

ESB NETWORKS CX TRANSFORMATION PROGRAMME

About ESB Networks

ESB Networks is responsible for building, maintaining, operating and developing Ireland's electricity network. We ensure that all 2.5 million Irish homes, businesses and industrial customers are connected to a safe and resilient electricity network every second of the day. We are a commercial semi-state in existence for 90 years and are regulated by The Commission for Utility Regulation (CRU).

ESB Network's CX Team

ESB Networks Customer Experience (CX) Team consists of 200 people working in Customer Operations, Marketing & Insights and Customer Innovation. The CX team is leading the change to drive a customer centric ethos and excellence in the delivery of our services to our customers. Digital is a key enabler, helping to streamline customer journeys, grow our suite of self-serve digital platforms and make every interaction as simple and as convenient as possible for our customers. Working together with staff and specialist CX expert organisations, Network's strategy and roadmap to deliver an exceptional customer experience was fully scoped in early 2021.



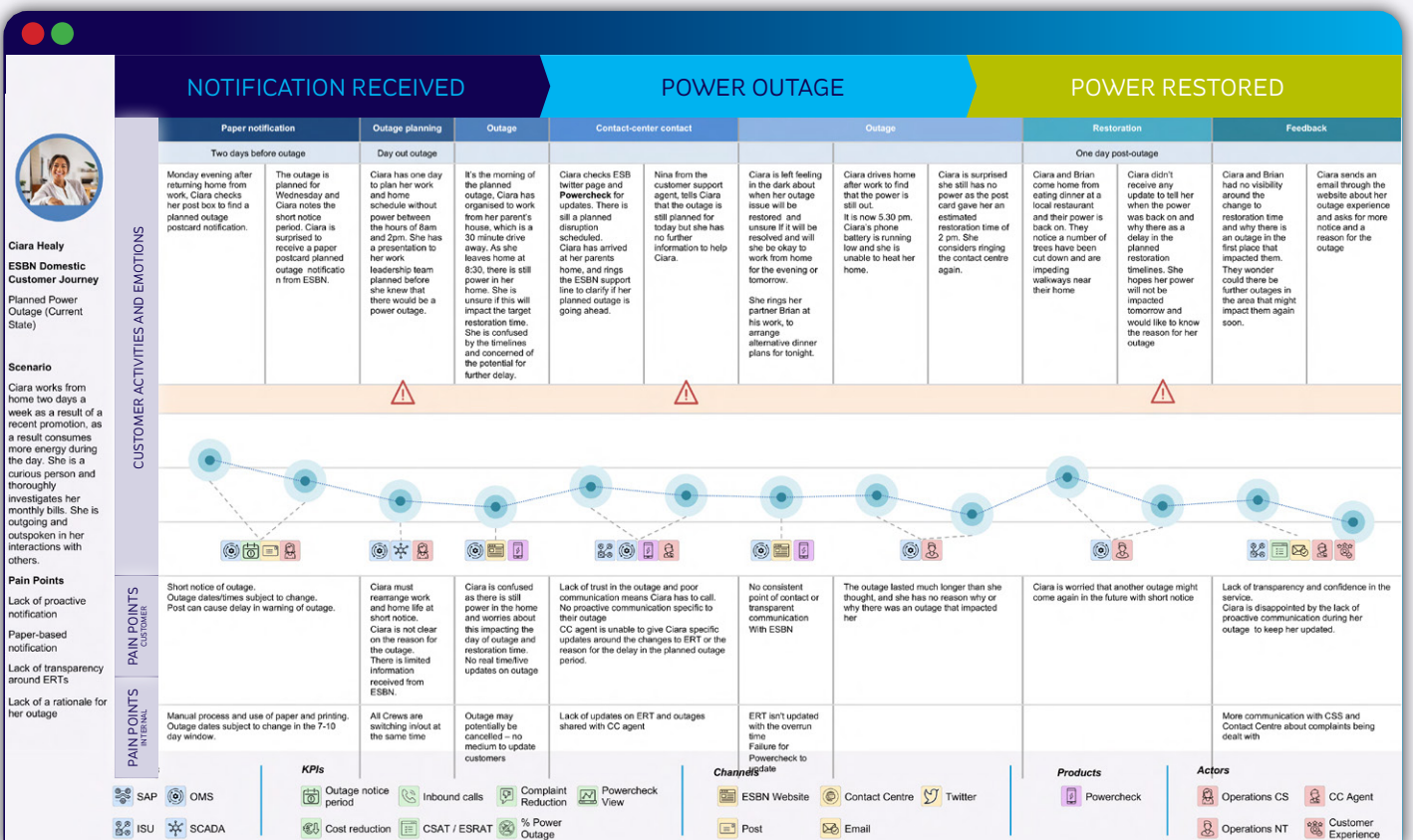
1. WHAT WERE THE CHALLENGES AND HOW WERE THEY IDENTIFIED?

Challenges

- ESB Networks is a monopoly so the case for Customer Experience Excellence is challenging
- We are 90 years old, have legacy IT systems, paper-based and have an engineering-led mindset
- Get buy-in and invest in full-time resources to deliver the CX Transformation programme
- Customer Satisfaction (CSAT) targets are set by CRU, increasing year on year 2020 – 2025. The target is 81.5% in 2022 and rises to 83% in 2025. We've set out to outperform the CRU target by 3% from 2024 to return a positive financial incentive from CRU (worth €5m annually)
- Provision of actionable customer insights that drives positive change for our customers

Objectives

- Our goal is to deliver an exceptional customer experience across all customer segments
- We are transforming the relationship with our customers so that it is convenient and easy to interact with us by:
 - Streamlining customer journeys, principally New Connections and Power Outages
 - Keeping the customer proactively informed throughout the customer journey
 - Developing a one-stop-shop Customer Digital Portal for all digital self-services
 - Balancing digital assist, self-serve options with our customer contact centre services
- Develop business case for ten resources to deliver a programme of initiatives from 2021 to 2023
- Develop a comprehensive Customer KPI interactive dashboard and recruit a dedicated expert Customer Insights person
- Implement a CX Roadmap of initiatives that increases Customer Satisfaction from 81% in 2021 to 86% in 2024 and drive operational efficiency across all customer facing teams.



Sample Customer Journey for Outage Management to inform our CX Transformation Roadmap

How did we identify these?

In 2019 and 2020 we carried out extensive internal and external engagement to provide us with customer insights around our customer and employee pain points. In collaboration with W5, our strategic research agency, we prioritised a CX Roadmap of initiatives that would strengthen CX and increase customer satisfaction by focusing on the opportunities across our key customer journeys.

- We developed value-based score cards for each CX initiative and its impact on CSAT
- Mapped out Customer Journeys, pain points, personas and key areas for improvement
- Worked with our IT Digital team to scope out costs for digital initiatives
- Scoped out the resource requirements for the two-year programme

2. CX IMPLEMENTATION

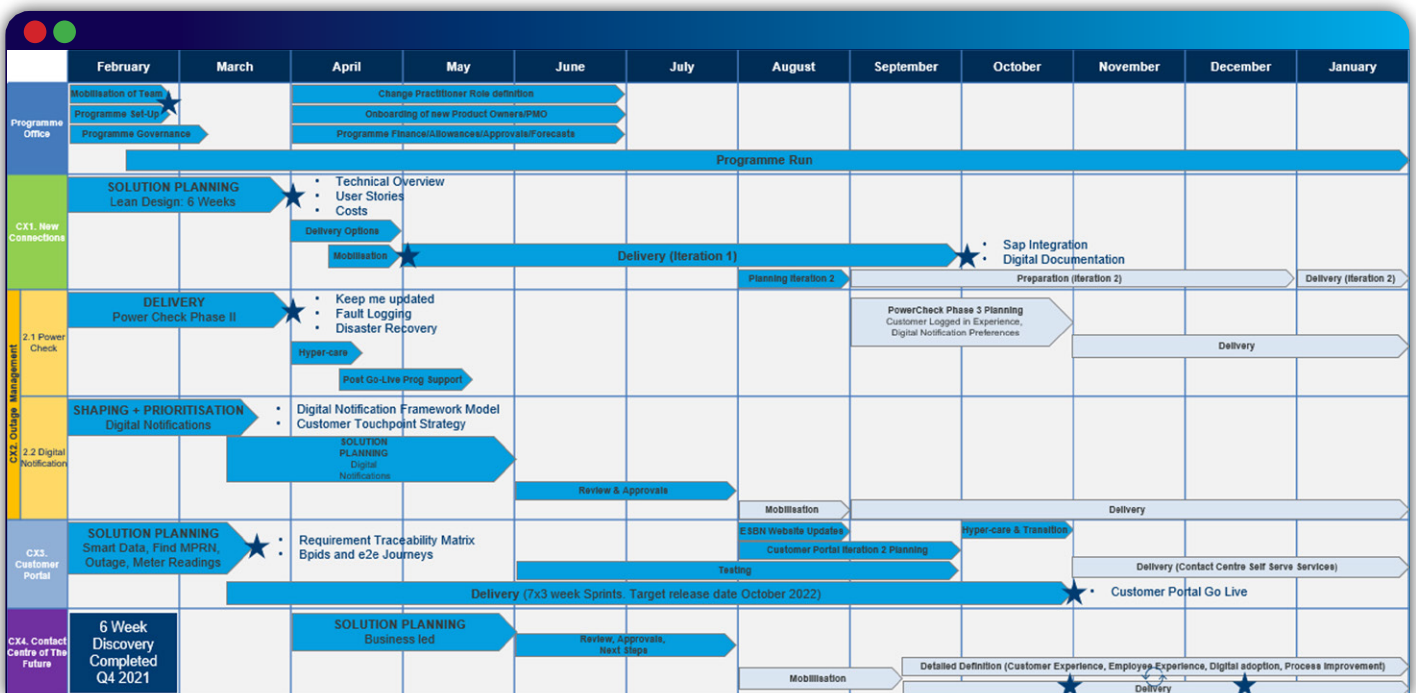
What was our approach?

With the CX Roadmap defined, targets set and a Senior Customer Board established to govern the programme we sought approval for ten expert staff to implement the CX Programme. The full team is in place since February 2022 however a number of the initiatives commenced in 2021.

What did we do in 2021/22?

In 2021/22 we focused on streamlining key customer journeys and touchpoints to provide digital online self-serve options to make it more convenient and simpler for customers to interact with us.

Our 2022 Roadmap illustrated below shows the implementation path for our CX initiatives followed by more detailed descriptions of each.



CX Transformation Roadmap 2022

CX TRANSFORMATION ROADMAP INITIATIVES

A. Embedding Customer Centricity

A key objective of the CX programme is to embed customer centricity at all levels in the company. In 2021, we developed a Customer Performance KPI interactive dashboard that provides information on CSAT, customer operations, complaints, brand health and customer touchpoints (Contact Centre, Powercheck, Social etc). This platform is now widely used to drive improved performance.

Other initiatives to embed customer centricity include:

- Customer KPIs and journey scores are embedded in front-line staff monthly reviews
- A Customer Insights/Research expert joined in July '22 to lead this area.
- Customer Action Forum takes place every two months with senior management to discuss performance and current customer topics/issues that need to be addressed
- A quarterly Customer Performance report linked to the Customer dashboard is issued to all staff



Customer Performance KPI Dashboard

B. New Connections Customer Journey – Seamless End-to-End Digital Process

Another key customer journey is connecting homes and businesses, circa 30k per year. Our goal is to develop a simple and easy path for our customers by designing an enhanced digital experience, reducing the time from application to connection and proactively communicating to our customers over the 60 day timeline.

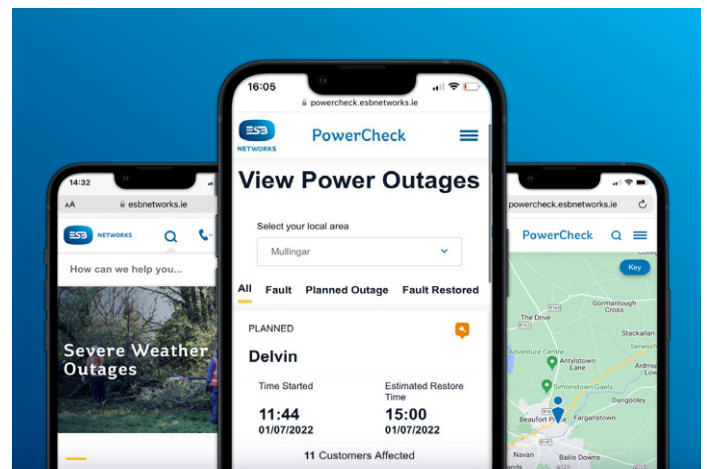
- Enhanced New Connections Portal enabling Domestic/Small Businesses to apply and track their connection online, 87% customer adoption to date, phase 2 will be delivered in 2022.
- To support the significant growth in Residential Microgeneration we implemented Robotic Process Automation (RPA) solution to speed up the application process by 60%.

C. Power Outage Customer Journey - Keeping Customers Proactively informed

The provision of proactive, accurate outage information is identified by customers as a critical area for improvement (CSAT research Behaviour & Attitudes). ESB Networks Powercheck.ie is an interactive tool showing outage locations and power restoration times. It has over 4.3 million views per year. In 2021 we redesigned UI/UX and in 2022 new features were launched on Powercheck:

- 'Keep me updated on an Outage' enables customers to be kept updated on an outage via SMS/email and since launch 10% of all users are using this feature
- 'Report a fault' enables customers to log a fault using their EIRCODE in PowerCheck. This improved customer journey in PowerCheck has resulted in a 30% increase in customers usage.

We are currently working on further enhancing our SMS notification service to customers in 2022 so they will be proactively informed of any power outage affecting their home or business. This service will be live in 2023.



New Customer Features on Powercheck.ie

D. Enhancing Key Customer Touchpoints - New Networks Website launched

ESB Networks website was revamped in 2021 to improve the User Experience/ Interface, with a specific emphasis on improving Outage Management and New Connections journeys. In collaboration with Wondr and input from customers we solved navigation issues, gaps in content, support and search functionality.

The new customer-centric website was launched in June 2021 and won the Sitefinity International award in the Utilities category in May 2022.

E. Developing a One-Stop Digital Self-Serve Customer Portal

In line with our overall objective to make life simpler for our customers and bringing our digital services under one roof, we are developing an online customer portal so customers can digitally self-serve key services:

- Access and download energy consumption data from your electricity meter
- Submit a Meter Reading
- View power outage status and estimated resolution times at your property
- Find my MPRN (personal electricity meter code)
- Map existing New Connections Online Portal (point 2 above)

The new customer portal will be the platform for all new digital services launched by ESB Networks in Q4 2022 and there is a roadmap of other services planned for 2023 and beyond.



Who Did What?

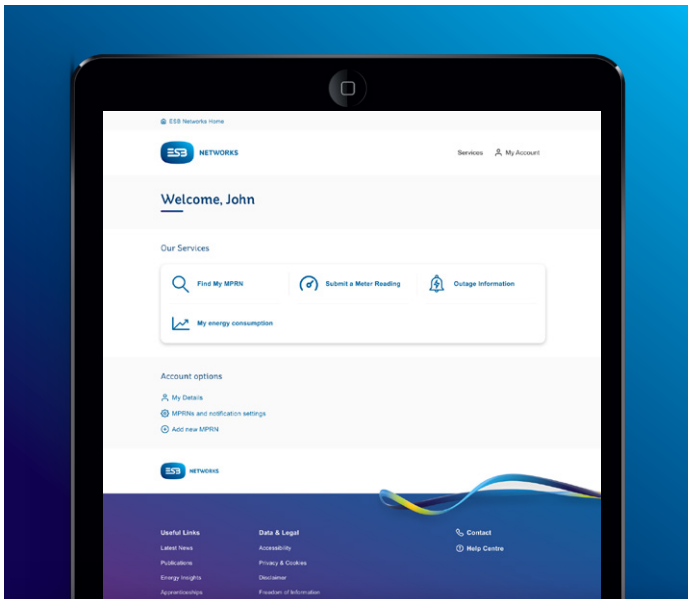
The CX Programme has a team of 10 people structured to deliver the roadmap of activities and includes a Programme Management team, Change Management & Engagement and Product Owners who are responsible for the delivery of each workstream.

CX Transformation Programme – Work in Progress and Future Plans

The fourth workstream of the CX Transformation Programme is the “Contact Centre of the Future”. This aligns with the new Online Customer portal and our goal to transition simple tasks away from call centre agents to digital self-serve options. Working with KPMG in 2021 we undertook a deep-dive analysis of the Call Centre’s call drivers and a matrix of opportunities to improve our service was mapped out in January 2022 and work has now commenced on this workstream.

We are currently developing a Customer Centricity Programme which will include customer experience training, internal awareness campaign and events to shine a light on the customer.

The CX Transformation Programme 2023 will include further initiatives to improve Outage Management, New Connections journeys and additional services. Work has now commenced on this workstream and will continue into 2023.



Digital self-serve Customer Portal

4. IMPACT AND RESULTS

How do we measure the impact?

As outlined above we’ve a very comprehensive view of our customer data and KPI’s with monthly updates on the Customer Performance KPI interactive dashboard. In addition, our research partners, Behaviour & Attitudes provides a two monthly deep-dive report on our performance and actionable insights.

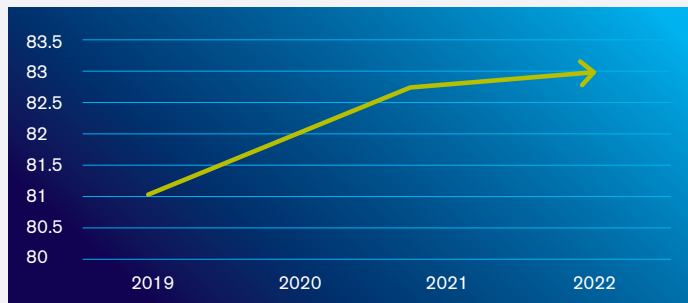
We also measure the digital adoption of new products like Powercheck.ie and the New Connections portal.

We enter awards so we can benchmark the quality of our new digital services against other customer service organisations. We had success with our new website, winning the Sitefinity international award in 2022. In 2021 we won a Customer Innovation award in ESB for our new Connections Online portal.

WHAT IS THE CUSTOMER IMPACT?

Customer Satisfaction Scores Trend Upwards

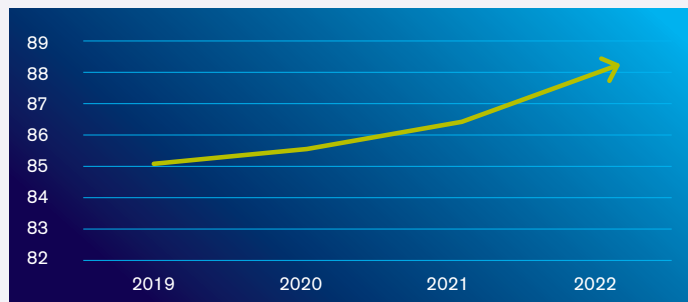
There has been an overall increase in Customer Satisfaction (Red C/Behaviour & Attitudes) year on year from 81% in 2019 to 83% Q1 2022. In 2021 our CSAT score was 82.8%, above our regulated 81% target from CRU, resulting in a positive incentive worth €1.8 million.



Customer Satisfaction Score (Behaviour & Attitudes)

New Connections Customer Service Improvements

The impact of the New Connections journey enhancements is evident from the widespread adoption by customers of the Online Portal and Tracker platform which stands at 88% and over 32k customers now registered, as of June 2022. We also see an upward trend in customer satisfaction of 4% since 2019 and New Connections complaints represent just 1% of the total number of complaints in 2021.



New Connections Customer Satisfaction (Behaviour & Attitudes)

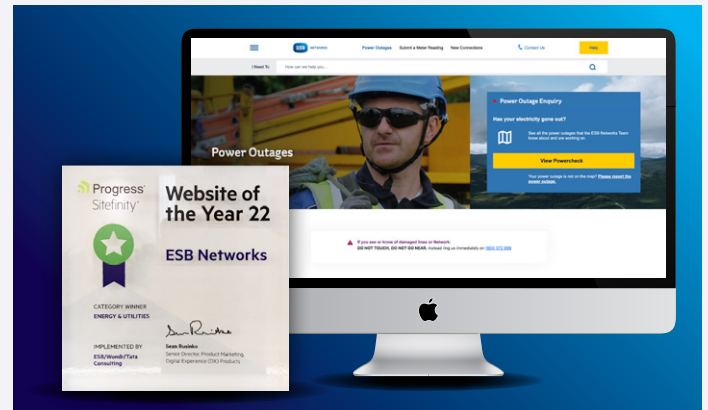
Outage Management Customer Service Improvements

We have significantly improved the Outage Management customer journey by improving Powercheck.ie features and the user experience. There has been a significant growth in usage (by those customers experiencing an outage) from 38% in 2020 to 58% in 2021 and 63% in 2022. We have since seen a reduction of 39% in complaints on Outages.

We also see positive adoption to new features in Powercheck launched in 2022; 10% of customers are using the “Keep me Updated” feature; and there is an increase of 30% usage in the fault-logging feature. The increase in usage has resulted in a reduction of calls to the contact centre and during severe weather events like storms or major outages, these new features will play an even more critical role.

Customer Centric Website Wins Award

The International Sitefinity Awards were evaluated across six categories of criteria—visual design, content, layout and navigation, complexity, innovation and significance—and selected through public voting with more than 6,200 votes cast.



WHAT IS THE COMMERCIAL IMPACT?

The customer satisfaction scores have generated revenue of €1.8 million in 2021 and we are on target to deliver further incentive revenues as the benefits of the CX Transformation Programme to our customers are realised.

Our CX focus is not only driving customer satisfaction but also impacting positively on operational efficiencies and reducing costs. Our New Connections process is shifting from paper to digital, reducing the manual administrative tasks that equate to four full-time resources. In addition, the Microgeneration automated robotic process put in place to handle the significant increase in customer applications has eliminated the requirement for two new full-time resources.

The shift to digital processes is also having a significant impact on our print and postage costs and the savings are worth €50k per year. The other very worthwhile benefit is the positive impact on the environment which is in alignment with ESB Network’s Net Zero Strategy.

What is the impact on driving a customer centric culture?

The CX Programme has a high profile across the company, helping to raise awareness about the importance of the customer. Our Customer Performance dashboard has shone a light on our Customer KPIs and since 2021 are a basis for staff performance reviews and bonuses which means there is a lot more of a focus than heretofore. Senior Management performance reviews and the Customer Action Forum also put a spotlight on our customer KPI’s which drives action and business decisions to improve our customer experience and increase customer satisfaction levels.