Engagement and Loyalty in the Digital Age

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Topics

- Customer Experience and Satisfaction
- What Effects Loyalty and Engagement
- Program Awareness
Customer Experience and Satisfaction
Utilities are middle-of-the-road compared with other industries

"Please rate how **satisfied** you are with the following"

Online retail: 4.08
Bank/credit card: 4.08
In-store retail: 3.99
Power company: 3.95
Cellular service: 3.89
Insurance: 3.86
Internet/cable: 3.71

*S Chartwell’s 2018 Residential Consumer Survey
If customers had a choice, would they leave?

How would you respond if you were offered a choice in electricity companies?

46% would stay with their current company

* Chartwell’s 2018 Residential Consumer Survey
If customers had a choice, would they leave?

How would you respond if you were offered a choice in electricity companies?

6% would definitely leave their current company

* Chartwell’s 2018 Residential Consumer Survey
If customers had a choice, would they leave?

How would you respond if you were offered a choice in electricity companies?

48% would change if there was a lower price alternative

* Chartwell’s 2018 Residential Consumer Survey
What Drives Loyalty?

- Satisfaction: +24%
- Trust with consumer data: +26%
- Ease of doing business: +15%
- Value: +23%

Customers that chose “stay” were more likely to have positive perceptions.

* Chartwell’s 2018 Residential Consumer Survey
Highly satisfied customers are 2.23 times more likely to stay.

* Chartwell’s 2018 Residential Consumer Survey

**High satisfaction**
- Definitely change: 2%
- Change with lower price: 32%
- Stay: 66%

**Low satisfaction**
- Definitely change: 18%
- Stay: 20%
- Change with lower price: 62%
What Affects Loyalty and Satisfaction?
Loyalty and Satisfaction Drivers

- Program Awareness
- Mobile App Payments
- Credit Card Payments
- Communications

* Chartwell's 2018 Residential Consumer Survey
Program Awareness
Awareness of self-service offerings is linked to satisfaction

<table>
<thead>
<tr>
<th>Self-service offering</th>
<th>Change in satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online start/stop/transfer</td>
<td>+9%</td>
</tr>
<tr>
<td>Outage map</td>
<td>+8%</td>
</tr>
<tr>
<td>Online outage reporting</td>
<td>+8%</td>
</tr>
<tr>
<td>Mobile app</td>
<td>+8%</td>
</tr>
<tr>
<td>ePay</td>
<td>+8%</td>
</tr>
<tr>
<td>eBill</td>
<td>+3%</td>
</tr>
</tbody>
</table>

* Chartwell’s 2018 Residential Consumer Survey
Customers are unaware of many utility offerings

Complete the statement below by selecting all that apply: "My power company offers..."

- Digital version of bill online: 62%
- Digital/electronic payment options: 59%
- Website to report outage: 52%
- Website to start/stop/transfer service: 50%
- Online outage map: 39%
- Mobile app: 31%

- None of these are offered: 9%

* Chartwell’s 2018 Residential Consumer Survey
Tips for Improving Awareness

▪ Launch to your internal audience first
  ▪ Demo products and share roll-out information with key departments
  ▪ Share details such as communication channels and enrollment processes

▪ Cross-promote your solutions
  ▪ Review your customer touchpoints for opportunities to educate customers about solutions

▪ Leverage increased customer engagement during outages
  ▪ Promoting self-service solutions and direct customers to enroll

Want more?
Download the whitepaper at:
www.kubra.com/resources
Mobile App Payments
Mobile app usage increases satisfaction, loyalty, and ease

“I have downloaded and sometimes use my utility’s mobile app to view and pay bills.”

<table>
<thead>
<tr>
<th>Feature</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loyalty</td>
<td>+15%</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>+7%</td>
</tr>
<tr>
<td>Ease</td>
<td>+5%</td>
</tr>
</tbody>
</table>

* Chartwell’s 2018 Residential Consumer Survey
Mobile Apps a Top 3 Payment Choice

* KUBRA 2018 Utility Billing Report

<table>
<thead>
<tr>
<th>Payment Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Website</td>
<td>55%</td>
</tr>
<tr>
<td>Biller Website</td>
<td>40%</td>
</tr>
<tr>
<td>Mail-In</td>
<td>25%</td>
</tr>
<tr>
<td>Walk-in Center</td>
<td>15%</td>
</tr>
<tr>
<td>Kiosk</td>
<td>15%</td>
</tr>
<tr>
<td>Telephone</td>
<td>32%</td>
</tr>
<tr>
<td>Mobile App</td>
<td>32%</td>
</tr>
<tr>
<td>Third-Party Location</td>
<td>0%</td>
</tr>
<tr>
<td>Social Media</td>
<td>0%</td>
</tr>
<tr>
<td>Smart Speakers</td>
<td>0%</td>
</tr>
</tbody>
</table>
Mobile App Interest Spikes for Millennials

* KUBRA 2018 Utility Billing Report
Which features would you like to see on a mobile application for utility payments? (check all that apply)

- Bill due alerts 65%
- Bill history 47%
- Automatic payments
- Information about service interruptions
- Information for managing consumption
- Unusually high bill alerts 50%
- Other (please specify) 1%

* KUBRA 2018 Utility Billing Report
Credit Card Payments
What forms of payment do you prefer?

- 55% Credit Card
- 58% Debit Card
- 39% Check
- 35% Cash
- 4% Money Order

56% of respondents selected more than one preferred form of payment

* KUBRA 2018 Utility Billing Report
Payment Method Preferences by Income

- **Check**
- **Cash**
- **Debit Card**
- **Credit Card**

Income ranges:
- Below $34,999
- $35,000 to $49,999
- $50,000 to $99,999
- $100,000 +

Graph shows the percentage of each payment method preference across different income brackets.
More Communications
Communications Drive Satisfaction

Customers with high satisfaction are:

- Open to environment and community-based messages
- Prefer more communication
- Open to auto-enrollment

Customers with low satisfaction are:

- Open to billing and outage communications only
- Less interested in other communications
- Open to auto-enrollment

* Chartwell’s 2018 Residential Consumer Survey
Most customers open to outage alert auto-enrollment

Do you agree, feel neutral or disagree that your utility should send you outage alerts without you signing up?

<table>
<thead>
<tr>
<th></th>
<th>Agree</th>
<th>Neutral</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>65%</td>
<td>27%</td>
</tr>
<tr>
<td>Low</td>
<td>61%</td>
<td>30%</td>
</tr>
</tbody>
</table>

More than 90% of customers are open to outage alert auto-enrollment

* Chartwell’s 2018 Residential Consumer Survey
TCPA Clarifications

- 2016 FCC Ruling provides permission for utilities to send automated calls and text messages to customers who have not previously opted-in for notifications.
- Lets you enroll phone numbers obtained when starting service for topics “closely related to the utility service.”
- Applies to communications about:
  - missed payments resulting in service curtailment
  - Payment assistance eligibility
  - planned and unplanned outages
  - outages updates or service restoration
  - restoration confirmations
  - potential brown-outs
  - meter, tree trimming, or field work
More customers want outage information from a smart speaker, however

Q: Imagine your power goes out on a sunny day. Please rate on a scale from 1 (Do not prefer) to 5 (Strongly prefer) your preference for the following ways that you could potentially receive information from your electricity provider.

- Email: 57%
- Call with CSR: 54%
- Text message: 53%
- IVR: 46%
- Outage map: 46%
- MyAccount: 35%
- App: 32%
- Live chat: 30%
- Robocall: 25%
- Social media feed: 20%
- Social media private message: 19%
- Smart speaker: 16%

Source: Chartwell's 2018 Residential Consumer Survey, n=1,517
Industry interest in chatbots

Nearly half of industry experts say chatbots will significantly impact industry

Q: Which trends will have the most notable impact on your call center in the next 5 years?

- Self-service: 94%
- Ease of doing business: 74%
- Omni-channel experience: 68%
- Changes in customer attitudes and expectations: 54%
- Making service a top priority: 54%
- Attracting and retaining talent: 52%
- Real-time analytics and big data: 46%
- Chatbots: 44%
- Personalization: 39%
- Robotic process automation: 36%
- Shifts in business model- at home agents, mobile...: 34%

Source: Chartwell’s 2018 Contact Center Industry Survey, n=53
Conclusions

▪ Customer satisfaction is a key driver of loyalty
▪ Make sure customers are aware of your solutions
▪ Look to mobile apps to provide another payment option
▪ Ensure customers who want to pay with credit cards have the option
▪ Consider auto-enrolling customers for programs, especially TCPA-eligible alerts
▪ Keep an eye on Chatbots
Let’s Keep in Touch

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