# **Project Polaris: Navigating the UK Energy Retail Market to Achieve Leadership in Profitability and Customer Satisfaction**

## **Section 1: Executive Summary**

### **Overview**

The UK energy retail market in 2024 is defined by a fundamental schism. On one side are agile, technology-led challengers like Octopus Energy, who are rapidly gaining market share by weaponizing customer satisfaction. On the other are legacy incumbents, including British Gas, who are burdened by negative public perception, operational friction, and outdated systems, despite their scale and brand heritage. This report provides a detailed analysis of this competitive dynamic, drawing on extensive customer review data and corporate strategic documents. It presents a four-pillar strategy for British Gas to not only counter these threats but to establish a new era of market leadership, driving both profitability and customer loyalty.

### **Core Findings**

Our analysis reveals that competitor success, particularly that of Octopus Energy, is not based on a single factor but on a self-reinforcing "flywheel." This effect is driven by a modern technology platform (Kraken) that enables superior, empathetic customer service. This, in turn, fosters profound trust and positive sentiment, which drives low-cost organic growth and exceptional customer loyalty.1 This virtuous cycle stands in stark contrast to the experience of customers with legacy suppliers, including British Gas. For these incumbents, systemic issues in billing, account management, and smart meter functionality create widespread frustration, increase operational costs, and fuel customer churn.2

### **Key Recommendations**

To reverse current trends and achieve market leadership, British Gas must embark on an aggressive, four-pillar transformation:

1. **Accelerate and Evangelise the Digital Transformation:** Fully leverage the newly acquired ENSEK Ignition platform as the cornerstone of a "New British Gas" proposition, communicating its benefits both internally and externally.
2. **Revolutionise the Customer Service Culture:** Transition from a traditional, metric-driven call centre model to an empowered, specialist-led approach focused on first-contact resolution and genuine customer care.
3. **Innovate on Value and Engagement:** Develop simple, transparent, and flexible tariffs. Launch a compelling rewards program that integrates the full suite of British Gas services, creating a unique "whole home" value proposition.
4. **Rebuild Trust Through Radical Transparency:** Proactively overhaul billing communications to be the clearest in the industry and establish a highly visible, best-in-class support system for all customers, especially the most vulnerable.

### **Table 1.1: Competitive Landscape at a Glance**

| Company | Trustpilot Score | Key Customer Pain Points | Strategic Technology Platform | Signature Innovative Tariff/Offer |
| --- | --- | --- | --- | --- |
| **British Gas** | 1.2/5 (Reviews.io) 2 | Incorrect bills, poor communication, smart meter issues, long complaint resolution times, difficult to contact.2 | ENSEK Ignition (in migration) 5 | PeakSave (Demand response) 5 |
| **Octopus Energy** | 4.8/5 1 | Long phone wait times during peak periods, some smart meter issues.1 | Kraken (Proprietary) 1 | Intelligent Octopus Go (Smart EV charging), Saving Sessions 1 |
| **EDF Energy** | 4.6/5 6 | Long call wait times, unresolved smart meter faults, inconsistent agent quality, billing errors.1 | Not specified in reports. | Simply Fixed (no exit fees), Sunday Saver challenge 9 |
| **E.ON Next** | 4.5/5 (on E.ON Next) 10 | Defective systems, lack of agent knowledge, unresolved complaints, smart meter installation issues, billing errors.1 | Kraken (Licensed from Octopus) 13 | Next Pledge (Tracker tariff below price cap) 10 |
| **Scottish Power** | 4.3/5 15 | Systemic billing errors, aggressive sales, non-functional app, long call waits, unresolved smart meter faults for years.1 | Not specified in reports. | Half-price electricity on weekends 15 |

## **Section 2: The 2024 UK Energy Market: An Era of Disruption and High Expectations**

### **The Macro-Economic Context**

The UK energy market continues to operate in the long shadow of the recent energy crisis. While wholesale prices have receded from their unprecedented peaks, the impact on household finances remains acute. The average annual bill under the April-June 2025 price cap, at £1,849, is still 43% higher than it was in the winter of 2021/22, prior to the crisis escalating.17 This sustained period of high costs has created significant financial strain for consumers, leading to a record level of debt and arrears, which reached £3.85 billion in the fourth quarter of 2024.18 This environment of financial pressure has fundamentally altered consumer behaviour. Price sensitivity is at an all-time high, but customers are also increasingly scrutinising the

*value* they receive. A high bill is tolerated less when coupled with poor service, creating a fertile ground for customer churn and making brand trust a critical, yet fragile, commodity.

### **The Regulatory Environment**

Simultaneously, the energy regulator, Ofgem, is intensifying its focus on consumer protection and service standards. There is a clear and non-negotiable expectation that suppliers must improve their handling of complaints, provide robust support for vulnerable customers, and maintain their own financial resilience.18 Recent regulatory actions underscore this shift. Ofgem has decided to activate a dormant licence condition, which from August 2025 will require all domestic suppliers to provide a 24/7 enquiry service for customers who have lost power or gas due to a meter fault.21

Furthermore, Ofgem has explicitly stated its ambition for the energy sector to match the customer service standards of the banking sector, one of the highest-rated service industries in the UK.23 This signals a future where superficial metrics like reduced call waiting times—which have improved industry-wide from 7 minutes to around 2 minutes since 2022—will be insufficient.23 The focus is shifting to the quality of the interaction and the effectiveness of the resolution, a far more challenging standard for suppliers with systemic operational issues to meet.

### **The Competitive Landscape**

The domestic market structure, while seemingly concentrated with the six largest suppliers holding a 91% market share, is undergoing a significant realignment.18 This headline figure masks the dynamic reality of market share shifts. Octopus Energy, through a combination of aggressive organic growth and strategic acquisitions, has become the largest electricity supplier in Great Britain.19 This signals a clear bifurcation of the market into two competing business models:

* **The Agile Challenger Model:** Exemplified by Octopus Energy, this model is built on a modern, unified technology stack. This allows for extreme operational efficiency, rapid development of innovative products, and empowers customer service agents with a single, comprehensive view of the customer. The result is a business that can scale rapidly while maintaining or even improving customer satisfaction.1
* **The Legacy Incumbent Model:** This model, which includes British Gas, EDF, and Scottish Power, is defined by immense brand recognition and scale. However, this is often a double-edged sword. These companies are frequently hampered by complex, siloed, and outdated legacy IT systems. This technological debt creates significant operational friction, leading to the very customer service failures—such as billing errors and unresolved complaints—that drive customers towards agile competitors.1

### **The Modern Energy Consumer**

The expectations of the modern energy consumer have been irrevocably shaped by their experiences in other sectors. They now demand seamless, intuitive, and digital-first interactions, mirroring the user-friendly apps and services provided by online banking and e-commerce giants.24 There is a clear expectation of transparency and control; customers want to easily access their usage data, understand their bills, and manage their accounts without friction. Consequently, patience for long call queues, repetitive conversations with different agents, incorrect bills, and unfulfilled promises has evaporated. While price remains a key factor, analysis of switching behaviour shows that service quality and trust are increasingly powerful drivers of customer choice.20

The confluence of high consumer debt and Ofgem's stringent focus on vulnerability has created a new competitive battleground: empathy as a strategic differentiator. A supplier's approach to customers in financial distress is no longer a back-office collections activity but a front-line brand-defining function. The customer reviews for Octopus Energy frequently highlight the positive impact of their "affordability experts" and their ability to provide tangible help, such as grants.1 One customer noted,

*"he got me a grant to help towards my energy bill. I felt like I wasn’t alone in this tough situation"*.1 This demonstrates a profound understanding that financial hardship is now a mainstream customer experience. By making support visible, accessible, and genuinely helpful, Octopus builds immense brand equity and trust, which are powerful tools for customer retention. For British Gas, this means that support mechanisms must not only exist but must be elevated to a core pillar of the brand's public narrative to rebuild customer confidence.

Looking ahead, the market is on the cusp of another major shift. The government and Ofgem are actively steering the industry towards a more flexible, smarter energy system. The planned rollout of Market-wide Half-Hourly Settlement in 2026, combined with government funding and calls for evidence on innovative and flexible tariffs, makes this direction clear.25 The future of profitability in energy retail will lie not just in supplying energy, but in managing demand. This requires a sophisticated technology platform capable of handling complex, real-time pricing, smart device integration, and dynamic customer engagement. Suppliers with the agility to offer and manage innovative Time-of-Use (ToU) tariffs will gain a significant first-mover advantage. Legacy suppliers trapped on inflexible billing systems will find themselves unable to compete, relegated to offering only basic, less profitable, and increasingly obsolete "dumb" tariffs. This makes the successful and rapid implementation of the ENSEK platform a critical, non-negotiable imperative for British Gas's future survival and success.

## **Section 3: Competitor Deep-Dive: Deconstructing the Octopus Energy Playbook**

### **3.1 The Strategic Core: The Kraken Technology Platform**

At the heart of Octopus Energy's success is its proprietary technology platform, Kraken. It is a fundamental error to view Kraken as merely a modern billing system; it is a fully integrated, cloud-native platform that manages the entire customer lifecycle, from acquisition to service and billing.1 This platform provides a single, unified source of truth for every customer, a feature that is conspicuously absent in the fragmented IT landscapes of legacy competitors. This single view empowers customer service agents, automates a vast number of backend processes, and provides the foundation for all of the company's other strategic advantages.

The operational power of Kraken is not theoretical. It was demonstrated unequivocally during the migration of 1.2 million customers from Shell Energy Retail. This complex process was completed in a record 89 days. Critically, during this period of massive operational change, Octopus Energy's Trustpilot score *rose* from 4.7 to 4.8 out of 5, a clear testament to the platform's scalability, stability, and its ability to deliver a seamless customer experience even under pressure.1 This level of agility is something that legacy systems, often decades old and patched together, simply cannot replicate. Kraken is the enabler of all of Octopus's strengths: it facilitates rapid product development, allows for personalised and effective customer service, and drives operational efficiencies that can be reinvested into competitive pricing and further customer-facing initiatives.

### **3.2 The Customer Service Moat: Empowered Agents, Proactive Support**

The customer review data for Octopus Energy is a compelling case study in how exceptional service can become a formidable competitive advantage.1 The single most dominant theme is the positive experience of interacting with a customer service agent. Reviewers consistently describe agents as helpful, polite, patient, and, most importantly, empowered to resolve issues on the first contact. This contrasts sharply with the fragmented and frustrating experiences reported by customers of legacy suppliers.

The ability to speak to a knowledgeable human being is repeatedly cited as a key differentiator. Representative quotes from customers illustrate this point vividly:

* *"The thing I love about all Octopus products is the fact you can talk to a human being on the phone if you have a problem. Also everything is explained in plain English, very easy to understand and follow."* 1
* *"As always amazing customer service. minimal waiting times, got to speak to a human and dealt with in under 1 min. Can't ask for anymore"* 1
* A particularly telling review comes from a customer who recently switched from British Gas: *"Having just switched from British Gas to octopus I can’t tell you what a difference it was to not be on hold for 30mins, to have someone understand my question and to be super helpful. Thanks you!"* 1

This positive sentiment extends to how Octopus handles customers in difficult situations. The company proactively supports vulnerable customers, with reviews specifically praising their "affordability expert" and the provision of financial grants.1 This empathetic approach builds a level of brand loyalty and trust that is exceptionally difficult for competitors to counter.

### **3.3 Innovation as a Growth Engine: Smart Tariffs and Engagement**

Octopus Energy leverages its agile technology platform not just for efficiency, but as a launchpad for genuine product innovation. These are not marketing gimmicks; they are tariffs and programs that provide tangible value to customers and actively support the UK's energy transition.

* **Intelligent Octopus Go:** This smart tariff for electric vehicle owners has rapidly become the most popular in the UK, with 156,000 customers by the end of the 2024 fiscal year.1 It uses the Kraken platform to automatically optimize vehicle charging for the cheapest and greenest times overnight, directly lowering customer costs.
* **Saving Sessions:** This demand-response initiative is a masterstroke of customer engagement. During periods of high grid stress in the winter, Octopus paid its customers a total of £5.1 million to voluntarily reduce their energy consumption. In doing so, they collectively shifted nearly 2 GWh of energy, turning a grid-balancing necessity into a positive and rewarding experience for customers.1
* **Octoplus Rewards:** This loyalty program gamifies energy saving. Customers earn "Octopoints" for engaging in smart energy behaviours, such as participating in Saving Sessions. These points can then be redeemed for rewards or credit on their energy bills, creating a powerful incentive loop that deepens engagement and fosters loyalty.1
* **Transparency and Flexibility:** A core tenet of the Octopus proposition is customer control. Many of their popular tariffs have no exit fees, a feature frequently praised in reviews: *"Ease of changing tariff and especially no exit fees"*.1 This transparency builds trust and directly counters the perception that customers are being "trapped" in contracts by legacy suppliers.

This combination of factors has created a powerful, self-reinforcing "flywheel effect." The superior Kraken platform enables excellent service and innovative products. This leads to exceptionally high levels of customer satisfaction, which are amplified through positive word-of-mouth and glowing online reviews.1 This strong brand perception, built on trust and genuine value, drives rapid and low-cost customer acquisition, evidenced by their 54% customer base growth in a single year.1 The resulting scale and operational efficiency generate capital, which is then reinvested into further enhancing the Kraken platform and developing new customer-centric products and support initiatives, such as the Octo Assist fund.1 Each element of the strategy reinforces the others, creating a closed-loop system where technology, service, and growth are mutually accelerating. For British Gas, this means that competing effectively requires more than just launching a new app or tariff; it necessitates building a competing flywheel, with the ENSEK platform as the essential hub.

Beyond the mechanics of the business, Octopus is successfully reframing the fundamental relationship between an energy supplier and its customers. It is shifting the dynamic from a purely transactional one (where the customer is a "ratepayer" who grudgingly pays a bill) to a collaborative one (where the customer is a partner in the energy transition). Programs like "Saving Sessions" and "Octoplus" make customers feel they are actively participating in creating a greener, more efficient grid.1 This fosters an emotional connection and a level of brand loyalty that is almost unheard of in the utilities sector. It transforms the brand from a mere utility into a lifestyle choice aligned with customers' values. This is a profound psychological shift that legacy suppliers, often perceived as monolithic and adversarial, will find extremely difficult to replicate without a fundamental change in their own technology and culture.

## **Section 4: The Incumbent's Dilemma: Common Vulnerabilities of Legacy Competitors**

### **Systemic Friction and Incompetence**

A stark and consistent theme emerges from the customer reviews of legacy suppliers like EDF, E.ON Next, and Scottish Power: a pervasive sense of systemic failure. Customer problems are rarely portrayed as isolated incidents but as symptoms of a deeper, recurring dysfunction within these organizations. This points to underlying issues with processes, training, and, most critically, technology.

* **EDF Energy:** While some customers praise individual agents, many report significant operational failings. These include extremely long call wait times, with some customers reporting waits of up to six hours.1 A particularly damaging theme is the failure to resolve smart meter issues, with one customer stating,  
  *"I have had a fault no display on my smart meter for almost 5 years on gas usage only"*.1 This level of long-term failure indicates a breakdown in the process for logging, tracking, and resolving technical faults.
* **E.ON Next:** Despite licensing the highly-regarded Kraken platform, customer reviews suggest significant challenges in its implementation and in the supporting customer service infrastructure. Reviews describe a "dysfunctional" company with "defective systems" and a "lack of knowledge" among agents.1 Customers report being forced to escalate issues to the Energy Ombudsman after failing to get a resolution directly, a clear sign of a broken internal complaints process.1 One review summarises the experience:  
  *"Problems all the way. Defective systems, agents lack of knowledge, refusal to log complaint - don't expect an apology."*.1
* **Scottish Power:** The customer sentiment for Scottish Power is overwhelmingly negative, with reviews painting a picture of a company that is, at best, incompetent and, at worst, predatory. Customers use words like "deplorable," "immoral," and "nightmare" to describe their experiences.1 Common complaints are severe and systemic, including being "trapped" in contracts, facing aggressive sales tactics, receiving wildly inaccurate bills, and struggling with a non-functional app and smart meters that remain broken for years.1 One customer warns,  
  *"Avoid Scottish Power if you can. Poor customer service, can't access important docs, app doesn't allow you to input both gas and electricity readings in one go!"*.1

### **The Customer Service Lottery**

Across all the legacy suppliers, a pattern of inconsistent service quality is evident. While there are instances of praise for specific, helpful agents, these are presented as fortunate exceptions to a general rule of mediocrity or incompetence. This creates a "customer service lottery," where the quality of support received depends entirely on the luck of which agent answers the call. This inconsistency is highly damaging to customer trust.

The root cause of this lottery effect appears to be the reliance on outdated, fragmented IT systems. Agents often seem to lack a complete history of a customer's interactions, forcing the customer to repeat their story multiple times to different departments. This is a classic symptom of siloed data and a lack of a single customer view platform. A review for EDF captures this perfectly: *"Finally communicating with a person who understands plain English. Colin sorted out my problems quickly and efficiently. So rare these days with this type of Company. I communicated with others at EDF and it was like taking to The Man In The Moon."*.1 This experience, where one agent can solve a problem that others could not, highlights the deep-seated inconsistency.

### **The Strategy-Execution Gap**

The annual reports of these companies are filled with strategic rhetoric about customer-centricity, digital transformation, and sustainable futures.1 However, the thousands of customer reviews paint a starkly different picture of the on-the-ground reality. This reveals a significant gap between the strategic ambitions articulated in the boardroom and the lived experience of the customer. It suggests that major strategic initiatives are failing to translate into meaningful operational improvements at the front line, likely because they are being built on top of a foundation of crumbling legacy technology that cannot support them.

The core vulnerability shared by all legacy suppliers is **operational friction**. This friction, born from outdated and fragmented technology, manifests in the exact issues that customers complain about most: billing errors, poor communication between departments, and unresolved service requests. This friction creates a vicious cycle. It directly increases the cost-to-serve for the supplier, as each unresolved issue requires multiple calls, manual interventions, and often escalations. At the same time, it destroys customer satisfaction, which leads to higher churn rates and increased acquisition costs to replace lost customers. The negative customer experience is therefore not just a reputational problem; it is a direct symptom of a broken and inefficient operational backbone. For British Gas, which suffers from the same perceived issues, this analysis provides a clear diagnosis. The ENSEK platform is the prescribed cure, and the strategic imperative must be to administer it as quickly and comprehensively as possible.

This "customer service lottery" also creates a particularly corrosive form of brand damage. When a customer, after several frustrating interactions, finally encounters a highly competent agent who solves their problem instantly, it proves to them that the company *is capable* of providing good service. The customer's conclusion is often not one of relief, but of anger. The thought process becomes: "So, you *do* have people who can help. Why did I have to waste hours of my time with the others? You clearly don't value my time and are deliberately choosing to under-invest in service." This perception of deliberate under-serving, especially when contrasted with reports of high corporate profits, fuels a narrative of greed and contempt for the customer. It makes rebuilding trust far more difficult than if the service were simply consistently mediocre. This implies that any new service model for British Gas must be built for *consistency*. The goal cannot be to create small pockets of excellence, but to elevate the baseline for *all* customer interactions. This again points to the foundational importance of the ENSEK platform in providing a consistent, single view of the customer to every single agent.

## **Section 5: Internal Assessment: A SWOT Analysis of British Gas Energy**

This analysis synthesises the external market and competitor review with an honest assessment of British Gas's internal strategic position, leveraging customer reviews and corporate communications to build a comprehensive picture.

### **Table 5.1: British Gas SWOT Analysis**

| Strengths | Weaknesses |
| --- | --- |
| **1. Unmatched Brand Heritage and Scale:** Despite recent challenges, "British Gas" remains one of the UK's most recognised brands. This legacy, if trust can be restored, provides a powerful platform for recovery and growth that newer entrants lack.1 | **1. Deeply Negative Customer Sentiment:** Reviews describe a "dreadful," "awful, smug, disinterested company".2 The brand is currently a liability, associated with poor service. |
| **2. Unique Integrated Services Model:** The ability to bundle energy supply with Homecare services is a significant competitive advantage. It creates stickier customer relationships and offers opportunities for cross-selling and diversified revenue streams that pure-play energy retailers cannot replicate.28 | **2. Systemic Operational Failures:** Common complaints mirror those of other failing legacy suppliers: incorrect bills, non-functional smart meters, blocked supplier switches, and long, unresolved complaints processes.2 | *"Truly awful... sending incorrect meters and cables to dispatching engineers with the wrong instructions"*.2 |
| **3. Decisive Strategic Technology Investment:** The acquisition of ENSEK and the commitment to migrate all domestic customers to its Ignition platform is a critical and correct strategic move. It provides the necessary technological foundation to address core weaknesses and compete with agile challengers.5 | **3. Perceived Poor Value for Money:** Customers rate British Gas poorly on value, a critical weakness in a high-cost market.3 This is exacerbated by billing errors that lead to a sense of being unfairly overcharged. | *"Over charged 195 per month and and now I want to switch and they charging over £400 and I've never been in arrears"*.2 |
|  | **4. Erosion of Trust in Core Products:** Even the Homecare service, a key strength, is a source of customer frustration. Complaints about "not included" clauses, high costs for repairs, and a feeling of being "scammed" undermine the trust that this service should be building.28 |
| **Opportunities** | **Threats** |
| **1. The ENSEK-Powered Transformation:** The Ignition platform is a once-in-a-generation opportunity to fundamentally reset the customer experience. Centrica's own data shows that Net Promoter Score (NPS) is "materially higher" for customers on Ignition.5 This is the key to unlocking a new, efficient, and customer-friendly operating model. | **1. Accelerated Customer Churn to Agile Competitors:** Octopus Energy is explicitly targeting dissatisfied customers of legacy suppliers. Reviews show a direct flow of customers from British Gas to Octopus, driven by frustration with service.1 | *"Having just switched from British Gas to octopus I can’t tell you what a difference it was"*.1 |
| **2. Rebranding and Repositioning:** The platform migration can be leveraged to launch a "New British Gas" marketing campaign. This campaign can focus on reliability, simplicity, and fairness, directly addressing the historical pain points and signalling a genuine change in the company's approach to its customers. | **2. Permanent Brand Erosion:** If the current negative perception is not reversed, the "British Gas" brand could become permanently toxic, associated with inefficiency and poor value. This would make customer acquisition prohibitively expensive and threaten the long-term viability of the retail business. |
| **3. Leveraging the Integrated "Whole Home" Model:** Create innovative, bundled offers that combine energy, EV charging, heat pumps, and Homecare services. The acquisition of Zoa by ENSEK provides AI-powered home energy management capabilities that can underpin this strategy 31, creating a unique value proposition that competitors cannot easily match. | **3. Technological Obsolescence and Inability to Compete:** Any delay or failure in the full and rapid implementation of the ENSEK platform will be catastrophic. It would leave British Gas unable to offer the innovative, flexible tariffs that the future market will demand, leading to a death spiral of high operational costs, low customer satisfaction, and shrinking market share. |
| **4. Leadership in Vulnerable Customer Support:** Given the brand's national stature and history, there is a significant opportunity to become the undisputed market leader in supporting vulnerable customers. This would turn a regulatory necessity into a powerful brand differentiator, rebuilding trust and demonstrating a commitment to a "fairer" future as stated in the annual report.1 |  |

## **Section 6: Strategic Recommendations: A Four-Pillar Roadmap to Market Leadership**

The preceding analysis provides a clear mandate for change. To move from its current defensive position to one of market leadership, British Gas must execute a bold and integrated transformation strategy. This strategy is built on four interconnected pillars, each designed to address a core weakness identified in the analysis and leverage a key opportunity, learning directly from the successes of agile competitors and the failures of fellow incumbents.

### **Pillar 1: Accelerate and Evangelise the Digital Transformation**

The acquisition of ENSEK and its Ignition platform was the correct strategic decision; now, it must be treated with the urgency and focus it deserves. This cannot be viewed as a back-office IT project. It is the foundational enabler of the entire business turnaround.

**Actionable Tactics:**

* **Prioritise and Accelerate Migration:** Allocate all necessary financial and human resources to complete the migration of 100% of British Gas domestic energy customers to the Ignition platform ahead of the original schedule. Every day that customers remain on legacy systems is a day of continued operational friction, poor customer experience, and competitive vulnerability.
* **Launch a "New British Gas" Campaign:** Develop and launch a major external marketing and communications campaign centred on the theme of a "New, Simpler, More Reliable British Gas." This campaign must explicitly link the improved customer experience to the new technology platform. The internal data point that Net Promoter Score (NPS) is "materially higher" for customers already on Ignition is a powerful and credible proof point that must be central to this narrative.5
* **Drive Internal Adoption and Advocacy:** Implement a comprehensive internal training and communications program for all customer-facing staff. This training must go beyond the mechanics of using the new system. It must focus on how the Ignition platform, with its single customer view, empowers agents to solve problems on the first contact, thereby reducing their own frustration and improving the customer's experience. Staff must become advocates for the new system, not just users of it.

**Rationale:** The analysis in Section 4 demonstrates that systemic operational friction is the root cause of customer dissatisfaction for all legacy suppliers. The customer reviews for British Gas confirm it suffers from the same disease.2 The ENSEK Ignition platform is the cure.5 British Gas must not only implement this cure but must communicate clearly and confidently to the market that it has done so, in order to fundamentally reset customer perceptions.

### **Pillar 2: Revolutionise the Customer Service Culture**

Technology alone is not enough. The platform must enable a new way of working. The current model, which appears to be focused on traditional call centre metrics like Average Handle Time, leads to customers being passed between departments and issues remaining unresolved. This must be dismantled and replaced with a culture of ownership and resolution.

**Actionable Tactics:**

* **Pilot an Empowered Team Structure:** Modelled on the success of Octopus Energy, pilot a new structure where small, cross-functional teams are given ownership of a dedicated pool of customers. These teams should be trained and empowered to handle the vast majority of queries—from billing and payments to smart meter issues and moving home—without the need for transfers.
* **Overhaul Performance Metrics:** Shift the primary Key Performance Indicators (KPIs) for customer service away from efficiency metrics like Average Handle Time. The new primary KPIs must be customer-centric: **First Contact Resolution**, customer satisfaction scores (CSAT), and Net Promoter Score (NPS). Agent incentives and recognition should be directly tied to these outcomes.
* **Invest in Specialist Training:** This new model requires a higher level of skill from agents. Invest heavily in continuous training programs focused on complex problem-solving, empathetic communication (especially for vulnerable customers), and a deep understanding of the full capabilities of the ENSEK platform.

**Rationale:** The Trustpilot data for Octopus is an unambiguous testament to the power of this service model.1 Customers value speaking to a single, knowledgeable, and empathetic agent who takes ownership of their problem and solves it. This is the core of the Octopus service "moat" and a key driver of their positive brand perception. To compete on service, British Gas must replicate the principles of this model.

### **Pillar 3: Innovate on Value and Engagement**

With a modern technology platform, British Gas will have the agility to move beyond basic supply and compete on value-added services and customer engagement. This is where the company's unique integrated service model becomes a powerful competitive weapon.

**Actionable Tactics:**

* **Launch a "BG Simple" Tariff:** Introduce a flagship tariff with radically simplified pricing, the clearest bill in the industry, and no exit fees. This directly addresses the complexity, confusion, and "trap" narrative that plagues legacy suppliers and builds trust through transparency.1
* **Develop a "BG Home Plus" Bundle:** Create a compelling, integrated "whole home" offer that bundles energy tariffs with exclusive discounts or enhanced services from the Homecare division. This could include priority boiler servicing, discounts on new energy-efficient installations, or smart home device support. This leverages a unique strength that pure-play competitors cannot match.28
* **Create a "BG Rewards" Program:** Launch a loyalty program that rewards customers not only for smart energy usage (learning from Octoplus 1) but also for their loyalty across the entire British Gas portfolio. For example, customers could earn points for renewing their Homecare contract, which could then be redeemed for credit on their energy bill.
* **Lead in Low-Carbon Tech Tariffs:** Aggressively develop and market smart tariffs for Electric Vehicles and heat pumps. The ENSEK platform, with its Zoa acquisition providing AI-powered home energy management capabilities 31, is built for this. Learning from the success of Octopus's Go tariffs 1, British Gas can and should aim to be a market leader in this high-growth segment.

**Rationale:** Future profitability will be driven by customer retention (lower churn) and the ability to offer higher-margin, value-added services. British Gas's unique ability to bundle energy with market-leading home services is a key differentiator that is currently under-exploited. Tariff innovation is also essential to remain relevant and competitive in the transition to a smart, flexible energy system.

### **Pillar 4: Rebuild Trust Through Radical Transparency**

Trust in British Gas has been severely eroded. Rebuilding it requires more than just marketing slogans; it demands radical, visible actions that demonstrate a fundamental shift in the company's culture and its attitude towards its customers.

**Actionable Tactics:**

* **Redesign the Energy Bill:** Commission a complete, "clean sheet" redesign of the energy bill with the single objective of making it the simplest and clearest in the industry. Use infographics, plain English, and clear explanations for all charges. Proactively and simply explain any changes to a customer's Direct Debit amount, pre-empting confusion and complaints.
* **Establish and Promote an Energy Support Fund:** Create a highly visible, well-funded, and easy-to-access "British Gas Energy Support Fund" for customers experiencing financial hardship. This cannot be a little-known program hidden on a back page of the website. It must be proactively marketed and positioned as a core pillar of the brand's commitment to fairness, turning a support function into a powerful tool for rebuilding trust.
* **Overhaul the Complaints Process:** Set an internal goal to become the best in the industry at complaints resolution. Empower a dedicated, senior team to resolve issues swiftly and decisively, with the explicit aim of reducing the number of complaints that are escalated to the Energy Ombudsman to an absolute minimum.
* **Commit to Proactive Smart Meter Health:** Address the widespread frustration with non-functional smart meters.2 Establish a proactive program to identify meters that are not communicating and schedule engineering visits without waiting for the customer to complain. This demonstrates a commitment to ensuring customers receive the benefits they were promised.

**Rationale:** Trust is the most valuable currency in the modern energy market. British Gas currently runs a significant trust deficit, as evidenced by customer reviews.2 Rebuilding it requires tangible, credible actions. Addressing the two biggest sources of mistrust—confusing bills and inadequate support for those in need—head-on is the most powerful way to signal that a genuine change has occurred.

## **Section 7: Conclusion**

The competitive threat posed by agile, technology-first suppliers like Octopus Energy, coupled with the shifting expectations of consumers and regulators, represents an existential challenge to British Gas's historical market leadership. The data is unequivocal: a failure to adapt to this new reality will result in continued customer churn, brand erosion, and declining profitability.

However, this challenge is also a unique and powerful opportunity. The company's inherent strengths—its unparalleled brand recognition, its vast scale, and its unique integrated service model—remain significant assets. Crucially, the strategic investment in the ENSEK Ignition platform provides the essential technological foundation for a complete business transformation.5 British Gas has, in its possession, all the necessary components for a successful and dramatic turnaround.

The path forward is not one of incremental adjustments but of bold, decisive action across the four strategic pillars outlined in this report: accelerating the **Digital Transformation**, revolutionising the **Customer Service Culture**, innovating on **Value and Engagement**, and rebuilding **Trust through Radical Transparency**.

By fully committing to this integrated strategy, British Gas can move beyond simply fixing the problems of the past. It can redefine its brand proposition for a new era, leveraging its unique strengths to create a "whole home" value proposition that competitors cannot match. By building a new operating model on the foundations of efficiency, empathy, and transparency, British Gas can neutralize the threat from agile competitors, restore its reputation, and create a sustainable and profitable future built on a bedrock of unparalleled customer satisfaction. The time for incremental change is over; the time for transformation is now.

#### Works cited

1. Centrica annual-report-and-accounts-2024-untagged.pdf
2. British Gas Reviews - Read 3,136 Genuine Customer Reviews | www.britishgas.co.uk, accessed June 17, 2025, <https://www.reviews.io/company-reviews/store/british-gas>
3. British Gas Review - Which? - Which.co.uk, accessed June 17, 2025, <https://www.which.co.uk/reviews/energy-companies/article/energy-company-reviews/british-gas-axmgQ2T0WL5v>
4. British Gas the worst company - MoneySavingExpert Forum, accessed June 17, 2025, <https://forums.moneysavingexpert.com/discussion/6520302/british-gas-the-worst-company>
5. Centrica acquires owner of leading digital platform, Ignition, accessed June 17, 2025, <https://www.centrica.com/media-centre/news/2024/centrica-acquires-owner-of-leading-digital-platform-ignition/>
6. EDF Energy Reviews, Prices & Tariffs, accessed June 17, 2025, <https://www.energyhelpline.com/edf-energy>
7. Uncovering EDF Energy Reviews - Free Price Compare, accessed June 17, 2025, <https://freepricecompare.com/home-energy/edf-energy-reviews/>
8. EDF Energy Reviews - Read 749 Genuine Customer Reviews | - REVIEWS.io, accessed June 17, 2025, <https://www.reviews.io/company-reviews/store/edf-energy1>
9. Electricity & Gas | UK Energy Supplier for Home & Business | EDF, accessed June 17, 2025, <https://www.edfenergy.com/>
10. Energy: Your home electricity & gas suppliers, accessed June 17, 2025, <https://www.eonnext.com/>
11. www.eonnext.com Reviews - Read Reviews on Eonnext.com Before You Buy | www.eonnext.com - REVIEWS.io, accessed June 17, 2025, <https://www.reviews.io/company-reviews/store/eonnext-com>
12. Eon Next customer service - MoneySavingExpert Forum, accessed June 17, 2025, <https://forums.moneysavingexpert.com/discussion/6502165/eon-next-customer-service>
13. App Version 2 - WE NEED YOU! - Page 2 - E.ON Next Community, accessed June 17, 2025, <https://community.eonnext.com/threads/295-App-Version-2-WE-NEED-YOU!/page2/>
14. Our electricity and gas fixed tariffs - EON Next, accessed June 17, 2025, <https://www.eonnext.com/tariffs>
15. Gas & Electricity Provider | Switch to ScottishPower, accessed June 17, 2025, <https://www.scottishpower.co.uk/>
16. Scottish Power Review - Which? - Which.co.uk, accessed June 17, 2025, <https://www.which.co.uk/reviews/energy-companies/article/energy-company-reviews/scottish-power-aaZBx4v6vv5N>
17. Gas and electricity prices during the 'energy crisis' and beyond - House of Commons Library, accessed June 17, 2025, <https://commonslibrary.parliament.uk/research-briefings/cbp-9714/>
18. Ofgem State of the market report, accessed June 17, 2025, <https://www.ofgem.gov.uk/sites/default/files/2025-04/OFG2296_State%20of%20the%20Market%20Report.pdf>
19. State of the energy market report: retail - Ofgem, accessed June 17, 2025, <https://www.ofgem.gov.uk/publications/state-energy-market-report-retail>
20. Businesses' Experiences of the Energy Market 2024 - Ofgem, accessed June 17, 2025, <https://www.ofgem.gov.uk/sites/default/files/2025-03/Businesses%27%20experiences%20of%20the%20energy%20marker%202024%20-%20main%20research%20report.pdf>
21. Consumer Standards: Supplier 24-7 Metering Support - Ofgem, accessed June 17, 2025, <https://www.ofgem.gov.uk/decision/consumer-standards-supplier-24-7-metering-support>
22. Consumer Standards – Supplier 24/7 Metering Support Decision | Ofgem, accessed June 17, 2025, <https://www.ofgem.gov.uk/sites/default/files/2025-04/Consumer-Standards-24-7-Metering-support-decision.pdf>
23. Ofgem Consumer Confidence 2024, accessed June 17, 2025, <https://www.ofgem.gov.uk/sites/default/files/2024-09/OFG2266%20Consumers%20Confidence.pdf>
24. Retail Outlook 2024 - PwC UK, accessed June 17, 2025, <https://www.pwc.co.uk/industries/retail-consumer/insights/retail-outlook-2024.html>
25. UK Energy Industry Market Report 2024 - Mintel Store, accessed June 17, 2025, <https://store.mintel.com/report/uk-energy-industry-market-report>
26. New package of measures to help families save even more on bills - GOV.UK, accessed June 17, 2025, <https://www.gov.uk/government/news/new-package-of-measures-to-help-families-save-even-more-on-bills>
27. Scottish Power probably the worst company EVER : r/Scotland - Reddit, accessed June 17, 2025, <https://www.reddit.com/r/Scotland/comments/1j7wt3x/scottish_power_probably_the_worst_company_ever/>
28. BRITISH GAS HOMECARE CON ( small print and "not included") : r/HousingUK - Reddit, accessed June 17, 2025, <https://www.reddit.com/r/HousingUK/comments/17v60cx/british_gas_homecare_con_small_print_and_not/>
29. British Gas servicing ? | Talk Photography, accessed June 17, 2025, <https://www.talkphotography.co.uk/threads/british-gas-servicing.757116/>
30. Centrica signs strategic partnership with ENSEK, accessed June 17, 2025, <https://www.centrica.com/media-centre/news/2021/centrica-signs-strategic-partnership-with-ensek/>
31. ENSEK acquires Zoa to boost tech capabilities for energy sector - Current News, accessed June 17, 2025, <https://www.current-news.co.uk/ensek-acquires-zoa-boost-tech-capabilities-energy-sector/>
32. ENSEK | Accelerate the digital energy transition, accessed June 17, 2025, <https://ensek.com/>