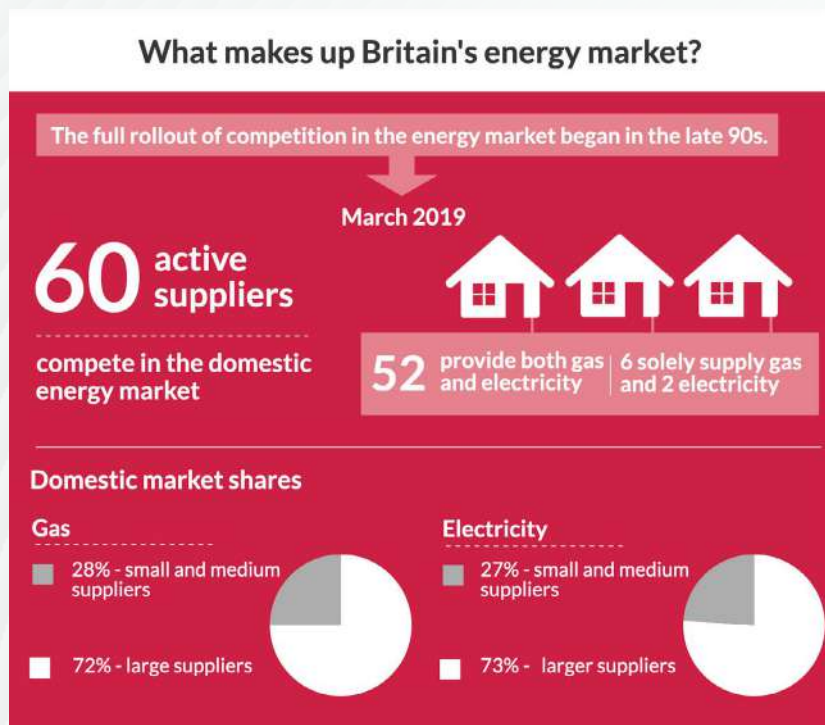


ENERGY ENGAGEMENT

THE UK ENERGY SECTOR & THE VALUE OF SWITCHING



The current value of energy switching in the UK is in excess of a staggering £3 billion per annum with over 2 million residential properties per annum changing gas or electricity providers.*Ofgem.gov.uk

Whilst deregulation in the late 1990s first enabled competition in the energy market, it's only been during the last decade that competition in the sector has significantly gathered momentum.

Since 2011 to March this year, Ofgem reports that the gas & electricity market share of

the Big Six energy companies has dropped from nearly 100% to 72%, reflecting the considerable number of small & medium energy suppliers also operating in this now crowded market.

Despite Ofgem announcing a £75 reduction in typical energy bills from October as the new winter price cap forces suppliers to reduce tariffs, there is almost certainly still value to be found for those prepared to switch by shopping around for an even better deal.

UK ENERGY SUPPLIERS

THE 'BIG 6' ENERGY COMPANIES

[British Gas](#)
[EDF Energy](#)
[E.ON UK](#)
[SSE](#)
[Npower](#)
[Scottish Power](#)

SMALL & MEDIUM ENERGY SUPPLIERS

[Bulb](#)
[Pure Planet](#)
[Bristol Energy](#)
[OVO](#)

AGGREGATED AGGREGATOR SITES

[MoneySuperMarket](#)
[Go Compare](#)
[Compare the Market](#)
[uSwitch](#)
[Confused.com](#)

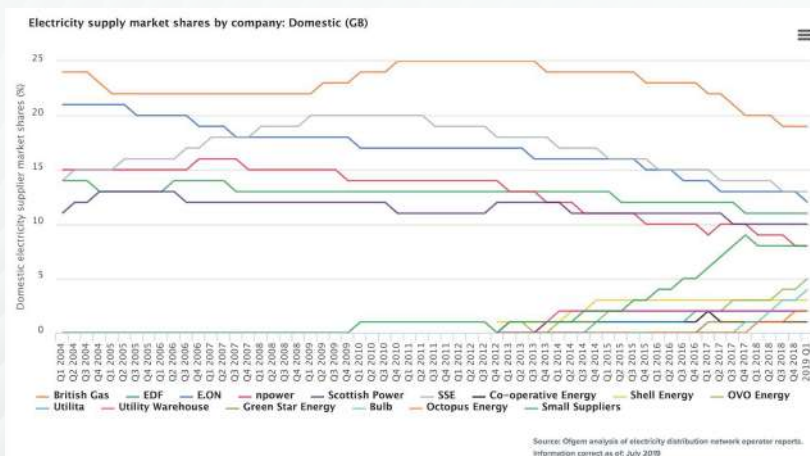
SPECIALIST SWITCHING SITES

[Migrate](#)
[Flipper](#)
[WeFlip](#)
[Simply Switch](#)
[Looks After My Bills](#)
[Switchcraft](#)
[MoneySavingExpert – Cheap Energy Club](#)

ADVICE SITES

[Which?](#)
[Citizens Advice](#)
[This is Money](#)

ELECTRICITY SUPPLY MARKET SHARES BY COMPANY



When it comes to energy shopping...

From January - July 2019...



2.78 MILLION

Gas customers switched



3.42 MILLION

Electricity customers switched

During this time ...

28% of total switches across both fuels moved to small and medium suppliers (net gain) 



785 THOUSAND

moved to small or medium suppliers for gas (net gain)¹



953 THOUSAND

moved to small or medium suppliers for electricity (net gain)¹

TODAY'S ENERGY SHOPPING MARKETPLACE

In addition to the increased availability of alternative energy providers, there are several other significant factors currently driving disruption in the energy marketplace. These include:

- A greater choice of suppliers providing more scope and opportunities for consumers to save money on their energy bills;
- A desire for many consumers to go green and buy from an eco-friendly energy provider;
- The rise of the savvy shopper culture, particularly prevalent during challenging economic times, such as those the UK is experiencing currently
- The increasing ease with which households can switch providers either personally or by working with a third-party company to manage the process on their behalf;

IN 2019 GREATER NUMBERS OF HOUSEHOLDS ARE SWITCHING

Ofgem reports "historic highs" in energy provider switching in early 2019, with the number of electricity and gas switches reaching a record peak in April. This switching surge comes as year on year figures in the 12 months to June 2019, report an 11% rise in electricity switches and an 8% rise for gas switches, further cementing switching behaviour as an established trend for this sector.

And the volumes represented by all of this brand switching activity are significant. In the first half of 2019 there were 2.37 million switches for gas & 2.91 million for electricity, representing nearly 8% of all residential UK properties. With combined gas & electricity annual energy bills averaging £1200, it's a market currently valued at over £3 billion per annum.

A MEDIA EFFICIENT APPROACH TO SECURE YOUR SHARE OF THE £3 BILLION

OPPORTUNITIES TO REDUCE CHURN AND ACQUIRE NEW CUSTOMERS

The idea and importance of a media efficient marketing campaign is nothing new but when did you last reconsider the specifics of your approach, whether focussed on retention or acquisition?

True media efficiency is about identifying and engaging at the most effective moment for your customers and in doing so, in the most cost-effective way to you as a business to realise the greatest return on investment.

For energy providers, some of these opportune moments include –



1. A HOME MOVE

Moving into a new property often means inheriting the previous occupant's energy providers or prompting homemovers to reconsider providers previously used.

Opportunity

- Keep existing customers by reinforcing your energy offer to retain the customer pre-move.
- Gain new customers by raising your brand profile and informing the consumer ahead of their move, as well as communicating your offer at the point of move.
- Leverage known property attribute data to further personalise the specifics of your offer.



2. FIRST WINTER IN A NEW HOME

The onset of autumn and the consequential increase in energy consumption often inspires a household to review their energy costs to mitigate unexpected heating and lighting costs.

Opportunity

- A well-timed offer from an energy provider during this period of evaluation can enable acquisition at the optimum point of consideration.
- For suppliers providing boiler service and boiler cover the additional engagement opportunity will increase the overall household value.



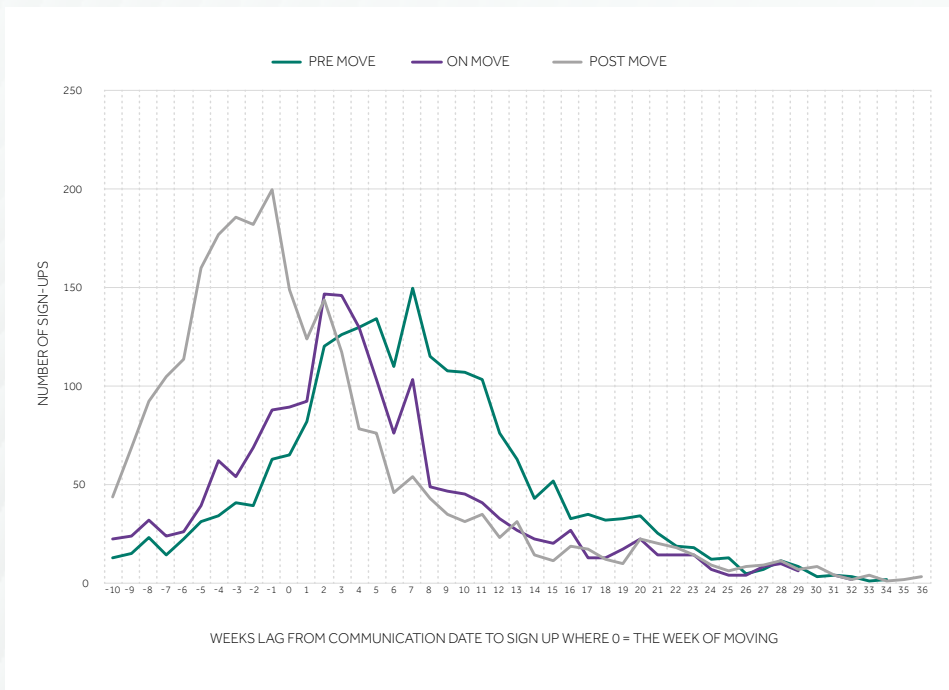
3. HOME MOVING ANNIVERSARIES

The first anniversary and subsequent anniversaries of moving into a new home also provides an opportunity for the energy provider to intervene & interrupt an existing relationship.

Opportunity

- Focus on how you can build customer loyalty always, but particularly as renewal times approach, consider a timely incentivised campaign
- Follow-up with those potentially dissatisfied with their inherited energy provider or newly acquired provider, before the relationship fully matures and at a time when switching is more feasible.

HOMEMOVER WAVE



USING HOMEMOVER INTELLIGENCE TO WIN NEW CUSTOMERS IN THE ENERGY SECTOR

In developing a programme to help one of the UK’s leading energy providers to power their marketing acquisition, we delivered an ROI of £13 for every £1 invested.

Our unique data-led approach provides insight into not just the type of energy your target customers are interested in buying, but their motivations for why and when they are likely to buy. We continually work with our clients to produce marketing programmes to help them to reach new, relevant customers in this way.

Homemovers (an audience of approximately 2 million properties each year) are 4.2 times more likely to change their energy provider than the average UK household in any given year

We now have three models which complement our homemover data:

- The **Pay Monthly** energy model – to identify properties that are more likely to purchase energy on a regular basis, rather than through an ad-hoc Pay As You Go contract;
- The **Pay As You Go** model – to identify properties that are more likely to purchase energy on an ad-hoc basis, rather than through a regular contract;
- The **Energy Loyalty** model – to identify households more likely to stay loyal to their energy provider over time, and conversely identify those likely to switch.

ABOUT TWENTYCI

TwentyCi is a property data and consumer intelligence platform that provides insight into the events in consumer lives that act as purchase triggers, such as moving home. TwentyCi has been managing data for major advertisers like HJ Heinz, ATS Euromaster and many leading estate agents for over 15 years. TwentyCi holds the UK's largest and richest resource of factual homemover data compiled from more than 29 billion qualified data points. It works with advertisers and their agencies to create contextually targeted marketing programmes that cut through by reaching consumers at the exact moment that they need a company's product or service, through the best media channel for that individual. For more information, visit twentyci.co.uk.