



# Watch Your Language

Beware of Utility Lingo in Customer-centric World

BY ROGER WOODWORTH

**W**e all know words matter. A lot. Words are like arrows. Once released, the course is set. They strike a target with great force and cannot be recalled. Best be certain that your intent is clear and your aim true before the release. To do otherwise risks unintended and irrevocable consequences.

Words matter. In concert with actions, the turn of a phrase can define the quality of any relationship, be it among individuals or between organizations and clients. Effective communication depends on deliberate delivery. Yet, we're generally more in-the-moment in how we talk.

A casual approach to communications is not surprising in the context of day-to-day conversations. But not when that talk involves an organization sharing information with customers. How customers might receive an intended message is more often assumed than tested and affirmed. Most organizations rely on lingo common to their

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industry and enterprise. Why is that?

Perhaps this reliance is because childhood memories of mothers' admonitions to watch your language have long since faded. Could it be ignorance or arrogance in play, causing an organization to communicate only on its terms?

Surely this was the case in the storied faux pas of Chevrolet's promotion of its once-famous Nova in Mexico. In Spanish, *no va* means not going. Not a smart label for a car.

Or among utilities, we have the example of Ken Lay's original name for Enron. Enteron is a medical term for a part of the anatomy.

Okay, but those are brand names. What about the use of industry-specific jargon in ongoing communications

with customers? Terms of art carry clear meaning within an industry. But in the customers' context, the meaning of those terms can be lost, or worse, taken the wrong way.

Obvious, right? So, why do organizations, and especially utilities, persist in using lingo?

## Power of Group Norms

Part of the answer lies in the convenience of habits long reinforced by group norms. For example, this power can be easily seen in Major League Baseball dugouts everywhere. Players there chew and spit more than others. True for decades, the new guys fall right in line with the way of things. The habit is perpetuated and hard to break, especially in the absence of any pressure to do so.

You could say that lingo is to utilities as spitting is to baseball. A key difference? Utilities are under tremendous pressure to change. Baseball players are not. Problem is, too many utilities either don't recognize the pressure or resist any change. The habit is perpetuated.

They stick with the way things are without regard to new circumstances.

To be fair, lingo offers useful expediency in the context of a utility-centric world. This is where experts debate the prudence of utility investments in adjudicatory proceedings before knowledgeable commissions. It's a world where rates and tariffs, rate cases, and ratepayers remain dominant and defining points of reference.

It's a realm where volt-vars, capacity requirements, and demand charges all have specific meaning. Add to the list baseload, intermittency, net-metering, ROI, ROR, weighted average cost of capital, and more.

### Customer-centric World

Certainly, all of this matters to regulators and utilities. Decisions on the topics influence how well a system performs and the price of energy delivered. But those decisions have to play out in a customer-centric world.

This is a realm where choices about energy are increasingly available and refreshingly presented by others. Personal control, comfort and convenience are the new points of reference. That's much different than regulated utility jargon.

These days, customers care more about the benefits they get from the system, not how it works. Sure, energy delivery that's safe, reliable and affordable is still expected. So, too, is responsiveness in the face of an outage.

The big ands to add? Customers want to know utilities are preparing for the future. And customers want utilities to help them gain more value from the energy they choose to use.

Utilities are ideally positioned to help customers make informed choices about energy. But do customers know that? Words matter. To be heard, utilities must change the habit of relying on rate case jargon for customer communications.

## To be heard, utilities must change the habit of relying on rate case jargon for customer communications.

It's time for all to talk in terms of customers instead of ratepayers. Talk about price instead of rates and tariffs. Talk about local instead of distributed generation, to name a few.

When it comes to smart grids and meters, utilities' temptation is to tout the big boost to system efficiency. Too few emphasize the greater value. That is, a smarter system enables the control and choices that customers want. See the shift?

Or how about this one: Have you tried explaining demand charge to a residential customer? No one should be surprised if customers take offense at the use of such language. Explain all you will, but a new charge by this name will never be easily understood let alone appreciated.

One possible alternative: Re-label demand as a measure of your personal best when it comes to peak use of energy. Now that's something a utility can help every customer understand and achieve!


Enough examples. You get the idea. A customer-centric world requires plain-spoken language, not lingo.

On this front, there is some encouraging work in progress at the Edison Electric Institute. They've tapped the

expertise of Maslansky + Partners, experts in lexicons. Maslansky will critically review how the words utilities use are actually heard by customers. Their findings about word choices are likely to be both glaringly obvious and difficult to adopt. Remember, habits are hard to break.

The fix? Begin a new habit. Starting now. Look at how your organization uses lingo with customers.

The ultimate test: Do the words you use readily convey the meaning you intended? You, your organization, and the utility industry will communicate more effectively as a result.

The lesson in all of this? Mom's admonition was right. Watch your language. Words matter. Choose them wisely. 

Samuel Insull led the development of central power stations, regional electric grids and regulation of electric utilities. But he found himself, in the early 1930s, reviled by the President and public, for the Depression-era bankruptcy of utilities. By 1935 he was acquitted of all charges in three sensational trials. Abandoned by nearly everyone, the great inventor Nikola Tesla remained loyal, writing Insull in June 1932: "The world is enjoying the inestimable benefits of your genius and enterprise. Enough glory for any man. I wish you long life and happiness from all my heart."



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