

STRAT7



SGN

Your gas. Our network.

GD3 Research Programme – Phase X

Willingness to Pay follow up report

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24th April 2024





Background

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Objectives

Throughout the GD3 programme, we have explored willingness to pay as a core theme – what are the features that customers would be prepared to pay more for.

This is a topic we covered in Phase C of the quant (which we also asked the panel to complete). We noticed there was little variance between the different features in a point allocation exercise when asked, so we wanted to explore to drivers of this.



Method

To do this, we sent all participants an open ended poll, to understand why people thought there was a lack of differentiation between the core features.

Fieldwork ran in w/c 22nd April 2023



Sample

56 participants participated:

- **38 Domestic Gas Customers:**
- **7 Future Energy Customers**
- **11 SMEs**



Findings

Although the results weren't clear cut, there were clear insights into the why

Equal importance of areas

Overwhelming sense that the features are all of equal importance, so it was hard to prioritise. People see value in investing in all the areas.

Also coming through was a notion that SGN isn't falling behind on these areas, so less clear cut to prioritise areas for change.

Evidently customers have similar needs and expectations from SGN, particularly when it comes to investing in safety, supporting the vulnerable and the environment.

"I think all these improvements are equally important (hence the similar results), they all require attention / action and I think paying extra for these service features is beneficial if improvements in these areas are made."
SME customer

Safety, environment & supporting vulnerable customers as priority

Despite the lack of differentiation, customers highlighted that any potential dangers should clearly be minimised with safety prioritised, along with supporting vulnerable customers and environmental factors.

This suggests that minimising roadworks are less pressing, as people know that is part and parcel of gasworks and upgrades.

"I think as a gas leak is dangerous so needs to be repaired. Road works are a daily occurrence and needs to be in place for works to be carried out. Nobody likes them but the works have to be done"
Domestic customer

Challenges in current climate

In the present economic and environmental landscape, participants were torn between what felt morally right versus protecting their own money in the context of higher outgoings. Customers are facing the cost of living crisis and some are in energy poverty.

Further, the balance between short term price increases for longer term gain cannot be accepted as readily by those in financial hardship who are managing their finances more day to day.

"Because with times being so hard everyone is thinking the same on how to save money even if its spend a little extra now to be able to save more in the long run"
Domestic customer, fuel poverty

Q1. These results are quite similar. Why do you think this is? Total base n=56

