

ANNEX 3: Paper C

Research & Insight Working Group

Technical paper supporting Business Plan response

Qualitative research engagement – approach, issues and use

This paper¹ looks to answer three questions in relation to the **qualitative** aspects of the RIIO-2 Business Plan engagement programme.

- How did Cadent go about engaging with consumers through use of qualitative research methods?
- What issues had to be managed through this programme, and how were they managed?
- How has this research been used in the Business Plan, and what impact has it had?

QUALITATIVE RESEARCH & ENGAGEMENT

There is a difference between qualitative research and ‘engagement’ per se. All qualitative research is a form of engagement with relevant audiences, but not all engagement is qualitative research. Conversations had at events, for example the ‘Cadent Voices’ roadshows held over August 2019, are engagement activities. People are not recruited to attend; there isn’t a set discussion guide, but there will be captured opinions and feedback. Both are communications exercises, but engagement without research is more corporate PR activity.

Qualitative research follows a professional programme of setting aims and objectives; designing and recruiting the relevant sample; developing and implementing a discussion guide with supporting materials (including written and audio-visual materials); developing outputs, and synthesising the findings to create insights, that are considered against other sources of information, insight and data.

Qualitative research isn’t hard evidence, in the way that survey data or other larger-scale analysis contributes. Qualitative research, if well executed, provides illustrative, insightful input that can be considered alongside or instead of other forms of data (where they do not exist). It is often small-scale, and subject to greater variances accordingly. It should provide a richness of customer expression based on experience, opinion, anecdote and shared story-telling,

Those insightful stories and customer anecdotes do not feature as collateral in the Business Plan. Consumer and stakeholder voices are not given expression.

¹Created by Leslie Sopp, Chair R&IWG



Qualitative research forms an important component of the engagement activity undertaken for this Business Plan. However, they have been largely effectively mustered, listened to, synthesised and considered in the creation of the Business Plan, and impact on choices made by Cadent in the testing and delivery of the Plan.

EXECUTION

The qualitative engagement programme commissioned as part of the RIIO-2 Business Plan research & insight workstream was extensive, and ran from May 2018 (commissioning), with first customer deliberative workshop held in August of that year, right through to end October 2019. It had been in planning since November 2017, at regional stakeholder workshops.

As one of the key messages stated on page 30 of the Plan report, ‘We have followed an ‘innovative’ six-phase process, recognising the unique and diverse nature of our customer and stakeholder base’.

Qualitative research was an integral element of all phases from 2 onwards.

It was designed and implemented to:

- 1) provide detailed input into business decision-taking at a number of key stages during this process, as shown in the Business Plan (pages 28-29 detail the 6 phases and the engagement undertaken in each).
- 2) to inform the development and delivery of the major quantitative workstreams (Willingness to Pay; Business Options Testing, and Acceptability Testing), and to
- 3) provide supporting insights into the options, outcomes and commitments.

Many qualitative research sessions were commissioned and run for Cadent by their research partners (for this part of the programme these were Traverse² and Britain Thinks³) over the course of 15 months prior to Business Plan submission.

Five types of qualitative research were undertaken for this programme:

- depth personal interviews, involving an interviewer in home or at a business, or as a telephone depth interview, more often used with stakeholders and businesses;
- focus groups: usually of 6-10 people (sometimes less), lasting 90 minutes or so, held in a neutral venue such as a community or faith centre;
- workshops: extended focus groups, with more people (10-20) and lasting longer, often two hours or more; some with both consumers and business representatives, again held in a neutral but larger venue, such as a conference centre, or a meeting venue (eg Quaker Meeting Room, Liverpool and London);
- deliberative workshops, one-off intensive immersive sessions, involving 20-35 people, and lasting half a day to a day (more likely at weekends), with significant input from Cadent engagement staff as well as business owner knowledgeable experts, again held in larger premises
- customer forums: repeated, on-going deliberative engagement with 20-35 people, and six sessions over a year, sometimes for one or two days over weekends and evenings, with input from Cadent staff, held in larger venues (for example Peterborough Football Club, and thestudio, Manchester)

These were mostly developed and delivered by Traverse (with the exception of the Trusted Commitment, as noted), with a number of employee and self-employed moderators managing discussions at tables of 6-8 people, sometimes larger.

² Traverse is the trading name of Office for Public Management Limited. The images shown in this report were created for Cadent by Traverse (along with many others) and are used by permission.

³Britain Thinks came on board to undertake research around the ‘Trusted’ commitment



SELECTING PARTICIPANTS

Sampling (identifying and selecting individuals for inclusion) is really important to the success of all forms of research, perhaps more so for qualitative research, as the sample size will be much smaller than for large-scale surveys, and each person therefore carries disproportionate 'weight' in the design. After CEG request, Cadent have provided information regarding this process (see Appendix A).

Typically, the respondents for these sessions would be free-found (that is not using customer lists, unless Cadent had specific groups of individuals pre-identified on their database, with appropriate consents for GDPR) by specialist recruitment agencies. Traverse used Plus4, who are a well-established provider of market research services.

Plus4 will have a network of recruiters across the Cadent regions, usually with a regional supervisor. Individual recruiters may have a contact book of willing potential respondents to screen from, as long as they meet specific restrictions (such as not having attended a group in the last 3 months, say, or not on a similar topic in the last 6 months). Recruiters might use 'snowballing' whereby one willing and eligible participant might be encouraged to suggest others who might fit the requirement. Some sessions witnessed (Forums) did appear to have friends or relatives present.

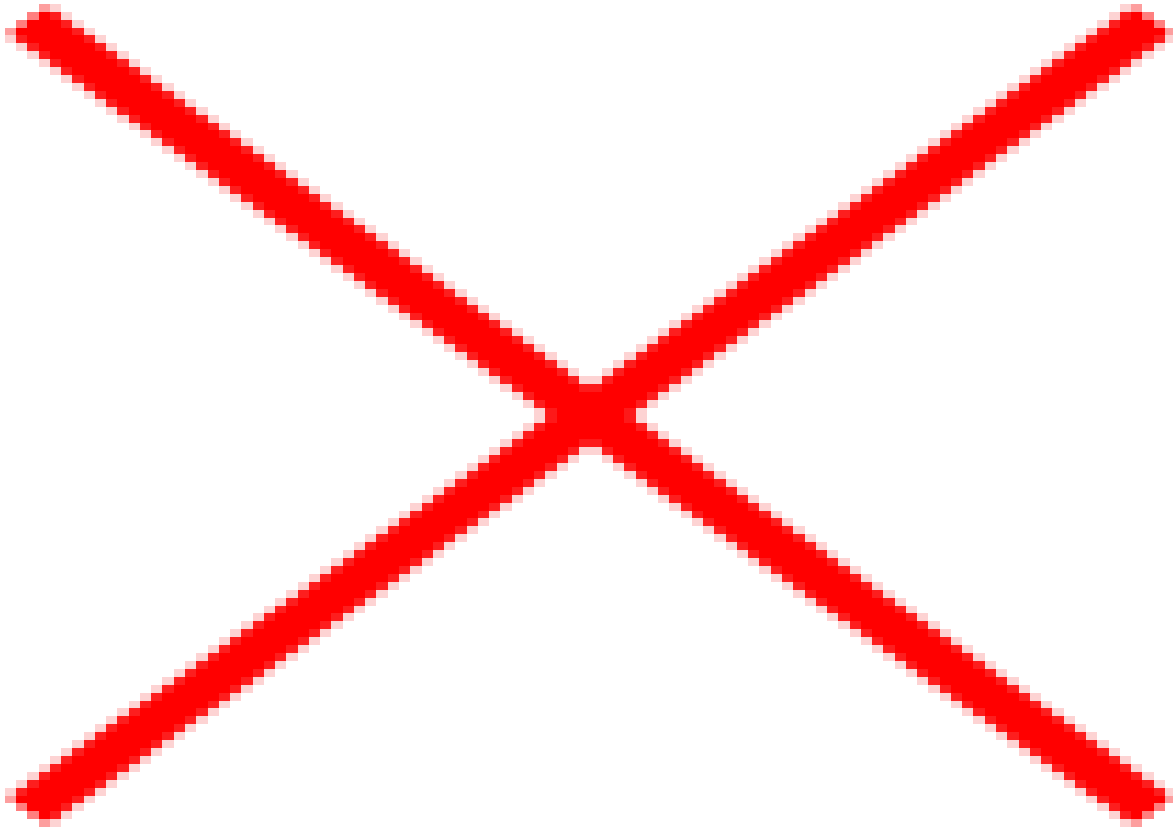
Recruitment requirements were provided to CEG in the form of a sampling framework. This was provided in the engagement plan in December 2018, with further information provided in a segmentation briefing at that time. Throughout the qualitative engagement, Cadent have confirmed that recruitment has been in line with the sampling framework with the exception of hard to reach groups, for example fuel poverty. The sampling framework was shared between partners to ensure consistency in the approach.

The specification for group attendees would be agreed between Cadent and Traverse / Britain Thinks, who would then brief Plus4 (or their recruiters, in the case of Britain Thinks). CEG have seen examples of the quotas (see below).

Quotas are set representing key sub-groups, for example gender, age groups, ethnicity, tenure, socio-economic group, presence of young dependents etc

Note that each element is counted separately, and 'quotas' are rarely interlocking in qualitative research. Cadent and their engagement specialists would agree the required profile of any engagement by reference to published socio-economic and demographic characteristics and data (Census, principally) for each region or area that the groups are being held in. In this way the participants would be reflective (ideally representative) of the locality.

An example of the 'quota' and the achieved sample for one such event, held early on in the process as a deliberative event, is shown overleaf.



Generally speaking, the samples match the quotas reasonably well, although in a few places there are under or over achieved quotas, for example 18-24 year olds in East Midlands and East Anglia; and male/female split in the North West. These are unlikely to be make a material difference.

If this pattern was replicated in all the other studies, then the quota / sample match will be good.

There are potential issues that appeared to become more apparent when groups were attended and witnessed by CEG members. These are observations, and may be subject to observational bias, but they are offered for consideration in future qualitative research (rather than necessarily being flaws in the work conducted for this Business Plan):

1) the social grade representation in the groups – was seemingly more likely to be C1/C2/DE, with fewer AB participants. Information has been provided by Cadent which indicates that AB participants were present. In addition, both suppliers were asked for statements as to how they recruited respondents. See Annex 3.2A on pages 15-17). The means of assigning ‘Approximated’ social grade is that this is more often than not a subjective view based on experienced recruiters judgement from expression of household chief income earner occupation, which may not be the person recruited. This potential issue was backed up by commentary given by some respondents (see next page).

2) Quotas were set out for Black/African/Caribbean/Black in the sampling framework for each region as a percentage, but the numbers of BAME participants, especially when broken down further into Black and Asian British, means that any comparison of specific views (and differences)

cannot be readily drawn due to the small number of participants. Cadent did undertake Acceptability Testing qualitative research with one group (split male/female separate sessions) of Bengali English not first language participants, and a group of Polish participants.

3) that there is no general quota set in this example for CIVS or Fuel Poor customers. These groups of interest have been covered in specific sessions where those audiences were engaged with, and specific questions used to define and recruit these target audiences. Traverse did set out a sampling approach for CIVS, which did not include quotas but did set out the approach to recruiting CIVS against the 27 PSR needs codes.

4) the role of incentives and other ‘inducements’ such as hospitality (i.e. food and drink - not alcohol) to encourage people to participate. Posters were used in Phase 1 for CIVS recruitment⁴. The incentive was featured there and was mentioned (as is standard practice) in all other recruitment. The attraction of incentives came through in response to customer journey reflections at the conclusion of the Acceptability Testing Customer Forum, as shown below:

Feedback – likes – to customer engagement at Forum sessions



These words were customer likes for the sessions they had attended. The larger wording is meant to indicate that many customers made this point.

Participants provided positive feedback, and these comments were common across locations:

- Greater understanding of Cadent.
- Interaction with other customers and relationships that were built.
- Well organised with structure, the pace of the event.
- Hospitality – food, venues, facilitators.
- Incentive – wouldn’t have come otherwise.
- Events were timed well on the calendar.
- Feedback was integrated into plan

and also came up in customer responses as to what could have been improved:

⁴ An example poster is included in the annex at the end of this document

FINDINGS – ENGAGEMENT JOURNEY



Wishes – What did you see that could have been improved?

Most customers suggested:

- More movement throughout the day for activities.
- Hearing customer experiences.
- More detail in terminology (figures and statistics)
- In depth conversations with Cadent's strategic team
- Room size: Balancing the right number of participants at the table for comfort and useful discussion.
- Communication: Text message reminders with event details; email updates after events.

Some customers recommended:

- A wider cross-section of participants.
- Final meeting to know the outcome of the plans once it has been approved by the regulator.
- Balancing the different experience based on rooms – topics & who participants met.
- Accessible venues
- Answering questions more clearly.
- Higher incentives

Note that some customers commented on the apparent limited cross-sectional nature of participants

And some wanted greater incentives

It is fair to say that Cadent (and their research partners) tried really hard to ensure that those attending these sessions reflected the cross-section of society. However, there is some (albeit limited, and anecdotal) evidence that suggests that this wasn't always the case.

The gender representation was good and effective; as were the age ranges covered (and the two combined together as well – the younger participants weren't always men, and the older participants weren't always women).

BAME coverage could have been better, and it should be re-considered how best to engage with different ethnic and cultural groups, for example by convening groups just for BAME respondents, and separately discussing with Black and Asian / British Asian respondents. It was evident at some attended groups that Asian/British Asian elder attendees were simply not forthcoming in discussion, and some observations indicated that they found the written and small group tasks quite daunting as well.

Social grade coverage, despite the sample/quota information shown earlier and subsequent detailed recruitment coverage summaries provided through Cadent, was seemingly not as effectively covered at groups CEG attended. There is a school of thought for groups that they should be homogenous rather than heterogeneous. That would have increased the number of groups considerably, by having to split run AB/C1 and C2/DE groups. This needs to be looked at during review, as the voices of professional (AB) people were not in evidence as much as might be expected (and this was reflected in the feedback on the previous page).

There was no pre-screening undertaken for likely participation level. This was something that was subsequently completed with returning customers. If it was noted that a participant had not contributed and was not interested in the event, despite efforts to encourage participation, they were not invited back to future events. Pre-screening for likely participation would have been harder to achieve, and would have relied on the subjective judgement of the recruiter, but it has been used in other sectors.

Groups can't only be filled with extrovert conversationalists, but there were a minority of very silent voices in most if not all of the sessions observed, despite the best endeavours of the



moderators to draw them out. This is admittedly not unusual in qualitative research, but may have been exacerbated in these very particular circumstances. Having technical subject matter that is removed from daily (or any) experience to address in detail may have negatively impacted on participation levels. Having written exercises and games may have helped enable some people to contribute more effectively than might otherwise have been the case.

On page 35 of the Business Plan, it states that *'we have tried to make engagement easy, fun and rewarding. We also recognise that many of the customers and stakeholders that we are engaging with were involved in helping to shape water companies' plans for PR19 and many more are also customers and/or key stakeholders to other energy companies, which are undertaking their own enhanced engagement programme at the same time as us'*. It would be hoped that those recruited for work with Cadent would not have previously been used for other utility related research.

Handing out free CO alarms to participants who said that they did not have one was a bonus take-away (and generated goodwill towards the company), but this was not advertised as an incentive in advance.

TASKS AND PARTICIPATION

There was a great deal of information to get across to participants. Corporate and other videos were helpful in doing so, even at risk of being corporate promotion rather than neutral statements of information. When this was picked up by CEG then Cadent did change the subsequent use of material. A lot of detail was quite technical, and this could have contributed to people feeling unable (or unwilling) to comment at that level.

All of the sessions witnessed provided respondents with a range of activities to stimulate thinking and response and engender active participation. Quizzes; use of video; game playing with props (pipes, valves, hard hats etc); written exercises; role playing; access to virtual reality materials; table discussions; paired discussions etc.

Quiz Time!	Robotics and Innovation
<p>Robotics and Innovation</p> <p>1. The pipes in this central London location are from the _____ era.</p>	<p>1. The pipes in this central London location are from the _____ era.</p>
<p>Bonus question: Which century?</p>	<p>Bonus question: Which century?</p>
<p>2. <u>CISbot</u> can be used to do mains replacements. T or F</p>	<p>6. <u>CISbot</u> can be used to do mains replacements. T or F</p>
<p>3. It will take ____ weeks/months (circle) to complete this work with <u>CISbot</u>. The work would have taken ____ weeks/months (circle) using traditional methods.</p>	<p>7. It will take ____ weeks/months (circle) to complete this work with <u>CISbot</u>. The work would have taken ____ weeks/months (circle) using traditional methods.</p>
<p>4. <u>CISbot</u> is automated. T or F</p>	<p>8. <u>CISbot</u> is automated. T or F</p>
<p>Bonus question: What is the name of the company that makes <u>CISbot</u>?</p>	<p>Bonus question: What is the name of the company that makes <u>CISbot</u>?</p>
<p>5. What are some of the benefits of using a robot to do this?</p>	<p>9. What are some of the benefits of using a robot to do this?</p>

Having Cadent staff present at the sessions was a good opportunity for them to engage first hand with customers; was helpful to customers in being able to talk more about Cadent with them, and the issues that were being raised, but was also, on occasions, problematic (not being able to answer questions, or having to refer to colleagues by phone). When raised as a concern, Cadent responded *'In preparation it was agreed that there would be the use of a question car park and where possible employees would be on standby to receive calls from those employees attending events to answer questions. It was not practical or reasonable to have employees attending events to cover all of Cadent's business areas. During longer events, the Cadent team endeavoured to respond to questions that they couldn't answer at appropriate points throughout the day, for example, after participants returned from lunch.'*

Use of placemats, such as those used to re-cap on outcomes, and what customers priorities were and what Cadent was committing to do, was helpful, but less so when there were not enough copies for each person to have one. There was also a lot of information to take in, and limited time to do justice to it. Questions were also focussed more on whether customers found them acceptable, or whether anything was missing, and not more detailed exploration as to why people were giving these opinions. This was a very ambitious programme, with a lot of detailed ground to cover, and many voices to try and hear, so it made it harder for the diagnostic detail to come through.

Your Cadent passport



- Name
- Agenda
- Activities
- Options from Cadent's business plan
- Space for your ideas and comments
- Space to capture your reflections on how well the event is going – **page 3**
- USE THE PAGE NUMBERS

Use of a participant 'passport' (left) to capture participants preferred options during the BOT customer forums as a record of discovery and issue logging was an interesting and potentially useful device. The output was set out in the BOT Customer Forum Report that was made available to CEG.

20/12/2019

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<number>

Such variety of ways and means

of imparting information; enabling people to have a more effective understanding of Cadent, and different ways of engaging and responding are all very positive features, and were appreciated by participants.

'Car parks' for questions and issues elicited limited collateral, but were provided. Respondents wanted more movement (not just sitting down all the time) but not to put post-its on a flip-chart.

Many of the visual materials used were well designed, with a good balance of pictorial cues and story-telling, but sometimes, as below, quite detailed and complex information to process:

Quality experience: Responsibilities activity

We learnt throughout Phase 2 and 3 that customers had varying views on Cadent's responsibility to address social issues. The mixed views were predominantly in relation to providing a quality experience for customers, for example, assistance for those in fuel poverty.

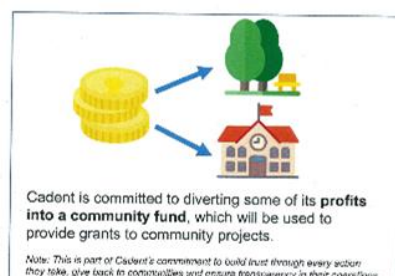
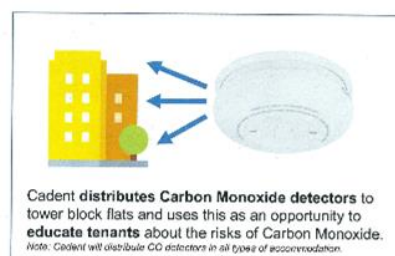
Cadent is committed to fulfilling a "social purpose" which is reflected in their future business plan. To explore this, we are going to discuss what customers think the role of a company is, by using Carroll's Corporate Social Responsibility pyramid. This is just one way of thinking about what responsibilities a company has – we are just using it as a tool to support understanding and discussion. It is not part of Cadent's business plan.


Ultimately we are still concerned with whether you think Cadent's plans to deliver a Quality Experience for customers are acceptable.

Objective: Explore the acceptability of the quality experience outcome by exploring 'questions of responsibility' using the Corporate Social Responsibility pyramid.

Instructions:


1. Facilitator explains Carroll's CSR pyramid.
2. Participant shuffles scenario cards. Participants may take turns reading the scenarios.
3. After a scenario is read, the facilitator guides discussion about the output **bolded** in the scenario, and asks participants what type of responsibility this output falls under. Participants put a sticky dot with a colour corresponding to the layer of the pyramid (multiple dot colours if there are mixed views) Facilitator guides discussion about the acceptability of the output after 'parking' questions about social purpose.






A Cadent engineer gets called out to a gas emergency in someone's apartment. The engineer finds a faulty boiler that needs replacing. The occupier explains that they cannot afford to replace the boiler, and in fact sometimes cannot even afford to pay their gas bill during winter. **After an assessment, Cadent replaces the boiler for free.**

Note: Cadent's offer is to provide customers in vulnerable situations personal welfare visits, and repair or replace 15,000 dangerous appliances.




A Cadent engineer, who has recently completed vulnerability training, is at a customer's rural home for an unrelaxed interruption. Whilst turning the gas back on, the engineer notices that the house is drafty and run-down. The customer remarks that they didn't mind that their gas was off, it is too expensive anyhow. **Cadent refers the homeowner to a partner who provides energy efficiency advice, including how to receive funding for home energy improvements.**



The government introduced a new statutory fuel poverty target for England in 2014. Ofgem tells the Gas Distribution Network companies they must deliver 6,250 connections to the gas mains for the eligible households over the RIIO-2 period. **Cadent connects these households to gas.**

Note: This is only part of Cadent's commitment to make more than 35,000 interventions to help people in fuel poverty.



One of Cadent's community partners has identified a household that relies exclusively on electricity for cooking and heating. The occupier explains that in the winter they must decide whether to turn on their electric heaters or buy groceries for the week. **Cadent connects them to gas.**

INFORMING, EDUCATING OR HAVING TO LEAD THE WITNESS?

It is a fine line between providing sufficient information to enable people to make a more informed view and influencing how they respond. The sessions witnessed by CEG members did not overtly lead, but they would have exerted some influence.

Moderation and facilitation was generally thought to be effective, although some were less effective at drawing views out and counter-pointing than others. Some moderators were very engaging with their tables and participants; others more passive. All had significant materials to handle, which sometimes got in the way of a detailed discussion. Many were busy noting on worksheets, along with recording the discussion which may have been very hard to listen back to, given the noise levels in many of the rooms, with multiple concurrent work sessions.

Outside the on-going Forums, the elephant in the room at most sessions was the fact that people did not know about Cadent (it is not a recognised or understood brand), nor what it did, or what it involved. Why would they, unless they had an interest in pipes or gas distribution, which was not evident. A lot of effort and material creation and deployment had to be put into educating consumers about this, and about the issue(s) being discussed.

For some sessions, pre-placement materials were sent out, with reading or tasks to be undertaken. There was not much reported evidence that this was done; at least not by many.

No video selfies or other audio-visual 'scrapbooks' were created by participants, which might be worth exploring with future engagement, especially if on-going (regional) Forums are established.

For some it was quite clear that there was simply too much information for them to take in and respond to, never having needed to before. Most made some effort; a few made considerable contributions; for some, just turning up seemed to suffice. There were more silent voices in the rooms than would otherwise be the case with a brand and a product that had more visibility and immediate payback in people's lives (such as with telcos, fmcg or retail markets).

There was little observed playback by participants however, although moderators did try to encourage it. Much of the playback was handled by table moderators, with varying degrees of animated and compelling story-telling. What playback that was observed was an effective reflection of the views given, although some interpretive playback was necessary ('you said this, which means that...').

A great deal of informing had to be undertaken, much of which would be educative. The framing of the discussion, including the materials presented (visuals; videos etc); the narrative given; the probes and prompts that were used, is quite critical, especially with technical issues and more complex issues (such as uncertainty and risk, for example).

This is made more difficult by the varied ability of the audience to be able to process and respond effectively. There was no pre-screening of participants for numeracy or literacy abilities, or comprehension. There were concerns but also different opinions among CEG members as to the quality and value of the communication materials. Some examples of the materials used are available for review (on request).



Participants did raise questions of clarification, and also on occasion asked for further information, for example benchmarks and comparisons, which they sometimes felt were missing and would not enable them to know whether what Cadent were proposing was really stretching. This is a noted gap which needs to be addressed in future engagement. The process of discussing these issues inevitably meant that moderators summaries played back to the group became the emerging insight, and there was little witnessed dissent. Whether this constitutes ‘leading’ is difficult to tell (or substantiate), but there was no independent review undertaken of the materials used, nor the narrative that was given to the participants.

Example of exercise held at Birmingham Forum, to explore re-instatements, after information had been given to participants (not all slides are shown). These are to give readers a sense of the customer engagement journey, tone of voice from materials, and ask:

18:35-18:45

Information session – Public reinstatement (filling the holes in public areas)

Aim of the session:

To **understand your needs** when we fill in the holes after we have completed our works in public area, and how this work **impacts customers**.

What is a public reinstatement?

When Cadent has completed works to the gas pipes and the gas is back on, a team will begin filling the holes.

Public reinstatement means **filling the holes in public areas (in the road and on the pavement) where work has taken place.**



A better measure?

We want to understand our customers' experience.

Today, we are interested in talking to you about what good customer service looks like in these situations and how you as customers are impacted.

What do you think we should be measuring?

Information session – Public reinstatement (filling the holes in public areas)

Why do we need to do this work?

A gas network is a bit like a car. It needs **regular maintenance** in order to perform well.



In order to ensure you have gas in your homes, **Cadent must maintain a reliable network**. One of the ways we do this is through replacing old pipes with new ones.

Mains replacement is a HSE requirement.

After the pipes have been replaced, **we need to fill the holes.**

Minimum standards for public reinstatements

The regulator sets out a minimum level of service that gas distribution networks (GDNs) should deliver to all of their customers.

Customers are entitled to a compensation payment if their gas network fails to meet these standards.

- Cadent don't have to complete works on public roads within a particular time frame. However, local highways authorities can fine them for impacts on access and for road closures.
- For the business plan, Cadent wants to think about how to minimise disruption and the impacts of public reinstatements to customers and what a great customer experience might look like for you.

18.45-19.35

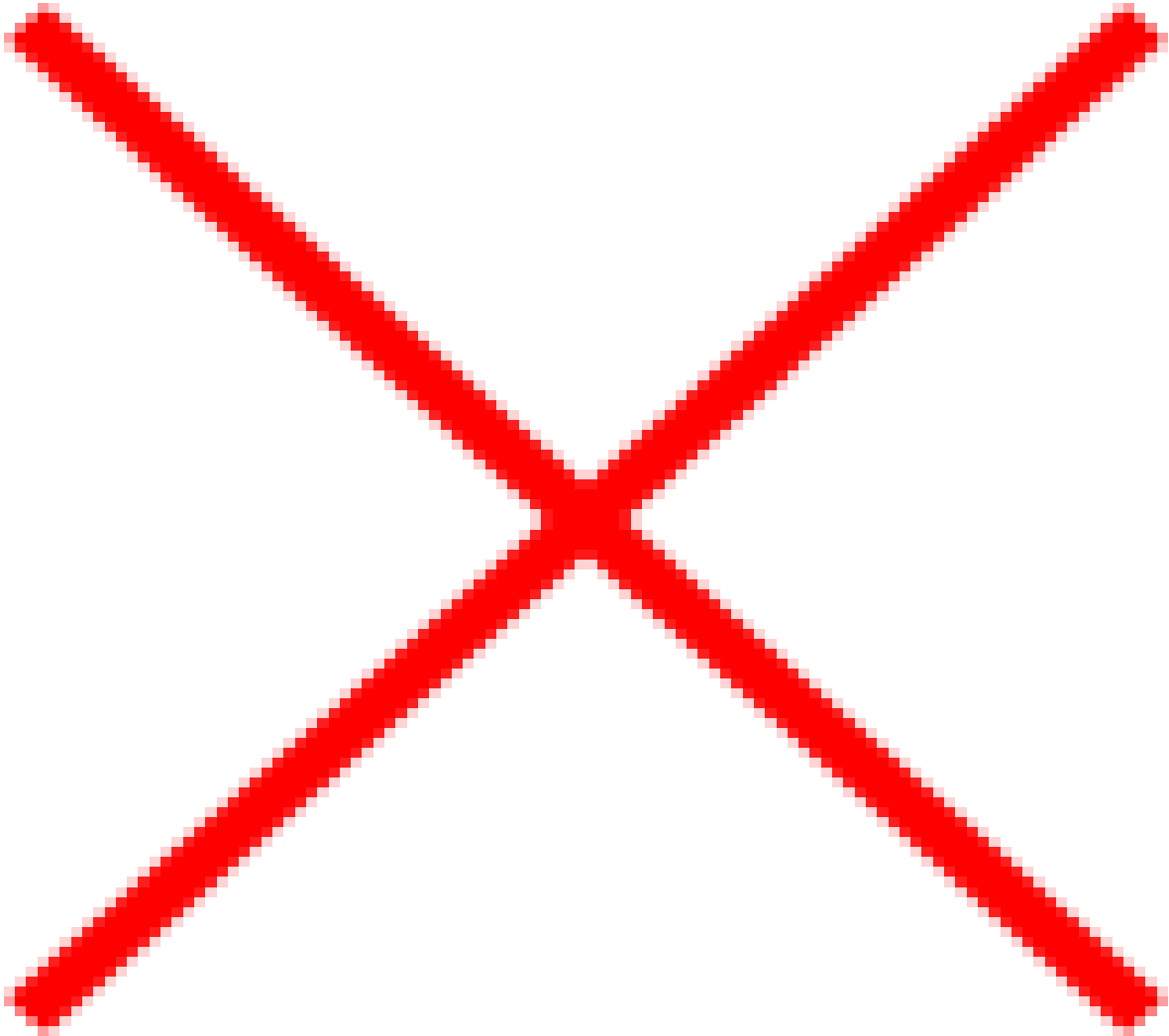
Discussion session – reinstatement for public areas

We are now going to discuss around your tables, how Cadent can improve services during a public reinstatement, with a focus on

- Disturbance
- Communication
- Possibilities of multi-utility working.

CEG OBSERVATIONS

CEG members attended 24 of the qualitative sessions, across all four regions, and witnessing discussions on a range of topics, and with a wide variety of consumers, as well as businesses:



Observation record sheets were completed for all sessions observed. There was a set format to these records, which focussed more on the process and setting of the event; the location and accessibility of the venue; the characteristics of those attending, and how customers engaged with the materials and the discussion.

Some observers commented on wider issues that they witnessed, for example

‘One participant commented on the focus group process being – ask customers what they want to improve the customer experience in a particular situation / service area, then ask them how much they would accept having added to their bills. This was causing him to offer fewer suggestions’

‘Two Cadent front-line staff said at the end of the day that they hadn’t heard anything that they hadn’t heard before. This raises the questions a) is Cadent making the most of the expertise in

their front staff b) how are these engagement sessions designed and are questions asked that will really push Cadent forward? The Cadent staff member suggested to instead ask people their opinion on specific scenarios, to compare Cadent with other utilities, to ask for what stellar performance would be, and to go through customer touch points’.

‘Less time of the conversation was dedicated to what Cadent could have done better. Not every attendee spoke on every aspect of this question. Attendees were encouraged to compare Cadent to other service providers which helped somewhat. No information was given to inform attendees of minimum requirements Cadent has to fulfil/ what they already do’.

‘It provided Cadent with pretty rich qualitative information on what matters to customers. However, the Top Trumps exercise could not be used as a reliable guide to say that Action A or B definitely had customer support versus Action C and D. This was because the information provided on the options was limited (necessary for a quick exercise like this) and it was not clear that all participants fully understood each option. If all feedback is recorded well, it will provide Cadent with a good guide on customer priorities and concerns. It helped give factual information to this group of customers on what Cadent does in this area’.

These observations were reflected on for further engagement events by the Cadent and Traverse teams, and changes made appropriately. CEG are aware that the teams were actively learning and adapting (where feasible) from session to session. These learnings have been captured and should be used as part of an evaluation of the whole engagement programme.

Further information provided by the Cadent team about CEG input to some of the qualitative sessions, and their reflections / changes made, are shown below and on the next page.

Willingness to Pay

Changes to the revealed preference focus groups:

We re-ordered the information provided in the workshop to encourage a more informed response from customers by covering what Cadent are obligated to do, then what we currently do and then asking customers what their expectations are.

More ‘check-ins’ were included in the workshops to find out whether participants had any questions.

Consent was asked at the start of the session and then again before starting to record.

Business Options Testing

Activities were changed where possible to encourage working in pairs to enable everyone around the table to participate.

Role play session – Traverse delivered this session rather than asking customers to take part in setting the context.



We changed our approach to the non-English speaking workshop making sure that only male facilitators and male Cadent staff attended the male session and the same for the female session in the afternoon.

The context presented on the gender pay gap discussions was amended to explain what the gender pay gap means in comparison to common misconceptions.

In the trusted workshops, company comparisons were added in to show how Cadent's 'profit' compared to others such as Tesco, Amazon and Severn Trent.

Acceptability Testing

The following comments were made by CEG after one of the initial sessions:

To use the independently created 'Trusted' video rather than extensive slides (and not the corporate Cadent PR video)

Getting participants to work in smaller groups than large (10 people) table settings

Providing sufficient reference materials so that people didn't have to share

Requested access to project scope; agency proposal; recruitment screener and summary of recruitment outcomes (the latter made available)

Querying the adequacy and likely accuracy of the note-taking, given that the groups were not recorded.

There was also feedback on the room (poor layout and lighting) but given that venues are booked in advance this is a marker for any future use of this particular venue.

In other qualitative sessions comments were made by CEG observers as to the materials that were used, and the narrative being applied. CEG were not provided with an opportunity to review and comment in advance, nor did CEG see the pre-placed tasks or information provided. A selection of all these materials were made available to CEG after the completion of all of this work.

This demonstrates that Cadent were receptive to and prepared to make changes to what they were doing, and how it was being done, but in reality only where it was practically feasible to do so in the time available.

At the end of their engagement journey, Customer Forum members were asked what they would have had wanted to see.



Blank Slate – *What would you have wanted to see?*

Most customers reported:

- Gas suppliers or Cadent engineers in attendance at events.
- Information between sessions sent to participants – refresher sheet; updates from cadent; pre-task ahead of next session
- Benchmarks and comparisons e.g. w/ other businesses.
- Cadent background e.g. profit, number of employees.
- Participants choose thematic rooms.
- Mix up tables and participants throughout the session.
- Shorter sessions.

Some customers noted:

- 10% off Cadent bill for attendees.
- Leaflets or information for participants to share with family and friends.
- Games – learn through having fun!
- Pack to utilize over the course of the forums and refer back to.
- Method to see how participant views have changed over period of engagement.
- Site visits.

USE OF QUALITATIVE RESEARCH IN THE BUSINESS PLAN

In figure 05.02, pages 28-29 of the Business Plan, qualitative research features extensively in Phase 2 (Discovery); Phase 3 through new services research; Phase 4 Willingness to Pay (cognitive groups and interviews; revealed preference groups); and Phase 5 extensive inclusion of options testing. It featured significantly in Phase 6 Acceptability testing.

Specific focus was given to CIVS (Phases 2, 3, 5 & 6); and in the same phases to fuel poor customers. Hard to reach customers (non-specified) are noted against Phase 2, and non-English main language customer workshops were included in Phase 5. They were not noted as having been conducted as part of Acceptability Testing (phase 6), which could have been helpful.

For future reference, it would be helpful for Cadent to conduct an Equality Impact Assessment for their ongoing and RIIO-3 Business Plan engagement programmes.

Qualitative research is threaded throughout a number of key documents provided in Cadent's submission, especially in Chapter 7 (Commitments) and the associated Output Case appendices.

The process of insight triangulation (noted in Appendix) enabled the sources of research and the insights emerging to be considered, both from a bottom-up, and from a top-down perspective. Any conflicts could then be discussed and resolved at different levels within Cadent and independently with the contractors evaluating the insights (Sia Partners). This is captured in various provided documents.

Savanta and Sia have provided supporting statements (05.06 and 05.05 respectively) regarding assuring the work they have been associated with or have undertaken. Neither specifically focuses on the qualitative research programme; whether it has been fit for purpose and offers value for money for the contribution it has made to the Business Plan.

One key indicator that emerges from the Sia assessment is that engaging with hard to reach customers is comparatively weaker. It is also noteworthy from the same document that some minor gaps in commitment engagement were pervasive.

It would be helpful if there were an evaluative assessment of the research and insight programme undertaken so that this can be considered soon, rather than waiting too long after the Plan submission. This is already in progress by Cadent with supplier lessons learned reviews.

OVERALL SUMMARY

1. A commendably extensive programme of qualitative research was undertaken, through all four regions, and many parts of the Cadent community (customers, consumers, businesses and stakeholders). CEG recognise the effort required, and the contributions made to this.
2. A wide variety of different types of engagement and qualitative research were used, designed to be fit for purpose for the aims and objectives and audiences of each requirement.
3. Deliberative studies featured at the outset and on completion, with deep-dives throughout the main phases of the programme. These should give audiences a better chance of being able to make more informed choices and give more meaningful responses. Whether they could, given the technical issues being considered and the lack of brand/service salience, is open to debate.
4. Having on-going Forums was the means by which this might be overcome. There is no evidence that this is the case, and members were observed still struggling to comprehend issues at the end (some of which, such as Uncertainty and Risk, require more time and preparation than it was possible to allow).
5. Framing, contextualising, benchmarking are all issues that CEG raised in studies. Changes were made where it was possible to.
6. The efficacy and suitability of communications materials, such as videos, visuals and the narratives provided, was also questioned at times by CEG members. Where raised then Cadent and their partners sought to remedy.
7. Best practice was followed in terms of qualitative pre-testing (cognitive assessment through depth interviews) of the main survey studies.
8. Events were accessible; in largely effective locations, and participants were treated well.
9. Harder to reach audiences, and consumers in vulnerable circumstances (incl those in fuel poverty) were involved in the programmes, but more work needs to be done on both these segments in future. Some specific audiences were included, but others should be considered and factored in.
10. The Engagement programme could and still would benefit from an overall assessment of the different audiences and how the methods and topics map across them, to ensure that any gaps are covered in future. This is now in train, and will be reviewed at an appropriate time.
11. Extensive communications were deployed to inform and educate consumers, and Cadent and their suppliers put in significant endeavour in developing materials that might help overcome the issues of poor brand awareness and weak topic salience.
12. There are issues for further consideration around recruitment and the mix of people present in events, and the means by which all voices in the engagement programme can effectively contribute.



13. Feedback from participants is generally very positive, with incentives playing their part in keeping people signed up. Recruitment appears to have worked well, with most sessions being fully subscribed.

14. CEG were significantly involved in observing the engagement programme, but need to be involved earlier, and to have better (timely and effective) access to materials and protocols to ensure that they can make a better contribution.

15. The qualitative insights have been used across many of the Cadent Business Plan documents, especially the Appendices, and more detail will be found in the unpublished (but available on request) Golden Thread and Detailed Engagement Reports.

Final observation

Much material will have been gathered from the many consumers and stakeholders who took part in these studies. More use could have been and could be made of their voices in and about the Business Plan. To place consumers at the heart of the business also means that they should be seen to have a voice where it matters.

This collateral could help in further detailed customer and consumer engagement programmes, and is a worthwhile communications investment.

It will be important to see how the changes that Cadent is planning to make through this Plan bring that more to life.

ANNEX 3.2A: EXAMPLE RECRUITMENT POSTER USED IN PHASE 1



Are you *Physically Impaired* and/or *Unable to Answer the Door*?

Do you live in *North London* or the *West Midlands*?

Cadent looks after gas pipes and gets gas through the network of pipes to your home.

We want to know about what you need in a gas emergency, how you'd like to hear from Cadent, and what you want from your gas distribution network.

You don't need to know anything about Cadent or Gas Distribution!

Can you take part in an interview to help Cadent understand customer views?

It will take about 40 minutes, by telephone, at a time that suits you. If you would rather speak in person let us know.

If you're interested or to find out more, contact Chloe before 19th of October:

Chloe.Juliette@traverse.ltd
07936 334 961



Thank you payment of £40

The interviews are part of a programme to develop Cadent's new business plan
They are being done by Traverse, an independent research organisation, on behalf of Cadent, your gas distribution network

ANNEX 3.2B: STATEMENT OF AGENCY APPROACH TO CONSUMER RECRUITMENT

From Britain Thinks – used for Trusted Commitment Deliberative research

1. How we capture and code social grade:

To quota for socio-economic grade we use the socio-economic classification produced by the ONS, asked participants “What is/was the occupation of the person in your household who earns/earned the highest salary? (If retired, occupation prior to retirement)” and coded their answers against this:

A	Higher managerial/professional/administrative (e.g. established doctor, solicitor, board director in a large organisation (200+ employees, top level civil servant/public service employee)
B	Intermediate managerial/professional/administrative (e.g. newly qualified (under 3 years) doctor, solicitor, board director small organisation, middle manager in large organisation, principal officer in civil service/local government)
C1	Supervisory or clerical/junior managerial/professional/administrative (e.g. office worker, student doctor, foreman with 25+ employees, salesperson, etc), student, homemaker
C2	Skilled manual worker (e.g. skilled bricklayer, carpenter, plumber, painter, bus/ ambulance driver, HGV driver, AA patrolman, pub/bar worker, etc.)
D	Semi or unskilled manual worker (e.g. manual workers, all apprentices to be skilled trades, caretaker, park keeper, non-HGV driver, shop assistant)
E	Any of the following: casual worker – not in permanent employment, retired and living on state pension, unemployed or not working due to long-term sickness, full-time carer of other household member

2. The recruiters you use to find customers

For qualitative research, we have an established network of specialist recruiters all over the country who use a mix of recruitment methods including face to face recruitment, snowballing/word of mouth, and use of their own database of people who have previously expressed interest in taking part in market research.

From Traverse – used for the majority of the consumer engagement activity

Capturing & coding social grade

Plus4

An example of the SEG questions are below; and would be coded using MRS Occupational Groups Job Dictionary.

Socio-economic group

Q11A Which member of your household, either yourself or related to you, would you say is the CHIEF INCOME EARNER. That is the person with the largest income, whether from employment, pensions, state benefits, investments or any other source?

1. Self 1
2. Spouse/partner 2
3. Other/adult 3 Ask interviewee to specify

Q11B Is the CHIEF INCOME EARNER...

1. Working (full time or part time) 1 Ask question 11C
2. Retired/not working with PENSION/MEANS 2 Ask question 11C
3. Unemployed less than 6 months 3 Ask question 11C
4. Unemployed more than 6 months 4 Code SG as 'E'
5. Retired/not working with state pension/benefit only 5 Code SG as 'E'

Q11C. OCCUPATION OF CHIEF INCOME EARNER (IF RETIRED CODE 2 BUT ASK FORMER OCCUPTION) Use to determine SG

Job Title:.....
 Job Description:.....
 Industry:.....
 Size of Company:.....
 Qualifications:.....

If manager/supervisor/self-employed:

- Number of people responsible for:.....

Watermelon

In the Quantitative questionnaire for both the online and F2F surveys Watermelon used the below question to determine “the occupation of the main income earner in your household” and based on that they auto-coded their social grade:

S11. What is the occupation of the main income earner in your household?

1. Senior managerial or professional - AB
2. Intermediate managerial, administrative or professional - AB
3. Supervisor; clerical; junior managerial, administrative or professional – C1/C2
4. Manual worker (with industry qualifications) – C1/C2
5. Manual worker (with no qualifications) - DE
6. Not working – DE [includes all non-working e.g. unemployed, stay-at-home parents, carers, long-term sick, disabled etc.]
7. Retired – See S12
8. Student – C1/C2
9. Prefer not to say – n/a

For the Qualitative phase, the same method as outlined above for Plus4 was used. Included below for reference.

Q9a Is the chief income earner...

1. Working (full time or part time) – Ask question 9b
2. Retired/not working with PENSION/MEANS – Ask question 9b
3. Unemployed less than 6 months – Ask question 9b
4. Unemployed more than 6 months – Code SG as 'E'
5. Retired/not working with state pension/benefit only – Code SG as 'E'

Q9b Occupation of the chief income earner (Use to determine SEG)
 (If less than 6 months ask what they chief income earner used to do)

Job Title:
 Job Description:
 Industry:
 Size of Company:
 Qualifications:

If manager/supervisor/self-employed:

- Number of people responsible for:

Defining ‘approximated social grade’

This is a recognition that socio-economic grades are always approximated. There are a number of different ways to determine SEG (for example for sociologists it can be defined by a wide variety of indicators, down to the newspaper someone reads or their education). Unlike something like housing tenure or age, there is not necessarily a clear objective answer.

Finding customers/participants

Plus 4

Their nationwide recruiters are constantly building (and snowballing) their respondent lists for an ever-growing pool of respondents. Sometimes this is done via other activities e.g. if they are doing a street survey they may also sign people up to their lists for other activities in future. But for many (not all) of the Cadent activities, recruitment was on-street or door-to-door, in which case respondent lists would not have been used unless for difficult to find quotas – and then only with our (Traverse) approval. They also use social media from time to time – again only with our approval. When they use social media they don't just 'post', but actively geo-target and blind the key qualifying criteria.

For quant they either work on-street/door-to-door, telephone (purchasing landline/mobile lists based on geography e.g. "home-owners in Bristol"), or online (working with panel partners to drive completes to our set-up). In every case, respondents are screened to meet the project needs prior to the main survey i.e. the first few questions qualify them. They do not use recruiter lists for quant.

Watermelon (used by Traverse for the personal at-home interviewing of Acceptability Testing)

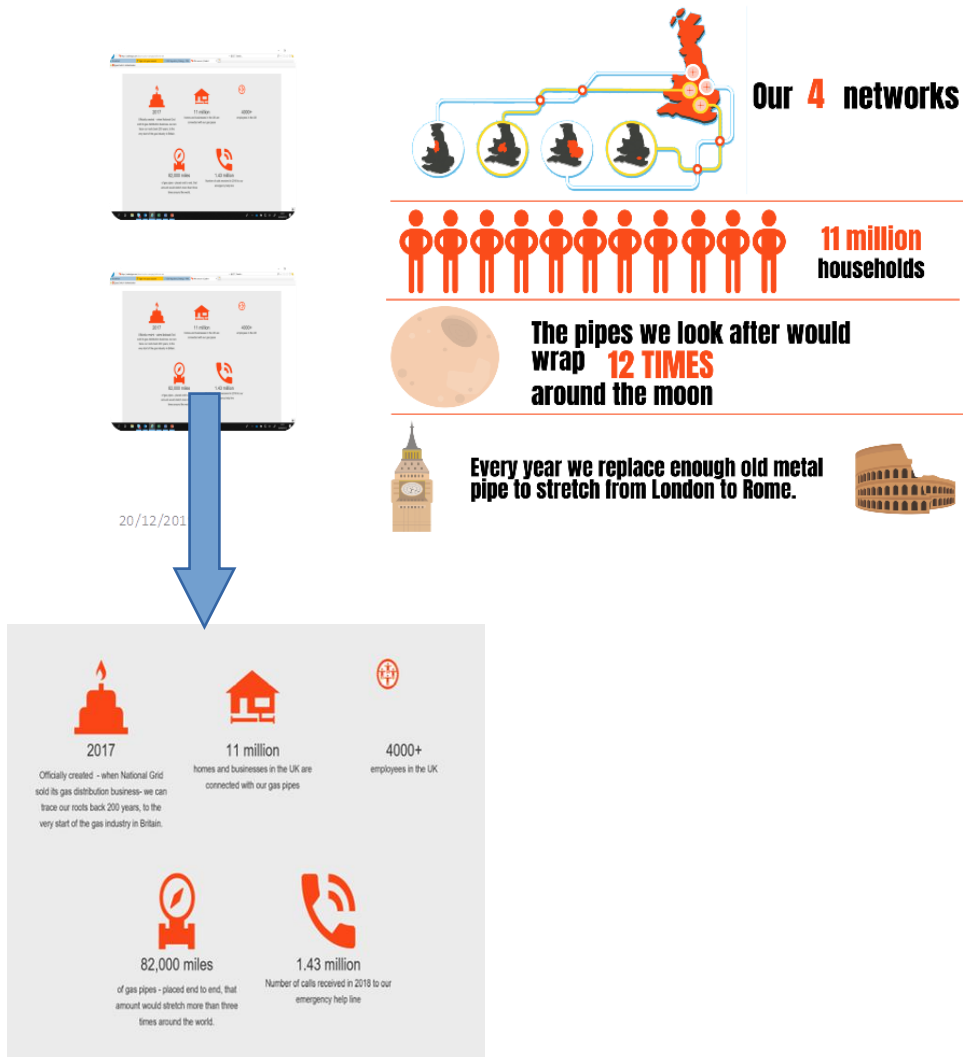
For the face-to-face interviewing, they free-find the survey participants and give the interviewers quota targets to aim for in terms of age, gender, social grade and ethnicity for each of the 4 areas. They use their experienced field team who conduct door-to-door interviews in the relevant postcode areas.

For the online consumer survey, they also set their panel provider quota targets for the key demographics. The online completes come via a consumer panel which is maintained by Dynata. The panellists are sent an invitation to take part in the survey if they are living in a qualifying postcode area and then asked a series of screening questions to check eligibility.

ANNEX 3.2C: FURTHER EXAMPLES OF MATERIAL EXECUTION

Introduction to Cadent – from MOBS workshop

Who is Cadent?



Getting Back On Gas Voting Table, from BOT

Minimum Standards Scenario Cards – connections BOT

EMERGENCY RESPONSE AND REPAIR

	STANDARD (FOR DOMESTIC CUSTOMERS)	COMPENSATION IF STANDARD NOT MET	THE SMALL PRINT
1	If your gas supply is interrupted and it is our fault, your supply will be restored within 24 hours	£30 PLUS £30 for each additional day you are without gas	The maximum compensation is £1,000
2	If we dig up your driveway, we will restore it within 5 working days of completing the works	£50 PLUS £50 for each additional 5 working days	
3	If you are registered on the Priority Services Register and your gas supply is interrupted, we will provide you with alternative heating and cooking facilities within 4 hours or if more than 250 customers are affected – 8 hours . * This standard does not apply if the interruption happens outside working hours (8pm – 8am)	£24	The compensation must be claimed within 3 months after the incident

PLANNED WORK

	STANDARD (FOR DOMESTIC CUSTOMERS)	COMPENSATION IF STANDARD NOT MET	THE SMALL PRINT
1	If we plan to carry out works that may interrupt your gas supply, we will let you know at least 5 working days in advance	£20	The compensation must be claimed within 3 months after the incident

CONNECTIONS

	STANDARD (FOR DOMESTIC CUSTOMERS)	COMPENSATION IF STANDARD NOT MET	THE SMALL PRINT
1	If you want to alter your gas connection or get a new connection, we will send you a quote within 6 working days for a standard connection or 11 working days for non-standard connection.	£10 PLUS £10 for each additional working day	The maximum compensation is £250
2	If you are happy with the quote, within 20 working days we will get back to you with a timetable for the start and completion of the works.	£20 PLUS £20 for each additional working day	The maximum compensation is £250
3	If the timetable slips and we do not complete the works by the date we told you we will, we will pay you compensation. The amount of payment varies depending on the value of the connection.	From £20 up to £150 PLUS additional payment for each additional working day	All payments have a cap