Insight I Wish I’d Had When I Worked on E-Billing Adoption

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Not very long ago, in place not very far away, it was my job to increase participation in a utility paperless billing program. At first and superficially, it seemed like an easy task—after all, who wants to still use hard copies? My colleagues and I searched for the quick wins we could implement. We achieved some success, but with little to no budget, we didn’t have the wherewithal to roll out sophisticated campaigns. It didn’t take long to be humbled by the challenge of increasing e-billing participation.

I look back on that experience with empathy. I didn’t have the resources I needed to understand the paperless billing landscape. Now that I’m a researcher at a firm that advises utilities, I can analyze which strategies and tactics are best for increasing utility paperless billing enrollment rates, and I can provide guidance on how to implement those initiatives. In writing our new report There’s Still Room for Growth in Your Paperless Billing Program: How to Increase E-Billing Adoption, we sought to create a guide for utility professionals who are in a situation similar to the one I was in. We addressed the key questions that I and many other industry peers have asked regarding e-billing adoption.

Utilities’ key questions regarding paperless billing adoption
How many customers are realistically interested in paperless billing? Your colleagues probably say statements like, “All the low-hanging fruit is gone. Most of the customers who are interested in e-billing are already participating. That’s why our participation is flat-lining.” E Source research suggests that there are still many customers who are primed to adopt paperless billing. According to data from the E Source Residential Customer Insights Center, over half of utility customers are already using at least one device to view their account status or bill online. This indicates that there is a large population of customers who view e-bills but still receive their paper bills through the mail. These customers are excellent candidates for paperless billing and should be targeted in promotions, ad campaigns, and contact center sales pushes.

What can we do to increase participation outside of the typical promotions? Anything the program can do to save customers time, offer more flexibility, or remove perceived apprehension about not receiving a paper bill will provide incentives for customers to make the switch. Market research by at least three utilities indicates that a common reason customers cite for not switching to paperless billing is that their paper bills serve as a reminder to pay. Bill notifications (via text or email) can remove that perceived barrier. To strengthen the value proposition, consider making certain billing and payment features—such as text alerts—only available to paperless billing customers as a way to motivate the changeover.

What’s on the horizon for paperless billing? Customized videos that break down the utility bill for customers are the latest trend in bill delivery. In 2014, PPL Electric Utilities started to deliver personalized
seasonal energy-use videos to all of its residential customers.

The video format caught customers’ attention. In fact, according to PPL’s entries in the 2015 E Source Utility Ad Awards Contest, “more than 30 percent of those who received the email opened it, and nearly 46 percent of those who opened the email clicked on the video. [The] content seemed valuable to our audience based on [a] low abandonment rate and anecdotal data.” These results strongly suggest that providing personalized billing content can engage customers in a new format of electronic billing.

E Source members can read the new report to learn about additional data that suggests there’s still a large market for paperless billing. We also offer multiple novel strategies and tactics for utilities to drive enrollment in e-billing programs, along with examples of high-performing paperless billing ads. It’s meant to serve a broad set of utilities, no matter the size or budget. It’s exactly the kind of insight I needed when I worked on paperless billing initiatives!