

Customer Service Representatives on the Front Line of Energy Efficiency



from We Energies

Call Center Case Study from “How Energy Efficiency Issues Impact Utility Customer Service Operation” workshop presented following the American Gas Association and Edison Electric Institute Customer Service Conference on April 2, 2008, in San Diego.

Executive Summary

This case study describes the innovative ways We Energies’ customer consultants incorporate the value of energy efficiency to increase customer satisfaction and mitigate high bill complaints.

Program Description

The program goal is to help residential customers, who contact either the customer contact or collections centers, with information about ways they can reduce their energy use and save money. Joan Shafer, vice president of Customer Services, explains that, “Based on our research, it is appropriate to mention conservation messages in customer contacts about 50 percent of the time.” We Energies also discovered a direct link between providing customers with this information and an increase in overall customer satisfaction.

“We want to show care and concern to customers and demonstrate that by providing them with ways to use less energy,” says Shafer. We Energies found that price is highly correlated with customer satisfaction. As Shafer explains, “Our customers are highly sensitive to price. The number-one sensitivity for satisfaction is price, and we want to influence customer perceptions.” We Energies developed a proactive approach to educating its customers about price, which, in turn, demonstrates care and concern and leads to customers feeling more satisfied with We Energies.

Based on this information, We Energies developed an innovative program to educate its customer service representatives (referred to as customer consultants by We Energies) about how to use energy efficiency and conservation information to increase customer satisfaction. “The focus is on educating our customer consultants on energy efficiency and the Aclara software (formerly Nexus Energy) tools, so they can help our customers save money,” explains Barbara Robinson, customer contact center manager.

At the customer contact center, the consultants actively look for ways to talk to customers about their energy use and ways to save money.

Educating Consultants about Energy Efficiency

In order for We Energies’ customer consultants to speak knowledgeably about conservation, many needed more education about the topic.

“We discovered if our consultants own a home, they are good at explaining conservation to customers, but consultants who rent do not have the same understanding,” Robinson explains. That led to the development of more individualized training.

Helping customers save money through education and conservation is quite broad and can be overwhelming for consultants. Because of that, We Energies gets creative with consultant education. Each month, the contact centers focus on a different way for customers to save money. One example is programmable thermostats. Through displays, materials and hands-on thermostat use, the consultants become more comfortable with their communications to customers. As the topics change each month, the materials used in the education sessions are raffled to the consultants to make it more personal and to reinforce the message.

“With a budget of \$100 per month and the consultants doing the research and creating the displays, the education becomes fun and lasting,” Robinson adds.

In addition to these activities, money-saving tips also are incorporated into briefing sessions that are part of ongoing consultant training. “We have briefings twice a month on different themes, depending on the customer feedback,” says Robinson. For example, as more customers begin using the Aclara software at the We Energies Web site, the consultants need to be briefed to become more familiar with what Aclara can offer.

Educating Customers about Energy Efficiency

As a way to further support the consultants’ interactions with customers, both in the customer contact and collections centers, We Energies developed a customized, personal energy report (PER) for residential customers. This report compares average monthly use over a two-year period to show customers how changes in weather, price and use impact their costs. The PER also compares the average daily cost of electricity and natural gas to other commonly used products and services as a way to promote the value proposition of energy.

Figure 1

PER comparison of electricity and natural gas costs to commonly used products and services

	Electricity 	Natural Gas 	Home Phone 	Cell Phone 	Cable/Satellite TV 	Gasoline 
Cost per day	\$2.49	\$2.66	\$1.69	\$2.37	\$1.94	\$6.43

In addition to this personalized approach, the consultants also share ways that customers can reduce their energy bills. “We want to have a message that resonates with the customer. For many, the term ‘energy conservation’ implies making a sacrifice. So we focus on finding ways for them to save money,” says Jackson Fothergill, marketing manager.

To aid in providing energy efficiency information, We Energies prepares money-saving tips fact sheets and brochures. Consultants have the ability to mail these materials to customers as a way to help them focus on low-cost/no-cost energy conservation measures. In addition, customers also can access the Aclara suite of online tools, including personalized energy audits and tips on saving energy and money. The goal of these two outreach methods is the same: to promote that energy is a good value.

The Aclara suite of tools also is available on the consultant desktop and is used in new hire training as the best way to help consultants educate customers on their use and patterns. “The tools provide immediate, understandable information, which allows consultants to deliver a consistent, accurate and complete message on use,” adds Robinson. To assure that consultants use the tools, they have performance expectations that are measured.

Results

We Energies measures its progress daily on how well its consultants interact with customers on the topic of energy efficiency. This interaction is monitored closely by senior management as well. “We have a daily accountability for accomplishing goals regarding root cause, care and concern, and confirming customer satisfaction on quality monitors. More than 80 monitors are performed daily, with the results reported all the way up to the CEO,” says Shafer.

Evaluation and Verification Activities

The major concern for We Energies is to measure care and concern levels, and the management team discusses daily what additional education the consultants need. “Customer satisfaction scores are tracked on a weekly basis and the incentive levels are based on the company’s performance. We focus on 95 percent quality monitoring, which means that 95 percent of the time, we want our consultants to achieve goals of meeting customer needs,” Shafer explains.

Another interesting finding is that We Energies sees significant jumps in satisfaction scores when consultants speak with high credit risk customers about ways they can reduce their energy costs. “These customers appreciate that we help them make their energy bills more affordable,” says Shafer.

Program Results to Date

We Energies views customer satisfaction results as a critical measure to overall success. The following chart illustrates how We Energies measures customer satisfaction among various demographic groups.

Consultant Discussed Ways to Save Money Demographic Summary

The following analysis is based on residential customer data for the first through third quarters of 2006.

Percent of customers saying consultant discussed ways to help them save money:

- ◆ 61 percent – low-to-moderate (L/M) risk, billing
- ◆ 66 percent – low-to-moderate (L/M) risk, non-billing
- ◆ 72 percent –high-risk

High-risk customers show the greatest improvement in customer satisfaction scores when they have a discussion with the consultant about ways to save money. The greatest increases are:

Overall Satisfaction with the Transaction				
Customer Group	Demographic	No - Discussion	Yes - Discussion	Change in Score
High-risk	<\$30K income	6.3	8.6	2.3
High-risk	High school or less	6.5	8.6	2.1
High-risk	<40 years old	6.6	8.6	2.0
High-risk	Tech/some college	6.5	8.5	2.0
High-risk	40-64 years old	6.5	8.4	1.9
High-risk	College/post grad	6.6	8.4	1.8
L/M, non-billing	HS or less	7.5	9.2	1.7
High-risk	\$30-<\$75K income	6.9	8.4	1.5
L/M, non-billing	40-64 years old	7.9	9.2	1.3
L/M, billing	<\$30K income	8.3	9.3	1.0
L/M, non-billing	<40 years old	8.2	9.2	1.0
L/M, billing	Tech/some college	7.8	8.8	1.0

Overall Satisfaction with We Energies				
Customer Group	Demographic	No - Discussion	Yes - Discussion	Change in Score
High-risk	High school or less	5.5	7.6	2.1
High-risk	<\$30K income	5.3	7.4	2.1
High-risk	40-64 years old	5.2	7.3	2.1
High-risk	<40 years old	5.5	7.3	1.8
High-risk	\$30-<\$75K income	5.4	7.1	1.7
High-risk	Tech/some college	5.4	7.1	1.7
High-risk	College/post grad	5.0	6.5	1.5
L/M, non-billing	40-64 years old	6.9	8.0	1.1

Lessons Learned

Through the program, We Energies found that customer satisfaction was positively linked to the types of information customers receive about energy efficiency. We Energies also discovered the following “lessons learned” as a result of the program:

1. Employees need to be taught about energy efficiency. Many employees are not aware of energy efficiency tactics, especially if they are not homeowners. We Energies overcomes this barrier by teaching its front-line employees about energy efficiency in fun and lasting ways.
2. A customer-oriented focus needs to be cultivated within the utility.

We Energies also found through this program that utilities are “engineering-oriented,” and the company must make a special effort to educate its staff about viewing things from a customer perspective.

3. Customer satisfaction improves when customers learn about energy efficiency and money-saving opportunities.

As this case study illustrates, knowledge is power. This is especially relevant for low income customers. When the utility provides these customers with ways to reduce their energy use and lower their bill, they become more satisfied with the utility and are much more likely to be able to pay their energy bills. And that creates a “win-win” scenario for everyone involved.

To Learn More

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We Energies serves more than 1.1 million electric customers in Wisconsin and Michigan’s Upper Peninsula and more than 1 million natural gas customers in Wisconsin. Our energy prices are approximately 10 percent below the average for major U.S. cities. We Energies is the trade name of Wisconsin Electric Power Company and Wisconsin Gas LLC, the principal utility subsidiaries of Wisconsin Energy Corporation (NYSE: WEC). Visit the We Energies Web site at we-energies.com.

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Aclara Software provides energy companies with solutions that add value to the existing billing and metering infrastructure, allowing customers to better manage energy-driven transactions and decision-making. Aclara Software is used by more than 100 major energy organizations worldwide to reduce capital and operating costs and resource requirements as well as increase customer satisfaction.

AGA-EEI Post Conference Workshop

This case study was developed to support the AGA-EEI Customer Service Conference and Exposition as a post-conference workshop that focused on “Energy Efficiency in Customer Service.” Other case studies developed for this workshop were Billing and Payment Processing Case Study: Generating Interest in Demand Response Programs, Beth Freibert, E.ON; Linking Energy Efficiency to Energy Delivery, Jennifer Felder, Progress Energy-Florida; and Commercial Account Management Case Study: Treating Trade Allies like Family, Roseann Brusco, N-Star.