

Essential Services Commission

Payment Difficulty Framework: Call recordings study

20 May 2022



This project was conducted in accordance with the international quality standard ISO 20252, the international information security standard ISO 27001, as well as the Australian Privacy Principles contained in the Privacy Act 1988 (Cth). ORIMA Research also adheres to the Privacy (Market and Social Research) Code 2021 administered by the Australian Data and Insights Association (ADIA).

ORIMA pays respect to Aboriginal and Torres Strait Islander Peoples past and present, their cultures and traditions and acknowledges their continuing connection to land, sea and community.

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1. Executive Summary

This research report presents the findings on the analysis of communications between 94 Victorian customers identified as experiencing payment difficulty and their energy retailers. Customer information was provided in the form of call recordings and other supporting documentation from 17 retailers.

IMPLEMENTING THE PAYMENT DIFFICULTY FRAMEWORK

Substantive implementation of the Payment Difficulty Framework was evident from the calls analysed. This is demonstrated by the frequent offers of assistance for customers, with 82% of calls with customers involving some form of assistance being offered or discussed. The remaining 18% were often customer changes to account details (e.g. change of address or payment arrangements).

Over the course of the study observation period (December 2018 to December 2021) the 94 customers included in the study were offered on average 7.4 different forms of assistance, indicating that retailers were providing a variety of support and assistance to customers.

Assistance offered was commonly types of assistance considered as ‘tailored assistance’ under the Energy Retailer Code of Practice. The most common forms of assistance offered were:

- Advice about government assistance – Utility Relief Grant (40% of 729 conversations);
- Entering the customer into a payment plan (33%);
- Varying existing customer payment plan amounts (16%);
- Advice on reducing energy use (14%); and
- Changing energy plans to reduce customer energy costs (10%)¹.

In rare instances, customers were offered financial assistance that was beyond the minimum entitlement of the Payment Difficulty Framework. This came in the form of payment matching (3%), debt waivers (2%) and retailer payments towards customer debt (2%).

The call analysis indicates that there are areas where retailers could improve in their implementation of the Payment Difficulty Framework.

Firstly, while there were some conversations where operators prompted the discussion of payment difficulty (12%), the majority of the time the topic was raised by customers (38%) or noted as not being discussed (50%). It should be noted, however, that when payment difficulty was not expressly raised in a call, assistance was still often offered or discussed (as mentioned above, this occurred in 82% of calls). Nonetheless, there appears to be an opportunity for improvement in retailers adopting a more proactive approach to raising the topic of payment difficulty with customers.

Secondly, the purpose of the assistance was not always made clear by operators during the call. During calls involving the offer of assistance, only four in ten (42%) clearly demonstrated a retailer communicating that the assistance was being offered for the purpose of dealing with outstanding debt or to avoid getting into arrears. Improving the clarity of communication around this issue would help to prevent confusion among customers (such as the mistaken belief that debt payment arrangements relate to changes to a customer’s energy plan).

CUSTOMER SATISFACTION

The majority of customers appeared to be satisfied with the assistance provided by their retailers. In 90% of calls where assistance was offered, the study assessed customers as being ‘satisfied’ or ‘very satisfied’ with the support provided by the retail operator.

Several factors were identified as potentially influencing overall customer satisfaction:

- the tone used by the operator;
- the outcome of the call;
- customer engagement behaviours demonstrated by retailer operators;

¹ Essential Service Commission figures show that, for all customers currently receiving an energy bill, roughly three in four customers were not on the best offer available.

- operators explaining the purpose of assistance is to reduce debt; and
- operators completing the Utility Relief Grant application over the phone with the customer.

UTILITY RELIEF GRANTS

The Utility Relief Grant (URG) was the most common form of assistance offered to customers. 88% of customers were offered information about the URG as a form of assistance at least once over the study period. Most retailers would work with customers on the phone to apply for the grant, or email information out to help in their application.

In October 2020, an obligation was placed on retailers to support customers in completing and submitting URG applications². The study data indicates a significant shift in behaviour once this change was made, with the incidence of retailers providing this service significantly increasing in 2021 (see Figure 16).

RETAILER OPERATOR COMMUNICATION

Operators were assessed as being predominantly friendly in their communication with customers. Seven in ten calls had an operator whose overall tone was friendly (71%). Three in ten calls had an operator whose overall tone was empathetic (30%). In very few calls were retail operators assessed as being dismissive (2%) or judgemental (1%).³

Retailer operators were assessed as largely showing high levels of positive customer service behaviour. Notably, in almost all calls, operators were found to have been respectful of customers (98%), to have listened to and acknowledged the customer (95%), and to have provided support to the customer (94%).

These positive communication styles were associated with more satisfied customers, suggesting that the operator's communication style may have a direct impact on customer satisfaction.

² This was initially by way of Essential Services Commission guideline and is now provided for at clause 128(1)(e)(ii) of the Energy Retailer Code of Practice.

³ Calls could be assessed as having more than one type of tone if applicable.

2. Introduction

2.1. Background

The Essential Services Commission (the Commission) is a Victorian public sector body that is an independent regulator of Victorian essential services, including the retail of energy. In 2017, in response to high numbers of residential energy customers being disconnected for non-payment, the Commission introduced a set of energy rules in the Energy Retail Code⁴ to better protect and support residential customers who were facing payment difficulty. These rules, known as the Payment Difficulty Framework (the framework), commenced on 1 January 2019.

The framework's objectives are that:

- Customers are only disconnected for non-payment as a last resort;
- Customers avoid getting into arrears with their retailer; and
- Customers are supported to pay for their ongoing energy use, repay their arrears and lower their energy costs.

The Commission has commenced a review of how the framework was working in practice. The purpose of this review is to understand:

- the ways the payment difficulty framework has been implemented;
- consumers' experience of the framework;
- how it is being implemented by energy retailers; and
- the perspectives of community sector organisations.

The Commission has also sought to better understand the challenges retailers have faced during implementation, and how customers can be better supported to engage with their retailers.

To aid in this review process, the Commission commissioned ORIMA Research to conduct an analysis of a sample of customer recordings and supplementary information from energy retailers, with the aim of gaining a better understanding of the implementation of the Payment Difficulty Framework by retailers, and the impacts of this implementation on customers.

Please see the Essential Services Commission's Findings Report for more detail on the methodology of selection of energy retailers and their customers.

2.2. Research objectives

The objectives of the research were to:

- Observe the extent to which energy retailers are implementing the Payment Difficulty Framework;
- Identify any areas of the framework that are being implemented less than others or are having less of an impact; and
- Identify the success of the framework in achieving the framework aims of customers being supported to pay for their energy use without getting into arrears or getting disconnected.

2.3. Research methodology

ORIMA Research and the Commission project team developed a data collection tool, which was programmed in a survey format and used as a tool for audio recording and call notes data entry.

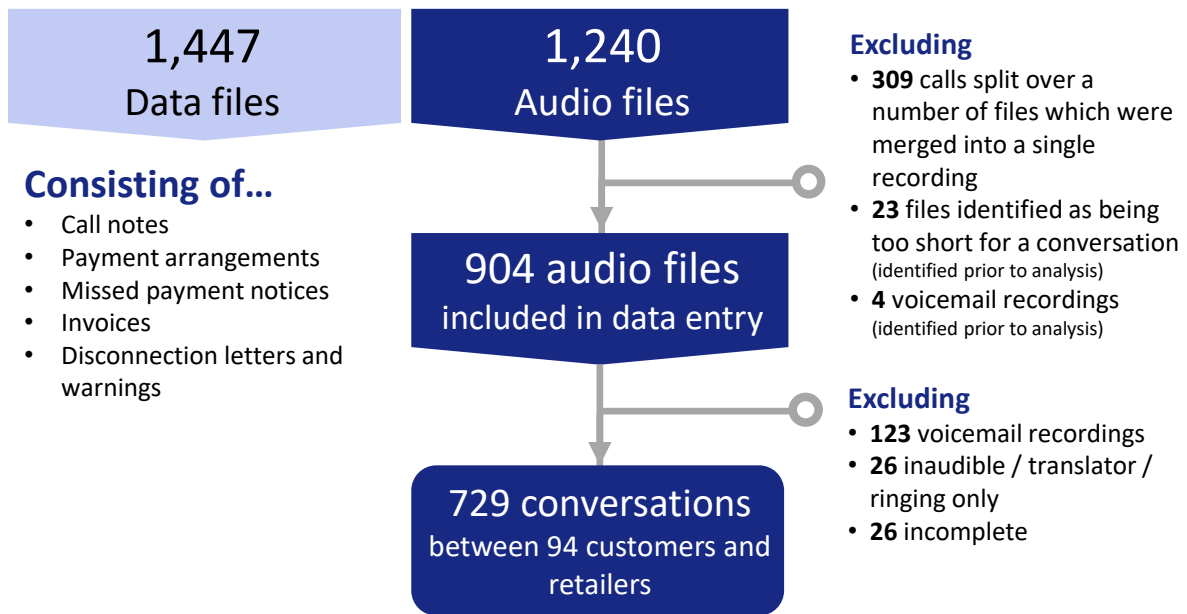
This approach allowed for a structured and consistent approach to the capture of data. Supplementary documentation was scanned for potential useful information, with useful data extracted using a variety of tools.

⁴ The Energy Retail Code is now known as the Energy Retail Code of Practice, and the Payment Difficulty Framework is found at Part 6.

In order to accommodate the milestones set out by the Commission, analysis of the customer calls and supplementary information was conducted by a combination of ORIMA staff and our quality-accredited fieldwork partners, Lighthouse Data Collection (LDC).

The data entry period was conducted from 18 March to 4 May 2022, including a pilot of the data collection tool which took place on 18 March 2022.

Figure 1: Summary of files provided



As shown in Figure 1, 1,240 calls with 94 customers were provided by energy retailers. Of these, 904 were analysed using the data collection tool, while the remaining 336 were categorised as combined portions of another call (309), or unsuccessful attempts by the retailer to reach the customer (e.g. voicemail / ringing out) (27). All 94 customers had at least 1 call included in the final analysis.

2.4. Presentation of findings

Unless otherwise specified, reported numbers are based on the total number of customer call recordings, where the attempt to reach the customer was successful.

Customers could have a varying number of call interactions with their retailer (ranging from 1 call to 32 calls), and as such, not all 94 customers included in the study are equally represented when reporting by the total number of customer calls. Where appropriate, results are provided at an overall customer level.

For stacked bar charts, numeric labels for categories that are less than three percent of the total proportion have been removed from the chart for ease of reading and clarity.

Percentage results throughout the report may not sum to 100% due to rounding.

2.5. Call summary

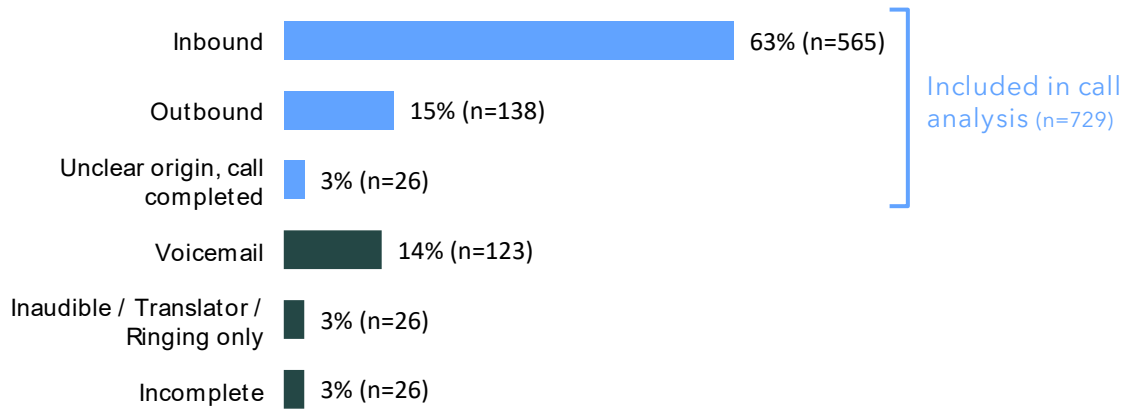
As shown in Figure 2, of the 904 calls processed using the data collection tool, the majority were inbound calls from the customer to the retailer (63%). The remainder were predominantly outbound calls where the retailer was calling the customer (15%) or voicemails from the retailer (13%).

A small proportion of calls (3%) was deemed to be unusable for the purposes of the study due to having poor audio quality or portions conducted in a language other than English or with a heavy accent that made

interpretation of the conversation difficult. A similar number of calls (3%) were also excluded as being incomplete (these were calls that rang out or were disconnected before any data could be gathered).

Inbound calls, outbound calls and calls that could have been either, but were not clear in origin (3%), have been included for the purposes of analysis in this study.

Figure 2: Processed recording origin



Is the call inbound or outbound?
 Base: All processed recordings (n=904)

The majority of calls analysed were from five large energy retailers. Combined, these retailers represented 62% of the audio recordings analysed .

On average each customer had 9.6 recordings that were included in the data entry process and 7.8 conversations of sufficient quality to be included in the call analysis.

Figure 3: Number of calls provided for each customer by retailer

	Average number of calls per customer	Number of calls	Number of customers
Retailer 1	13.6	136	10
Retailer 2	12.6	126	10
Retailer 3	11.7	117	10
Retailer 4	10.2	102	10
Retailer 5	8.0	80	10
Retailer 6	5.0	50	10
Retailer 7	23.5	47	2
Retailer 8	14.7	44	3
Retailer 9	10.8	43	4
Retailer 10	9.5	38	4
Retailer 11	7.0	28	4
Retailer 12	13.0	26	2
Retailer 13	5.3	21	4
Retailer 14	4.5	18	4
Retailer 15	4.5	18	4
Retailer 16	2.5	5	2
Retailer 17	5.0	5	1

Retailer
Base: All processed recordings (n=944)

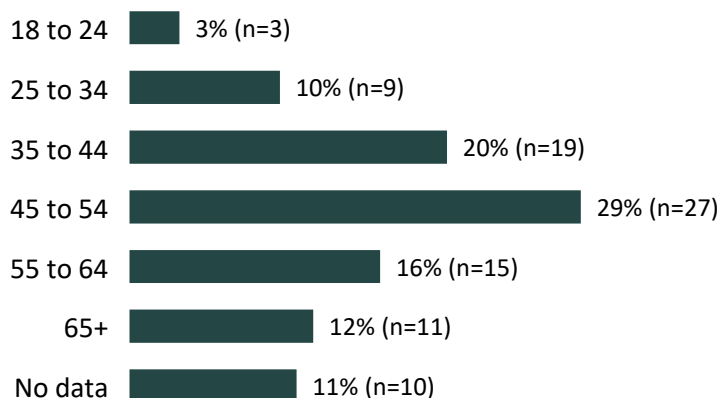
3. Customer context

For the analysis of the calls, it was important to consider the customer’s situation and the context of the barriers they were facing. This section outlines the demographic profile of customers, the barriers they faced (when mentioned) and the amount of debt they had accrued at the beginning of the call analysis period.

3.1. Demographics

Customers in this study were most commonly aged 45 to 54 (31%). The age of 6 respondents was not able to be ascertained from the recordings or call notes.

Figure 4: Age of customers in study



Record age of customer

Base: All customers (n=94)

Note: Age inferred during data collection, where varying data was present the result with the most common response was used

The majority of customers were identified as being female (69%), with the remainder being male (29%) or unspecified (2%). Please note that the gender was inferred during data collection when not mentioned outright by the operator or customer⁵. Where varying data was present, the most common response was used.

3.2. Calls

To understand the context of the calls between customers and retailers, information was collected on the indicated purpose of the interaction.

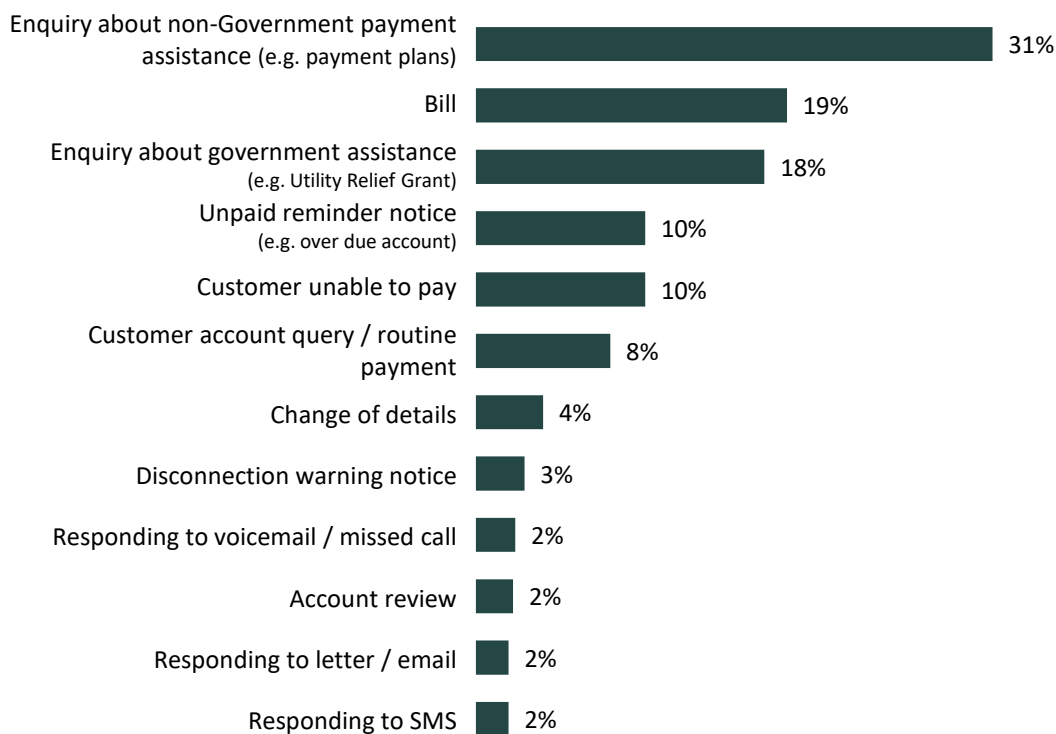
The most common reasons for the calls between customers and retailers are presented in Figure 5, with enquiring about non-government payment assistance (31%) observed to be the most common reason for the call interactions. Enquiries about government assistance were also common (18%); and included calls where the purpose was to apply for these forms of assistance, get updates on how grants were progressing, or other related details.

One in ten conversations was initiated due to a customer being unable to pay the amount that they owed. This suggests that there are some customers who are approaching retailers for a discussion on payment relief options rather than directly requesting particular forms of assistance.

Only four (less than 1%) of the analysed calls were due to a disconnection event. Prompts in the form of disconnection warning notices (3%) and notices to disconnect (1%) were slightly more common, however represented a small proportion of calls overall.

⁵ For this question, if a person described themselves as a particular gender or used a gender specific pronoun (e.g. mother), gender was coded as female or male. If gender was inferred based on name of customer or vocal cues, gender was coded as inferred female or inferred male.

Figure 5: Top 10 reasons for initiating conversation



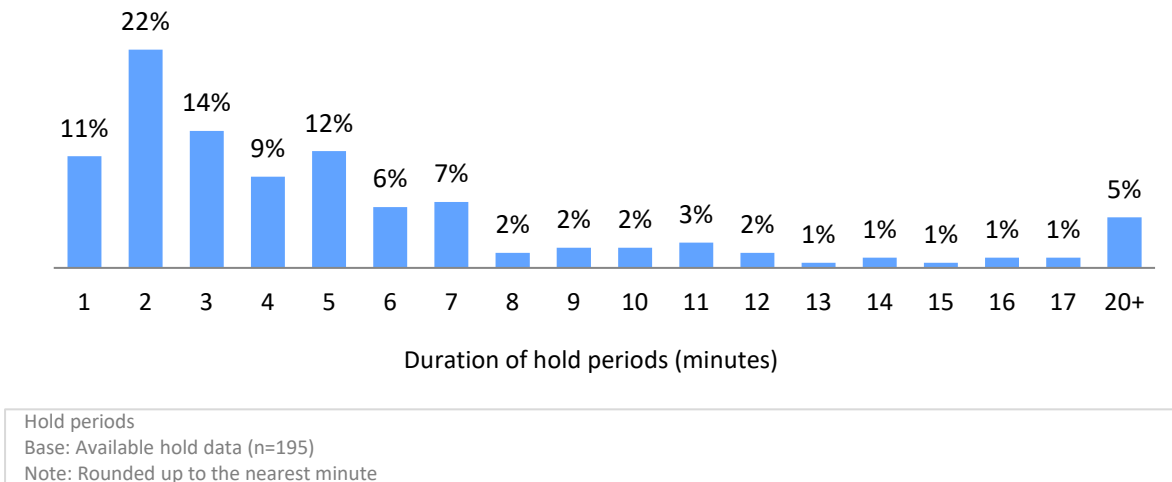
What was the primary trigger / reason for the call?
 Base: Conversation (n=729)
 Note: Top 10 reasons shown, not shown unclear / not mentioned (5%)

Reasons for initiating calls that have not been included in the figure above were:

- Enquiry about concessions (formal government concession, e.g. Health Care Card, Pensioner Concession Card, Commonwealth Seniors Health Card) (2%);
- Intention to Disconnect notice (1%);
- Disconnection event (i.e. person had their service disconnected) (less than 1%); and
- Other (1%).

To further understand the experience of customers during these calls, the number and duration of hold periods after first reaching an agent were tracked. Hold data was captured for 371 calls. Of these, 53% included a hold period. On these calls, customers were on hold an average of 5 minutes 17 seconds. The highest recorded hold length was 34.5 minutes on a call that lasted an hour and 30 minutes.

Figure 6: Duration of hold periods during calls



It is important to note that some retailer recordings ended at the start of a hold period, with a new recording for the same call starting at the end of a hold period. For this reason, the data captured regarding the duration of holds should be interpreted with caution, as it may not provide a fully accurate representation of the experience of customers.

3.3. Barriers

Customers included in the study were often experiencing a variety of barriers or hardships in their lives that were potential contributors to making repayment of their energy bills more difficult or less of a priority. These include⁶:

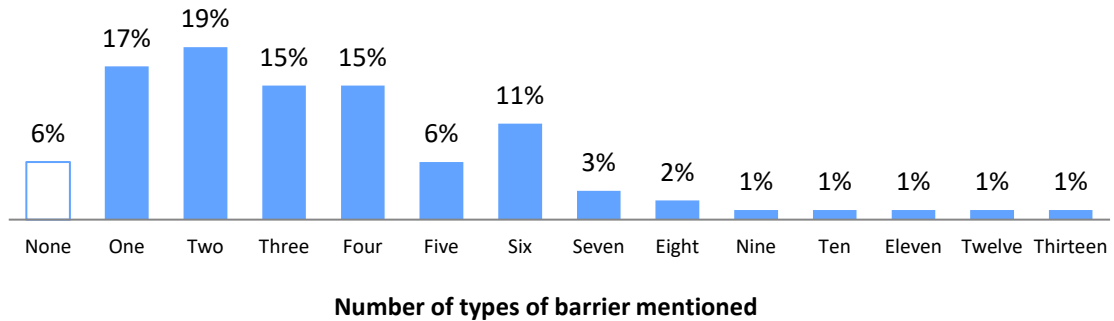
- Situational barriers (events that have occurred in people’s lives);
- Systemic barriers (societal constructs that impact individuals differently); and
- Market related barriers (barriers related to the retail energy market).

On average, customers mentioned experiencing more than three different types of barriers across the conversations provided, spanning a three-year period (December 2018 to December 2021). These findings suggest that customers experiencing payment difficulty often have a number of barriers that make it harder to pay their bills or make paying for their energy less of a priority.

⁶ As described in the commission’s Getting to Fair strategy (pp. 5-6).

Figure 7: Number of barriers experienced by customers (as mentioned to retailers during calls)

Customers mentioned an average of **3.5** barriers during the calls

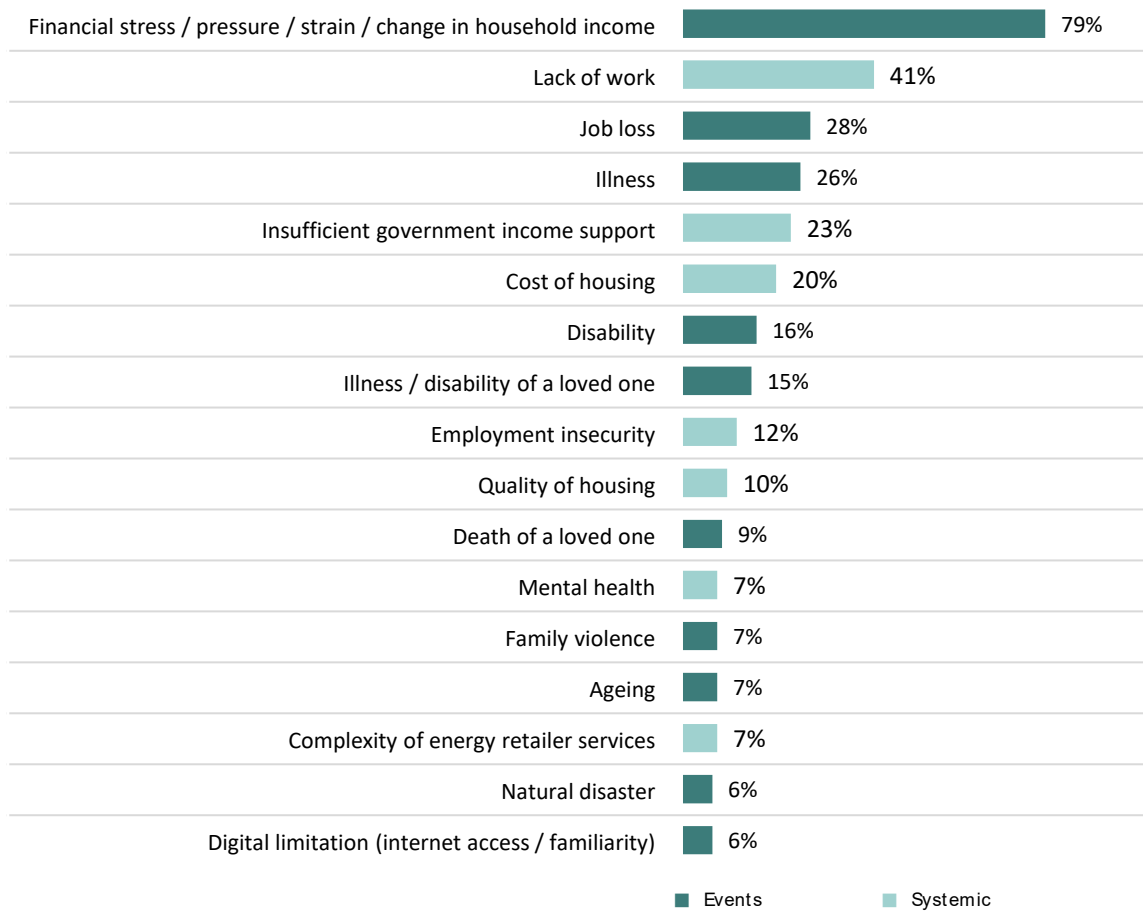


Did the customer mention they were experiencing any of the following hardships?
 Base: All customers (n=94)

Figure 8 shows the types of barriers mentioned by customers during calls with retail operators. These have been grouped as being event-based barriers, systemic barriers or market factors. The majority of barriers experienced were either event-based or systemic.

Financial stress was the most common barrier reported, with four in five customers mentioning some form of financial stress (79%). Lack of work opportunities, job loss and illness were also common experiences (41%, 28% and 26% respectively). 6% of customers did not mention a type of barrier.

Figure 8: Most common barriers experienced by customers (as mentioned to retailers during calls)



Did the customer mention they were experiencing any of the following hardships?
 Base: All customers (n=94)
 Note: Most common barriers shown, *

Other barriers experienced that were not included in the above figure include:

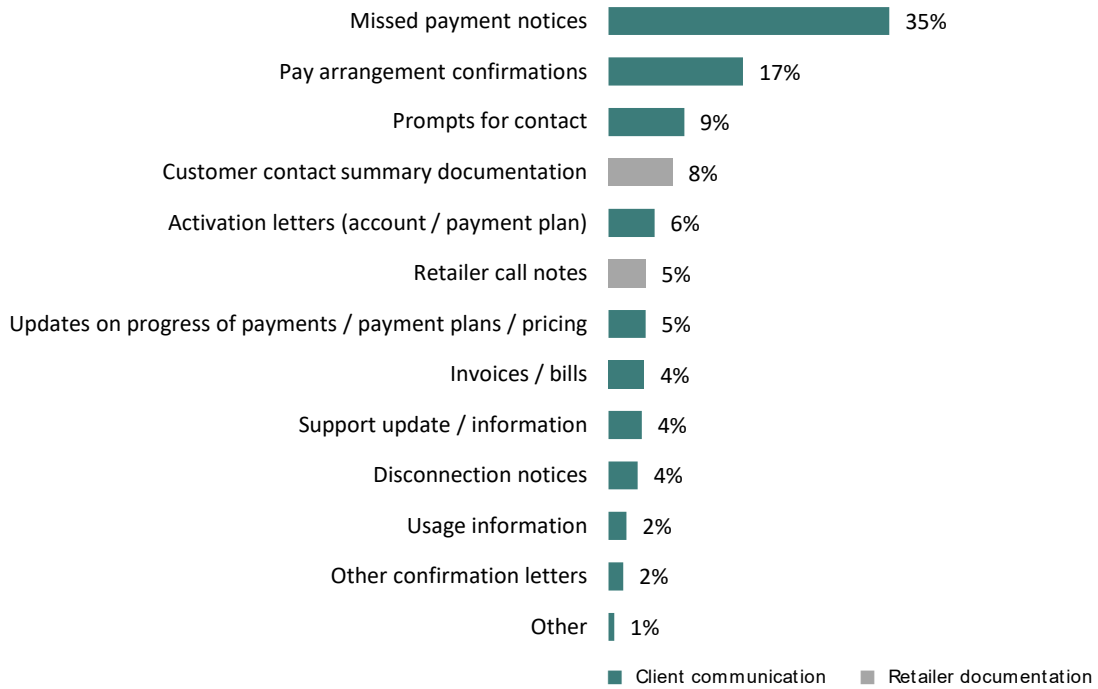
- Regional / geographic limitations: 4% (*Systemic barriers*);
- Complex documentation: 3% (*Market-related barriers*);
- Pricing strategies (locked in / special offers): 2% (*Market-related barriers*);
- Complexity of government services: 1% (*Systemic barriers*);
- Exclusion of customers from offers / services: 2% (*Market-related barriers*);
- Racism (personal discrimination due to race): 1% (*Systemic barriers*); and
- Other barriers not included in the list above: 17%

3.4. Other communication

The customer datafiles provided by customers were divided into categories. As shown in Figure 9, the most common interaction between retailers and customers in this study (aside from the recorded calls) was a missed payment notification.

Of the 94 customers included in the call analysis, 59 had supplementary documentation outlining contact outside of the call (e.g. missed payment notices, pay arrangement confirmations). Analysis of these documents showed that customers received an average of 21.5 non-call communications and of these 8.5 were regarding missing payments.

Figure 9: Customer communication other than recorded calls



Data file analysis
 Base: Data files (n=1,447)

The frequency of receiving disconnection notices was relatively low, averaging 0.9 notices per customer over the study period. Moreover, only a minority of customers received a disconnection notice (31% of the n=59 who had client communication documentation).

4. Assistance

As part of the Payment Difficulty Framework, customers are entitled to receive assistance from retailers to avoid or repay arrears, and to ensure that disconnection for non-payment of a bill is a measure of last resort. The types of assistance that a retailer must offer customers include standard⁷ and tailored⁸ assistance, as defined in the Energy Retail Code of Practice.

This section examines what was discussed in the recorded calls in relation to assistance, including the specific types of assistance offered and evidence of retailers supporting customers to access assistance.

4.1. Requesting assistance

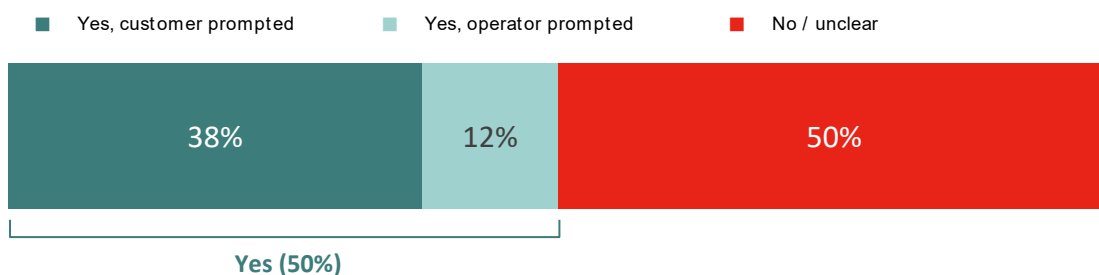
4.1.1. Discussion of payment difficulty

Half of the calls examined included the topic of payment difficulty, with the topic more often being prompted by the customer than the retailer (see Figure 10). Customers were more likely to mention payment difficulty if they were prompted to contact the retailer via:

- Not being able to make payments (80%);
- Receiving a disconnection warning notice (68%); or
- Receiving an unpaid reminder notice (58%).

Retailers were more likely to raise the topic of payment difficulty if the call was prompted by an SMS message (7 of 14 instances) or as part of a scheduled account review (6 of 16 instances).

Figure 10: Discussion of payment difficulty during calls



Was payment difficulty discussed?
Base: Conversation (n=729)

Although only 50% of conversations expressly covered payment difficulty, as shown in Section 4.1.3, 82% of calls included some form of assistance being offered. This suggests that retailers were finding opportunities to offer assistance even when it was not specifically requested.

Ways in which the topic of payment difficulty was raised varied. Some retail operators prompted customers directly with questions regarding their ability to pay, with examples shown below:

Operator checked with customer as to whether she was having any financial difficulty and whether it was okay to increase the payment amount.

Operator asked how customer's finances were, and the customer said that they were just making ends meet.

⁷ Clause 125, Energy Retail Code of Practice V1, 1 March 2022

⁸ Clause 128, Energy Retail Code of Practice V1, 1 March 2022

Operator asked why \$50 was the most that the customer was able to contribute. Customer replied that he was managing other life expenses.

Some retail operators provided customers the opportunity to volunteer this information in a less direct manner. Examples are shown below:

Operator asked; "How is everything going since the last time we spoke?"

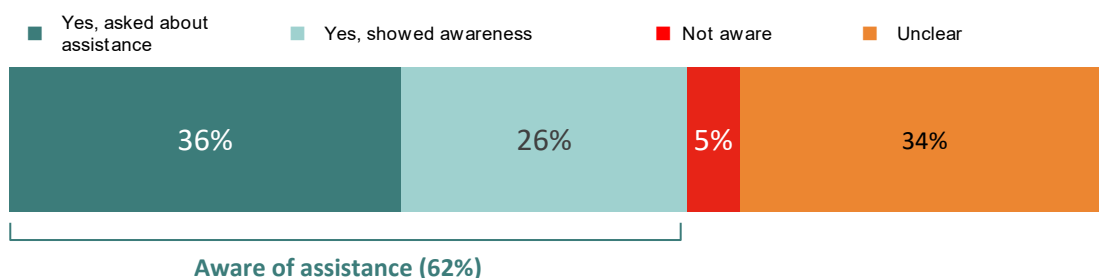
Operator: "Are you right with the payment plan?"

4.1.2. Customer awareness of retailer obligations to provide assistance

Of the calls analysed, six in ten (62%) showed evidence that customers were aware that retailers must offer assistance if they have trouble paying their bills, with 36% asking for this assistance directly.

The remaining four in ten (38%) calls did not indicate awareness by customers, however it is worth noting that this type of call recording analysis has limitations in its ability to measure customer knowledge, given certain scenarios will not demonstrate this knowledge (e.g. when a retailer is driving the conversation about types of assistance available, without explicitly asking if the customer knew that they were eligible for assistance). To obtain a more robust measure of awareness, survey research with customers would be required.

Figure 11: Customer awareness that retailer must offer assistance



Did the customer know that their retailer must offer assistance if they were having trouble paying their bill?
Base: Conversation (n=729)

4.1.3. Assistance offered to customers

Four in five (82%) calls resulted in customers being offered some form of assistance by retailer operators (see Figure 13). This was higher when only looking at calls where payment difficulty was discussed (90%).

In most cases retailers offered tailored assistance to customers. This assistance was commonly in the form of advice about government assistance, typically the Utility Relief Grant. Two in five calls involved queries about or assistance with the Utility Relief Grant (40%).

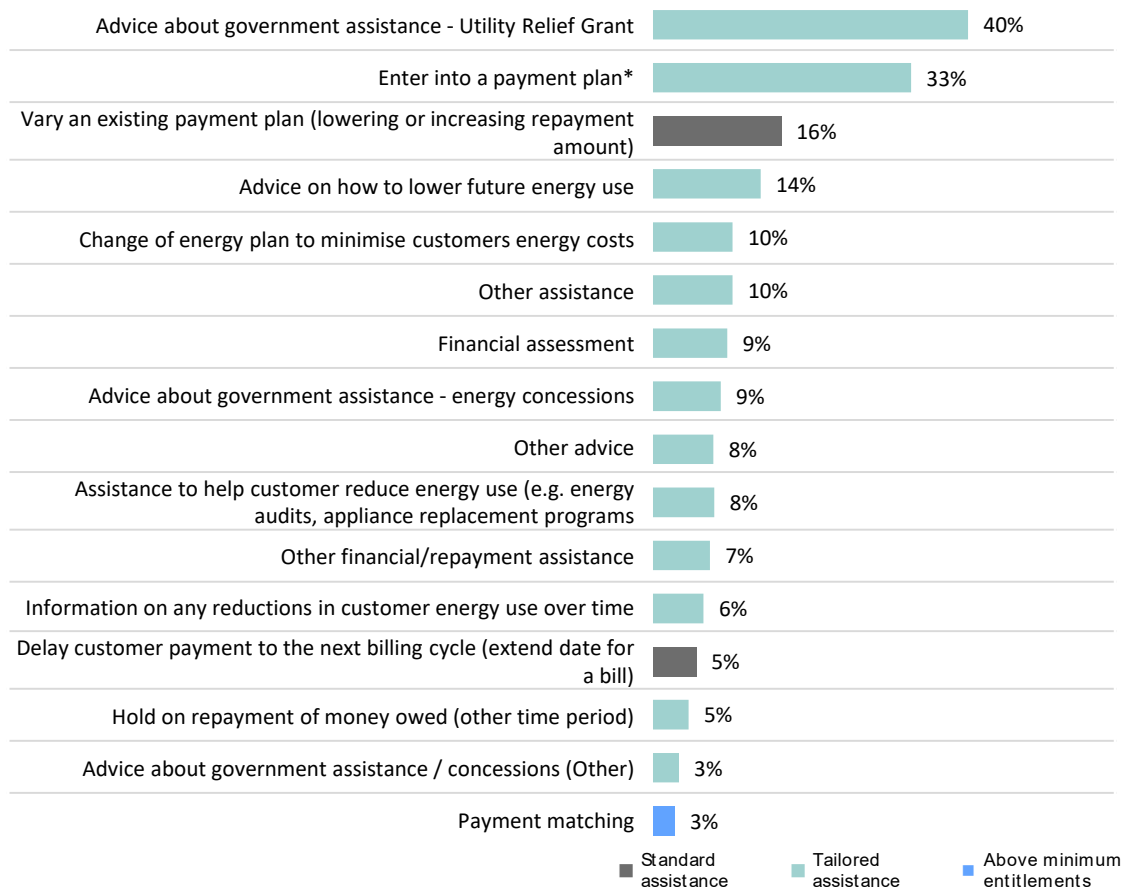
Another common form of assistance was payment plans. One in three calls involved assistance being offered by entering customers into a payment plan (33%). Customers were also often offered variations to their payment plans (16%). For some retailers, entry into payment plans or into hardship assistance programs included ongoing account reviews. These involved regular (monthly or quarterly) calls from retailers to customers to discuss their management of repayments, energy usage over the time period, and provided opportunities to discuss further assistance customers might now be eligible for.

In rare instances customers were offered financial assistance that was beyond the minimum entitlement of the Payment Difficulty Framework. This came in the form of payment matching (3%), debt waivers (2%) and retailer payments towards customer debt (2%).

Customers were offered on average more than 7 kinds of assistance (7.4) over the period of calls provided. This indicates that retailers were typically presenting a variety of assistance options to customers to help them with their payment difficulty.

As shown in Figure 12, the most common type of assistance offered at least once to customers over the period of calls provided was regarding entering into a payment plan (93% of 90 customers offered at least once).

Figure 13: Most common types of assistance offered by retailers during calls



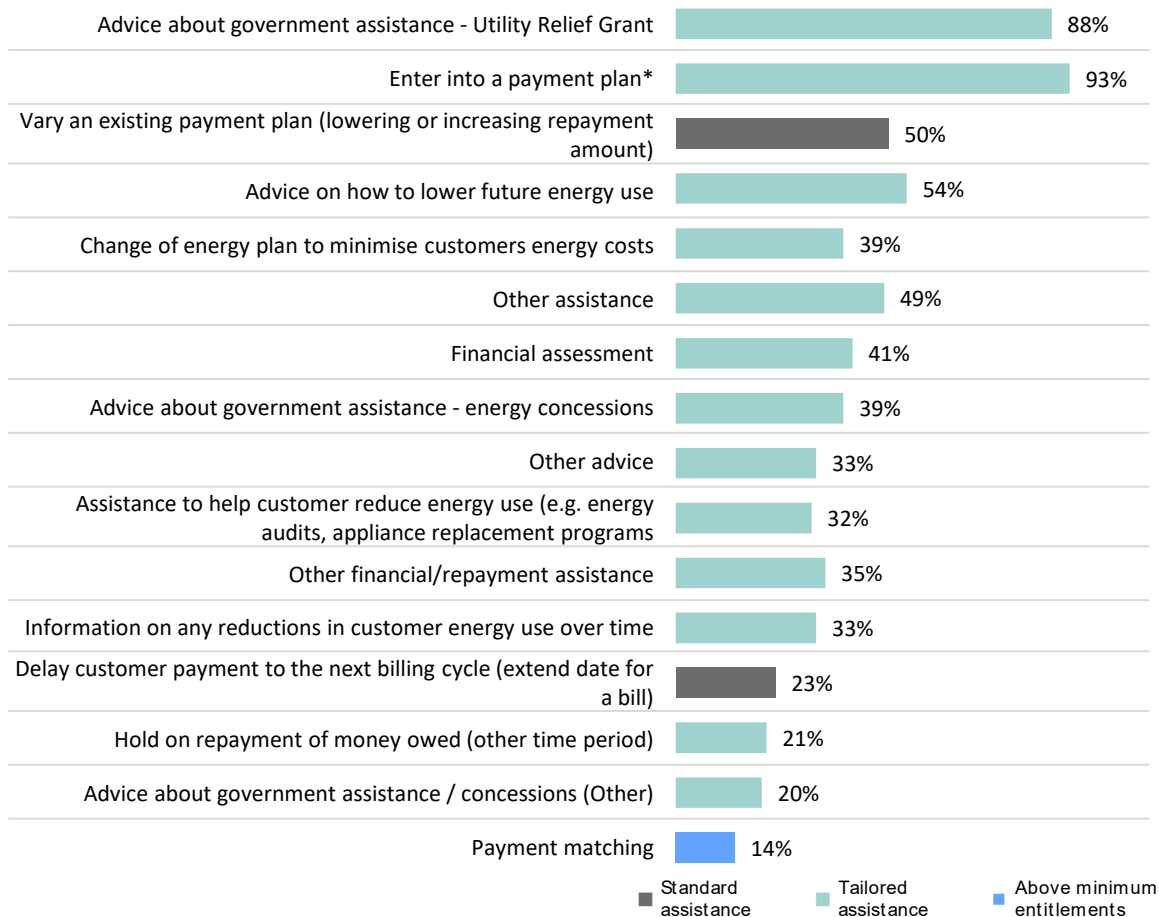
Did the operator offer any of the following assistance?
 Base: Conversation (n=729)
 *Note: A payment plan may also be a type of standard assistance

Table 1: Less common types of assistance offered by retailers during calls

Assistance	Assistance Category	%
Hold on repayment of money owed (for 6 months)	Tailored	2.3%
Forecasts of likely future energy use	Tailored	2.2%
Lowering of repayment amount	Tailored	1.8%
Debt waiver (removal of debt)	Above minimum entitlement	1.6%
Retailer payments towards account	Above minimum entitlement	1.5%
Allowing customer to pay for energy in advance	Standard	1.0%
Repayment of money that is owed - 2 years period, other payment options	Tailored	0.7%
Repayment of money that is owed - 2 years period, monthly payments	Tailored	0.3%

Did the operator offer any of the following assistance?
Base: Conversation (n=729)

Figure 14: Most common types of assistance ever offered to customers at least once



Did the operator offer any of the following assistance?

Base: Customers (n=94)

*Note: A payment plan may also be a type of standard assistance

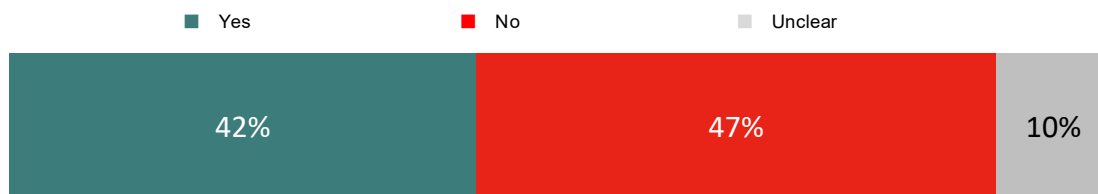
Almost all customers were checked for concession eligibility at least once over the period of calls provided (89%). This was more frequently prompted in calls by operators (27% of calls) than by customers (6%).

Although assistance was often offered to customers, information about the overarching purpose of the assistance was not always made clear during the call.

During calls involving the offer of assistance, only four in ten (42%) clearly demonstrated a retailer communicating that the assistance was being offered for the purpose of dealing with outstanding debt (see Figure 15).

There were examples of potential confusion in the purpose of the assistance, such as it being related to changes to a customer's energy plan rather than temporary changes in payments to help manage finances. This could have potentially led to incorrect assumptions by customers, such as believing that their debt was remaining static over the duration of the payment plan, when, in fact, their debt was growing over the course of the payment plan.

Figure 15: Frequency of customers being told the purpose of assistance offered was for the purposes of repaying outstanding debt



Was it made clear that the assistance offered was for the purposes of repaying outstanding debt?
 Base: Offered assistance (n=595)

When looking at all calls with retailers of the 94 customers analysed, 33% of customers were never clearly told that the assistance they were being offered was for the purposes of repaying outstanding debt.

4.2. Utility Relief Grant

The Utility Relief Grant (URG) was the most common form of assistance offered in the calls analysed (40%), and the second most common form of assistance offered at least once to customers across the overall study period (88%).

There were cases where customers would enquire about using the URG for their account and retailers would often suggest customers apply for the URG separately for both their electricity and gas bills. In some instances, retail operators would remind customers about when they could apply for the URG to help maximise the support that customers could access, although on occasions this information may not have been accurate or prioritised a single application for the full grant amount over repeat top up applications (e.g. wait until the amount to be repaid is closer to \$650 instead of applying for an amount of \$200 at that point in time).

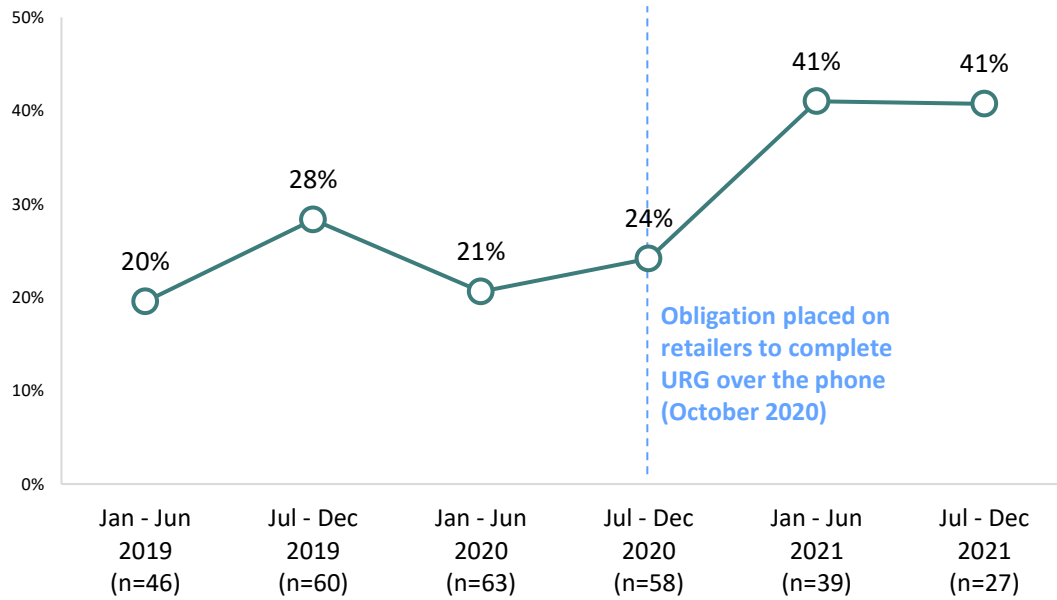
Retailer assistance with this grant also extended beyond the provision of information. Of the calls where customers were offered URG advice, nearly half (44%) of retailers would work with customers on the phone to apply for the grant or offer support in another way. One in four (27%) offered to help complete the application with the customer over the phone, 14% offered to relay information via email or providing advice on how to apply, and 3% offered to connect with the retailer team that could help with the application or recommended to wait until they were eligible for the grant again.

Only rarely did retailers mention that a customer would not qualify for the grant. In 1% of calls analysed, retail operators mentioned that the customer's debt was too low to qualify for a URG. A similar proportion (1%) were told they could not currently access the URG for another reason, most commonly because they had already applied for the grant. No customer was told that their debt was too high for the grant.

In October 2020, an obligation was placed on retailers to support customers in completing and submitting URG applications⁹ over the phone. As shown in Figure 16, the incidence of retailers providing this service has significantly increased in 2021 after this retailer obligation was added.

⁹ Initially by way of Essential Services Commission guideline, now provided for at clause 128(1)(e)(ii) of the Energy Retailer Code of Practice

Figure 16: Incidence of retailers offering to help customers complete the Utility Relief Grant (URG) application during the call over time



Did the operator offer to help complete the application of the utility relief grant?
 Base: Offered a utility relief grant (n=293)
 Note: Excludes instances where results were unclear

5. Customer interaction

This section of the report examines the overall tone of these interactions as well as factors that may have impacted customer satisfaction during the calls.

5.1. Tone of retailer operators

To provide an initial assessment of how retail operators had been interacting with customers, information was captured on whether operators were demonstrating respectful and empathetic behaviours during the calls.

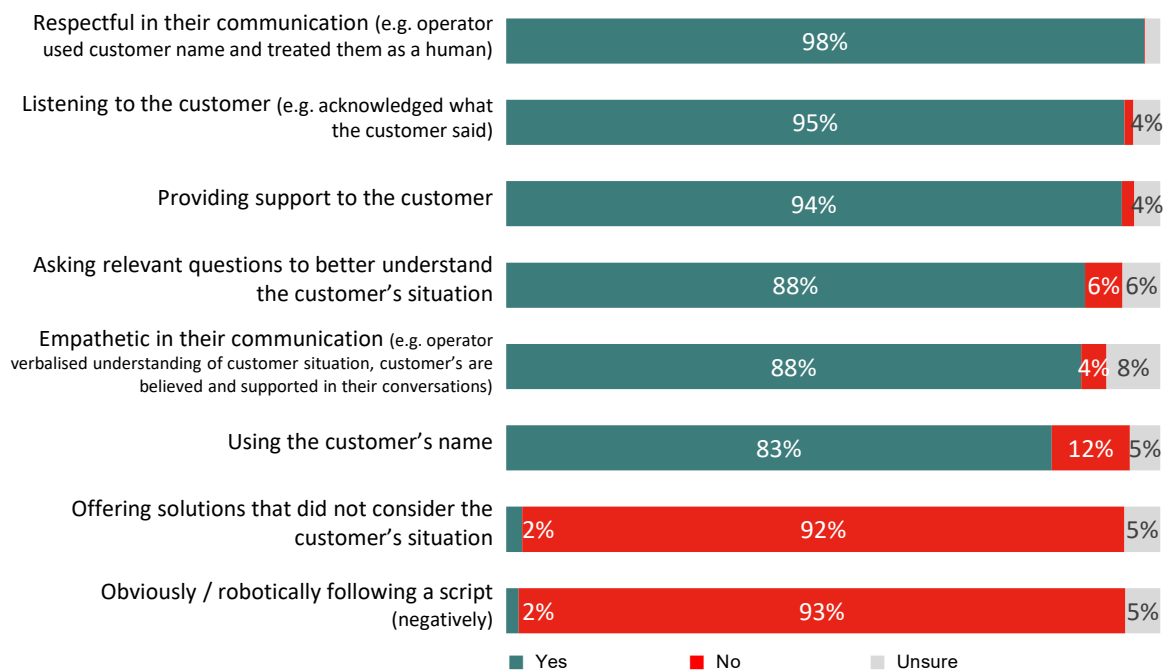
Retail operators were assessed to be largely showing high levels of positive customer service behaviour. Notably, in almost all calls, operators were respectful of customers (98%), listened to and acknowledged the customer (95%), and provided support to the customer (94%).

In a large proportion of calls, retail operators went further in their engagement with customers beyond basic customer service, with nine in ten (88%) asking relevant questions to understand the customer’s situation, and a similar proportion displayed empathy in their communication (88%).

Assessed instances of empathy varied between retailers, ranging from 71% to 100% among retailers with at least 30 calls analysed.

Few operators offered solutions that did not consider the customer’s situation (2%), and few were identified as obviously following a script (2%).

Figure 17: Behaviour of retailer operators during calls



Was the operator...?
 Base: Conversations (n=729)
 Note: Labels under 4% not shown

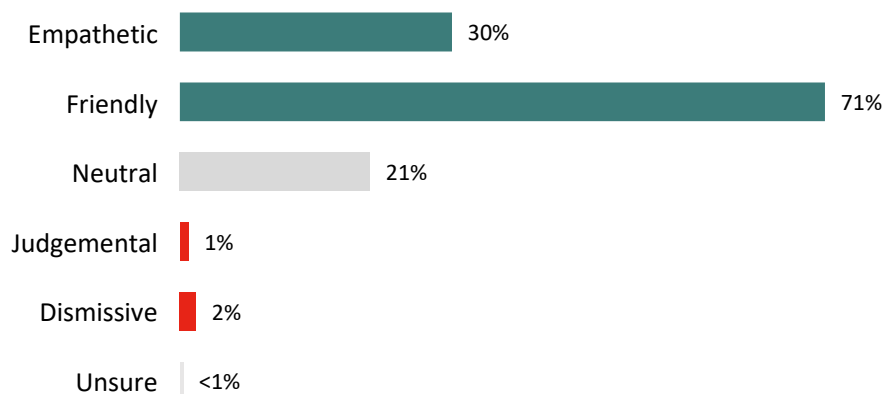
An overall assessment of retailer tone was also captured. Retail operators were assessed as having an empathetic, friendly, neutral, dismissive, or judgemental tone overall. Data for tone could be captured as falling into multiple categories as some calls had multiple operators providing service to customers.

As shown in Figure 18, operators were most commonly friendly. Seven in ten calls had an operator whose overall tone was friendly (71%). Three in ten calls had an operator whose overall tone was empathetic (29%). Further detail on the behaviours that were assessed as evidencing an empathetic or respectful tone is included later in this section.

Very few retail operators were dismissive (1%) or judgemental (2%) overall.

These results indicate that the majority of calls analysed had operators who were demonstrating a positive conversational tone while trying to provide assistance for customers.

Figure 18: Overall tone of retail operators



Which of the following best describes the overall tone of the operator?

Base: Conversations (n=729)

Note: Multiple response options possible

5.1.1. Respectful communication

Behaviours that retail operators were demonstrating when assessed as having a ‘respectful’ tone towards customers are summarised in the following table; with illustrative examples set out below.

Table 2: Behaviours underpinning respectful communication by retail operator

Communication	Number of calls	%
Polite	51	34%
Supported customer	47	31%
Friendly	42	28%
Used customer’s name	42	28%
Thanked for time / holding / apologised for wait period	24	16%
Reassured customer	8	5%
Other	11	7%

Communication	Example
Polite	<i>Operator apologised for the computer's sluggishness when trying to retrieve the customer's account information.</i> <i>The operator was polite, courteous and friendly and did not speak over the customer during the exchange.</i>
Supported customer	<i>Didn't mind repeating themselves, listened to customer's explanations.</i> <i>Explained patiently when the customer didn't understand.</i>
Friendly	<i>Operator wished customer to 'have a good one', light-hearted tone.</i> <i>Operator handled customer rebuffing offer of financial counselling well - customer said while financial counsellors give you advice, she wished they could just give her money instead, and operator laughed a little and responded, 'I appreciate that' and did not push, merely offered other services.</i>
Used customer's name	<i>Both operators were kind and polite in their interactions with the client. After each hold period they would say something akin to 'Hello [customer's name] thank you for patiently waiting, I'm so sorry for the long hold'.</i>
Thanked for time / holding / apologised for wait period	<i>Operator kept talking to customer periodically through longer holds (pausing the hold music to check in on the customer).</i>
Reassured customer	<i>Operator also reassured customer that things would work out regarding job search: 'I'm sure it will, I have no doubt about that' and wished customer to 'stay safe'.</i>
Other	<i>Operator was friendly and respectful in his demeanour towards the customer and apologised when he realised that the customer had been given incorrect information about his eligibility for a Utility Relief Grant by another operator in a previous call.</i>

5.1.2. Empathetic

Behaviours that retail operators were demonstrating when assessed as having an 'empathetic' tone towards customers are summarised in the following table; with demonstrative examples set out below.

Table 3: Behaviours underpinning empathetic communication by retail operator

Communication	Number of calls	%
Supported customer	64	41%
Responded to / acknowledged customer barriers	53	34%
Verbalise understanding of customer situation	51	32%
Reassured customer	43	27%
Respectful	31	20%
Believed customer	13	8%
Patient	10	6%

Communication	Example
Supported customer	<p><i>Operator offered alternatives tailored to the customer's situation and apologised for inflexibility of payment program.</i></p> <p><i>'Makes complete sense, it's good to hear you are on track, keep going'</i></p>
Responded to / acknowledged customer barriers	<p><i>Operator related to the customer regarding their divorce and family violence, asking if customer was safe and if they needed a codeword to flag account for added safety. Understood that it was 'not a nice situation to go through'. Notified customer of domestic violence support provided by the retailer.</i></p> <p><i>Operator expressed: 'it's no problem, let's work it out together' and 'I understand, there's not much more you can do'.</i></p> <p><i>Demonstrated a high level of empathy through acknowledging the customer's frustration with current issues: 'I'm so sorry to hear, but let me try to make your day better'.</i></p>
Verbalised understanding of customer situation	<p><i>Operator related to customer by saying he too was hoping he'll get a 'good tax return', he 'knows what it's like to have some things to pay off'.</i></p> <p><i>Operator empathised with customer as he shared his lockdown experience, agreeing it's 'crazy'.</i></p> <p><i>Operator related to customer's experience with Centrelink, referencing the 'long wait times' and saying the process is 'a pain'.</i></p>
Reassured customer	<p><i>Operator reassured customer over not being able to keep up with payments, saying 'we're all in the same boat', and relating to customer about children studying from home.</i></p> <p><i>Operator was very warm and friendly in her demeanour, offered advice to the customer and reassured him when he was concerned about his next bill.</i></p>
Respectful	<p><i>Offered condolences when customer mentioned death of a loved one.</i></p> <p><i>Operator was apologetic she could not amend the situation for the customer.</i></p> <p><i>Said 'bear in mind that it could be sent to a collection agency if payment not made shortly'. But did it in a very calm way and just as a notification. Seemed like he had the customer interest at heart.</i></p>
Believed customer	<p><i>Operator used inclusive language when talking to the customer about his issue, such as 'We both know you've paid that amount off, it's just that the system doesn't', to acknowledge his efforts in paying off his prior missed payment.</i></p> <p><i>Reassured the customer she was right and confirmed she would cancel the automatic payment.</i></p>
Patient	<p><i>Operator patiently explained changes being made which were tailored to customer's situation.</i></p>

5.1.3. Judgmental and dismissive

Only a very small proportion of the calls were assessed as having an overall operator tone that was ‘judgmental’ or ‘dismissive’, and hence quantification of underlying behaviours was not possible. Set out below are some illustrative examples of retailers displaying these tones when interacting with customers.

Judgemental	<p><i>Operator said: 'I hope you realise Foxtel should not be the priority.' when doing a financial assessment.</i></p> <p><i>Operator told customer, 'I'm not sure why you're not understanding'.</i></p> <p><i>The operator was abrupt with the client because he was frustrated with the client not understanding why her payment was not covering her debt and usage. Once he explained, then she was more receptive to him. Eventually they both calmed down by the end of the call. He did come across as condescending.</i></p>
Dismissive	<p><i>Operator downplayed a miscommunication as a 'misunderstanding', but the customer said she was 'misinformed'.</i></p> <p><i>Could have offered more empathy and support when customer was saying that DHS had told them that the Utility Relief Grant application was not submitted from the service provider's end. Instead, the operator seemed quite defensive.</i></p> <p><i>Was not actively listening to the customer and asked the same question regarding water bill costs (for financial assessment) twice.</i></p> <p><i>Operator also did not address the customer's confusion and questions about the reason why she was being contacted, or why she was being asked to pay a particular amount as when her account was in credit. This led to the customer becoming frustrated and hanging up the call.</i></p>

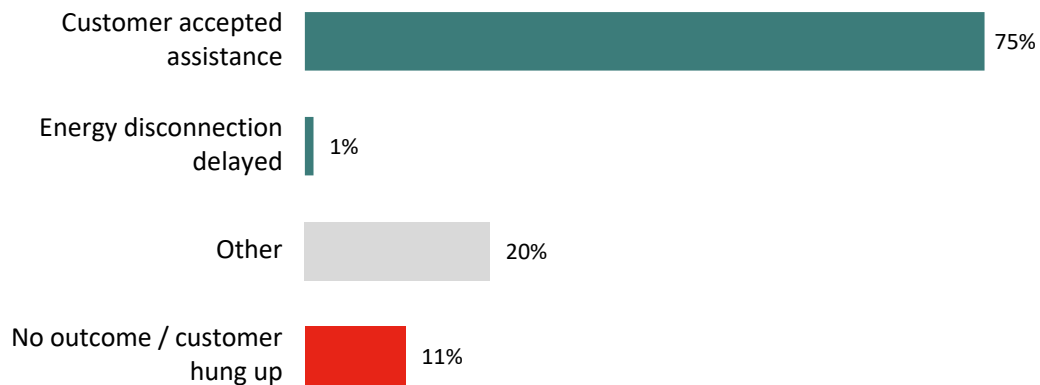
5.2. Outcomes and impacts

Three in four (75%) calls ended with customers accepting assistance from retail operators and in 1% of calls, customers had their energy disconnection delayed.

One in ten (11%) calls ended with no outcome or the customer hanging up.

As shown in Figure 19, one in five (21%) had another outcome, such as scheduling a follow up by the retail operator or the customer at a later date. This included instances where a specific team was not available for assistance at the time of the call or where the customer was directed to access further assistance elsewhere.

Figure 20: Outcome of call



What was the outcome of the call?
 Base: Conversations (n=729)
 Note: Multiple response options possible

An assessment was also made on the emotional state of the customer during the call, specifically if there was evidence that the customer was upset / distressed or angry. Less than one in ten customers was assessed to be upset or distressed (7%) during the calls analysed. A similar proportion was assessed to have been angry during the call (5%).

Examples of how this manifested in the calls are provided below, with a focus placed on examples where emotions appeared to be elicited by the retail operator or the options available for assistance.

	<p><i>Customer responded 'oh god' upon hearing debt accrued. Seemed distressed because customer was under the impression that automated payments were still going through, so had no idea they were missing payments.</i></p> <p><i>Upset that grants were not approved and that there was inconsistent information given to them by the service-provider.</i></p> <p><i>Mentioned she was a bit upset due to this being the first time in her life she was unemployed.</i></p>
Upset / distressed	<p><i>Customer was frustrated that she had to repeat her situation each time she spoke to a new person.</i></p> <p><i>A little upset as she couldn't understand why the approval of the grant was taking so long.</i></p> <p><i>The customer expressed they were depressed about owing money.</i></p> <p><i>They hinted at suicide and the hopelessness of their situation.</i></p> <p><i>Customer said 'I'm so embarrassed' regarding asking for another refund.</i></p>
Angry	<p><i>Customer vented frustration about their situation and having to pay outstanding amounts. Did not think it was fair.</i></p> <p><i>They sounded angry at the situation they were in and raised their voice at the operator.</i></p>

The customer had an irritated and exasperated tone of voice when the operator told him that the information he'd been given in a previous call with the retailer was incorrect, and he was not able to apply for an URG as he'd been told previously. However, his irritation was not directed at that operator.

Tone of voice to reiterate her payments being every fortnight sounded aggressive. She also spoke over the operator to transfer her over to the next operator.

Customer said the operator was being rude, she was in isolation and started swearing then hung up.

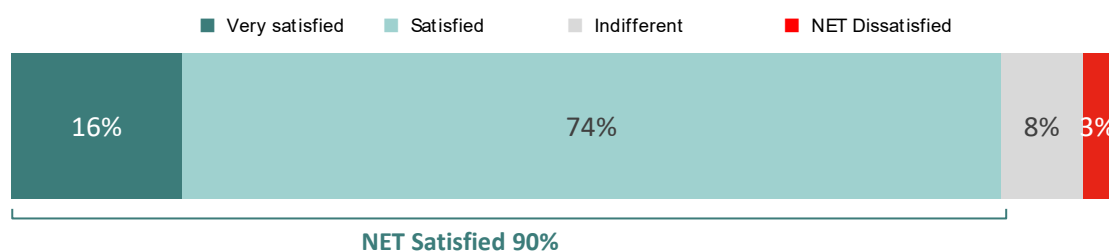
Customer requested from first operator - 'Can I talk to somebody in Australia?'

5.3. Customer satisfaction

In 90% of calls in which assistance was offered, customers were assessed as being satisfied or very satisfied with the support provided by the retail operator. Customers were assessed to be very satisfied in 16% of calls.

Indications of the customer's satisfaction were based on their tone and comments in the call, and as such, are limited in terms of providing an accurate measurement. To capture robust satisfaction data, survey research with customers would need to be conducted.

Figure 21: Inferred satisfaction with support provided to customer



What was the customer's reaction to the support provided by the retailer?

Base: Offered assistance (n=584)

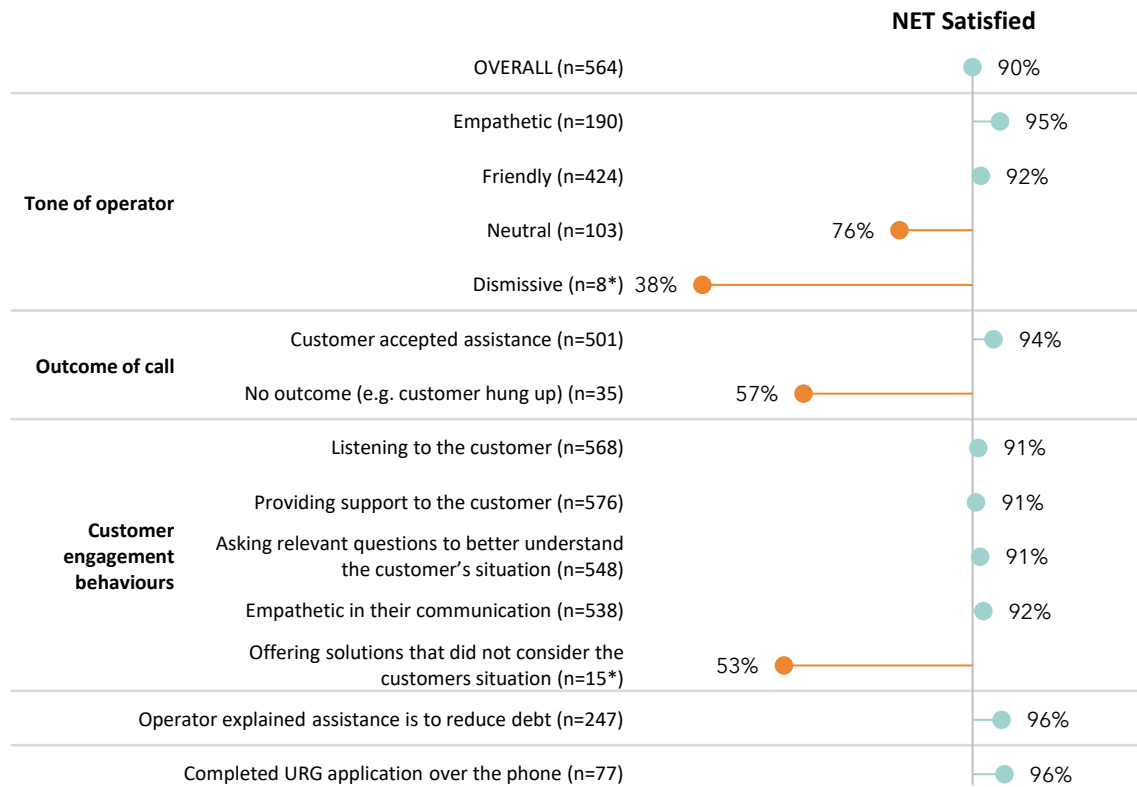
Note: Excludes instances where results were unclear

Several factors were identified as potentially influencing overall customer satisfaction:

- the tone used by the operator;
- the outcome of the call;
- customer engagement behaviours demonstrated by retail operators;
- operators explaining the purpose of assistance is to reduce debt; and
- operators completing the Utilities Relief Grant application over the phone with the customer.

These results are presented in Figure 22.

Figure 22: Aspects of customer calls that were associated with higher customer satisfaction



What was the customer's reaction to the support provided by the retailer?
 Base: Offered assistance (n=584)
 Note: Excludes instances where results were unclear
 Note: *small base size, interpret results with caution

Areas of expertise:



Communication, marketing and community research



Organisational and employee research



Client and stakeholder research



Consultation and submissions



Portals



Data analytics and compliance



Online surveys and ballots



First Nations research



Disability services research

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