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Customer Service Challenges for Utilities

As in other industries, utilities today face more demanding customers who have more ways to express their opinions and want to engage through more channels of communication. To keep up with these expectations utilities must develop and deploy multichannel customer service that provides consistent information and responses to customers no matter who they engage with or what channel of communication they use.

Our benchmark research on next-generation customer engagement identifies three main challenges in providing multichannel customer service: Companies use a variety of systems to store and manage customer-related data and these often are difficult to integrate. The communication channels they use to support customer engagement are managed separately. And different business units often provide inconsistent responses to customers.

These issues are compounded for utilities companies, which typically have control centers as well as contact centers. Although each has its own responsibilities, those often overlap. The primary responsibility of the control center is to manage the often large number of employees who operate and maintain the network that provides the service, such as electrical power, water, sewage or telecommunications. However, it also may have direct communication with customers – for example, in sending out notification of service issues associated with network problems or planned maintenance. For its part the contact center provides services to customers associated with setting up an account, billing inquiries, and issues and complaints about network service.

The two centers thus often need the same information to engage with customers, but there frequently are problems in getting and using it. Each center typically has multiple systems that often are not integrated, making it difficult to share data and information within and across centers. Business processes may not flow across the two
groups. Cooperation often is not mandated as a policy or established through a set of procedures. These issues contribute to inconsistency and a lack of timely responses to customers and can keep employees from having the appropriate information available when needed. In the control room communications among all the groups, including remote employees such as service engineers, can be difficult, putting safety at risk and delaying the availability of information.

These disconnects frustrate paying customers. They expect to have the same experience and receive the same information no matter which channel they use or who they engage with. They expect instant responses that include real-time information such as why an outage occurred and when they can expect service to resume. They also expect proactive service announcements about conditions such as a routine power outage for maintenance in an area, possible outages due to bad weather or notification that their subscription allowance is running low. And they want contacts and delivery of information to occur through their channel of choice.

Coping with Change

As well as needing to meet or exceed the expectations of customers, utilities also face challenges similar to those in other industries. More competitors are entering the market, often from other sectors, and some have a more modern, customer-focused approach to service and customer engagement that uses websites, multichannel contact centers and e-commerce sites.

In addition, utilities markets today are not static, and new products and services can require new approaches to customer service. For example, home owners may supplement the power supply from their electric utility with solar or wind power. Responding to this change can require information and service to address issues that develop, deal with complaints and answer billing inquiries and requests for information about network usage or performance. At the same time the advent of resellers that provide services.
that depend on the core network adds another burden for utilities, requiring them to share information with other businesses.

As is the case across industries, the customer life cycle for many utilities has changed from a linear one (attract a customer, sell a product or service, then service the account) to a cyclical one (attract a customer, provide support, up- and cross-sell new products or services, extend contract), and thus each engagement involves an element of marketing and sales as well as customer service.

In evolving environments such as these, companies cannot remain passive. As business models change, competition increases and customer engagement becomes ever more important, they must engage more proactively to retain and potentially increase market share.

Steps to Improve Customer Service

Taking a systematic approach to modernizing and expanding customer service can address these many challenges, both industry-specific and general. We recommend a comprehensive approach:

Connect all groups involved with customer-facing activities including marketing, sales, customer service, finance, HR, the contact center and operations. For utilities, connect the control room and the contact center so that each has the same up-to-date information about customers and the state of the network.

Develop processes that foster sharing of data and collaboration between all groups that engage with customers. Ensure that customer-related decisions (for example, when and who should contact customers with notices about service issues) and actions (for example, disconnecting a customer) are based on a single, reliable source of customer information.

Explore systems that enable data sharing and integration as well as collaboration and can manage workflow and provide alerts. Ensure that
the systems are customizable to individual needs. In the contact center, choose systems that support an omnichannel approach, including integrated channel management, intelligent routing of interactions and a smart desktop to help agents as they handle interactions. For the control room, look for systems that enable interaction and collaboration among all the groups involved in operating and maintaining the network. All systems should be easy to use by employees with differing skill levels. And look for ease of integration between systems.

Our benchmark research into the contact center in the cloud finds that an increasing number of companies either are using or intend in the next 24 months to use cloud-based contact center systems. The options available today include private, single- and multitenant clouds, which depending on the model can reduce capital expenditure and implementation times, reduce the need for skilled implementation and operational staff, and ensure higher availability of systems. A company considering moving to the cloud should determine its specific requirements and ensure the suppliers being considered will satisfy its functional, performance, customization, usability, accessibility, security and availability needs.

**Institute** training and coaching to educate users on new processes, using new systems and collaboration. Look for capabilities of advanced analytics systems that can support change – for example, using customer feedback to improve processes and training.

### Results of Improving Processes and Systems

Our benchmark research regularly shows that introducing processes that flow across business group boundaries and providing better integration of systems will improve the alignment of customer-related decisions and actions across business units. It also will generate more collaboration across the enterprise, including between the contact center and the control room.

Our research into next-generation customer engagement finds that supporting multiple channels of engagement in the contact center will give paying customers the choices they expect and thus improve customer effort scores. Moreover, responses will be more consistent
and thus improve the customer experience. The research also identifies possible cost savings in reduced call volumes, fewer repeat calls and customers more often using self-service.

Selecting the right systems for the control room can improve its efficiency by routing inbound interactions to the right person or group, make it easier for different groups to collaborate on tasks, and enable proactive interaction with paying customers. These can also reduce the number of systems users have to access and make more readily available the up-to-date and accurate information needed to provide personalized customer service and ensure the safety of employees during emergency situations.

In addition to improving customer engagement, connecting the control room and the contact center will reduce operational costs while improving employee satisfaction, the company’s brand image, customer trust and prospects for long-term business success.
About Ventana Research

Ventana Research is the most authoritative and respected benchmark business technology research and advisory services firm. We provide insight and expert guidance on mainstream and disruptive technologies through a unique set of research-based offerings including benchmark research and technology evaluation assessments, education workshops and our research and advisory services, Ventana On-Demand. Our unparalleled understanding of the role of technology in optimizing business processes and performance and our best practices guidance are rooted in our rigorous research-based benchmarking of people, processes, information and technology across business and IT functions in every industry. This benchmark research plus our market coverage and in-depth knowledge of hundreds of technology providers means we can deliver education and expertise to our clients to increase the value they derive from technology investments while reducing time, cost and risk.

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