

Electric Utilities in the Age of Amazon

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As the public utility sector has turned to The Hawthorn Group to help it navigate a rapidly evolving, highly creative, innovative consumer marketplace, public opinion research has helped identify a landscape Thomas Edison could never have imagined.

Indeed, his simple invention hardly contemplated a market transformation from fossil fuels to renewable energy empowering customers with smart meters and even software to shed megawatt loads at critical peak hours with handheld touchpoints.

As Hawthorn tells its clients in this space, welcome to the Age of Amazon, Google, Netflix!

Customers today are accustomed to controlling how they communicate and interact with companies. Utilities are advised to adapt to this market sentiment, providing additional customer options in product and service to meet consumer demand.

For example, when recently polled by The Hawthorn Group about satisfaction in general with convenience products and services offered, 71 percent were satisfied with home delivery from their grocery store.

Where convenience services are offered, customers have responded positively and where they are not offered customers are asking for them.

Consumers want options from their utility, for payment, communications, products and services.

The survey found that 74% of consumers would like their electric utility to serve as a **one-stop shop** for all things related to powering the home: solar panels, for example, back-up generators, energy efficient light bulbs; they even want to contract with the utility to install energy efficiency and conservation items like home energy monitoring systems and energy efficient windows.

Roughly half of consumers support the equivalent of a “prime membership” in their utility similar to Amazon Prime or other membership-driven programs where customers pay an extra fee in order to get priority treatment on things like power restoration during storms and be the first to be updated with new technologies and services.

So here’s some advice for you in the public utility C-suite and you in the regulatory offices of the 50 state capitals: contemplate those tiered and ancillary services, diversified generation or something no one else has thought of. Thomas Edison is counting on your realizing the everlasting potential of his invention to serve your customers of tomorrow.

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