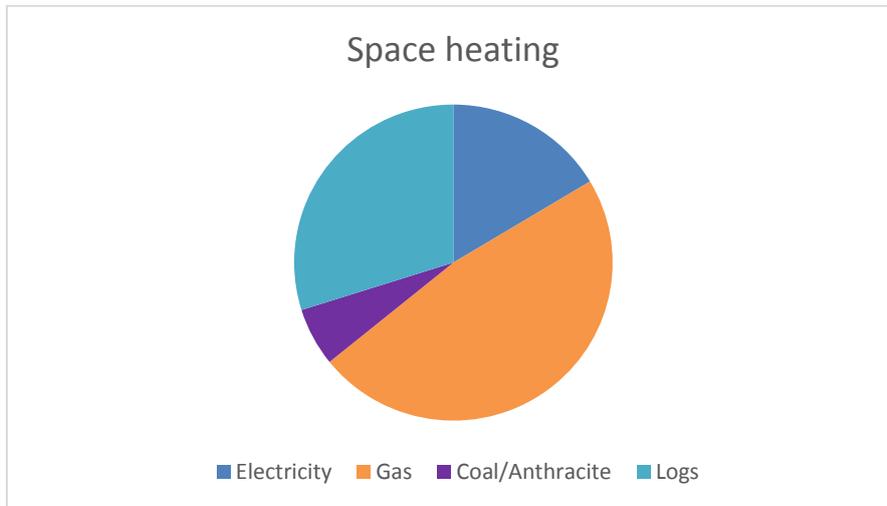


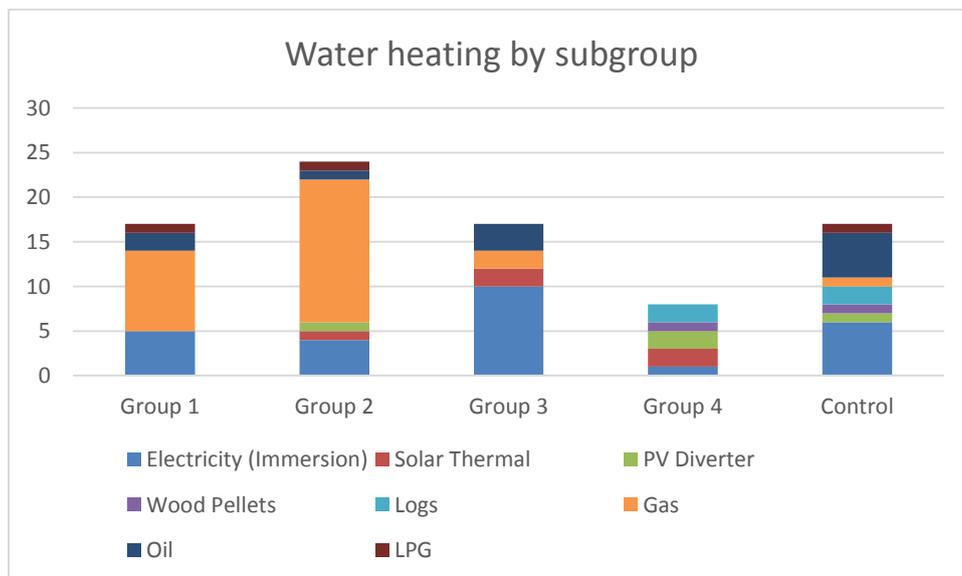
Figure 11. Space heating methods



Less than half the homes used electricity for water and space heating. Space heating is less relevant for the summer months, but electric water heating, and to some extent space heating, provide an important flexible load.

When we looked at the difference between the subgroups, group 3 (automated hot water) has a higher percentage of electric water heating, as would be expected, and groups 1 and 2 have a higher percentage of gas water heating.

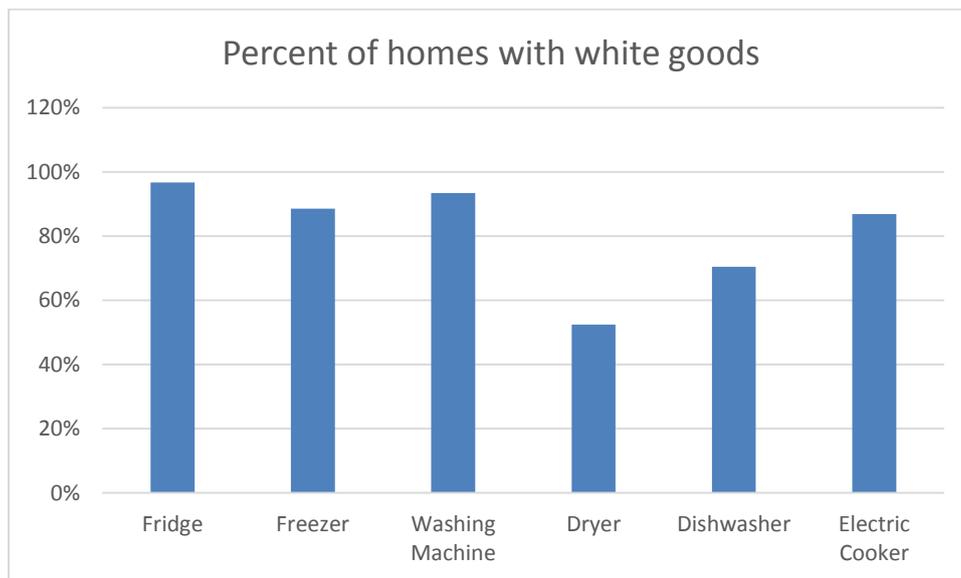
Figure 12. Water heating by subgroup



White goods

The questionnaire also asked participants about the white goods in their homes to assess the level of flexible load available.

Figure 13. Percent of homes with white goods



There was very little difference between the subgroups, with the exception of subgroup 4 having slightly more white goods than the other subgroups.

Electric vehicles

Another flexible load was a plug-in vehicle. Only three out of the 61 households had electric vehicles, two of which were in subgroup 4 and one in the control group.

Solar PV

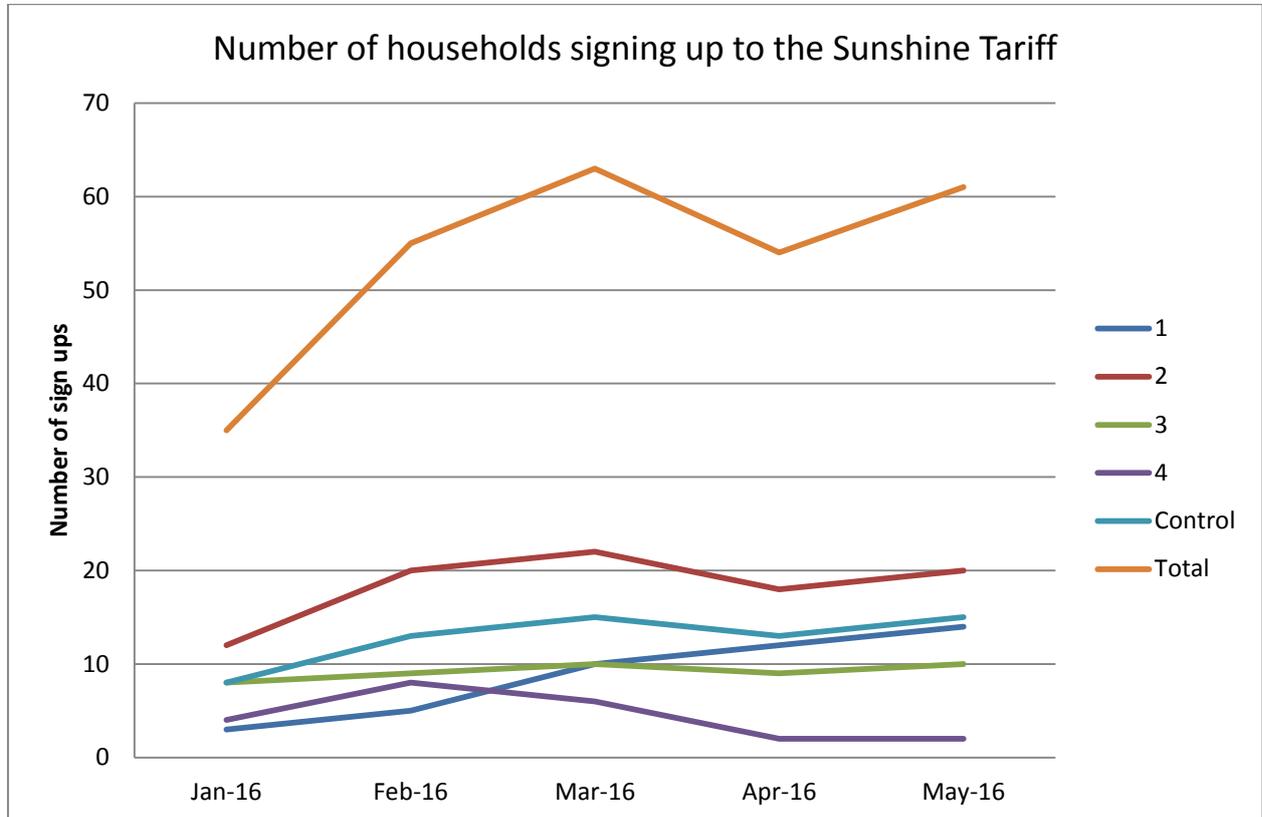
One third of the households in the trial had solar PV compared to approximately 10 per cent of households in the Wadebridge area. This was higher than expected, as it was assumed that they would not be able to shift enough consumption to the middle of the day to make it worthwhile. A possible explanation is that these participants were joining the trial due to sharing the aims of WREN to have greater local control and benefit from renewable energy.

2.4 When they signed up

The tariff was launched at the beginning of January 2016. 35 households signed up in the first month and another 20 in the second month. New sign-ups dropped to just 8 in March, possibly due to a drop in publicity following the launch and those most engaged already having made enquiries. In April, 11 households withdrew from the trial (see section 3.5

below) and only two new households signed up. The last push of publicity about the deadline extension resulted in another seven sign ups in May.

Figure 14. Number of households signing up to the Sunshine Tariff



WREN estimated that if recruitment had started at the time of the Royal Cornwall Show in June 2015 (as originally planned), the target of 240 households would have been achieved between June and February when the competitiveness of the tariff decreased. The increased time would have allowed greater impact by word of mouth as well time to resolve meter installation issues and objections.

WREN also estimated that if the tariff had been revisited in January/ February and a more competitive offer provided, it could have attracted close to double the numbers achieved in the eight week recruitment period.

2.5 Reasons for not signing up

There are two sources of information on why people chose not to sign up to the Sunshine Tariff. They are from enquiry follow ups and the WREN membership, both of which are set out below.

2.5.1 Enquiry follow ups

Altogether, around 380 people contacted WREN to discuss the tariff. Most of those who enquired preferred not to leave contact information, but said they would be in touch if they wished to take it further. Those that left details were followed up a week later to prompt them into making a decision, or to see if they needed further help.

For those that had made the decision not to sign-up, the following reasons were given (in order of popularity):

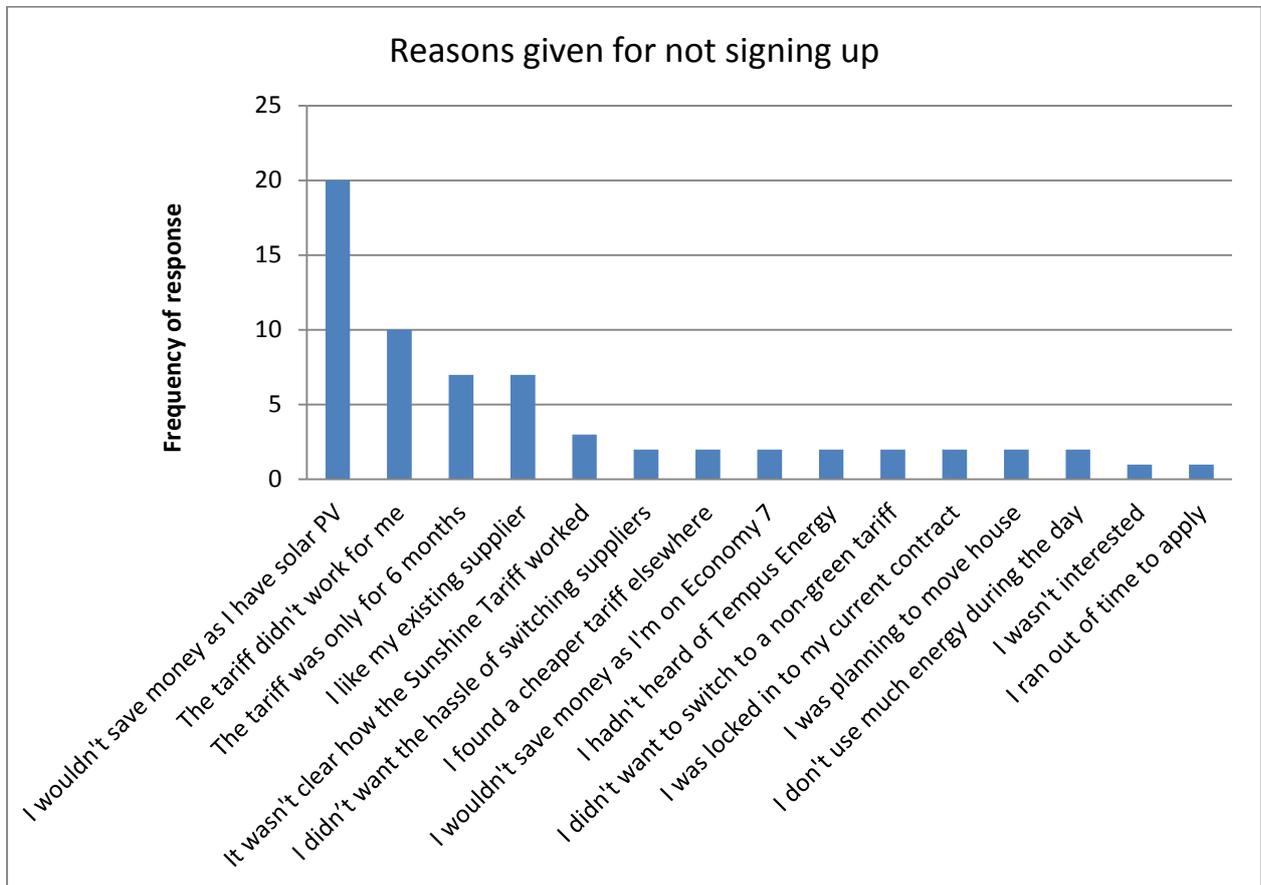
1. On Economy 7 and switching to the Sunshine Tariff would not have saved them money
2. Outside trial area
3. Inertia – trial period quite short and worried about changing again
4. Did not want to pay to get out of existing contract
5. Found that they could achieve similar savings with other tariffs
6. Had solar PV panels so did not think tariff would benefit them
7. They were on a key meter.

2.5.2 WREN membership

Out of WREN's membership, there were approximately 450 households within the target area that did not sign up for the trial. 51 households responded to a survey to find out why they decided not to sign up.

After hearing about the Sunshine Tariff, over half sought further information about the tariff before making a decision. The reasons given for not signing up are provided in the figure below.

Figure 15. Reasons given by WREN members for not signing up



2.5.3 Summary of findings

The reasons given for not signing up can be grouped under a number of categories (most popular first).

1. **Economic** – customers predict that savings will not be made due to either: having solar PV; being on Economy 7; found/already on a better tariff; had to pay to get out of existing contract; not able to shift enough power
2. **Restricted** – not all households could take part due to either: being outside the target area; having a key meter; being locked into a contract; moving house
3. **Hassle** – some were put off by the perceived need to switch suppliers after the six month trial period
4. **Lack of understanding** – either of how the tariff worked or who Tempus Energy were
5. **Lack of interest**
6. **Ran out of time to apply.**

The economic reasons were most often cited for not signing up, which suggests that customers were sensitive to prices and were making decisions based on whether they were better or worse off.

2.6 Failed sign ups

A total of 89 households attempted to sign up, of which 14 were just outside the target area and therefore could not take part and 14 withdrew for a variety of other reasons. Below is a list of reasons customers withdrew from the Sunshine Tariff after they had signed up (minus three that were unknown):

- A number of customers had a missing meter serial number, so they chose to stay with current supplier (x3)
- Several customers decided that they didn't want a smart meter (x2)
- One was locked into a contract so customer chose to stay with current supplier
- One had an objection from the existing supplier due to either being in debt or being bound by their contract
- One property was a holiday cottage and the customer could not encourage guests to mainly use electricity between 10am-4pm
- One customer had an Economy 7 meter and a new meter would not be compatible with Economy 7 tariff after the Sunshine Tariff
- Tempus could not swap out the existing smart meter for one customer
- One customer had a key meter, which was not compatible with Tempus Energy systems.

When mapped against the categories of reasons for not signing up in section 3.5 above, 73 percent withdrew because they were **restricted** in some way reasons outside of the customer's control and 27 percent due to a **lack of understanding** of what the trial entailed.

3 Lessons learnt

3.1 Participant demographics

The Sunshine Tariff attracted more of the affluent population in Wadebridge: 92 per cent owned their house; 67 per cent were in active employment; and almost half earned more than £30,000 per year. This suggests that the more affluent were more engaged in energy issues, they had more flexible load to shift and were more willing to take the risk of signing up to a trial.

The high percentage of WREN members and those with solar PV signing up suggests once again that already being engaged in energy issues makes them more likely to sign up. This group are sometimes referred to as the early adopters and are more likely to accept a greater level of risk.

The participating households had a wide range of annual energy consumption figures and a variety of means of heating their homes, which indicates that a time of use tariff does not attract a particular type of energy user.

3.2 Timescales required

The original work plan allowed nine months for recruitment, but was significantly reduced due to unforeseen circumstances in the trial set up and registration process. Consequently, the partners had just eight weeks to recruit 240 households for the Sunshine Tariff and another 60 into the control group. This was then extended by another 4 weeks to sign up more customers for a shorter trial period.

WREN estimated that if they had had the full nine months, the target of 240 households would have been achieved. The increased time would have allowed greater impact by word of mouth and potentially reached a much wider audience.

Furthermore, the switching process was not as smooth as hoped with a number of challenges that had an impact on the end-to-end customer journey, which included objections from the customer's previous supplier to join Tempus, missing information on the customer's account and customer's availability to install a smart meter. Allowing more time for switching and installing technology would have enabled a number of households to remain in the trial.

3.3 Tariff attractiveness

It is, however, questionable that the extra time would have made a significant difference to the number of sign ups. There were several factors that made the tariff less attractive than hoped, which are set out below.

- **Tariff design**

The most common reason cited for choosing not to sign up to the tariff was that it didn't make financial sense for the customer. This was often because they had solar PV or were on Economy 7. Over 380 households made enquiries about the tariff, which suggests that people were open to the idea, but considered carefully if it worked for them. This raises a more fundamental question around whether it is possible to incentivise a demand turn-up in the summertime, as much of the domestic flexible load is winter based.

- **Market changes**

The Sunshine Tariff was attractive when the project launched and sign up was high. However, after six weeks, the energy market conditions changed and the tariff was less competitive, which reduced sign-up significantly. See figure 12 above, which illustrates how sign ups plateaued. This suggests that customers do compare prices and look for the best deal. Furthermore, it suggests that having a dynamic tariff that changes as the market changes to remain competitive would be beneficial.

- **Length of trial period**

The length of the trial period put some households off, as they were concerned about switching again at the end of the trial period. This was despite being given the option of remaining with Tempus when the trial ended.

Testing the tariff with a focus group before launch would have helped identify and overcome attractiveness issues. Other trials, such as Energy Wise, have found testing marketing techniques very useful. It is also important to monitor the market to check for competitiveness and either adjust the fixed tariff before launching or track against a variable rate to ensure the tariff reflects changes in the market. Having multiple suppliers could also help mitigate this issue, as there would be more than one Sunshine Tariff available in the market.

3.4 Value of trusted local advice

Almost three quarters of the households that signed up for the trial were WREN members, suggesting that those already bought into the organisation trusted their advice. Evidence suggests that when people are short of time they use trust as a simple decision-making tool

and use others' expertise and experience to make decisions. The perceived openness and honesty of the organisation providing advice are important factors.⁷

The Competition and Markets Authority suggested that the lack of trust in the energy sector contributes to lower than optimal levels of market engagement through switching.⁸ A customer survey revealed that consumers' trust in their own energy supplier is far higher at 62 percent than their level of trust in other energy suppliers at only 27 percent, which may be a barrier to change for those who are uncertain about the benefits of switching.

It is possible that WREN's involvement resulted in more of the energy-aware households signing up than would have if alternative marketing methods were used. However, evidence from previous trials, such as SoLa Bristol, suggests that people require a number of reasons to engage. The monetary incentive is important but is often not the sole factor. Wanting to save energy, be part of a wider community project and to learn more about energy play an important role. Therefore, energy awareness may have been an important factor for signing up to a tariff trial regardless of who was promoting it.

3.5 Challenges with switching

There were a number of barriers that prevented customers from switching suppliers, which had an impact on the number of sign ups. These included objections from existing suppliers, missing meter serial numbers and technical difficulties for changing the meter. Many of these issues would have been resolved if Tempus had had more time. It is also possible that providing an additional non-supplier switching option would have increased the number of participants.

One option would be to recruit from within a supplier's existing customer base, therefore removing the need to switch suppliers. This proved effective for the Low Carbon London trial and would both save time and avoid the extensive marketing required. However, it does require the supplier to have a large existing customer base from which to recruit. Alternatively, multiple suppliers could provide the same time of use tariff to increase the customer base from which to recruit.

⁷ CSIRO Adaptive Social and Economic Systems, 2014, Household energy use: Applying behavioural economics to understand consumer decision-making and behaviour.

⁸ GfK NOP, 2015, Energy Market Investigation

4 Recommendations

There are several recommendations for recruiting customers. These are to allow longer for recruitment and switching, and to consider providing a non-switching option. One option would be to recruit from within a supplier's existing customer base, therefore removing the need to switch suppliers. This would both save time and avoid the extensive marketing required.

Lessons learnt also suggest that testing the tariff and marketing techniques before launching could have provided feedback on what was both attractive and unattractive about the tariff. It is also important to monitor the market to check for competitiveness and either adjust the fixed tariff before launching or track against a variable rate to ensure the tariff reflects changes in the market. Having multiple suppliers could also help mitigate this issue, as there would be more than one Sunshine Tariff available in the market.

Looking more generally at the viability of domestic demand side response, learning from recruiting for the Sunshine Tariff suggests that some external factors might need to change:

- All customers will need smart meters and in some cases will need to be half hourly settled
- Switching suppliers needs to be faster, more efficient and better understood
- Households will need to have more flexible loads
- Some households will require greater automation
- Some time of use tariffs will not be compatible with onsite generation or technology linked with Economy 7 when there is minimal value to be gained.

Some of the above issues are being addressed through government policy and others will change as the smart energy and storage market evolves over the next few years. Therefore, this type of time of use tariff may become much more attractive in the future.

