

Back to the Basics Means Customer Care

by Stan Royal, CEO
Conversant, Inc.

Investor owned utilities, municipalities and rural cooperatives all seem to be talking about the same concept lately: getting back to the basics.

For many that includes a renewed focus on service reliability, customer care, new products and services and stable prices. Utilities are attempting to improve their level of service by adding new technologies, addressing aging facilities and increasing capacity. At the same time, servicing the customer in a timely, professional and knowledgeable manner in each and every customer interaction is rapidly becoming the benchmark for what is acceptable customer service.

In an attempt to increase customer satisfaction, new products and services are being offered to augment the regulated services traditionally offered. Finally, as competition becomes imminent in a market, utilities are seeking to lower prices in those markets.

With capital spending plans to address reliability issues, utilities are increasingly recognizing that meeting customer needs, new products and services and competition require a paradigm shift for their technology staffs and the systems they implement. That's why it's an exciting time to be part of the Customer Information System (CIS) marketplace.

"For utilities, customer care at its core involves delivering electricity or natural gas or water to a customer at the supply level the customer needs, on demand at market rates. Customers expect nothing less."

- Stan Royal, CEO, Conversant, Inc.

The Customer Information System

It has long been recognized that the CIS is an invaluable repository of customer information and the backbone of customer interactions. Now, the business is demanding that CIS continue its traditional role, but in faster, more flexible, more cost effective ways. The business can no longer be content with the large, complex, costly CIS of the past; it just doesn't fit the new business model.

The new model demands exceptional service at lower costs, rapid market entry for new products and services and functionality to support not only a regulated environment but also a de-regulated one. This is what the business requires and this is what CIS and its technology platform must support.

Four Aspects of Customer Care

- **Reliability of Service:** Utilities are attempting to improve their level of service by adding new technologies, addressing aging facilities, expanding tree-trimming efforts, and expanding capacity.
- **Customer Care:** Utilities are endeavoring to make sure that all customer queries are handled in a timely and knowledgeable manner.
- **New Products & Services:** Utilities are offering new products and services in an attempt to increase customer satisfaction. This is increasingly focused on products and services that can augment the regulated service of delivering energy, such as equal payment plans on billing, and other similar offerings.
- **Stable Prices:** As competition becomes imminent in a market, utilities in those markets are seeking lower prices.

Technological advances in computer-and internet based service delivery capabilities continue to contribute to an accelerated rate of change in the industry. CIS providers need to understand the marketplace, have insight into technology solutions and a deep knowledge of the specific business needs and challenges of potential customers.

The companies involved in CIS software development know the growing importance their systems are gaining within evolving utilities. New companies have emerged with the specific goal of creating the next generation of CIS technology. Everything that is possible today with an advanced CIS builds upon

the industry's evolution with regard to service provision and customer care. Today's new technologies are exciting for many reasons, including functionality, power, and ease of use and they are easy to install, economical to maintain and possess the flexibility to cost effectively meet future needs.

Finding the Right CIS

As with any major project, there are many factors which influence a decision to buy a new CIS. However, from a broad perspective, it's all about the "Bottom Line".

The reason that a company would choose to buy a new CIS is because it will impact the bottom line positively over its life time. After all, that is why we are all in business. Therefore, before considering a new CIS, companies should understand what their business direction is, what factors might influence that direction, and how a new CIS would be consistent with that direction and enable the achievement of business goals and objectives. The quantification of this impact is the basis for creating a business case to support the recommendation to move forward.

Much has been written regarding criteria for selecting a new CIS: functional, technical, support, company viability, etc. Perhaps the most important criteria is the ability of the CIS to contribute to the “bottom line” using the same financial criteria that utilities have used for years to evaluate major projects.

What the Consultants Say

In a 2003 report on North American CIS installations, the research group Chartwell said “customer comes first” business strategies drove the purchase of many new CIS systems. That trend continues.

The development of next generation CIS applications has piqued the interest of many of the industry’s most outspoken advisors in recent months, as flexible software programs that are easy both to install and maintain have been introduced.

Utilipoint International recently proclaimed rejuvenation in the CIS marketplace, citing a number of recent agreements signed and vendor reports of pending contracts for CIS implementations.

Moving to the Next Level

When customers are getting what they want (reliability), and their inquiries are handled efficiently (customer care), they begin to develop trust and loyalty. At that point, customer care can shift into marketing mode, nurturing customer retention and providing a fertile ground for offering additional services or new products to meet customer needs. A lot of opportunity in the future lies in this growth aspect of customer care.

For utilities, a functionally rich, technologically sound, easy to install and maintain CIS can be the ticket to simply and cost effectively offering new products and services, while ensuring customers stay satisfied in every way with the services they receive.

The good news is that there are solutions out there.

Five Elements to Address When Considering a New CIS

- Practical Issues –system usability, training, navigation, and customization
- Functionality – Does the system include the functionality necessary to support the business? How many modifications are required to support the business?
- Technical – Is the technology on which the system is based current and consistent with the company’s existing IT blueprint?
- Financial – How does the system assist the company in achieving its objectives? What does the business case look like?
- Management – How viable is the software company? What is its track record, management team make-up, and support structure?

About the Author



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For 34 years, Stan Royal has been on the leading edge of providing information management solutions to customers in the energy and utility industries. Prior to forming Conversant in January 2002, Mr. Royal was the Western Regional Vice President for Peace Software.

He has been a senior executive consultant with IBM Global Services and a partner within Price Waterhouse's Specialty Utility Practice. He also was the Chief Executive Officer of software companies Alterra Systems and ACTRON Information Systems.

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