

A photograph of a woman and two children. The woman is in the background, looking down at a child in the foreground who is holding a glass of water. Another child is visible on the right side of the frame, looking towards the camera. The scene is set indoors with soft lighting.

Shadow Metering Research

A WaterTalk research report prepared for United Utilities
February 2021

Background, approach and summary

Research background

The amount of customers taking up free meter options is reducing, therefore, United Utilities are looking to introduce proactive enhanced metering in certain areas of the region. This is to gain greater visibility of network usage and demand to better plan water resources in the future, and the ability to identify customer-side leaks to tackle wastage more effectively

We wanted to understand customer views of various elements of the proposition including:

- Reasons for the roll out
- Associated disruption
- Lowest bill guarantee
- Lead pipe replacement


This is key for United Utilities to be able to anticipate and mitigate against any concerns or complaints raised by customers.




Research objectives and approach

Stage 1: Qual Exploration

What we did:


- 
Four x 75 minute online discussion groups with customers from the WaterTalk community

- The groups took place between Tuesday 17th and Thursday 19th November 2020

- 
 1. Open to meters, low usage*
 2. Opposed to meters, low usage
 3. Open to meters, high usage
 4. Opposed to meters, low usage

Stage 2: Quant Validation

What we did:

- 
 28-question online survey with 1,138 United Utilities customers who were all **unmeasured homeowners**

- 
 Fieldwork ran between 20th – 28th January 2021

Research was conducted to assess customers' reactions to the comms. In case of any watch-outs to consider before they are sent out to customers.

The research evaluated the letters in terms of:

- Ease of understanding
- Clarity
- Initial reactions
- Key take-outs
- Impact on perceptions of UU

Stage 1 recap

The first stage highlighted a number of customer concerns with the messaging

1) What is United Utilities doing?

The upfront message is unclear with many believing that water meters will be monitoring areas and not individual homes

Those **most opposed** believe that it is a profits driven exercise and is taking away their 'right' to choose

2) Making sure you have the cheapest water bill

Many customers that are **open** to having a meter feel that the programme feels reasonable; the **Lowest Bill Guarantee** seems like a fair way to roll out more meters, a way to ensure everyone is on the same system and a 'risk free' way to test water meters

3) Replacing lead pipes for free

Lead pipe replacement is on the face of it a **useful and generous part of the deal**, but would not in itself convert those opposed to meters.

Some are concerned about the level of disruption involved


4) What will happen if I move out?

This message was **the least liked** as customers felt it was unfair that the next occupier would be forced to be on a meter and a few felt this could affect their property value

Stage 2

Customers evaluated one version of the letters in detail before comparing the two versions to choose a preference

Short Letter



Water for the North West

Dear customer

Tackling leakage and reducing your water bill

What's happening?
Next month we'll be in your road installing a water meter outside your home. This will give us a better understanding of how much water our customers are using and help to identify leaks.

We'll be carrying out this work on [DATE] between [TIME] and [TIME]. We'll be working in the footpath outside your home and may need to do some digging but we'll keep any disruption to an absolute minimum. You don't need to be at home while we do this work and we'll pop a card through your door when we've completed our work.

Making sure you have the cheapest water bill
You will continue to be charged exactly as you are now once we've fitted the meter. The good news is that every time we send you a bill we will compare the amount of water you've used against your existing fixed bill and charge you whatever is the lower amount. This means you won't pay any more than you do at the moment and any savings you do make are yours to keep.

After two years you can ask us to switch you to meter charges permanently if you've made a saving or keep your fixed bill, the choice is yours. You are under no obligation to switch to a meter and we'll never recommend you switch unless you've made a saving.

We can replace your lead pipes too
When we fit the meter outside your home, we'll also check to see if your water supply pipe (which is the pipe that delivers water into your home from our water main in the street) is made of lead. If it is, we'll ask if you would like us to replace it FREE of charge with a new plastic pipe (normally this would cost an average of £XXX to replace a lead pipe). You are under no obligation to take up this offer but we'll be happy to replace your lead pipe if you would like us to. We've explained more about lead pipes in our enclosed leaflet.


Interested in finding out more?

- Website: visit unitedutilities.com/xxxxxxx
- Telephone: call our Customer Services team on [0345 672 3723]
- We've also enclosed a leaflet explaining this project in more detail.

Yours sincerely

Louise Beardmore
Customer Services and People Director
PS – we've enclosed a key points summary of this letter, together with a Q&A and leaflet containing more detail about our work.

United Utilities Water Limited
Registered in England & Wales No. 2356679 Registered Office: Haverwater House, Lingay Mare Business Park, Lingay Green Avenue, Great Sankey, Warrington, WAB 5LP



Key points

Our work

- We're fitting a meter outside your home on [DATES].
- This will give us a better insight into customers' water use.
- We'll also be able to identify leaks.

Your bill

- Your bill will not be affected. You will continue to receive a fixed bill.
- We will compare your water use against your fixed bill and charge you whatever is the lower amount.
- After two years you can switch to meter charges permanently if you've made a saving or stay on your current fix bill.

Lead pipe replacement

- If your water supply pipe is made of lead we can replace this free of charge.

Further information
Visit our website at: unitedutilities.com/xxxxxxx
Call our Customer Services team on: [0345 672 3723]
We've also enclosed a leaflet explaining this project in more detail

Long Letter



Water for the North West

Dear customer

Tackling leakage and reducing your water bill

What's happening?
We wanted you to know about an exciting initiative we're bringing to your area to tackle leakage and help reduce your water bill.

As the water company for the North West, it's really important that we have a greater insight into how much water our customers are using so we can better plan for the future and identify leaks. Although nearly half of all homes in the North West have meters, it's difficult to know exactly how much water our non-metered customers are using.

That's why we'll be fitting a water meter to the water pipe outside your home. Not only will this meter help us to understand how much water you're using, we can also use some clever technology to help identify if you have any leaks on your own plumbing which you may not even be aware of. We've explained more about this in the enclosed leaflet.

We'll be in your road fitting these new meters on [DATE] between [TIME] and [TIME]. We'll be working in the footpath outside your home and may need to do some digging but we'll keep any disruption to an absolute minimum. You don't need to be at home while we do this work and we'll pop a card through your door to let you know if we need to switch off your water for a short time.

Making sure you have the cheapest water bill
We want to make it clear that you will NOT be switched to meter charges when we fit this meter. You will still be charged exactly as you are now and your bill will not be increasing. The good news is that we will now be able to tell you if you would make a saving on your existing bill based on the amount of water you use. We know that many of our customers would be better off with a meter but are put off applying as they're not sure if they would make a saving compared to their existing fixed bill.

Going forward, every time we send you a bill we'll now show you what you would pay based on your meter reading. We'll compare how much water you've used against your current fixed bill and if you would have paid less with a meter then we'll charge you the lower amount.

Continued overleaf...



Key points

Our work

- We're fitting a meter outside your home on [DATES].
- This will give us a better insight into customers' water use.
- We'll also be able to identify leaks.

Your bill

- Your bill will not be affected. You will continue to receive a fixed bill.
- We will compare your water use against your fixed bill and charge you whatever is the lower amount.
- After two years you can switch to meter charges permanently if you've made a saving or stay on your current fix bill.

Lead pipe replacement

- If your water supply pipe is made of lead we can replace this free of charge.

Further information
Visit our website at: unitedutilities.com/xxxxxxx
Call our Customer Services team on: [0345 672 3723]
We've also enclosed a leaflet explaining this project in more detail

We call this our 'lowest bill guarantee' and it means you won't pay any more than you do at the moment and any savings you do make are yours to keep. It lasts for two years and at the end of that time you can either remain on your existing fixed bill or ask us to switch you to water meter charges permanently if you've made a saving.

You're under no obligation to switch to a meter and we will only ever recommend you switch if you've made a saving over the two year period. You've really got nothing to lose.

We can replace your lead pipes too
Lead hasn't been used for water pipes since the 1970s due to health risks associated with lead in water. That's why, when we fit a meter outside your home, we'll also check to see if your water supply pipe (which is the pipe that delivers water into your home from our water main in the street) is made of lead. If it is, we'll ask if you would like us to replace it FREE of charge with a new plastic pipe (normally this would cost an average of £XXX to replace a lead pipe). You are under no obligation to take up this offer but we'll be happy to replace your lead pipe if you would like us to. We've explained more about this in our enclosed leaflet.

Interested in finding out more?
Please visit unitedutilities.com/xxxxxxx for further details about this work. We've also enclosed a question and answer leaflet for additional information about this project.

If you would like to speak to us about the content of this letter please call our Customer Services team on [0345 672 3723].

Yours sincerely

Louise Beardmore
Customer Services and People Director

PS – we've enclosed a key points summary of this letter, together with a Q&A and leaflet containing more detail about our work.

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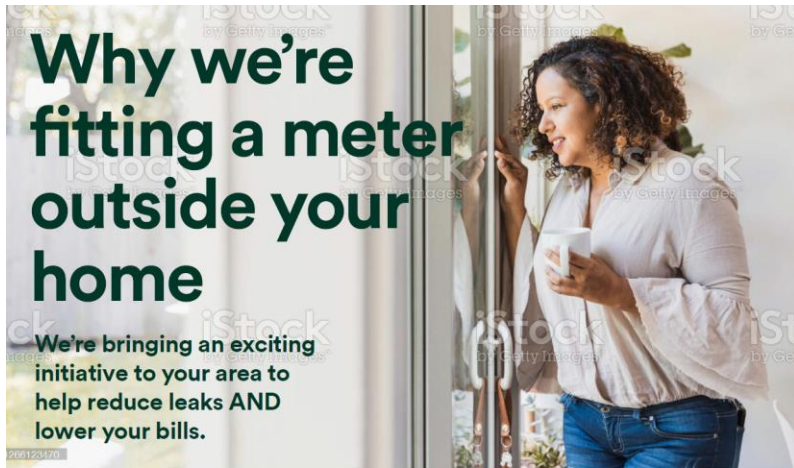


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Customer were also asked to provide high-level feedback on a leaflet intended to accompany the letter

Leaflet



Why we're fitting a meter outside your home

We're bringing an exciting initiative to your area to help reduce leaks AND lower your bills.



Water for the North West



Tackling leaks on our network

As the water company for the North West, it's really important that we have a greater insight into how much water our customers are using so we can better plan for the future and identify leaks.

Although nearly half of all homes in the North West have meters, it's difficult to know exactly how much water our non-metered customers are using.

That's why we're fitting water meters outside your home. Not only will this meter help us to understand how much water you're using, we can also use some clever technology to help identify if you have any leaks on your own plumbing which you may not even be aware of.

What's important to understand is that you won't be charged any more than you are now for your water.

You will still be charged a fixed bill for your water services which is based on the volume of water you use. However, we will now be able to tell you if you would save money by comparing the amount of water you've used against your fixed bill. And the good news is that we will always charge you whatever is the lowest amount.

We've explained more about this on page 4.

Spotting leaks in your home

The great thing about our meters is that they will help to identify if you have a water leak in your home.

For example, if your household normally uses 500 litres of water a day and it suddenly increases to 800 litres a day, this may indicate you have a leak. Most leaks in the home go undetected - for example, leaking taps or showers can waste a lot of water over the year.

Modern dual flush toilet cisterns also tend to overflow into the bowl rather than through an overflow pipe in the wall which makes them difficult to spot and waste an incredible amount of water without you even being aware of this. As you don't currently have a meter, we're not able to measure your water use and identify if you have a leak in your home.

We estimate that more than 500 per cent of all water lost to leaks across the North West are within the boundary of our customers' homes. Having a meter will help us to identify if you have a leak and we can then let you know about this so you can locate the leak and repair it before it causes any water damage to your home.

It will also stop this precious resource being wasted unnecessarily.



Making sure you have the lowest possible water bill

Once we've installed the meter, we'll then be able to tell you if you would make a saving on your existing bills based on the amount of water you use.

We know that many of our customers would be better off with a meter but are put off applying as they're not sure if they would make a saving compared to their fixed bill.

Now, every time we send you a water bill we'll show you what you would pay based on the amount of water you've used. We'll compare this against your current fixed bill - and if you would have paid less with a meter, then we'll charge you the lower amount.

We call this our lowest bill guarantee and it means you won't pay any more than you do at the moment and any savings you do make are yours to keep. It lasts for two years and at the end of that time you can either switch to your existing fixed bill or switch to water meter charges permanently if you've made a saving. You're under no obligation to switch to a fixed bill or switch to water meter charges permanently if you've made a saving over the two year period. You're really just getting to know.



The lowest bill guarantee - how it works

From now on, when we send you a bill we'll show your existing fixed bill alongside what you would have paid if your bill was based on the amount of water you use. And if your meter charges are lower, then we'll reduce your existing bill!

Our lowest bill guarantee lasts for two years - at the end of that time you can either keep your existing fixed bill or ask us to switch you to water meter charges permanently. We'll only ever recommend you switch to a meter if you have made a saving over the two year period.

Here's an example of how the lowest bill guarantee works:

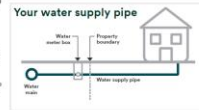


Replacing your lead pipes for free

Lead hasn't been used for water pipes since the 1970s due to health risks associated with lead in drinking water.

That's why when we fit the meter outside your home, we will check to see if your water supply pipe is made of lead. This is the underground pipe which delivers water into your home from our mains in the street. If we find this pipe is made of lead then we can replace it free of charge. You are under no obligation for us to replace this pipe. It's entirely your choice. We will be replacing lead pipes inside your home. This is something you would need to arrange with a plumber.

Replacing this pipe may involve us digging to your garden or removing paving flags to access the pipe. We'll only ask you to leave everything as we found it, by re-turfacing the driveway, returning your lawn or replacing flags. We will fully replace all this to you before you decide whether to go ahead with this work. It's entirely your choice if you would like to go ahead with your lead pipe. As well as the health benefits of replacing lead pipes, you may also benefit from improved water pressure in your home once the old lead pipe has been removed so it's something to consider. We will be happy to replace the lead pipe free of charge as part



Save water, save money

Once we've installed the meter you will have the opportunity to take up a FREE home water health check.

This will involve us visiting your home to check all water using appliances including taps, showers and toilet cisterns to make sure nothing is leaking. We also fit some clever water saving gadgets to your existing appliances to help you reduce the amount of water wasted in the home.

Again, there is no charge for this service - it's just our way of helping customers to make sure their homes are leak free.



Here's a summary of the key points from this leaflet:

- Fitting a meter outside your home will give us a better insight into customers' water use.
- We'll also be able to identify leaks.
- You will continue to be charged as you are now on a fixed bill.
- We will reduce your bill if the amount of water you use is less than your fixed bill. You will never pay more than you do now.
- It's your choice if you wish to switch to meter charges permanently after the two year trial.
- We will also offer to replace your outside water supply pipe for free if we find this is made of lead.
- You will be offered a free 'home water health check' to make sure your home does not have any leaks.


Further information

- If you'd like to speak to us about this work please call us on 0800 000 0000 or drop us an email at 000000000@uuplc.co.uk and we'll get back in touch with you.
- You can also visit unitedutilities.com/xxxxxxx



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Initial reaction to the letters

Customers' initial reactions to the letters are mainly positive, particularly for making them feel reassured about UU's plans

Customer reaction to the letters

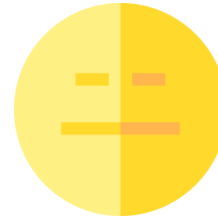


Reassured
45%

▲
Open to water meter (56%)

- **16%** - Water meter won't increase bills
- **15%** - I could save money
- **15%** - Chance to replace lead pipes

"I gather that if a water meter were fitted outside my home, my bill would remain fixed, or even go down, if I use less than the recommended amount. This makes me feel very reassured"
Female, 35-54, Cumbria



Indifferent
20%

▲
18-34s (25%)
35-54s (23%)

- **18%** - Doesn't affect me
- **9%** - Not interested or bothered
- **6%** - Don't want a water meter

"I am not bothered about whether you put a meter on the pipe as long as you don't put my bills up"
Male, 55+, Greater Manchester



Happy
15%

▲
Open to water meter (20%)

- **22%** - Could save money
- **19%** - Chance to replace lead pipes
- **15%** - Just like the idea

"I can save some money and they can find any leaks"
Male, 35-54, Lancashire

Those reacting negatively either don't understand the message altogether or are angry because they feel a meter is being installed against their will

Customer reaction to the letters



Confused
5%

*Confusion seems to largely come from misunderstanding the optional aspect of the water meter

- 24% - Need more information
- 19% - Don't understand it
- 12% - Too much information

"I would like to know if I have to have this done, or is it a suggestion"
Female, 55+, Cheshire



Angry
4%*

▲
Not open to water meter (7%)
55+ (6%)

- 31% - Don't want a water meter
- 31% - Don't want to be forced to have a water meter
- 17% - Possible cost increase

"Because although I don't agree with water meters I am getting one anyway"
Female, 55+, Merseyside



Disinterested
4%*

- 37% - Not Interested
- 20% - Don't want a water meter

"It was of no interest and would have gone straight in the recycling bin"
Female, 55+, Lancashire



Frustrated
2%*

- 23% - Don't want a water meter

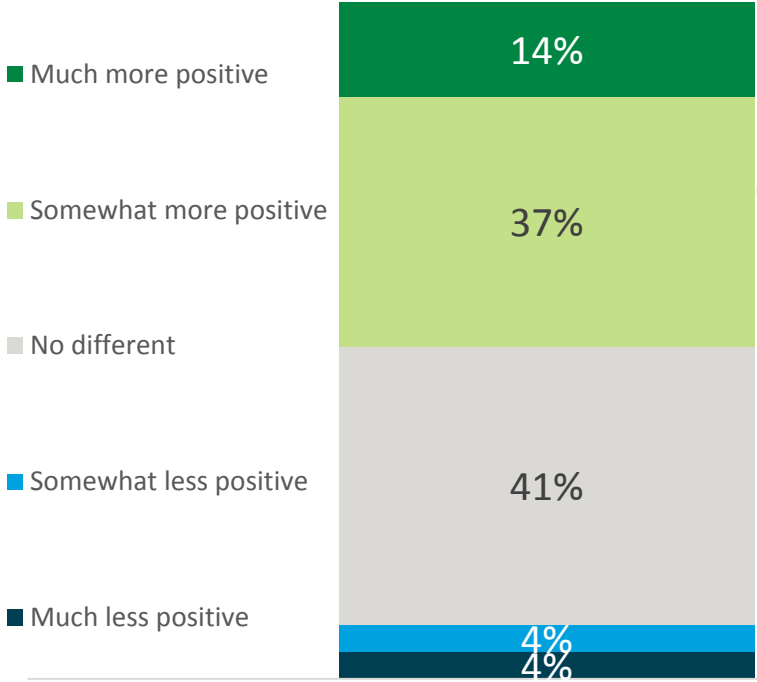
"Because I don't want a water meter and feel that this is what's going to happen down the road"
Female, 55+, Lancashire

Only 28% of low income and disabled customers are open to meters generally and disabled customers were more likely to feel negatively towards the plans (28% vs 15% overall)

Most view UU more positively because of comms, while any lingering mistrust may be due to pre-set customer ideas

Impact of letter on perceptions of UU

Net: More positive **51%**



Top reasons for feeling more positive towards UU are..

- 14% Helping/caring for customers
- 9% Possibility of lowering bills
- 7% Reducing leaks and saving water

Top reasons for feeling less positive towards UU are..

- 7% Don't trust UU
- 2% Don't like not having a choice / feel they'll eventually be forced on us

Disabled customers more likely to feel less positive (21%)

Communications must ensure they do what they can to ease concerns around mistrust and logistics

Customer concerns

Reasons for concerns about the proposition

Mistrust

- Too intrusive and will result in compulsory water meters
- Prices will go up, despite reassurances that they won't
- General mistrust of utility companies, means some are simply skeptical of where this will lead

"It's an unsubtle way of getting meters assigned to each home"
Male, 35-54, Cheshire

Logistics

- On a practical level, customers are concerned about disruption that installations and lead pipe removal can cause when it's going on outside their home

"It's yet more disruption and yet another company digging up the road and causing inconvenience"
Male, 35-54, Lancashire

The key ways to ease any concerns is to look at the text to ensure it is:

- Clear and transparent
- Makes flexibility in opt-out clear

However, it is worth noting that with any comms there is likely to continue to be a minority unwilling to trusting the proposition

20%
have
concerns

Low income and disabled groups are more likely to have concerns

Positive clarifications can help in reassuring customers that changes are optional and their bills will not be raised

Potential extra information to include

12%
believe there is still
information missing
which needs to be
included

Low income and disabled groups
are more likely to believe there is
information missing

Explanation

1. Why water meters need to be installed

"What is the long-term objective of installing this water meter?"
Male, 55+, Merseyside

2. The extent and management of disruption

"How much disruption will there be?"
Male, 55+, Lancashire
"Possible disruption and damage to the property and garden - will it be made good?"
Male, 55+, Cheshire

Clarification

3. Clarification that changes aren't mandatory

"That it isn't a sneaky way to eventually force people to have meters - even if not now"
Female, 55+, Merseyside

4. Clarification over price

"How long the offer of paying the lowest bill will be in force. 2 years? 10 years?"
Female, 55+, Cumbria
"How much the bill goes up after 2 years"
Male, 35-54, Lancashire

Executive overview

1

Customers are reassured by the comms and feel more positive towards UU as a result

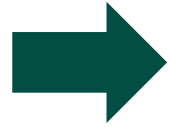
2

Both letters convey information well, but the short letter is preferred as it is concise and effectively retains customer interest

3

There are still some areas that a minority of customers (especially those vulnerable) feel could be added to the comms to reassure them about the plans

Next Steps



Incorporating the feedback into the final versions of the letter and leaflet.



Working on the process to aid vulnerable customers through the journey and give them the extra help and support needed.



The WaterTalk panel

- Water Talk is an online community designed to reflect the views of those in the North West who have access to the internet (circa 90% of the population)
- Customer panels typically provide a deeper level of engagement with customers than ad-hoc pieces of research
- It provides rapid research access to UU customers
 - This can provide fast and cost effective feedback on a wide range of issues
- Where appropriate, work is supported with other methodologies and samples to represent those not present on WaterTalk
- Nearly 8,000 UU customers are on the panel:
 - 3,600 have taken part in a research activity in the last 6 months

To find out more about using the WaterTalk panel to meet your business needs, please contact **Shy Sharma**:



Shy Sharma

Customer Insight and Exploration Manager

Shy.Sharma@uuplc.co.uk

Sample profile

Total	Unweighted	
	Count	%
Gender		
Male	524	46%
Female	614	54%
Age		
18-34	194	17%
35-54	426	37%
55+	518	46%
65+ (not mutually exclusive to 55+)	245	22%
Region		
Cheshire	150	13%
Cumbria	104	9%
Greater Manchester	406	36%
Lancashire	268	24%
Merseyside	210	18%
Sample Type		
Internal	274	24%
External	864	76%
Disabled (internal sample only)		
Yes	67	24%
No	205	75%

Total	Unweighted	
	Count	%
Openness to getting a water meter		
Open to getting a water meter	538	47%
Not open to getting a water meter	595	52%
Vehicles Owned		
No Cars	116	10%
1+ Car	1,022	90%
Lead Water Pipe		
Aware of lead water in property	192	17%
Unaware of lead water in property	946	83%
Garden Maintenance		
Maintained garden	773	68%
Unmaintained garden	230	20%
No Garden	135	12%
Life Stage		
Pre-family	283	25%
Family	329	29%
Post-family	322	28%
Household income (internal sample only)		
Low income (<£20,000)	46	17%
Not low income (£20,000+)	177	64%
Don't know / can't say	51	19%