

Sector Snapshot: **Utilities**

A quick overview of some of the standout utilities sector findings taken from the broader 'Communication Cut-through - Voice of the Consumer' report



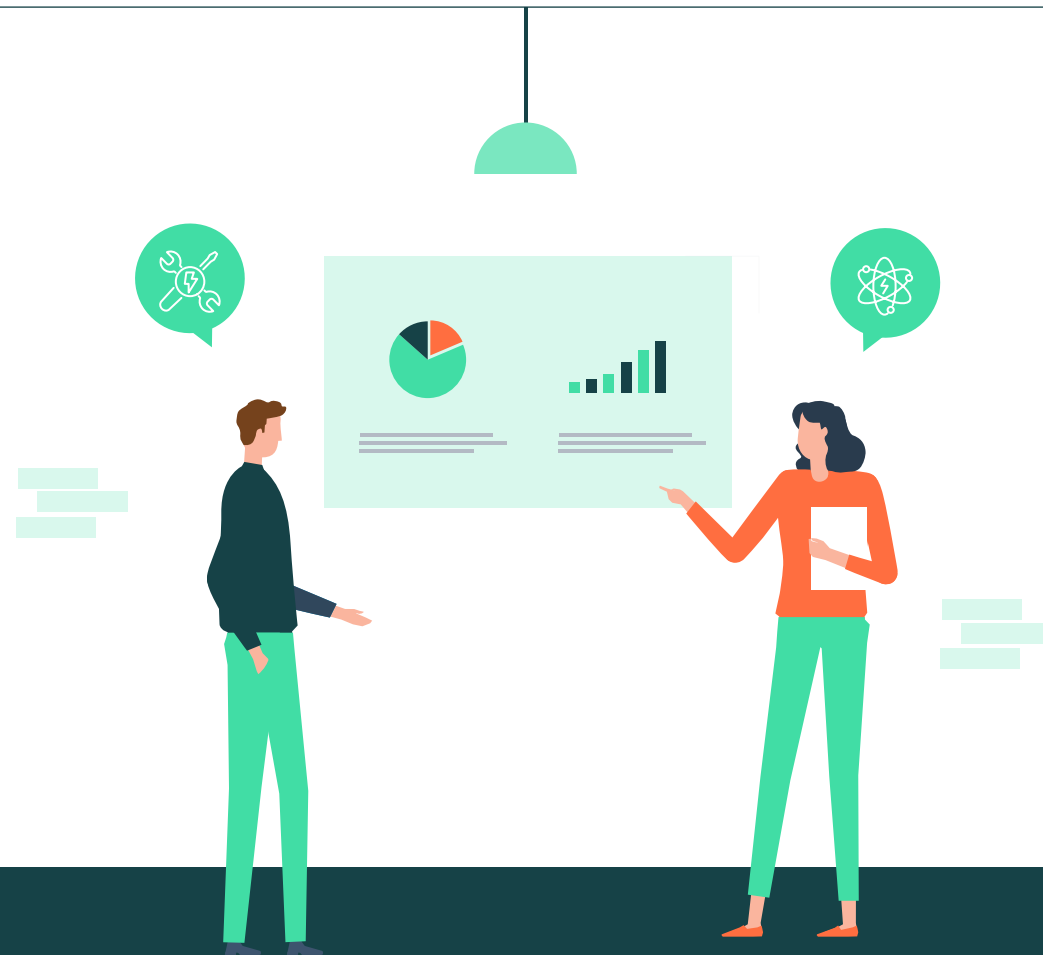


Introduction

Maintaining healthy utility-consumer relationships is essential, particularly today as customers feel the impact of higher energy prices in uncertain times. The sector is also navigating consumer regulations from the FCA which mandate how regulated organisations must deliver fair value and support to their customers.

Brand trust is critical in building relationships, and communications play a central role in nurturing that trust.

So - what do UK consumers currently think about the utility sector's communication standards and methods? We surveyed 2000 UK consumers to discover the very latest attitudes and expectations.



Methodology

Adare SEC commissioned independent market research specialist Vanson Bourne to undertake the research upon which these findings are based. A total of 2,000 consumers were interviewed in November and December 2022, in the UK. Respondents had to be aged 18 or over and the sample was nationally representative by age and gender. This snapshot summary presents a

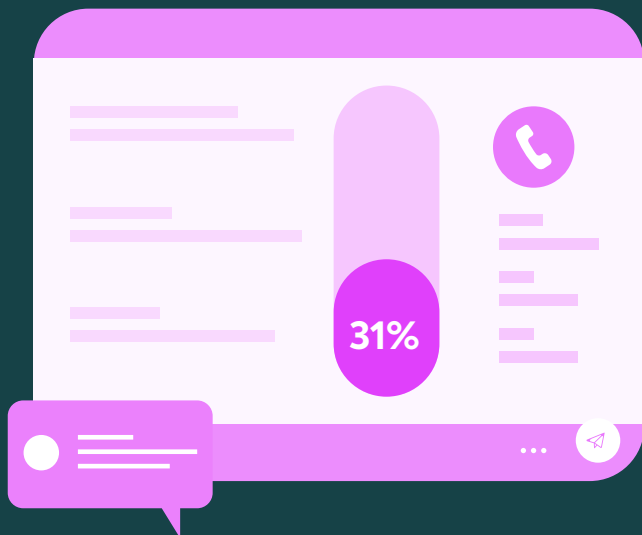
sample of the findings relevant to the utilities sector. The interviews were conducted online and were undertaken using a rigorous multi-level screening process to ensure that only suitable candidates were given the opportunity to participate. Unless otherwise indicated, the results discussed are based on the total sample.



Can I speak to somebody?

Q: The utilities sector makes it deliberately hard to speak to a human contact

✓ Agree



Human interaction is particularly valued today as households navigate the cost-of-living crisis. Clearly, there remains a strong desire for interaction via the phone and a frustrated belief that utility firms are deliberately trying to steer away from this channel. Certainly, employing skilled staff to handle queries by telephone can be a relatively expensive exercise, but consumers truly value the support.

Can utilities firms do more to make telephone services more visible and more easily accessed? Such a move would undoubtedly engender more trust (and, in turn, more loyalty). The challenge lies in ensuring that telephone operatives are not swamped with queries. Combatting this risk relies upon the intelligent, joined-up use of supporting channels such as post and email to ensure telephone operatives can focus on core issues.





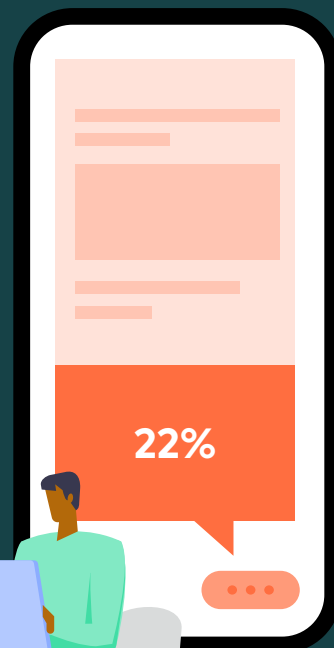
Get smart

Over a fifth (22%) of all consumers feel that the sector is too quick to make assumptions relating to smartphone ownership and usage. If message choices are seemingly weighted towards smartphone interactions, how will those without such devices cope?

Here is the challenge in a nutshell. In common with other sectors, utility firms are embracing the transition to more cost-effective digital channels. But this transition cannot leave consumers behind. Move too fast and too expansively with digital ambitions and trust may well erode for a vast number of customers.

Q: The utilities sector assumes that every customer has access to a smartphone

✓ Agree



Fast facts

Response speed is of critical importance – particularly during challenging times. According to the Citizens Advice Bureau, utilities companies are reporting average call waiting times doubling to more than 5 minutes, email response times dropping in speed by 4% and a staggering 63% increase in complaints for energy companies. This frustration is reflected in responses to our survey – nearly a third (29%) of respondents feel the sector is slow at providing answers. Utilities firms are forging ahead with digital transformation initiatives, and these projects must deliver sooner rather than later. Automation of manual processes and seamlessly joining the front and back office improves data input, reduces rework and results in fewer customer complaints.

Q: It is difficult to get the answers I want quickly from the utilities sector

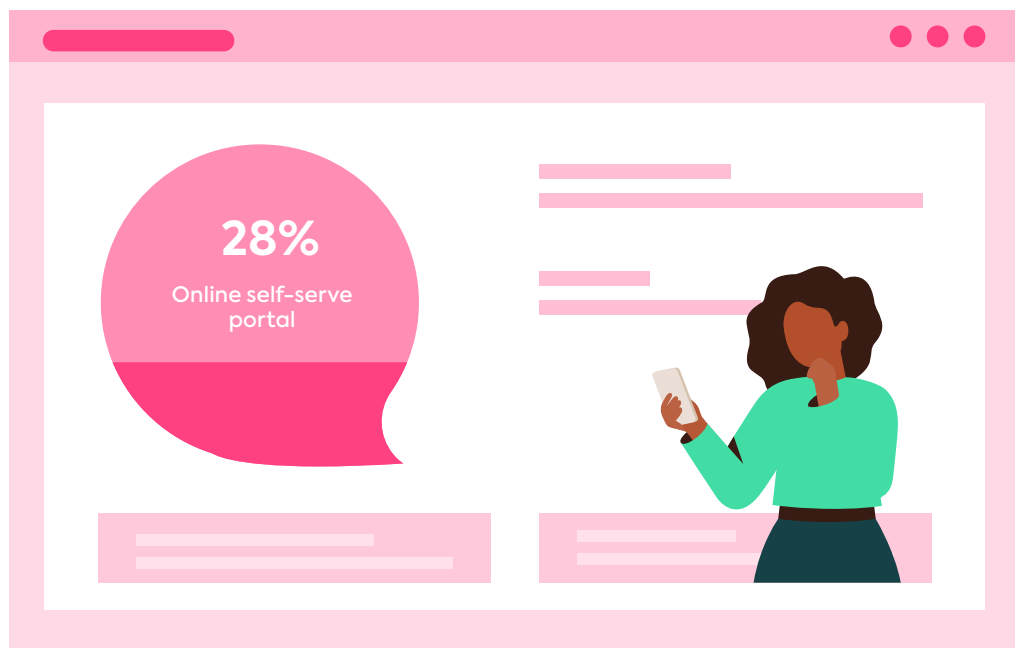
✓ Agree





Self-service

Q: Which channels of communication do you currently use most often to interact with utilities?



The customer service landscape is moving towards customer autonomy. Rather than wait for answers, customers want to dictate the level of service they receive, interacting in real-time when and where convenient. Usage of online self-serve portals is approaching a third of the customer base (28%), with plenty of room for growth.

Each customer that uses a self-serve function represents a lower cost per transaction than phone calls or other channels. But the service must meet expectations. Done correctly, fuelled by seamless cross-departmental integration, the service can heighten the customer experience. Any disconnects between expectation and provision, however, and self-serve will only serve to drive customers away.



For full details – which provides 19 pages of analysis across all sectors, please head to: *'Communication Cut-through - Voice of the Consumer'* report