

# **DIGITAL TRANSFORMATION IN THE WATER INDUSTRY**

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## **ABSTRACT**

Digital transformation is happening all around us; industries across the spectrum are facing disruption (i.e. challenges to current business models) and customer expectations are shifting rapidly. Customers expect more and public services are not exempt from these demands. Customers expect to have information at their fingertips and to be able to engage 24/7 which is why it's important for us to provide a good digital experience. Customers want and expect to interact with us on the go, wherever they are, at whatever time of day.

Watercare has embraced this challenge with a number of digital initiatives. We are redeveloping our website taking a mobile first and customer centric approach. Through the use of customer personas we mapped their journeys and objectives understanding that different customer groups have different needs. We asked customers what they wanted, listened to their feedback and designed an online experience that is intuitive and easy.

Analysing other key reasons that customers contact us enables Watercare to digitise the experience providing customer choice and operational efficiency. Customers can apply for connections online, getting only the information they need and supplying only the information we need. Customers can also quickly and simply advise us of leaks and faults by sending us photos and videos.

This paper presents Watercare's experience in undergoing this journey and how we are engaging with our customers to meet this challenge.

## **KEYWORDS**

Customer, digital, transformation, website, online.

## **PRESENTER PROFILE**

Katharine Walker-Mead has spent 17 years in both private and public utilities, including telecommunications and water, managing and delivering software projects. She is passionate about customers and transforming the way we do things to achieve a better customer experience and ultimately achieve better value and greater operational efficiency. She is responsible for the programme delivery of customer facing projects and Customer Experience including the Voice of the Customer Programme and customer insight analysis.

## **1 INTRODUCTION**

Digital transformation is the reinvention of an organisation through the use of digital technology to improve the way it performs and serves its customers. It is happening all around us; industries across the spectrum are facing disruption (i.e challenges to current business models) and customer expectations are shifting rapidly. Customers expect more and public services are not exempt from these demands.

This paper presents Watercare's experience in undergoing this digital transformation journey and how we are engaging with our customers to meet this challenge.

## **2 VOICE OF THE CUSTOMER**

To provide customers with the service they expect we need to understand what their expectations are. We have gained insight into how customers feel about aspects of our service through our Voice of the Customer Programme and associated data analysis. Establishing the impact of each variable on our Net Promoter Score (a proxy of customer satisfaction) has enabled us to prioritise initiatives.

## **3 CUSTOMER EXPECTATIONS**

Increasingly, customers expect to have information at their fingertips, and to interact with us on the go, wherever they are, at whatever time of day. We're able to communicate on any device, anywhere, and at any time. Globally, customer expectations are moving towards greater personalisation and options. Customers want self-service, voice, digital and social channels to interact with a company and its people yet still expect each to deliver a personalised experience. When calling, customers expect the front line service to have the authority and knowledge to resolve their issue, immediately.

Increased expectations are challenging in a public service context; there is a balance to be struck between meeting our customer's expectation, and the cost to do so. The key is to look for opportunities to remove redundancy from the business, automate as many high volume / low complexity transactions as possible, and surface out customer data so they can manage themselves. The cost of developing digital channels can be offset with achieving operational efficiencies.

It's a challenge that Watercare has embraced with a number of digital initiatives.

## **4 WEBSITE REPLACEMENT**

The foundation stone of our digital experience is our new website, currently in development and due to launch later this year. Taking a mobile first and customer centric approach, we consider our website a key strategic customer channel to assist in achieving our strategic goals:

1. Make it easy
2. Drive high volume and low complexity transactions to self-service channels
3. Give customers choice

Starting with the customer we developed core customer personas and, understanding that different customer groups have different objectives, we mapped each persona's journey through our website. Our desire is to build an intuitive and easily navigated website.

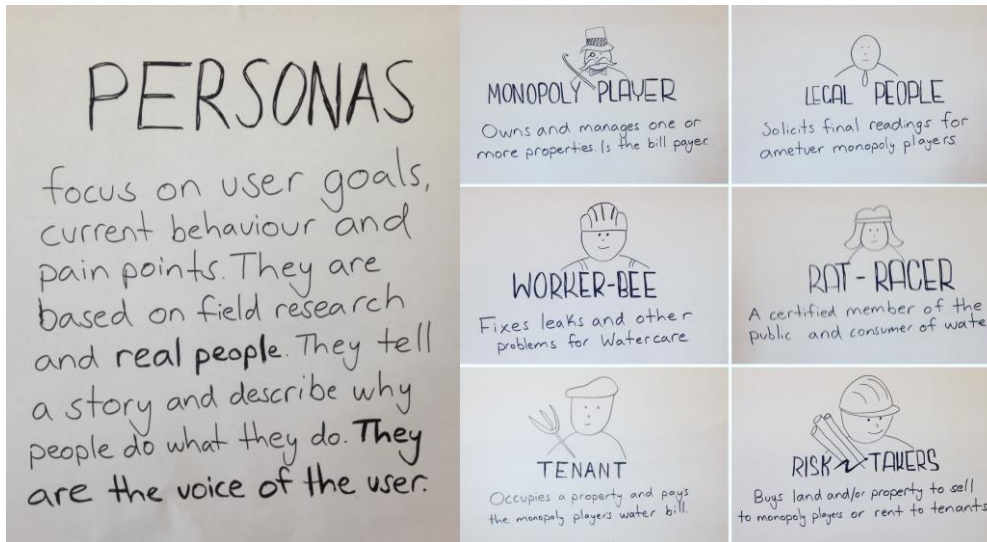


Figure 1: Website Customer Personas

Recognising that jargon is difficult for customers, our website content is being rewritten in plain English to address what customers want to know, in an easily digestible format. A reimagined governance policy ensures our website is not used as a document storage repository and that all content areas are owned and managed by a single point of accountability. We carefully consider what we publish, ensuring it meets our customer’s needs and expectations.

Our development partner has worked with us to achieve a customer centric design, and together we have tested our concepts with customers. For example, in detailed customer research it became apparent that customers don’t associate the word ‘fault’ with a water related issue and therefore failed to navigate to the correct screens to report (what we would consider) faults. It’s worth remembering that our industry language is just that, industry language.

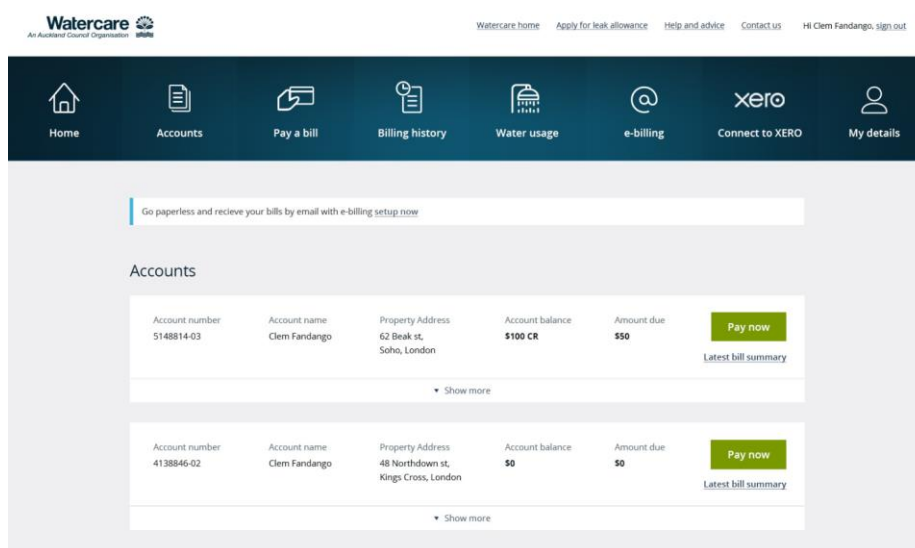


Figure 2: Customer Self-Service visual design sample

This has challenged our organisation to rationalise information and business processes. The development of a customer centric design has forced a rethink of how we do

business. In the past, our customers have had to adapt to our business processes, whereas in a customer centric model, we design our business processes to support the best customer experience we can, and continually strive to improve.

Offering a simple customer experience is difficult to achieve, particularly with legacy systems and data. As we replace our legacy systems, we'll be able to offer a much richer experience to our customers and collect much richer data about our customers.

One of the most complex processes for customers to navigate is connecting to our network. In designing an online experience for customers to apply for connections, we were forced to distill the process down to its component parts and rebuild it from a customer's perspective. The new connection journey is dependent on many external factors (e.g contractor availability, resource or building consent approval) and a customer could enter the process at various stages, at varying times.

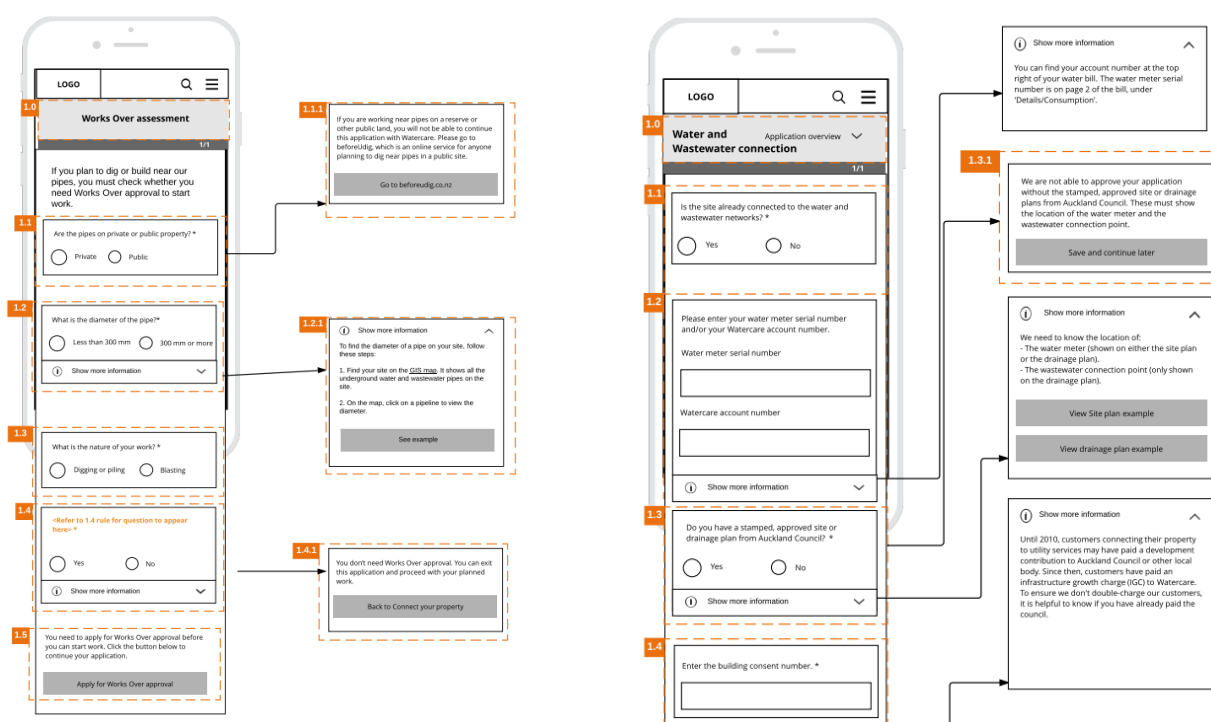


Figure 3: Applying for a connection online

This meant that we had to carefully consider what our minimum information requirements were to ensure that customers provide only what is needed to achieve a network connection.

## 5 OTHER DIGITAL INITIATIVES

Watercare is trialing a range of other digital initiatives:

1. The use of smart metering to offer a range of consumption and billing services providing an even richer experience for the customer. Smart metering will also support greater personalisation enabling us to offer specialised services, for example, notifications pertaining to usage.

2. Robotic Process Automation (RPA) is currently being trialed on several highly administrative but repetitive functions such as processing meter replacements and direct debit requests. In line with the principle to reduce the administrative burden of low complexity / high volume transactions, this will enable our people to focus on providing a better experience to customers with more complex needs.

## **6 CONCLUSIONS**

Customer experience has become the driving force behind digital transformation as more customers are seeking to build relationships with the organisations they do business with, rather than seeing them as one-off transactions. As such, customer expectations are constantly changing as they interact with businesses every day. Being proactive by anticipating customer needs, and being innovative with new and improved ways of meeting those needs, ensures positive and meaningful interactions with customers.

Digital transformation is not just about technology, it is about a change in culture and the way we do business, at every organisational level. Whether the drivers are to achieve optimal service delivery, lower costs, or improved business processes; at its core, this cannot be achieved without understanding our customers' expectations.