

Powering up the customer experience

How energy utilities leverage technology
to grow customer loyalty, scale, and compete for margin

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Executive summary

Energy utilities cannot take customer loyalty for granted. Customers have energy choices (including fully renewable, income-generating, subsidized installations), and quality and reliability of service in particular are weighing heavily in their decisions. With a particular focus on improving the journey, developing a comprehensive customer experience strategy, and leveraging technology—self-service portals, omnichannel service, and smart agent tools—energy utilities can offer an experience that will grow lifelong customers who trust their provider.

In this e-book, you'll learn...

- How [competitive pressures](#) drive better customer experiences
- Why utilities are asking about [customer journeys](#) versus transactions
- Where utilities can deepen relationships in [bill payment](#) and [customer communications](#)
- [The first step](#) toward building a transformational experience
- Three ways utilities are [leveraging technology to delight their customers](#)

A new era of customer care

Competitive pressures in this highly regulated market—from other energy utilities, from distributed energy resources, and even from smart-home device providers such as Amazon and Google—are reshaping the industry, and **quality of customer experiences is emerging as a key deciding factor.**

At the heart of the experience is the customer care organization. From the day customers sign up for a service or buy a product, **the care team has the onus of keeping them happy.** This is where customers can get answers to their specific questions, fulfillment of their urgent requests, and guidance on achieving their energy management goals.

So, how are energy utilities faring in the mission to delight their customers? According to two recent studies, there's room for improvement.

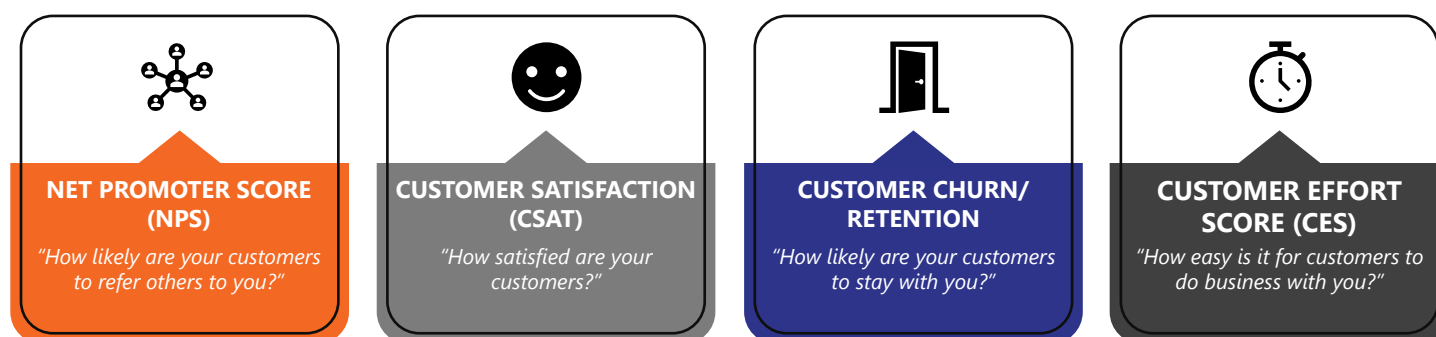
In a ranking of net promoter scores (NPS) by industry, utilities ranked sixth to last, below health insurance and banking.¹ When Salesforce asked consumers to rate how well various industries meet their needs and expectations, energy and utilities ranked third to last, with only the nonprofit and government sectors scoring lower.²

A key factor in this sobering outlook for utility customer service is a failure to keep pace with **the expectations of today's digital-first customers:** those who turn to digital channels as a first resort whenever a need or question arises. Utilities have historically lagged behind other sectors in adopting digital customer engagement technology. However, providers that have invested in digital customer care solutions are seeing higher satisfaction scores as well as higher levels of engagement.³



Measuring customer satisfaction

Utility providers can evaluate their customer experience using one or more of the most widely recognized KPIs:



There is hope for energy utilities facing flat or declining customer satisfaction, and technology plays a vital role in the solution. But before exploring technical solutions, **a shift in mindset regarding customer journeys must take place.**

62% of utility executives cite improving the customer customer experience as a top priority over the next five years.⁴

From customer transactions to customer journeys

If energy utilities are to offer experiences that keep customers coming back, **a holistic focus on end-to-end customer journeys**—as opposed to isolated transactions or “touchpoints”—is essential. A customer journey can be made up of any number of touchpoints that may involve multiple channels and that can span weeks or even months.

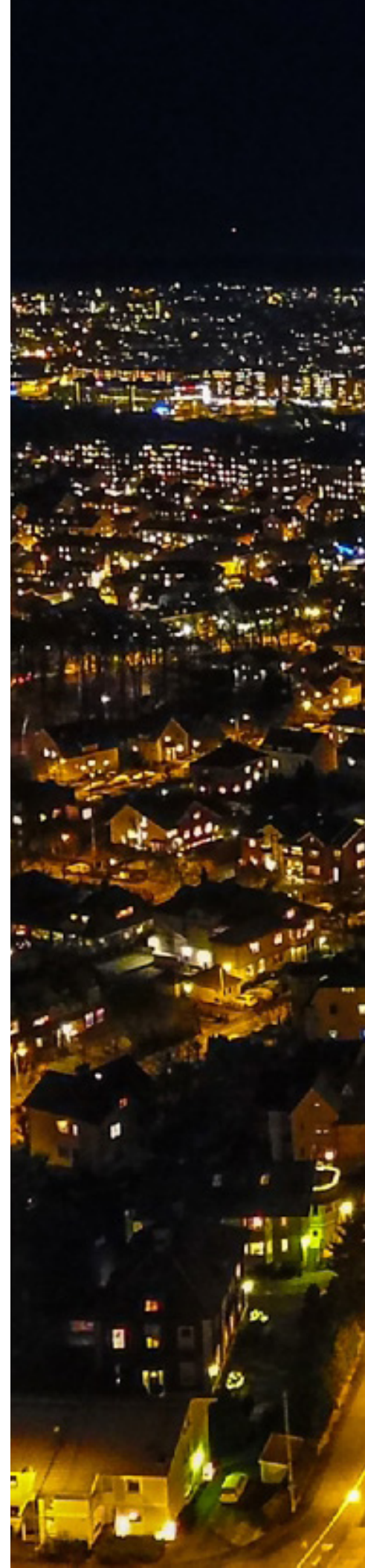
Customer journeys for utility companies can include

- Bill pay
- Outage communications
- Hazardous weather conditions
- Relocation
- Account changes
- Emergency service requests (e.g. for a downed power line or gas leak)

Here we'll take a deeper dive into two of the most common digital customer journeys for utilities: **bill pay** and **outage communications**.

Customers or providers ... or both?

With the growing popularity of solar panels and wind turbines, more customers are producing energy and selling it back to the grid. This democratization of energy has created a paradigm shift in which a consumer can be both a customer and a provider to their local utility. Remember to keep this shift in mind as you define new customer journeys.



Customer journey spotlight: bill pay

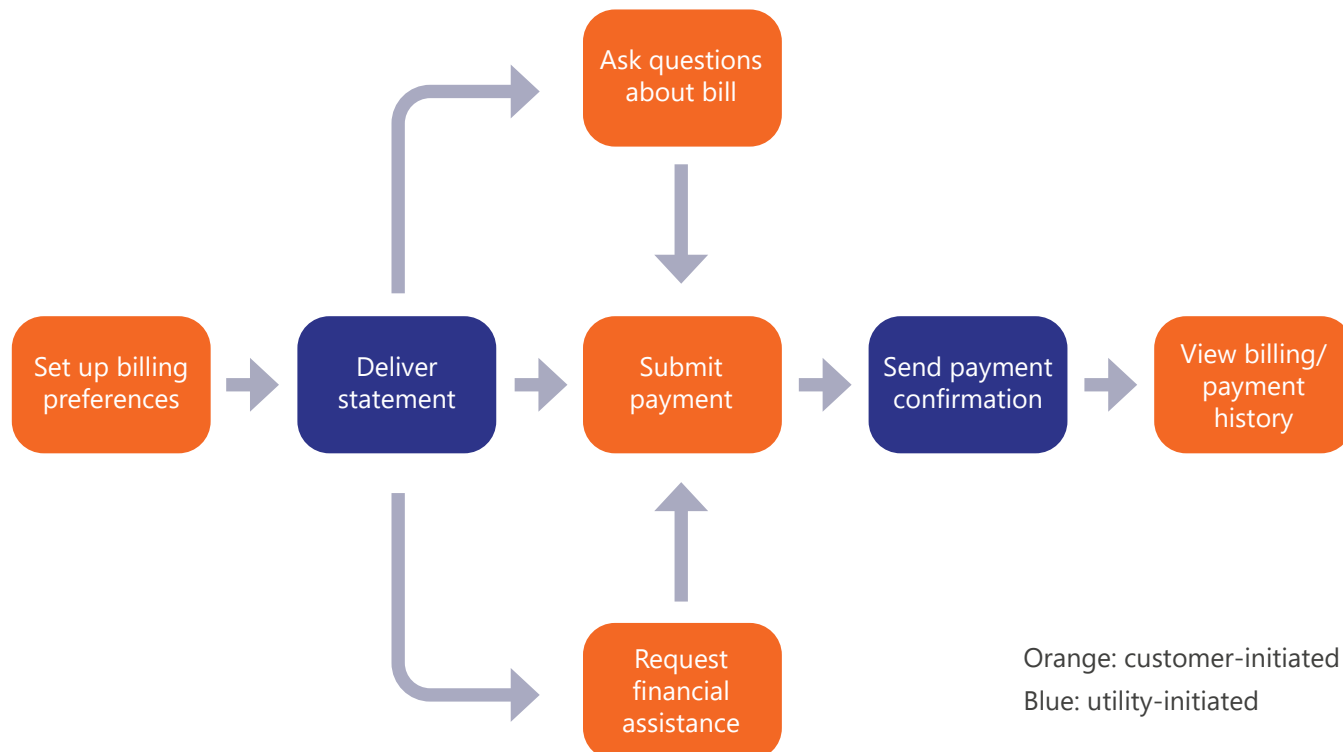
Even the least-engaged energy utility customers are forced to think about their providers when the monthly bill is due. While some utilities may consider bill payment a transactional event (the utility sends a bill and the customer pays it), it's actually **a multi-touchpoint customer journey that can involve multiple channels and diverse pathways.**

When utilities analyze their customer journeys around bill payment, they can identify

opportunities to engage customers and improve the experience, such as

- High-usage alerts during the month to prevent "bill shock"
- Online bill pay with biometric ID (e.g. FaceID and Apple Pay)
- Customized tips for reducing next month's bill
- Financial support: payment extensions and balanced payment plans
- Line-by-line invoice explanations

Sample customer journey: bill pay



Customer journey spotlight: outage communications

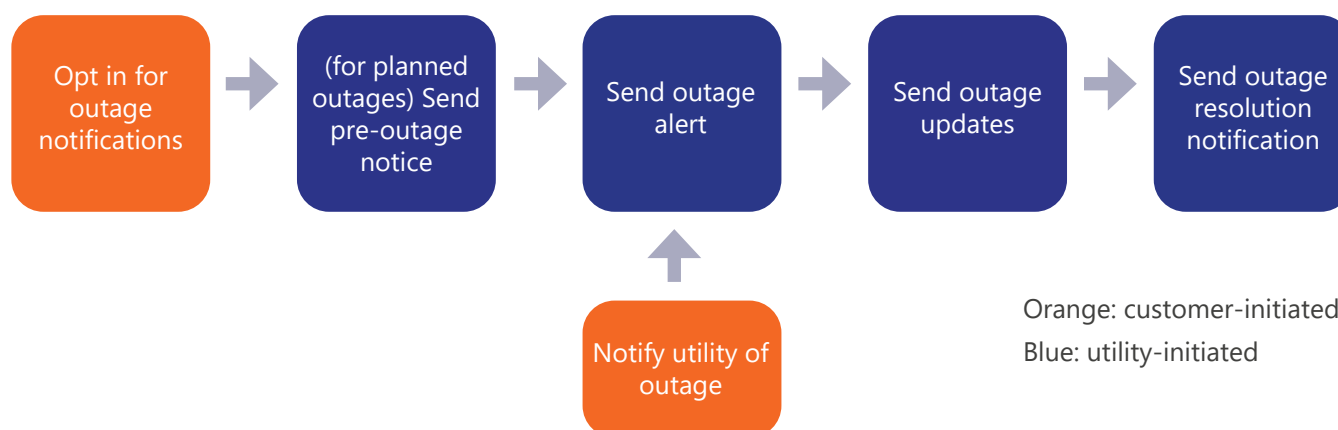
Another situation that forces energy utility customers to think about their providers is the service outage. When services go down, either for planned maintenance or due to unexpected events, it's more than an inconvenience—it disrupts customers' lives, leaving them frustrated and often angry. **Of all customer journeys, this is the one that calls for the greatest amount of empathy.**

Fortunately, outages also present utilities with opportunities to **deliver value and grow customer trust through timely communications**. As J.D. Power shared in a recent report, "The more proactive electric utilities are in clearly communicating information about the cause, anticipated duration, and repair of an outage, the more satisfied their customers will be with their overall service." ⁵

As with bill pay, the outage communication customer journey offers opportunities for utilities to advance in their role as trusted advisors and deepen customer relationships, such as:

- Outage preparation advice (e.g. a YouTube video on creating emergency outage kits)
- Storm warnings (for example, one electric utility hired a meteorologist to post about severe weather and outages on the company's Facebook page)
- Safety tips (e.g. an infographic on safe use of generators)

Sample customer journey: outage communications



Start with a strategy

Given the wide array of channels available, the volume and variety of expectations to address, and the importance of balancing technology with human contact, any successful effort to improve the energy utility customer experience must **begin with a strategy**.

In developing a customer care strategy, it's essential to **use overall business objectives as a starting point**, to ensure that every initiative supports the organization's vision for the future.

From there, utilities can home in on how customer care contributes to business goals by addressing questions such as:

- *What do customers expect from our care center? (If you don't know, find out.)*
- *How are other industries influencing expectations, and how can we learn from them?*
- *What is our vision of the ideal experience?*
- *Where are we today with respect to that ideal?*
- *Which KPIs will help us evaluate our progress towards our vision?*

Communicating across generations

Utilities serve large populations that encompass all generations, each with its own communication preferences. Younger customers may prefer text messages or social media notifications, while older generations may respond better to emails or automated calls. For a successful customer experience strategy, it's essential that utilities enable customers to choose their preferred methods of notification and engagement.



Delighting energy utility customers: a three-front approach

As customer expectations escalate, energy utilities are seeking fresh approaches that will help them improve bill pay, outage communications, and other customer journeys. We've identified **three opportunities to leverage technology in ushering in a new era of customer care**, benefiting contact center agents as well as customers.

Customer success story: builder portal

Logic20/20 built a portal for an electric utility client that enables commercial builders and contractors to self-serve on permit requests and status updates. These customers' previous experience was a "black box" that required lengthy phone calls with human agents. Now builders can submit and track applications from start to finish using both desktop and mobile devices.

Self-service portals

In a 2022 survey, 70 percent of consumers said they expect a company to have a self-service portal or content available to them.⁶

Today's customer expectations are being conditioned by their DIY experiences with Amazon, Uber, Expedia, and other digital leaders. For simple requests, they don't want to have to pick up the phone, wait on hold, and speak to an agent. They want to complete the task themselves and get on with their lives.

For energy utilities that may feel hesitant about making the move to self-service, we recommend **starting with "low-hanging fruit"—straightforward services that typically don't require an agent's expertise**. These might include online bill payment, checking on energy consumption, or viewing billing and payment history.

Best practices for self-service portals

- Be mindful of the user experience and minimize friction
- Take a mobile-first approach to optimize the experience on all platforms
- Incorporate accessibility principles to accommodate all users

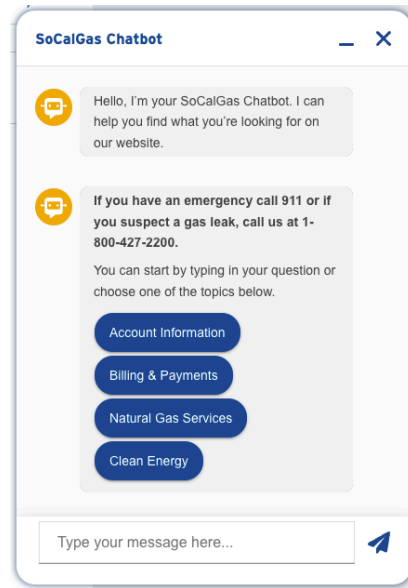
SoCalGas: Forging new paths in customer self-service

Southern California Gas Company (SoCalGas) appreciates the vital role that self-service tools play in taking customer service to a new level. By leveraging technology on multiple levels, they provide customers with **streamlined experiences via their channels of choice.**

Live chat with agents

Customers can **chat with agents on the SoCalGas website, via mobile chat, or via social media channels**

(e.g. Twitter). The customer enjoys the convenience of a direct connection to the customer care team via their preferred channels, and agents can increase their productivity by conducting multiple chats at the same time.

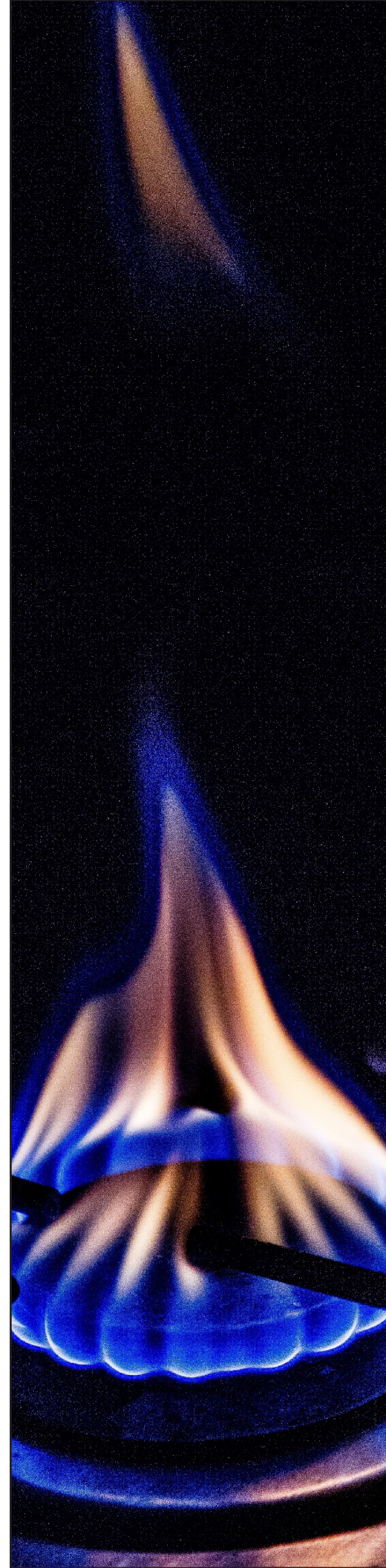


Chatbot

The SoCalGas **chatbot is available to answer questions and guide customers through simple processes** (such as changing a password). When human intervention is needed, the customer is automatically transferred to a customer care agent.

Alexa Skill

"Alexa, what's the current balance on my gas bill?" Thanks to SoCalGas' Alexa Skill, **customers can use Amazon's voice-guided assistant to get account information, schedule services, pay bills, get savings tips, and much more**—no keyboard required.



Omnichannel experiences

An overwhelming majority of customers—93 percent—believe that companies should provide a seamless experience when moving from one communication method to another to resolve their situation. ⁷

Whether customers contact you via phone, chat, a self-service portal, social media, or other channels, it's important to **deliver a consistent experience as they jump from venue to venue**. For example, if a customer receives an email offering them a new rate plan, the same offer should be available whether they choose to make contact via phone, the website, text messaging, or other means.

93% of customers believe companies should provide a seamless experience when moving between channels.

Best practices for omnichannel experiences

- Build centralized, high-quality customer databases
- Prioritize the channels that create a robust and delightful experience
- Consider end-to-end customer journeys rather than individual transactions



Smart agent tools

In Microsoft's Global State of Customer Service survey, 75 percent of consumers said they want customer service agents to know who they are and to have access to their history.⁸

Even though customers cite phone calls as their No. 1 preferred channel,⁹ the average caller experience continues to leave room for improvement. When agents are forced to hunt around for the information needed to resolve customer issues, frustration results on both sides of the interaction: the agent may have to access several resources before finding the answers they need, forcing the customer to wait ... and wait ... and wait ...

The late-adopter advantage

The energy utilities industry is behind the digital curve in customer care—and that's not entirely a bad thing.

Other companies have blazed the trail in digital customer experiences. They've spent the time and effort on R&D and learned from early mistakes. Energy utilities can now learn from those who have gone before and drive their digital transformations with proven best practices.

Contrast this situation with one in which **agents have a smart application that provides instant access to data from sales, marketing, and other internal areas as well as outside resources.** Because automated platforms can access multiple sources of data simultaneously, finding the right answer to the customer's issue—and delivering it directly to the agent—takes only a moment.

Best practices for smart agent tools

- Evaluate and streamline agent processes before implementing automation solutions.
- Follow change management best practices in rolling out new tools to support adoption among customer care agents.

"Rather than just meeting customers' needs, leading utilities are anticipating them. They are analyzing usage patterns to identify customers who might be interested in distributed energy resources, such as wind-generating units, biomass generators, and batteries in electric vehicles that can export power back to the grid."

— Harvard Business Review¹⁰

The next generation of energy utility customer care

While some energy utilities may have viewed customer service innovation as a “nice to have” in the past, it’s now a requirement for those looking to keep customers and maintain their competitive edge. The technology needed to step into next-generation customer service is not only available, but also more affordable and accessible than ever, enabling energy utilities to exceed expectations on multiple fronts. By implementing targeted solutions such as self-service portals, omnichannel service, and smart agent tools, utility providers can take their customer care to a whole new level—and start reaping returns on their investments.



For help in creating customer experiences that keep your
customers coming back,
contact Logic20/20 to leverage our experience.

 www.logic2020.com
 solutions@logic2020.com

- ¹ [Net Promoter Score by Industry – NPS Industry Averages](#), Trustmary
- ² [State of the Connected Customer](#), Salesforce
- ³ [“Digital Holdouts: Many Large Utilities Resist Mobile App Development and Web Redesigns at Own Risk, J.D. Power Finds,”](#) jdpower.com
- ⁴ [Improving the Customer Experience in the Utilities Industry](#), *Harvard Business Review*
- ⁵ [“Residential Electric Utility Customer Satisfaction Increases for Seventh Consecutive Year, Driven by Proactive Communication, J.D. Power Finds,”](#) jdpower.com
- ⁶ [CX Trends 2022](#), Zendesk
- ⁷ [Customer Experience \(CX\) Transformation Benchmark](#), NICE/inContact
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- ⁹ State of the Connected Customer, Salesforce
- ¹⁰ Improving the Customer Experience in the Utilities Industry, *Harvard Business Review*