

Integrated Market Research Unlocks the New Tech Win-Win

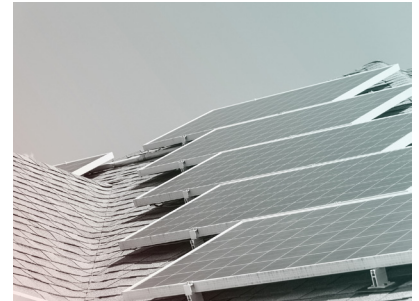
ILLUME developed a utility market strategy for new revenue streams in an increasingly competitive environment using an integrated approach—combining market and customer research with a competitive assessment.



The Challenge

When it comes to new technologies, utilities and their customers are in a moment of mutual opportunity. Customers want new tech, and are looking for a trusted resource, but their utility is not top of mind as a provider. Utilities want to offer smart home, renewable energy, and electric vehicle solutions and are eager to understand what role they can—and should—play.

As utilities expand into new areas of business to stem revenue erosion and meet customer needs, they will have to assess their competition and opportunities carefully. How can utilities capitalize on their natural edge as a known and trusted energy provider? To meet this moment, utilities need to understand their market position and what customers are looking for. Integrated research solutions can help.



Tips for Identifying the New Tech Value Proposition

We found that, as known and trusted entities, utilities have advantages in offering new tech to customers. To differentiate themselves in a crowded market, utilities should:

- Consider the full lifecycle of adoption from initial interest to installation to ongoing operation; the ability to simplify a fragmented customer journey is a real differentiator
- Understand how customers' interests in emerging technologies intersect; a customer who wants home automation tech may be a good candidate for solar or other solutions
- Monitor the market for saturation and affordability to pivot from providing a premium product to a select group of customers to a broader, more inclusive offering as prices fall
- Emphasize the utility brand, focusing on reliability, longevity, and concern for customer needs
- Pay attention to how media coverage impacts customers' perceptions
- Provide clear, transparent guidance and a one-stop-shop for information and resources (including technical and cost information) to enable a smooth new tech adoption experience

The Takeaway

Using multiple and integrated research approaches, ILLUME provided our client visibility into the customer experience from the initial point of interest to the adoption of a new technology. By combining ethnographic research with quantitative market analysis and a competitive assessment, ILLUME provided the utility with an addressable market size and the optimal way to offer new tech. Using this intelligence, our client can create a positive and well-integrated adoption experience to help them stand out from the competition.

How We Did It

ILLUME used multiple research approaches to help our client answer key questions like:

- How do customer sentiments about their utility affect their willingness to consider their utility as a new tech provider?
- What are customers' barriers and pain points in adopting new technology? How do the gaps in customers' experiences align with utility customer service strengths?
- Accounting for customer sentiments and experiences, and utility strengths, what services and solutions can the utility offer to support customers who are adopting new technology?
- What is the market size for those services and solutions? Who are the key competitors?

In partnership with our client, ILLUME developed a systematic approach to understanding new tech markets through an analysis that included:

Listening to the market

Social media and the internet are an inextricable part of customers' everyday lives. Using **media and sentiment analysis**, ILLUME assessed customer opinions about the utility and learned how customers and the media are responding to and defining the technology.

Talking to customers

Customers are constantly exploring the next new thing. ILLUME employed **ethnographic interviews** and engaged customers in activities that revealed their thought process and key steps when adopting new tech. This allowed our team to understand customer perceptions of the technology, gaps in services, and opinions on the utility and their role.

Learning from others

Utilities are always scanning the market to gain an edge. ILLUME's **competitive assessment** helped our client learn from what others are doing.

Measuring the potential

Tech offers are only compelling if they meet customer needs and expectations. Using **customer surveys**, we quantitatively assessed customer perceptions, needs, barriers, and willingness to pay for the technology.

Mapping the opportunity

Market-wide promotion of expensive new tech is not a cost-efficient approach. Combining GIS **mapping** with **propensity analysis** uncovered pockets of opportunity and helped our client more deeply understand the market potential.



Photo by Brian Babb

Contact Us:

ILLUME Business Development Team | bd@illumeadvising.com | 608.807.2061 | illumeadvising.com