

Customer Engagement Toolkit

Response to consultation submissions

© Commonwealth of Australia 2025

This work is copyright. In addition to any use permitted under the *Copyright Act 1968* all material contained within this work is provided under a Creative Commons Attributions 4.0 Australia licence with the exception of:

- the Commonwealth Coat of Arms
- the ACCC and AER logos
- any illustration diagram, photograph or graphic over which the Australian Competition and Consumer Commission does not hold copyright but which may be part of or contained within this publication.

The details of the relevant licence conditions are available on the Creative Commons website as is the full legal code for the CC BY 4.0 AU licence.

Important notice

The information in this publication is for general guidance only. It does not constitute legal or other professional advice. You should seek legal advice or other professional advice in relation to your particular circumstances.

The AER has made every reasonable effort to provide current and accurate information, but it does not warrant or make any guarantees about the accuracy, currency or completeness of information in this publication.

Parties who wish to re-publish or otherwise use the information in this publication should check the information for currency and accuracy prior to publication.

Inquiries about this publication should be addressed to:

Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601
Email: aer inquiry@ aer.gov.au
Tel: 1300 585 165

AER reference: 16797892

Amendment record

Version	Date	Pages

Contents

1	Introduction and background	1
2	Consultation and Response	2
2.1	Appropriateness and effectiveness of the better practice principles	2
2.2	Appropriateness and effectiveness of the consumer stories	2
2.3	Appropriateness and effectiveness of the industry case studies	4
2.4	Inconsistencies in toolkit with consumers experiencing vulnerability	5
2.5	Additional information and resources to help energy businesses	7
3	Implementation of the toolkit and the AER's other work	8

1 Introduction and background

The Customer Engagement Toolkit (“the toolkit”) is action 2 in the AER’s Towards Energy Equity strategy (‘the strategy’), under objective 1 (improve identification of vulnerability).

As part of the AER’s commitment to collaborate with consumer-facing energy businesses and consumer stakeholders, the toolkit was developed based on a combination of research and early consultation conducted over a one-year period between January 2022 and December 2023 including:

- a review of existing research and guidance
- consumer journey mapping workshops with retailers and financial counsellors
- conversations with energy retailers and distributors within the national energy market
- workshops with consumer advocates and representatives (including the AER’s Customer Consultative Group).

A draft of the toolkit was published for consultation on the AER’s website in March 2024 for a period of 5 weeks and sought feedback on the following questions:

- How appropriate and effective are the six better practice principles?
- How appropriate and effective are the consumer stories used to illustrate the better practice principles in action?
- How appropriate and effective are the industry case studies used to illustrate implementation of the better practice principles?
- Are there any aspects of the toolkit inconsistent with the needs of consumers experiencing vulnerability? If yes, please provide details.
- Would additional information and resources help consumer-facing energy businesses and their staff implement the toolkit or better practice principles? If yes, please provide details.
- Do you have any other feedback on the draft toolkit?

The AER would like to thank the organisations who took time to provide feedback on the draft toolkit.

Five submissions were received, including responses from retailers and/or energy distribution businesses (AGL, AusNet), and consumer advocacy groups (The Energy Charter, Energy Consumers Australia, and the Financial Rights Legal Centre / MobStrong Debt Help).

Overall, feedback from stakeholders on the toolkit was positive, with all submissions endorsing the document and commending and/or supporting its development. This document presents a summary of the feedback received on the draft toolkit and how the AER has addressed consultation feedback ahead of the toolkit’s finalisation.

2 Consultation and Response

2.1 Appropriateness and effectiveness of the better practice principles

Stakeholders mostly agreed that the six better practice principles were appropriate and effective. Some of the feedback we received mentioned a desire for more practical 'action-oriented' language, however, other feedback suggested the principles were both achievable and pragmatic in focus. One stakeholder specifically felt that Principle 5: Use data to improve consumer outcomes was weaker compared to the others and also noted that the scenarios for more specialised support could be improved visually.

In response to this feedback:

- Stakeholder concerns about the lack of practical, action-oriented language have been addressed through the development of additional materials to supplement the toolkit. These have been designed for organisations to be able to pick up and use in a more practical way and include the development of a poster and a presentation slide deck, which incorporates worksheet slides.
- The introduction to the toolkit has been revised and a new section on 'How to use the toolkit' (see page 6) that provides further detail on the supplementary materials has been included.
- Principle 5: Use data to improve consumer outcomes has been expanded with additional detail to the 'Principles in Practice' section, namely mentioning that it is important to 'work with other organisations to facilitate better use of data across sectors and enable more tailored customer support' (see page 32).
- Additional stylistic design edits have been applied to the specialised cohorts' section (pages 22-25) to more clearly define and visually represent the importance of this section and how it inter-relates with all principles overall, not just Principle 2: Deliver customer service that engages effectively with vulnerability (where the section is located).

2.2 Appropriateness and effectiveness of the consumer stories

Stakeholders mostly agreed that the consumer stories to illustrate principles in action were appropriate and effective, with some noting that they are effective in bringing the principles to life, to illustrate specific examples of how better practice can make a difference to someone's life.

Some stakeholders raised concerns about way the consumer stories were introduced. For example, it was noted that some of the consumer stories appeared to portray someone's experience of vulnerability, especially when relating to their personal circumstances, as a weakness rather than seeing it as a strength.

Other stakeholders provided feedback on the specifics of the consumer story examples, noting how some of the stories could be generalisable to a wider audience, while others were concerned that the stories were not specific enough. For example, in Rachel's story (Principle 3: Deliver customer service that engages effectively with vulnerability), one stakeholder suggested this example could in fact apply to a large swathe of a retailer's customer base, not just those from non-English speaking backgrounds. This stakeholder felt that it was important for the story to demonstrate whether Rachel's parents had been made aware of interpreter services prior to Rachel becoming the 'authorised representative', especially given this is a minimum requirement for retailers to provide consumers access to if needed.

Feedback was also received about how some stories required the consumer to reach out to their retailer rather than having the retailer proactively reach out, for example, to customers who have missed a payment.

In response to this feedback:

- In each of the six consumer stories, the opening sentences have been modified to increase the use of strength-based language. The consumer stories now seek to define the situation at hand before outlining someone's personal circumstances (and only mentioning the circumstances where it is relevant to the example, e.g. removing the reference of Amari as a 'single-mother', but retaining the reference of Remi requiring surgery for low vision).
- We acknowledge stakeholder feedback that large proportions of a retailer's customer base could be defined by any of these stories, and that vice versa, many different types of examples could be used to demonstrate each principle. We refer to the definition of vulnerability in the introduction of the toolkit, which describes how anyone can be, or become, vulnerable. The primary purpose of the consumer stories is that they demonstrate how good engagement can be a moment of truth in the consumer's journey which determines positive outcomes for that consumer moving forward, regardless of their personal situation.
- We acknowledge stakeholder feedback about the potential for translator misuse by third-party family members in Rachel's story (Principle 3: Delivery customer service that engages with vulnerability) but note this was not the intended purpose for this consumer story. Rather, this story was based on feedback we received in earlier stages of the development of the toolkit about how Rachel's role in caring and assisting for her elderly parents can be revered for some people in CALD communities, with the authorised representative sometimes referred to as the "CFO" – or 'Chief Family Officer'. Additional details have been added to Rachel's consumer story to illustrate this more clearly.
- We acknowledge stakeholder feedback about the minimum standards for engagement and assistance. For example, the availability of an interpreting service for Rachel's parents. We have added additional details to Rachel's story to demonstrate how the

retailer reminds Rachel about the interpreting service they have available for Rachel's parents if needed (see page 18).

- We acknowledge that some of the consumer stories require the customer to contact their retailer, rather than the retailer proactively reaching out to the customer. We wanted to show examples where we were also recognising the role of the customer as well as the retailer's efforts (based on feedback received from retailers in earlier stages of the toolkit's development), and in some cases (e.g. Amari and Remi), the retailer cannot be expected to know about the individual's circumstances until they reach out to discuss this with their retailer in the first instance. In the example of Cora (Principle 6: Use data to improve customer outcomes), we demonstrate how data and automation can be used to assist in the types of proactive activities a retailer could reasonably take. In this case, the retailer is notified that Cora will begin using Centrepay having become eligible for the aged pension. This example demonstrates an opportunity for the retailer to proactively reach out and discuss both her payments and the plan she is on.

2.3 Appropriateness and effectiveness of the industry case studies

Feedback on the inclusion of case studies was mostly positive, with stakeholders suggesting they are helpful to give real-live examples of the Better Principles in practice by other businesses. Some stakeholders suggested additional case study examples that could be included.

In response to this feedback:

- We have included a new case study from AusNet's submission, which includes information about the Vulnerability Grant (see page 15), and how this was used to explore the needs of consumers living with disability. We thank AusNet for highlighting this work to us (among other examples they provided in their submission) to demonstrate how consumer-facing energy businesses, including energy distribution businesses, can design fit-for-purpose services and support.
- We have also included a new case study from the telco sector on improving accountability and refocusing on consumer outcomes (see Telstra's appointment of a Chief Customer Advocate at Telstra on page 11).

2.4 Inconsistencies in toolkit with consumers experiencing vulnerability

Feedback from stakeholders on this question was varied and can be summarised into four inter-related themes.

2.4.1 Cost of living

Some stakeholders mentioned that the issue of vulnerability continues to rise along with increasing cost of living challenges, supporting the need for this toolkit, but highlighted that more needs to be done to help people experiencing vulnerability, especially in the current economic climate. Other stakeholders mentioned that it is important to remember energy retailers cannot be responsible for solving cost-of-living challenges.

In response, we acknowledge the complexity of the current cost of living challenge and agree that it is not up to consumer-facing energy businesses to solve this issue but maintain the important role that energy retailers and energy businesses can play. We note that customer-facing organisations are closest to the customer, and therefore best able to identify and engage with consumers experiencing vulnerability. We have added a note to the new section on 'How to use the toolkit' in the introduction to address this point (see page 6).

2.4.2 Financial hardship

Some stakeholders noted the rise of more people entering financial hardship for the first time amid current cost of living challenges. The Energy Charter suggested that there could be value in showing stories or scenarios for these emerging but potentially invisible households where consumers are unable to keep up with current costs but may have not ever experienced such financial difficulties previously.

In response, we acknowledge the ongoing need to support customers experiencing all forms of vulnerability, not just energy hardship. We have added content to the introduction of the toolkit to include more detail about the scale of this issue and how vulnerability detrimentally impacts people's health and wellbeing. We have also added additional references on the emerging causes and effects of vulnerability, particularly to do with the use of buy not pay later products to pay for energy bills, to Principle 6: Commit to continuously improving customer experiences for further information about these issues (see page 35).

2.4.3 All energy businesses

AusNet mentioned the important role that energy distributors play on account of their direct interactions with customers and the opportunities for distributors to enhance customers' understanding of the energy supply chain and its elements. AusNet urged the AER to include the use of case studies involving energy distribution businesses in the NEM supporting customers experiencing vulnerability.

In response, we have incorporated AusNet's Vulnerability Research Grant as a case study for how an energy distribution business is tackling these issues (see page 15).

2.4.4 Vulnerability and shared accountability

AGL provided feedback that it is critical to highlight the importance of shared, collaborative accountability between retailers and consumers. However, AGL also noted that it is important to be pragmatic and realistic about the levels of data and insights that energy retailers can hold about their customers. Financial Rights Legal Centre (FRLC)/Mob Strong also commented on how it would be useful for energy retailers to see cross-organisation collaboration as another type of shared accountability to reduce the burden on consumers. They would like to see more consumer-facing energy businesses working together across the sector to improve experiences for customers overall.

In response, we recognise the need for shared accountability, both cross-organisationally, and via the retailer-consumer relationship. The toolkit is aimed at helping retailers improve customer engagement by showing how to build trust, while also emphasising the need for retailers to be proactive based on the information and data they do have available. We recognised that this data may be imperfect but maintain that energy retailers are still well-placed to identify vulnerability based on what they do know about the customers. There should be a trigger to engage with and support the customer as soon as an identification of vulnerability is confirmed, which is what the intention of the better practice principles seeks to get organisations to move towards. In response to FRLC/Mob Strong's comment, we have added further detail about collecting and sharing feedback under Principle 6: Commit to continuously improving consumer experiences and outcomes (see page 35).

2.4.5 Vulnerability and regulated accountability

ECA's submission expressed concern that the toolkit would not be used as intended and encouraged the AER to consider how it will track whether energy businesses are implementing better practices. They provided four recommendations for the toolkit. These recommendations included: 1) linking the toolkit to metrics and benchmarks monitored by the AER in its performance reporting procedures and guideline, 2) securing explicit agreement from energy businesses that they will implement better practice principles and provide reports that are public, 3) being clear on the obligations of each of the different areas within an energy retailers or service provider to ensure the toolkit is effective, and 4) considering small business energy hardship in the toolkit. Other stakeholders shared similar concerns about the implementation of the toolkit without stricter enforcement priorities.

In response, Part 3 below addresses these concerns and discusses other work being undertaken by the AER that inter-relates with the toolkit.

2.5 Additional information and resources to help energy businesses

Feedback on the additional information and resources contained within the toolkit were well received.

Other feedback received from the consultation by way of general editing and miscellaneous comments on the toolkit have been addressed as follows:

- Introductory language such as simplifying the purpose of the toolkit and how it interacts with existing statutory and legal obligations has been updated (see pages 4-5).
- An infographic on the obligations of each different area within an energy retailer or service provide to help show how identifying and supporting customers is a whole-of-organisation approach has been added. This infographic describes what this may look like at each level from board / senior management to front-line service staff (see page 6).
- References to people who have limited or no English have been modified for more inclusive language (see page 14: Communication, page 17-18: Better Practice in Action, page 22: Culturally and linguistically diverse communities).
- We have added information on how energy retailers can better look after First Nations customers with tailored communication channels, such as dedicated phone services, for example (see page 22: First Nations Consumers).
- We have added further nuance to the importance of taking a consumer-first approach in the introduction (see page 5).
- We have added more resources for proactive customer management for both buy now pay later concerns (see page 35 where we refer to research undertaken by the Justice and Equity Centre and the Consumer Policy Research Centre), and for CALD consumers (see page 23 where we refer to research undertaken by Energy Consumers Australia).

3 Implementation of the toolkit and the AER's other work

We acknowledge feedback received from stakeholders who were concerned that improving early identification of vulnerability should be monitored and measured. Consumer-facing energy businesses are already undertaking significant steps to identify consumers experiencing vulnerability, such as the work being done by the Australian Energy Council in collaboration with stakeholders to develop the 'Best Practice for Energy Retailers Assistance'.

The toolkit is intended to build on established and ongoing work to help support better outcomes for consumers through earlier intervention. As mentioned in disclaimer within the introduction to the toolkit, energy service providers already have legal obligations in relation to identifying and engaging with customers experiencing vulnerability, including customers affected by family violence and customers experiencing hardship or other payment difficulties. Therefore, this toolkit is not intended to be, and does not constitute, advice to businesses about their compliance obligations, but rather seeks to address a range of circumstances and practices that can affect customers experiencing vulnerability, rather than focusing only on legal obligations. As such, the toolkit is to be used as guidance only, for voluntary uptake by consumer-facing energy businesses, rather than as a prescriptive document or intended for regulatory obligation.¹

We hope that the toolkit will help retailers and all consumer-facing energy businesses introduce positivity and proactive identification into all aspects of the customer interaction cycle, for both residential consumers and small business consumers. Although small businesses may have different needs from their retailers compared with residential customers, better practice can still benefit all types of customers. This is because the toolkit promotes inclusive design and therefore most customers should benefit from organisations who seek to incorporate better practice principle in meaningful ways.

We note the interactions between the toolkit and other work being undertaken at the AER, especially actions in the Towards Energy Equity strategy. This includes a [Review into payment difficulty protections in the National Energy Consumer Framework](#) (Action 8 of the Toward energy equity strategy). The AER released an issues paper for review in May 2024. Consultation was open for 6 weeks with feedback sought on key issues relating to consumers experiencing vulnerability.

Finally, we welcome any further feedback on how the toolkit may feed into improving the effectiveness of existing protections for consumers experiencing payment difficulty now and into the future.

¹ Note: If there is any inconsistency between this toolkit and a statutory obligation (under the National Energy Retail Law, the National Energy Retail Rules, or otherwise), the statutory obligation remains unaffected and continues to apply.