

The 3 key things energy brokers need to boost growth

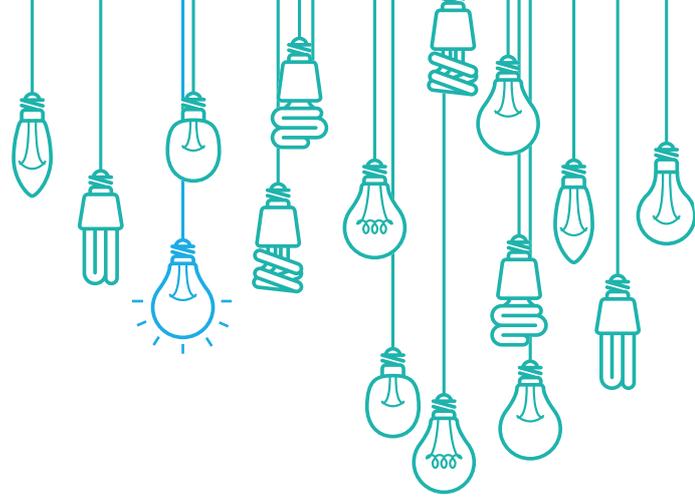
Using technology to make more sales and build genuine customer relationships



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1. Energy Broker Challenges

From our conversations with UK energy brokers, several of which are clients of ours, all identify essentially the same three challenges:

- Make new sales more efficiently to maintain market share and protect against the threat of digital disruption from tech start-ups
- Protect against the possibility of OFGEM imposing additional regulations on the market by being bullet-proof on compliance
- Increase renewals and build stronger relationships with customers throughout the lifecycle to be able to offer additional value and services

State of the market

While the UK energy broker market for businesses is currently the least regulated part of the energy industry, OFGEM is starting to take more of an interest in how brokers conduct their business. This includes accuracy and transparency of pricing, fairness of the terms in contracts, and the relationships between brokers and customers and brokers and suppliers.

From our experience in the sector this is only a good thing and many brokers are welcoming it as they are already striving to go above and beyond minimum expectations anyway. It's simply good business practice those companies that gain customers' trust will always win in the end.

As well as the potential tightening of the regulatory environment, new open platforms like Troocost are coming online which if taken to their logical conclusion could very well allow customers to find the best prices for themselves.

If energy brokers aren't to be severely impacted, as for example happened to the IFA sector in the financial industry, they are going to have to deliver additional value to their customers and demonstrate that they are offering the best possible prices.

Owning more of the customer relationship

Right now, many brokers have little contact with their customers outside of the initial sales process, other than at renewal time every year or two. This lack of added value input during the period of a customer's contract leads to attrition as there is no real relationship between broker and customer. The customer ends up wondering what they're paying the broker for exactly.

All of which means the B2B switching market is if anything even more cutthroat than the consumer switching market now dominated by the big price comparison sites. Rightly or wrongly, in the public's eye brokers are too often characterised by cold calling, aggressive sales techniques, and opaque pricing.

It's not as bad as all that, and most brokers are extremely ethical, but there is plenty of room for improvement before customers just opt to go direct, or the market all but gets regulated out of existence.

Operational challenges

At the same time all brokers have several operating challenges which impact on their ability to find customers and deliver great deals to them.

These include:

- Accessing more suppliers to get better deals, expand geographically, and gain a competitive edge
- Getting flexible payment plans to suit their evolving business requirements
- Streamlining or even automating pricing so they can spend more time selling
- Automating contract creation and fulfilment to close sales more quickly
- Managing relationships with customers by providing additional services
- Delivering excellent customer service levels at every touchpoint and lifecycle stage

Fortunately, the digital revolution is starting to offer some real solutions to these challenges.

In this short guide we are going to look at how technology can help energy brokers with three key challenges:



Pricing

Accurate up-to-date pricing in real-time means you can give prospects the most accurate quotes and best prices



Contracts

Automated contracts save time and improve accuracy which means you can close more sales quicker



Customer Service

Having greater visibility of data and access to CRM enables building of better customer relationships, not just at contract and renewal stage

2. Technology Solutions

Consumer expectations are shifting dramatically because digital technologies have led them to be able to interact with companies in new ways which are generally faster, richer in information, and more convenient.

Any company that is unable to meet these expectations is likely to see customer satisfaction and loyalty decline.

Those focussed on improving customer experience are often most concerned with making changes to front-end, customer-facing applications and services - improving dashboards and self-service capabilities or opening new customer service channels via social media and chatbots. But this is only part of the story. Changes must be made across the organisation.

Brokers face several barriers to achieving this. Disjointed customer service capabilities across various channels make it a challenge to

control costs and ensure customer satisfaction. In addition, a lack of business agility, fragmented processes and complex infrastructure make it difficult to provide a seamless customer experience.

Finally, while brokers still have a lot of power in the B2B energy market, they are over-reliant on their supplier partners for quoting, closing sales, and delivering customer service. Technology can now allow brokers to offer new services and improve the efficiency of their current business models.



2.1 Pricing

Businesses use energy brokers for the same reason that consumers use price comparison sites; to get the best deal that meets their specific circumstances. But more often than not they are being failed as brokers can't be sure they are giving the best deal.

Pricing in the B2B market is, of course, a lot more complicated than in the consumer market and depends on the business customer's location (or locations), type of site (shop, plant, warehouse, etc.), business activity, consumption patterns, and so on.

To make matters worse every supplier has its own pricing matrix and of course they change these whenever they want. Most brokers plug into pricing from their suppliers by accessing a pricing portal that the supplier makes available to them. Usually the broker just gets access to the prices and is unable to really integrate the pricing portal into their own IT systems. As brokers work with multiple suppliers they will



generally have to query several pricing portals, each with their own obscure pricing rules and user interfaces with which to interrogate them.

Due to the complexity of pricing, and the fact that every supplier uses totally different criteria to determine prices, it is too complicated for brokers to work with more than a handful of supplier partners. This lack of transparency in pricing information can make it difficult to know which deal is best given the customer's circumstances.

The ultimate pricing tool

We work with a few UK energy brokers and have talked to even more in putting this guide together. Whenever we asked them what piece of technology would completely transform their business, they all replied what they would really like is a system that gives them access to accurate prices from as many suppliers as possible in real-time.

This hypothetical system would include:

- Direct link into industry data which is perfectly accurate and up to date
- Access to regular meter readings to see consumption data
- Balanced scorecard of price, service and comparison tables for each supplier

Such an all-encompassing, all-in-one pricing tool which picked up automated pricing from suppliers would give brokers the chance to accurately offer the best prices for each customer's circumstances and do this while operating independently from their supplier partners.

Several independent platforms like Troocost are aiming to do this but as we have seen, also threaten brokers. What the existence of these platforms does show is that suppliers are able to provide their pricing data in such a way that can it can be homogenised with and compared to other suppliers. The more such platforms that exist, and the more energy brokers demand this level of transparent pricing, the more suppliers will ensure they can meet that demand.

As an alternative to these platforms, individual energy brokers could deploy their own pricing platforms. Once pricing methods converge to enable genuine comparison all we're talking about is building a system that makes API calls to multiple suppliers' pricing portals and displays all these prices in a common way that allows meaningful comparisons to be made.

Building such a system completely from scratch could be time consuming and expensive, however there are plenty of technologies that can be customised to do this. The difficult part is to make it easy for sales agents to interrogate the pricing matrix in order to provide prospects and customers with accurate quotes very quickly.

A single agent interface

Instead of having to hit up complicated Excel sheets that aren't updated in real-time and cannot be interrogated without some technical know-how, what's needed is a system with an accessible and easy-to-use user interface.

For example, using desktop workflow software, sales agents could select options which describe a given prospect's exact circumstances. This would send a query to the pricing system which would immediately return a scorecard rating all the applicable suppliers for price, service, accessibility, and any other factors thought to be important. A sales agent could even do this while the prospect was on the phone rather than spend an hour or so digging around in an Excel sheet to put a quote together.

The cost savings during the quoting process speak for themselves, but a pricing system like this solves all the challenges we looked at above. It allows brokers to operate independently and be sure they are offering the very best pricing options to each customer, and they can do this perfectly transparently.

Infinity's desktop and workflow software is used as a quote engine by energy brokers and energy companies. See the final chapter of this guide for more information.

2.2 Contracts

Once a customer has been provided with a quote the next challenge is to convert that into a sale. Assuming the price is right, this stage of the sales process generally involves a lot of going back and forth with the customer and supplier:

- Filling in an application form with the customer
- Obtaining information from the customer, or from third parties, such as usage and meter data
- Getting verification of the data and prices from the chosen supplier
- Signing off the contract with all parties
- Onboarding the customer and setting them up with their new supplier
- Starting the customer's new service

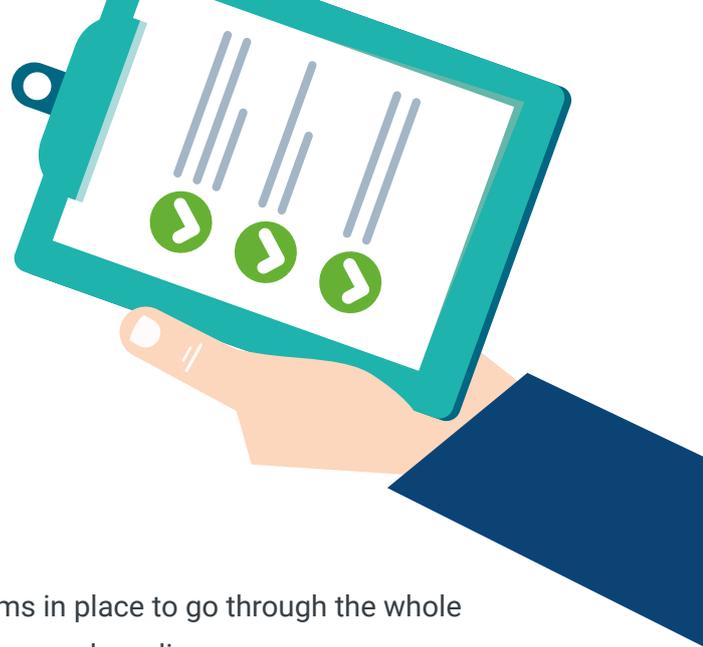
At the moment the majority of brokers delegate much of this work to their energy supplier partners as those companies already have

systems in place to go through the whole customer onboarding process.

Doing this, however, leaves one of the most important steps in the customer relationship in the hands of a third party. The broker is unable to influence the efficiency and speed of the whole process, and even its success. A supplier might well be processing thousands of new customer applications at any one time, from direct customers and the customer of other brokers. Its priority is to churn through those applications as best it can, not look to maximise the conversion rate of your own potential customers.

In addition, by effectively outsourcing this process, brokers are missing out on many unique opportunities to add value for customers and deepen their relationship with them. Even if there is no immediate monetisation in this, it will likely pay dividends down the line in terms of increased customer loyalty at renewal times.

From our conversations with energy brokers, many said they would at least like to be able to co-manage the application process with their suppliers so that they could update their own customers on progress and get involved proactively where they can add value or make things more efficient for the customer.





Case management and workflow software

There are plenty of off-the-shelf CRM and case management software solutions that could be cost-effectively customised and deployed to give an energy broker the capability to track and manage customer applications from start to finish.

At appropriate points in the journey the system could make API calls to suppliers' systems to send or request information. The crucial point is to make everything as convenient and efficient as possible for the customer. Ideally, they would need to do almost nothing at all.

With our energy broker clients, we take the approach of breaking the whole contract – from sale right through to onboarding – down into many manageable steps. For each of those we then define a workflow which can be run by whichever member of staff is completing that step.

For example, one step might be a back-office process where a team member needs to input or fetch data from the supplier's system.

To accomplish this the team member just opens the workflow and follows the on-screen prompts to enter the required data. Another step could involve a customer service agent having to call the new customer to request some information. Again, the agent would open the workflow for this part of the process and follow the on-screen prompts. If the workflow is integrated with the company's telephony solution, then the number is dialled automatically and call backs scheduled.

What's more, because everything is stored in the central case management system it can trigger tasks and automatically pass these through to appropriate staff. For example, it might have a note to chase up the supplier or customer for something on a certain date, and will automatically give someone that task, along with the appropriate workflow to accomplish it, at the right time.

So, it's not just a case management or CRM system that's needed, but a user-friendly front-end interface to this that allows back-office and customer-facing staff to quickly take the steps needed to move contracts forward at each stage.

Such a system not only ensures things get done when they're supposed to, thus making everything more efficient for the customer, it also allows the broker to have full control of the contract process and maximise conversion rates. By holding the customer's hand, it also enables the broker to build a genuine relationship of trust.

Infinity's desktop and workflow software is used as a case management system by energy brokers and energy companies. See the final chapter of this guide for more information.

2.3 Customer Service



Price is always a determining factor for customers when choosing an energy supplier. However, a recent survey research from Which? suggests that cheap prices alone do not always guarantee happy customers.

While 79% of people told Which? that having a lower price than their previous supplier was an important factor in choosing their current firm, better customer service was a key factor for 31% of the people surveyed. A fifth claimed to choose a supplier with a good reputation or one recommended by experts.

To remain competitive energy brokers must respond to this and find new ways to be more customer-centric, empower customers with proactive and personalised care on all channels, and where possible have greater control over their own customers' usage experience.

Building customer relationships throughout the lifecycle

Our energy broker clients, and others we have spoken to, tell us that being involved with the whole customer journey, from first quote to onboarding to renewal, with little reliance on their energy supplier other than for pricing data, would be utopia.

Rather than just contacting customers to sell and renew contracts, this would allow energy brokers to take a more proactive role and communicate with customers in between. While they don't want or need to take on the supplier's customer service role regarding service issues, faults, and billing, the opportunity to act as a backstop in case the supplier isn't doing its job, to be another channel through to the supplier in those cases, and to verify customers' satisfaction with the service they are getting all offer new avenues of possibility for richer customer relationships.

The way most brokers' businesses are structured currently only allows them to sell one thing, and they are dependant on their supplier partners to close those sales and then manage those customers correctly.

With more data on customers, and with more information about their needs and usage, upsell and cross-sell opportunities present themselves. Having visibility of this data would enable brokers to understand what actions they need to undertake to ensure they have the right pitch to the right opportunity. Access to historical quotes would mean they don't have to restart a pitch every time they are in contact with the same prospect, which will cut down an otherwise time-consuming process.

Bespoke CRM

For most energy brokers the roadblock to being able to do this is not lack of will, resources, or ability, but the simple fact they do not have the necessary IT systems to do it properly. In short, what's missing is a bespoke Energy Broker CRM system designed to their own specific needs, integrated with their own supplier partners.

Such a system could, and probably should, encompass the pricing and contract functions we have previously looked at. This would make it a genuine end-to-end tool for sales, sign up, customer service, and then renewals.

Ideally the CRM system should be able to share information with suppliers' CRM and even billing systems so that you have an independent record of your customers' service issues, if any, and usage. Although there would likely be restrictions placed on what could be accessed, very few of these limitations need come from the CRM itself. Modern CRM systems, whether they are on-premise, hosted, or cloud can make API

calls to other modern systems to fetch and send almost any data that can be stored in a database.

A single user interface for customer service

The CRM systems we have built for energy clients bring together a range of modules – some managed by us, others external – including billing, supply, usage and meter, faults, along with historical customer records – so that all data relating to a given customer is accessible from a central user interface.

The use of workflow tools as a front-end ensures that any process can be carried out quickly and easily just by following on-screen prompts. Whatever data is needed for that task is pulled from whichever database or system stores it and presented to the staff member on screen.

The ability to give staff a single user interface for accessing data and workflow processes has a huge pay off in terms of time and efficiency. As there is no longer any need to log into multiple systems, each of which must be learned, and look up and find information it speeds up customer interactions and even facilitates cross-sales and up-sales as the agent has a full view of the customer.

Infinity's desktop and workflow software is used as a CRM system by energy brokers and energy companies. See the final chapter of this guide for more information.

3. Infinity's Energy Broker Solutions

Using our proprietary desktop, workflow, CRM, analytics, and telephony solutions Infinity CCS builds bespoke systems for contact centre, customer service, sales, and back office teams.

In the energy market we have worked with Npower, E-on, British Gas, Scottish Power, and with energy brokers and platforms like Inenco, UD Group, and Extra Energy.

We have an end-to-end Energy Broker CRM solution that allows brokers to quote, facilitate, manage and deliver a more transparent service to their customers from one end of the lifecycle to the other.

Our solutions are:

- **Bespoke:** custom built using our platform to meet your exact business needs
- **Integrated:** with your legacy systems, suppliers' systems and databases, pricing platforms, etc.
- **Scalable:** we can deploy on-premise or in a hosted environment and you can increase or reduce capacity at will
- **Flexibly priced:** we have several payment options including capex and opex, and even a 100% risk-free pay-as-you-go model
- **Tested:** we have been building software for contact centres for decades and our workflow is even trusted in 911 emergency centres.

To arrange a demo of our Energy Broker CRM solution, and discuss how we can adapt it to your needs, please get in touch.

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