South Staffs Water

AQR QUALITATIVE EXCELLENCE AWARD Highly Commended 2021

MRS Awards 2021 Highly Commended New Consumer Insights

BLUE MARBLE

Young Innovators' Panel

Final Report

21th September 2023

Contents

BLUE MARBLE

Young Innovators' Panel

Securing your water future

Teaching resource challenge

- To develop a teaching resource designed for KS3 (11–13-year-olds) to form part of South Staffs Water's armoury of tools to deliver water efficiency education to schools across the region.

PR24 research

Hearing the views of future customers in the16-18 age group, to be triangulated with other young and future audiences research as part of the PR24 evidence base.

- General attitudes (inc. impact of rising cost of living and the pandemic)
- Environmental beliefs and attitudes
- Acceptability of business plan proposals
- High level response to investment phasing & 'intergenerational fairness'.

BLUE MARBLE

Research methodology

A co-creative approach to engaging with future customers:

- A 3-week process across 2 workshop days; attended by 25 x 6th formers from schools and colleges across the region
- Immersive sessions about the company and sector; plus group discussions on specific issues
- Organised into 4 teams to create a teaching resource addressing a real business issue. Teams compete with a winning pitch presentation
- Supplementary evidence from a survey distributed to all participating schools

Young Innovators' Panel

Day 1 (27th June 2023)

- 'Speed immersion' with South Staffs Water experts & introductory 'discovery session'
- Group discussion: general and environmental views
- Task briefing: teaching resource challenge

Day 2 (19th July 2023)

- Task presentations plus Q&A with senior members of South Staffs Water
- Group discussion – PR24

Research materials can be found here:

Day 1 research materials

Day 2 research materials

Schools' survey

- Sent to sixth forms/colleges of students participating in the Young Innovators' Panel
- 95 students from years 12 &13 have taken part
- Included questions about behaviours and attitudes towards:
  - Future plans / prospects
  - The environment
  - South Staffs Water
- Fieldwork dates:11th July - 15th September

BLUE MARBLE

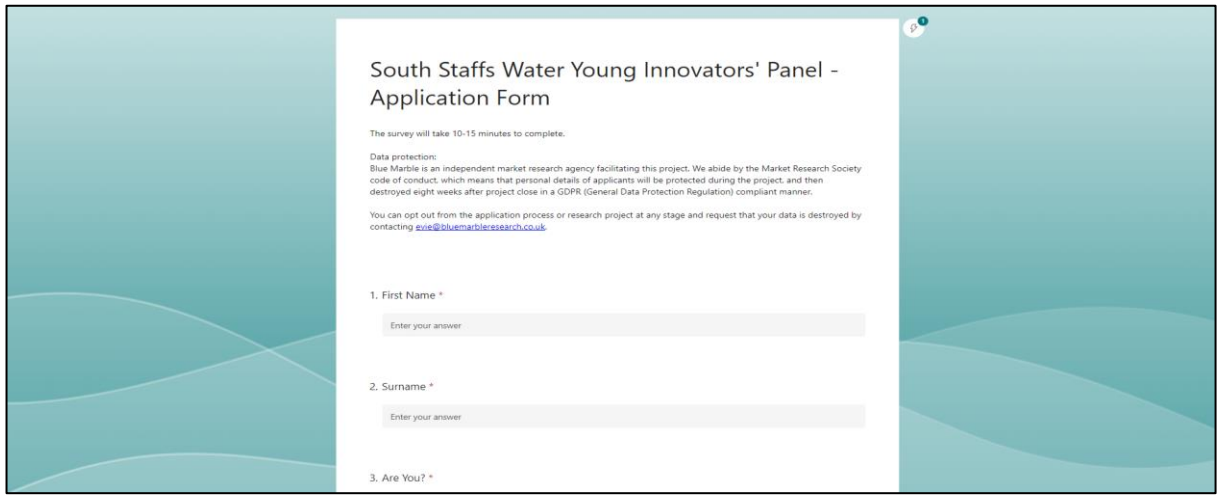
Sample selection

We received 65 student applications from 22 schools in the South Staffs Water supply area

- Applicants were asked to explain why they would be a good candidate, their reasons for applying, any relevant work experience, as well as a projective question to indicate personalities.
- Applicants were selected based on the overall strength of their application, while ensuring a diverse sample in terms of gender, school, ethnicity, and subjects studied. Teams were divided by ensuring a balanced spread in each group.

Blue Marble engaged 67 schools in the region to encourage participation

- Multiple waves of email(s) to Heads of 6th Form and/or lead for work experience introducing the panel and encouraging students to apply
- Follow up phone calls to ensure correct contacts reached
- Additional contact with schools whose students were selected - to distribute the schools' survey


South Staffs Water Young Innovators' Panel - Application Form

The survey will take 10-15 minutes to complete.

Data protection:
Blue Marble is an independent market research agency facilitating this project. We abide by the Market Research Society code of conduct, which means that personal details of applicants will be protected during the project, and then destroyed eight weeks after project close in a GDPR (General Data Protection Regulation) compliant manner.

You can opt out from the application process or research project at any stage and request that your data is destroyed by contacting evie@bluemarbleresearch.co.uk.

1. First Name *

Enter your answer

2. Surname *

Enter your answer

3. Are You? *

Sample category	Number of attendees
Gender	14 female, 11 male
No. and type of schools	18 state schools represented
Ethnicity	13 BAME students, 12 white English/Welsh/Scottish
Year group	One year 13 student, 24 in year 12

BLUE MARBLE

Inside the lives of future customers: environmental attitudes and views on water companies

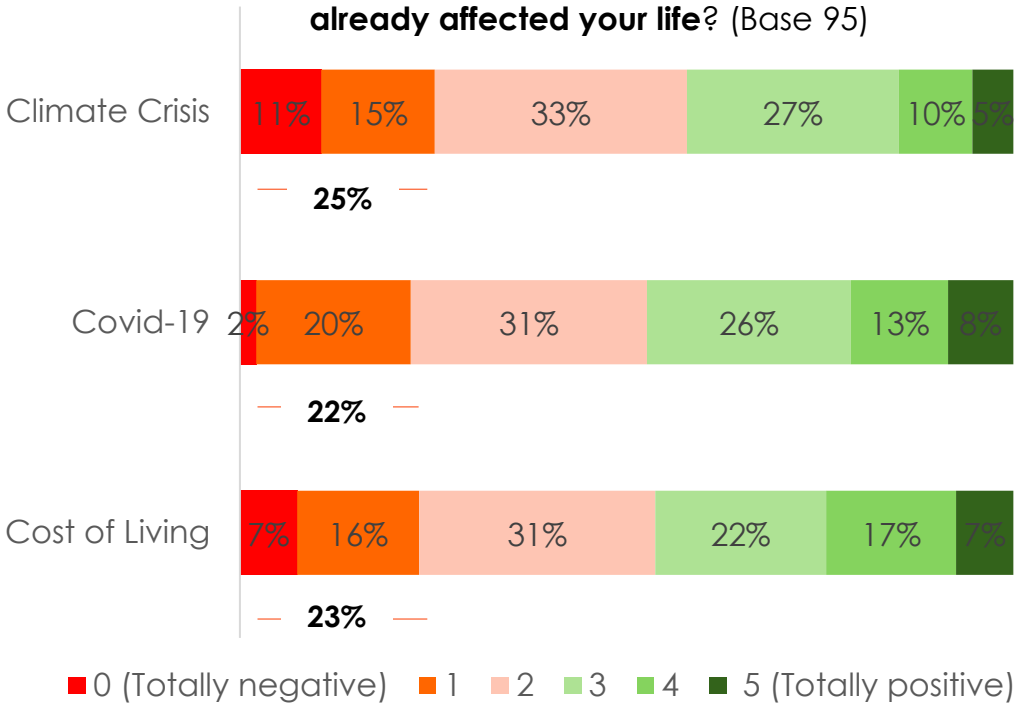
BLUE MARBLE

Students feel that their lives have been impacted by the climate crisis, Covid-19 and the rising cost of living – are we seeing some optimism for the future from this cohort?

- Around a quarter say that these challenges have already affected them negatively with the climate crisis having the greatest negative impact
- They anticipate that in 10 years' time the overall picture will be slightly worse – with the ongoing impact of Covid-19 having a particularly negative impact

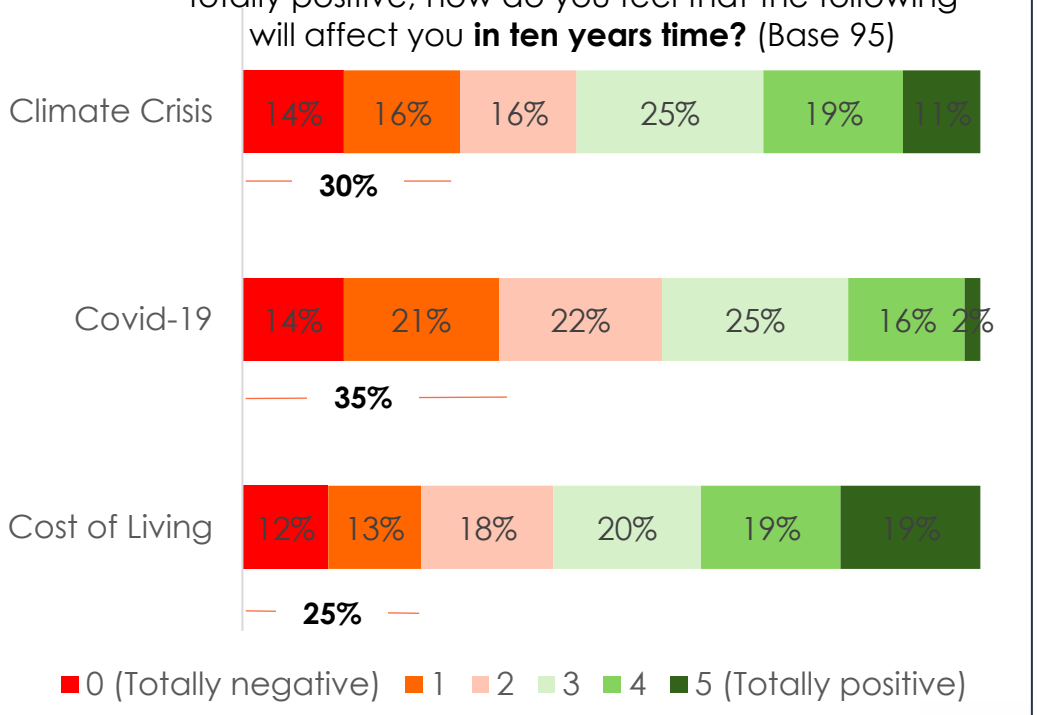
ALREADY

On a scale from 0-5, where 0 is totally negative and 5 is totally positive, how do you feel that the following have **already affected your life**? (Base 95)



IN 10 YRS

On a scale of 0-5, where 0 is totally negative and 5 is totally positive, how do you feel that the following will affect you **in ten years time?** (Base 95)



BLUE MARBLE

The ongoing impact of pandemic is very real for this age cohort

They have not had, and don't expect to have, the same experiences and life chances as previous generations

Perception that the short-term impact of the pandemic has died down e.g. travelling or seeing friends. However, many cited its negative impact on their future plans:

- **Education:** distance learning during and following the pandemic was seen by most as less engaging and more work intensive.
- **Employability:** with working from home more common, in-person work experience is now scarce, making it harder to build a strong CV and try out a broad range of roles.
- **University choices**: students feel more accustomed to being at home and some were worried about 'being stuck' in halls during another pandemic. Some are considering studying closer to home.

"It's been a few years, so the impact we saw during the restrictions, that's died down now."

"It's kinda like a no-brainer to think, you're spending 9K a year to go to university, or you could just go straight to work and get paid for it."

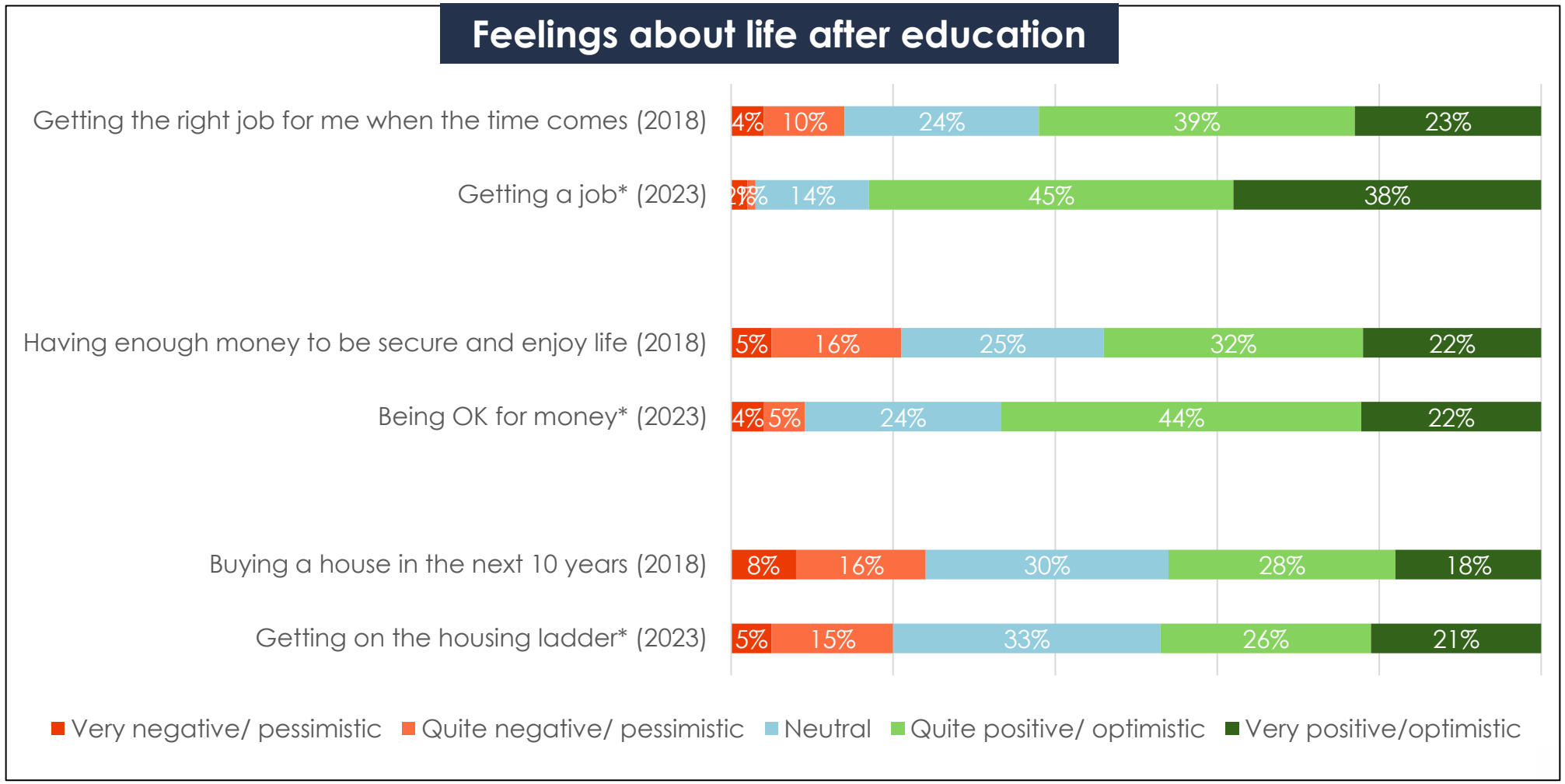
"I think it makes people more aware that if you want to Uni, you might not want to go really far away, because you could get stuck."

BLUE MARBLE

Comparing to 2018, more students are expressing an optimistic outlook in life after education – with job hunting and financial prospects both receiving more positive responses

- Vast majority (83%) of students feeling quite or very positive about finding employment after education – a significant increase vs. 5 years ago (62%). Very few (3%) say they are pessimistic about finding employment. Financial confidence has also increased.
- Prospect of buying a house remains largely unchanged from the last wave

Feelings about life after education



Q6) How are you currently feeling about the following issues in relation to life after education? (Base 95) (2018 – base 352)

*NB Slightly different wording was used in 2023 survey

BLUE MARBLE

Some find it hard to disentangle the negative impacts of the pandemic from the cost-of-living crisis

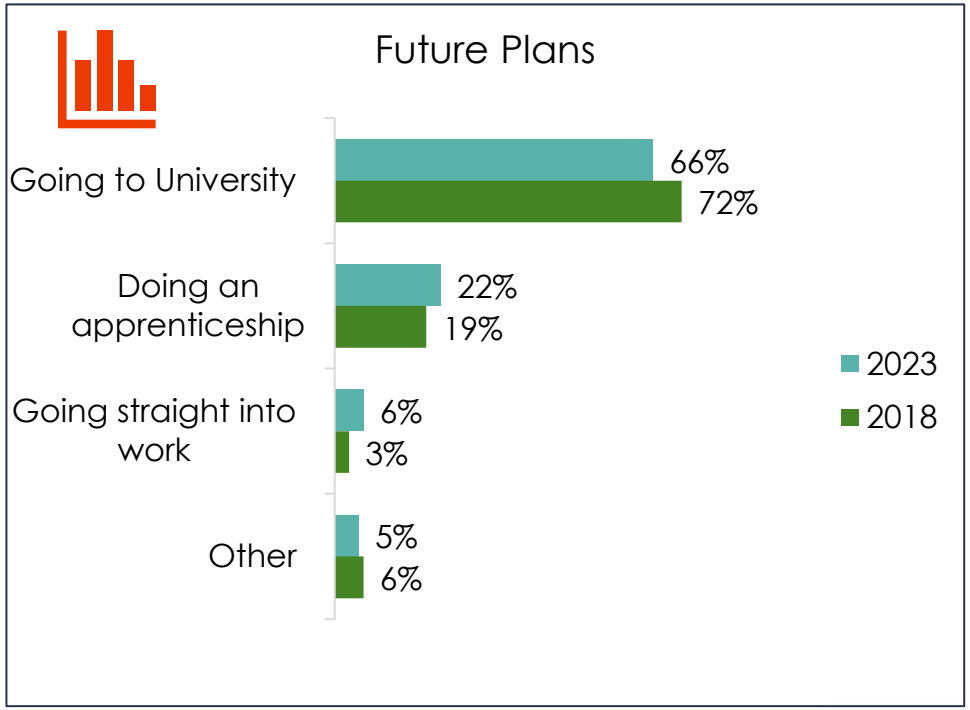
These events have been experienced cumulatively (often through a worsening of family finances) and look similar in some cases e.g. food shortages in supermarkets.

Young innovators have noticed parental stress about coping with the rising cost of living and want to help where they can:

- Helping to cut costs, esp. food and utility bills
- A few have taken on part time jobs to support their families
- Single parent or low-income families tended to be especially worried about their finances, although a general sense that the rising cost of living affects everyone.

In the longer term: squeezed family finances and worries about future employability encouraging them to consider going straight into work or choosing apprenticeships over university

While survey data shows that overall, university remains the most popular choice for students after finishing year 13, there has been a drop in favour of an apprenticeship or work since 2018



Q4) What are you most likely to be doing after year 13? (Base 95)

BLUE MARBLE

Financial concerns are more top of mind for this age group – and real – than we have observed in previous years

"I think it's making a lot of people more aware of the money they've got, before a lot of people would spend more freely, now even the middle class have to count what they've got."

"My child benefits have run out now that I'm 18, so I need to get a job to help support the house."

"Some of the savings that would have been put away for university, I know that my parents have had to eat into the because of the pandemic."

"My parents are definitely stressed about the bills especially as everything is going up, especially interest rates and things like that so you do have to cut down your expenditures, especially with water bills, gas and electric."

BLUE MARBLE

Students concerned about climate change but unsure about their role in responding to it

Students feel climate change will negatively impact their lives (especially in the long term) but are unsure:

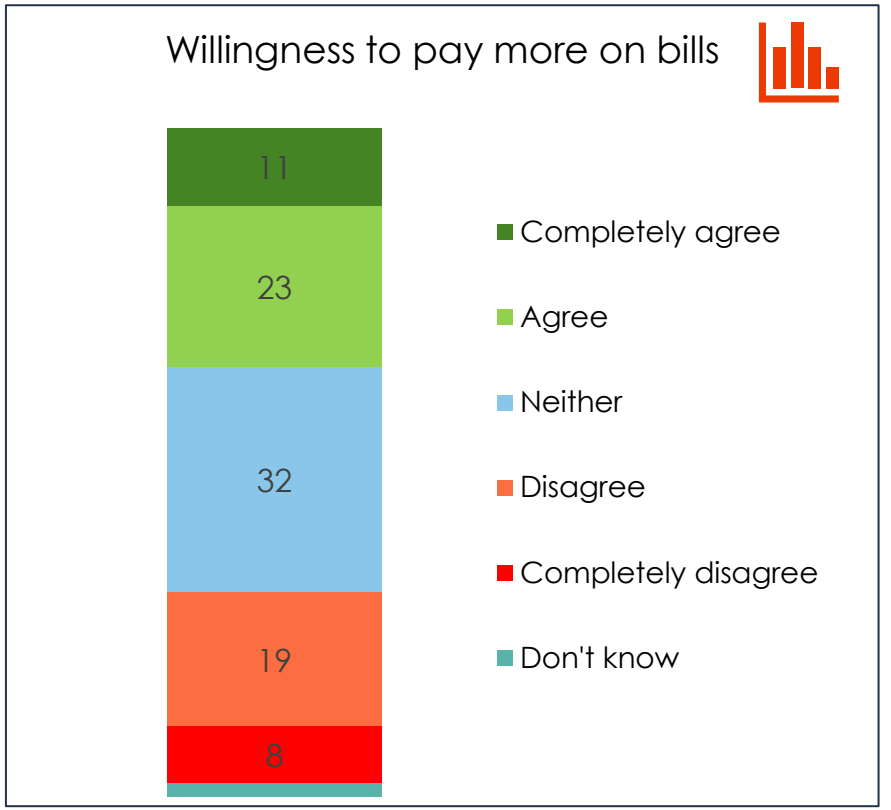
- What they can to do to help
- If their actions will have an impact (if businesses and larger countries like the US and China don't take enough action)
- Whether to give in to 'doom and gloom' (fatalism) about the climate emergency or believe that positive change is possible

"It's a distant invisible thing... I can't feel super strongly about it."

The balance is in favour of paying more to enable water companies to act – but opinions are mixed

- All companies need to act urgently to ensure a liveable future globally.
- The water industry is linked to nature, and therefore should lead decarbonisation (second to oil and gas companies, who need to act immediately).

- Water is a necessity, and customers should be able to afford it (especially during the cost-of-living crisis).
- Believe bill rises should be moderate.
- Some stress the importance of supporting those struggling financially.



Q15) *"Climate change is an issue water companies should be leading on, even if this means people paying more towards bills in future"*. To what extent do you agree with this statement? (Base 95)

BLUE MARBLE

Students focused primarily on reducing waste in order to help the environment

In the qualitative discussions, the most popular action was recycling, followed by:

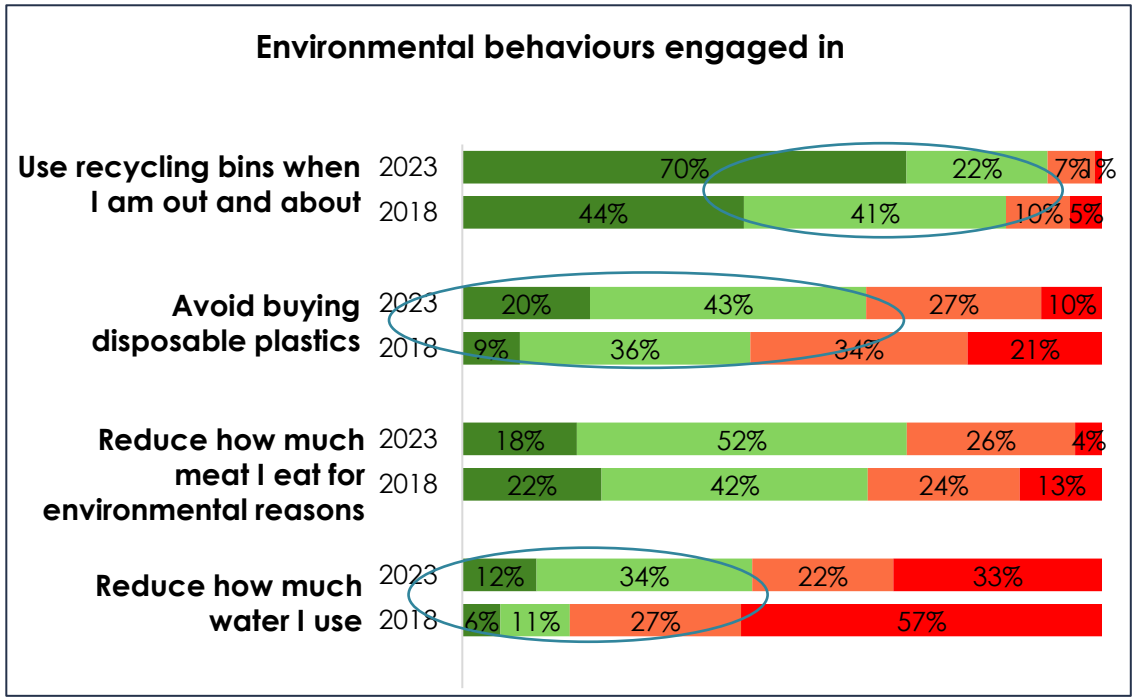
- Reducing household energy usage e.g. turning lights off, taking appliances off standby (with the latter often motivated by parental concern about cost).
- Walking more
- Using reusable water bottles.

"I do some things but there's definitely more I could be doing."

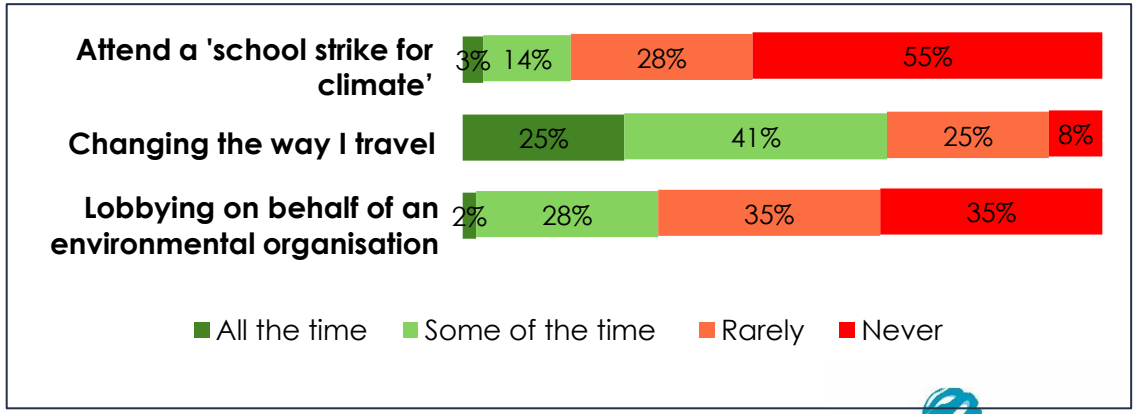
"I do the bare minimum, like I cycle every now and then… I think I need to educate myself more on what the actual issue is."

Survey results suggest students are increasingly using environmental behaviours

- Using recycling bins is the most 'set in' behaviour – and significantly more so than 5 years ago – with a similar pattern of change for avoiding disposable plastic
- Levels of water use reduction also shows a significant increase from 2018 although over half rarely or never reduce usage.
- The percentage of students engaged in climate activism in 2023 is relatively lower: students are more likely to change personal behaviours than strike or lobby.



NB Only asked in 2023

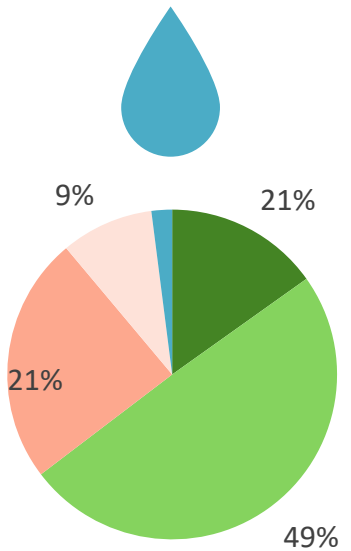


Q12) How often do you do each of the following?
(Base 95) (2018 – base 352)

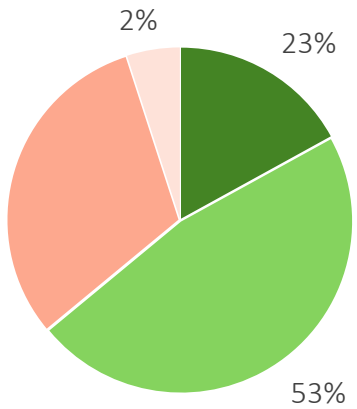
BLUE MARBLE

Pro-environmental behaviours: future customers slightly more energy than water conscious

Being water conscious appears to be almost as important as energy conscious. Only a minority (9%) say they don't make much effort to save water.



A Great Deal
A Fair Amount
Some Effort
Not Much Effort
None



Q11) How much effort do you make at home to **save water**? (Base 95)

Q10) How much effort do you make at home to **save energy**? (Base 95)

In the discussions, students talked more about the need to cut down on energy usage to save money e.g. limiting heating use – including via fewer/shorter showers

- Fewer appeared conscious of the need to be careful with water, potentially due to the lower cost of the bill.
- Others (in more affluent families) felt that utilities were an essential, and they were more likely to cut down on 'luxuries' first.

"You see your mum struggle a lot and you just want to help out".

"Turn the water off, don't leave the tap running, don't waste anything...because everything is so expensive".

Parental influence? Some parents were reminding their children to be more economical with utility use (primarily energy). However others were taking it upon themselves to help out their families financially by being more careful with their usage.

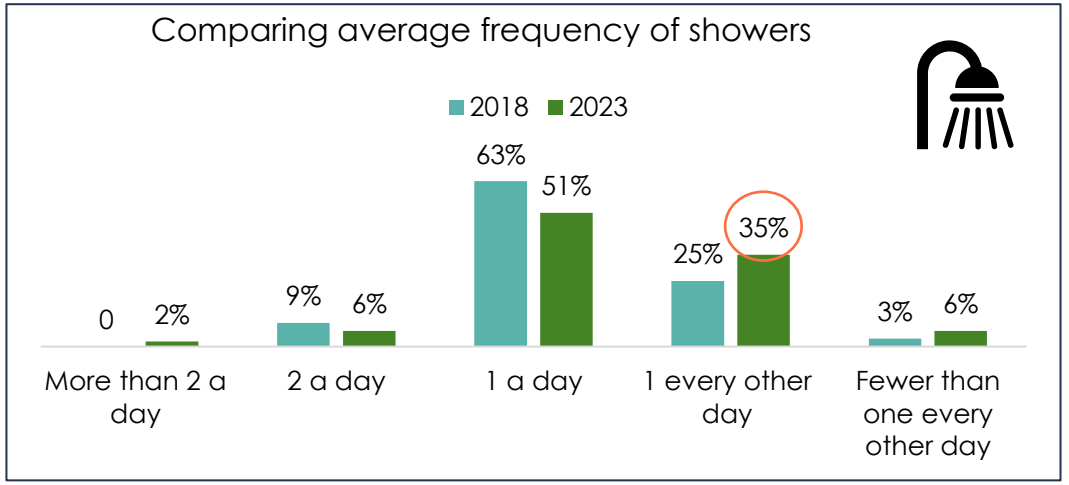
BLUE MARBLE

The main driver for reducing water usage appears to be the cost-of-living context rather than environmental factors

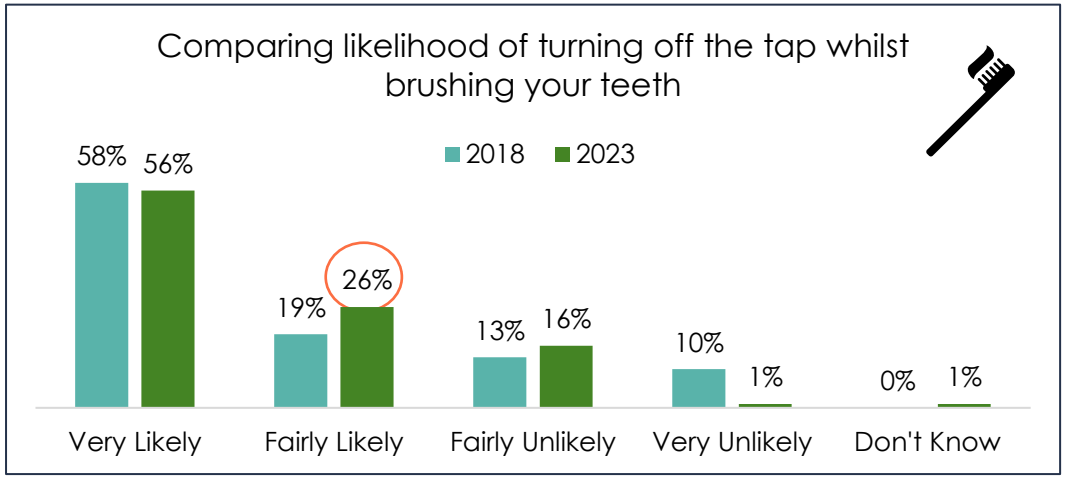
While students appear to have become slightly more careful with water usage since 2018, discussions suggest that their sense of purpose is weakened by lack of clear rationale (other than money):

- They can see that it is a precious resource that shouldn't be wasted (some mentions of hosepipe bans over recent summers emphasising this)
- Easier to envisage the environmental consequences of drought, but the carbon emissions required to process water was not mentioned spontaneously.
- Clear views on how they can help limited to the familiar ideas of e.g. taking shorter showers, turning the tap off when brushing teeth. (But included potentially erroneous actions e.g. washing dishes by hand rather than using a dishwasher).

Students appear a little more cautious with their water consumption vs 2018 - they are showering less frequently, and are more likely to turn the tap off while brushing their teeth.



Q16) Thinking back over the last few weeks, on an average day how many showers/ baths have you taken? (Base 95) (2018 – base 352)

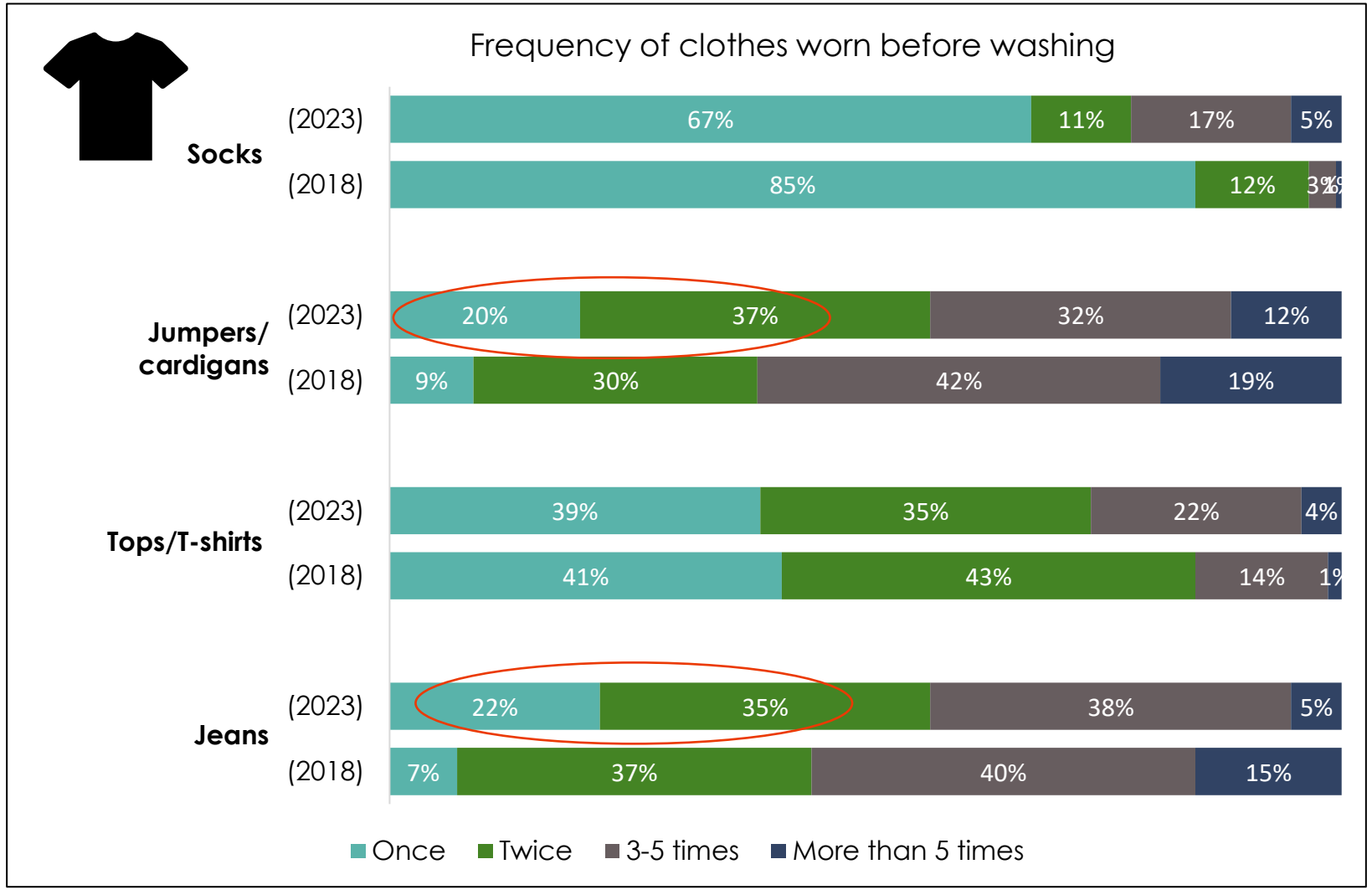


Q17) When cleaning your teeth, how likely are you to turn the tap off when cleaning your teeth? (Base 95) (2018 – base 352)

BLUE MARBLE

Washing frequencies does not show overall significant differences from 2018

Reduced clothes washing is not a behaviour that future customers appear to be engaging with. Indeed, washing frequency appears to have increased for jeans and jumpers.



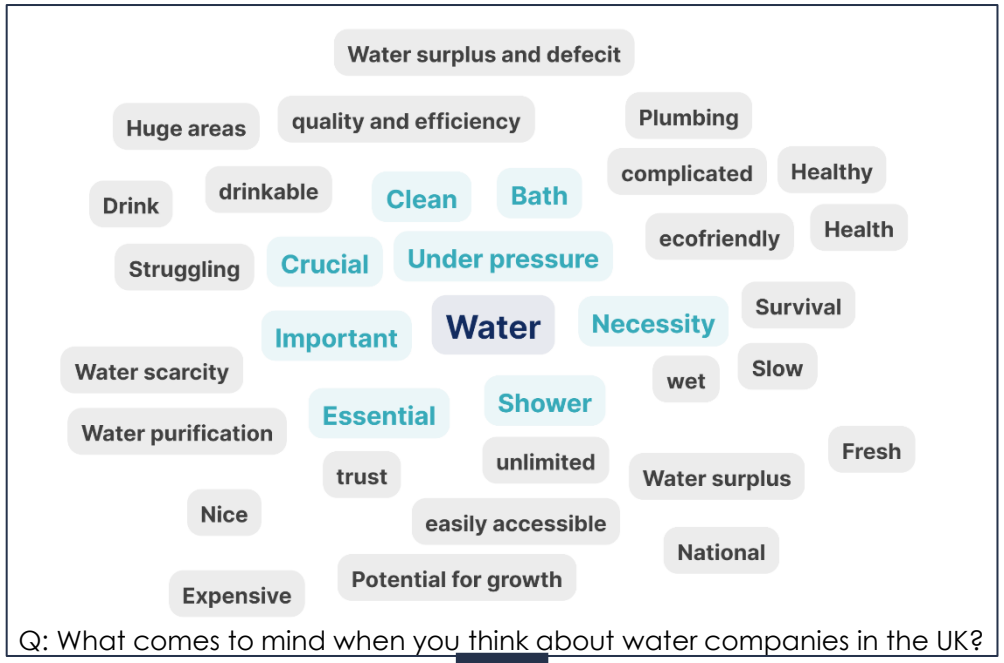
Q18) Approximately how often do you wear the following clothing items before washing them? (Base 95) (2018 – base 352)

BLUE MARBLE

The water industry is not top of mind for this generation

Students were taken through a discovery activity which involved finding out key information about how the water industry works, as well as the key challenges it faces

Before discovery activity



Q: What comes to mind when you think about water companies in the UK?

- Language is often literal: *water, bath, drink*
- Some indications of concerns/challenges: *scarcity, struggling, under pressure*
- As well as positive associations: *Health benefits, eco-friendly, unlimited, fresh*

- Unsurprisingly, the water industry is largely unknown to future customers: they are not bill payers and are accustomed to having clean water on demand.
- Some were aware of media stories: South East Water's hosepipe ban (announced a few days before day 1) and sewage spills (which they want to see reduced).
- A few had more in-depth knowledge about the risk of drought caused by climate change and the need for water companies to reduce leakage.

"Typically, you don't read good things, if you hear something it's usually a negative thing."

"I think a lot of people consider problems to do with water resource is like other countries, they don't think it's in the UK but it is."

BLUE MARBLE

Associations with South Staffs Water became more positive following the discovery activity

Students also had developed ideas about what water companies need to do to be responsible actors in society

After discovery activity

Q: What comes to mind when you think about water companies in the UK?

- *Sustainability, reliability, responsibility* were all strong themes
- Students also played back the challenges that water companies face:
  - Population and increasing demand
  - Environmental protection
  - The need for change & problem solving

After the discovery activity, students were more likely to have positive associations with South Staffs Water, particularly in relation to feedback and communication with customers.

Future customers want water companies to:

- Provide **safe, clean water** (top priority).
- Be proactive in **tackling leakage and resilience threats** from climate change.
- Be transparent about day-to-day activities, consult customers about future plans and communicate with them – all so they can **be held accountable** (especially on sewage spills).
- **Educate** people about the risk of drought and the need to reduce consumption.

"If they want to be responsible and have a good reputation then they should work with sewage companies."

"Main priority should be to provide sufficient and affordable water for all of their customers."

BLUE MARBLE

Education programmes were viewed as the best way to engage this age group

Young Innovators want other students to benefit from the same experiences they have had on the panel

They see education programmes in schools are the most effective way to engage their generation about water saving

- Current teaching on environmental issues was seen as insufficient
- They acknowledge their lack of knowledge about the water industry before attending the YIP
- They want education programmes to start young (to establish good habits early on) and continue to reinforce important messages as students get older – children can also educate their parents as part of this process.

Other ways of engaging young people discussed included:

- Publicising details of water company work on social media.
- Making links with charities related to water saving.

"If you tell adults and they tell their kids, the kids don't always listen. If you tell the kids, they will, and they might tell the adults too."

"Before today I presume a lot of us didn't know a lot."

"I don't think I've ever seen a campaign for water in schools."

BLUE MARBLE

Summary of teaching resource presentations

BLUE MARBLE

Young innovators briefed on day 1: the teaching resource challenge

Teams worked together between the two events, presenting to a judging panel on Day 2

Intro to the main challenge: teaching programme

- South Staffs Water delivers an education programme to mainly primary schools within their area of supply.
- Sessions link to areas of the National Curriculum, like Science, Literacy and Geography.

Why are water education programmes important?

- Sessions encourage students to use water more carefully (who can then educate their parents too) and reduce overall usage of water.
- Reducing water use is key to ensuring that there is an adequate supply for everyone in the future, in light of increasing demand and reducing supply.

How can the Young Innovators' Panel help?

- South Staffs Water is expanding its education programme to cover Key Stage Three (11-14 year olds).
- As part of this process, they need to develop four, hour-long workshops for students, to be delivered by Emily Eden (education co-ordinator).
- South Staffs Water would like you to design a key teaching resource for the workshops, to make them as effective, fun and engaging as possible.

This is Emily! She can answer any teaching related questions you have about the main challenge

Securing your water future

Main challenge: the presentation

- In teams, prepare a 10-minute team presentation on your teaching resource idea
- Come ready to present it on 19th July
- The judging panel will be made up of senior members of South Staffs Water and Key Stage 3 students who will test your ideas and pick a winner.

Presentations need to:

Explain the idea/premise of the teaching resource and show how it works. If you are able to make a version for us to play/have a go with, even better!

Explain what students will learn from the app or game (the learning outcomes)

Show how South Staffs Water will know if the app or game is successful – how will you measure this?

The main challenge

- Your team has been allocated one of the teaching topics
- Design a teaching resource in the form of a game-style activity, based on the topic aimed at 11 – 14-year-olds.
- The teaching resource needs to be informative, fun, and should take between 15 and 30 minutes to complete.
- Think back to when you were that age, what type of teaching engaged you the most?

How will the competition be judged?

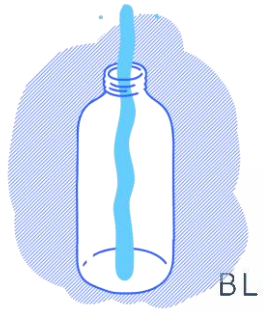
Creativity	How creative is the teaching resource?
Suitability	Is it suitable for using in a wide range of schools? For 11- 14-year-olds? Can it be used easily at home?
Engagement	How well does it encourage learning, behaviour change, or repeated use?
Communication	How clearly is information about the topic explained? Is it easy to understand how to use it?

BLUE MARBLE

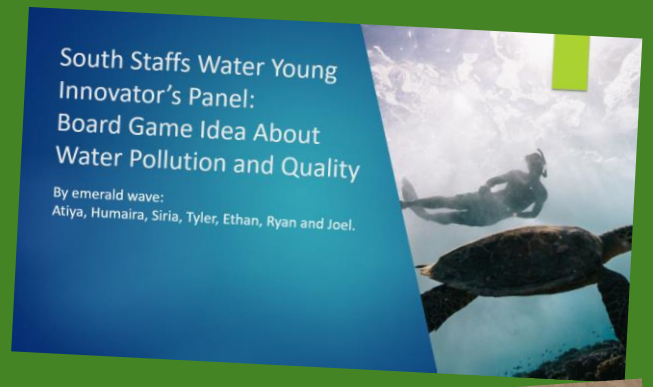
"Water Guardians is an App designed to be played by 11-14 year-olds, with the purpose of 'Educate, Engage, Create Change"

- The team's goal is to have a game that educates while has the replay value to keep children learning.
- Players enter a quiz game with their chosen avatar and receive points that 'converts to pints'. Each correct answer will earn the player 1 glass bottle of clean drinking water.
- Players have 3 lives – when these are lost, their bottles will shatter.
- Players have to play consistently to fill their bottle with enough water.
- The team decided to choose pathogens for avatars as they are the main things which cause water contamination and lead to water insecurity.
- The team believes the app will be easy to understand and use for the KS3 audience as it offers clear, concise and relevant content, supported by the extensive research they conducted. It combines easily comprehensible language with challenging elements while promoting a broader understanding of Water Insecurity.

"Water Guardians is a game silly in design but serious in execution. It could be introduced in workshops with the hope children keep playing at home."



BLUE MARBLE

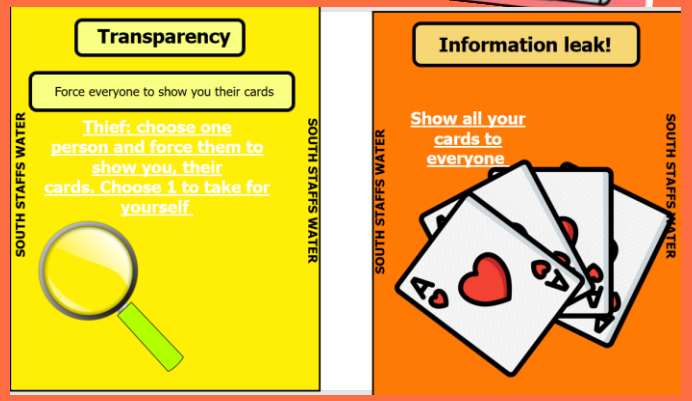


"We created our board game based on the classic snakes & ladders but with a twist. The ladders are pipes, and the snakes are harmful pollutants that affect the quality of water"

- The green team has hand-crafted a board game to educate students about the sources of water pollution and different methods of water treatment - and demonstrate the crucial importance of clean water.
- Players start at a place where the water is extremely polluted and move through the board by throwing a dice. On their way, they will pick up a question card and answer. Only by answering correctly they will be able to move their characters forward.
- The team believes their game would be successful because it will encourage students to consider how they may help decrease water pollution in their daily lives. As a result, they could implement new practices in their communities to minimise pollution and preserve water.

"The students will gain an understanding of the sources of water pollution such as industrial and chemical waste and agricultural runoff. The game will also introduce students to different methods of water treatment and purification, highlighting the important of clean potable water. "

BLUE MARBLE



"Play this on someone to force them to add 50L to their water footprint every turn until they get a plumber card!"

- With a series of vividly-designed 'cards', the orange team has created a board game with cards and characters for teenagers to play.
- Deriving ideas from games like Uno and Monopoly, players enter the game with the aim of maximising their 'water footprint'.
- Throughout the game, students could learn about the impact of their daily activities on water resources such as a long shower and a leaky tap. They would be prompted to think about how to improve water efficiency and will get to apply the knowledge they have learned in the game to their own lives.
- With engaging scenarios and creative rules, the game is particularly entertaining as everyone could play to their strengths by adopting different strategies to win.
- The team believes the game fills the judging criteria as it requires high levels of communication and group engagement, as well as being well-suited for 11 – 14-year-olds.

"Our focus is on visible water usage"

BLUE MARBLE

Europe:

Question: Climate change will not affect water scarcity in the UK.

True or False?

Answer: False

Reasoning: Changes in rainfall pattern, caused by climate change, can lead to droughts, or an increased number of storms caused by warmer oceans. This leads to an increased risk of flooding – which will overflow rivers, making in difficult to collect water, so will affect water scarcity, increasing it.

"An astronaut from out of space comes back to Earth witnessing the effects of climate change firsthand. The journey starts with the astronaut finding himself in North America facing the rising temperatures causing the glaciers to melt and then he ends his journey across the globe in Australia where they are facing severe droughts and extreme weather conditions…"

- The winning team designed a board game with an intriguing backstory, aimed at educating teenagers about the impact of climate change around the world. Set in a dystopian future where Earth is faced with the direct consequences of global climate change, and the player travels across the globe as an astronaut arriving back home.
- To move their characters on the board, players will answer a series of quiz questions relating to water resources and climate change. Getting a more difficult question correct means moving ahead more spaces.
- Chosen as the winning idea by the judges for its global reach and the research with younger students which led to improvements (reducing penalties for wrong answers) to encourage teenagers to play more often.

"As the players move on through the board game, they will have a clear understanding of how climate change has impacted each continent and their water, showing the importance and severity of the situation and how to reduce the impact for the future. "

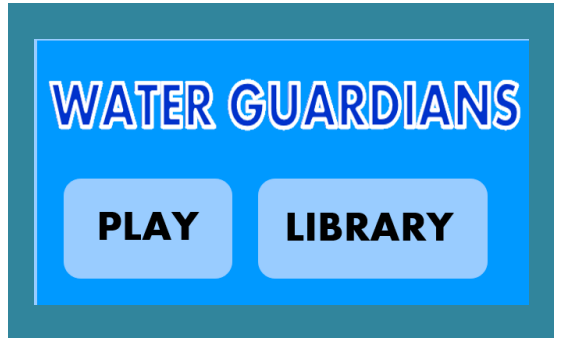
BLUE MARBLE

The idea of a water Guardian app was most popular with students

After 'test driving' the teaching resources, and asking how they could be developed in the future, yellow team's global water and climate change board game was most popular with KS3 and South Staffs judges

'Please rank the presentation/teaching resource on its level of success meeting the following objective (on a scale where 1 is didn't meet objective at all and 5 is met it completely):'

1 ⟷ 5



Slido score from Young Innovators	2.9	3	3.8	4
	Team Green objective "Educate young people on the types and causes of water pollution, as well as methods to tackle the problem."	**Team orange objective** "Encourage young people to reduce water usage by educating them about the amount of water needed for everyday items/ activities."	**Team yellow objective** "Educate young people on the ways that climate change could cause water related challenges, plus ways to mitigate/adapt to these impacts."	**Team blue objective** "Educate young people on the causes and impacts of water insecurity, as well as methods to tackle the problem."

BLUE MARBLE

Feedback from Judging Panel

"I really enjoyed the session and was impressed by the commitment of the YIPs. I was expecting great stuff any way but was blown away by the levels of commitment, passion and enthusiasm shown."

Matt Coles
Chair of Stakeholder Challenge Panel and consumer advocate

"As a NED at the business, I was delighted to be able to see up close the impact our sector issues are having on the hearts and minds of the students who took part in the competition. The quality of their work, and their engagement with the challenges of the sector were thoughtful, balanced and innovative. Overall, I was left with a huge sense of optimism for the capability of this generation and what they will do when they are active in professional and commercial life as young adults."

Catherine May
Senior Independent Director

"It was real eye opener to hear the views and perspectives of our future customers, it made me think differently to what I would have originally perceived was the best way to go – absolutely brilliant!"

Mumin Islam
Head of Price Review and water efficiency expert

"I had a really fun day and thought the games were very creative and I loved how they made some of the problems about water and geography fun. I also really liked the lunch and thought it was interesting seeing a big office and a call centre which I haven't seen before."
KS3 Student

"I thought it was really good to learn more about where our water comes from and some of the problems that our area is facing, as sometimes we focus on places in lessons where we don't live."
KS3 Student

"The whole day at South Staffs Water was fantastic. We were welcomed warmly and found the Young Innovators Panel fascinating. Seeing what work had been put into the projects, and the amount of information that the students had gathered from their previous day learning about the issues of water, made for an interesting and engaging round of presentations. Look forward to hearing about what games can be used in schools in the future!"
Teacher

BLUE MARBLE

Young Innovator opinions on customer service and technology strategy

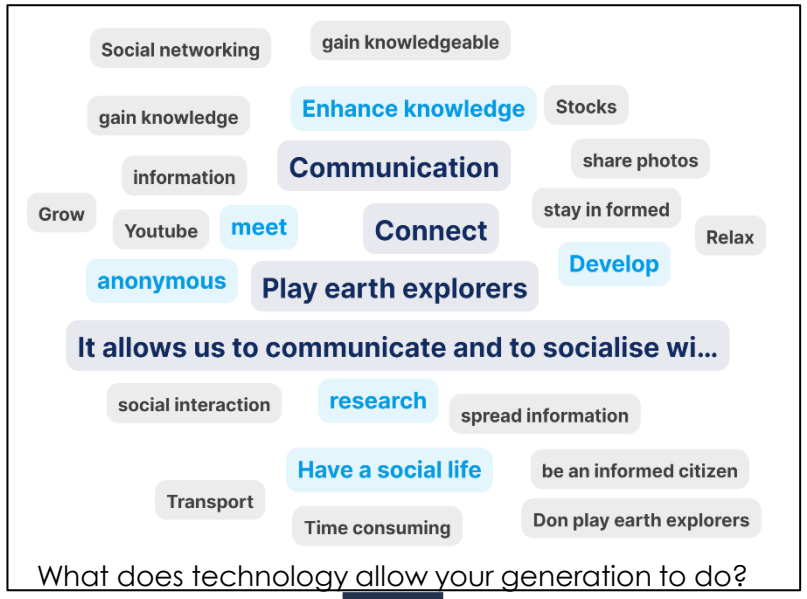
BLUE MARBLE

Context: currently the benefits of tech (including Earth Explorers!) outweigh the dangers

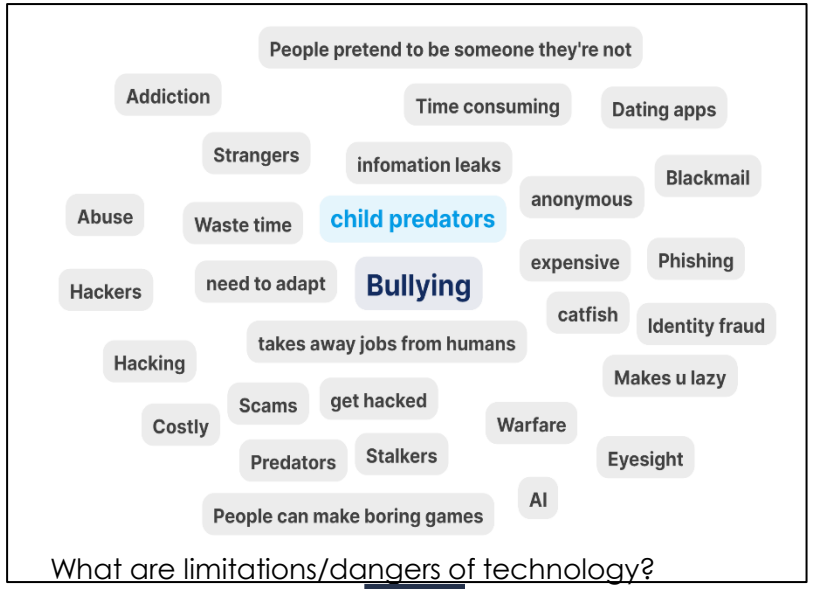
However, optimism about the future impact of tech on this generation is muted. A love-hate relationship?

How do you feel about the impact of technology on your generation in the future? Choose the emoji that represents your feelings best

Average score: 5.8



What does technology allow your generation to do?



What are limitations/dangers of technology?

Key benefits of technology relate to learning and connecting:

- Socialising, meeting people
- Learning and gaming
- Spreading information, staying up to date
- *(No mentions of customer service benefits)*

Key concerns about technology related primarily to safety:

- Data leaks, hacking, scams and fraud
- Bullying, child predators, stalkers, fraudsters
- Time consuming/wasting/expensive

BLUE MARBLE

Context: what do future customers admire in companies?

Corporate values and good customer service are key when identifying admired companies

Personalised service, engaging with what customers want e.g. consulting customers before acting, bespoke communications.

Innovative and pioneering e.g. using/creating new technology, going to space.

Diversity – in employees and services offered e.g. celebrating Pride or Black history month, diverse workforce

Environmentally friendly/ethical e.g. can see Fairtrade/Cruelty free/carbon neutral on packaging

Proactive and sympathetic e.g. resolving problems without quibbling.

Speedy timelines e.g. delivering service sooner than expected, keeping customers updated about timelines.

Cares about employees e.g. sharing profits with workforce.

"I like that they don't just focus on the service that already exists, they are actively pushing to improve the world."

"Whole website packed with features, who your driver was, your postage delivery journey, stuff like that."

TESLA

John Lewis

BLUE MARBLE

Young Innovators' felt that technology could improve customer service but digital interactions need to be balanced with human contact

Perceived ways technology can improve customer service?

- ✓ Allow customers to communicate instantly with the company from the comfort of their own homes. (Also good for those with accessibility needs)
- ✓ Gain rapid feedback from customers on different areas of company performance
- ✓ Spread key company messages to a wide audience using social media

However, in improving customer service, future customers think companies should balance face to face and chatbot/AI:

- **Human-led** still seen as the optimal service for most.
- **Digital can be personalised** – so customers receive a tailored service.
- **Customer services need to be reliable and quick** – minimising waiting times

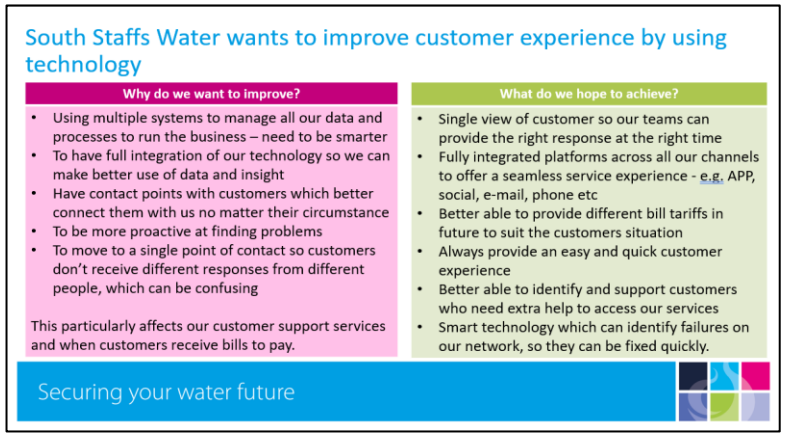
"There are positives and negatives because there's more contact, but it loses some of that special treatment."

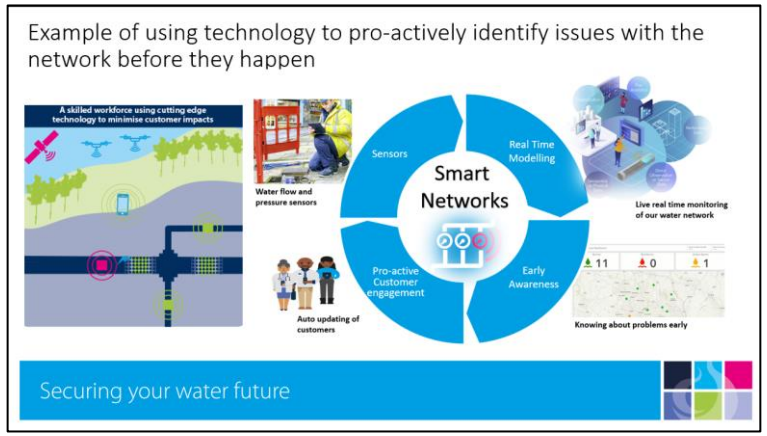
"No-one really knows [Debenhams is] online so what's the point? I'll just go somewhere else."

BLUE MARBLE

Students briefed on South Staffs Water's plans to improve customer service using technology

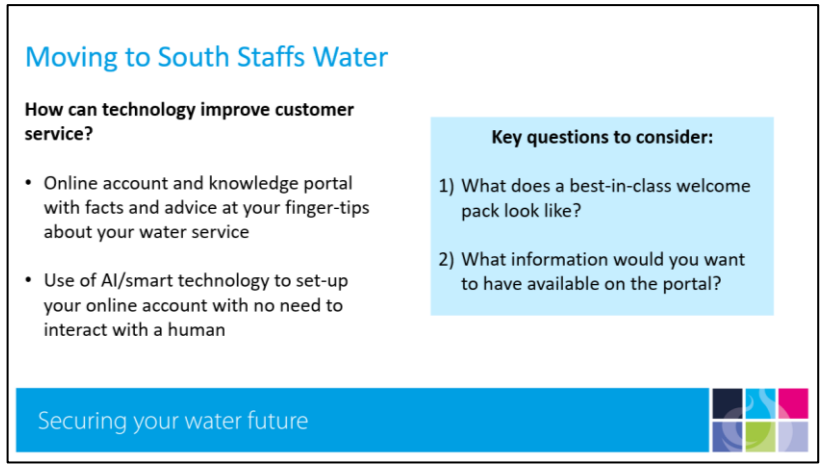
South Staffs Water explained their plans for improving customer service using technology. Participants were then shown scenarios where customers might need to contact South Staffs.





BLUE MARBLE

The ideas were well received but the students preferred an 'app' to a 'knowledge portal'



"There should be a little guy who pops up and walks you through the process because it can be quite boring with blank text boxes. It should all be in one place where all the information is communicated."

"You have to be careful using AI because it can't always answer the questions anyway, so it still needs to go to a real person."

Most engagement with the idea of an app or chatbot to help onboard customers:

- It can provide key information relevant to the customer.
- It is faster and more convenient than ringing the company

They also identified specific features that would work well:

- Automatic reminders to sign up
- Automatic switching of accounts
- Bypass systems and alternative methods of contact for the digitally excluded

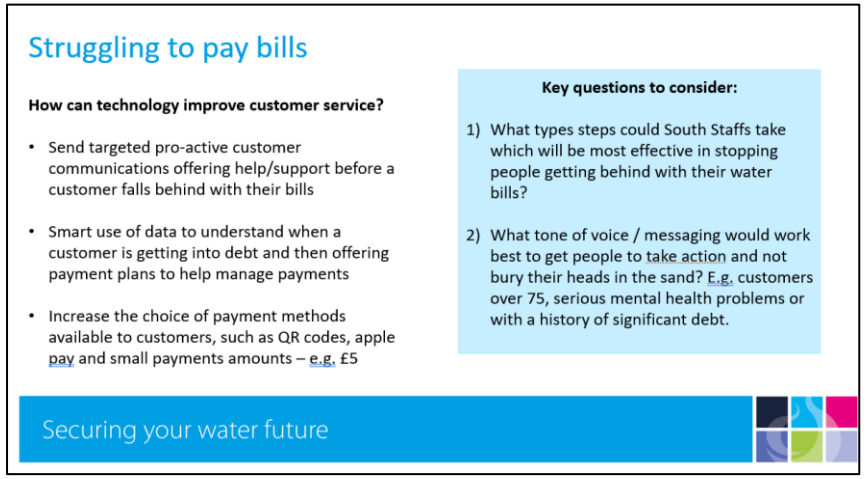
Future customers approve of plans but preferred app to a 'knowledge portal'

- **Key information to include:** what bills mean and how they are used, water quality/safety updates, customer reviews and ratings. This shouldn't assume any prior customer knowledge.
- **Key concerns:** 'no need to interact with a human' as may need to **speak with a person once the process was over** – to confirm that the technology had worked properly, plus ethics of replacing employees with AI.
- Students stressed that **traditional lines of communication should also remain open** – for the digitally excluded.

BLUE MARBLE

Struggling to pay bills

Students appreciated the proactive communication proposed, and had additional ideas which they felt should be integrated into a 'hub' or app



"Having technology as the only way to do everything is not accessible for everyone."

"More focus on empathy, less focus on the amount they owe."

Want to see a **'help' feature in the app** for financially struggling customers including:

- A **live chat option** (to access help rapidly).
- **Payment reminder notifications** (could be integrated with calendar feature).
- **Personalised payment plans** calculated according to income and outgoings.
- Help **tracking and reducing usage** (to lower bills).

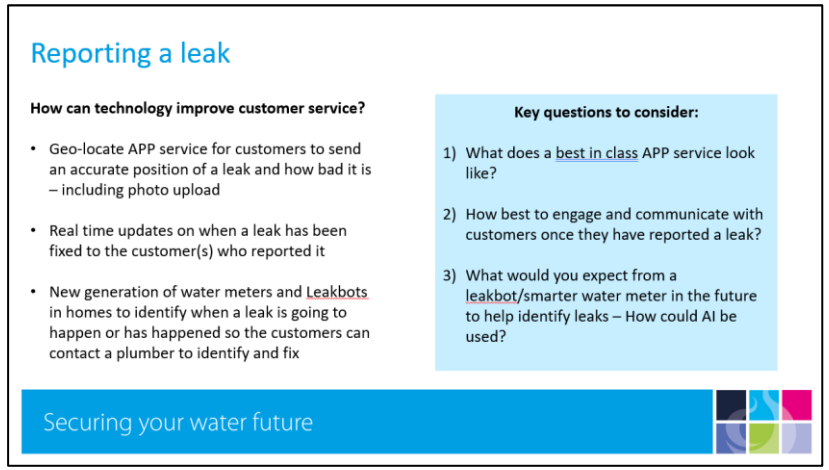
They thought the plans were **proactive** but want to **make sure people aren't left behind.**

- **Increasing the choice of payment methods was popular.**
- Want to see the features listed above integrated into a 'hub' or app.
- **See offering an empathetic tone and a choice between face-to-face support and digital options** is key to success of the plans: customers experiencing debt will prefer one of the options.

BLUE MARBLE

Impact of technology on experience reporting a leak

Students were pleased with the idea of an app, and suggested additional functions it could offer – although noted that some would prefer face to face communication in the case of a severe leak.



Want to see an app which allows you to take photos of the leak and pinpoint its location – with features like:

- Asking questions about the leak and directing to the best way of getting it fixed.
- Automatic updates or phone calls on the progress being made fixing the leak to the person reporting (and others in the affected area).
- A panic button on water meters for an emergency

"If I have a question, I want an answered tailored to my question."

"Why should the customer have to contact the plumber? Couldn't the water meter and leakbot do that?"

These plans have appeal: provide further in-app function suggestions:

- Widen **communication during a leak:** the app could also contact the plumber on behalf of the leak reporter/customers in the area affected
- The app should also **show active status on already-reported leaks – to save duplicating effort.**
- **Not immediately clear what a 'Leakbot' is** or how it works
- Some would **rather speak to a person face to face** in the case of a severe leak.

BLUE MARBLE

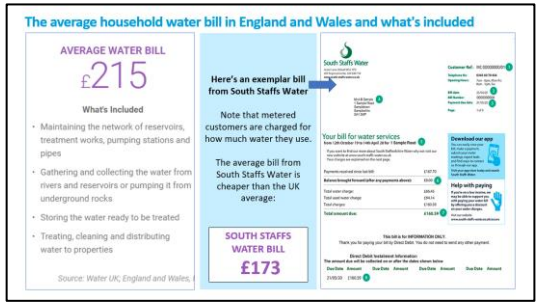
Future customer response to business plan

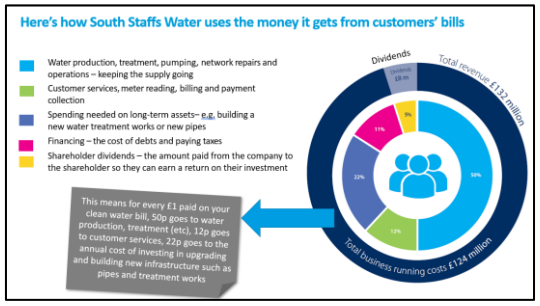
BLUE MARBLE

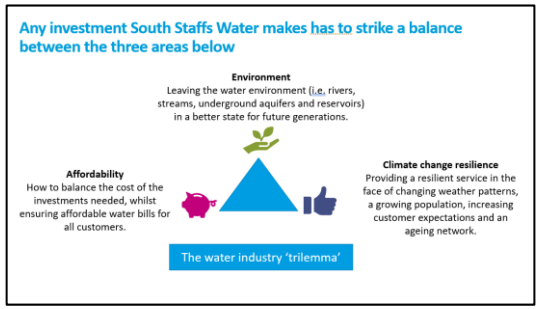
Students were informed about the business plan process, and how future plans are funded, before giving feedback on a high-level summary of the PR24 business plan

South Staffs Water presented information covering how money from bills is used by the company to fund future plans; the 'trilemma' they have to consider when making investments; and the PR24 process (stressing the necessity of customer feedback on the business plan).

Panellists were then shown the company's 'plan on a page'(a high level summary of the business plan) and took part in a creative exercise to give their feedback.

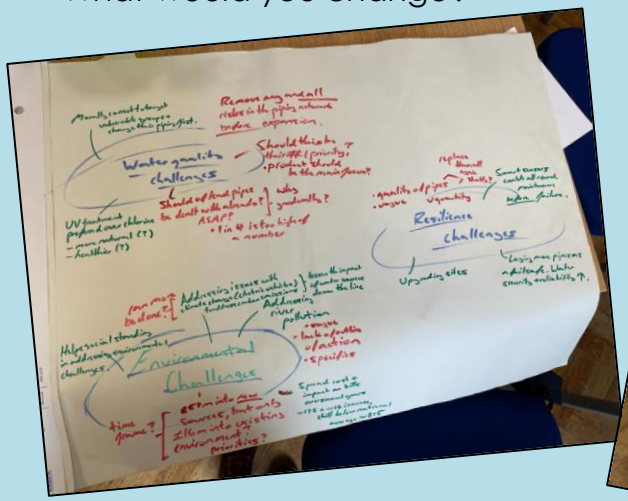


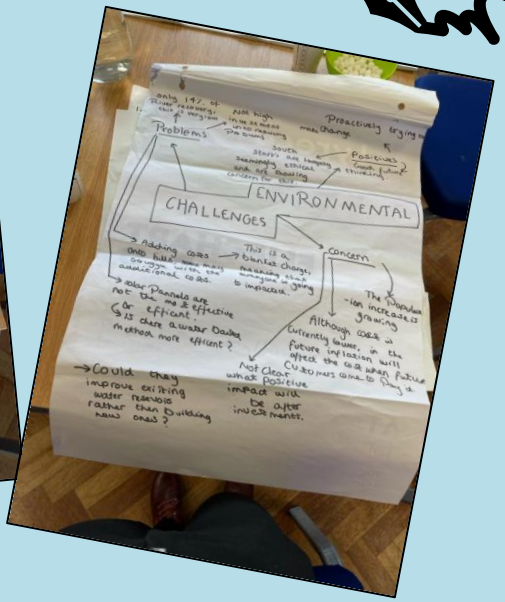




Create a mind map to show us what you think:

- Are your interests covered as a future customer?
- Is it fair for all?
- What would you change?

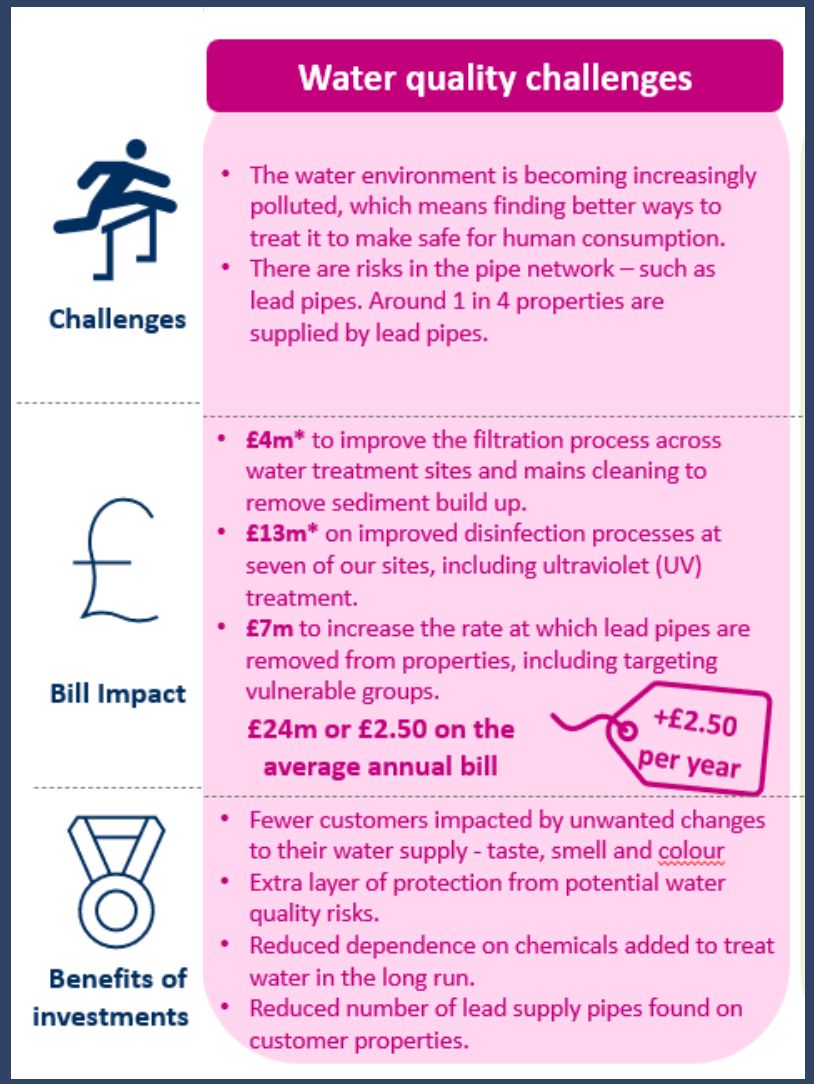




We explored the following research questions with participations: 'Do SSW's PR24 plans meet their expectations?' 'Which of the three areas in the plan is most important to them?'

BLUE MARBLE

Future customer response to water quality plans



Water quality seen as most important challenge to address

- Providing clean safe water seen as primary function for a water company.
- Replacing disinfection with UV and reducing chemicals seen as better for health (more natural) and making water taste better.
- Prioritising vulnerable groups when replacing lead pipes felt to be morally right.

Keen to see higher levels of investment

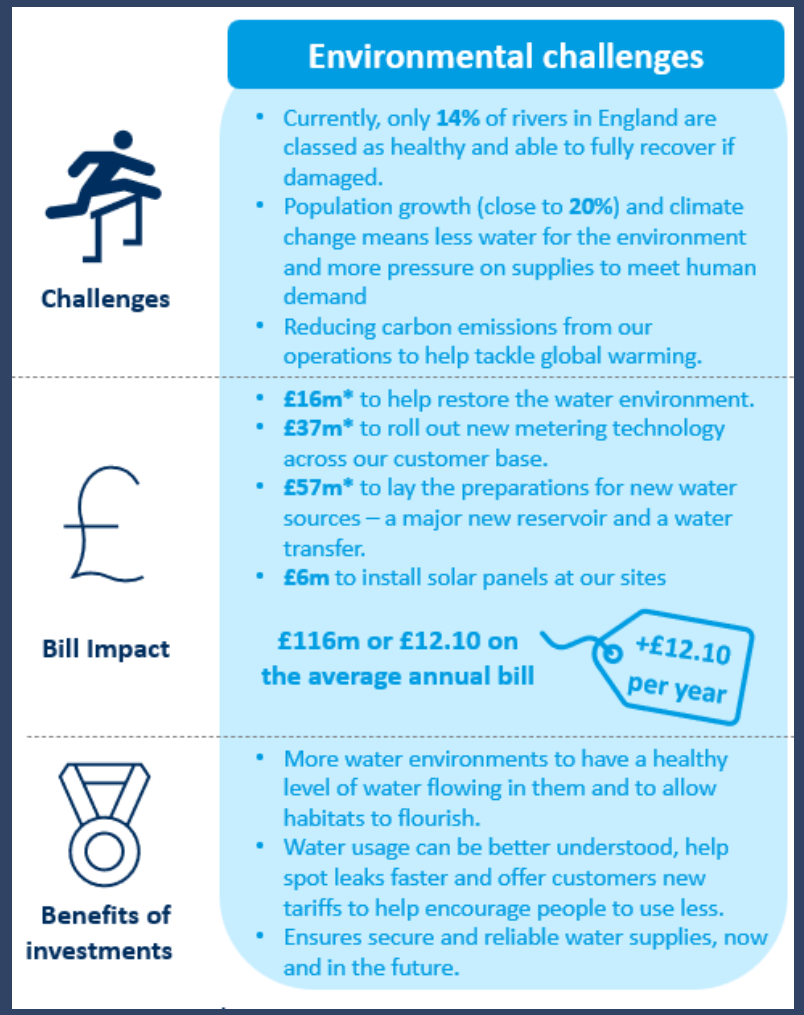
- Want to see this prioritised (as their primary function)
- Level of investment seems comparatively low: question why so much more invested in environmental challenges?
- Worry that timeline for lead pipe replacement is too slow (even when informed that water is treated to reduce health risks) and question why this hasn't been addressed sooner.

"If lead pipes are risks, why do they still have them at all? Surely they should have been trying to get of them ages ago."

"I think it shows that they care about not only their customers, but they want to improve the quality, so it makes them more reliable."

BLUE MARBLE

Future customer response to environmental plans



Environment also seen as an important area for investment

- Protecting rivers met positively considering their poor health currently.
- Investing in the environment is seen to be good for SSW's reputation.
- This demonstrates the company is thinking about future generations.
- Specifically, solar seen as a tangible way to reduce emissions.

While this plan feels like a good start, question whether South Staffs could go further – and how plans will be delivered?

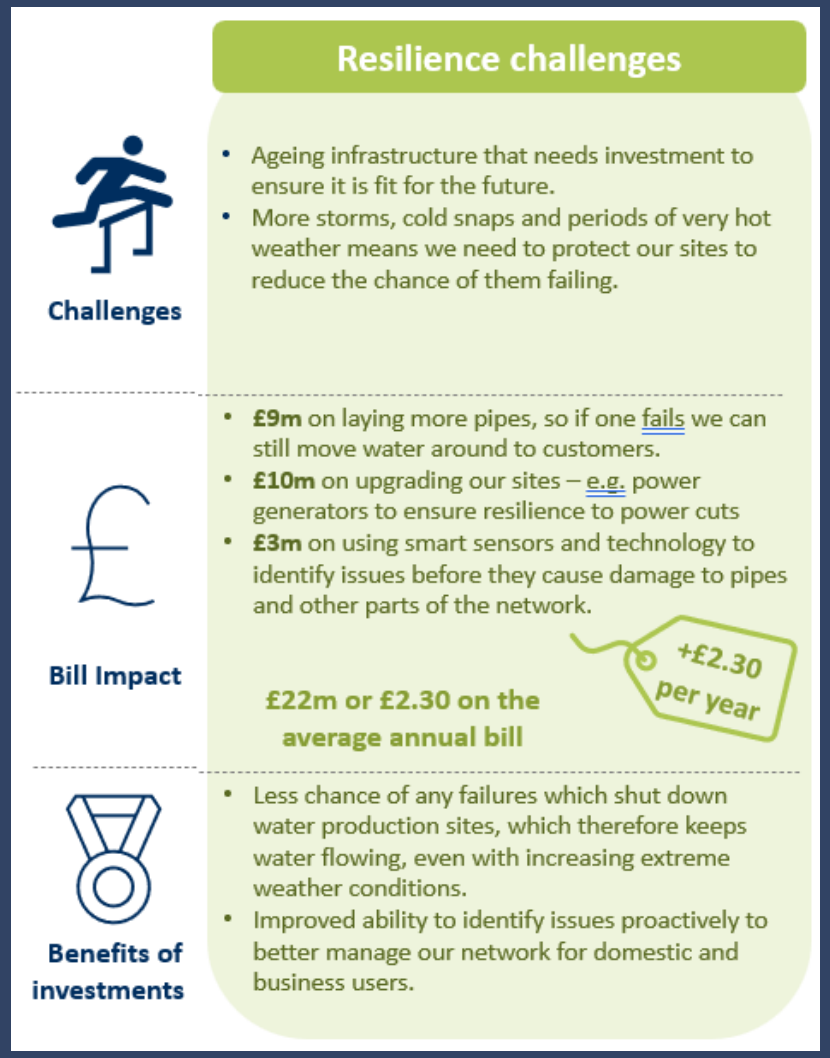
- Could water be harnessed as a source of power? (Solar felt to be less inefficient energy source due to UK weather).
- More clarity on types of investment/their impact/timings needed to judge plan properly – and how environmental impact of e.g. new reservoirs be minimised?
- With higher cost impact, raises need for bill rises to be manageable.
- Also debate whether customers should pay at all (NB some citing sewage spills here).

"Because if we haven't damaged it, if it's a water company's putting sewage into rivers, why do we have to pay for it?".

"Good that they're addressing the important issue of unhealthy rivers."

BLUE MARBLE

Future customer response to resilience plans



While resilience is seen as the least important of the 3 areas…

- Smart sensors were very popular – they seem like a proactive way to target maintenance and collect key data to prevent infrastructure failing. Using technology is a 'no brainer' for future customers.
- Laying more pipes feels like a simple and effective way to make the service more reliable.
- Upgrading sites is also key to preventing infrastructure failure.

To add/improve

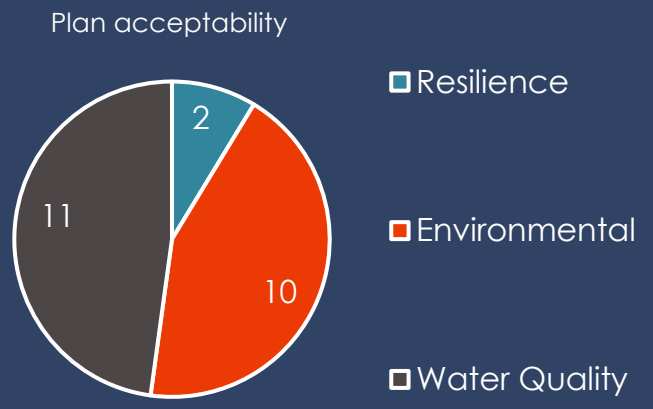
- Students want more specific examples about what will be upgraded
- They want to make sure upgrades are high quality and far reaching enough e.g. what materials are new pipes made of?

"What exactly do they mean by infrastructure?"

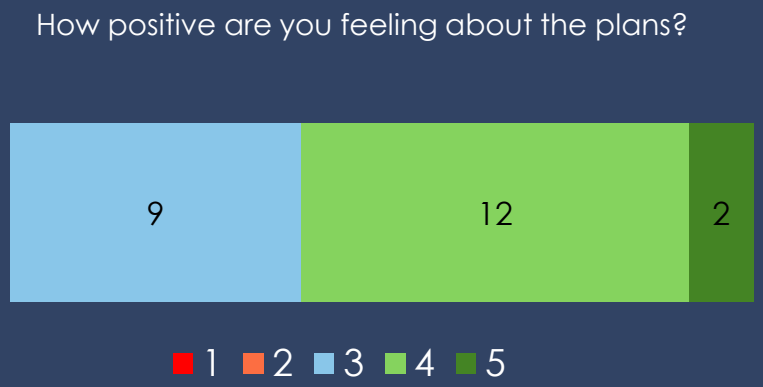
"Is this all the detail they've given us?"

BLUE MARBLE

Overall sentiment towards business plan



Which of the three areas in the plan do you feel is the most important? (Base 23, Slido)



How positive are you feeling about the plans? (Scale of 1 -5 with 5 being the most positive, Base 23, Slido)

Future customers were reasonably positive about SSW's future plans

- Largely what they expected having been presented with the trilemma and challenges faced by the water industry.
- They also saw it as achievable.
- Water quality and environmental improvements are the priority areas
  - Both feel critical, reflecting the primary function of a water company
  - These are the areas that they want to hear about, and which can reflect well on the company and its attitude to future generations.

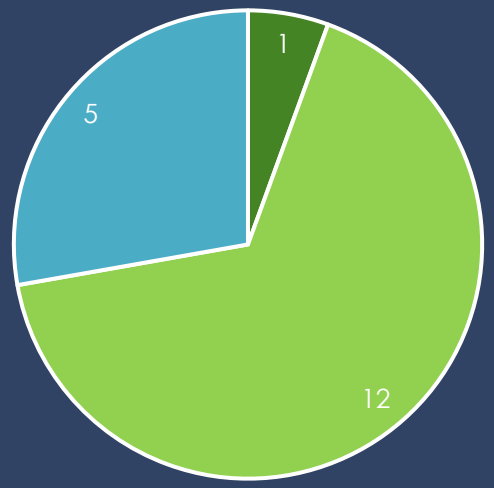
"Generally, within the current climate and conditions they have, they are working largely towards making positive change."

"Focusing on the environment helps the company to remain relevant and it engages young people because it is something that each one of us is worried about."

"The quality of the water should be the most key area for the company."

BLUE MARBLE

Students found the business plan acceptable overall, but there are two key areas of concern



Q) Based on everything you have seen and read about South Staffs Water's business plan, how acceptable or unacceptable is it to you? (Base 18, Slido)

1. Concerns about rising bills

- Bills feel more unpredictable than before the cost-of-living crisis.
- Water is an essential: feel strongly that investments shouldn't make it unaffordable (and that price rises should be spread out).
- Students don't understand why customers should pay for investments – especially in areas where companies are felt to be under-performing.

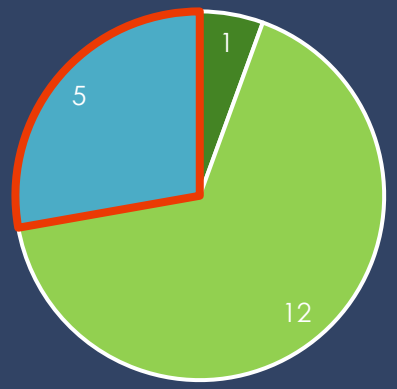
2. Students want more detail about SSW's future plans so they can judge them more accurately. This includes:

- More examples of investments
- Details about the positive impact of investments

"They have considered customer needs however there are a lot of things that I have read that have been vague so I am unsure at this time."

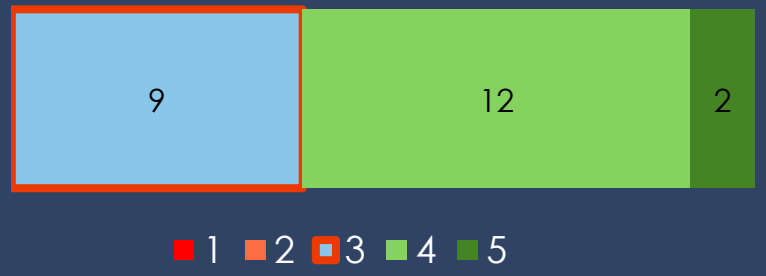
BLUE MARBLE

While no students gave negative scores for the business plans, a significant number can't be drawn on overall plan acceptability



Q) Based on everything you have seen and read about South Staffs Water's business plan, how acceptable or unacceptable is it to you? (Base 18, Slido)

How positive are you feeling about the plans?



How positive are you feeling about the plans? (Scale of 1 -5 with 5 being the most positive, Base 23, Slido)

Students explained their scores by:

Talking about key concerns mentioned previously

- Students want assurances that bill rises will be manageable.
- Students want more detail about the investments proposed.
- One student wanted faster timelines for lead pipe removal.

Talking about feeling unqualified to judge the plans:

- The future seems unknowable – it seems impossible to make a perfect plan to address it.
- The challenges faced by the water industry feel severe and fast moving – any plan will need to be changed/improved over time.
- Students reflected on how previously uninformed they were about the water industry – perhaps neutral scores reflect this too?

"It's good but the bills are already expensive so they need to find a way to keep the bills down."

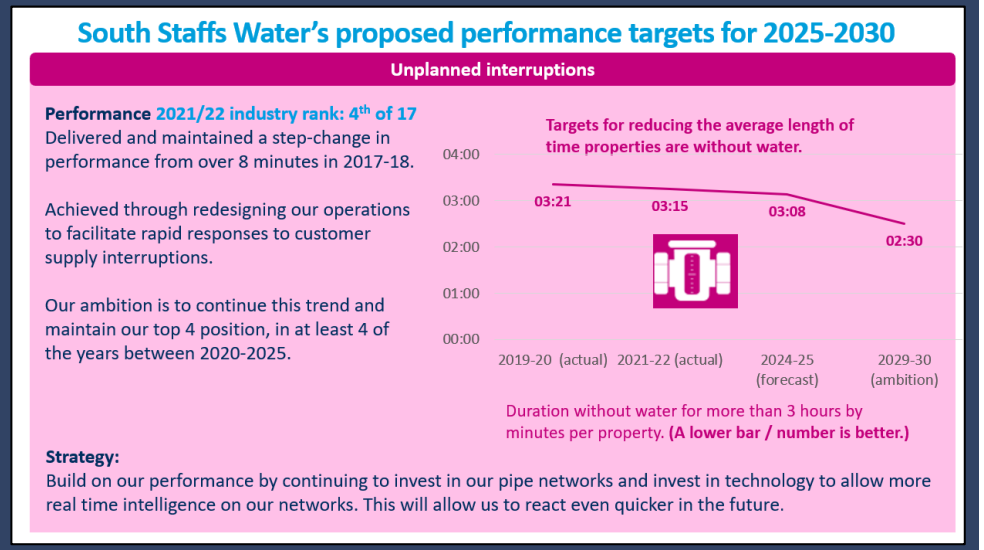
"I think there's no way to 100% predict the future so SSW is doing their best."

"I feel like it is an impossible problem that will never have a full foolproof plan."

BLUE MARBLE

Reducing interruptions was viewed as the most important of the three targets given

Students were impressed by South Staffs' performance, but keen to make sure that support during interruptions was also being improved



"Rural areas need water as much as possible because you can't just go to the shop and buy bottled water. But if you live in the middle of a city and it goes out, it's more likely to be fine."

"You could say that this is the most important [target], as providing water is what they are there to do."

Performance

- Excellent performance compared to the rest of the industry.
- Most important of the three targets – providing water the primary function of a water company.

Strategy

- Reducing number of interruptions not seen as the only measure of success.
- What about the provision of tailored support?

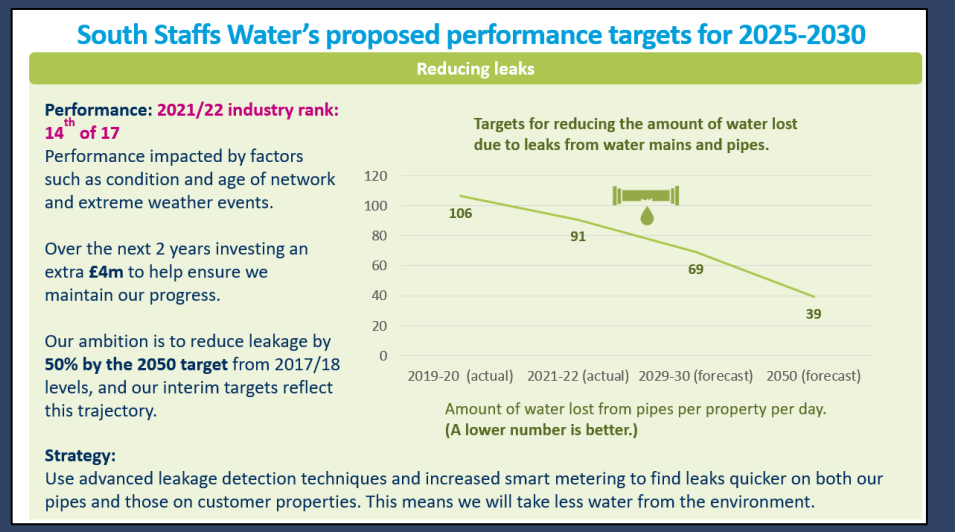
Target

- Seems sensible but some think target could be less ambitious since company already doing so well.
- Some leaks are easier to fix than others – targets should reflect this.

BLUE MARBLE

Lower satisfaction with company performance reducing leaks

Leak reduction seems key to protect the environment: while seen as realistic, targets could be more ambitious



"They've said they're going to use advanced leakage detection. But what actually is that? How are they going to do that? We don't know how expensive it is or whether you have to dig a hole in the pipe to do that."

"They've got 30 years to get it down. To 2050, I think that's quite good."

Performance

- Currently not satisfactory when compared to other companies.
- Explanation for this is unclear: has there been underinvestment in the past?

Strategy

- Unclear how leaks will be reduced (need for more specific information).
- Seems ethical to protect the environment by reducing abstraction – leak reduction seems key to achieve this.

Target

- Seems realistic considering current performance.
- However, would like to see a more ambitious target to catch up with industry peers.
- Hard to understand without context: how much leakage is 'too much'?

BLUE MARBLE

Students were impressed by company performance on appearance/taste/smell of tap water

A measure based on customer contacts was felt hard to measure (esp. as views on what tastes good vary)

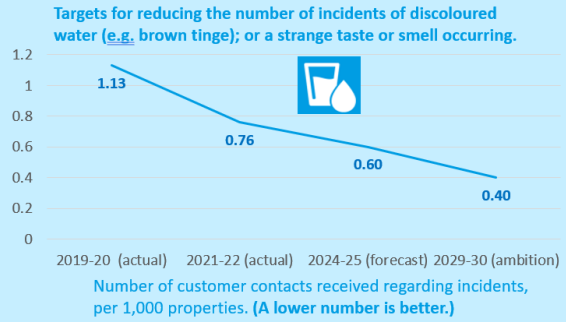
South Staffs Water's proposed performance targets for 2025-2030

Appearance, taste and smell of tap water

Performance: 2021/22 industry rank: 5th of 17

Improvements in recent years through setting challenging targets that go above and beyond statutory requirements across our whole water supply chain.

The latest major upgrades to our two largest water treatment works due for completion in 2025 will help maintain the positive trend.



Strategy:

Building on our largest-ever investment programme for water quality, we will further invest in addressing specific risks to achieve sector leading levels of customer contacts about the colour, taste and smell of their drinking water.

"Harder to measure because it's not an objective thing. Just people's opinions."

"The water tasting of chlorine isn't a bad thing. That just means it's been treated."

Performance

- Excellent performance compared to the rest of the industry.
- An important goal to prioritise.
- Success hard to measure: taste especially seen to be subjective.

Strategy

- Strategy seems clearer for this goal .
- Upgrading treatment works seems a straightforward way to minimise the number of people affected by issues with water appearance/taste/smell.

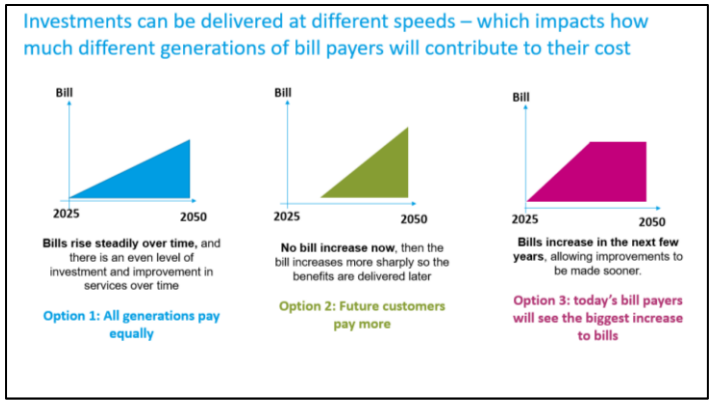
Target

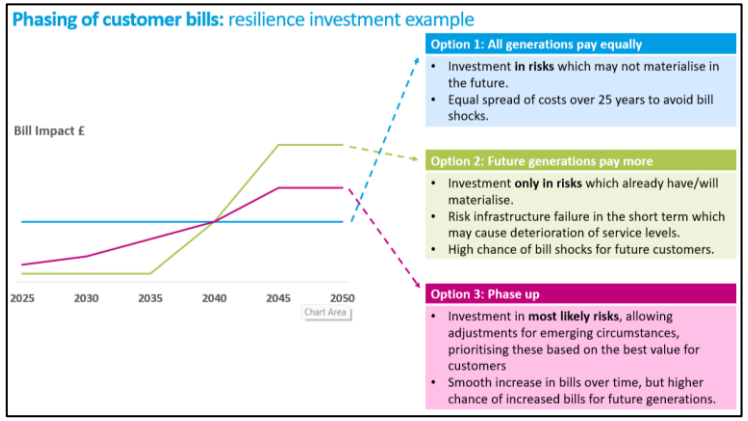
- Seems sensible – but could be less ambitious since company already doing so well.
- Metric (number of customer contacts) is quite difficult to understand.

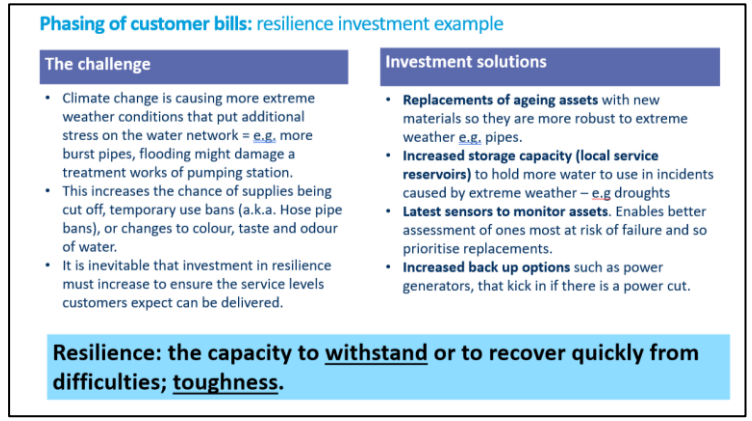
BLUE MARBLE

Students were briefed on bill impacts on different phasing of investments

We explained the idea of 'bill phasing' to young Innovators, and then gave them a worked example from PR24 planning related to investment in resilience







Enquiry: Do future customers want to see an even spread of investment over the generations to 2050, or investment pulled forward / delayed? In principle, do future customers feel it is fair to spread the costs of PR24 investment onto future generations?

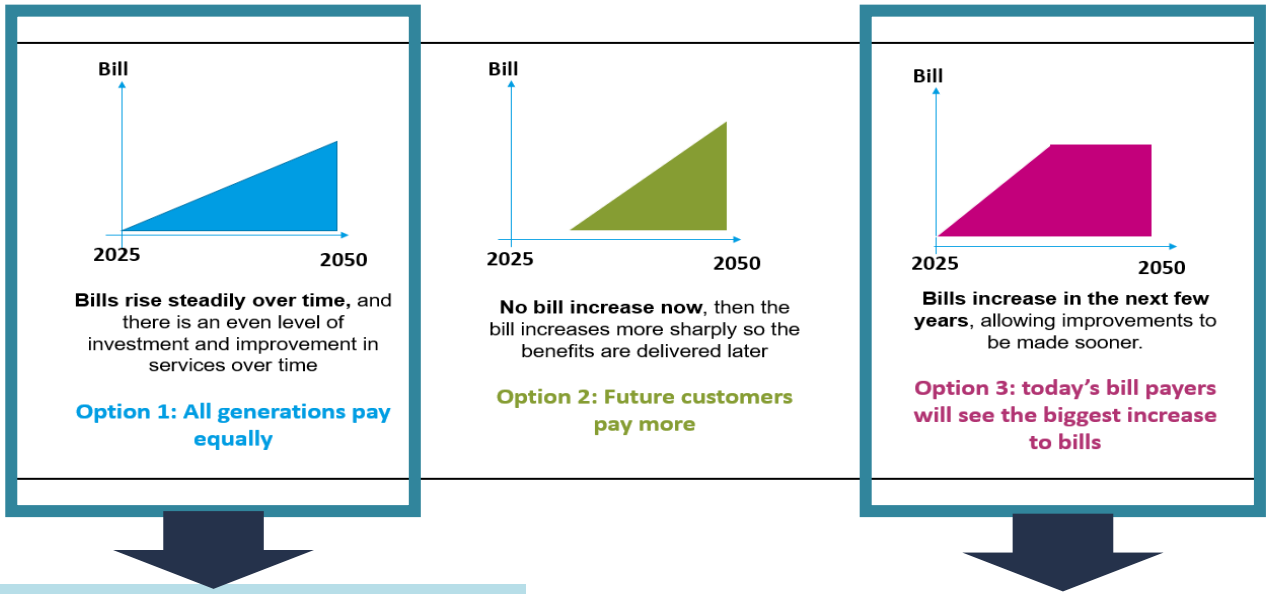
BLUE MARBLE

Future customers see steady bill increases as the fairest option for society – in principle…

Although can see phasing up investment was the better option for younger generation financially

"It is equal for everyone and doesn't target specific generations."

"Equality is especially important in the cost-of-living crisis."



FAIREST option for society as a whole

Majority choose this option:

- Increases shared equally between generations
- Important to minimise bill shocks during the cost-of-living crisis.

Best option for FUTURE CUSTOMERS

- Future generations less impacted by bill rises
- But not as fair

BLUE MARBLE

When applied to improving network resilience, phasing up option was favoured

Phasing of customer bills: resilience investment example

The challenge

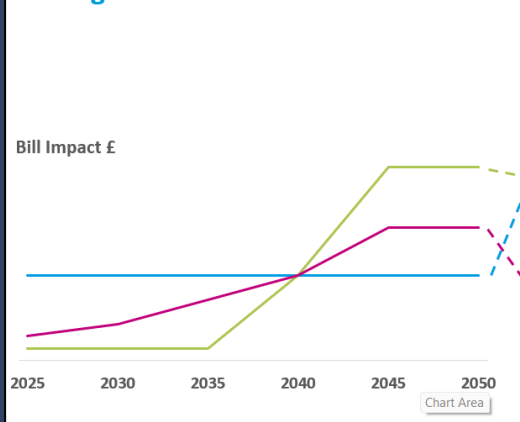
- Climate change is causing more extreme weather conditions that put additional stress on the water network = e.g. more burst pipes, flooding might damage a treatment works of pumping station.
- This increases the chance of supplies being cut off, temporary use bans (a.k.a. Hose pipe bans), or changes to colour, taste and odour of water.
- It is inevitable that investment in resilience must increase to ensure the service levels customers expect can be delivered.

Investment solutions

- **Replacements of ageing assets** with new materials so they are more robust to extreme weather e.g. pipes.
- **Increased storage capacity (local service reservoirs)** to hold more water to use in incidents caused by extreme weather – e.g droughts
- **Latest sensors to monitor assets**. Enables better assessment of ones most at risk of failure and so prioritise replacements.
- **Increased back up options** such as power generators, that kick in if there is a power cut.

Resilience: the capacity to withstand or to recover quickly from difficulties; toughness.

Phasing of customer bills: resilience investment example



Option 1: All generations pay equally

- Investment **in risks** which may not materialise in the future.
- Equal spread of costs over 25 years to avoid bill shocks.

Option 2: Future generations pay more

- Investment **only in risks** which already have/will materialise.
- Risk infrastructure failure in the short term which may cause deterioration of service levels.
- High chance of bill shocks for future customers.

Option 3: Phase up

- Investment in **most likely risks**, allowing adjustments for emerging circumstances, prioritising these based on the best value for customers
- Smooth increase in bills over time, but higher chance of increased bills for future generations.

In theory most felt that option 1 was the best option for society as a whole. However, when shown the resilience investment in practice:

- It was less popular and was seen to be potentially underinvesting in the future (as it looked like there would be less investment overall)

Ultimately the 'phasing up' option was preferred.

- Preferable to option 1 (risk of underinvestment)
- Preferable to option 2: high chance future bill shocks
- Positive framing? 'adjustments', 'best value', 'smooth increase'

"You know you're paying more to get something better."

"It prevents mass price increases and bill shocks. Plus, people can expect what is going to happen."

BLUE MARBLE

Executive summary

1. Future customers are living in a very different context from the Young innovators we met in 2018. They have experienced the cumulative impacts of the pandemic and a cost-of-living crisis. Financial pressures on their families are causing some to reconsider post-school options.

2. The impact of climate change is also a concern – but future customers are often not very clear about how they can help. There is evidence that they are making efforts to reduce energy (and for some water) however this appears to be much more strongly associated with wanting to help take the strain off the family finances.

3. Learning more about the water industry is revelatory: future customers begin to appreciate the remit of water companies in terms of sustainability and the environment. It builds positive associations about South Staffs Water. There is also willingness (though not universal) to pay more towards bills for water companies to act on climate change.

4. Students concluded that education is critical to explain the challenges water companies face – and how customers can help. With their newfound understanding, the teams produced a set of creative teaching aids which South Staffs can now develop and integrate into its KS3 programme.

5. Future customers were positive about the plans to improve services with technology however they were clear on the importance of human support too. Apps and chatbots were seen as appropriate for more administrative contact such as moving to South Staffs region – but this would need to include clear routes to 'real' staff for difficult or stressful situations (e.g. debt).

6. The majority of future customers found the business plan summary acceptable overall but want more detail about what exactly is being proposed, and assurances that bill rises won't prevent water from being affordable. They were satisfied with the resilience and water quality targets (where they appreciate performance is already high), but question the ambition of the leakage target.

7. Students viewed bill phasing through the lens of the cost-of-living crisis. When thinking about the best option for society, students prefer gradual bill rises (fairer for all generations, and more affordable). However, they are more likely to support phasing up investment when given details about how their money will be spent – phasing up also seems like a way to avoid 'bill shocks' for their generation in future decades.

Addressing Ofwat's research principles

Standards for high-quality research:	How addressed in this project:
Useful and contextualised	This project forms part of South Staffs Water ongoing research with future customers (alternating this initiative between South Staffs and Cambridge Water regions). The 2-day event is designed with multiple purposes: to engage with local schools and colleges providing work experience opportunities for 6th formers; to engage this cohort of future customers in the water sector and seek their views on a given brief (e.g. future investment plans); and to understand the perspective of young people more broadly in order to embed different generational perspecivies into all aspects of its operation.
Fit for purpose	• This initiative samples future customers by promoting the YIP across the region's schools and colleges. It is usually oversubscribed so we ask a set of questions in order to select a broad range of students. This year south Staffs expanded the intake to accommodate more applicants. • The 2-day programme includes a mix of activities some of which are very research-based e.g. group discussions; some more co-creative involving input from company executives. The project also involves circulating a survey to all participating schools/colleges to include the views of a much larger group of students on a number of key metrics. • The samples are self-selecting rather than purposefully samples against a set of quotas, which we acknowledged in the analysis. • We draw all these activities together into a report designed to supplement other future customer research.
Neutrally designed	Blue Marble designs the programme including the discussion guides, discovery activities, stimulus materials and survey. These are all designed with impartiality. We highlight in the analysis any areas where we believe any aspect of the briefings or materials may be leading or misunderstood.
Inclusive	We ensure that we engage a wide range of schools across the region aiming to encompass areas of high deprivation and different ethnic and cultural profiles. In our selection process we ensure diversity in terms of gender, school/college and ethnicity (shown in the sample detail). We also accommodated a student wheelchair user who needed a carer to attend. All travel costs are paid and participants receive an incentive payment.
Continual	This is part of an ongoing commitment to conduct regular YIP's.
Shared in full	South Staff Water to publish this report and supporting appendices on its website.
Ethical	Blue Marble is a company partner of the MRS, senior team members are all Members of the MRS and/or SRA. All Blue Marble's employees abide by the MRS Code of Conduct and as such all our research is in line with their ethical standards.
Independently assured	This report assured by Sia Partners

https://www.ofwat.gov.uk/wp-content/uploads/2022/02/PR24-customer-engagement-policy.pdf

Golden thread

Golden thread	Specific themes driving thread
Transparency and engagement to help customers understand the context and any impact of any proposed changes to their water services and the role they can plan in ensuring best outcomes	• Learning more about the water industry is revelatory: future customers begin to appreciate the remit of water companies in terms of sustainability and the environment. It builds positive associations about South Staffs Water. Students concluded that education is critical to explain the challenges water companies face – and how customers can help.
A focus on fairness and collective action to meet water sector challenges	• Students viewed bill phasing through the lens of the cost-of-living crisis. When thinking about the best option for society, students prefer gradual bill rises (fairer for all generations, and more affordable). However, they are more likely to support phasing up investment when given details about how their money will be spent – phasing up also seems like a way to avoid 'bill shocks' for their generation in future decades.
Concern for the environment, specifically the water environment	• The impact of climate change is a concern – but future customers are often not very clear about how they can help. • There is evidence that they are making efforts to reduce energy (and for some water) however this appears to be much more strongly associated with wanting to help take the strain off the family finances. • There is also willingness (though not universal) to pay more towards bills for water companies to act on climate change.
The need to protect vulnerable customers	• Prioritising vulnerable groups when replacing lead pipes felt to be morally right. • Future customers were positive about the plans to improve services with technology however they were clear on the importance of human support too. Apps and chatbots were seen as appropriate for more administrative contact such as moving to South Staffs region – but this would need to include clear routes to 'real' staff for difficult or stressful situations (e.g. debt).
Affordability and the cost-of-living increases impacting on customers	• Future customers are living in a very different context from the Young innovators we met in 2018. They have experienced the cumulative impacts of the pandemic and a cost-of-living crisis. Financial pressures on their families are causing some to reconsider post-school options. • The majority of future customers found the business plan summary acceptable overall but want more detail about what exactly is being proposed, and assurances that bill rises won't prevent water from being affordable.

BLUE MARBLE

www.bluemarbleresearch.co.uk

MRS Evidence Matters™ Company Partner

Appendix: participant feedback and learning

BLUE MARBLE

Day 1 feedback form summary

Average score: 9.1

Overall, how would you rate the South Staffs Water Young Innovators' Panel session today? (on a scale of 1-10, where 1 is terrible and 10 is excellent

Memorable positives

- Friendly and knowledgeable staff
- Opportunity to befriend other students
- Opportunity to learn about new topics
- Tasty food!
- Interesting, interactive activities
- Information presented in interesting/unusual ways

To be improved

- Opportunity to see more of the South Staffs building
- To work on the main challenge in separate rooms
- To start sooner
- More interactive exercises
- Slightly less information to sit and absorb
- Some wanted a tighter timetable (although others wanted more time to absorb information given)

Key takeaways from day 1

- Information about a particular water related topic of interest (many students quoted facts from memory)
- The importance of water/water efficiency
- Experiences of teamwork, making new friends and interacting with other students
- Interesting discussions with topic experts

"Interactive, didn't get bored once even after lunch which is when people start to get tired and uninterested, really lively group of people who've interacted well and get involved (and are lovely)."

"I thought the way information was communicated was very useful and different making the day more fun."

"Potentially more info in the morning and more task based in the afternoon."

"[I will take away] new friends and our opinions on the environment and the world at large."

"More time to retain the information."

BLUE MARBLE

Day 2 feedback form summary

Average score: 8.2

Overall, how would you rate the South Staffs Water Young Innovators' Panel session today? (on a scale of 1-10, where 1 is terrible and 10 is excellent

Memorable positives

- Engaging and diverse range of activities
- Opportunities for collaboration and teamwork
- Felt immersed in the workings of SSW
- Welcoming atmosphere (confidence building).
- Well organised
- Better spaces to talk and work in

To be improved

- More time for presentation prep/performance
- Presentations moved to the afternoon to keep energy levels up
- More creative exercises and quizzes (less group discussion)
- Streamline research activities as much as possible
- More time with South Staffs, and to explain important data

Key takeaways from Day 2

- New friends
- Workplace experience (presentation skills, insight into the workings of SSW)
- Talking with peers about future problems and how to tackle them
- Potential further opportunities for work experience

"The content and activities were engaging, informative and diverse. There was a lot of collaboration opportunities."

"Lost the adrenaline after the presentations."

"Great because my team won!"

"I enjoyed the work experience and also the experience of talking to other people from my generation about future problems and my future."

"Absolutely amazing opportunity to meet new and fun people, very cool opportunities and very well organised."

BLUE MARBLE

Blue Marble thoughts about how to evolve YIP moving forward

1. Increased **panel size of 25** appeared to work well (especially in light of level of applications)
2. Allocate teams following a **profiling exercise** to ensure a good mix of team players in each team
3. Ensure we (continue to) include a good amount of **time with South Staffs staff** – this was a highlight of both days for many. Potential to have Q&A or networking sessions
4. Build in several **interactive exercises** – and breadth of activities - to keep up momentum
5. Redesign **order of activities** and presentations to help students feel the most engaged throughout the day
6. Schedule presentations (or judges feedback) towards the end of day to **avoid a 'loss of adrenaline'** after presentations (the key driver for the drop in ratings between days one and two)
7. Incorporate more creative and **engaging group discussions** e.g. Dragon's Den and projective exercises
8. Build in the **'prize' of attending Board Meeting** to present winning task
9. Build in **careers/apprenticeship information** (in light of trend away from university)

BLUE MARBLE