

A man in a yellow shirt is sitting at a desk, looking at a computer monitor. In the background, another person is working at a desk. The office is bright and modern, with a potted plant and a light fixture visible. A blue and yellow diagonal graphic is in the top left corner.

2021

TOP 5 CUSTOMER EXPERIENCE (CX) TRENDS THAT WILL IMPACT UTILITY PROVIDERS

How utility providers must adapt in 2021 to improve customer satisfaction and build better customer experiences.

SilverBlaze



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INTRODUCTION

In these trying times, vendors have had to adapt because customers have had to adapt. Consumers are changing and so are their expectations. As a result, consumers demand more from every interaction they have. They want seamless experiences, on-demand answers, personalization, frictionless customer service, easy-to-use touchpoints and self-service options.

Now, more than ever, we need to make life simpler for each other.

For utility providers, using new technology is quickly becoming the only way to transform the customer experience and improve customer satisfaction. Digitization is now at the forefront of utility transformation, and will ensure utility providers can keep up with long-term shifts in customer experience expectations.

As always, customer experience is the key to satisfied customers.

Moving into 2021, we will see more utility providers focusing their efforts on the customer experience making sure it's in line with other customer-facing industries. This means increased personalization, better self-service and superior convenience.

WE HAVE IDENTIFIED FIVE MAJOR TRENDS THAT ARE SET TO DRIVE UTILITY CUSTOMER EXPERIENCES THROUGH 2021



The Pandemic's Long-Term Impact on Customer Expectations



Environmentally Conscious Decision Making on the Rise



Alternative Energy



Mobile Access to Customer Utility Accounts



Continued Focus on Cybersecurity



THE PANDEMIC'S LONG-TERM IMPACT ON CUSTOMER EXPECTATIONS

COVID-19 has had - and continues to have - a dramatic impact on the lives of everyone throughout the course of 2020, and into 2021. Businesses have adapted to a new normal and changed the way they operate, possibly forever.

Stay-at-home mandates, social distancing, requirement of personal protective equipment (PPE), and remote work has changed how customers interact with businesses. In a post-pandemic world, businesses will strongly consider the continuation of work from home (WFH) and/or a hybrid workplace due to lowered costs and high productivity.

For utility providers, the COVID-19 pandemic has resulted in a change in what their customers now expect from them. The new normal of increased time spent at home working and playing and therefore, consuming more energy, water, and natural gas in their homes has resulted in new customer needs and new demands on the utility providers.

Utility providers simply must meet these new customer needs and expectations if they are to continue improving satisfaction metrics. Here are a few of the most prominent, trending expectations...

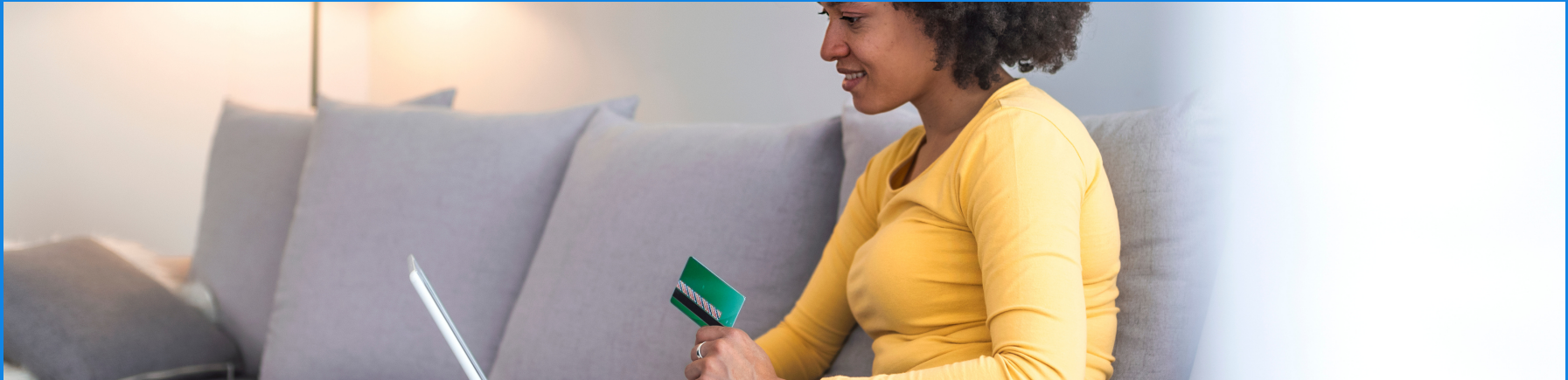
Customers expect to seamlessly access their utilities account online: The trend of digitization has been taking place long before COVID-19, but the pandemic has accelerated this, forcing people to stay indoors, work remotely and interact with businesses online more than ever. All generations, from the younger to the older population, have been inspired to adopt technology for many of their consumer needs. Consumers expect no less from their utility to make payments, receive communications, educate themselves on utility usage and much more, through a customer self-service portal.

Remote workers need to know outage information: Due to the pandemic, a large percentage of today's workforce has transitioned to entirely working from home or adapting to a hybrid work schedule; where throughout the work week an employee can work three days at home and two days at the office, for instance. As the benefits of remote and hybrid work become more known, it's unlikely this way of working will stop even after the pandemic has gone. The internet being 'always on' at home is now even more important. To ensure that they are able to carry out their roles efficiently, remote and hybrid workers rely on their utility providers to deliver outage notifications in real-time to help their day run smoothly while they work from home.

Consumers expect empathy: Empathy has long been a major component of successful customer service. Especially today, as we all continue to work together through these unique and challenging times, utility providers understand that their customers have different personal situations. To be supportive and accommodating, utility providers need to offer their customers guidance, support and helpful information from resources that they trust. Utility providers must send timely information that empathizes with and improves a customer's way of living. This new normal could include anything from sending a gentle reminder notification when an upcoming bill is due; developing tools that help customers apply for government utility cost savings programs; sending insightful usage data; or simply sending tips on how a customer could save money by using less. Now is the ideal time for utility providers to become empathetic, customer-centric organizations.



A survey by J.D. Power and Company determined that proactive outage reporting can be a powerful opportunity to build customer satisfaction. The study found that 66 percent of utility providers are providing informational alerts regarding the cause of the outage, how many people are affected, and an estimate for the restoration of service. Utility customers who receive these alerts are more likely to give their utility company a higher customer satisfaction score than those customers who didn't.

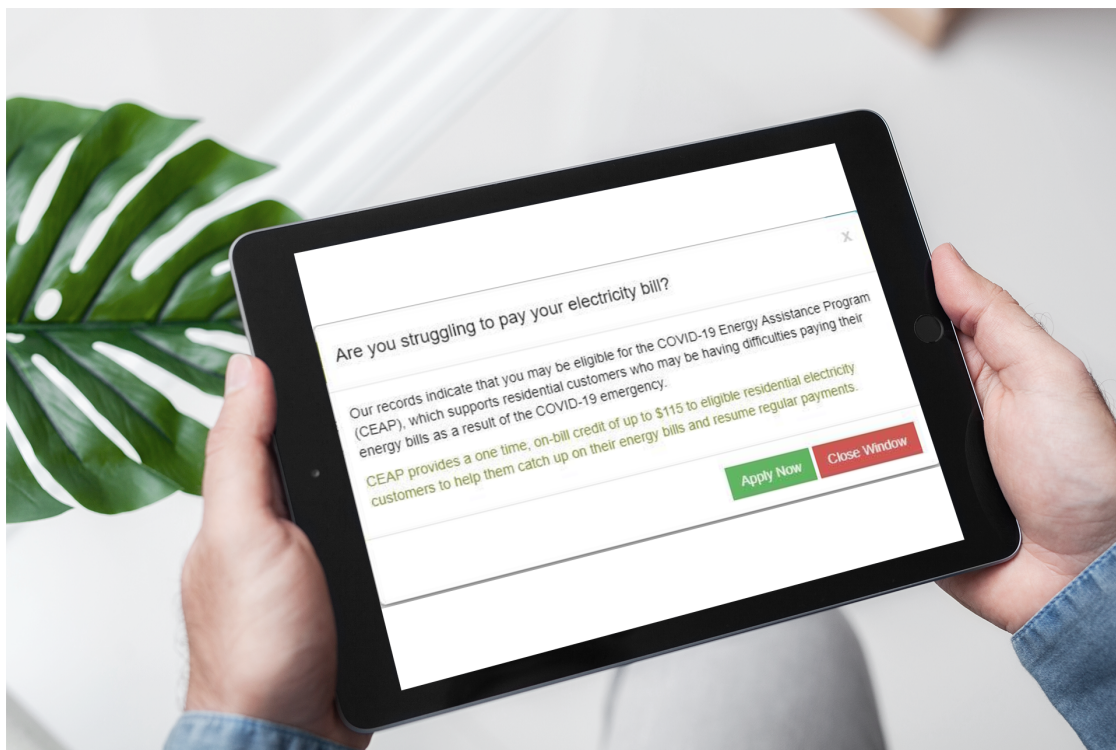


Access to government-assisted COVID-19 economic response programs: Highlighted by the pandemic and its impact on people's jobs and livelihoods, customers now expect their utility providers to help them apply to government-mandated assistance programs and government-led payment deferrals. Utility providers with customers seeking financial assistance should be able to provide easy to use tools and calculators that help users effortlessly apply to available government programs. This can be achieved through the use of smart forms and automated workflows, offering a seamless process for customers to access government-led initiatives directly through their utility customer portal.

These are just a few of the many ways that customer expectations have changed due to the pandemic, and a snapshot on what utility providers must focus on across 2021 and the coming years. The digitization of utility services, as well as providing seamless access at the consumer's fingertips, is now a top priority. Utility providers must focus on building customer experience strategies that make use of innovative technologies to transform how they interact with customers. This will ensure utility providers have sustainable business models that last long into the future.

Research from Zendesk found that 67 percent of customers prefer self-service over speaking to a company representative. Meanwhile, American Express found that over 60 percent of US consumers prefer an automated self-service, such as a website or mobile app, for simple customer service tasks - rather than talking to a human on the phone.

To do this, utility providers must implement customer self-service portals - such as the SilverBlaze Customer Portal for Utilities - that consolidates everything a utility customer needs into one seamless, easy-to-use customer interface. These digital self-service channels make it easy for utility customers to access a wide range of functions from eBilling and payments, service requests, user profile management, usage analytics, leak detection, outage notifications, account management, smart meter analytics for time of use (TOU) water and/or electricity services, and much more.





ENVIRONMENTALLY CONSCIOUS DECISION MAKING ON THE RISE

It's an important goal, now more than ever for any utility provider to ensure that they have an ongoing strategy to reduce energy consumption, to be more sustainable, and to build a more environmentally-conscious business model.

Today's customers are applying increased pressure on the companies they interact with to make environmentally-friendly changes to their processes. As a result, clean energy and corporate social responsibility (CSR) have been increasingly demanded by customers from the utility providers they engage with.

Utility providers themselves are implementing methods to cut down energy usage and their own carbon footprint. This includes everything from using customer self-service portals to cut down on the amount of paper bills they mail out and providing access to online payments, to implementing conservation and demand management programs for efficient energy use.

Conservation and demand management programs are enabling customers to reduce utility usage during peak hours, as well as educating customers on how they can reduce their overall utility usage.

There's now a growing expectation that utility providers will take a proactive role in educating their customers on how to make smarter utility consumption choices.

WHY MUST MODERN UTILITY PROVIDERS EDUCATE THEIR CUSTOMERS?

Customers are increasingly realizing that they can slow the impact of climate change if they make their own efforts to reduce their carbon footprint by becoming more environmentally-friendly and reducing waste.

They can't, however, do this alone. Customers are now expecting their utility providers to take a leadership role in which they proactively educate their customers on how to reduce waste, use cleaner energy sources, reduce water consumption and waste water emissions, reduce their carbon footprint, and therefore slow the impact of climate change.

Whether delivered through a mobile application or customer portal, utility providers can meet these expectations by providing customers with usage analytics that give them the real-time data and insightful patterns they need to make changes to their utility consumption.

Through utility usage data, customers can better understand, manage and alter their usage, and utility providers can help each individual customer meet, and exceed, their own usage goals to reduce their environmental impact and save money at the same time.



ALTERNATIVE ENERGY

Energy self-sufficiency and alternative energy sources are becoming more widely known to consumers, generating an increasing number of utility customers investing in alternative energy sources.

Referred to as personalized energy, consumers are now tapping into non-traditional sources of energy that they can generate within their own home, such as solar panels. Solar panels can be found on residential and commercial rooftops all over the world in increasing numbers. Utility providers can offer customers the ability to sign up for renewable energy production programs aimed at homeowners,

small business and commercial customers where financial incentives to invest in renewable energy can be achieved.

Feed-in-tariff programs have sparked a huge amount of interest in the renewable energy sector. For example, in Ontario, Canada, consumers have embraced personalized solar energy production:

"In the first six months of the program, there were over 8,400 applications involving solar power systems. Our system was in the first batch of 700 microFIT projects to receive approval, and were among the first 180 connected to the grid."

Investing in alternative energy will also create jobs in the communities that participate: "In the Two Year Review Report, the government says that over 2,000 manufacturing jobs have been created, and billions of dollars invested in Ontario. Over 4,600 megawatts of renewable energy production has been added to the Ontario power grid." (Solar Powered in Toronto yourturn.ca)

Electric vehicles (EVs) are growing in popularity as car manufacturers begin to make more cost-effective models. With the number of electric vehicles expected to reach more than 18 million in 2030 - a number that will represent around 7 percent of all vehicles predicted to be on US roads - this is clearly an important evolution for utility providers (The Edison Electric Institute) and a great opportunity for future business models.

Utility providers now have the opportunity to broaden their horizon on what they consider a utility service. For example, most jurisdictions in the US have already agreed that utility providers should be permitted to build and own the infrastructure that delivers electricity to where EV charging stations can be installed.



While the reality of wide-spread alternative energy may be a long way off, it does represent an opportunity for utility providers to improve their customer experience initiatives as they move into the future.

ALTERNATIVE ENERGY ALSO PRESENTS AN OPPORTUNITY FOR UTILITY PROVIDERS TO EDUCATE THEIR CUSTOMERS ON WATER CONSERVATION

Whether it's because it helps them either save money or cut down their carbon footprint, consumers are increasingly interested in alternative energy. This means utility providers have a significant opportunity to educate consumers on utility usage best practices - and how they can conserve the electricity, gas, and water utilities they use.

A close-up photograph of a hand cupped under a stream of water, with water droplets on the skin. The background is a soft, out-of-focus green and yellow, suggesting an outdoor setting. The overall image conveys a message of water conservation and sustainability.

LET'S LOOK AT WATER FOR EXAMPLE

Hundreds of years ago the human population believed fresh drinking water was infinite, fast forward today and there are growing concerns among certain populations around the world that we are moving into a freshwater supply shortage.

Understanding an issue, however, is the first step in correcting it.

That's why utility providers must use this increased interest in alternative energy as a way to educate consumers right now on how they can be conserving and reducing their utility usage.

For water utility providers, this means providing smart meters, leakage detection and communication tools that proactively help customers understand and reduce their usage.

Through insightful conservation reports and real-time usage notifications and alerts, water utility providers are able to empower their customers to implement sustainable water practices.



MOBILE ACCESS TO CUSTOMER UTILITY ACCOUNTS

Consumer-facing technologies are changing how businesses are interacting with their customers, and there's no more powerful way right now than through the use of mobile applications.

In June 2007, Apple's first iPhone was released to the general public. While it wasn't the world's first smartphone, it leapfrogged far beyond the competition and helped launch the mobile revolution. One change of its launch impacted the world more than any other - it put the internet in everyone's pocket.

Smartphones are now ubiquitous. As we move into 2021, they will become one of the most important ways utility providers engage and interact with their customers.

It isn't enough anymore for utility providers to just have websites that are mobile-responsive, they need to have the best customer portal mobile applications. Mobile applications have become an essential tool for customers around the world. In fact, according to Statista, the number of mobile app downloads each year has been steadily increasing.

In 2017, there were 178 billion app downloads. That number was projected to grow to 205 billion by 2019, and more than 258 billion in 2022 - a 45 percent increase over five years.

Despite this, Statista found that only 20 percent of US utility providers offer fully-mobile applications to their customers with outage viewing and reporting, payments, and usage inquiry features.

Meanwhile, the E Source Utility Mobile Apps: 2018 Industry Scan research, found that 53 percent of utility companies do not have a mobile application at all.

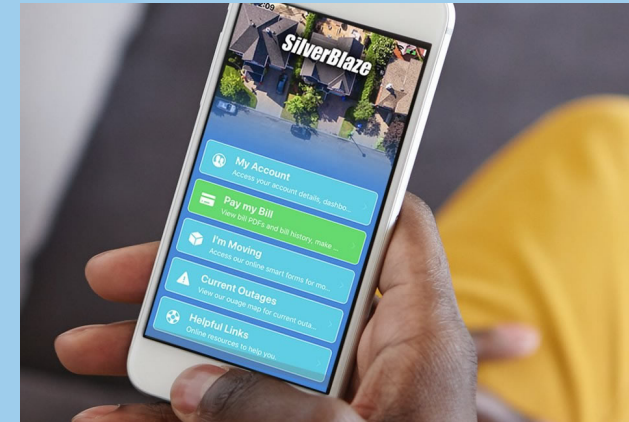
WHAT IS A UTILITY CUSTOMER PORTAL MOBILE APPLICATION?

Utility customer portal mobile applications, just like browser-based customer portals, are a way for utility providers to send and receive information directly to and from their consumers.

In other words, they are a self-service mechanism that allows your customer to manage their entire utility account from the comfort of their mobile device.

Utility mobile applications provide the same functionality as browser-based customer portals, such as customer service requests, outage information, billing and payments, account information, notifications and alerts, utility usage analytics and much more.

By allowing customers to access their utility account through an application on their mobile device, utility providers are offering a “one-stop-shop” service which significantly reduces customer effort and improves their customer experience with the utility service.



A utility customer portal mobile application will benefit both utility providers and their customers by:

- **Improving customer engagement**
- **Creating better two-way dialogues**
- **Reducing customer effort**
- **Personalizing the customer experience**
- **Enabling seamless eBilling transactions**
- **Reducing strain on utility customer service teams**



SMARTPHONES ALSO PRESENT UTILITY PROVIDERS WITH THE OPPORTUNITY TO CONNECT WITH CUSTOMERS USING CHATBOTS

In addition to mobile applications, an increasing number of businesses have implemented web and SMS chatbots into their customer service programs. A chatbot is a computer software that creates a two-way dialogue with a human through a chat interface.

These technologies use artificial intelligence (AI) to accurately predict outcomes, direct customers to the correct source of information, create personalized experiences and correctly resolve customer queries.

The addition of chatbots to a utility customer service strategy is a fantastic way to increase touch points for your customer, and alleviate any immediate concerns with minimal effort required by both your customer and customer service team. Furthermore, the personal approach of a chatbot allows utility providers to improve customer satisfaction through artificial intelligence technology that can be configured to anticipate common questions and provide a resolution with faster response times.



CONTINUED FOCUS ON CYBERSECURITY

The process of digitization is an important step for utility providers to take to provide superior customer experience and improve back-end processes, but that doesn't mean it comes without challenges.

The increase of digitization means utility providers need to be more vigilant than ever and take a proactive approach to cybercrime. In fact, a cybersecurity report by Siemens and the Ponemon Institute found that cyber threats to utility providers are growing more "severe and sophisticated".

The report suggests that 54 percent of utility providers were expecting some sort of cyberattack on critical infrastructure throughout 2020, with a slightly large majority reporting experiences with a shutdown or loss of operational data annually.

Despite this, only 42 percent of the 1,726 utility providers surveyed rated their own readiness and response to cyberattacks as high. This is especially troublesome today because we have become increasingly dependent on technology to communicate since the start of the pandemic.

One of the rising tools used by businesses and consumers to communicate, Zoom, had recently experienced a mass hacking of their users' accounts recently - 61 percent of new domains created since the pandemic have been identified as phishing domains (Forbes).

Utility providers and consumers are relying heavily now on web technology to maintain continuous communications due to work-from-home (WFH) mandates. This has ultimately created an additional opportunity for cyber threats to take place.

UTILITY PROVIDERS MUST ALSO PROTECT THEIR CUSTOMERS FROM CYBERCRIME

Utility customers are just as vulnerable to cyber attacks as the utility itself. For instance, take this information released by Duke Energy in Charlotte, North Carolina.

The utility provider reported that June 2020 was the highest single month on record for reported scam attempts targeting its customers, with more than 4,000. The total number of scam attempts reported by Duke Energy customers by August 2020 was more than 15,000, that's already approaching 2019's full-year total of 18,000.

Utility scams have become increasingly common. Customers are receiving phone calls and emails from bogus 'utility companies' threatening to turn their electric, gas, water or phone services off if they don't pay their bill as soon as possible.

These scare tactics are used to trick and pressure customers into paying fake utility bills, and unfortunately, they are working.



We can expect to see utility providers concentrating on their cybersecurity efforts over the coming year, implementing best practices such as:

- Employee security training
- Backing up data to the cloud
- Using cloud technology for remote worker security
- Securing remote hardware with virtual private network (VPN) and antivirus software
- Implementing stringent password managers
- Implementing two-factor (2FA) or multifactor (MFA) login authentication
- Regular cybersecurity health checks



Utility providers have a responsibility to their customers to educate them and prevent this from happening.

Customer portals, which offer everything a customer needs in one officially-branded location, will help protect your customers with knowledge-based resources and a secure channel of communications.

By ensuring that all communication with utility customers goes through a customer portal, utility providers are able to give assurances to their customers that communication is legitimate.

Customers will no longer have to worry about phishing email scams and illegitimate phone calls as they can simply navigate to their customer portal for the truth.



CONCLUSION

Customer expectations and alternative energy sources are constantly evolving. The new normal means no longer can utility providers rest on their laurels and expect consumers to be happy with the old methods of service that they are offering.

2021 and the coming years will see the majority of utility providers making proactive efforts to ensure they are competitive for long into the future.

The key behind that will be to build customer experiences that delight their customers.

That involves everything from implementing browser-based and mobile app customer portals, reducing customer effort, personalizing customer interactions, ensuring customer accounts are secure and private, becoming an environmental partner to educate customers on their water and energy usage and, in general, simply implementing practices that put the customer first.

Utility providers that successfully do this will find that they are competitive for years to come, and are ready to embrace the new normal as new personalized energy services enter the market.

CONTACT

ABOUT SILVERBLAZE

SilverBlaze is an award-winning software innovation, development and consulting firm. Founded in 1999, SilverBlaze partners with utility providers equipping them with value-focused, highly-customizable, self-service customer portals and smart forms software.

Over the past 21 years, SilverBlaze has successfully empowered clients throughout the United States, Canada, and the Caribbean to maximize customer engagement through their utility customer self-service portal software. Some of SilverBlaze's clients include Alectra Utilities, the Bermuda Electric Light Company, and the City of Provo. SilverBlaze is a wholly-owned subsidiary of Harris Computer Systems. Learn more at www.silverblaze.com.

ABOUT HARRIS

Since 1976, Harris is a software company that has focused on providing software solutions that empower people who serve their communities. Harris currently does this for utility providers, local government, schools, public safety, and healthcare enabling their customers to deliver essential services, safety, and care to the citizens they serve. Harris is part of the Constellation Software Incorporated family of companies. For more information on Harris please visit www.harriscomputer.com

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