ATCO Brand & Energy Research

June 2023

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Scope of engagement

Background & objectives

While WA remains relatively protected, economic pressures, increasing cost of living and an unstable east coast energy market are impacting broader community perceptions of energy consumption and household bills. Alongside a contracting movers marketing and growing importance of sustainable energy options among the WA community, the gas market has the potential for disruption in the future.

ATCO has noticed declines in demand for gas in some new housing developments but lacks a clear understanding of who (decision makers) and what (barriers and motivators) are driving this shift. For ATCO it is important to gain an understanding of the business customer journey, as well as an up-to-date view of community perceptions to reach growth goals. Research is also required to ensure ATCO's product mix and service delivery reflects the priorities and expectations of the WA community and business stakeholders, including renewable options.

The overall objective is to provide ATCO with insights that facilitate greater influence over industry stakeholders and Western Australians, in order to drive growth with current and future energy sources.

The specific objectives of the research:

1	Measure and explore gas usage and perceptions
2	Measure brand health: awareness, knowledge and experiences with ATCO
3	Understand the knowledge and perceptions of renewable energy
4	Explore the business stakeholder experience

Research approach

A multi-modal approach was undertaken to gain a full picture of the general public and business stakeholder landscape and perceptions.

Understanding the business customer journey

- Individual in-depth interviews with eight stakeholders were undertaken by Metrix from 3 April to 23 April.
- The business audiences involved in the gas decision-making process, typically for new developments:
  - ATCO stakeholders (4)
  - Non-ATCO stakeholders (4)

Brand health and category perceptions survey

- A survey (12-15 minutes) was conducted from 20 March to 9 April with the Western Australian general public.
- A final sample of n=602 was captured, providing a margin of error of ±3.99%.
- Data was weighted to the 2021 ABS census to ensure representation.
- Note: where applicable, findings have been compared to the research by Painted Dog conducted in October 2020.

General public category perceptions

- Following the quantitative survey with the general public, two focus groups were conducted on 1 May and 4 May to deep dive into gas perceptions and the renewable category.
- The general public focus groups consisted of a mix of existing and new connections customers, across different ages and genders.
- Creative assets were also tested during these sessions.

Executive summary

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Insights

Market landscape

- Natural gas is still considered essential to households (51%, an increase of +10% since 2020), notably as it's seen to serve a different purpose to electricity such as heating, cooktops and BBQs.
- Outside of environmental considerations, perceptions remain generally positive and natural gas is still considered 'easy' to install (some think it's become easier) and use. However, associations with cheaper cost of installation and use have declined since 2020.
- It's still considered a cheaper alternative to electricity, but relatively less so than in the past. A case in point are stated barriers to connection (for those without natural gas), while availability and preference for renewables have significantly declined as barriers to connection, cost of connection and use have increased significantly.
- Support for natural gas remaining connected to WA homes and businesses remains strong among those aged over 35 (primarily driven by perceptions of low cost), but opposition (support to disconnect from gas) remains much stronger among younger audiences (primarily driven by environmental considerations).

ATCO brand perceptions

- Awareness of ATCO remains low (significantly lower than 2020 on a prompted basis) and awareness and interaction is typically limited to knowledge of pipeline responsibilities and visibility of vehicles near public works.
- When further prompted, (limited) comprehension extends to only household supply and educating the general public about gas.
- Unsurprisingly, brand associations are weaker for ATCO than its peers in the Utility sector – although ATCO does have relative strengths for being experts, working quietly in the background and innovation. There is an opportunity, through a concerted communications effort, for ATCO to stand apart from its peer group for being trustworthy and safe.

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Insights

ATCO communications

- The perceived importance of ATCO's role in supporting sustainable energy solutions is relatively low (lower than for *households as a collective*) –driven by low awareness and a poor understanding of what ATCO does beyond pipeline supply and education.
- Communications need to be clear, concise and trustworthy. While the ATCO ad tested performed well in terms of design aesthetic, the role and relevance of ATCO needed to be clear – particularly to demonstrate credibility and trustworthiness.
- ATCO first need to drive brand awareness and then build associations of trustworthiness and credibility through communications about its roles and responsibilities in delivering sustainable energy solutions (to be viewed as more than just *working quietly in the background*).

Renewables

- Most Western Australians are aware of renewable energy. However, awareness is dominated by solar and wind, which are viewed most favourably (driven by awareness and comprehension).
- Awareness of renewable gases is markedly lower (29%), with below average comprehension about renewable gases, suggesting a considerable awareness and education gap to be filled. Once prompted with a descriptor about renewable gases, only a third would consider switching to renewable gases for their energy needs (the majority being those already aware of renewable gases – suggesting it will take a more dedicated effort to convert the broader population). The main barrier to switching to renewable hydrogen gas was not knowing enough about it (50%), further emphasising low levels of awareness and comprehension.

Key findings & implications

	Brand	Communications	Category
Findings	• ATCO's brand measures have remained largely consistent. The brand sustains a relatively low level of awareness and understanding amongst the general population. • This theme extends somewhat into the industry space, where functional knowledge of ATCO's infrastructure business is high, but awareness of the expansion into other lines of business is very low.	• As the energy landscape changes, for people to demand what ATCO sells and delivers, ATCO will have to support new messaging. • Clarity on the role for communications, by audience, is key as audiences will require hearing new and different things about ATCO.	• The energy transition and renewable energy sources are topics which are becoming more commonplace in advertising and in the media. • Ensuring messages stand out is increasingly challenging.
Implications	• To succeed through the transition, ATCO will need to prioritise and sufficiently fund new marketing activities. Audiences will need to hear new and different things about ATCO. • Consider the opportunity to establish a fresh view of audience and stakeholder mapping. Identify how ATCO can service each audience's needs now, and into the future. This "outside in" view, will guide effective strategy. • From here, clearer positioning and targeted communication for each priority audience, will help to guide marketing tactics and delivery.	• Striking a balance between how narrative is shaped in paid and owned media channels (in particular), will be a key challenge. • For example, advertising will be less effective at communicating informational requirements and more effective at communicating certain attributes or evoking feelings about the brand (e.g., trust, reassurance, confidence).	• As well as being informed by audience-specific positioning, nuance in how ATCO communicates its involvement in renewable solutions will require careful consideration. • Balancing informational needs (to educate on solutions and provide confidence in the ATCO brand), with creative impact, will help to cut-through messaging clutter on the topic.

Current state

Awareness, consideration & usage of natural gas

Overall perceptions of gas in WA homes are positive and seen to address different needs to that of electricity

Based on qualitative groups run with the general population, the majority had gas in their home that came with the house. Price of installation and/or lack of availability were barriers for those without natural gas.

In terms of overall awareness and knowledge of gas, most households have gas appliances and hold a positive view of its affordability and usefulness, especially for cooking and heating purposes. However, negative sentiment arises from the fact that natural gas is a fossil fuel and can release dangerous emissions or pose potential hazards if leaked. Despite this, gas is still seen as having a role in homes, functioning separately from electricity, and is expected to continue being used in the future.

These findings are supported by quantitative data within the report.

Gas perceptions *'Gas has a place in the home, as it functions separately to electricity.'*

Positives:
- Cheap
- Useful (quickly heats things up)

Negatives:
- Fossil fuel / non-renewable
- Dangerous emissions (leaks can be dangerous)

Gas vs Electricity

When compared to gas, **electricity** is perceived to be:
- More expensive
- Slower to heat up (electric stove)
- Can be difficult to use in place of gas, but safer
- More environmentally friendly / sustainable when using renewable energy

Gas is more powerful (comparing a gas stove to an electric stove heats up quicker and burns hotter) but even when offset, it will produce emissions (cannot reach electricity's potential to be environmentally friendly).

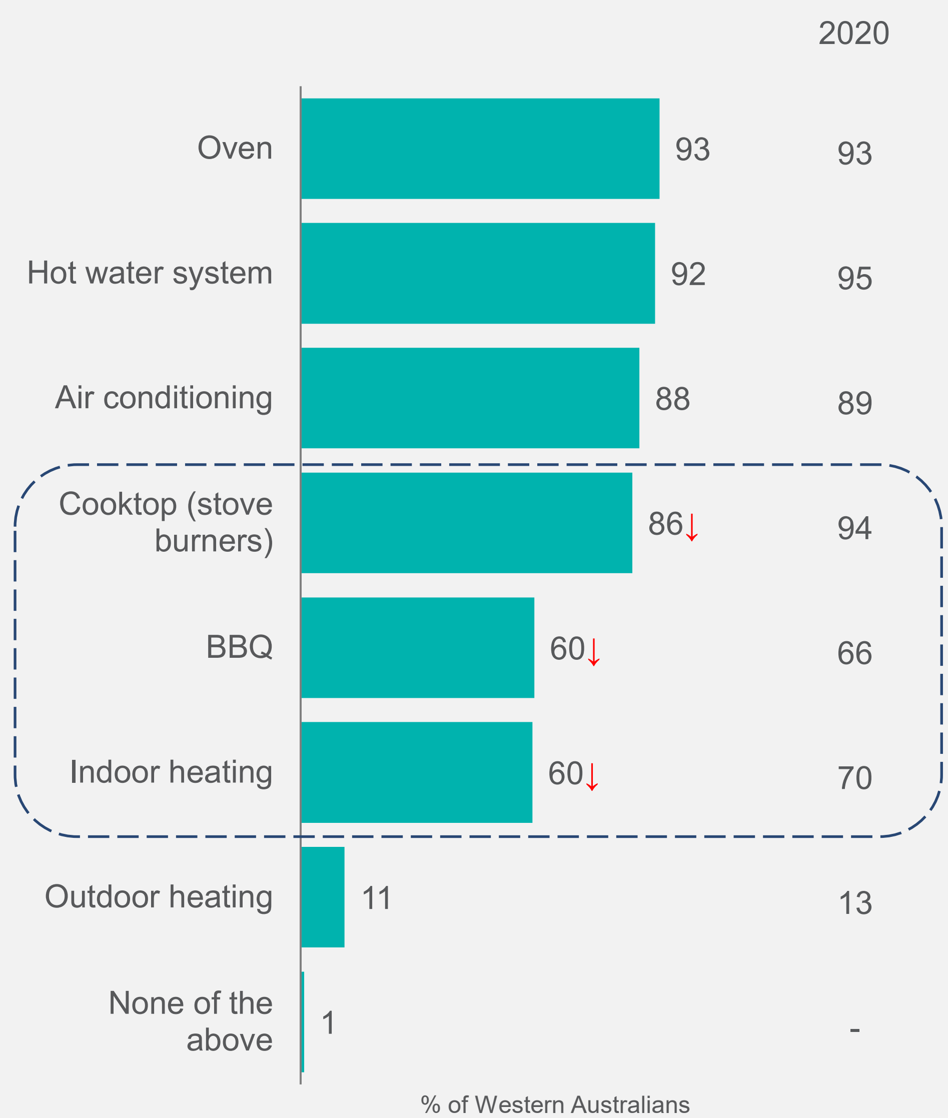
When looking forward, gas is expected to be present in the future, but likely to be overtaken by electrical advancements if it does not become renewable. *'If electricity caught up to gas, most people would choose to go electric.'*

In the last three years, ownership of cooktops, BBQ and indoor heating has reduced

The most common appliances installed in WA homes remain ovens, hot water systems, air conditioning and cooktops.

When purchasing appliances, price is the key driver (49%), followed by brand (36%), energy efficiency (34%) and fuel type such as gas or electricity (32%). Despite price being the core driver, only a quarter consider the cost to use/ run (25%).

Types of appliances at home



Base: 2023 n=602 | 2020 n=456 |
Q1. Which of these appliances do you have in your home?
Q18: Below are some common decision-making considerations when purchasing an appliance. Please rank your top three in order of importance.
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

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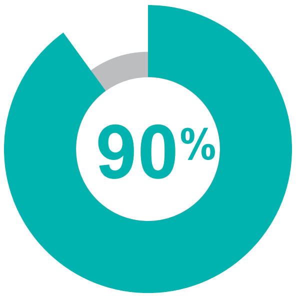
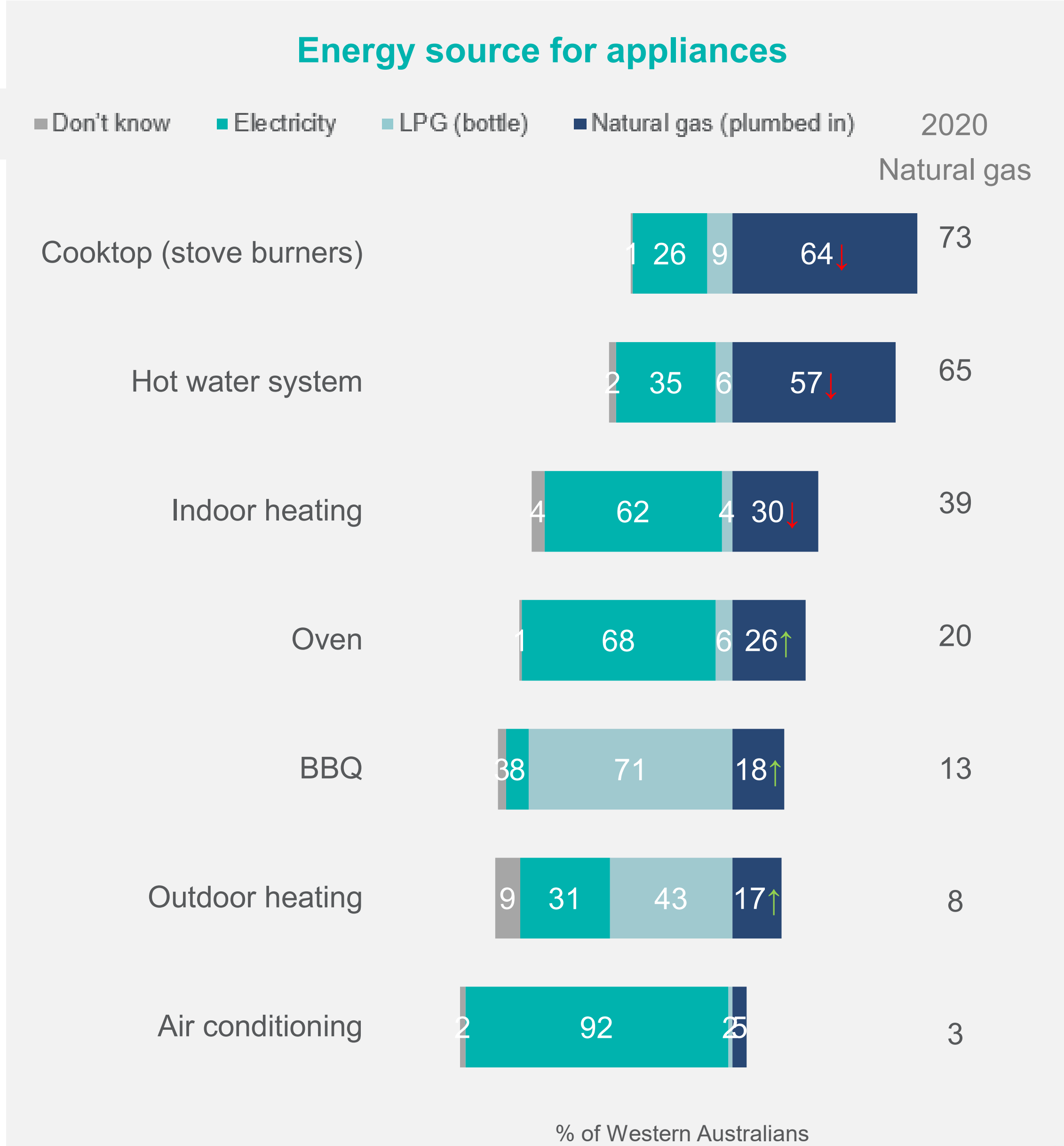
There has been a significant reduction in natural gas appliances within the home since 2020



of WA households are connected to natural gas



Base: 2023 n=602 | 2020 n=456 |
Q2: Are these appliances powered by natural gas, LPG or electricity? | Q4: Is your home connected to natural gas?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

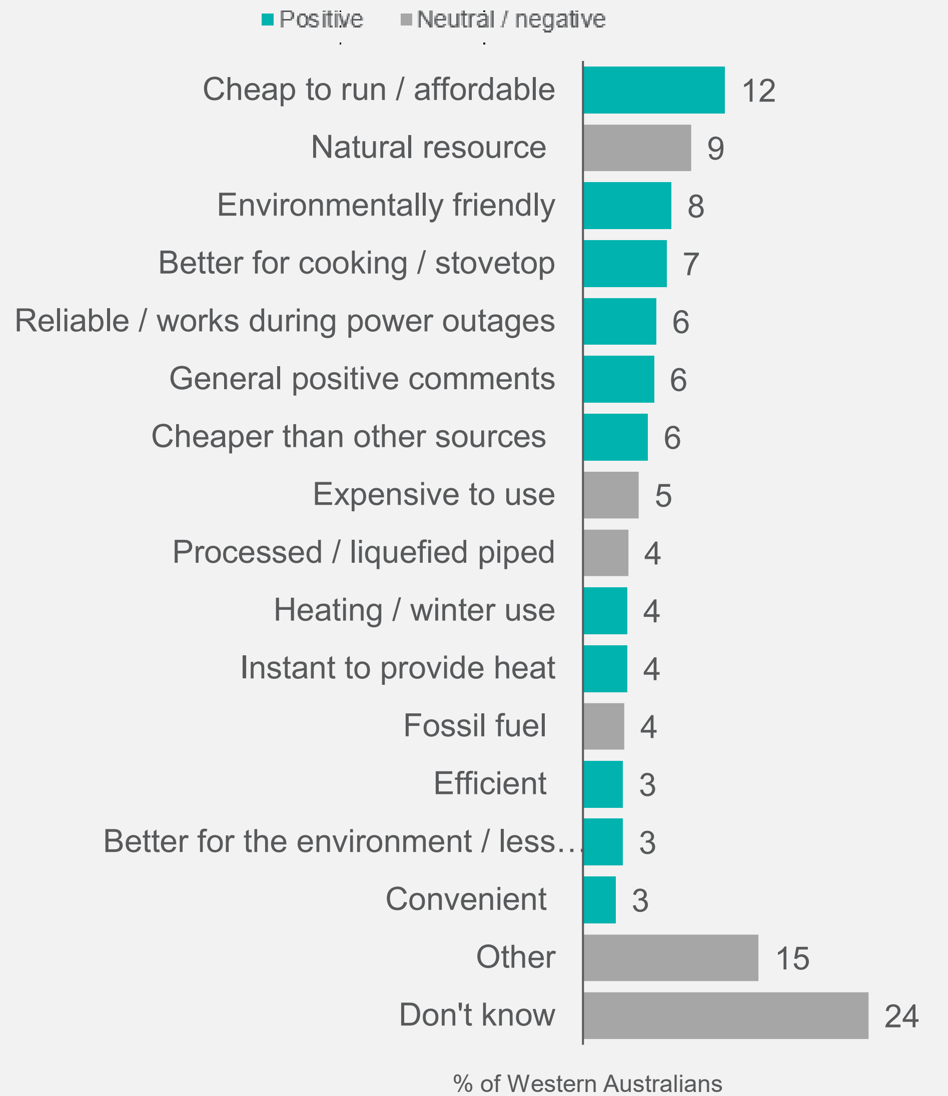
Associations with natural gas are typically positive, with affordability and usability top of mind

'Natural gas is quick, cheap and efficient to run.'

'Gas is far cheaper than solar or electricity.'

'It's reliable, reasonably priced, but becoming unpopular due to emissions.'

Knowledge of natural gas

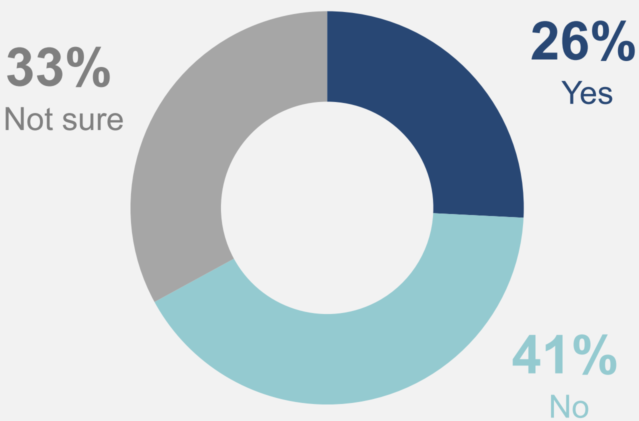


Base: 2023 n=602 |
Q3: What do you know about natural gas?

Only a quarter of those not connected would consider connecting to natural gas

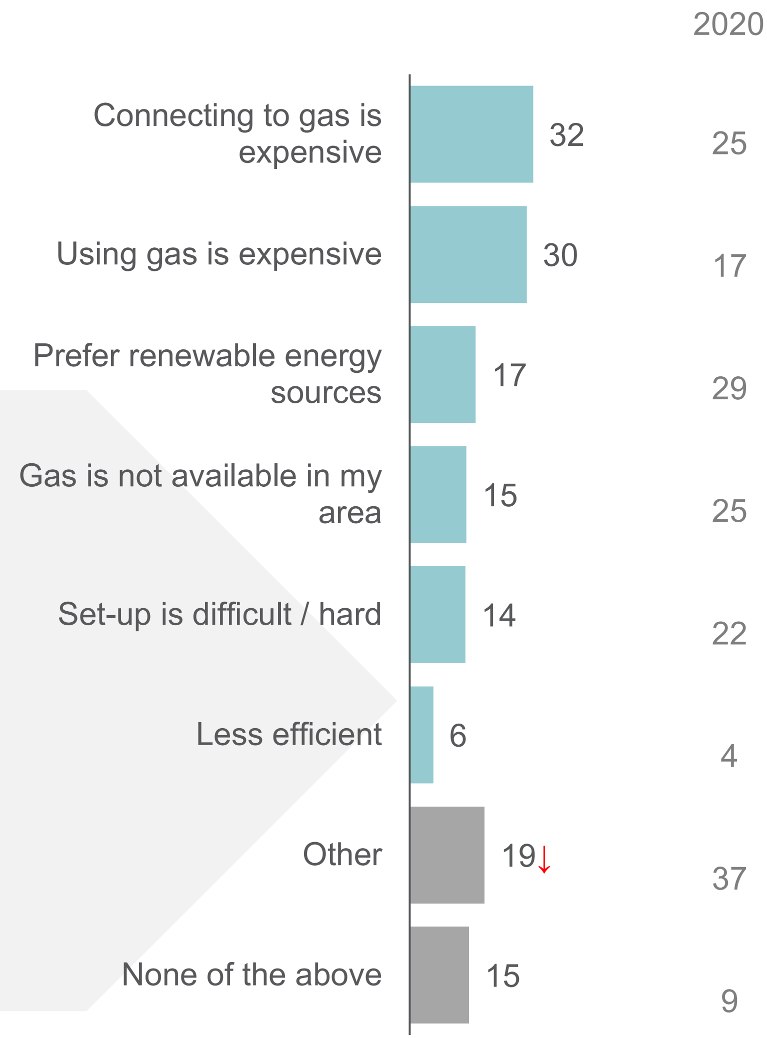
Perceived expense of connection and use has increased as the core barrier. A preference for renewables has declined as a barrier to gas connection.
Younger Western Australians (21 to 34) are more likely to consider connecting to gas (53%) compared to those 35+ (15%).

Would you ever consider connecting your home to natural gas?



% of Western Australians who are not connected to natural gas

Barriers to considering natural gas connections



% of Western Australians who are not connected to natural gas and would not consider connecting

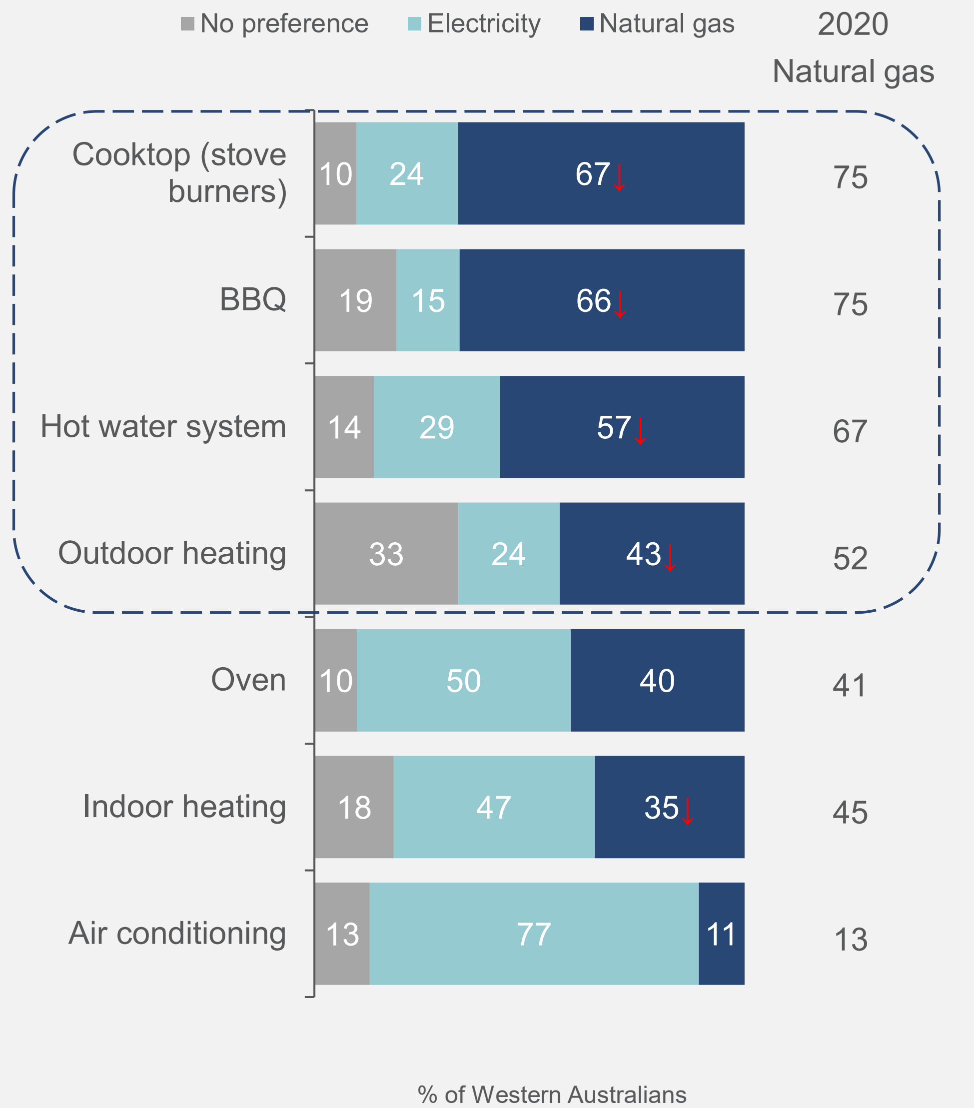
Base: (2023) Western Australians who are not connected to natural gas n=61 | (2023) Western Australians who are not connected to natural gas and would not consider connecting n=54 | (2020) Western Australians who are not connected to natural gas and would not consider connecting n=55
Q5: Would you ever consider connecting your home to natural gas? | Q6. Which of the following are reasons why you wouldn't consider connecting your home to natural gas?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

Two thirds of Western Australians prefer natural gas for cooktops and BBQs, although this has softened in recent years

Of those planning to build/renovate and recent builders/renovators, there is a higher preference to use gas for outdoor heating (49 vs 39%), BBQs (73% vs 61%) and air-conditioning (15% vs 8%) compared to non-builders/renovators.

'I worked as a chef for ten years and prefer gas. There are benefits to induction stovetops but I've used gas throughout my career and will continue to do so.'

Preference of energy sources for appliances

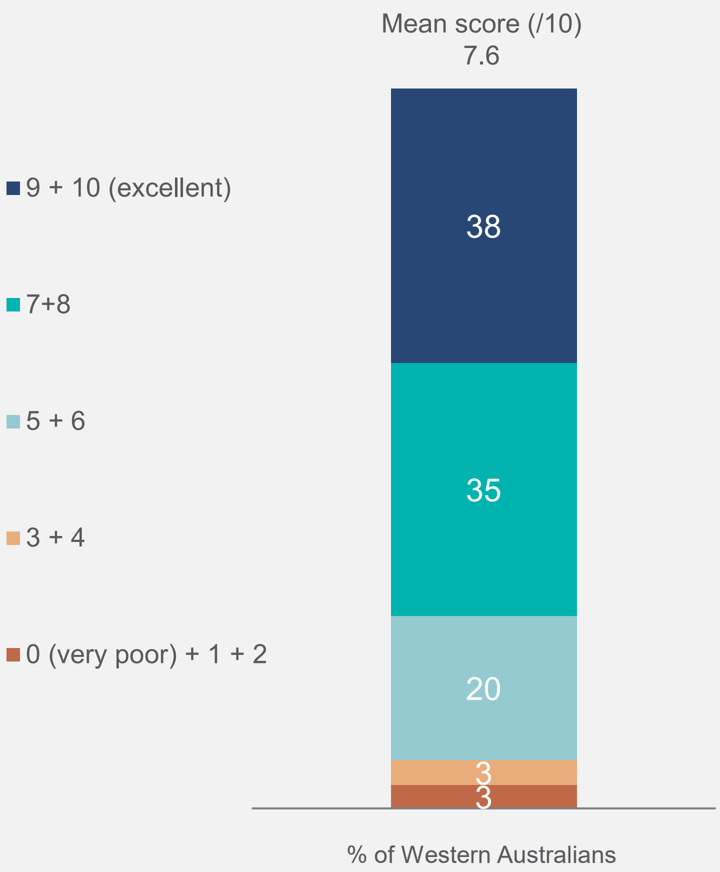


Base: 2023 n=602 | 2020 n=456 |
Q8: If you had a choice of connecting each of the following to natural gas or electricity, which would you prefer?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

On the whole, perceptions of natural gas are positive

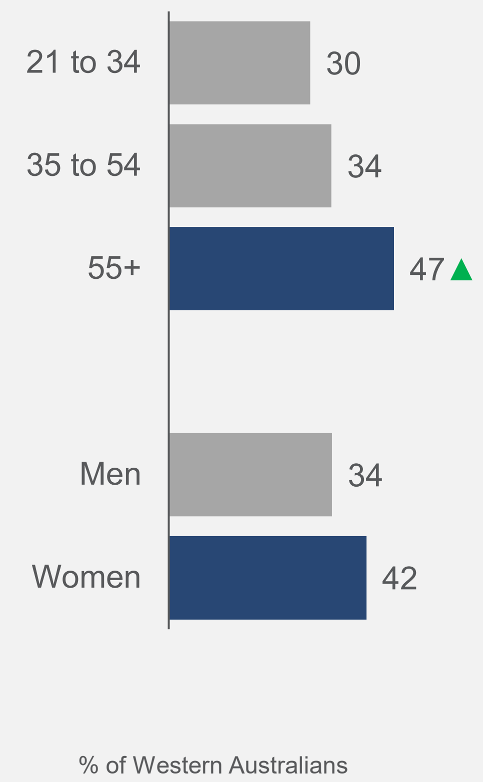
Those aged over 55 years old, and women, are much more likely to be positive towards natural gas.

Rating of natural gas



Rating of natural gas by demographics

% 9 + 10 (excellent)

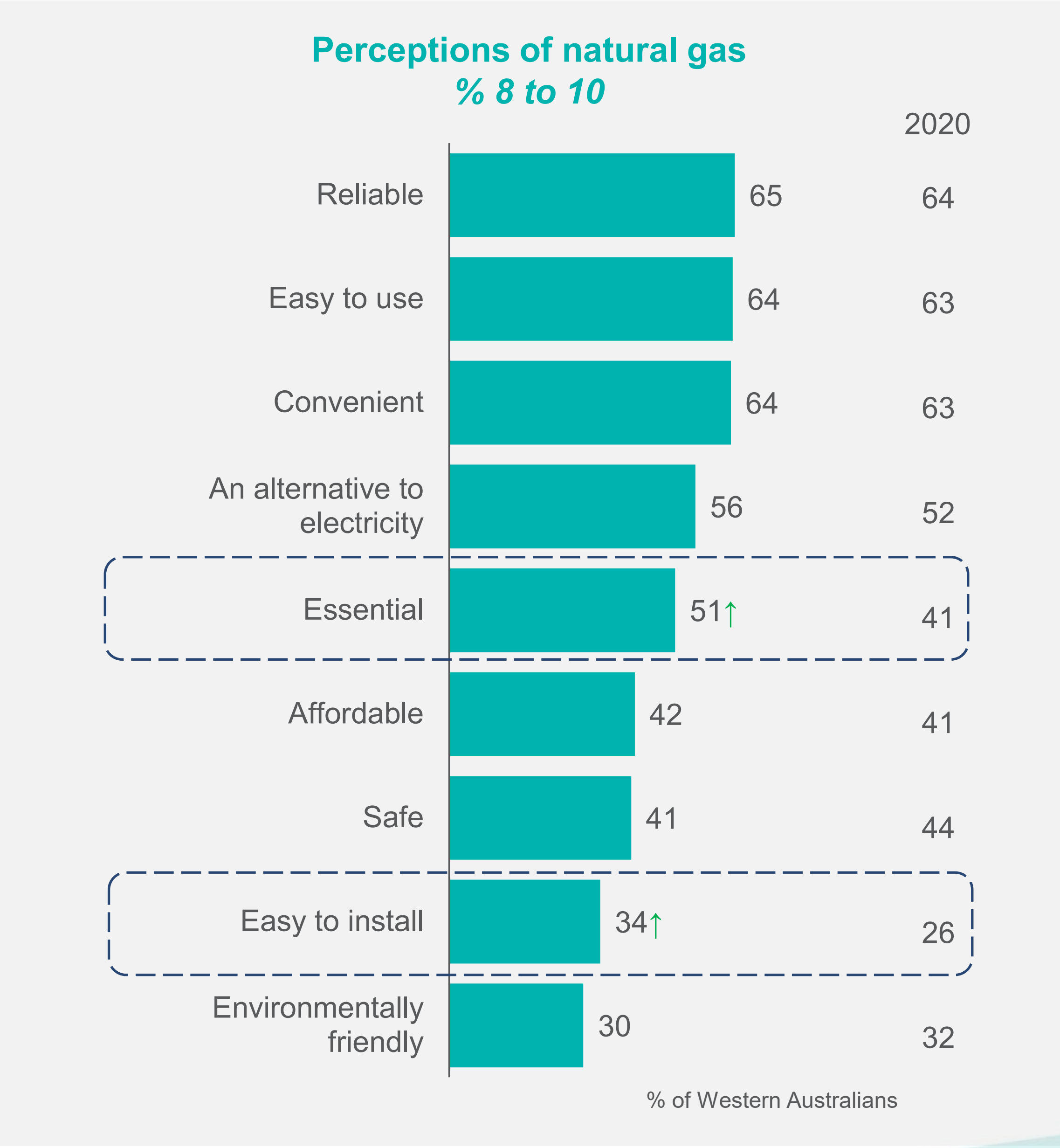


Base: (2023) n=602 | 21 to 34 n=140 | 35 to 54 n=216 | 55+ n=246 | Men n=258 | Women n=344 |
Q17: To what extent do you agree or disagree that having gas at home is...?
▲▼ indicates a significant difference between audiences at the 95% confidence level.

Being reliable, easy to use and convenient are the most common perceptions about natural gas

Most perceptions of natural gas have remained stable since 2020, although being seen as *essential* and *easy to install* have increased.

The older age group (55+) are more likely to agree with most of the attributes, while the young age group (21-34) has the lowest ratings.



Base: 2023 n=602 | 2020 n=456 |
Q7: How much do you agree or disagree that having gas at home is?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

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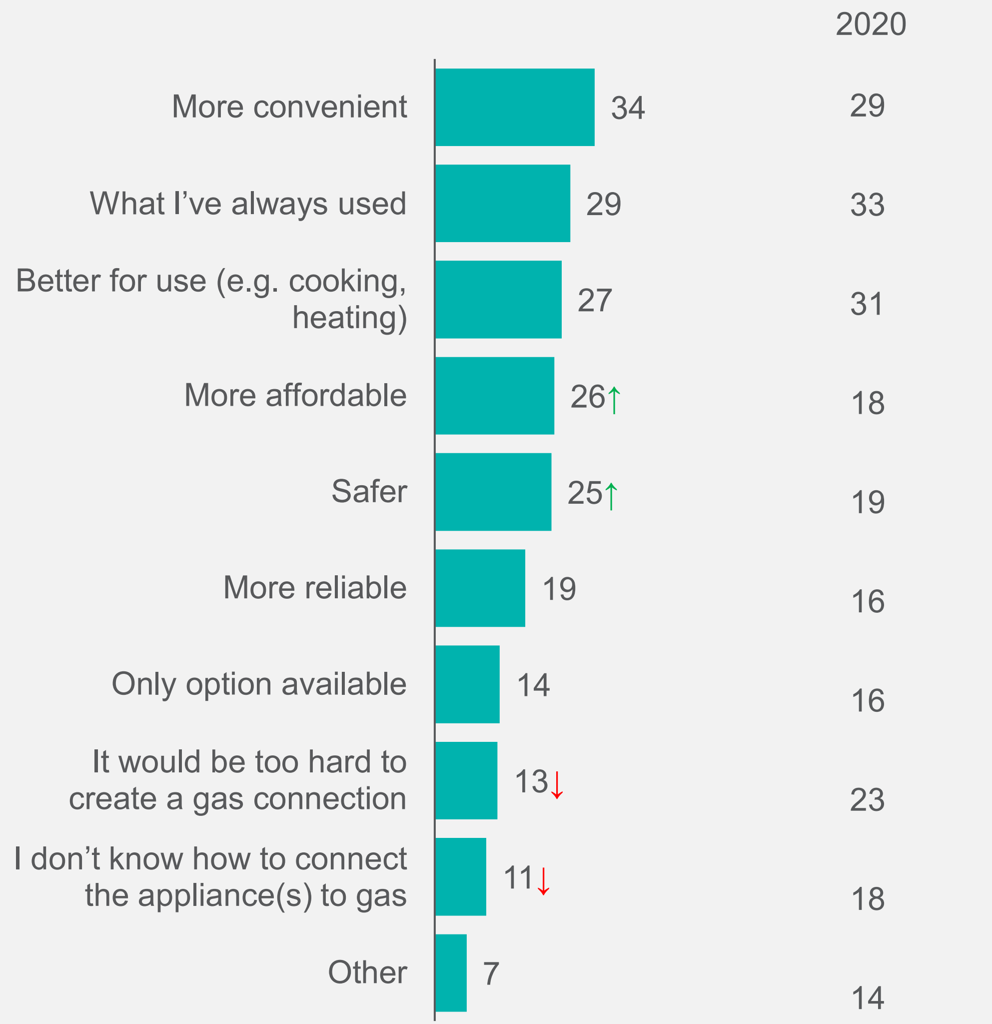
Convenience remains the primary motivator for choosing electricity over natural gas

Perceptions of electricity being more affordable and safer have increased in recent years. Positively, perceptions that a gas connection would be too hard or not knowing how to connect have softened.

A preference towards electricity for being more convenient is even higher among builders/renovators (42%).

Motivators for choosing electricity over natural gas



% of Western Australians who choose electricity over gas for some appliances

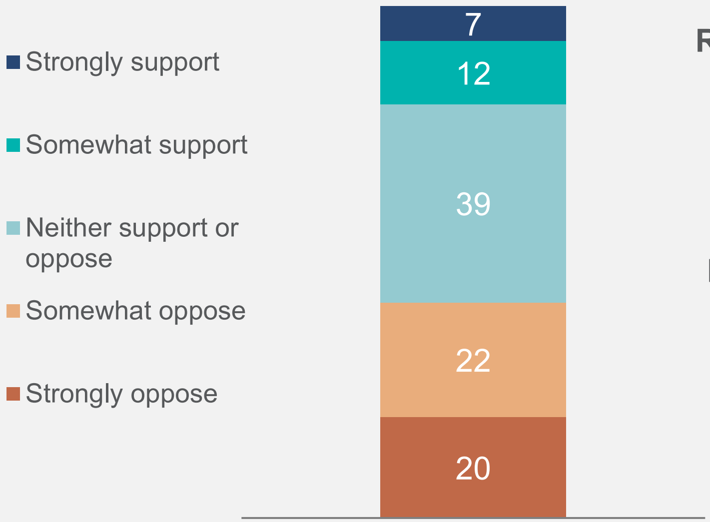
Base: Western Australians who choose electricity over gas for some appliances 2023 n=506 | 2020 n=365 |
Q9. You indicated a preference for electricity over natural gas for some / all appliances. Which of these, if any, are reasons why you prefer electricity over gas for those appliances?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

Four in ten Western Australians oppose disconnecting from the gas network to rely solely on electricity

However, younger audiences are more in favour of supporting a move away from gas (26%), while those 35+ are more likely to oppose (46%).

The prompted statement (below) creates a polarised response – driving stronger levels of support and opposition towards disconnection.

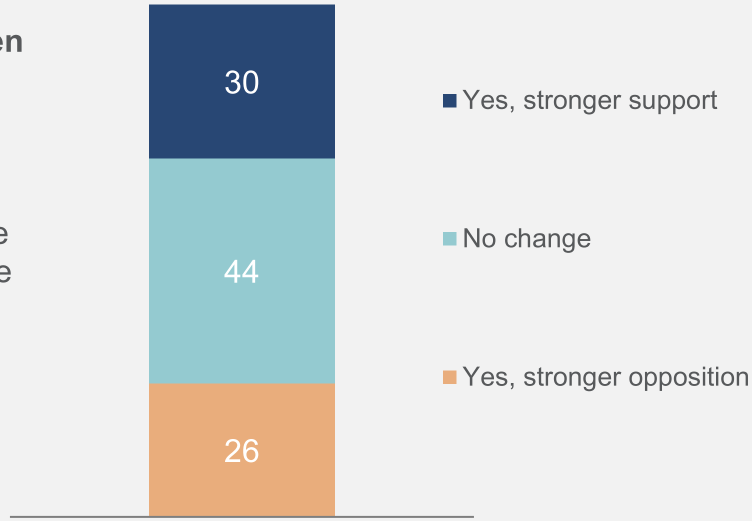
Support for WA houses and businesses disconnecting from the gas network to rely solely on electricity for energy



Respondents were then shown the following statement:

In 2022, natural gas in WA was supplied to the home at around half the cost p/kWh than grid-based electricity and produces around 60% less greenhouse emissions.

Shift in support of transition



% of Western Australians

Base: n=602 |
Q32: To what extent do you support or oppose WA houses and businesses disconnecting from the gas network to rely solely on electricity for energy?
Q34: In 2022 natural gas in Western Australia is supplied to the home at around half the cost p/kWh than grid-based electricity and produces around 60% less greenhouse emissions. Knowing this, would your views on houses and businesses disconnecting from the gas network to rely solely on electricity for energy have changed just now?

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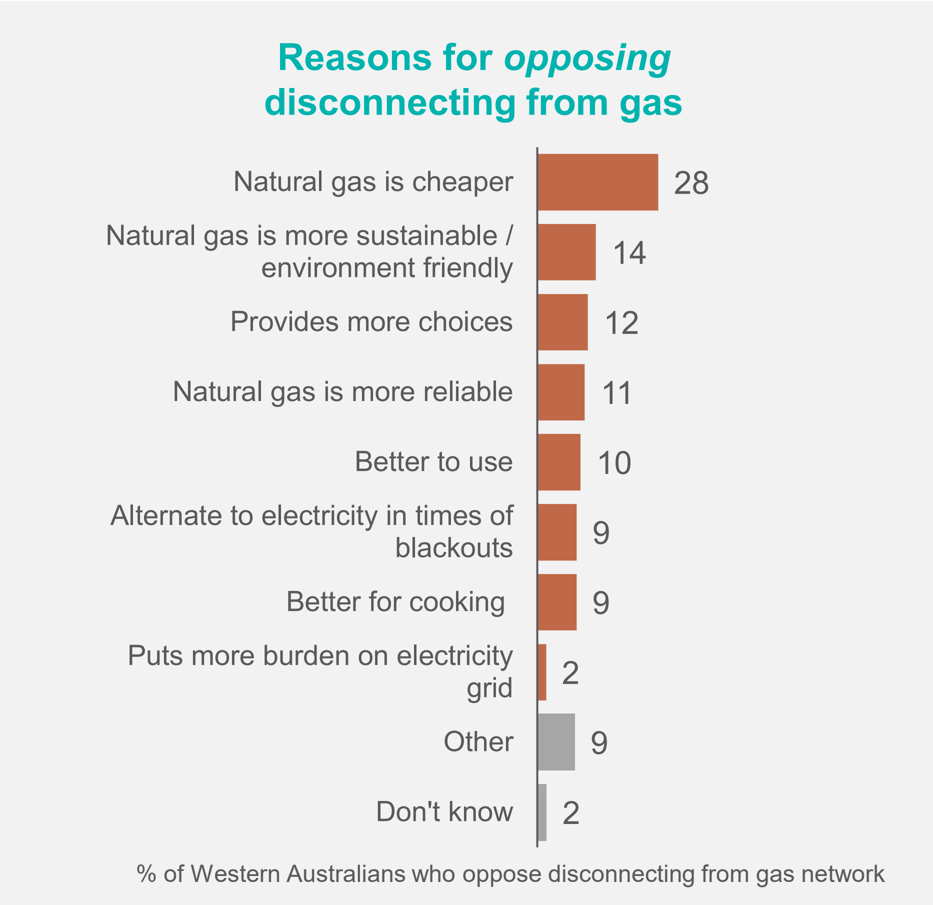
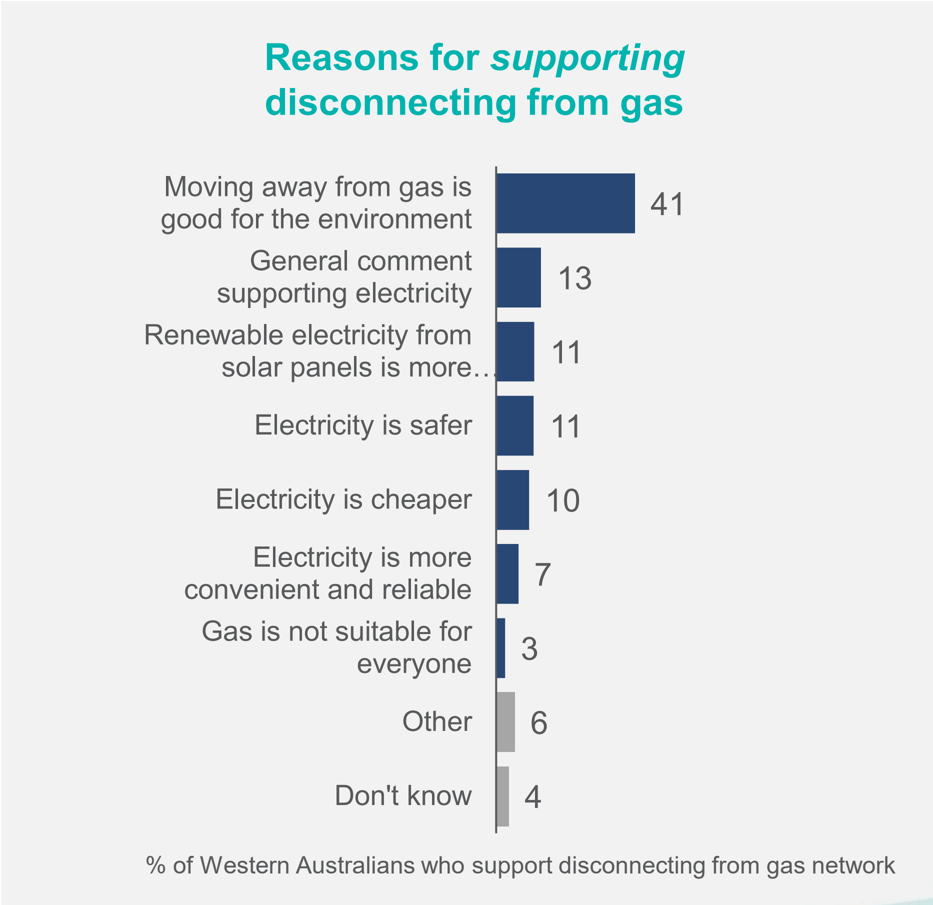
The primary rationale for opposition to disconnecting from the gas network is the perception that gas is cheaper than electricity

Support for disconnection is primarily motivated by environmental reasons.





Reasons for opposing disconnecting from gas n=251 | Reasons for supporting disconnecting from gas n=112
Q33: Why do you [insert response from Q32] WA houses and businesses disconnecting from the gas network to rely solely on electricity for energy?

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Awareness, understanding & perceptions of ATCO

Awareness and interactions with ATCO is limited

Among those aware of the ATCO brand, there is limited understanding. People primarily recognise the brand through work vehicles in Perth, safety-related advertising, and signage indicating restricted digging areas.

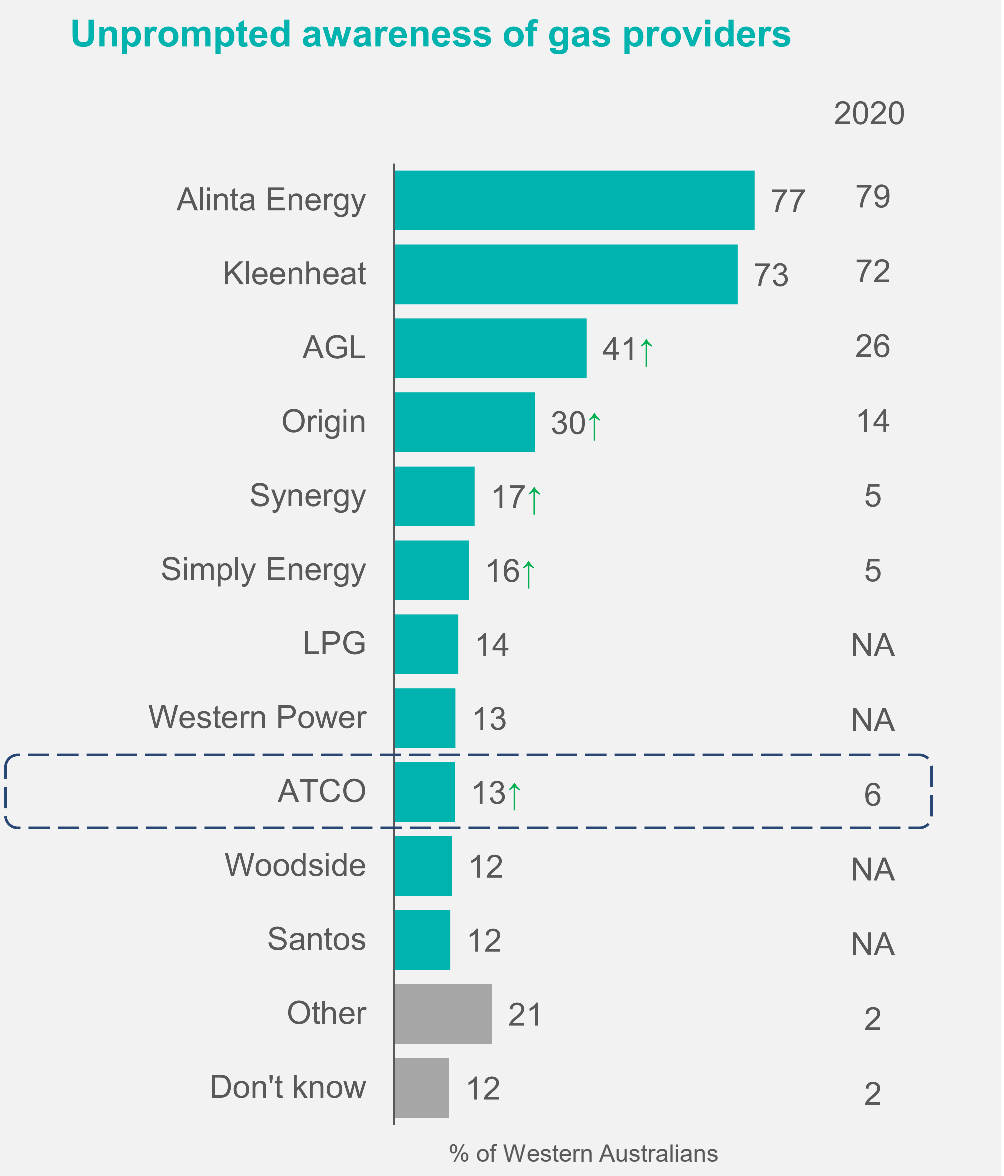
There is uncertainty regarding ATCO's role in the future energy landscape due to limited understanding. The general population believes that gas and future renewables should be driven by reliable sources such as the government and retailers, as there is a sentiment that *'important energy matters should not solely be in the hands of profit-driven companies.'*

Looking forward, most believe gas will still be used in the future, but they favour renewable options. In response, ATCO need to remain relevant and transition to renewable products.

Additionally, advertising of any new products would need to remain honest, believable and transparent.

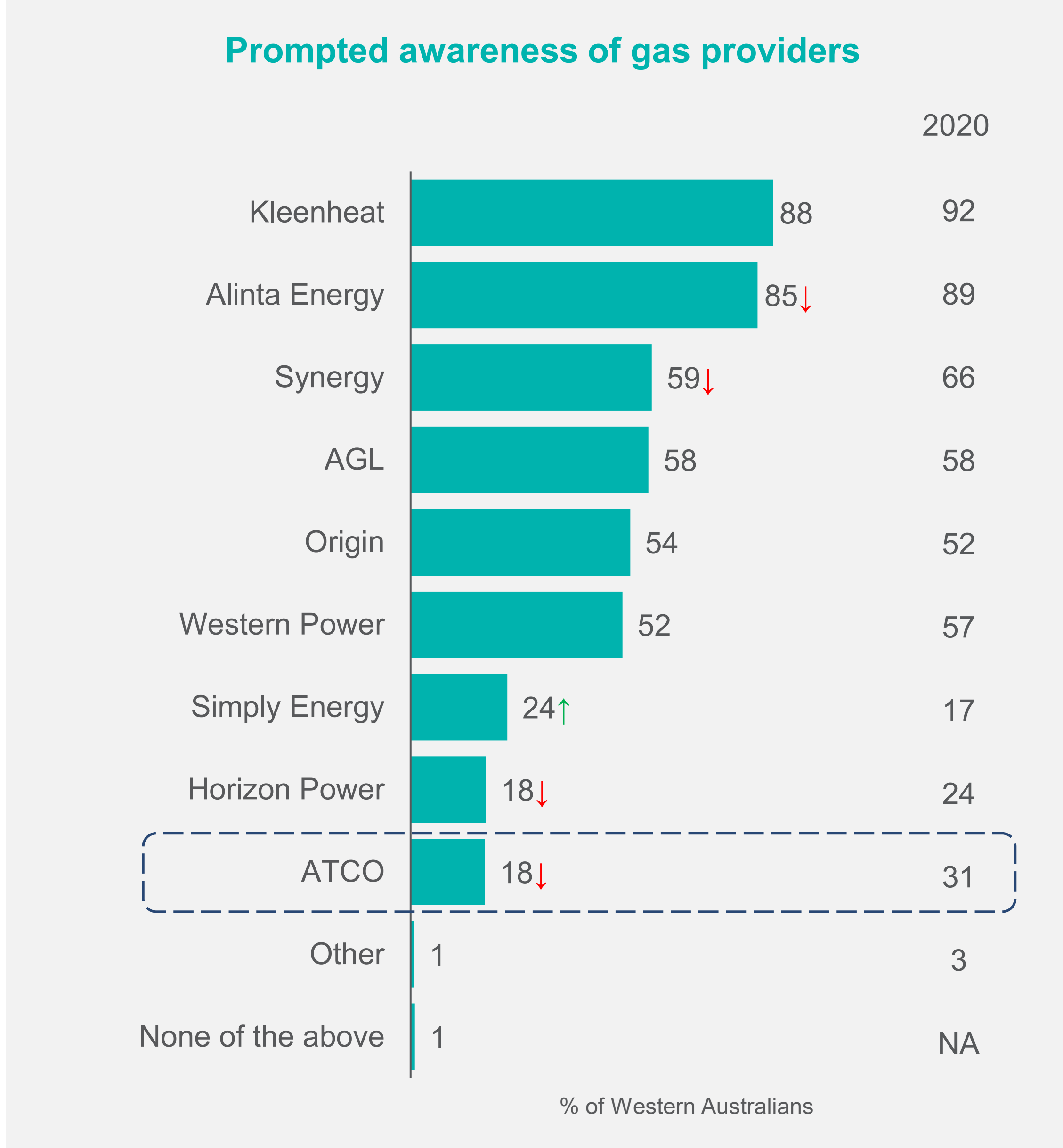
Top of mind awareness of ATCO has doubled since 2020

Unsurprisingly, Kleenheat and Alinta Energy have the highest awareness of gas ‘providers’, being the largest gas retailers in WA



Base: n=602 | 2020 n=456 |
Q10: Name as many gas providers in Western Australia that you can think of
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

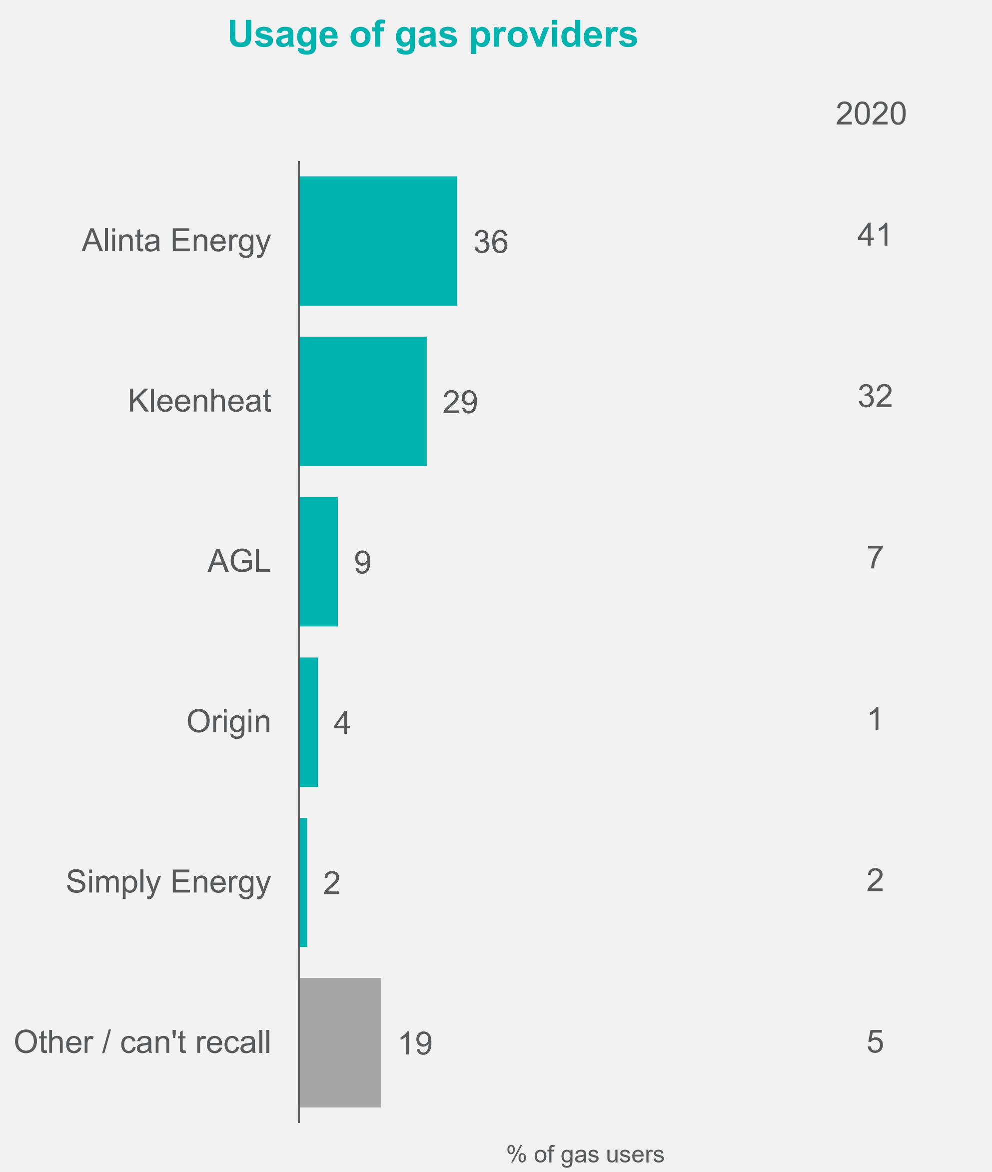
However, prompted awareness of ATCO has softened over the last three years



Base: n=602 | 2020 n=456 |
Q11. Which of these gas providers have you heard of before today?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

Alinta Energy and Kleenheat have the greatest market share

Although usage has softened slightly since 2020.

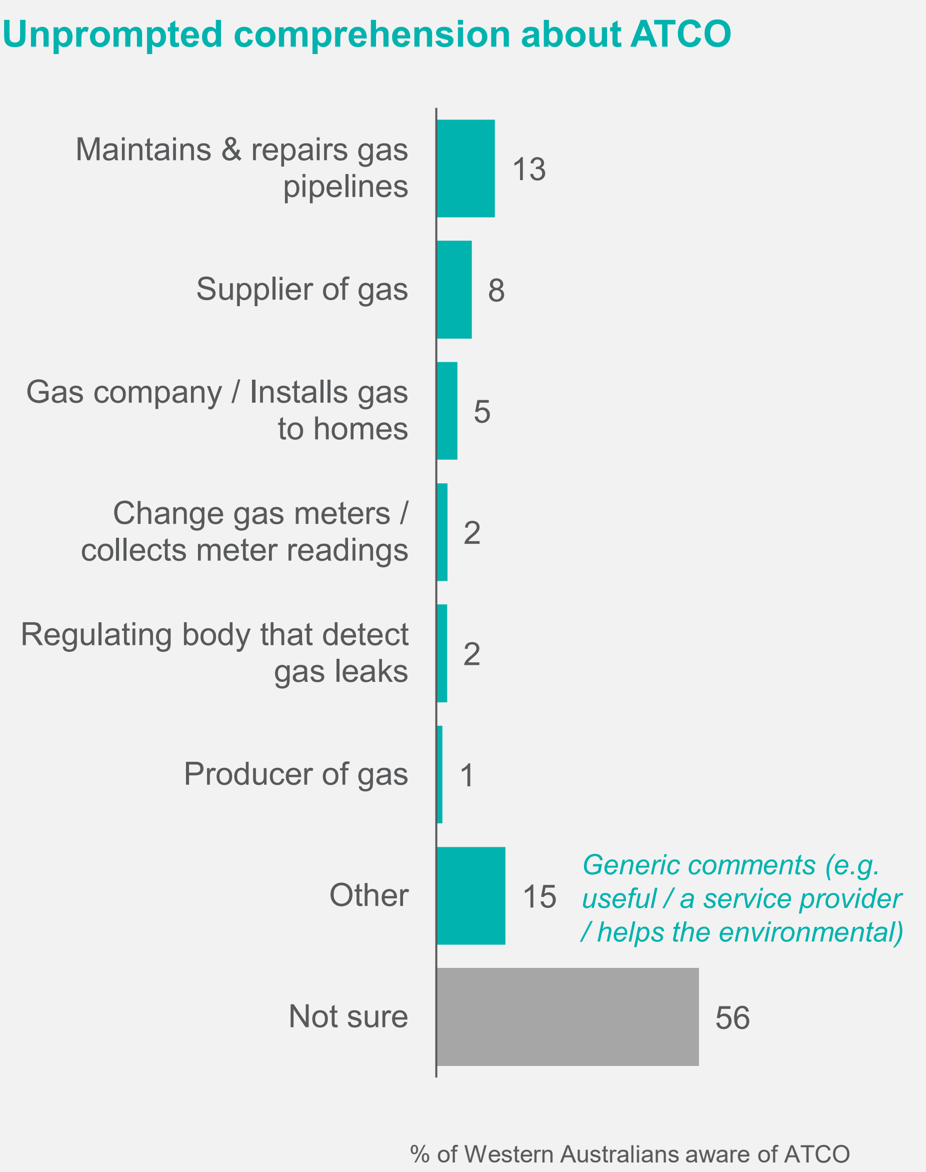


Base: (gas users) 2023 n=541 | 2020 n=365 |
Q12: Which of these gas providers are you currently using?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.

Little is known about ATCO, outside of some association with gas pipelines

'I think they are the company that owns and maintains the pipes in which gas is moved.'

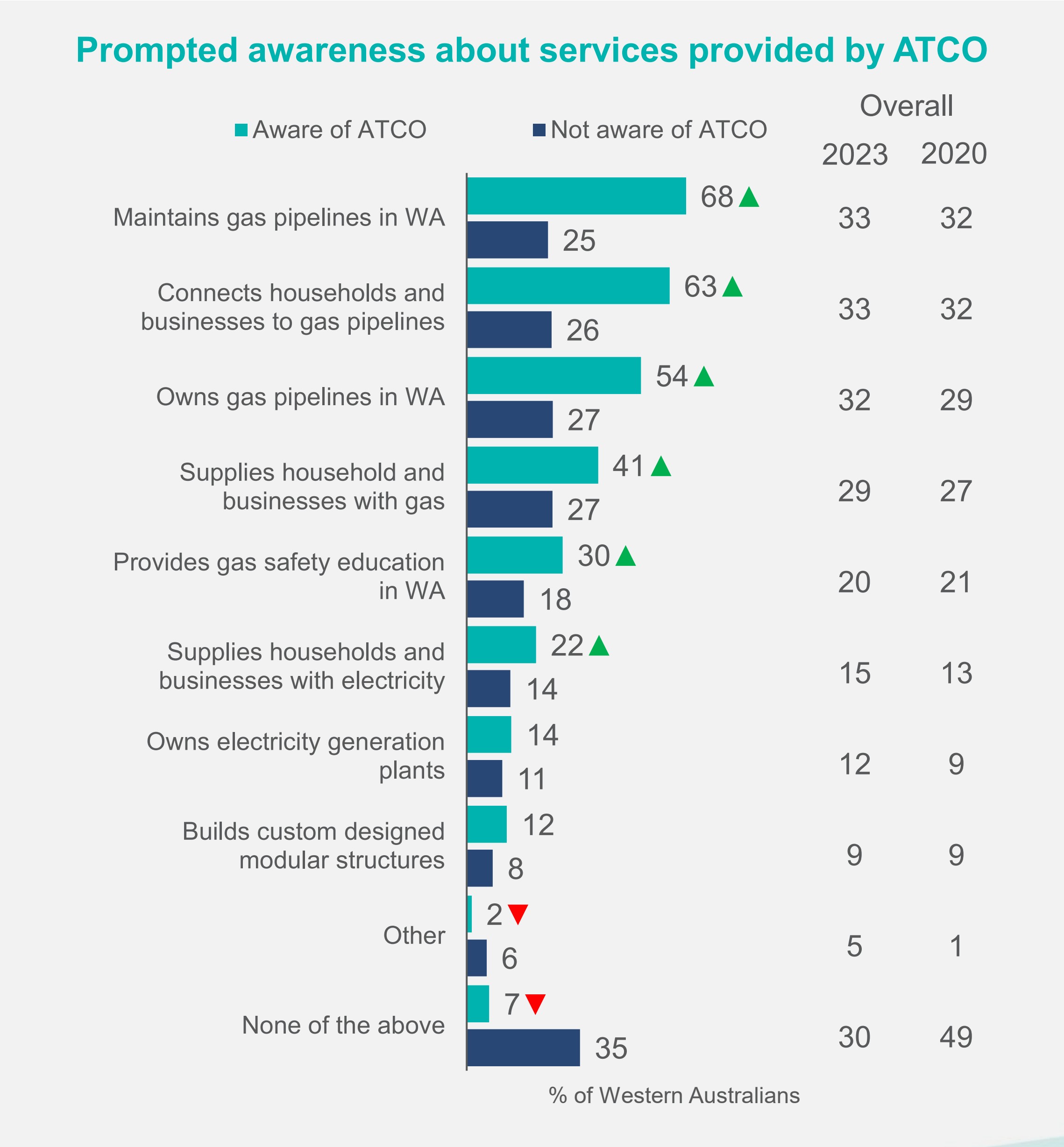
'It is the company that maintains the gas pipelines and meters for delivery of natural gas.'



Base: Western Australians aware of ATCO n=228 |
Q13: What do you know about ATCO, if anything?

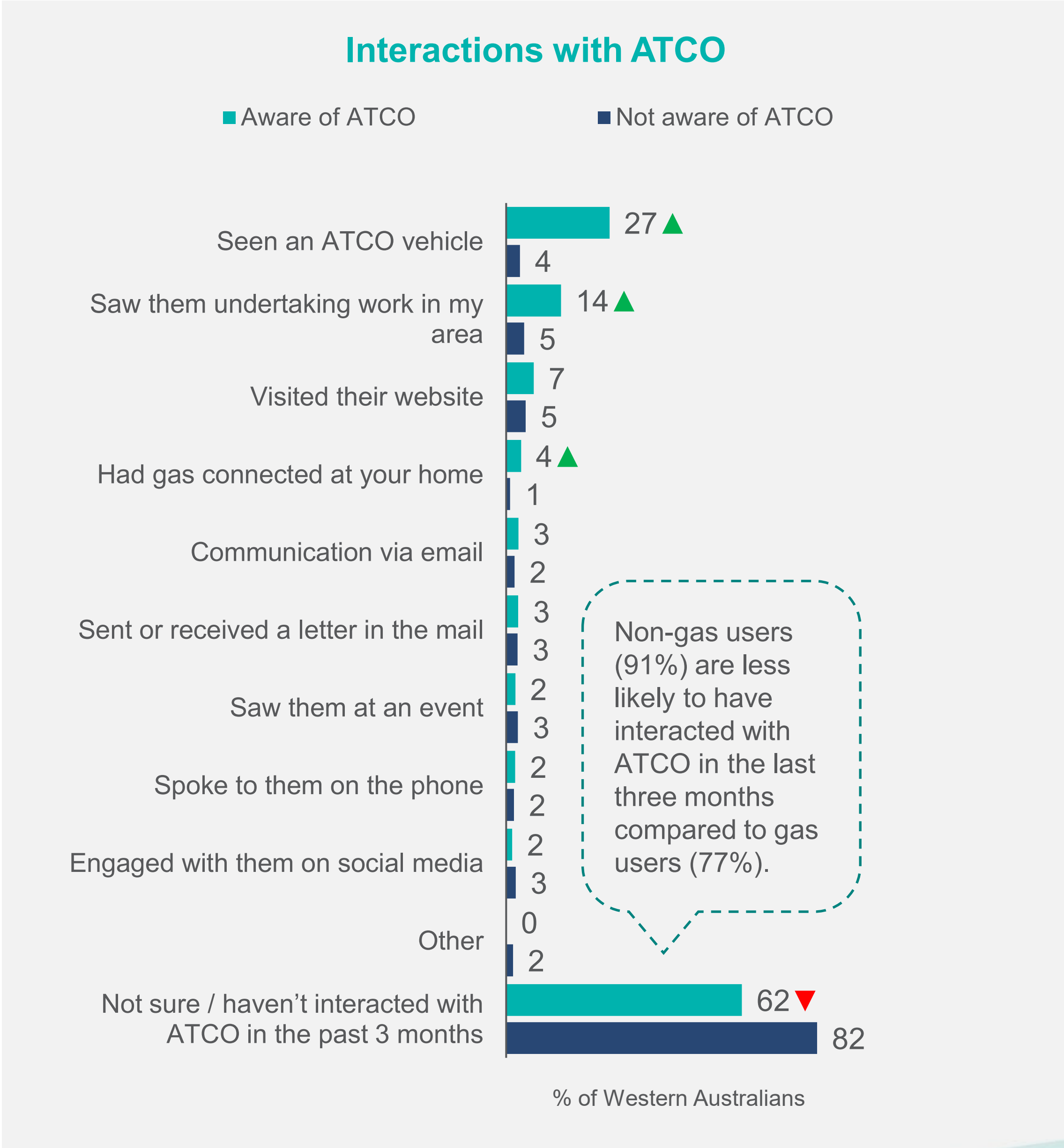
Perceptions of ATCO services are limited to pipelines and household supply

These perceptions have not changed since 2020 and are considerably stronger among those aware of ATCO.



Base: (2023) aware of ATCO n=112 | Not aware of ATCO n=490 | 2023 n=602 | 2020 n=456 |
Q14. Here is a list of services that a gas provider can offer. Which of these, if any, do you think are offered by ATCO?
▲▼ indicates a significant difference between audiences at the 95% confidence level.

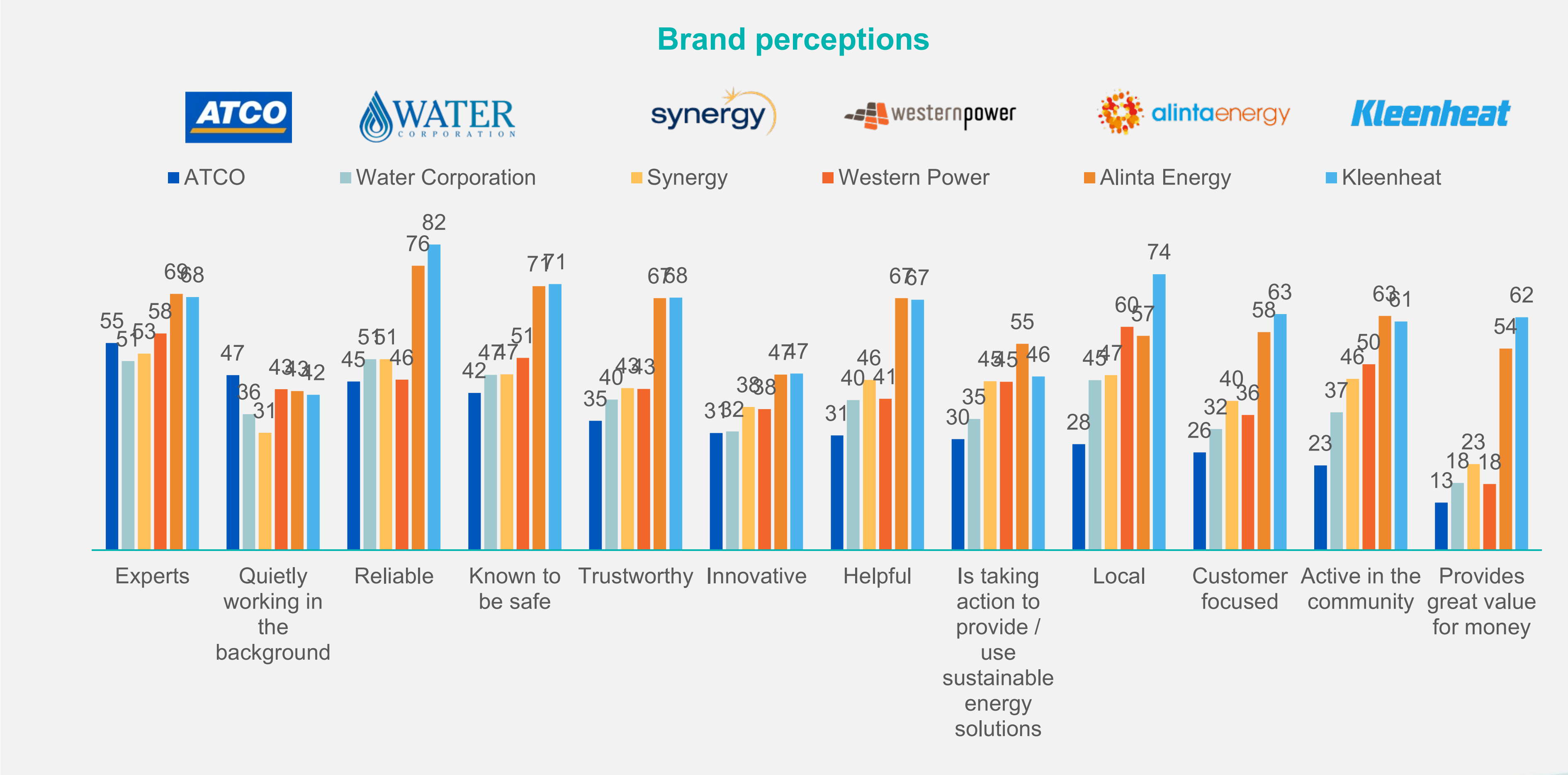
Few have interacted with ATCO in the past three months. For most, interaction is limited to seeing an ATCO vehicle or seeing them undertake work in their area



Base: Aware of ATCO n=112 | Not aware of ATCO n=490 |
Q35. In the past 3 months, have you interacted or experienced any of the following with ATCO?
▲▼ indicates a significant difference between audiences at the 95% confidence level.

Associations with ATCO typically fall well behind other organisations

ATCO is most perceived to be the *experts* and *quietly working in the background*.



Base: ATCO n=83 | Water Corporation n=479 | Synergy n=497 | Western Power n=504 | Alinta Energy n=191 | Kleenheat n=159 |
Q16: For each, choose the organisations you think they describe.

Quietly working in the background and *being innovative* are ATCO's relative strengths

There is scope for improvement for perceptions of being *reliable* and *local*.
Interestingly, no other competitors or gas brands are strongly associated with *safety, trustworthy, helpful* or being *customer focused*.
There is an opportunity for the ATCO brand to differentiate *as known to be safe* and *trustworthy*.

Brand image profiles

% of Western Australians aware of the brand

	ATCO	Water Corporation	Synergy	Western Power	Alinta Energy	Kleenheat
Experts	2	2	-1	4	-2	-5
Quietly working in the background	13	4	-4	6	-12	-15
Reliable	-7	-2	-6	-13	2	6
Known to be safe	2	3	-1	2	4	2
Trustworthy	0	-2	-3	-5	2	0
Innovative	5	2	5	3	-5	-7
Helpful	-3	0	1	-5	4	2
Taking action / uses sustainable energy solutions	4	1	8	6	-1	-12
Local	-6	7	5	16	-4	10
Customer focused	-1	-4	0	-5	0	2
Active in the community	-3	1	6	9	4	0
Provides great value for money	-3	-9	-7	-14	6	12

As a rule of thumb, scores of +/- 5 are considered brand strengths / weaknesses

Base: (West Australians aware of the brand) ATCO n=271 | Water Corporation n=479 | Synergy n=497 | Western Power n=504 | Alinta Energy n=191 | Kleenheat n=159 |
Q16: For each, choose the organisations you think they describe.
See page 53 in Appendix for brand image profile interpretation.

Future state

Renewable energy

To bridge knowledge gaps of renewable gases, a credible brand should take the lead ahead of resource transitions

Most Western Australians are aware of renewable energy, especially solar and wind. However, there is also limited understanding of renewable gases and their place in Australia.

Many would consider using hydrogen but think it still uses a lot of energy to create which may not be efficient. Biomethane is perceived to be greenwashing. Renewable gases would be seriously considered if cost effective and safe.
'The transition would need to be worth it for me.'

With the lack of awareness and knowledge, the general public would like to be informed on the long-term vs short-term cost implications, economies of scale, transparency around origins/where renewable gases come from. *'All claims need to be supported by research and data or it doesn't mean anything.'*

The key considerations for consumers are cost associations and the safety and transparency surrounding the origin of the resource. It is important to establish brand awareness and trust to enhance credibility when providing factual information, particularly when communicating about energy.

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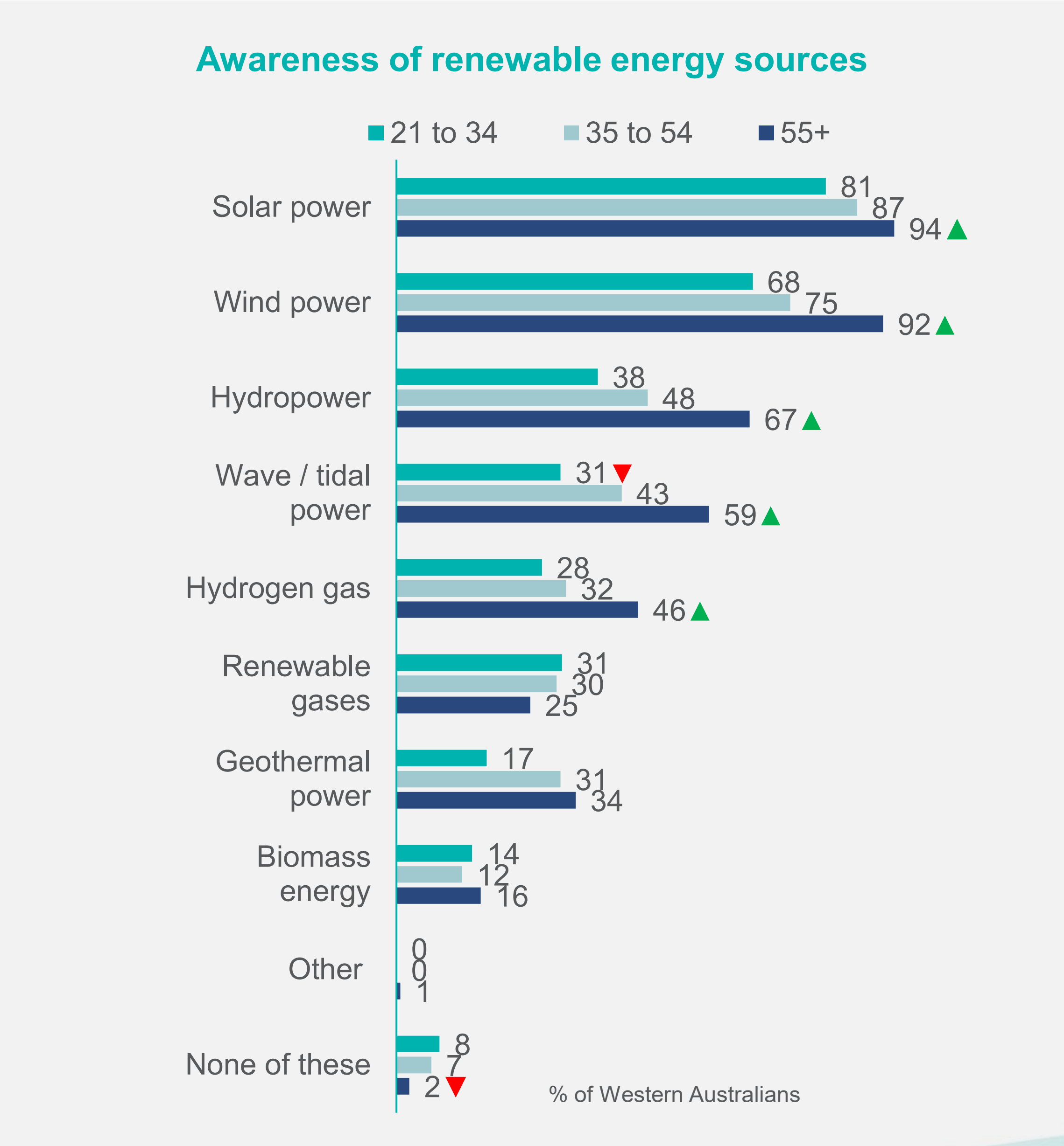
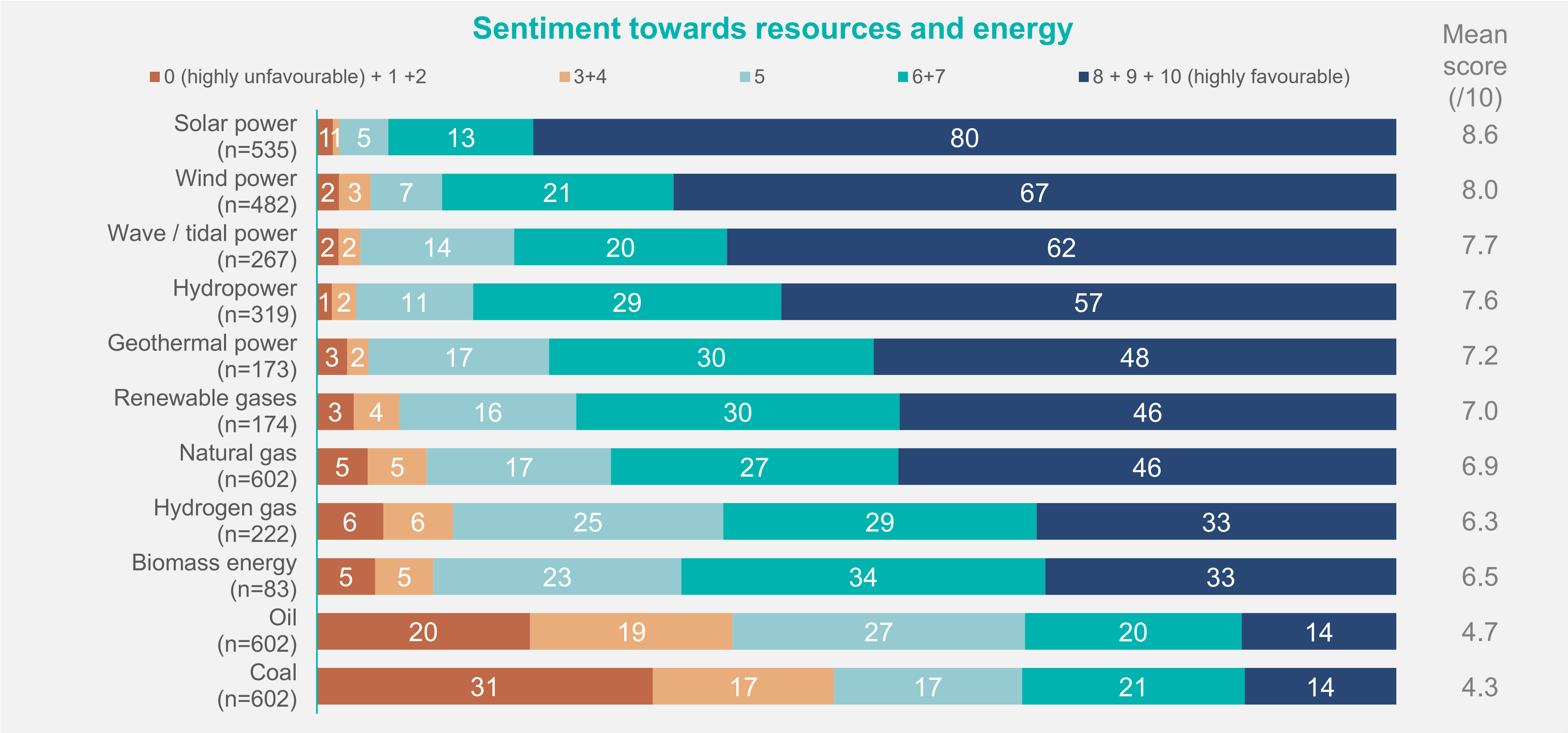
Strong levels of awareness of renewable energy sources is limited to solar and wind



Base: n=602 |
Q20. Which of the following green energy sources are you aware of?
▲▼ indicates a significant difference between audiences at the 95% confidence level.

Solar is viewed most favourably, followed by wind and hydropower

Positively, natural gas is ranked fourth. Of those aware, only half are highly favourable towards renewable gases, likely with limited knowledge of the resources. Older age group (55+) has significantly higher proportion of positive perceptions for solar power, hydropower, natural gas and geothermal power compared to other age groups.



% of Western Australians aware of resource

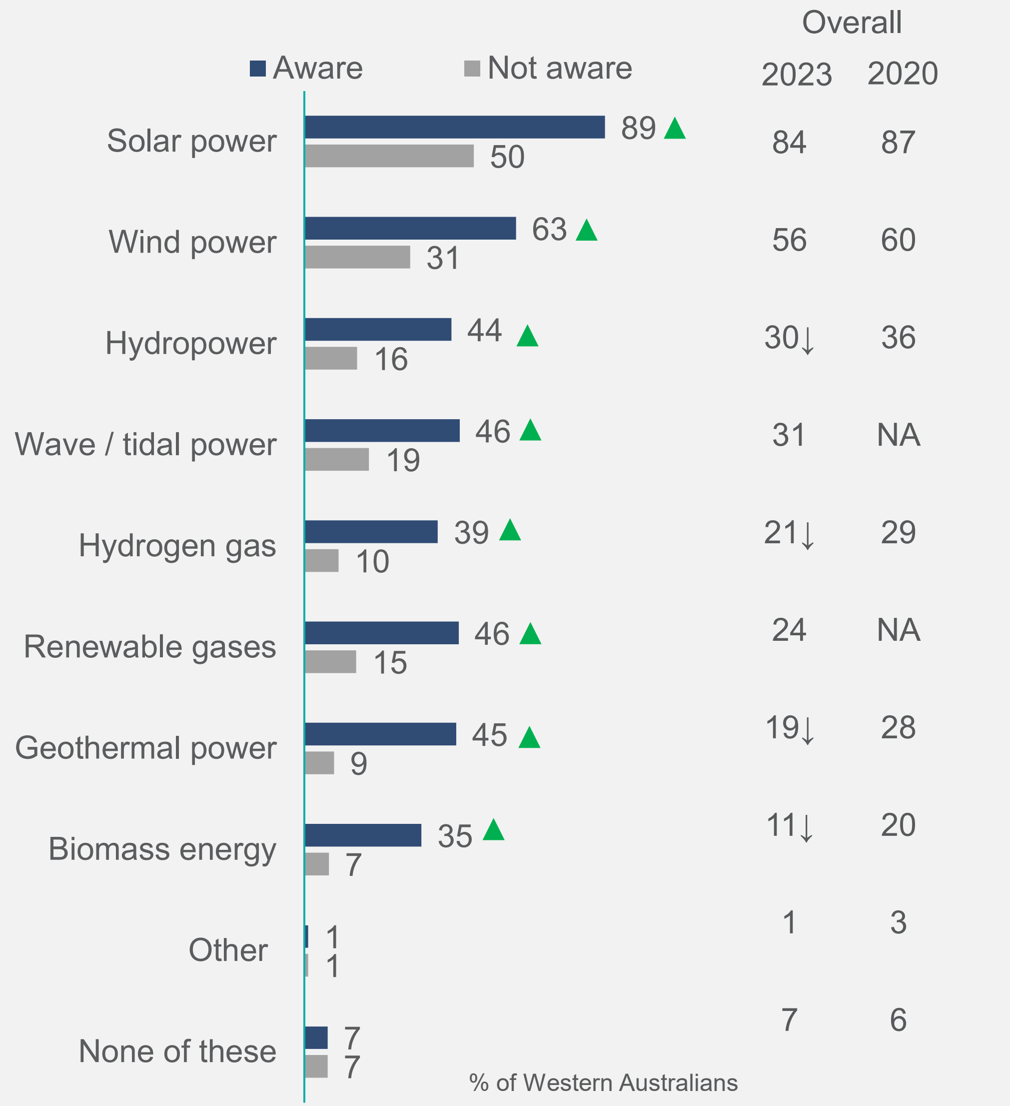
Base: n=602 |
Q21: Thinking about the different types of resources and energy, how would you describe your overall impressions of each of the following. Use the scale to indicate how favourable or unfavourable you are towards them

Across the board, there is reduced consideration of renewable energy sources compared to 2020

Solar power remains the most considered green energy, with over eight in ten Western Australians indicating they would consider this source.

Over the last three years, consideration of hydrogen gas has softened to 21% (down from 31% in 2020).

Consideration of green energy sources

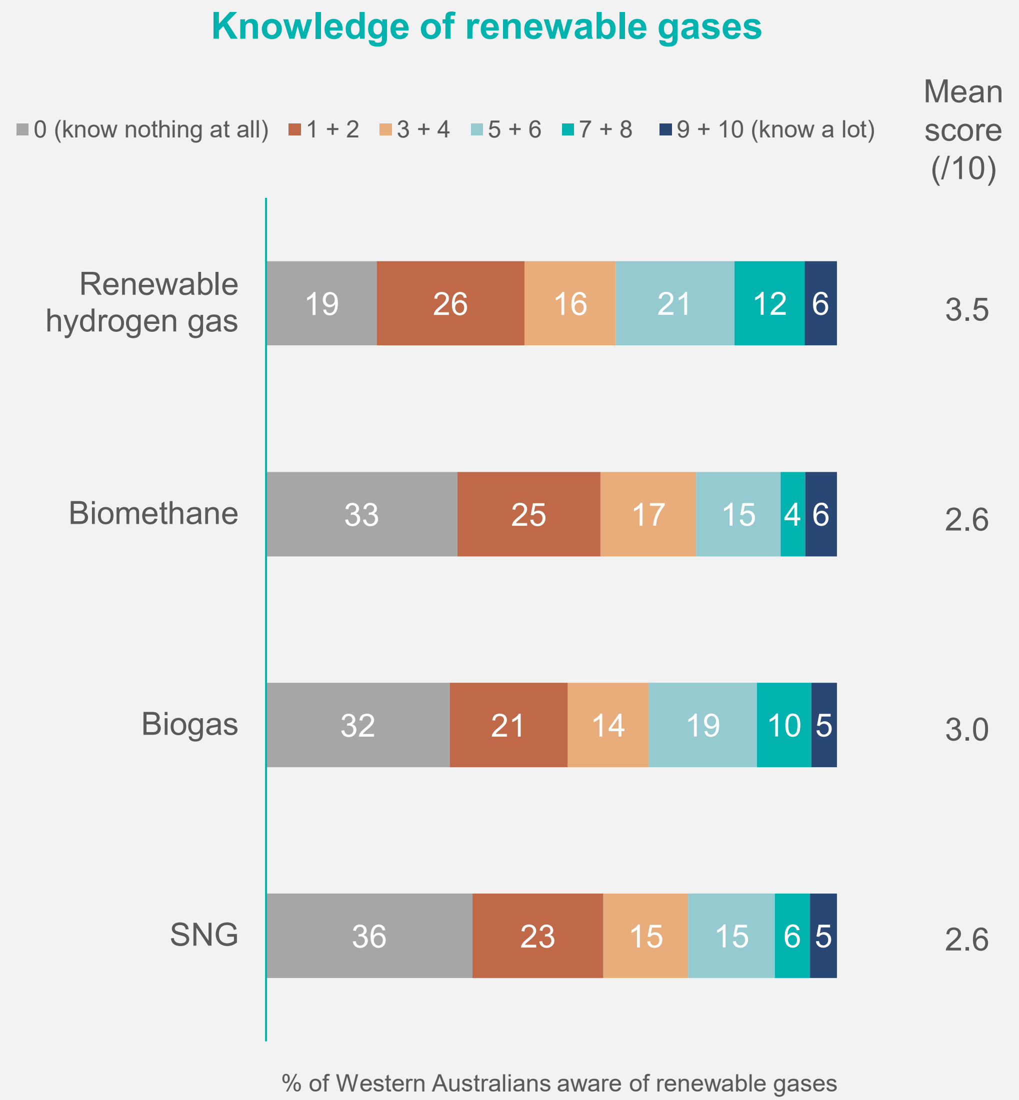


Base: 2023 n=602 | 2020 n=456 |
Q22. Which of the following green energy sources would you consider using in the future?
↑↓ indicates a significant difference compared to 2020 at the 95% confidence level.
▲▼ indicates a significant difference compared to audience at the 95% confidence level.

Three in ten Western Australians are aware of renewable gases, however knowledge is limited

Although typically more aware of renewable resources at an overall level, older age group (55+) are less knowledgeable about renewable gases compared to other age groups, especially comprehension of biogas and SNG.

of Western Australians are aware of renewable gases



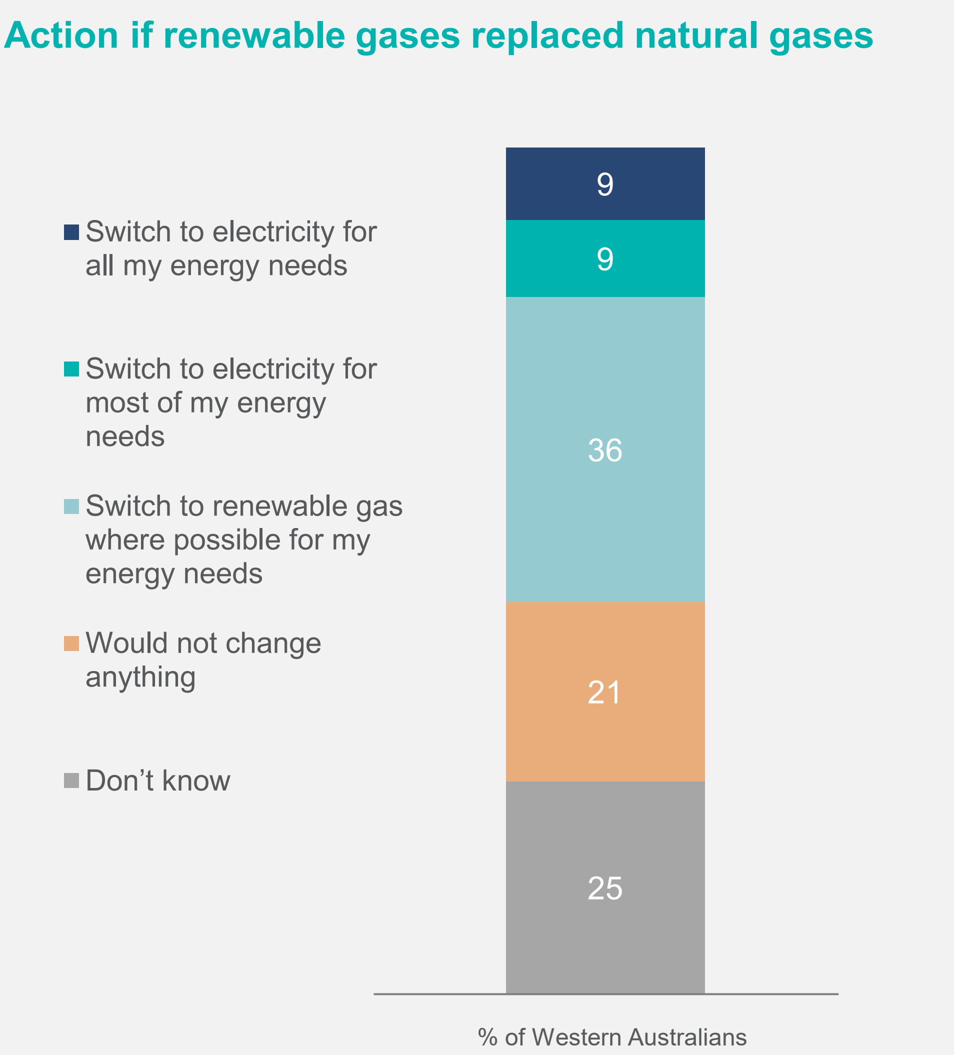
Base: Western Australians aware of renewable gases n=288 |
Q30: How much do you think you know about the following renewable gases
Q20. Which of the following green energy sources are you aware of?

Over one third of Western Australians would switch to renewable gas if possible

However, a quarter of people are not sure at this point.

Under 34s are more likely to switch to electricity for their energy needs rather than adopting renewable gases (34%), compared to those 35+ (12%).

Respondents were shown the following description: *Renewable gas refers to biogas, biomethane, renewable hydrogen and synthetic natural gas. These are versatile renewable energy sources that can be distributed to homes and businesses using existing natural gas infrastructure with the potential to produce net zero greenhouse gas emissions.*

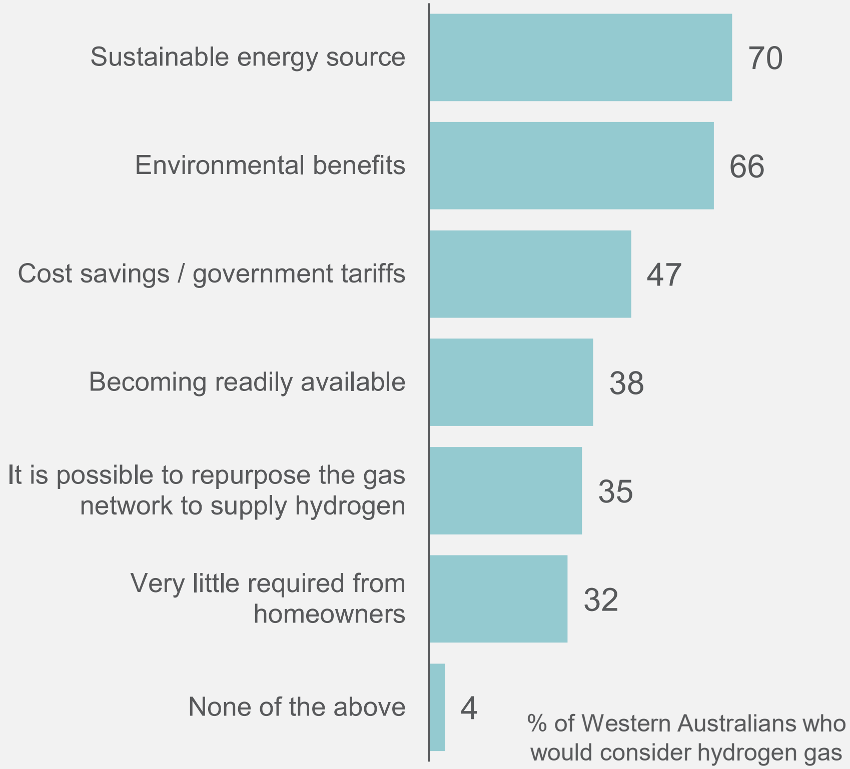


Base: n=602 |
Q31: Renewable gas refers to biogas, biomethane, renewable hydrogen and synthetic natural gas. These are versatile renewable energy sources that can be distributed to homes and businesses using existing natural gas infrastructure with the potential to produce net zero greenhouse gas emissions. Thinking about the future of energy, if renewable gases replaced natural gases, would you do any of the following?

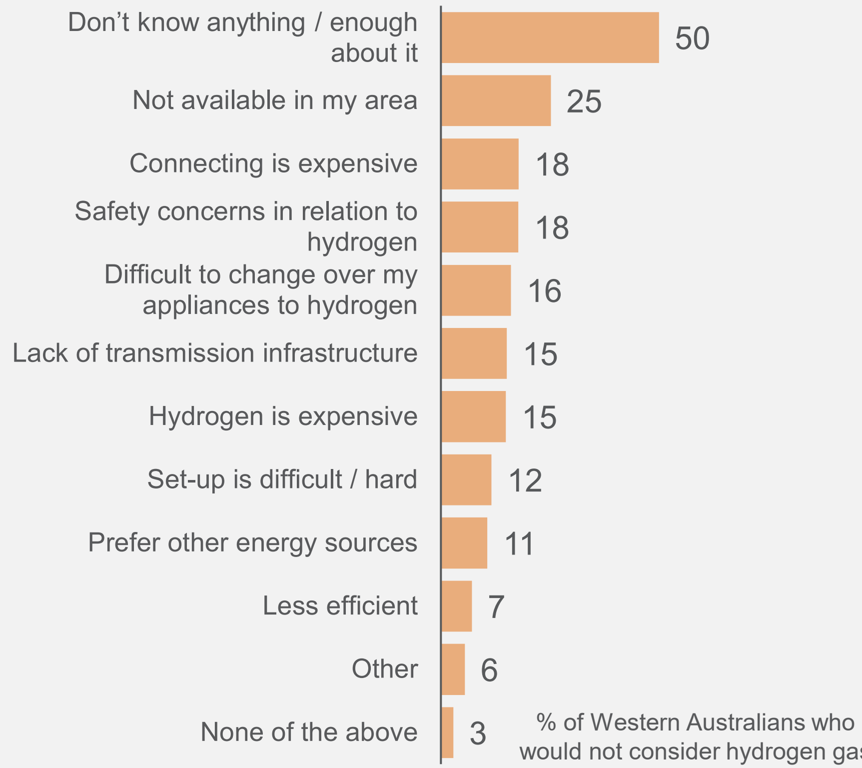
Sustainability and environmental benefits drive consideration to use hydrogen gas, but comprehension is a major barrier

Those 55+, and women, typically are even less likely to consider hydrogen as they don't know enough about it to make an informed decision.

Motivators to renewable hydrogen consideration



Barriers to renewable hydrogen consideration



Base: West Australians who would consider hydrogen gas n=478 | West Australians who would not consider hydrogen gas n=124 |
Q23. Which of the following reasons would prevent you from using renewable hydrogen gas?
Q24. Why would you consider using renewable hydrogen gas in the future?

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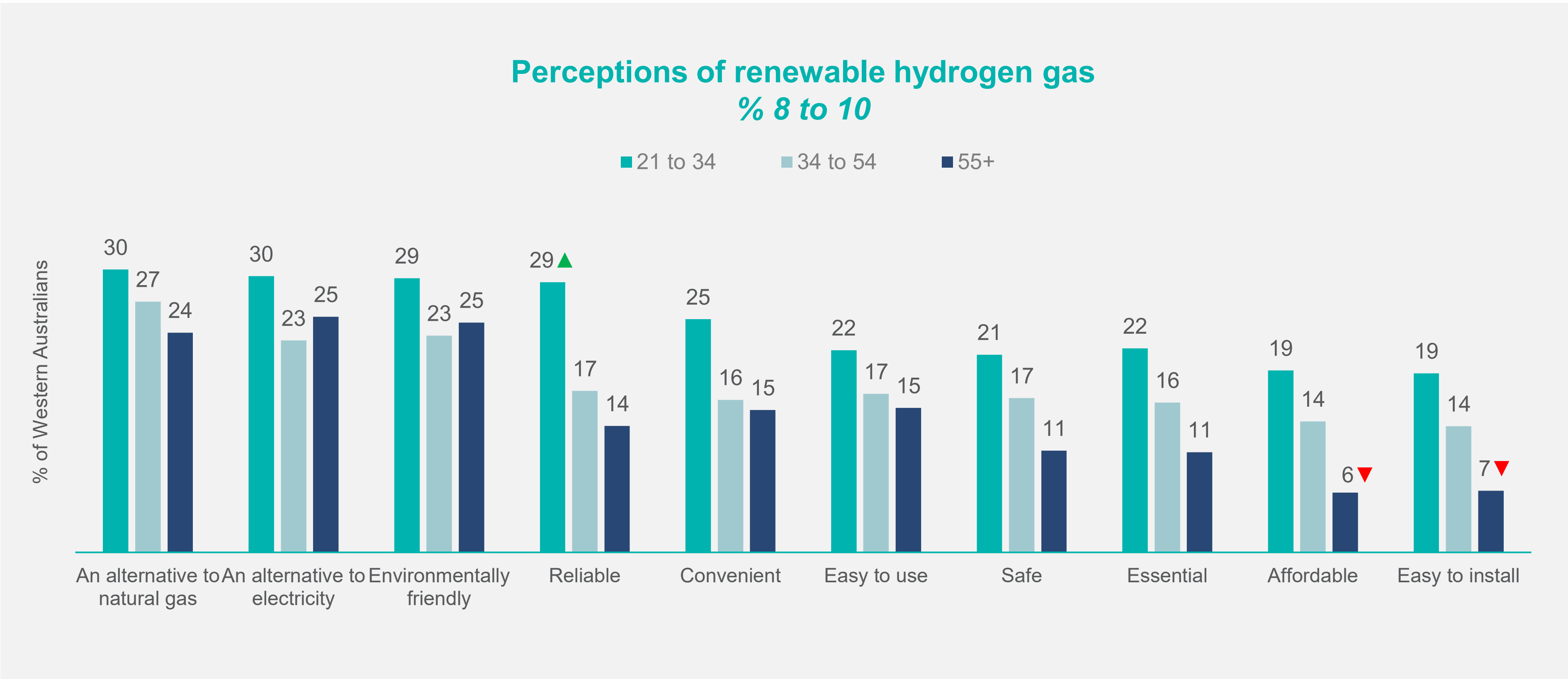
Hydrogen is seen as an environmentally-friendly, alternative energy source

Interestingly, perceptions are strengthened by younger audiences who hold hydrogen in a higher regard, especially in terms of affordability and ease of install. However, younger audiences are less positive and likely to switch to electricity than renewable gas.

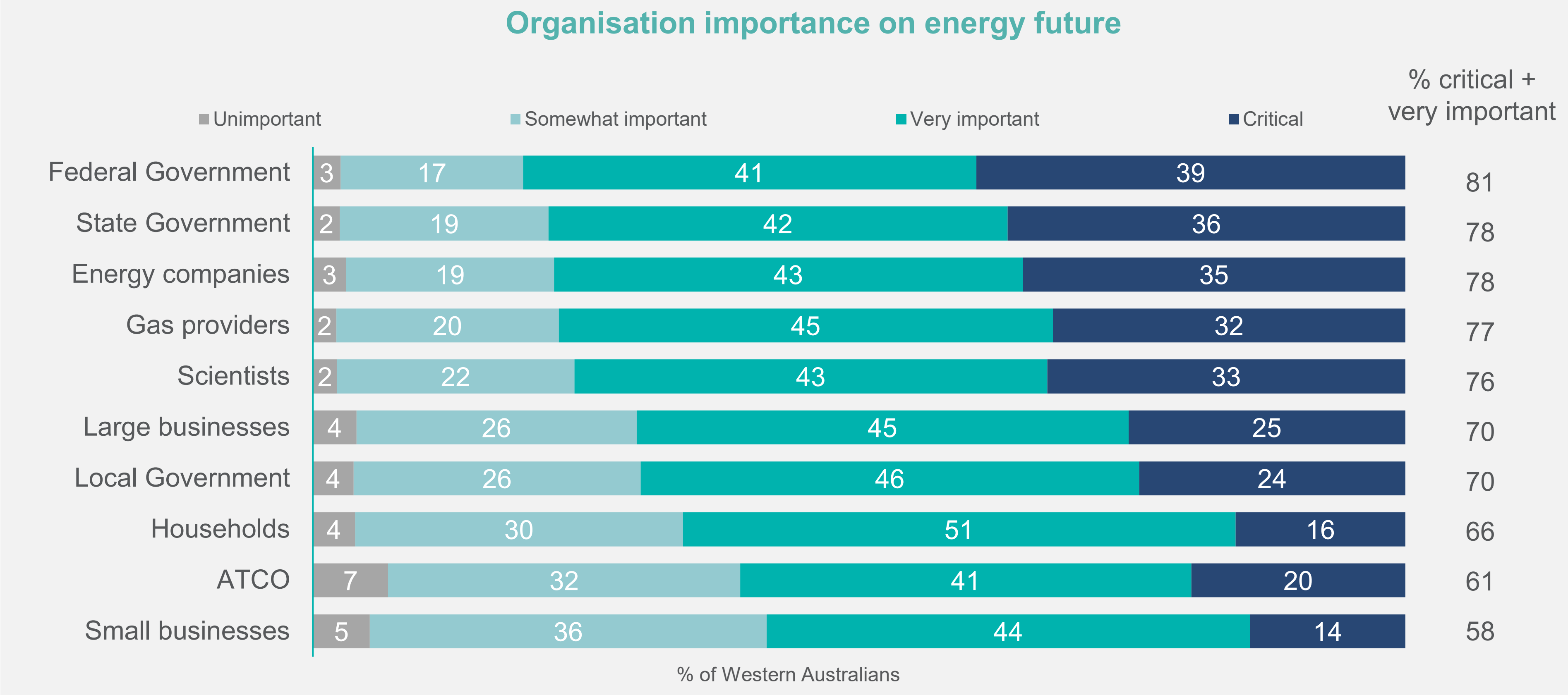


Base: (2023) n=602 | 21 to 34 n=140 | 35 to 54 n=216 | 55+ n=246 |
Q25: To what extent do you agree or disagree that renewable hydrogen gas is
▲▼ indicates a significant difference compared to audience at the 95% confidence level.

Communications

Governments and energy companies are seen as most important to drive a move towards sustainable energy

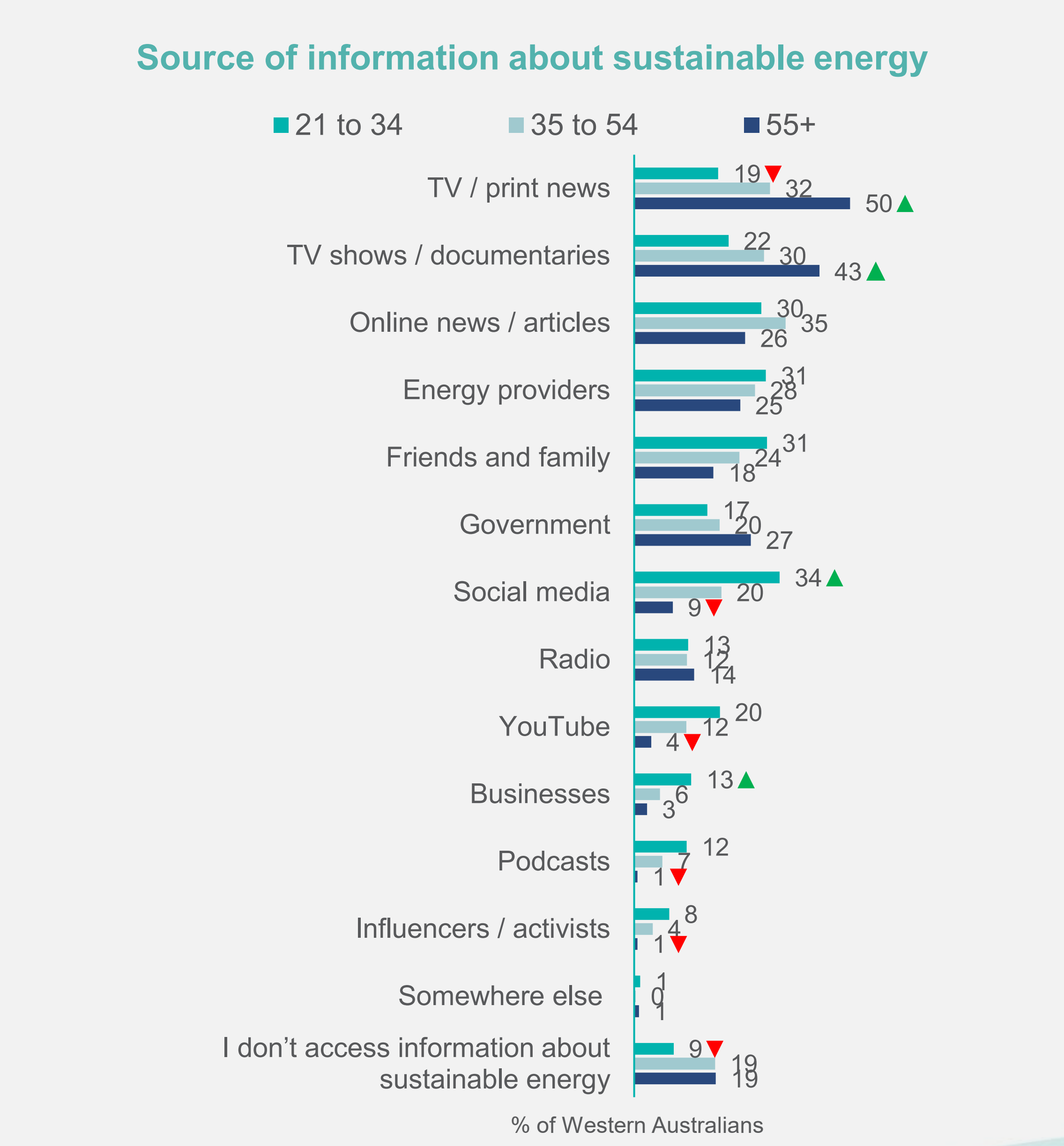
Women are more likely to think local government (74% vs 65% of men) and ATCO (65% vs 57% of men) have important roles.



Base: n=602 |
Q28: How important is it that the following people and organisations play a role in supporting sustainable energy solutions

Most Western Australians get their sustainable energy information from TV and online news

Those 21 to 34 are also more likely to access any information about sustainable energy.



Base: n=602 |
Q27. Where do you get your information about sustainable energy?
▲▼ indicates a significant difference compared to audience at the 95% confidence level.

Communications to Western Australians need to be clear, concise and trustworthy

The following statement was shown to focus groups:

> *In 2023, natural gas in Western Australia is supplied to a home or business at around half the cost p/kWh than grid-based electricity and produces around 60% less greenhouse emissions.*

The initial reaction to this statement was negative, especially among younger audiences.

It was not seen as relevant or transparent, feeling like generic marketing or green-washing. The nature of the comparison was unclear for many: *‘It doesn’t make sense. How did they get that figure? What are they comparing to? Electricity usage for a stove versus gas?’*

The statement made Western Australians slightly more negative but had little to no effect on their opinions about staying connected to the gas network.

Opportunities for improvement include a more clearly defined statement and a trustworthy company to back it up.

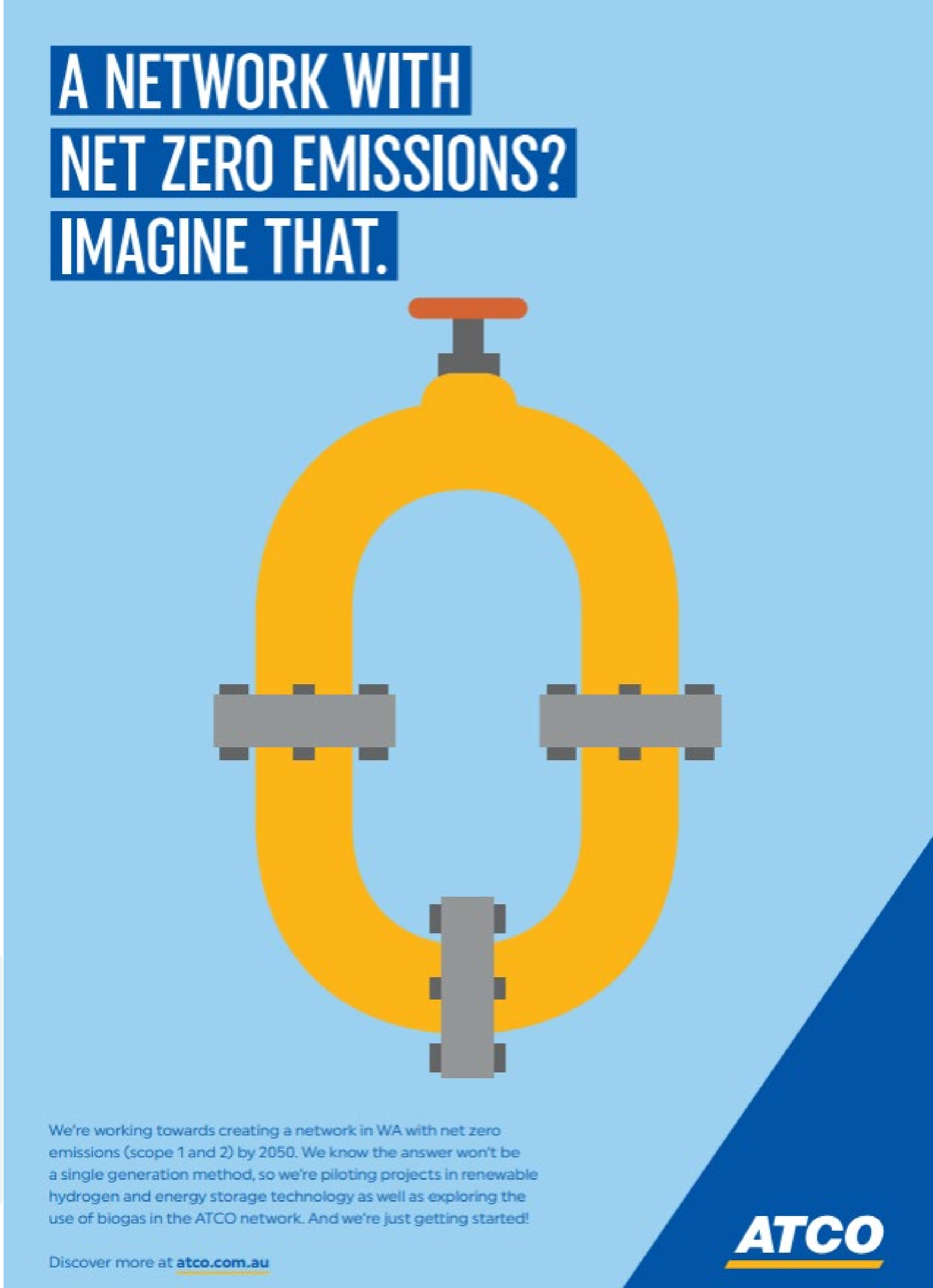
There is an opportunity to build ATCO's brand awareness alongside renewable messaging

The initial reaction to the print ad was positive. The colours and layout were well-liked, with relevant messaging. It was easily envisioned as out of home *'I can definitely see this on the trains as a poster near the door.'*

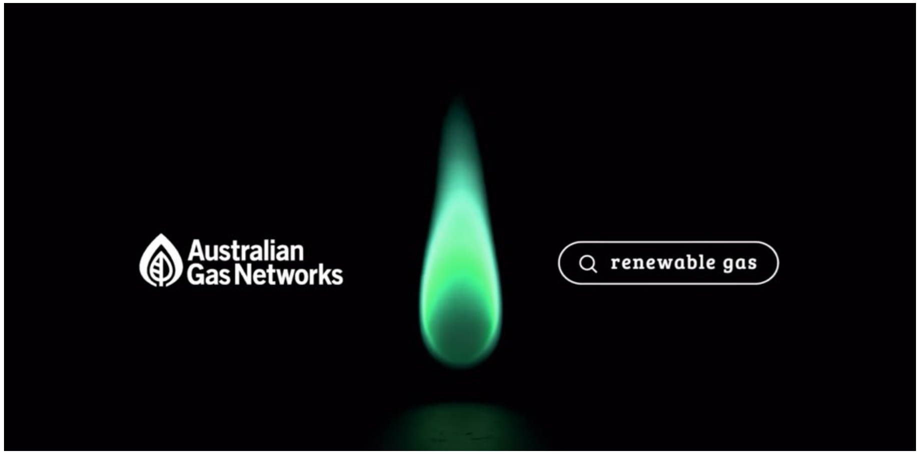
The opportunities for improvement include:

- Further context around scope 1 & 2 for those unaware. Does this statement apply to gas, if so needs to be stated for greater linkage to the ATCO brand.
- Net zero is engaging at first but has been over-used in advertising and not perceived as true.
- *'2050 is too far away.'* A timeline that provides milestones on reach goals feels more tangible and would be a good way to see next steps, and what has happened previously to lead to this – can also keep the pipeline motif running.

To be credible when providing any facts, there needs to be some level of brand awareness and trust, particularly for important statements about energy. It would also be beneficial to add a statement about ATCO's relevance or use this creative as part of a brand-building advertisement before any statements are made, especially when driving renewable messaging.



Renewable gas videos need to be both engaging and substantiated to elicit a positive response in WA



Group participants viewed a video about renewable gas by Australian Gas Networks (AGN), one of Australia's largest natural gas distribution companies on the East Coast.

The initial reaction to this ad was mixed. Those positive, found the video intriguing, with good music and lots to see. The green flame was also positively associated with the environment.

However, those negative, felt it pushed an environmental agenda (comes off as greenwashing without proper explanation), that the claims were unachievable, so the ad was distracting – coming off as untrustworthy and unrealistic.

The consensus was the ad is good, overall, but lacks substance, with many preferring the print version or to see a set of short videos explaining the renewable transition. The ad made some Western Australians feel more positive for the future of gas and made them want to find out more.

There is an opportunity for ATCO to build credibility on their involvement with the gas pipeline and where the future is heading by showing how far ATCO has some since their inception and how infrastructure and renewables have evolved over time.

 Video: AGN renewable gas (Sep-21) https://www.youtube.com/watch?v=0t6J98mtnRo

Business stakeholder insights

Businesses are positive towards gas, perceiving the resource as essential and easy to install

The business stakeholder journey, perceptions, and attitudes align with the general population. Multiple stakeholders from a range of industries such as government, construction, and land development were consulted about the decision-making process of natural gas connections and a renewable future.

Perceptions and expectations of gas

Gas is viewed as an essential element to most businesses. Whether it be a hygiene factor for builders to remain competitive to powering manufacturing sites, gas is expected to remain a necessity for the near future. *‘ Natural gas is critically important being a primary energy source.’*

Gas decision making & ATCO’s role

The need for a new connection arises during a new project/development, with the decision arising from a planning need and typically facilitated by designers, engineers or architects.

The relationship with ATCO’s point of contact has a strong role in facilitating this process and is typically positive. However, frustrations can arise with miscommunications or new requirements. *‘We have some sites that are ‘sensitive sites’ and need to go through an internal process as well but everything always goes smoothly. There are no hurdles along the way. We have a pretty good relationship, so it goes well.’*

Motivators to connect to natural gas

Gas is perceived as a low-cost venture that is quick, easy and efficient to organise and implement. Especially compared to other utilities that experience lag or need stronger communications to facilitate desired outcomes, for example, Western Power are known to be *‘variable and inconsistent'*.

Barriers towards natural gas

Gas connection can be a lengthy process if a line needs to be established in areas that are not currently linked to the network. Electricity is viewed as more flexible (as it can be solar, or wind generated) and easier to move within buildings (wires).

The future is looking towards a renewable energy landscape facilitated by the government, some building regulations and external groups (e.g. environmentalist activists) mindful of environmental impacts. Many see gas as replaceable if technology advances, and the only foreseeable solution among stakeholders would be to *‘make gas greener!’*

Businesses are open to renewable gases but need more information from a logistical perspective

Renewable energy considerations

Many companies are already considering renewables in their future planning, but while they are aware and positive towards renewable gases, little is known about them*. 'Renewable energy is something we want to roll out across out facilities but for various reasons haven't implemented yet.'*

There is an expectation that renewable / hydrogen gas is the next step. However, unknown variables for businesses include capital expense / sunk costs, reliability at an industry scale, and other unknown variables which need to be better understood to facilitate uptake: *'What happens to equipment manufacturing on warranties? We are used to storing dangerous goods, but this would also be a consideration for others.*

'We are a business; we need to make sure we have a reliable supply.'

The benefits of renewable gas from a business perception is having to report pollution. Especially for larger companies has emissions benefits that may make upfront expenses worthwhile.

Environmental consultants are other external influences to include in communications to enhance update and help inform decisions about renewables. This is likely to become a more popular topic of strategic planning for businesses in the future.

Quick wins *Strengthening and developing relationships*	**Major plays** *With knowledge, comes power and influence*
• *Engage, involve, listen*. Connect ATCO with a compelling transitionary and future view among business audiences, changing the perceptions of the current view of being burdened by existing gas infrastructure.	• Knowledge and understanding of more renewable gas solutions is limited, even amongst those who are aware them. Filling this void will help to build credibility, trust and ultimately, consideration for ATCO's products and services in the future.
• Enable engineering by leveraging ATCO's strong customer experience. • Understanding customer informational needs and gaps about the transition and future solutions – and provide information (and ultimately solutions), will help to favourable position ATCO.	• Develop a hub of information and knowledge that helps organisations and individuals to know more about their options now and into the future – and gives ATCO a voice, influence and ultimately a business benefit from those interested in solutions.

Appendix

Chart interpretation: Brand image profile

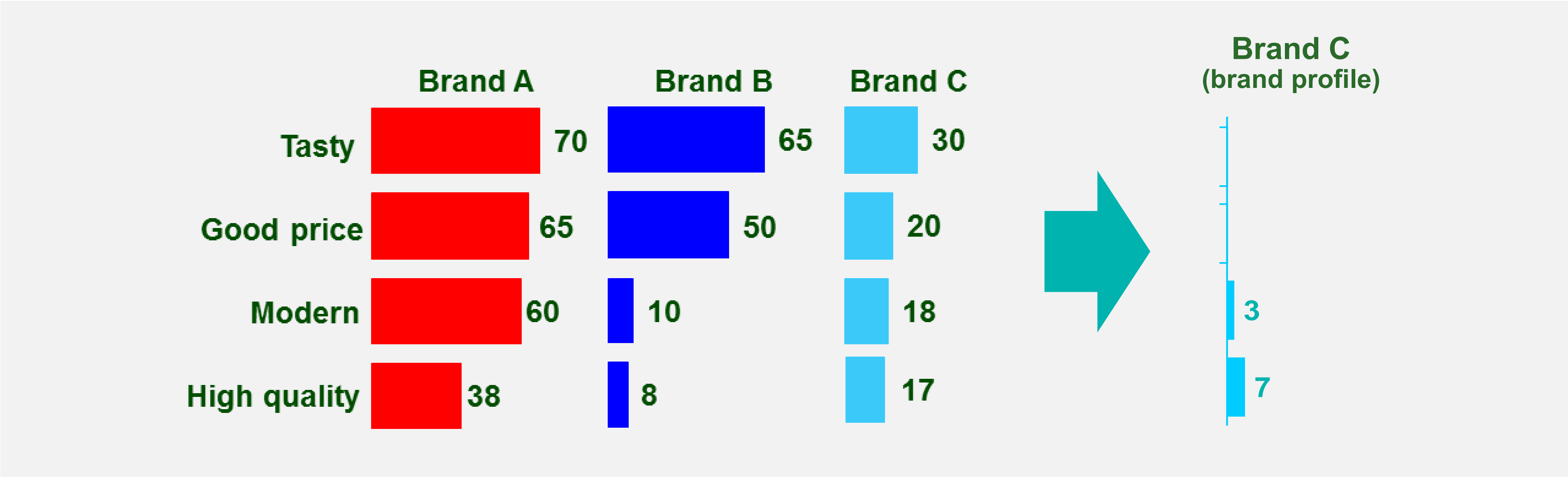
Brand image profiles is a statistical technique used to identify the main relationships from a brand image grid. This is achieved by removing two effects from the data.

- **Brand size / familiarity effect: some brands will naturally be endorsed more across all statements due to size.**
- **Statement effect: some image statements will naturally be endorsed more across all brands than others.**

This analysis gives **relative** strengths of associations between brands and image statements allowing us to determine which statements are most/least characteristic of the brand (and vice versa).

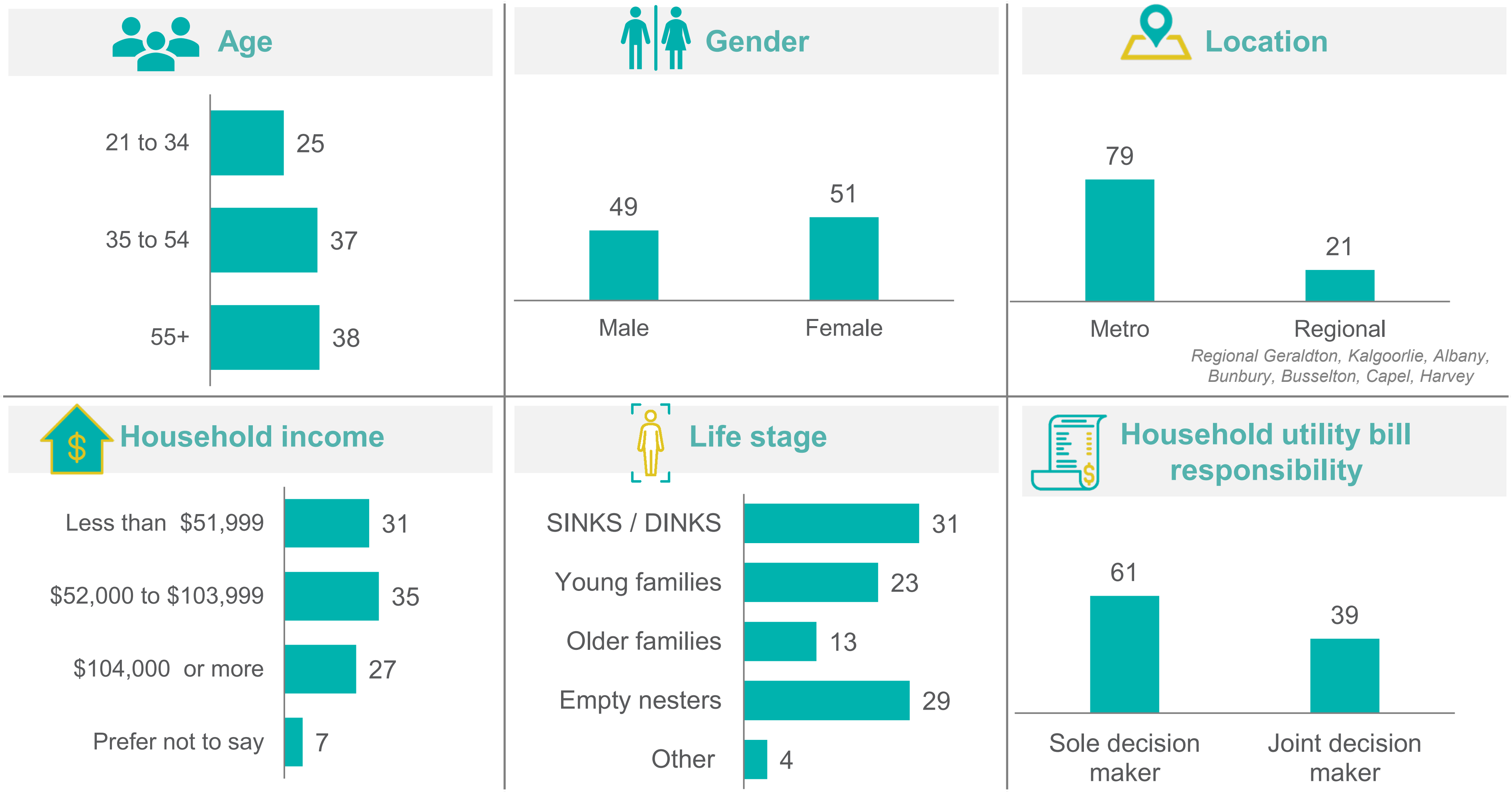
As a rule of thumb, scores of **+/- 5** are considered strengths / weaknesses.

In the example below, relative to other brands, Brand C is perceived as 'high quality'.



Demographics

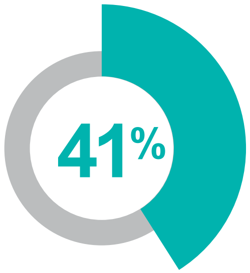
Demographic breakdown of sample



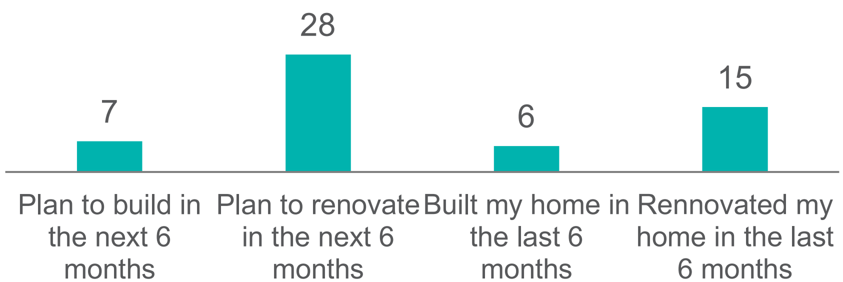
% of Western Australians

Base: n=602 |
S2: How old are you? | S1: Are you… | S3: What is your postcode? | D4: What is your annual household income before tax?
D3: Which of these best describes your household? | S5: Are you responsible or jointly responsible for paying your household's utility bills?

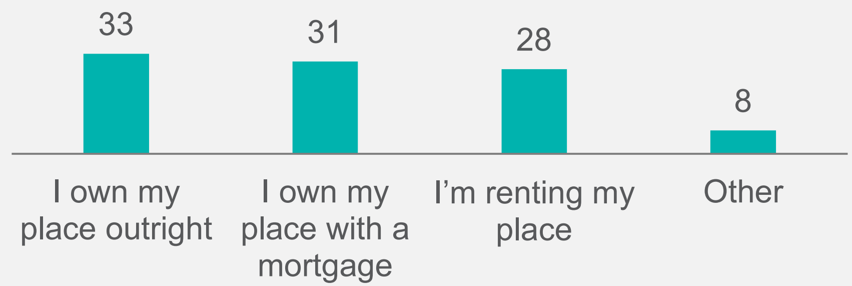
Demographic breakdown of sample



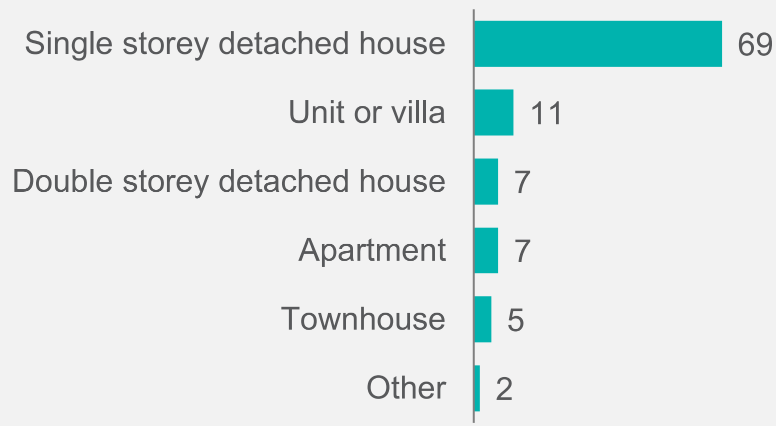
of Western Australians have or are planning to build and / or renovate



Living situation



Type of home



% of Western Australians

Base: n=602 |
S6: Have you built or renovated your home in the last 6 months? | S7: Do you plan to build or renovate your home in the next 6 months? | D5: Which of the following best describes your living situation? | D6: What type of dwelling do you live in?

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