# WHY CUSTOMER EXPERIENCE SHOULD MATTER TO UTILITIES

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## WHITEPAPER

Of course, customer service has always been important. In fact, the basic tenets of customer service, such as "know your customer" and "the customer is always right" are timeless. However, the digital age has changed customers' expectations in a number of ways, including:

- **Customers want things fast**

  Whether its overnight delivery, an instant answer to their question, or an immediate resolution to their problem, customers want it now. The "speed of response" is critical to customer satisfaction.

- **Customers expect accuracy**

  They have very little tolerance for inaccurate claims, missed delivery dates, or billing errors because technology has improved processes and customers have become used to the results of this progress.

- **Customers like self-service**

  More and more people say they prefer to access information, provide contact information and place orders online without the assistance of customer service reps.

- **Customers expect service 24/7**

  They may not expect someone to answer the phone at 3:00 a.m., but they do want to be able to access your website or app at any time – and anywhere.

- **Customers expect omnichannel integration**

  Whether they are communicating with you on the phone, online, or through an app, they expect the experience (i.e., offers, communications, information) to be the same on all platforms.

- **Customers expect you to know them – really well**

  Technology has given companies the ability to gather data and create personalized messages, and customers are now accustomed to receiving these targeted communications. Impersonal, generic messaging is typically disregarded.

- **Customers are empowered**

  Thanks to social media, customers have a public platform to complain (or compliment) and expect companies to respond. And, because they can access information quickly and easily online, they're able to find better deals or higher service levels from your competitors. Loyalty is much harder to achieve.

## How covid-19 impacts customer experience

As utilities and organizations across the globe navigate unprecedented crisis such as Covid-19, one thing is clear. The drive for digitization, omni-channel communications and seamless customer experience has increased more than ever before.

Many have experienced the fear and the question of – what will we do, if print and mail delivery is not an option? How will we interact with customers in an economy where entire industries have shifted to digital and remote operations?

The only safeguard is to take steps now – towards incorporating digital, omni-channel options for your customers today. If you are relying solely on print and mail for customer communications, you are putting your utility at great risk.

## Part I: Follow the customer journey and focus on what matters most

All customers follow a path or journey from awareness (knowing who you are) to decision (purchasing). In the case of utilities, this journey may begin by opening an account and include resolving a problem, changing an address, requesting a new service, etc. Along the way, customers may interact with you in several ways – web research, phone calls, or a technician visit. The process can take minutes to several weeks from initial inquiry to billing.

By focusing on the steps along these customer journeys, utilities can improve the entire customer experience. Is your website easy to navigate? Are customer reps courteous and helpful? Are customers encountering long hold times or receiving contradictory advice from different channels? Are their bills accurate and easy-to-understand? Look at the customer's journey from beginning to end and identify where improvements can be made.

For example, what happens after a customer requests service, either online or over the phone? If issues or delays in the field are not communicated back to customer service, you will undoubtedly receive many complaints. Instead of viewing these as separate processes or transactions, utilities must view the entire process as one.

Which steps in the journey matter most to customers? McKinsey's annual North American customer-experience survey for utilities found that four areas contribute the most to customer satisfaction:

### 1. Billing and payments

It's not surprising that utility customers care about the billing and payment experience. Customers that have difficulty understanding their bill or making a payment will be less satisfied with their utility overall. Making bills easy to understand and the payment process quick and simple will enhance your customer's experience doing business with you.

### 2. Managing energy usage

Energy usage is an increasing concern to many consumers. Most are at least mildly aware of their usage and many desire to take steps to reduce both usage. Environmental and financial concerns are drivers of this key point. When you provide customers with the opportunity to directly view and manage their usage – their satisfaction amplifies.

### 3. Outages

One of the biggest pain points any utility user experiences is an outage. Outages are unavoidable, and you cannot avoid them altogether. However, your customer is going to expect you to respond quickly to outages by both keeping in communication with them, and by resolving the outage swiftly. Your communication with customers during an outage is something you can control and plan for proactively.

### 4. Resolving billing and payment issues

No billing or payment system is perfect – an error or issue in processing is bound to occur here and there. Ensuring your front-line customer service personnel is equipped with a system that can access the utility user's account information and quickly investigate and resolve any issues is key to keeping your customers satisfied when these issues happen.

While its obviously important to make customers happy at every touch point, focusing on the issues that contribute most to customer satisfaction will deliver faster, more meaningful results. To get to the heart of the matter, utilities can conduct surveys either on their own or through a third party.

One such survey[1] found that **using easy-to-understand language and graphics to demonstrate how a customer's bill relates to their energy usage is a critical aspect of customer satisfaction**. As the study states, "this level of insight helps utilities quickly craft tactical initiatives, redesign journeys and prioritize where to spend their time.

## Part II: Exceed expectations

Customers generally don't expect to be "wowed" by their utility service, but that may be changing. Research shows that when companies go above and beyond customers' expectations satisfaction improves dramatically. A quick review of social media platforms can identify examples of companies delivering "wow" moments, which can be used as inspiration.

For example, DTE Energy, located in Michigan began handling power outages in a proactive way. When severe weather, including high winds, were recently forecast, the company sent emails to customers to provide a weather advisory and provide tips for preparing for possible outages. When areas did experience power outages, the company kept customers updated on progress. Even when there are no immediate issues, DTE Energy includes tips for saving energy and lowering bills with customer billing statements.

Taking an innovative approach, another utility in a rural area sent out field crews equipped with wilderness blankets, water bottles, flashlights, charging stations and even a WI-FI hotspot to help customers without power. Their efforts received rave reviews from grateful customers.

## Part III: Get to know your customers

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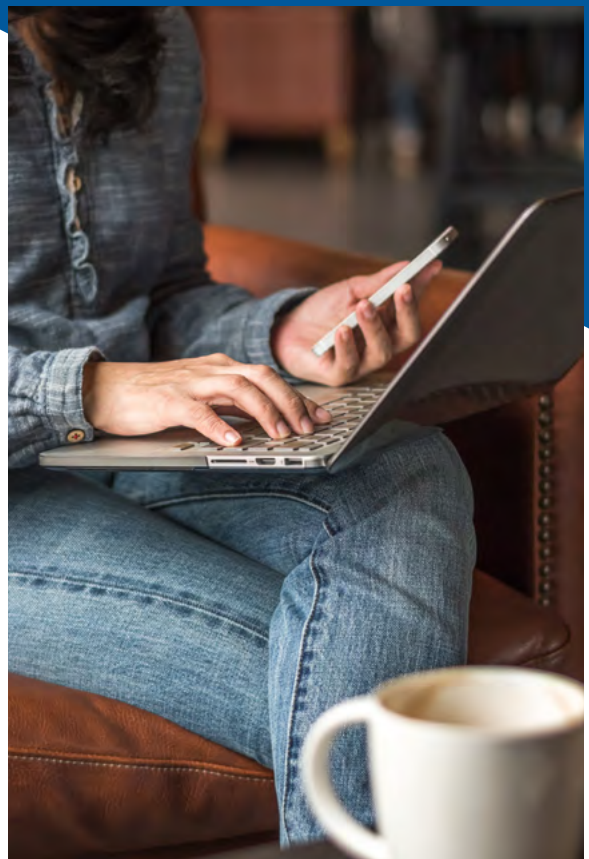
The key here is empathy – understanding where customers are having problems or feeling frustrated and then providing solutions to improve their experience. A growing number of customers prefer digital communication, so enabling more customers to use digital channels and making those channels easy to use satisfies customers' desires. This not only benefits customers – it also reduces call center volume, which, in turn, can lower costs.

In response to the preferences of a new generation of consumers, many utilities have already launched mobile applications for bill notification, presentation and payment, as well as outage updates. Many predict this is a precursor to a new era of smart homes and connected buildings, which will be controlled by mobile applications.

One caution, however, to companies moving to more digital: Make sure the digital experience is seamless with your customer service system. Just imagine how frustrating it would be for a customer to change his or her address online, only to find out at a later date that the call center still has the old address on file.

Knowing your customer also allows you to target specific messages to them. Leveraging data can help utilities create targeted communications that build customer relationships and improve loyalty. In a case study conducted by DST, a mid-sized electric company began to target its audience by sending different newsletter to specific markets. Certain groups of customers also received different inserts. According to the company, this program saved the company about $190,000 per year and improved customer satisfaction.

- According to the American Express Global Customer Service Barometer, 78% of customers have failed to make an intended purchase due to a poor customer service experience. Negative customer experiences also reach twice as many ears as praise for good service!

- A Harvard Business Review study reveals that less than half (43%) of utilities customers who have a negative experience are still members after one year, compared to 74% of those who have had a positive experience.

## Be Prepared for Constant Change

With more energy choices emerging, customers are expecting the same level of service from utilities they have become accustomed to from other businesses. As a result, utilities must not only deliver better customer experiences, but also stay agile and ready to adapt to ever-changing technology.

As the McKinsey report states: "Eventually every utility will have undergone a digital transformation…the potential opportunity is worth many times the attending cost and risk. For utilities, transformations can not only improve customer satisfaction and acquisition, but yield productivity improvements, revenue gains, better network reliability and safety and entry into new business areas."

*Doxim is proud to partner with municipal, cooperative, investor-owned and public utilities across the nation to provide innovative solutions specific to each organization. We help utility companies across the country to leverage data and maximize their customer communications. At Doxim, we don't settle for one-size-fits-all. Instead, we identify specific solutions to meet unique billing and communication needs, from empowering data, and engaging design, to efficient delivery.*

**To find out how Doxim can help you, contact us here**

**Sources:**
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