Nutwood

Developments in the Overall Customer Service League in Q2 2024

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Energy suppliers are mostly ranked according to the prices they offer. Customer service is also important, yet there are different ways of measuring this. Rather than argue that one way is right, or better than another way, the Overall Customer Service (OCS) value of each supplier is calculated as the average over four different measurements, as made and published annually by Which? magazine, quarterly by Ofgem and Citizens Advice, and daily by Trustpilot. Each of these measurements is converted to a score out of 100, and the overall average is taken for each supplier. The suppliers are then ranked and changes in position are discussed in terms of a hypothetical OCS League.

The four components of OCS are now in for the second quarter of 2024 (Q2 2024), and we can assess whether the customer service provided by energy suppliers is generally improving, which suppliers offer the best service, and how the rankings have changed since last quarter and indeed over the last year.

The annual Which? evaluation ranked highly suppliers Utility Warehouse, Octopus Energy, E, and Ecotricity. At the bottom were British Gas, So Energy, and Boost Power. These rankings have not changed.

Ofgem's Q2 2024 evaluation of suppliers' performance is, on average, very similar to last quarter's. But the performance of individual suppliers has certainly changed. EDF Energy is up 11 percentage points (written 11%), Good Energy up 10%, E.ON Energy up 7%, British Gas up 6%, OVO and So Energy up 5%. But Octopus Energy (with Cooperative Energy) is down 10% and Outfox the Market down 9%. Most other suppliers are up a percentage point or two.

Boost Energy was absorbed into OVO at the end of September, and Ofgem did not publish separate complaints figures for it in Q2 2024. Boost Energy has published its own figures, which show its performance as down by 21% on the average used for the OCS calculations. This is mainly because of a significant increase in the number of complaints rather than a failure to resolve them.

On to the Citizens Advice ratings, which on average are up about 6 percentage points. The biggest improvements were recorded by Cooperative Energy and So Energy (12%), British Gas (10%), Octopus Energy (8%), and E, EDF Energy, Good Energy, and Scottish Power (7%). Only Utilita showed a marked fall (4%). Citizens Advice did not rate Boost Energy, so for this final appearance I have (perhaps generously) increased its last quarter mark by the overall average increase of 6%.

Finally, the TrustScores given by customers themselves on Trustpilot show on average a fractional increase of about 1%. EDF Energy is up 4%, and six other suppliers are up 2% (Boost Energy, British Gas, EDF Energy, E.On Energy, Outfox the Market, OVO, and Utility Warehouse). The other suppliers are unchanged.

Combining these four ratings to calculate the OCS scores, nine of the suppliers show an increase, led by British Gas and EDF Energy up 5% and Good Energy up 4%. Three suppliers (Ecotricity, Octopus Energy, and Cooperative Energy) show no significant change. Three suppliers show slight falls: Boost Energy down 3%, Outfox the Market down 2%, and Utilita down 1%.

Figure 1 shows the OCS scores for the fifteen present suppliers over the last four quarters. E has maintained – indeed increased - its lead at the top of the first division. Outfox the Market has slipped slightly but still maintains second place. Over the last year, Utility Warehouse and Ecotricity have moved firmly ahead of the rest of the pack to join Outfox the Market.

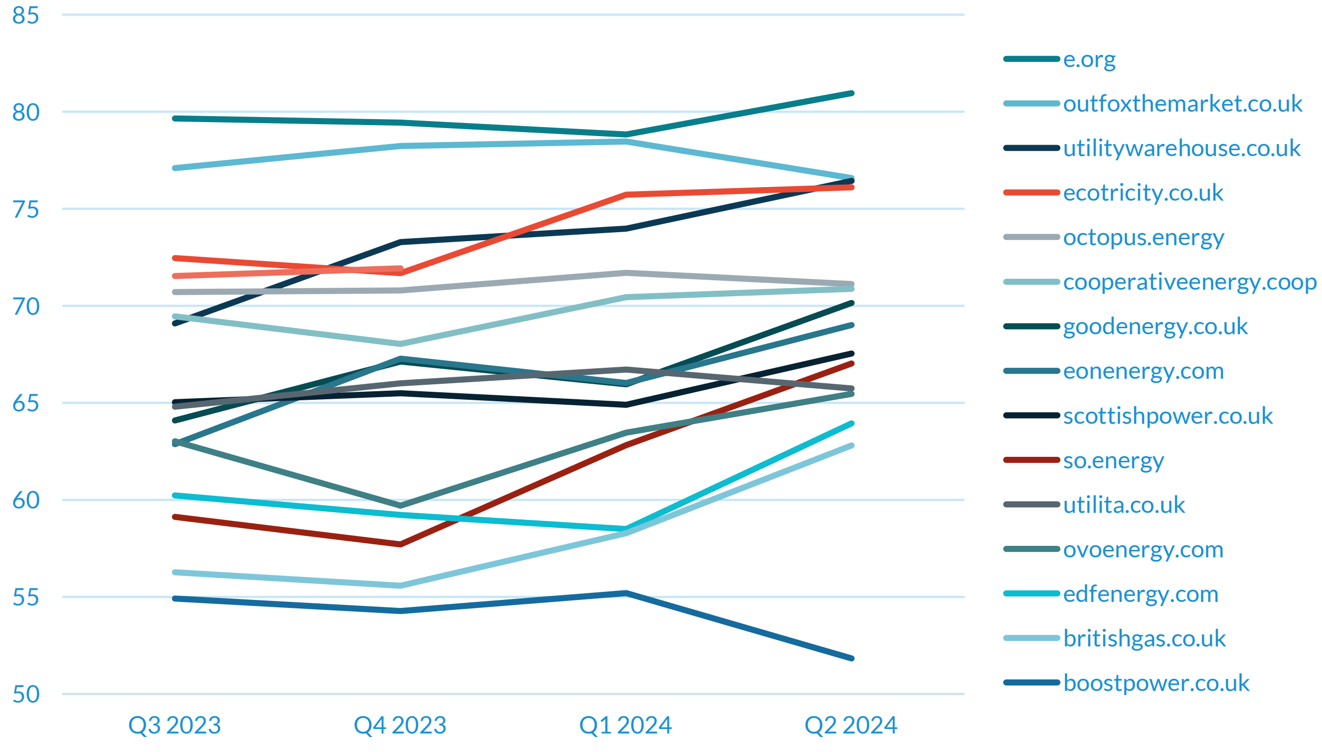
Octopus Energy holds steady but is left behind to head up the second division (no longer top of the first division, as was once the case, and perhaps still digesting its substantial acquisitions). Cooperative Energy is there too. Good Energy and E.ON Energy have both risen strongly to join them, followed by Scottish Power and a remarkably improved So Energy.

Utilita has faded slightly and been overtaken, falling from seventh to eleventh, and now heads the third division. Then much improved performances over the last couple of quarters from OVO, EDF Energy, and

British Gas, although still near the bottom of the League. In contrast, Boost Power, already at the bottom of the League, suffered a severe decline in its final quarter in the League.

There is obviously scope for some suppliers to do a little better, but on the whole it seems an encouraging second quarter performance. And there is also food for thought. Though there are exceptions (notably Utility Warehouse and Boost Power), Small suppliers on average record the best customer service performance (average ranking 6th), Medium suppliers are next (average ranking 8th) and Large suppliers the lowest (average ranking 10th). So, price is important but it isn't everything, and with respect to customer service, Small is mostly Beautiful.

Figure 1: OCS League Q3 2023 - Q2 2024



Source: Professor Stephen Littlechild