

Research report

Billing Propositions
Online survey



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Background

For 60-70% of United Utilities customers the bill is the only touch point they will have with UU as a business. As a result, it is important that this experience is made as easy and convenient for them as possible.

As a result, there is a need to understand how existing customers are currently interacting with UU when it comes to their bill and what they expect/want from that experience. This research will be used to inform the Sales and Billing team how they develop the current billing propositions for measured customers.



Objectives

The purpose of this study will be to explore the current perceptions of customers billing experience and what can be done to improve that experience.

The main objective:

“How do customers expect to interact with UU when it comes to payments and billing? What would the ideal experience be?”

Specifically:

1. What do current customers think of the current billing experience. How do they rate the interaction?
2. To understand why customers may have preference towards paying or reviving their bill digitally and what could convince those who don't currently.
3. To understand what preferences customers have towards frequency of their billing.
4. Is there anything more UU can do with billing to help customers manage their money better and budget?

Methodology, sample & key take-outs

Note on sample

'Measured' Customers Only

- The sample represents measured customers from across the UU region
- Representative quotas were applied to region, IMD and CACI segment
- Minor weighting has been applied to region, IMD and CACI segment to ensure the sample is representative of these measures across the UU region



Methodology

An online approach was adopted to survey measured customers ensuring that a mix of customer type and demographics are surveyed to understand any differences in interaction preferences. This includes age, CACI segment, social grade, IMD, vulnerable customers (low income, elderly or have a disability) and crucially how the customer currently pays i.e., offline or online.

	Measured Customers
Male	60%
Female	39%
A - Budget conscious elderly	18%
B - Indebted singles	5%
C - Technology dependent young families	17%
D - Comfortable mid-life established families	16%
E - Financially secure empty nesters	8%
F - Hard-pressed families	12%
G - Struggling single pensioners	9%
H - Families getting by	9%

	Measured Customers
Cumbria	5%
Merseyside	12%
Greater Manc	36%
Lancashire	27%
Cheshire	20%
IMD 1-2	34%
IMD 3-4	19%
IMD 5-6	15%
IMD 7-8	17%
IMD 9-10	14%

Sample:

952

Fieldwork was carried out from 11th – 29th May 2021

Key take-outs

It is evident from this research that customers are for the most part positive about the existing UU billing experience. The proportion who have converted to paperless billing indicates that momentum is shifting toward the majority of customers taking a similar approach. Areas of improvement are allowing customers more options when paying bills and making tweaks to the paper bills for those who still prefer them.

Almost half of those currently in receipt of paper bills would be willing to switch online and just under a third said they would not switch (*see slide 24*)

There is a small minority who's preference would be to pay via methods that are not currently available to them (*see slide 27*).

Customers are satisfied with the frequency in which they are being billed – some do mention wanting to align their UU bill with other bills they have (*see slide 12*)

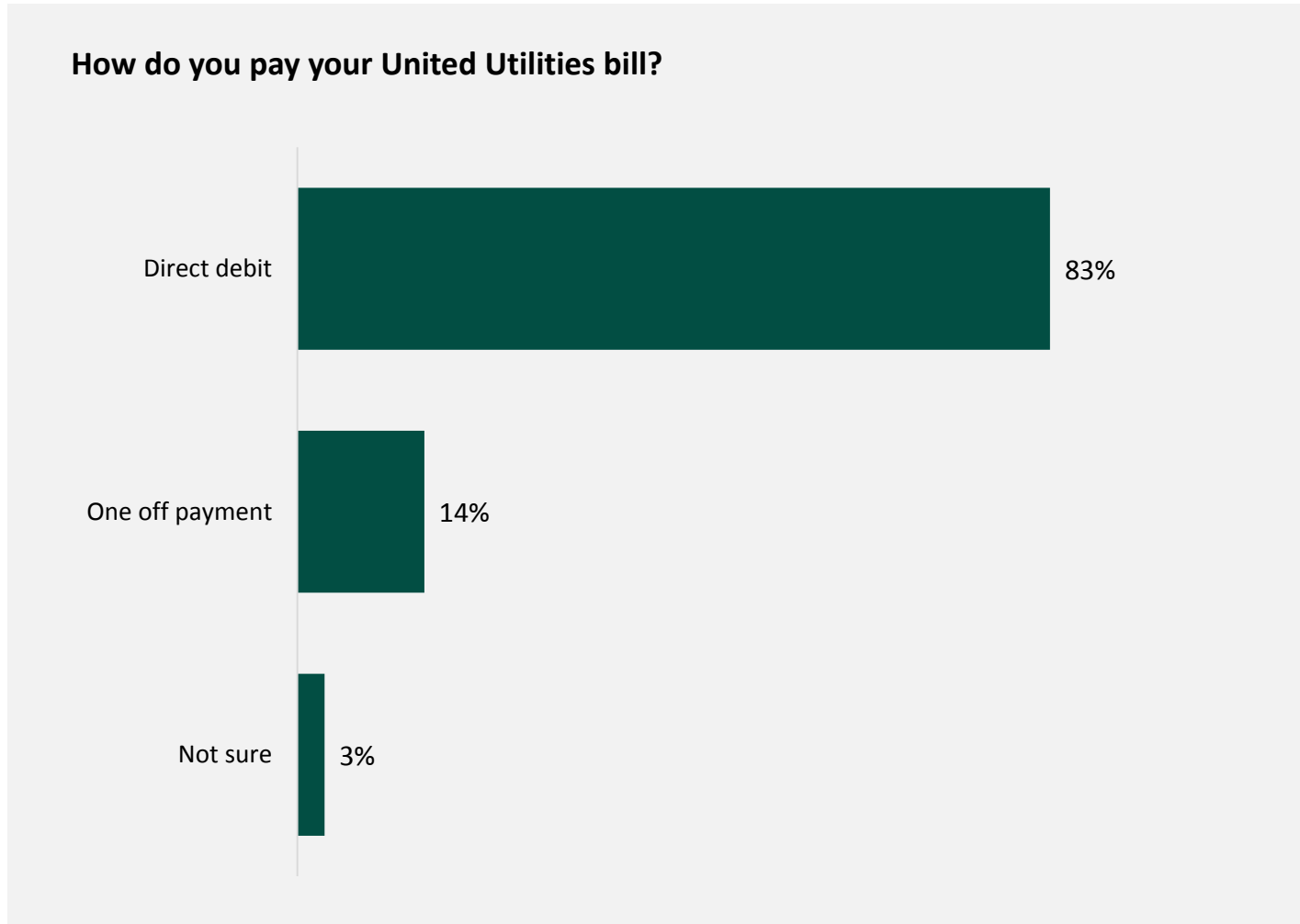
A small minority feel that paying a bill is time consuming. To help rectify this people ask if they could save their bank details for future billings (*see slide 28*).

Customers are happy with the overall way in which they receive their bill however many want to be notified ahead of time particularly if the bill deviates from previously received bills (*see slide 20*)

Customers are very favourable towards reminders/ even for outstanding bills. Many who had been sent reminders in the past praised the tone of these reminders (*see slide 31*).

Current billing behaviour

Over four in five (83%) measured customers pay their bill via Direct debit



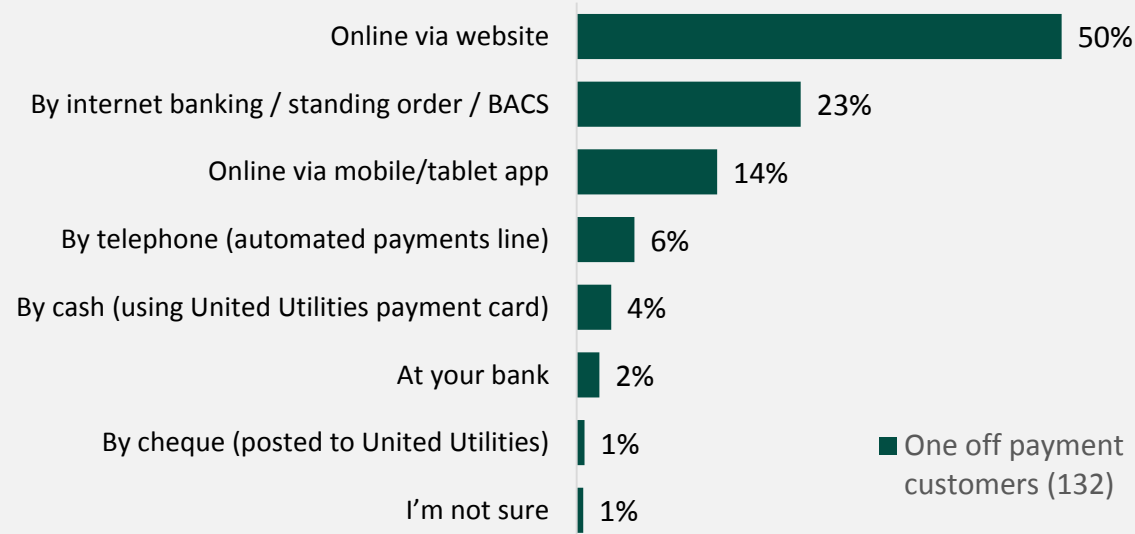
Those living in households where the income is under £20,000 are the most likely to pay via a one off payment rather than through Direct debit (18%).

Generally the most used method of payment is consistent across subgroups with the majority favouring Direct debit. However, those classified as being Hard-pressed families (CACI Segment F) are significantly more likely to pay their bill via a one off payment (25%), as are those classified as the most deprived (1-2 IMD, 21%) and those from lower socio economic grades (C2DE, 19%).

Base: see graph (All respondents) Q02. Do you currently pay your United Utilities bill by direct debit or by submitting one-off payments?

Of the measured customers who pay via a one off payment, half state they pay their bill through the website

How do you typically pay your bill?



55%

Receive their bill bi-annually

4%

Receive their bill annually

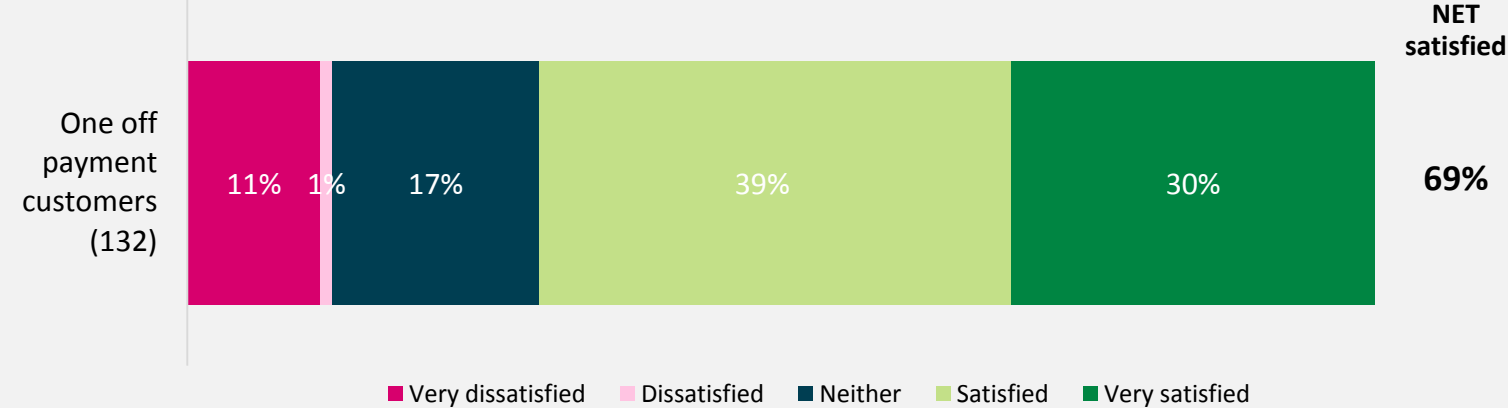
Over half of measured customers (55%) receive their bill bi-annually with only 4% stating a more infrequent billing (yearly)

While the base sizes are too low to know for certain, there might be some evidence to suggest that older age groups are likely to receive their bill less frequently than younger age groups:

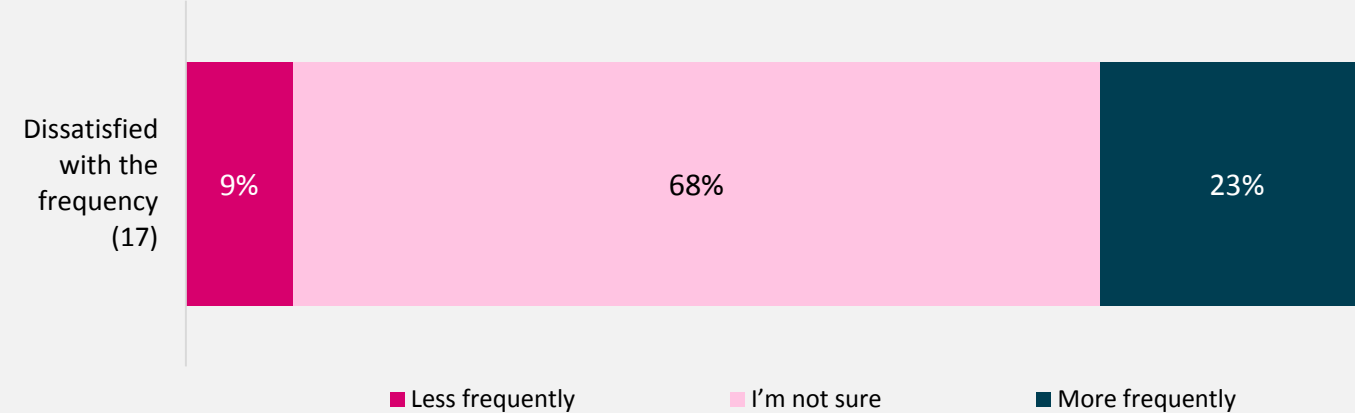
Receive bill bi-annually (55-64, 55% and 65+, 66%) (18-34, 23% and 35-54, 49%).

At an overall level, customers who make one off payments are reasonably satisfied with the frequency of their billing

Satisfaction of billing frequency



Preferred frequency of billing



Just over 1 in 10 state they are dissatisfied with the frequency of billing

As already noted those who pay off their bill via a one off payment are disproportionately those from lower household incomes. Within that, those who live in a household with an income under £20,000 (19%) are significantly more likely to be dissatisfied than those in a £20,000-£39,999 household (4%).

However, when these dissatisfied (one off payment) customers were asked at what frequency they would prefer to be billed, the responses were inconclusive.

The most commonly referenced reason for wanting to alter the frequency of billing was to bring their **water bill in line with other bills**. A small number motioned it would help them **budget more effectively**.



Base: see graph (Respondents who pay bill via one off payment) Q:Q05. How satisfied are you with the frequency that you receive your bills? & (Respondents who pay bill via one off payment and are dissatisfied with frequency) Q:Q06. Do you want to receive a bill more frequently or less frequently?

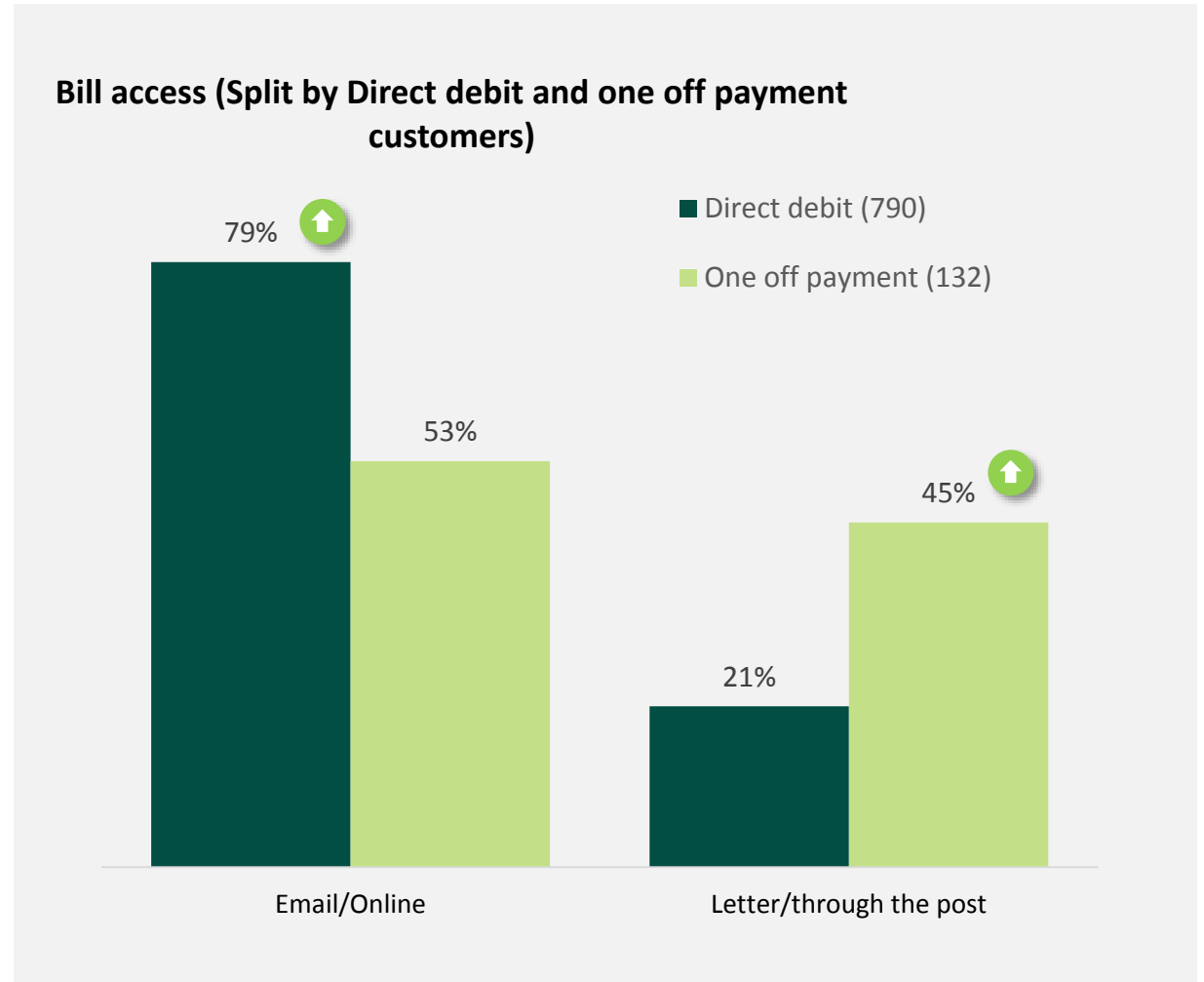
Almost three quarters (74%) of measured customers access their bill via email or online

Older age groups are significantly more likely to receive their bill via email or online than younger age groups


Almost 4 in 5 of those who pay their bill via direct debit receive their bill via online methods, whereas those who pay on a one off payment basis instead, the split between receiving their bill online and letters is almost exactly even.

Hard pressed families (F) and Struggling single pensioners (G) are most likely to receive a paper bill. Lower IMDs are also more likely to receive a paper bill

	18-34 (20)*	35-54 (249)	55-64 (247)	65+ (423)
Email/ Online	22%	63%	77% 	82% 
Letter/ through the post	78%	37%	23%	18%



Base: see graph (all respondents) Q:Q01. How do you currently receive your bill / statement from United Utilities?

Significantly higher 

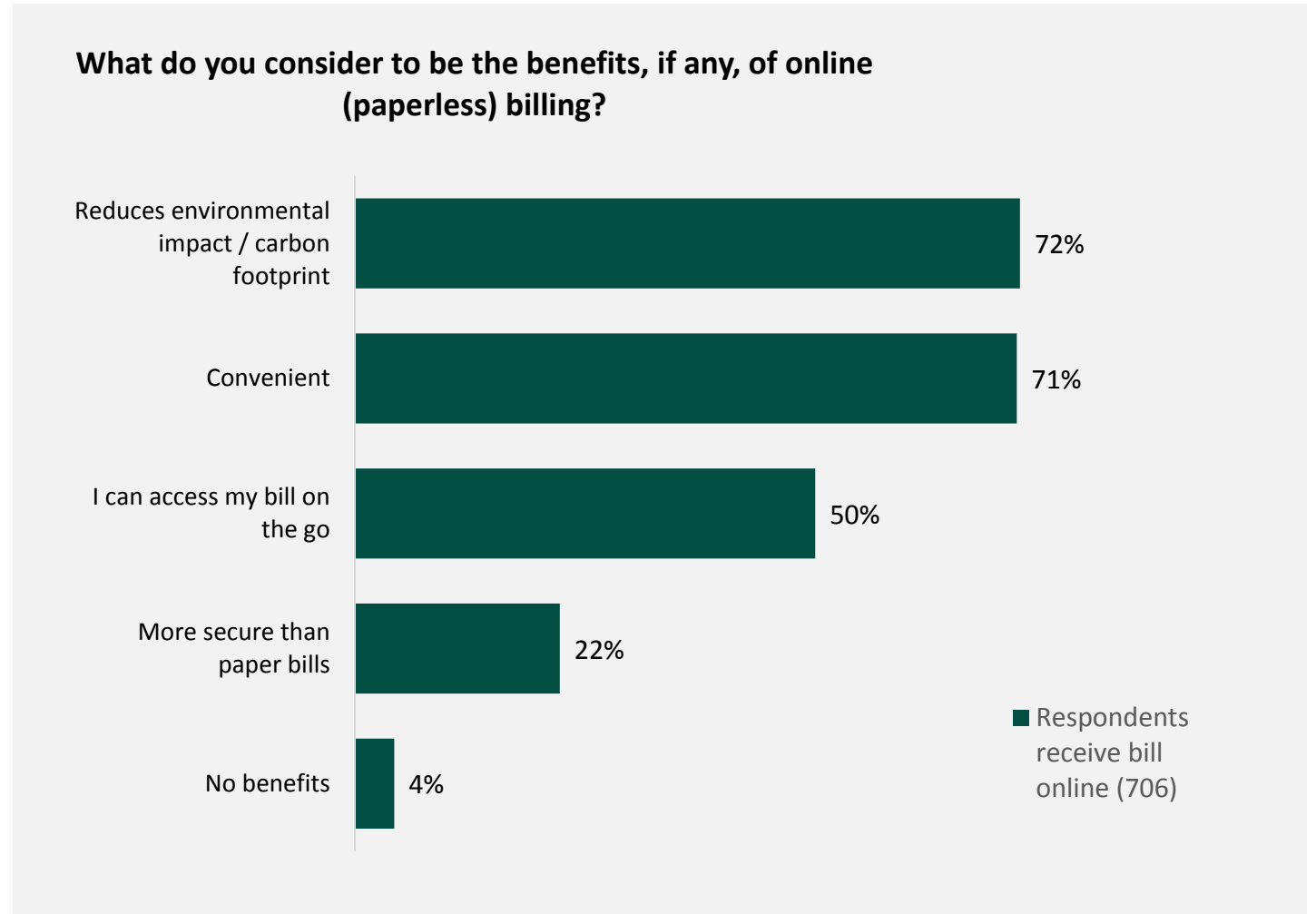
Online experience

The majority of those who receive the bill online state being more environmentally friendly as the key benefit

An almost equal proportion also state that receiving the bill online is also more convenient

Those from a lower SEG are significantly less likely than those from higher SEG to view the reduction of environmental impact as a benefit (C2DE – 64% vs ABC1 – 76%). The same is true in regarding paperless billing as more convenient (C2DE – 64% vs ABC1 – 74%).

Those from the younger age groups are significantly more likely to say that being access the bill on the go online was a key benefit compared to those in older groups (35-54, 64%) vs (65+, 40%).



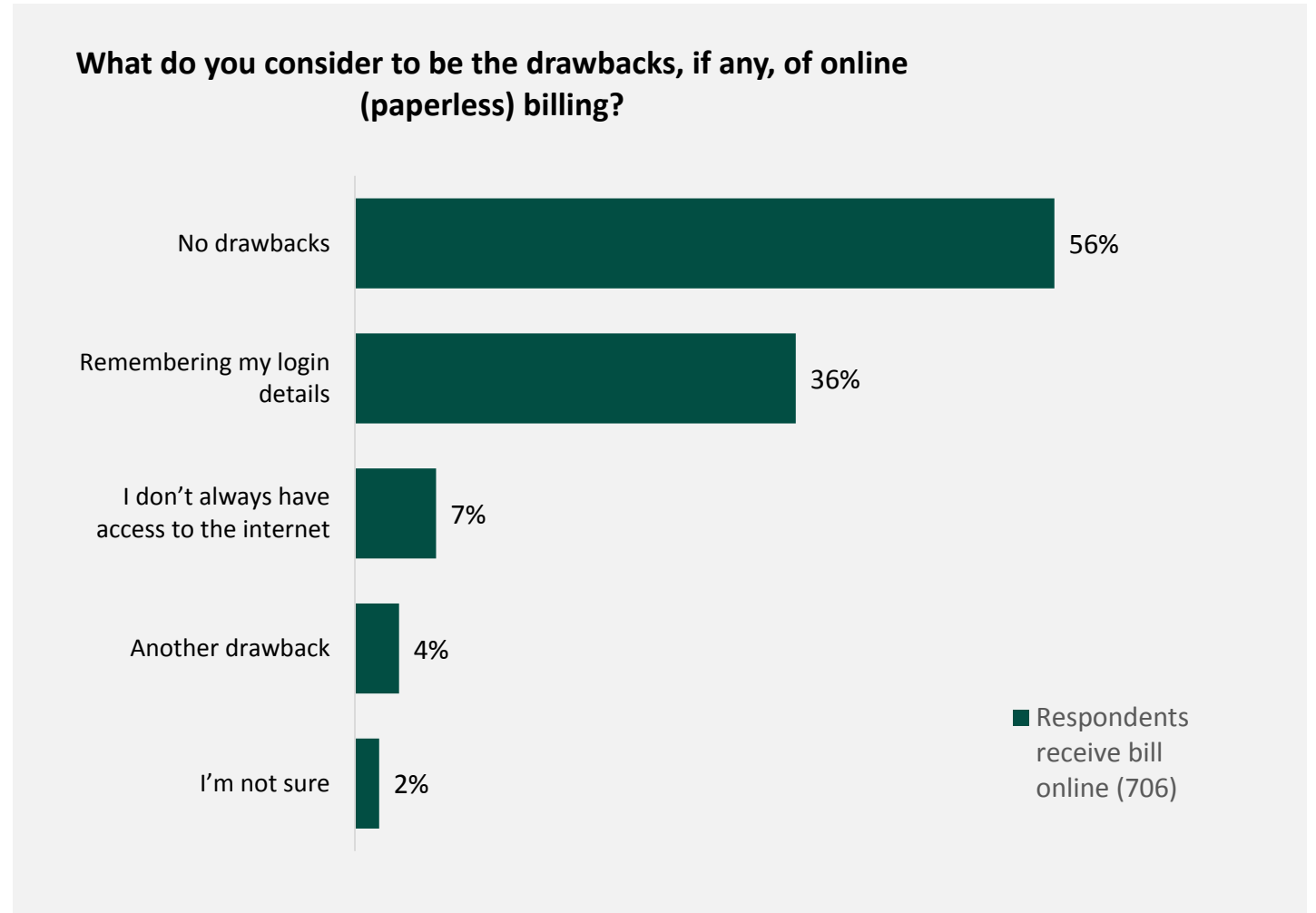
Base: see graph (All respondents receive bill online) Q:Q08.Earlier you told us you receive your bill / statement online. What do you consider to be the benefits, if any, of online (paperless) billing?

In terms of drawbacks of utilising online billing, over half don't consider there to be any

The most commonly motioned drawback was that customers might forget their login details

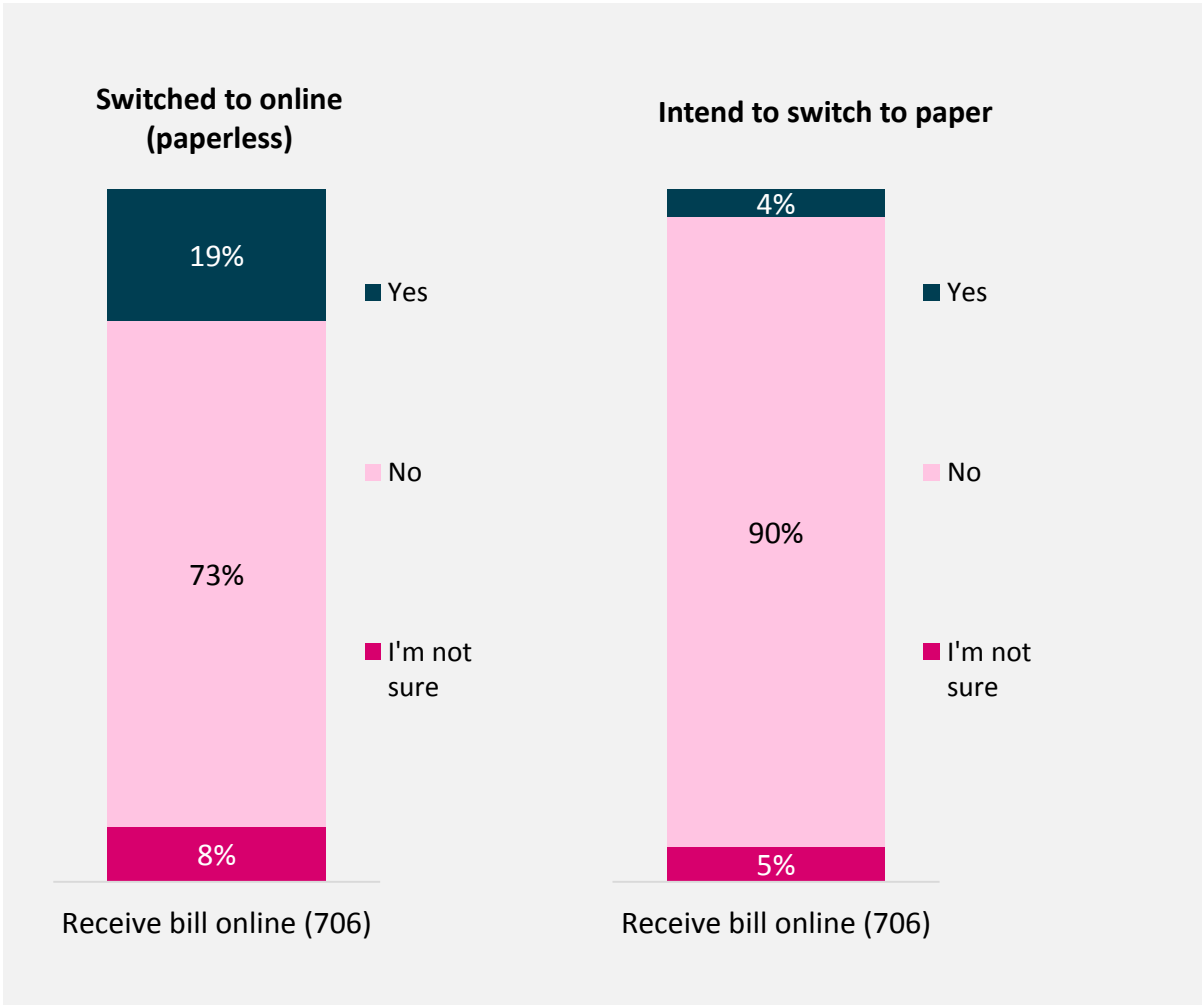
This aspect of paying the bill means , if people do forget their login details this in effect creates another touchpoint – of which are currently limited as we know. Therefore a seamless process should be in place to obtain this information.

A far less of a concern was not always having access to the internet. Another again rare but interesting drawback was people stating that they use paper bills to prove identity in certain circumstances i.e. when banking.



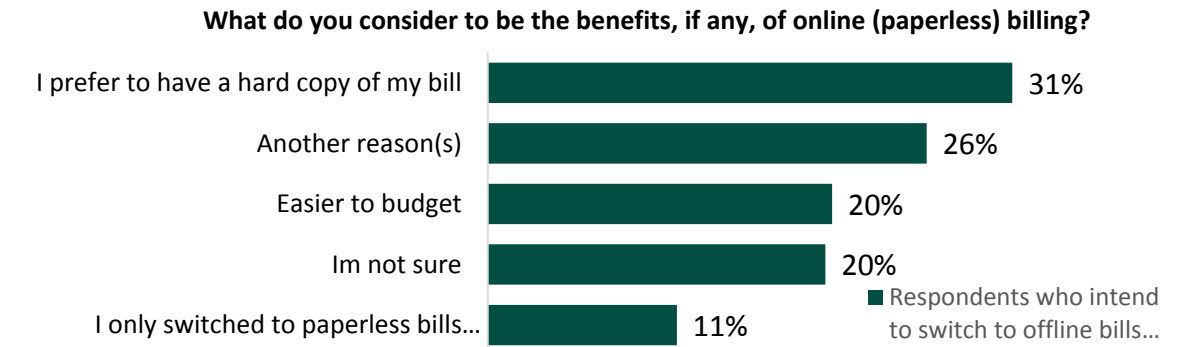
Base: see graph (All respondents receive bill online) Q:Q09. What do you consider to be the drawbacks, if any, of online (paperless) billing?

Around a fifth (19%) of those who currently receive their bill online have switched in the last 12 months



Conversely, only 4% say they intend to switch to paper bills – indicating that customers have a preference for paperless bills overall

Of the small proportion who say they intend to switch to paper just under a third (31%) stated that they simply prefer a hard copy of their bill. Again, some customers appear to use these physical copies as a form of proof of identity when required to do so.



“I frequently get asked for copies of a utility bill to prove my address, going paperless concerns me that I will not have this facility.”
Male, 55-64, Greater Manchester


Base: see graph (All respondents receive bill online) Q:Q10. Have you switched to online (paperless) billing in the last 12 months? & Q:Q12. Do you have any intention to switch to paper bills / statements? & (All respondents who intend to switch to offline bills) Q:Q13. What are your reasons for thinking about switching to paper bills / statements?

The split between those accessing their bill online via laptop/desktop vs mobile/tablet is almost even (59% using UU website, 41% using app)

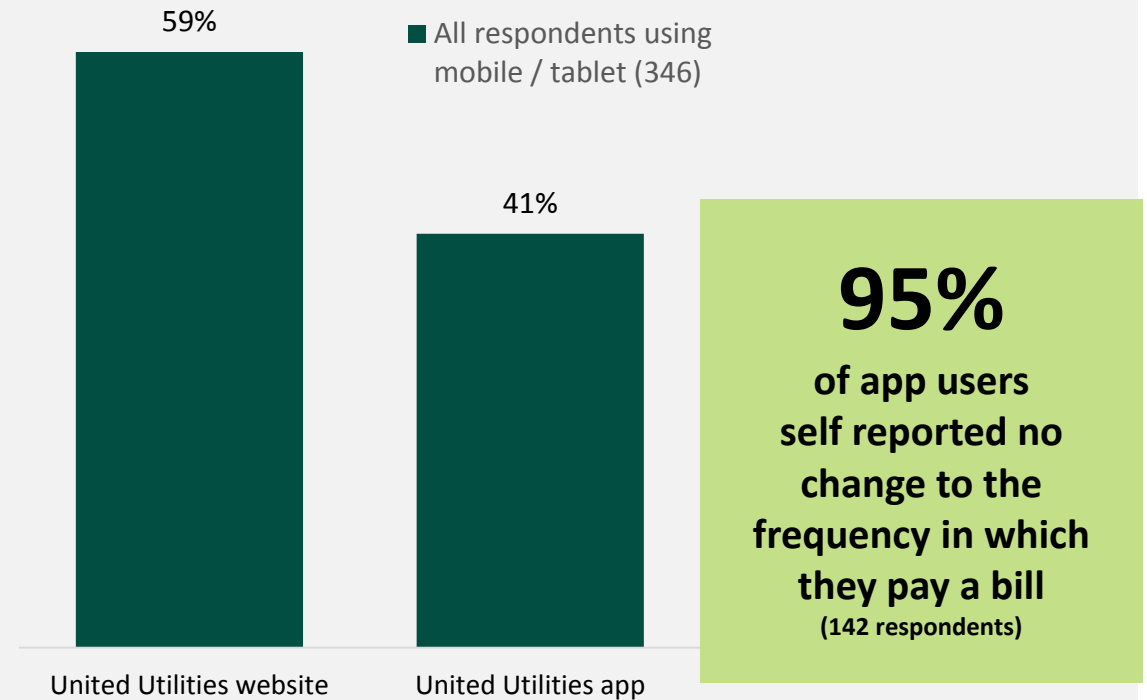
The most apparent difference with regards to subgroups is that younger age groups are more likely to access the bill via their mobile/tablet (64%)

A significantly higher proportion of female customers also access their bill via this method (58% vs 44% Males).

However, amongst those who access their bill via their mobile or tablet, there is little variation across subgroups in the next step they take i.e., do they go to the UU website or UU app.

	35-54 (157)	55-64 (191)	65+ (347)
Laptop / desktop PC	36%	51%	58%
Mobile / tablet device	64% 	44 %	42%

Which of the following do you typically access via you mobile/tablet device?



Base: see graph (All respondents receive bill online) Q:Q14. When you access your bill / statement, do you typically do this on a laptop / desktop computer, or via a mobile / tablet? & (All respondents using mobile / tablet) Q:Q15. When accessing your bill / statement on your mobile or tablet device, which of the following do you typically access? & (All respondents using app) Q:Q16. Would you say you have changed the frequency of when you pay by using the app?

Those who use the app reference its ease of use and convenience as the primary reasons they use the app

"I like the ease of access from wherever we are. It's also easy to pay"

Female, 45-54, Greater Manchester

"Easier as downloaded on phone and quick and simple access."

Male, 45-54, Lancashire

A number also like to monitor how much water they have used, stating it helps them to avoid unexpected bills

"Convenience - Easier than opening a browser, particularly on a mobile device.."

Male, 45-54, Cumbria

"To check my monthly bill and to look at water saving advise."

Female, 45-54, Cheshire

"It is easy to use and apart from not letting me download a pdf version of my bill, it's convenient and allows me to send meter readings quickly."

Male, 65+, Merseyside

"Just easier than trawling through hundreds of emails"

Female, 45-54, Greater Manchester

"I can keep a check on how much water I am using and consequently my costs with more regularly reading my meter and generating a bill. This helps when I have used more water e.g., after power washing, after guests have stayed or after workmen have been using more water. I am then not faced with a surprise inflated bill."

Female, 65+, Greater Manchester

Base: (All respondents using app) Q017 What are the main reasons you use the United Utilities app? Are there any specific features you like? If so, please could you tell us what they are and why you find them useful

The majority of measured customers who receive their bill online are positive about the experience of using the UU website/app

The area with the lowest proportion of favourable feedback is around the number of payment options available (74% agree) – although it is worth mentioning only a small proportion disagreed with this statement

The website/app is easy to navigate

Net: agree



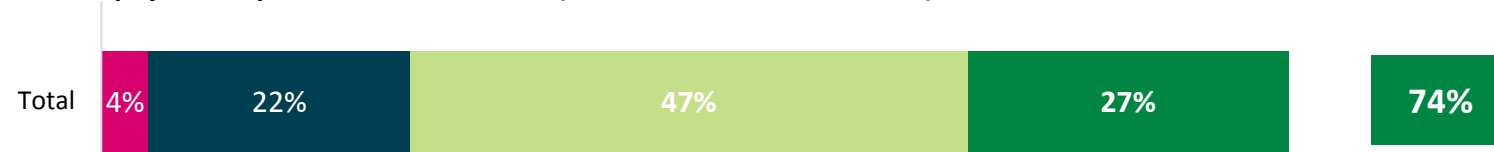
There are no subgroups that significantly differ in the proportion who net agree.

The language used on the website/app is easy to understand



There are very few sub groups where there is a significant differences in the proportion who agree although females appear more comfortable with the language used. 41% of Females 'Strongly agree' vs 30% of Males who 'Strongly agree'.

There are a number of payment options available to me (debit card, direct debit etc.)



Those in Financially secure empty nesters - CACI segment E (56%) are significantly less likely to NET agree with this statement.

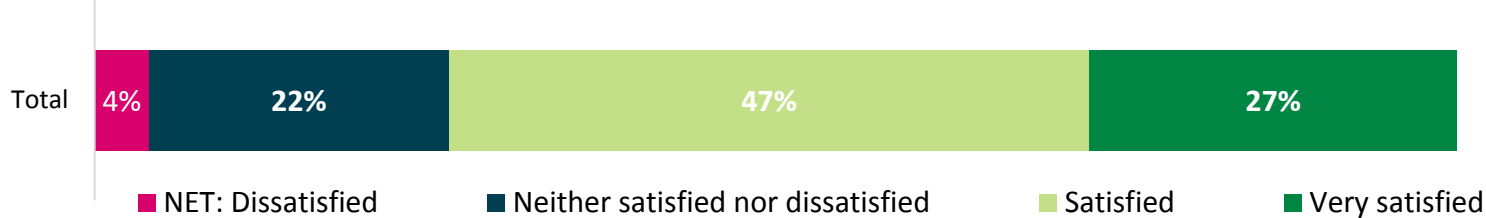
NET: disagree Neither agree/nor disagree Agree Strongly agree

Base: All respondents receive bill online:) 690. Q:Q18. Thinking about your experiences of receiving your bill / statement online through the United Utilities website/app, to what extent would you agree or disagree with the following statements?

The majority of measured customers (84%) are satisfied with way in which they receive their online bill

The most commonly mentioned areas for improvement are around being reminded when the bill is due and/or when the amount due differs from previous bills

Satisfaction with experience of receiving UU bills/statements online



Net: Satisfied

84%

There are no subgroups that significantly differ in the proportion who are net satisfied.

“Let me know that the bill has changed so I need to check it. Sometimes I assume it hasn't changed and then see it has when I log into my bank account.”
Male, 65+, Greater Manchester

“Maybe a text or email reminder that there is a new statement to view, as I don't always remember to look.”
Female, 44-54, Cheshire

“I wish the payment option had a way to save my debit card details so I don't have to type it in each time. Or perhaps there is a way, but it needs highlighting more in the overall user interface of the site.”
Male, 35-44, Greater Manchester

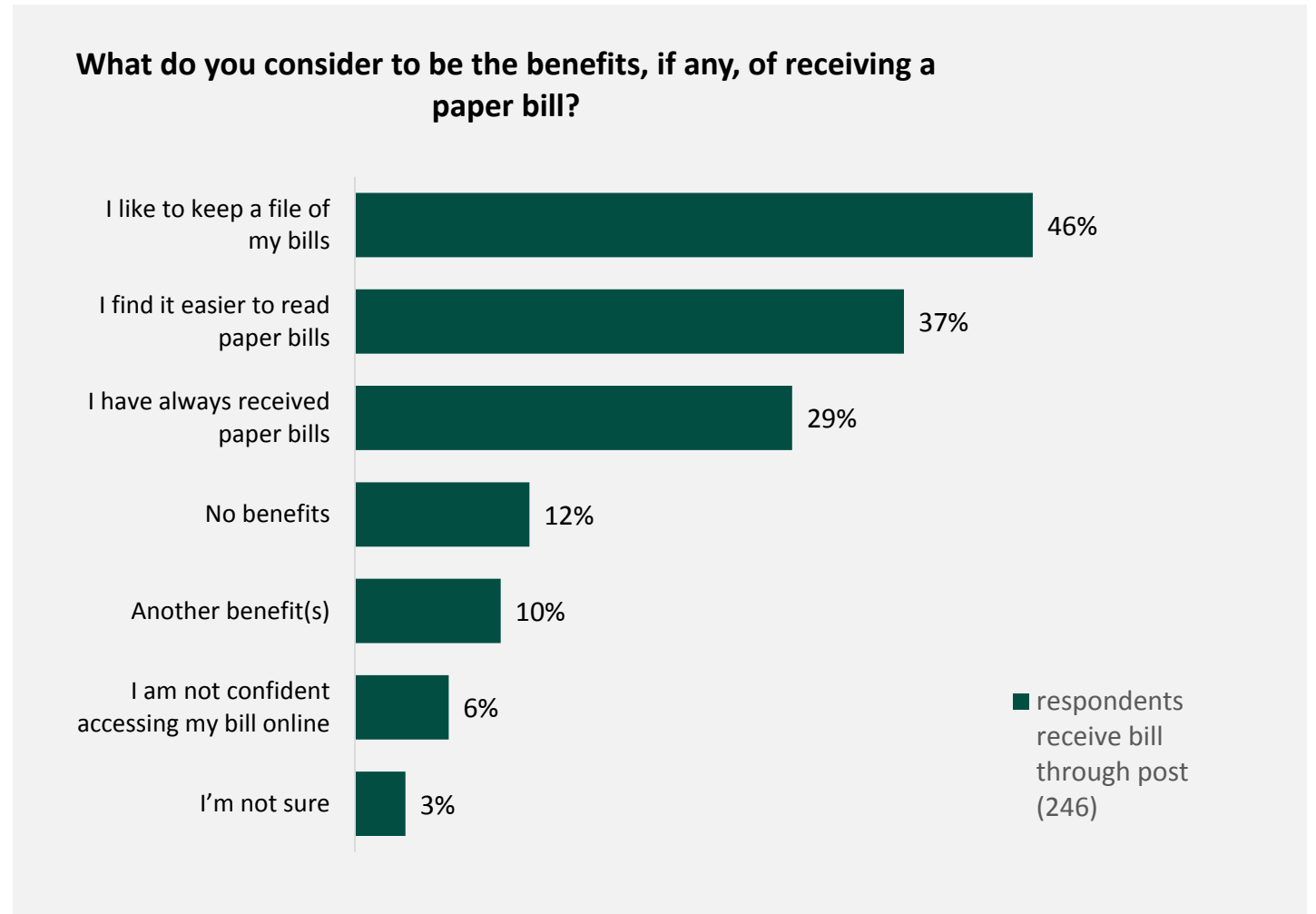
Base: All respondents receive bill online:) 704. Q:Q19. Overall, how satisfied are you with the experience of receiving your United Utilities bills / statements online? & Q.Q20 What improvements, if any, would you make to the experience of receiving your United Utilities bill / statement online?

Offline experience

Under half (46%) of those who receive paper bills/statements like the fact they can keep a file of bills and refer back to them

Almost a third (29%) have simply always received their bills/statements that way

It appears for many the barrier to convincing those who receive paper bills is that people want to be able to collate all their bills and have them in one place – many of these customers will have done this for a long time and likely do this with other utility bills they pay.



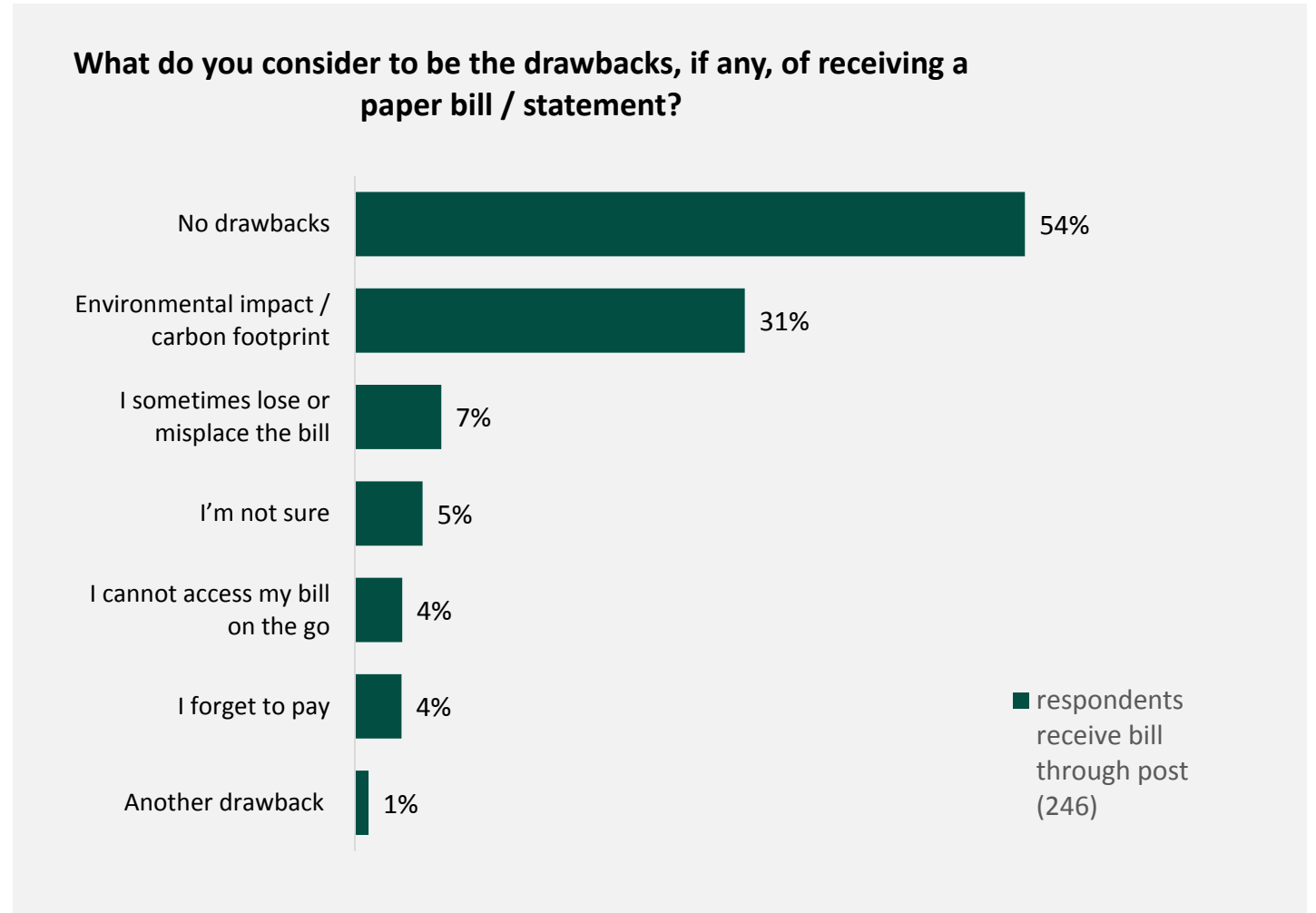
Base: see graph (All respondents receive bill through post) Q:Q21. Earlier you told us that you receive your bill / statement through the post. What do you consider to be the benefits, if any, of receiving a paper bill?

Over half (54%) of those who receive paper bills/statements don't feel that there are any drawbacks

While just under a third (31%) are conscious that this contributes to an increased carbon footprint

CACI Segment C - Technology dependent young families are the most conscious of all the segments and significantly so – 51%.

For some, being conscious of the environment might not be sufficient as a sole way of converting customers to a paperless billing system, pulling on the fact that bills and statements can be misplaced or lost could be an alternative or supporting argument alongside the environmental benefit.



Base: see graph (All respondents receive bill through post) Q:Q22. What do you consider to be the drawbacks, if any, of receiving a paper bill / statement?

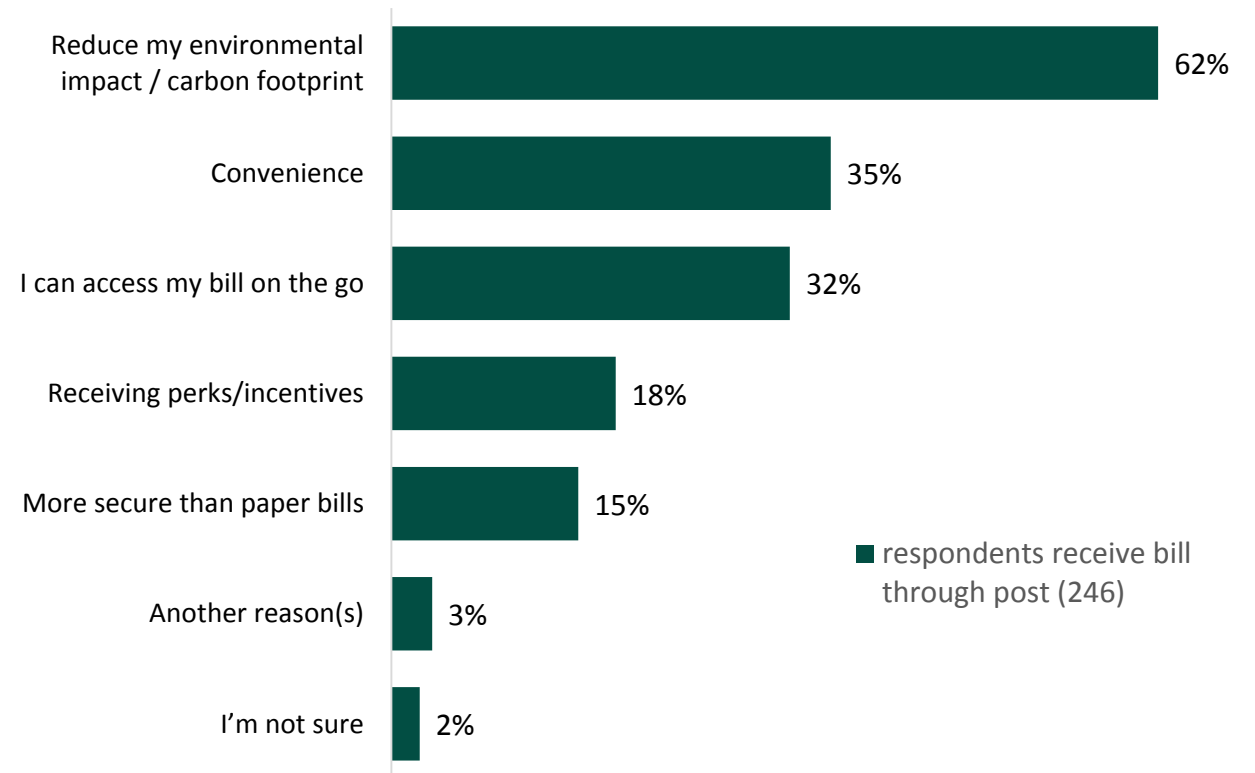
Of those who receive their bills/statements through the post just under half (46%) say they would consider switching

Of those who said they would consider switching reducing their own personal carbon footprint is the most commonly mentioned reason (62%)

There is a notable difference in those who say they would be willing to switch when looking at SEG. Those classified as ABC1 are significantly more likely to say they would switch (54% vs 37% C2DE). Those living in households with lower incomes (Under £20,000) are also significantly less likely to say they would switch, with exactly a third saying they would.

30%
Wouldn't considering changing to paperless

Why would you consider switching to paperless bills / statements?



Base: see graph (All respondents receive bill through post) Q23. Would you ever consider switching to online (paperless) bills / statements? & (All respondents who would consider switching to paperless) Q:Q24. Why would you consider switching to paperless bills / statements?

7 in 10 customers (71%) would use their mobile/tablet if they were to switch from paper billing

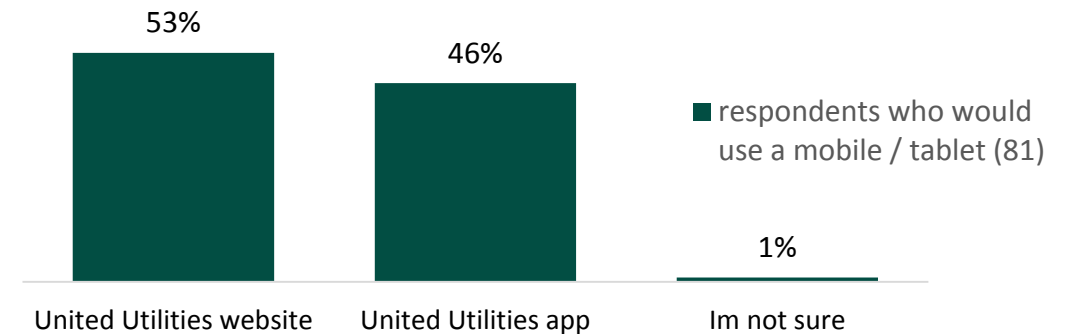
Much like the customers who already access bills online, the split of those who would use the website over the app is relatively even (53% UU website vs 46% UU app)

Of those that would be willing to switch from paper billing a significantly higher proportion of females say they would use their mobile/tablet (92% vs 55% Males).

Which of the following would you use to access your bill / statement if you switched to paperless?



Which of the following would you be more likely visit to access your bill / statement on your mobile / tablet?

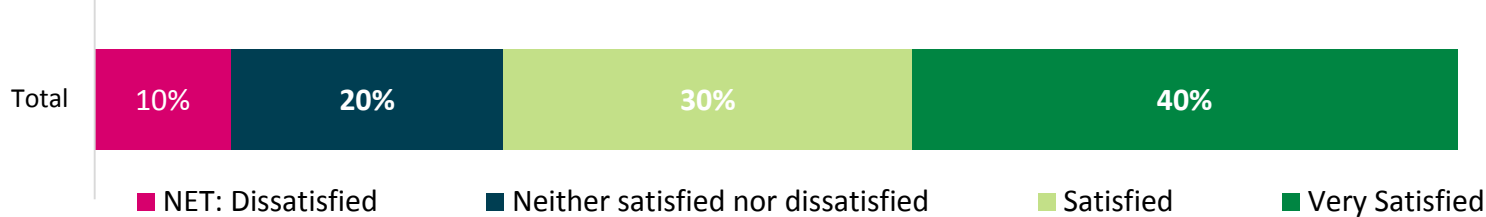


Base: see graph (All respondents who would consider switching to paperless) Q:Q25. Which of the following would you use to access your bill / statement if you switched to paperless? & Q:Q26. Which of the following would you be more likely visit to access your bill / statement on your mobile / tablet

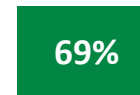
The majority (69%) of measured customers are satisfied with the overall way in which they receive their paper bill however satisfaction is higher with paperless (84%)

The information provided on the statement and also the layout of these materials seem to be causing confusion with some customers

Satisfaction with the experience of receiving United Utilities bills / statements through the post



Net: Satisfied



There are no notable subgroups that significantly differ in the proportion who are net satisfied.

“Sometimes the layout of the statement could be easier to read”
Female, 65+, Greater Manchester

“The layout of the statement takes some understanding.”
Male, 55-64, Merseyside

“Would like a graph of how much I used each month to see if I could improve any wasted water.”
Female, 55-64, Merseyside

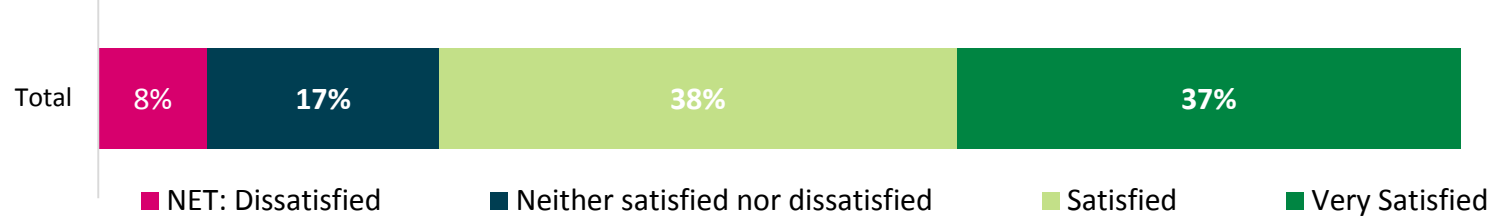
Base: All respondents receive bill through post: 241 . Q:Q28. Overall, how satisfied are you with the experience of receiving your United Utilities bills / statements through the post? & What improvements, if any, would you make to the experience of receiving your United Utilities bills / statements through the post?

Key metrics

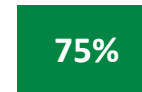
Three quarters (75%) of those paying via one-off payments are satisfied with the process

There are those however that would prefer to pay via another method – perhaps these are methods they frequently use in other aspects of their life's when making purchases. Others mentioned wanting to pay in one go if that option was cheaper (potentially as means of helping with budgeting too)

Satisfaction with the experience of paying their United Utilities bills in this way



Net: Satisfied



There are no notable subgroups that significantly differ in the proportion who are net satisfied.

“I would like to change to Direct Debit and I did try to but the amount on screen was higher than my agreed monthly payment so I backed off.”
Female, 55-64, Lancashire

“Allow me to save my card details on my app profile. Having to put my card details in, in full, every time I want to pay a bill is quite annoying. I'd also like to see more modern payment options such as Apple Pay added as a payment option..”
Male, 25-34, Greater Manchester

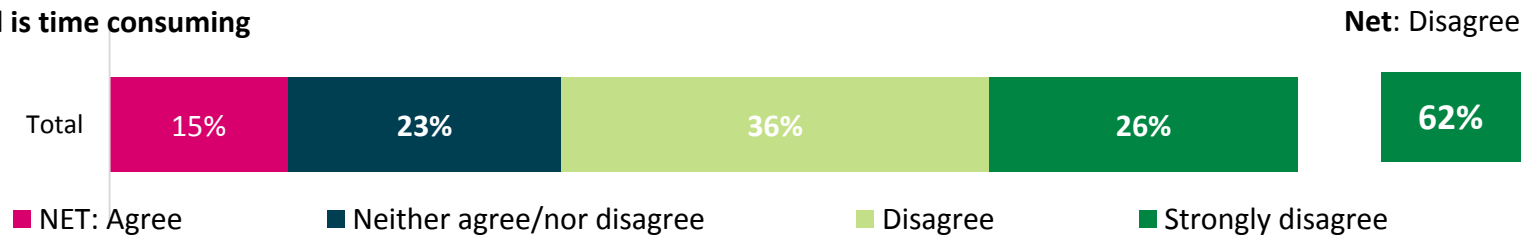
“Be able to pay with Amex or PayPal.”
Male, 45-54, Lancashire

Base: All respondents aware of how they pay their bill :) 130. Q:Q31. Overall, how satisfied are you with you experience of paying your United Utilities bills by this way? & What improvements, if any, would you make to the way you pay for your bill? This could include any payment methods you can think of that may not be currently available.

Around 1 out of every 7 (15%) feel that paying the bill is a time consuming process – although as a whole the process is view positively

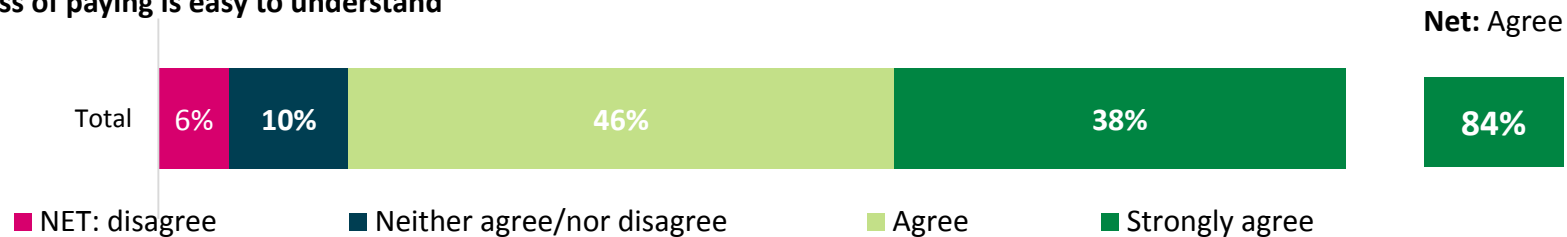
The vast proportion of customers view the process as easy to understand (84%) and the actual action of paying a bill is convenient (82%)

Paying my bill is time consuming



There are no subgroups that significantly differ in the proportion who net disagree.

The process of paying is easy to understand



There are no subgroups that significantly differ in the proportion who net disagree.

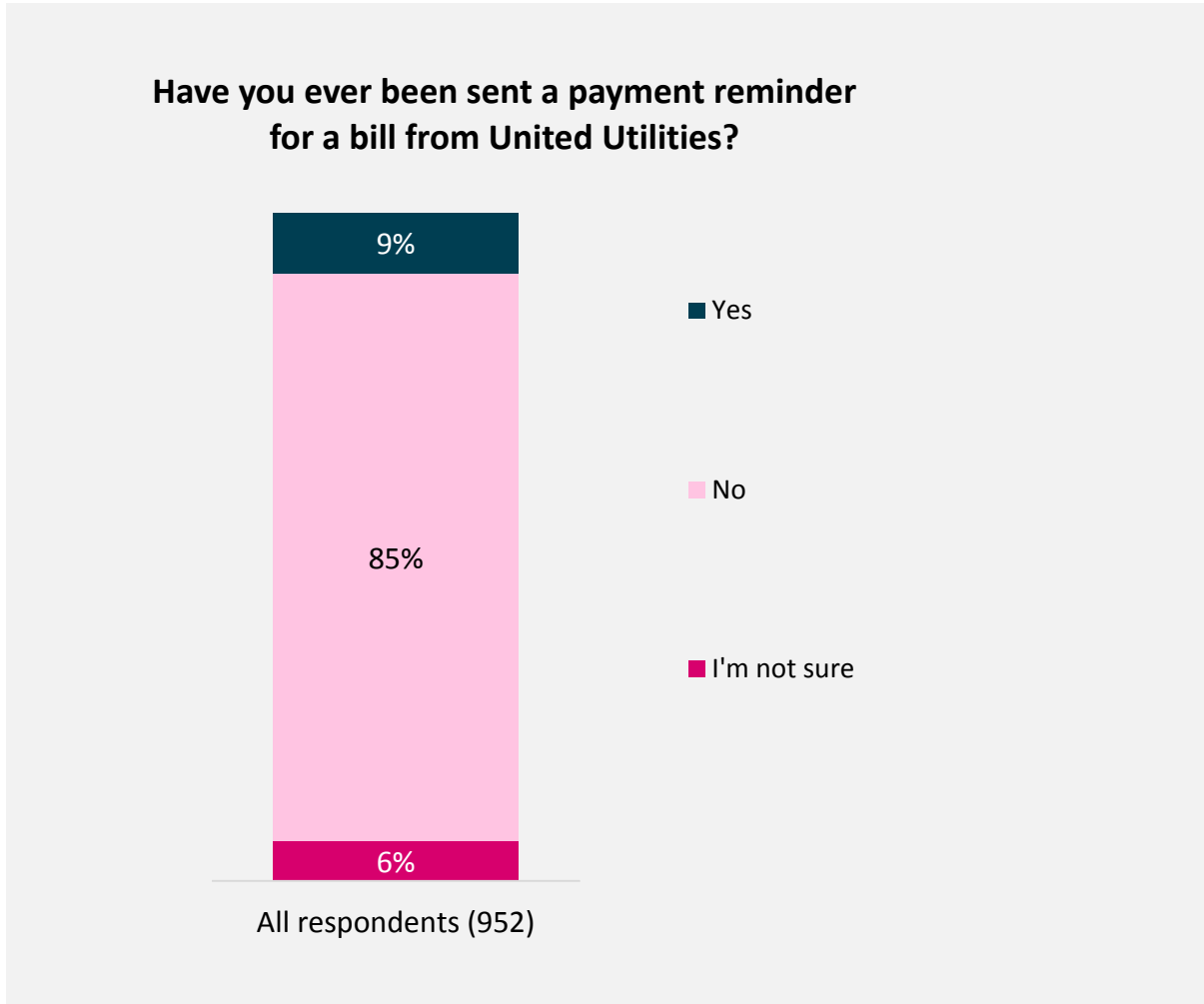
Paying my bill is convenient



There are no subgroups that significantly differ in the proportion who net disagree.

Base: All respondents aware of how they pay their bill:) 131. Q:Q30 Looking at the statement below, please tell us to what extent you agree or disagree with each

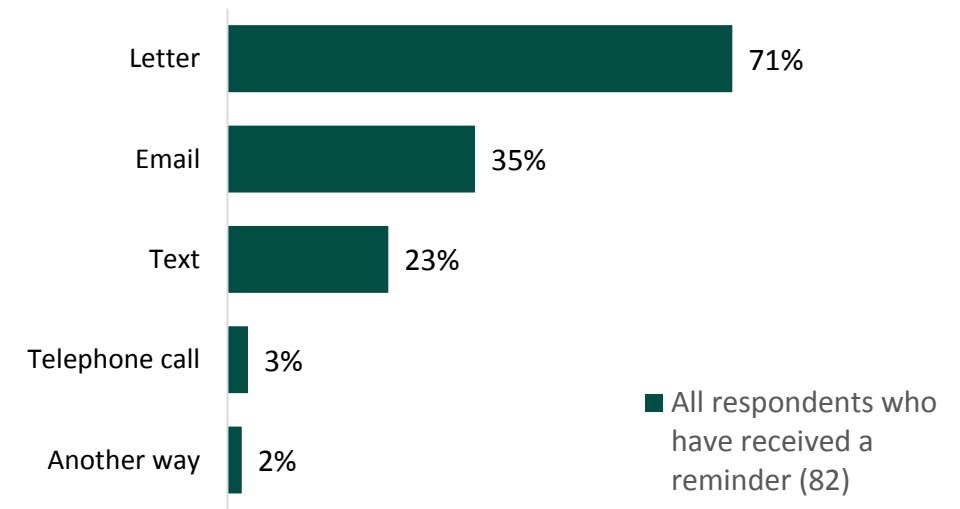
Just under one in ten (9%) say they have been sent a payment reminder from United Utilities



The majority of those who said they had received a reminder in the past did so via a letter (71%)

Those from CACI Segment F (hard pressed families) are significantly more likely to say they have received a reminder – in fact twice as likely than the average (19%). Those from the age band 35-54 (15%), SEG C2DE (16%) are each also significantly more likely to say they have had a reminder.

How have you received payment reminders?

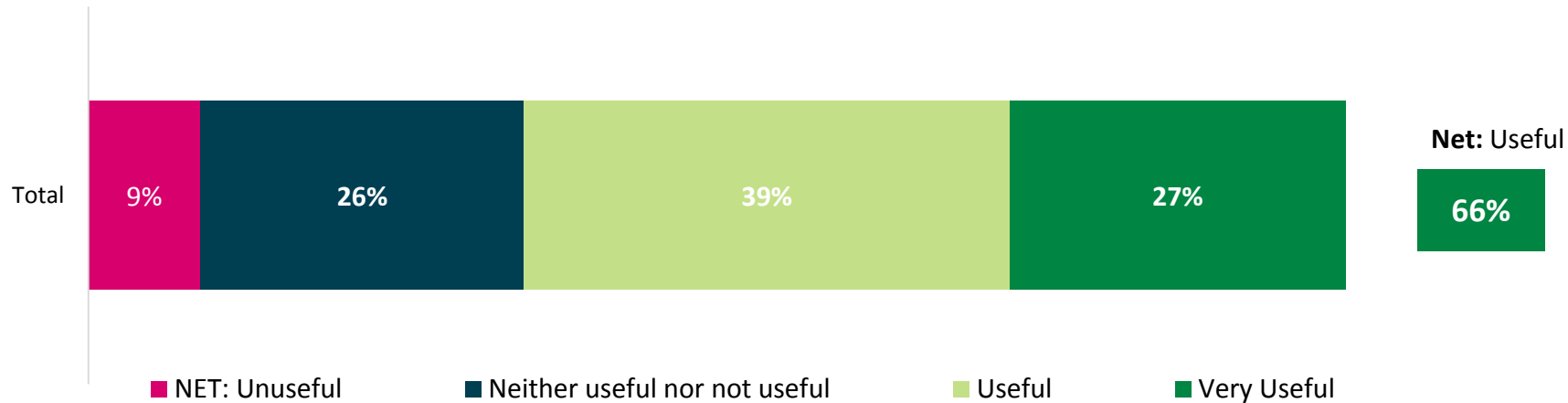


Base: see graph (All respondents) Q:Q33. Have you ever been sent a payment reminder for a bill from United Utilities? & (All respondents who have received a reminder) Q:Q34. How have you received payment reminders in the past?

Two thirds (66%) of those who were sent a reminder on their bill found it to be useful

Those within the age band 55-64 are significantly more likely to say that they found the reminder useful (74%)

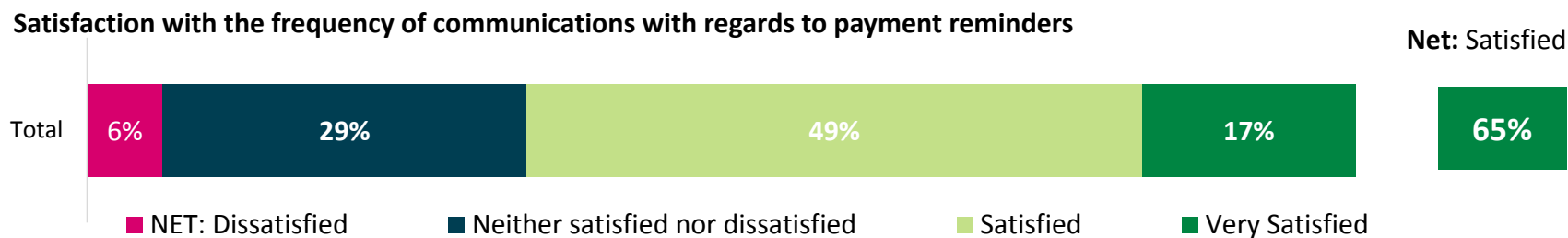
How useful reminders were to prompt you to make a payment?



Base: All respondents who have received a reminder: 82 . Q:Q35. How useful do you find these reminders to prompt you to make a payment?

Of those who have received them, the frequency of reminders sent by UU has been generally received positively (65%)

Encouragingly those who have received these reminders seem grateful they have been sent – in fact some praising the way in which the reminders were communicated to them



“With so many other things competing for my attention, I know that I could forget to make my payment if I didn't receive a reminder..”

Female, 45-54, Greater Manchester

The times when I did receive one, I had genuinely forgotten to pay, and it did the job of reminding me. As I remember, they weren't aggressively worded, but said something like "Don't worry—there's still time to get up to date" and gave straightforward information about how to pay. But after the second one I switched to direct debit anyway.

Male, 55-64, Greater Manchester

“Jolts the memory! The language used is not oppressive.”

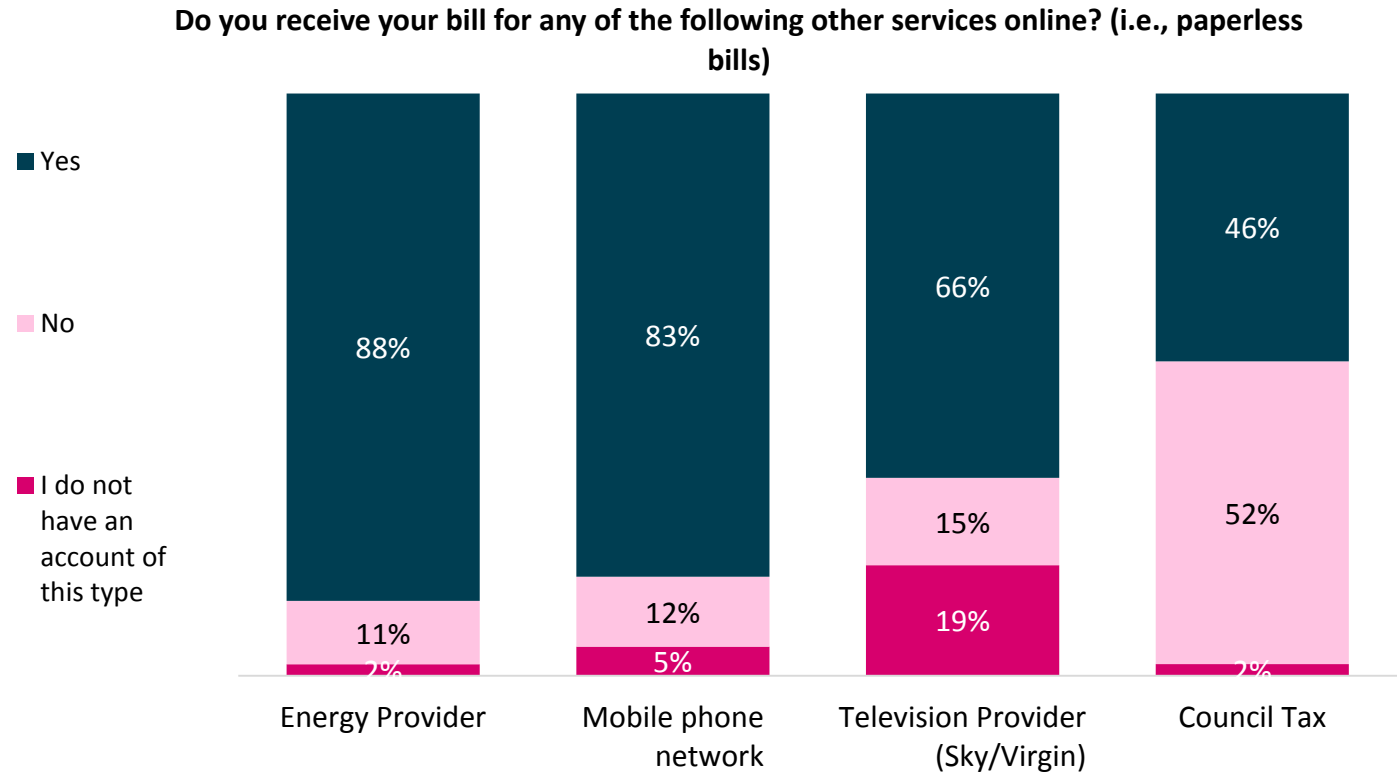
Female, 65+, Manchester

Base: All respondents who have received a reminder: 82 . Q:Q36. Overall, how satisfied are you with frequency of communication you receive from United Utilities with regards to payment reminders? Q:Q37 Please explain briefly why you are satisfied /dissatisfied

Experiences with other providers

Almost 9 in 10 (88%) say they receive their energy provider bills/statements through online means

This indicates that a similar proportion over time could potentially be achieved when it comes to billing UU customers



70%
of those who receive their UU bill via paper, currently receive their energy bill online

Base: see graph (All respondents) Q:Q38. Do you receive your bill for any of the following other services online? (i.e., paperless bills)

The majority of statements about other providers spoke about ease of use and simplicity

“British Gas. I prefer to pay bills as and when they arrive rather than monthly direct debits that are often over estimates..”

Male, 65+, Lancashire

“NatWest Their website is easy to access and does not require extra memory details or codes sent to mobiles.”

Male, 65+, Lancashire

Quite a number of comments referred to liking companies that provide direct feedback or information on what they are paying for

First and foremost Customers want simplicity and websites/apps to be easy to navigate but also appreciate being told where their money is going – better still if usage can be monitored and viewed at any time.

It is also worth noting that many customers were unable to mention specific things they liked about a utilities service - unless something has gone wrong with a provider or something unusual stands out to them then customers are unlikely to give it these interactions too much thought.

“EE for my mobile. They send me alerts to say my bill is available and then also send alerts if I get to the last 20% of my data allowance. The bill is detailed showing all aspects of items billed.”

Male, 65+, Greater Manchester

“My energy provider ‘Octopus Energy’ have an excellent system. I read my meters each month and get billed (d-d) for usage. They also offer a spin on ‘the wheel of fortune’.”

Female, 55-64, Greater Manchester

“Pure planet utilities, easy to use and able to find a lot of extra info on saving energy”

Female, 45-54, Greater Manchester

“Sky because they itemise exactly what you are paying for”

Female, 45-54, Cheshire

Base: (all respondents answering question) Q038) Thinking about your experiences of billing and payments, what companies do you deal with that have provided you with a particularly positive experience of paying online? Please provide the name of the company/companies and briefly why the experience has been positive

Summary and conclusions

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It is evident from this research that customers are for the most part positive about the existing UU billing experience. The proportion who have converted to paperless billing indicates that momentum is shifting toward the majority of customers taking a similar approach. Areas of improvement are allowing customers to pay bills using methods they are used to using for other purchases and making tweaks to the paper bills for those who still prefer them.

- 74% of measured customers currently receive their bills/statements online with reducing their environmental footprint being a key driver. A common theme for not wanting to go paperless is using utility bills as a means of proving their identity. Almost half (46%) of those currently receive paper bills would be willing to switch and just under a third (30%) said they would not switch.
- The majority of customers are satisfied with the frequency in which they are currently being billed – some do mention wanting to align their UU bill with other bills they have.
- Those who use the app seem particularly positive about how convenient it is. Not only do they mention that it's practically quicker than going on the website or going through emails but it allows them to feedback water readings helping them save more effectively.
- The majority of customers are happy with the way they receive their bill however some do mention they would like reminders, particularly if there are any changes to their previous bill. Customers would also like more options with regards to payment i.e. able to use PayPal as a method of payment.
- Whilst a minority, 15% of customers feel that the process of paying a bill is time consuming. Many refer to wanting an option to save bank details on the app/online to speed up this process.
- Customers feel comfortable receiving reminders and in fact are grateful for them rather than feeling unnecessarily pressured. Many customers actually praised the tone taken with reminders that they had previously received from UU.
- When asked about other billing processes, best in class examples are viewed as being convenient whilst also notifying customers if the usage rate/upcoming bill has changed in any way.

For more information

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