Workshop on consumer engagement

23rd November 2010

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For this workshop, attendees were split into groups and asked to consider the following questions from a range of suggested perspectives:

What role should different parties play in bringing about consumer engagement with smart metering?

And

How can we encourage people to use the information provided by smart meters to change their behaviour?

A summary of the views expressed is set out below.

What role should different parties play in bringing about consumer engagement with smart metering?

Each group was assigned one or two of the following suggested phases of installation: Pre-installation, installation, post installation and long term behaviour change. The groups were then asked to consider the question posed in relation to their assigned phase(s). It should be noted that these phases are indicative only and are subject to review.

Group A

Group A discussed the role of different parties in the installation and pre-installation period.

Broad agreement was reported on the need for consumers to receive consistent and credible messaging and for this to be updated on a regular basis. It was suggested that messaging be developed in collaboration from government, suppliers, and other groups. Some attendees suggested that the rollout should be set in a wider lower carbon context, linking to the Green Deal. Others emphasised the importance of avoiding 'over-promising' to consumers.

It was felt that this could be best achieved through a partnership approach to consumer engagement. There was broad support for a national awareness campaign, which attendees felt should be coordinated and use multiple channels. There was no agreement on who would be best placed to run any such campaign. Some attendees suggested it be funded by industry.

Suppliers were seen as key to developing the basic consumer proposition, and for promoting consumer engagement through providing a positive installation experience for their customers. An effective and robust appointments process was seen as important for this experience. Some attendees also suggested that suppliers should have a particular role in providing targeted messaging to different customer segments.

There was support for local authorities to play a role in communicating messages to consumers and consumer groups. There was disagreement however on how best to engage local authorities with the rollout. Some attendees felt that suppliers should be

required to coordinate with local authorities; others felt that no such obligation would be necessary. One attendee noted the potential burden on local authorities of having to deal with multiple suppliers.

Attendees felt that government, local authorities and suppliers should have a particular role in exemplifying and disseminating best practice.

It was felt that a number of other organisations would have a role in the provision of information around smart metering. Consumer groups suggested that government should require suppliers to signpost customers to independent sources of information. Attendees acknowledged that there would be a need for any central co-ordinator to provide information on the programme to frontline services and organisations such as NGOs and charities. There was disagreement over the need for a central coordinating body. Some attendees felt that this would be important in providing a single point of contact for consumers and could facilitate local coordination, for example to mobilise local networks.

There was also support among attendees for a help scheme, and in particular, the digital switchover was suggested as a model for engaging vulnerable groups.

Finally, the group noted the Government's 'big society' agenda. Some attendees saw the potential for harnessing 'localism' in order to raise the profile of smart metering and to help get messages out for consumers.

Group B

Group B considered the role of different parties in the immediate 'post-installation' phase.

A range of bodies were felt to be important to this phase. Particular aims described for those involved included dealing with problems and issues, advising customers on how to get the best out of their meter and on how to choose the right products and services to help them reduce their energy consumption and to save money.

Group B expressed support for a central body to co-ordinate dissemination of information, to provide a helpline for customers with queries/concerns and to provide overarching branding.

No consensus was reached by the group over the governance of such a body. Suppliers felt that it should be their role to lead in encouraging consumer engagement and behaviour change, along with input from other parties. They also noted their primary relationship with the customer and that they would be the first port of call for complaints and often for advice.

Others felt that an independent body would be most appropriate to lead engagement. It was suggested that this could either be a new body, or an organisation such as Citizens Advice. Attendees suggested that this body could provide information and materials to local groups, such as local housing associations, and to help coordinate their involvement.

The role of government in the post-installation phase was seen to be to set smart metering within the context of wider 'green' initiatives and provide for message

management and consistency of messaging. Attendees noted that government should also be responsible for enforcement and monitoring of compliance with any installation code of practice.

Suppliers were seen as having particular responsibility in this phase for helping to engage their customers with the information provided by smart meters. Trust was reported to be key to consumer satisfaction and engagement in this phase. Accuracy in billing was seen to be crucial to building trust. Some attendees suggested that suppliers should be responsible for helping customers to choose the 'right' tariff for them. Provision of wider help and advice services (eg. in the form of a helpline) were also felt to be necessary to reassure consumers.

The role of Local Authorities was discussed and it was felt that they could play an especially important role in identifying local stakeholders and groups. There was some concern however over the ability of Local Authorities to help, particularly in the light of recent funding cuts.

Attendees felt that other groups, such as local volunteers, neighbourhood groups, and housing associations, would have a major role to play in assisting consumers to gain maximum benefit from smart meters. Additionally, attendees suggested that these parties would be particularly trusted by more vulnerable and excluded customer groups.

It was felt to be important to create linkages between the Green Deal and the rollout of smart meters. This would help to encourage conversations about availability of energy efficiency products and services.

Group C

Group C considered the role of different parties in the suggested 'long-term behaviour change' phase.

The group felt that some shared positive concept of a 'smart future' would be a necessary precursor to engaging consumers and achieving long-term behaviour change. In order to create a consistent and supported national vision in this way, attendees felt it important to align policies such as the Green Deal with smart metering and to learn from the experience of existing schemes.

Attendees also felt that take up and behaviour change would be contingent on things being 'easy' for consumers.

Other suggested means of encouraging engagement included incentive and disincentive schemes for customers based on things like energy use, and the creation of education programmes for schools.

Government were seen to be important in placing smart metering within the wider policy context and aligning the programme with the Green Deal. Incentives to encourage behaviour change were also suggested as a government initiative. In terms of messaging, attendees felt that government would have a role in maintaining consistency and momentum. Government were also felt to be important in disseminating positive messages though feedback and recognition of achievements so far.

Attendees suggested that government should have particular focus in working with those groups who may not be prioritised by suppliers. In terms of wider support for customers,

attendees suggested that government might set up mechanisms to promote best practice, such as a 'suppliers league table'.

A core role of suppliers was seen to be to innovate, creating new propositions to engage customers as well as new appliances and services to increase ease of use. It was felt that retailers and manufacturers would have a leading role to play in developing and selling innovative products, such as smart appliances, which would help consumers reduce their energy consumption. Some attendees felt that suppliers should have a responsibility to inform customers on the work they are undertaking to reduce reliance on fossil fuels.

Local authorities were felt to have a role in involving local groups and, perhaps, 'community champions'. It was also suggested they might provide support to people with problems or queries, although it was acknowledged that different local authorities may be able to do this to different extents.

Overall, there was a desire to understand how these different 'levels' – government, industry, local authorities etc – would link together. This could involve just developing understanding of each other's roles or go further by formalising interactions.

Other points

A number of attendees noted the need to plan for and undertake incident management as rollout progresses. It was suggested that suppliers may be willing to work together to address this. However, it was also felt that all parties should have a role in positively engaging with the media. In order to do this, it was suggested that a central repository on messaging should be set up.

Several attendees stressed the importance of any approach to consumer engagement being flexible and adaptable in the light of feedback during the rollout.

How can we encourage people to use the information provided by smart meters to change their behaviour?

Each group was assigned two of the following suggested customer categories: 'retired pensioner couple', 'single parent family' , 'struggling young family', 'affluent young family', 'rural empty nester' and 'young mid 20s singles'. The groups were then asked to consider the question posed in relation to their assigned categories. It should be noted that these categories are indicative only and are subject to review.

Group A

Group A examined this question in reference to the suggested 'retired pensioner couple' and 'single parent family' user categories.

Salient benefits for the 'retired pensioner couple' customer category were seen to be the increased ease of budgeting, in part through accurate bills, the end to meter readings and the potential for energy saving.

This category of users were seen as needing particular reassurance over installations, and billing, and Group A noted that there should also be measures in place to make sure

that elderly users do not misinterpret the information provided by the meter and, for instance, turn off their heating in a cold winter. It was suggested that specialised IHDs be available with large buttons and simple displays for ease of use.

In terms of information, comparative data was felt to be useful for this category of users, for example data comparing the energy use of the customer's fridge with the average fridge. It was felt that this sort of data might help customers identify faulty appliances. Energy saving hints and tips were felt to be important, although some attendees asked that any advice focus on those energy saving activities that could be conducted free of cost. Some attendees also asked that customers be referred to grants they would be eligible for.

The second customer category discussed by Group A were the 'single parent family'.

Engagement in this context was seen as particularly difficult, where for instance such families would be economising tightly already. Suggested advantages for these users included the ability to use the information provided by the meter to identify benefits that might be made in switching tariffs, and the increased ease of switching enabled by the meter. It was also felt to be helpful for customers in this category to be able to monitor consumption levels at different times of the day.

Group B

Group B looked at the suggested 'rural empty nesters' and 'struggling young family' customer categories.

Particular benefits for the 'rural empty nester' category were seen to be the ability to monitor energy use in the house in real time, and the capacity to identify household appliances that would benefit from replacement.

Those users fitting into the 'rural empty nester' category, were thought to be relatively engaged in the energy agenda already, and attendees suggested that they might require higher than average levels of usage information to bring about behaviour change, for instance information which could inform choices around micro-generation. Engagement with this category was felt to be contingent on accessible channels of information. These users were seen to have lower levels of access to the internet and were thought to be more reliant on energy providers for information. Local and voluntary organisations were thought to be particularly strong communications channels.

The 'struggling young family' category were felt to find the potential to save money through informed behaviour change of particular benefit, along with the ability to determine if a supplier or tariff switch might afford savings.

In terms of engagement of this category, Simplicity in information provision and use was seen as key. It was also suggested that there be information, perhaps in the form of games, developed specifically for the children.

As with the 'rural empty nester' category, local and voluntary organisations were suggested as particularly strong communications channels for these users.

Group C

Group C discussed behaviour change in the 'affluent young family' and the 'young mid-20s singles' customer categories.

For the 'affluent young family' category, a particular benefit was seen to be the end to estimated bills, providing more control over finances. Attendees also suggested that, due to high usage, these users might have greater potential than others for money saving through informed behaviour change.

In terms of engaging this category of users, attendees felt that they may be particularly responsive to visually appealing IHDs and more advanced technology. Some also felt that ease of use would be important. The need to make the information provided personal to customers was suggested as important, for instance ensuring that relevant messages are communicated through the IHD and calibrating it to make any 'traffic light' type system appropriate to their use.

For the 'young mid-20s single' category, a particular benefit was seen to be the potential to save money through informed behaviour change. Group C also identified a problem however in that many 'young mid 20s singles' would be living in shared accommodation and may not be so receptive to energy usage data aggregated to the accommodation as a whole rather than to particular rooms.

In terms of engagement, the internet and social networking sites were thought to be key communication channels. For those individuals renting, engagement was seen as a greater problem, due to short periods of time being spent in rented properties. Consequently, it was felt that the role of landlords would need to be considered in more detail. It was suggested that this user group could also be overlooked in provision of energy efficiency products and services. Attendees felt that a solution may be to make energy efficiency a more appealing attribute for tenants to look for when searching for a property.

Other points

Some attendees pointed out that in order to achieve maximum energy savings, engagement resources should be targeted at particular user groups. Suppliers felt that the decisions regarding this targeting should be made by government. In general, attendees felt that differentiated communication mechanisms and messaging for different user groups would be important for successful behaviour change.

Next steps

- The programme will be holding a workshop to discuss the special provisions that may need to be made for vulnerable groups. This will be held on 20 January 2011.