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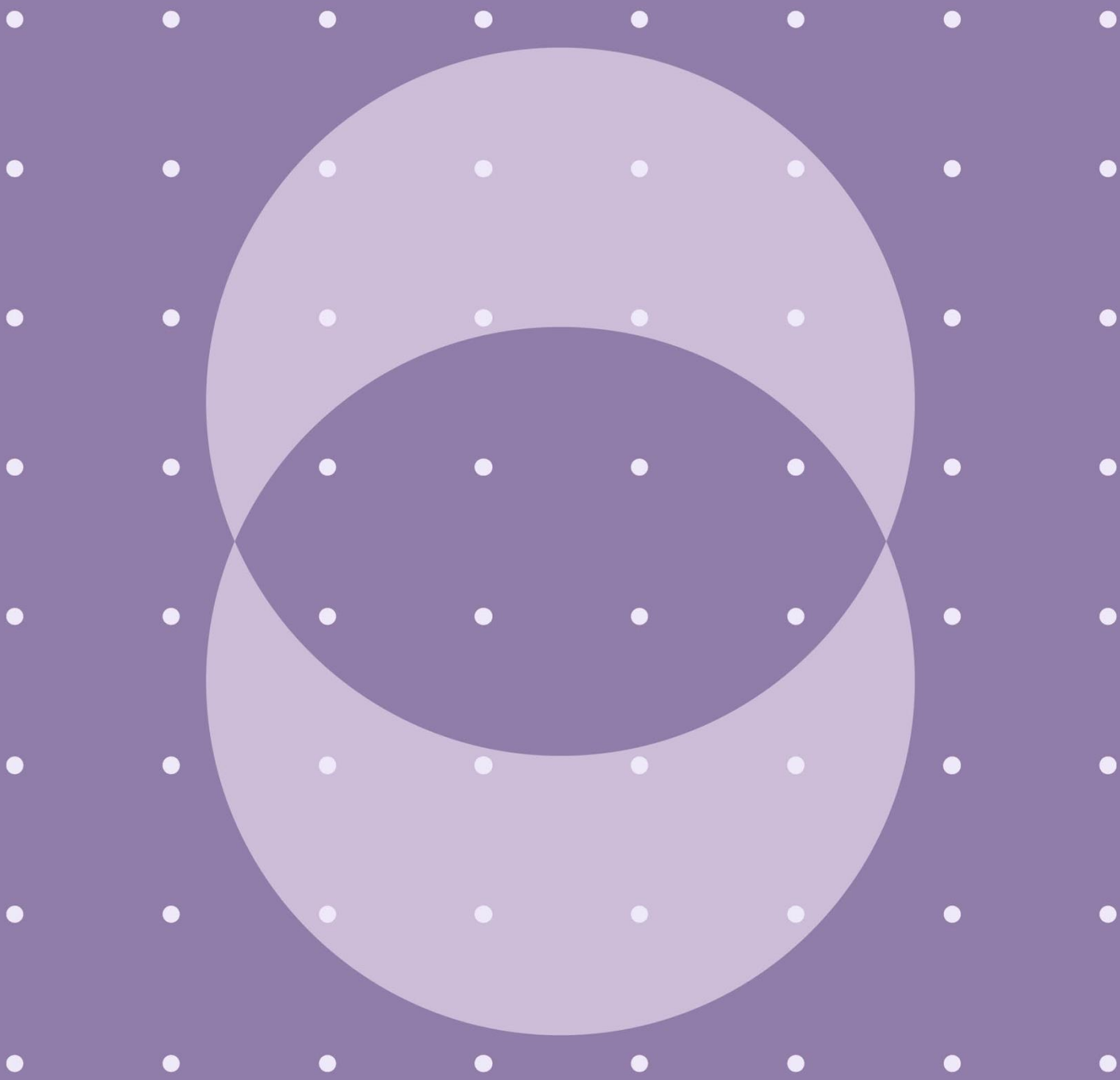

AER Values of Customer Reliability 2024 – Pilot: Methodology report

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Section 01

Methodology

1. Methodology

1.1. Cognitive Testing Validation

Face-to-face cognitive testing was carried on the Residential version of the AER Values of Customer Reliability (VCR) 2024 Pilot questionnaire. The tests were conducted between Monday 4th and Thursday 7th March 2024 using an online survey based on version 3 of the questionnaire.

During the cognitive test, participants were asked about what they were thinking when they answered each question and quizzed about what they considered when forming their responses. Each question and block of text was also assessed on comprehension and ease of answering, with a score out of 10 given for each.

This allowed us to ensure that the questions are measuring what they were intended to measure, and that there were no comprehension issues.

Verbatim responses were provided on harder to comprehend questions or paragraphs, and minor wording changes were then suggested.

1.2. Panel recruitment

Recruitment for both the Residential and Business components of the AER VCR Pilot phase was conducted using the Australian-based panel agency Pureprofile. Lonergan Research has a longstanding relationship with Pureprofile and are very well acquainted with the quality of their panel.

Pureprofile panel members were recruited based on location parameters for the Residential pilot, and within business type and location for the Business pilot. As standard practice with research panels, all participants recruited received an incentive for completion.

Fieldwork for the Residential pilot was conducted between 22 March and 27 March. Fieldwork for the Business pilot was conducted between 22 March and 8 April 2024.

Respondents who started the Residential pilot but indicated they had responsibility for paying or managing their business's electricity bill were redirected into the Business survey.

1.3. Sample

The sample for the Residential survey was a representative sample of all Australians aged 18+, including those who do and do not have responsibility for their household electricity bill. Those who work, were self-employed or business owners with responsibility for paying or managing their business's electricity bill were diverted to the Business survey.

For the pilot survey, the Residential sample was limited to those living in 246 postcodes in CZ5-CBD & Suburban postal areas within NSW supplied by the AER. The main survey will not have this limitation.

Residential Demographic Breakdown

Gender (n)		Age (n)	
Female	136	18-29 years	15
Male	82	30-39 years	39
Prefer to self-describe	0	40-49 years	42
Prefer not to say	0	50-59 years	47
		60-69 years	38
		70 year or older	36
		Prefer not to say	1

The sample for the Business pilot survey is defined as those working and living in Australia within the National Electricity Market (NEM) and the Northern Territory with responsibility for paying or managing their business's electricity bill. Those working in the agricultural industry were not part of the targeting but were not excluded from the pilot. The agricultural industry will be included in the main survey and was only excluded from targeting to maximise our chances of filling these quotas in the main survey.

Business Geographic Breakdown

State (n)	
NSW	122
VIC	47
QLD	28
SA	17
ACT	3
TAS	1

1.4. Questionnaire changes

Small changes to the 2024 questionnaires were made to either clarify or simplify the language used based off the results of cognitive testing, or to improve answerability based on improved survey software capabilities.

Residential Changes	
Postcode and Suburb	These questions were merged as the software allowed for responsive text completion and validation based on postcode
Input into business spend on electricity	Rephrased to "responsibility for paying or managing" to clarify the intent of the question
Household size	Language was clarified
Household pool	Language was clarified to identify responsibility/ownership over the pool
Mains gas	Language was clarified
Slab heating	Language was clarified
Which … applies to you now?	Addition of "Your house has a battery" as requested by the AER
Which … might apply to you in five years?	Text clarification based on tense, and addition of "battery" option as requested by the AER
New question	Addition of level of responsibility for home electricity bill to gain insight for future waves
New question	Addition of AEMC question as requested by the AER

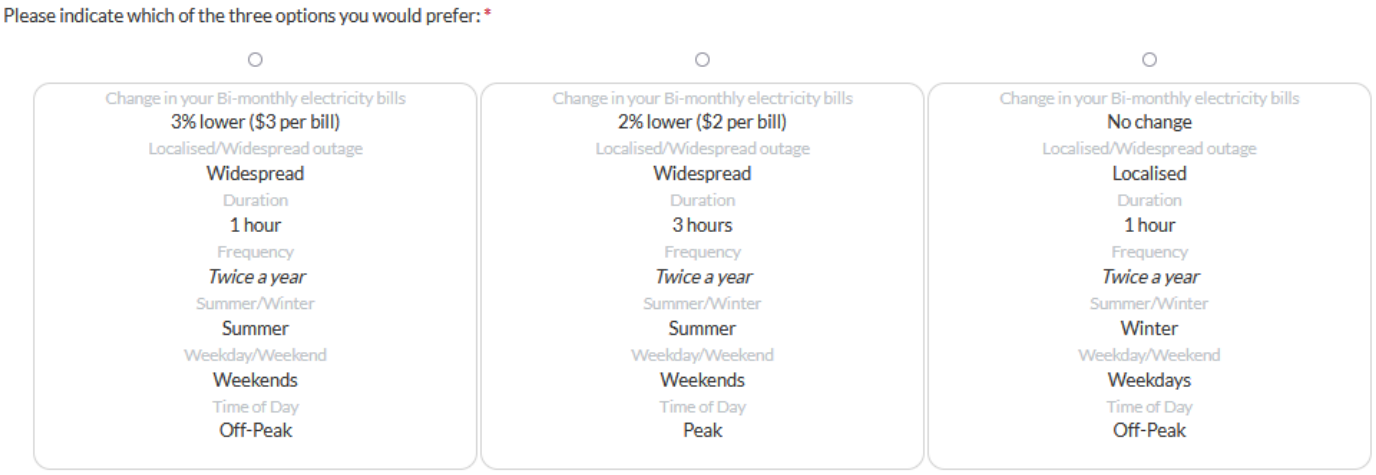
Business Changes	
Diverting to Residential	Respondents were screened out instead of diverted
Input into business spend on electricity	Moved earlier in the survey to limit the number of questions asked of non-target respondents. Rephrased to "responsibility for paying or managing" to clarify the intent of the question
Postcode and Suburb	These questions were merged as the software allowed for responsive text completion and validation based on postcode
Employee size	Language was simplified
Business and household bill crossover	Language was clarified
Disruption of outage	Language was clarified and question was limited to those experiencing an outage
Potential losses	Addition of "None of the above"
Next five year back-up power supply	Removed as requested by the AER
New question	Addition of AEMC question as requested by the AER

1.5. Choice Model

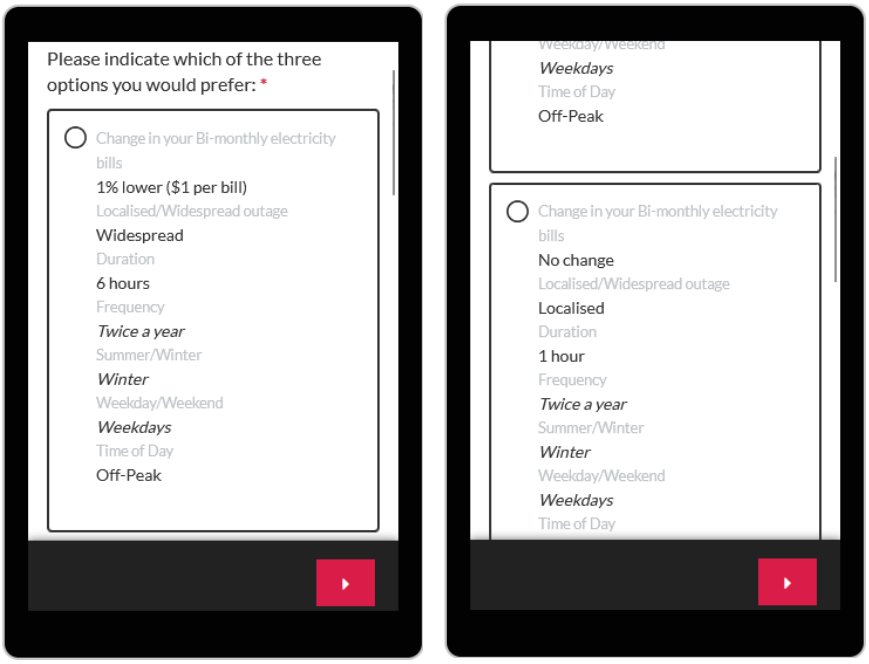
Choice card sets in the choice model were structured as requested by the AER (Appendix 5). The order of options within each choice set was also randomised to reduce biases such as order effects and response bias.

Attribute labels were added to the individual cards to improve consistency between desktop and mobile versions.

Desktop



Mobile



1.6. Data validation process

Before entering the survey, respondents to both Residential and Business pilot surveys were pre-validated by our panel provider, Pureprofile. This validation process involved double-opt in email verification, as well as digital fingerprinting to identify fraudulent data based on location, language and device.

Further to this, in-survey digital fingerprinting and cookie capture were used to ensure the validity of respondents. Data quality checks were performed after soft launch of the Residential and Business pilot surveys to confirm correct programming and ensure validity and quality.

Post-recruitment, data was cleaned as per instructions from the AER and in keeping with the 2019 wave. These were:

- Removal of incompletes
- Removal of fast responders (three-minute threshold)
- Removal of respondents identified as duplicate responses
- Specific to the Business pilot, removal of respondents from Western Australia

1.7. Quality assurance (QA)

Lonergan used a comprehensive set of quality control procedures for each stage and milestone. These procedures were:

- Regular reporting to the AER on each stage of questionnaire review and cognitive testing (as mentioned in section 1.1)
- Regular confirmation on programming and final signoff of survey programming
- Regular progress meetings with AER
- Data and respondent validation pre-survey, at soft launch and post-fieldwork as outlined in section 1.6
- Our standard project management tools to ensure compliance with ISO20252:2019 guidelines and company policies.