Spotlight on Millennials

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Today’s Presenters

Bridget Meckley
Research Coordinator
Smart Grid Consumer Collaborative

Jennifer Robinson
Senior Technical Leader - Understanding Electric Utility Customers
Electric Power Research Institute

Gomathi Sadhasivan
Lead -- Customer Decision Sciences
DNV GL & SGCC Research Committee Chair
Agenda

• Key Questions and Objectives
• Millennials’ Top 10
• Conclusions and Implications
• Questions
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EPRI Background and Perspective

EPRI’s customer research focus:

• Customer models: what customers want and are likely to adopt
• Incorporate into utility functions—customer-facing, forecasting, planning, etc.

Why Millennials?

• Large cohort
• Digital natives
• Different…?
## Key Research Questions & Objectives

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
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<tbody>
<tr>
<td>What demographic and other factors (including the SGCC segments) describe Millennials and where they are in their professional and personal lives?</td>
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<td>What energy-related issues are important to Millennials and what drives their decision-making?</td>
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<td>What are Millennials’ attitudes regarding renewables, electric vehicles and other Smart Grid-related technologies?</td>
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<td>What do Millennials think of their electricity service provider?</td>
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<td>How do Millennials engage with their electricity service provider, if at all?</td>
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<td>What energy-related programs and offerings might interest Millennials?</td>
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This research is a meta analysis of three SGCC studies from 2016

We gathered insight from three differently-focused studies and compared Millennials to non-Millennials to understand their attitudes, behaviors and interests around a variety of energy topics.

Millennials were born between 1982 and 1999.

Across the three studies, we have over 5,000 respondents – 1,300 are Millennials.

They represent:
- All ethnicities
- All regions in the US
- Variety of income, education and family characteristics
SGCC would like to acknowledge the work of Dr. Paul Schwarz in the development of this report.

Dr. Schwarz has been instrumental in the data analysis and development of this report. He provides insights and strategies for guiding organizations and end users to be more efficient consumers of energy and for navigating the transition to cleaner and more sustainable energy resources.

Learn more about him at: www.linkedin.com/in/paschwarz.
One interesting thing about Millennials is that they’re more interested in almost everything.

Interest in 18 energy-related technologies and services

- Technologies
  - Smart appliances
  - Residential rooftop solar
  - Device remote control
  - Electric vehicles
  - Smart home concept
  - Community solar
  - Onsite storage

- Savings Opportunities
  - Energy usage reports
  - Savings suggestions via app or web
  - Electricity usage tracking & alerts

- Programs
  - Peak shifting program
  - Energy evaluation with incentives
  - Peak time savings program
  - Appliance evaluation with incentives
  - Prepaid billing plan
  - Time-varying rate plan
  - Green power plan
  - Automated heating/cooling service

Interest levels are represented as a percentage, with Millennials shown in blue and Non-Millennials in yellow.
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#1: Treat me like the individual I am

- Millennials are most commonly classified as Green Champions
- Millennials are more likely to be classified as Green Champions than non-Millennials
- Millennials are more likely to be Savings Seekers than non-Millennials
#2: I will contact you using any means you make available

- Millennials are more likely to make contact
- Although they prefer digital channels, they will use whatever channel is available and convenient

They’re more likely to use multiple channels to communicate with their providers
#3: I expect good service and am willing to pay for it

**Willingness to pay for energy-saving equipment or services**

- Energy evaluation with recommendations & incentives
- Appliance evaluation for energy efficiency & incentives
- Automated heating/cooling service
- Savings suggestions via an app or website

Non-Millennials | Millennials
---|---
0% | 25%
25% | 50%
50% | 75%
75% | 100%
#4: I like you and trust you, but don’t think I won’t jump for a better offer

Potential influence of provider endorsement on adoption of energy-related technologies

- Makes you more likely to adopt
- No impact on your likelihood to adopt
- Makes you less likely to adopt
- Don’t know

Electricity provider preference

- Your current electric utility
- Another utility company
- A telecom or internet service provider like AT&T or Comcast
- A company that installs solar panels on your home such as Solar City...
- Some other company
- Don’t know

Non-Millennials Millennials
#5: I’m satisfied with my energy provider, but banks and online retailers provide better customer service

Satisfaction with current electricity provider

- **High Satisfaction**
- **Moderate Satisfaction**
- **Low Satisfaction**
- **Don't Know**

Best providers of customer service

<table>
<thead>
<tr>
<th>Rank Order</th>
<th>Millennials</th>
<th>Non-Millennials</th>
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</thead>
<tbody>
<tr>
<td>1st</td>
<td>Banks</td>
<td>Banks</td>
</tr>
<tr>
<td>2nd</td>
<td>Online retailers</td>
<td><em>Utilities</em></td>
</tr>
<tr>
<td>3rd</td>
<td><em>Utilities</em></td>
<td>Doctor’s offices</td>
</tr>
<tr>
<td>4th</td>
<td>Communications providers</td>
<td>Online retailers providers</td>
</tr>
<tr>
<td>5th</td>
<td>Cable providers</td>
<td>Communications providers</td>
</tr>
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</table>
#6: I shop around for the best value, so help me understand your offer and how it benefits me.
I want renewable resources and am willing to invest in them

Importance of renewable energy & reducing GHGs

- **Important, and would pay $10-15 extra per month**
- **Important, and would pay $3-4 extra per month**
- **Important, willing to pay more ($3-4 extra per month) but unable to pay more at this time**
- **Important but at no additional cost**
- **Not important**
- **Don’t know**

![Graph showing the distribution of responses across Non-Millennials and Millennials](image)

- Millennials are most commonly classified as Green Champions
- Millennials are also more willing to pay to achieve their “green objectives”
#8: I’m a savvy, well-educated consumer

Education levels

- Some high school or less
- Graduated high school
- Trade or technical school
- Some college
- College graduate
- Post graduate work or degree
- Don’t know

JD Power Customer Satisfaction Index

- 811 Auto Insurance
- 793 Retail Banking
- 726 Airlines
- 680 Utilities

“The lesson that utilities can learn from other high-performing service providers is that to excel you need a culture that puts customers and employees first,” said John Hazen, senior director of the utility practice at J.D. Power.

“And because customer expectations continue to increase, you need to have a mindset of continuous improvement to keep up.”

JD Power Residential Customer Satisfaction Study, July 2016
More than half the Millennial respondents felt that access to real-time energy usage data was important for making better energy management decisions…

And they are more willing to pay extra to get access to data.
#10: I depend on my digital devices, appliances, and tech “toys”, so give me technology I’ll want to use

Millennials are more likely than non-Millennials to own four or more digital devices, use three or more apps and have six or more appliances in their homes.
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Millennials shine the light on the path forward

Millennials are engaged and “ambidextrous”; you should be too.

Millennials are adept at change, and are willing to support it financially.

Millennials are inquisitive and information hungry: take advantage of it.

Millennials are enthusiastic about energy and sustainability; engage them now.
Questions?
Thank You!

Please answer the short survey after the webinar to provide feedback.

Bridget Meckley
Research Coordinator
Smart Grid Consumer Collaborative
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Lead -- Customer Decision Sciences
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