



Consumer Insights during COVID-19



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- June survey - Participation still open for additional companies.
Results published & webinar early July.
- July survey - results published & webinar early August.
- Additional surveys – funding dependent.



COVID-19 and the PAYGO energy sector: How are consumers affected?



Intro

This is an unprecedented time, and consumers face unprecedented risks.

In order to understand the impact the coronavirus pandemic is having on customers' lives, this initiative harnesses the power of 60 Decibels' Lean Data to hear consumer's experiences, communicates how they are adjusting to this crisis, and shares insights stakeholders can use to protect and support customers now and in future.

Thanks to GOGLA for funding this work – with support from CDC and DOEN Foundation. Thanks to CGAP for contributing advisory support.

Countries & Companies

May 2020: 14 companies, 6 countries, 2,200+ customers interviewed.

A quick overview.



Countries of focus

- Cote d'Ivoire
- Kenya
- Nigeria
- Rwanda
- Uganda
- Zambia

Thank you to companies participating

- Azuri
- Baobab+
- BBOXX
- d.light
- ENGIE Mobisol
- Fenix
- FINCA Plus Bright Life
- Greenlight Planet
- Lumos
- M-KOPA
- Mwezi
- Oolu Solar
- Pawame
- SUNami

Themes

The surveys focus on:

What we're asking about.

- **Awareness and concern of COVID19;** awareness of the virus, level of concern, main concern, sources of hope.
- **Impact of COVID19;** changes in financial situation, income, expenses, food consumption, payment behaviour, confidence in future payment, level of burden, and coping mechanisms used.
- **Experience, satisfaction, impact of off-grid energy product;** usage, quality of life, Net Promoter Score[®], challenge rate, issue resolution, Customer Effort Score, satisfaction with company communications, opportunities for support.
- **Customer profile;** we look at household size, gender, age, income level, location, education level.

Customer Voice

“I am financially unstable and my income has greatly reduced. Sometimes I have to skip lunch so that the little money that I get I can use to buy food for my family.”

“I used to stay in the darkness but now I have lights. I also own a TV so I am able to watch news and updates especially during this period of corona.”

Results Snapshot

Usage

32%

using their energy product more now; 53% no change

Impact

62%

quality of life 'very much improved'

Compared to 53% benchmark

Communications

82%

satisfied with company communications at this time

Net Promoter Score®

44

on a -100 to 100 scale

Compared to 47 benchmark

Challenge rate

33%

report challenges: 62% not resolved

Compared to 32% benchmark

Gender

women 48% vs men 39%

financial situation got 'much worse'

52% vs 66%

borrowed money from friends to cope

59% vs 68%

making payments as normally would

46% vs 58%

confident could make payments as normally would for the next month

Payments

66%

making payments as normally would

Confidence

55%

confident could make payments as normally would for the next month

Financial situation

42%

'got much worse'; 44% 'slightly worse'

Coping mechanisms

78%

employed some coping mechanism

Food consumption

43%

reduced food consumption to cope

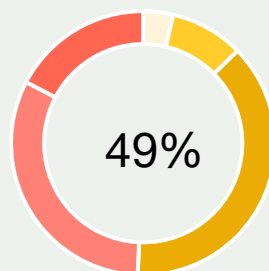
Vulnerability Index

The 60dB Vulnerability Index aims to identify how shocks affect a family's situation.

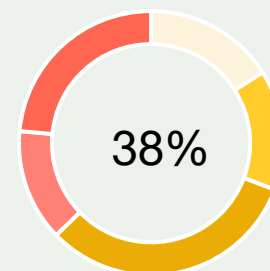
It is made up of four key themes:

- Poverty level
- Change in financial situation
- Coping mechanisms used
- Effect on food consumption

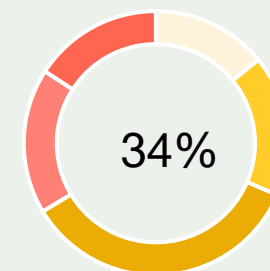
Looking at differences across countries.



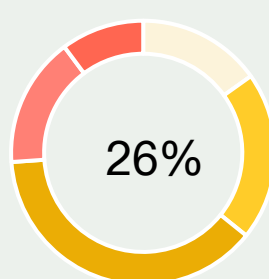
Uganda



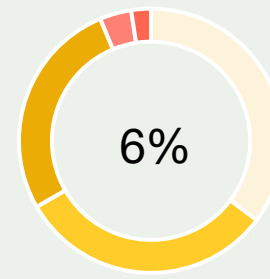
Kenya



Rwanda/Zambia



Nigeria



Cote d'Ivoire

X% Very or Extremely vulnerable

Coping

Slightly vulnerable

Vulnerable

Very vulnerable

Extremely vulnerable

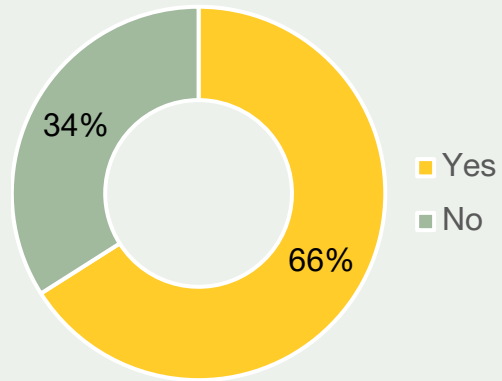
Payments

Quite a bit of variation by country. Does this match what you're seeing as a company?

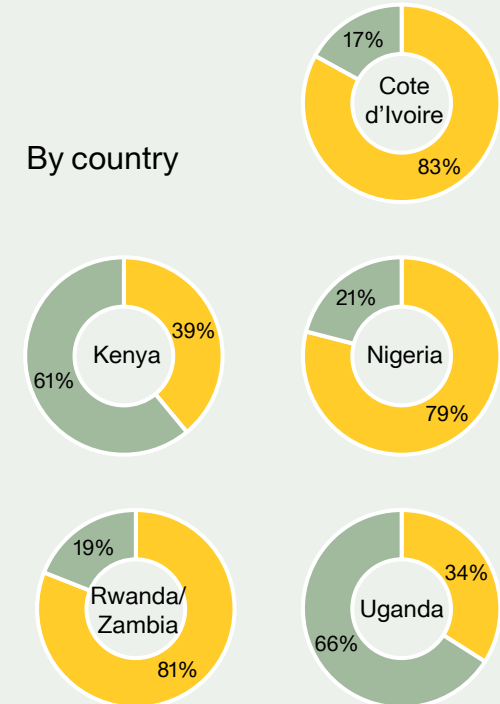
Do customers feel they are making payments as normal?

Payment behaviours

Q: Are you making repayments for the [company] [product/service] as you normally would at this time?



By country



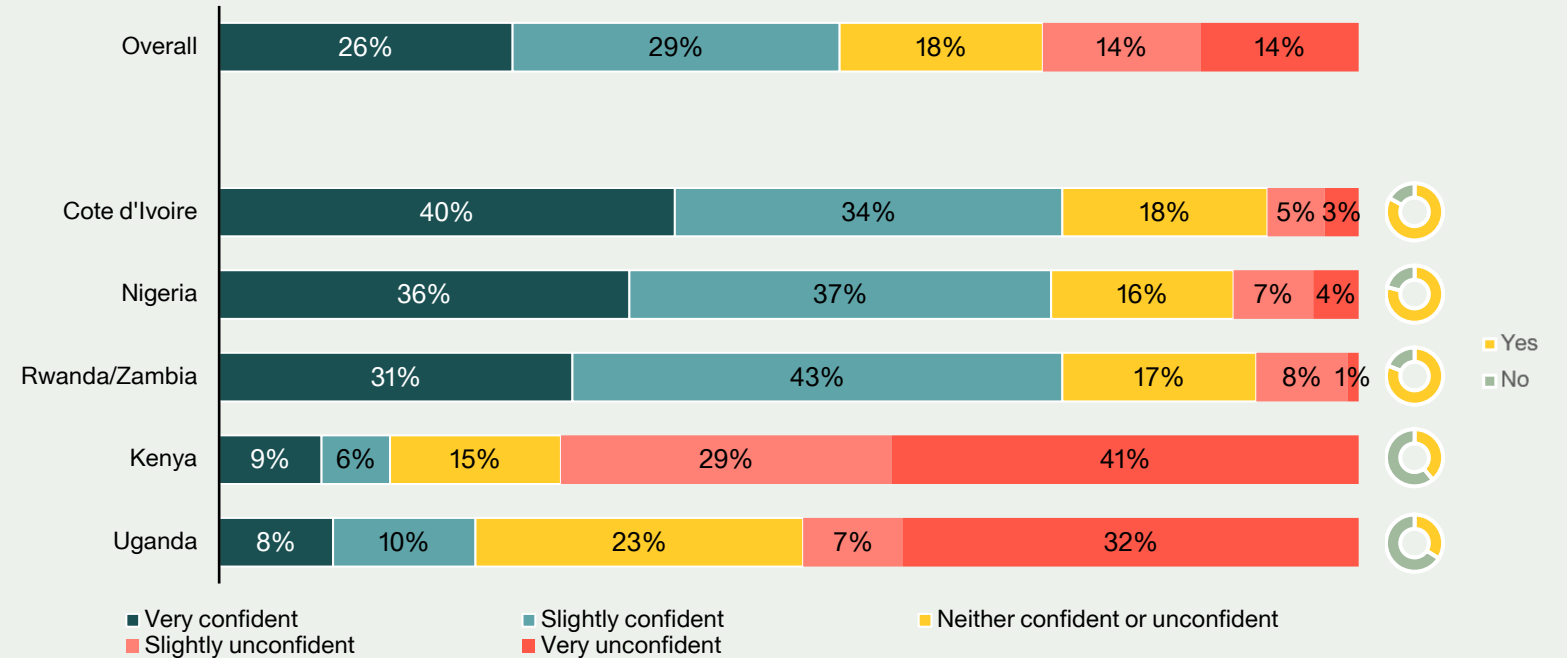
Payment Confidence

Current payment behaviour strongly linked to confidence in future payment.

How confident are customers of their ability to pay as normal for the next month?

Confidence in making repayments next month

Q: How confident would you say you are in your ability to make [payments/repayments] as you normally would for the next month?



Coping Mechanisms

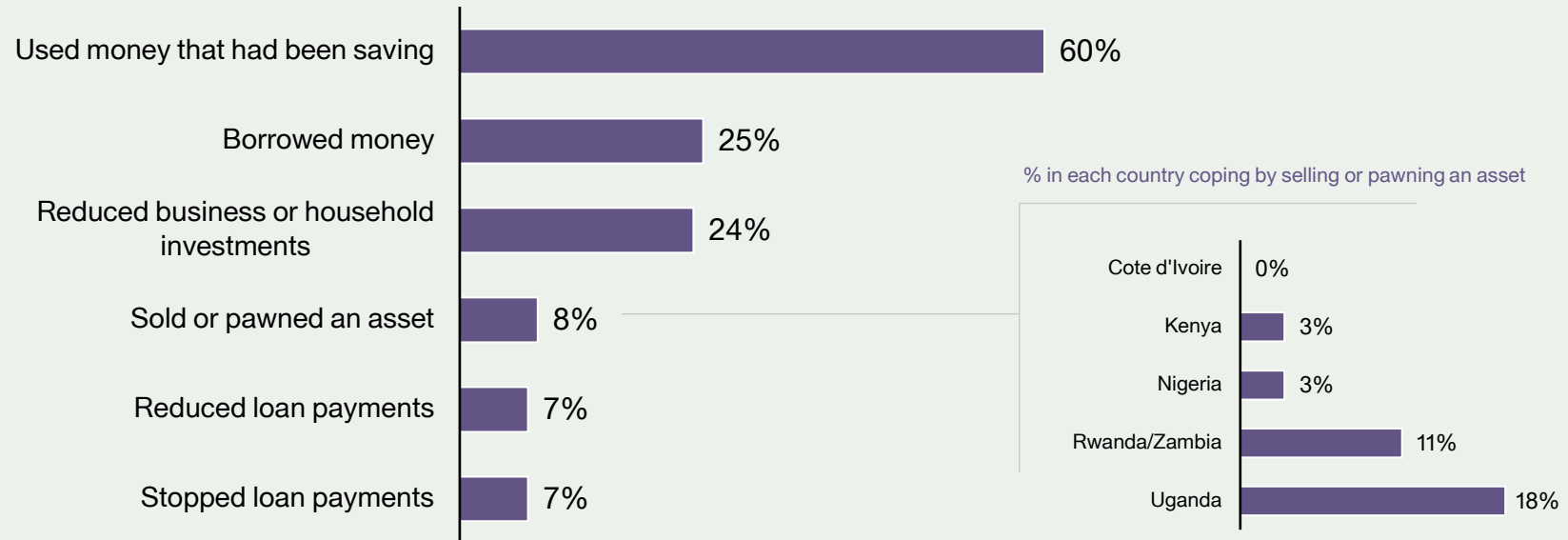
Those who borrowed money borrowed from:

- 63% family or friends
- 20% money lender
- 8% digital credit (32% in Kenya)
- 7% MFI or bank
- 3% other

What are customers doing to weather any financial hardship they are facing?

Coping mechanisms used

Q: As a way to cope with the coronavirus situation, have you or anyone in the household had to do any of the following that you wouldn't normally have to do? Have you:



I have reduced my expenses, now we eat once per day, because of lockdown we can't earn money and our financial means have decreased.

Why off-grid energy matters – February 2020

<http://bit.ly/60dB-energy-report>

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Vulnerability Scoring

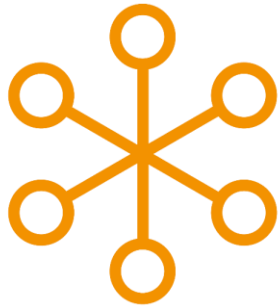
We allocated scores based on the weight of burden an indicator may reflect.

	Score
Coping	0-15
Slightly vulnerable	16-25
Vulnerable	26-40
Very vulnerable	41-50
Extremely vulnerable	51-92

The maximum score is 92, if each of the highlighted indicators to the right is realised.

Cut investment, may include things like building a home.

Indicators	Score	
Food consumption 'very much decreased'	25	←
Financial situation 'got much worse'	20	←
Living below extreme poverty line (\$1.90)	15	←
Financial situation 'got slightly worse'	10	
Sold assets	10	←
Living below relative poverty line (\$3.20) but above \$1.90	10	
Food consumption 'slightly decreased'	10	
Reduced spending	7.5	←
Borrowed	7.5	←
Used savings	5	←
Living below low-income line (\$5.50) but above \$3.20	5	
Cut investment	2	←



GOGLA
CONSUMER
PROTECTION
CODE

COVID-19 Energy Access Relief Response

- Consumer Protection Principles
- Self-Assessment Tool
- Webinar recording & slides

www.gogla.org/consumer-protection

1. Technical Assistance
2. Sector-wide Policy Response
3. Consumer Protection & Relief
4. Financial Assistance

Thank you.

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