



# Engaging Customers in the Digital Age

Russ Henderson, Research Manager

# Methodology

**Chartwell's 2018 Residential Consumer Survey** is an online survey of 1,517 U.S. and Canadian energy consumers conducted in August 2018. Respondents included approximately 300 consumers from each U.S. Census region and Canada. Its age, gender, income and race distribution reflect that of the general population.

# Agenda

## The changing game of customer experience

- Customer loyalty in a more complex world

## Recommendations and case studies

- Awareness and participation
- Communication



# The changing game of customer experience





# Disruption in the mattress industry

Lead producers:



Lead retailer:



TEMPUR+SEALY



Casper  
spoon™



TUFT & NEEDLE

HELIIX



leesa™



nectar



# Mattress start-ups thrive on inefficient competitors

- Cheaper by hundreds of dollars
- Minimal physical infrastructure
- Efficiency through technology
- Excellent customer service





# Traditional mattress companies play catch up

- Serta Simmons Bedding acquired start-up Tuft & Needle
- Temper + Sealy created Cocoon, its bed-in-a-box brand
- Mattress Firm began a “start-up team”
  - Created Tulo, a bed-in-a-box line
  - Partners with Purple

# A utility industry “disruptor”

The screenshot shows the Arcadia Power website. At the top, there is a dark blue navigation bar with links for 'How it Works', 'About Us', and 'Review'. A green banner in the center reads 'HOW RENEWABLE ENERGY WORKS'. On the right, there is a 'Log In' link and a pink 'Get started' button. The main headline is 'Arcadia Power Launches New Smart Home Device Subscription with Amazon Installation'. Below the headline, the text states: 'Amazon Experts will install the latest energy efficiency technology in homes for \$0 upfront' and 'Available only to Arcadia Power members'. On the right side, there is a partial view of a dashboard with a green bar chart and a 'Total name' section showing '\$0.0'. A yellow and green circular logo is visible at the bottom center of the page.

How it Works About Us Review

HOW RENEWABLE ENERGY WORKS

Log In Get started

## Arcadia Power Launches New Smart Home Device Subscription with Amazon Installation

Amazon Experts will install the latest energy efficiency technology in homes for \$0 upfront

Available only to Arcadia Power members

page Your site

Jun

Total name \$0.0

ort

# Arcadia Power produces no energy but makes signing up for programs easy



## Price Alerts

We automatically find and put you on a lower electricity rate than what you are currently paying, using our buying power of our 175,000+ members.



## Community Solar

Subscribe to a remote or local community solar project, and receive savings from the production of the project share on your bill every month.



## Home Efficiency

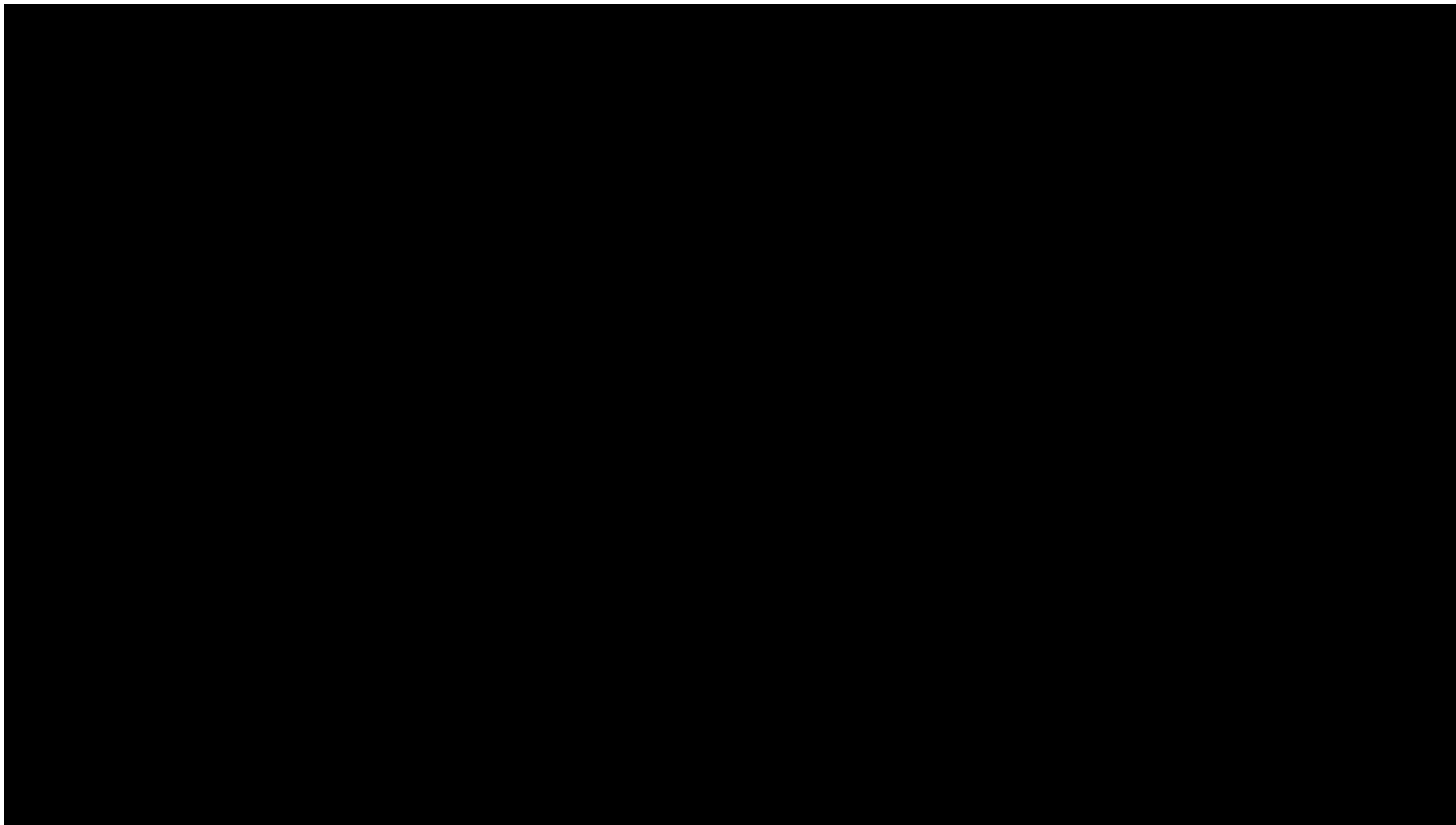
Upgrade your home's efficiency with the latest energy-saving products, like a Nest thermostat, for \$0 down and pay over-time with your savings.



## Bill Pay

95% of utilities charge a payment transaction fee for cards. Arcadia Power charges \$0, saving you money and earning you rewards points along the way.

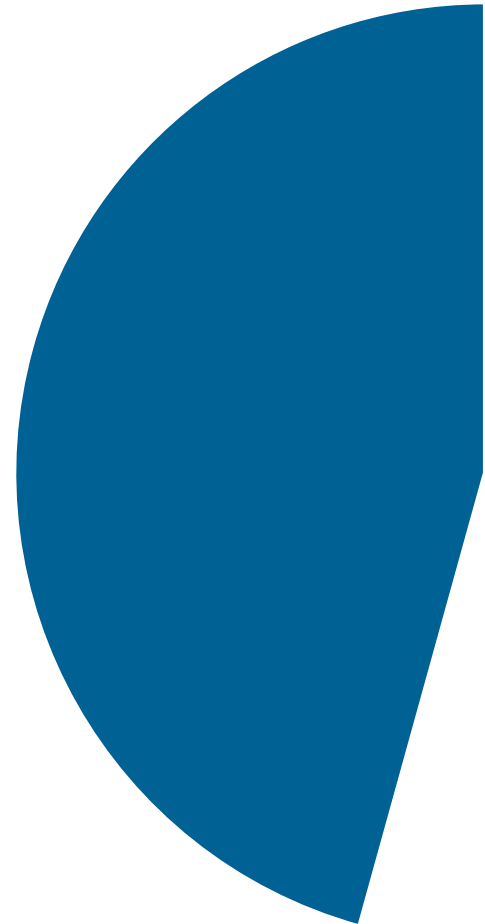






# If customers had a choice, would they leave?

How would you respond if you were offered a choice in electricity companies?



46%

would stay with their  
current company

# Almost half would change based on price

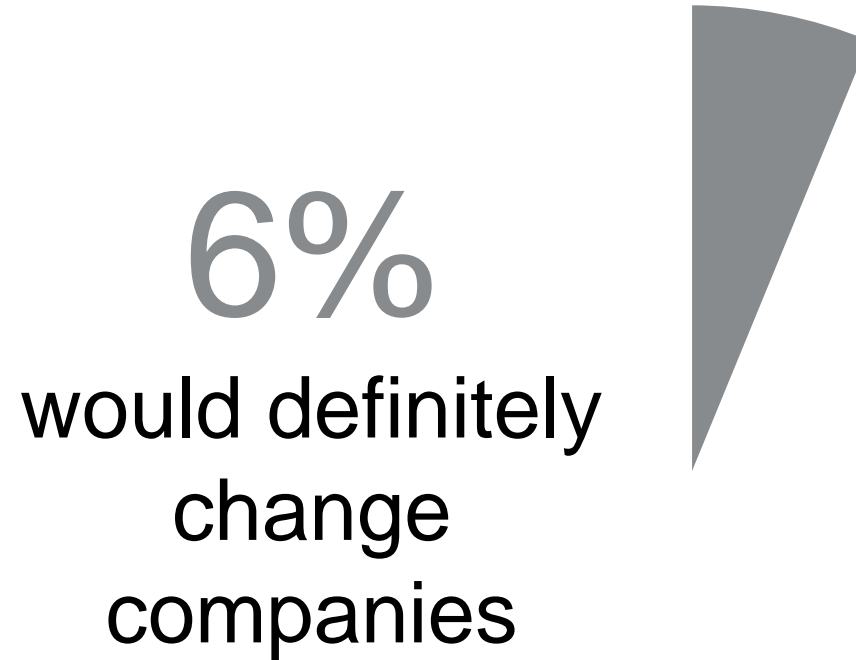
How would you respond if you were offered a choice in electricity companies?

**48%**  
would change  
based on price



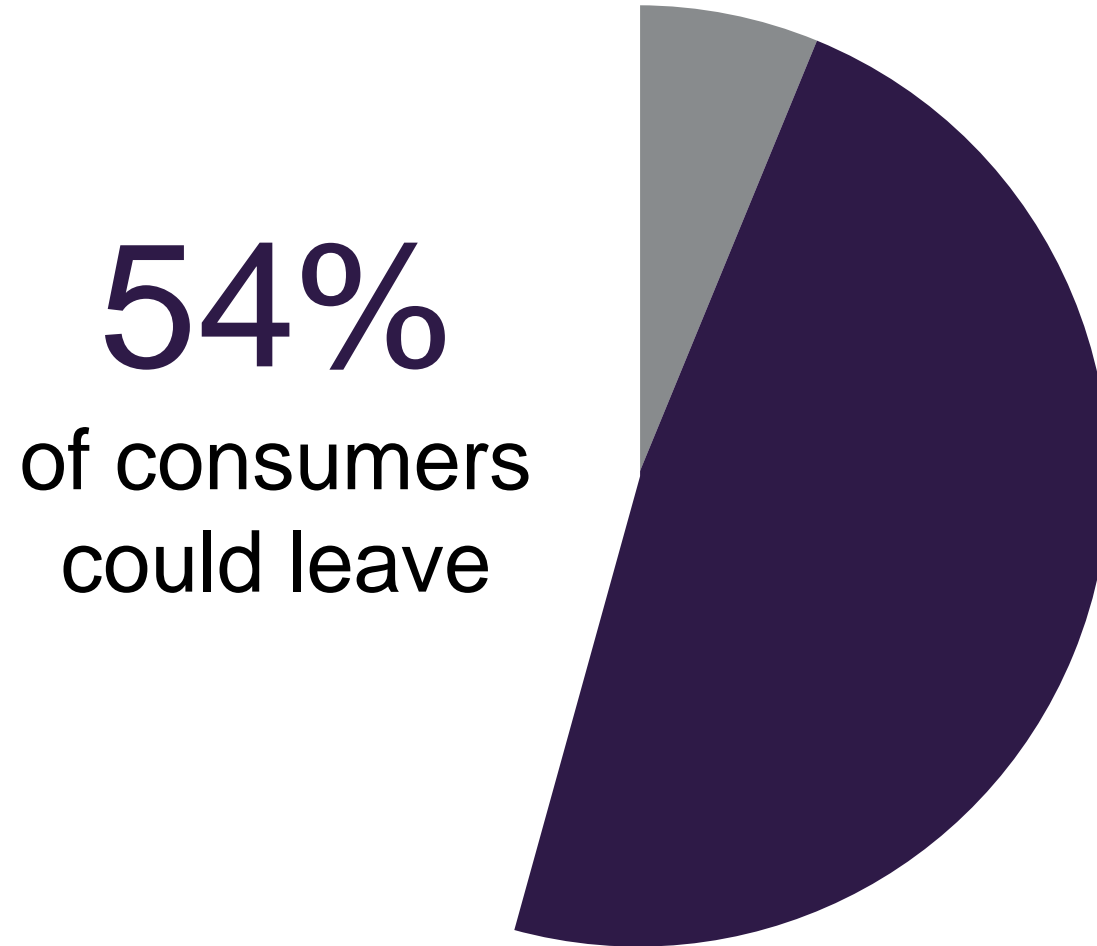
# Almost half would change based on price

How would you respond if you were offered a choice in electricity companies?



# Most customers could change companies

How would you respond if you were offered a choice in electricity companies?





# Loyalty is affected by customer engagement

**+24%** satisfaction

“I would stay  
with my current  
utility company”

**+26%** trust with consumer  
data

**+15%** ease of doing  
business

**+23%** value

# Satisfaction affects loyalty most

High satisfaction → **2.23** times greater likelihood to choose “stay”

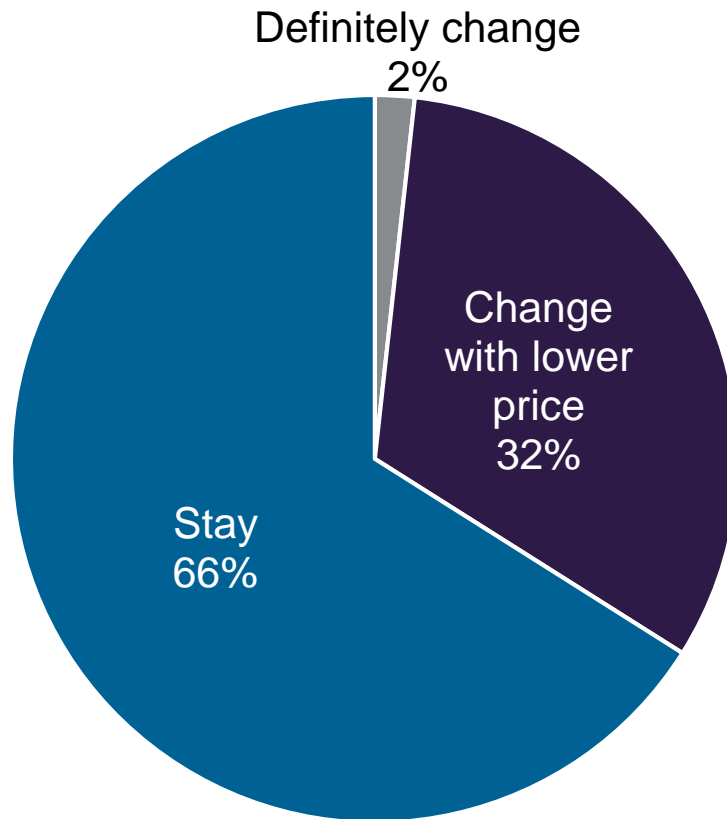
High trust with consumer data → **2.02** times greater likelihood to choose “stay”

High ease of doing business → **1.58** times greater likelihood to choose “stay”

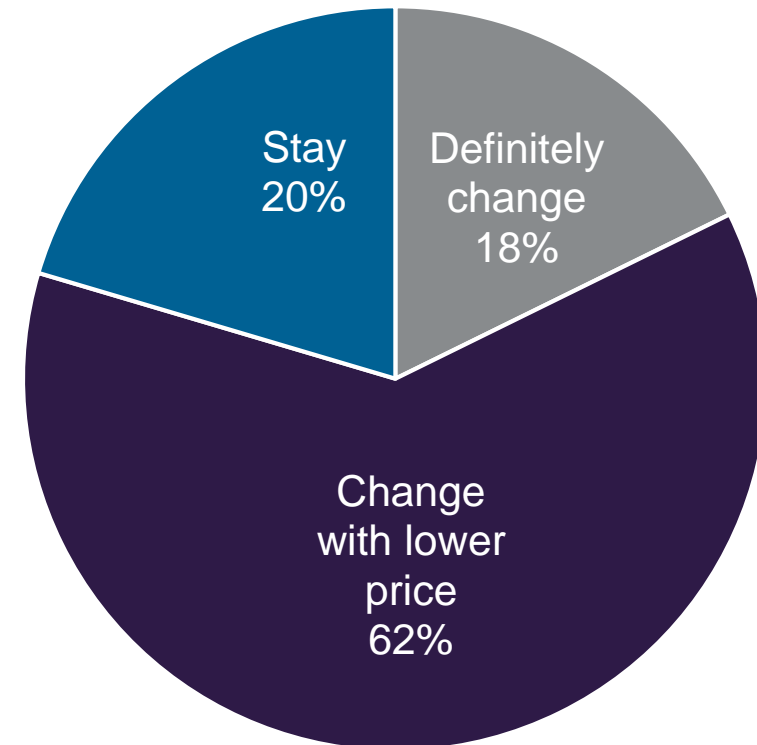
High value → **1.58** times greater likelihood to choose “stay”

# Highly satisfied customers are 2.23 times more likely to stay

## High satisfaction



## Low satisfaction





# Findings and Recommendations



# High and low satisfaction groups



## High satisfaction

- Chose 5 stars on satisfaction
- Tend to be over 64 or under 35 years old



## Low satisfaction

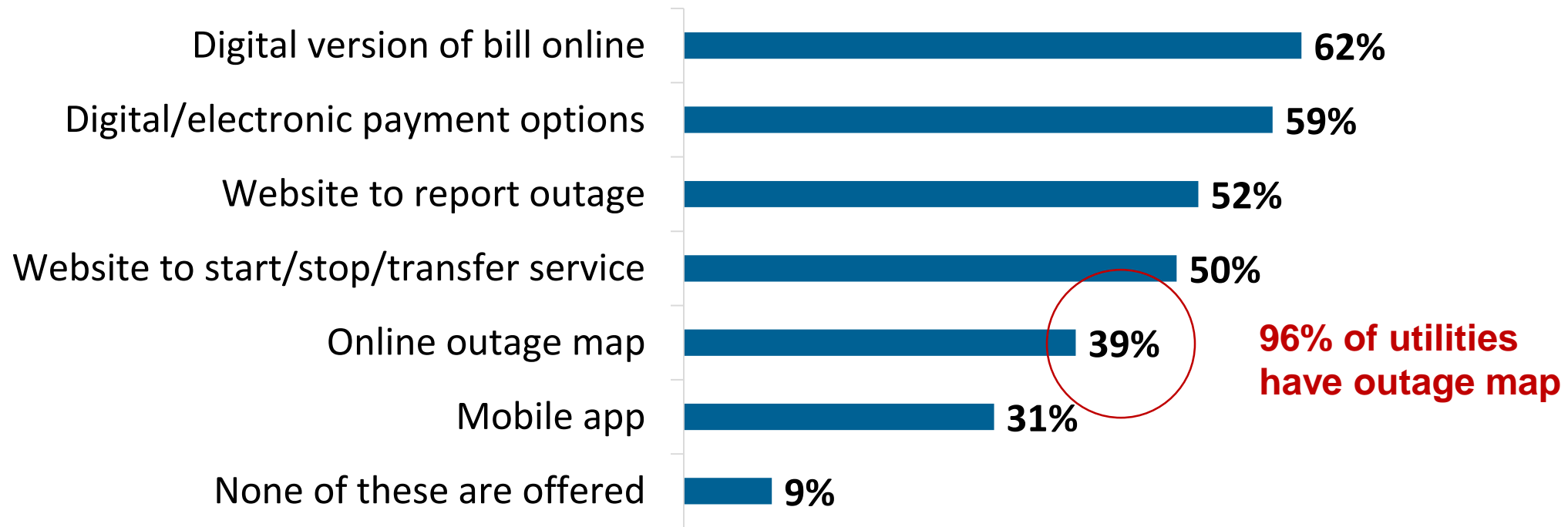
- Chose 1 to 3 stars on satisfaction
- Tend to be 35 to 64 years old

# Customer satisfaction related to awareness and participation

- Satisfied customers are more aware of self-service options, especially
  - Stop/start/transfer service
  - Outage map and online outage reporting
- Satisfied customers are more likely to use
  - Mobile apps to pay their utility bill
  - Credit cards to pay their bill without fees
- Satisfied customers more likely to be enrolled in pricing programs

# Customers are unaware of many utility offerings

Complete the statement below by selecting all that apply:  
"My power company offers..."



# Awareness of self-service offerings are linked to satisfaction

Self-service offering	Change in satisfaction
Online start/stop/transfer	+9%
Outage map	+8%
Online outage reporting	+8%
Mobile app	+8%
ePay	+8%
eBill	+3%



# Awareness of self-service offerings are linked to satisfaction

Self-service offering	Change in satisfaction	Age group to target
Online start/stop/transfer	+9%	35-64 years old: +13% change
Outage map	+8%	18-34 years old: +14% change
Online outage reporting	+8%	50-64 years old: +11% change
Mobile app	+8%	35-64 years old: +11% change
ePay	+8%	35-49 year old: +9% change
eBill	+3%	50-64 years old: +6% change

# Mobile app use increases satisfaction, loyalty and ease

“I have downloaded and sometimes use my utility’s mobile app to view and pay bills.”

Loyalty

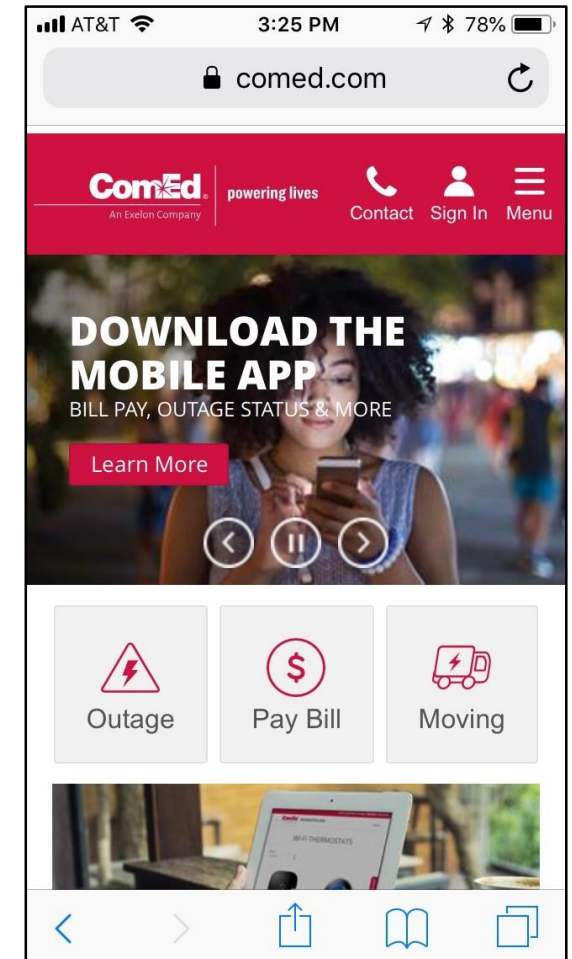
**+15%**

Satisfaction

**+7%**

Ease

**+5%**



# Mobile app use increases satisfaction, loyalty and ease

“I have downloaded and sometimes use my utility’s mobile app to view and pay bills.”

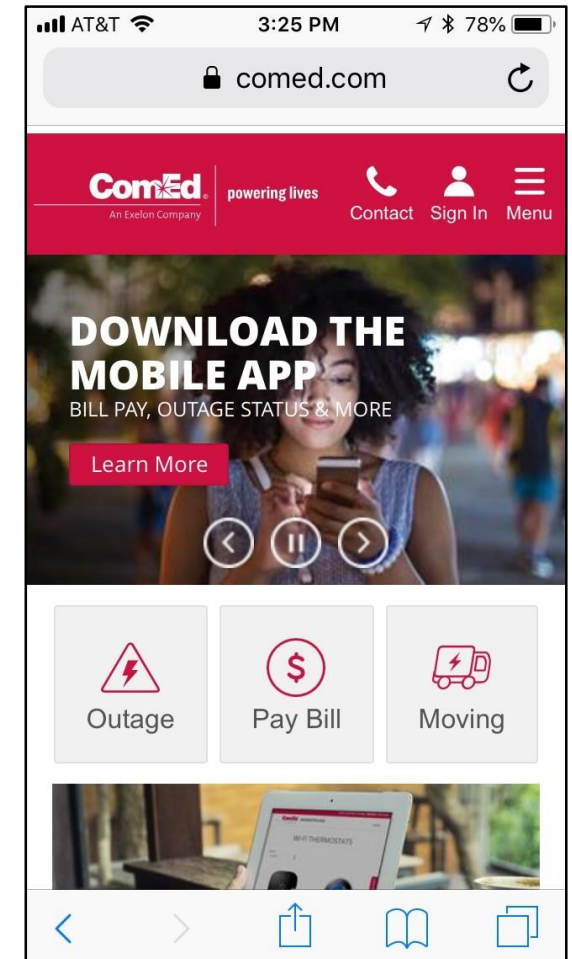
Change for people  
aged 35-64

Satisfaction

**+12%**

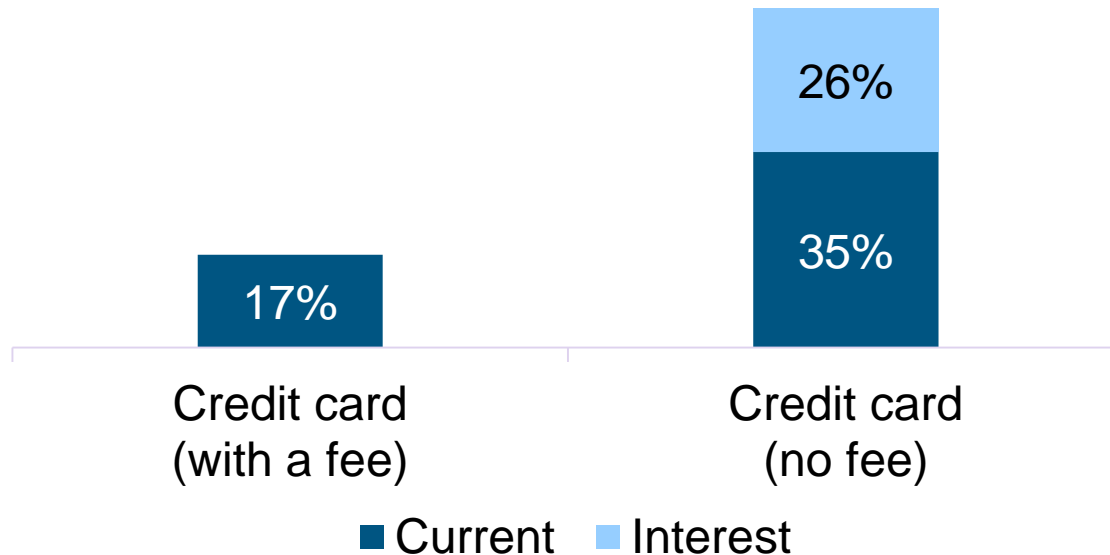
Ease

**+10%**



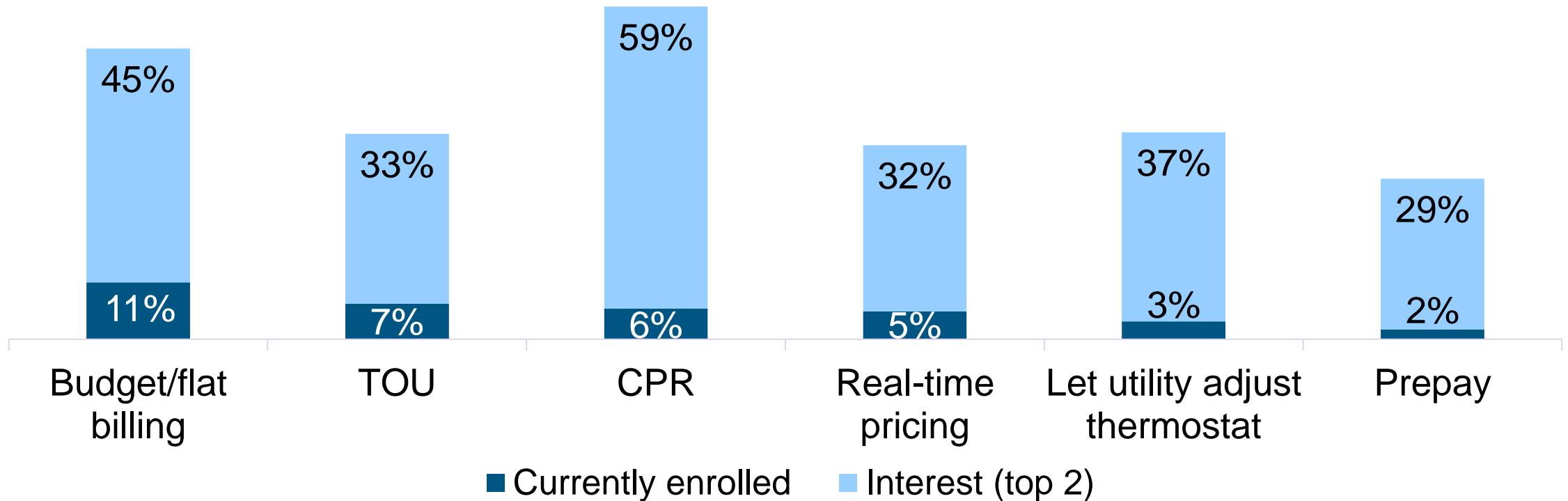
# Waiving credit card fees can increase satisfaction

Do you pay your power bill with any of the following emerging payment methods?



# Opportunity for growth in pricing programs

Pricing option enrollment and interest



# Enable time-of-use and critical peak rebates

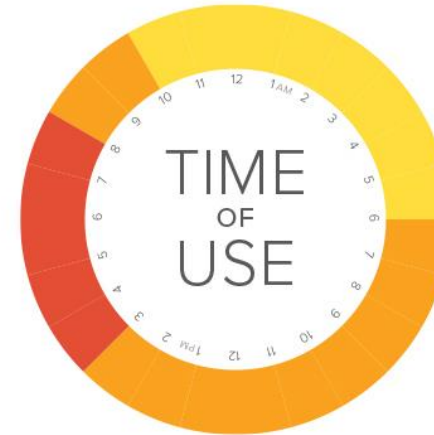
Customers who participate in time-of-use pricing:

Satisfaction	<b>+6%</b>
Ease	<b>+5%</b>

Customers who participate in peak-time rebates:

Loyalty	<b>+21%</b>
Satisfaction	<b>+7%</b>
Ease	<b>+6%</b>

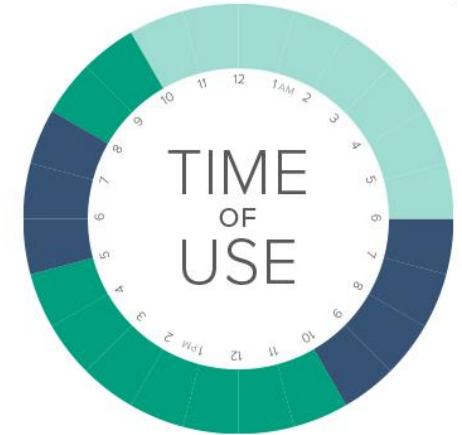
MAY 1–OCTOBER 31  
All days, unless noted below



<b>On-peak</b>	<b>Mid-peak</b>	<b>Off-peak</b>
M–F 3PM–8PM	M–F 6AM–3PM, 8PM–10PM	All 10PM–6AM

\*Mid-peak Saturday is 6AM–10PM  
\*\*Off-peak Sunday & some holidays is 6AM–10PM

NOVEMBER 1–APRIL 30  
All days, unless noted below



<b>On-peak</b>	<b>Mid-peak</b>	<b>Off-peak</b>
M–F 6AM–10AM, 5PM–8PM	M–F 10AM–5PM, 8PM–10PM	All 10PM–6AM

\*Mid-peak Saturday is 6AM–10PM  
\*\*Off-peak Sunday & some holidays is 6AM–10PM

Image source: Portland  
General Electric



# Customer communications



## High satisfaction

- Open to environment and community-based messages
- Prefers more communication
- Open to auto-enrollment

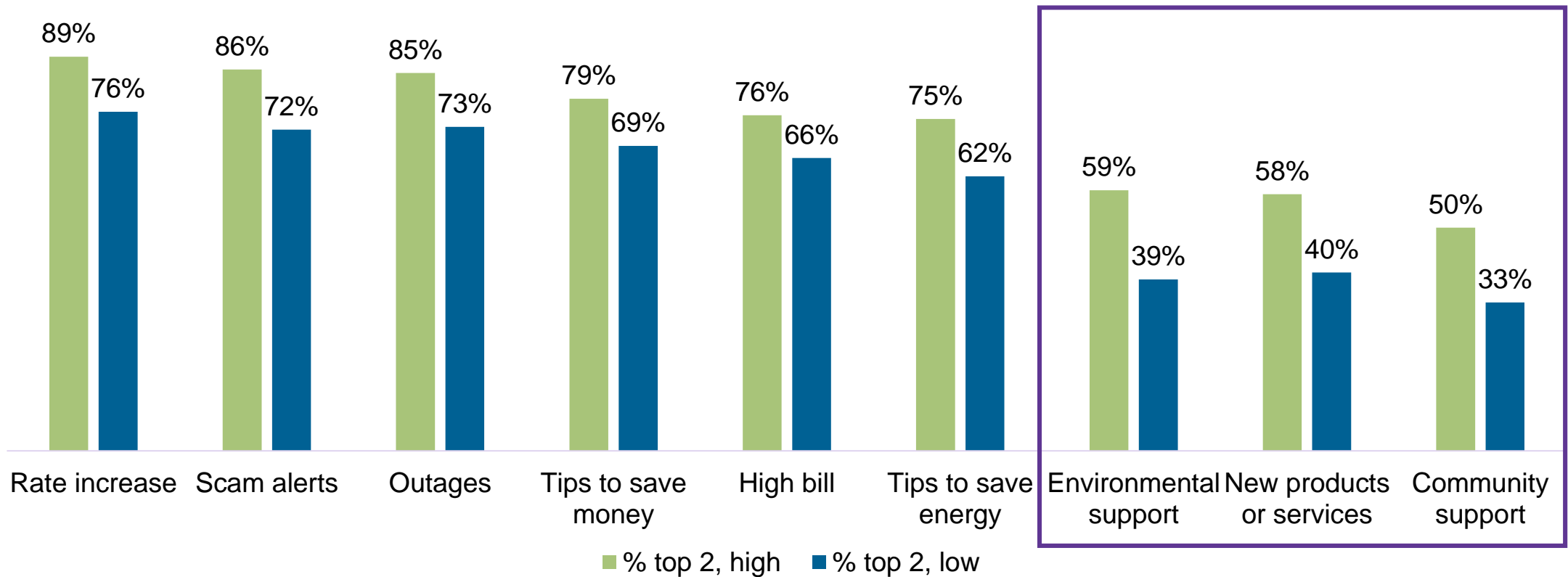


## Low satisfaction

- Billing and outage communications only
- Prefers less communication
- Open to auto-enrollment

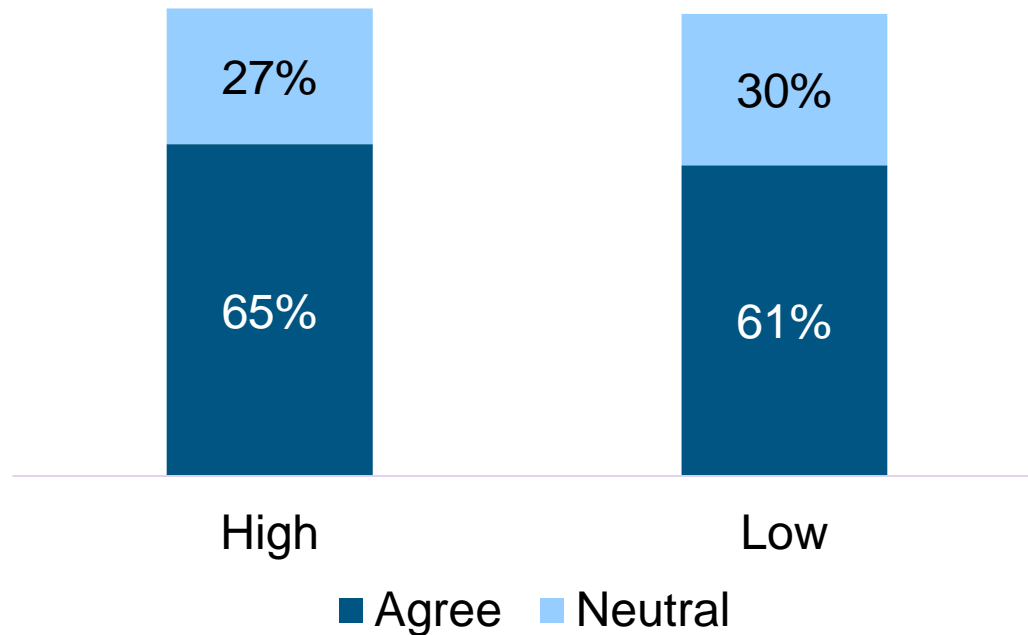
# Money- and outage-related messages are most important

How important is it that your power company communicate to you about these topics?



# Most customers agree with or are neutral to outage alert auto-enrollment

Do you agree, feel neutral or disagree that your utility should send you outage alerts without you signing up?



More than 90% of customers are open to outage alert auto-enrollment

# Acting in a new paradigm



# Recommendations

Offer high-impact  
programs and  
services

Market them well

- Self-service - website and app
  - Pay bill
    - Credit card without fees
  - Start/stop/transfer service
  - Outage map, reporting
- Give customers more choice
  - Payment options
  - Pricing programs
    - Time-of-use
    - Critical peak rebate
- Auto-enrollment in outage alerts







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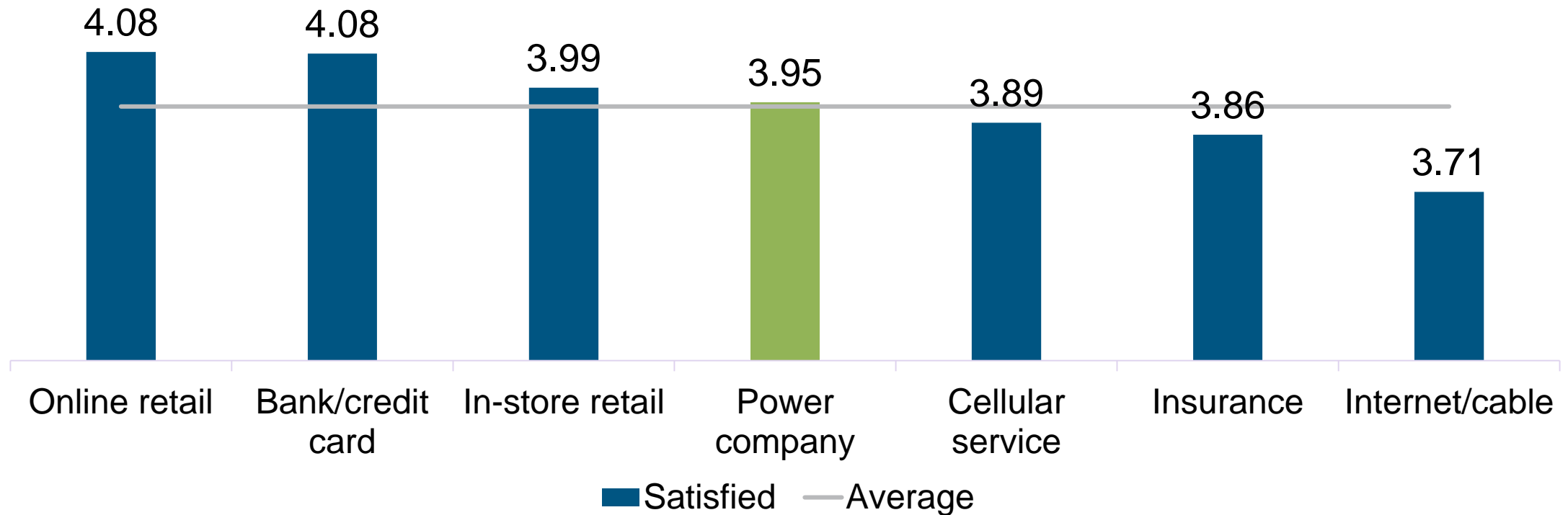
404.237.9099 ext. 259

# Utilities are middle-of-the-road when it comes to other industries

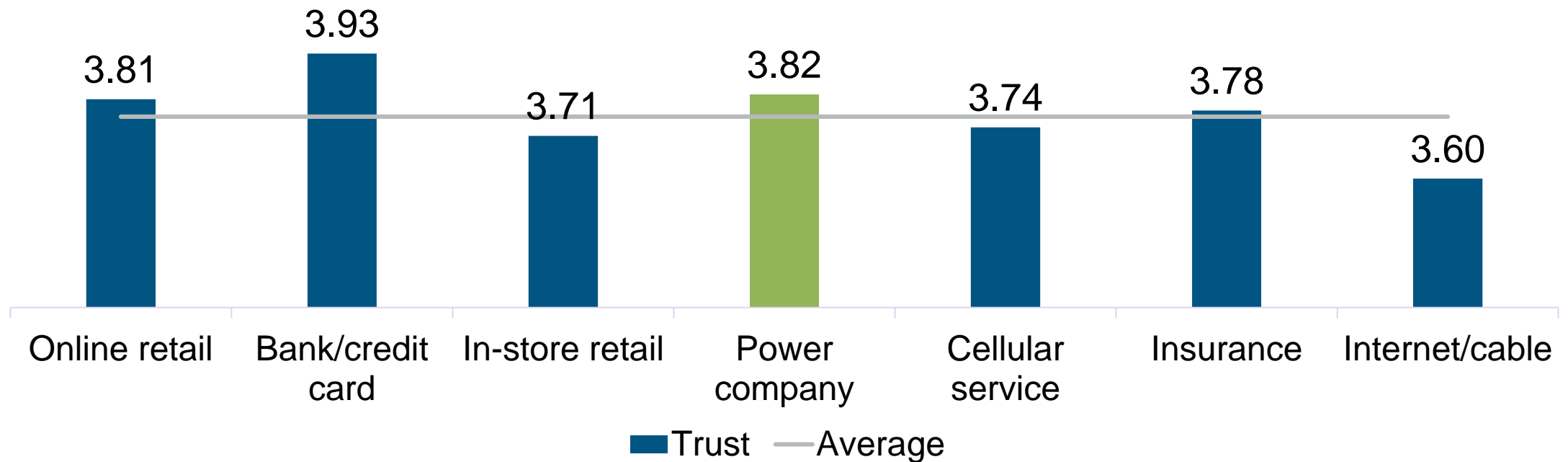
Consumers ranked industries on a scale of 1-5 stars in  
**satisfaction**, **trust**, **ease** and **value**



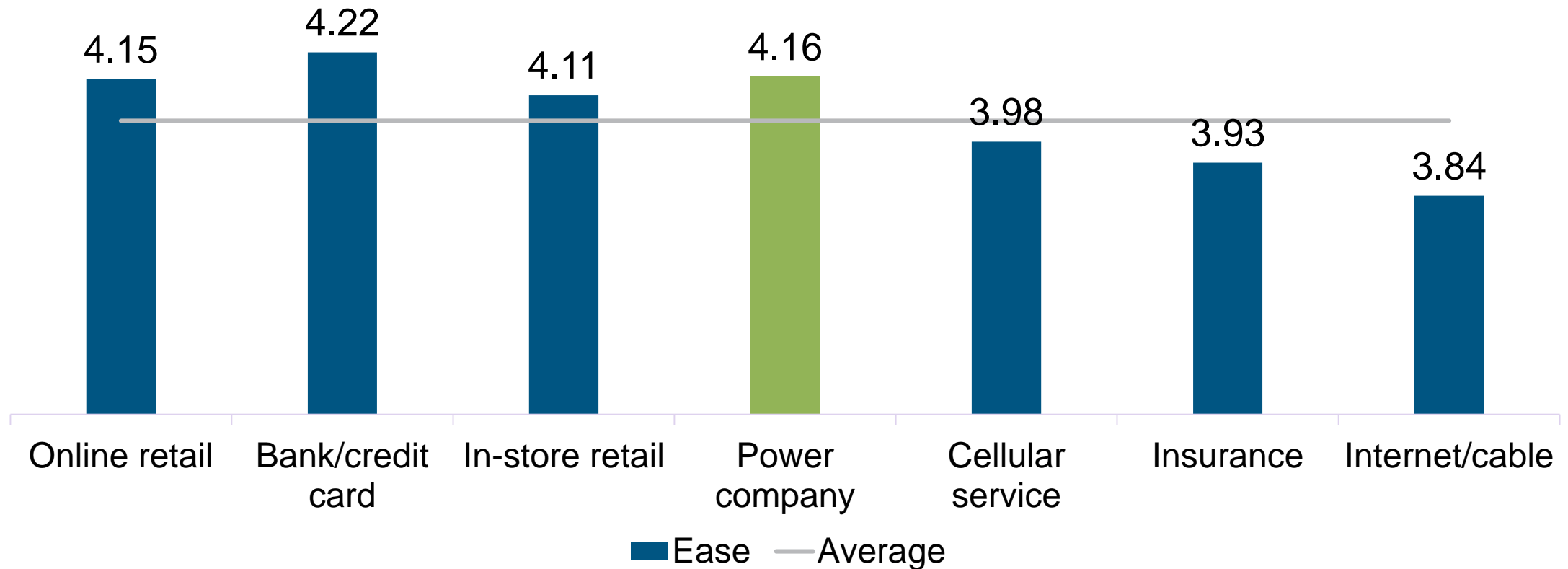
“Please rate how **satisfied** you are with the following”



“Please rate how much you **trust** the following with your data”



“Please rate how **easy** it is  
to do business with the following”





“Please rate the **value** you receive, given the price you pay, from the following”

