



White paper

Australian energy firms must transform CX to meet compliance obligations

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This white paper explores how data, AI, and digital interventions can help energy and utility companies meet compliance and CX challenges, with an additional focus on real-world examples on how Australian energy firms can overcome these obstacles.

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The energy market in Australia is at a pivotal juncture. The demands for enhanced customer experiences are urgent for energy providers, fueled by rapid technological advancements and changing consumer expectations.

At the same time, energy companies have to also ensure full regulatory compliance, reflecting the need to protect customers and ensure fair practices. For Australian energy and utility companies, navigating this intersection of regulatory requirements and customer expectations is crucial.

This white paper explores how data, AI, and digital interventions can help energy and utility companies meet these challenges, with an additional focus on real-world examples on how Australian energy firms have overcome these obstacles.

A. Improving CX through contact centre performance

The Australian Energy Regulator rates contact centres for utility companies based on how fast they take customer calls, with answering 80% of calls within 30 seconds required to attain the best rating. However, very few organizations are meeting this goal.

Contact centres are central to shaping customer satisfaction, yet the Australian utilities industry faces significant contact centre-related challenges. Our research suggests, long wait times, unreturned calls and unresolved cases are just some of the common trends across the industry.

To address these challenges, companies can leverage AI-driven tools that enhance the efficiency and effectiveness of the customer experience. By implementing AI tools designed to provide real-time insights, Australian energy providers can reduce wait times, improve first-call resolution rates, and enhance the overall experience for the customer, which can greatly improve customer satisfaction and reduce call centre operational costs.

By harnessing the power of AI, providers can address routine inquiries automatically without compromising on quality, freeing up human agents to handle more complex issues with the support of real-time data and insights.



B. Enhancing customer experience through proactive complaint management

Customer complaints are a critical indicator of service areas that require improvement. Unfortunately, common issues persist, including billing inaccuracies, poor communication, and perceived unfair charges, which significantly affect customer trust and satisfaction.

AI-driven tools can analyse customer interactions and feedback to identify recurring issues and help utility companies personalise their services. These technologies can automate repetitive tasks, ensuring consistent and accurate communication across all touchpoints. By proactively addressing common complaints and inaccuracies, companies can reduce the volume of complaints and improve customer satisfaction, thereby fostering a more positive customer experience.

According to the Australian Energy Regulator (AER) 2023 Retailer Report Cards paper, disconnections occurred for 0.38% of all residential electricity customers and 0.29% of all gas customers nationally. For small businesses, electricity and gas disconnections took place for, respectively, 0.34% and 0.41% of customers.

Energy providers can also use advanced data analytics in conjunction with AI to predict potential payment problems for customers, both residential and commercial. As a result, they can pre-empt possible future situations where they might typically come to the undesired last resort of disconnecting electricity and gas supply to a customer by offering payment plan solutions to avoid such an eventuality. This can significantly help providers avoid loss of income and possible negative reaction from customers, the latter of which can quickly lead to reputational damage.

C. Meeting regulatory expectations with advanced compliance solutions

Energy companies are under increasing pressure to meet stringent regulatory requirements, particularly in protecting vulnerable customers and managing compliance in a rapidly evolving market. The AER sets high standards, such as responding to 95% of written enquiries within five business days. Non-compliance can lead to significant penalties reaching into the tens of millions of dollars.

Companies can adopt AI-powered solutions, as well as workflows augmenting human customer service agents with AI tools, to ensure continuous monitoring and compliance with regulatory standards. These tools and streamlined processes can automatically identify and prioritise vulnerable customers, ensuring that they receive the protections mandated by regulations. Additionally, ongoing audits of customer interactions can help companies maintain compliance, avoid penalties and uphold their reputation in a competitive market.

“Australian energy users have seen significant cost increases over the last 10 years, along with the ongoing pressures of rising living costs, consumers expectations of their energy suppliers have changed. Combined with increased regulatory obligations, Energy Suppliers across Australia are under pressure to find new ways to meet customer expectations and comply with regulatory standards. AI-driven tools can analyse customer interactions and feedback to identify recurring issues and help utility companies personalise their services and improve overall customer satisfaction.”



Mitch Donnelly
VP and Head of
Infrastructure and
Utilities

D. Leveraging data and generative AI for proactive customer management

Managing portions of the customer base with significant consumer debt levels while ensuring hardship support for vulnerable customers is an ongoing challenge that requires a delicate, balanced approach. For instance, a customer on life-saving medication may also be facing financial difficulties. In recent years, rising energy prices have exacerbated these issues for energy users across Australia.

According to the aforementioned AER 2023 paper, 95,634 customers are enrolled in hardship programs. Among this number, 35.2% have not kept up with their usage costs. For gas, 0.9% of customers nationally are on hardship programs, of whom 33.9% are failing to make their gas energy payments. Mismanagement of such situations may lead to severe repercussions, including regulatory penalties, reputational damage, and customer complaints.

To mitigate these risks, energy companies can use AI solutions to proactively predict potential payment difficulties and suggest personalised interventions, such as tailored payment plans or enrollment in support programs. By anticipating and addressing issues before they escalate, companies can reduce customer debt, enhance satisfaction, and meet both their regulatory obligations and customer service goals.

AI and advanced data analytics can also position energy providers to assess every single customer case in real time in a personalised way, rather than apply broader decisioning without taking into consideration important details of unique customer situations.

Real-world success stories: Overcoming energy industry challenges

EXL has served the utilities industry for 20+ years. Over the last five years, EXL's solutions have delivered > \$90 million in value to clients worldwide. The following three case studies illustrate how utility companies have overcome significant challenges and achieved their goals.

EXL's expertise and proven track record make it an ideal partner for utility companies seeking to navigate the complex intersection of regulatory requirements and customer expectations. By leveraging EXL's domain + digital solutions, energy & utility companies can enhance customer experiences, ensure regulatory compliance, and improve operational efficiency.

Transforming CX, reducing OpEX and complaints for an Energy Provider

EXL’s approach:



Continuous real-time visibility into customer journeys



Advanced robotics to fast-track key processes

Key outcomes:

AUD 15.5 Million reduction in operating expenses

AUD 46.5 Million in business benefits

Avoided 2 Million calls and complaints

Increased Customer satisfaction scores

By integrating AI and analytics solutions, Australian energy industry providers can also significantly improve key contact centre performance metrics areas and be in line with AER’s expectations. In the example from the UK, the energy provider reported much improved contact centre performance, whereas complaints markedly decreased while customer satisfaction scores rose. The organisation also achieved better regulatory compliance and operational efficiency performance.

Transforming the customer journey and cost-to-serve while ensuring compliance for a UK energy provider

EXL’s approach:



Customer journey blueprint



Customer journey and touchpoint data analysis



Real-time customer insights (not just historical data)

Key outcomes:

AUD 128 Million identified in cost inefficiencies

30% increase in digital channel interactions

2% increase in customer retention

AUD 5.8 Million reduction in churn

A multi-phase solution process can similarly transform customer journey performance and cost-to-serve improvements for Australian utility companies. Such a process can include customer journey mapping, customer needs analysis, identifying highest-impact customer journey drivers, and cost-to-serve metrics analysis.

Wrapping up: Maximising regulatory and CX performance with data and AI

The utility sector in Australia faces significant challenges as it strives to meet rising customer expectations and comply with stringent regulatory requirements. By integrating data, AI, and digital workflows, utility companies can address these challenges effectively as well as future-proof their workflows to adapt quickly to market and regulatory changes.

EXL’s deep domain expertise coupled with digital solutions provides enables clients to enhance customer experiences, ensure compliance, and improve operational efficiency. As utility companies in Australia navigate this complex landscape, partnering with a trusted provider like EXL can make a significant difference in achieving their business goals and building a long-term reputation in the market.



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