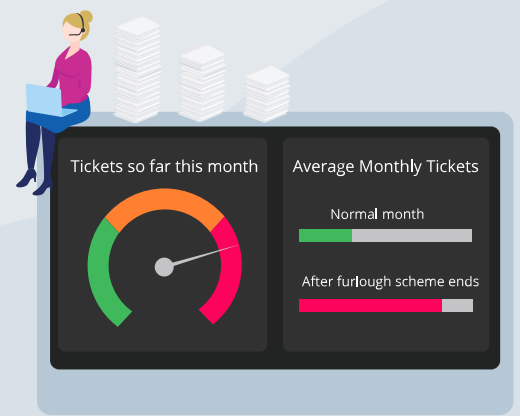


The End of furlough: How the Energy Section should prepare Customer Service



Higher costs, falling CSAT scores and exhausted contact channels, Energy providers are feeling the effects that COVID-19 has had, and continues to have on customer service. But how can Energy providers effectively deal with customer issues and encourage customer retention when there is a dramatic influx in contact? During COVID-19, Synthetix clients have experienced **average contact volumes rise by 203%**, compared to the same period in 2019 – and with the government furlough scheme ending in October, it is expected that the situation will worsen. Energy providers must be diligent if they are to thrive through this period. This blog explores the factors that have caused such pressure on customer service and provides tried and tested solutions to help companies thrive moving forward.

Customer Service Costs in The Energy Sector Have Dramatically Increased During COVID-19 – This Will Likely Continue.

Surge in Contact

What has caused a recent 24% increase in contact across businesses?

COVID-19, subsequent months of 'lockdown' and social distancing measures have impacted the economy significantly, causing it to shrink by a drastic 20.4% , following this, is mass redundancies and rising unemployment rates.

These series of events have considerably affected Energy provider customers, putting many of them in vulnerable situations that warrant immediate customer support.

As contact volume is surging, so is the complexity of queries, which demands more time to handle. This impacts not only the cost to serve customers - causing it to skyrocket - but can also negatively affect

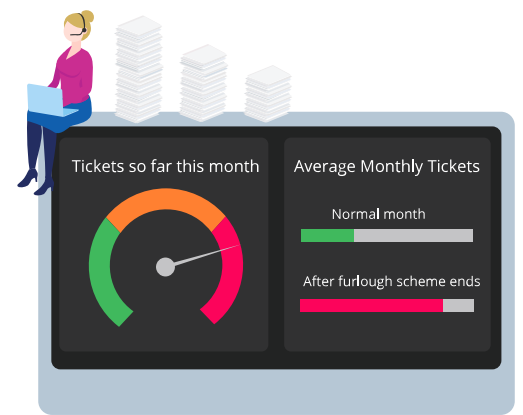
Phone and Email Channels Are Unnecessarily Exhausted

“All of our agents are currently busy with other customers; you are number 78 in the queue”

A recent study by Which? revealed the most popular way in which customers contact Energy suppliers is via phone and email – due to the current climate and recent increase in contact volume, this has likely exacerbated, putting additional pressure on the contact channels.

Both phone and email contact channels require human supervision and therefore accumulate high employee costs. Currently, routine queries occur as normal but there is an influx of complex issues that need resolving as a result of COVID-19 – together these support queries are flooding phone and email channels.

Many Energy providers do not utilise alternative contact channels such as live chat and chatbots that can mitigate contact significantly by automating routine queries. In fact this is the preferred method of contact for many customers – 89% of millennials would rather find the answer to a question themselves using self-service, live chat or chatbot than pick up the phone. Allowing millennial customers to use their preferred contact channel of choice would significantly cut operation costs when contact volumes are high, yet Energy companies are not utilising this preference and therefore unnecessarily accumulating huge costs.



CSAT Scores Are Falling

Poor First Contact Resolution


Since the pandemic, support teams have struggled to resolve contact queries the first time round, a recent study revealed that some companies have seen a 150% increase in resolution time which as a result, has impacted customer satisfaction negatively.


Energy support teams that are ill equipped with knowledge cannot resolve issues during first contact. Often due to lack of sufficient and flexible knowledge, agents result in transferring customers or arranging call backs, both of which contribute to poor First Contact Resolution (FCR) and longer wait times.

When customers are transferred from agent to agent, left on hold for hours and not called back, they feel undervalued; that their time has been wasted or that they have been forgotten – all of this on top of an already emotionally sensitive query is a recipe for disaster. The frustration that so many customers are currently experiencing is impacting company CSAT scores. In fact, since the COVID-19 crisis, CSAT scores have declined by 28% on average across both B2B and B2C.

The Bad CSAT Trend That Could Be Disastrous




Energy providers that are failing to address problems such as poor FCR, long wait times and cumbersome support options since the COVID-19 outbreak, are experiencing a decrease in CSAT scores and influx of negative customer reviews:

**Ang**
1 review

4 days ago

AVOID AVOID AVOID




Appalling customer service. I have recieved a legal threatending action notice but with no one answering the calls it's impossible to pay. I have phoned several times over a number of weeks to no avail. AVOID AVOID AVOID....THE WORST UTILITY COMPANY TO DEAL WITH.....read all other negative customer feedback

 Useful 1  Share 

30 Jun 2020

No Contact Bad Energy Provider

Absolutely no communication sent lots of emails but no reply iv now got a massive outstanding bill because iv explained the system they put me on is not what I signed for I'm now waiting for bailiffs to turn up and take all my belongings I wish I had never changed to iv never been in debt with any energy company until now I'm in server health problems but they just don't care.

 Useful  Share 

Customers, especially those who feel let down by Energy providers this year, during their most vulnerable times, are switching to companies who are beating the bad CSAT trend.

Energy providers who do not actively seek to improve on factors that impact their bad CSAT scores, will continue to receive negative reviews and eventually lose customers. During times of hardship, loyalty is prominent and this could be the differentiating factor in which energy companies survive the next 6 months.

Things Are Going to Escalate

October, the month in which the government furlough scheme will end, is fast approaching and will present a whole new series of problems for Energy customers.

It is expected that of the 1.1 million employers that furloughed their staff this year, 44% expect to make some or all of their staff redundant when the scheme comes to an end. This will not only leave a significant chunk of the population in vulnerable positions due to the economic climate, but potentially in a 5-week queue to receive their first Universal Credit payment.

For Energy support teams this means an influx of new and sensitive contact queries. The problem here is that the complex issues need agent prioritisation but will be backed up behind hundreds, even thousands of everyday routine questions.

So, what happens when a desperate customer, who:

- Has recently been made redundant
- Cannot find a job due to the economy
- Has been told by Universal Credit there is a 5-week wait until their first payment
- Requires agent support but has to wait in line for hours behind routine enquirers?
- Poor customer service and experience.

With “poor customer service” listed as the main reason for customers receiving compensation in 2019, can Energy suppliers afford to have poor contact solutions in 2020?

Solution

Reduce Overall Contact Levels with Online Self-Service

Energy providers need tools that help prioritise complex queries that require human support and that deflect FAQs.

Online self-service software, connected to a wider knowledge base, allows customers to find answers to routine questions themselves. Natural language processing (NLP) and algorithms retrieve relevant answers based on what the customer types, automating a huge segment of questions, **mitigating overall contact by up to 20%** (Synthetix research).

This gives support agents the bandwidth they require to speak to customers with sensitive or complex issues that need resolving quickly.

Decrease Phone Queue Times by Channel Shifting

Not every customer waiting in a phone line needs to be there. Energy suppliers should utilise other contact channels to decrease phone queue times and serve different customer preferences.

Live chat software for instance, allows agents to simultaneously chat to multiple customers and rather than transferring them or calling them back, can consult their integrated knowledge base for quick and consistent results.

Not only does live chat encourage agent efficiency, improving FCR by up to 80% (Synthetix research), but for many customers, it is the easier, more convenient contact channel that they prefer.

Boost CSAT To Capitalise on Customers Unhappy with The Competition and Encourage Switching to You

Energy providers that deploy unified customer service solutions, such as online self-service, live chat and chatbots can benefit from efficiency. Not only are routine questions deflected and dealt with using automations, but more complex issues can be resolved and at a quicker rate.

Mostly importantly, allowing such channel flexibility means customers are satisfied with the service they have been provided. That thing that they desperately needed rectifying is now resolved, they have peace of mind and trust in their Energy supplier during these turbulent times.

The ability to delegate customers based on their query type to the appropriate contact channel will have a direct impact on CSAT, and this is what will create customer loyalty, promote customer retention and encourage customers to switch to you.



Conclusion

For Energy suppliers, 2020 has been and will continue to prove challenging when it comes to serving customers and keeping them satisfied. Already this year, the Work and Pensions Secretary reported that in 1 week the Universal Credit claimant rate had been tenfold – Energy providers must prepare for similar or worse events when the end of the furlough scheme occurs.

Ineffective contact channel solutions paired with a wave of new and complex customer queries has proved detrimental to support teams. But CSAT scores needn't suffer. Through implementing the right tools, Synthetix clients have **defied the bad CSAT trend** that many other companies are experiencing and have seen improvements through this COVID-19 period.

Synthetix clients also benefits from:

- Overall contact deflection of up to 50%
- 40% reduction in AHT
- 80% increase in FCR

(Synthetix research)