

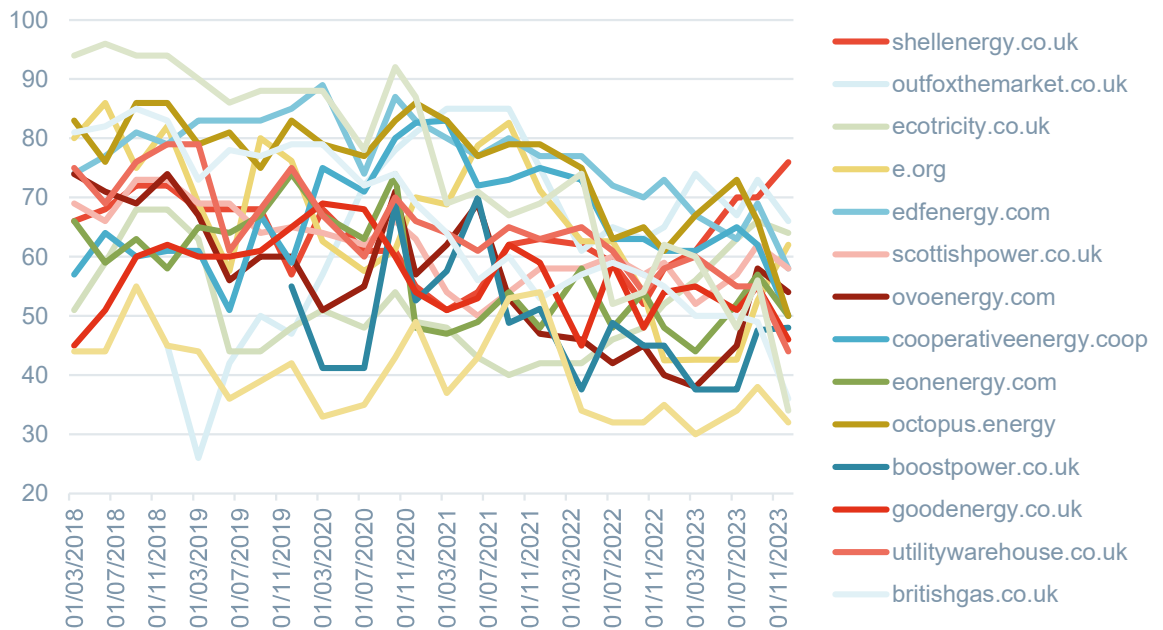
Professor Stephen Littlechild

Ofgem recently decided that each energy supplier should publish the Citizens Advice score for its customer service. Last month (*Energy Spectrum*, Issue 884 page 23) I noted that Citizens Advice scored Outfox the Market, Shell, and EDF Energy as the top three suppliers during Q223. But other assessors scored differently. For example, Ofgem’s complaints statistics, as I averaged them, put the top three suppliers as E, Outfox the Market, and Utility Warehouse. Meanwhile Which?, Trustpilot, and Uswitch all put Octopus Energy top, and Utilita and So Energy were each ranked in the top three by one of these rating entities. In December, the Overall Customer Service (OCS) average of four such ratings put the top three as Octopus Energy, Outfox the Market, and E.

Perhaps I should have mentioned the bottom three suppliers? Citizens Advice put them as Boost Power, Utilita, and SSE. Recent Ofgem statistics (excluding SSE and Bulb) put Boost Power, EDF Energy, and British Gas at the bottom, while Which? put Scottish Power, Ecotricity, and So Energy there. Trustpilot put So Energy, British Gas, and Boost Energy bottom (all admittedly with high TrustScores). Interestingly, EDF Energy and Utilita appear in the lists of both top three and bottom three suppliers. Which is one reason why I argue for looking also at an average of four rankings. In December, the OCS average of four ratings put the bottom three as Scottish Power, British Gas, and Boost Power.

Since the last OCS calculation, Citizens Advice has published its scores for Q323. It has slightly modified its calculations, so that suppliers are no longer ranked on “clearer bills” and “easier to switch”. They are now ranked on an average of “Fewer complaints received”, “Contact waiting time”, and “Customer commitments”. Shell Energy, Outfox the Market, and Ecotricity are

Figure 1: Citizens Advice scores Q417 to Q323



Source: Professor Stephen Littlechild

now the top three suppliers, the last just nudging out E, EDF Energy and Scottish Power come next – interestingly, because as noted they do not score highly on some other rankings. Bottom are British Gas, So Energy, and Utilita – again striking because So Energy and Utilita appeared in the top three of some other rankings.

Before looking at the implications for the latest OCS score, let’s look at the evolution of Citizens Advice scores over the last six years. The number of suppliers scored rose from 27 in Q417 to 32 from mid-2018 to end 2019, then fell quite rapidly to 18 in Q321 and is now down to 16 in Q323.

For comparison with other rating entities, I have converted the ratings out of 5 to ratings out of 100. Quite striking is that movements in the average Citizens Advice score have roughly paralleled movements in the number of suppliers rated. Thus, the average score increased from about 61% in Q417 to around 65% until Q320, fell back to around 61% for a year, then declined to the mid-50s from Q421 until recently. In Q323 it fell to its lowest-ever level of 52%. More on this at the end of the article.

Figure 1 shows the Citizens Advice scores of the 16 suppliers presently in the market, over the whole period since Q417. In the earlier years their average score is a little higher than for all 32 suppliers noted earlier. The complexity makes it difficult to discern any systematic differences between suppliers but in terms of average scores over the whole period, the leaders are EDF Energy 77%, Octopus Energy 76%, and So Energy 75%, while bringing up the rear are Ecotricity 52%, Boost Energy 49%, and Utilita 40%.

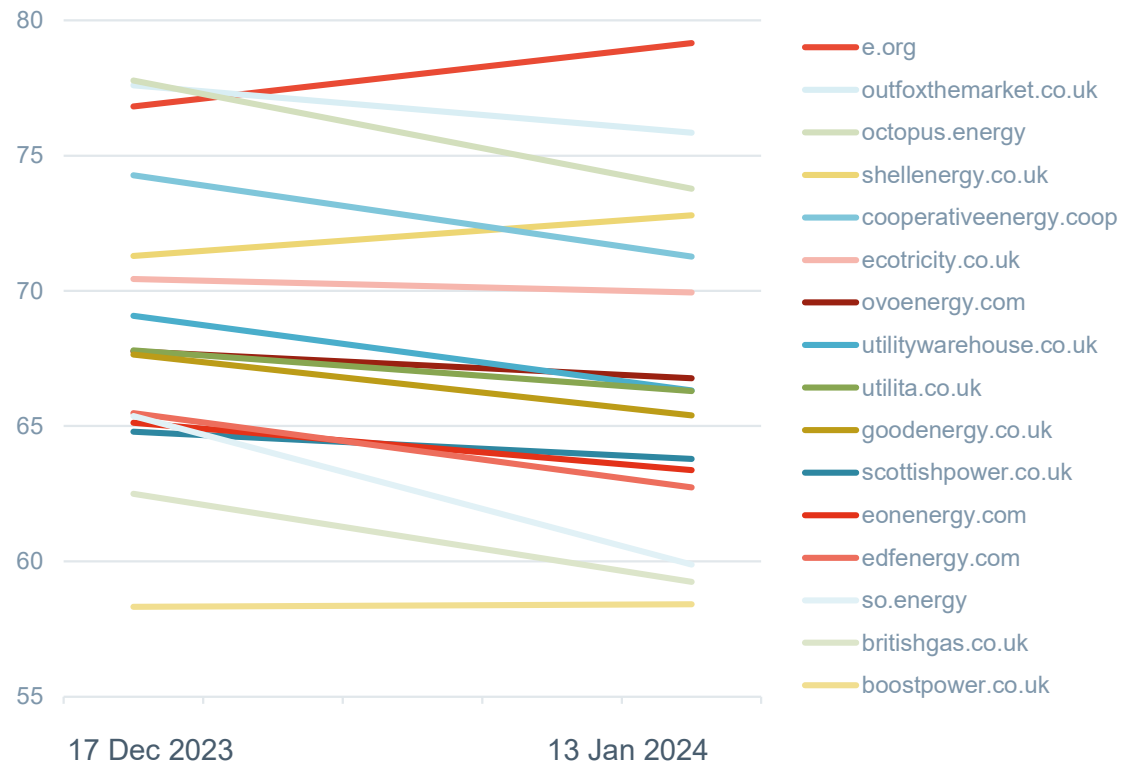
The lower Citizens Advice scores in Q323 were not evenly spread across suppliers. Many were marked down heavily, notably So Energy -22%, Octopus -16%, British Gas -13%, Cooperative Energy -12%, and EDF Energy and Utility Warehouse both down 11%. Other suppliers were down lesser amounts, while E (+9%) and Shell (+6%) showed increases. There were no changes in TrustScores over the last month, although a few suppliers recorded notable increases in number of reviews even in that short time (E.ON Next 6%, Octopus Energy 5%, Scottish Power 4%, Ovo Energy 3%).

Figure 2 shows the rather dramatic impact on some OCS scores compared to last month. After a more or less unbroken run of 3 years, Octopus Energy (falling from 78% to 74%) is finally knocked off the top spot by E (rising from 77% to 79%). Outfox the Market (a little lower at 76%) remains in second place. Shell Energy (74%) rises to fourth and Cooperative Energy (71%) falls back to fifth. Ecotricity holds steady at 70%.

Then a little cluster of four suppliers (Ovo Energy, Utility Warehouse, Utilita, and Good Energy), declining slightly as a group from around 68% to around 66%. And another little cluster (Scottish Power, E.ON Energy, and EDF Energy) also falling slightly as a group from around 65% to around 64%. Quite striking are the falls of So Energy (65 to 60%) and British Gas (63 to 59%). Boost Power (58%) holds steady, but still at the bottom of the OCS League.

Finally, back to the noted long-term positive relationship between number of suppliers and Citizens Advice customer service scores. This seems to be statistically significant (correlation coefficient 0.83). Does this perhaps indicate that where there are good profits to be made, and many suppliers want to compete in the market, suppliers try more actively to offer good customer service to attract and keep customers? Whereas more recently, with the price cap biting heavily, regulatory restrictions on competition, and new entry unattractive, suppliers have less incentive to offer better service? Just a thought for Ofgem and the Government if they want to improve customer service.

Figure 2: OCS League 17 Dec 2023 - 13 Jan 2024



Source: Professor Stephen Littlechild