Case Study: Manufacturing, Logistics, Energy & Utilities

Setting a New Standard

A U.S. utility transforms customer care via analytics, enabling deeper insights and driving better decision-making.

Already faced with the need to upgrade their grids to accommodate new sources of energy, electric and gas utilities now must transform their operational footprints to provide their customers with more energy options and self-service. Where it was once enough to provide power, companies now need to engage their customers more effectively, providing the personalized experiences they seek.

With unprecedented competition from alternate energy providers, it is more important than ever for utilities to boost efficiency. The advent of smart meters, intelligent electronic devices and phasor measurement units has generated a wealth of data that utilities are leveraging to improve their operational performance and market competitiveness. Analytics in particular is playing a pivotal role in helping utilities gain insight from their data.

AT A GLANCE

A U.S.-based utility needed to upgrade its legacy systems to help its workforce cater to the demands of modern customers. We helped it create a data analytics program to provide personalized experiences to customers.

OUTCOMES

- The project brought a cultural shift to viewing data as a corporate asset and to data-driven decision making.
- Insights yielded by the analytics program will help customer service agents and executives make better decisions in real time.
- The amount of time customer care agents spend on the phone with customers is projected to drop by 7%, driving cost savings.

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A U.S.-based utility was looking for a partner to help it leverage analytics to improve its understanding of both the customer and the industry. Serving approximately 1.1 million electric and 790,000 natural gas users, the utility's call center receives approximately 4 million calls per year.

The company wanted to provide customers with self-service capabilities but was hampered by a number of business process and system limitations—specifically, a lack of data management, incomplete information integration and an absence of timely insights to aid decision-making.

The resulting customer experience across channels was confusing and inconsistent, leaving the utility vulnerable to customer defections.

Keeping Customers in the Light

To improve customer experience, the utility focused on customer care. For any utility customer, an interruption in power service means their lives are interrupted, too. Cognizant applied analytics to predict call volume and handle the increase in demand in the event of a power outage while proactively informing customers of impending outages (and their resolution) by text or email. This capability would represent a major service improvement for their customers.

The proposed solution would use analytics to anticipate customer behavior based on regional situations and individual factors, such as unpaid bills. The new system would offer customers a number of self-service capabilities across multiple channels, including online, mobile and the customer care center.

In addition to addressing customer experience, the project had another goal: to develop a culture where data is treated as a corporate asset that drives optimal business decisions. Insights yielded

- The analytics system is projected to help the call center reduce customer calls by 13.6%.
- Analytics will allow the utility to better plan for outages. The net savings are projected to top $1,000,000 annually by reducing the number of service calls and therefore the number of trucks used in the field.

by the analytics system would also inform strategy. The project would formalize and implement a scalable analytics and data-management strategy and roadmap with two primary objectives:

- Transform the customer care operation via the application of analytics and the creation of self-service capabilities.
- Establish a solid enterprise-wide foundation on which to build future capabilities that promote business objectives.

The utility chose Cognizant as its analytics partner. Our approach proposed development in two tracks:

- Creation of an intelligence platform for the "as-is" IT landscape.
- A business track for creation of a use-case inventory and a prioritization framework.

Under the solution, the end customers would be empowered with the following self-service options:

- Bill explanation.
- Bill payment.
- Request for financial assistance.
- Service-interruption updates.
- Planning for service events.

The utility's customer service executives would be able to quickly and easily obtain more customer information and insights to serve the callers, maximizing customer convenience by helping them avoid calls and at the same time handling queries in lower cost channels.

Solution components included:

- A "platform of insights," a centralized data and analytics foundational platform to enable actionable insights.
- A "data-to-insights" function that enabled desirable business outcomes from implemented use cases and scale for the rest of the business to improve operational efficiency.
- Master Data Management with implementation of the SAP Master Data Governance (Utopia MDG) module.

Thanks to the analytics system, the amount of time customer care agents spend on the phone with customers is projected to drop by roughly 7%, driving cost savings. The analytics system is also projected to help the call centers reduce customer calls by 13.6%. The self-service options paired with the new interface will offer the customer service advisors ease of access, allowing them to empower customer advisors by providing insights to quickly meet customer demands.

The analytics system will help the utility plan for outages, allowing managers to make the best decisions on how to allocate resources during a service interruption. The net savings are projected to top $1,000,000 annually by reducing the number of service calls and also the number of trucks used in the field.

The system will help the utility better understand its customer base, propelling the company into the digital era, one that can better adapt to its consumer needs while also making sure that the lights stay on.

About Cognizant's MLEU Practice

Cognizant's Manufacturing and Logistics business unit operates as a trusted partner to global manufacturing leaders, helping them accelerate business performance in the digital world. The unit is recognized for its forward-looking approach by industry gurus, such as IDC MarketScape, which bestowed on it a "Leader" rating for service lifecycle management. Our business consulting professionals ensure that manufacturing and logistics clients receive exceptional business results from their technology investments and sourcing programs. Our domain solutions leverage digital technologies to build smart products, connect with digital consumers, provide real-time visibility into manufacturing operations, and automate knowledge work with cognitive computing. Learn more at **www.cognizant.com/energy-utilities-technology-solutions.**

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About Cognizant

Cognizant (Nasdaq-100: CTSH) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 195 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at **www.cognizant.com** or follow us **@Cognizant**.

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