

## Methods for customer dialogue

Customers stand as an important part of the energy transition. For several actors that interact with the energy market, it is important to understand the customers' perspectives and driving forces. National Regulatory Authorities (NRAs) as well as market actors benefit from increased customer knowledge. In this fact sheet, the Swedish Energy Markets Inspectorate (Ei) summarizes several methods for customer dialogue which can be used by NRAs and other actors to compile and make use of customer perspectives.

### The importance of customer dialogue

All actors are needed in the transition of the energy system, not least the end-users, also referred to as the customers. This group may for example provide their demand-side flexibility. However, the incentives today can be seen as being too weak and the barriers to participate with flexibility too high.

To get customers on board in the energy transition, the Swedish Energy Markets Inspectorate, Ei, needs more knowledge of their driving forces, preferences, and behaviors. Ei therefore assigned the consultant firm DNV to research how customers can be involved in the discussions on energy market development. DNV has performed a literature review on methods for customer dialogue and also described case studies of NRAs who are engaging customers in dialogue. The report can be read here (in Swedish) [Metoder för kunddialog \(ei.se\)](#).

### Determining method for customer dialogue

Customer dialogue can be performed in several ways. One important insight from the DNV report is that the purpose of the customer dialogue is crucial for the choice of method. If the goal is to get a deeper understanding of a topic, a qualitative method may be adequate, while quantitative methods may be valuable in gathering a representative view of the customers' opinions and views.

The process to choose a method for customer dialogue is incremental, where requirements and desired outcomes – but also practical aspects such as, for example, budget – are taken into consideration. Several methods may also be combined, such as, for example, surveys and citizen panels.

## Examples of methods for customer dialogue

### Citizen panels

Citizen panels are a qualitative method where a group of demographically representative citizens meet on a regular basis. The form of the sessions varies, and the attendees may, for example, participate in focus groups or workshops. Examples from DNV's case studies show that this method may provide deep discussions and creative answers on the discussed topics. However, the method is costly and time consuming, and is associated with some risk for group thinking where some dominating panelists may influence the opinions of the rest of the group.

### Customer forums

Customer forums consist of an independent group that is assigned to make sure that customers interests are considered in decision-making. The group may be selected because of their specific competence, or as actors representing the consumer organizations and other organizations with a clear consumer focus. The method is suitable for detailed and qualitative results. The group may, for example, monitor the quality of an organization's customer communication. The participants are chosen either based on competence, or as representants for different groups with customer focus. Participants in the cases that DNV studied tell that they felt involved in regulatory decisions in a positive manner. Difficulties with the method include finding clear results, because of the large number of interests that are represented.

### Surveys

Surveys are performed through an easily scalable and predetermined set of questions and engages customers either orally or in writing. This method is used by several of the organizations studied by DNV. Surveys are a relatively cheap method and provides a representative understanding of a topic. However, surveys do not provide deeper understanding of complicated issues and should therefore be complemented by qualitative methods if the purpose is to increase the knowledge of for example the driving forces of the customers.

### Information and advisory services

Information and advisory services to primarily household consumers are practiced by several of the NRAs studied by DNV, and the NRAs use this method in various ways. The DNV report emphasizes the potential in the data collected and recommends NRAs to use this data as it includes valuable information on the customers' needs and problems. By analyzing this data, consumer perspectives can be used in, for example, decision-making.

### Customer focused Research and Development (R&D)

Several of the organizations studied by DNV used customer focused research and development (R&D). DNV emphasizes that behavioral sciences can be used as a complementary perspective on customer dialogue, as humans tend to act differently in practice than they indicate when asked in a hypothetical situation.

### Strengths and weaknesses

To get an overview of the methods for customer dialogue, it may be helpful to display some overall results in a table. Table 1 below displays the strengths and weaknesses of the examined methods.

Table 1. Darker color indicates higher relevance. Source: DNV

Method	Result	Better understanding of the customers' view on general policy topics			Better knowledge of the customers' view on and interpretation of their current opportunities			Understand the customers' view on a specific topic, gather preferences and choice of solution		
		Intuitive reactions	Ideas	Customer Knowledge	Intuitive reactions	Ideas	Customer knowledge	Ideas	Customer knowledge	Recommendations
Citizen Panels										
Customer Forums										
Surveys										
Information and advisory services										
Customer focused R&D										

### The purpose is important

As stated above, the purpose of the dialogue is vital in the choice of method. When the objective has been decided, the choice of method can be made through an election process where criteria such as the goal and the participants' expectations are considered.

A few of the organizations studied by DNV recommend considering hiring an independent, external, actor to facilitate the choice of an appropriate method for customer dialogue. An independent actor may also be hired for arranging the practical details around the dialogue occasion, which is recommended by several of the cases studied by DNV.

The need for customer dialogue is high, not least in the field of demand-side flexibility. The Swedish NRA is currently working on a project where different customer dialogue and data collection methods are used to build an understanding of households and their opportunities, drivers, and barriers to engage in demand-side response. The project started in September 2022 and will end in early 2023. The project is expected to inform future customer dialogue efforts as well as a government assignment on the topic of demand-side response.