

Which?

The Big Switch

Media update
20 April 2012

Which? works for you

Which? and 38 Degrees launched The Big Switch because the UK energy market isn't working for consumers. It's too complex and almost impossible for many people to get the best price. The response from consumers has been fantastic - with over **275,000** people joining together to get a better deal.

Collective switching in the UK energy market has **never been attempted on this scale**, and we're aiming to secure a market leading deal for everyone who has signed up. This is more ambitious than other collective switching campaigns in the Netherlands and Belgium, which did not aim to beat the market.

We can't be certain if we'll be able to secure a new market leading deal, but we take the **responsibility of getting people a good deal** extremely seriously. We will provide every potential switcher with a personalised savings estimate, showing them how much they can save by moving to the best deal for them, whether it's from the auction or the existing market.

The process and next steps

Stage	Overview	Additional information available to media
Supplier Negotiations March/April	<p>We're reaching the end of a period of intense negotiations with the energy suppliers.</p> <p>We want as many companies as possible to be able to take part in The Big Switch so that consumers can get the best possible deal. We have worked closely with all suppliers to make sure that as many as possible can participate.</p>	<ul style="list-style-type: none">Expected auction dateAd hoc updates on the number of people signed upAd hoc updates on which suppliers have agreed to take part
Reverse Auction Planned for Weds 9th May	<p>We have been working towards late April/early May for the reverse auction. We can now confirm the auction is planned for 9 May. This is based on feedback from suppliers on what timings will make it easier for them to participate.</p> <p>Over the course of a day, Which? will invite energy suppliers to bid their cheapest possible price for one or more tariff categories.</p>	<ul style="list-style-type: none">The total number of people who have signed upHow many manage their bills online versus offlineHow many are on variable rate tariffs as opposed to fixed term deals

Stage	Overview	Additional information available to media
Auction Results Thurs 10th - Fri 11th May	Which? will verify all of the bids to check whether they are 'market leading' (e.g. equal to or less than the cheapest tariff on the market in that category). If we do not secure a market leading deal in one or more of the categories, we will revert to the best existing deal on the market. We will provide everyone with a personalised savings estimate whether or not we get a market leading deal.	<ul style="list-style-type: none"> ■ The winning supplier(s) and tariff(s) ■ Where relevant, comparisons with the best existing deals ■ What people should do next if they want to switch
Savings Quotes Fri 11th - Mon 14th May	Everyone that has signed up to The Big Switch and provided their tariff information will receive a personalised savings quote showing them how much they could save by switching. Those who have not provided their current tariff details will receive average savings figures and a reminder to fill in their details if they want a more accurate quote.	<ul style="list-style-type: none"> ■ Ad hoc updates on the number of people who have switched
Deadline Until 28th May (exact date TBC)	People will have two weeks from receiving their email to choose whether or not they want to switch. If they do, Which? will help them through the process.	<ul style="list-style-type: none"> ■ Ad hoc updates on the number of people who have switched ■ Average actual savings
Campaign Overview Aug/Sept (exact date TBC)	Which? will be fully transparent about the amount of revenue generated from The Big Switch. If there is a surplus, we will invest this money into our Affordable Energy Campaign which aims to help all consumers pay as little as possible for energy.	<ul style="list-style-type: none"> ■ Total number of switches ■ The collective savings made by switchers ■ Key learnings from The Big Switch for other UK collective switching projects ■ Revenue generated and costs incurred by Which? for The Big Switch

Mythbusters

MYTH: Which? is going to make millions from The Big Switch

Which? is a not-for-profit organisation but we have made it clear that we hope to cover our costs by charging a fee to the winning supplier, just like all switching sites (we're charging roughly half of what other switching sites charge on average).

No one knows how many people will eventually switch so it's impossible to say whether we'll even be able to cover our costs at this stage. We've made a significant investment in IT

infrastructure and customer support to ensure that The Big Switch process is as fair and clear as possible for potential switchers.

MYTH: The Big Switch doesn't give people any choice

We will take people's preferences into account by categorising the best deals by payment type (cash/cheque or direct debit) and online or paper billing.

When we send people their personalised savings estimates, we will let them know about their preferred

category but we will also flag if there is a cheaper deal available in a different category. This will help everyone feel confident that they're making the best possible choice for them.

We're not trying to do everything in one go, and The Big Switch is focused on price because that's what consumers tell us is their priority right now. If this first attempt works, we might do a 'green' deal next time.

MYTH: The Big Switch will not compare winning tariffs with other deals already on the market

We're aiming to secure a market leading deal, but we will compare the winning tariff(s) with all other available tariffs on the market and give everyone a personalised savings estimate, so people can feel confident that they'll get the best deal for them.

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