

Appendix 1.1.I - Cognitive testing - Accent

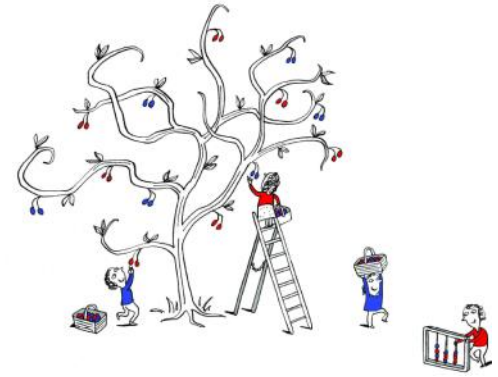
Wessex Water

September 2018

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	1.2 Communications strategy
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Water Valuation Assumption Testing

Results of qualitative research

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Research Background

Wessex Water commissioned qualitative interviews as a follow up to recent customer valuation research

Research was designed to understand :-

- Customer assumptions when evaluating service changes (main objective)
- If customer responses would differ – and why – if the risk assumptions do not match with their original assumptions when responding (secondary objective)

30 half in-depth interviews in
three Wessex Dual areas
(Salisbury/Poole/Trowbridge)
with a mix of:
Customers living close to a
river/beach
Customers not living close to
the river/beach
Spread of lifestage and SEG

Wessex Water recognises the need to deliver a sound and comprehensive research programme for PR19

2 Package Exercise

Selection of B is linked to personal calculation of value of improvements, own finances and perceived responsibility

P1, the first set of options.
Option B represents current service levels with a bill no change and Option C represents current service levels with a bill increase of £26.00 by 2024. Which option do you prefer, B or C?

	Option B (Current)
's' properties (number affected per year) experiencing an average of 6 hours of supply interruptions (days)	24,000
Number of properties with a few days of supply interruption (few days)	6,500
Number of properties with a few hours of supply interruption (few hours)	1,500
Number of properties with a few minutes of supply interruption (few minutes)	130
Number of sewers being overloaded	1,410
Number of customers' properties with a blocked sewer	180
Number of customers' properties with a blocked sewer	2,186
Number of properties with a blocked sewer	1,517
Number of leaks (proportion fixed within 1 day) per year	90%
Number of leaks (chance per year)	1 in 100
Number of leaks (chance per year)	1 in 200
Number of miles of sewer in good status (out of 2,429 miles in total)	534 miles
Number of miles of sewer in ideal flow levels (out of 1,641 miles in total)	17 miles
Number of sites where sewage spills into rivers and estuaries	264 sites
Number of bathing sites in good status (out of 47 in total)	4 bathing waters
Number of bathing sites that are not excellent (out of 47 in total)	10 bathing waters
WATER AND SEWERAGE BILL above package above package (apply in all years after 2024)	No change

93% complete



- Currently struggling financially
- Satisfied with current service
- Low risk of incidents, no personal experience
- Wessex Water's responsibility, not mine
- Improvements not high enough to warrant higher bills
- Not convinced would see or benefit from the improvements

Motivation often based on an underlying individual/household perspective of no need to fix what is not broken

Why Select Package B?

“ I haven’t had a pay rise for seven years and the bills keep going up, so I chose to keep things as they are . ”
Male, Pre family, Trowbridge

“ I chose not to pay more. I’m sceptical generally about these things and whether anything would change. The service part was the most relevant to me, the environmental things are more a nice to have. ”
Male, Empty Nester, Salisbury

“ I don’t think I would get much benefit from C. I’m mainly interested in clean drinking water and the sewage issues. I don’t really go to rivers and beaches. ”
Female, Young family, Salisbury

“ I pay enough as it is. I haven’t had any issues so I don’t see any reason to pay more. ” Female, Empty Nester, Poole

“ I’m on benefits. I really can’t afford to pay more and I don’t really think the improvements would do much for me. I really just care about getting pipes fixed and always being able to use the toilet. ” Female, Empty Nester, Trowbridge

Selection of C usually driven by the potential impact of service incidents on me/my family

Please look at Choice Card P1, the first set of options.

In the first set of options, Option B represents current service levels with a bill no change and Option C represents improvement in every area with a bill increase of £26.00 by 2024. Which option do you prefer, B or C?

	Option B (Current)
Service incidents at customers' properties (number affected per year)	
• Supply interruptions (lasting an average of 6 hours)	24,000
• Discoloured water (few days)	6,500
• Non ideal taste and odour (few days)	1,500
• Persistent low water pressure	130
• Restricted toilet use due to sewers being overloaded	1,410
• Sewer flooding inside customers' properties	180
• Sewer flooding outside customers' properties	2,186
• Sewer flooding in public areas	1,517
Other service measures	
• Response time for fixing leaks (proportion fixed within 1 day)	90%
• Hosepipe bans (chance per year)	1 in 100
• Restrictions on essential use of water (chance per year)	1 in 200
Environmental measures	
• Miles of river at less than good status (out of 2,429 miles in total)	534 miles
• Miles of river with less than ideal flow levels (out of 1,641 miles in total)	17 miles
• Sites where dilute sewage spills into rivers and estuaries	264 sites
• Bathing waters at less than good status (out of 47 in total)	4 bathing waters
• Bathing waters at good but not excellent (out of 47 in total)	10 bathing waters
THE CHANGE IN YOUR ANNUAL WATER AND SEWERAGE BILL above inflation to provide the service package above (The bill change continues to apply in all years after 2024)	No change

- Not too high a price rise to receive improved service levels
- Would not like to personally encounter issues
 - Often driven by service interruption or sewage incidents
- Need to think about future generations (minority: family/EN)

NB On prompting with improvements elsewhere in region, most would still select C on basis that would benefit overall from investment in service enhancements

8 While a minority was considering the environment, package choice often driven by factors in service incidents section where personal impact is higher and no alternatives available

Why Select Package C?

“ The extra wasn't too much and I do think that the rivers have got better. I was interested in that because I fish, but nobody wants to see dirty water anyway ” Male, Pre-family, Trowbridge

“ It's important to think long-term, you get back what you put in. I think it's worth the investment for the improvements, especially around sewage etc. I was thinking of my family and their future.” Male, Older family, Poole

“ I liked the idea of the service changes at reasonably little cost. Not having water for a period would be a big issue for me, as I have a baby ” Female, Young family, Salisbury

“ I think quicker fixing for leaks and fewer interruptions to supply are the most important. I think the service is generally very good, no complaints at all but I'm happy to pay a bit more to keep everything as good as it is or even better ” Female, Older family, Salisbury

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Rivers and Beaches

Local River means very local and also which most likely to visit

Majority made selections based on a river within walking distance or 5 – 15 minutes drive



- Can see from my house
- Walk to/along with dog and/or kids
- Have picnics near
- Go fishing in (minority)



Poole – Wareham (Frome), Wimbourne (Stour), or none

Salisbury – Bourne, Avon, Tarrant, Stour

Trowbridge – Avon, Biss or none

Those (minority) who do not visit rivers regularly had no specific river in mind and therefore considered river factors as fairly irrelevant to overall selection

River Quality judged primarily on clarity of water

Most have limited direct contact with river water – often due to quality perceptions or assumptions

SHOWCARD 1 (D12) River water quality

The quality of river water in your area is classified as:

- High/Good:** Has a natural range of plants, fish, birds and insects, clear unpolluted water; suitable for contact activities such as rowing.
- Medium:** Plants, fish, birds, insects will be present but some species from these groups may be missing; there may be some pollution or murky water; parts may be suitable for contact activities such as rowing
- Low/Poor:** Has little or no plant and animal life, murky water, some pollution and algae; water not suitable for contact activities such as rowing



Where quality judged to be very good, some will let dogs swim or children paddle

Higher impact on overall choice for those with dogs and living very close to a river. If less local claimed still important for overall river quality

River water flow usually of limited personal relevance

Either not considered at all or not felt to be an issue

SHOWCARD 3 (D13) River water flow levels

The flow rates of rivers within in the Wessex Water Area depend partly on the amount of water taken from the environment to supply customers.

Rivers are classified either as having 'natural flow' or 'low flow'.

A river with 'low flow' may have had some water taken from it to supply customers. It may be less suitable for activities such as fishing, and there may be some damage to habitats for plants and wildlife.

- Little experience of extremes: flooding or droughts
- Some positive references to high rivers after rainfall
- Limited awareness of water flow issues in local river
- Minority with dogs gave more consideration due to potential impact on river appearance
 - and thus quality of own leisure activities

This factor tended to have low impact on overall package choice

Bathing water is considered in relation to nearest beach visited

Likelihood to personally visit has more impact than specific proximity

SHOWCARD 2 (D11) Bathing water quality

The cleanliness and quality of coastal bathing water and beaches in your area is classified according to the chances of getting an infection such as an upset stomach, an ear infection or a sore throat after bathing in the sea.

Excellent: Up to 3 people out of 100 have a chance of getting an infection after bathing in the sea

Good: Between 3 and 8 people out of 100 have a chance of getting an infection after bathing in the sea

Sufficient: 8 or more people out of 100 have a chance of getting an infection after bathing in the sea



- Most claim unlikely to bathe in UK seawater themselves
 - Mixed likelihood of allowing children to do so
- The idea of quality bathing water appeals even if unlikely to use it
- For those who do not personally visit, this issue was given minimal consideration

For beach visitors, this factor sometimes becomes important on an aspirational level: linked to family days out and nostalgia: therefore specific location is less key to selection

Beaches considered were based on overall appeal

Poole – Bournemouth, Sandbanks, Alum Chine

Salisbury – Bournemouth, Poole, Boscombe, Sandbanks

Trowbridge – Weymouth, Bournemouth, (Weston Super Mare most local, but less visited)



Quality of bathing water is secondary to ease of access, aesthetics, family attractions etc

Quotes on Rivers and Beaches

“ I would never swim in the sea so I dismissed that one really as it doesn't apply to me ” Female, Empty Nester, Trowbridge

“ I only thought about river area where I take the dogs. It's quite important to me as I enjoy walking there and I wouldn't take the dogs there if I felt the river water quality was not safe. ” Female, Older family, Poole

“ We don't go in the sea, so it doesn't affect me, but we have a baby on the way, so I was thinking a bit about days on the beach as a family. ” Male, Pre family, Salisbury

“ I can see the river running through the town right below my flat, so I thought about how it looks. I don't really visit any other rivers, so that was all I had in mind. ” Female, Pre family, Trowbridge

“ We like rivers and we make a point of visiting them for walking and fishing. We also like seeing wildlife, so this was one of the most important ones to me. ” Female, Young family, Salisbury



Sewage factors

Concept of dilute sewage often triggers emotional response

Health concerns for self/household are most likely driving factors here

Sites where dilute sewage spills into rivers and estuaries

Occasionally dilute sewage can spill into rivers and estuaries and may impact water quality.

These spills can occur when the sewerage system is overloaded due to heavy rainfall.

The majority do not impact on the environment but a few happen frequently, on average every 10 days.

- Very local thinking: where would be most likely to affect personally
- Some alarmed that this was a possibility
- Concerned about smell and appearance and risk of infection
- Focused on personal rather than environmental impact
- Largely irrelevant to those not close to or visiting rivers due to minimal direct impact

More important factor in overall selection for those who visit rivers with dogs or children

The idea of sewage on or close to their own property is potentially devastating for most

Regardless of experience and perceived likelihood, selections driven by potential impact of one incident on own household

Sewer flooding outside customers' properties

Flooding from the sewer gets close to other people's properties, or gets into their gardens.



- Focus solely on own property – at furthest own part of the street or other family members
- Garden, drive, car park, street outside front of house
- Concerned about smell, having to walk through to leave house/access car etc
- Potential for children or pets to have direct contact is a key concern

“ I think I would just have to move – even if it happened once. I would feel like the smell wouldn't go and there would always be a risk [Family, Trowbridge] ”

Often fairly high in overall selection and while motivation is personal, most claim would not want anyone to experience this, so in this case 'other people' means 'could be me'

Sewage in public areas is about impact on own lifestyle

Less dependent on usage here as all could immediately think of somewhere that could affect them

Sewer flooding in public areas

Flooding from the sewer gets into public places like parks, footpaths and roads in your area.



- Driven by very local open spaces and those used most often for walking and recreation
 - Short walks nearby, route to work/town, dog walking, football and play areas, country parks
- Impacts on overall sense of pride in local area
- Could affect day to day activities and social opportunities for self and local community
- Potential impact on public health and wellbeing also a factor

Often high in overall selection and very much locally driven, so money spent elsewhere would be of limited benefit. Public areas means 'my area'

Quotes on Sewage Issues

“ I definitely don’t want to see sewage in the river and surely it must be harmful. It should be totally avoidable in this day and age” Male, Pre-family, Salisbury

“ I thought about how difficult it might be to keep my kids away from it if there was sewage in the garden. I would be very worried that they could get sick.” Male, Younger family, Trowbridge

“ I use the parks frequently with my children to relax and play football. Sewage there could affect the whole community, so this was an important one for me” Female, Young family, Poole

“ Sewage in a public place locally could affect a lot of people and cause a lot of problems – especially for the sick and infirm. It’s very important” Female, Empty Nester, Trowbridge

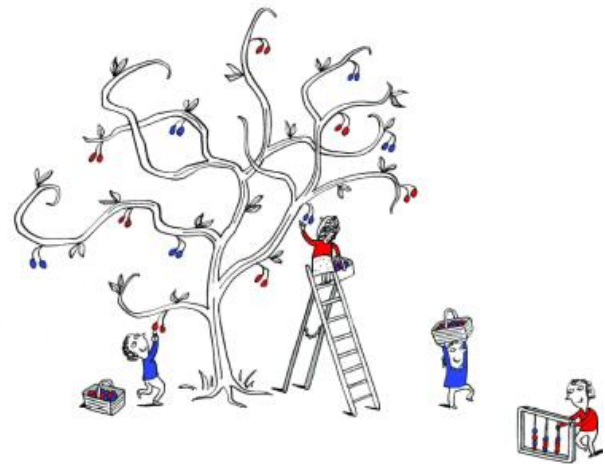
“ I was thinking just about my local community and local parks. It wouldn’t affect me too much as I would just stay away, so it wasn’t that important to me” Female, Young family, Poole

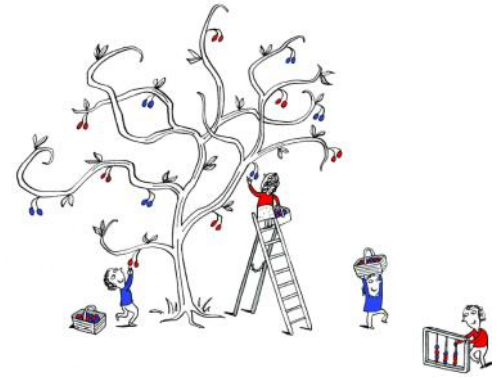
5 Summary

Customer valuations were primarily driven by personal impact

- Overall package selection was linked to own finances, sense of risk and reward to me personally and whether considered to be shared responsibility
- Limited evidence of altruism, except among more environmentally aware
- For rivers and beaches, respondents had in mind very local and most likely to use
 - Improvements elsewhere are less appealing but sense that may still personally benefit from overall investment
- Sewage incidents are considered on the basis of relatively low risk but high impact
 - Service improvements are about making sure it doesn't happen to me and those closest to me

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Wessex Water Valuation Assumption Testing

PROPOSAL

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Proposal Summary

- Wessex Water wishes to commission research to understand:
 1. Customer assumptions when evaluating service changes (main objective)
 2. If customer responses would differ– and why – if the risk assumptions do not match with their original assumptions when responding (secondary objective)

- Thirty half in-depth interviews in three Wessex Dual areas (Salisbury/Poole/Trowbridge) with a mix of:
 1. Customers living close to a river/beach
 2. Customers not living close to the river/beach

- Interviews conducted by (senior) executives
- Economics advisor: Paul Metcalfe
- Lead time for research: four to five weeks

Detailed Methodology

- Participant answers survey questions after completing the online survey
- After completion:
 1. Relevant responses are reviewed in detail (at internal set up meeting agreed to focus on river water quality, bathing water quality, external flooding, dilute sewage and river water flow)
 2. Using show cards, participants are asked how their responses would change if the assumptions were different

Cognitive Question Areas

- In order to explore participants' interpretation of attributes as they go through the questionnaire, specific probing questions will be asked by the executive. For example:
- For river water quality we would ask what participants assumed in terms of:
 - What constitutes local?
 - How far away the river was that they were thinking about in the MaxDiff exercise?
 - What they imagined that they would be doing there when they considered the importance in the MaxDiff exercise?
 - What they were assuming during the package exercise in terms of weighing up where the better graded options would be and what this would mean if they were further away and whether they assumed these are in Wessex area or not?
 - What distances they typically felt were in range for such a visit?
- Responses to these questions would help to illustrate whether, for instance, the 1% of improved river quality would impact on 1% of the population is correct
- A topic guide is included with this proposal

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