



# J.D. POWER



## **Water Utilities - Pulse Survey** COVID-19 Impact

Utilities Intelligence

April 30, 2020

# Key Findings

**Almost everyone is impacted by the COVID-19 crisis. Many people expect their financial situation will worsen, some won't be able to pay their water bill.**

- Nearly all (97%) of customers have been impacted by the COVID-19 crisis. Many of these customers (30%) expect their financial situation will be worse or much worse. 3% of customers state they are very unlikely to be able to pay next month's water bill; these customers are in all income groups.
- On average, the number of times people wash their hands has nearly doubled to over 13 times a day; and the volume of water people are drinking has increased 18%.
- Consistent with industry expectations\* residential water usage is increasing.
- Most customers are not aware of actions taken by their water utility in response to the crisis. Relative to electric utilities, customers rate the water utility response less favorably.
- Customers are concerned about COVID-19 transmission through drinking water. They need reassurance the virus is not spread through water.
- Customers aware of actions taken by their water utility in response to the crisis, are more likely to have a more positive impression.

\* [“The Financial Impact of the COVID-19 Crisis on U.S. Drinking Water Utilities”](#), April 14, 2020, American Water Works Association and Association of Metropolitan Water Agencies

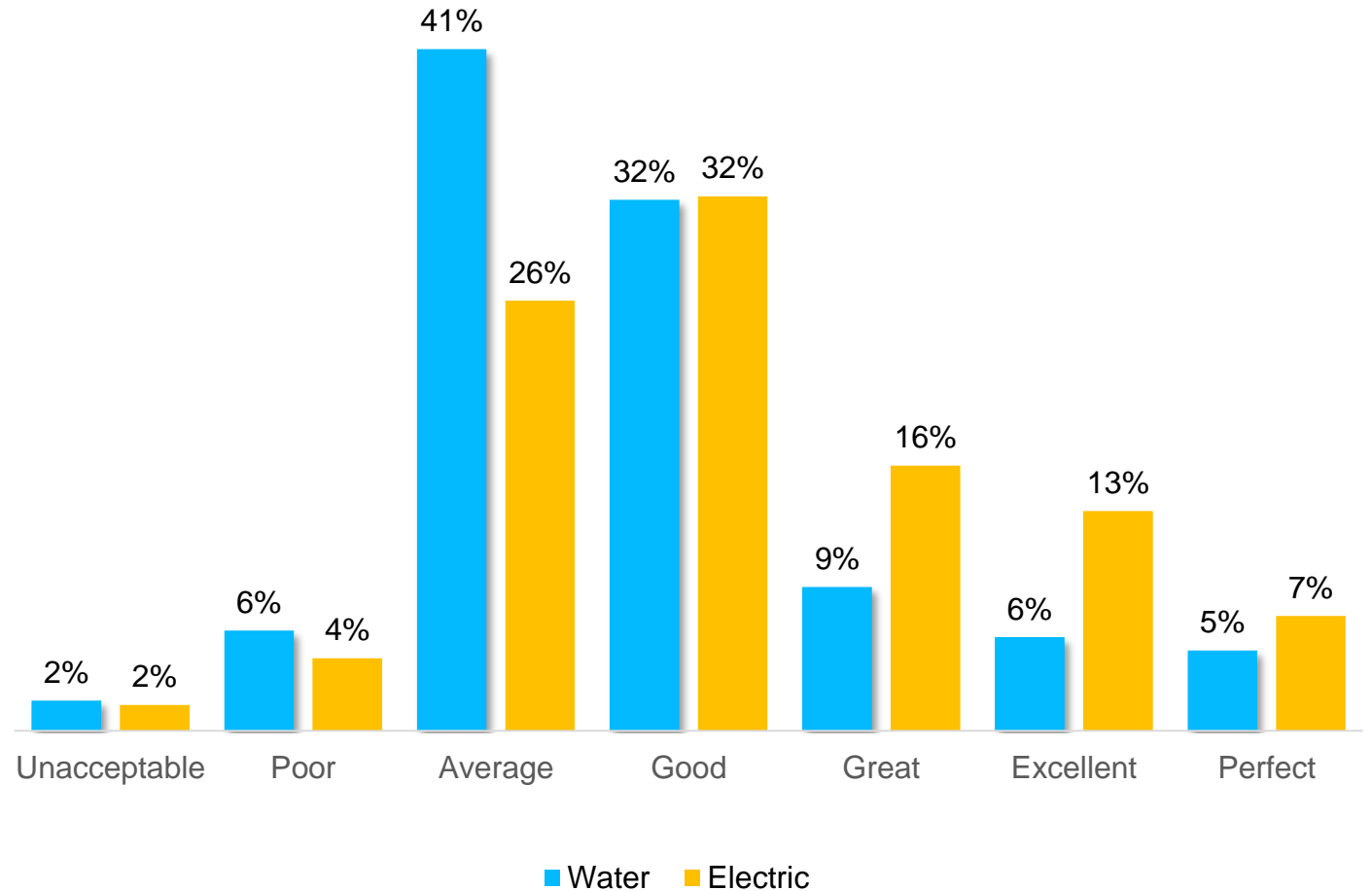
# 73% rate their water utility response as either good or average

Only 8% rate water utilities as poor or unacceptable

However, few respondents (11%) rate the handling of their water utility to the COVID-19 situation as either excellent or perfect.

On average, customers rate the response of their water utility lower than the response of their electric utility.

Overall, how would you rate your utility on their handling of the COVID-19 situation?  
(7-point scale)

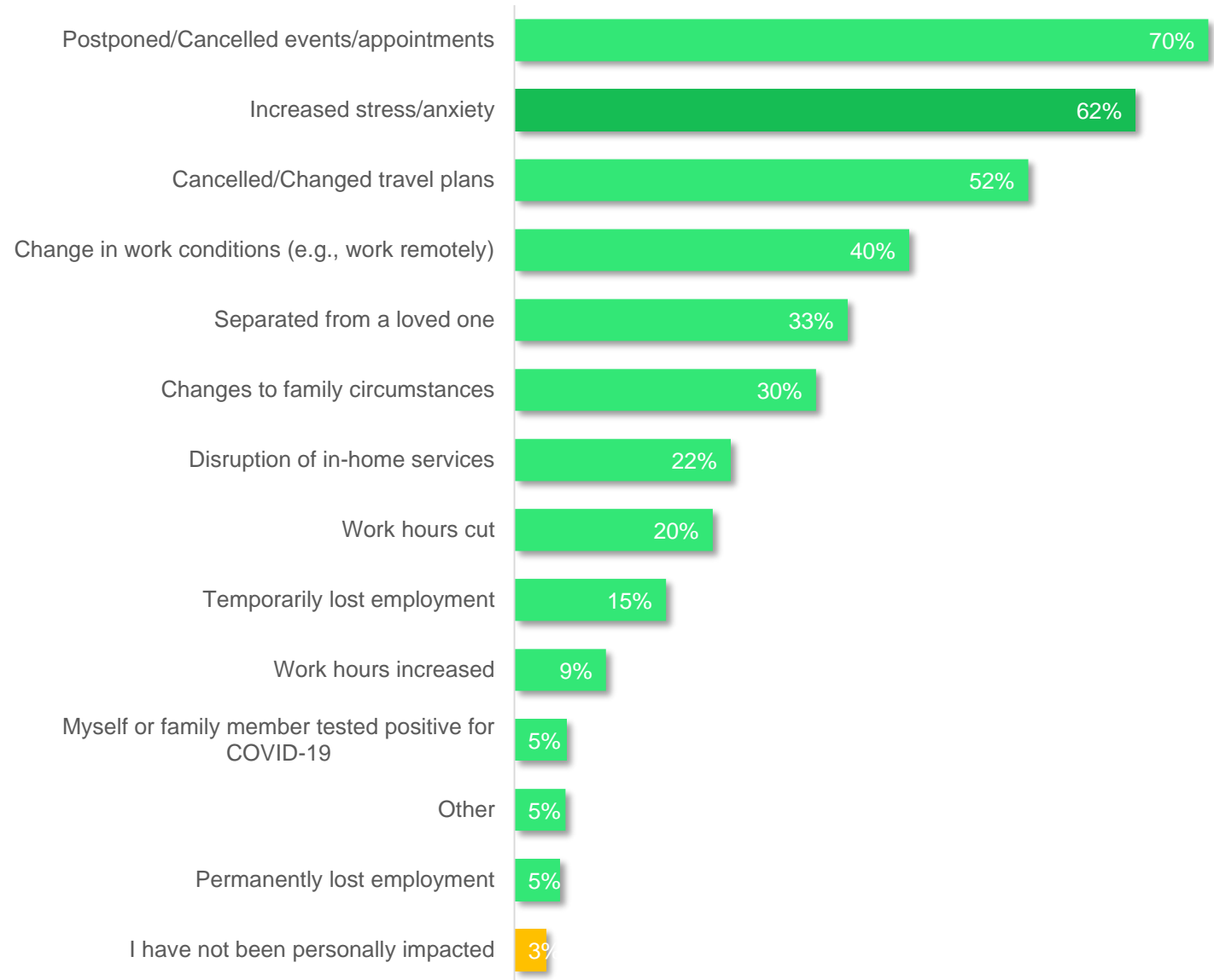


# Nearly everyone has been impacted by COVID19

Only 3% of respondents say they have not been impacted

62% of respondents report increased levels of stress and anxiety. This is driving behavior changes such as increased hand washing (as discussed later in this report.)

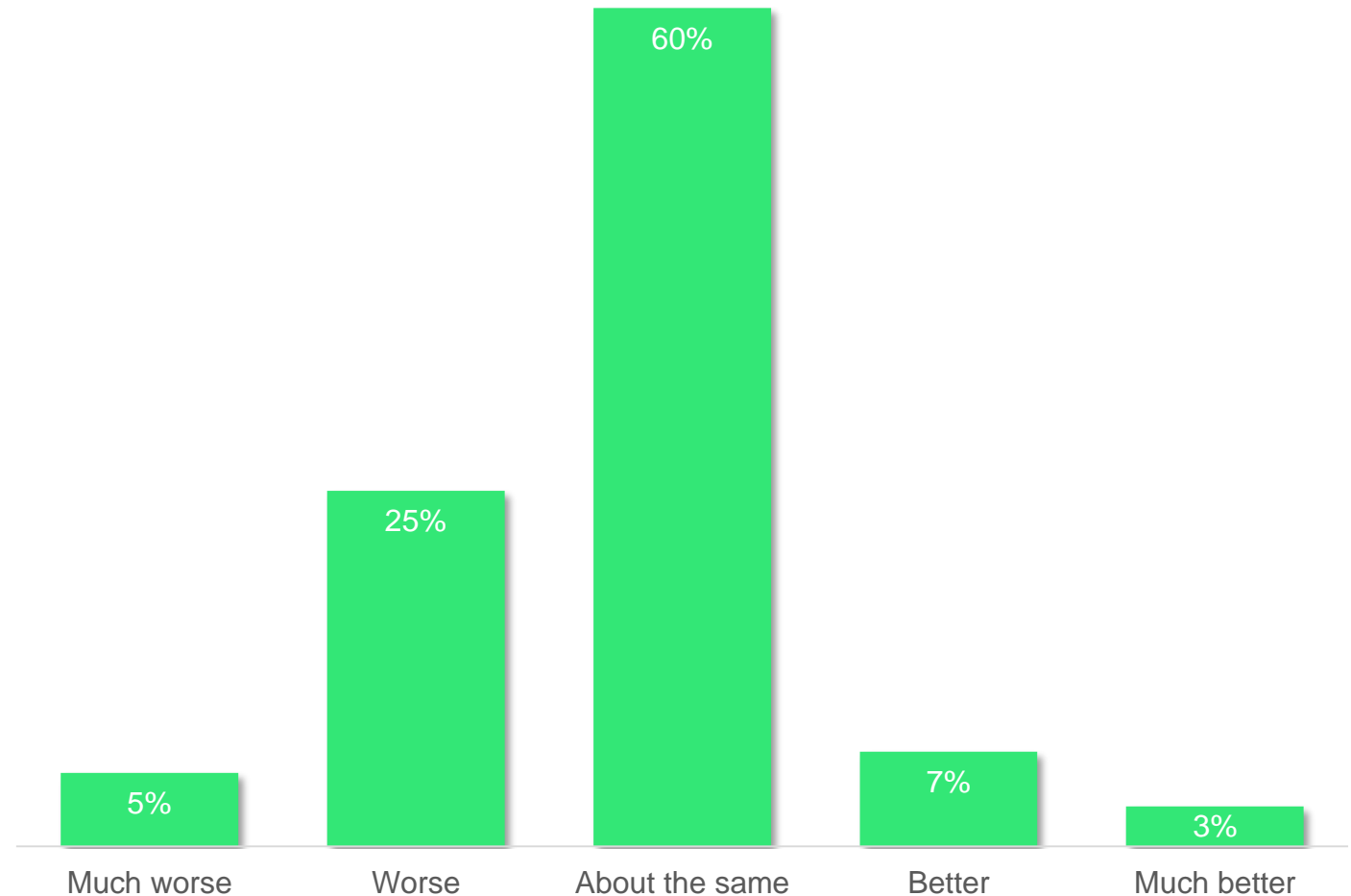
## How have you been personally impacted by the novel coronavirus (COVID-19) outbreak?



# Most customers think their financial situation will be the same in two months

Although the largest group of customers report their financial situation will be about the same in two months, 30% state their situation may be worse or much worse

Compared to before COVID-19, do you expect your financial situation in two months will be..

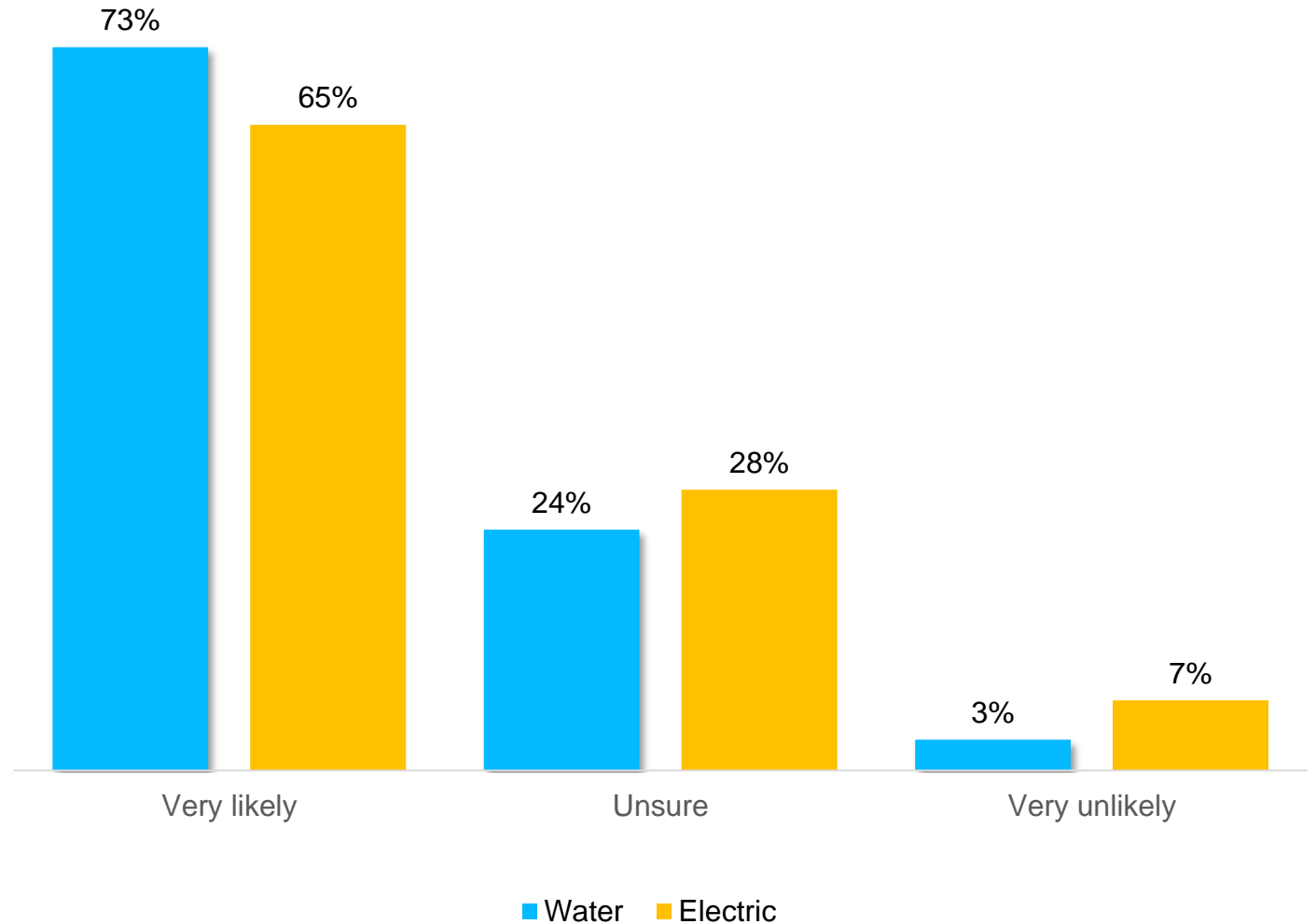


# 3% of water customers say they are very unlikely to be able to pay their bill

A quarter of residential water utility customers report they are unsure if they will be able to pay their next month's water bill

However, fewer customers state they won't be able to pay water bill compared to their electric bill. (Based on electric data from customers surveyed March 25-26.)

### How would you rate your ability to pay your water bill next month?

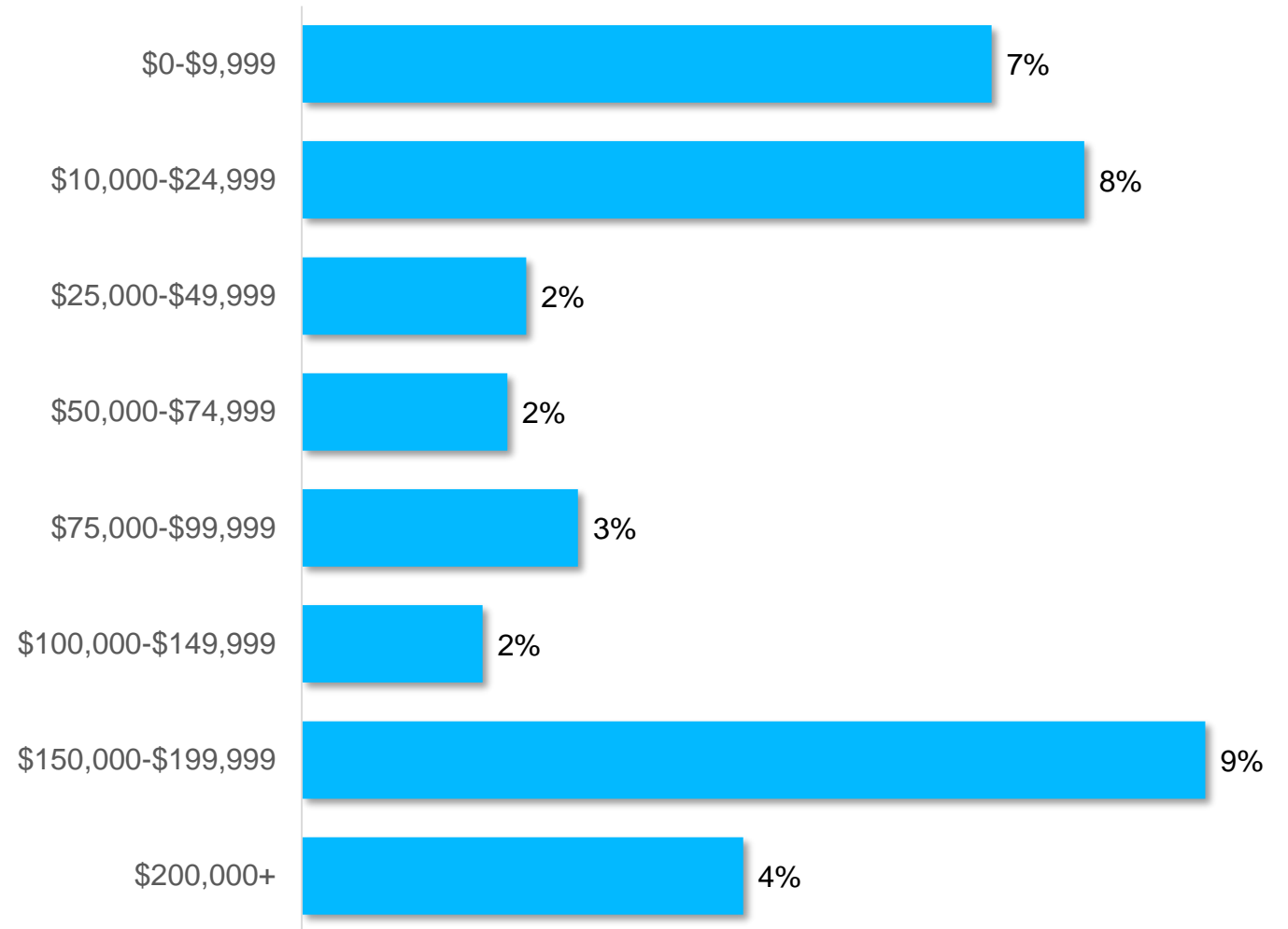


# Customers in all income groups may have problems paying their bill

Although lower income customers are most likely to have problems with the monthly bill, customers at all income levels may have problems

Similar to the recession of the late 2000s and early 2010s, middle and higher income customers may require assistance. Utilities should consider these customers, as well as the low income customers, when communicating about support programs

How would you rate your ability to pay your water bill next month by household income?

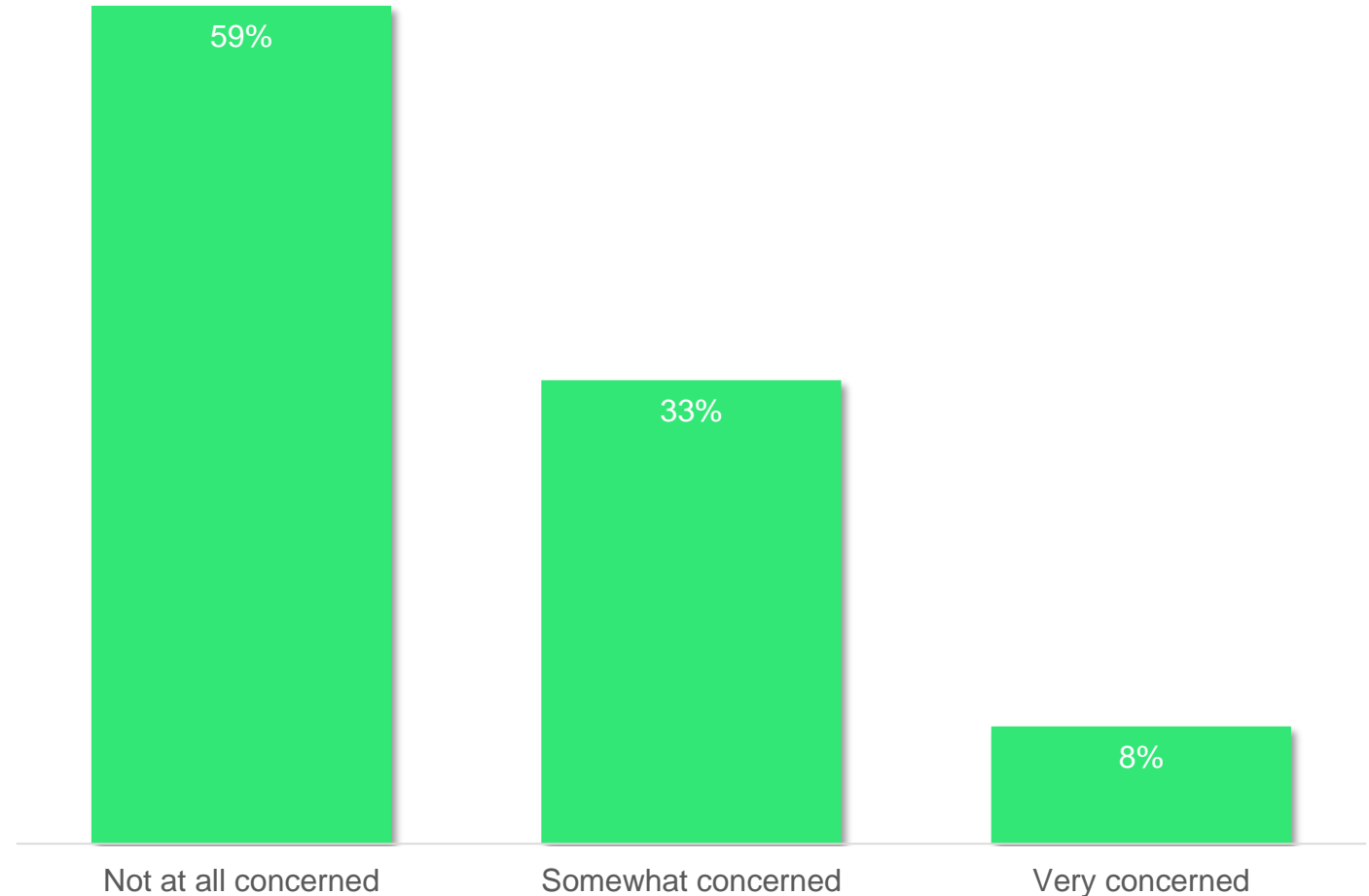


# Customers need reassurance the virus is not spread through water

While the majority of customers (59%) understand the guidance provided by the CDC that COVID-19 cannot be transmitted through water; a large number of customers (41%) express concern regarding transmission, and 8% state they are very concerned

Water utilities, and others, need to provide more reassurance and need to clearly communicate that the virus is not transmitted by drinking water and waste water

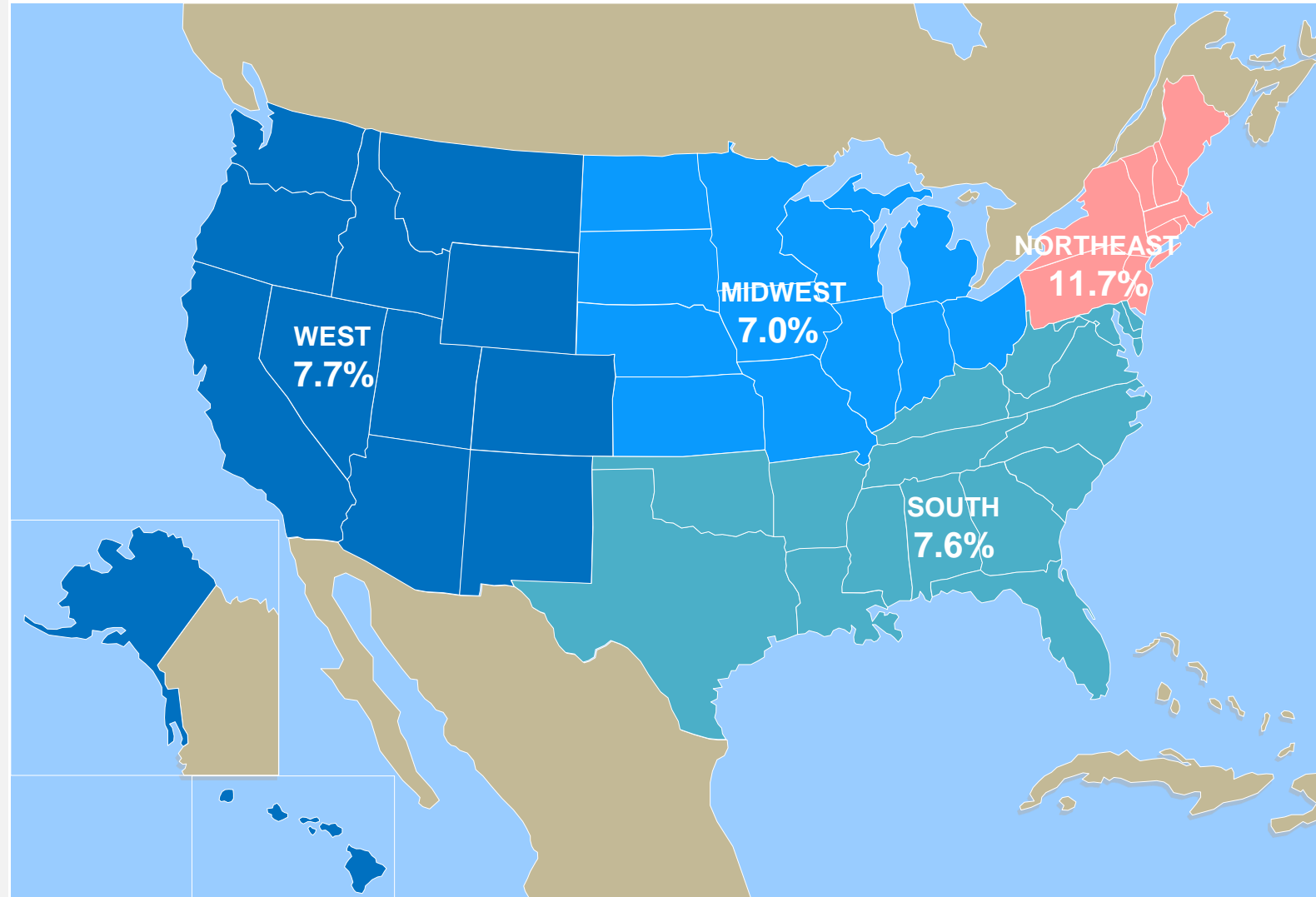
How concerned are you that the COVID-19 virus may spread through your drinking water or waste water?





# People in the Northeast are most concerned the virus will spread in water

Nationally, 8% of customers are very concerned about transmission through their drinking water. However, nearly 12% of people in the Northeast state they are very concerned the virus can spread through the water



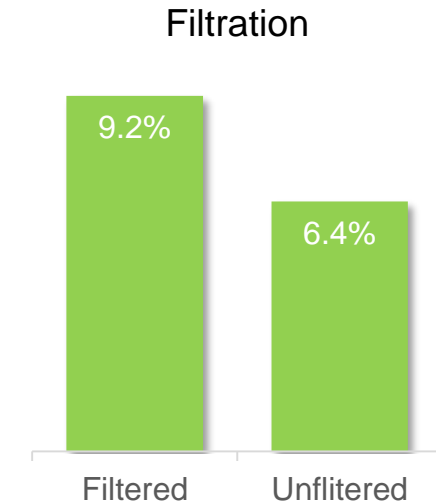
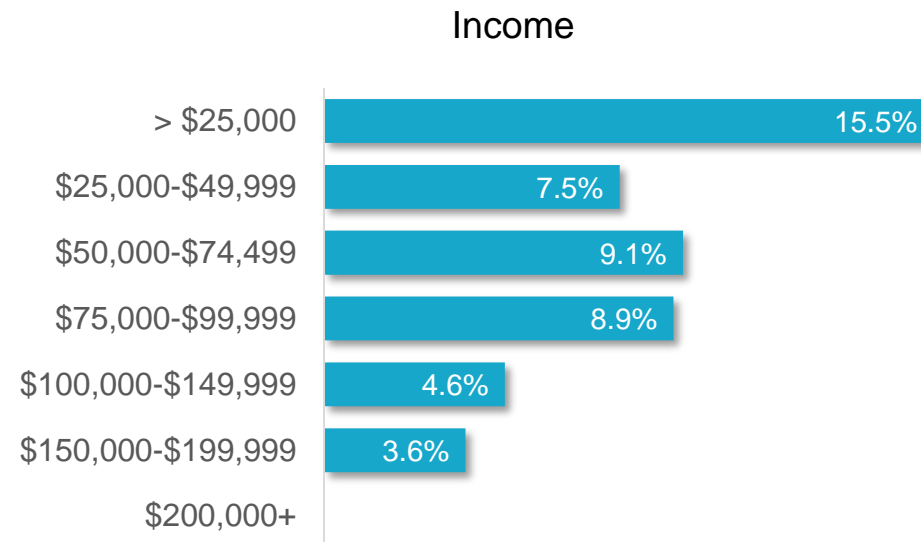
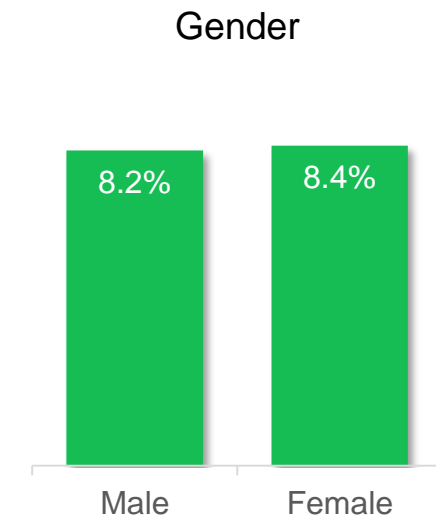
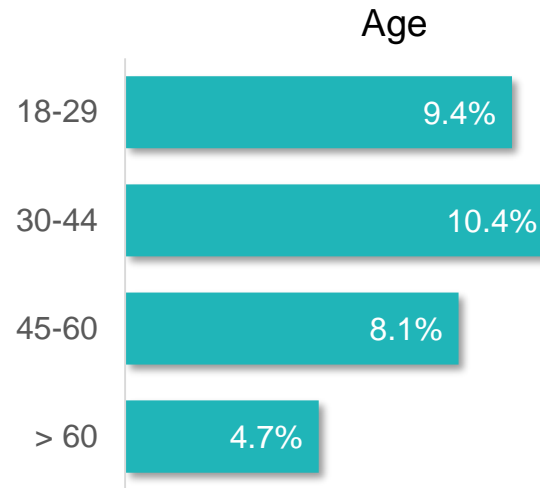
# Younger and lower income customers are most concerned

One average 8% of customers are very concerned about transmission through their drinking water. Younger and lower income customers tend to be more concerned than most

Men and women are equally concerned about transmission through water.

Households using unfiltered water are less likely to be very concerned about transmission through their water

## Percentage of customers “very concerned” the virus may spread through your drinking water or waste water by...

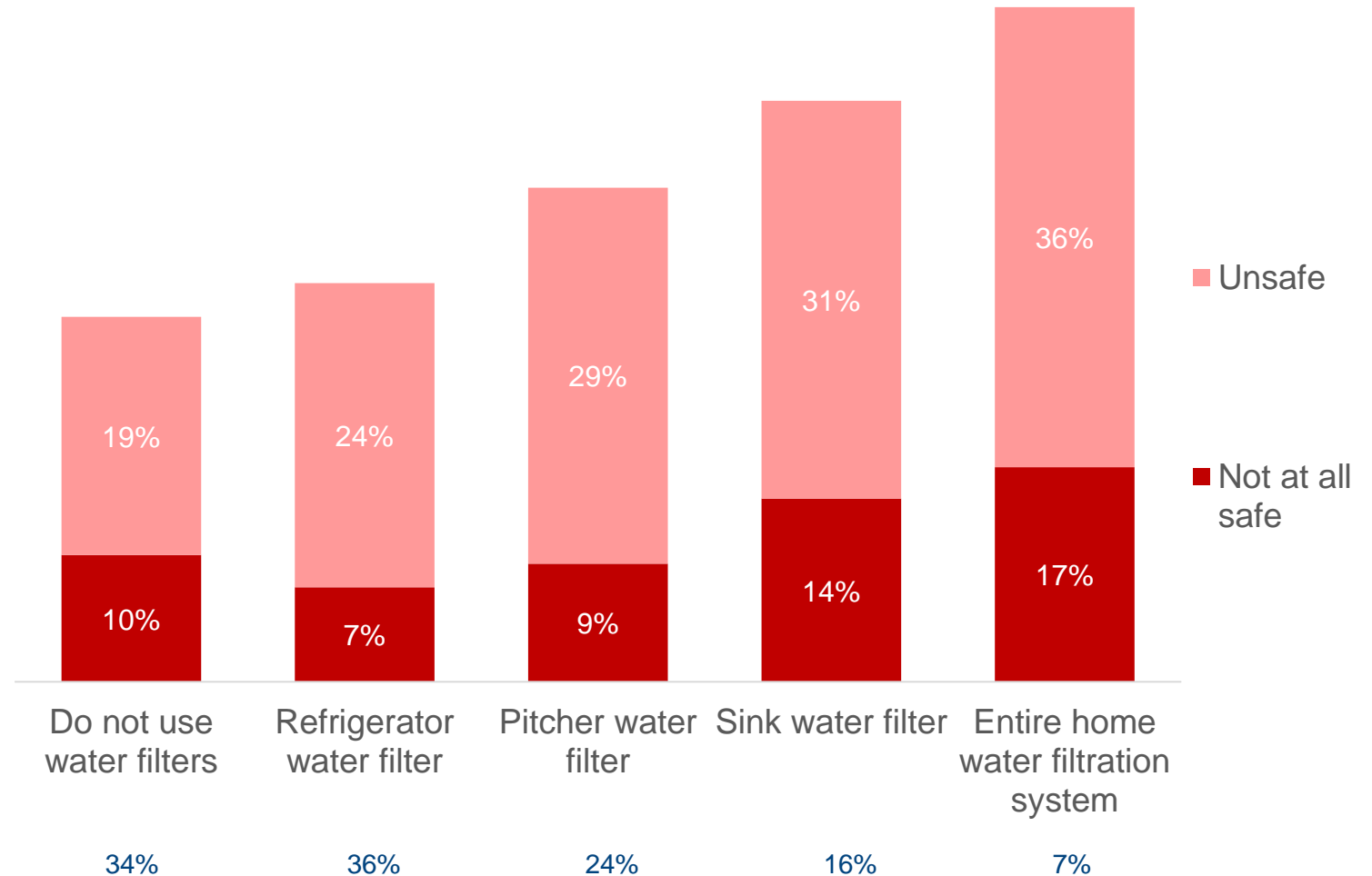


# Perceptions about safety of unfiltered water drives filter use

7% of households have a whole-house water filter system ... and 53% of those households believe unfiltered water is unsafe to drink. As illustrated earlier, households with unfiltered water are also more likely to be very concerned that the virus is spread through their drinking water

34% of households do not use a water filter of any kind, yet 29% say it is not safe to drink unfiltered water

### How safe do you feel it is to drink unfiltered water?



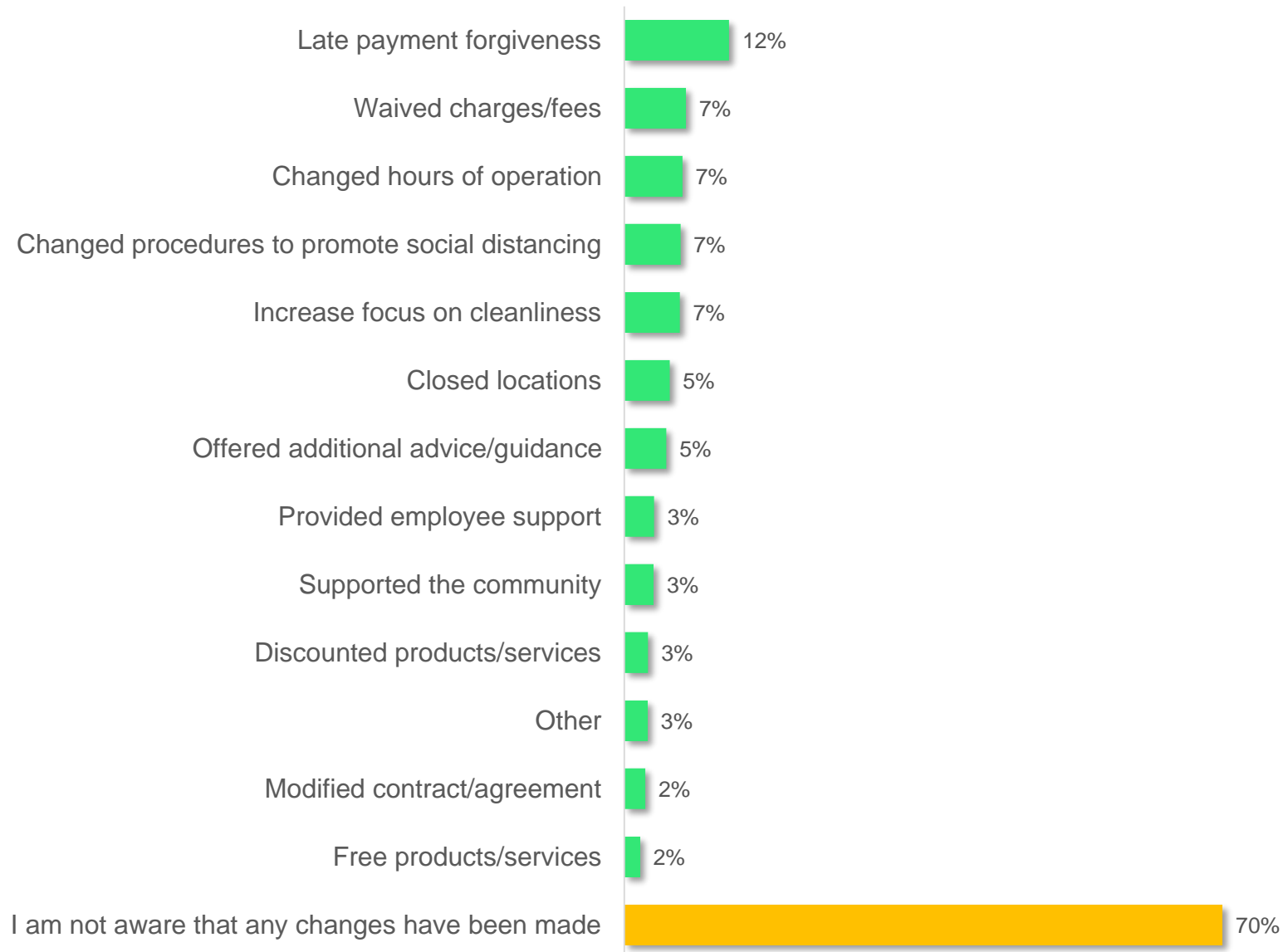
### What water filtration is used within your home?

# Most customers are unaware of changes made by their water utility

**70% of respondents say they don't know about any changes implemented by their water utility**

The change that most customers were aware of was the ability to forgive late payments for their water bill

## What, if anything, has your water utility done in response to the COVID-19 outbreak?



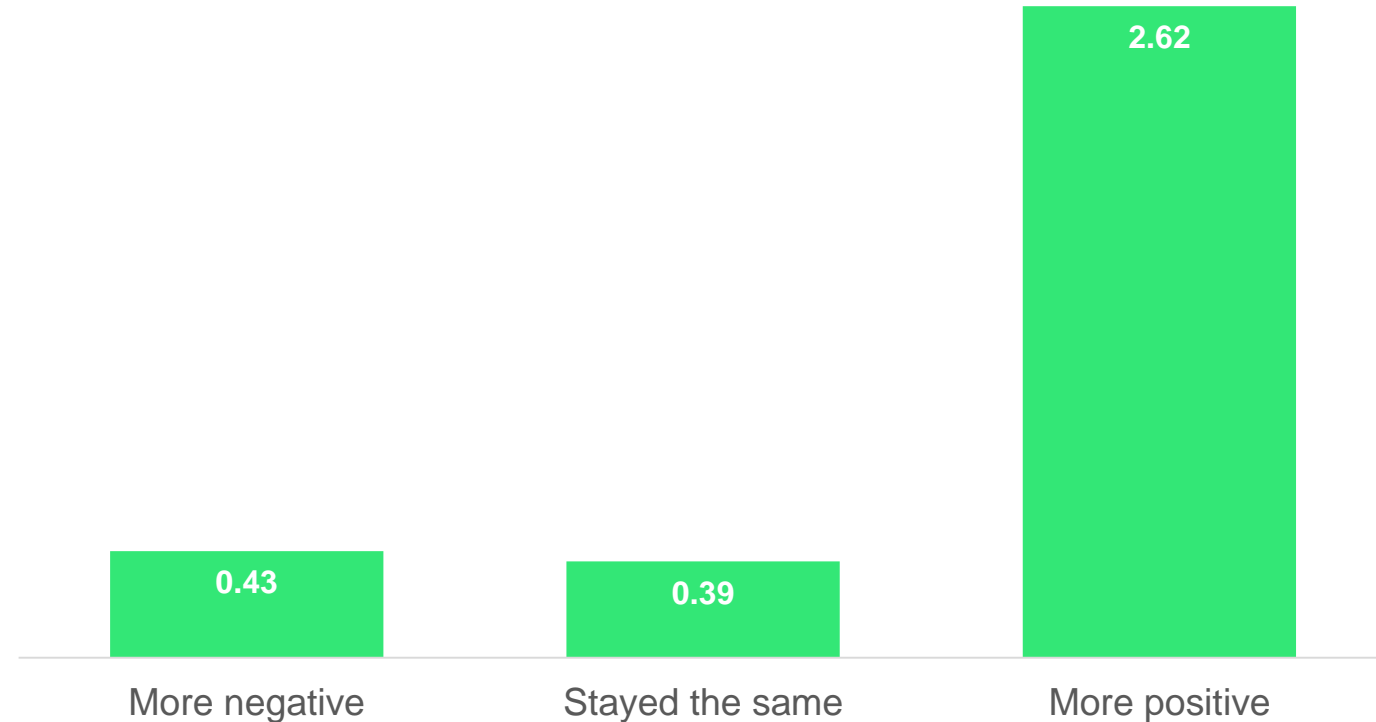
# Actions translate into positive impressions

## Higher recall of actions drove up more positive impressions of water utility

Customers who said they are now more impressed by their water utility had 6-7 times higher recall of actions taken by the utility in response to the crisis than customers who are have more negative impressions or stayed the same

## How has the COVID-19 response from your water utility changed your impression of them?

# actions your water utility has done in response COVID-19?



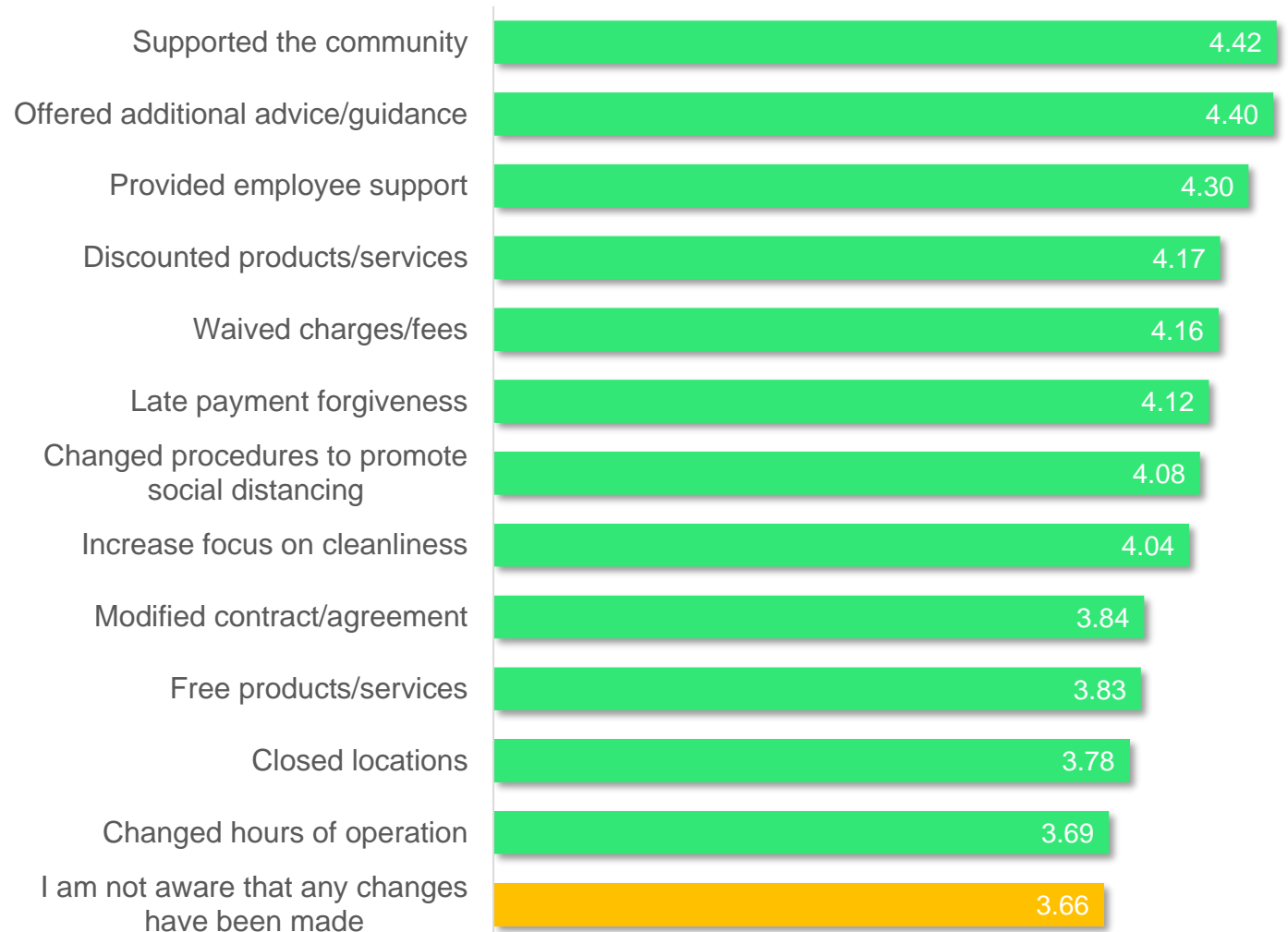
# Community donations and supplies had the biggest impact

Any action taken improved perceptions more than no awareness of actions taken

Advice and guidance offered also lifted perceptions substantially

## Actions your water utility has done in response COVID-19?

Overall, how would you rate your water utility on their handling of the COVID-19 situation?



# Household water usage increased during COVID-19

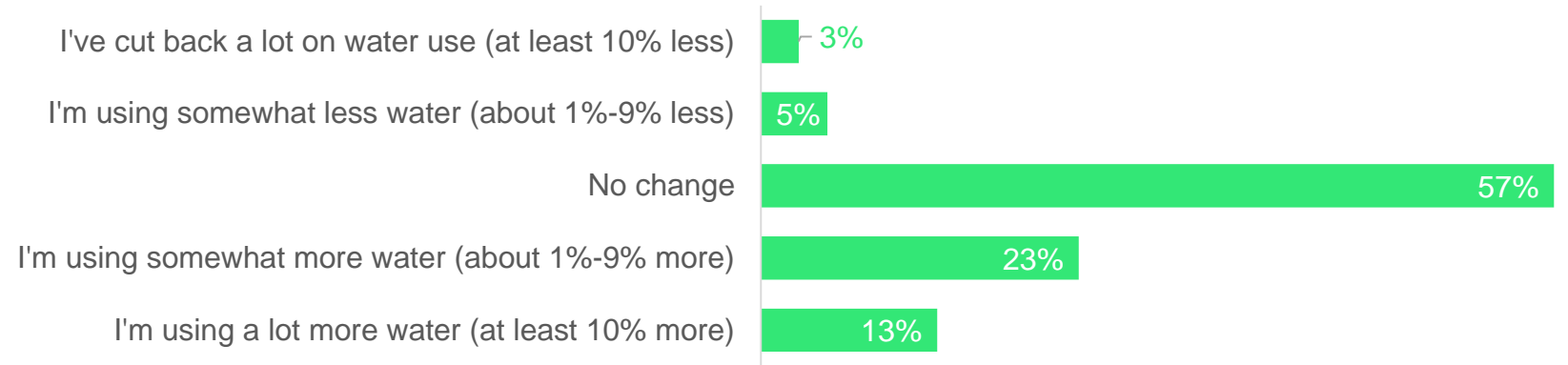
## We are drinking more water and washing our hands much more

36% of households say they are consuming more water than before COVID-19.

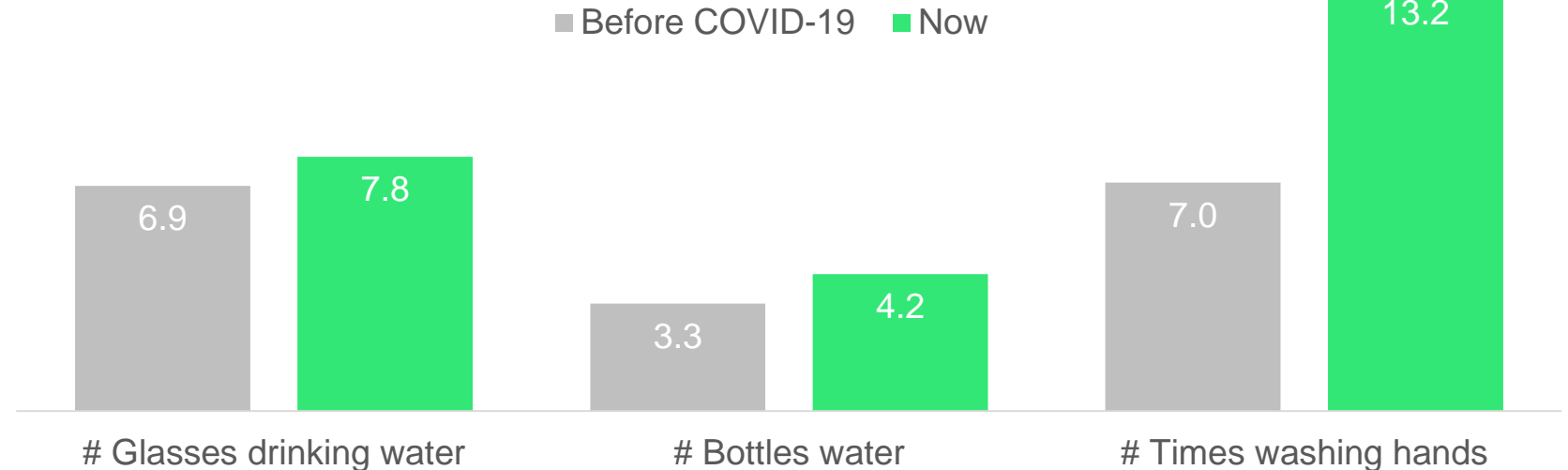
Households report drinking 18% more glasses and bottles of water per day now compared to before COVID-19.

Consumers also report that cleanliness habits have improved substantially as hand washing incidence has, on average, nearly doubled from 7.0 times per day to 13.2 times per day.

## Overall, how much water are you consuming now compared to before COVID-19?



## How many times per day ...



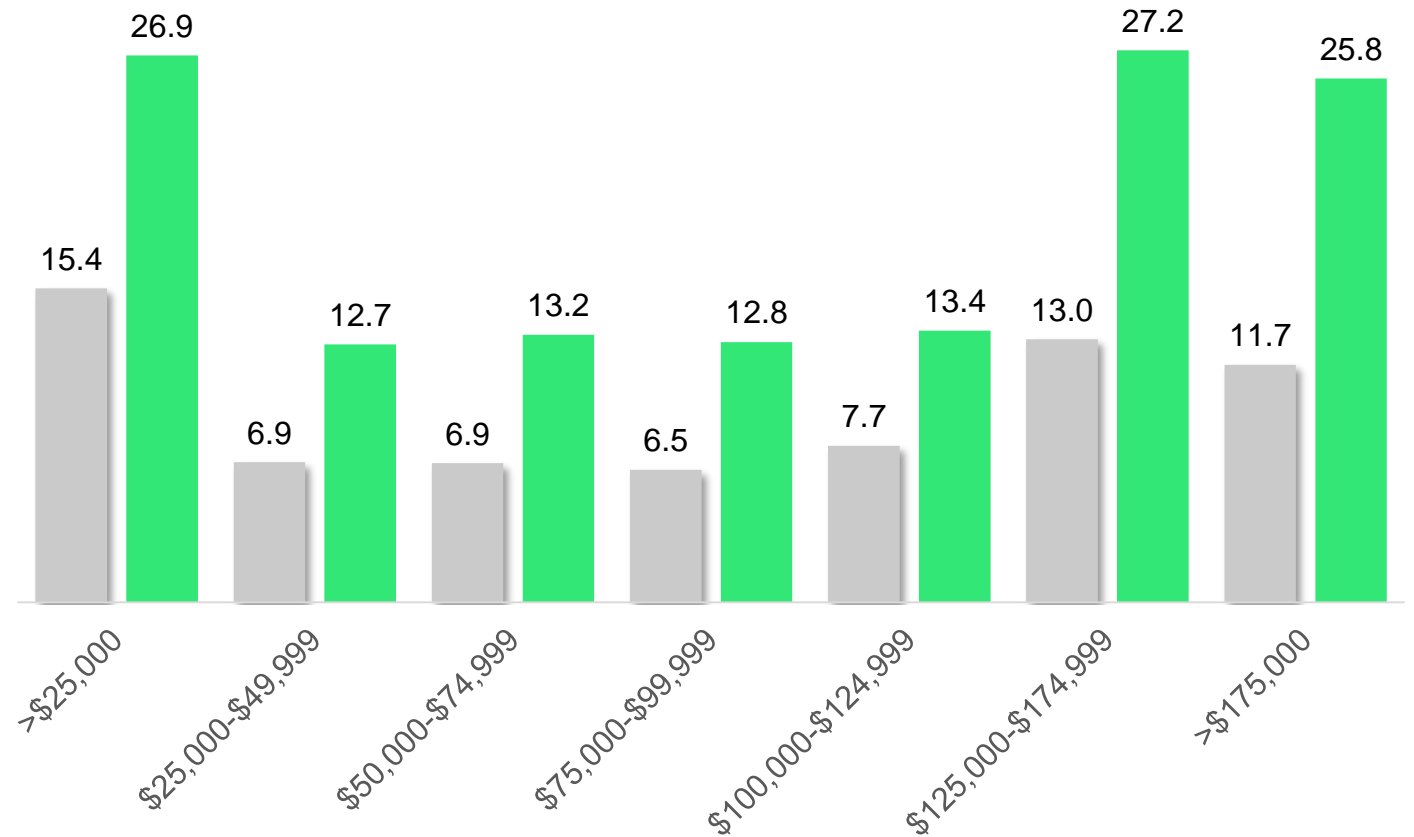
# High income households have increased handwashing the most

## Low-income households wash hands much more than middle-income

The highest income households have increased their handwashing more than any other income segment – more than double the frequency.

## How much are you washing your hands at home? (# times per day)

■ Before COVID ■ Now





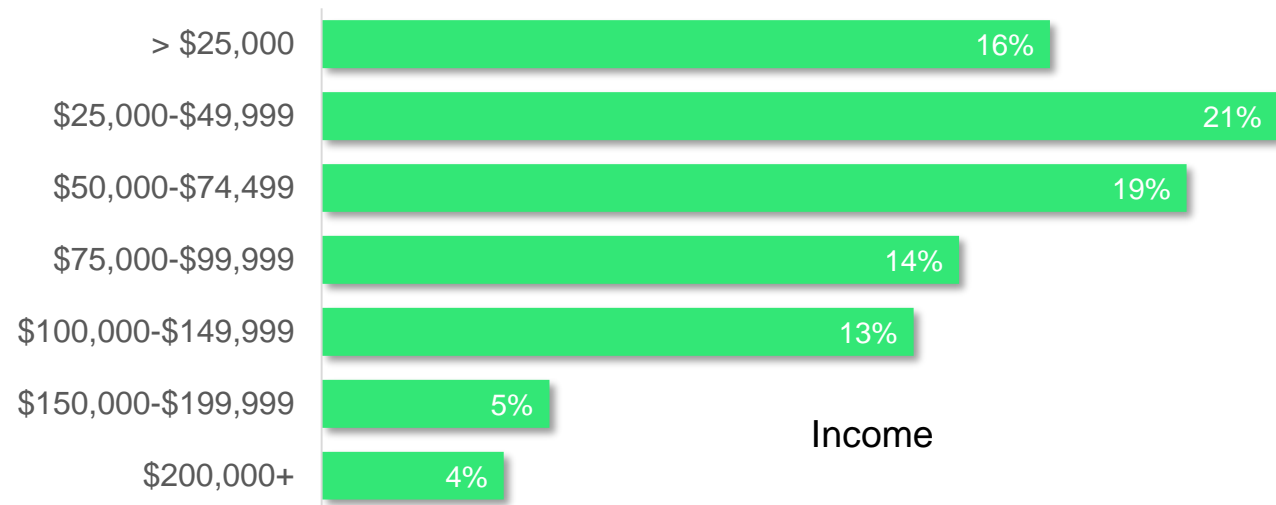
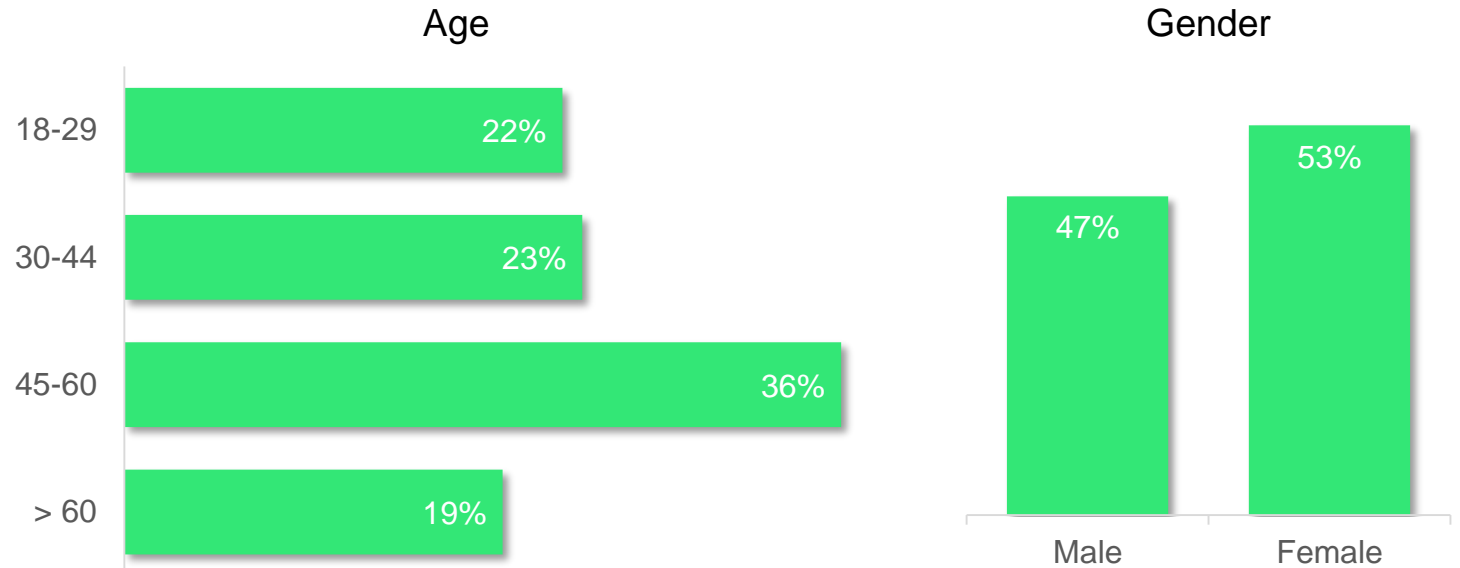
# Pulse Survey Methodology

Fielded April 24-27, 2020

1,260 respondents total

This survey explores customer views about their water utility during the COVID-19 crisis. Customers with well water are not included in this report.

Topics covered include impact of the crisis on customers, ability to pay water bill, awareness of actions taken by the water utility, behavioral changes associated with drinking tap and bottled water, and hand washing; as well as concerns regarding virus transmission in the drinking and waste water.



Income percentages do not add up to 100% because some people preferred not to answer



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