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Energy bills on the rise for half of Aussie households as winter begins

With winter arriving for much of Australia, new research has revealed that **just over half (52 per cent)** of Australian households – or more than four million homes – say their energy bills have increased in the past 12 months, while the **vast majority (78 per cent)** of household decision makers describe the cost of energy as expensive.

Energy experts [iSelect](#) today released the results of a national Galaxy Research study assessing the attitudes and behaviours of Australians towards energy affordability.¹ This coincides with the start of winter as Australians begin to crank up the heaters and turn on electric blankets following an extremely mild autumn.

The survey also found that more and more Australian households are taking advantage of increased energy competition in most Australian states, with **less than a third (31 per cent)** of homes still on a standard retail plan without discounts.

A third (36 per cent) of households receive a discount for paying their energy bill on time, with **eight per cent** on a guaranteed discount plan, while a further **eight per cent** receive a discount for online account management or paying by direct debit. Only sixteen per cent of respondents weren't sure what kind of energy plan they are currently on.

Laura Crowden, iSelect spokesperson, said the official start of winter should be a reminder to review your current energy plan.

"In winter around forty per cent of your energy can be used up simply keeping your home warm, so it's not surprising energy bills are often highest in winter," Laura said.

"Don't get to the end of winter and then wonder why your energy bill is so high. Take action now to see if swapping to a different provider may help you avoid winter bill shock.

The survey found that Aussie households are starting to shop around to find the best energy deal.

"**Thirty-eight per cent** of all households have compared energy providers in the past two years, and of those who compared, a third (33 percent) or **one million households** went on to switch to a different energy provider."

Laura said taking the time to shop around isn't just about switching, but rather finding out whether or not you are currently on the best deal.

"One in five households who did take the time to compare providers found they were already on the best deal," Laura said.

"While these households may not have saved any money, they did get peace of mind knowing that they should stay with their current provider."

¹ In April 2016, iSelect commissioned a nationally representative consumer research study with Galaxy Research to assess the attitudes of over 1,100 Australian household decision makers towards energy

While the **majority (84 per cent)** of households said they would switch energy providers in order to save money, Laura warned that price shouldn't be the only factor when it comes to choosing the right energy plan.

"On average, households would need to shave **\$65** off their quarterly energy bill to be convinced to switch providers, although some households would switch for as little as a **\$20** quarterly saving," Laura said.

"However, sometimes the cheapest plan may not be the best value option over the longer term. For example, many people get enticed by generous pay-on-time discounts but if they often pay their bills late, they could end up paying a lot more than expected."

Laura said customers should instead look for a plan that offers the right balance between price and flexibility.

"Consider flexible payment options, such as paying your bills online, or the ability to pay your bills in installments to avoid the bill shock that comes from unexpected large quarterly bills."

Laura said it was worrying that **14 per cent** of households who had taken the time to compare were putting off actually changing providers because they felt it was too much hassle to switch.

"Switching energy providers is a really simple process that could end up saving you significantly over the long term. Many calls with our energy experts only take around 20 minutes, right from comparing options through to taking care of the transfer process for you."

iSelect's top 5 tips for finding best energy deal
1. Save money with the right plan – reducing your consumption won't necessarily reduce your bill significantly. The best way to save money is to make sure you are on the best value plan to begin with
2. Flexible payment options – pay your bills weekly, fortnightly or monthly, or sign up for bill smoothing which will divide your annual usage into even monthly installments, avoiding bill shock
3. Be wary of pay on time discounts – paying on time could save you around 30 % but if you often pay your bills late, you could end up paying a lot more than you expected
4. Look out for special offers – increased competition means some retailers are offering generous introductory offers or rebates to entice new customers such as credit towards your account
5. Shop around – use increased energy competition to your advantage by comparing current offers. Call an energy comparison service like iSelect and make sure you have a copy of your latest bill handy

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About iSelect

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