Mobile Apps: Key to Customer Engagement for Utilities

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Table of Contents

03 ...............................................................................................................................Challenging Times for Utilities
03 .............................................................................................................................The Beginning of a New Communication Era
03 .............................................................................................................................Are Utilities Catching Up?
04 .............................................................................................................................A Win-Win Scenario
04 .............................................................................................................................A Few Pain Points
05 .............................................................................................................................Apps of the Future
06 .............................................................................................................................About the Author
06 .............................................................................................................................About Wipro Council for Industry Research
06 .............................................................................................................................About Wipro Technologies
Challenging Times for Utilities

The utility industry today is at an inflection point. Privatization has become commonplace while newcomers are snapping at the heels of well-entrenched players, making the market overtly competitive. Governments around the world are tightening regulations compelling utilities to address environmental concerns at the earliest. Well-informed consumers are rooting for the cause of the environment as well. At the same time, they have very high expectations from their utility providers in terms of facilities and service.

Customers want every possible kind of convenience including tailor-made solutions, and they want it now. They shun one-way communication and want to converse not only with service providers, but also fellow customers. Ignoring them is not an option as they switch loyalties in the blink of an eye. In 2013, more than 20% of utility customers in Europe have already changed their service provider. Little wonder then that customer engagement is now a high priority area for utilities.

Meanwhile, disruptive technologies that are hitting the market at a rapid pace are enabling utilities to be more efficient, ensure greater safety, and create quality interactions with stakeholders including customers.

The Beginning of a New Communication Era

Let’s turn the clock back a few years to the time when the Internet took the world by storm. This innovative creation created strong ripples in the business world too, by creating new paths of communication between businesses and customers. The mobile phone provided a further boost to interaction levels. In fact, the texting facility that worked like a charm then still continues to be very popular. Even today, customers who receive text messages from companies, specifically utilities, are 50% more likely to express a positive opinion of the company.

Today, devices like smart phones and tablets, mobile applications, platforms like social media, and data technologies have given a new meaning to the concept of business-customer communication and customer engagement. Industries such as banking were quick adopters of these new communication channels and are already reaping the benefits. Utilities being conservative in their functioning, took some time to come around.

Are Utilities Catching Up?

Today, many utilities are working on mobility solutions for customers to raise engagement levels. For instance, apps mounted on new age devices like the smartphone, allow customers to access information including bill statements and provide self-service options like the facility to make bill payments, even when the customer is on the move. However utilities
are yet to fully leverage the power of mobile applications. A survey of US utility companies indicates that not more than 40% support customer self-service facility on mobile phones. Thanks to tools such as GPS (Global Positioning System) and big data analytics, utilities are also sending individualized messages suggesting appropriate subscription plans, or even simply informing customers in a locality about service disruptions.

Social media is another platform that many utilities are using to provide outage data, emergency information, customer service and even sales quotes. These channels are ideal for dialogue and serve as brand building vehicles as well. They are also useful as tools to educate the customer on efficient use of energy, promote green energy, and regulate demand response. Integrating social media with CRM will help utilities build deeper relationships with customers. By 2017, 624 million customers are likely to be using social media for accessing information related to utility services. The next logical step therefore is to link mobile apps with social networking sites. This is bound to encourage greater participation in social media interactions, giving utilities better insights.

http://www.customerexperienceutilities.com/

A Win-Win Scenario

The key advantage utility service apps offer to the consumer is convenience. The interaction can be anywhere anytime, is quick, and is easy thanks to the touch-screen interface of today’s devices. The fact that communication is not one-way and is more of a dialogue, also appeals to customers.

Complaint registration has gotten much simpler as well. Mobile apps allow customers to register a complaint, say of a broken pipeline, by just clicking a picture. The utility receives the image along with the GPS coordinates, and the complaint goes through an auto verification procedure. A work order then gets triggered and a field engineer is assigned the job, all in a matter of minutes. The result: deeply satisfied customers. Utilities reduce wastage costs and conserve precious natural resources as well. In UK, specifically in England and Wales, each day sees a leakage of a staggering 3.36 billion liters of water that could have been supplied to 22.4 million people. Further, in case of utilities such as gas, where leakages can turn into health and safety hazards, leaks can be reported via apps and accidents averted.

Also, the need for fewer resources to handle customer calls translates into lower customer service costs. In addition, companies find it easier to up sell to satisfied customers, earning higher revenue in the process. Bill payments are likely to be prompt thanks to simplification of the payment process, leading to improved cash flows. Mobile apps also allow utilities to provide planned outage information to customers with location and other details. Customers can report the outage to the utility in case of unplanned service disruption.

What’s more, many utilities still operate in a regulated market where authorities use customer satisfaction levels as a parameter for measuring success. The National Customer Satisfaction Index (NCSI), a national economic indicator of customer evaluations of the quality of products and services in the UK, allocates scores for each of the major energy suppliers. With mobile apps, there are additional customer touch points that enable one-to-one communication and therefore better customer engagement and satisfaction.

http://www.bbc.co.uk/news/uk-17622837

A Few Pain Points

However, there are a few kinks that need to be ironed out. Customer service channels of many utilities lack seamlessness and the resulting inconsistency in data only alienates the customer. Utilities can integrate channels, by having common apps across channels and also linking apps to social media. Also, the number of utility service apps available today is minuscule; utilities need to invest in creation of more mobile applications that are compatible with multiple devices.

Further, although apps need to be uncomplicated, several of the current breed of apps are excessively simple in terms of functionality. Utilities need to introduce apps that are feature rich so as to appeal to customers. Also, many service providers focus only on the utility of the app and overlook the design aspect. Today’s Gen Y consumers however expect a great user experience, and are likely to be put off by apps that have a business look and feel. A few utilities have already started giving app design the prominence it deserves. They first study
customer perception, design app prototypes following multiple rounds of customer reviews, and gather feedback after a limited release. Based on customer response, they make the required changes in design.

In addition, the public, including a utility’s customers, are often inconvenienced by installation or repair work being carried out in a public place. Utilities can introduce apps whereby they can notify customers of work schedules based on location code. Customers can type in their codes and get information of work plans.

**Apps of the Future**

Utilities are yet to leverage the full potential of available technology for creating mobile apps. They can look at creating smart grid apps that focus on home energy management systems. With gamification apps, utilities can add an element of fun to energy conservation by creating competitions and rewards systems.

Also, application of augmented reality can raise customer experience to new heights. Today, a customer may have progressed from reading his electric meter manually and entering data on his smart phone or tablet to using a camera app for capturing a picture of the meter. However, a customer who is not familiar with the parts of a meter may get the picture wrong. In the future, we might see an augmented reality app that can identify the meter as well as its parts, enabling the customer to capture the right image.

With predictions of one billion smart phone users on the planet by 2016, utilities cannot afford to overlook the importance of mobile apps. It is high time the laggards began harnessing the power of cutting edge technologies to create highly advanced apps that would not only engage, but positively delight the customer.

About the Author

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Hasanat has been associated with Wipro for over 12 years where he has been part of the Energy and Utilities business handling Energy Transmission, Distribution and Retail domains. He is currently working as a Solution Architect and looking after multichannel customer self-service solutions including online, mobile and IVR for one of the leading energy retailers in Australia.

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About Wipro Council for Industry Research

The Wipro Council for Industry Research, comprised of domain and technology experts from the organization, aims to address the needs of customers by specifically looking at innovative strategies that will help them gain competitive advantage in the market. The Council, in collaboration with leading academic institutions and industry bodies, studies market trends to equip organizations with insights that facilitate their IT and business strategies. For more information please visit http://www.wipro.com/insights

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