

21st October 2019

Octopus Energy is a leading challenger UK energy retailer focussing on renewable energy, technology disruption, outrageously good customer service and the development of smart tariffs that will help accelerate decarbonisation. We are the only energy company recommended by Which? for the second year in a row, are Which?'s Utility of The Year and enjoy a 9.6/10 rating on Trustpilot.

We appreciate Citizens Advice engaging with the industry on the review and improvement of the quarterly star rating submissions and agree with the motivation behind the ratings. However, we would like Citizens Advice to go further. We believe that the weighting, currently and proposed, leans too heavily towards easily gamed stats without referencing underlying customer satisfaction. We believe a greater focus should be placed on how well customers are served. We currently report to Citizens Advice how quickly customers are served (through call handling) but there is no reference within that as to how long customers subsequently spend on hold or being transferred between departments and whether they were satisfied by the outcome of the call. In previous reviews Citizens Advice mention that the complaints element to the star rating is a key indicator to overall customer satisfaction. We would therefore welcome a review of the visible titles to reflect metrics within them.

We agree with the use of complaints data as a key customer satisfaction metric and would like to see Net Promoter Scores used to provide a simple and valid way for suppliers to self-report satisfaction. Furthermore, an element of mystery shopping is welcomed to validate the customer satisfaction metric.

Emails

1. Do you agree with our proposal to include email as a customer service metric?

We actively encourage our customers to communicate with us via email. Every customer is given our CEOs email address and he personally responds to their emails. Not only this but every email we send to a customer can be responded to. Yes, within the context of examining the customer response times we do agree with broadening the scope of communication that is reported. However, we reiterate that it should be made clear that this metric is looking only at speed of response and is by no means a conclusive indicator as to the quality of response.

2. Do you agree with our proposal to use percentage response time (within a certain number of days) as our measure of supplier performance?

The suggestion is that working days are the key indicator here. It would be interesting to receive more clarity as to what is considered a working day.

3. Do you agree with our proposal to measure response time to subsequent emails from consumers, following supplier responses, and to exclude response time to secondary messages?

As with the telephone response time this statistic is easily gamed and is at risk of devaluing the quality of responses customers actually receive. Yes, we agree that secondary messages can easily skew the results here however we would be interested in engaging further in this area as it seems like an incredibly tricky reporting objective and is at risk of creating meaningless analysis.

4. Please share any relevant research you are aware of on customer expectations of email response time.

5. Do you have any further comments on our proposal to include email as a customer service metric?

If we were to truly consider the customer service element of emails it would be an area that lends itself easily to the reporting of Net Promoter scores and mystery shopper experiences. At Octopus Energy our customers are given the opportunity to rate their service via email using the Net Promoter Score principle. This feeds into our Customer Happiness Index and is live streamed in our offices as well as being reviewed weekly by Senior Management. We believe this knowledge and understanding of customer happiness to be crucial in delivering great customer outcomes and fundamental to the reporting of true customer service.

Social Media

6. Do you agree with our proposal to include social media as a customer service metric?

We do agree that social media is playing an increasingly important role in the ability to serve customers well and believe it to be an important communication tool for us to serve our customers.

7. Do you agree with our proposal to measure Facebook and Twitter contacts, and to only measure direct messages?

Yes

8. Do you agree with our not to make social media a mandatory contact channel, but to penalise suppliers who have a presence on social media but do not respond to customer queries via this channel?

Yes

9. Do you agree with our proposal to change the wording around ‘answered substantively’ in our information request?

Octopus Energy specialists are all trained to assist with every customer query. We do not compartmentalise queries or send customers down endless funnels in order to get them to the ‘correct’ person. We are happy to switch communication methods with customers in order to resolve a query in real time. Again, we feel that Citizens Advice should go further and actually look at reporting the quality of service received by the customer irrespective of how the customer originally contacted the supplier.

10. Please share any relevant research you are aware of on customer expectations of social media response time.

11. Do you have any further comments on our proposal to include social media as a customer service metric in the rating?

Web Chat

12. Do you agree with our proposal not to include webchat as a customer service metric at this stage, but to keep it under review as part of future iterations of the rating?

Yes, a common KPI for webchats (in all businesses) is the speed of answer and, as mentioned previously, focussing solely on this easily gamed stat is not a fair representation of whether a customer has received good customer service.

13. Do you have any further comments on webchat as a customer service metric?

Additional Telephone Metrics

14. Do you agree with our proposal not to include telephone ringbacks and telephone abandonment rates as customer service metrics?

Yes. There is a risk that it would become even easier for suppliers to target metrics as a pose to ensuring positive customer outcomes with the addition of ringback service rates. Furthermore, our analysis indicates that significant call abandon rates occur at the point customers are made aware of our range of contact methods.

Metrics implementation

15. Do you agree with our proposal for incorporating the new customer service metrics into the rating?

We agree that the call wait time metric is not truly reflective of customer experience and therefore a reduction in the current weighting is welcomed. However, we note that in fact the response time element has actually increased, when looking at all forms of communication. Furthermore, in order to enable this the billing weighting has reduced too. We do not agree with this decision. We believe the complaints, bill accuracy, and genuine customer satisfaction data is far more important and should be weighted accordingly. We believe that 10% being attributed to customer commitments is too much. We would welcome the decision to focus more on customer outcomes and less on ticking boxes.

Energy Industry changes

16. Do you agree with our proposal to include the Energy UK Vulnerability Code of Practice in the rating?

Our front-line agents are empowered to identify and deal with vulnerable customers in a meaningful and holistic way, rather than following a tick box exercise. Fully trained across all aspects of energy and soft skills, and with no KPIs, they are free to spend the necessary time with all customers and enabled to handle all situations. As our customers are account managed, they will always be assisted by the same small group of energy specialists. This means we are better placed to know their circumstances, and treat them as people, rather than numbers.

We are concerned with any ratings results that can be obtained purely from qualifying for a code. We would much rather see the star rating emphasising real time satisfaction scores and agree that a key area is working with vulnerable customers.

17. Do you have any comments on the broader role of the Company Commitments element of the star rating?

As previously mentioned, we believe that this should play little to no relevance and actually the more important factor is the customer satisfaction.

18. Do you have any comments on the opportunity to dispute the reports from the Energy Ombudsman in the star rating processes?

We do not see how this will improve the understanding of customer satisfaction within the scope of the star rating results. If a customer has raised a complaint with the Ombudsman then it would be fair to presume they do not believe they have received a satisfactory level of service irrespective of the dispute status.

19. Do you have any comments on the proposal to align the star rating measure of switching timeliness with Ofgem's proposals?

We agree that faster switching is important to encouraging competition and enabling positive customer outcome and therefore that it would be a useful metric to include. Guaranteed Standards of switching includes the provision of 'exceptions'. Our understanding of this is that it includes, but is not limited to, instances whereby the customer enters into a contract with a supplier but expressly requests a switch date beyond the standards of performance cut-off date. We would expect that this understanding translates through to the star rating and that you are therefore essentially asking the question 'how many compensation payments for delayed switches were made'. It would seem inaccurate to report negatively on cases whereby suppliers have taken into account customer wishes.

For any further information please do not hesitate to contact us via katherine.renton@octoenergy.com