The New Customer Engagement Journey: Finding a New Normal
Accessing the Research & Videos

Topline Report

Modern Customer Engagement Journey
Topline Findings
September 2020

Videos

Video Vignettes with Consumers

• This project created video vignettes that illustrate the essential consumer attitudes and values of the three consumer segments most interested in energy engagement.

• This topline report presents an overview of findings from over 30 on-camera consumer interviews in the United States and Canada.

• Five vignettes of approximately five minutes were created from this set of interviews:
  • Three video vignettes, including one focusing on each segment
  • One video vignette illustrating the three segments together for comparison
  • One video vignette with key takeaways
We Focused on the 3 Most Engaged Consumer Segments

Green Innovators
Strongly value sustainability and lead the way in saving energy with technology.

Tech-Savvy Proteges
Receptive to changing energy habits with technology but need to be shown how and without sacrificing comfort.

Movable Middle
Not complete rejectors of saving energy and face few barriers; lack interest in technology.

Energy Indifferent
Rejectors of environmental concern; keep their energy needs simple and want to be left alone.

More Favorable

Less Favorable
Conclusion

As technology and massive amounts of data are now available about consumer behavior, consumers expect their providers to know them and help them achieve their goals.

We hope this information will help stakeholders hear the voices of consumers in all their diversity.

We encourage stakeholders to apply this knowledge as they design products and services for consumers and communicate the benefits of smart energy to them.
The Future of the Mover Journey
Moving is the 3rd most stressful time in life*

First impressions count

Many decisions are made for the home

*Source: In 2015, British energy company E.ON conducted a survey of 2,000 people, and six out of 10 people cited moving as the most stressful life event.
The mover journey **today**

- Starts service by contacting Call Center
- Limited introduction and enrollment in utility programs
- New customer packet distributed post move-in
Re-imagine the experience with a more engagement
The mover journey re-imagined

- Welcome Series communication 7 weeks before the move
- Customized concierge experience
- Awareness and adoption of important utility programs
- Continue customer engagement with relevant home services and utility program offers
GridX Overview

- Founded by former developers of Oracle BRM Telecom Billing System
- Pioneer in Big Data Billing Quality Analytics
- Created Enterprise Rating (Billing) Engine
- Toolbox of Choice for utilities introducing new rates

- 15M Number of Meters under Contract
- 18M+ Number of Bills Calculated Daily
- 605B Number of Intervals under Management
- >200 Number of Tariffs Modeled and Validated
“Consumers expect utilities to provide bill impact estimates for new initiatives”

► “For consumers, a bill impact estimate is often the only way to predict that new initiatives are working”

► Cost is the major measure of “savings”

► Saving energy means saving money
“Decisions for bigger energy initiatives, such as solar, are usually calculated with cost as a guide”

- How much will I have to invest upfront?
- What will my bill be?
- When will I break even?
“Customers struggle to assess programs or products in terms other than cost”
Arizona Utility APS Commits to Carbon-Free Power by 2050

“We don’t actually know how to get there right now,” CEO Jeff Guldner says of the commitment, which comes in a state without sweeping climate legislation.

JULIAN SPECTOR | JANUARY 22, 2020

**Clean**
Reducing emissions by shifting load to match renewable generation

**Affordable**
Lowering costs for all customers by reducing peak demand

**Reliable**
Reliable and measurable load flexibility, maximize system peak reductions and increased reliance on solar resources

**Customer focused**
Customer incentives and the ability to maintain low electricity rates and minimize grid’s environmental impact
Average emissions intensity is lower mid-day for all months in 2024.
APS Behavioral DR Ecosystem

• **Home Energy Reports Program**
  - Expand and segment outreach to increase engagement
  - Educate and coach on advanced rate plans
  - Behavioral load shifting - focus on managing kW to save money
  - Promote enabling smart tech – discounts on online marketplace

• **Online Marketplace**
  - Help customers choose efficient products across 24 categories
  - Encourage adoption of smart devices and DER
  - Reduce barriers to participation (instant rebates & seamless enrollment)
  - Pre-enroll devices in APS DR Programs

• **Rewards DER Operating Platform**
  - DER aggregation for thousands of distributed devices
  - APS Cool Rewards, Reserve Rewards, Storage Rewards Programs
  - *PLMA 2020 Program Pacesetter Award Winner!!*
Residential Energy Engagement

400,000 customers
Over 3 million touchpoints

- Unique experience by rate type
- Segmented by renter/owner, LMI, tech adoption, Spanish speaking
- Inform and engage customers on Next Best Action
Dynamic, custom messaging

Tips to help you manage your usage

Spotlight your work spaces instead of the entire room to save energy and money
Save up to $40 per year

Run your dishwasher during lower-cost off-peak hours to save

Say hello to more savings

Introducing APS Marketplace

Save time and money. Now, instead of driving around town looking for the best deals, simply visit APS Marketplace and search major brands all in one place. Compare prices and scores to find the most energy-efficient appliances, smart thermostats and more that work best with your budget.

Shop smart and start saving money today at marketplace.aps.com.
Digital Energy Engagement
All Residential Customers on Web

- Unique experience by rate type
- 2020 showed 200%-300% increase
- Move customers to Next Best Action
- Online Audit completions skyrocketed

Install a smart thermostat
Save up to $180 per year
Moderator Questions

1. What is the engagement level for LMI demographic when it comes to online shopping behavior (research and making purchases online)?
2. How are utility partner Marketplaces performing during COVID?
3. (Question for Tom Hines) - Is this the first time APS has offered an integrated systems of services for residential customers? When will you have a sense on the impact it is making?
Choose our future.
Key Takeaway

“...consumers expect their providers to know them and help them achieve their goals”
APS Marketplace

- 24 categories
- +10,000 products
- Downstream rebates
- Instant rebates
- DR integration
Supporting APS low income customers – free LED kit promotion

+13K LED have been fulfilled
Integrated Demand Response
Pre-enrollment

• DRPE currently available with Google Nest, integration with other manufacturers 2021
• $75 DRPE instant rebate + $30 EE instant rebate
• Targeting 50,000 enrollments in Q4’20
• Big Fall promotions launching soon for the new Google Nest!