

State of the Nation

(Wave 7)

November 2023

Executive summary

Executive Summary

Financial concerns remain the most important, with little movement since April 2023

- Issues relating to the country as a whole and the North West remained mostly stable over the last 6 months, with minor non-significant fluctuations.
- The importance of “keeping on top of my finances” fell significantly but remains the option with the highest importance.
- Discretionary income shows signs of stabilising, with those having the same amount of money left when compared to 6-months ago growing significantly. However, 52% still recorded having less money left, though a significant decrease.
- This decline in economic/financial concern reflects national trends and a reduction in the consumer price index.

Environmental concerns remain consistent overall, but declined when specific to United Utilities

- Although financial concerns, generally, declined overall, environmental importance of issues United Utilities should be tackling showed significant declines for reducing leakage and water efficiency.
- On an unprompted basis, the most common theme was “cheaper bills/rates”, with “fixing leaks” and “protecting the environment” on par with themes relating to “reducing shareholder dividends/bonuses”.
- This is reflected in brand innovation, where environmental innovations were surpassed by innovations in brand financial incentives/customer benefits.
- It takes too much effort to be green and only doing what is obliged, both increased significantly since April 2023.

Discretionary income is improving, but behaviours continue to change

- A significant drop in those with less money compared to 6 months ago was seen for household discretionary income with 39% now having the same amount of money left.
- This relates to a significant decline in importance of ‘keeping on top of my finances’, worry about paying numerous bills, perceived difficulty in paying bills (generally) in the next 6 months.
- Despite this improvement in financial situations, 52% of United Utilities customers ranked keeping bills low in their top 3 issues of importance for United Utilities to be tackling first.
- However, top 3 importance for supporting low income and or vulnerable customers declined significantly since April 2023.

Executive Summary

Expectations of companies feeds into a larger decline in environmental concerns

- 76% thought companies, generally, should “minimise waste” as part of their standard operating procedures, stable with both results in the last 6 and 12 months.
- Significant declines are present for the “use of non-toxic products”, “reducing their impact on air pollution”, “protecting wildlife / biodiversity”, “monitoring carbon emissions”, “providing environmental training to staff”, and “minimising noise disturbance”.
- These reductions fit into a wider plateauing of environmental issues both among United Utilities customers and UK adults, with focus moving more towards “crime” and “immigration” nationally, while “transport” recorded significant growth within the North West specifically.

Responsible flushing and the consequences of this remain stable among an aware customer base

- 59% of United Utilities customers had not disposed of any of the items listed in the sink/toilet. Most options had little change since April 2023, which itself was aided by the ‘Just stop the block’ campaign by United Utilities.
- The vast majority of customers are aware that disposing of these will result in “blocked drains”, with many elaborating on the subsequent consequences of this. These included “fat bergs specifically”, “pipe damage”, “flooding/sewage back up” and “cost implications”.
- Concern among customers for the above subsequent consequences links into their ideas of what they would like to see United Utilities doing more of, linking “leaks” and “environmental protection” to the consequence of improper item disposal.

Customers want to hear more from United Utilities, with most options seeing increases since April 2023

- 66% of customers would like “information on how to ensure good water quality” and 65% would like “information on what United Utilities are doing in their local area”.
- “Information on schemes for customers struggling to pay their water bill” significantly increased in this period, with 45% now interested in receiving this type of information.
- “Light relief”, while an area of significant growth between September 2022 and April 2023, saw a significant increase in customers specifically not wanting to receive this type of communication.

Background, approach and summary

Research objectives and approach

The 'state of the nation' looks at customers' general views and behaviours with regards to household finances, their concerns both at a national and regional level, expectations of brands and the environment.

The research sought to answer the following objectives:

1. Customers' key concerns and what's important to them
2. Household finances and concerns around meeting bill payments
3. Changes in water usage in the home
4. Expectations of brands
5. Environmental attitudes and behaviours

Certain aspects of the survey were previously run on WaterTalk; responses have been tracked where comparable.

What we did:



A 15-minute quantitative survey with 1,004 customers



Fieldwork took place 28th September – 23rd October 2023



Customers were recruited from the 'In the Flow' panel and from an external access panel.

- Data has been weighted to be representative of the United Utilities customer base.
- Details of the sample can be found in the appendix.

What external factors were affecting consumers during fieldwork?

Fieldwork dates: 28th September – 23rd October 2023

Housing crisis

THE  TIMES

What is the problem with UK housing? The crisis explained in charts

With a general election looming, the housing crisis is dominating the political agenda. Inevitably, the parties' biggest ...

Storm Babet

Evening  Standard

Rare red weather warning issued as Storm Babet hits UK

Conflict

theguardian

Israel-Hamas war live: Egypt-Gaza crossing to open for aid on Friday at the earliest, says White House

Egypt's president agrees to open the Rafah crossing to allow 20 trucks with humanitarian aid into Gaza ...

Labour / Conservative party conferences

The  INDEPENDENT

Things we learned at the Labour Party conference

Sir Keir Starmer said the party was on a journey from protest to power – although one glitter-throwing demonstrator did not ...

Conservative Party conference explained: John Rentoul answers your questions

Rishi Sunak has been under fire this week following his first Conservative Party conference speech. Not one but two former ...

Rising fuel prices

The Telegraph

Rising oil prices threaten to disrupt fight against inflation, analysts warn

The UK economy will grow by less than expected next year as the impact of higher interest rates takes its toll, economists ...

Immigration

Mail Online

Public concern over immigration jumps to its highest level in six years as a quarter of Brits say it is one of the most important issues facing the country

Ipsos, which polled 1,000 adults for its monthly survey on the key issues on the minds of UK adults, said concern over immigration was at its highest since July 2017. Overall, the economy still ...

Customer Mindset

Concerns for all options remain stable, including the economy, compared to six months ago. Significant year on year (YoY) shifts remain present for concerns around immigration & asylum, my household finances, and family life and childcare.

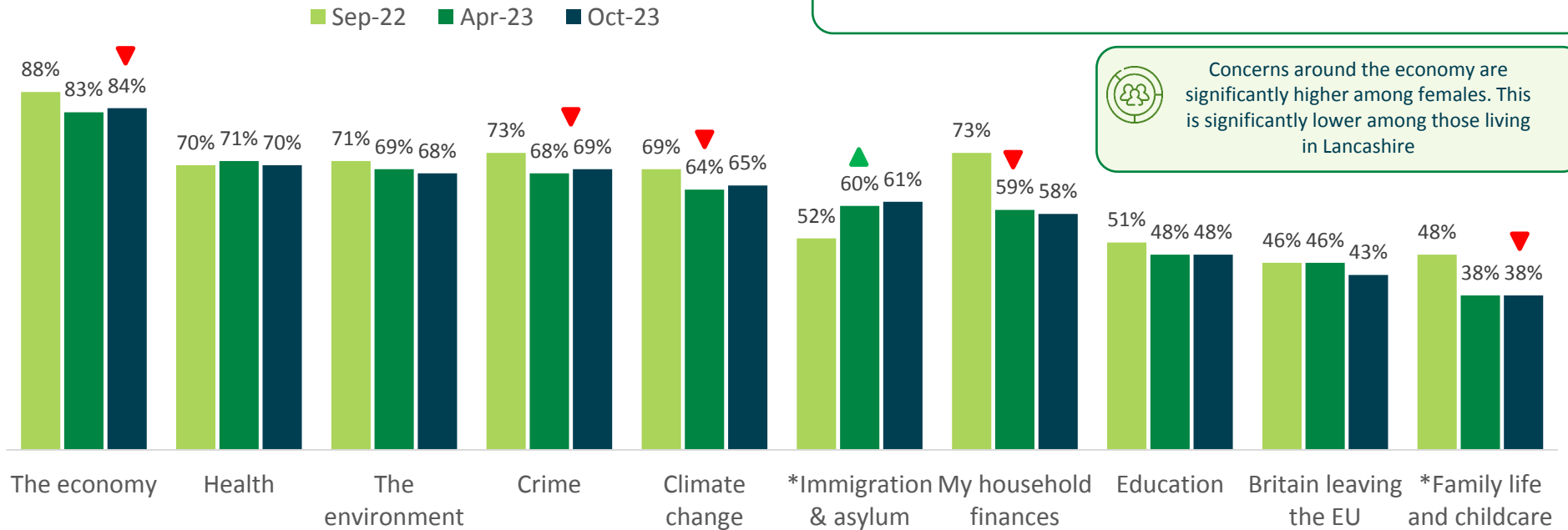
Current concerns (Very / quite concerned)



An Office for National Statistics report* found that real wages increased 1.3% between June-August 2023, the largest growth since September 2021 (1.1%).



Concerns around the economy are significantly higher among females. This is significantly lower among those living in Lancashire



Q1. Thinking about the country as a whole, to what extent are you concerned about the following issues at this time?

Base: October 2023 (n= 1004)

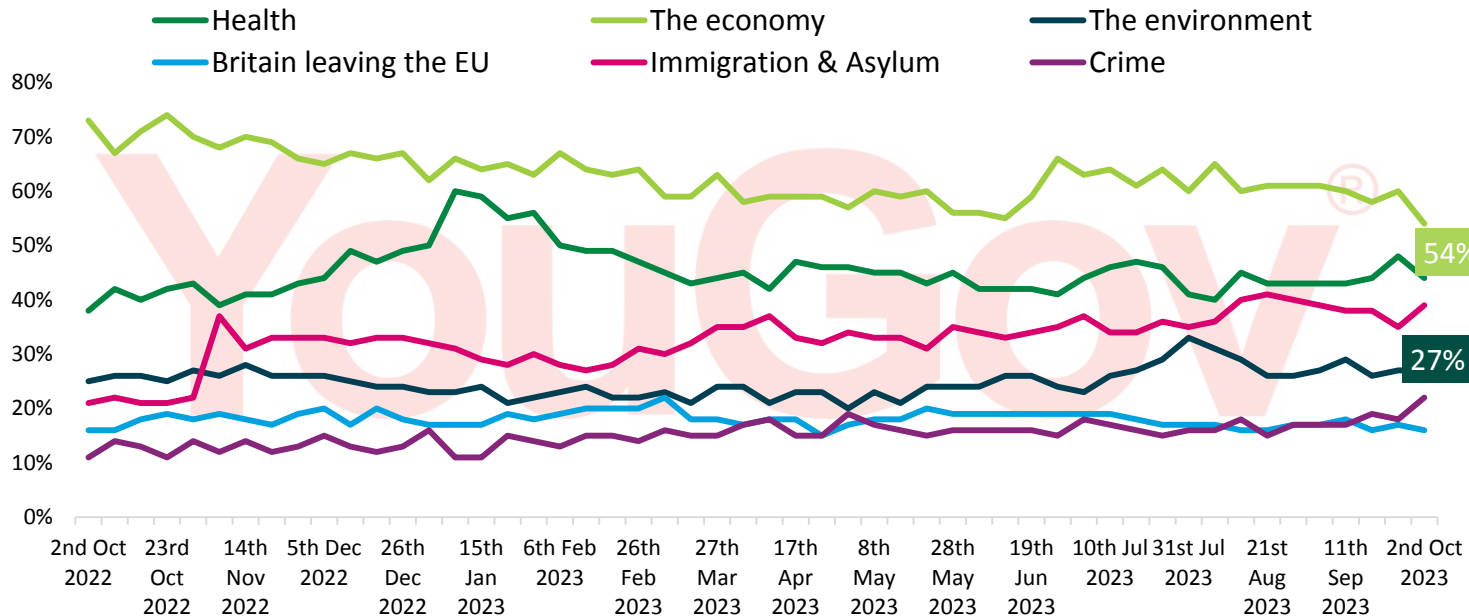
Source: State of the Nation (October 2023)

Source:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/averageweeklyearningsingreatbritain/october2023>

The economy, although still the most important issue, has seen a 19% decline since October 2022, with immigration and crime seeing the largest increases in this period.

Important issues facing the country – YouGov data

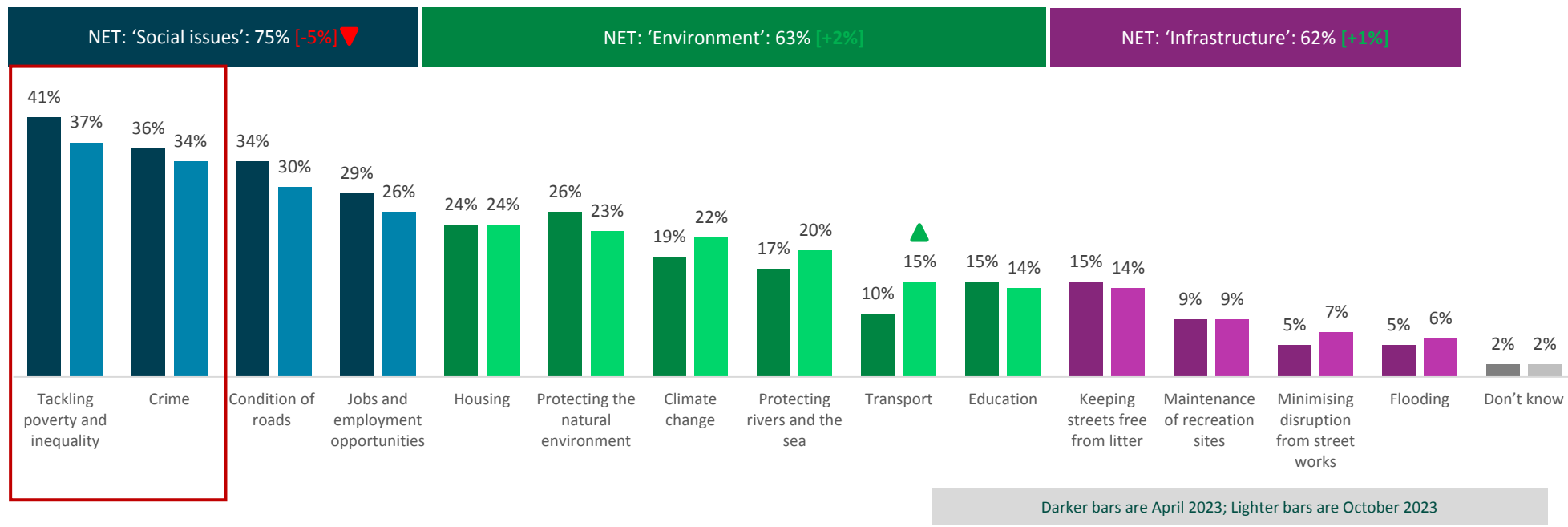


Issues	Diff vs. Oct 2022
Economy	-19%
Health	+6%
Environment	+2%
Immigration	+18%
Leaving EU	0%
Crime	+11%

In the North West, social issues concern significantly declined overall, while infrastructure and environment increased. Transport was the only option that significantly increased this wave.

Customers in Cumbria are significantly less likely to select NET environment. 60-70+ age groups were significantly more likely to select NET environment issues.

Current concerns – North West specifically

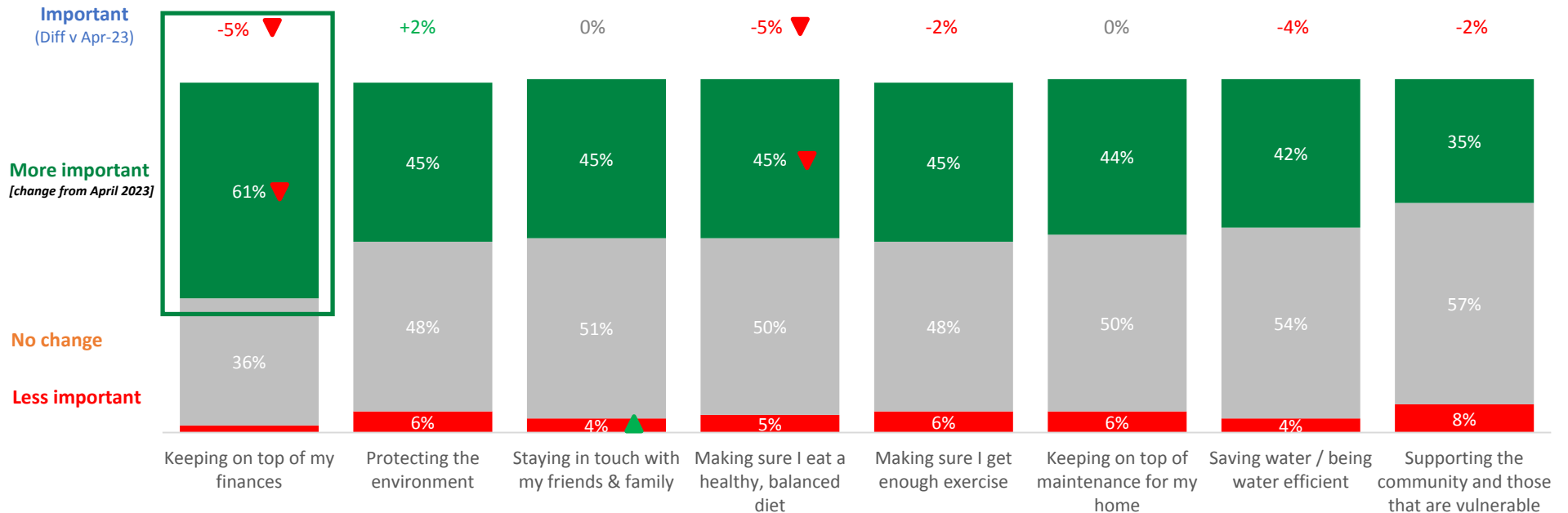


In the past 6 months most aspects have remained the same, but significant declines in 'more important' for 'keeping on top of my finances' and 'eating a health balanced diet.'

Important aspects – change in L6M

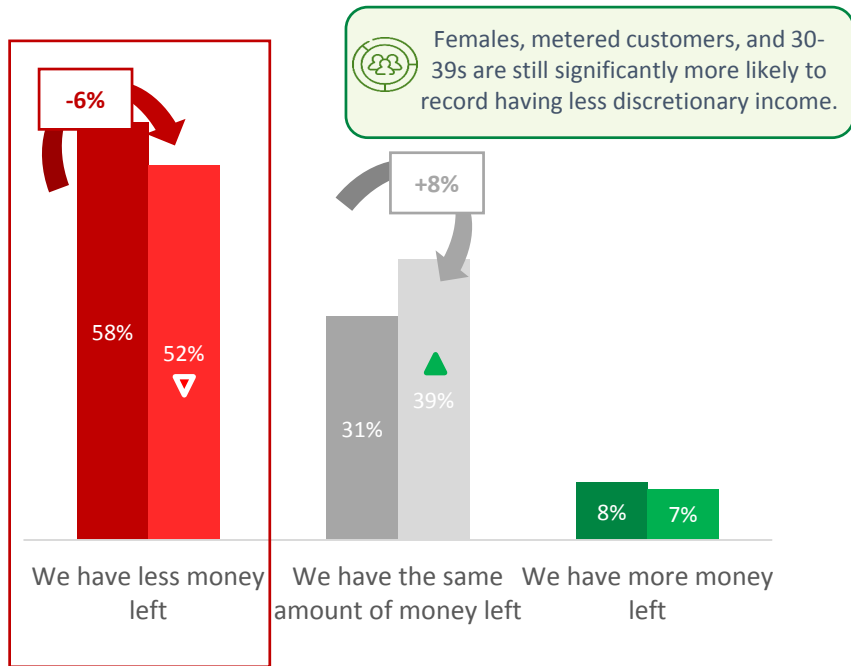


Females remained significantly more likely than males to agree the majority of options are important.



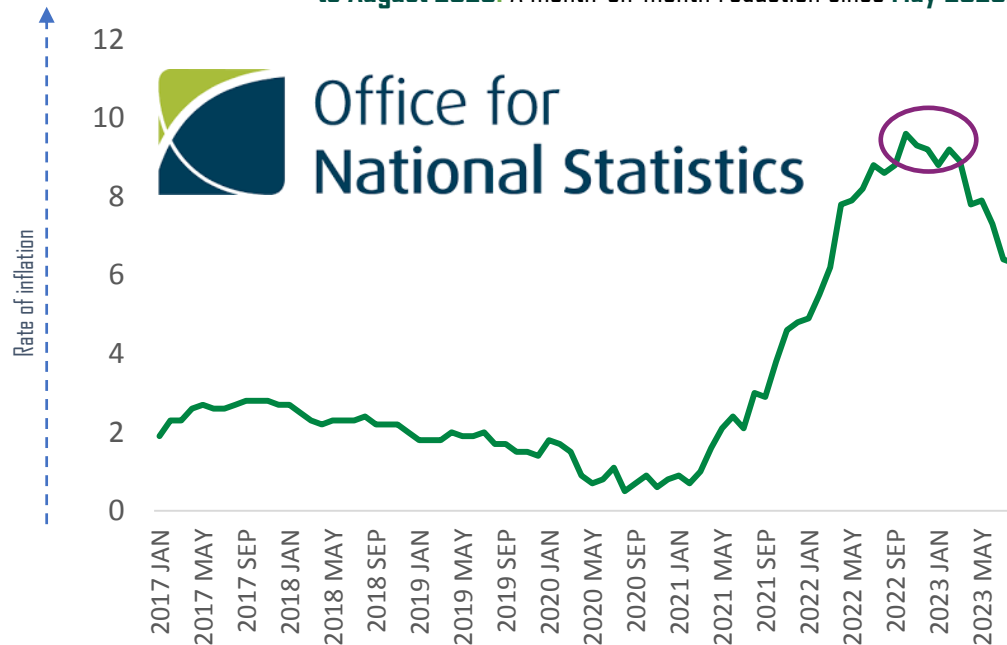
Discretionary income shows a significant decline in having less money, and a significant increase in having the same amount of money. This appears to correlate to a reduction in the rate of inflation.

Household discretionary income



Darker bars are April 2023; Lighter bars are October 2023

The 'Consumer Price Index', an index of the variation in prices for a representative basket of retail goods and services, fell by 1.6% in the 12-months to August 2023. A month-on-month reduction since May 2023.



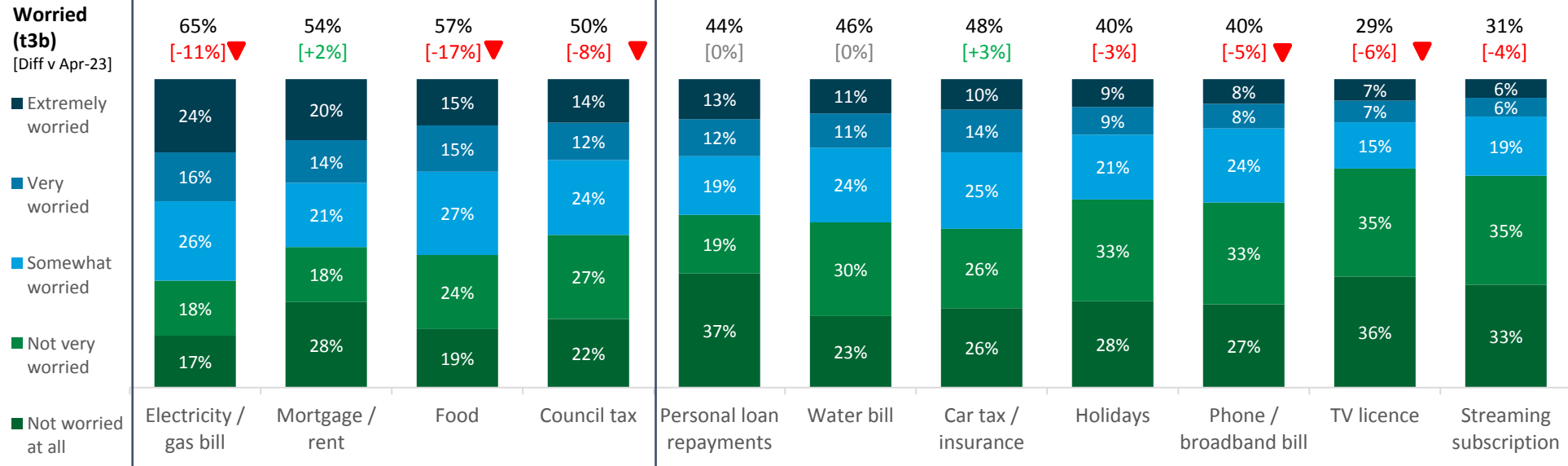
Concern about bills has seen significant decreases across electricity/gas, food, council tax, phone/broadband and TV licence bills. Electricity/gas bill concerns falling 11% and food 17% since April 2023.



tesco says food inflation falling as it cuts price on 2,500 items

Average 12% reduction comes as more affordable own-brand products introduced in Express stores Tesco says food inflation has dropped in the past six months and will continue falling, with the ...

Concern about meeting household bills



18-39s and those in Lancashire are significantly more likely to be worried about electricity/gas bills

Concerns about paying electric/gas, food, council tax, phone/broadband and TV license bills have declined significantly since April 2023.

Concern for meeting bills (Net: Worried)

Concern for meeting bills (NET: Worried – T3B)	Apr-20	Mar-21	Sep-21	Apr-22	Sep-22	Apr-23	Oct-23	Diff vs. Apr-23
Electricity / gas bill	21%	28%	56%	84%	88%	74%	65%	-9% ▼
Food	21%	27%	38%	61%	72%	74%	57%	-17% ▼
Council tax	N/A		36%	60%	60%	58%	50%	-8% ▼
Water bill	21%	21%	33%	52%	58%	46%	46%	0%
Mortgage / rent	22%	19%	28%	50%	57%	52%	54%	2%
Car tax / insurance	21%	18%	27%	45%	50%	45%	48%	3%
Personal loan repayments	15%	22%	21%	43%	50%	44%	44%	0%
Holidays	24%	21%	21%	42%	49%	43%	40%	-3%
Phone / broadband bill	19%	20%	26%	44%	47%	45%	40%	-5% ▼
TV licence	17%	14%	20%	32%	34%	35%	29%	-6% ▼
Streaming subscription	11%	12%	13%	27%	33%	27%	31%	4% ▲

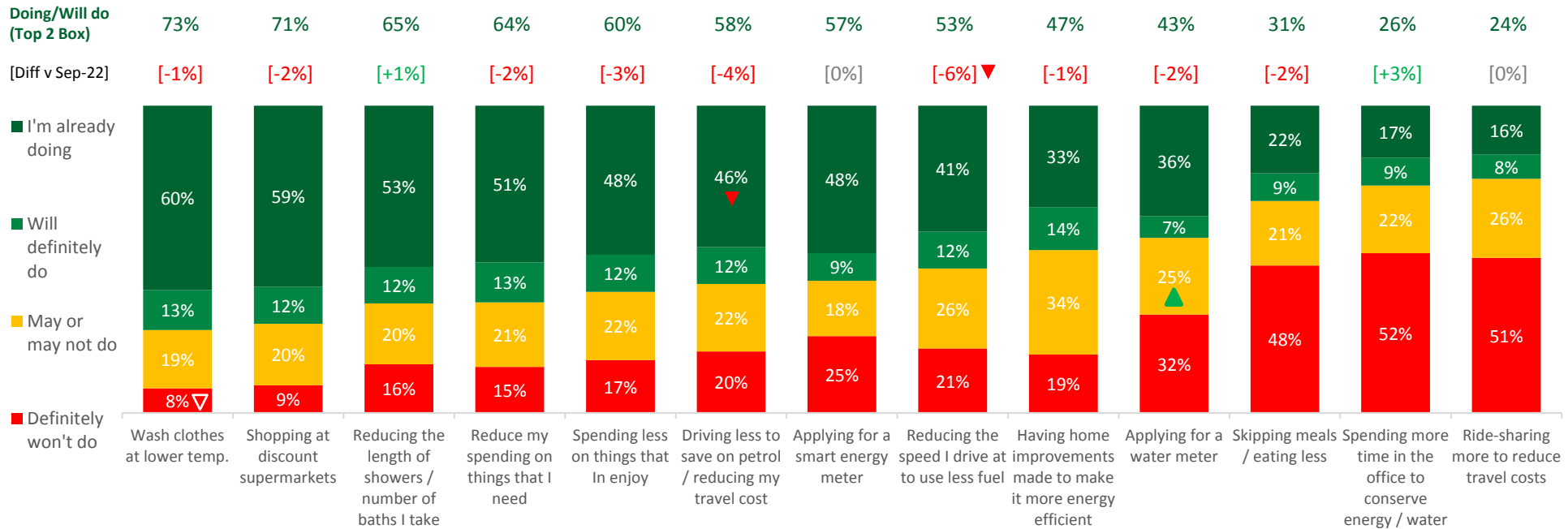
*Wave-on-wave differences driven by younger sample in April 2022

In relation to budgeting and spending customers, we have seen marginal declines across most options, with reducing driving speed to use less fuel the only option returning a significant change since April 2023.

Behaviour change to save money



18-39s are significantly less likely to be already washing their clothes at lower temperatures or reduce shower lengths.



Expectations of difficulty in affording monthly bill payments in general over the next 6 months has declined significantly continuing to drop since September 22.



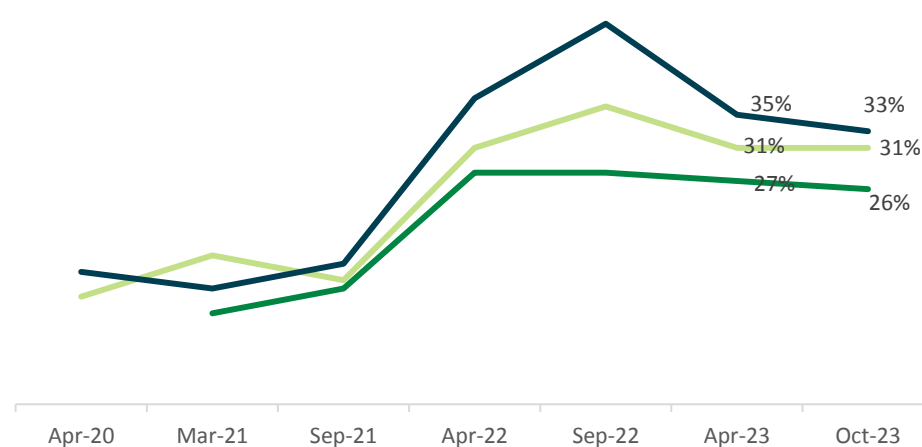
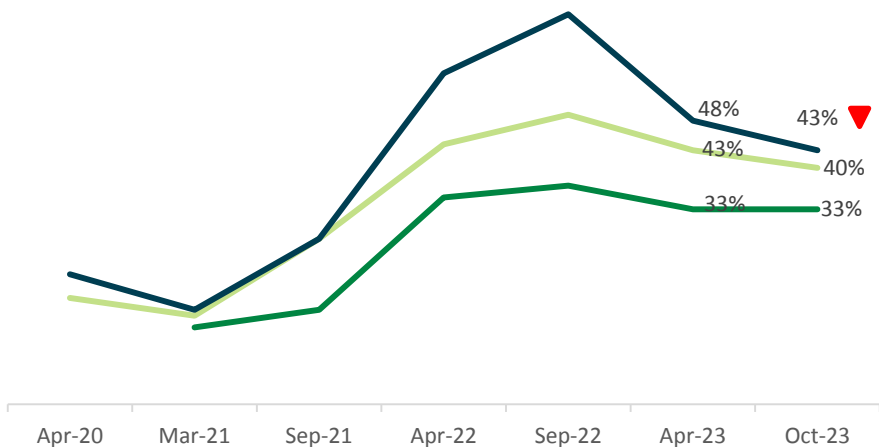
Difficulty with meeting monthly bill payments (general)



Difficulty with meeting monthly bill payments (water)

6 months ago Now In 6 months' time

6 months ago Now In 6 months' time



***Wave-on-wave differences driven by younger sample in April 2022**

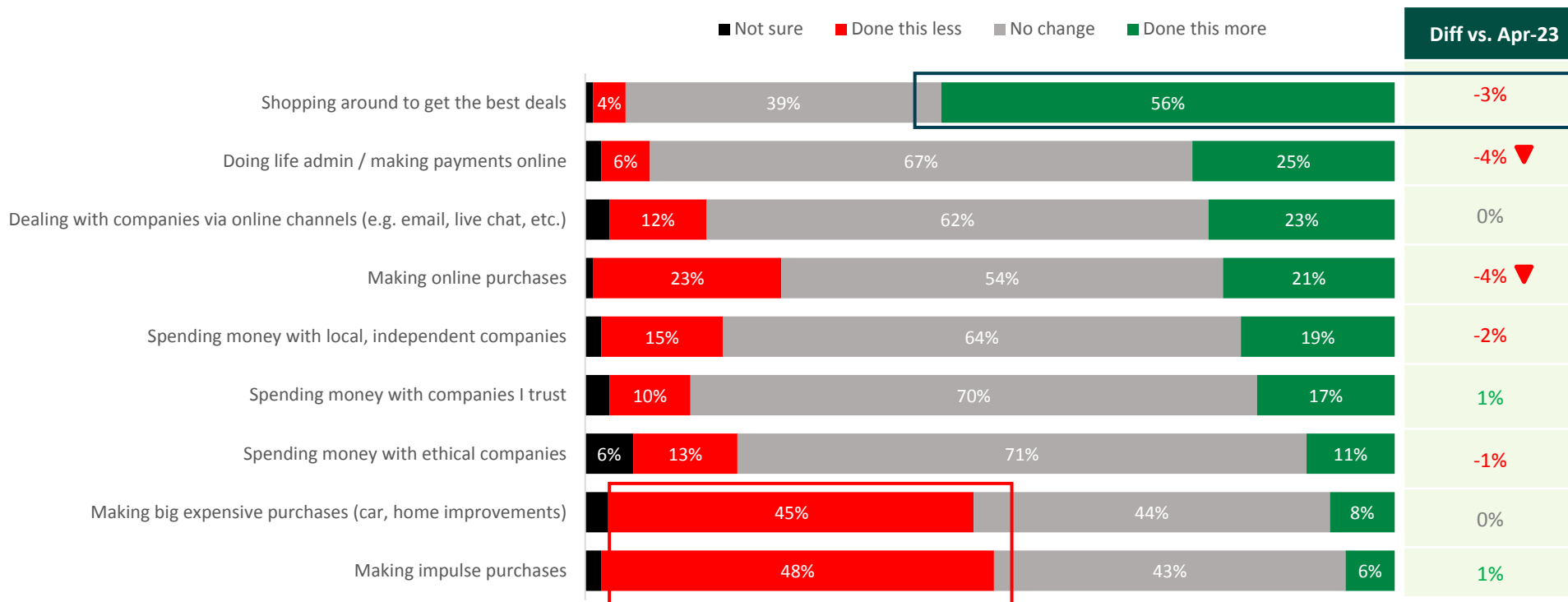


Those who are 60+, those with a water meter and males are all significantly more likely to find monthly bills 'not difficult at all' to pay now. This trend is mirrored with monthly water bills.

Q6. How difficult would you say it is for your household to meet the monthly payments on your bills?
 Q7. And, specifically, how difficult would you say it is for your household to pay your water bill?
 Base: October 2023 (n= 1004)
 Source: State of the Nation (October 2023)

In the past 6 months, behaviors have most remained stable, with doing life admin and making online purchases decreasing significantly.

Changes in shopping behaviour vs. 6 months ago



Lifestyle & water usage

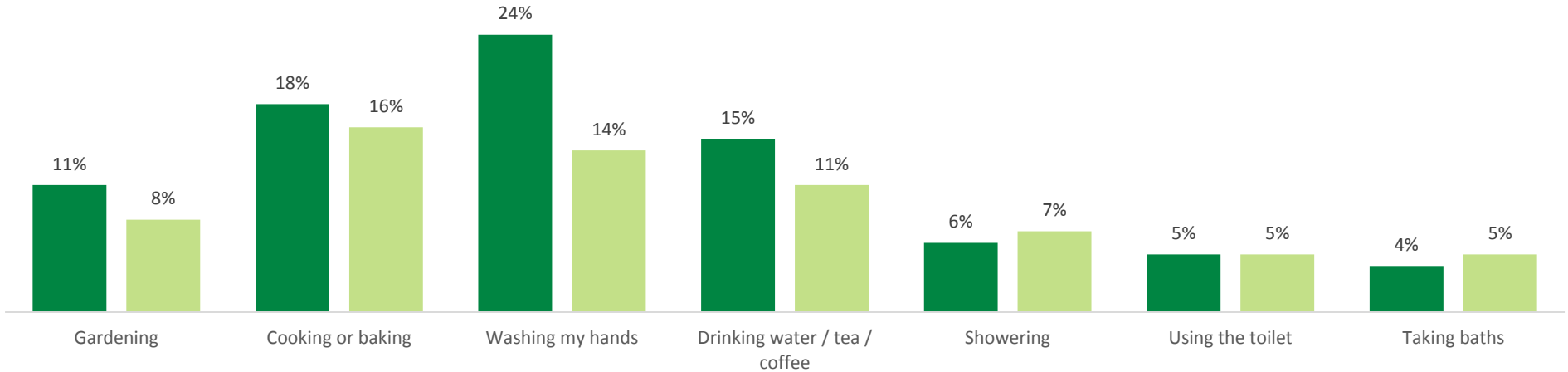
Generally, water related activities are expected to fall over the next 6 months, with gardening and hand washing declining significantly since April 2023.



Time spent doing activities – ‘spent more time L6M / N6M’ [water activities]

Apr-23	9%	15%	18%	14%	27%	12%	17%	11%	7%	7%	5%	4%	3%	3%
[Diff]	[+2%]	[-7%] ▼	[0%]	[+2%]	[-3%] ▼	[+2%]	[-2%]	[0%]	[-1%]	[0%]	[0%]	[+1%]	[+1%]	[+2%]

■ Have been doing this more in the last 6 months ■ Expect to do this more in the next 6 months

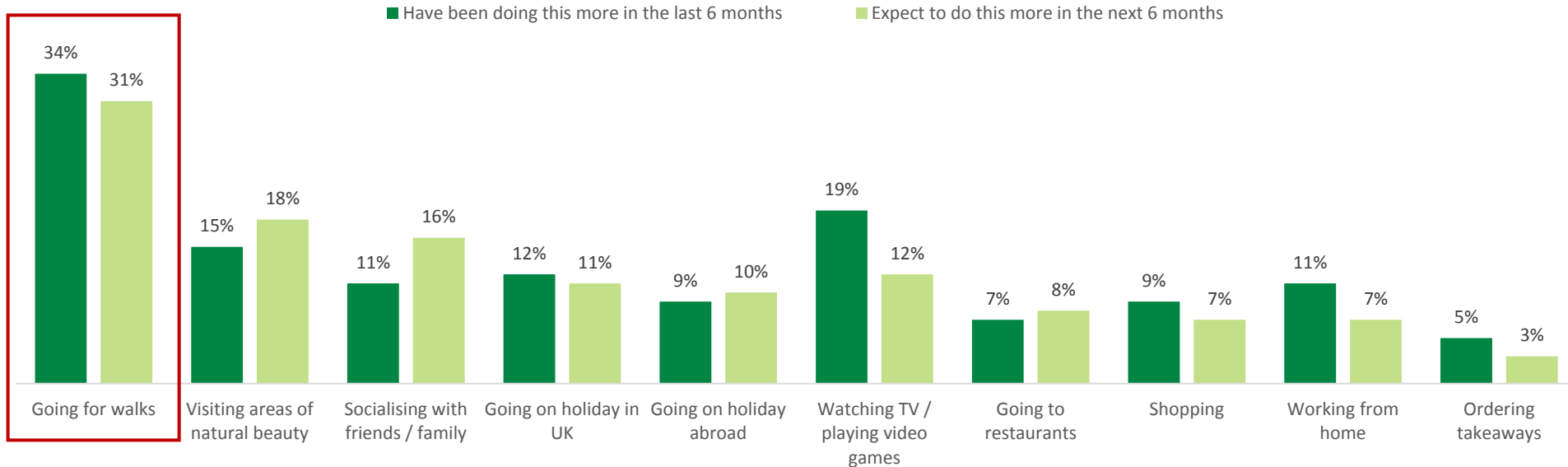


Q10. Which of the following have you been spending more time doing or doing more often in the last 6 months?
 Q11. And, which of the following do you expect to spend more time doing or doing more often in the next 6 months?
 Base: October 2023 (n= 1004)
 Source: State of the Nation (October 2023)

Expectations of visiting areas of natural beauty in the next 6-months has significantly declined since April 2023. However, there is considerable non-significant fluctuations across the majority of options.

Time spent doing activities – ‘spent more time L6M / N6M’ [non-water activities]

Apr-23	34%	32%	16%	22%	13%	17%	10%	13%	7%	12%	17%	10%	5%	9%	10%	7%	11%	5%	4%	3%
[Diff]	[0%]	[-1%]	[-1%]	[-4%] ▼	[-2%]	[-1%]	[+2%]	[-2%]	[+2%]	[-2%]	[+2%]	[+2%]	[+2%]	[-1%]	[-1%]	[0%]	[0%]	[+2%]	[+1%]	[0%]



Q10. Which of the following have you been spending more time doing or doing more often in the last 6 months?
 Q11. And, which of the following do you expect to spend more time doing or doing more often in the next 6 months?
 Base: October 2023 (n=1004)
 Source: State of the Nation (October 2023)

The majority of items being flushed returned marginal differences, with flushing make-up wipes achieving a significant change since April 2023. however, this is only 3%.

Items disposed of down toilet, sink or drain in last 6 months

Hygiene / Personal care



		Difference vs. Apr 2023	
Moist toilet tissue wipes	14%	0%	
Tissues (not toilet tissues)	12%	0%	
Tampons	4%	0%	
Baby wipes	3%	+1%	
Dental floss	3%	0%	
Cotton pads, cotton buds	3%	+1%	
Cigarettes	3%	+1%	
Make-up wipes	3%	+2%	▲
Contact lenses	2%	-1%	
Sanitary towels / panty liners	2%	0%	
Plasters	2%	+1%	
Condoms	1%	0%	
Nappies	0%	0%	

Cleaning



		Difference vs. Apr 2023	
Cleaning / disinfectant wipes	3%	0%	
Contents of vaccum cleaner	1%	0%	

Kitchen



Cooking fats / oils	7%	0%	
Food waste	7%	0%	
Kitchen towel	5%	+1%	

Pet

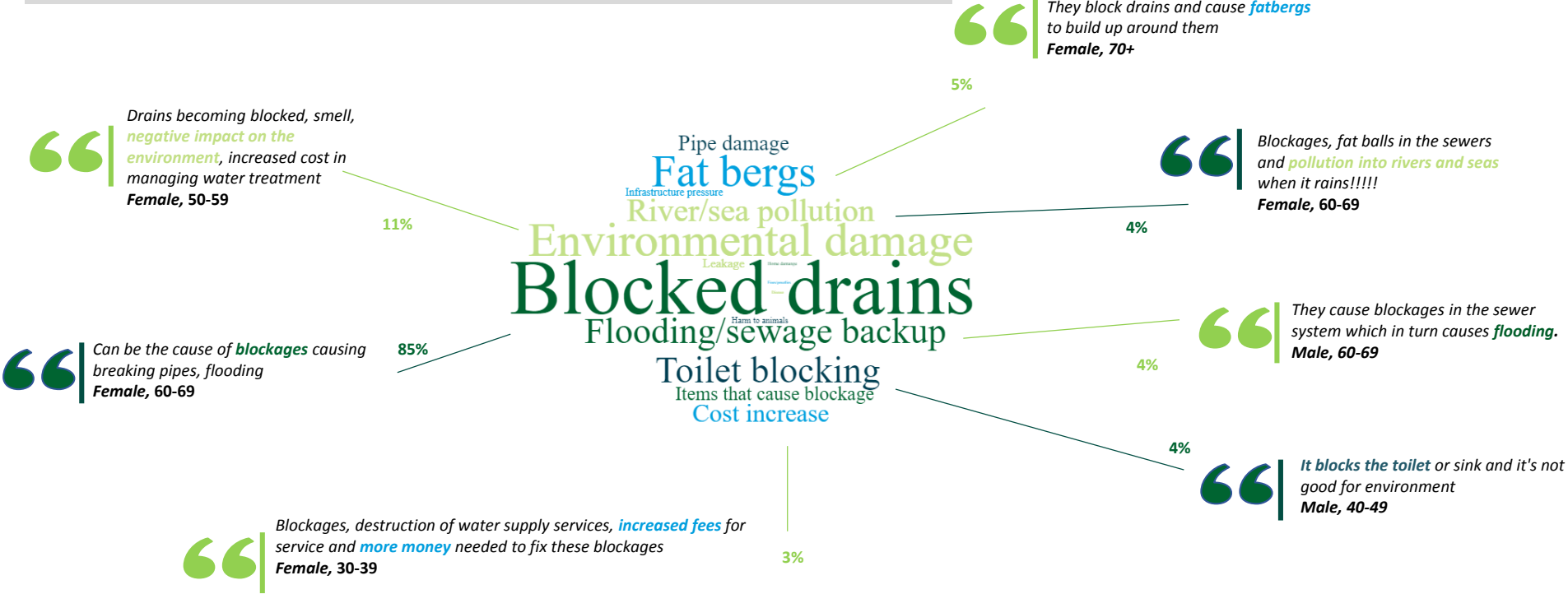


Pet hair / human hair	12%	0%	
Pet mess	5%	+1%	
Pets that have passed away	1%	+1%	

59% haven't disposed of any of the above via toilet, sink or drain in the last 6 months.

Blocked drains was mentioned by 85% of those responding to this question, consistent with April 2023, and a key feature of awareness among United Utilities customers.

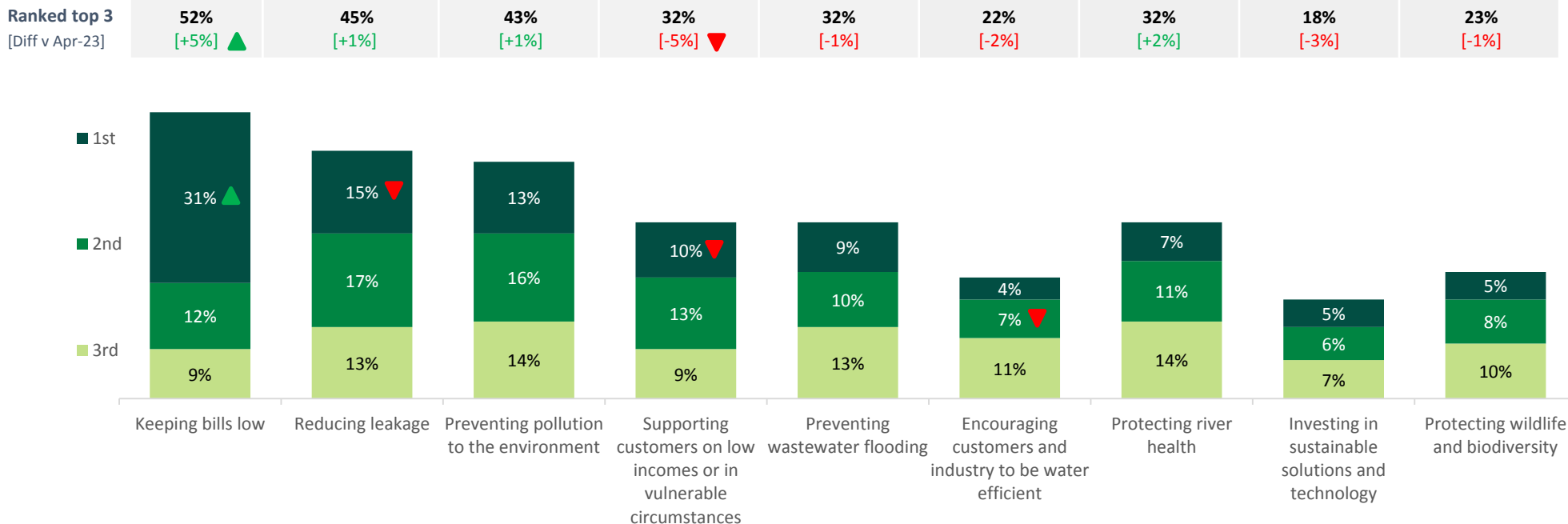
Consequences of disposing products down toilet, sink or drain (themes from open-ends)



Customer needs

Keeping bills low remains a key area of important, increasing significantly since April 2023. However, support for vulnerable customers has dropped significantly in this same period.

Important issues for United Utilities to be tackling



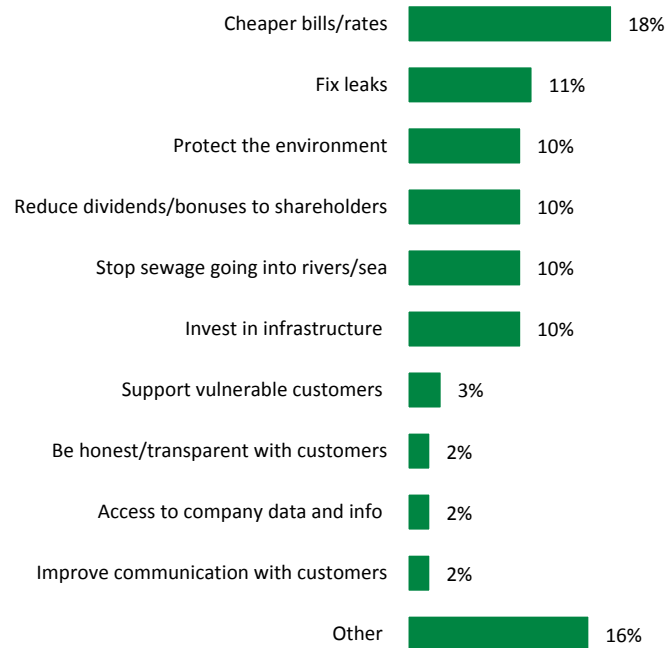
Unprompted, this highest percentage of customers mention that they would like cheaper bills/rates, with fixing leaks, reducing dividends and protecting the environment mentioned by 10%~ of customers.

Additional requests of United Utilities (themes from open-ended responses)

Cheaper bills/rates (c.18%)	Fix leaks (c.11%)	Reduced dividends/bonuses to shareholders (10%)	Protect the environment (c.10%)
<p>“ Just keeping prices as low as possible because everyone is struggling not just low-income families. Female, 40-49</p>	<p>“ Stopping leaks is the number one priority. Making larger profits whilst failing to invest is not. Male, 60-69</p>	<p>“ Reduce the dividends paid to CEO's and shareholders and ploughing the money into the infrastructure of their company. Female, 70+</p>	<p>“ Managing wildlife, ecology and biodiversity on its estates and landholdings. Male, 70+</p>
<p>“ Not to put the cost of investment for now and the future onto customers' bills. Why do customers have to pay for the mistake of the water company. Female, 70+</p>	<p>“ Stop wasting billions of litres of water through leakage please and sewerage in rivers and the sea!! Not good. Female, 50-59</p>	<p>“ Paying less to shareholders and doing their job of supplying clean water, mending leaks, preventing flooding and keeping prices reasonable. Female, 60-69</p>	<p>“ Cheaper prices and less damaging the environment Female, 30-39</p>
<p>“ Lower bills in general. I don't understand how bills are increasing when everyone's wages are stagnant. Female, 40-49</p>	<p>“ Reduce their own water waste by fixing leaks. Male, 50-59</p>	<p>“ Cutting bills and payments to senior management and shareholders and investing your money into your network that you own and have financially benefitted from for thirty years Male, 40-49</p>	<p>“ Stop polluting lakes, rivers and beaches with sewage Female, 70+</p>

Compared to the April 2023 wave, fixing leaks has seen a significant decrease in prominent, mentioned now by only 11% of respondents, as opposed to 22% 6-months prior

Additional requests of United Utilities (coded themes from open-ended responses)



Q17. Is there anything else you'd like to see United Utilities doing more of?
Base: October 2023; Coded themes from n=1004 open-ended responses (Excluding nothing/don't know and 'N/A, base is n=419, % is based off this figure)
Source: State of the Nation (October 2023)
All codes 1% or less have been omitted

Participants expect financial incentives/benefits from companies, good communication and customer service, and technological innovations to aid environmentalism.

Brand innovation (open-ended responses)



Brands offering financial incentives/benefits

“ Hobbycraft offering birthday free £5 vouchers we've found rather new and as rare customers to it, it's certainly made us visit again.
Female, 40-49

“ Asda home delivery and reward card, the whole process frees up time at the weekend to do other things, saves money and now gives us money back on what we buy with. Asda rewards
Male, 40-49

“ For being a long term customer, O2 sent me a bottle of champagne. It felt good to be rewarded for being loyal, not a new customer
Female, 40-49



Good communication and customer service

“ I prefer reasonable prices and good customer service. Unfortunately, both seem to be in short supply at the moment. Trying to contact a real person at any company or organisation is almost impossible and the people you speak to cannot deviate from their script so usually can't help
Female, 60-69

“ Jet2 are extremely customer oriented, and innovative. They do in resort luggage check in. Made end of holiday much easier.
Prefer not to say, Prefer not to say

“ Involved in a car accident a few years ago, phoned my insurance company, they arranged for the garage to phone me to arrange collection of my car, they arranged the car hire to phone me to arrange pick up of a hire car,, all done within an hour of contacting my insurance company,, One phone call and it was all dealt with.
Male, 60-69



Technological innovations aiding environmentalism

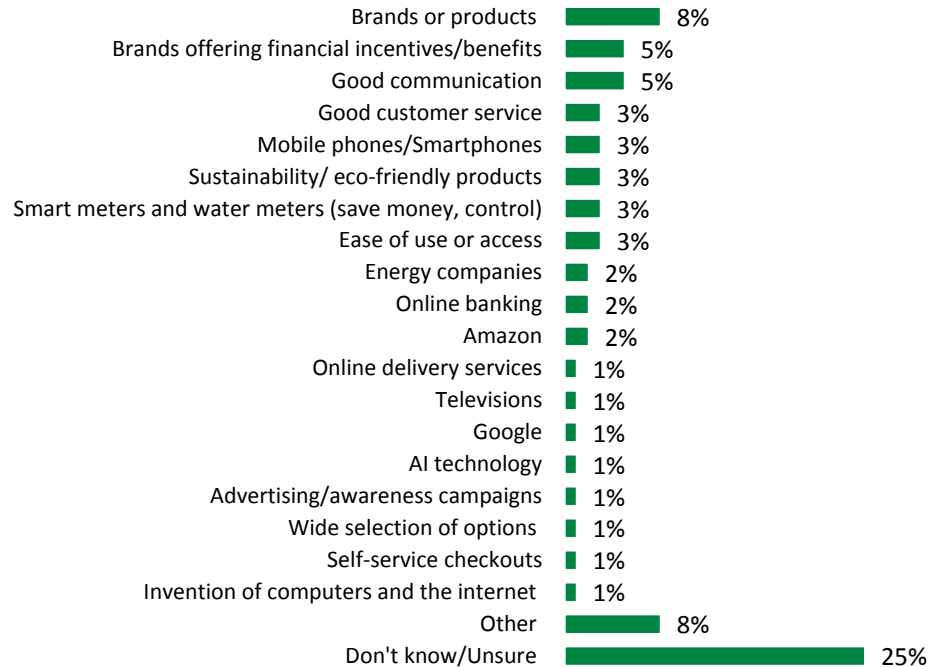
“ I am generally impressed with technology and how people sat somewhere else can press a button and improve my life, banking, online shopping (local and nationwide). Mobile phones are amazing.
Female, 50-59

“ Craghoppers have developed hiking boots with soles made partly from used coffee beans and algae
Male, 60-69

“ Enjoyed moving electricity and gas to bulb who were renewable. Now with octopus Saved money and helping environment
Male, 30-39

Of those who could recall a brand innovation experience, the most popular theme was brand and or product names specifically. The most common specific themes were brands offering financial incentives, and good communication.

Brand innovation (coded themes from open-ended responses)



Information on ensuring water quality, how to save money, and what United Utilities are doing in the local area have the highest level of interest in receiving, consistent with April 2023 results.

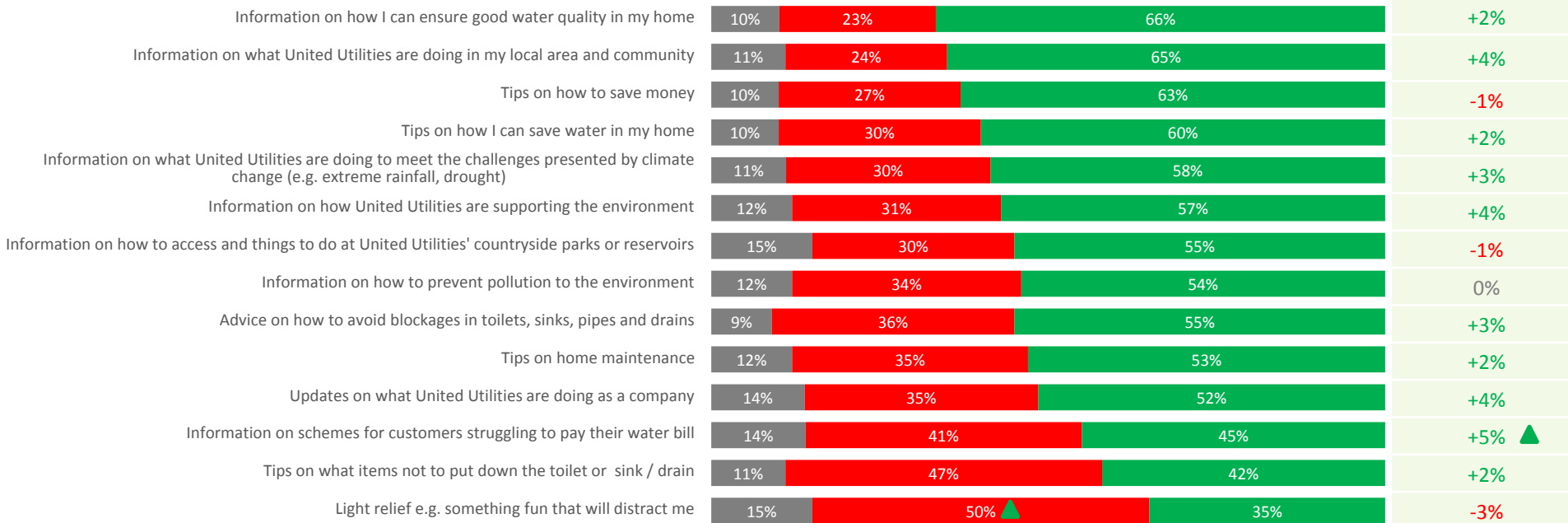
Interest in receiving comms from United Utilities



Those with a water meter are significantly more likely to be in favour of receiving communication across the majority of response options.

■ Not sure
■ I would not want to receive communications about this
■ I would be interested in receiving communications about this

Diff vs. Apr-23

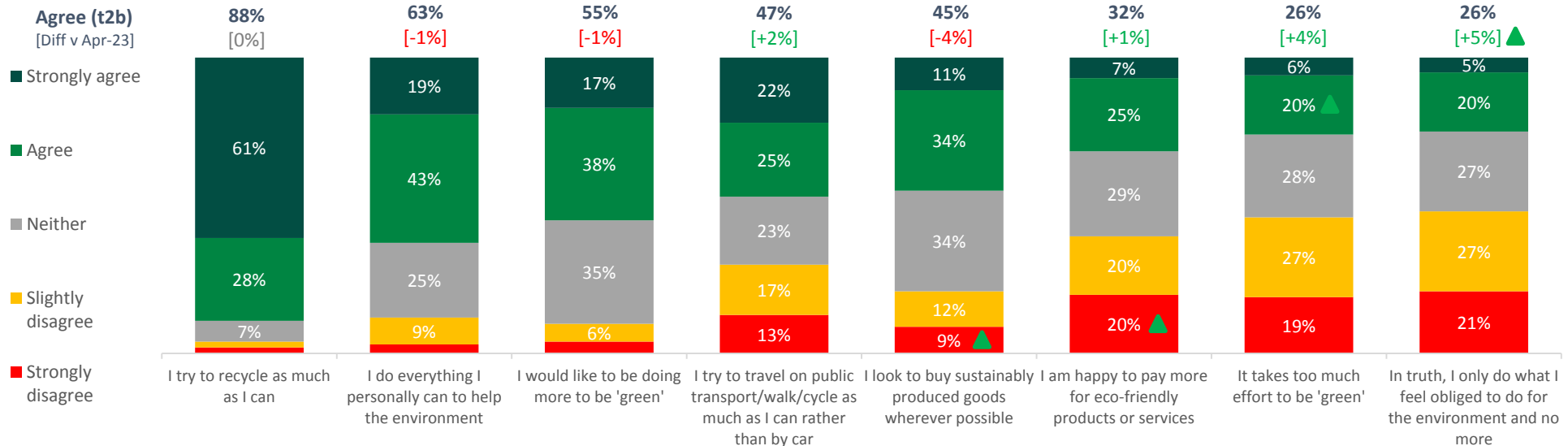


Around 9 out of 10 customers, try to recycle as much as they can, stable since April 2023. Only doing what they feel obliged to do has increased significantly this wave.

Attitudes toward the environment

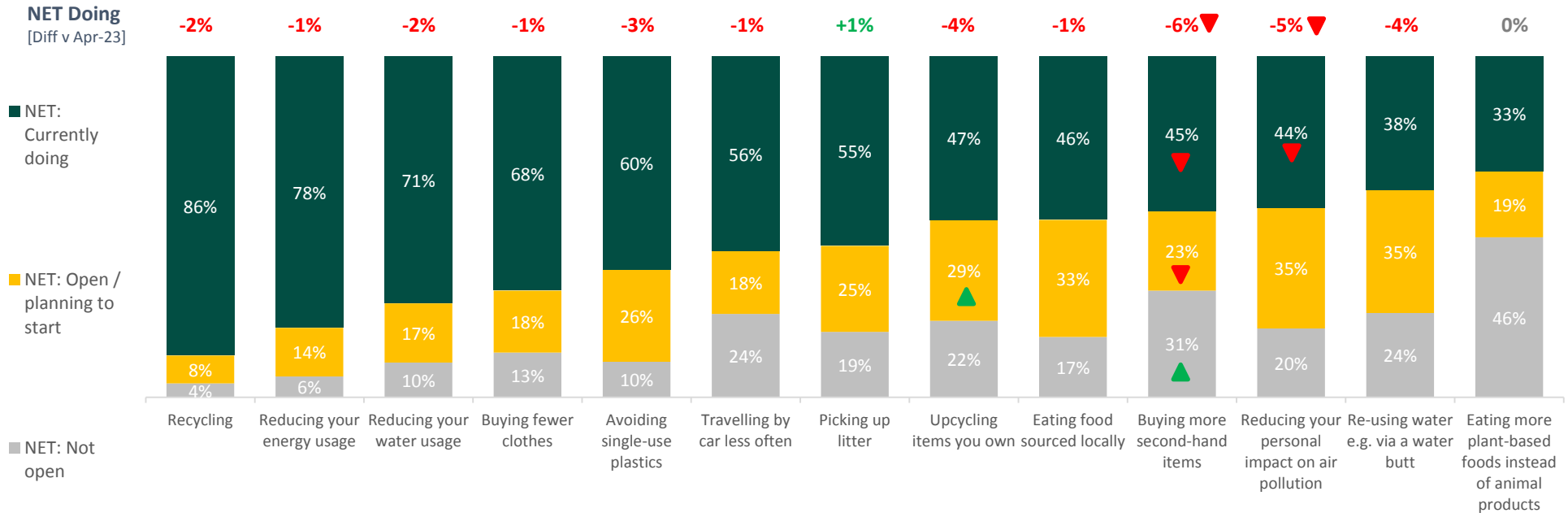


Customers in Merseyside are significantly more likely to travel on public transport and look to buy sustainable products where possible. 18-39s were significantly more likely to only do what they felt was obliged to do.



While marginal declines are present across most options, buying second hand items and reducing your personal impact on air pollution saw significant declines. Recycling continues to lead as the option customers are currently doing the most.

Engagement in pro-environmental behaviours



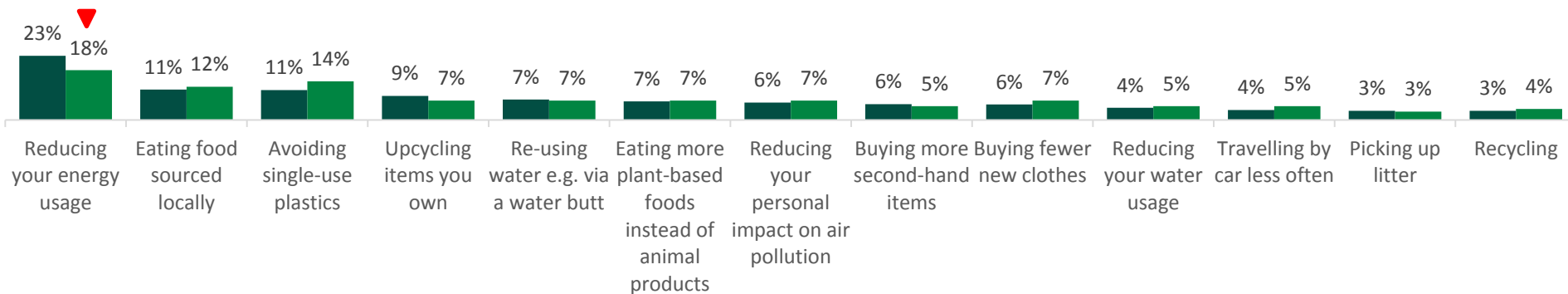
Interest/passion in reducing energy usage declined significantly this wave, with the remaining options returning on marginal increases/decreases since April 2023.

Interest/passion in pro-environmental behaviours



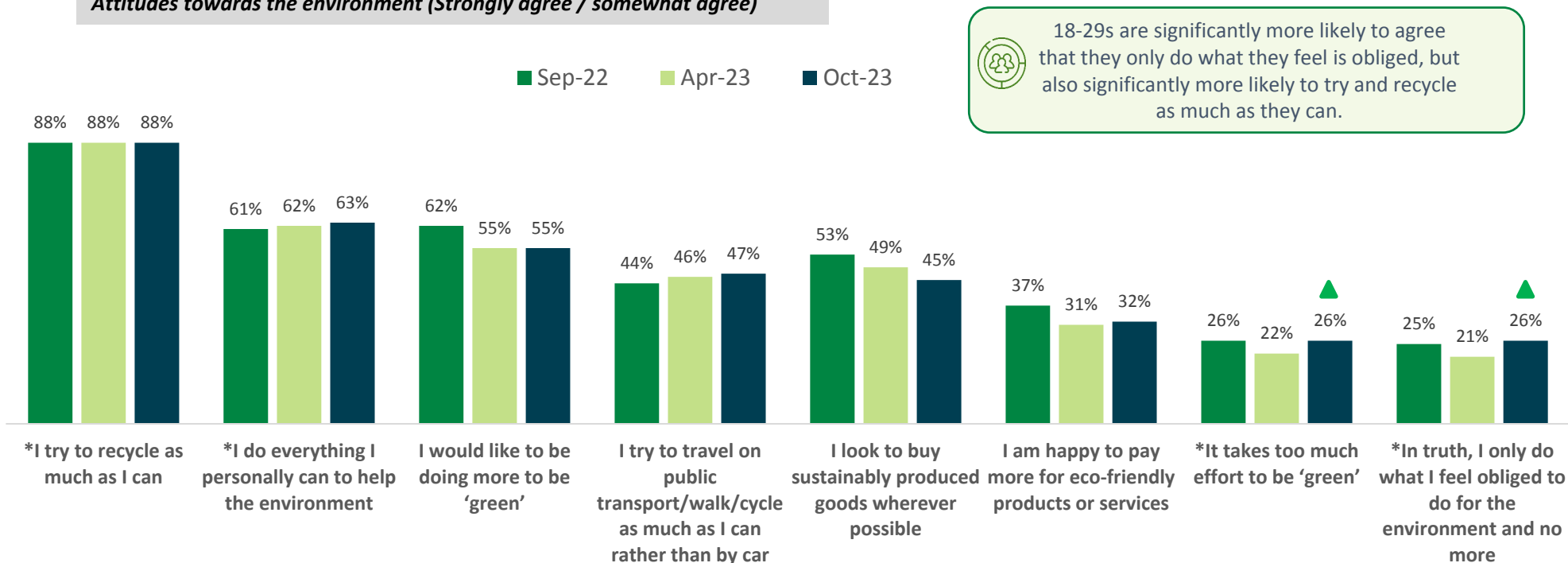
Those aged 18-29 are significantly more likely to buy fewer new clothes. Males are significantly more likely to eat food sourced locally.

■ Apr-23 ■ Oct-23



Customers remain consistent in their agreement towards recycling, while efforts in being green and only doing what they feel is obligated both significantly increased since April 2023.

Attitudes towards the environment (Strongly agree / somewhat agree)

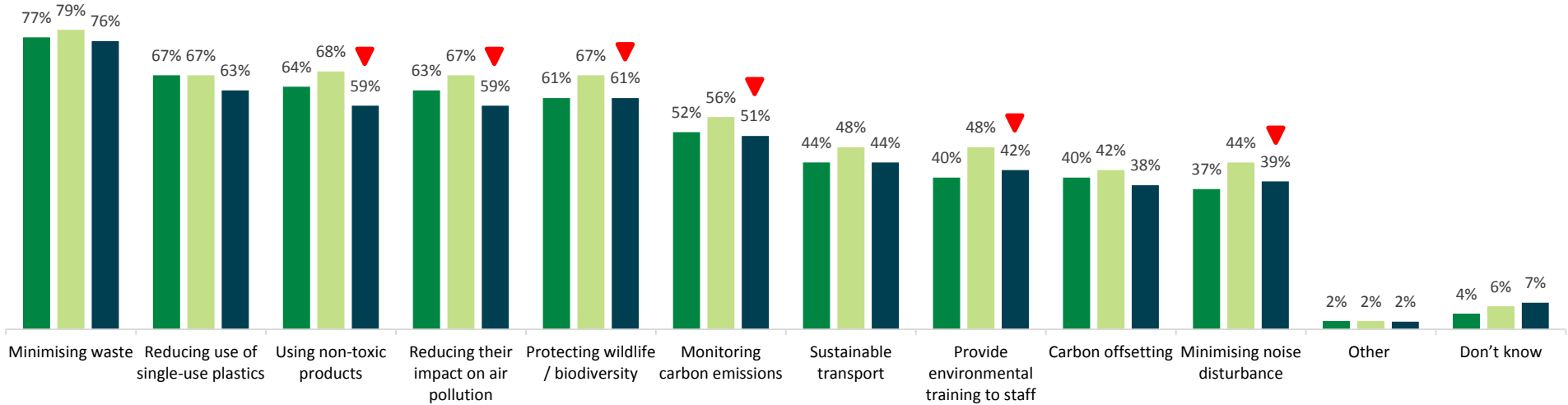


Participants agree that minimising waste is the most important aspect, but significant declines are present across multiple options.

Expectations of companies

Minimising waste is driven by significantly higher scores among those aged 40+

■ Sep-22 ■ Apr-23 ■ Oct-23



Recap

Recap

Financial concerns remain the most important, with little movement since April 2023

Environmental concerns remain consistent overall, but declined when specific to United Utilities

Discretionary income is improving, but behaviours continue to change

Expectations of companies feeds into a larger decline in environmental concerns

Responsible flushing and the consequences of this remain stable among an aware customer base

Customers want to hear more from United Utilities, with most options seeing increases since April 2023

Appendix

Data statement

Note on analysis

Due to the natural fallout of results from 'In the flow' members, a small number fall outside of quota groups. These have been reclassified as 'prefer not to say' and 'other'. In order for the sample to meet quota targets, these groups have been down weighted to a miniscule amount, so that, when figures are rounded to whole numbers, they equal zero, while established quota groups equal the proportions specified, which are representative of United Utilities customers. As an effect of weighting, some subgroup base sizes may not equal the total base displayed, to a minor extent.

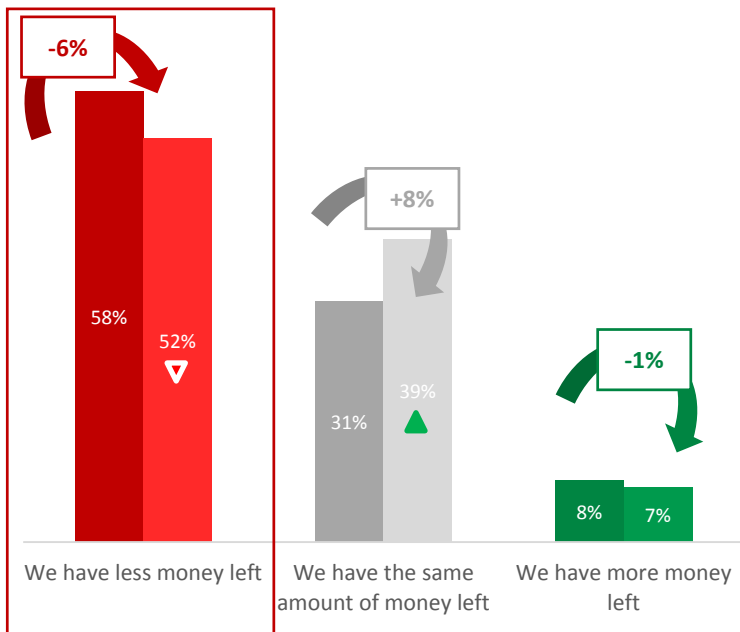
Some percentages may not add up to a sum of 100%. This is due to rounding of percentages to display a whole number, consistent with reporting formatting.

All data from external panel providers has been cleaned and vetted against rigid standards to remove those that flatline (select the first choice on all questions in order to complete the survey quicker), speeders (completion faster than 1/3 of the total LOI (15 minutes) and poor verbatim (gibberish, random characters and profanities).

All statistical significance has been calculated using a Z-Test between subgroups across all options.

While having less money than 6 months ago still leads at 52%, a growing number of customers recorded having the same amount of money left, a significant uplift on April 2023.

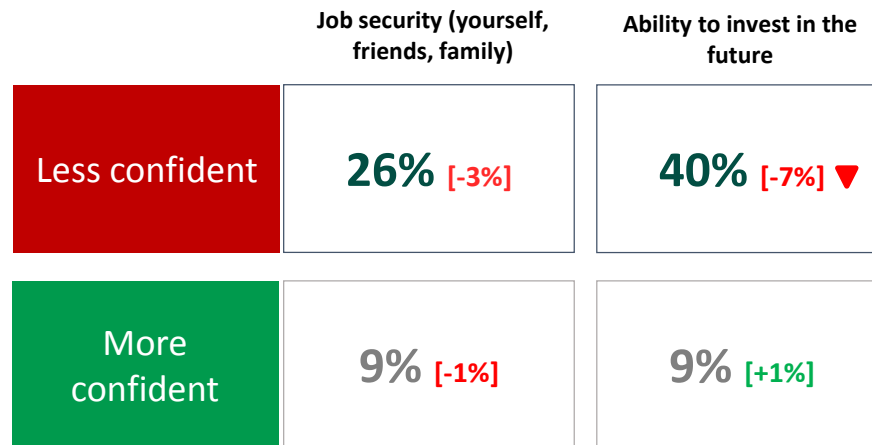
Household discretionary income



Darker bars are April 2023; Lighter bars are October 2023

Financial confidence vs. 6 months ago

[Difference vs. April 2023]



Q8. How have each of the following changed for you compared to 6 months ago?

Q9. Compared to 6 months ago, how confident do you feel about...

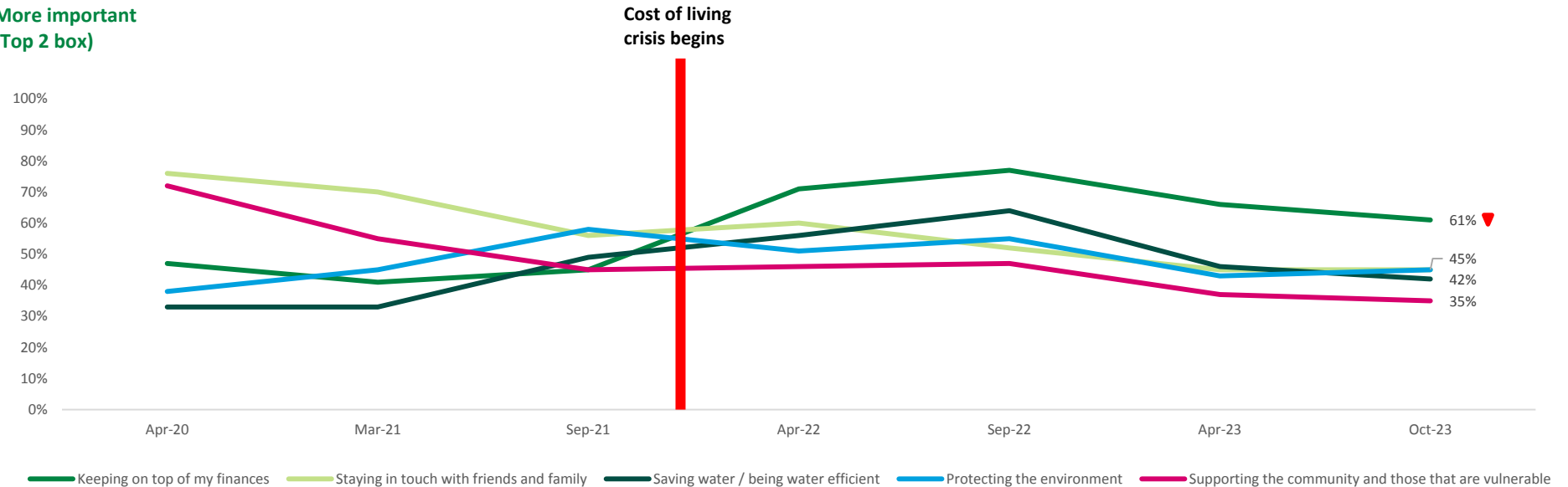
Base: October 2023 (n= 1004)

Source: State of the Nation (October 2023)

The majority of options remained stable on April 2023 results, while keeping on top of my finances significantly declined to 61% in the same period.

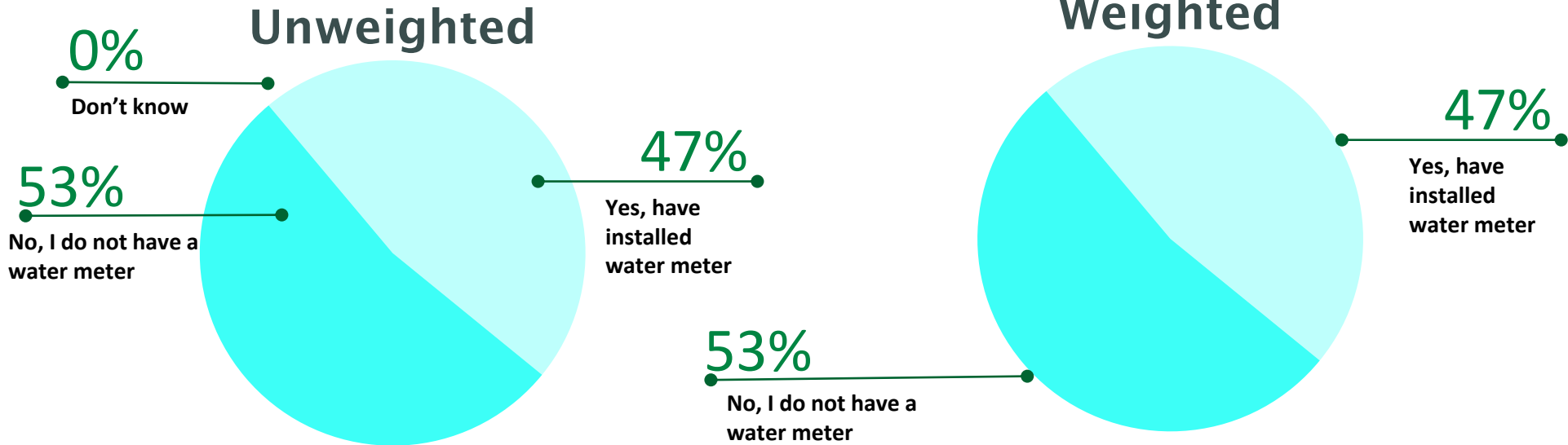
Important aspects – change in L6M

More important
(Top 2 box)



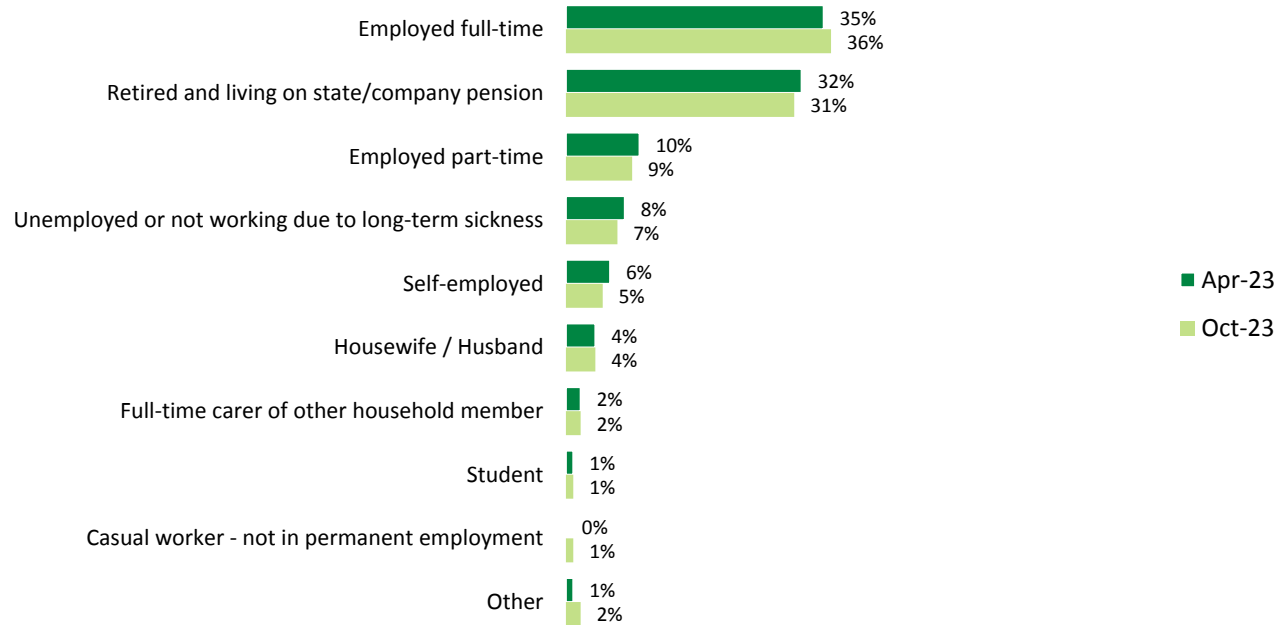
Metered vs. Unmetered

Metered vs. Unmetered



Employment status

Employment status

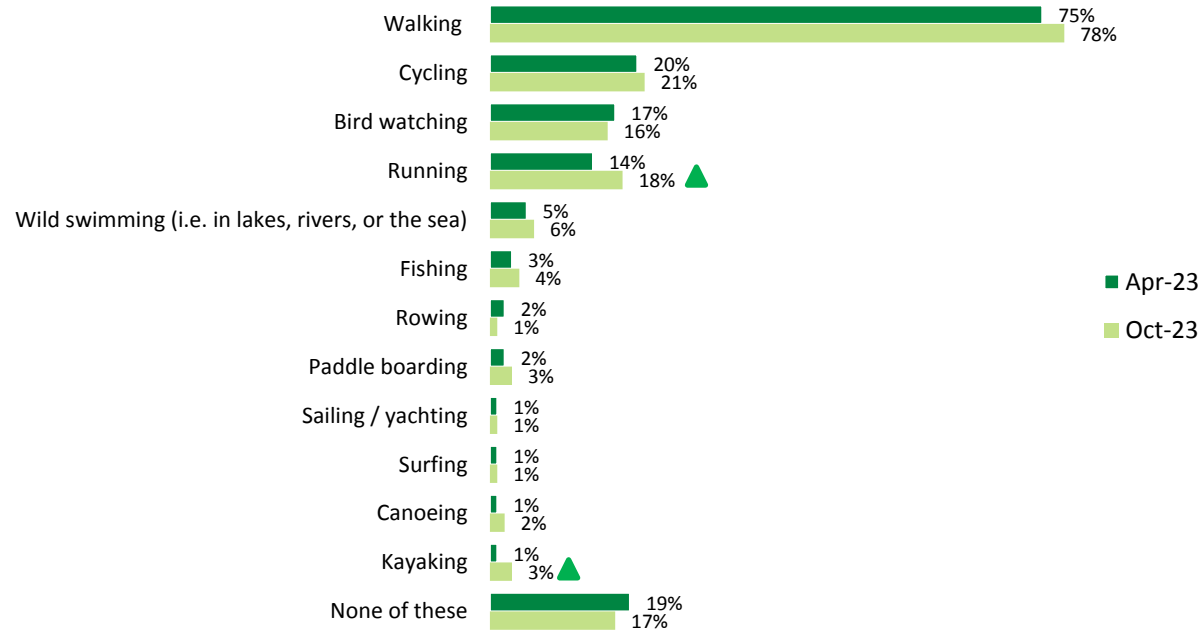


Sample profile

Total	Unweighted		Weighted	
	Count	%	Count	%
Gender				
Male	479	48%	492	49%
Female	517	52%	512	51%
Age				
18-29	79	8%	79	8%
30-39	162	16%	161	16%
40-49	175	17%	171	17%
50-59	194	19%	201	20%
60-69	164	16%	161	16%
70+	221	22%	231	23%
Region				
Cheshire	141	14%	141	14%
Cumbria	92	9%	90	9%
Greater Manchester	363	36%	371	37%
Lancashire	203	20%	201	20%
Merseyside	202	20%	201	20%

Activity engagement

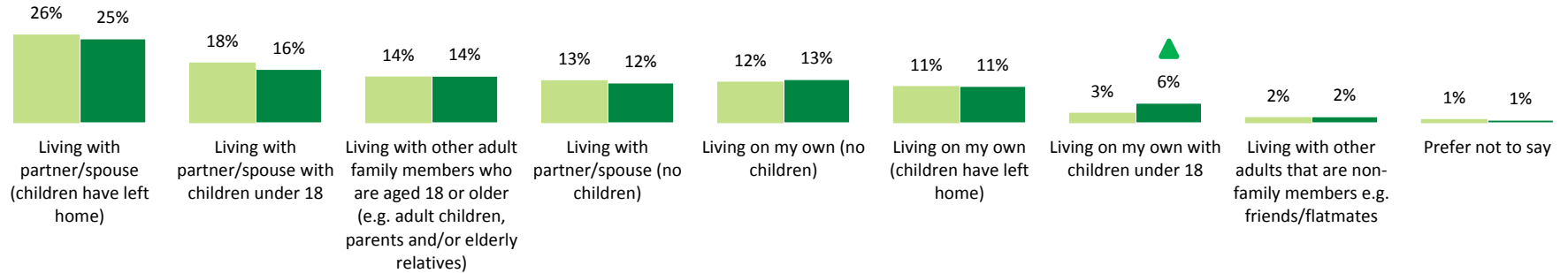
Activity engagement



Household status

Household status

■ Oct-23 ■ Apr-23



▲ ▼ Significant difference at 95% CI

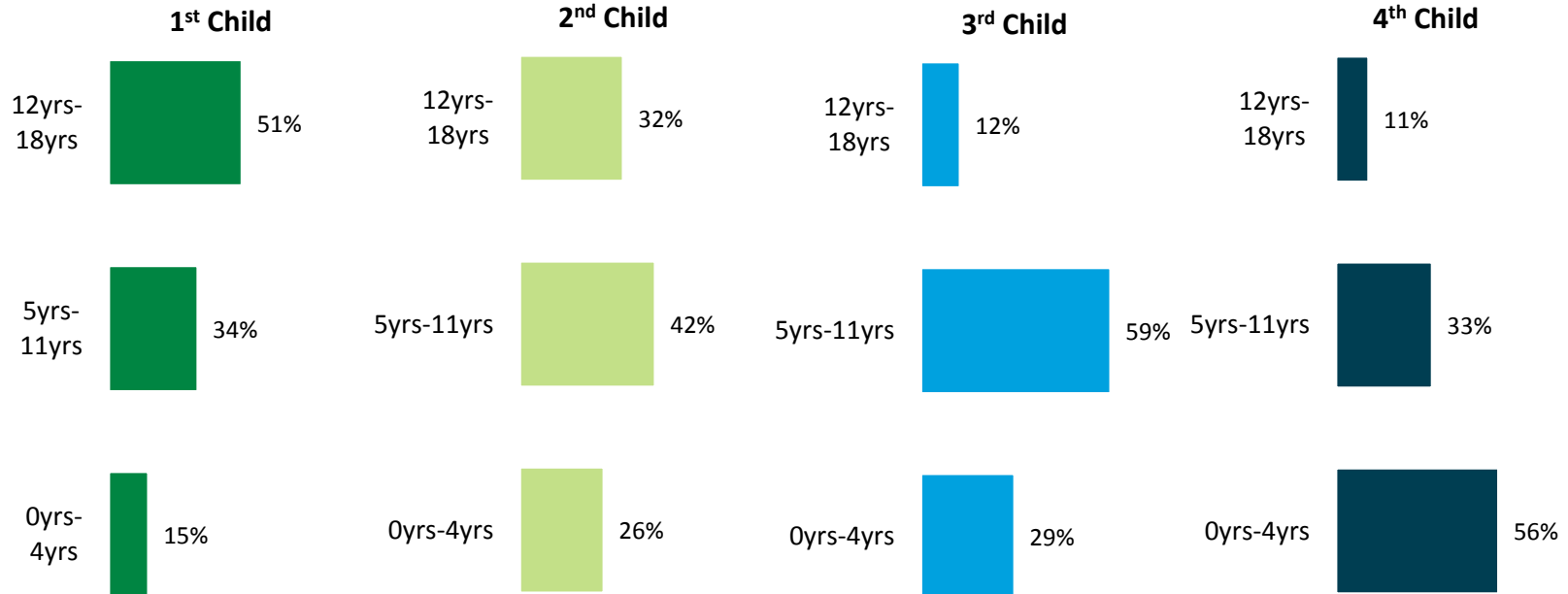
Garden access

Garden access

Total		
	Count	%
Garden access		
Yes, there is a garden that I/we actively maintain (e.g. that you regularly or occasionally water)	663	66%
Yes, there is a garden but I/we do not actively maintain it (e.g. you do not regularly or occasionally water it)	183	18%
No, there is not a garden BUT there is a balcony/terrace with plants that gets actively maintained	55	5%
No, I/we do not have a garden	104	10%

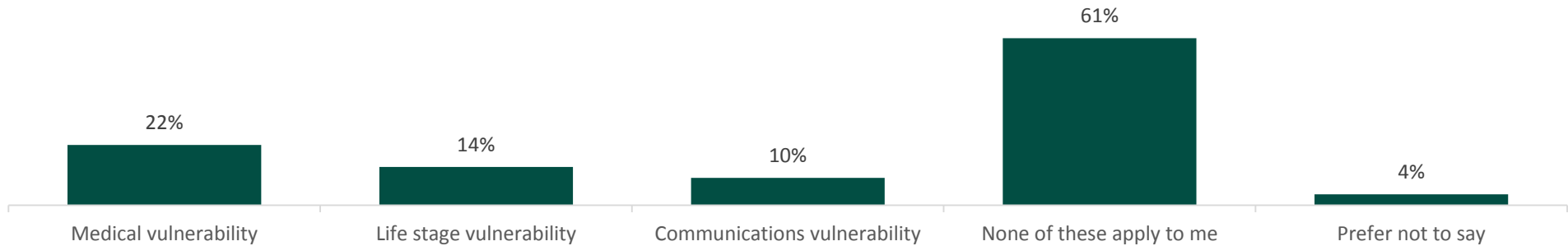
Children age breakdown (unweighted)

Children age breakdown (unweighted)



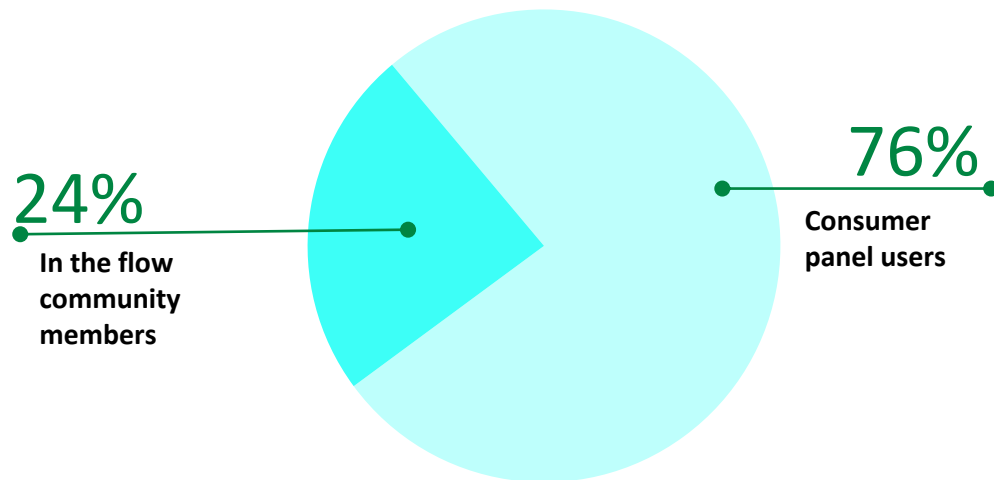
Vulnerability break down

Vulnerability segment breakdown



Fieldwork breakdown

Sample source breakdown (unweighted)



The **In the Flow** panel

- In The Flow is our online research community made up of over 1100 North West customers.
- It is an online community in which United Utilities customers can take part in surveys and discussions that help us better understand what customers want and value.
- In The Flow can be used for a variety of purposes. We are able to facilitate full research projects using the panel, as well as light touch research such as polls, discussions and surveys. Customers are also able to start their own discussions, as well as comment on all posts.

To find out more about using the 'In the Flow' panel to meet your business needs, please contact **Shy Bayly** or another member of the Insight Team:



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