

POWER TO THE PEOPLE

FORESEE EXPERIENCE INDEX

UTILITIES CX INSIGHTS

How providers deliver and win on customer experience

| The New Provider–Consumer Dynamic

Keeping the lights on is only part of the job

Consumers have new ideas about what a utility should be, and this fact is redefining the industry. To compete and grow, providers must better calibrate with customers. But identifying and aligning with new needs is not easy.

Customer perspective is invaluable. This report — the first of its kind in the industry — reveals which providers are delivering the customer experience (CX) that consumers want and value by asking the customers themselves. We surveyed 6,250 utility consumers about 25 top providers to find out what frustrates them, what satisfies them, and what needs are going unmet. As a result, we know who wins on CX, and what it takes to deliver on CX in the utility industry.

Amid all the fascinating data, our research also illuminates one big truth: Customers now hold providers to standards once reserved for other industries. Here are three trends we see:

- **Consumers want access to services beyond what utilities historically provide.** When offered usage data, smart thermostats, and other value adds, satisfaction goes up — whether or not they use the services. [Page 11](#) has details.
- **Better digital tools improve satisfaction and reduce costs.** Eighty percent of consumers would forgo the contact center if offered an ideal online experience. The bottom line? The 25 providers in our rankings **could save a collective \$208 million per year** through call-center deflection. The ROI details are on [page 4](#).
- **Companies that respond to changing needs are rewarded.** Reliant, an NRG company, placed first in our overall FXI rankings and topped the bill pay, service restoration, and transparency categories. See their CX profile on [page 7](#).

Utilities are facing big changes: market-disrupting competition, regulatory challenges, and stagnant energy demand to name a few. The data presented here adds vital insight into issues like the utility customer journey, regulated and deregulated needs, and trust and transparency. With a customer-focused view of those hurdles, utilities can create and follow CX-centric strategies, and deliver the kinds of experiences that consumers expect. Achieve that, and utilities will find that increased satisfaction, brand affinity, and revenue will follow.

Utilities CX Rankings

How 25 of the largest U.S. utility providers stack up on customer experience

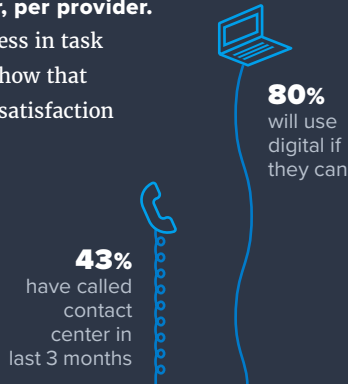


The FXI Score is a composite customer experience metric based on consumer interactions with each provider's digital and call center channels on a 0-100 scale. When two or more scores are identical at one decimal place, the next decimal place is used to break ties and determine rankings. Score differences of +/-2.1% are statistically significant.

The ROI of CX

Great digital experiences deflect call center costs, saving millions per year

Eighty percent of utility customers are willing to forgo the call center completely if provided an ideal online experience. **Our analysis shows a decrease in call center volume can lead to a potential average savings of \$8 million a year, per provider.** As consumers look for first-touch success in task completion (see page 9), the findings show that providers can both cut costs and boost satisfaction if they deliver on digital.



Call Center Deflection: Top Savings Opportunities

UTILITY	ANNUAL SAVINGS
Duke Energy Corporation	\$21,207,957
PGE	\$18,835,318
Florida Power and Light	\$16,583,964
National Grid Energy	\$14,049,196
Southern California Edison	\$11,827,497
Consolidated Edison	\$11,170,060
Exelon	\$10,420,838
Dominion Energy	\$10,206,359
First Energy	\$9,639,147
Xcel Energy	\$8,866,585
Top 25 Total Savings	\$207,938,238
Average Savings Per Utility	\$8,317,530

Winning With CX: Trust & Transparency

Reliability, communication create solid customer experience foundation

What's at stake

These separate measurements go hand in hand, as evidenced by the fact that four providers rank in the top five for both categories. Getting big, foundation-level experiences right means doing the small things right too, so it's no surprise these organizations rank at the top of our overall satisfaction rankings.

Opportunity

Scoring high on both trust and transparency means meeting essential expectations around service dependability — and going beyond those elements to stay engaged with consumers at a more personal level. Clearly explaining how services are priced and helping consumers reduce energy waste communicates a deeper level of commitment.



Winning With CX: Bill Pay & Service Restoration

Table-stakes services should be simple and fast — digital tools can improve both

What's at stake

Paying a bill is the most common reason consumers engage with a provider: 61% said it was the primary reason for their last interaction. During outages, calls flood into provider contact centers, overwhelming internal resources and frustrating customers.

HOW PEOPLE PAY BILLS

- 43% Website
- 23% Mobile site
- 20% Call center
- 8% Mobile app

HOW PEOPLE REPORT OUTAGES

- 67% Call center
- 15% Mobile site
- 8% Mobile app
- 8% Website

Opportunity

A good bill-pay experience means clearly stated charges and usage; digital bills should be easy to locate, quick to pay, and secure. Providers that offer online outage centers and mobile apps see a reduction in calls and an increase in satisfaction.

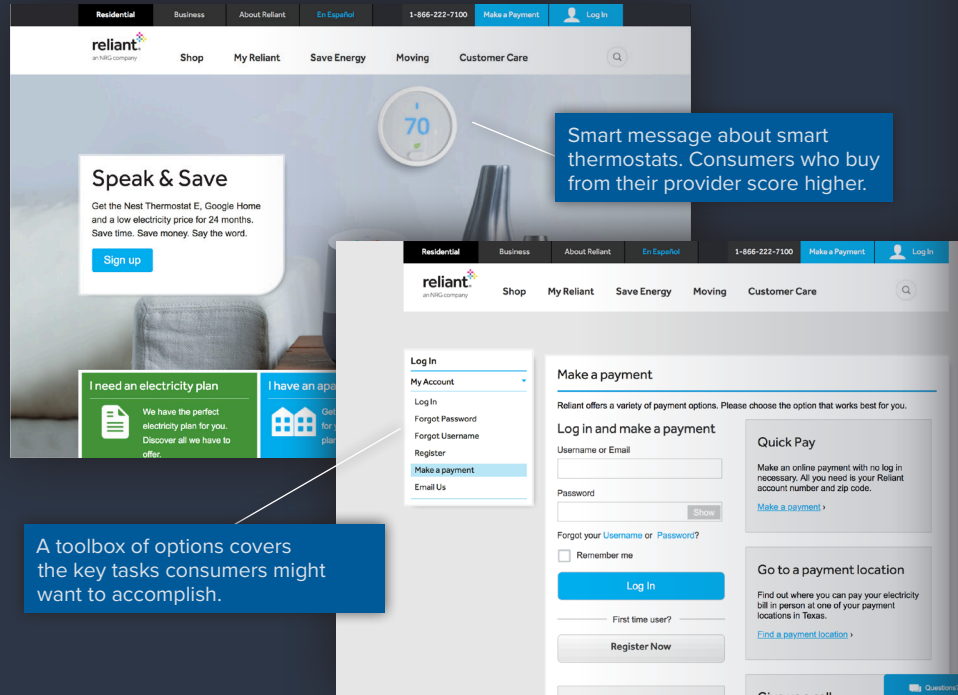


Largest Texas Utility Gets CX Right

How Reliant meets the electricity and CX needs of its customers

Reliant, an NRG company, ranked number one in transparency, bill pay, and service restoration, and second in our trust category, making them a clear first-place winner in our overall FXI rankings. They get CX right with easy access to bills and outage reporting; a wide range of value-added services like heating and plumbing repairs, and products such as thermostats, filters, and light bulbs; and tips for lowering bills and adopting alternative energies.

The provider's popular mobile app offers smart thermostat syncing, usage tracking, bill pay, outage alerts, and other features.



FXI Score

82.0

TRANSPARENCY,
BILL PAY,
SERVICE
RESTORATION

1st

TRUST

2nd

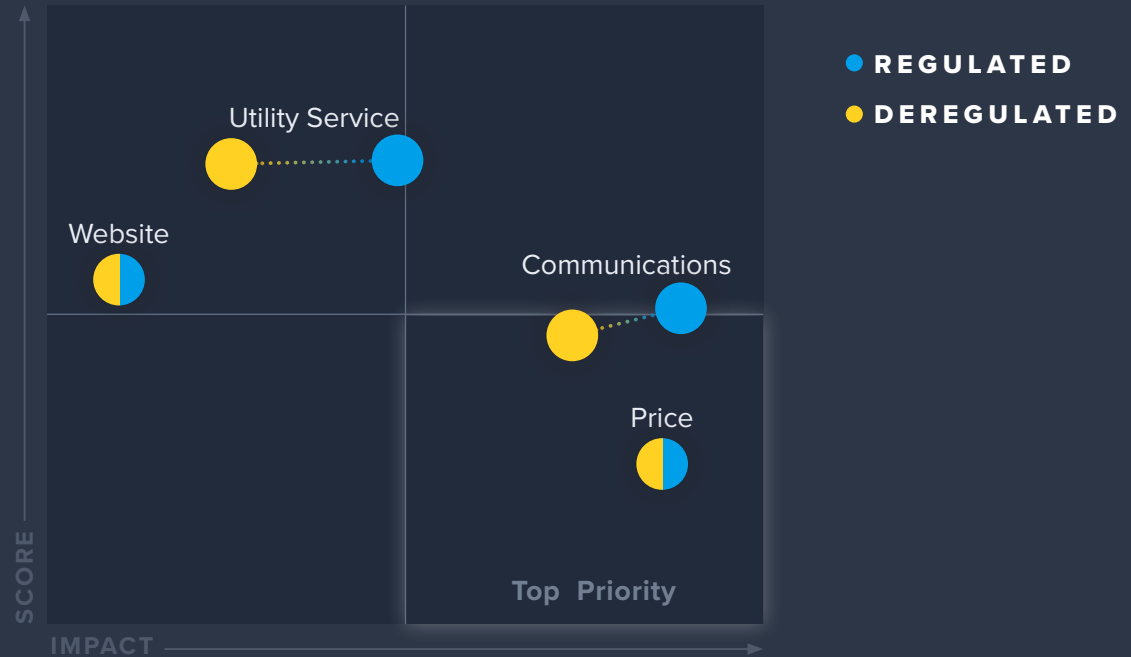
Mapping Utility CX Priorities

Regulated and deregulated providers take different paths toward CX excellence

Overall satisfaction scores for regulated and deregulated providers are identical at 76, but key differences stand out when you map satisfaction drivers. While price is a top priority item for both, it's hard to impact. What can positively impact customer experience is delivering clear, relevant, and quality communications and notifications.

“The industry is changing drastically with technology, so we can’t be in a position of complacency just because we’re in a quasi-monopoly.”

ADMINISTRATOR, CUSTOMER ENGAGEMENT,
REGULATED PROVIDER & FORESEE CLIENT



Priority Maps use customer experience data to show which CX improvements will yield the biggest business benefits. In the graph above, elements in the bottom right quadrant are the most impactful to the business when a change is made. In other words, a low-scoring high-impact element is ripe for prioritization.

The Utility Customer Journey

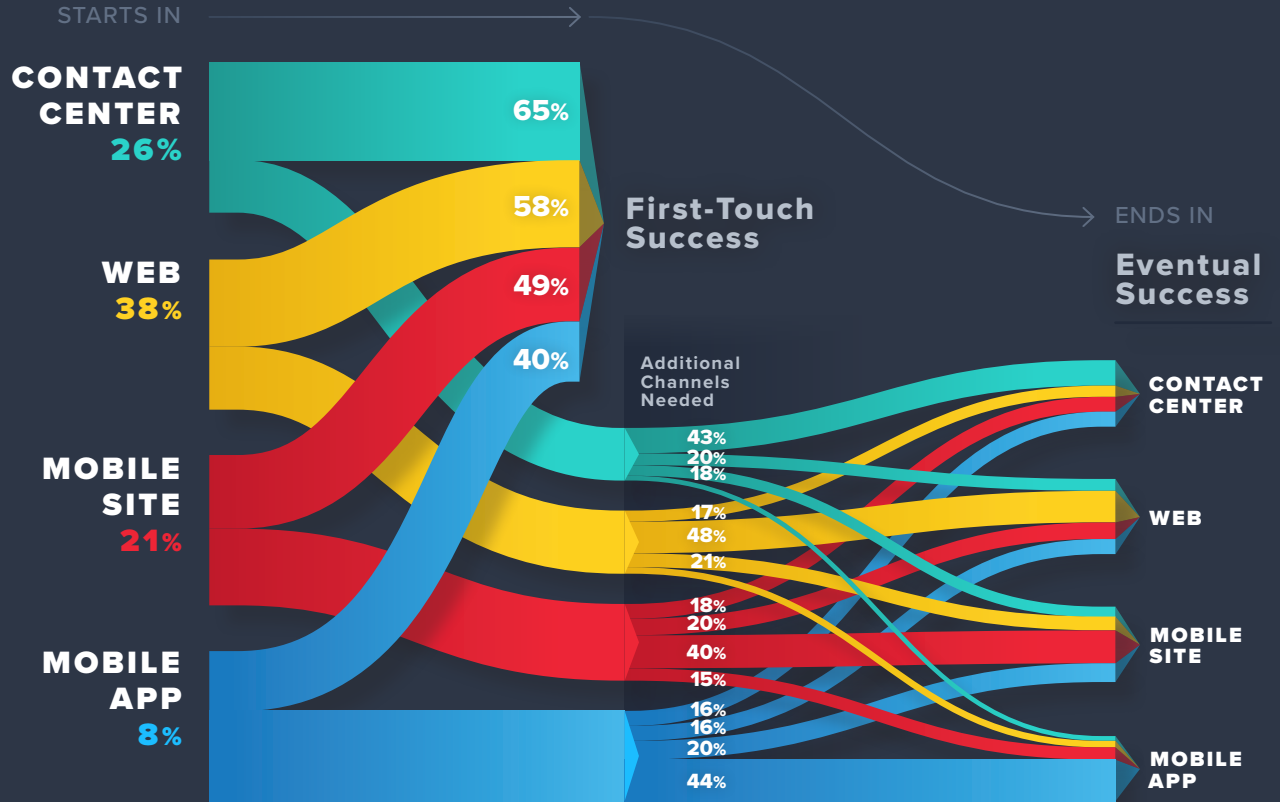
A quest for first-touch success

This journey map is the first of its kind in the industry, visualizing task completion — bill pay, outage reporting, account/usage viewing — across channels and time. Providers increase revenue and decrease costs when they improve first-touch success.

- 26% begin at the call center, 38% on desktop web, 21% on the mobile site, and 8% on the app
- Overall, less than half succeed on the first attempt
- Worse, 51% of mobile site and 60% of mobile app users can't complete their task on the first attempt

What happens next:

- 40% of mobile site and app users return to the same channel, 20% go to desktop web, and 18% call in
- Those who find first-touch success on digital are more satisfied than those who do at the call center, 79 to 76, respectively



| Redefining Utilities

Consumers look to and reward providers for new services, more touchpoints

Utility customers aren't passive energy consumers. Today's prosumer cares more about consumption as it relates to both conservation and lowering their bills, and they increasingly view themselves as partners with their providers. Whereas their parents' engagement began and ended at paying the bill, a new generation is looking for more, such as value-added products and services, usage data, smart home guidance, and energy-saving information. **For providers, this trend creates a two-pronged opportunity: expand digital self-service for greater efficiency and improve consumer satisfaction.**

WHAT CUSTOMERS WANT



1/2

usage data and cost reduction tools



1/3

outage alerts and apps



1/4

environmental impact and sustainability information



1/5

tools that help them interact seamlessly with utility provider

| Redefining Utilities: Three Opportunities

Consumers are charged up by usage programs, value-added products, and alternative energy

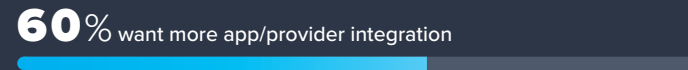
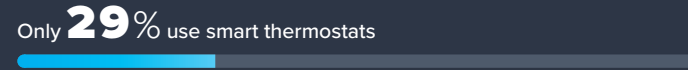
USAGE PROGRAMS

When consumers are offered programs that track, explain, and help them improve usage, satisfaction jumps 9 points.

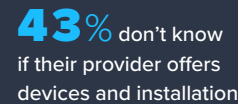
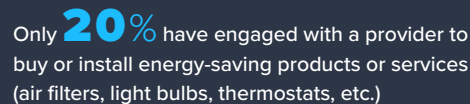


VALUE ADDS

Consumers who buy and install smart thermostats from their provider are more satisfied and more likely to recommend.



There's a huge opportunity for increased product and services revenue:



ALTERNATIVE ENERGY

Awareness itself boosts satisfaction. Consumers who have access are:



satisfied than those who don't have or don't know they have access



More likely to trust their provider, continue service, and recommend the company

| About the ForeSee Experience Index

The ForeSee Experience Index (FXI): Utilities CX Insights report is the first study of its kind to assess customer experience (CX) with utility providers. We surveyed 6,250 consumers about their experiences with 25 top utility providers in the U.S., both regulated and deregulated. The list is comprised of the largest providers based on revenue and number of residential customers served, and includes a combination of both individual providers and holding companies. The survey was conducted in February 2018.

ForeSee is the pioneer of voice of customer (VOC) solutions that measure and improve the customer experience. ForeSee CX Suite® is powered by the only proven causal model that accurately connects CX improvements to business outcomes, empowering business leaders with strategic and tactical CX decisioning. Thousands of leading organizations in energy and utilities, retail, financial services, and the public sector rely on ForeSee to give certainty to their CX initiatives.

Go deeper into the FXI data.
Schedule a customized briefing:
foresee.com/utilitiesbriefing

| About the Research Team

Research Analyst **Deneen Davis** directs analysts across multiple industries and provides companies with business intelligence that leads to targeted, effective experience improvements. Deneen graduated from Central Michigan University with a Bachelor of Science in Management Information Systems.

Research Analyst **Tom McCartan** specializes in providing actionable insights to clients in the energy industry through meaningful customer experience data analysis. He holds a B.A from Michigan State University and an M.A. from the University of Michigan.

