

A WNS PERSPECTIVE

ANALYTICS & RPA: POWERING TRANSFORMATION IN UTILITY BILLING



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In early 2012, a major wildfire in the service area of a U.S. electricity, gas and water utility company caused the evacuation of a large number of residential customers. As an accepted preventive measure, many residents turned on their water hoses and sprinkler systems before they evacuated. The utility provider deployed analytics to proactively identify every customer and deduct the fire preventative water usage from their bills. Result? No high bills, no disputes and extremely high customer satisfaction.

For Energy and Utilities (E&U) companies, the billing function is a primary customer touchpoint. The more accurate it is, the more loyal and satisfied customers are. And it takes only one wrong instance for a loyalty switch. Given the function's critical importance, it is not surprising that E&U providers are turning to analytics-led insights to offer differentiated customer experience.

In recent years, there have been plenty of disruptive changes for E&U companies — distributed generation, smart grid

technologies and energy efficiency mandates to name a few. These business imperatives have transformed customer billing from a basic reactive model (of monthly invoices) to a dynamic one that tracks energy consumption in real-time. Smart metering and innovative communications technology have re-defined how companies collect and leverage usage and billing data. Let's look at a few areas where E&U companies can deploy real-time analytics and automation to optimize billing operations and simultaneously improve customer service.





Personalizing the Customer Connect

Customer billing has historically been a transactional relationship, with two broad customer segments (residential and commercial) and two basic customer needs (reliability and affordability). Today, however, E&U companies have the challenge of not only upping the ante in transforming customer experience in a hyper-personalized manner, but in optimizing billing operations to reduce costs as well.

This is where analytics plays a key role. It can turn huge volumes of data into actionable insights that help providers understand their customers' consumption patterns, payments as well as communication preferences among other things. New-gen analytical tools and processes can consolidate this internal data with information from third-party sources (such as social media) to achieve granular segmentation.

Sentiment analysis can then be conducted on targeted customer segments to manage customer relationships at an individual level. Predictive analytics can interpret customers' past behaviors to predict their future behaviors — these insights can help deliver timely and relevant automated communication (information,

recommendations and product promotions) that engage consumers. Such initiatives can create great customer experience while driving long-term business goals. Contact center agents can also be equipped with a complete view of each customer for faster and enhanced issue resolution in billing.

Besides improving billing accuracy, real-time analytics can alert customers on unusual usage spikes much before they are confronted with their bills. Personalizing such alerts increases the quality of customer experience that may result in continued loyalty and even advocacy. For example, a New Zealand-based energy provider's opt-out program helped the company forecast high bills and deliver personalized customer alerts. Combined with continuous web experiences, this initiative yielded impressive results. Call volumes fell by nine percent, and the company was able to slash customer churn by 10 percent in one of their most competitive global markets.

A U.S. Midwest utility company deployed analytics in its meter-to-bill process to eliminate false positives, reduce manual review

work queues by 80 percent and back-office billing exception work queue by 38 percent. This led to increased customer satisfaction. Additionally, they were able to identify their top 10 percent residential users of gas across 150 different segments and offer them energy efficiency program options.

Smart meters, with their near real-time tracking, provide comprehensive information on customer usage. This enables an even more granular segmentation that allows companies to recommend ideas to reduce energy consumption and costs during peak hours. Customers can significantly save on bills, while the E&U provider can better balance demand and supply.

Powering Personalization

Smart meter data combined with sentiment analysis enables E&U companies to better understand their customers



Bringing Process Efficiency to Billing

A major European utility provider successfully implemented a comprehensive Robotic Process Automation (RPA) capability building program¹ in two years that encompassed both scale and maturity of their robotic operating model. Today, the company has more than 300 robots that have automated 25 percent of their back-office operations in customer billing, meter management, account management, consumption, segmentation and exception handling. Processing about one million transactions each month, the RPA program has

yielded an average return on investment of 200 percent within 12 months. RPA is now a fundamental arm of the company's business strategy.

Automation, and especially RPA, can propel analytics to far higher levels of efficiency to enable customer wins and drive business outcomes. It can help create smart customer engagement platforms that empower users to save energy costs, while positioning E&U companies as value-adding and trusted advisors.

RPA can boost the analytics advantage by:

- Integrating all data streams to provide a unified and comprehensive picture of customers
- Extracting insights to create personalized customer experience
- Leveraging insights to automatically deliver timely, interactive and relevant customer experience
- Building scale effortlessly
- Achieving outperforming business outcomes

¹ <https://irpaai.com/wp-content/uploads/2016/04/UtilityOUWP062015submitFINAL.pdf>



The RPA-Analytics Combine: A Transformative Digital Enabler

By combining RPA and analytics, customer engagement can be enhanced to drive revenue growth backed by customer loyalty and cost optimization. These technologies enable E&U companies to have the all-important 'anytime, anywhere' handshake with broader and deeper segments of customers. They make definite promise to extend the relationship beyond mere billing to value-adding products, services and advisories.

Recently, four U.S. utility providers deployed analytics and automation to run behavioral demand response programs. Their personalized and real-time recommendations on energy saving to more than one million customers resulted in significant reduction in peak load during the hottest days in summer,

brought down operational costs and enabled huge savings on customers' bills.

The good news is that E&U providers need not wonder from where they can get the data since they already have it, especially now with smart meters churning out humongous volumes of customer data. Data sources such as customer interaction histories from contact centers and social media conversations can be consolidated through intelligent automation, while analytics can piece them together in creative ways to elevate the utility-customer relationship.

Such intense customer-centricity could not have come at a better time. With the flattening in energy demand due to reduced

consumption and a simultaneous demand by users for value-added energy management services, billing is an ideal place to start building strong and lasting customer relationships. Personalized customer experiences can soar high with predictive, segmentation and sentiment analytics.

Good analytics turns great with the thrust that automation can provide. Imagine an integrated, platform-based approach that can crunch all data in a unified analytics engine and push communication to customers in an omni-channel format. The time is here and now for E&U companies to raise the bar on customer service for tangible transformation in the energy management landscape.





About WNS

WNS (Holdings) Limited (NYSE: WNS) is a leading global Business Process Management (BPM) company. WNS offers business value to 300+ global clients by combining operational excellence with deep domain expertise in key industry verticals, including banking and financial services, consulting and professional services, healthcare, insurance, manufacturing, media and entertainment, retail and consumer packaged goods, telecommunications and diversified businesses, shipping and logistics, travel and leisure, and utilities and energy. WNS delivers an entire spectrum of business process management services such as customer care, finance and accounting, human resource solutions, research and analytics, technology solutions, and industry-specific back-office and front-office processes. WNS has delivery centers world-wide, including China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, Turkey, UK and US.



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