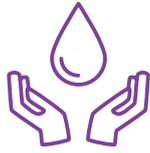


Customer outcome 4



Make my
experience better

- Improve first contact resolution and reduce effort
- Increase choice, awareness and value perceptions
- Better understand individual needs

What our customers say

Customers are unwilling to pay more for better experiences; they simply expect them as good business practice. They want issues easily resolved the first time and for us to better understand their individual needs to enhance service delivery. Better communication to improve awareness of who we are and what we do is strongly supported.

What we do now

We achieve high levels of customer satisfaction and offer a range of choices when it comes to how and when customers interact with us, from our 24/7 online self-service environment and live chat to simply speaking directly with one of our locally based support staff.



Our five-year approach

We plan to improve our customers' awareness of who we are and what we do and will assess this against a new value for money measure. We also plan to encourage uptake of digital channels that deliver efficiencies and continue focusing on initiatives (such as staff training) to improve first contact resolution and reduced customer effort. We plan to better understand customer satisfaction and needs by expanding our customer experience surveys to include more channels and customers.



What our customers told us

While customer satisfaction with the experiences we provide is high, averaging more than 90 per cent year-on-year, our customers have made it clear that we can always do better.

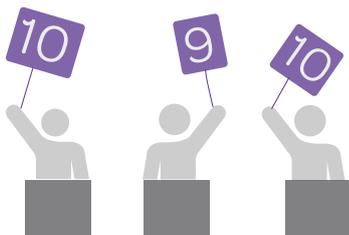
Yet with the exception of some business customers who are willing to pay for more personalised experiences (such as dedicated relationship managers), most customers were unwilling to pay for improvements.

Only 11 per cent of the 3,791 customers who completed our bill simulator indicated willingness to pay for service improvements, with 21 per cent suggesting reducing funding.

However as our engagement learnings have identified, this is not because experience improvements aren't wanted. They are simply expected as part of good business practice.

"Why should I have to pay for something I expect from any company?" – bill simulator participant

Surveys conducted through our Customer Experience Program during 2016-17 showed that 92 per cent of customers rated us six or more out of 10 for satisfaction with their service experience, while 75 per cent rated us nine or 10.



Customers want enquiries resolved first time with reduced effort

Business and residential customers alike have highlighted the importance of South East Water valuing their time and effort during service interactions. They prioritise first contact resolution of enquiries over speed yet find wait times and transfers frustrating. Keeping them informed or warned of service delays and the progress of their enquiries is also highly valued as it can prevent additional contacts and unnecessary effort (as evidenced in 'Outcome 2: Warn me, inform me').

90%

Customers participating in our value research who only want to contact South East Water once to resolve their issues.

"The worst is to be on hold with no idea how long the call will take before you speak to someone and then you find out they can't assist you and transfer you somewhere else and you're on hold again." – online community member

"Can't say I'm totally satisfied as I don't know if it has been rectified, even though (I've) been told it would be." – Marina, 56, Sandhurst

"I want the issue resolved and I don't want to chase things up." – real estate professional

Well trained, knowledgeable and empathetic staff, along with the convenience of our Melbourne-based support centre, are highly valued by business and residential customers alike. They are also considered key to effective enquiry resolution and quality service experiences.

"I'd pay more to keep the contact centre in Melbourne." – plumber, focus group

"Helped me with two issues quickly and efficiently and even offered more than I requested. Can your team take over electricity and telecommunications please?" – Robyn, 55, owner occupier, Elsternwick

"On the phone it depends on who you get. Some people understand and have more experience but others don't." – real estate professional

"Any difficulties encountered in the past have been handled in a helpful and sympathetic manner. South East Water ranks as the best utility provider in my view. Thanks for everything." – Peter, 76, owner occupier, Aspendale

Customers want choice and awareness about service offerings to understand the value we provide

Experience and service improvements are things some of our customers believe that as a monopoly (and commonly perceived private company) we overlook or don't invest in as they have no other choice of provider.

"We are stuck with the service... they are too greedy." – CALD focus group participant



This thinking correlates our service experience with value for money perceptions and is common among both residential and business customers.

51%

Customers who completed our bill simulator who believe we offer good value for money.



For many customers poor perceptions of the experience and value for money we provide are simply due to a lack of knowledge and awareness about South East Water and the service options currently available to them – particularly digital ones that offer choice, convenience and control. Automation of services and digital offerings are highly valued as they are seen as a way to deliver business efficiencies that could fund investment in other service areas important to customers.

“If you digitise and automate some of your offerings, you’ll be able to reinvest this in areas important to us.” – Co. creation workshop

“It’s better to do the little things online rather than calling and spending time on hold on the phone.” – female, 39, owner occupier, Cranbourne West

“I didn’t know you had an app - I’d use that.” - male participant, co-creation session

34%

Customers who are not aware of our ownership structure. Customers who understood we are government owned viewed us more positively in relation to the value we provide.

36%

Customers who think we are privately owned.

Customers want service that meets their individual needs

Our residential customers and business customers have told us that they value service experiences that meet their individual needs. We’ve learnt through our engagement that these needs are diverse and vary in terms of complexity. For some residential customers service needs are quite simple with transactional, digital interactions or even no experience or interaction highly valued.

“I have been in my unit for over five years now without a problem or any reason to contact them. I suppose you say no news is good news... if you are receiving good service you should never have to talk to them.” – CALD focus group, Vietnamese community member

This is similarly valued by some business customers including real estate agents, property managers, builders and even some plumbers who just want seamless, transactional and preferably online service experiences that let them get on with their job at hand.

For other customers it can be quite the reverse, with minimal engagement seen as impersonal and far from the emotional connection or genuine, ongoing relationship experience they are seeking.

“They treat me like a number. I get a bill via email every few months. That’s all the communication we have.” – online community member

This is particularly the case for a number of our large business customers including developers, local councils, large commercial industries and even water intensive retailers. In one-on-one interviews they expressed concern and disappointment in our lack of engagement, collaboration and the disappearance of relationship managers who previously provided a key point of contact, support and strategic advice during the Millenium Drought.

“What do I want from South East Water? Communicate effectively. Let us know about new things. Talk about it.”

“Bring back the relationship managers.”

“During the drought we had contact every day of the week but nothing now.”



What we do now, our plans and measures

We propose the following measures during the next regulatory period, to make our customers' experience with us even better.

Improve first contact resolution and reduce effort

Historically, we have measured customer satisfaction post interactions in the contact centre. On average during the current period, 92 per cent of customers ranked us on a score of six or above (out of 10).

We propose to deliver improved key programs to enhance customer experience, including a major focus on reducing customer effort, improving resolution of issues and keeping customers better informed (see 'Outcome 2: Warn me, inform me').

During the next regulatory period we propose to:

1. Re-align our business processes, structure, systems and employee training to drive greater resolution of enquiries on first contact.
2. Explore more proactive ways to warn or inform customers about service wait times and resolution timeframes to reduce effort and avoidable contacts.
3. Continue automating existing processes, introducing new digital offerings and improving the user experience across existing ones (specifically our website, app and self-service environments) to reduce customer effort, deliver better value and drive efficiency gains that can be invested into other experience improvements customers expect.

4. Enhance our complaint management processes and analytics to enable early identification of key service trends and opportunities for improvement to help reduce complaint numbers.

At a minimum we propose to maintain our existing performance levels while absorbing customer growth.

5. Explore new measures to monitor first contact resolution and customer effort in 2017-18 to provide a baseline target for reporting back to customers by the start of the next regulatory period. Targeting 85 per cent, we'll continue to measure customer satisfaction through post interaction experience surveys and expand these across more channels – specifically digital ones.¹

Table 14 Customer satisfaction and total complaints

	2016-2017 current performance	2022-23 target
Customer satisfaction – rating of 6 or above	81%	85%
Total customer complaints per 100 customers	0.43	0.37

Increase choice, awareness and value perceptions

We'll work with our customers to explore effective and meaningful ways to engage them around our service offerings and performance to improve their awareness and value for money perceptions.

During the next regulatory period we propose to:

1. Introduce targeted engagement and communications programs to:

- increase our customers' understanding of who we are and our service offerings

- improve their value for money perceptions
- drive uptake of digital channels.

2. Monitor the success and impact of these programs through the introduction of a value for money measure in our post interaction surveys.

Better understand individual needs

We're committed to better understanding our customers' needs, particularly our business customers so we can best deliver the value and service solutions they are seeking.

During the next regulatory period we propose to:

1. Co-create and implement service plans that deliver the value and levels of experience that our business and residential customers expect.

2. Enhance our Customer Engagement Framework with the key initiatives outlined in 'Engaging with our customers', including expanding our customer experience surveys to include business customers, customers who don't interact with us and channels not currently measured.

1. Historically, we have measured customer satisfaction post interactions in the contact centre. On average during the current period, 92 per cent of customers ranked us on a score of six or above out of 10. During 2016-17, when including new touchpoints, 81 per cent of customers responded with a score of six or above out of 10.

Key actions, activities and programs to help make my experience better



Project	Cost (\$M)	Impact to average customer bill (\$ per annum)	Description
Service automation and reducing avoidable contacts	Supported by Business Support Systems Program – refer to 'Capital expenditure forecasts' section	Impact shown in Outcome 2: Warn me, inform me.	→ Improve service offerings to ensure user experience needs are met and effort is reduced, including through our mySouthEastWater app, Property Connect website, online services, call back services and queue management.
Customer Experience and Business Strategy Program	Delivered through baseline operating expenditure	\$0	→ Innovate and expand our current Customer Experience and Business Strategy. This will include a program of key initiatives to address service experience needs and unmet expectations across key customer segments, channels and touchpoints.
Customer education	Delivered through baseline operating expenditure	\$0	→ Develop and implement a coordinated communications approach to help customers better understand who we are, what we do and that it represents good value for money.
Customer data and relationship management	Supported by Business Support Systems Program – refer to 'Capital expenditure forecasts' section	Impact shown in Outcome 2: Warn me, inform me.	<p>Improve the quality, capture and management of customer data across all business areas:</p> <ul style="list-style-type: none"> → improve existing data capture and quality → build more detail and better understanding of individual customers, including preferences and needs to tailor experiences → centralise and consolidate all customer interactions and data into one system (Salesforce), to provide a single source of truth and improve management of relationships and experiences. <p>These actions also support the delivery of enhanced notifications for interruptions – please refer to the table in 'Outcome 2: Warn me, inform me'.</p>