

# Communicating to Engage the Modern Customer in the New Energy Economy

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## About Me



### **Dave Tilson – Director, Customer Experience for Energy & Utilities**

- More than 17 years of experience working with organizations to establish, improve and enable customer-facing or impacting processes and systems.
- Focus is in helping Utilities assess, develop, manage and enhance their Customer Education, Outreach and Demand Side Management programs for their Smart Grid programs

## Question

### By a Show of Hands...

- How many of you think a Smart Grid project is a technology initiative?
- How many of you think a Smart Grid project is a customer initiative?
- How many think it's both?

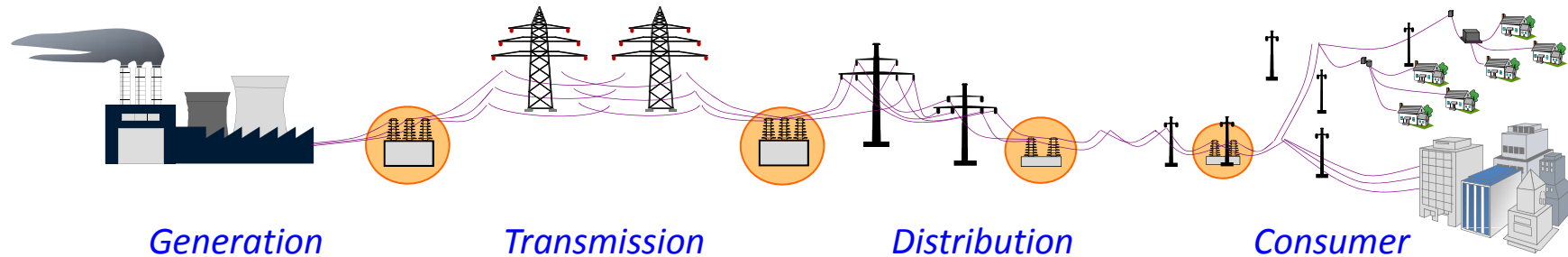
# Objectives for today.....

## Discuss the Future of Utilities: Optimizing Customer Experience

- ◆ Understand the impacts of Smart Grid on the customer relationship
- ◆ Consider challenges surrounding effective communications and a “journey” that stakeholders as well as customers can take to understand the benefits and impacts
- ◆ Learn to reduce risk of negative user feedback through mitigation communication planning
- ◆ Take a look at what you can do to prepare your organization and people for this new paradigm, operating model, and “new” conversations.

# Current State

## Electrical Generation, Distribution, and Customer Relationship



One way communication

**Utility**  
Send a bill  
Collect a bill  
Fix outages

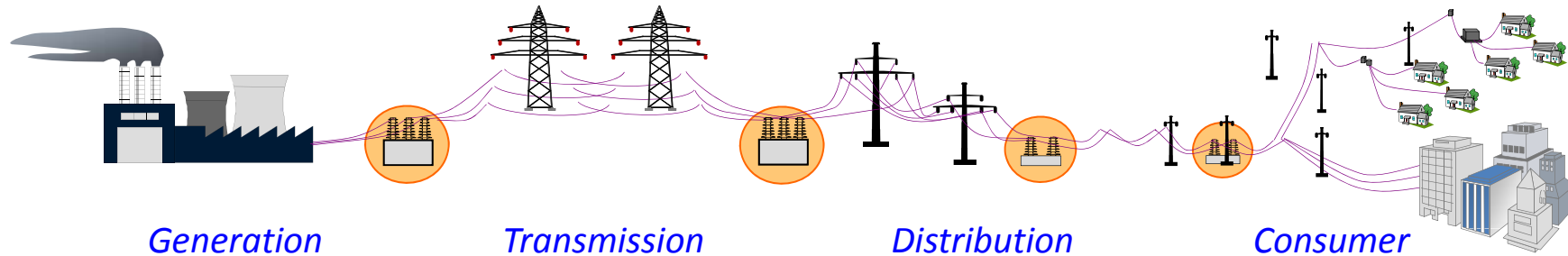
- Infrequent
- Reactive
- Event and need-based

**Customer**  
My bill is too high  
My power is out  
I'm moving

- Few offerings
- Limited relational data
- Transactional

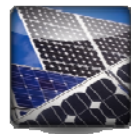
# Future State

## Electrical Generation, Distribution, and Customer Relationship



View real time energy cost and usage for home or business

Automate the home or business to support future tools



Generate solar and wind power at home or business, and sell power back to utility



Manage usage and programs online, and find the best programs to save energy & money



Customer-centered participation



Receive outage or high demand day notifications on mobile devices



Electric car charging (In/Out of Home)



Incentives to use less energy on high demand days



Lower electric rates at different times of the day



# Communication Channels

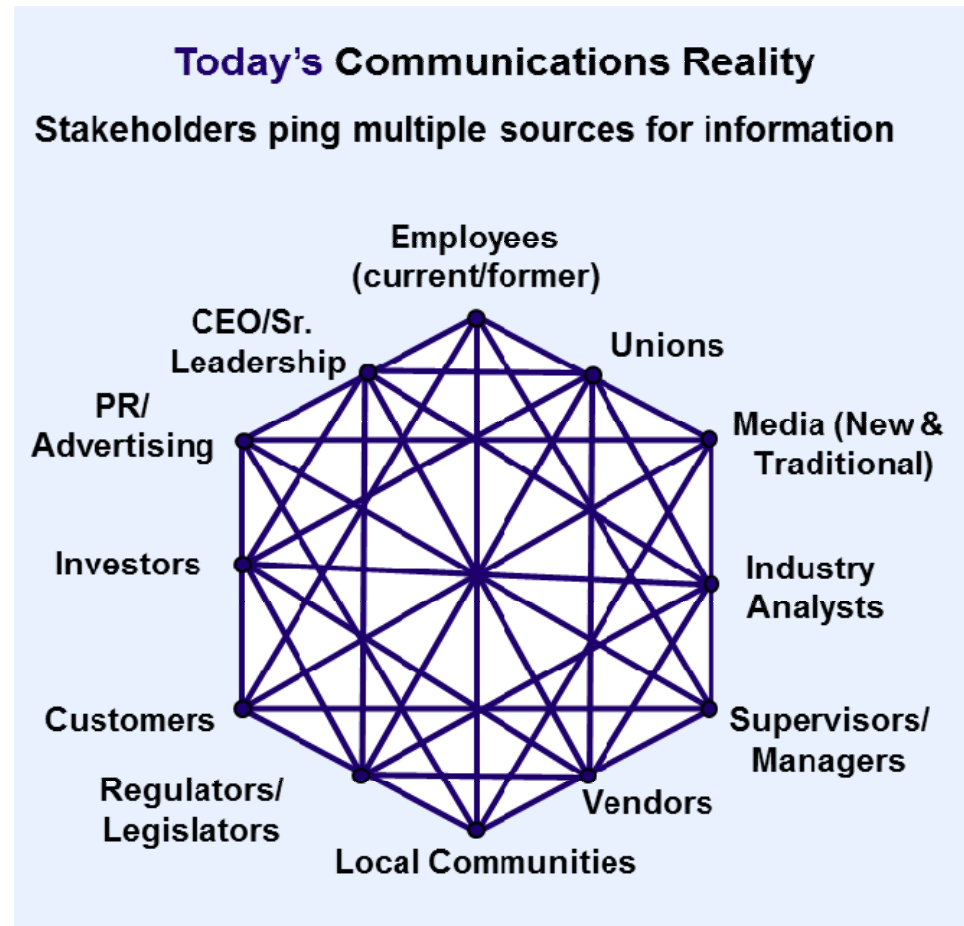
Ways to Reach the Customer are Changing...



# Stakeholder Communication

“Top down” is no longer enough

BS9





## Slide 8

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**BS9**

Do you need this verbiage? Could you speak to it or could it be put in bullet point form?

This would eliminate more white space on either side of the figure.

Ben Snyder, 9/14/2012

# Communication “Table Stakes”

## Implications for Communications

- ◆ Today’s stakeholders process information like consumers
- ◆ The boundaries between employee communications, media relations, and investor relations is nearly non-existent
- ◆ Stakeholders have instant access to information to verify/dispute what they’ve heard
- ◆ Proper context is required and is not optional.
- ◆ Communications and engagement strategies must be carefully planned, sequenced, executed, and measured
- ◆ Credibility is harder than ever before to achieve and maintain
- ◆ Often “getting it right” with employees will generate positive momentum that spills over to other stakeholders

# What conversations is Smart Grid starting?

## Current Customer Concerns

◆ Privacy



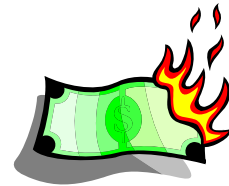
◆ Security



◆ Government intrusion



◆ Cost (meter spikes, Fed money)



◆ Health concerns (electromagnetic radiation)



# What is required?

## Customer Awareness and Education is Required to Succeed

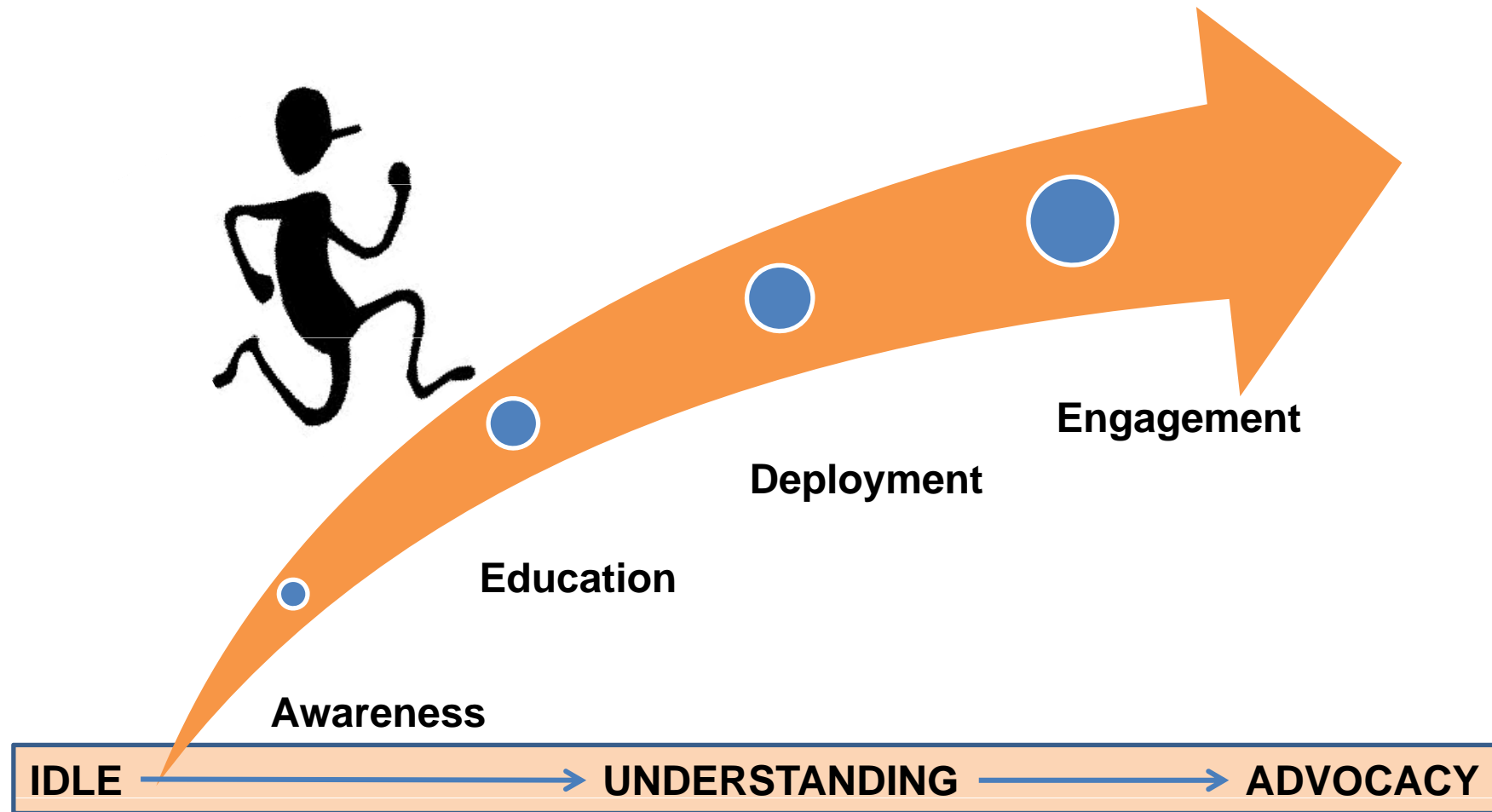
*We can build the best network infrastructure and the best systems to manage and secure the data, but if customers do not have a good experience, a meaningful “Call to Action” and accept the program, the entire initiative will fail and many of its benefits won’t be realized.*

What utilities might be missing:

- ◆ Focus on the customer and the experience they will have
- ◆ Communicating benefits and expectations for both to targeted audiences
- ◆ Leverage emotional messaging to deliver “big picture” message
- ◆ Customer and employee education on managing energy consumption/conservation with new tools/methods
- ◆ Education for Management, Regulatory, and Local Government bodies

# The Stakeholder & Customer Journey

Customers will need to be brought along....



# Awareness

## Key Activities

- ◆ Promote the project as a mutual benefit to the customer and the utility. Develop key messaging. Stick to the facts.
- ◆ Use existing/familiar channels. Don't open up new channels just yet.
- ◆ Prepare your customer-facing and non customer-facing staff with "quick hits" of information
- ◆ Create feedback loop from customers on key questions/concerns. Be transparent.
- ◆ Begin looking for advocates to help drive education.

**Key Learning: Don't do this too early, but not too late!**

## Key Activities

- ◆ Conduct public open houses (NOT Town Halls) with information and devices available for display and interaction
- ◆ Begin community group engagement (Rotary, Kiwanis Club, Chambers, HOA's)
- ◆ Develop a Customer Relations strategy after some lessons are learned. Further refine messaging based on feedback
- ◆ Begin engaging in social media and other new channels to begin educating and setting expectations
- ◆ Educate on all the benefits of the other upgrades being performed (SA/DA, Renewables, EV, etc.)

**Key Learning: Leverage your relationships and assets. You might need to cash in some equity. Use champions/ambassadors to your advantage.**

# Deployment

## Key Activities

- ◆ Develop a 30, 60, 90 day plan to communicate particulars (where, when, how, why).
- ◆ Give customers an “in your face” communication channel (Door hangers, direct mail, lawn signs, etc.)
- ◆ Reiterate and stick to your messaging
- ◆ Equip installers with messaging (where to go for information, etc.)
- ◆ Keep stakeholders and customers informed on progress and changes

**Key Learning: Train installers on how to deal with customers who have questions or refuse installations.**



# Engagement

## Key Activities

- ◆ Incorporate customer feedback into the strategic process.
- ◆ Begin developing programs that are easy to understand, enroll into and use. Get customer feedback.
- ◆ Implement technology needs that is intuitive, easy to use/setup and minimally intrusive.
- ◆ Cater to a wide range of needs (Early Adopters to the Technically Obtuse).
- ◆ Demonstrate to stakeholders the value that is being delivered to customers and the utility.

**Key Learning: To keep momentum and deliver benefits promised, don't wait too long to provide customers value from a deployment.**

# Call To Action

## Get Customers Involved before Smart Grid Impacts them

- ◆ Empower customers to make educated choices through a mix of education and self service capabilities.
- ◆ Provide customers with window stickers, yard signs, magnets and literature so they can exhibit support
- ◆ Engage and promote student and young professional “grass roots”
- ◆ Encourage customers to share how they would use energy management programs to achieve their personal goals (being “green”, saving money, feeling good, etc.).
- ◆ Encourage customers to sign up for a program and share their experiences with others and the utility.
- ◆ Encourage customers to conduct a self home energy audit, build awareness around energy efficiency, and take action using energy saving practices.

## Key Tactics, Considerations, and Strategies to Engage Customers

- ◆ Focus on the long term investments for economy/business community development
- ◆ Emphasize a commitment to sustainability and improving overall quality of life
- ◆ Shift the customer's opinion toward a more favorable perception of rate programs
- ◆ Emphasize customer "choice" while proactively developing and implementing an alternative solution

## Sample Messages:

- ◆ Reduce greenhouse gas emissions into the atmosphere through the integration of renewable energy and increased adoption of sustainable practices
- ◆ Reduced air pollution, and in turn, the reduction of air borne illnesses such as asthma
- ◆ Reduced CO<sub>2</sub> emissions through the use of electric vehicles could total between “x”–“y” million metric tons in 2030
- ◆ Improved public health — A deep penetration of PHEVs can reduce the number of miles driven by conventional vehicles which can reduce the cost of health effects by “A” to “B” cents for every mile

# Customer Engagement Maturity Model

## Moving the Customer Along the Maturity Model

### 4 phases of Behavior

Utility will

Inform

Personalize

Offer Choices

Support



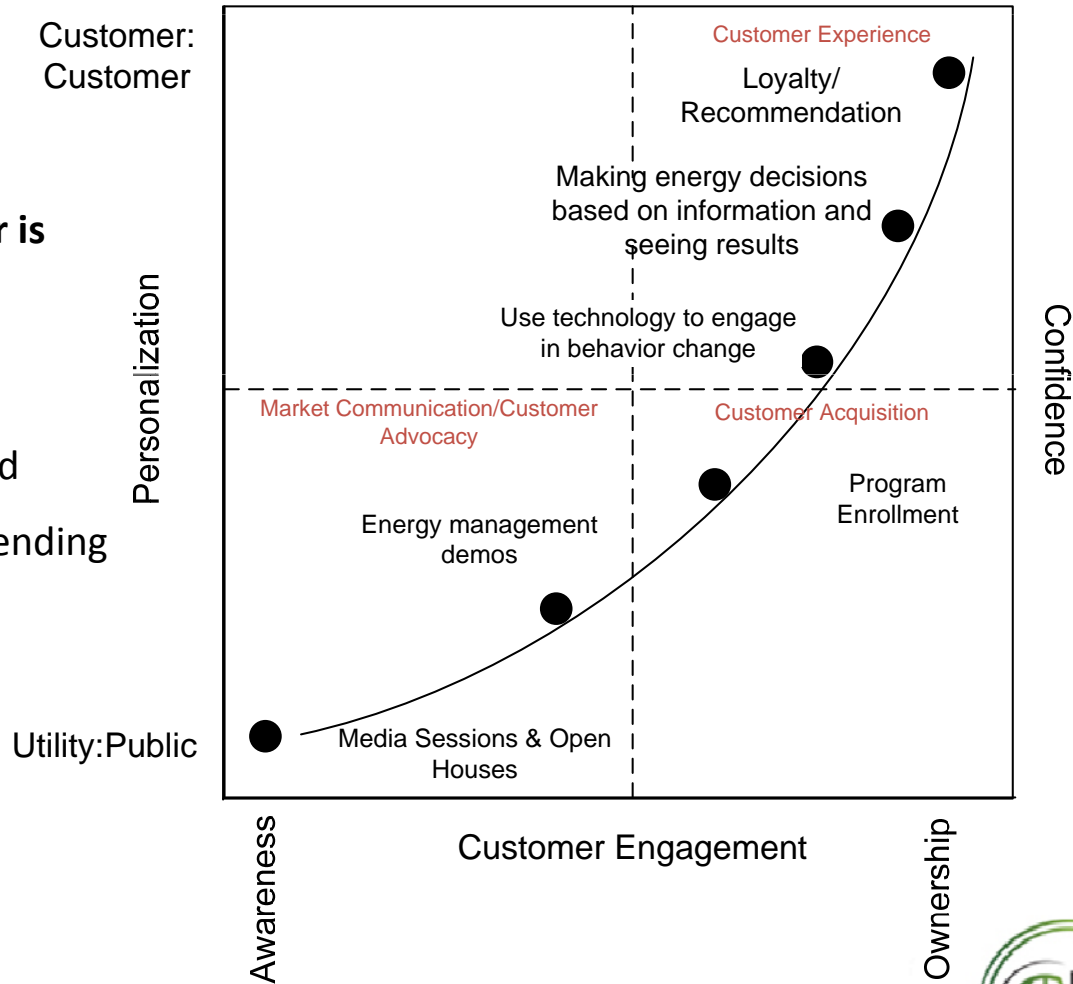
Customer is

Educated

Engaged

Persuaded

Recommending



# What can I do now?

## Things to Consider to Engage your Customers and Stakeholders

- ◆ If you are thinking about deploying:
  - ◆ Put a Customer Engagement Strategy in place to establish your goals and objectives for what you want your customers to experience and benefits to realize
  - ◆ Gather initial requirements that will inform a budgeting and procurement process
  - ◆ Set the vision for how you want your customers and stakeholders to “think, feel and do”
- ◆ If you are in the middle of deploying:
  - ◆ Define what your future needs and objectives are for customer engagement and the timing of them
  - ◆ Develop a roadmap to deploy solutions to meet your needs and begin “piloting” and “demonstrating” what could be done (portals, mobile, etc.)
- ◆ If you are done deploying (its not too late!):
  - ◆ Revisit your business case to determine which initiatives and functions should be executed to meet your goals and begin planning/budgeting