Consumer Insights During COVID-19 – Webinar 2

1. Opening Remarks – Sarah Bieber
2. 60 Decibels: Results & Insights
3. Panel Discussion with BrightLife and Oolu
4. Audience Q&A with 60 Decibels, BrightLife and Oolu

*The webinar is being recorded, and will be available online shortly afterwards
COVID-19 and the PAYGO energy sector: How are consumers affected?
Overview


Customer insights for PAYGO solar

5,350+
customer interviews in May, June, July

15
companies participating

6
countries
Customer Satisfaction

The Net Promoter Score®

Q: On a scale of 0 to 10, how likely are you to recommend the [Company] [product/service] to a friend or family member, where 0 is least likely and 10 is most likely?

0-6 – Detractors :-(
7-8 – Passives :/
9-10 – Promoters :-) 

NPS = % Promoters — % Detractors

Solar home system NPS has been declining over time...

Pre-COVID 60dB Energy Benchmark: 47 | May: 44 | June: 42 | July: 38

“I am proud of the lights because they are so bright and so clean, unlike paraffin lamps that had really caused me a lot of eye problems.”
Challenges & Issue Resolution

Challenge rates are consistent...

but issue resolution is declining...

impacting repayment rates

29% with resolved challenges are not making repayments as normal

38% with unresolved challenges are not making repayments as normal

“My biggest challenge is that when I do not pay for the TV even the lights go off.”
Vulnerability appears to be reducing over time...

but overall financial situation isn’t getting better for most...

and household incomes are still reducing for more than half

“I do not have an income to take care of the bills.”
Coping Mechanisms

Families are still using coping mechanisms...

- May: 81%
- June: 71%
- July: 65%

although fewer report using savings...

- May: 62%
- June: 41%
- July: 39%

and the majority who did not use savings had none, with the vulnerable most affected.

- Coping: 32%
- Slightly vulnerable: 73%
- Vulnerable: 86%
- Very vulnerable: 87%
- Extremely vulnerable: 98%
Repayment Rates

Repayment rates have remained consistent over time...

and are considerably lower for the most vulnerable...

<table>
<thead>
<tr>
<th>Category</th>
<th>Making repayments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coping</td>
<td>81%</td>
</tr>
<tr>
<td>Slightly vulnerable</td>
<td>68%</td>
</tr>
<tr>
<td>Vulnerable</td>
<td>64%</td>
</tr>
<tr>
<td>Very vulnerable</td>
<td>56%</td>
</tr>
<tr>
<td>Extremely vulnerable</td>
<td>51%</td>
</tr>
</tbody>
</table>

satisfaction is lower for most vulnerable not repaying

<table>
<thead>
<tr>
<th>Category</th>
<th>Making repayments</th>
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<tbody>
<tr>
<td>54</td>
<td>NPS of ‘extremely vulnerable’ making repayments</td>
</tr>
<tr>
<td>vs</td>
<td>30</td>
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</tbody>
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NPS insights

making repayments 49
not making repayments 29

“I stopped paying for the solar since we don’t get value for our money and our issues have not been resolved.”
Burden & Confidence

More than half find repayments a burden....

- 19% Heavy burden
- 33% Slight burden
- 47% Not a burden

with half confident in making repayments for the month ahead...

- 14% Very unconfident
- 47% Slightly unconfident
- 33% Neither
- 19% Slightly confident
- 14% Very confident

this is shaped by vulnerability too

- Coping: 78%
- Slightly vulnerable: 62%
- Vulnerable: 49%
- Very vulnerable: 47%
- Extremely vulnerable: 43%

NPS insights

<table>
<thead>
<tr>
<th>Not a burden</th>
<th>Slight burden</th>
<th>Heavy burden</th>
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<tbody>
<tr>
<td>54</td>
<td>47</td>
<td>37</td>
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very confident | very unconfident |
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<tbody>
<tr>
<td>58</td>
<td>16</td>
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Payment Relief

Few customers say companies have offered payment support or relief...

<table>
<thead>
<tr>
<th>Companies</th>
<th>0%</th>
<th>1%</th>
<th>3%</th>
<th>6%</th>
<th>7%</th>
<th>10%</th>
<th>13%</th>
<th>25%</th>
<th>52%</th>
</tr>
</thead>
</table>

The most vulnerable reported being offered payment support more...

- **Coping**: Offered support & using it: 6%, Offered support: 6%
- **Slightly vulnerable**: Offered support & using it: 6%, Offered support: 6%
- **Vulnerable**: Offered support & using it: 8%, Offered support: 8%
- **Very vulnerable**: Offered support & using it: 12%, Offered support: 12%
- **Extremely vulnerable**: Offered support & using it: 17%, Offered support: 17%

And also lower repayment rates

- **May**: 83%
- **June**: 82%
- **July**: 77%

NPS insights

- Offered support: 44
- Not offered support: 38
- Used support: 46
- Did not use support: 31

“...because it is a little. I will pay later.”
External Support for Payments

Few customers are receiving external support to make their energy payments...

Most with support already had it before pandemic...

Female-headed households were more likely to be receiving support from outside the home.

NPS insights

no external support: 40
external support: 15

“Extend the payment period; it can help us to prepare ourselves.”
Satisfaction by Company

NPS varies significantly across companies

Splitting into three groups, we saw trends

Top-performing: 52
Middle-performing: 36
Bottom-performing: 24

“I find the solar lights to be very reliable and affordable. I’m happy that my children can depend on the lights to do their schoolwork.”
Company Differences

Bottom performing companies see customers with higher challenges rates...

- Top-performing: 31%
- Middle-performing: 34%
- Bottom-performing: 40%

higher burden of repayments...

- Top-performing: 16%
- Middle-performing: 29%
- Bottom-performing: 37%

lower repayment rates...

- Top-performing: 70%
- Middle-performing: 68%
- Bottom-performing: 40%

and less confidence in making repayments...

- Top-performing: 31%
- Middle-performing: 27%
- Bottom-performing: 16%

“I’m just thankful because I now have access to electricity, and I can charge my phone. Everybody needs to have this product at home.”

% customers experiencing challenges with their solar product

% customers their solar payments are a ‘heavy burden’

% customers saying they are making repayments as normal

% customers saying they are ‘very confident’ or ‘confident’ to make repayments for the month ahead
Effects of External Factors

Stringency of COVID measures is higher in East Africa...

- East Africa: 80
- West Africa: 69

3-month average stringency level per region

the region has more ‘extremely vulnerable’ customers...

- East Africa: 15%
- West Africa: 6%

% ‘extremely vulnerable’ customers in 60db Vulnerability Index

lower repayment rates as well as...

- East Africa: 51%
- West Africa: 84%

% customers making solar payments as normal

higher perceived burden of repayments

- East Africa: 33%
- West Africa: 16%

% customers saying payments are a ‘heavy burden’

“I lost my business because it was not sustainable anymore. I also lost my husband who used to support me; he left me with the kids and life is so tough.”

60__decibels
Looking Forward

Customers are seeing the impact of having energy more than ever...

“I love the TV so much because it has helped my children improve their storytelling skills. I also loved how the company agents made it easy for me to acquire the products and how they explained all the instructions to me. They were so friendly and professional.”

Pre-COVID 60dB Energy Benchmark

- May: 54%
- June: 67%
- July: 68%

% quality of life has ‘very much improved’ due to solar product
“The quality of the light is very good. I love it because it is reliable.”

60 Decibels – GOGLA solar PAYG online report

60 Decibels COVID19 insights dashboard

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1. Technical Assistance
2. Sector-wide Policy Response
3. Consumer Protection & Relief
4. Financial Assistance
Our 150+ members off-grid solar manufacturers and distributors make up three quarters of our membership base. Others include investors, trade bodies, think tanks, funders and universities.

Thank you.

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