Customer Service Strategy

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UTILITIES

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Our Customer Service Strategy at a Glance

The diagram below represents our updated Customer Service Strategy at a glance. The upcoming sections of this document will take you through each aspect of the strategy in further detail.

OBJECTIVE & COMMITMENTS

Our ambition is to deliver outstanding service to our customers and businesses by predicting, assessing and tailoring responses to customer needs. Through continuous improvement and accountability, we aim to lead the way in customer service within and beyond our sector.

1. We will provide a tailored service to customers and measure their satisfaction.
2. We will ensure priority customers are identified and safeguarded during our works.
3. For planned works, we will reconnect customers' gas supply on the same day. For unplanned interruptions we will reconnect them within 8 hours.
4. We will make it easy for customers to provide feedback on our service and we will act upon this feedback.
5. When things do go wrong, we will promptly act and resolve 85% complaints in one working day.

DAY-TO-DAY ACTIONS

Predict
Predicting customer issues before they arise

Assess
Assessing the most appropriate services

Deliver
Delivering a 10/10 service and responding quickly

Embed Learning
Communicating learnings and measuring delivered impact

Learn Lessons
Identifying root causes of issues that arose

Follow-up
Ensuring actions are embedded in future business-as-usual processes

ENABLERS

People and Values

Culture

Systems and Processes

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Our Updated Customer Service Strategy

Following the enhancement of our Stakeholder Engagement and Consumer Vulnerability Strategies in 2018, it was important to update our Customer Service Strategy. These three strategies together lay out how WWU will understand and act on the wants and needs of its customers and businesses.

This report will present the:

- Structure and elements of the Customer Service Strategy;
- Day-to-day processes that allow us to deploy the strategy;
- Ecosystem of tools, processes, values and behaviours that provide the capabilities to embed this strategy; and
- Link between Stakeholder Engagement, Consumer Vulnerability and Customer Service Strategies; and a description of how they work together to deliver on customer needs.

What is a Customer Service Strategy?

A Customer Service Strategy sets out what we aim to achieve in serving our customers as well as how we propose to do so. It includes setting the standards of care we aim to deliver to customers and businesses. These plans are supported by an ecosystem of tools and processes designed to enhance the overall effectiveness of the strategy.

Why is it important?

Having a Customer Service Strategy is important as it lies at the heart of our company-wide values, which emphasise the effort and responsibility we have in providing the best care to all our customers. It additionally complements our customer-centric focus adopted by all our colleagues, engineers and partners.

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Elements and Structure of the Customer Service Strategy

We have enhanced our Customer Service Strategy to clearly display its following three elements:

Objective and Commitments
States *what* we are ultimately trying to achieve and what our commitments for the year are.

Day-to-day Actions
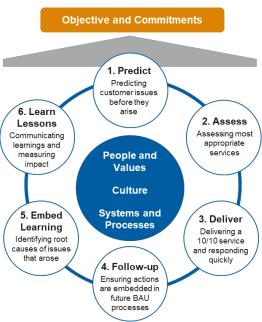Illustrate *how* we are going to achieve the overall objective.

Enablers
Creates the ecosystem of *tools, processes, behaviours, incentives and capabilities* needed to appropriately perform daily activities.

 The overall structure of our Customer Service Strategy combines the elements to form a clear step-by-step process aimed at achieving the overarching objective. The diagram below presents our strategy on a high level:

Objective and Commitments

1. Predict
Predicting customer issues before they arise

2. Assess
Assessing most appropriate services

3. Deliver
Delivering a 10/10 service and responding quickly

4. Follow-up
Ensuring actions are embedded in future BAU processes

5. Embed Learning
Identifying root causes of issues that arose

6. Learn Lessons
Communicating learnings and measuring impact

People and Values

Culture

Systems and Processes

Objective and Commitments

The Objective

The objective plays a key role in the Customer Service Strategy by setting its overall direction. It is the guiding point towards which all short and long-term actions are driven. The objective allows us to communicate our level of ambition, what we want to achieve and key themes that link to the company's overall business strategy (e.g. value-for-money). The objective has been developed to be consistent with the ambition of our RIIO-GD2 Business Plan:

Our ambition is to deliver outstanding service to our customers and businesses by predicting, assessing and tailoring responses to customer needs. Through continuous improvement and accountability, we aim to lead the way in customer service within and beyond our sector.

Customer Commitments

In order to achieve our long-term objective, we set a series of promises to customers outlining what and how we will deliver customer service to them. Each of these will bring us closer to meeting our long-term goal. These commitments may evolve year-on-year, as they are subject to our progress. The following represent our customer commitments:

1. *We will provide a tailored service with the customer able to choose their preferred communication channel and finding us easy to deal with. We will measure our progress through customer feedback and satisfaction scores.*

2. *We will ensure priority customers are identified and safeguarded during our works. An annual report will breakdown the range of services we offered and their impact.*

3. *When the gas supply is interrupted due to planned works the customer will be reconnected on the same day. For unplanned interruptions we will get the gas back on within 8 hours.*

4. *We will make it easy for customers to provide feedback on our service and we will act upon this feedback.*

5. *When things do go wrong, we will take action to resolve the issues promptly committing to 85% of complaints being resolved in one working day.*

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Day-to-day Actions

To achieve our objective in practice, it is necessary to identify steps that will define our day-to-day work in serving our customers. The day-to-day actions should deliver the best outcomes favourable to customers in a cost-effective manner and allow us to continuously improve our customer service. To achieve this, we have identified the following six day-to-day actions:

Each action has its clear purpose in establishing a good experience and driving our efforts towards the objective. These actions are made possible by a set of tools, processes and other elements which we refer to as the "enablers" (introduced in the later section). Each action is presented below:

Predict

We will use analytics and data science insights to prevent customer issues from arising.

Proprietary, public and industry datasets can be continuously analysed to identify customer issues before they arise. Predicting customer needs will allow us to deliver industry leading customer experience and proactive support to those who need it the most. Examples include:

- Match **PSR data** to weather or operational data in real time to proactively identify vulnerable customers in need of support.

- Undertake **research** and **literature review** to predict the evolution of customer needs.

- Leverage **advanced analytics** such as **Alva Insight reports** to identify most occurring issues of dissatisfaction. Also points to wants and needs of customers (i.e. customer engagement).

Assess

We will have the necessary capabilities and tools to respond to manifested customer needs.

It is important for us to equip all our colleagues, not just customer-facing staff, with the tools and capabilities necessary to properly understand customer wants and needs. This includes but is not limited to – bespoke training in recognising vulnerability, customer service values, management training and more. In order for colleagues to assess the best responses to issues, they will interact with

customers when necessary and record correspondence in a range of customer-focused systems. Examples include:

- Provide **vulnerability and internal values training** for colleagues to effectively recognize and prepare potential responses to new and existing issues.

- Map **customer touchpoints** and **journey.**

- Maintain customer records in a range of innovative business systems.

Deliver

We will commit to delivering a 10/10 service level to our customers and community by solving each issue promptly and effectively with customers. The needs of vulnerable customers will be addressed with tailored services delivered by ourselves or expert partners.

Our innovative systems will provide us with different options to communicate with customers and keep track of the resolution process across teams and divisions. We will respond to customer needs through a set of tailored services. Furthermore, if we are unable to deliver a response, we will select the most suitable partner with the appropriate resources and skills. Examples include:

- Agree service delivery targets and partner delivery scope through the **Partner SLA, Partner Selection** and **Service Selection Templates.**

- Use **Platinum Service Scheme App** and **chatbots** to respond and communicate with customers in real-time.

- Record interaction and resolution process in business systems.

Follow-up

We will engage with customers to ensure that each problem is solved and needs are met. Appropriate tools will track the response progress and record outcomes.

Tailoring our approach to customer engagement will enable us to verify if their needs had been addressed. This will provide us informed feedback which is relevant in planning forthcoming actions forthcoming actions that would ensure the same issues don't arise in the future. It is also an essential step in obtaining feedback on customer satisfaction and making sure we have responded in the most appropriate manner. This illustrates industry leading customer engagement. Examples include:

- **Collect feedback** from customers on service levels via **surveys and reports** to ensure delivered services have been completed and needs have been met.

- Record responses in business system.

- Embed **escalation processes** and **governance lines** in case that customer needs have not been met and issues remain unresolved. E.g. **Exec-led complaints teleconference**.

Learn Lessons

We will identify root causes of customer dissatisfaction in order to continuously improve and avoid the same problems from arising in the future.

With representatives from several business areas, governance arrangements and the escalation of learnings we will identify root causes and enhance our ways of working to deliver a better customer experience. Examples include:

- Hold **regular meetings** with business units that interact with customers to **review past and present complaints**.

- **Meetings and consultations**: Customer Steering Group, Customer Engagement and Focus Group, and Complaints Analysis.

- Provide **coaching** and **training** for behavioral changes of staff and individuals.

Embedded Learning

We will communicate and share findings of root causes across the organisation and responsible departments to continuously and effectively include the customer experience.

Once we have recognised root causes, it is necessary to identify cost-effective responses that avoid those from arising in the future. We will collaboratively find options on how best to address customer dissatisfaction by engaging with relevant teams and divisions. The options will be measured in order to pick the one that will maximise delivered social benefits and resolve dissatisfaction. This will ensure that we will deliver impactful and value-for-money responses. Examples include:

- Make reports accessible across departments and ensure **learnings are communicated** with responsible teams in order to improve.

- Governance set up to share identified learning across the business and **set policies and processes** for change.

- Use **SROI measures** to evaluate most effective and valuable responses delivered to customers in order to be embedded for future use.

Enablers

Our day-to-day actions are supported by three enablers. These are *(i) people and values, (ii) culture, and (iii) systems and processes*. Together, they form a rich ecosystem of tools, processes, behaviours, incentives and capabilities that provide the foundations to properly carry out the day-to-day activities and in turn the company's objective. This demonstrates that our customer service strategy is embedded throughout the business. *Appendix A* provides the full list of the capabilities categorised by 'business-as-usual', and 'innovation and initiatives'. Below is a brief explanation of the role each enabler has in the Customer Service Strategy:

People and Values

Refers to all our colleagues and, in particular, to the values, skills and capabilities they have acquired through training, experience and incentives. These allow them to respond and deliver great customer experience.

Culture

Refers to the encouraged ways of working and behaviours that occur both naturally and via the use of initiatives and measures to achieve best-in-class customer service.

Systems and Processes

Refers to all technology (hardware and software) and processes that support all our colleagues, beyond the call centre, to perform day-to-day actions.

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Connection to Stakeholder Engagement and Consumer Vulnerability Strategies

Our updated Customer Service Strategy links directly with the Stakeholder Engagement and Consumer Vulnerability Strategies. This connection allows us to operate in a way that is fully in line with the needs of customers and communities.

Link to Stakeholder Engagement

RIIO-GD2 stresses the importance of customer engagement. By assessing and serving the needs of customers, the Customer Service Strategy will point to key wants and needs. These provide a starting point for WWU to engage customers further on topics. Such an integrated approach represents best-in-class, embedded customer engagement that we believe will set us apart in RIIO-GD2 and have other networks emulate in the future. Closing the feedback loop is also mutually shared with customers when evidencing our efforts in addressing and solving their issues.

Link to Consumer Vulnerability

The Vulnerability Strategy lies beneath the Customer Service Strategy – it becomes applicable once we encounter a PSR-registered or vulnerable customer. Some examples of this link include the approach to gathering and using PSR data in the 'Predict' step, providing appropriate training and facilitating skills in the 'Assess' step, deploying Partnerships in the 'Deliver' step and more.

The complete diagram on the following page outlines key areas where the strategies interact and complement one another.

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■ **STAKEHOLDER ENGAGEMENT** *(See appendix B)*

■ **CUSTOMER SERVICE**

■ **CONSUMER VULNERABILITY** *(See appendix B)*

By engaging through in-depth discussions with customers to gain feedback, creating customer satisfaction reports and more, we can identify key issues of focus. This illustrates *industry leading customer engagement.*

Co-determining and prioritising actions allows us to make sure that the action we choose to address root causes is the most suitable.

Undertaking actions will evidence that we are acting upon stakeholders' feedback in addressing their needs. We also communicate outcomes back with stakeholders to inform them of our efforts to solve issues they voiced.

| Prioritise efforts | Close feedback loop |

| Engage | Co-determine actions | Act |

| Predict | Assess | Deliver | Follow-up | Learn Lessons | Embed Learning |

| Analyse & Identify | Facilitate | Deliver | | | Evaluate |

| | | Partner | | | |

Using past data and PSR sign-ups, we can identify beforehand who will need additional support to mitigate risks from vulnerability and arising issues.

By deploying appropriate skills and value-based training, tracking systems and incentive schemes, we identify the most effective response to the issue.

Our portfolio of service enables us to readily deploy a response to solving customer problems. Where WWU is unable to respond to specific needs, a best suitable Partner will be selected to deliver a service.

Measuring the value delivered by a response using SROI will sense-check its impact to customers. This will also evidence our efforts in delivering the best value-for-money service.

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Appendix A: List of capabilities for all enablers

❑ Business-as-Usual

❖ Initiatives and Innovation

People and Values

Values
- ❑ Putting customers first and acting on their feedback
- ❑ We take ownership and accountability
- ❑ We work as a team and share best practice
- ❑ We strive to continuously improve

Employee Engagement
- ❑ Investors in People accreditation
- ❑ ICS Servecheck survey (mid term review July/Aug 2018)
- ❖ Staff wellbeing strategy

Rewards & Recognition
- ❖ Performance management Model (performance bonus)
- ❑ Thank you to everyday heroes cards
- ❑ Values recognition badges (Gold level)
- ❑ Director thank you letters for commendations

Celebrating Success
- ❑ Celebrating Excellence Awards
- ❑ Customer Service Week celebrations
- ❑ Team building

Training
- ❖ Induction and development days for all staff
- ❖ Management Induction Programme
- ❑ Vulnerable customer training
- ❑ Customer service internal values training
- ❑ Act Now bespoke training

Culture

Credibility
- ❑ ICS ServiceMark reaccreditation
- ❑ BS 184777 Inclusive Service Provision
- ❑ Customer Championship Cup
- ❑ Annual Customer Service Conference

Commitment
- ❑ Customer Support Officers
- ❑ Best practice visits through ICS
- ❖ Internal Customer service measure
- ❖ Initiative to restore supplies by 6pm

External measurements
- ❑ Ofgem Customer Satisfaction Surveys
- ❑ Right First Time (ICS)
- ❑ Net Promoter Score (NPS)
- ❑ Customer effort (ICS)

Internal measurements
- ❑ Employee satisfaction (IIP)
- ❑ Guaranteed Standards (GSoPs)
- ❑ Goodwill payments
- ❖ Worst served customers

Consultation
- ❑ Stakeholder engagement
- ❑ Customer Focus Group
- ❑ Customer Engagement Group (CEG)
- ❑ Complaints Analysis
- ❑ Survey Feedback (Ofgem and Platinum App)
- ❑ Critical Friends Panel

Systems and Processes

Creativity
- ❖ Faster payments to customers (PAYM)
- ❖ Initiative to obtain customer addresses from suppliers
- ❖ Consider rolling out *Localz* solution
- ❖ Consider Innovation problem solving process for Customer Service

Consistency
- ❑ Exec led complaints teleconferences
- ❖ Sub strategies to improve lowest scoring customer satisfaction areas and worst served customers
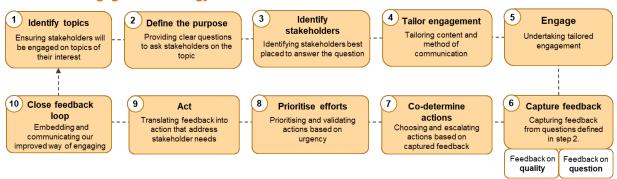
Innovation
- ❖ Review survey process for connections (pre quote/post acceptance)
- ❖ Explore the potential of R&R teams carrying out P&Rs
- ❖ SAP HANA (risk review)
- ❖ Chatbots
- ❖ New LiveOps Solution for external customer facing staff
- ❖ Re-building the connections customer portal

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Appendix B: Stakeholder Engagement and Consumer Vulnerability Strategies

Stakeholder Engagement Strategy

1 **Identify topics**	2 **Define the purpose**	3 **Identify stakeholders**	4 **Tailor engagement**	5 **Engage**
Ensuring stakeholders will be engaged on topics of their interest	Providing clear questions to ask stakeholders on the topic	Identifying stakeholders best placed to answer the question	Tailoring content and method of communication	Undertaking tailored engagement

10 **Close feedback loop**	9 **Act**	8 **Prioritise efforts**	7 **Co-determine actions**	6 **Capture feedback**
Embedding and communicating our improved way of engaging	Translating feedback into action that address stakeholder needs	Prioritising and validating actions based on urgency	Choosing and escalating actions based on captured feedback	Capturing feedback from questions defined in step 2.

Feedback on **quality** | Feedback on **question**

Consumer Vulnerability Strategy

1 **Analyse and Identify**	2 **Engage**	3 **Deliver**
Identifying who need support, when and how	Understanding what support communities want and need	Providing a cost-effective suite of tailored support to address vulnerability

6 **Evaluate**	5 **Facilitate**	4 **Partner**
Ensuring services have the intended impact and remain the most suitable approach	Giving staff the skills to identify and manager customers' vulnerability	Delivering services WWU is not best placed to offer through third parties

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