

Redefining the Low-Income Customer Experience

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Web conference



E Source

Today's speakers



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Today's agenda

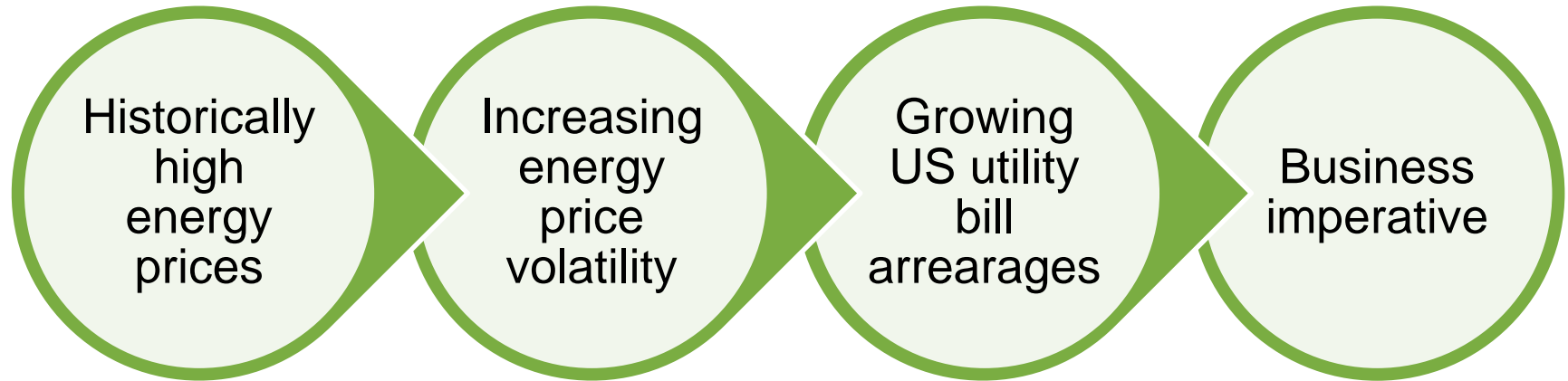
- Understanding the business imperative for low-income customer engagement
- Rethinking low-income CX:
 - ComEd: Reimagining the low-income customer experience
 - Fresh EBT: Engaging Con Edison customers in Smart AC
- Where to start
- How we can help



Business imperative for low-income customer engagement

Growing arrearages attributed to income gap

Arrearages and terminations are becoming less connected to severe weather; instead they reflect the growing gap between household incomes and energy prices.



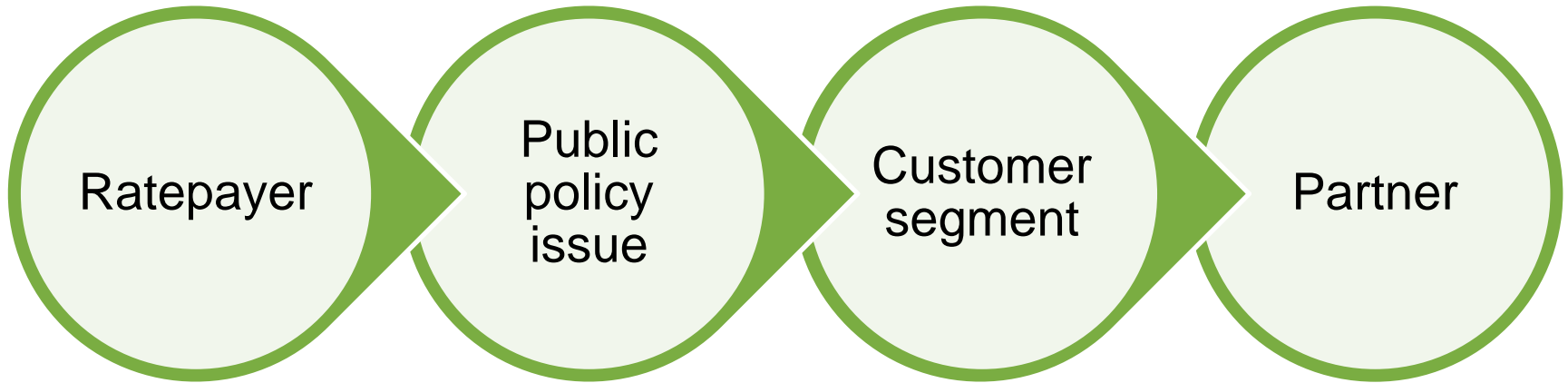
Source: US Energy Information Administration

Achieving RPS/GHG emission targets

State	Utility	Customer
23 states and Washington, DC, have greenhouse gas (GHG) emissions targets	Renewables alone won't meet state GHG targets	1/3 of Americans are considered low income
29 states; Washington, DC; and 3 territories have established a renewable portfolio standard (RPS)	Getting there will require broad-based customer participation in energy-efficiency programs	1/3 of Americans experience energy insecurity

© E Source; data from Center for Climate & Energy Solutions, National Conference of State Legislatures, 2019 California Energy Demand Management Council Spring Symposium, and Working Poor Families Project

Success requires rethinking the low-income customer experience





Rethinking low-income CX



ComEd



E Source Webinar

Reimagining the low income customer experience

May 16, 2019



Agenda

01. Study overview & objectives

02. Research approach & insights

03. Concepts review



01

Study overview

The plight of our low income communities

There is a significant segment of ComEd customers who struggle to afford energy and for whom energy feels out of their control and optionless.

LIHEAP, SLIEAF, and PIPP are valuable programs that provide important assistance to individuals and households experiencing hardship.

Even with these valuable programs, many tens of thousands of our customers are not being reached by these programs – falling deeper in need and experiencing an ever increasing sense of energy insecurity.



We serve
73%
of all Illinois
residential
households*

We have upwards of
1.6 million
households at 250%
FPL** within our
service territory

We're only reaching
~12%
with financial assistance
programs***

* Source: Claritas Pop-Facts Demographic Snapshot, comparing the estimated number of 2019 households in the ComEd service territory (3.55 million) versus the total number of households in Illinois (4.86 million)

** Source: Claritas PRIZM, analysis of ComEd households at 250% of the Federal Poverty Level (FPL)

*** Source: Based on number of low income customers served (192 thousand in 2018) divided by Claritas PRIZM analysis count of households at 250% FPL (1.65 million)

Definition: Energy insecurity is defined as the inability to adequately meet basic household energy needs.

Reimagining the utility's role with income-eligible customers

We can better serve these customers and their communities, and as a public utility are uniquely positioned to serve vulnerable customers through comprehensive assistance programs that drive real results for our customers, for our communities, and for ComEd.

These programs will better serve customers through a combination of options and outreach designed to be:

Proactive to communicate, engage, and enroll customers early, before the need arises

Responsive with the right, bundled programs and services to meet needs along the customer journey

Community-based to drive early, trusted engagement with customers through partnerships

Breaking the cycle of energy insecurity

While change can take many forms, several key areas emerge to help shape more proactive, responsive, and community-based programs:

Billing & payment needs	Opportunities to explore changes to our existing processes – from specifying a payment due date to allowing for more flexible repayments terms
Proactive technologies & programs	Areas where we can improve access to information and assistance – with both customers and our supporting intake agencies
CARE, assistance, and state programs	Opportunities where we can enhance existing programs to improve their reach and effectiveness – starting with PIPP and CARE
Consumer protections	Doing more to promote bill transparency with customers to help enable more informed decisions – starting with our “Price to Compare” proposal
Community partnerships	Leveraging our partnerships to better carry our message to customers – promoting enrollment in proactive programs like budget billing & usage alerts
Access to new technologies & STEM	Advocating for equal access to affordable clean energy options (solar, battery storage, EV charging) – including early education & awareness within schools

Education & outreach



02

Research approach & highlights

Study objectives

01

Better understand how customers approach managing their expenses, and identify major driving forces in their decision making.

02

Identify opportunities for ComEd to better service income-eligible customers in light of existing programs.

03

Envision a clear path by which ComEd can strategically – and feasibly – address these opportunities.

From research to road-mapping

Abstract

Concrete

Research findings (insights)



42 customer & stakeholder interviews

70 digital diary completions

3+ customer journeys

4 customer motivations

Rapid ideation (opportunities)



+6 opportunities to explore

9 preliminary concepts

Experience concept worksheet

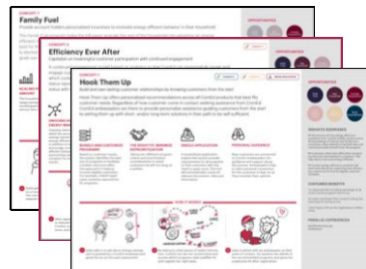


2 co-creation sessions

60 participants

7 concepts developed

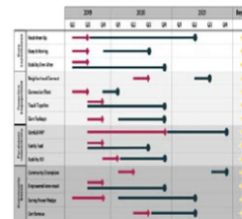
Finalized experience concepts



10+ review/working sessions with ComEd stakeholders

15 vetted concepts

Prioritization & road-mapping



4 road-mapping workshops

14 prioritized concepts

3 future state journeys

1 implementation roadmap

"GO DO" PHASES

Insights framework

Finding the **path to stability** depends on the customer's current **financial state** and **how empowered** a customer is to improve his/her situation.

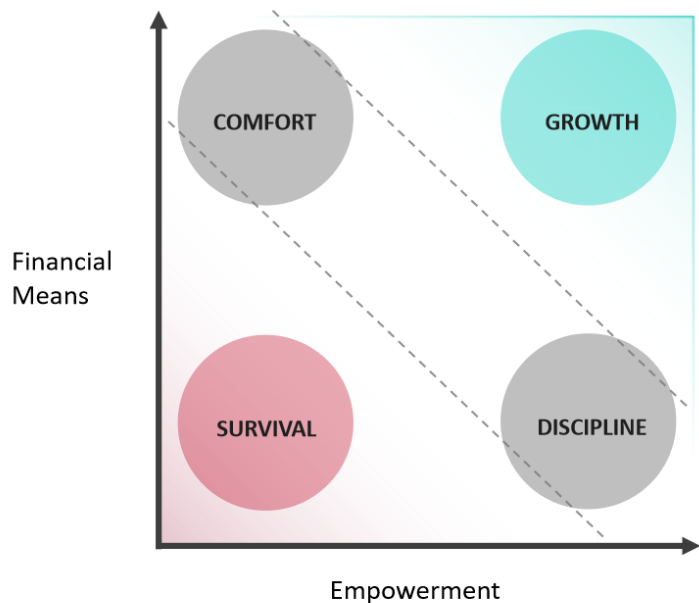
Financial means

- Salary / wages
- Retirement income
- Financial aid
- Monthly bills and expenses

Empowerment

- Economical living habits
(e.g. energy efficiency measures, money management)
- Quality of relationship with expense sources
(e.g. landlord, cable provider, ComEd)
- Visibility, access to, and engagement with their community and local support

Insights framework



Survival

These customers are desperate for support. Delinquent bills and a lack of income can quickly spiral out of control. A boost in income can help in the moment, but stability will require support beyond money.

Comfort

Customers in this region do not require financial assistance, but are a prime target for efficiency programs. These customers may be harder to reach, as they are less concerned with saving money.

Discipline

These customers leverage various strategies to make their money go as far as possible. Although they have experience bouncing back from adversity, their stability is fragile nonetheless. Investment in these customers can push them into the growth zone, powered by their budding financial acumen.

Growth

Customers in the growth zone have the finances and empowerment to broaden their goals. Growth may come in the form of helping others, protecting the environment, or growing personally in new ways.

03

Concepts overview

Understanding how the concepts relate

This mapping represents a bird's-eye view of the comprehensive experience we are imagining.

The groupings are meant to build context for concepts that have a natural tie to each other.

Core Experiences

Provide comprehensive assistance programs seamlessly

Online portal

Smart status

Continual care

Proactive Engagement

Provide timely assistance options

Neighborhood Connections

Connection Fleet

Teach Together

CARE Package

Persistent Interactions

Offer encouragement and ongoing education

ComEd Rewards

ComEd Conversations

Family Connect to Save

Community Based

Promote and enable local outreach and support

Linked Account Assistance

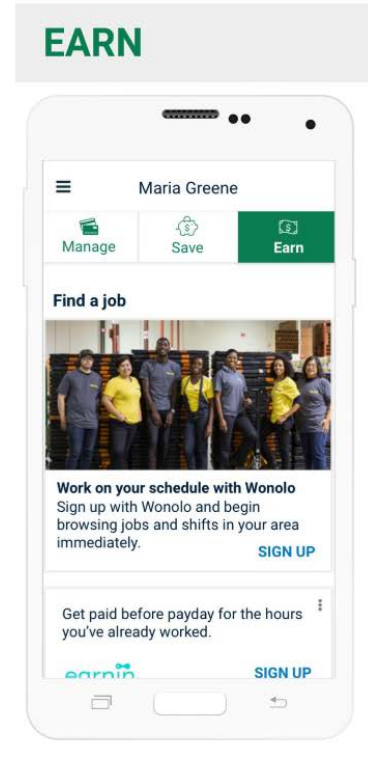
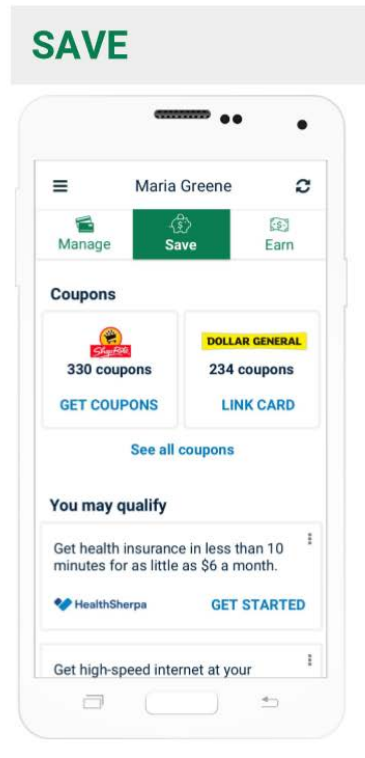
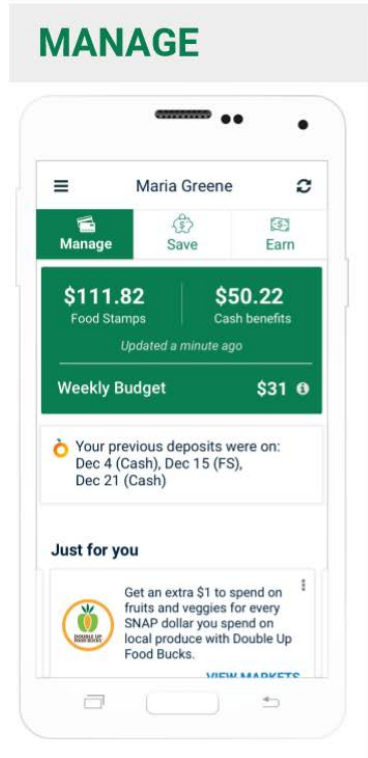
Helping Homes Fund

Community Champions



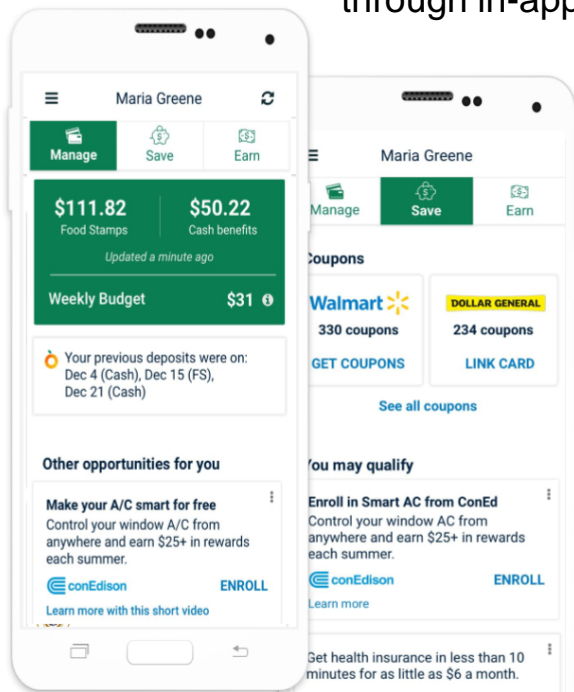
Fresh EBT

What is Fresh EBT?



Engaging Con Edison customers

Promoting Smart AC in targeted New York City zip codes through in-app advertising drove 730 sign-ups



Metric	Result (#)	Conversion (%)
Unique users reached	50,000	
AC requests	1,400	3%
Sign-up	730	52%
Set-ups	250	34%



Where to start

E Source research says low-income customers ...

Mistrust utilities	Don't understand the programs	Feel helpless to improve energy habits
Mistrust of utility's motives for programs	Don't believe programs are actually free	Don't feel in control of their home's energy efficiency
Want more compassion and support	Fear that they'll lose other subsidies if they participate	Don't own their home
Hesitant to let strangers into their homes	Fear that participation will hurt their chances of getting a green card or residency (for undocumented customers)	

Source: The Essentials for Marketing to Low-Income Customers;
Bringing Value to Customers Who Have Limited Resources
December 2018

Four essential strategies

- Work to understand your customers
- Make empathy and empowerment central themes of your campaigns
- Build trust with customers through community partnerships
- Be transparent to address fears and skepticism about “free” offerings



"I would highly recommend these assistance programs to anybody."
Bryon

connected *** to savings**

If you're on a limited income, you may be eligible to receive a discount of at least 35% off your monthly energy bill. You could also qualify for free home improvements that can help reduce your energy costs.

Bryon saved on his bill and you can too. To see if you qualify, call 1-877-646-5525 or visit sdge.com/care.

SDGE
A Sempra Energy company

*These programs are funded by California utility customers and administered by San Diego Gas & Electric** under the auspices of the California Public Utilities Commission.

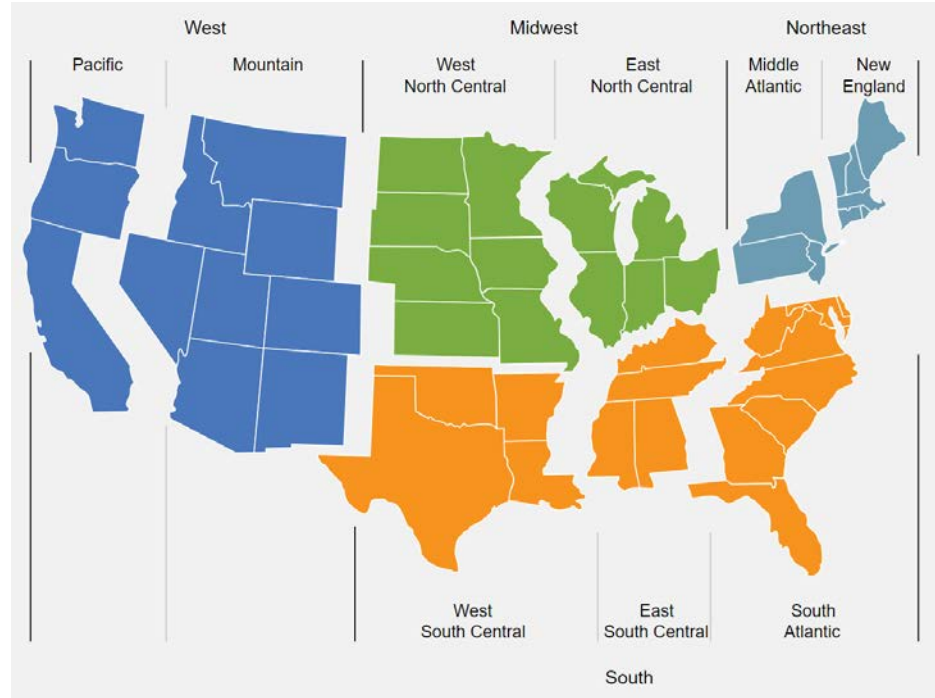
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Source: SDG&E

Source: San Diego Gas & Electric, [E Source Energy AdVision](#)

Work to understand your customers

- People who qualify as low-income are far more complex than that label, which we explore in our report [Low-Income Segmentation: Analyzing Diverse Customer Groups](#)
- Work to meet these customers' unique needs, preferences, and interests through ethnographic, qualitative, and quantitative research



Questions to ask

1

What's your vision for serving your most vulnerable customers?

2

Does your utility have business objectives that require engaging low-income customers?

3

What's the current state of your low-income customer experience?

How we can help

CX Strategy and vision

Current-state assessment

VOC and VOE research

Customer journey mapping

Benchmarking, KPIs, and measurement

Customer segmentation and marketing



How E Source can help



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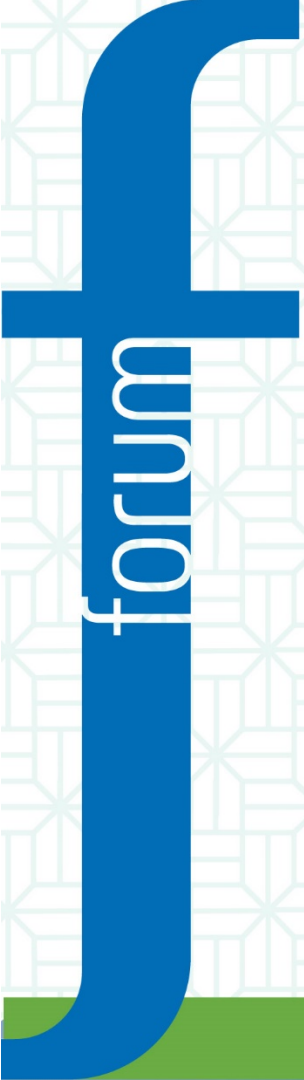


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E SOURCE FORUM 2019

September 17-20

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