

Comparative Victorian Energy Utility Call Centre Performance Report 2011-12

**Prepared for
Essential Services Commission**

August 2012

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Introduction

Background

- Customer Service Benchmarking Australia's (CSBA) mystery shoppers called 11 Victorian Energy Retailers over four quarterly surveys during 2011–12.
- In total, 1102 calls were made by CSBA to Victorian Energy companies and 1412 to the overall National Energy Sector during 2011–12.
- As well as assessing calls overall, this report isolates those calls that are related to Hardship issues and compares them with Non-Hardship calls (refer to Part Two of this report, from Slide 28 onwards). For this section of the survey, 574 Hardship calls were made to Victorian Energy Sector companies over the course of the four quarterly surveys.
- The survey results provide a means of assessing the customer service levels delivered by the Victorian Energy Retailers during the 2011–12 year. Where appropriate, the results are compared with the results from the 2010–11 and 2009-10 surveys.
- The results are also shown by quarter and are compared with the National Energy Sector and with a selection of Cross-Sector Companies, comprising of: Optus Mobile, Qantas, National Australian Bank and the RACV.
- Throughout the report, only differences of 3 or more points are highlighted, unless otherwise specified.

Victorian Energy Companies Surveyed during 2011–12 comprise the following:

- | | |
|---|------------------------|
| ▪ AGL | ▪ Neighbourhood Energy |
| ▪ Australian Power & Gas | ▪ Origin Energy |
| ▪ Click Energy (New for 2011-12) | ▪ Red Energy |
| ▪ Dodo Power & Gas (New for 2011-12) | ▪ Simply Energy |
| ▪ Lumo Energy (previously Victoria Electricity) | ▪ TRUenergy |
| ▪ Momentum Energy (New for 2011-12) | |

Note: Energy Australia and Country Energy are no longer part of the ESC survey.

Objectives

- To provide a benchmarking report, which shows the customer service performance of energy retailing call centres for 2011-12.
- To find out how Customers are being treated over the phone when experiencing financial difficulty in paying their accounts by selected energy retailers according to the Hardship Guidelines.
- To measure retailers compliance with Hardship Guidelines.

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Current Survey

- Survey period: 1st July 2011 to 8th June 2012.
- Quarter 1 was from July to September 2011, Quarter 2 was from October to December 2011, Quarter 3 January to March 2012 and Quarter 4 from April to June 2012.
- Number of calls: 1102 (930 were completed, see breakdown below)
- Comparisons were made against the National Energy Sector and the Cross-Sector Companies (refer Appendix A for a list). The results of which were from the totals for the 2011-12 period and the relevant quarters.

	No. of Calls Made	No. of Calls Completed	No. of Incomplete Calls
Victorian Hardship Annual 2011-12	574	480	94
Victorian Non Hardship Annual 2011-12	528	450	78
Victorian Annual 2011-12	1102	930	172

Areas being surveyed/reported on

- Connect Times
- Greeting Quality
- Agent Manner
- Enquiry Handling Skills.

For Hardship calls the following areas were surveyed/reported on:

- Agent Manner
- Enquiry Handling Skills.

Summary of Key Measures

Summary of Key Measures

- The Key Measures Table (refer to Table 7 on Slide 36) provides a summary of changes since the last survey (2010–11) for the Victorian and National Energy Sectors, and highlights the highest and lowest results of the 11 Victorian Energy Companies surveyed in 2011-12.
- The Average Connect Time for the Victorian Energy Sector in 2011-12 was 86 seconds, which was eight seconds faster than the previous year's result (94 seconds). This result was slightly faster than the the National Energy Sector (88 seconds, four seconds faster than in 2010-11). Momentum Energy (57 seconds) achieved the fastest Connect Time; and the slowest in the Victorian Energy Sector was again Origin Energy, at 105 seconds.
- In 2011-12, 67% of calls to Victorian Energy companies were Answered within 30 seconds, which was up seven points from 60% previously. The National Energy Sector result of 66% (up five points from 61% previously) nearly matched the score of the Victorian Energy Sector. The top performer was Click Energy (78%) and the lowest scoring Company was again AGL (49%).
- The Greeting Quality Index of the Agents in the Victorian Energy Sector has been consistent throughout the survey period. The score at 94% was similar to the 2010-11 result (93%), and was just ahead of the stable National Energy Sector Average of 92%. Neighbourhood Energy (98%) was the top performing Victorian Energy company and the lowest was Simply Energy (87%). The only notable change in the results for the Greeting Quality criteria was for Agents Offering to Help Callers, which was up six points to 81% (75% previously).
- The Agents of the Victorian Energy Sector conveyed Best Practice Manner during 74% of calls, one point more than in 2010-11 (73%). This result was on par with the National Energy Sector (74%, up three points). The best performing company was AGL (88%) and Dodo Power and Gas recorded the lowest score of 56%. Both the Victorian Energy Sector and the National Energy Sector's results for Total Acceptable Manner went up one point to 96% (95% previously).
- The Average Enquiry Handling Skills Index of the Agents for the Victorian Energy Sector was 79% (down two points from 81% previously), which was on par with the National Energy Sector (79%, up one point). AGL (87%) was the best performer, while Lumo Energy (69%) was again the lowest performing company. The only notable change was in the Agents' ability to Probe the Needs of Callers, which slipped six points to 69% (from 75% previously).

Summary of Key Measures (cont'd)

Hardship Calls:

- The second Key Measures Table (Table 8 on Slide 37), shows Agent Manner and Enquiry Resolution for the Victorian Energy Sector and the 11 Victorian companies surveyed. It shows a comparison of results for Hardship and Non-Hardship calls.
- Overall in 2011-12, the Victorian Energy Sector Agents handled the Non-Hardship calls marginally better than the Hardship calls.
- The Agents of the Victorian Energy Sector displayed Best Practice Manner in 72% of Hardship calls and in 76% of Non-Hardship calls. Agents at two companies displayed an appreciably higher level of Best Practice Manner during Hardship calls than in Non-Hardship calls: Dodo Power and Gas and Neighbourhood Energy. Lumo Energy achieved consistent results while Click Energy, Momentum Energy and Simply Energy were essentially the same (within two points). However, the results for the Agents of the remaining five companies was lower for Best Practice Manner in Hardship Calls than Non-Hardship Calls, with the largest difference recorded for Origin Energy (19 points less for Hardship calls).
- In 2011-12, the Victorian Energy Sector achieved consistent results for the Agents conveying Total Acceptable Manner during Hardship and Non-Hardship calls. AGL achieved a perfect result for both Hardship and Non-Hardship calls (both 100%). Two companies achieved notably better results for Hardship than Non-Hardship in relation to conveying Acceptable Manner: Simply Energy and Red Energy. Five companies returned similar results while the remaining three Victorian Energy companies had lower scores for conveying Total Acceptable Manner during Hardship calls.
- The Enquiry Handling Skills Average of Agents in the Victorian Energy Sector for Hardship calls (79%) was two points less than for Non-Hardship calls (81%). Two Companies scored notably better for Hardship calls: Neighbourhood Energy and Simply Energy. Origin Energy achieved consistent results for Hardship and Non-Hardship calls while Momentum Energy and TRUenergy recorded similar results. The other six Victorian Energy companies had lower results for Enquiry Handling for Hardship than Non-Hardship Calls.

PART ONE

Overview of Victorian Energy Sector

Overview of the Victorian Energy Sector

- CSBA measured the customer service levels of 11 Victorian Energy Sector companies in 2011-12. This included the gas and electricity lines for AGL, TRUenergy and Origin Energy. The other eight companies provide electricity only. The gas and electricity results for each of those three companies have been amalgamated to form a composite energy result for each.
- The Victorian Energy Sector results are compared with an aggregate of all energy companies surveyed in Australia, (referred to as the National Energy Sector) and selected Cross-Sector Companies which comprised of: Optus Mobile, Qantas, National Australia Bank and the RACV.

Strengths of the Victorian Energy Sector

- The Average Greeting Skills Index of the Agents remained strong at 94% (up one point).
- The Agents providing an appropriate Sign Off and an Agent Name unprompted both scored an almost perfect score of 98%, and Agents saying the Company Name was evident in 95% of the calls.
- The Agents displayed Total Acceptable Manner in 96% of calls (up one point).

Weaknesses of the Victorian Energy Sector

- The Average Connect Time improved eight seconds to 86 seconds (94 seconds previously), yet remains well behind the recommended maximum of up to 30 seconds.
- Even though there was a seven point improvement, only 67% of Calls were Answered within 30 seconds.
- The Agents conveyed Unacceptable Manner in four percent of calls (one point less than previously).
- The Agents Probing the Needs of Callers (69%) was the lowest scoring Enquiry Skill measure (down six points).

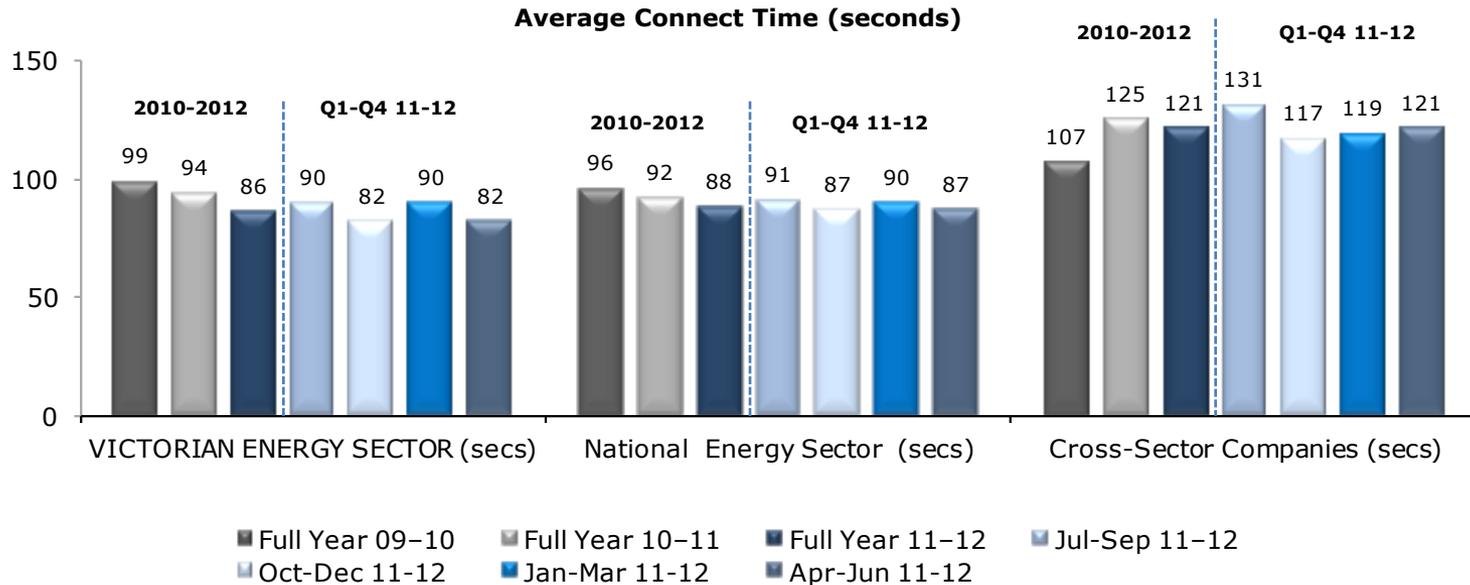
Areas to Address in the Victorian Energy Sector

- For the third year in a row, the long Average Connect Time continues to be an area for improvement in relation to overall customer service.
- In 2011-12, only 67% of calls to the Victorian Energy Sector were answered within 30 seconds of any IVR delay.
- Agents Probing to clarify the Needs of Callers (69%) was the lowest scoring Enquiry Resolution Skill and requires attention in order to improve the overall Enquiry Handling Skills of the Agents.
- Agents making an Offer to Help (81%) was the lowest scoring Greeting Quality measure.
- Best Practice Manner (Interested, Warm and Helpful) was conveyed by the Agents in 74% of calls, and in four percent of calls, Agents displayed Unacceptable Manner.
- This year, about half of the Victorian Energy Companies reported lower results for Hardship calls compared to Non-Hardship calls: five companies for Best Practice Manner and six companies for Enquiry Handling Skills'.

Commendations for the Victorian Energy Sector

- In 2011-12, AGL was the top performing company and achieved the best score for seven measures, including Best Practice Manner (88%), Total Acceptable Manner (100%) and Enquiry Handling Skills (87%). AGL's Agents also achieved the top score for conveying Best Practice Manner in Hardship calls (86%).
- Momentum Energy was the top performer in relation to Connect Time (57 seconds) and was the equal best performing company for two other measures. Neighbourhood Energy and Click Energy (two shared) both achieved top scores for three measures.
- Neighbourhood Energy's Agents achieved the top score for Average Greeting Quality (98%) and also the best result for Enquiry Handling during Hardship Calls (87%), and also achieved the top score for three of the four Enquiry Handling criteria (one shared).
- Click Energy (78%) was the best company at Answering the highest proportion of calls within 30 seconds of any IVR delay.
- Australian Power & Gas had the best Enquiry Handling score in 3 out of 4 quarters (see page 27).

Connect Times



- In 2011-12, the Average Connect Time of the Victorian Energy Sector was 86 seconds. This result was eight seconds faster than previously (94 seconds), and was similar to the National Energy Sector result (88 seconds). The Cross-Sector Companies score was 35 seconds slower, at 121 seconds.
- The Victorian Energy Sector's results across the quarters fluctuated by eight seconds each quarter, yet overall was ahead of the previous year's result by eight seconds.
- The National Energy Sector results were virtually stable across the quarters, with results ranging from 87 seconds to 91 seconds.
- The slower Average Connect Time of the Cross-Sector Companies was worst in Quarter One (131 seconds), but improved notably in Quarter Two (to 117 seconds). This time was similar for the remainder of the year.
- Momentum Energy was the top performing Victorian Energy Company in 2011-12, with an Average Connect Time of 57 seconds, and achieved the best result in Quarter One (42 seconds) and Quarter Four (46 seconds). The best Victorian Energy Company for Quarter Two was Red Energy (47 seconds) and for Quarter Three was Simply Energy (72 seconds). (Refer to next Slide: Table 1)

Table 1. Average Connect Time (seconds)

	Full Year 09-10	Full Year 10-11	Full Year 11-12	2011-12: Quarterly results			
				Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
VICTORIAN ENERGY SECTOR (secs)	99	94	86	90	82	90	82
Best Vic Energy Company (secs)	Neighbour- hood Energy (58 secs)	Neighbour- hood Energy (78 secs)	Momentum (57)	Momentum (42)	Red Energy (47)	Simply Energy (72)	Momentum (46)
National Energy Sector (secs)	96	92	88	91	87	90	87
Cross-Sector Companies (secs)	107	125	121	131	117	119	121

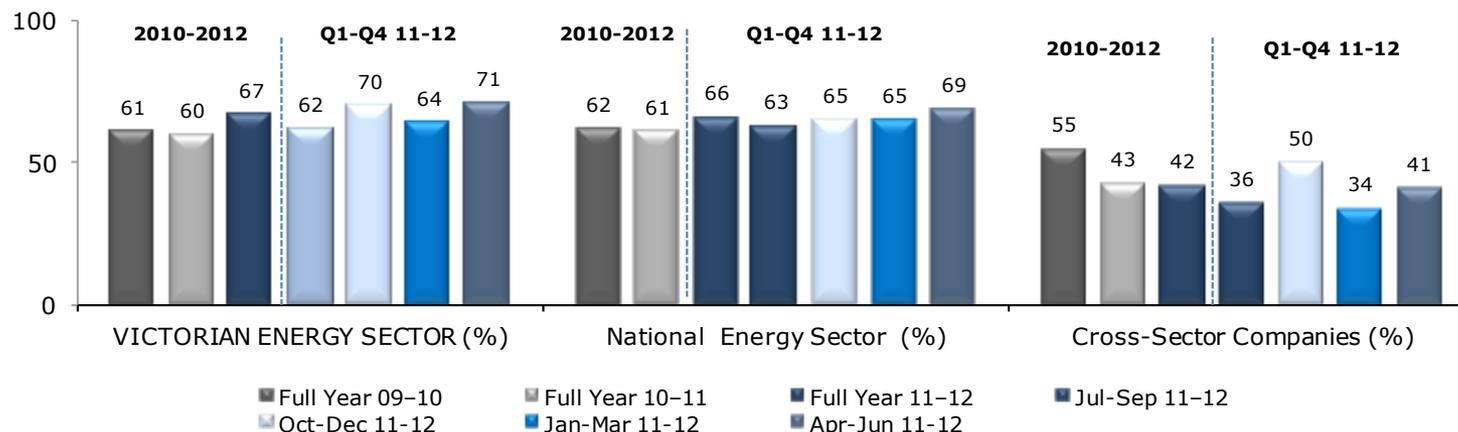
Quarterly results are compared to the previous quarter. The result of 2011-12 is compared with 2010-11.

5+ seconds Better

5+ seconds Worse

No Change

Calls Answered within 30 Seconds of any IVR delay



- Customers usually prefer to reach an Agent within 30 seconds. CSBA has measured the incidence of Callers reaching an Agent after any Interactive Voice Response (IVR) delay.
- In the Victorian Energy Sector, there was a seven point improvement in Calls that were Answered within 30 seconds, which was at 67% (compared to 60% previously). This result was similar to the National Energy Sector at 66% (up five points from 61%) and 25 points better than the Cross-Sector Companies at 42% (similar to 43% in 2010-11).
- The Victorian Energy Sector's quarterly results for Calls Answered within 30 Seconds ranged from 62% in Quarter One to 71% in Quarter Four.
- Overall, Click Energy at 78%, was the year's top performing Company, although it did not achieve the top result in any quarter. The companies that achieved the best results were Momentum Energy at 88% (Quarter One), Red Energy at 92% (Quarter Two), Neighbourhood Energy at 87% (Quarter Three), and Simply Energy at 81% (Quarter Four).
- The lowest performing company for 2011-12 was AGL at 49%. TRUenergy and AGL were both the lowest scoring companies for Quarter One (28%), and Origin Energy was the lowest performer in Quarter Two and Three (40% and 20% respectively). In Quarter Four, the lowest performer was Lumo Energy at 55%. (Refer to next Slide: Table 2)

Table 2. % of Calls Answered within 30 Seconds of any IVR delay

	Full Year 09-10	Full Year 10-11	Full Year 11-12	2011-12: Quarterly results			
				Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
VICTORIAN ENERGY SECTOR (%)	61	60	67	62	70	64	71
Highest Vic Energy Company (%)	Power Direct (91%)	Simply & Lumo (77%)	Click Energy (78)	Momentum Energy (88)	Red Energy (92)	Neighbourhood Energy (87)	Simply Energy (81)
Lowest Vic Energy Company (%)	Red Energy (36%)	AGL (33%)	AGL (49)	AGL & TRUenergy (28)	Origin Energy (40)	Origin Energy (20)	Lumo Energy (55)
National Energy Sector (%)	62	61	66	63	65	65	69
Cross-Sector Companies (%)	55	43	42	36	50	34	41

Quarterly results are compared to the previous quarter. The result of 2011-12 is compared with 2010-11.

3+ points Better

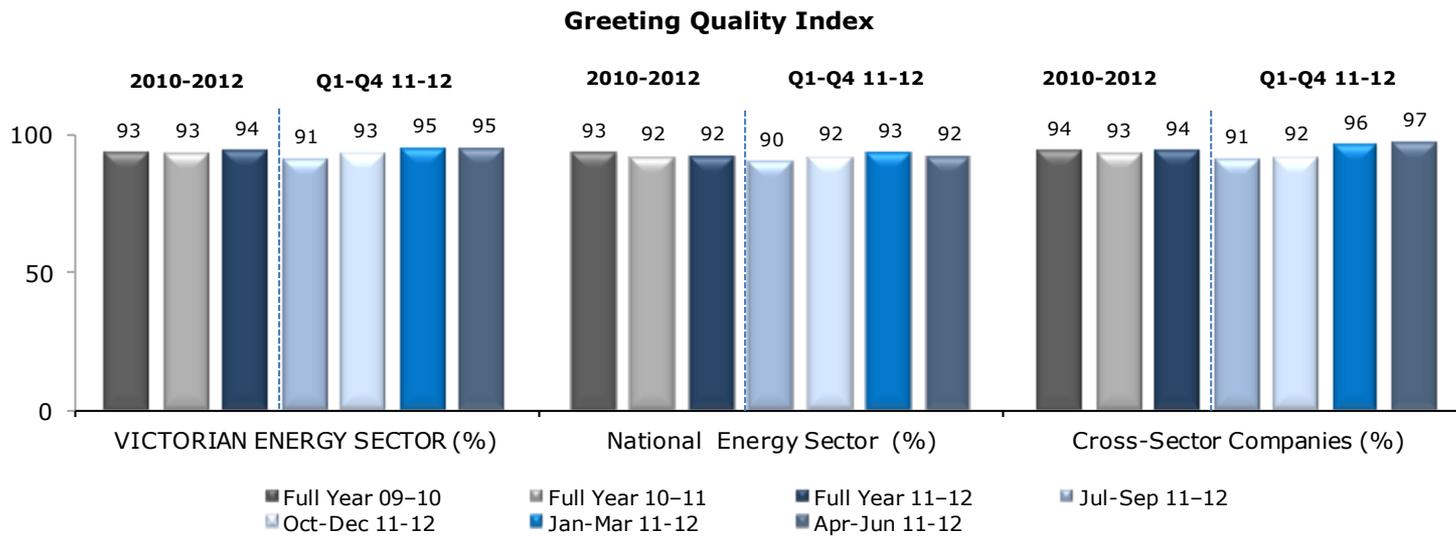
3+ points Worse

No Change

Greeting Quality

Customer Service Benchmarking Australia calculates a Greeting Quality Index based on a composite of five greeting elements:

- **Welcome Salutation:** The Agent answered the call with an appropriate welcome such as “Good Morning” or “Welcome to...”
- **Company Name Used in Greeting:** Agent stated company name
- **Agent Name Given:** Agent provided name unprompted
- **Offer to Help:** The Agent made an offer to assist the caller such as “How may I help you today?”
- **Proper Sign off Given:** Means that at the conclusion of the call the Agent ‘thanked the caller’ and said ‘goodbye’ or similar.



- In most companies, the Greeting Quality Index tends not to change drastically between quarters. Agents generally score high in four of the five greeting elements but some seem to have difficulty in incorporating an Offer to Help into their standard greeting. A full breakdown of scores obtained on each greeting element by the individual Sectors and Companies is contained in Table 7 (Refer to Slide 36).
- The Victorian Energy Sector's Average Greeting Quality Index was at 94%, similar to the results of 2010-11 (93%), and the National Energy Sector (stable at 92%) and on par with the Cross-Sector Companies Average of 94% (up one point from 93% previously).
- The Victorian Energy Sector's result for the Agents making an Offer to Help was the lowest scoring Greeting Quality measure (81%, up six points); however, all other criteria achieved 95% or higher and remained similar to the 2010-11 results. (Refer to Table 7, Slide 36)
- The quarterly results were relatively stable across the year for the Victorian Energy Sector and the National Energy Sector. The Cross-Sector Companies quarterly result ranged from 91% to 97%.
- Neighbourhood Energy was again the best performing Victorian Energy Company (stable at 98%), scoring the top result in Quarter Three (100%). Red Energy was the top company in Quarter One (98%), Lumo Energy in Quarter Two (97%), and AGL and TRUenergy both scored 98% in Quarter Four. (Refer to next Slide: Table 3)

Table 3. % Greeting Quality Index

	Full Year 09-10	Full Year 10-11	Full Year 11-12	2011-12: Quarterly results			
				Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
VICTORIAN ENERGY SECTOR (%)	93	93	94	91	93	95	95
Best Vic Energy Company (%)	Australian Power & Gas (96%)	Neighbourhood Energy (98%)	Neighbourhood Energy (98%)	Red Energy (98)	Lumo Energy (97)	Neighbourhood Energy (100)	AGL & TRUenergy (98)
National Energy Sector (%)	93	92	92	90	92	93	92
Cross-Sector Companies (%)	94	93	94	91	92	96	97

Quarterly results are compared to the previous quarter. The result of 2011-12 is compared with 2010-11.

3+ points Better

3+ points Worse

No Change

Agent Manner

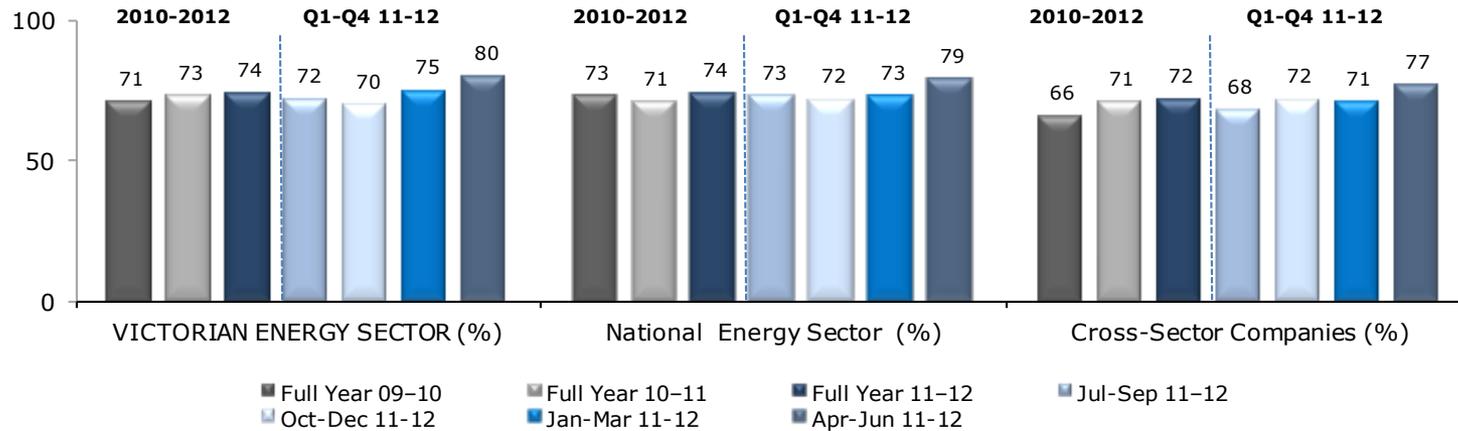
Customer Service Benchmarking Australia's survey program includes assessment of the manner projected by the telephone Agent. Manner is assessed by CSBA using four mutually exclusive ratings:

- **Best Practice Manner (Interested, Warm and Helpful):** Conveys a manner that has a 'smile in the voice', and really sounds enthusiastic. There is emotion in the tone. The Agent makes the effort to reach out to the caller.
- **Businesslike and Un-emotive (Acceptable Manner):** While the Agent was courteous and professional, they were not really reaching out to, or making a connection with, the caller
- **Too Laidback and Easygoing (Unacceptable Manner):** Represents a manner that is casual and a little offhand, without actually being rude
- **Disinterested and Curt (Unacceptable Manner):** Conveys a manner that is clearly not interested in the caller and may even be overtly rude in their response to the enquiry

Research conducted by CSBA indicates that quality of Agent Manner is a critical factor in the successful completion of an enquiry. If the Agent is Interested and Helpful, or even Businesslike, they are more likely to be succeed with key elements of the call, such as Enquiry Resolution.

* Please note that for the purposes of this report, we will not analyse Unacceptable Agent Manner.

Best Practice Manner (Interested, Warm and Helpful)



- In 2011-12, the Victorian Energy Sector’s Agents conveyed Best Practice Manner in 74% of calls (up one point from 73% previously). This result was on par with the National Energy Sector (up three points from 71% previously) and similar to the Cross-Sector Companies result of 72% (up one point from 71% previously).
- The quarterly results for the Victorian Energy Sector ranged from 70% in Quarter Two to 80% in Quarter Four.
- The National Energy Sector remained fairly stable at 72% or 73% for the first three quarters, then was at 79% in Quarter Four. The Cross-Sector Companies result each quarter ranged from 68% to 77%.
- AGL, at 88%, was the best in the Victorian Energy Sector, scoring highest in Quarter One (94%, on par with Neighbourhood Energy) and Quarter Four (100%). Neighbourhood Energy (86%) was the top company in Quarter Two and Red Energy (90%) led Quarter Three (Refer to next Slide: Table 4). Dodo Power and Gas, at 56%, was the lowest performing Company this year.

Table 4. % Best Practice Manner (Interested, Warm and Helpful)

	Full Year 09-10	Full Year 10-11	Full Year 11-12	2011-12: Quarterly results			
				Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
VICTORIAN ENERGY SECTOR (%)	71	73	74	72	70	75	80
Best Vic Energy Company (%)	AGL (82%)	Neighbour- hood Energy (92%)	AGL (88)	AGL & Neighbour- hood Energy(94)	Neighbour- hood Energy (86)	Red Energy (90)	AGL (100)
National Energy Sector (%)	73	71	74	73	72	73	79
Cross-Sector Companies (%)	66	71	72	68	72	71	77

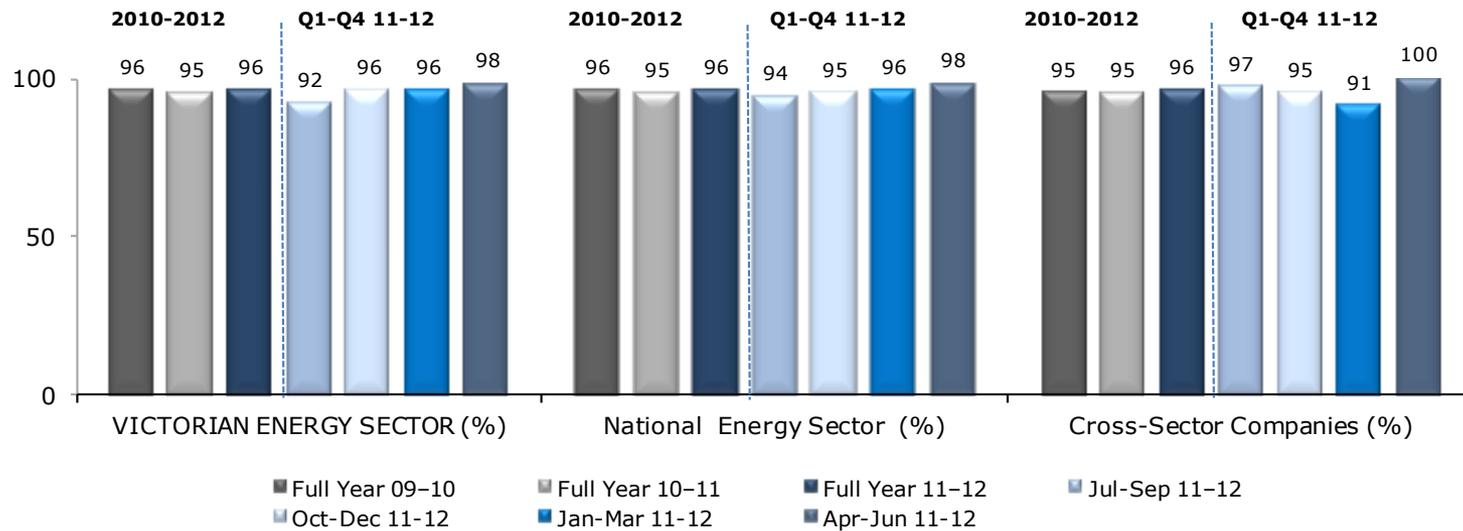
Quarterly results are compared to the previous quarter. The result of 2011-12 is compared with 2010-11.

3+ points Better

3+ points Worse

No Change

Total Acceptable Manner (Interested, Warm and Helpful plus Businesslike)



- Best Practice (Interested, Warm and Helpful) and Businesslike Manner scores have been combined to present the Total Acceptable Manner results.
- In 2011-12 the Total Acceptable Manner results of the three Sectors were steady at 96% (95% previously).
- The Victorian Energy Sector results across the quarters ranged from 92% and 98%.
- The National Energy Sector's quarterly results were relatively stable and the Cross-Sector Companies Average fluctuated by up to nine points.
- The Agents should use a positive and constructive approach with each caller as this helps lead to a positive outcome. Conversely, Unacceptable Manner (Too Laidback, Disinterested or Curt) creates blocks to successful first call resolution. In four percent of calls this year, the Victorian Energy Sector Agents exhibited Unacceptable Manner, which was in line with the National Energy Sector and Cross-Sector Companies results.
- In 2011-12, AGL achieved a perfect result for Total Acceptable Manner (100%). Dodo Power and Gas was the lowest performer this year at 90%. Various companies achieved 100% at different times across the quarters. (Refer to next Slide: Table 5)

Table 5. % Acceptable Manner (Interested, Warm and Helpful plus Businesslike)

	Full Year 09-10	Full Year 10-11	Full Year 11-12	2011-12: Quarterly results			
				Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
VICTORIAN ENERGY SECTOR (%)	96	95	96	92	96	96	98
Best Vic Energy Company (%)	Neighbour- hood Energy (100%)	Energy Australia (100%)	AGL (100)	3 Companies (100)	3 Companies (100)	6 Companies (100)	6 Companies (100)
National Energy Sector (%)	96	95	96	94	95	96	98
Cross-Sector Companies (%)	95	95	96	97	95	91	100

Quarterly results are compared to the previous quarter. The result of 2011-12 is compared with 2010-11.

3+ points Better

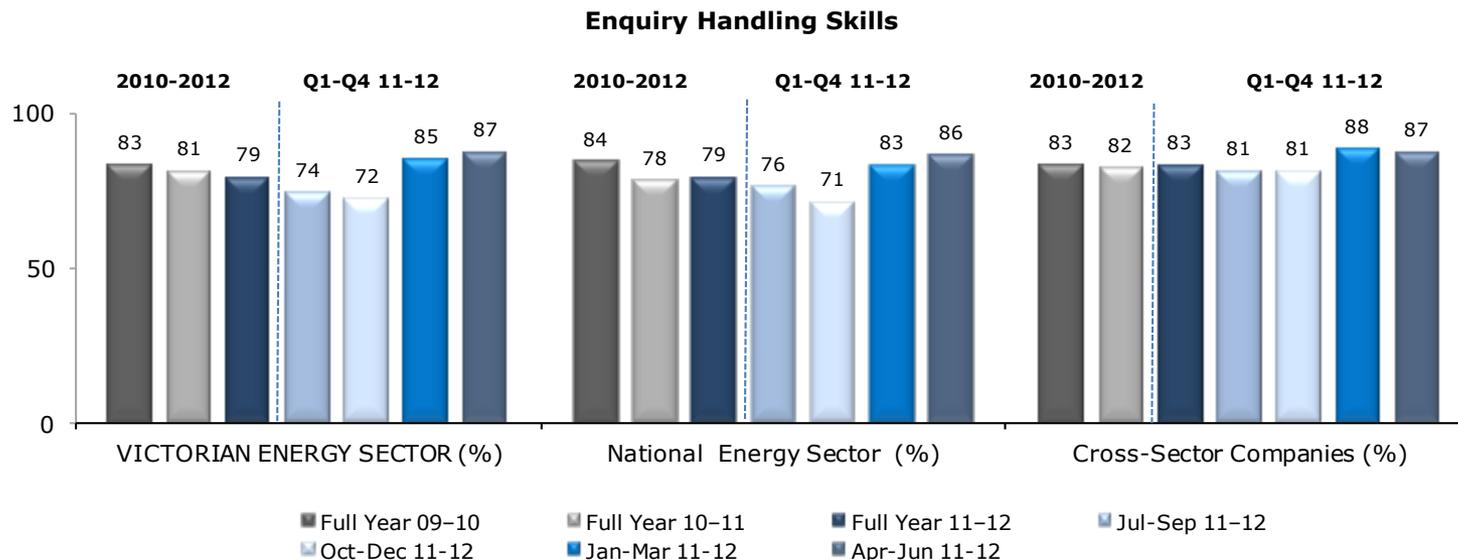
3+ points Worse

No Change

Enquiry Handling Skills

Customer Service Benchmarking Australia measures four key enquiry handling skills:

- **Probed Caller to Fully Clarify Needs:** The Agent made an attempt to gain a clear understanding of what the enquiry was about.
- **Good Product/Service Knowledge:** An Agent who seems on top of their subject, with information at hand and/or clear, unambiguous answers.
- **Clear Outcome to the Enquiry:** The Agent provided a resolution that adequately and clearly resolved the enquiry. For an enquiry to be considered genuinely successful, each caller should receive an outcome that provides them with the appropriate next steps.
- **Courteous and Helpful:** Refers to an Agent who was polite and patient, and focused on assisting the caller.



- In 2011-12, the Enquiry Handling Skills Average of the Agents of the Victorian Energy Sector was steady at 79% (81% previously). This was on par with the National Energy Sector at 79% (up one point from 78%) but four points behind the Cross-Sector Companies Average of 83% (up one point from 82%).
- The results for the individual criterion of Enquiry Resolution Skills for the Victorian Energy Sector were stable, excluding Agents Probing the Needs of the Callers. Agents Clarifying the Needs of the Callers were apparent in only 69% of the calls (75% previously).
- The Victorian Energy Sector's results fluctuated by up to 13 points, ranging from 72% in Quarter Two to 87% in Quarter Four.
- The National Energy Sector's Enquiry Handling across each quarter was relatively inconsistent (ranging from 71% to 86%) and the Cross-Sector Companies ranged from 81% to 88%.
- AGL at 87% was the best Victorian Energy Company for 2011-12, and achieved the highest score in Quarter One (91%). Australian Power and Gas was the top performer in the other three quarters, scoring 84%, 92%, and 95% respectively (Refer to next Slide: Table 6). As in 2010-2011, Lumo Energy was the worst performing company for this measure at an unchanged 69%.

Table 6. % Enquiry Handling Skills

	Full Year 09-10	Full Year 10-11	Full Year 11-12	2011-12: Quarterly results			
				Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
VICTORIAN ENERGY SECTOR (%)	83	81	79	74	72	85	87
Best Vic Energy Company (%)	AGL (93%)	Neighbour- hood Energy (91%)	AGL (87)	AGL (91)	Aust Power & Gas (84)	Aust Power & Gas (92)	Aust Power & Gas (95)
National Energy Sector (%)	84	78	79	76	71	83	86
Cross-Sector Companies (%)	83	82	83	81	81	88	87

Quarterly results are compared to the previous quarter. The result of 2011-12 is compared with 2010-11.

3+ points Better

3+ points Worse

No Change

PART TWO

Victorian Energy Sector and Hardship Issues

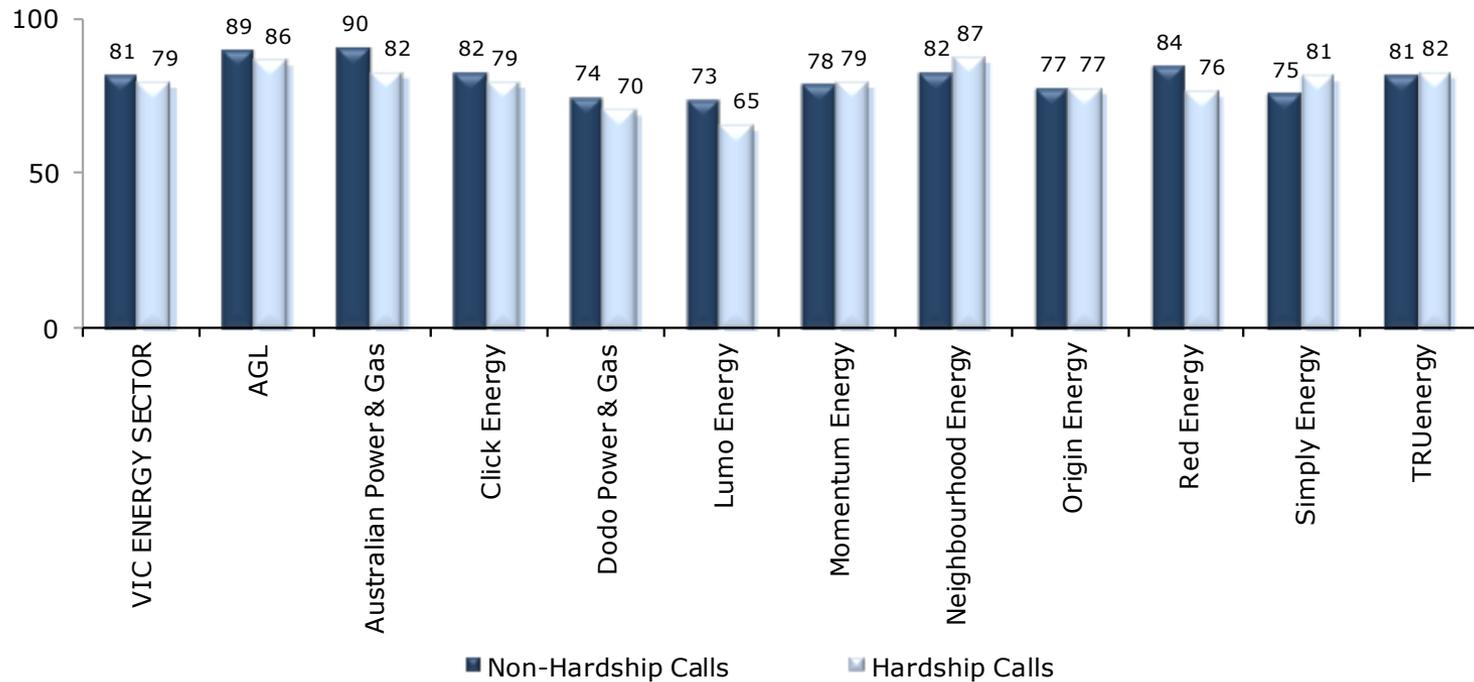
- This section of the report shows the scores by Victorian Energy companies for Hardship calls, against the results for Non-Hardship calls.

- The key areas of call centre activity used in this comparison are:
 - Enquiry Handling Skills
 - Agent Best Practice Manner
 - Total Acceptable Agent Manner.

- Connect Time and Greeting Skills are not relevant in this section of the report.

Victorian Energy Sector and Hardship Issues

Hardship: Enquiry Handling Index 2011-12
(Hardship Calls compared with Non-Hardship Calls)



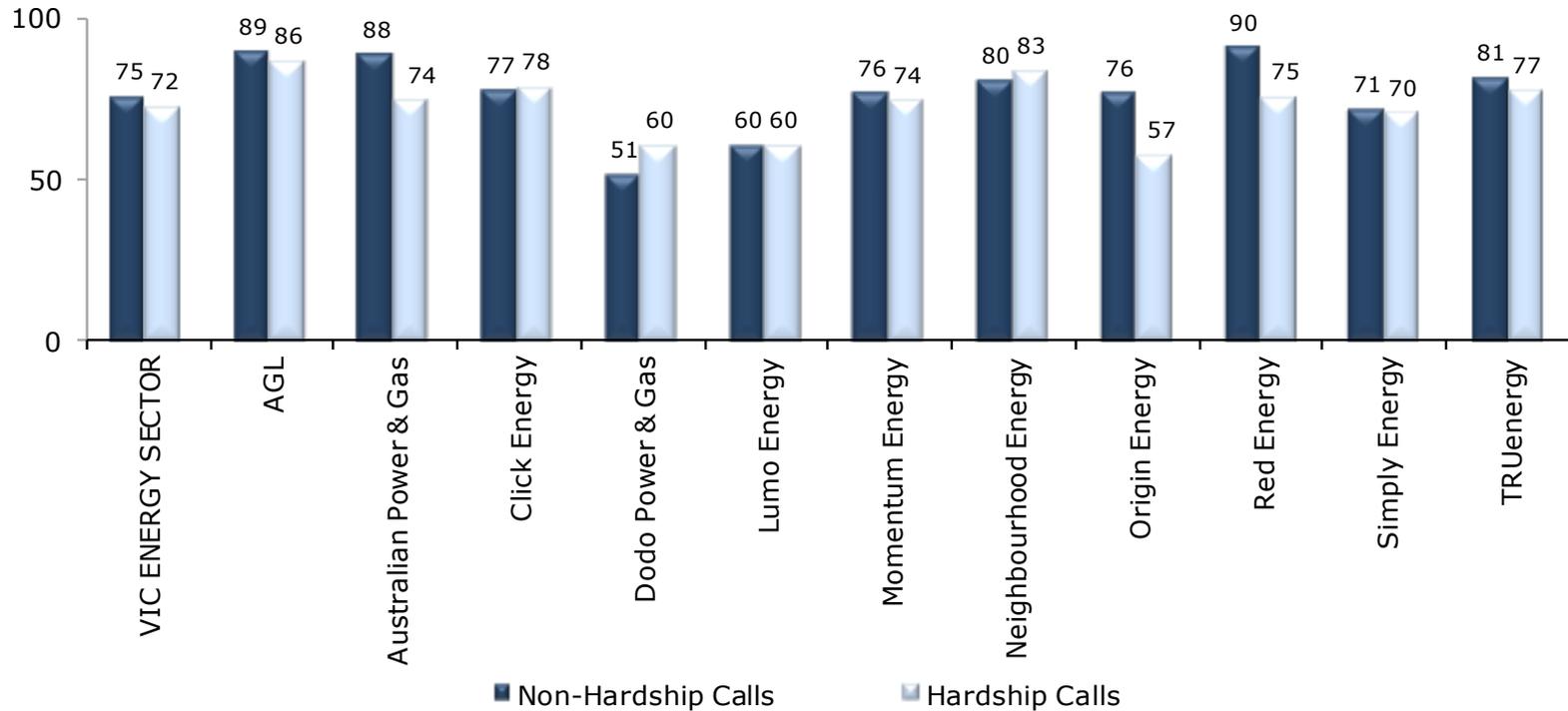
Enquiry Handling Index 2011-12 (Hardship Calls compared with Non-Hardship Calls)

- The Bar Chart compares the Enquiry Handling Skills Index scores achieved for the Victorian Energy Sector companies comparing Non-Hardship against Hardship calls.
- The Enquiry Handling Skills Average for the Victorian Energy Sector for Hardship calls (79%) was two points less than for Non-Hardship calls (81%), which highlights that Agents were marginally less effective in handling the enquiries of Callers suffering Hardship.
- Neighbourhood Energy and Simply Energy were the only companies to score notably better for Hardship calls. Neighbourhood Energy was 87% for Hardship compared to 82% for Non-Hardship calls, a five point difference; and Simply Energy achieved 81% for Hardship and 75% for Non-Hardship calls, a six point difference.
- Origin Energy achieved consistent results for Hardship and Non-Hardship calls (both 77%). Momentum Energy and TRUenergy also scored similar results for Hardship and Non-Hardship (Momentum Energy was 79% and 78% respectively, TRUenergy was 82% and 81% respectively).
- The six remaining Victorian Energy Companies reported lower results for Enquiry Handling Skills during Hardship calls: Australian Power and Gas (90% - Non-Hardship, 82% - Hardship), Lumo Energy (73% - Non-Hardship, 65% - Hardship) and Red Energy (84% - Non-Hardship, 76% - Hardship) all achieved eight points less for Hardship calls than for Non-Hardship Calls.
- Dodo Power and Gas (74% - Non-Hardship, 70% - Hardship) scored four points less for Hardship calls, and Click Energy's (82% - Non-Hardship, 79% - Hardship) and AGL's (89% - Non-Hardship, 86% - Hardship) Hardship results were three points lower than for Non-Hardship calls.
- The Agents' ability to Probe the Needs of Callers (at six Victorian Energy Companies) and to be Courteous and Helpful (at five Victorian Energy Companies) both scored three or more points less for Hardship than for Non-Hardship calls; by margins of up to 17 and 13 points respectively.
- The Agents' Provision of a Clear Outcome was the only measure where a notable number of companies (six) performed better for Hardship than Non-Hardship calls, with the largest difference being 13 points.

A breakdown on how Agents from each company performed in all Enquiry Handling measures is available in Table 8 (Refer to Slide 37).

Victorian Energy Sector and Hardship Issues (cont'd)

Hardship: Best Practice Manner 2011-12
(Hardship Calls compared with Non-Hardship Calls)

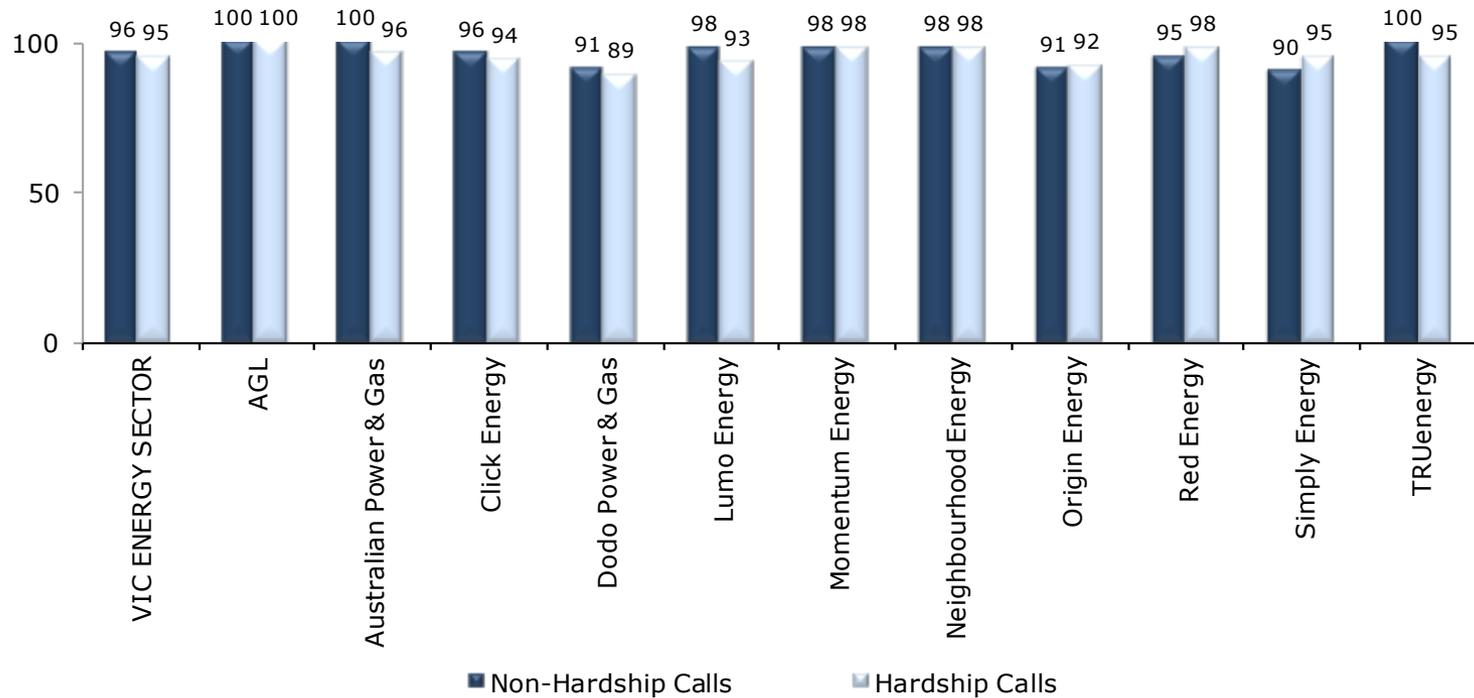


Best Practice Manner 2011-12 (Hardship Calls compared with Non-Hardship Calls)

- The Manner an Agent conveys when engaging a caller during a Hardship enquiry is paramount. The Bar Chart on the next page shows scores for Best Practice Manner (Interested, Warm and Helpful) exhibited by the Agents in the Victorian Energy companies for both Hardship and Non-Hardship calls.
- Agents displayed Best Practice Manner in 72% of the Hardship calls in the Victorian Energy Sector, that was three points less than for Non-Hardship calls (76%). This indicates that Agents were slightly less empathetic during Hardship calls.
- Agents in two companies were better at displaying Best Practice Manner during Hardship calls than in Non-Hardship calls. These were: Dodo Power and Gas (60% - Hardship, 51% - Non-Hardship, a nine point difference) and Neighbourhood Energy (83% - Hardship, 80% - Non-Hardship, a three point difference).
- Lumo Energy achieved consistent results for Hardship and Non-Hardship calls (60%) in 2011-12 and Click Energy (78% - Hardship, 77% - Non-Hardship) was virtually the same, with a one point difference.
- Agents of the remaining companies achieved higher results for conveying Best Practice Manner during Non-Hardship than Hardship calls. Origin Energy had the greatest difference (57% - Hardship, 76% - Non-Hardship, a 19 point difference), followed by Red Energy (75% - Hardship, 90% - Non-Hardship, a 15 point difference), Australian Power and Gas (74% - Hardship, 88% - Non-Hardship, a 14 point difference), TRUenergy (77% - Hardship, 81% - Non-Hardship, a four point difference), and AGL (86% - Hardship, 89% - Non-Hardship, a three point difference).

Victorian Energy Sector and Hardship Issues (cont'd)

Hardship: Acceptable Manner - Interested, Warm and Helpful plus Businesslike 2011-12
(Hardship Calls compared with Non-Hardship Calls)



Acceptable Manner - Interested, Warm and Helpful plus Businesslike 2011-12 (Hardship Calls compared with Non-Hardship Calls)

- In 2011-12, the Agents of the Victorian Energy Sector achieved relatively consistent results for conveying Total Acceptable Manner during Hardship and Non-Hardship calls (95% -Hardship, 96% - Non-Hardship).
- AGL achieved a perfect result when dealing with Hardship and Non-Hardship calls (both 100%).
- Australian Power and Gas and TRUenergy achieved a perfect result for Non-Hardship calls (100%), but both achieved less for Hardship calls (Australian Power and Gas - 96%; four points less, and TRUenergy - 95%; five points less).
- Two companies achieved better results for Hardship than Non-Hardship in relation to conveying Acceptable Manner: Simply Energy (95% - Hardship, 90% - Non-Hardship, five points more for Hardship) and Red Energy (98% - Hardship, 95% - Non-Hardship, three points more for Hardship).
- Momentum Energy and Neighbourhood Energy both scored consistently for Hardship and Non-Hardship calls (all at 98%) and Origin Energy was within one point (92% - Hardship, 91% - Non-Hardship). Click Energy (94% - Hardship, 96% - Non-Hardship) and Dodo Power and Gas (89% - Hardship, 91% - Non-Hardship) recorded two points less in Hardship calls.
- Lumo Energy scored five points less for Hardship calls (93% - Hardship, 98% - Non-Hardship).

Key Measures Tables

Table 7. Key Measures Table: 2011-12

	VIC ENERGY SECTOR		National Energy Sector		AGL	Australian Power & Gas	Click Energy	Dodo Power & Gas	Lumo Energy	Momentum Energy	Neighbourhood Energy	Origin Energy	Red Energy	Simply Energy	TRUenergy
	10-11	11-12	10-11	11-12	11-12	11-12	11-12	11-12	11-12	11-12	11-12	11-12	11-12	11-12	11-12
Connection to an Agent															
Average Connect Time (sec)*	94	86	92	88	95	76	92	93	103	57	87	105	69	81	96
% Calls answered in 30 seconds	60	67	61	66	49	71	78	75	67	76	62	50	69	77	61
Ave Greeting Quality Index (%)	93	94	92	92	97	95	93	92	96	93	98	89	96	87	94
% Salutation	98	96	98	95	97	96	96	94	99	95	99	93	97	92	96
% Company Name	93	95	92	91	100	96	95	97	97	98	99	86	98	83	99
% Agent Name	99	98	99	99	99	99	100	96	98	100	99	99	100	97	97
% Offer to Help	75	81	71	74	90	85	75	79	87	73	93	71	87	70	83
% Sign off	99	98	99	98	99	100	100	94	100	100	99	99	97	97	96
Agent Manner															
% Interested, Warm and Helpful	73	74	71	74	88	81	78	56	60	75	82	66	82	71	79
% Businesslike	22	21	24	22	12	17	17	34	35	23	16	26	15	22	19
% Total Acceptable Manner	95	96	95	96	100	98	95	90	95	98	98	91	97	93	97
Ave Enquiry Handling Skills Index (%)	81	79	78	79	87	86	81	72	69	79	84	77	80	78	82
% Probed Needs	75	69	70	66	73	75	66	70	57	71	67	67	71	64	80
% Good Product Knowledge	80	80	79	81	92	87	82	70	70	79	89	80	78	84	77
% Provided Clear Outcome	82	81	80	81	89	89	87	76	70	77	87	76	80	78	80
% Courteous/Helpful	86	88	85	88	96	94	89	73	80	88	94	84	91	87	89

Highest result for the Victorian Energy Companies

Lowest result for the Victorian Energy Companies

Table 8. Key Measures Table: 2011-12 Hardship v Non-Hardship Calls

	VIC ENERGY SECTOR		AGL		Australian Power & Gas		Click Energy		Dodo		Lumo Energy		Momentum Energy		Neighbourhood Energy		Origin Energy		Red Energy		Simply Energy		TRUenergy	
	11-12		11-12		11-12		11-12		11-12		11-12		11-12		11-12		11-12		11-12		11-12		11-12	
	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship	Non-Hardship	Hardship
Agent Manner																								
% Interested, Warm and Helpful	76	72	89	86	88	74	77	78	51	60	60	60	76	74	80	83	76	57	90	75	71	70	81	77
% Businesslike	20	23	11	14	12	21	19	16	40	30	37	33	22	24	17	15	15	35	5	23	19	25	19	18
% Total Acceptable Manner	96	95	100	100	100	96	96	94	91	89	98	93	98	98	98	98	91	92	95	98	90	95	100	95
Enquiry Handling Skills																								
Ave Enquiry Handling Skills Index (%)	81	79	89	86	90	82	82	79	74	70	73	65	78	79	82	87	77	77	84	76	75	81	81	82
% Probed Needs	71	67	72	73	79	72	67	65	72	68	60	53	71	72	71	63	67	68	73	69	64	64	89	72
% Good Product Knowledge	81	80	94	89	93	81	81	82	77	64	72	67	80	78	85	93	76	84	85	71	74	93	75	79
% Provided Clear Outcome	81	81	92	86	93	85	90	84	74	77	79	60	71	83	80	93	73	78	85	75	74	82	75	85
% Courteous/Helpful	89	86	97	95	98	91	92	86	74	72	81	79	91	85	90	98	91	78	93	90	88	86	86	92

3+ points higher for Hardship calls

3+ points lower for Hardship calls

Appendix A – Companies Surveyed

UTILITIES – ENERGY (n=18)

AGL	Integral Energy
Alinta	LUMO Energy
Australian Power & Gas	Neighbourhood Energy
Click Energy	Origin Energy Australia
Country Energy	Momentum Energy
Dodo Power & Gas	Red Energy Pty Ltd
ENERGEX	Simply Energy
Energy Australia	Synergy
Ergon Energy	TRUenergy

Appendix A – Companies Surveyed (cont’d)

CROSS SECTOR COMPANIES (n=4)

National Australia Bank	Qantas
Optus Mobile	RACV

CALL PROCESS

- Calls were made over ten weeks to each entity
- In the quarterly studies each entity is called between Monday and Friday (excluding public holidays) during business hours. An engaged response was followed up with a further call before attempt to contact was abandoned
- Call lists were varied between interviewers and by time of day to minimise the possibility of call centre staff recognising interviewers.

SAMPLE SIZE

Sample sizes are adequate to draw broad conclusions about the relative performance of individual entities in terms of getting through on the telephone. Nonetheless care should be taken when interpreting variations in results, because of the possibility of sampling error. A poor response received by Customer Service Benchmarking Australia is one that ‘real customers’ may also experience. Our philosophy is that an organisation’s response is only as good as the weakest link in its customer communication chain.

Appendix B – Research Methodology

Call Process

- Calls were made over four quarters. Each quarter had ten weeks of fieldwork. Questions asked were designed for each industry sector and approved by the client.
- Each entity was called between Monday and Friday (excluding public holidays) during business hours. An engaged response was followed up with a further call before attempt to contact was abandoned
- Calls were made at different times and by different people to minimise the possibility of call centre staff recognising interviewers.

Customer Expectation Research

- In order to assist with questionnaire development and results analysis, Customer Service Benchmarking Australia conducts ongoing research. This research continues to indicate the following core customer expectations when contacting enquiry centres:
- Phones should preferably be answered by a 'human being' within 30 seconds of the first ring.
- Recorded messages are generally not liked, including IVR systems (requiring customers to enter a number of keystrokes in order to reach the required area)
- Agents should, in most instances, be able to resolve the matter in the first call and without transfer to another agent
- Components of greeting including salutation, company and agent name, an offer to assist, and a formal sign-off were thought to be desirable; of these, providing the agent's name was particularly desirable
- Callers respond better to an agent who projects an interested, warm and helpful manner
- Providing a clear resolution at the end of the call is critical to minimising misconceptions and possible later call backs.

Indices and Sampling

The concepts of 'greeting quality indices' and 'enquiry resolution quality indices' were developed exclusively by Customer Service Benchmarking Australia, and remain its property. The quality of agent greeting index requires the five components of the greeting to be used for a perfect score on a particular call. These components are equally weighted.

Sample sizes are adequate to draw broad conclusions about the relative performance of individual entities in terms of getting through on the telephone. Nonetheless, care should be taken when interpreting variations in results because of the possibility of sampling error. A poor response received by Customer Service Benchmarking Australia is one that 'real customers' may also experience. Our philosophy is that an organisation's response is only as good as the weakest link in its customer communication chain.

Customer Service Benchmarking Australia

Level 5, 10-16 Queen Street

Melbourne VIC 3000

T:03 9605 4900 | F:03 9620 7672

www.csba.com.au

DISCLAIMER

While every care has been taken to ensure the results are accurately presented within the limitations of the sample size, Customer Service Benchmarking Australia accepts no responsibility for the outcome of actions taken as a result of data, statements or opinions contained herein. This report has been prepared exclusively for subscribers, and may not be released to other parties without the approval of Customer Service Benchmarking Australia.