

# UTILITIES' PROGRESS TOWARDS CUSTOMER CENTRICITY



## WHY UTILITY COMPANIES NEED TO BE CUSTOMER CENTRIC?

There are 2 major reasons why Utility Companies need to focus on the customer:



### RISE OF THE EMPOWERED CONSUMER



EMPOWERED BUYERS DEMAND A NEW LEVEL OF CUSTOMER OBSESSION



LACK OF TRUST CAN MEAN CUSTOMERS SPONTANEOUSLY SWITCH LOYALTIES



### REGULATED ENERGY NETWORKS



OFGEM AND OFWAT ARE CREATING A CUSTOMER CENTRIC ENVIRONMENT IN THE UTILITY INDUSTRY



FOR WATER UTILITIES: COMPANIES THAT PERFORM BETTER ARE REWARDED WITH HIGHER PRICE LIMITS



FOR TRANSMISSION COMPANIES: UP TO 1% REWARD OR PENALTY BASED ON THEIR ALLOWED REVENUES

## CUSTOMER CENTRICITY - THE BEST BET FOR SUSTAINABLE COMPETITIVE ADVANTAGE

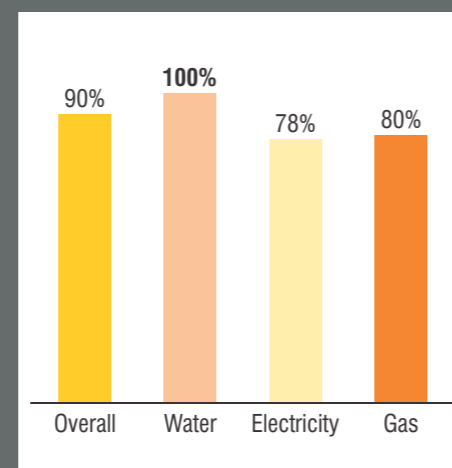


90%

OF UTILITY CXOs BELIEVE THAT THE FOCUS ON THE CUSTOMER HAS INCREASED COMPARED TO 2012

CUSTOMER CENTRICITY IS CLEARLY FRONT OF MIND IN THE UTILITY INDUSTRY

How much has the importance of customer centricity to your company changed over the past five years?



## CREATING A NEXT-GEN CUSTOMER EXPERIENCE



CURRENT CUSTOMER CENTRICITY INDEX FOR COMPANIES: 3.8 OUT OF 5

3.8 ► 4.6

THE CUSTOMER CENTRICITY INDEX OF UTILITY COMPANIES IS SLATED TO INCREASE BY 0.8 POINTS

## KEEPING CUSTOMERS AT THE CENTRE THROUGH:



» CUSTOMER-CENTRED INTERACTIONS TAILORED FOR EACH CUSTOMER

» INCREASED FOCUS ON MEASUREMENT OF CUSTOMER SATISFACTION

## CUSTOMER CENTRICITY INDEX IS HIGHER IN:

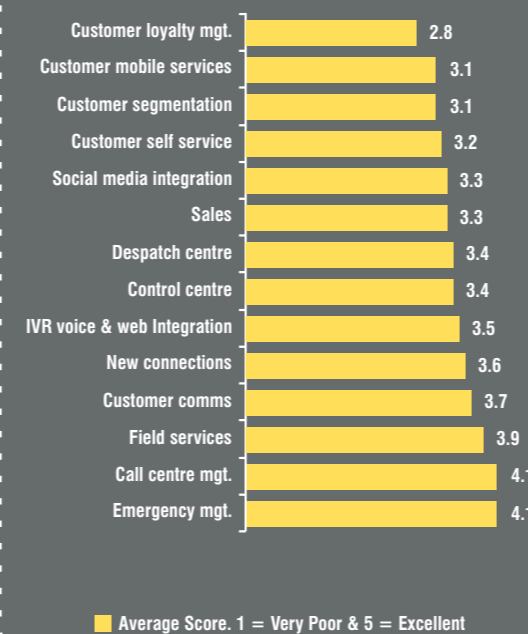


4.1/5 CALL CENTER MANAGEMENT

3.9/5 FIELD SERVICES

BELIEF THAT THE LEVELS OF CENTRICITY TEND TO BE HIGHER IN THE 'FRONT-LINE' SERVICES

Confidentially, on a scale of 1 to 5, please score your company's level of customer centricity in each of the following areas.



## HOW DO UTILITY COMPANIES ACHIEVE THIS INCREASED FOCUS ON THE CUSTOMER?

### TECHNOLOGY: KEY FOCUS AREA TO DRIVE CUSTOMER CENTRICITY

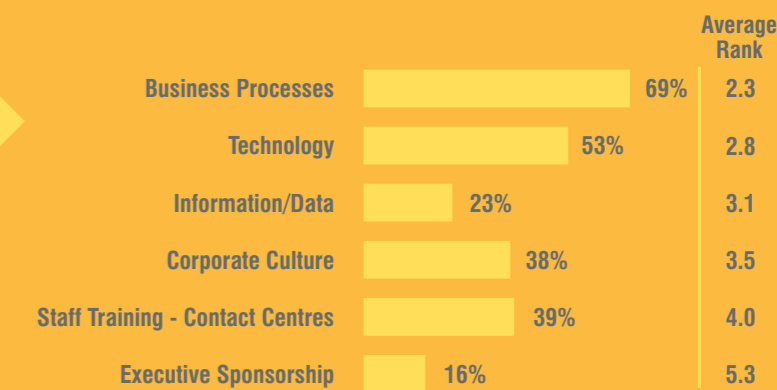


BUSINESS PROCESS IMPROVEMENT: 69%



IMPROVEMENT IN TECHNOLOGY AREAS: 53%

Which of the following areas within your company are most in need of attention to improve customer centricity?



### THE TOP RANKING MARKET OPPORTUNITIES ARE ALSO LARGELY TECHNOLOGY BASED



PERVASIVE MOBILE TECHNOLOGY



SERVICE INCENTIVE MECHANISM



SMART METERS

What upcoming or on-going regulatory/market events will provide you with the biggest opportunities to bring change to customer centricity?

Event	Average Rank
Pervasive Mobile Technology	2.0
Service Incentive Mechanism	2.2
Smart Meters	2.9
Fuel Poverty	3.0
Change of Political Landscape	3.3
Climate Change	3.9
Smart Grids	4.8
Green Deal	7.0

### AND THE TOP 3 APPLICATIONS THAT NEED TO IMPROVE ARE:



CUSTOMER RELATIONSHIP MANAGEMENT



CUSTOMER SELF-SERVICE PORTALS



CALL CENTER TECHNOLOGY

Which of the following IT applications need to improve if your company is to become more customer centric?

Application	Average Rank
Customer Relationship Management	3.1
Customer Self-Service Portals	3.2
Call Centre Technology	3.8
Field Operations	4.2
Data Management Analytics	4.3
Billing	5.3
Asset Planning Investments	6.1
New Connections	6.2