

MATRIX
Marketing Research Group

Dominion East Ohio
2013 Non-Residential
Communications Study

Presented to:
Dominion East Ohio

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INTRODUCTION

In March 2013, Dominion East Ohio (DEO) commissioned a non-residential research study with Matrix Marketing Research Group. Starting April 1, 2013, large volume and non-residential natural gas accounts no longer qualified for the regulated Standard Choice Offer (SCO) natural gas rate. Accounts without a contracted gas supplier were assigned to an unregulated Monthly Variable Rate (MVR) provided by a designated supplier.

Dominion East Ohio commissioned the study to determine the effectiveness of communications sent to these accounts, as well as the awareness and satisfaction of each company decision maker with those communications. Specific study objectives included the following areas of inquiry:

- Customer levels of recall for receiving communications from DEO regarding the changes in natural gas rates;
- The types (i.e., delivery method) of communications customers recall receiving;
- The types of communications customers felt were most informative;
- What percentage of customers felt they were provided enough information by DEO to make an informed decision regarding their natural gas supply;
- Whether customers felt DEO could have done anything better in informing them of the changes in natural gas rates;
- Rating scale evaluations of the “helpfulness” of alternative methods of communications and delivery;
- Satisfaction with the overall customer experience provided them by DEO;
- The extent to which customers feel DEO “appreciates” them as a customer; and,
- The customer’s willingness to allow DEO to contact them regarding their responses for the study.

This report presents the findings of the DEO Non-Residential Communications research, as well as details of the study methodology. Also included are an executive summary, detailed findings, a full set of data tables and a copy of the survey questionnaire.

METHODOLOGY

Interviewing

A total of 400 telephone interviews were completed by scientific telephone survey among a randomly-selected sample of natural gas decision makers employed at companies served by Dominion East Ohio. Decision makers (abbreviated “DM” throughout this document) were verified by asking two blind screening questions at the start of each call: the first was asked of the person who answered the call, and the second was asked when the decision maker was reached. The second question asked: *"Are you the person who makes the decisions for your company regarding which natural gas company you use?"*

Sample Source

To serve as study sample DEO provided Matrix an electronic list of approximately 12,000 non-residential natural gas customers from the East Ohio market. Survey interviewers made six attempts on different days and at different times to reach each phone number.

A sample size of 400 provides a maximum statistical margin of error of $\pm 4.9\%$ at the 95% level of confidence. This means we are 95% confident that the response to any question is accurate within a range of approximately plus or minus five percentage points of the “true level,” or the result which would be found if the total target population was surveyed.

Comparison of Maximum Statistical Margin of Error (95% level of confidence)	
Sample Size	Margin of Error
100	$\pm 9.8\%$
200	$\pm 6.9\%$
300	$\pm 5.6\%$
400	$\pm 4.9\%$

Timing

The average length of the survey was approximately 8 minutes. All interviewing was conducted April 3-18 2013.

EXECUTIVE SUMMARY

1. Two-thirds of DEO's non-residential customers recall receiving information from Dominion East Ohio regarding changes in their company's natural gas rates (65%). [Table 1]
2. Among customers who recall receiving communications, most recall receiving one form of communication from DEO. Nine of ten recall receiving a *letter* from DEO (87%). Far fewer customers recall receiving a *telephone call* (11%) or any of the other types of communication utilized by DEO. [Table 2]
3. Of the types of communications that are recalled, a *letter from Dominion* is said to be the *most informative* (89%). An additional 5% cite *bill inserts* and 3% *telephone calls* (3%) as the contact they felt was most informative. [Table 3]
4. The majority customers who recalled receiving information from DEO feel the information received was *enough to make an informed decision* (66%). One of four customers, however, felt they did not receive enough information (26%), and 9% were *not sure* if what they received was sufficient to make an informed decision. [Table 4]
5. When the total population of DEO non-residential customers is considered, regardless of whether they recall receiving DEO communications, one half feel DEO needed to do *nothing more* to inform them of the rate change (50%) and 15% were *not sure* if something more was needed. Of the remaining 35% of respondents, each offered various ways for DEO to have communicated better. Mentioned most often was to *contact me by phone* (13%) and *contact me by mail* (12%). [Table 5]
6. Ratings of six types of communications on their potential to be *helpful in making decisions regarding natural gas* indicate that a *letter from the gas supplier* is felt to be the most helpful by a wide margin: 59% rate *letters* helpful, followed by *bill inserts* (45%) and *telephone calls from the gas supplier* (40%). [Tables 6-11]
7. *Satisfaction* with their overall experience as a customer at Dominion East Ohio is

positive, as 62% of customers rate their experience “8” or higher on a 10-point scale, where 10 means *Completely Satisfied*. A total of 7% indicate they are *dissatisfied*, rating their experience from “1” to “3” on a 10-point scale. [Table 12]

8. When asked how much DEO *appreciates their business*, 46% rate DEO in the neutral range, with nearly half (46%) rating DEO from “4” to “7” on a 10-point scale, where 10 means DEO *definitely appreciates my business*. Positive ratings of “8” or higher are given by 37% of customers. A total of 13% say they feel DEO *does not appreciate their business* with ratings from “1” to “3”. [Tables 6-13]
9. Nearly eight of ten survey respondents are open to providing more feedback to DEO, agreeing to being contacted by DEO to further discuss their responses (78%) in this survey. [Table 14]

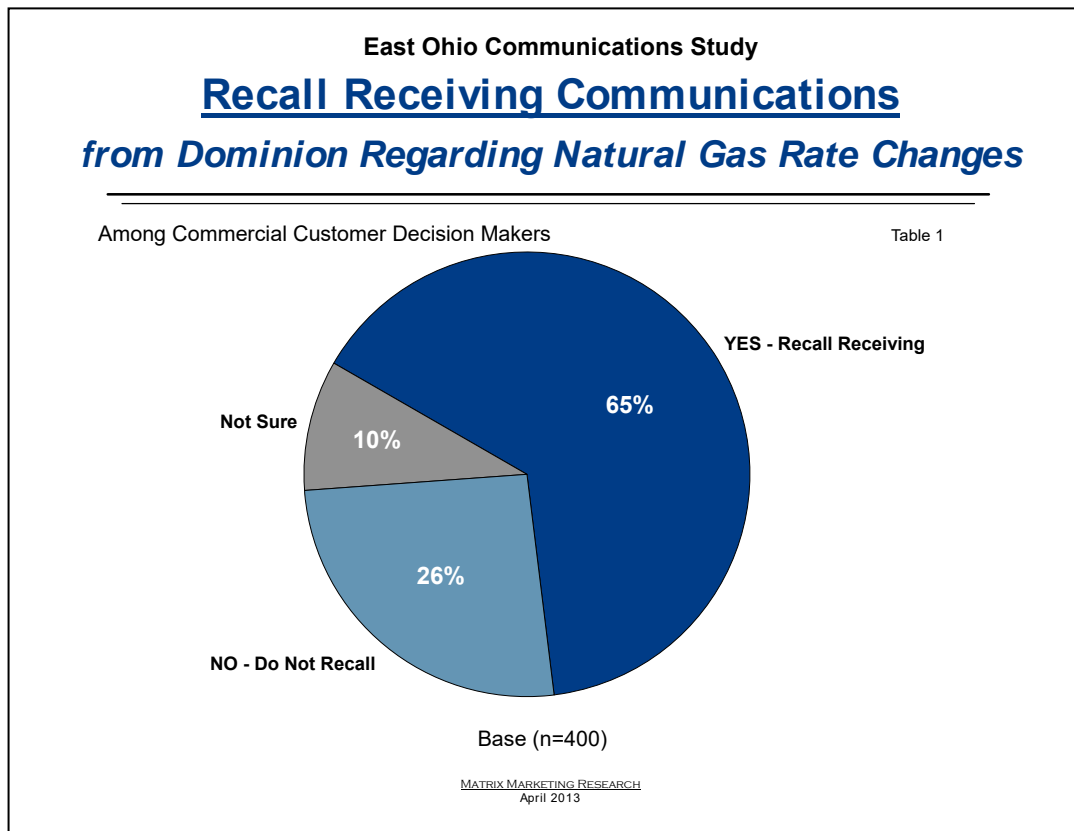
DETAILED FINDINGS

Level of Customer Recall for Receiving Communications from DEO

Dominion East Ohio non-residential customers were reminded by the survey interviewer that starting April 1st of this year, large volume users and non-residential natural gas customers would no longer qualify for the regulated natural gas rate, called the “Standard Choice Offer” or the “S.C.O.”

Customers were additionally told that those who did not have a contract with a gas supplier would be assigned an unregulated Monthly Variable Rate for their natural gas which would be provided to their company by a predesignated natural gas supplier. Customers were then asked if they recalled receiving *any communications from Dominion East Ohio* regarding these changes in their company’s natural gas rates.

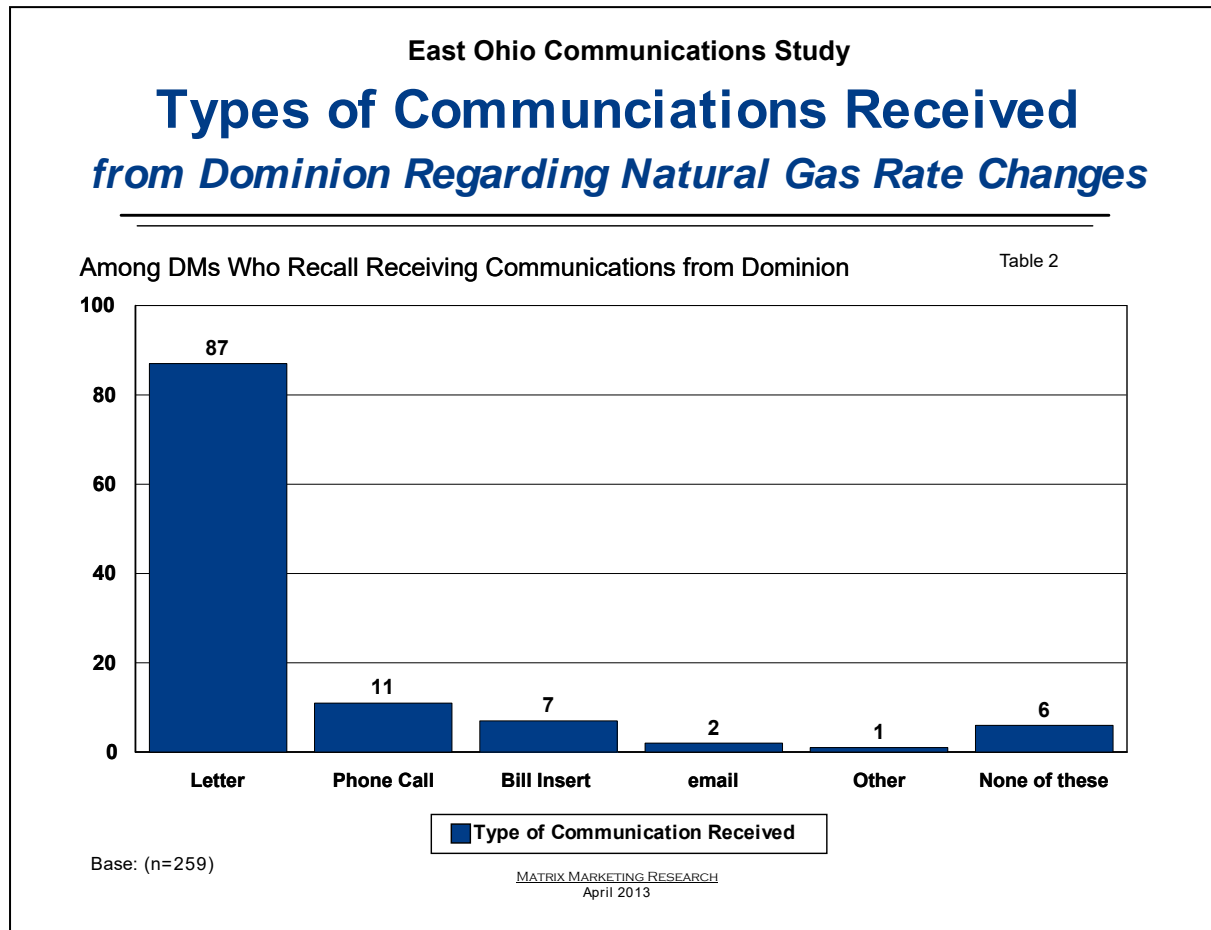
Two-thirds of non-residential DEO customers say they do recall receiving information from Dominion East Ohio regarding changes in their company’s natural gas rates (65%), while approximately one of four do not (26%). One of ten was *not sure* (10%). [Table 1]



Types of Communications Received from DEO

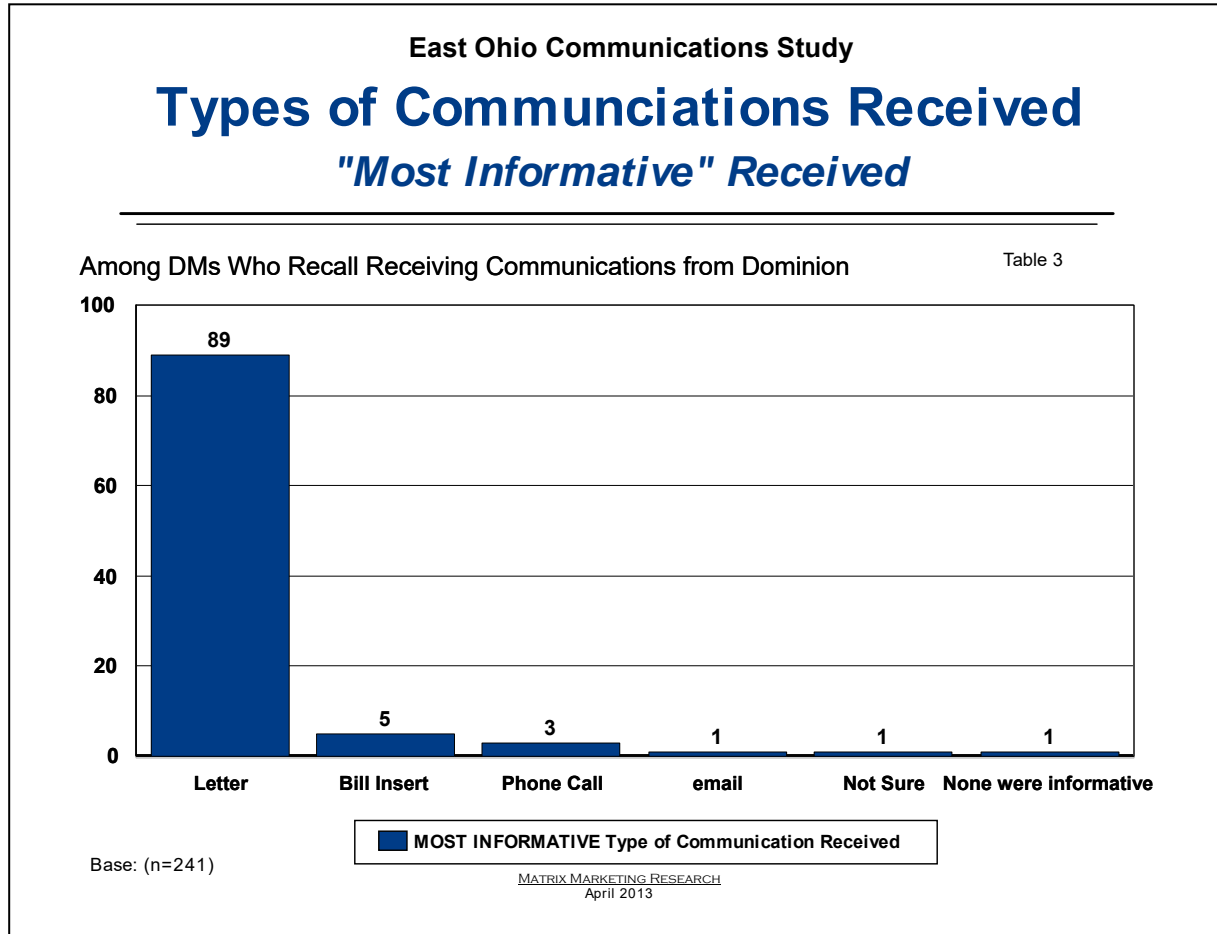
DEO customers who said they recalled receiving communications from DEO regarding changes in their company's natural gas rates (65% did) were asked what *types of communications* (i.e., methods of delivery) they recalled receiving from DEO. Seven types of communications were measured.

Most frequently recalled is receiving a *letter from DEO* (87%). No other type is mentioned by more than 11% (telephone call from DEO). A total of 6% of customers say they do recall receiving communications from DEO, but also say they did not receive any of the seven types that were measured in the study (i.e., *none of these listed*). [Table 2]



Types of Communications from DEO Perceived to be the “Most Informative”

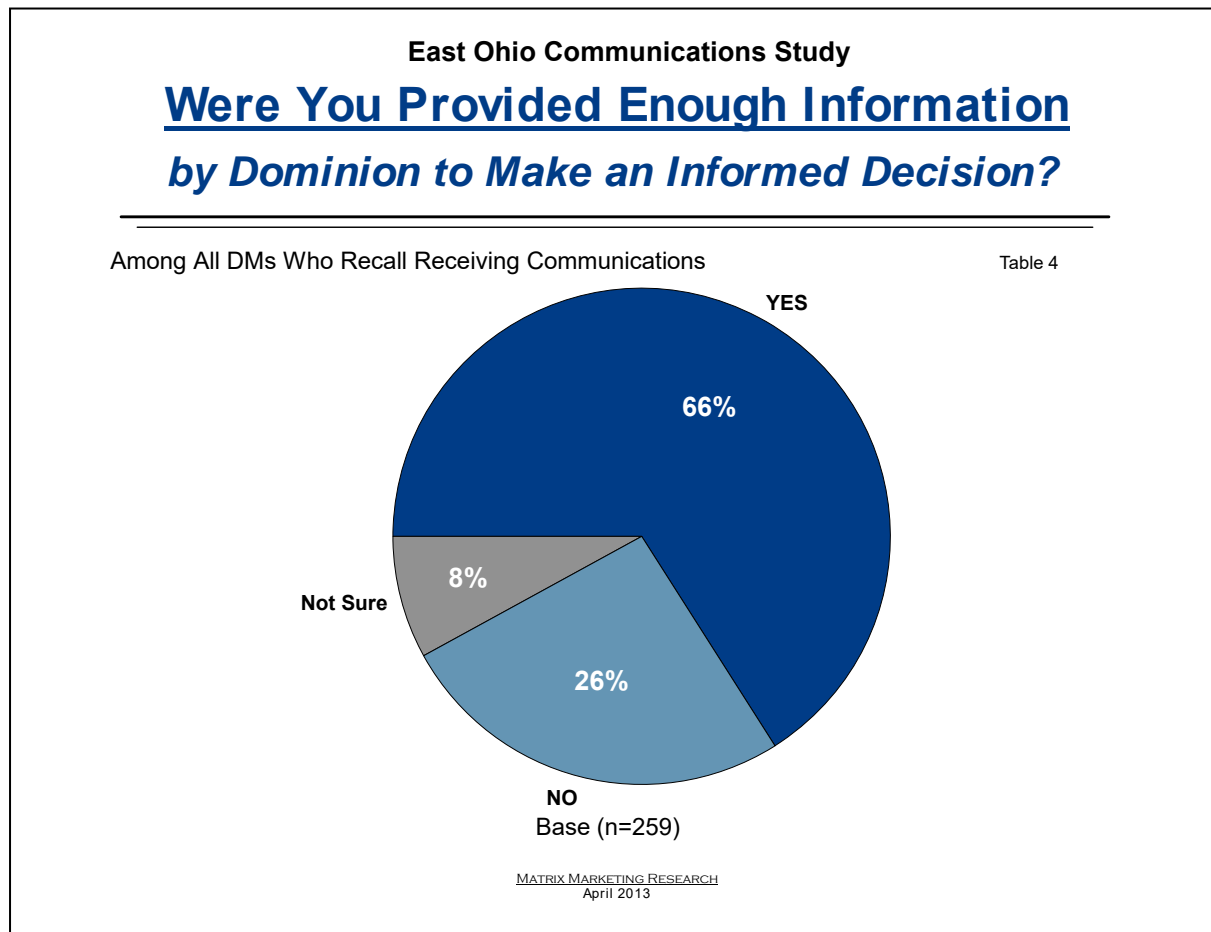
Of the four types of communications recalled being received by non-residential customers, the type felt to have been the *most informative* regarding the changes in natural gas rates is *a letter from Dominion* (89% most informative). Trailing distantly are *bill inserts* (5% most informative) and *telephone calls* (3%). [Table 3]



Was Enough Information Provided Customers by DEO?

The majority of non-residential customers who recalled receiving information from DEO regarding changes in their natural gas rates felt DEO supplied them with enough information to make an informed decision (66%). One of four customers who received information from DEO, however, felt they did not receive enough information (26%), and an additional 8% were *not sure* whether the information they received was sufficient.

Within the total population of all DEO non-residential customers, the segment of customers who felt they did not receive enough to make an informed decision represents 17% of the current DEO non-residential customer base. [Table 4]

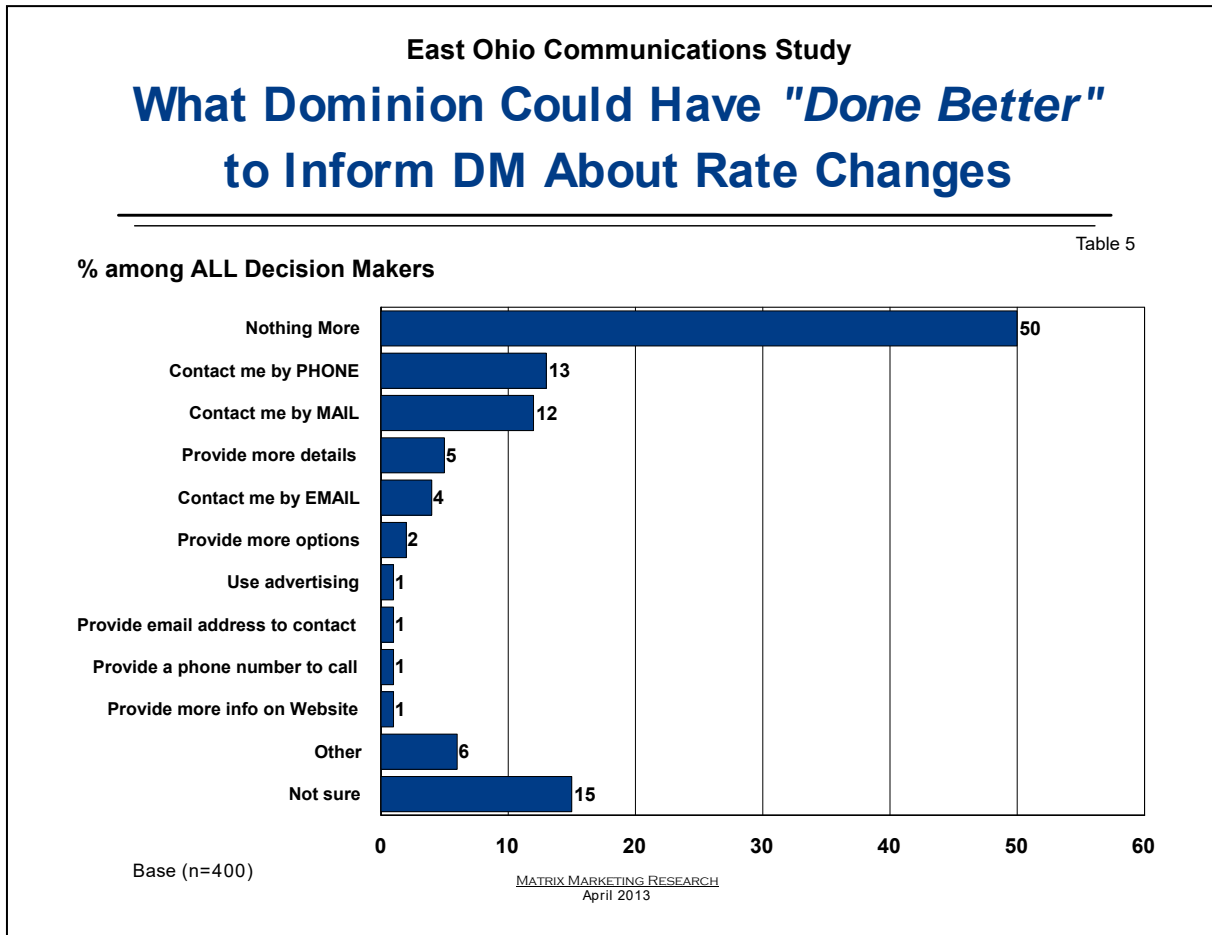


What DEO Could Have Done Better

The base of all non-residential customers was asked what they felt Dominion East Ohio could have *done better* to inform them about the changes in natural gas rates.

One-half of all current non-residential customers feel DEO needed to do *nothing more* to inform them (50%). Among those who did make suggestions for what DEO could have done better (35% made one or more suggestion), the most frequent comments were to *contact me by phone* (13%) and *contact me by mail* (12%).

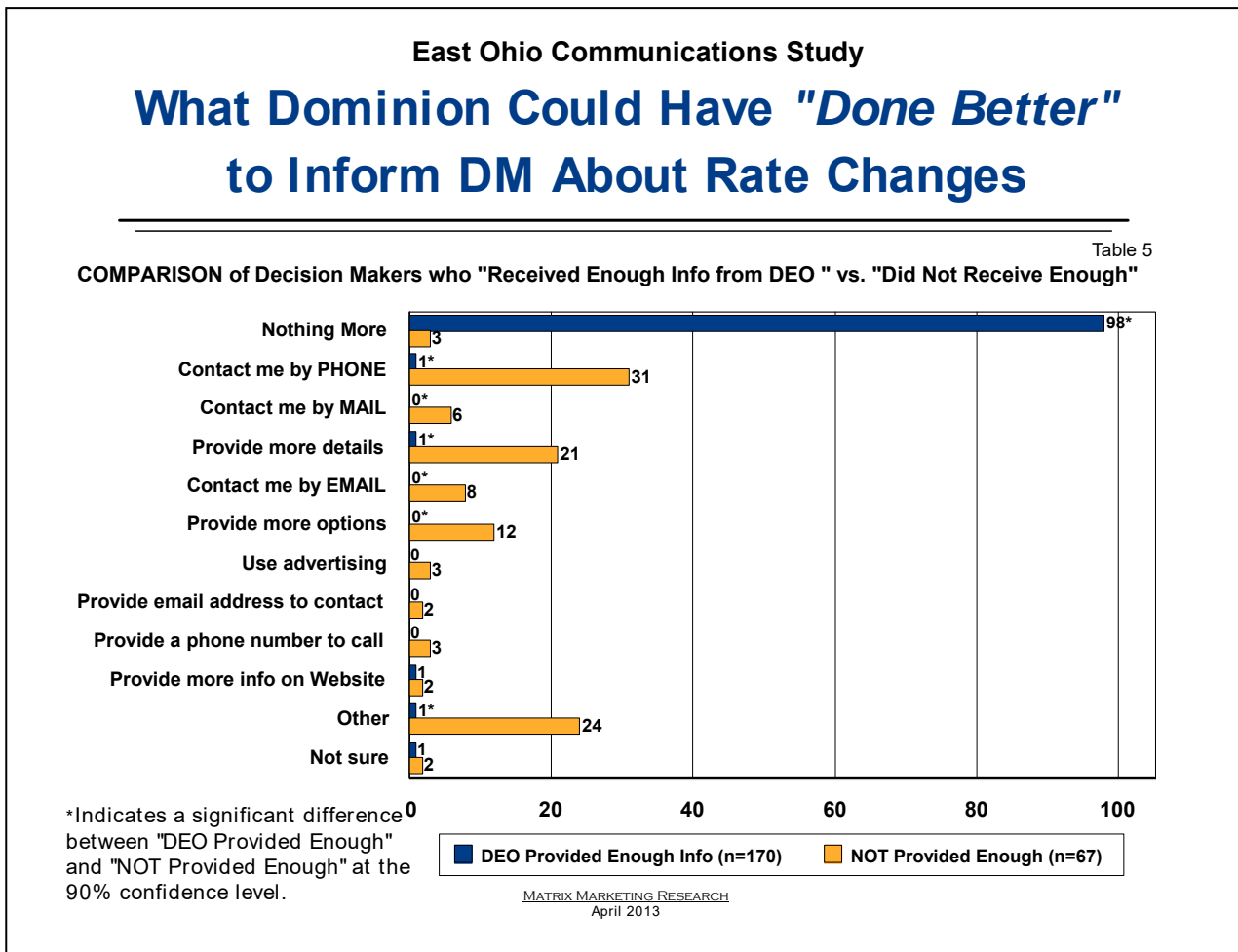
Approximately one of seven customers thought DEO could have done more to better inform them, but was *not sure* what to suggest as how that could be done (15%). [Table 5]



What DEO Could Have Done Better: Comparison of Customers Who Felt They “Received Enough” vs. Those Who “Did Not”

When asked what DEO could have *done to better inform them*, virtually all customers who felt they had received enough information replied DEO could have done *nothing more* (98%). Among the remaining 2% of respondents who felt they *did not* receive enough information to make an informed decision, they mentioned most often as what DEO could have done better would have been to *contact them by telephone* (31%), *provide them with more details* (21%) and *provide them more options* (12%).

Mentions by these customers of all the other listed suggestions are very fragmented, showing no consensus of opinion, and with individual suggestions being mentioned by less than one of ten customers (e.g., *contact me by email* 8%, *use advertising* 3% and *provide a phone number to call* 3%). The 24% of responses that were grouped in the chart below as *other responses* are even more fragmented, and are listed on the next page. [Table 5]



What DEO Could Have Done Better - continued?

Q.5 Verbatim Comments from Those Responses Grouped in the "OTHER" Category

> Received More Than One Mention Each

- Let me know sooner/ Give us more time (4 mentions)
- Do not change them (the rates) - 2 mentions
- Put an insert with the bill about the changes (2 mentions)
- Provide a list of suppliers with contact telephone numbers in the letter (2 mentions)

> Received One Mention Each

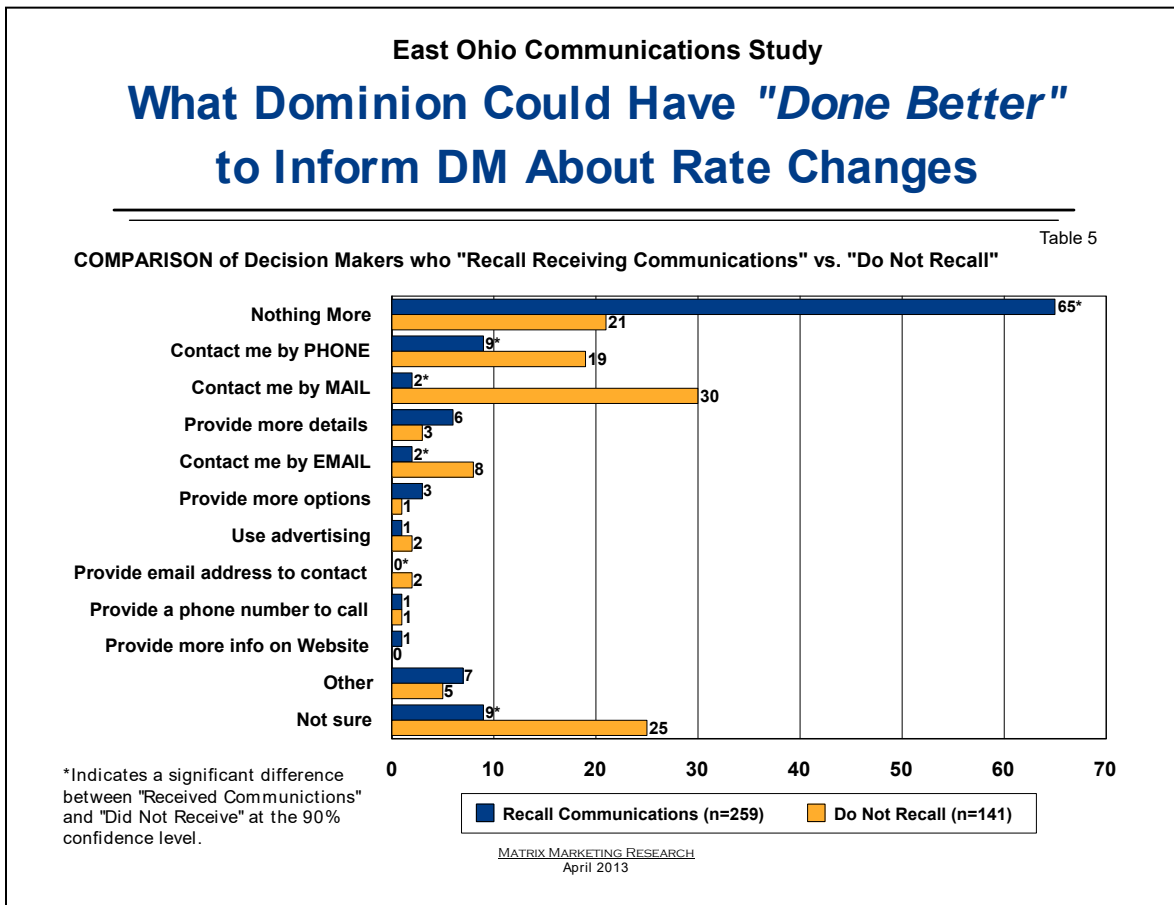
- They could have fought to keep it instead of paying the PUCO. I think its B.S.
- They could have voted everybody off the PUCO committee. Dominion could have taken a stronger stand against the PUCO. Todd Schnitzler, who is the head of the PUCO, he will have a cushy job. When runs again I will not vote for him and I will campaign against him. He doesn't get voted for the governor appoints him. But when he returns to the political arena I will not vote for him and I will actively campaign against him.
- Provide me with a gas bill.
- There's a lot they could do by simplifying their bills and charges
- They should have made the letter more user-friendly, and it should have been written more for the lay-person. The letter I received was very confusing with regard to what we needed to do with regard to our gas service.
- Send out a visible flyer that's not hidden in the bill where it gets thrown away.

What DEO Could Have Done Better: Comparison of Customers Who “Recall” Receiving Communications vs. “Do Not Recall”

A comparison of those customers who do *recall receiving DEO communications* with the those who *do not* shows there are members in each segment who feel DEO needed to do *nothing more* to better inform them: 65% among those who do *recall receiving communications* and 21% among those who *did not recall receiving* them.

Customers who do recall receiving communications but still feel DEO could do more suggest that DEO contact them *by phone* (9%) and *provide more details* (6%). When asked for suggestions, approximately one of ten of this group was *not sure* what DEO could have better (9%).

Among customers who did not recall receiving DEO communications, the suggestions mentioned most frequently are to *contact me by mail* (30%) and *contact me by telephone* (19%). An additional one of four customers in this segment feel DEO could have *done better* but are *not sure* how (25%). [Table 5]

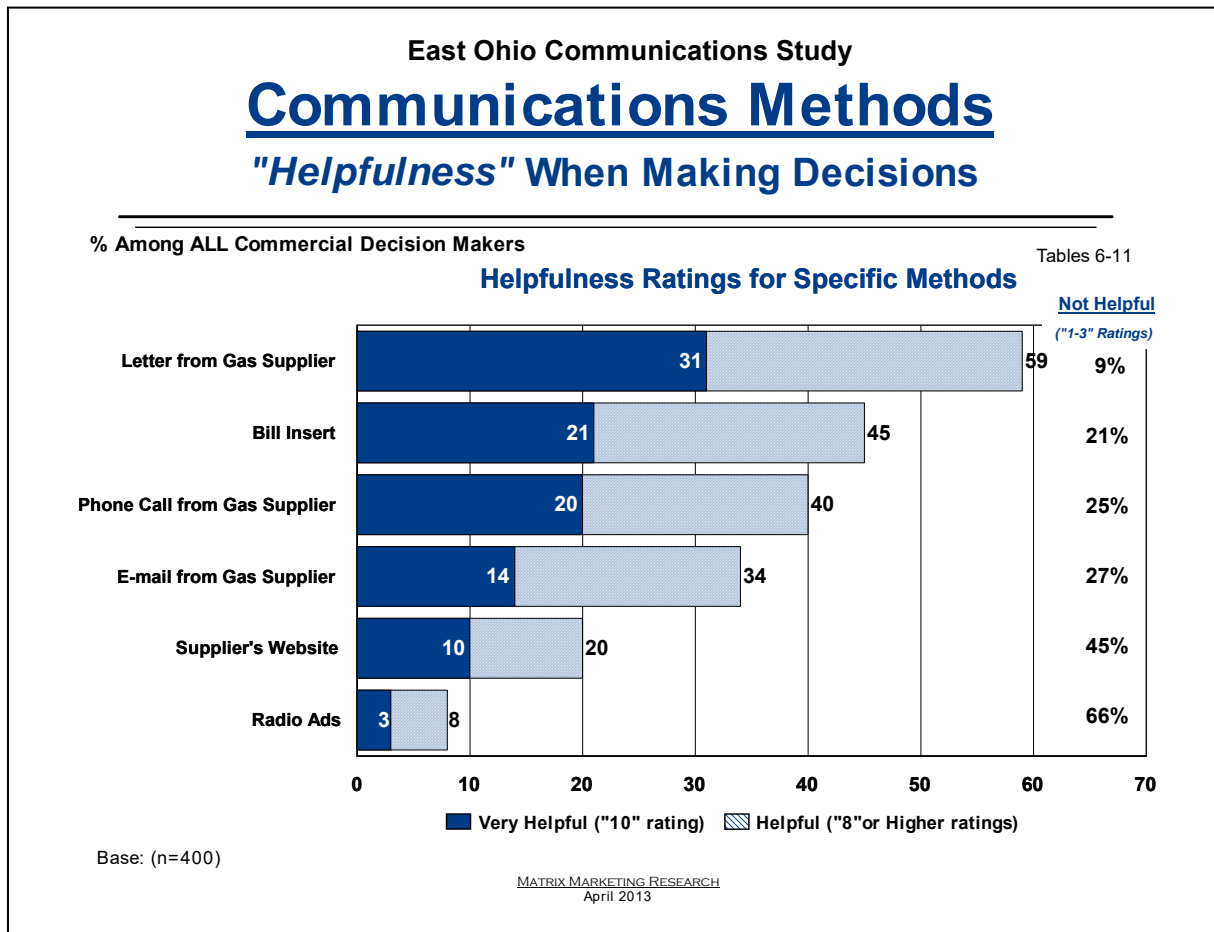


Customer Evaluations of the “Helpfulness” of Alternative Types of Communications

All non-residential customers were presented six different types of communication methods utilized by DEO and were asked to rate each one individually on how *helpful* it is to them whenever they are making decisions about their company’s natural gas supply.

Ratings were based on a numerical rating scale that ranged from 1-to-10. A rating of “1” means the type of communication is “Not At All Helpful” and “10” means the type of communication is “Very Helpful.” Ratings could also be any number between 1 and 10.

Non-residential customers clearly rate *a letter from the gas supplier* as the most helpful type of communication for making well-informed decisions regarding natural gas: 59% give *letters* a positive rating of “8” or higher. In second- and third-place are *bill inserts* (45% rated “8” or higher) and *telephone calls from the gas supplier* (40%). Rated least helpful are *radio ads* (8%). [Tables 6-11]

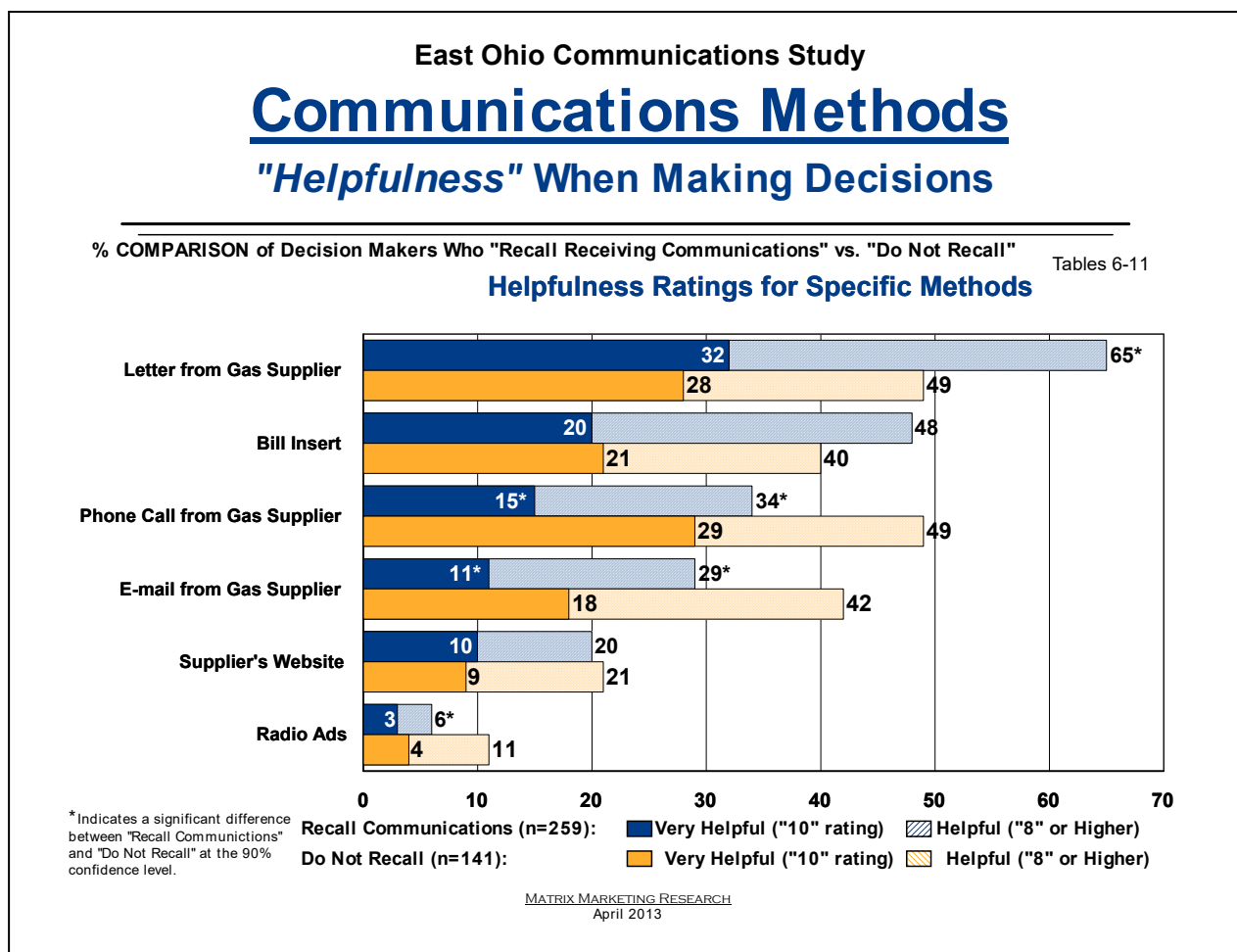


Customer Evaluations of the “Helpfulness” of Types of Communications - continued

A comparison of customers who *recall receiving DEO communications* with the segment who *did not* shows only a few notable differences between them in how they rate the helpfulness of different types of communications.

Letters from the gas supplier are seen as far more helpful among customers who *recall* DEO communications (65% rate them “8” or higher) than those who *do not* (49%).

In contrast customers who *do not recall receiving* DEO communications rate *phone calls* (49% rated “8” or higher), *email* (42%) from the gas supplier and *radio ads* (11%) as being significantly more helpful when making decisions about their company’s natural gas than customers who *do recall* DEO communications (34%, 29% and 6%, respectively). [Tables 6-11]

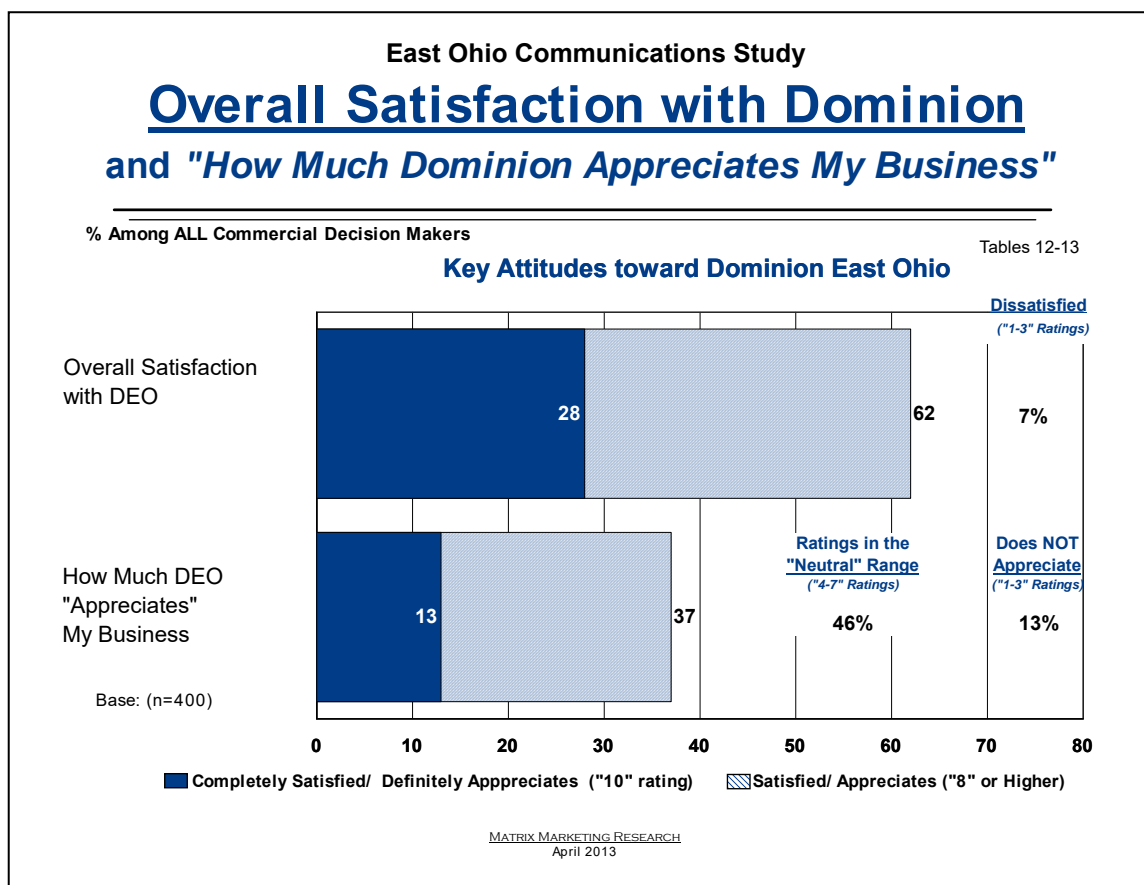


“Overall Satisfaction” with DEO and Feeling DEO “Appreciates” Their Business

Non-residential customers were asked to rate their *overall satisfaction* with DEO, as well as how much they felt DEO *appreciates* them as a customer. Ratings were based on a numerical scale that ranged from 1-to-10. A rating of “1” means “Completely Dissatisfied” or “Does Not Appreciate My Business at All.” A rating of “10” means “Completely Satisfied” or “Definitely Appreciates My Business.” Ratings could also range between 1 and 10.

When rating their current level of *satisfaction* with their overall experience as a customer at Dominion East Ohio, 62% rate their experience positively with a rating of *satisfied* (i.e., “8” or higher); in contrast, fewer than one of ten customers give negative rating of *dissatisfied* (i.e., a rating of “3” or lower (7%).

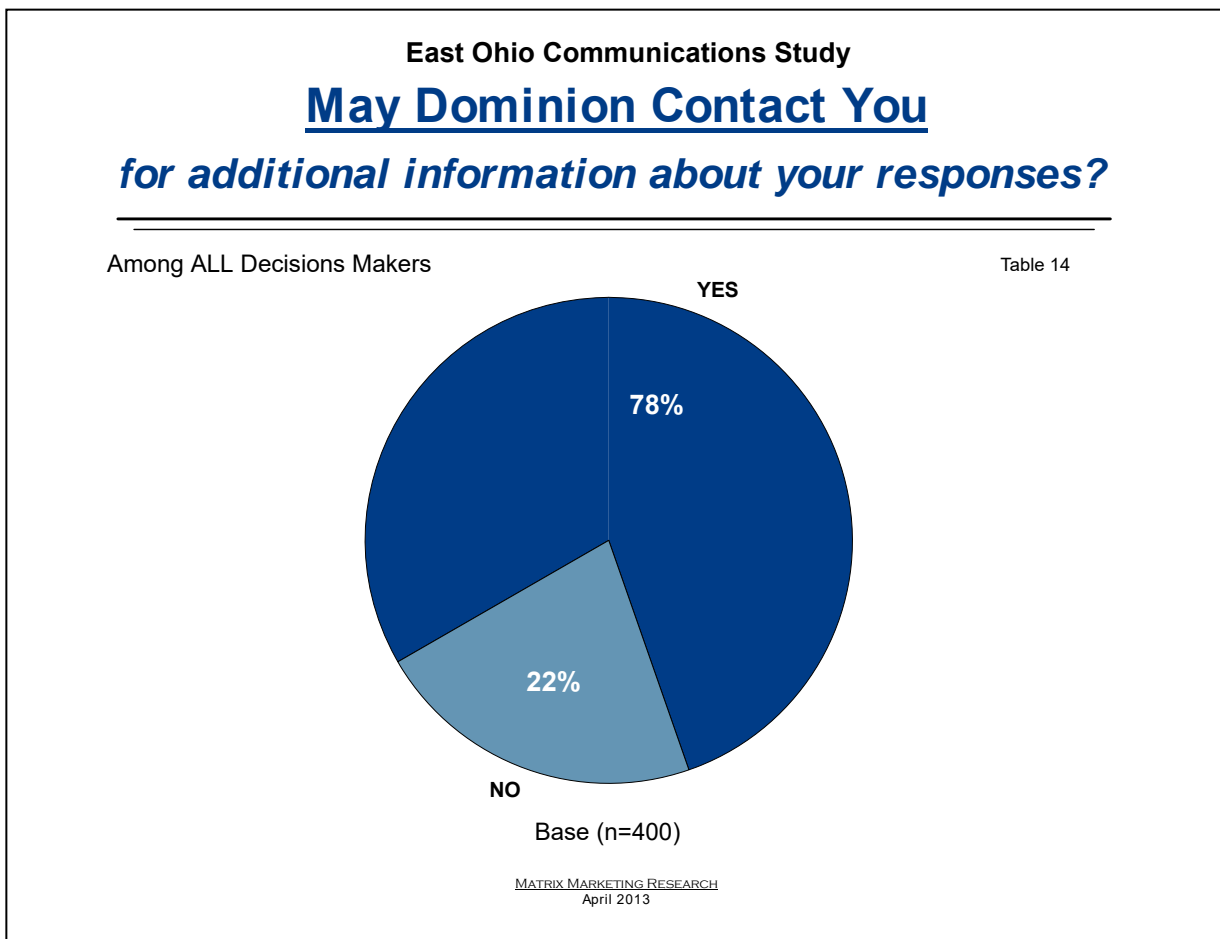
When customer rate the degree to which they feel DEO *appreciates their business*, ratings tend toward the *neutral* range of the scale, with 46% rating from “4” to “7”. Positive ratings of “8” or higher, however, are given by 37% of customers, a level that is nearly three-times higher compared to the 13% who give DEO negative ratings of “3” or lower. [Tables 12-13]



Customer Willingness for DEO to Contact Them Regarding their Survey Responses

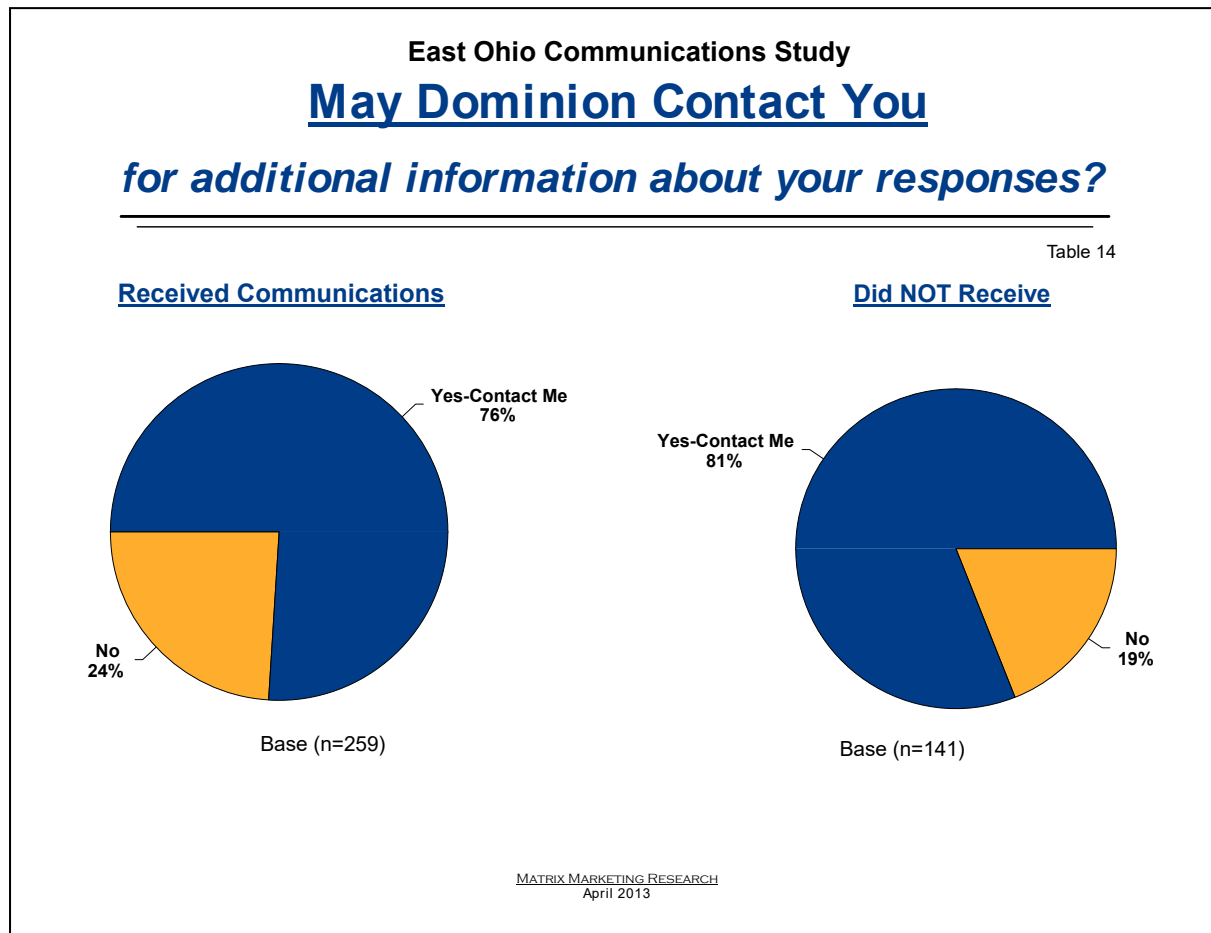
As the final question of the survey, non-residential customers were asked if they were open to Dominion contacting them for additional information about their responses. Nearly eight of ten respondent replied that they are open to being contacted by DEO (78%).

A list with the names and contact information of these customers has been provided to Dominion East Ohio under a separate cover. [Table 14]



Customer Willingness for DEO to Contact Them: Comparison of Customers Who “Recall” Receiving Communications vs. “Do Not Recall”

A comparison of customers who *recall receiving DEO communications* with those who *did not* shows virtually equal percentages of both segments are open to being contacted by DEO about their survey responses. [Table 14]



QUESTIONNAIRE

East Ohio Communications Survey

Quota: 400 completed interviews

Current Length: 8- minutes

Introduction

[IF CONTACT NAME IN SAMPLE] May I please speak to: INSERT CONTACT NAME?
Hello, this is _____, calling from Matrix Research, a national research company.

We're conducting a brief survey about your company on behalf of Dominion East Ohio. May I please speak to the person who makes decisions regarding the natural gas company you use?

(continue to WHEN DM ANSWERS THE PHONE) < Yes - will connect you to decision maker 1
(Go to BACKGROUND) < Yes - decision maker on phone 2

(ASK: Could you give me their name and the best number to reach them?) < Not available right now 3
(Thank and terminate) < Refused to transfer 4

When Decision Maker answers the phone:

Hello, this is _____, from Matrix Research, a national research company. We're conducting a brief survey on behalf of Dominion East Ohio and would like to include your opinions.

Are you the person at your company who makes decisions regarding which natural gas company your company uses?

(continue to BACKGROUND) < Yes 1
(ASK: Do you know who that would be? -- Ask for name and best number) < No 2
(Thank and terminate) < Refused survey 3

Background

As you may know, starting April 1st of this year, large volume users and non-residential natural gas customers will no longer qualify for the regulated natural gas rate called the "Standard Choice Offer", or S.C.O.

Customers who do not have a contract with a gas supplier will be assigned an un-regulated Monthly Variable Rate for their natural gas which will be provided by a pre-designated natural gas supplier.

1. Do you recall receiving any communications from Dominion East Ohio regarding these changes in your natural gas rates?

Yes 1
(skip to Q. 5) < No 2
(skip to Q. 5) < Not sure 3

2. Please tell me what types of communications you received from Dominion? Any others?
[Do NOT read -- Accept MULTIPLE answers]

A letter 1
A phone call 2
An email 3
Hear an advertisement on the radio 4
Visit the Dominion East Ohio website 5
Receive a printed insert in your Dominion bill 6
_____ (specify) or receive some Other type of communication 7
Social Media 8
(Skip to Q.4) < (none of these) 99

[CATI: If Q.2 has MULTIPLE ANSWERS, ask Q. 3 -- otherwise skip to Q.4]

**[For those who skip Q.3, back-punch the Code from Q.2 into Q.3
ONLY SHOW THOSE MENTIONED IN Q2**

3. Of the different types of communication you just mentioned, which one do you feel was the most informative? [Do **NOT** read -- Accept only **ONE** answer]

Letter 1
Phone call 2
Email 3
Radio ad 4
Website 5
Bill insert 6
Other type of communication _____ 7
Social Media 8
(all were equal) 9
(Not sure) 10
(None of these were informative) 99

4. Do you feel you have been provided with enough information by Dominion to make an informed decision about choosing a natural gas supplier?

Yes 1
No 2
Not sure 3

5. What could Dominion East Ohio have done to better inform you about the changes in your natural gas rates? -- Anything else? [Do **NOT** read answers -- Accept multiple answers]

01 Nothing -- they did all that I needed
02 Provide more details
03 Provide more options
04 Provide a phone number so I could call them
05 Provide an email address so I could contact them
06 Provide a link to their website
07 Contact me by email
08 Contact me by phone
09 Send me a letter by mail
10 Provide more information on their website
11 Use advertising
12 Use social media
98 Other: (SPECIFY) _____
99 (Not Sure)

6. Next, please rate several types of communication methods in terms of how helpful they are to you when making decisions about your company’s natural gas supply.

Please use a scale from 1-to-10, where “1” means “Not At All Helpful” and “10” means “Very Helpful,” or you can use an number between 1 and 10.

> On a scale from 1-to-10, when making decisions about your natural gas supply, how helpful to you is: **[INSERT ITEM]**

ROTATE ORDER	Not At All Helpful										Very Helpful	Not Sure
Receiving a LETTER from your gas supplier	1	2	3	4	5	6	7	8	9	10	11	
Receiving a PHONE CALL from your gas supplier	1	2	3	4	5	6	7	8	9	10	11	
Receiving an E-MAIL from your gas supplier	1	2	3	4	5	6	7	8	9	10	11	
RADIO ADS sponsored by your gas supplier	1	2	3	4	5	6	7	8	9	10	11	
Visiting your gas supplier’s WEBSITE	1	2	3	4	5	6	7	8	9	10	11	
Receiving a PRINTED INSERT with your gas bill	1	2	3	4	5	6	7	8	9	10	11	

Overall Satisfaction with DEO

7. All things considered, how satisfied are you with your overall experience as a customer at Dominion East Ohio? Please use a scale of 1 to 10, where “1” means you are *Completely Dissatisfied*, and “10” means you are *Completely Satisfied*.

Completely Dissatisfied										Completely Satisfied	Not Sure
1	2	3	4	5	6	7	8	9	10	11	

8. Thinking now about Dominion’s appreciation of you as a customer, please tell me how much you think Dominion *appreciates your business*. On a scale of 1 to 10, a rating of “1” means Dominion “*Does not appreciate* your business at all” and “10” means Dominion “*Definitely appreciates* your business.”

Does Not Appreciate at All										Definitely Appreciates	Not Sure
1	2	3	4	5	6	7	8	9	10	11	

9. This completes our survey questions...May Dominion contact you for additional information about your responses?

(Ask Q.10) < Yes 1
(Skip to end of survey) < No 2

10. Just to confirm my contact information -- could you give me your name?

CONTACT name: _____

**This completes our survey.
Thank you for your participation!**

Append data from the customer SAMPLE FILE:

> Name of Company surveyed (from sample file): _____

> Phone dialed: _____
[AREA CODE] [PHONE NUMBER] [EXT.]