

## The Case for Utility Digital Engagement

Advertising/Marketing

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Customer expectations are changing and so is the energy industry. Over the last 20 years, companies like Amazon have revolutionized retail business and Apple's iPhone has put the world at our fingertips. Companies of all kinds, and especially electric utilities, that do not engage with customers on digital channels are missing ripe opportunities to increase revenue and thrive in today's market.

### The Business Case for Digital

Accenture's latest New Energy Consumer Survey brings some interesting customer behavior insights to our attention. Above all, the study highlighted that customers who use digital channels are far more engaged than non-digital users. Accenture found that digitally engaged customers are:

- 80% more likely to participate in programs
- 73% more likely to share personal information
- 69% more likely to be satisfied with their energy provider

From that same Accenture study, we learn that digital channel users are more likely to purchase energy-related revenue-generating products and services.

### Millennials Provide the Energy Industry a Window of Opportunity

We have all heard that population demographics are changing and the time of the millennials has come. Why is this important and how does it affect the energy industry? This group, which includes people aged 19-35 in 2016, is shaping our future. They are passionate about the environment and energy efficiency. They are also more likely to notice and act on information conveyed over digital channels.

Millennials are early adopters and technology is essential to them; they are investing in solar, new homes, and EVs. By 2025—less than 10 years from now—they will make up 75% of the workforce. Millennials present a major engagement challenge and opportunity for utilities.

### Top-Ranking Industries

The companies we do business with on a daily basis set perceptions and expectations. Utilities are compared to credit card providers, retail banking, and airlines. When is the last time you contacted a ticket agent? These industries have learned to streamline business and serve customers through digital channels and they are outstripping the energy sector in customer satisfaction by a large margin as a result.

### Digital Engagement Channels

Digital engagement provides a cost-effective means to justify your marketing ROI, making segmentation and personalization easier and your campaigns more impactful. Moreover, data analytics provide rich and consistent feedback that can help utilities fine-tune their outreach and engage with customers better and better over time.

Fortunately, utilities today have many digital channels through which to reach their customers. These include:

- Bill alerts (text or email)
- Energy summary reports
- Energy calculators
- Feedback forms
- Weather/energy forecasts
- Digital newsletters
- Social media

### Digital Engagement Case Study Snapshots

With the importance of digital engagement more clear than ever, many utilities have already gotten started. These utilities leverage various channels, including those listed above.

### Outbound Energy Progress Reports

One utility emails 20,000 energy reports each month, a few days prior to the bill drop, and since the program began in 2014 has had only had 98 customers opt out (0.5%). These personalized energy reports provide opportunities for positive change and program promotion.

The utility has outpaced the industry average in customer satisfaction scores, increased online audit completion rates by 300%, and maintained a steady open rate of 50%. In addition, they receive renewable energy credits for each enrolled customer.

### Personalized Video Messaging

Utilities in the southeast are finding success with personalized video bill analysis. Of the 2,000 customers in one pilot group, 94% found the offering useful, 99% wanted more videos, and more than 1,000 customers wrote verbatim comments that were 99% positive. Today more than 40,000 videos are circulated each month.

### Energy Summary Reports

One major IOU saw customer satisfaction jump 16% among the select group of residential customers chosen to receive energy summary reports. This increase amounts to about 100 points on the JD Power satisfaction scale. Another major IOU on the west coast is using this same digital strategy to increase engagement among its small to midsized business customers.

### Energy Forecasts

This digital strategy provides customers relevant information and a reason to return to your website repeatedly, beyond their monthly bill pay visit. Utilities using this technique not only see an increase in traffic to their website but also see a considerable increase in repeat traffic.

### Time to Get Started!

In conclusion, digital engagement improves utilities' program targeting, and in turn, personalization improves customer satisfaction. Using billing data and analyzing customer behavior opens the door to fine-tune and target program participation. Personalized, outbound, and proactive communication is the key to any successful digital campaign.

The trend is clear: Customer expectations are evolving, and the energy industry is expected to keep up. Forward-thinking utilities are leveraging digital engagement strategies and tools to stay ahead of the curve.