

COVID-19 Customer Vulnerability

Customer Research
Insights Report
Quarter 1, March 2021

Research was conducted to understand the degree of customer vulnerability, as well as customers' consumption and sentiment towards energy in the context of the COVID-19 pandemic.



The Energy Charter

Survey conducted February 11th to February 21st 2021
N=3045, representative of the age & gender of the Australian population
People refers to respondents of the research

Collaboration across supply chain

This 12 months' research by Deloitte into customer vulnerability through COVID-19 is a collaboration between Energy Charter signatories Jemena, ActewAGL, Energy Queensland, Essential Energy and Powershop Australia, together with Simply Energy.



36% of people are optimistic about Australia's economic direction



50% of people agreed that COVID-19 had increased their stress levels



41% of people on JobSeeker reported that financial stress keeps them up at night



36% of people indicated that they are spending more on energy bills over the last 3 months

Key themes from the COVID-19 Customer Vulnerability Research

A range of survey responses are trending positively (when compared to Wave 1), pointing to signs of recovery.

- A 4% uplift in optimism about Australia's economic direction.
- A decrease of 3% in those who reported reduced working hours due to COVID-19.
- A decrease of 4% and 6% respectively, amongst those reporting a reduction of individual and household income.
- For those categories where household spending had fallen, there has also been a turnaround. A 11% improvement in recreation spend (e.g. entertainment or holidays), and a 10% improvement in transport spend.

The impacts of COVID-19 are being felt more significantly by vulnerable groups. But it is JobSeekers who are falling further into hardship.

- Three primary vulnerability groups stood out in Wave 1 as being impacted more significantly than the broader population – Young Adults (18-24), Renters and JobSeekers.
- While these groups persist in their prominence in Wave 2, the impact gap between JobSeekers and the broader population is widening.
- Financial stress increased across these three groups, but there was a significant increase of 12% amongst JobSeekers, when compared to Wave 1.
- The need for energy bill support was consistently higher amongst vulnerable groups when compared to the broader population.

The pandemic has increased stress levels for many, and significant concern about the lasting impacts of COVID-19 will see that trend likely continue.

- 50% of respondents agreed that COVID-19 had increased their stress levels.
- Nearly 70% of respondents are most highly concerned about the lasting impacts of COVID-19.
- Compounding stress levels, there has also been a 3% increase in those respondents worried about being able to pay their bills (i.e. compared to Wave 1).

There is an upward trend in both those receiving and potentially needing support, in response to the increase in energy bills and the balancing of household spend.

- Consistent with Wave 1, energy bills remain the category where household spending has increased the most, with 36% of respondents indicating they are spending more.
- At 19%, more respondents are currently receiving support for energy bills than any other household finance category. A further 15% stated that they may need support in the next 3 months, and this figure is trending upwards.
- Compounding the increase in spend, is the decline in the priority of energy bills amongst vulnerability groups, as they balance the importance of different spending categories.

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