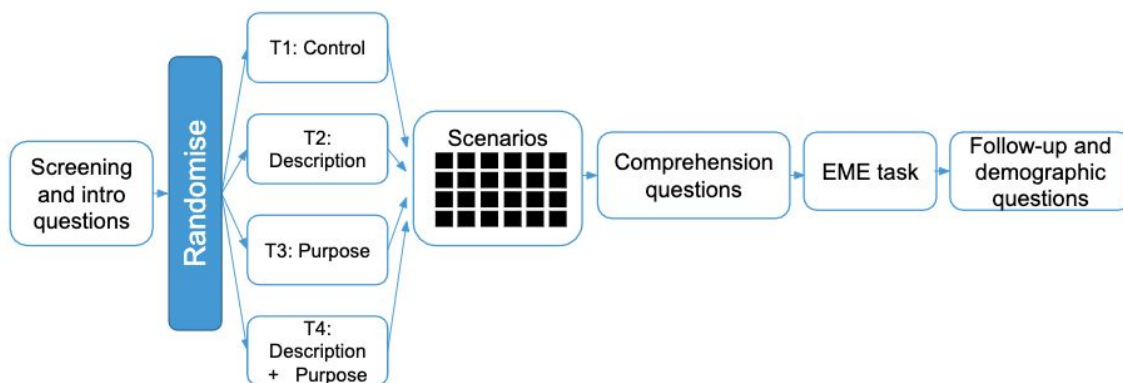


Reference pricing trial design and overview

Trial design



Treatment groups

The treatment arms in this trial are::

- Control (C)
- Treatment 1 (T1): Description / What is it?
- Treatment 2 (T2): Purpose / What is it for?
- Treatment 3 (T3): Combination of description and purpose

This trial evaluated whether these differing presentations of the concepts increased consumer comprehension, or whether the four approaches are equivalent for consumers on average.

Treatment groups

The specific words presented to participants in each scenario depended on the treatment to which they were randomly allocated.

C: Control

BIT naming convention	Treatment naming convention
Reference price	Reference price
Unconditional discount	X% less [X = 8 % for Bolt Energy, 15% for OK Energy]
Lowest possible price	Lowest possible price

Treatment 1: Description / What is it?

BIT naming convention	Treatment naming convention
Reference price	Benchmark price set by the government
Unconditional discount	Our price is X% less [X = 8 % for Bolt Energy, 15% for OK Energy]
Lowest possible price	Estimated annual bill

Treatment 2: Purpose / what is it for?

BIT naming convention	Treatment naming convention
Reference price	Comparison price
Unconditional discount	Our offer is X% less [X = 8 % for Bolt Energy, 15% for OK Energy]
Lowest possible price	Bill for the average user

Treatment 3: Description + Purpose

BIT naming convention	Treatment naming convention
Reference price	Benchmark price set by the government (to help you compare offers)
Unconditional discount	Our price for this offer is X% less [X = 8 % for Bolt Energy, 15% for OK Energy]
Lowest possible price	Estimated annual bill for the average user

Trial questions

Screening questions

S1. State of residence:

Which state or territory do you reside in?

- Victoria *[screenout]*
- New South Wales *[go to S3]*
- Queensland *[go to S2]*
- South Australia *[go to S3]*
- Northern Territory *[screenout]*
- Tasmania *[screenout]*
- Australian Capital Territory *[screenout]*
- Western Australia *[screenout]*

S2. QLD detail

Please enter your postcode

S3. Energy Decision Maker:

Who makes decisions about **which energy provider** to use?

- I am the sole decision-maker *[continue to S4]*
- I make decisions jointly with another person *[continue to S4]*
- Someone else makes all the decisions *[screenout]*

S4. Small business owner

Are you a small business owner?

- Yes
- No

Main task

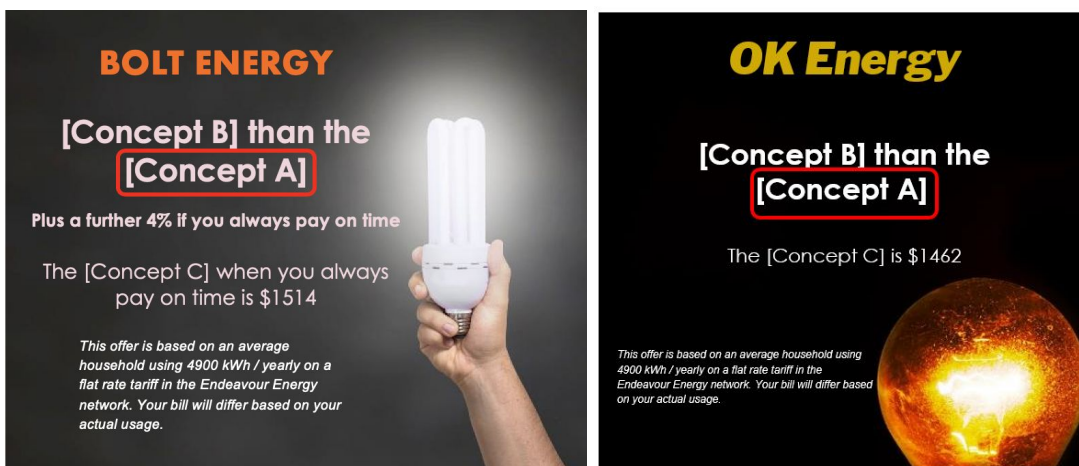
Task instructions

We are going to show you two hypothetical energy ads. We will then ask you some questions relating to the ads, and the information that is presented in it. We would like you to look at the ads, and answer the questions as best you can.



Scenarios

Participants were shown the same 2 energy ads side by side and asked to respond to the following questions. The ads were visible while participants responded.



Concept A scenarios:

Treatment group	Replace [Concept A] with:
C: Control	Reference price
T1: Description	Benchmark price set by the government
T2: Purpose	Comparison Price
T3: Description + Purpose	Benchmark price set by the government (to help you compare offers)

Self-Reported Comprehension Question Concept A

Q1

The energy ads you saw talked about the '[Concept A]'. From a scale of 1 to 5, how well do you think you understand this concept:

1-5, (Anchors = 1 = "I don't understand it at all"; 5 = "I understand it completely")

- A. 1
- B. 2
- C. 3
- D. 4
- E. 5

Comprehension Questions Concept A

Q2-5

Question (Randomised order of presentation of these questions)	Response options [randomised order of presentation of response options, except "Don't know / not sure" option]	Correct response
The example energy ads refer to a '[Concept A]'. Who do you think sets this?	A. The energy company B. The government C. Don't know / not sure	B. The government
The example energy ads refer to a '[Concept A]'. Who do you think sets this?	A. It's what I would pay if I signed up B. The government C. Don't know / not sure	B. It's to help me compare

What do you think this is for?	<ul style="list-style-type: none"> B. It's to help me compare between companies C. Don't know / not sure 	between companies
<p>The example energy ads refer to a '[Concept A]'.</p> <p>What do you think this is based on?</p>	<ul style="list-style-type: none"> A. It is calculated based on an average user B. It is calculated based on my usage C. Don't know / not sure 	<ul style="list-style-type: none"> A. It is calculated based on average usage
If you saw a price that was equal to the '[Concept A]', would you think that it was good value?	<ul style="list-style-type: none"> A. Yes, '[Concept A]' represents good value B. No, '[Concept A]' is only for comparison and does not necessarily represent good value C. Don't know / not sure 	<ul style="list-style-type: none"> B. No, '[Concept A]' is only for comparison and does not necessarily represent good value

Feedback for Concept A

The following feedback was shown at the end of the comprehension questions for Concept A

The '[Concept A]' is set by the government to help consumers compare energy offers. It differs by region, and is calculated based on average usage.

Concept B scenarios:

Treatment group	Replace [Concept B] with:
T1: Control	X% less [X = 8 % for Bolt Energy, 15% for OK Energy]
T2: Description	Our price is X% less [X = 8 % for Bolt Energy, 15% for OK Energy]
T3: Purpose	Our offer is X% less [X = 8 % for Bolt Energy, 15% for OK Energy]
T4: Description + Purpose	Our price for this offer is X% less [X = 8 % for Bolt Energy, 15% for OK Energy]

Self-Reported Comprehension Question Concept B

Q6

The example ads said that the offer was '8%' and '15%' less than the '[Concept A]'. From a scale of 1 to 5, how well do you think you understand this concept:

1-5, (Anchors = 1 = "I don't understand it at all"; 5 = "I understand it completely")

- A. 1
- B. 2
- C. 3
- D. 4
- E. 5

Comprehension Questions Concept B

Q7

The example ads say '[Concept B]' the '[Concept A]'. What do you think this means?

- A. It's the difference between the '[Concept A]' and the energy retailer's price
- B. It's the discount off the company's normal price
- C. Don't know/not sure

Q8-10

Question (Randomised order of presentation of these questions)	Response options [randomised order of presentation of response options, except "Don't know / not	Correct response
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	sure” option]	
<p>The example ads say ‘[Concept B]’.</p> <p>Do you think that it is decided by the company or the government?</p>	<p>A. It’s decided by the energy company</p> <p>B. It’s set by the government</p> <p>C. Don’t know/not sure</p>	<p>A. It’s decided by the company</p>
<p>The example ads say ‘[Concept B]’.</p> <p>Do you think that everyone gets this if they sign up with the energy company?</p>	<p>A. Yes, everyone gets 8% off (Bolt Energy) or 15% off (OK Energy) if they sign up with this energy company</p> <p>B. No, the percentage off might change depending on my usage.</p> <p>C. Don’t know/not sure</p>	<p>B. No, the percentage off might change depending on my usage.</p>
<p>The example ads say ‘[Concept B]’.</p> <p>Do you think you have to do anything special to qualify for this?</p>	<p>A. Yes, I have to do something extra like paying on time</p> <p>B. No, I don’t have to do anything extra</p> <p>C. Don’t know/not sure</p>	<p>B. No, I don’t have to do anything extra</p>

Feedback for Concept B

The following feedback was shown at the end of the comprehension questions for Concept B

‘[Concept B]’ represents the difference between the ‘[Concept A]’ and the energy retailer’s price. It is decided by the company. You do not have to do anything special to qualify for this.

Concept C scenarios:

Treatment group	Replace [concept C] with:
T1: Control	Lowest possible price
T2: Description	Estimated annual bill
T3: Purpose	Bill for the average user
T4: Description + Purpose	Estimated annual bill for the average user

Self-Reported Comprehension Question Concept A

Q11

The deals you saw talked about a '[Concept C]'. From a scale of 1 to 5, how well do you think you understand this concept:

1-5, (Anchors = 1 = "I don't understand it at all"; 5 = "I understand it completely")

- A. 1
- B. 2
- C. 3
- D. 4
- E. 5

Comprehension Questions Concept C

Q12-15

Question (Randomised order of presentation of these questions)	Response options [randomised order of presentation of response options, except "Don't know / not sure" option]	Correct response
The example ads talk about the '[Concept C]'. What do you think this is made up of?	<ul style="list-style-type: none"> A. The connection fee only B. The connection fee and usage C. Don't know. Not sure 	B. The connection fee and usage
The example ads talk about the '[Concept C]'. What do you think this is made up of?	<ul style="list-style-type: none"> A. An average user B. My usage 	A. An average user

What usage do you think this is calculated for?	C. Don't know. Not sure	
The example ads talk about the '[Concept C]'. Do you think you have to do anything special to qualify for this?	A. Yes, for both ads B. No, for both ads C. Yes for 'OK Energy' and no for 'Bolt Energy' D. Yes for ' Bolt Energy' and no for 'OK Energy' E. Don't know/not sure	D. Yes for 'Bolt Energy' and no for 'OK Energy'
The example ads talk about the '[Concept C]'. Is this the price you would pay if you signed up?	A. Yes, it's what I would pay B. No, I could pay more or less depending on my usage C. Don't know / not sure	B. No, I could pay more or less depending on my usage

Energy Made Easy Task

In this section, we'd like you to pretend you're helping a relative choose an energy offer. This relative doesn't know much about energy offers, and **they just want to make sure that they pay the least amount**. Assume that they are similar to an average household in terms of their energy usage.

They always pay on time, so assume that they would be able to get any discounts for paying on time that are on offer.

We're going to show you some information from an energy comparison website - we'd like you to choose which energy offer shown would be best for your relative.

Electricity plan results

Electricity 2780 3 people

New Search

What is important to you?




Monthly bills No contract term No exit fees No credit card fees

Refine by: discounts, fees, payments & more

Show: Lowest price plans from each retailer (29) | All plans (247)

View: Price | Price with discounts

Yearly

 EnergyU	Premium Saver <input type="checkbox"/> No contract term <input checked="" type="checkbox"/> Single rate tariff <input checked="" type="checkbox"/> Smart meter compatible <input checked="" type="checkbox"/> Solar feed-in <input checked="" type="checkbox"/> Green energy View plan information	Need to know <ul style="list-style-type: none">\$2.50 Payment processing feeCredit card payment processing fee 2.89%\$9.50 Direct debit dishonour payment fee\$66.00 Connection fee\$66.00 Disconnection fee\$88.00 Reconnection feePromotional Offers	\$1,530 with discounts \$1,560 per year Discounts: <ul style="list-style-type: none">Pay on time 11% less than the [Concept A]	<input type="checkbox"/> Compare
 Spark Energy	Combo Market Offer <input type="checkbox"/> No contract term <input checked="" type="checkbox"/> Single rate tariff <input checked="" type="checkbox"/> Smart meter compatible <input checked="" type="checkbox"/> Solar feed-in View plan information	Need to know <ul style="list-style-type: none">\$50.00 Disconnection fee for moving out of the premises\$50.00 Connection fee\$75.00 Reconnection fee\$75.00 Disconnection fee for non-payment\$2.50 Direct debit dishonour payment fee\$13.20 Other feeCredit card payment processing fee 0.4%	\$1,550 with discounts \$1,620 per year Discounts: <ul style="list-style-type: none">Pay on time 10% less than the [Concept A]	<input type="checkbox"/> Compare
 Five Point Energy	Energy Max Saver <input type="checkbox"/> No contract term <input checked="" type="checkbox"/> Single rate tariff <input checked="" type="checkbox"/> Smart meter compatible View plan information	Need to know <ul style="list-style-type: none">\$39.00 Membership fee\$2.50 Paper billing fee\$70.60 Disconnection fee\$70.60 Reconnection fee\$41.64 Other feeAccess to wholesale rates	\$1,570 with discounts \$1,570 per year 9% less than the [Concept A]	<input type="checkbox"/> Compare

EME ad shown, while the participant answers Q1 and Q2

Energy Made Easy questions

EME Q1

Which is the cheapest offer overall ?

- A. Spark Energy's Combo Market Offer
- B. EnergyU's Premium Saver
- C. Five Point Energy's Energy Max Saver
- D. Don't know/ not sure

EME Q2

When you looked at the ads, what did you look at to determine the cheapest offer ?

- A. [Concept A]
- B. Price per year
- C. Price with discounts
- D. 'Need to know' information
- E. Don't know/ not sure

EME Q3

Treatment group	Replace [reference price/comparison price/ benchmark price] with:
C: Control	Reference price
T1: Description	Benchmark price
T2: Purpose	Comparison Price
T3: Description + Purpose	Benchmark price

Which of these terms would you prefer to be used on ads?

- A. 10% less than [reference price/comparison price/ benchmark price] set by the government
- B. 10% less than [reference price/comparison price/ benchmark price] set by the Australian Energy Regulator
- C. They are the same
- D. Don't know/ not sure

Post-task questions

Additional post survey questions

D1. Age:

Please tell us your age:

- A. Under 18
- B. 18-24
- C. 25-34
- D. 35-44
- E. 45-54
- F. 55-65
- G. Over 65

D2. Gender:

Please select your gender:

- A. Male
- B. Female
- C. Gender non-binary
- D. Prefer not to say

D3. Income:

What is your annual household income before tax?

- A. Less than \$25,000
- B. \$25,000-\$49,999
- C. \$50,000-\$74,999
- D. \$75,000-\$99,999
- E. \$100,000-\$149,999
- F. \$150,000-\$199,999
- G. \$200,000 or more

D4: Employment

Which option best describes your employment status?

- A. I work full-time (more than 30 hours per week, includes self-employed)
- B. I work part-time (less than 30 hours per week, includes self-employed)
- C. I am a casual worker
- D. I am retired
- E. I am not working, but I am looking for work
- F. I am not working, but I am NOT looking for work

D5: Education Level

What is the highest level of education you have attained?

- A. Have not completed high school
- B. Completed high school
- C. Vocational or technical qualification
- D. Bachelor's degree or undergraduate diploma
- E. Post-graduate diploma, Masters or PhD

D6: CALD status

Do you speak a language other than English at home?

- A. No, I only speak English at home

- B. Yes, I speak another language

Financial literacy/basic numeracy questions

F1.

Susie is paid \$9.00 per hour. She works four and a half hours each day. How much does Susie earn each day?

- A. \$36.00
- B. \$38.00
- C. \$40.50
- D. \$49.50
- E. None of these

F2.

Susie is paid \$9.00 per hour. She gets a 5% pay increase. What is her new pay per hour?

- A. \$9.45
- B. \$9.25
- C. \$9.50
- D. \$9.05
- E. None of these

F3. [Free text entry]

Suppose you put \$100 into a savings account with a guaranteed interest rate of 2% per year. You don't make any further payments into this account and you don't withdraw any money. How much would be in the account at the end of the first year, once the interest payment is made?

F4.

Susie buys a laptop costing NZD144 from a company in New Zealand, at an exchange rate of AU\$1 = NZD1.20. What is the cost in Australian dollars?

- A. \$172.80
- B. \$128.50
- C. \$135.00
- D. \$120.00
- E. Don't know