Italy to Portugal, via Austria

Residential Switching & App Experience

Churn and Customer Experience for Utility Providers in Southern and Central Europe

eliq

A little bit of an intro.

Residential energy customers across Europe are no longer passive ratepayers. In competitive markets, **customer churn has become a key signal of service quality**, a symptom of broken customer experience when it spikes. This report examines residential switching trends in **Portugal**, **Italy**, and **Austria**, combining official **churn statistics** from national regulators with public **user feedback** from energy apps. The goal is not to rank individual providers, but to reveal common patterns and country-specific pain points driving customers to switch.

Across all three countries, the message is clear: consumers value simplicity, trust, and control in their energy services. When the digital experience falls short, particularly in areas such as billing clarity, login/access issues, and contract transparency, customers vote with their feet and switch to alternatives. High churn rates in some markets often indicate where user expectations are not being met. Energy suppliers that address these UX friction points can potentially reduce churn and build longer-term loyalty.

Country	**Regulatory Body**	**Avg. Monthly Switching (2024–25)**	**Commentary**
Portugal	ERSE (Electricity Regulator)	~2.0% (highest)	Very fluid liberalised market; frequent switching.
Italy	ARERA (Energy Regulator)	~1.4% (moderate)	Transition away from regulated tariffs (Tutela) causing volatility.
Austria	E-Control (Regulator)	~0.4% (lowest)	Traditionally low churn, though rising slightly due to cost concerns.

Residential Churn Landscape

Residential switching activity varies widely across countries, reflecting distinct market dynamics. **Portugal** consistently exhibits the highest churn intensity, with monthly residential switch rates typically around **1.5–2%**, translating to over 20% annually in 2024–2025. **Italy** exhibits moderate but rising switching levels, typically ranging from **1.0 to 1.5%** per month, as the regulated "tutela" service is phased out. In contrast, **Austria** maintains lower churn rates, well under **1%** monthly or approximately 5% annually, though 2024 brought a slight uptick due to elevated energy prices. These figures highlight how different market contexts shape churn behaviour, from Portugal's liberalised landscape to Austria's more cautious consumer base.

Portugal continues to exhibit the most intense switching. In several recent months, around 2% of all residential customers changed electricity suppliers, a very high level of fluidity. This reflects a fully liberalised market where comparison opportunities are plentiful and consumers actively seek better deals, and often find them at the smaller challenger brands.

Italy, by contrast, saw around 17–18% of households switching per year as of 2022 (approximately 1.4% monthly). Churn in Italy has been influenced by regulatory changes: the long-running Servizio di Tutela (a price-protected regime) ended for gas in January 2024 and for electricity by July 2024. This shift pushed many hesitant households into the free market, introducing churn volatility as millions of Italians navigated new supplier choices.

Austria remains more stable, with only about 5% of households switching electricity providers in 2024, roughly one in twenty, compared to one in five in higher-churn countries. Even so, the 2024 figure (4.6% annually) was up from around 3.8% in 2023, suggesting a growing willingness to switch amid bill increases. Austrian regulators noted that after temporary price caps ended, more consumers began to shop around, though overall switching rates remain among the lowest in Europe.

Bottom line: Churn is not just about pricing - it often flags where the customer experience or trust is lacking. In high-churn Portugal, easy switching is enabled by market openness but also driven by frustrations that erode loyalty. In Italy, the end of regulated tariffs has unmasked user experience issues for previously captive customers. In Austria, even a modest increase in churn signals that when costs rise or service falls short, even traditionally loyal customers will respond.

What App Users Say – Common Ground

Beyond statistics, customer feedback from app stores and review platforms reveals consistent pain points across Portugal, Italy, and Austria. Energy apps are a primary touchpoint for users to manage their accounts, and when these digital tools disappoint, users often resort to public complaints and, eventually, switch providers.

Confusing or delayed billing

Billing problems remain a top complaint in every country. In Portugal, for example, over 14,000 energy complaints were filed with the consumer association in 2023, with the majority concerning excessive or unclear billing. App users frequently mention bills that are difficult to understand or not updated promptly, which undermines trust.

Lack of usage tracking or history

Many apps still fail to offer easy access to past consumption data or meaningful usage analytics. Users complain that some apps do not retain historical usage or display it in a useful format. This lack of data transparency erodes trust, since customers cannot tell whether their efficiency efforts or tariff changes are having any effect. For instance, one Italian user noted that their app lacked annual consumption totals and did not offer summaries over selected periods. In Austria, a user reported that their app showed no consumption data at all - just an empty screen saying no smart meter data was available. These gaps leave customers feeling powerless and more likely to switch to providers with better digital tools.

Poor login and account access flows

Frustrating login experiences are a frequent deal-breaker. Users often cite being unable to log in, frequent session resets, or the absence of modern authentication methods like fingerprint or Face ID as reasons for one-star reviews. Multiple reviews across countries mention failed login attempts despite using the correct credentials. In Italy, for example, one user criticised an app update, saying, “The new version doesn’t allow access! The old version was perfect - why change?!” Similarly, in Austria, a long-time customer reported: “The app won’t let me log in with my known account; new registration failed on a technicality.” These authentication issues not only frustrate users but also prevent them from accessing the app’s core features - a surefire way to drive churn.

Lack of proactive alerts or transparency

Users expect their energy apps to warn them before something goes wrong. Across Portugal, Italy and Austria, reviews consistently point to a lack of timely alerts for things like bill availability, pricing changes and unexpected increases in energy use. Most apps still rely on users to log in and look for updates, which makes customers feel unsupported and increases the risk of missed information.

If a user’s fixed rate ends or their usage suddenly rises, they want to be told. When no alert is given, and the change only becomes visible on the next bill, the outcome is confusion and frustration. Many users say this is a major reason they consider switching.

Apps that offer notifications about upcoming bills, tariff changes or consumption shifts tend to receive more positive feedback. Customers feel informed and in control. When alerts are missing, the app comes across as passive. Over time, that absence of guidance can become a clear reason to leave.

Italy – Frustration with Complexity

Italy's energy users are currently navigating a period of significant change and uncertainty. The final phase-out of the Maggior Tutela[1] regulated tariffs, which ended for electricity on 1st of July 2024, forced millions of households to choose a new supplier in the free market. This shift has brought a wave of new app users, along with a surge in feedback highlighting both progress and persistent challenges in the digital experience. Some suppliers have embraced the opportunity to stand out through better apps.

Providers like NeN, for example, consistently receive praise for offering a clear, modern user experience. Customers highlight the ease of consulting bills, intuitive navigation, and transparent pricing structures as strengths. These kinds of improvements matter in a market where understanding one's contract and usage is key to making informed choices.

However, these success stories remain the exception. A large number of app users continue to report issues like outdated payment data, missing documents, or incomplete contract details. For instance, some reviews mention inactive bill links or the inability to verify annual consumption totals. These gaps make it harder for users to compare plans effectively, a critical task in the post-Tutela market.
Login and account stability problems also persist. Reviews frequently cite session timeouts, repeated credential resets, or apps crashing during key actions like meter reading submissions. Between 2024 and 2025, over one-third of 1- and 2-star reviews mentioned onboarding difficulties or authentication failures, pointing to systemic account management issues.

These frustrations often feed directly into switching intent. Reviewers who struggle with app access or data visibility regularly express doubts about their current supplier. At the same time, providers with stronger digital experiences tend to enjoy higher satisfaction and, therefore, lower churn.
The sentiment in Italy is not one of blanket negativity, but rather a growing divide between digital leaders and laggards. For suppliers still struggling with reliability and transparency, the message is clear: improving the app experience is no longer a nice-to-have - it's a competitive necessity.

[1] https://www.arera.it/fileadmin/EN/PRESS/2024/240627eng.pdf?

Austria – Growing Digital Demands

Austria's residential churn remains relatively modest, but customer expectations in the digital realm are rising fast. Traditionally, Austrian energy consumers have been described as Wechselmuffel ("switching-averse"), with only around **4–5%** of households changing electricity supplier each year.[2] However, recent energy price spikes have begun to shift consumer behaviour. As costs rise, Austrians are paying more attention to how their providers help them manage contracts and usage, and apps that feel outdated or underpowered are increasingly being called out.

A common theme in Austrian app reviews is the perception that many utility apps feel basic or even antiquated. Customers describe the absence of features now considered standard in other industries, such as push notifications, payment confirmations, or the ability to customise information views. One user of a major Austrian supplier noted that while the app was "okay," the addition of widgets would be highly desirable: "Widgets would be great, especially for tracking spot-price tariffs." This suggests a growing demand for more dynamic, real-time functionality, such as hourly price visibility or usage-at-a-glance, which most Austrian energy apps currently do not offer.

Yet many suppliers remain in a kind of **digital freeze**. With churn historically low, providers have been slow to modernise. But as smart meter adoption grows and price sensitivity increases, this passivity is beginning to backfire. Outdated apps are becoming a new reason for churn in what was once a sticky market.

Another area of critique is the lack of contract visibility and tariff comparison tools. Unlike some energy apps in other markets, Austrian apps rarely allow customers to view alternative tariffs or manage renewals directly in-app. This creates friction.

In general, Austrian consumers are voicing a desire for more empowering digital tools. They want access to consumption history, alerts about unusual usage or tariff changes, and the ability to manage their account without relying on phone support. Yet, less than 20% of reviews mention any proactive or helpful feature, the lowest figure among the three countries analysed. There are signs of progress, but overall sentiment suggests the digital customer experience has not kept pace with expectations. Inertia may have protected utilities in the past, but better apps are quickly becoming a key competitive edge.

[2] https://www.e-control.at/documents/1785851/1811597/E-Control-Statistikbroschuere-2023-English.pdf/

Portugal – Loyalty Under Pressure

Portugal's high churn environment puts a bright spotlight on customer experience friction, and the evidence suggests that UX issues are a major contributor. In a market where roughly 20–25% of residential customers change supplier each year[3], much of this switching is reactive: users encountering frustrations or distrust with their provider's service (often via the app or billing) and deciding to explore alternatives. Portuguese energy apps, in many cases, have yet to fully win over their users, and loyalty is suffering as a result.

A key pain point is limited self-service functionality. Many customers still encounter apps that can't perform basic tasks, for example, redirecting to a mobile website instead. Portuguese users frequently call out this design flaw in reviews. ("Why does the app send me to the browser to change my tariff?" is a common complaint.) When an app fails to provide a seamless, all-in-one experience, it signals indifference and erodes trust. A few apps do show contract end dates, prices, and renewal options upfront, and those tend to receive better feedback. But these remain rare. Many users say they had no idea their contract was ending or their rate had changed until a high bill arrived. The lack of proactive alerts is often the trigger for churn.

Another widespread issue is onboarding bugs and technical instability. Users report that after registering a new account or switching providers, the app sometimes fails to recognise their details, forcing them to call support.

Billing deserves special mention. As noted by Portugal's consumer association and regulator ERSE, billing complaints dominate energy grievances, and this extends into app feedback. Customers commonly report that **bills lack clear breakdowns**, appear with delays, or are missing pages in-app. Some also say the app only shows the latest bill amount **without any historical consumption** chart, leaving them in the dark. ERSE has made efforts to improve transparency by launching a price comparison site and a consumer data portal, but these tools don't compensate if supplier apps remain opaque or clunky.

In summary, customer loyalty in Portugal is being eroded by digital friction. Churn isn't driven solely by price-seeking behaviour – it also reflects user frustration. Many customers would prefer to stay if the digital service met basic expectations around clarity and usability. But when those expectations aren't met, switching becomes the escape valve. In such a fluid market, even small improvements – fixing a login bug, adding usage history visualisations – could boost retention. Conversely, ignoring these UX flaws guarantees that loyalty will remain low and churn high. In Portugal, UX friction equals churn friction, and reducing the former is key to reducing the latter.

[3] https://www.erse.pt/media/hq2km3zq/202501_ele_rel_ml.pdf

Comparative Overview

Switching propensity: Portuguese consumers are the most switch-happy – churn is the norm. Italians are in transition, with medium but rising churn as the market opens fully. Austrians remain the least likely to switch, though this may gradually change. This correlates with how urgently providers in each country might feel the need to differentiate on customer experience: high-churn markets penalise poor service more quickly.

Advanced app features: Italian providers have been somewhat ahead in introducing advanced features, likely due to competitive pressure and a more digitally engaged user base. Some Italian apps allow users to view projected monthly costs or run simulations comparing tariffs. These tools support better price forecasts and usage insights. Portugal has a few apps with decent functionality, but consistency is lacking – many still only show partial usage data and lack interactive tools. Austria, until recently, had very limited app capabilities in this area, though improvements may come as the smart meter rollout expands.

Contract information: Austrian energy contracts are often simpler, and many are open-ended with standard price change notifications. As a result, most apps at least display basic contract details. In contrast, Portuguese and Italian users frequently report that their apps do not clearly show when their contract ends, what tariff they're on, or what the renewal terms are. This lack of clarity is a frequent driver of accidental churn, where customers only discover they've been rolled onto a higher rate after receiving an unexpectedly high bill.

Carbon tracking: This remains a niche feature. A few major Italian suppliers have begun introducing environmental data in their apps, such as CO_2 saved or the percentage of energy from renewable sources, but availability is limited. In Portugal and Austria, such features are virtually non-existent. While not yet a primary churn driver, this may change as more consumers seek insight into their environmental impact and prefer providers who offer it.

In summary, while app capabilities vary, customer expectations are converging. Across all three countries, users want modern, reliable, and transparent digital experiences. The market that delivers on this consistently will likely gain a retention advantage. Meanwhile, the distinct weaknesses in each country, such as Portugal's lack of contract clarity, Italy's app stability issues, and Austria's limited features, signal where providers need to focus improvement efforts.

Reducing Churn Risk – Recommendations

Energy providers seeking to reduce residential churn in these markets should treat the digital customer experience as strategic, not secondary. The following UX improvements emerge as top priorities based on the issues identified:

Streamline onboarding and login: Make account creation and login foolproof. This includes providing intuitive identity verification flows, offering biometric login options (fingerprint or face ID) for convenience, and ensuring sessions persist without frequent logouts. If a new customer downloads the app and hits a wall during registration or login, the risk of abandonment – and eventual churn – increases sharply. Eliminating this friction is foundational. One-touch biometric login, now standard in many banking apps, sets a useful benchmark. The goal is to minimise the cognitive load and time required to get started.

Expose usage history clearly: Give customers full visibility into their energy consumption. This means showing historical usage in meaningful visual formats (e.g. line graphs), enabling comparisons year-over-year or month-by-month, and offering easy access to past bills. When users can track trends, understand patterns, and contextualise changes (e.g. with weather or tariff shifts), trust in billing increases. A simple monthly usage dashboard can go a long way in restoring customer confidence and reducing churn. Lack of usage data is a known source of distrust – the fix is to surface it clearly and consistently.

Enhance contract and tariff transparency: The app should serve as a contract hub. Key details – such as plan name, current rate, start and end dates, any upcoming price changes, remaining commitment, and renewal options – must be easy to find. Better still, enable in-app re-contracting: if a customer's deal is ending, allow them to switch or renew directly. Proactive renewal alerts are also essential. A significant number of customers churn simply because they were unaware their plan had lapsed or changed. Some innovative apps already notify users when their plan is due for renewal and enable them to act on it in-app – a best practice worth replicating. Transparency at the contract stage is one of the most powerful churn prevention tools available.

Improve billing clarity and alerts: Billing should be transparent, timely, and easy to interpret. Apps should explain charges using visual breakdowns, such as pie charts of cost components or comparisons between current and previous bills. Time-of-use pricing or tiered rates should be highlighted in a user-friendly format. Push notifications should alert users when bills are issued, due, or unexpectedly high. If a spike in consumption or a regulatory change affects pricing, the app should notify the user immediately, helping them avoid unpleasant surprises. These features build trust and position the app as a valuable tool for managing expenses, not just a passive bill viewer.

Reducing Churn Risk – Recommendations, continuing...

To summarise these points in terms of specific frictions and fixes, consider the table below:

UX Friction Point	Churn Risk it Creates	Recommended Fix (Product Improvement)
No usage history in app	Customers doubt bill accuracy; trust erodes – may seek "more transparent" provider.	Add a monthly usage/trend dashboard with historical data and comparisons.
Confusing or hidden tariff info	Customers feel misled or uninformed – increases likelihood of switching for "honesty."	Provide a dynamic contract summary page (plan details, FAQs on rates) and tooltips explaining each charge.
Poor mobile login experience	High drop-out before engagement – users give up and remain disengaged (ripe for churn if issues arise).	Implement biometric login and persistent sessions, and thoroughly test the onboarding flow to eliminate errors.
No proactive price/renewal alerts	Missed opportunity to retain, customers get surprised by changes and react by leaving.	Send push notifications for upcoming contract expirations, tariff changes, or unusual usage patterns tied to the user's plan.

These recommendations align with broader industry insights: providers that have invested in customer-centric digital tools tend to see improved satisfaction and lower churn. In fact, case studies show that putting customer experience improvements at the core of a utility's strategy can reverse churn trends and even boost profitability. The action items above are tangible steps toward that end. They directly address the pain points voiced by customers in our research. Each fix is aimed at closing the gap between what customers expect (a modern, easy, informative app) and what they often get today.

Final Word

Churn in the energy sector is not just a pricing phenomenon – it is often a product and experience problem. When residential users struggle to understand their bills, cannot reliably use their provider's app, or feel uninformed about their energy usage, they interpret it as poor service or a breach of trust. In competitive markets like Portugal, Italy and Austria, switching suppliers has become the default response to these frustrations. As one industry analysis put it, high churn is frequently a sign of weak customer experience. Conversely, when a utility simplifies its processes and adopts a customer-centric approach, it can directly reduce churn and improve loyalty.
The findings from this report reinforce that improving the digital customer journey, especially through mobile apps, is pivotal to retaining residential energy customers. By closing the gap between what users expect and what they actually experience (whether through clearer billing, more reliable apps or timely communication), providers can turn their digital tools into retention assets rather than sources of complaints.

In all three countries studied, there is significant room for improvement. The good news is that many of the necessary improvements are already understood – and in some cases, demonstrated by forward-thinking suppliers, such as apps that offer full contract transparency and smart usage alerts. The challenge now is for the broader market to catch up.

In conclusion, **churn should be treated as an ongoing feedback mechanism**. If customers are leaving at high rates, it sends a clear message: fix the experience. But even in markets with low churn, like Austria, digital complacency carries risk. Historically low switching may reflect market structure or habit, not satisfaction, and when energy prices spike or smart meter adoption increases, frustration with underperforming apps can quickly become a new trigger for churn. In other words, low churn today does not guarantee loyalty tomorrow.

By investing early in usability, transparency and proactive communication, providers across Southern and Central Europe can strengthen digital trust and prevent reactive switching. The path to retention is the same as the path to satisfaction. Where consumers have a choice, a strong digital experience is not optional - it's a key lever for keeping them.


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