Reimagining the Energy Bill: What Are We Missing?

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Web conference

E Source

Typical assumption on bill redesign

Assumption: Customers want to be able to read their bill more easily

Utility goals: Reduce calls, complaints, and late payments, and increase satisfaction

Customer goals: Core fears and desires are often not well known

Source: Georgia Power

Best practices: circa 2014

The bill redesign process, from initial design to the final product, revolves around making the bill as easy for the customer to understand as possible.

Best practices

Incorporate customers into the design process

Prioritize content

Use layout, color, and white space to highlight content

Result: Relevant, useful information on the bill

Result: Most useful information is easiest to find

Result: An intuitive, user-friendly bill
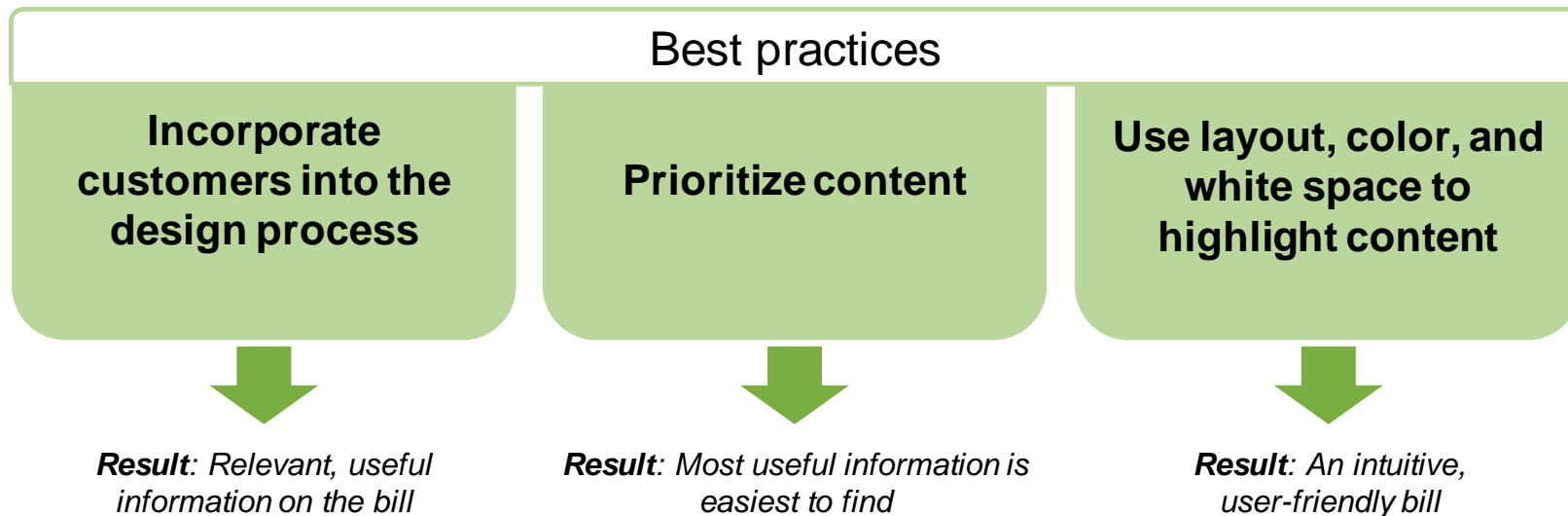
"What do I owe?" Hydro One unveils simplified electricity bills

The change, prompted by complaints from customers that bills were difficult to understand, follows more than a year of research through surveys of 5,000 customers and testing with focus groups.

Source: Hydro One

ComEd used crowdsourcing to help design its new bill

Source: Facebook

Source: ComEd

Broad objectives for bill redesign

- Clarity of billing amount, due date, and how to pay

- Understanding of terminology

- Comparison information

Source: Georgia Power

But what about the *person* opening the bill?

What *emotions* are they having?

How are they *perceiving* the utility and its brand?

What is their overall *experience*?

Broad objectives for bill redesign

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- Behavioral influence, advisory and choice design

- Branding design

- "Anti-anxiety" design

Source: Georgia Power

"What did I buy?"
(And why didn't I question the amounts on these bills?)

- View your latest *Cashback Bonus* award or Miles total
- Click to redeem your rewards

Transactions – Click Column Headers to Sort

Trans. Date ▲	Post Date	Description	Amount	Category
04/19/08	04/19/08	WHOLEFDS CHE 10131 NEW YORK	$ 59.98	Supermarkets
04/19/08	04/19/08	TGT*TARGET.COM TARGET.COM MN	$ 104.27	Merchandise/Retail
04/20/08	04/20/08	ORB*AP1101012HLH2GUR WWWORBITZCOM	$ 368.04	Travel/Entertainment
04/20/08	04/20/08	VZWRLSS*APOCC VISN 800-922-0204	$ 104.22	Services
04/21/08	04/21/08	DINO INSTITUTE MDSE SHOP L B V FL	$ 48.00	Education
04/24/08	04/24/08	NORTHBROOK 04008298	$ 28.65	Department Stores

- View an itemized list of your purchases and credits
- Search your transactions by category, amount or date

Source: blogverde.com

Customers don't understand their bill, but they want to

What's a therm? What's Mcf? What's a kilowatt-hour? What's a kilowatt?

17% say they understand their bill very well

83% believe it's important to better understand how their bill is calculated

Courtesy: iStock
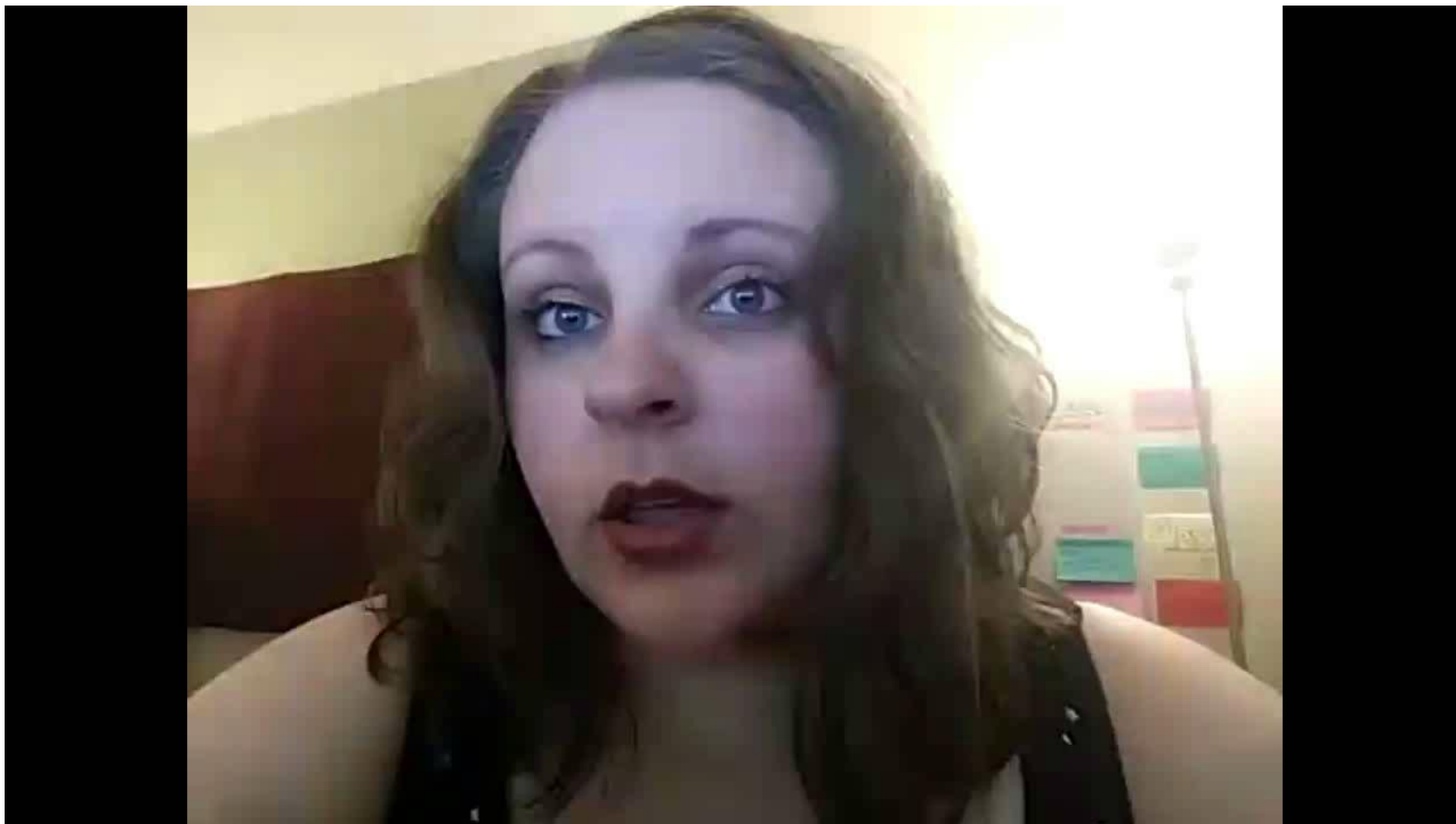
Design thinking research revealed ...

- **Point of view:** People don't value therms or kilowatt-hours (kWh); they value the end-use benefit (hot water, comfort, light, computing, etc.).

- So *why* do we make the bill about something they don't value? We add all kinds of information in great detail that they really don't understand and, for the most part, never will.

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Should we do a radical bill redesign?
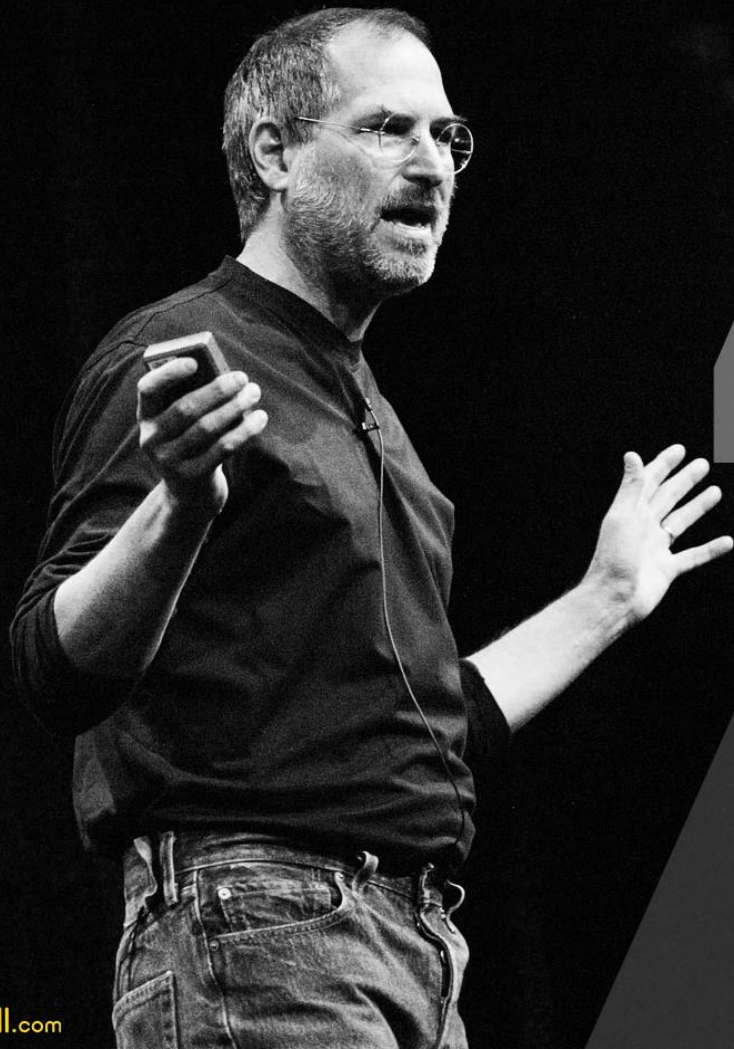
" It's not the customer's job to know what they want

Design with Empathy

How Many Customers are Like This One?

Design thinking

Design thinking is great for reframing a problem: Boulder Energy Smart example

Problem: Customers don't weatherize their homes → **Solution:** Explain why weatherization is important and cost-effective

REFRAMED problem: Customers *want* to weatherize their homes, but life gets in the way → **Solution:** Provide a "personal coach" to get them to the finish line
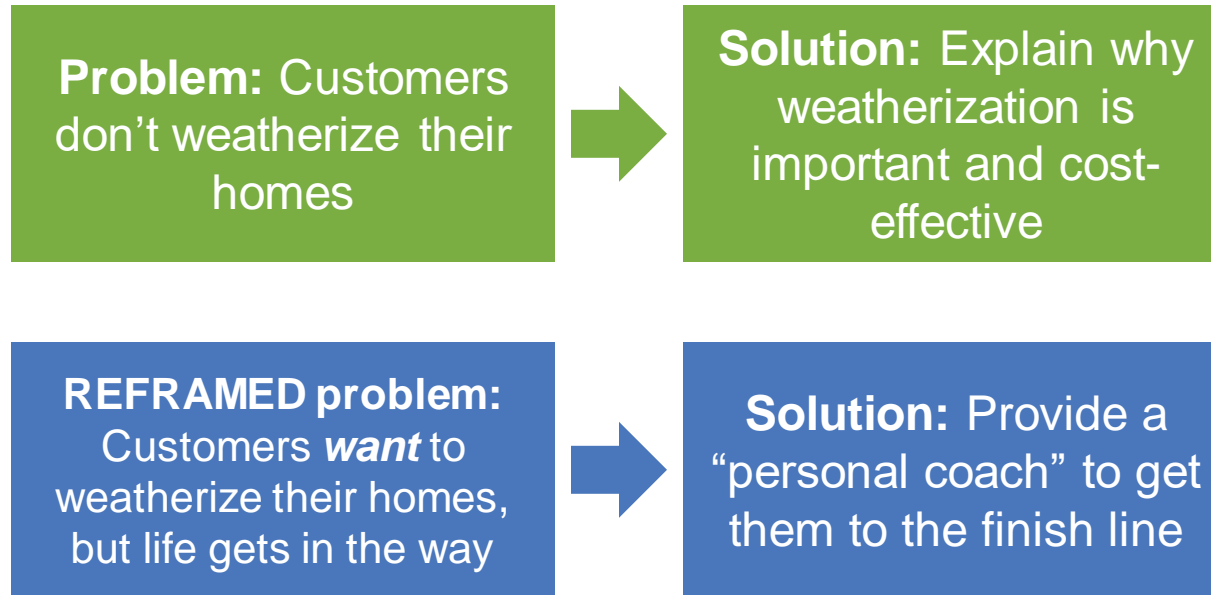
Bill

Redesign

Billing Experience Redesign

Most people are too close to a problem to see it as a problem

Have you heard these phrases?

We tried that X years ago and it didn't work.

There are too many hurdles to jump over.

That wouldn't get approved by Y.

These are all
"why we can't" statements.

Yes ... and ...

Design-thinking benefits

1. Uses **empathy** to discover latent customer needs

2. Challenges existing ways of **solving problems**

3. Encourages **divergent** points of view from **cross-functional teams**

4. **Reduces risk** and improves outcomes through **rapid prototyping**

5. Focuses all outcomes on **customer value**
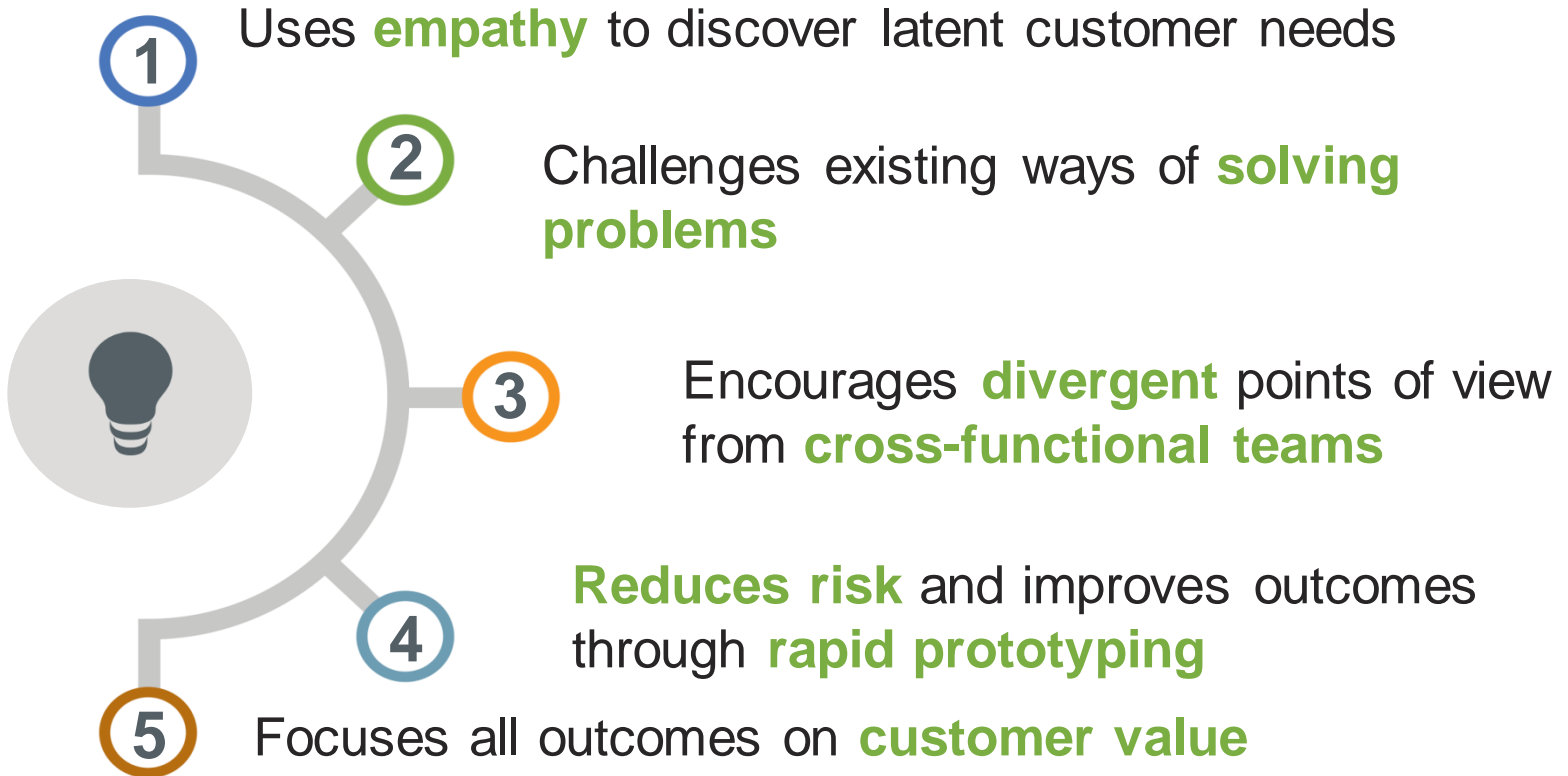
Discovery and insight by looking at extreme users

Non-users

Extreme users

Main target customers

Pros

Extreme users

Courtesy: http://weunleash.co/blog/2015/01/22/extreme-user-research-the-case-of-nintendos-wii/

The design-thinking process

| Understand | Observe | POV | Ideate | Prototype | Test | Storytelling | Pilot | Business model |

Inspiration   Ideation   Implementation

The design-thinking process (cont.)

Diverge   Converge   Diverge   Converge
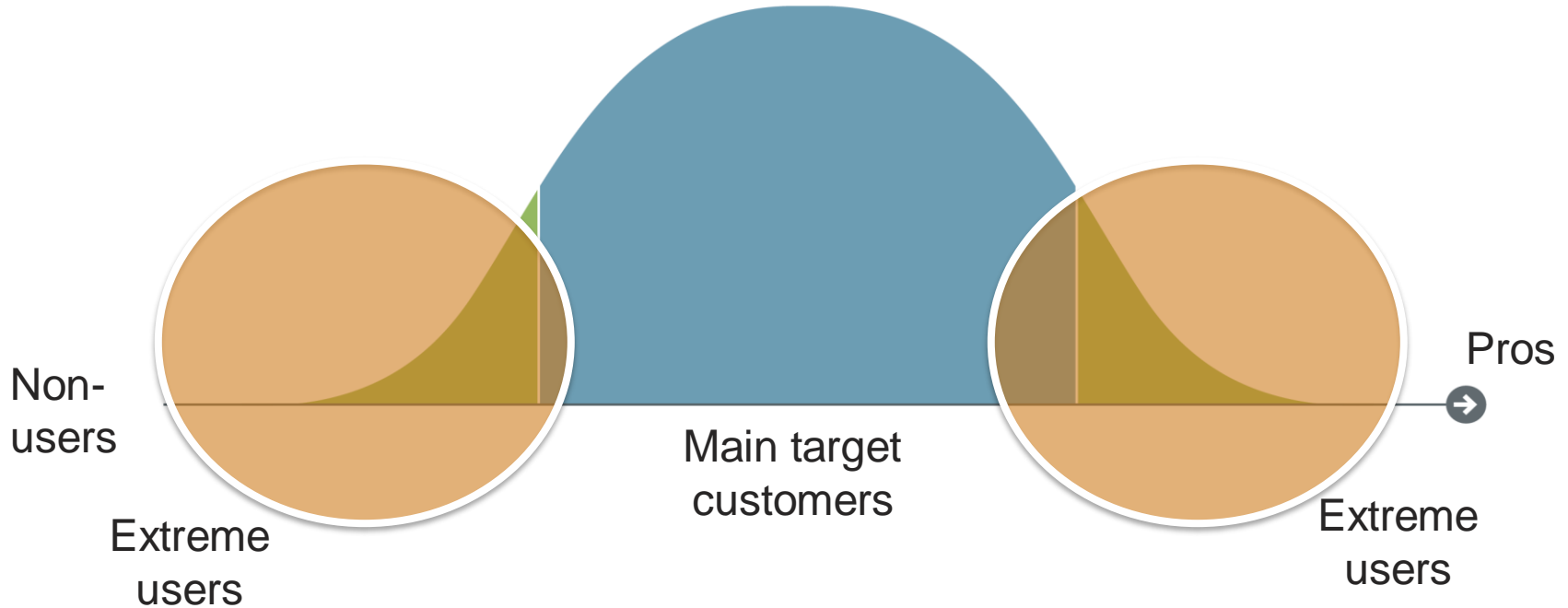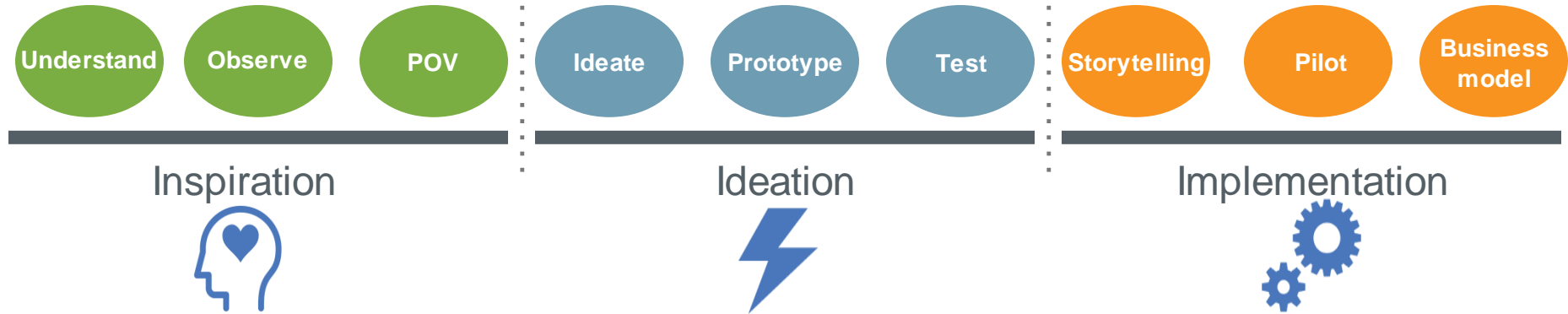
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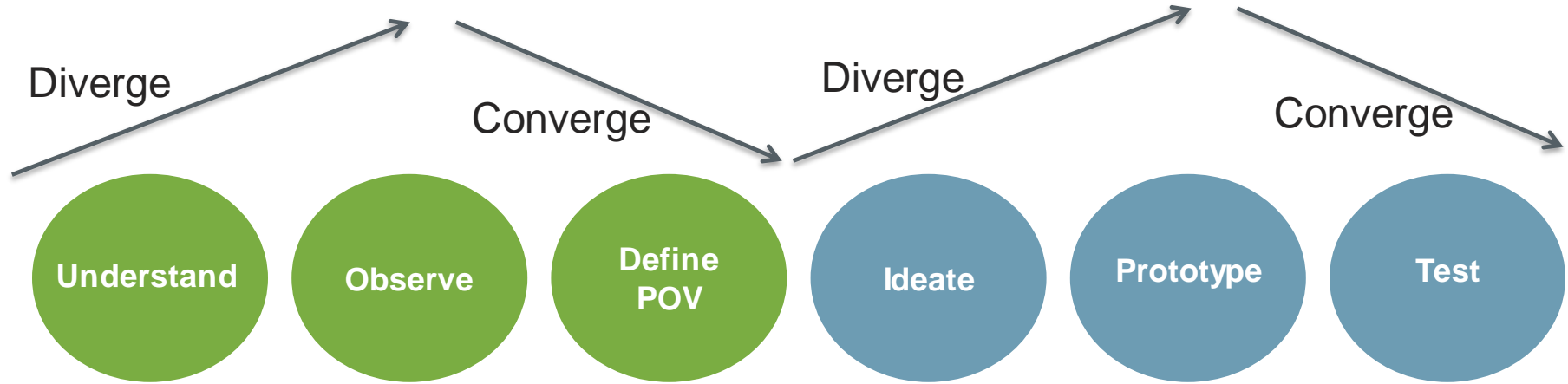
SYNTHESIS
ANALYTICAL THINKING

Abstract

Present ⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯⋯ Future

(need)   (Solution)

Concrete
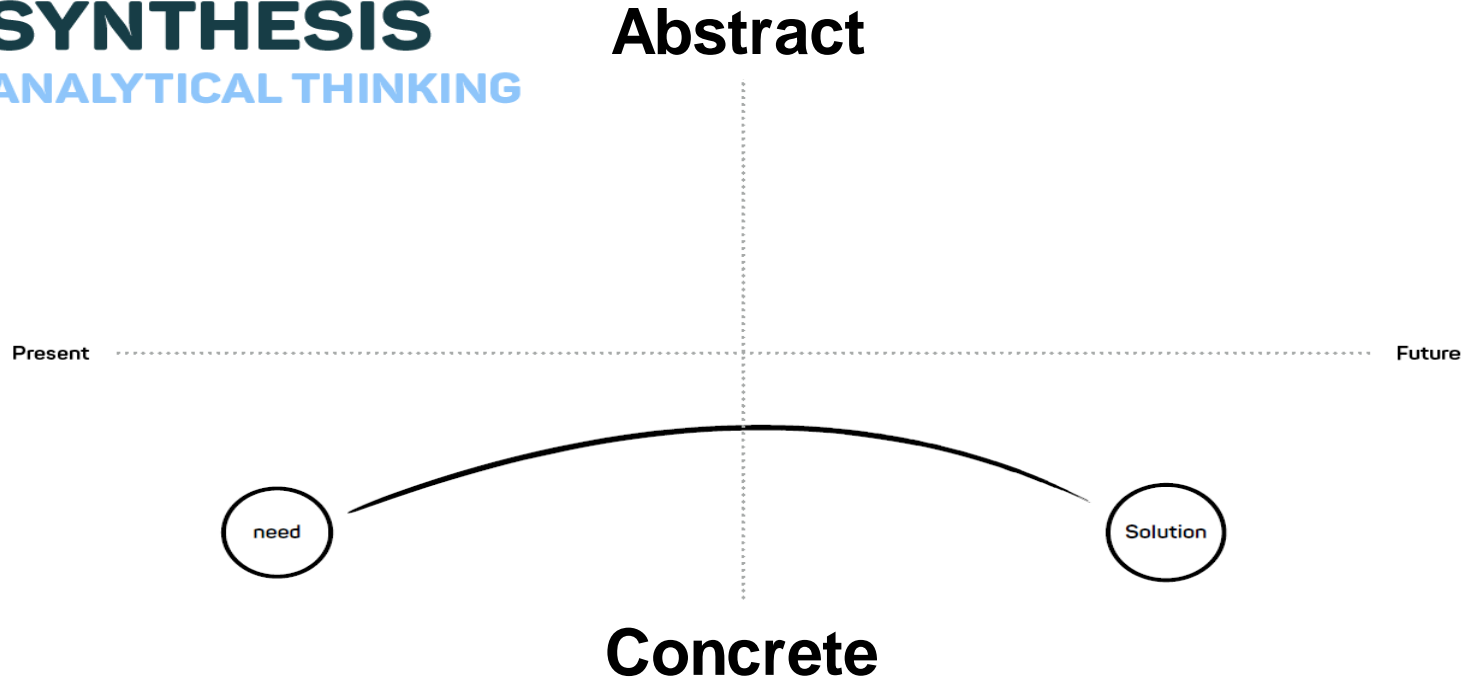
SYNTHESIS
DESIGN THINKING

Abstract

Present — Future

Concrete

POV

C1 C2 C3 C4

need
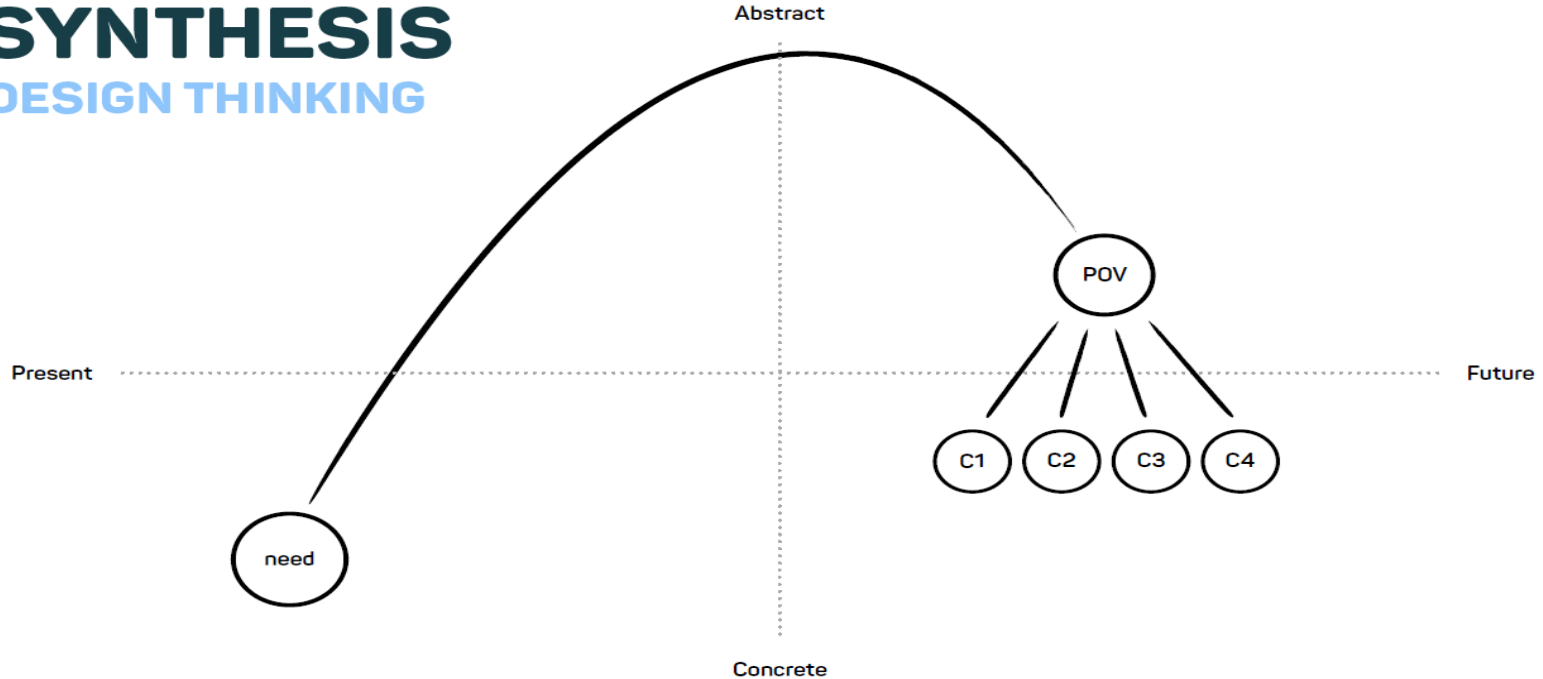
A typical design-thinking project

UNCERTAINTY / PATTERNS / INSIGHTS   CLARITY / FOCUS

RESEARCH   CONCEPT | PROTOTYPE   DESIGN
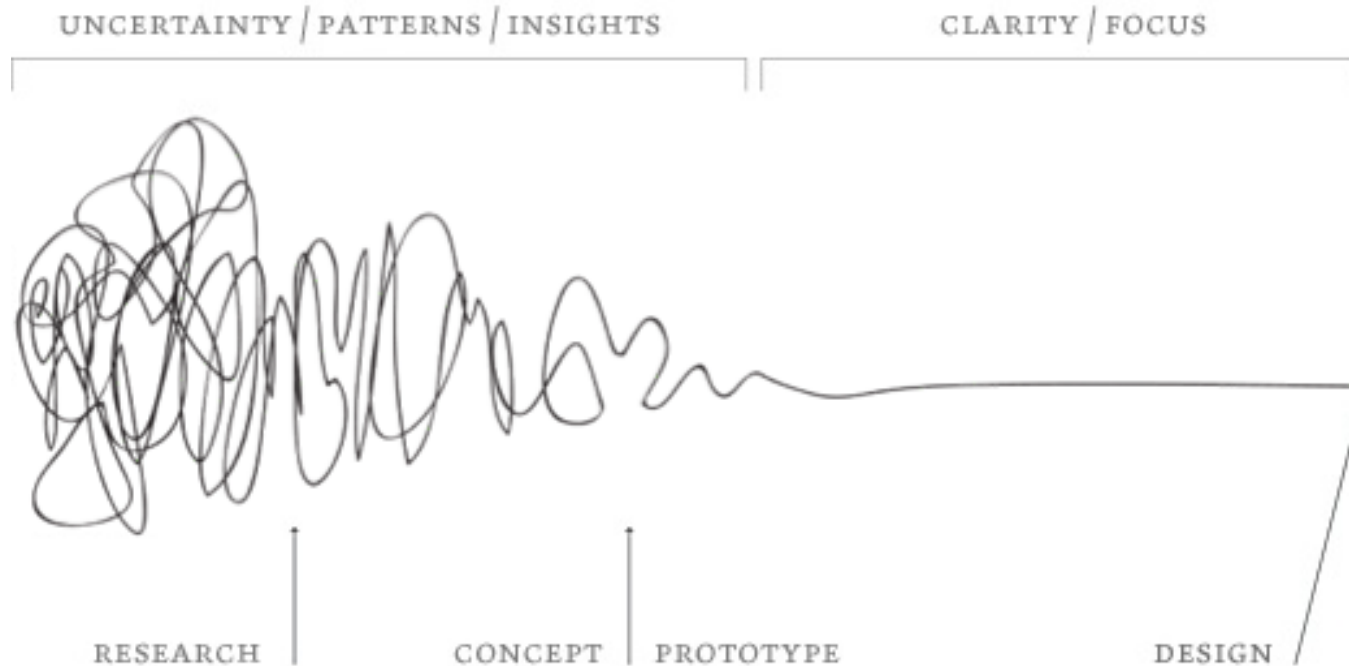
Customer-centricity: Should we do a radical bill redesign?

- **Point of view:** People don't value therms or kWh; they value the end-use benefit (hot water, comfort, light, computing, etc.).

- So *why* do we make the bill about something they don't value? We add all kinds of information in great detail that they really don't understand and, for the most part, just don't care about.

- **How might we …** deliver the bill as a tool to communicate about the value customers received instead of the money they owe?

Solution concept: Shift from *revenue* bill to *value* bill

Provide the cost of the end use by **dollar** amount, not kWh or therms (put the "required" line items on the back page of the bill).

Pie chart:
- Heating, $54
- Water heating, $21
- Electronics, $15
- Lighting, $11
- Clothes washing, $10
- Dish washer, $7
- Cooking, $6
- Refrigerator, $5
- Cooling, $-
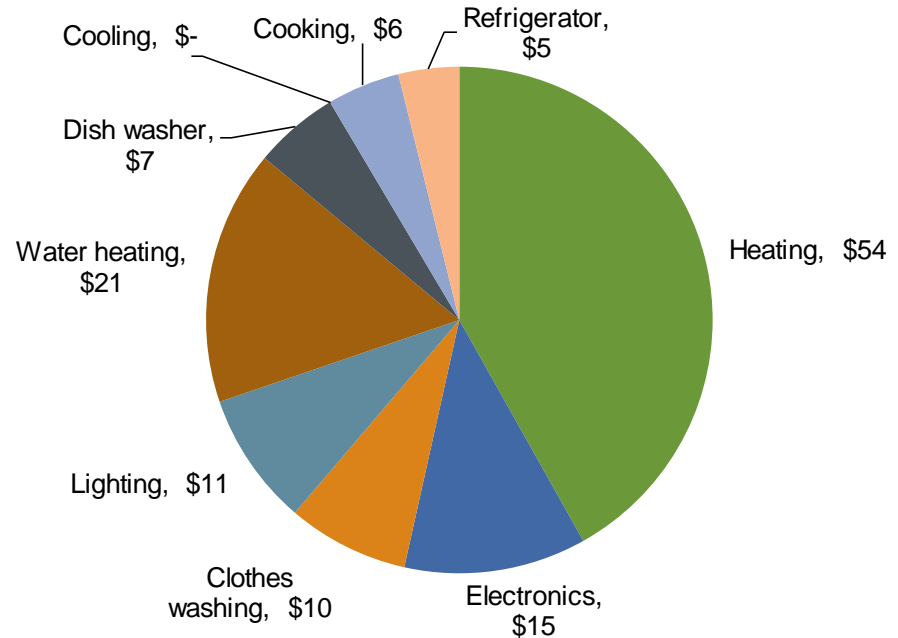
Key bill feature: Future estimate

- Show an ***estimate*** of their next month's bill, based on historical patterns, so they can plan.

- You may even want to include hot/cold scenarios to enable them to plan for the worst situation, instead of the average one.

"My Choice" plan for bill frequency

Prepaid electricity	Daily	Weekly	Monthly
Pay up front like you do for gasoline. Fill up your electricity tank	Pay each day. Don't be surprised at the end of the month.	Pay each week. You can choose the day.	Pay each month—the traditional way.
Check in any time with our energy-tracking app. We'll let you know when you get close to empty.	We'll text you each day with the amount you owe from the prior day. Just text "Pay" and that's it.	You get paid each week, so why not get an energy bill to match?	If you automate your payments or don't need to track your energy spending, this is the plan for you.

Bill design process

Revisiting our broad objectives for bill redesign

- Clarity of billing amount, due date, and how to pay

- Understanding of terminology

- Comparison information

- Value-of-service information

- Behavioral influence, advisory and choice design

- Branding design

- "Anti-anxiety" design

- **New concepts from design-thinking approach**

Billing experience design: Phases

Utility's existing research

Align on study cells and target customers → Ethnographic research → E Source and Egg Strategy synthesis → Concept development workshop with utility → Consumer collaborative workshops → Detailed design mockups

E Source existing research
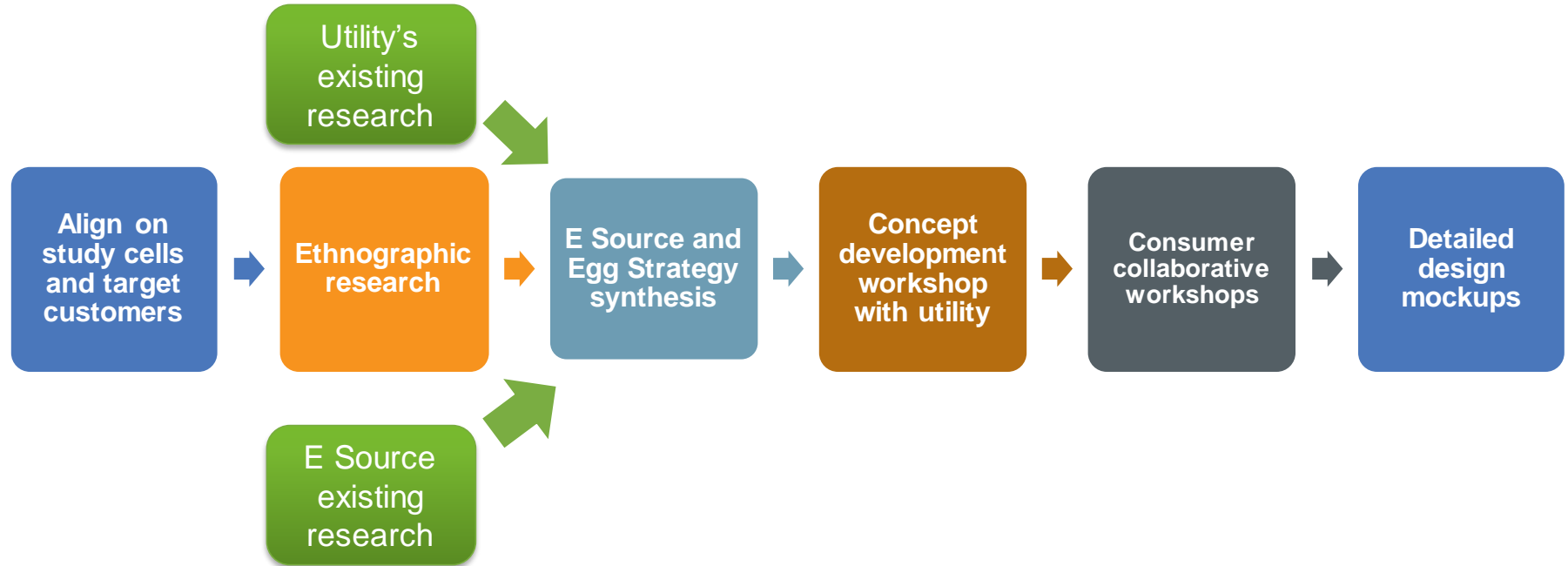
Billing experience design: Final phases

Detailed design mockups	→	Language testing, A/B testing	→	Behavioral overlays	→	Rapid and final prototyping	→	Finalize designs

In-depth ethnographic interviews

- Explore life/business context, not just the bill context (values, beliefs, frustrations, delights)

- Start broad; then narrow down and focus

- Stay empathetic rather than judgmental

- Seek articulate customers with opinions, passion, and insights

- Screen to get the right people

- Develop discussion guide to get to the core issues around energy use and beliefs. Find the context behind the bill.

- **GOAL:** Insights, not data. Insights drive new ideas.

Executing the research

- Finalize research cells

- Determine the best way to reach target customers

- Enlist Egg Strategy to recruit appropriate customers with screener, and offer incentive

- Conduct 10 to 20 engagements per research cell. Mobile ethnography:
  - Allows us to interview customers in their home or business environment. This is key to ensuring customers' comfort and openness.
  - Lowers travel costs
  - Ensures scheduling flexibility
  - Creates videos that can be used extensively by utilities

Utility/E Source/ Egg Strategy workshop
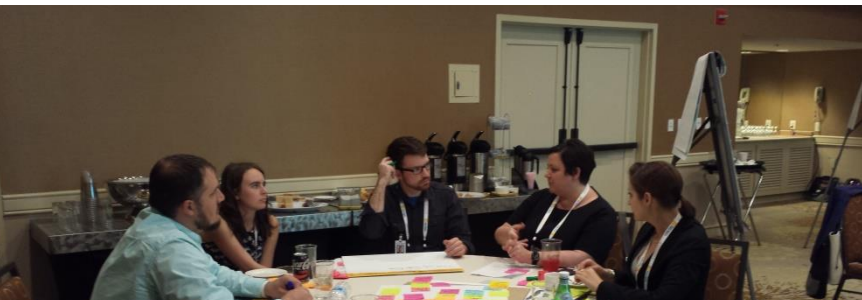
Consumer collaborative sessions

- Codesign

- Rapid feedback

- Design expert in the room

- From rough to refined

IDEA Tetris

- Create movable bill components

- Allow customers to play with premade combinations

- Force prioritization of components

- Place key components in new design
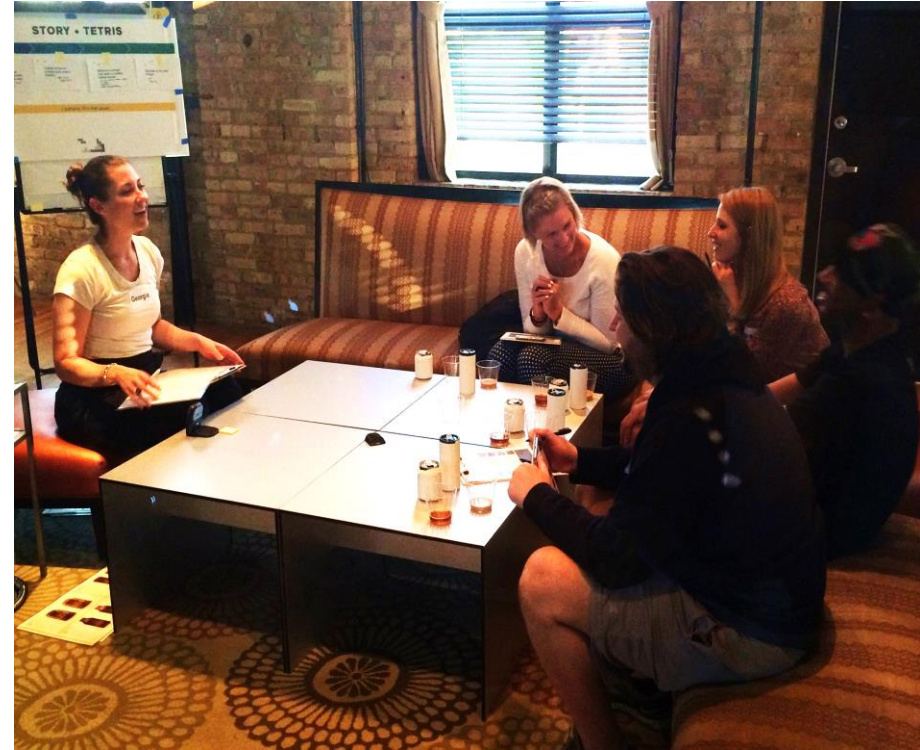
Behavioral levers

- Two key factors in behavior change:

  - Identify the behavior you want to change

  - Explore the various levers to instigate that change

- To instigate behavior change, you can either:

  - Make it very easy

  - Make it more exciting to do it than not to do it

- Need to explore the behavior *and* the lever

Behavioral levers (cont.)

- With bill redesign, what do we want customers to think or feel?
    - Positive utility brand?
    - Clear connection to energy use?
    - More confidence that it's correct?
    - Be less anxious about their bill amount?

Behavioral levers (cont.)

- With bill redesign, what do we want customers to think or feel?
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- What is the behavior we want them to engage in?
  - Spend more time reading their bill
  - Use less energy
  - Fewer calls to utility?
- The levers are about creating meaning behind the information; they could be:
  - Make their usage comparative (with themselves, with similar homes, with neighbors, over different time periods)
  - Make the bill more fun
  - Provide greater control (with tips and facts)
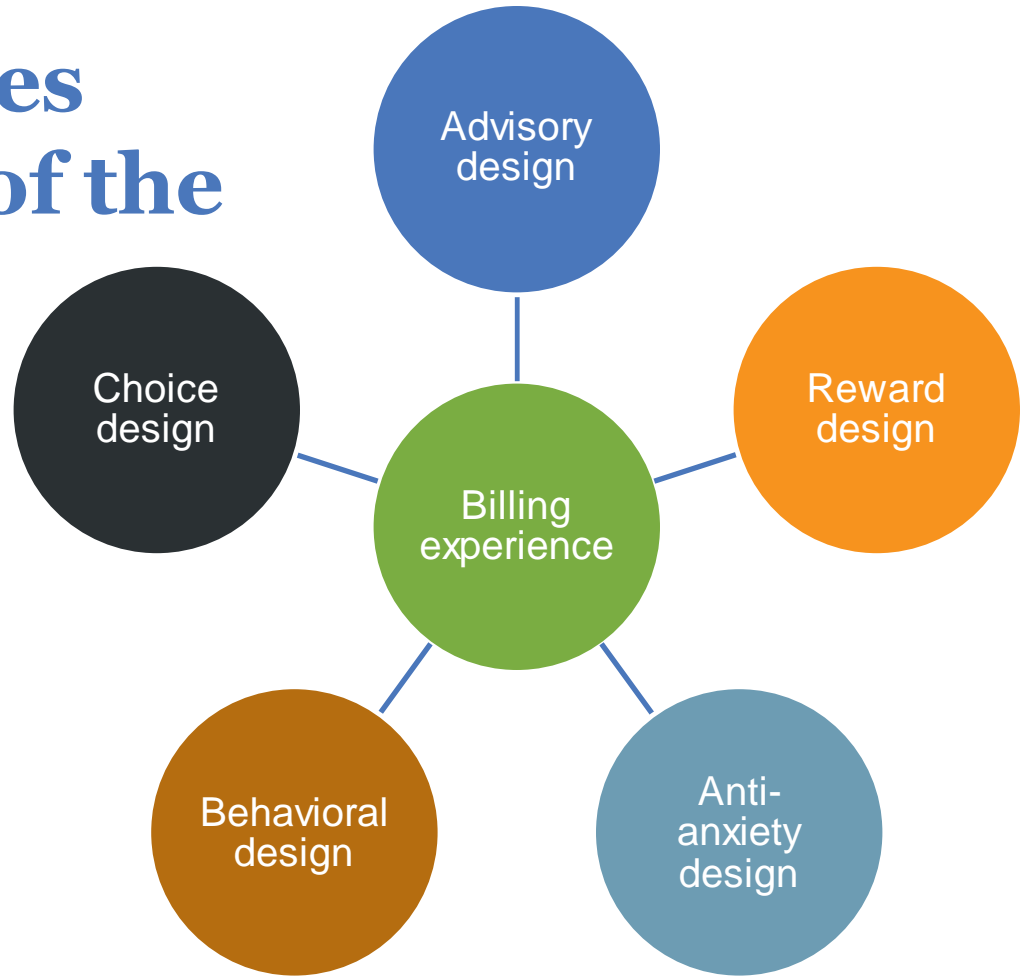
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Design objectives beyond clarity of the bill and terminology

Advisory design

Reward design

Choice design

Billing experience

Anti-anxiety design

Behavioral design

Action items

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# Action items

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- E Source will team with our design/brand partner, Egg Strategy, a prominent national player in designing products and campaigns for competitive markets.

Egg Strategy

/ BOULDER

/ NEW YORK

/ CHICAGO

/ VANCOUVER
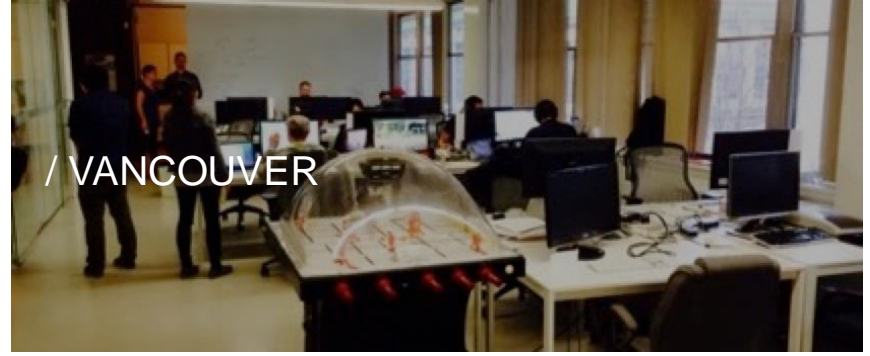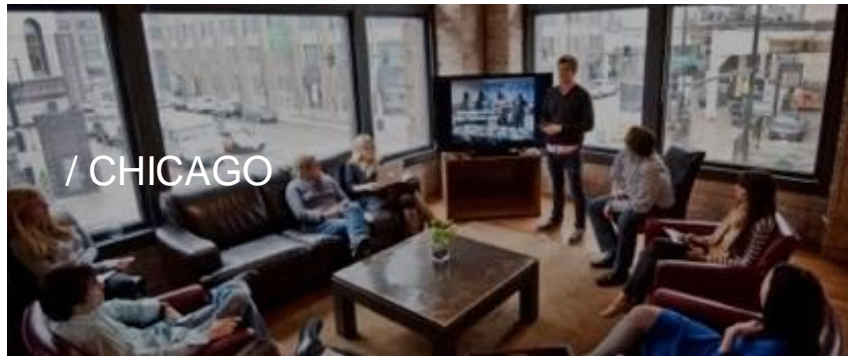
/Egg Health

At Egg Health, we partner with consumers, patients, caregivers and Health Care Professionals to uncover deep insight, emotional and functional needs and drivers of growth. We leverage our skills in insight hunting and brand strategy to fuel innovation and growth in Healthcare.

/Egg CPG

The Egg CPG group works across home and food categories from frozen meals to fresh produce and in beverages from juice and CSD's to bottled water and enhanced health drinks. At a global level, we explore the entire spectrum of needs associated with everyday people's most frequent purchases.

/Egg Lifestyle

The Egg Lifestyle group serves a wide variety of industries from apparel and fitness to financial and utilities. These brands speak to a generation of young adults who live fluidly across brands and categories. Their interactions are more of a complex web than a neat silo.

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- E Source will team with our design/brand partner, Egg Strategy, a prominent national player in designing products and campaigns for competitive markets.

- This is new and different, but potentially a huge shift in creating customer value, improving the utility brand, and lowering customer service costs.

E Source Contacts

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