MAX BILL

Modern Billing

MARCH 2021

THE STATE OF INNOVATION IN THE ENERGY & UTILITY INDUSTRY 2021

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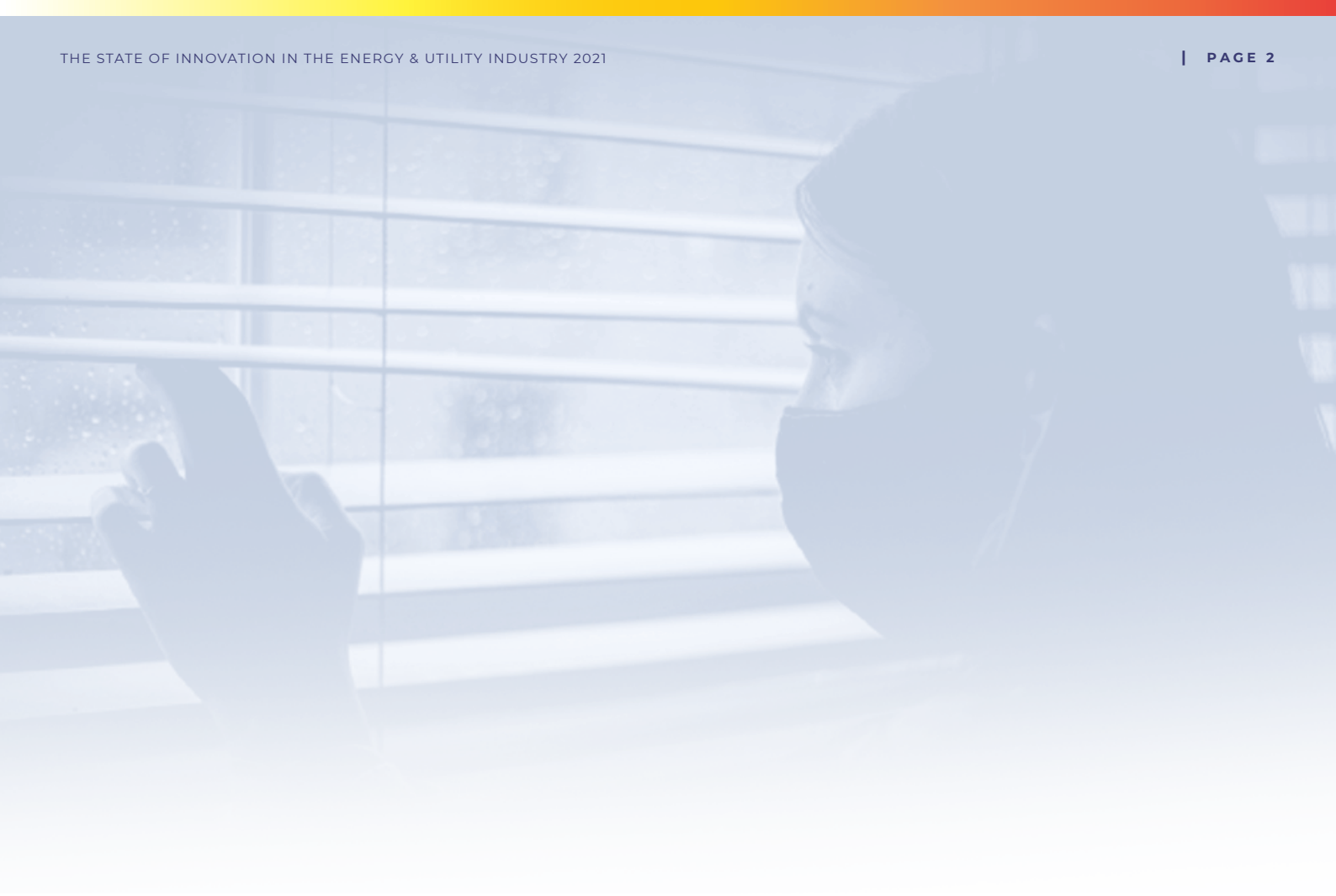


Last year definitely brought disruptions into each industry. Projects were put on hold and millions lost in revenue, while companies were investing money and resources to keep staff safe and healthy. Nonetheless, the global crisis has driven some positive changes as well. As such, more and more executives understood the need for digital transformation and have put efforts towards it.

However, this process is quite lengthy and expensive, especially for bigger companies with extensive client bases. To make it easier and more effective, companies need to understand where they stand in terms of innovation, both individually and in comparison to the competition, which areas are a priority and what improvements will bring the most value from the very start.
MaxBill facilitates digital transformation for various verticals, including energy and utility. We are actively involved in the community, and make sure to always closely monitor its trends.

Therefore, we contacted industry professionals to gather first-hand insights from as many sectors as possible. The MaxBill team was primarily interested in the community members' opinion on the importance of some aspects of digital transformation and the overall state of innovation in companies of varied specialties.

AUDIENCE ACQUIRED AND METHODS USED FOR THIS RESEARCH

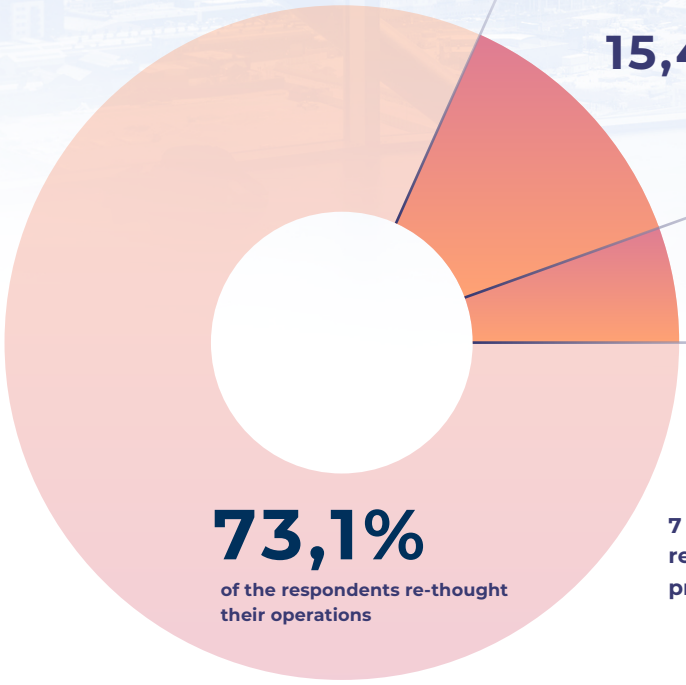
To get the scope of most relevant information, MaxBill conducted a survey over the course of five weeks, which contained two blocks of questions.The first one consisted of general questions which regarded the effects of the COVID-19 pandemic and the changes it brought to the operations, and the second one concerns specifically the area of partner management and related internal processes. This allowed us to narrow the focus of the research and get more substantial results.

As we invited the broad spectre of professionals to participate in the survey, the responses were provided from a variety of sub-sectors of the industry. The total number of participants was 261, where 46% of respondents came from the energy producers, providers, resellers and consultant companies, 23% were software vendors for power and utility, 15% dealt with renewables, and other 16% came from other utility and municipality service providers. Answers were explored both en mass and separately.

Post-COVID Changes to Internal Operations

Just as expected, the global health crisis pushed most businesses (73,1% percent of the respondents) to re-think their operations. Another 7,7% admitted that their companies transformed, but were not sure if the pandemic was the main reason for doing so. Only 15,4% stated to not undergo any changes at all. This goes to show just how significant was the last year in terms of creating progress in the utility sector.

It is also vital to understand what aspect did the changes mostly concern. Unsurprisingly, the workplace changes were implemented in almost two-thirds of the companies, while in-filed procedures underwent improvement in 38,5% of all companies. However, we should take into account that not all of the respondents actually have
in-filed activities in their workflow. If taking the specialty of the business into account, 7 out of 10 companies re-structured their processes in the field. Other popular answers reflected the changes in the value chain,scaling up to continue growth, preparation to enter different markets.



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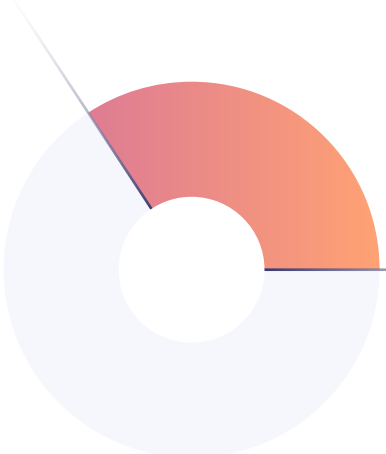

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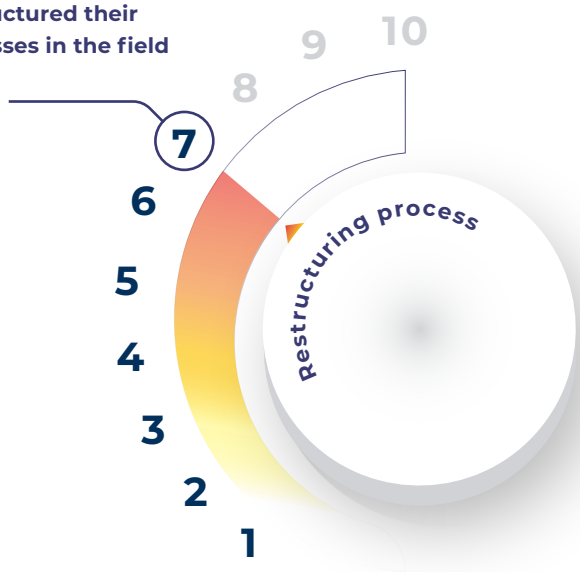


The Importance of Process Automation

Process automation is often an area of high focus for companies that want to be future-ready. The benefits of automating the most impactful operations include

cutting down the processing time as much as 40%

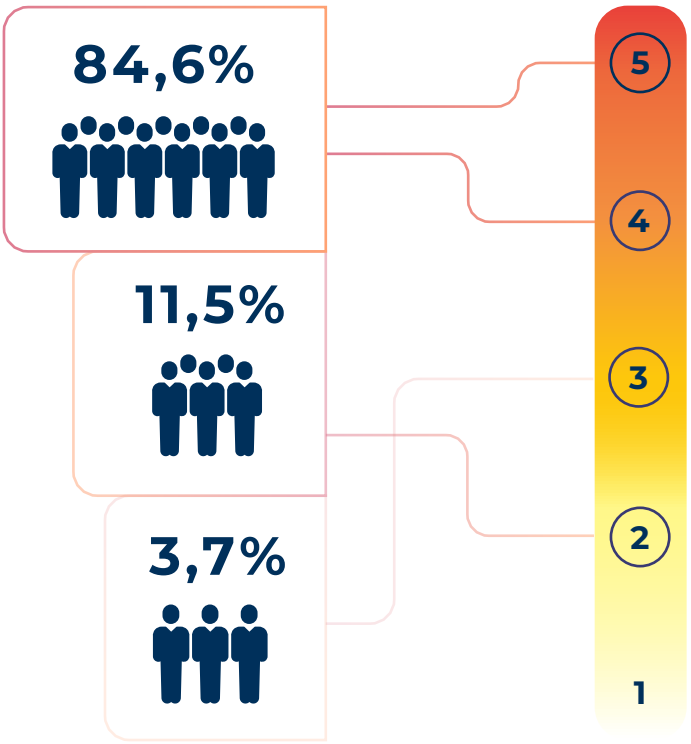
achieving high accuracy by eliminating human-made errors

improving clarity and defining the procedures better

helping avoid bottlenecks

It is important to add, that automation doesn't take away control. If the appropriate level of approval is administered, the manager can conduct any operation in an exceptional way when needed.

Judging by the answers, energy and utility providers recognize how advantageous automation can be for their business. When asked to rate its importance on the scale from 1 to 5, 1 being unimportant and 5 being vital for the company. Not a single person admitted that automation doesn't play an important role in their business at all. Interestingly, 11,5% and 3,7% of the respondents rated it as "2" and "3" respectively, which means that it's not on the list of their priorities right now. However, the majority (84,6% collectively) stuck to high ratings of "4" and "5", showing that they consider automation one of the crucial improvements to company processes.



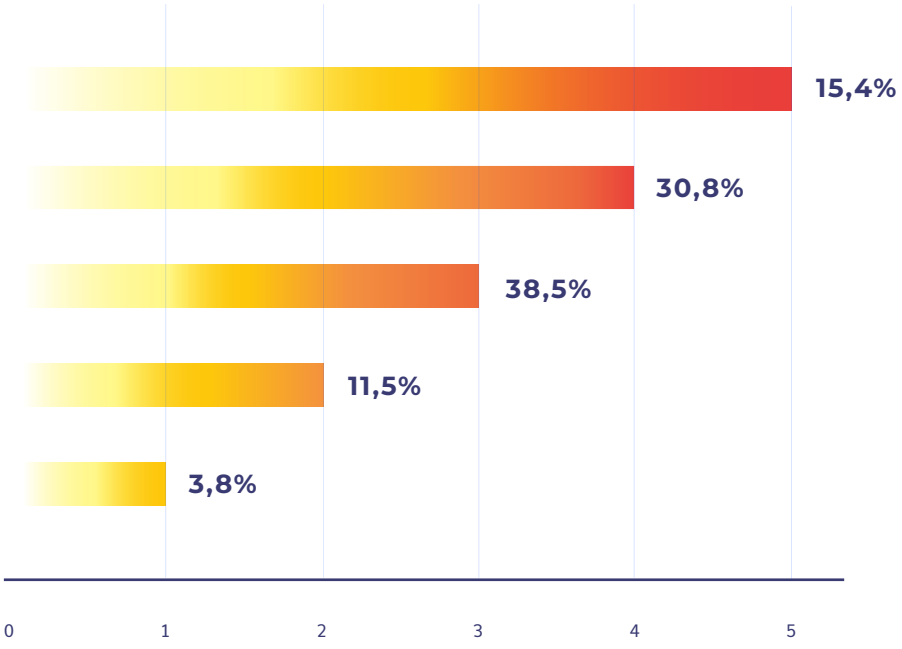
PARTNER RELATIONSHIP MANAGEMENT

In 2021 relationship between companies, their clients and partners is the area of close attention. The quality of communication, transparency and responsiveness become one of the main keys to businesses' ability to retain the existing connections and forging new ones, expanding the user and partner bases. Additionally, in the utility sector consumers are converting to prosumers, thus making relationships in the industry more complex.

Overall User Engagement

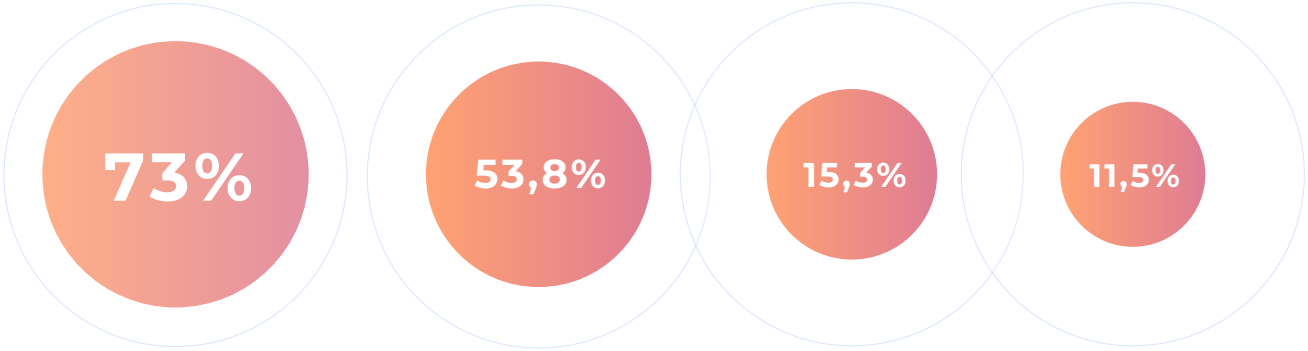
When asked about their customers' engagement, the majority of respondents (38,5%) rated it as neutral, giving it a "3" on the scale from 1 to 5. Only 11,5% and 3,8% implied it was quite poor by evaluating it as "2" and "1" respectively. On the other hand, 30,8% and 15,4% described their users' engagement as "4" and "5", which correspond to it being quite high.

Taking the above-mentioned numbers into account, it is clear that even though there's room for improvement, users are quite involved in the community. This is a good sign, as, according to the 2019 study, customer engagement positively influences customer trust.



Approaching the Customer

The quality of interaction between the provider and the user is one of the pillars on which the overall customer experience stands. It is considered one of the critical aspects of customer satisfaction by the ACSI, along with the ability to provide reliable electric service, to restore electric service after an outage, and support of the local communities.



The majority of the energy and utility businesses prefer to take a pro-active role in their relationship with users, regardless of who made the first contact

Prefer to initiate it themselves

Expect customers to drive the conversation

Preferred not to disclose such information

It is also essential to choose the right channels for interaction with users. With conversations proving to be a great practice in creating a positive customer experience, more companies tend to primarily use channels that allow for two-way communication: face-to-face conversations (80,8%), phone calls (88,5%), email (84,6%), social media (69,2%) and messaging apps (46,2%). It worth noting, that 96% of the respondents listed 3 and more channels in their answer. It goes to show, that the majority of energy and utility companies know how to get the most value out of omnichannel catering to various customer groups.

80,8%
Face-to-face conversation

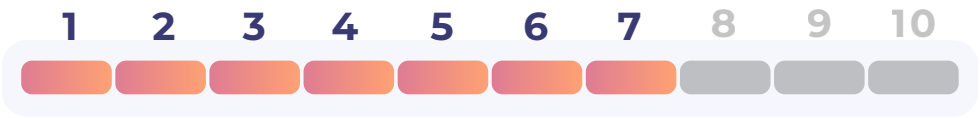
88,5%
Phone calls

84,6%
Email

69,2%
Social Media channels

46,2%
Messaging apps

More often than not (7 out of 10) companies use some kind of customer management software to handle their relationships with the users. Most (61,9%) are satisfied with the support this tool provides, rating their existing software either "4" or "5" out of 5. Only 9,5% of the respondents gave their solution a "2", and 28,6% — a lukewarm "3".



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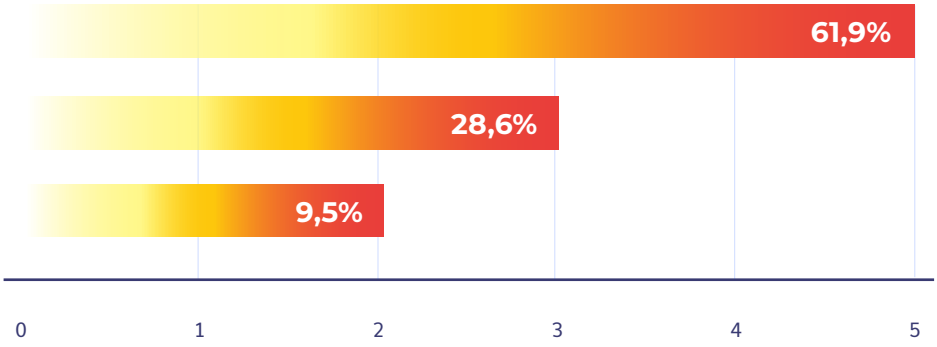
Based on the responses, the most valued features of customer management software are flexibility, usability for both account managers and end-customers (should they have access to it), and reliability.



THE ROLE OF AI IN DIGITAL TRANSFORMATION AND CUSTOMER EXPERIENCE

For a while now, process automation and artificial intelligence were used by service providers not only to improve the precision and speed of internal operations but also to enhance their customers' experience.

In 2016 Oracle predicted, that 88% of brands will have already implemented or will be planning to implement artificial intelligence by 2020 to better serve customers.

The energy and utility industry seem to participate in this trend. As much as 73% of respondents use AI to support customer care processes. However, only 38,5% have implemented this technology to aid their internal operations in general.

ABOUT MAXBILL

MaxBill is an innovation-oriented solution provider, with a focus on bringing new, creative approaches to open up new possibilities and enable growth where it wasn't possible before. With MaxBill, businesses all over the world are able to expand with no limits, create and provide any service for their customers to enjoy, trust and control. Being a trusted partner for Fortune 500 enterprises and technology challengers in the fields of energy, utilities and telecommunication throughout Europe, MaxBill delivers a leading billing and partner management solution in response to skyrocketing customer expectations.

Over the last 25 years, MaxBill has been successfully operating on the market, supporting service providers in their digital transformation journey. We are actively involved in the community to provide our clients and partners the most cutting-edge solution and together revolutionize the industry. For more information, please visit maxbill.com

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