

WHITE PAPER

Tech
Mahindra

Connect-U: Delivering Unparalleled Customer Experience for Utility Transformation Goals

Connected World. Connected Experiences.



Abstract

The utility industry is on the verge of transformation driven by technological advancements, heightened environmental awareness, and evolving customer expectations. Many utilities are initiating their journey, while others have accelerated, launching multiple agile and digital factories, building in-house applications to tap into the potential of automation, analytics, and mobile. This will enable utilities to transform their core business process with a seamless and digital customer experience. However, utility companies need a digital roadmap and robust platform, such as Connect-U, to keep customers loyal, delighted, and engaged. This whitepaper covers the existing landscape of the utility sector, digital opportunities to enhance customer experience, challenges faced by utilities during their digital transformation journey, and ways to overcome them.

Key Takeaways

Current Challenges of the Utility Sector

- Compromising the Utility Customer Experience
- Digital Initiatives Are Out of Sync with Customer Expectations

Understanding the Utility Customer Lifecycle and its Various Touchpoints

Digital Opportunities in the Utility Sector

A Proven Three-pronged Approach to Revive Customer Loyalty and Engagement

- Align Customer Journeys with Focus on Important Metrics
- Reimagine Journeys Using Design Thinking and a Digital-First Lens
- Execute Agile Methodologies to Generate Impact Quickly

Use Cases: How Utility Industry Automation Can Streamline Processes and Boost Customer Experience

The Tech Mahindra Advantage: How Connect-U Redefines Utility Customer Experience



Introduction

Earlier, commercial and residential energy consumers expected their utility service providers to deliver a reliable, affordable, unidirectional flow of power, water, and allied services with accurate information. However, with the widespread industry deregulation, the utility business is becoming increasingly competitive. Consumers have become more demanding and environmentally conscious. They need more energy options, two-way communication, and online transaction platforms that offer an interoperable, distributed energy framework and competitive real time on-peak, off peak pricing rates. On the other hand, it is becoming difficult for Utility service providers to provide greater transparency and increased efficiency.

To thrive in the digital economy and win over the tech-savvy utility consumers, Utilities need to assess opportunities and challenges in the critical areas of new products and services, communication platforms, and practices.

According to a recent survey, embracing digital technologies can deliver substantial value, reduce operating expenses up to 25%, and increase performance by 20-40% in areas such as safety, reliability, customer satisfaction, and regulatory compliance.

Tech Mahindra's Connect-U is one such solution that redefines utility customer experience using unexplored channels. It utilizes innovative technologies such as RPA-based offerings, AI, SAP S/4HANA, and contact-less service supported by minimum touchpoints. Connect-U empowers Utility service providers to automate various business processes not just to reduce manual efforts and enhance customer service experience, but also to bring simplicity, flexibility, and availability with massive reach.

Let's look at the current challenges, Utility sector faces while delivering evolving consumer demands.



Current Challenges in The Utility Sector

While utilities have tried to engage with customers through a variety of digital initiatives, their efforts are falling short.

COMPROMISING THE CUSTOMER EXPERIENCE



Unable to deliver on complex digital functions

Although utilities perform well to support basic customer engagement functions, digital payments, log-in processes, and reviewing account information are a few digital operations that Utility service providers are good at. Still, they fail to deliver on complex digital functions, such as quick insights into utility consumption history, updating service online, and researching energy-saving information. Consumers need their utility's mobile application or website to resolve the issues independently. Not addressing to these basic needs contributes to decreasing the customer satisfaction rate considerably.



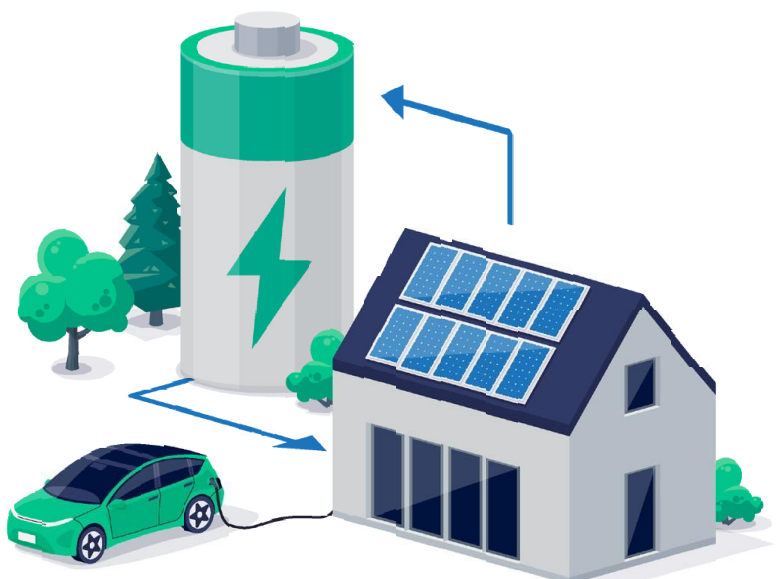
Growing customer dissatisfaction

Many consumers are still dissatisfied with their utility service providers. In the 2021 Utility Digital Experience Study, conducted on 36 largest water, electric, and natural gas utilities in the US, 6 of the 36 utilities showed a strong disagreement and a decline in overall consumer satisfaction when individual performance rates have measured the tide and re-energize the utility customer experience.



Failing to meet customers' digital needs

The pressing need for automation via new-age channels with minimal touchpoints has created immense pressure on utility service providers. Utility customers prefer digital platforms such as social media and mobile applications to communicate with their providers and quickly resolve their issues. According to a study conducted by J.D. Power survey of water companies in 2019, proactive communication that includes personalized phone calls or emails positively affects customers' perception of their utility companies. Emerging customer preferences influence the decisions, priorities, and strategies of utility service providers. This is why utility service providers face increasing complexity, leading to late revenue recognition increasing transmission, and increased risk of grid reliability and cyber-security. With digital adoption and rapid technological transformation, utility service providers need to reinvent their current business models to enhance business processes and services. Utility service providers need to balance profitability and customer experience transformation by adopting smart grid technologies and digital solutions.





Out-of-Sync Digital Initiatives Impacting Customer Expectations



Billing issues despite new digital payment channels

Although utilities have simplified the billing and payments procedures for the customers via online channels such as official websites and mobile applications, billing issues are still a cause of concern for the customers. The most common issues that utility customers face include billing inaccuracies in billing periods and rate plans in utility invoices, overcharges for delayed payments, and additional fees for online transactions.



One-way outage management system with limited functionality of customer feedback mechanism

Although utility service providers provide platforms like official websites, social media, and mobile applications, they do not support customer feedback mechanisms. Most utility websites lack self-service features, and mobile applications offer limited and basic functionalities, such as viewing service details or receiving alerts from providers. Outage management remains a one-way channel and with no mechanism to report outage issues. Utility service providers should focus more on using new software, chatbots, and mapping capabilities to boost overall situational awareness when outages occur.

They must offer mobile applications that include advanced features using which customers can easily report issues and coordinate with the representative directly. This will help them achieve better coordination, be more proactive, and significantly improve customer satisfaction.



Lack of social media usage for customer service

Around 90% of customers' rate, "immediate response" is an essential practice to deliver a seamless customer experience. Social media plays a critical role in quickly responding to customer issues. Social media platforms enable people to discover, learn, and interact with a group of people, organizations, government officials, and more. It allows you to communicate and share new ideas and information. Every organization, irrespective of public or private entities, is making efficient use of social media to interact with its target audience and understand their behavior, satisfaction levels, and more. Utilities also use social media channels such as Twitter and Facebook to share information about energy efficiency tips and outage information. However, they should also use such platforms to engage with customers actively, address their complaints, build brand awareness, and promote their community development initiatives..

Understanding The Utility Customer Lifestyle and its Various Touchpoints

As markets are getting deregulated, customer expectations are increasing. Utilities need to take strategic measures, understand the utility customer lifecycle and segmentation, and various touchpoints to deliver significant value and a best-in-class customer experience. They need to adopt advanced analytical solutions that can address and resolve customers' pain points and contribute to improving customer retention, engagement, and loyalty. These solutions must also provide a single, centralized view of all the customers across all channels and can track key customer preferences such as communication channel and payment mode. With this critical information, Utility service providers can make more choices, offer flexibility, and personalized communications to their customers. Let's take a look at the four core principles to ensure a customer-centric approach.



Understanding customers' choices and preferences

Utility customers are now being influenced by the fast and exceptional services of big giants like Amazon and Walmart. They are redefining the benchmark for delivering a superior customer experience. Such prompt and efficient services are the need of the hour. One of the best ways to meet utility customer expectations is to understand their choices and preferences, identify their source of dissatisfaction, and gain insights into customers' lifecycle and various touchpoints. With this information in place, utilities can adopt a customer-centric and digital-first culture based on the gaps identified.



Performance measurement to enable change

Utility service providers must understand what's essential for their customers. Once they can identify customers' preferences through individual interactions and ongoing relationships, they will know where to focus their efforts to improve customer experience. Finding the right metric or set of metrics via customer satisfaction survey or net promoter score (NPS) enables utilities to identify and prioritize opportunities to improve customer experience and revenue.





Following a systematic approach for continuous improvement

An innovative-driven culture with innovative processes and technologies can be implemented to give attention to specific areas, allocate resources per the requirement, and eliminate redundant processes to continuously improve the customer's experience. However, to ideate innovative practices and assess their applicability and value proposition, there must be a definite approach through which the organization can also benefit.

A systematic approach helps to gain crucial performance metrics, gauge the effectiveness of the implemented innovations, align and commit to a customer-centric and digital-first culture.



Prioritize customer experience at every level

Prioritizing innovation and planning initiatives at each level helps utilities to identify ever-changing market needs continuously. As technology is rapidly changing, Utility service providers must grab the opportunities and prioritize the trends that make sense to their business landscape.

Digital Opportunities in The Utility Sector

Before taking a digital transformation initiative, Utility service providers need to be thorough with their requirements, particularly in high-sensitivity business functions. A huge proportion of utility assets and operations cannot compromise on safety and performance deviations, and therefore, Utility service providers need to pay attention to such stringent requirements before adopting a digital solution. Choosing a digital transformation program or solution or implementing digital technologies that can deliver on expectations, meet strict requirements, and eliminate the chances of errors can benefit utilities greatly.

Going digital can bring several new opportunities for utilities. For instance, regulated utilities can save operational expense, expect higher productivity, and network reliability, while non-regulated ones can be streamlined through automation.

Utility front-line executives and managers can also make better decisions when they get instant and accurate insights from artificial intelligence (AI) applications that can crunch large data sets. Furthermore, digital opportunities can also be found in customer operations. Digitally transformed utilities have already started disrupting the utility sector by offering low-cost, higher-value services and delivering seamless, flexible, and personalized customer service. Additionally, the utility sector is on the surge of exploring the use of virtual agents, AI, and one-click mobile experiences to help deliver exceptional customer experiences.



A Proven Three-pronged Approach to Revive Customer Loyalty and Engagement

Utilities can revive customer loyalty and reshape customer engagement by adopting an agile methodology, a design-based, and a digital approach. Learn how a proven three-pronged approach works.

Align Customer Journeys with Focus on Important Metrics



Work on improving overall customer journeys, not touchpoints

A customer journey refers to the process when a customer goes through to complete a specific task right from enquiring for the supply services with Utility, supply point registration and administration, creating an account, addressing the billing doubts, making payments, and resolving an error. A customer's journey may last for minutes or months. On the other hand, touchpoints are defined as the way to interact with the customer to get the work done, for example, phone calls, a technician visit, and more. Individual or multiple touchpoints can score better in terms of customer satisfaction, whereas overall customer journeys might have encountered latency, unusual advice from different channels, etc. Therefore, examining customer journeys from start to end can help utilities capture the totality of customers' experiences. It also helps identify the breaks in the process that have a direct impact on satisfaction levels.



Focus on the journeys that matter

According to McKinsey's annual customer experience survey conducted in 2020, different customer journeys contribute the most to customer satisfaction. Around 50% of customer satisfaction is derived from direct control of the utility provider, such as information, clarity, ease of access, energy

usage, outages, and resolving billing and payment issues. Although it is important to deliver good service across all journeys, Utility service providers must also focus on areas that deliver customer satisfaction faster and increase revenue.



Figure out what drives performance

Determining which part of the customers' journey has influenced the overall satisfaction rate is crucial. Utilities can conduct customer satisfaction surveys and qualitative research to demonstrate the core drivers of satisfaction levels.



Deliver 'wow' moments

Delivering standout moments to customers that go beyond their expectations can deliver higher satisfaction rates. Unfortunately, utilities lag in creating such moments for the customers. Utilities must seek inspiration by checking out what other industry giants or peers are doing to deliver an exceptional experience. Analyzing their social media pages and scrutinizing their customers' complaints and compliments can help give quick ideation into how to proceed.



Reimagine Journeys Using Design Thinking and a Digital-First Lens



Identify your starting point

Utilities must use powerful techniques such as previous historical research and journey mapping to get a clear understanding of customers' pain points. Both these techniques can be used to observe users as they interact with the Utility service providers and complete their tasks. They capture customers' goals, expectations, and emotions when they interact with people, processes, and technology during their journey. With this operational data, utilities can address the customers' pain points and uncover opportunities to delight customers.



Reimagine using a digital-first mindset

To create better customer journeys, the use of digital technologies is crucial. Shifting customers to digital channels and adopting digital technologies as the first line of contact in the customers' journey, utilities can delight customers and drive down costs.



Adopt design thinking

Concrete promising concepts bring different business units together and mock-up ideas to gain support and traction and get them in front of customers as quickly as possible. Test the solution with customers and gain insights into how it interacts with them. This helps to understand how the solution works, what changes are required, and the scope of improvement. Developing and directly introducing a solution to customers that does not deliver to their expectations leads to wasted efforts, investment, and declining customer satisfaction.

Execute Agile Methodologies to Generate Impact Quickly



Set up a cross-functional team of experts

Once you have executed your ideas, you need to build a cross-functional team to support and resolve customers' queries related to field operations, marketing, and communications, and IT. A cross-functional team with a strong IT component will play a crucial role in capturing impact.



Execute agile methodology

Many utility companies are using agile methodologies to enhance customer satisfaction levels. Agile methodology is the collaborative effort of self-organizing, cross-functional teams and their customers to implement ideas quickly. Early success indicates that the change is possible and can be implemented effectively.



Measure progress

As discussed earlier under section 2, measuring performance and progress plays a critical role in improving customer satisfaction and building a culture of continuous improvement. Establishing metrics to track performance and impact on customer journeys can help utilities attain greater agility to make operational adjustments in real-time.

Use Cases: How Utility Industry Automation Streamlines Processes & Boost Customer Experience

When it comes to industrial automation, utility companies need to gain a lot. They work in a highly traditional way where plenty of processes are still conducted manually, leading to many inefficient business processes. From contract management to customer support functions, utilities such as gas, water, and electric companies could save thousands of valuable work hours for their staff through automation, thereby improving customer satisfaction.



Automate utility customers' common requests

Several utility customer requests are repetitive, including queries related to service issues, address changes, billing inquiries, and more. A huge number of customer representatives are occupied with chasing such requests rather than focusing on higher-value work. Here is where digital solutions come into the picture. They streamline utility processes via automation and save a huge amount of time with the integration of advanced technologies such as natural language processors (NLPs), AI, and machine learning. These solutions can scan and understand the intent of a human-generated message, automate a response or route it to the concerned department. Moreover, they can automate repetitive tasks with little or no human intervention. Such fast and efficient utility responses in support enhance the overall customer experience. .



Interpret and upload notes from the field

Utility customer service agents and onsite technicians create reports during conversations with the customer or visiting the site. The information or short-form notations on equipment or devices in the form of handwritten paper forms and notes can be challenging to understand. This unstructured data can be prone to data entry errors, is time-consuming, and requires more manual steps. Automating such tasks can help streamline every part of the process. Digital solutions include technologies that can scan, classify, and extract key information from various documents and import the information into the relevant system without manual intervention. This helps to save the utilities time and money and improves the customer experience.



Process invoices faster and more efficiently

Invoice processing is a time-consuming task that requires employees to transfer information like amounts, dates, and relevant entities or vendors into an invoice capturing system. Adopting digital solutions simplifies the task through automation. The tools or solutions extract all the information such as payment date, amount, and P.O. number from invoices sent via emails and check the database to see if the vendor exists. Once the data preparation is complete, the system automatically inputs all information into the processing system. This saves time as well as reduces the chances of manual errors.



Run more efficient equipment maintenance checks

Utility customers count on utility equipment for reliable services and safety. Proactively ensuring that equipment is performing well and responding quickly without fail is of utmost importance. Digital solutions can automatically schedule maintenance checks based on their service logs and manufacturing warranty. They can also identify trends so that utilities can perform proactive maintenance, spending less time reacting to problems and more time preventing future issues.



Help teams stay in compliance:

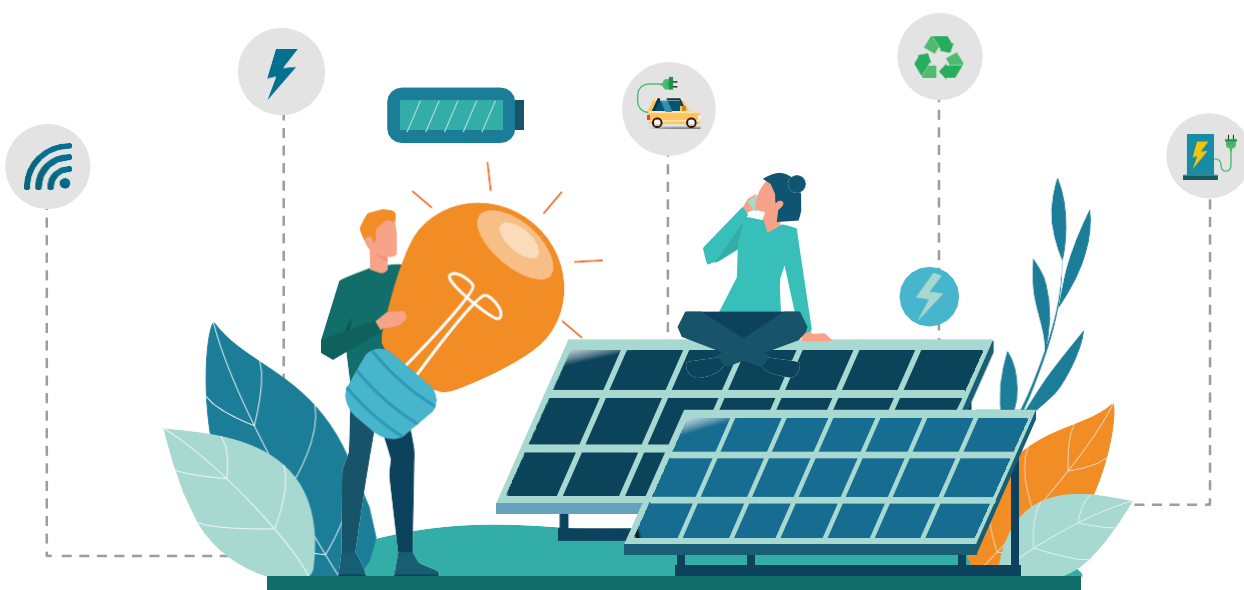
Regulated or deregulated utility service providers are required to submit reports consistently to meet compliance. Pulling together the documentation, notations, and readings of various machinery and equipment can take weeks or even months. Automating data extraction and data uploading tasks can shorten the process from weeks to days. Using digital solutions, utilities can pull data instantly from multiple systems and upload it into a new document. This reduces the manual workload and speeds-up reporting on outages and reliability.

The Tech Mahindra Advantage: How Connect-U Redefines Utility Customer Experience

Connect-U is Tech Mahindra's advanced digitized solution that redefines utility customer experience using new channels such as chat engines. It is capable of delivering a superior customer experience with contactless service and minimal touchpoints. Enriched with robotic process automation (RPA), Connect-U helps utilities automate processes, lower costs, increase NPS scores, improve staff efficiency, and build loyalty and trust. The solution also integrates RPA based offerings such as SAP CAI, AI, BTP, AI Business Service, SAP S/4HANA for utilities. The unique features of the solution include seamless consumer indexing and sentiment analysis for a guaranteed happy consumer nullifying churn. It can centralize all the crucial customer information, such as account overview, consumer offboarding, consumer feedback, 360-degree analysis of consumer usage patterns and insights, and more. This helps to understand consumer behavior, preferences, and expectations. It can also send outage notifications to relevant teams so that quick actions can be taken to resolve customer issues faster.

Value Proposition:

- Standard out-of-the-box integration with SAP BTP components
- RPA-based customer indexing
- Automated service with zero touchpoints and synchronized bot to human handover
- Elevated customer feedback and sentiment analysis
- Technology agnostic rest and OData service-based integration
- Demand response using chat engine channels
- RPA driven meter to cash
- Integrate AI/ML driven sentiment analysis
- d works management
- End to end demand response management



Envisioned Benefits

- Automated service with zero touch points
- Live chat preference for customer service over new-age channels
- Massive reach and convenience and reduction in response time
- Improved customer loyalty via personalized services
- Increased efficiency via automation
- Reduced CX cost
- Improved NPS score with a reduction in churn

Looking Forward

Similar to other industries, the utility landscape keeps changing. Utility service providers will have to stay ahead of the curve to survive. Digitalization has transformed operational processes and disrupted utility customer expectations to the extent that the end-users have moved on from consumers to prosumers. The utility customers are now more aware of the possibilities and keep a real-time tab on managing their energy consumption.

As we advance, the customers will empower and inspire utilities to adopt new business models. Utility service providers need to ensure that they can leverage digital technologies to swiftly accommodate emerging customer expectations. They need to expand their reach via social media integration to gather consumer feedback, analyze customer sentiments, and take informed action that continuously improves customer satisfaction at every touchpoint and across all channels. Moreover, utilities need to adopt advanced digital solutions such as Tech Mahindra's Connect-U to expand reach and gain customer trust by delivering a seamless customer experience.

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