



## Customer Impact Report: **Energy Efficiency Programs and Awareness**



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## Executive Summary

The surveys used for the J.D. Power utility studies include questions regarding customers' knowledge of their utility's energy efficiency and conservation programs. Customers also rate their utility on the variety of energy efficiency programs offered, thereby making EE and other demand-side programs important attributes of overall customer satisfaction.

Customers' attribute ratings of their utilities' variety of EE and conservation programs ultimately influence satisfaction in the overall Corporate Citizenship Index, one of the weighted factors in the J.D. Power overall customer satisfaction index model for utilities. Awareness and participation in energy efficiency and conservation programs can also significantly impact other factors in the index model and, ultimately, measure the levels of engagement among utility customers.

Below are some key takeaways that are evident when looking at the impact of energy efficiency initiatives on the overall utility customer experience.

- Satisfaction is higher when customers are familiar with their utility's energy efficiency programs. This holds true across the five energy studies analyzed for this report, and the impact is dramatic. Among gas and electric business and residential customers, overall satisfaction is at least 200 points higher (on a 1,000-point scale) among customers who say they are "very" familiar with their utility's energy efficiency programs than among those who say they are "not at all" familiar.
- The challenge for utilities is that few customers are "very" familiar with their energy efficiency programs. In fact, only 7% of gas and electric business customers fall into this category—less for residential customers, at 3% gas and 5% electric.
- J.D. Power data shows little disparity between residential customers' knowledge of energy efficiency programs and services and their income level, despite the fact that many EE programs are aimed at the lower-income segment.
- There is a correlation between spending on DSM programs and overall energy efficiency awareness. A number of the highest-performing utilities in the *2014 Electric Utility Residential Customer Satisfaction Study* are also among the highest spenders per customer on DSM programs, according to 2012 data from the Energy Information Administration of the U.S. Department of Energy. These expenditures include not only program operations and maintenance, but also marketing.

- In addition to promoting their programs through traditional channels, utilities with a high percentage of customers who are aware of DSM programs and who recall EE and conservation communications often center their efforts on a central theme using a creative approach (e.g., customer partnerships and energy-saving contests).



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