

Project Lead: VIA Analytics Limited

Partners: Daedalus Environmental Limited

Funding:

£218,288



The problem: How to improve the customer journey for heat pumps

Significant barriers need to be overcome at a household level to accelerate adoption of heat pump technology. These include high up-front costs, low understanding of an unfamiliar technology, and lack of awareness of the long term financial and environmental benefits.

The solution

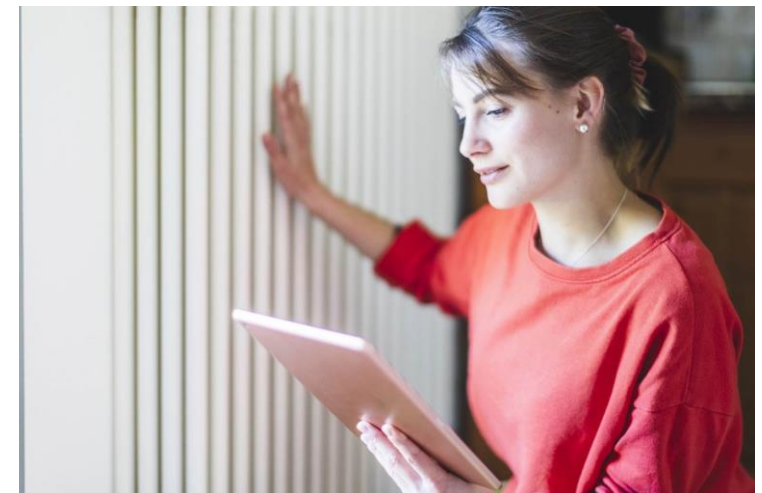
To address these barriers, this project will develop an online market facilitation platform backed by end-to-end data to overcome customer and supply chain barriers, accelerating the transition to low carbon heating and domestic retrofit.

Thermly is a data led, customer orientated software project to develop an online property-level analytics platform that enables end-to-end management of the customer journey. Thermly will empower customers with property-specific data to identify suitable opportunities for domestic heat pump installations, connect customers directly with the supply chain and pre-qualified installers, and provide accurate data management to facilitate an efficient customer journey from initial engagement through to installation and post completion.

“ Everything we do as a business is focused on applying technology to improve the customer / householder experience across the built environment. We see a huge opportunity to enhance that experience in relation to heat pump installations (and domestic retrofit more broadly) and are delighted to be developing Thermly as part of the HPR programme. ”

Gareth Robertson

Director, VIA Analytics Limited



Developing an online market facilitation and data platform

What are we going to do?

VIA Analytics Limited and Daedalus Environmental Limited, a consortium of two experienced UK SMEs, will be building on a previously developed property level data analytics platform (Carbon Pathways – www.c-path.com) designed to accelerate the understanding of domestic retrofit costs and benefits. Thermly will apply this expertise to the end-to-end market for heat pumps. By leveraging agile development principles, including rigorous end user consultation and testing with manufacturers, installers, and customers, the consortium will deliver a software product completed to beta phase.

We will apply a design thinking approach to engage consumers and the supply chain, empathise, define and test ideas through an agile development process to ensure we understand customer and supply chain barriers, explore the opportunities to overcome them, and reflect that in the final platform design.

Why is this an improvement on current solutions?

Currently, the heat pump supply chain is disjointed, and customer-facing information is generic, limited and too high level to enable customers to make informed decisions.

Thermly's platform will provide impartial and tailored advice to potential customers and installers, equip stakeholders with property specific data to reduce installation time and complexity, and facilitate the creation of wholesale and bulk buying opportunities to drive economies of scale in order to deliver operational and supply cost savings.

What would success look like?

Achieving 70% or higher confidence level of suitability assessments for any technology selections and 90% confidence in cost quotes before in-person installer surveys to avoid customer disappointment and drive downstream efficiencies.



How will this project help towards the target of installing 600,000 heat pumps per year by 2028?

Thermly will help meet the target by developing an online property level analytics platform to accelerate take up by improving the consumer journey and reducing barriers.

Thermly aims to be one of the first platforms to bring installers and equipment manufacturers together to support a more scalable, lower cost, wholesale focused approach to increase the efficiency of the customer journey.

The Optimised solutions development stream of the Heat Pump Ready programme supports the development of innovative tools, technologies and processes to overcome specific barriers to heat pump deployment in the UK. This stream supports solutions aiming to reduce the life time cost and increase the performance of domestic heat pumps, minimise home disruption whilst providing high quality installations, develop and trial financial models to support heat pump deployment, improve the heat pump consumer journey and provide a smart and flexible home energy system.

Heat Pump Ready is funded by the Department for Energy Security and Net Zero through the NZIP programme. The Collaboration & Learning stream is managed by the Carbon Trust with support from Ipsos and Technopolis. We give no warranty and make no representation as to the accuracy of this document, and accept no liability for any errors or omissions.

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Key Findings

- There is a tendency for the industry to see customer journey platforms as ‘just’ simple lead generation tools, and these are seen as limited value for installers.
- Local authorities understand the scale of the retrofit challenge and are keen to engage – but have little or no dedicated resource (marketing, face to face engagement).
- From formal user testing in a B2C context, it is striking how much the messaging needed to be reassessed and improved for clarity and simplicity.
- Following extensive user engagement, we have found that the technically knowledgeable, professional side of the heat pump industry do not always fully understand the general public’s views and needs. There is often a disconnect between what they think is important, versus how heat pumps need to be promoted and communicated with residents. The industry needs to regularly challenge itself to be more consumer-centric.

Thermly (VIA Heat Pathway) Project Progress (Autumn 2023)

What progress have we made so far?

The Thermly project completed in October 2023. All milestones have been completed to meet our objective of creating an online market facilitation platform which manages the full heat pump installation customer journey, connecting homeowners in heat pump-suitable properties with local heat pump installers.

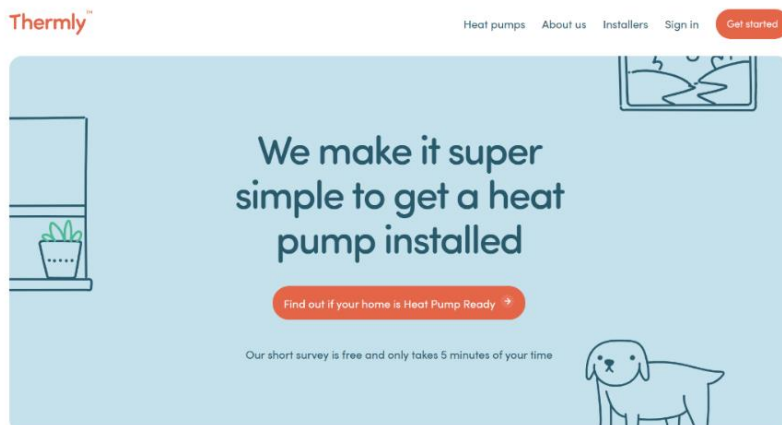
This involved discovery phase project design and scoping (signed off December 2022), alpha design and build of key software components (signed off May 2023) and development of a full beta software tool (the Thermly platform) to minimum viable product (MVP). We implemented a series of pre-MVP changes informed by formal external user testing prior to formal MVP sign off at the end of October 2023.

NZIP funding and support has been helpful for legal terms, marketing strategy and pitch pack development. We pitched at the CT Climate Tech Investor Forum.

What barriers have we identified and how has this changed our approach to delivering our project?

Engagement from installers was challenging. We exhibited at InstallerShow 2023 which made it possible to obtain feedback from circa 30 installers.

Securing investment pre commercialisation is proving challenging – investors want to see beyond MVP and testing to proven revenues.



What are our next steps?

- Initial delivery pilots to be agreed with local authorities (November 2023)
- 2 pilots underway and Thermly live testing (March 2024)
- Thermly platform formal launch (mid 2024)
- Source next stage funding – bidding for further Government support and ongoing investor pitching