

Appendix 2.1 – How customers informed the strategy

In April – June 2020 SA Water conducted customer research to inform the development of the corporation's vision and strategy. Questions guiding this research were:

- What are current and future customer values and needs?
- How do customers think SA Water is performing?
- Are there gaps between perceived or experienced performance and customer needs?

Research was done in two phases:

- Phase 1 qualitative: 100 customers were engaged to understand their expectations for a water utility of the future. Customers created a list of 50 attributes in their own words.
- Phase 2 quantitative: 1,400 customers tested and rated the attributes, the top 25 were ranked (as per Table 2.1-1) and they gave their perceived performance of SA Water against these expectations.

Table 2.1-1 25 SA Water customers' most important attributes for a future water utility

Rank	Customer expectation
1	Ensures there is an uninterrupted and reliable supply of safe, quality water, even during extreme weather events
2	Provides fair and equitable access to water for all South Australians
3	Cleans and disposes of wastewater in a safe and hygienic way, without any risk to humans, wildlife or the natural environment
4	Invests in new solutions or technology that in turn reduces costs to customers
5	Employs local people
6	Continues to research ways to maintain a clean water supply
7	Increases the use of recycled water and make better use of environmental water
8	Ensures customers can identify and report leaks quickly
9	Proactively monitors leaks and has people ready to quickly repair a leak or mains break to minimise water wastage
10	Invests in infrastructure that captures more water in the future
11	Acts ethically, with transparency, integrity and openness
12	Has a dedicated and responsive problem-solving team
13	Considers community affordability when making decisions, to keep costs low for customers
14	Educates customers to be water conscious and to use water efficiently, and uses school programs to educate future generations
15	Acts in a way that is as environmentally friendly as possible, and considers the environment, climate change and population growth in decision-making
16	Aims for equal water pressure to all properties
17	Has the ability to expand and grow the network with demand, future proofing it with modern infrastructure
18	Takes steps to improve the quality and taste of tap water
19	Is a leader in water and wastewater - innovative and forward thinking
20	Advocates to Government for better water use policies

Rank	Customer expectation
21	Explores new ways of obtaining drinking water through the latest advances in technology
22	Creates partnerships with other organisations (such as utilities or Councils) around sustainability, recycled water, water security, green space and creating cooler areas
23	Creates incentives or rewards for people who capture and use rainwater, or recycle water at home
24	Avoids implementing water restrictions
25	Develops a system for spreading the impact of high bills in peak seasons

Customers scored each attribute by their perception of SA Water's performance. This analysis of importance versus performance, as shown in Figure 2.1-1, told SA Water where it could focus its plans to improve services.

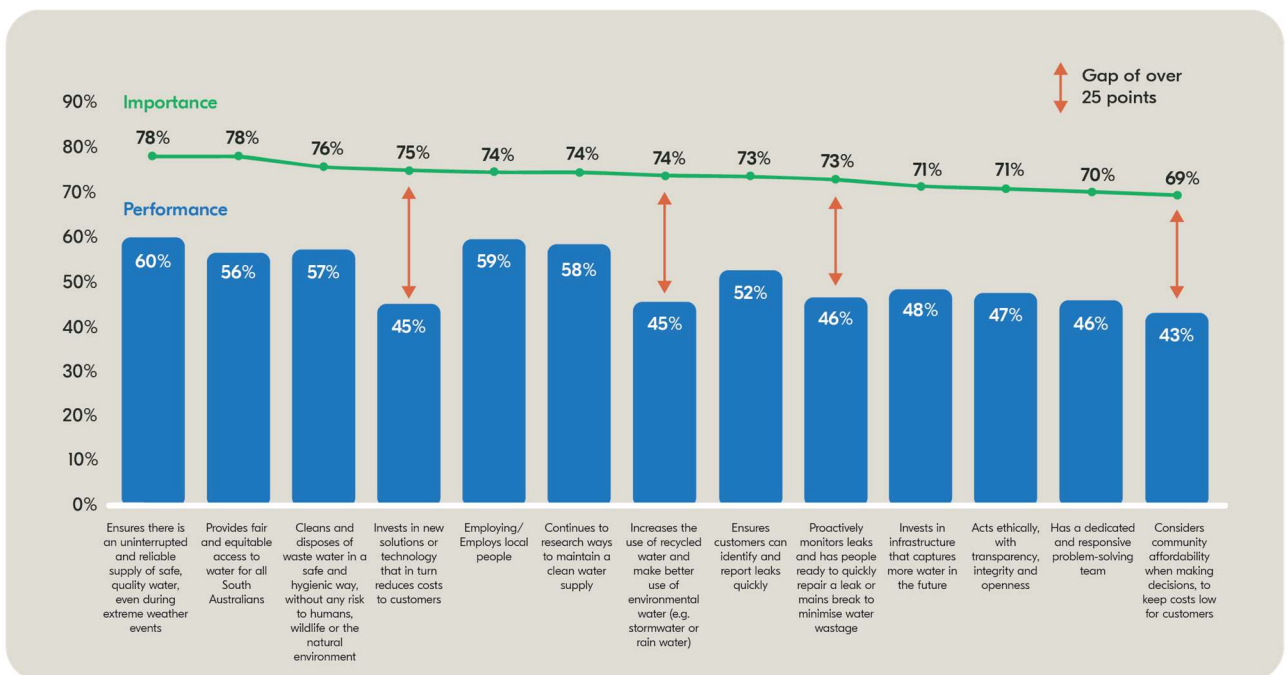


Figure 2.1-1 Customer expectations – comparison of importance vs performance (top 13)

Overall customer research findings indicated that there had been a shift in customer expectations to drive new strategic direction and plans.

- In 2017 customer priorities for SA Water were about getting back to basics, being responsive and quick to fix leaks and breaks, and focusing on affordability for customers.
- In 2020 there was a significant change in customer values and priorities. Although many of the values from 2017 have persisted, customers now wanted SA Water to prepare the community and environment for the future – be proactive, environmentally conscious and sustainable, recycle more water, capture more water in smarter ways, deliver more education to the community, and ensure ethical and transparent leadership.

These findings were tested and found to be still valid in June 2021 through face-to-face workshops with 91 customers and 9 stakeholders from SA Water's customer advisory group.

Customers' top priorities were used to inform the strategic areas of focus as shown in Table 2.1-2.

Table 2.1-2 Customer top priorities informing our strategic areas of focus

Customers' expectations in their own words and ranked by them (top 15):	Drive Customer Outcomes	Water for the future	Healthy communities	Proactive environmental leadership	Our people for the future
1. Ensures there is an uninterrupted and reliable supply of safe, quality water, even during extreme weather events	✓			✓	
2. Provides fair and equitable access to water for all South Australians		✓			
3. Cleans and disposes of wastewater in a safe and hygienic way, without any risk to humans, wildlife or the natural environment	✓			✓	
4. Invests in new solutions or technology that in turn reduces costs to customers	✓				
5. Employs local people			✓		✓
6. Continues to research ways to maintain a clean water supply		✓		✓	
7. Increases the use of recycled water and make better use of environmental water (e.g. stormwater, rainwater)		✓		✓	
8. Ensures customers can identify and report leaks quickly	✓				
9. Proactively monitors leaks and has people ready to quickly repair a leak or mains break to minimise water wastage	✓				
10. Invests in infrastructure that captures more water in the future		✓			
11. Acts ethically, with transparency, integrity and openness				✓	✓
12. Has a dedicated and responsive problem-solving team	✓				

Customers' expectations in their own words and ranked by them (top 15):	Drive Customer Outcomes	Water for the future	Healthy communities	Proactive environmental leadership	Our people for the future
13. Considers community affordability when making decisions to keep costs low for customers	✓				
14. Educates customers to be water conscious and to use water efficiently, and uses school programs to educate future generations		✓	✓	✓	
15. Acts in a way that is as environmentally friendly as possible and considers the environment, climate change and population growth in decision-making				✓	

SA Water reviews the strategy regularly, and considers any change in the external operating environment, customers sentiment, owner expectations, and areas for improvement.