

Quantum
Market
Research

Barwon Water Customer Vulnerability Research

Report March 2022

The project was carried out in line with the Market Research
International Standard, AS ISO 20252.



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Key findings

Circumstances that lead to vulnerability are varied

There are number circumstances that can lead to vulnerability. These circumstances can be unexpected, and impact people from any background.

Circumstances that lead to vulnerability can be summarised as:

- Life events
- Health
- Low financial literacy
- Limited access to income
- Limited access to support

'Barriers' are a more effective way to think about the customer experience of vulnerability

Thinking about customers in terms of vulnerability can generate a potentially narrow view of what can lead customers into bill stress, and the solutions required to support them.

Instead, identifying barriers can be a more effective way to think about solutions. Barriers can be summarised as:

- Communication barriers
- Stigma and attitude of staff barriers
- Limited access to resource (namely time and money)
- Limited access to emotional resource
- Competing priorities
- No/low exposure to bill management
- No/low awareness of support

Increases in cost of living are impacting a broader range of customers, which could see new audiences facing barriers to bill payment

Rising petrol costs are a key concern, especially for Regional Victorians (71% are very or extremely concerned about rising petrol prices), as this impacts all facets of life, including ability to access work, shop around for specials and visit family.

Barwon region customers are feeling more financially insecure compared to the total Victorian population. And fewer Barwon residents could be described as 'Comfortably Secure' compared to this time last year (40% in Jan/Feb '22 v 58% in Jan/Feb '21).

While there are a number of recommendations for Barwon Water on supporting customers, currently perceptions and experiences are positive

Customers feel that a provider with a monopoly has a special responsibility when it comes to supporting and handling vulnerability. There is also a sense that involvement in the community and being conscious of future needs is important for a water provider.

Barwon Water is perceived positively, and in general, customer experiences with Barwon Water meet or exceed expectations. However, there are some customers wary of interaction with a utility and outreach could be improved for them.

About the research



Background and objectives

To inform how services are prioritised during the coming five years and to help inform future strategies for customer support and engagement, Barwon Water wants to better understand the spectrum of customer experiences. Specifically, Barwon Water would like to better understand the needs of vulnerable and potentially vulnerable customers.

This research project is designed to help explore the following objectives:

- An understanding of the circumstances that can lead to a customer experiencing vulnerability.
- An understanding of how these needs are currently being met.
- An understanding of the opportunities to proactively meet the needs of vulnerable customers within the context of Barwon Water services.
- Recommendations to further meet the needs of customers, both now and over the next seven years.
- **The scale of these circumstances and the potential impact for Barwon Water customers.** *(Please note this project is qualitative in nature. As discussed during inception, Quantum has included insights from our AustraliaNOW syndicated study to help provide both context and an indication of scale.)*

Qualitative methodology



- n=6 in-depth interviews with community organization representatives;
- n=3 focus groups with residents;
- n= 12 in-depth interviews with residents



- Community organisation interviews were conducted between March 8 – 22 2022
- Resident interviews and focus groups were conducted between March 9 – 30 2022



- In-depth interviews were 45-60 minutes in duration
- Focus groups were 90 minutes in duration



- Community organisation representatives were identified by Barwon Water
- Residents were free-found through research recruiter networks



- Resident participants were incentivised with a \$100 Coles voucher as a thank-you for participating

Sample breakdown

Community organisations

Bethany, Diversitat, North Geelong Housing Co-op, Geelong Sexual Assault and Family violence, Give Where You Live, Wathaurong Co-op

Focus groups with a cross-section of Barwon Water customers (x3)

Group 1	Group 2	Group 3
In casual employment	In rental accommodation	Young families, first home buyers
All had experienced trouble paying bills/ missed a utility or essential service bill payment in the past		
3 across groups were new migrants (had moved to Australia within the last 5-7 years)		
At least 1 per group who had contacted Barwon Water directly		

In-depth interviews with special populations (x14)

Older customers	Customers with disability	Language assistance required	High financial vulnerability customers
6 interviews	2 interviews	4 interviews	2 interviews

Thinking about vulnerability

Circumstances that can lead to vulnerability are diverse, and vulnerability can be acute or anticipated

Acute: Concerned about having enough for today

Those in acute stress situations talk about strict daily/weekly budgets, and prioritising and sacrifice (e.g. forgoing food in order to pay rent). It is a daily task to keep up with life expenses.

Anticipated: Concerned about having enough for tomorrow

Those in anticipated stress situations talk about delaying expenses and concerns about unexpected changes.

Situations of vulnerability

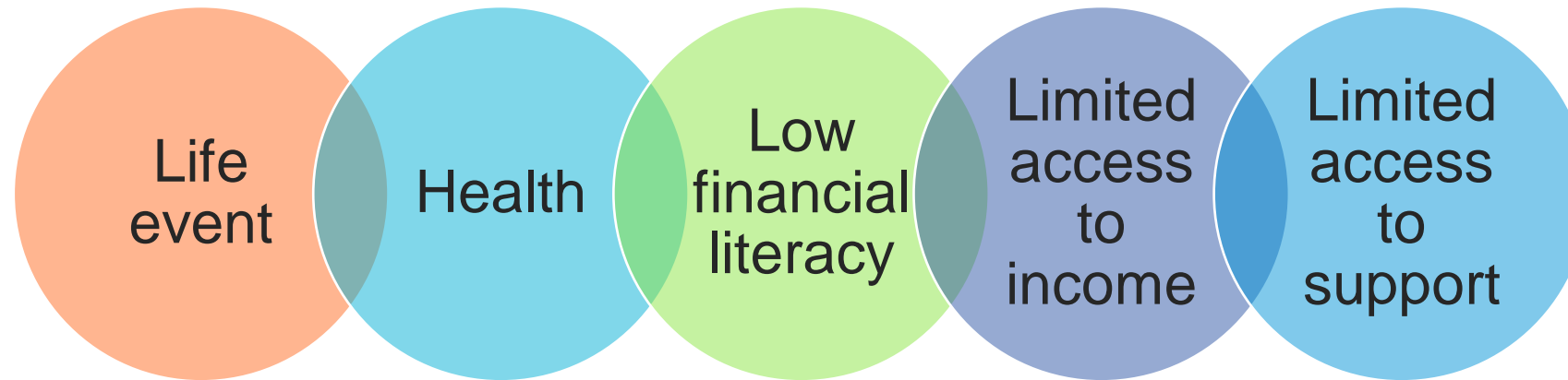
<ul style="list-style-type: none">• Immediate and present financial barriers• Constant position of stress• Longer-term and compounding barriers	<ul style="list-style-type: none">• Sudden change in circumstance that creates acute financial pressures	<ul style="list-style-type: none">• Frequent periodic stress caused by months with large costs that may be regular (like car rego) or irregular (like replacing a car tyre); or by changes to bills (unexpectedly high bill for example)	<ul style="list-style-type: none">• Currently feeling just 'on top of it', but not future-proofed or able to weather a significant change• Worry about falling ill/ losing job, etc.• Worry about interest rates, rent rises	<ul style="list-style-type: none">• No immediate concerns, but conscious of adjusting behaviours to be certain to weather anticipated changes (e.g. reducing distances driven, delaying new purchases)
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Example profiles

<ul style="list-style-type: none">• Living with disability, chronic illness, barriers to education/ literacy, discrimination, family violence (can be intersectional, often compounding barriers over lifetime)• Limited income options (pensions, international students)• Sudden unemployment, accidents and illness (self or other), growing family• Sudden loss of second / only income (death or separation)	<ul style="list-style-type: none">• Casual workers (no ability to increase shifts, etc.)• Share-houses (member leaving/changing)• Limited and fixed income (disability benefit, pension)	<ul style="list-style-type: none">• Low-middle income earners, with significant portion of income spent on cost of living (mortgages, fuel, groceries)• Fixed income (disability, pension)• Multiple dependents (immediate and extended family often in one household)
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Essentially, the circumstances that lead to vulnerability can fall into a few general categories

Summary of circumstances that can lead to vulnerability



Example circumstances

- Living with disability, chronic illness,
- Barriers to education/ literacy, discrimination,
- Family violence
- Limited/ fixed income options (pensions, benefits, international students with limited work options)
- Sudden unemployment, accidents and illness (self or other), growing family
- Sudden loss of second / only income (death or separation)
- Casual workers (no ability to increase shifts, etc.)
- Share-houses (member leaving/ changing)
- Low-middle income earners with significant portion of income spent on cost of living (mortgages, fuel, groceries)
- Multiple dependents (immediate and extended family often in one household)

But thinking about customers in terms of vulnerability can generate a potentially narrow view of what can lead customers into bill stress, and the solutions required to support them.

The social model for accessibility can help to better identify gaps and opportunities to address barriers for customers. It leads to thinking about the environment we can create which solves multiple barriers rather than placing the emphasis on ‘issues with the individual’.

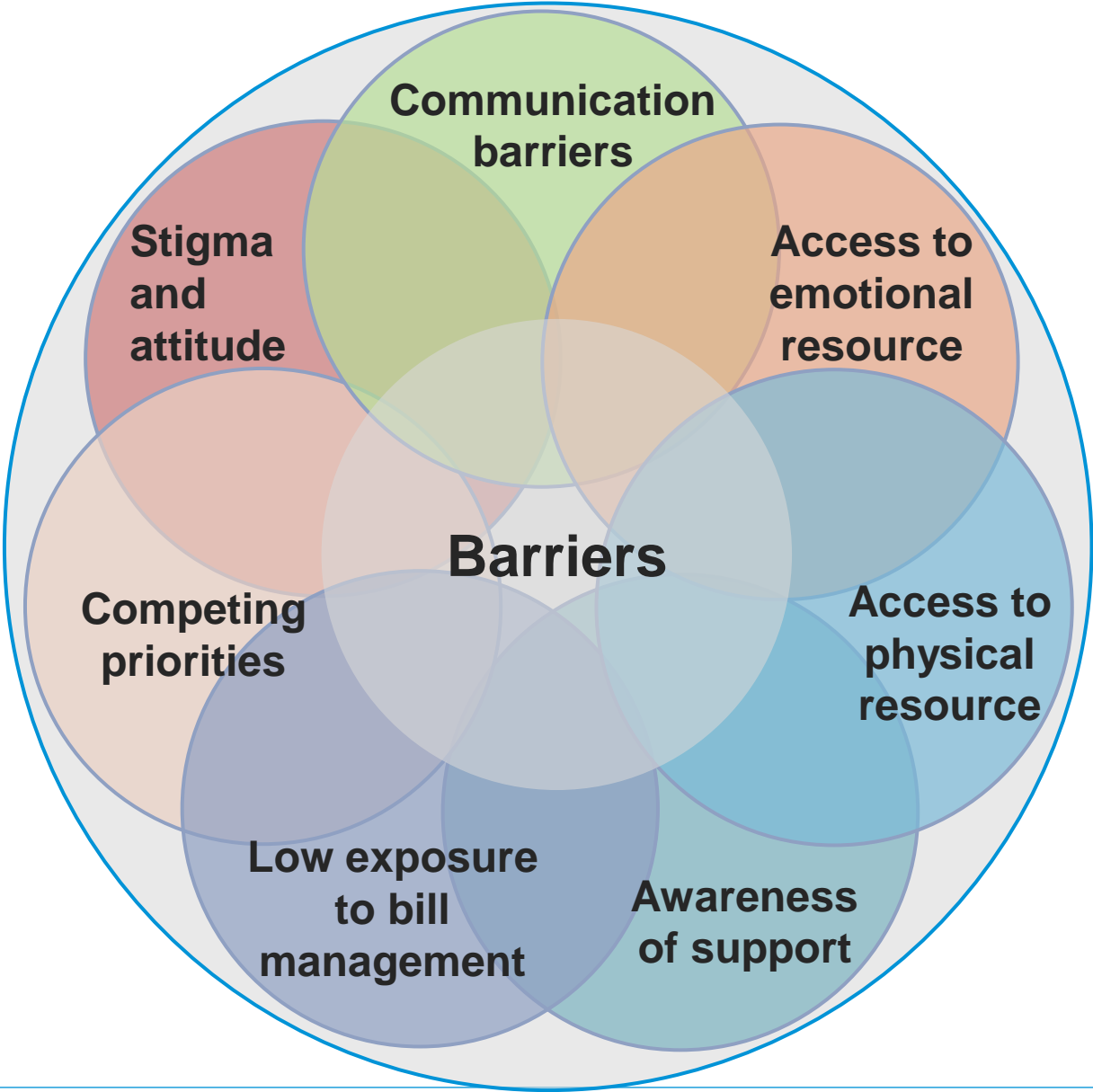
<https://www.afdo.org.au/social-model-of-disability/>



Barriers for Barwon customers

Barriers faced by Barwon Water customers when it comes to interacting with providers are varied and intersectional

All of these barriers were expressed to varying degrees when speaking to customers





Communication barriers

All customers emphasise the importance of being understood as a facilitator to water access and bill management. Incidents of misunderstanding range from bill confusion to language barriers, to providers misunderstanding circumstance.

Language:

Language can be an immediate barrier to easy bill management. Understanding the content of the bill is important, but also having (and being aware of) an accessible channel to ask and resolve issues can pose a barrier and result in issues for bill payment.

Assumed knowledge:

Young people, recent migrants, newly independent individuals can all be unfamiliar with the content of a water bill (or even the need to pay for water).

Accessible formats:

Small fonts on bills, unfamiliar payment references (e.g. BPAY) can be a barrier to payment for some.

Circumstances and emotional state:

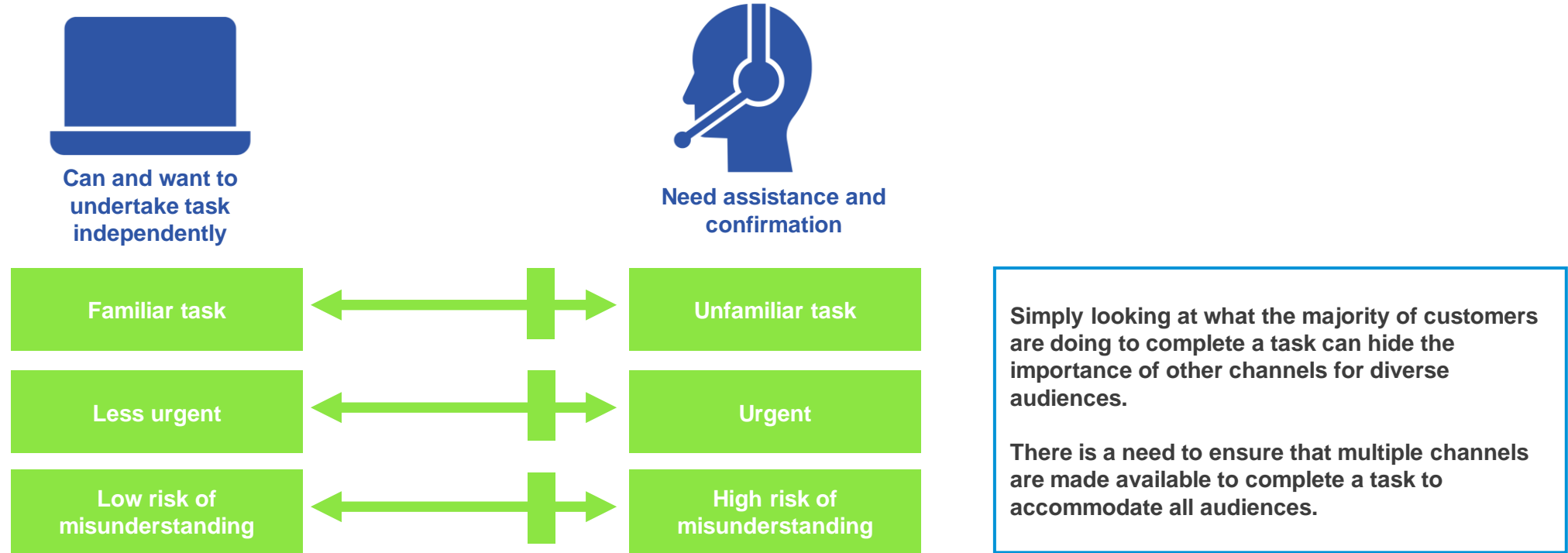
‘Being understood’, ‘someone who understands me’, ‘empathy’, ‘being listened to’ were common needs across all customers.

When facing interactions with providers, this tops the list for what customers want and need in order to navigate bills / other provider interactions.



There is no one channel that provides a full solution for all customers in all situations

Customers use a multitude of channels and it is a combination of factors that pull or push customers towards certain channels, there is a need for options that allow for varying levels of digital savviness and access; as well as channels that better provide a sense of reassurance and connection





Farhad and communication

Farhad and his wife are both native Hazaragi speakers, and part of the Hazara community. He doesn't speak English very well, but if they ever really need to call a company, the responsibility falls on him alone – but calling companies is something they actively avoid.

Farhad is careful not to use too much water, and generally finds it pretty easy to manage paying his bills. He does his best to make sure bills are paid on time, so he doesn't incur any late fees, and doesn't need to contact Barwon Water. However, when something does go wrong, the language barrier can turn the situation into a very stressful one – and one that isn't dealt with until the next bill comes.

Farhad doesn't feel confident enough to call Barwon Water alone and doesn't believe there are any interpreter services available. He can't express or explain himself in English so internalises his stress and tries to deal with the situation alone. He is not aware of any assistance on bills or communication that Barwon Water can provide and hasn't seen any information online.

“In the end, if I'm worried something is wrong, it is just easier to wait until the next bill to see how much the new total is and deal with any mistakes then.”

This sense of “dealing with it ourselves” is a theme running through the Hazara community. Farhad knows many Hazaragi speakers turn to family for help managing finances. But often English-speaking help comes from children who still don't fully understand finances and bills. Farhad uses BPAY to make payments and has taken on the responsibility of teaching others in the community how use it too. But it can be difficult to find the time and energy to help everyone when he himself isn't confident.

Services for a multicultural community:

- Growing awareness of services that enable those who don't speak English to ask questions and resolve issues is critical. Without knowledge of an avenue to turn to problems may 'pile up', creating greater vulnerability.
- Working with community leaders (established and unofficial) is important for creating avenues of communication.

Respect and empathy:

- Customers across the community (especially CALD and First Nations) emphasise the importance of being listened to (and not unnecessarily questioned) when contacting providers.
- Being treated with respect and being given a sense that the provider is invested in finding solutions is vital for all customers.



Binh and bill confusion

Binh works in aged care, and lives with her two teenagers and husband. Ever since she was a child, her parents have drilled into her the importance of saving water. She views it as a precious resource, and something that needs to be protected for the sake of future generations – so she does find herself feeling frustrated when she sees her husband wasting water. She believes that saving water is the responsibility of every individual but would love to see companies like Barwon Water sending out tips and advice to help people who haven't been brought up like she has.

Binh recognises the importance of investing in infrastructure like desalination and water recycling plants to ensure clean water for years to come but finds these charges confusing on her bill. She tends to focus just on the total amount she needs to pay, because she doesn't understand the individual charges, or what they cover.

"The service charge is more expensive than the rest of my bill and I don't know even know what it's for - I don't know what I'm paying for."

Working in aged care, she also sees how it can be difficult for older people to understand their bills, or to call companies for assistance if they need it. At 46 years old, even she has trouble reading her bills sometimes – and knows how impossible it can be for older folks to read small print. She worries that bill confusion is a barrier to people doing the right thing with water. Perhaps if they understood more about what Barwon Water was doing or what they stood for, they would be happier to pay and more considerate with their water use.

Build awareness of 'why we pay water bills':

- Growing awareness of what a water provider does can help counter a number of barriers.
- Firstly, it helps grow awareness that water is billed in Australia, and why.
- Secondly it helps to give context to the size of the bill, addressing any potential confusion about it being tied solely to usage.
- Thirdly it helps speak to the importance of water and custodianship of water companies.

Simple language and accessible formats:

- Ensure attention is paid to bill language and formatting to help different customers.
- Ensure language is kept simple to ensure inclusivity for all audiences.



Stigma and attitude barriers

Stigma

There is stigma attached to seeking or accessing help, and customers can close the door to help if they encounter negative attitudes from providers

There is a significant impact to **self-identity and sense of self** experienced when accessing support. This emotional barrier can be enough for customers not to reach out.

Some audiences in particular can feel stigmatised in interactions. Customers on pensions, customers with disability, First Nations customers and customers with previous billing issues face into this barrier when contacting providers.

Attitude

Additionally, any past negative experiences in seeking assistance will reinforce the barriers.

Customers who feel or have felt stigmatised or judged in assistance interactions distance themselves from accessing support.

This can result in significant personal cost (e.g. foregoing food, not seeking medical services because of cost, giving up other essential items, etc).

Both are strong emotional barriers that can present a significant barrier to accessing support proactively and early in someone's vulnerability story.



Steve and 'not relying on support'

Steve has lot of hobbies. He enjoys painting and DIY – his garage is full of lots of bits and pieces and it's where he spend most of his time.

Steve is a retired truck driver. A back injury put an early end to his working life, so disability support helps pay the bills.

Steve is very careful to stay on top of things, he says he 'never wants to rely on charity or anything like that again'.

A long time ago, Steve ran into trouble with bills during a bout of depression. He sought out support from both the government and charities like the Salvation Army. But he felt judged. He describes this time as very a low point, and the interactions with charities were difficult and degrading. There were many questions from providers that felt unnecessary, judgmental and unhelpful.

Steve says he will never go back to that. He has vowed to never seek help of any kind for bills, feeling that he would first 'sell anything and everything I had to pay the basics and avoid any conversation about support'.

He feels that he has learned strategies to keep on top of things – how to time payments and knowing where to make cuts. He would never use direct debit payments. While bills may come in via email, Steve prefers to manually make payments – it helps him know exactly what is being spent and make judgement calls about when and how things are paid.

He is suspicious of paying things online, though he will if he must. He likes to know that things have been sorted so prefers to have someone confirm that things can be ticked off the list.

Reduce the barriers to assistance:

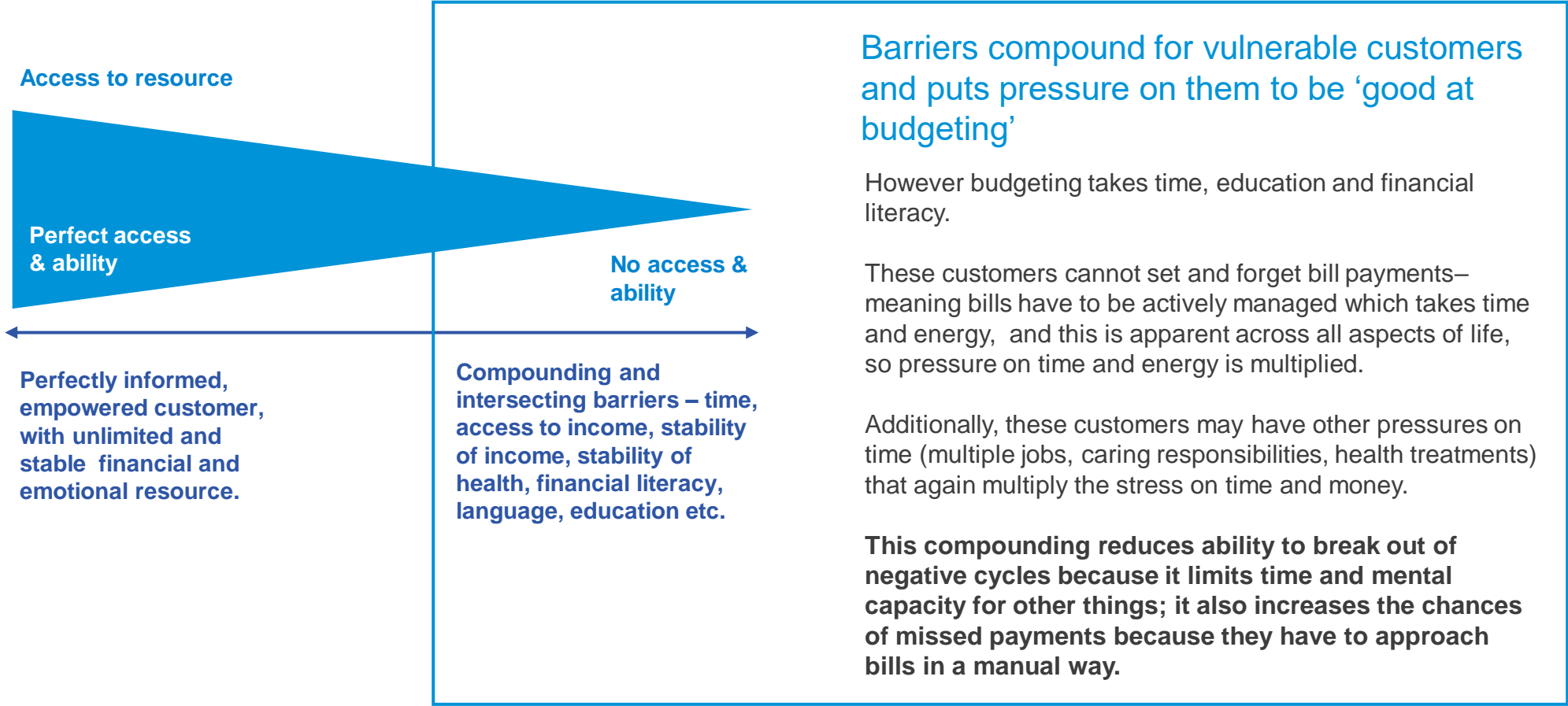
- **Proactive offers** by providers is needed in order to overcome emotional barriers to raising the topic of assistance.
- Ensure that when the topic of support is raised by a customer that the **customer is not asked unnecessary questions**. There is an emotional toll taken when discussing financial stress, those seeking or accepting assistance need to have requests taken at face value.

Considered manner and approach:

- **Provide confirmation** that action is being taken (or looked into).
- **Be respectful of customer's limited time** (time is a stress point for vulnerable customers).
- **Proactively keep them informed** to reduce the burden on customer.



Limited access to physical resources





Julie and tricky months

Julie is a very active member of the community. She is part of the golf club and the tennis club. After her husband died ten years ago, Julie found these social network to be vital for her health and wellbeing.

Julie never had a superannuation account, and after her husband passed away, she found she needed to sell the house and move into a rental for her retirement years.

Julie doesn't often accept invites to meet for lunch or coffee. And she is very careful about the timing of bigger invitations like a dinner out. She knows when it's car registration month and she plans for about a month by not socialising to ensure her bank account has sufficient funds. Julie is very conscious about her energy and water usage and describes her food choices as simple. Heating is used only when absolutely necessary.

Julie is not comfortable talking about money, not to her friends or her children. She thinks its unlikely that they would know she had any pressure with money.

“I don't think anyone would know when finances are tough for me. It's not something my generation would talk about. I wouldn't raise it with my family and friends. I manage.”

Julie did sign up for a twenty-four month payment plan on her water, but she is actually using less now. She isn't aware of any ability to change that, so she is just waiting and counting on getting a pay-out at the other end of the twenty-four month period.

Provide flexible options and allow for changes between cycles:

- Provide different payment structures that have flex to shift making customers aware that supports that they currently use can be adjusted as needed.

Promote other services that help customers to save

- Customers appreciate practical advice that helps them to save on bills (this was specifically mentioned by a customer as a positive from Barwon Water).
- Customers also appreciate additional services that can help tackle waste – such as plumbing support. This could be more widely known as a service (customers who have used it speak highly of it but feel others in their position do not know it exists).



Limited emotional resource

Customers are often facing bill stress at a time when there are other stresses in their lives. This can limit their 'emotional resources' and resilience.

Customers can have a compromised emotional state when dealing with bills

As above, vulnerability can be compounded by a number of factors which increases stress.


Vulnerability can also be a result of significant negative events that customers are dealing with.

This can compromise their ability to do things like contacting companies, but even simply budgeting or arranging payments can prove difficult.

Interactions with bills are limited

Feeling overwhelmed (by finances or personal circumstances) can lead customers to 'check out' of the billing process or limit interactions with providers.

It should be noted, that in general **interactions with bills are very limited**. Customers do not spend time digesting the information on a bill. Bills are met with negative emotions for almost all, so customers simply want them dealt with and gone. Bills are not the most effective channel of communication for all messages.



Alina and emotional strain

Alina and her husband retired about five years ago after having worked all their lives. They had never worried about too much about managing money, things seemed to take care of themselves with two incomes coming in. Their two adult sons had moved out and were building their careers and looking at starting families.

Two years ago Alina's thirty-year-old son had a car accident and now requires full-time care. Alina and her husband downsized and are now actively managing the bills to make sure they can cover costs for their son long-term. When Alina's son first had his accident, Alina had to deal with all the utility providers to try and make payments on her son's behalf. She was worried that if she didn't act fast, bills would add up or late fees would be incurred.

'It was one of the hardest periods of my life. I found myself having to explain over and over to people what the circumstances were, each time getting more emotional. All I wanted was to be understood – just someone to have empathy for what I was going through and to tell me they would sort it out. Instead I got hurdles, I got passed around, I got confusion and doubt about my story.'

Alina found herself increasingly frustrated 'I understand privacy, but why would I want to pay someone else's bill fraudulently? It was worst when they would ask to talk to my son who couldn't speak – it broke my heart.'

Alina said as much as possible she tries not to deal with any of the providers from that time anymore. It makes her re-live the conversations. The hardest is the water company 'Its not like the other providers, I have no choice but to deal with them.'

Take ownership of solution:

- **Provide a channel that enables immediate confirmation.**
- A person who can confirm that a solution is in place or a payment has been received is important for indicating to the customer that the provider has taken ownership of the issue.
- Ensure that team is equipped to deal with a variety of circumstances (Alina suggests that having a specialist in the team who is comfortable with the more emotional interactions may be useful).

Provide options for supporters:

- Supporters play a critical role in service access for many individuals. Accommodating them is important to preventing future bill stress.



Competing priorities

Customers are managing multiple priorities, which can have significant financial implications. Unexpected bills, or the need to prioritise other things over income can create immediate stressors and mean customers can be forced to compromise.

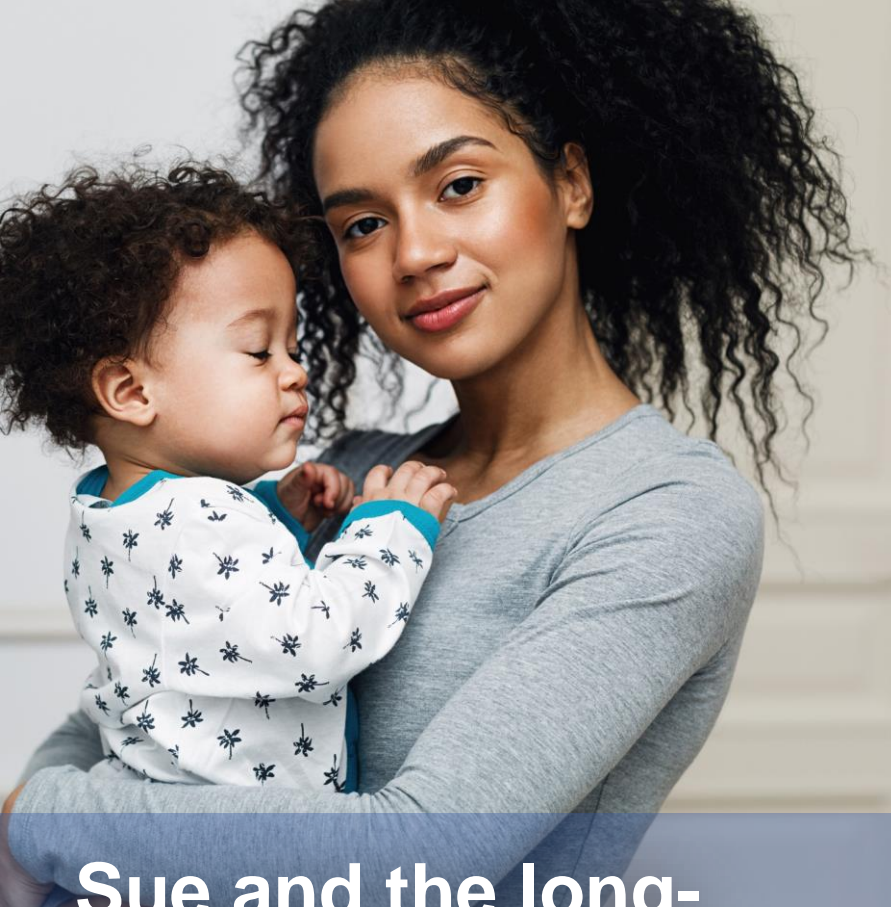
Customers can feel forced to compromise on things that are important

Trade-offs with financial stress are common, and health can feel particularly in competition with finance. In the last two years in particular, customers have felt they needed to compromise (or prioritise) health over income, weighing up the risks of COVID-19 (though COVID-19 is only exemplary of this trade-off and not a stand-alone case).

Big bill months can throw even those on an 'even keel' into stress

Unexpected costs, or even expected costs that fall at the same time and are annual in nature for example, can throw those who might not otherwise feel stressed about bills into vulnerability.

This is particularly important to note as it highlights the need to not judge based solely on externalities such as assets (e.g. homeowners can equally fall into stress with interest rate rises or unexpected significant costs).



Sue and the long-term impacts of the pandemic

Sue works as a finance assistant and lives with her husband and their two-year-old daughter. She is the breadwinner for the family. Her husband was working in health when COVID hit, and as their daughter was still a newborn at that time, they decided that that her husband would quit his job to minimise the risk of him catching COVID and spreading it to their daughter.

Although Sue has returned to work after her maternity leave, living on a single income has been difficult for her family. The increasing cost of living such as grocery prices and petrol prices have also added additional pressure on them. There have been a few occasions where they defaulted on payments due to unexpected household expenses and high bills due to tap leakage. To help stay on top of their bills, her husband started doing food delivery services. However, recent petrol price hikes have significantly reduced the income that her husband is able to bring home after deducting costs.

Last year, Sue and her family were required to quarantine at home due to COVID. With no income, Sue reached out to charity organisations who assisted her family with buying groceries. Although they were also offered other financial support such as utility payment grants, Sue and her husband turned down the offer as they felt there are other people in the community who may need the financial support more than they do.

“We have had to come up with lots of different ways to save.”

Sue avoids using their car where possible, carpools with her colleagues to commute to work to save on petrol, and showers at work to minimise water usage at home and reduce their water bills. Although she sees these savings as nominal, Sue believes that ‘every cent counts’ in the current environment when the cost of living is increasing every day.

Work with community groups:

- Other support organisations are often a start point for vulnerable customers.
- Supporting these organisations to provide advice and financial literacy skills can help circumvent future stress.



No/low exposure to bill management

It cannot be assumed that all customers have the same education on budgeting or access to financial literacy training. Exposure to bills can be negatively impacted by circumstances such as family violence, being a recent arrival to Australia or living with a disability.

Budgeting is a skill that needs to be learned

Managing finances is not intuitive and is a skill that needs to be learned. Managing bills is specific to the country and area lived in, so it cannot be assumed that skills are transferable.

Customers can have different level of exposure to water bills. For examples:

- Water does not have to be paid in some countries.
- Bills can be used as a form of control in family violence, impacting financial literacy.

Low financial confidence causes stress across other facets of life

Worrying about bills and finances can negatively impact other parts of life. Most directly, customer worry that unpaid bills will have long term implications for their credit rating and future access to all manner of services and products.

Customers who feel more confident in their ability to control or manage finance feel more confident generally.

A portrait of Sarah, a woman with long brown hair, looking slightly to the left. She is wearing a light blue sweater. The background is a soft-focus outdoor scene with trees and a blue sky.

Sarah and budgeting

Sarah is living with a long-term disability. She has lived in her flat for about ten years – and it is very important to her to stay there. She prioritises rent above all other things even though money is tight and seems to get tighter every week.

Sarah uses several strategies to make ends meet. She has a schedule of bills that she manages and plans her shopping around key dates. She uses catalogues and coupons across the three supermarket in her area to only shop the specials. But Sarah says that food is the first sacrifice when money gets tight. If needed she will seek back-up supplies from the food banks – but rent and utilities are ongoing. You can't just let them lapse for a month.

Sarah has an open and on-going conversation with her energy supplier about bills. They proactively contact her when better rates become available or if new payment plans are put in place.

“I really value that they contact me, and we have an open conversation. It means I don’t have to do the degrading task of asking.”

She feels on top of things now but is worried about rising costs. Sarah has had to seek out fuel vouchers from a local charity to do her most recent shopping trip and is worried that fortnightly drives to visit her mum in Colac will no longer be possible. But Sarah is adamant about her priorities being rent and bills.

She has previously been in a relationship where bills were put in her name without her knowledge. She places strong emphasis now on knowing about bills and bill cycles. Sarah believes that knowing how to manage things and learning how to budget has left her feeling much more in control, which is very important to her.

Use history to help inform proactive solutions:

- Customers expect that their long-term provider know them and their payment history. This is especially true for water providers as customers can have had very long-term relationships with water providers.
- Customers expect that providers will consider their history as a customer (of good payments) and show them some leeway. This is particularly important for new people facing into bill stress, who perceive that companies should acknowledge their strong history of payments. This acknowledgement helps counter some of the emotional impact of accepting help.



No/low awareness of support

Lack of awareness of support options can limit avenues customers consider when facing into bill stress. Not being able to tackle short-term impediments to payment can create longer-term stress.

New to facing barriers to payment

Customers who are facing into bill stress for the first time may not have established support networks or understanding of services sufficient to manage initial barriers.

Not being able to tackle initial impediments can compound issues.

Customers who have established history with services such as healthcare cards can sometimes be better positioned to understand services.

New to area, new to bills, new to water bills

There are many circumstances that can lead a customer to being unfamiliar with billing process, water provision and any services that may be on offer.

There is a constant need to engage the community and raise awareness of services and support.



Liam and learning about bills

Liam is young adult, starting to make his way independently in the world. He lives in a share house and works in a couple of casual jobs to pay the rent and the bills. Bill management responsibility is split across household members, with each looking after one or two bills to co-ordinate payment, so it's a matter of trusting others to keep on top of payments.

Liam has recollections of his mum talking to utility providers about bill extensions, but doesn't remember these conversations going well. He recalls his mum getting to the point of being so stressed about bills that she couldn't face opening the envelopes.

"I think she just got so overwhelmed that the thought of opening the mail, the sight of envelope triggered stress – what was inside was too hard to face."

Liam would worry about his mum not knowing where to turn for help to get through these times. The bills would feel insurmountable and get to a point where there didn't feel like there was a way through. And mail would start to unopened, so any offers of assistance through this channel were likely to go unnoticed. Liam is conscious of this 'bill snowballing effect – where you miss one and then things start to get on top of you'.

He doesn't have any awareness of bill support programs, though he does worry about bills. It is a surprise to him that support programs exist.

Build awareness of bill support in various channels:

- The bill itself is one communication tool but **raising awareness of bill support through other channels can help encourage customers to reach out**. Broader awareness of programs can reduce 'bill fear' as customers are equipped ahead of time with the knowledge that there are options;
- Awareness raising can also help activate word-of-mouth, as those around people who may be facing into hardship can be an avenue for advice.
- This awareness raising is particularly critical for people who are new to paying bills or who may not have personally faced bill stress, so do not know the channels available to them.

Barwon Water expectations and experiences

Customers feel utility problem resolution is generally pushed back to them, but are pleasantly surprised by Barwon Water

Customer challenge with utilities (general)

Problem resolution

Customers feel that there is a double standard when it comes to problem resolution and essential providers. There is a feeling that no or little leeway is given to them as a customer when something goes wrong (missed bill etc), but when a company is at fault there are delays and hurdles in place that mean the customer does all the leg work and takes all the cost (time, effort) to resolve.

Paying with time

In order to live within their budgets customers find they are spending time having to look for deals, support programs and even resolve issues. This can have a significant impact on vulnerable customers for whom the cost of time can be challenging (balancing casual jobs, caring responsibilities, cost of fuel to travel between options etc).

Channel preferences

Customers feel that increasingly, they are pushed to online channels for solving problems. This can result in feelings of disconnection, misunderstanding and for some vulnerable customers accessibility barriers.

Barwon Water perceptions/ experiences

Customers gave examples of positive issue resolution with Barwon Water. However, that Barwon Water will help with issues such as significant leaks (and the resulting costs) is not well known, and customers have a pre-disposition to feeling overwhelmed in the anticipation that issues won't be resolved, so either shy away from contact or steel themselves for a 'fight' before contacting.



In general, Barwon Water is reflected upon positively in this regard as customers feel wait times to speak with staff are short and staff are largely empowered to solve issues and do not require lengthy process or delays.



Customers felt that Barwon Water offered good contact options and that being local, they were more available – if absolutely necessary they 'could go into the office', which gives a sense of empowerment.

However those who do not speak English are uncertain about channels for contact.



Greater publicising of Barwon Water's field team who can help with infrastructure and plumbing issues as well as publicising the local customer service team would help drive confidence to contact.

Options for those who are not confident with English could be improved or better publicised.

Barwon Water customers find it difficult to understand ‘value’ when it comes to water

With other utilities, customers look at market comparisons in order to understand if they are getting value for money. However, with water, customers feel it is harder to understand the value – what they are paying for and what Barwon Water are delivering. That being said, the water bill is seen to be the most manageable of the utilities and low on the list of stressors.



There is a lack of familiarity with Barwon Water’s broader responsibilities (infrastructure and future proofing)

Knowing this information can help customers feel more positive about the bill as they can visualise the need for payment.



Customer can find it difficult to monitor water use compared with other utilities, so the water bill can be more of a surprise

Helping customers anticipate how the bills might go up and down is vital for people who need to live on strict budgets.



Lack of awareness of services that Barwon Water offer to correct issues such as leaks

Knowing that there is assistance on this front is important to customers for who every cent counts. They may be living with old/poor set-ups and plumbing issues due to not having funds available for trades.



Customers positively reflect on Barwon Water providing water saving advice which is of value

Customers acknowledge with positivity Barwon Water proactively offering practical advice for water saving.



Barwon Water largely viewed in positive terms

- Customers see that a provider with a monopoly has a special responsibility when it comes to support and handling vulnerability.

“You don’t have a choice with your water provider. And a monopoly could be dangerous. But I think that Barwon Water does a good job.”

- There is also a sense that involvement in the community and being conscious of future needs is important for a water provider.

“Their service touches all in our region and it is good to see them being active in the community”

- Barwon Water is perceived positively, and in general, customer experiences with Barwon Water meet or exceed expectations.

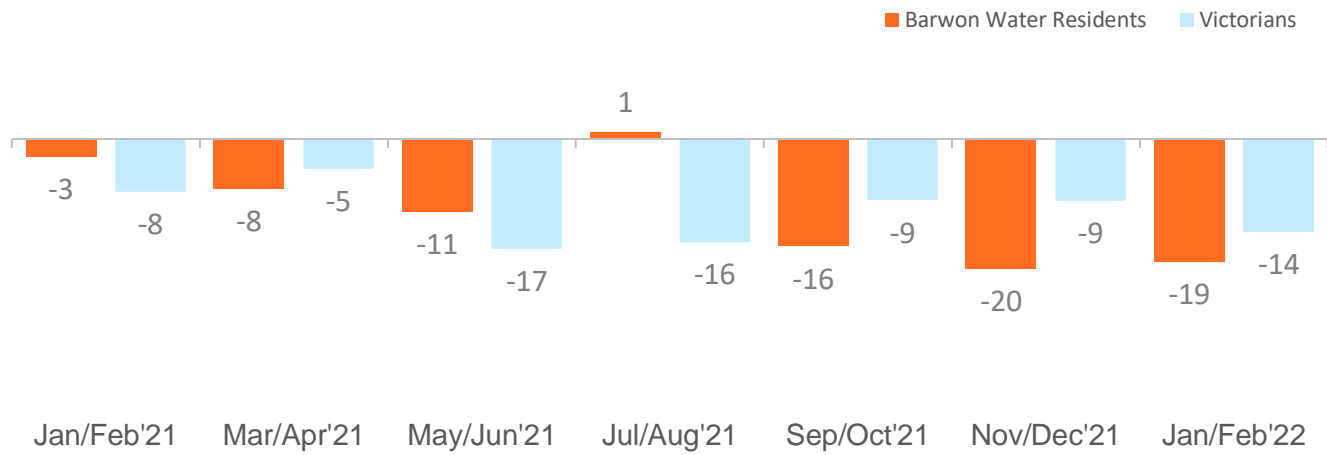
“I was surprised at how quickly they sorted out my issue. Compared to other services - they were really fast. And it is so nice to talk to someone that knows where I am and what I am talking about.”

Vulnerability in the Barwon region

Please note a quantitative phase was not in scope for this study.
The following findings are based on data from Quantum's proprietary AustraliaNOW survey to help provide a sense of scale.

Financial confidence of Barwon residents has dropped further compared to the broader Victorian population

Confidence in financial future over next five years
(very confident – not confident)



Currently, Barwon residents have lower confidence in their financial future than other Victorians.

This is aligned with lower confidence in Regional Victoria vs. Metro (in Jan/ Feb Regional confidence was -24, and Metro confidence was -11).

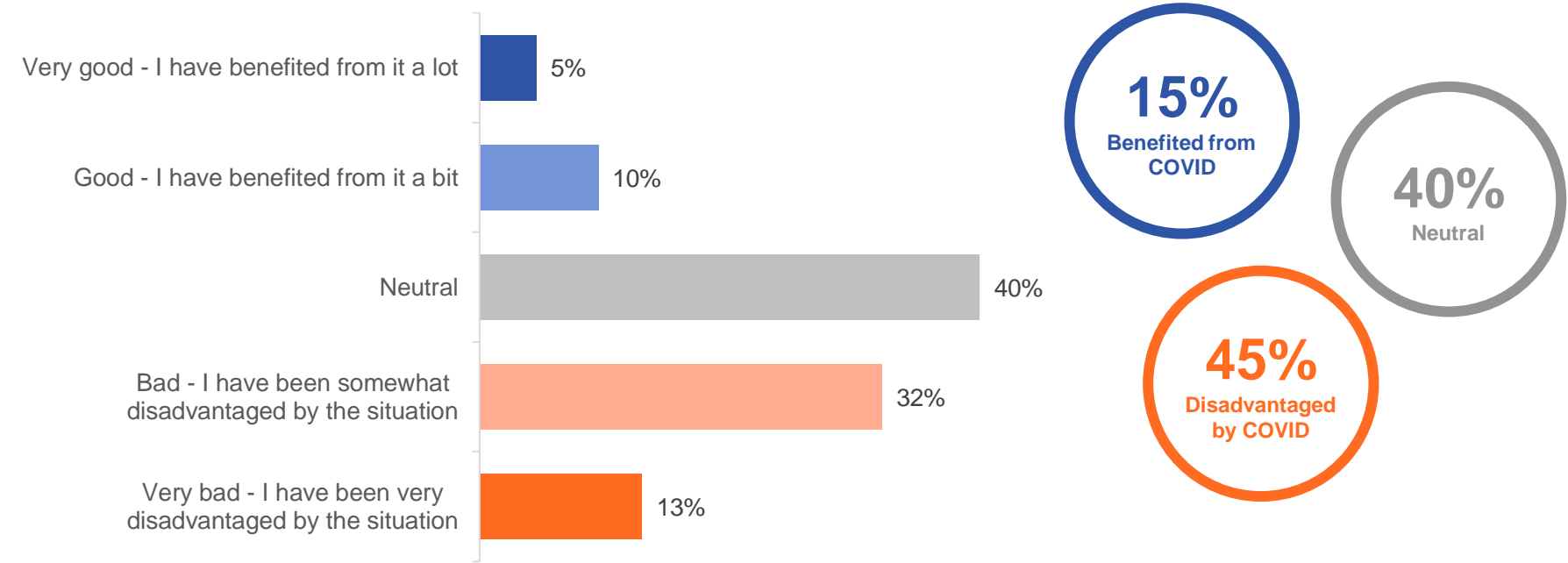


Data from Quantum's proprietary AustraliaNOW survey

Q13. Which of the following statements best describes how you feel about your ability to meet your financial needs in the next five years?
Barwon Water residents, n=59-123 per time period

Almost half of Barwon residents felt worse off as a result of COVID

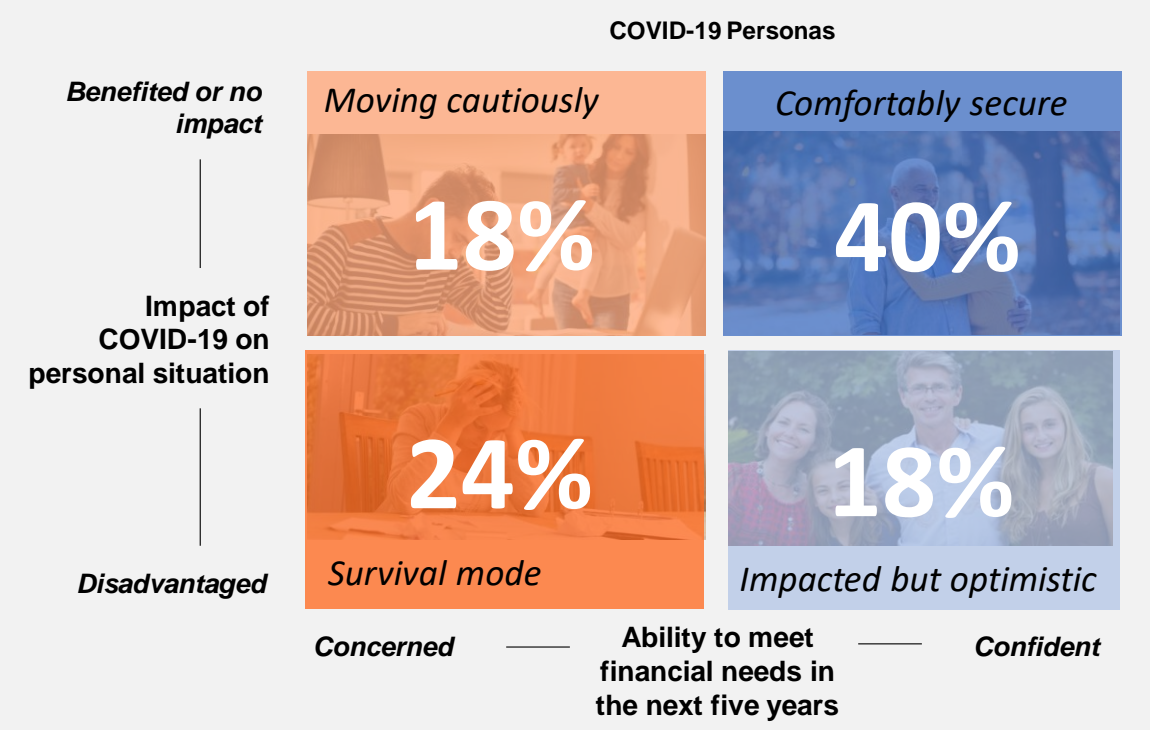
Impact of COVID-19: "For me, the COVID-19 situation has been..."
(Barwon Water residents)



Source: AustraliaNOW
Q112 - Which of the following statements best applies to you? "For me, the COVID-19 situation has been..."
Barwon Water residents, Sep'21 to Feb'22 (n=209)

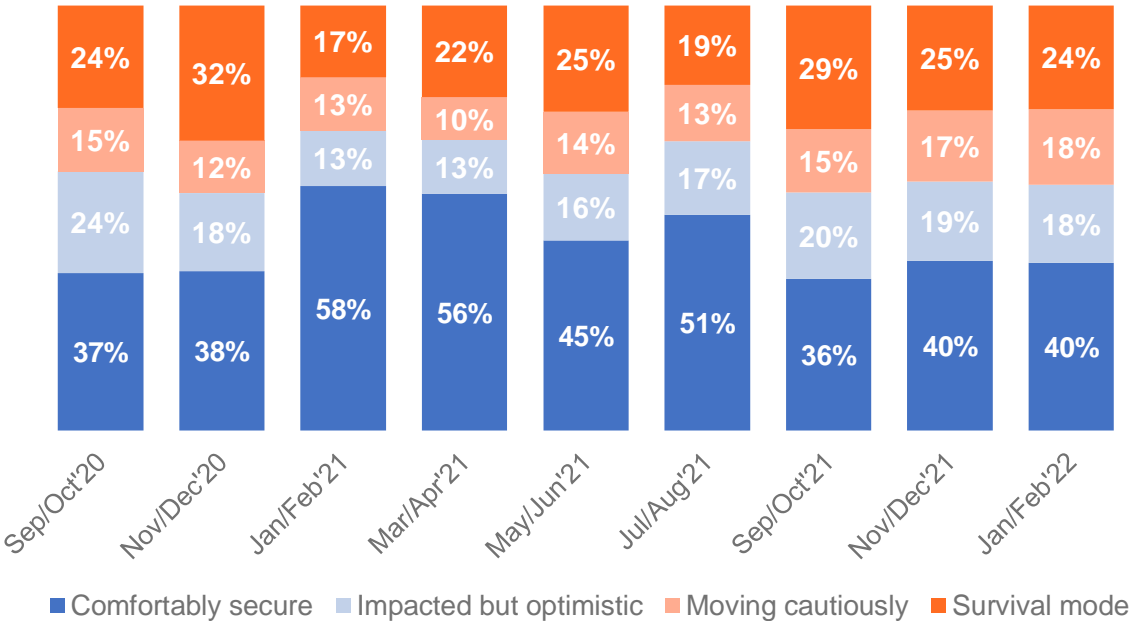
Fewer Barwon residents are feeling comfortably secure compared to this time last year

Barwon Water residents
(Jan/Feb'22)

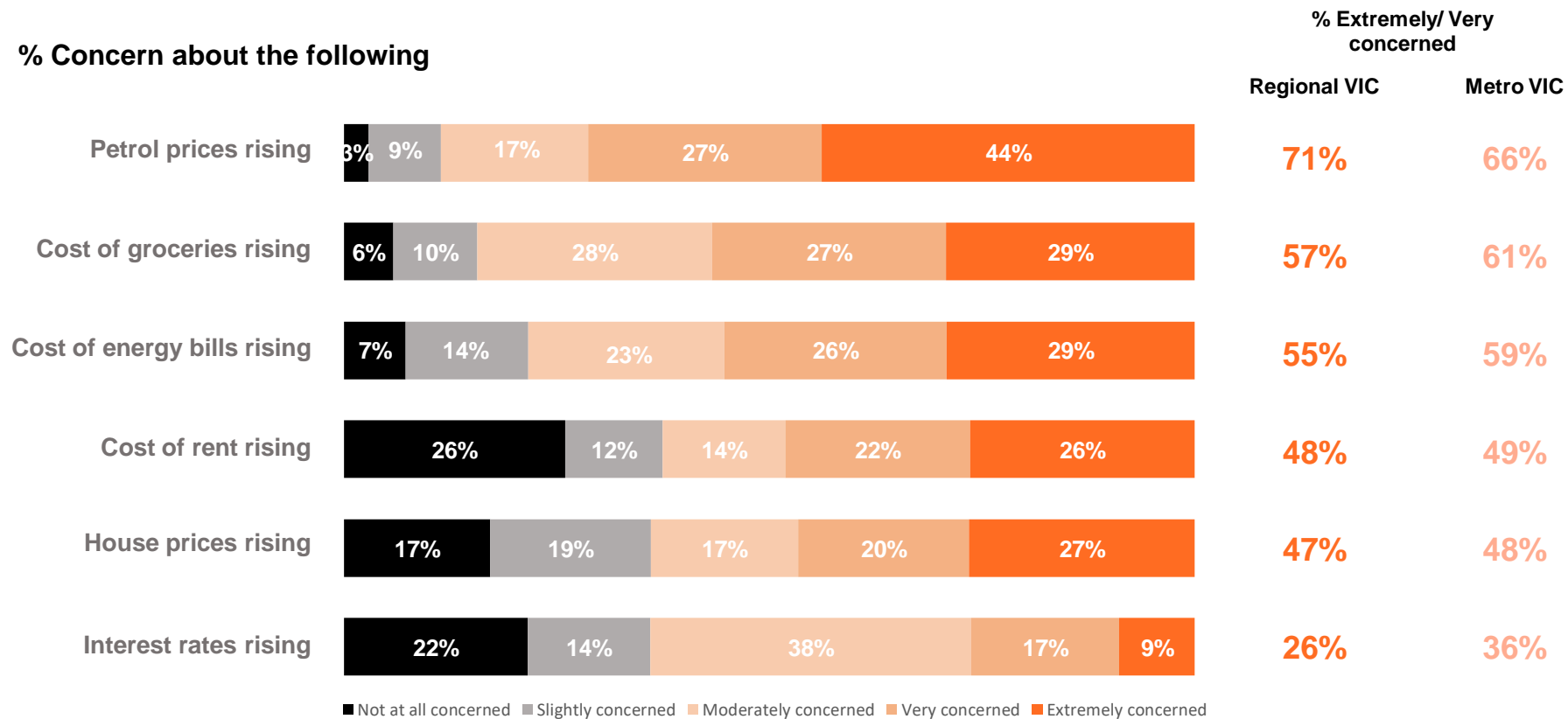


Source: AustraliaNOW
Barwon Water residents, n=59-134 per time period

Persona splits
(By month)



Victorians are worried about rising costs, with fuel a top concern, particularly for regional residents



Source: AustraliaNOW
Q.169. How concerned are you about the following?
Regional VIC, n=69; Metro VIC, n=181

Cost of living is a rising concern, and can throw new audiences into vulnerability



How Australia's skyrocketing cost of living is pushing people into poverty

Even those on full-time incomes are struggling, while things are even tougher for people on government support payments



<https://www.theguardian.com/>

"I am very worried about cost of living. My groceries are going up every week, and its already a struggle."

"It's going to impact everyone. My son works full-time but he drives a long way to his job. With petrol going up, its effectively a big pay cut."

"With kids, you really notice it. We are getting so much less for our money now."

"Costs go up but my pension doesn't. It is going to mean not visiting my children in Melbourne. I can't afford to drive up there."

Summary of recommendations

While Barwon Water is seen as doing a good job when it comes to support, there are some potential areas to build in order to reduce barriers further across a broader customer audience



Drive awareness:

- Build awareness of 'why we pay water bills' (the bill itself is limited in ability to communicate because people don't like bills and therefore want to limit interaction time with bills)
- Build awareness of bill support in various channels (to account for those who are new to needing support and to help overcome emotional barriers)
- Promote other services that help customers to save (plumbing services, water saving)
- Work with community groups to raise awareness of Barwon Water services but also to support financial literacy work that groups offer



Ensure appropriate range of services to reduce barriers:

- Ensure services for a multicultural community are available, and drive awareness of these channels and options
- Ensure that bill formats meet different accessibility needs (e.g., font sizes, language)
- Provide flexible options for billing, allow for changes between cycles and communicate ability to change
- Provide options for supporters of those with accessibility needs to contact on behalf of others



Considered customer support approach:

- Approach every interaction with respect and empathy
- Reduce the barriers to assistance by proactively offering services and reducing unnecessary barriers and questions
- Take ownership of solution – reassure customer that they have been heard and that solution will be found, reduce need for them to follow up for resolution

Appendix

Discussion guide

March 2022

Barwon Water – Groups

Job No.: BAR21123QL

Discussion Guide

Research objectives:

- Gain an understanding of the circumstances that can lead to a customer experiencing vulnerability
- Ascertain the scale of these circumstances and the potential impact for Barwon Water customers
- Gain a clear understanding of the opportunities to proactively meet the needs of vulnerable customers within the context of Barwon Water services
- Establish a clear understanding of how these needs are currently being met
- Develop recommendations to further meet the needs of customers, both now and over the next seven years

Overview of methodology:

4x online focus groups (90mins; \$100 e-gift card)

- Group 1: Wednesday 9th March
 - Those in casual employment
- Group 2: Wednesday 9th March
 - Those in rental accommodation / house share
- Group 3: Thursday 10th March
 - Those concerned about cost of living rises (first home buyers, young families)

Sample/target audience:

- Mix of males and females
- All to be aged 18+
- All to have had experienced trouble paying bills / missed a utility or essential service bill payment in the past
- A minimum of 4 participants across groups who are new migrants
- At least 1 participant per group who has contacted a utilities provider directly

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Section 1: Introduction (5 mins) – 5/90

- Thank-you for participating.
- Session will last for 1.5 hours.
- Anonymous and confidential.
- Being audio recorded – for market research purposes only.
- You can drop out at any time/ don't need to answer any questions you don't want to
- Going to talk about your opinions. No right/wrong answers.
- You will receive a \$100 e-gift card as a thank-you for your time which will be emailed to you in the coming week.

Interviewer read out:

I'm a researcher for Quantum Market Research, a third-party research agency, and I have the privilege of chatting to people every day about a wide range of topics. I encourage you to speak openly and honestly – I'm completely impartial, non-judgemental and really value your input. All of your input will be kept anonymous and confidential – I'll only report back what people told me at an overall level and the client behind this research will never know who I spoke to specifically.

Section 2: Getting to know you (5 mins) – 10/90

Objective: Help respondents to feel comfortable speaking around each other

- Let's start by getting to know each other a little. Let's go around the 'room' and introduce ourselves.
 - What's your first name?
 - Who do you live with?
 - What is a typical day for you?

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Section 3: How it feels to be a customer in 2022 (10 mins) - 20/90

Objective: Explore general sentiment about being a customer today to help understand context and general pressures

Explain: Today we are going to talk a little about contacting companies, our service regular providers (like utilities) and being a customer in 2022.

- To start with, what are the regular bills that a household has? What are the everyday things that we are managing?
 - (If needed prompt -power, gas, water, phone etc)
- What would you say has gotten easier as a customer over the last 10 years?
 - Explore. What has made it that way?
 - How does that make you feel?
- What would you say has gotten harder as a customer over the last 10 years?
 - Explore. What has made it that way?
 - How does that make you feel?
- Thinking about all the choices you need to make and the responsibilities you have, what are the five words you'd use to describe what it feels like to be a customer in Australia today?

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Discussion guide

Section 4: Dealing with bills (25 mins) – 45/90

Objective: Explore the needs of customers when it comes to paying bills and missing bills

- Thinking back now to bills, how do you feel when you get your bills? What words spring to mind when I say bills?
 - Probe: scared, unbothered, worried, nervous?
 - Do you feel different towards different bills? How so?
- How do you find managing bills today? (easy, difficult?)
 - Any differences by different bills? How so? (probe for utilities, probe for water)
- I'm going to put some scales on the screen.
 - What do you think about this? Is it becoming harder? Easier?
- Explore – what is making it harder? What is making it easier?

In today's world, it is becoming harder to manage bills

Disagree ←————→ Agree

- Have you or someone you know ever had to contact a company to resolve a problem with a bill? (I've put another scale on the screen)
 - Overall, how did they find that experience?

It is easy to resolve issues with bills

Disagree ←————→ Agree

- (if needed – i.e. if not raised in question above) Have you ever had a time when you missed a payment or couldn't pay a bill?
- What was dealing with the provider like at that time?
- How does it feel when we have an issue with a bill?
- What impacts does that have on our lives?

- Role play: Imagine we had to deal with a missed bill right now. Imagine it was our water bill.
- Firstly – how do we feel – is there an image on-screen that helps describe how you feel?
- Explore – what are the feelings.



- What would we want from the company that we had to deal with about it?
 - How do you want to contact them?
 - What would we want their response to be?
 - What questions do they ask/ not ask?
 - How would we want them to resolve it?
 - What do we want them to do or offer us?
 - Is there anything in particular we would want from them because it is our water bill?
 - Does the water bill differ in any way from our other bills?
 - Does our water provider have any specific responsibilities?

Section 5: Contact (10 mins) - 55/90

Objective: Explore accessibility and interactions with Barwon Water

- Thinking now about contacting and communicating with providers (e.g. trying to make a change to something, cancel a service etc.)
 - Overall, how do you find those experiences?
- Has anyone ever contacted Barwon Water directly?
 - What did you contact Barwon Water for?
 - What was that experience like?
 - What was good/ bad?
- Thinking about other people that we know, or people in the community - Who might find it difficult to contact or resolve problems with providers like Barwon Water? What might stand in their way?
- (language, literacy, accessibility)
 - How could companies like Barwon Water make it easier?

Discussion guide

Section 6: Pricing (10 mins) - 65/90

Objective: Explore pricing and understand billing – SECTION TBC

- Thinking now, in general about pricing. I've put a couple of other scales on the screen.

Water pricing and bills are **easy to understand**

Disagree → Agree

- What do you think about water bills and pricing? Are they easy to understand?
- Do you think Barwon Water delivers value for money for your water bill?
 - Why do you think that?
 - What does "value for money" look like for you and your water bill?
 - Prompt support: low bills, lots of customer support, new programs for the environment, friendly service, online services
- What can Barwon Water do to you help you with your water and sewerage bills?

Let participants answer spontaneously first, then probe:

- What about...
 - In terms of receiving your water and sewerage bills?
 - Understanding your bills?
 - Paying your bills?

Water companies should charge everyone the same

Disagree → Agree

Section 7: Financial pressures (10 mins) - 75/90

Objective: Understand concerns customers have for the future, and how companies can support

- We are seeing lots of news at the moment about cost of living - stories about fuel prices and rising costs of rent and groceries.
 - What are some of the challenges that people might face when it comes to finances?
 - What about in your area, are there any challenges that people are facing in the Barwon area in particular?
 - What are the impacts on people with costs rising? What does it mean for us?
 - What does it mean for us when it comes to things like our bills?
- Who might be having trouble paying bills that we don't realise?
- Who in the community might need support?
- Where would someone turn in the Barwon region if they needed help with bills?

Section 8: Barwon Water (10 mins) - 85/90

Objective: Understand experiences with and perceptions of Barwon Water and ideas about roles and responsibilities

- Are you aware of any work Barwon Water is doing to help customers with their bills?
 - How does this compare to other utilities bills?
 - What are some of the ways other organisations are helping customers with their bills that you think are particularly helpful or effective? Why do you think these are particularly helpful or effective?
- Do you think companies, like Barwon Water, have a responsibility to help people in times of need?
 - Explore – what does support mean?
 - How could Barwon Water help people ahead of times of trouble?
- What words come to mind when I say Barwon Water?
 - What do we think of when we think of 'water' in the Barwon region?
 - What is a water company responsible for?
- If we were in charge at Barwon Water, what would be the first thing we did for the Barwon Region?

Section 9: Wrap-up (5 mins) - 90/90

Objective: Close the discussion whilst eliciting any final contributions.

- Before we finish up, is there anything you wish you could tell service providers to help them support customers in the Barwon community?
- Is there anything I haven't asked but which you thought it would be valuable for me to know?

Thank & close



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