# **LIVING WATER, DVING CUSTOMERS:** Our Unrivalled Customer Experience Strategy 2023 - 2028

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### Summary

This document presents our Unrivalled Customer Experience Strategy to 2028. This strategy builds on what we have already achieved and sets our direction for the future – to deliver unrivalled customer experiences that are:

Right first time, fast time, every time.

Customers' expectations, priorities and preferences are constantly evolving.

We constantly talk to our customers to understand not only what they think, but what matters to them most and what matters less. As well as talking about the services we deliver, we also talk to customers, other stakeholders and our colleagues about how they want us to deliver them.

We have taken time to understand what our customers want and expect from their water and wastewater company. Our Unrivalled Customer Experience Strategy is based on what our customers have told us is important to them.

## Our passion to be unrivalled

We want every one of out 4.7 million customers to enjoy a 10/10 experience each time they engage with us.

### **Our guiding principles**

Our guiding principles for delivering unrivalled customer experiences are:

- Our services are inclusive
- Our services are affordable
- We listen to our customers
- We care about the environment

These guiding principles are not only for today but also for the future and future generations of our customers.

## Our customer priorities and pillars

We used our customers' feedback and developed six customer priorities – these are our golden threads and they form 'what' we need to do to be successful in our customers' eyes.

We explored the world of customer experience excellence to find a delivery model for our six customer priorities, adopting KPMG Nunwood's Six Pillars of Customer Experience Excellence. Each pillar builds on the other to create world class experiences.

The pillars show 'how' we focus our energies and efforts to provide unrivalled customer experiences every time.

## Our framework for service excellence

We developed a framework for service excellence to measure our success in providing unrivalled customer experiences.

We want our customers to score us in the top two water companies for our industrywide measures of experience – C-Mex, D-Mex and BR-Mex.



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Out services are inclusive

Out customer priorities

### **Summary** (cont'd)

### **Our Values**

When delivering unrivalled customer experiences all our colleagues behave in line with Our Values.



**Customer Focused** 

We aim to exceed the expectations of our external and internal customers.



**One Team** 

We work together consistently, promoting co-operation and mutual support, to achieve our corporate objectives.



We take personal responsibility for achieving excellent business results.



We are open and honest and meet our commitments with a responsible approach to the environment and our communities.



We continuously strive for innovative and better ways to deliver our business.

OUR ENABLERS

GUIDING PRINCIPLES

**Our customers** love us for everything we do and the way we do it. We are committed to them, our communities, the environment and the unrivalled experiences we create.

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### Foreword

It is exciting to share our refreshed Unrivalled Customer Experience Strategy for 2023-2028. It has been shaped by our customers, our stakeholders and our people, to reflect what matters most to our customers when it comes to us delivering unrivalled customer experiences. Our strategy reflects changes brought about by factors such as the global Covid-19 pandemic. It reflects the costof-living crisis which has and continues to cause many of our customers to face unprecedented financial pressures. New ways of living and working mean changing expectations, and new or different priorities for families and individuals.

The approach we are taking draws on ideas and best practice from within the water industry as well as best practice across the world. It shows how we will be relentless in our focus on putting our customers first, providing a holistic service experience that reflects customers' personal circumstances.

We have also made sure our strategy builds on our previous strategy as our customers have told us that many of the things we set out last time are still important and relevant. We have retained the things our customers say we do brilliantly and that they want us to keep clear focus on. Some things have changed though – communication channel choice and real-time access to self-service capability are much more important now than in 2015. It also reflects findings from research within our communities. Feedback from our people and our customers has told us to make decisions that are more local and reflect what's important to our customers in our regions.

Our ambition is bold: we want to be unrivalled in the experiences we provide, not just in the water sector, but wider. That means every one of our 4.7 million customers enjoying a 10/10 experience each time they engage with us. We will always provide a 'right first time, fast time, every time' experience.

We will design innovative, affordable, and accessible services tailored to customers' choices so they are inclusive and intuitive on every contact channel. We will train and empower our people and our delivery partners to do what's right, and to build trust and add value to our communities now and for future generations. If we get something wrong, we'll say so and put it right quickly, learning from it so we are continuously improving.

We are confident we can deliver our plan because we've built it from the ground up, layering our aspirations and ambition with comments and suggestions from our customers and stakeholders. We've then sense-checked those against businesses renowned for their customer experience thought leadership, including The Institute of Customer Service, so we can be confident in our strategy and how we'll bring it to life for all our customers. Please enjoy reading our Unrivalled Customer Experience Strategy. We would be delighted if you would share your thoughts and feedback on it with us letting us know what you'd like to see more of as we strive to consistently deliver unrivalled experiences for our customers!

Best wishes,

Claire Sharp Customer Director Dawn Creighton Head of Customer Strategy and Experience

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### Introduction

#### Who we are

Northumbrian Water Limited (NWL) provides:

- Water and wastewater services • to 2.7 million people in the North East of England, trading as Northumbrian Water (NW).
- Water services to 2 million people in Essex and Suffolk, trading as Essex & Suffolk Water (ESW).

NW is a water and wastewater company, while ESW is a water only company.

Every day we supply 1.1 billion litres of water to our customers. This water is drawn from reservoirs, rivers and groundwater sources. It is treated at our water treatment works before it is delivered by a network of pipes to homes and businesses.

In the North East of England, where we also provide sewerage services, wastewater is then collected from these properties via the sewerage network and treated at our sewage treatment works before it is returned to the environment as either clean water or sludge, which can be recycled as fertiliser or used to generate energy.

To provide this service we operate and maintain:

- 50 water treatment works •
- 388 water pumping stations
- 304 water service reservoirs •
- 26.451km of water mains •
- 413 sewage treatment works •
- 966 sewage pumping stations; and •
- 30,237km of sewers. •



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### Introduction (cont'd)

### **Our Purpose**

Our Purpose is caring for the essential needs of our communities and environment, now and for generations to come. We do this by providing reliable and affordable water services for our customers. We make a positive difference by operating efficiently and investing prudently, to maintain a sustainable and resilient business. Our Purpose is the reason we exist, and it guides our strategy.

Our Vision sits alongside Our Purpose and clearly sets out what we want to achieve, to be the national leader in the provision of sustainable water and wastewater services.

We aim to deliver Our Vision through our five Strategic Themes of Customer, Environment, Competitiveness, People and Communities.

This document sets out Our Unrivalled Customer Experience Strategy, outlining how we will deliver 'right first time, fast time, every time' for our customers.



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### **Introduction** (cont'd)

### Co-creating our Unrivalled Customer Experience Strategy

### Our strategy refresh has pulled on extensive customer research and engagement.

It reflects feedback from thousands of hours of discussions and feedback from our customers, our stakeholders and our people.

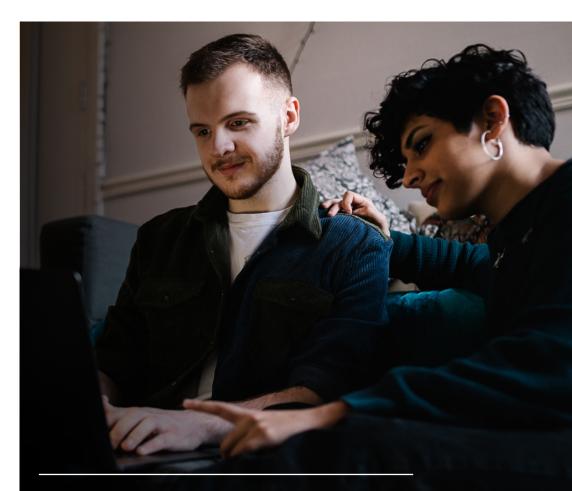
Feedback to us is multi-generational. It comes from our schools programmes where we engage with future customers, right through to our work with organisations like Age UK where we talk to our older customers to understand their thoughts and needs.

We have had input from customers in vulnerable situations, who may need extra support. We have reached out to customers who are typically seen as hard to reach. We have spoken to customers from across our regions.

Feedback includes suggestions from our people as well as from stakeholders, regulators, and other service organisations. We've used tried and tested research methods where we've asked for structured feedback . We have used innovative digital and app technologies that have helped us get quick pulse survey insights. We've been deliberative and consultative and we've sought open dialogue in different forums.

We have innovated and brought our customers into our business to help shape the services we provide. We have held customer sprints, data hacks, and Dragon's Den pitches where our customers got to decide on which ideas were the best to be developed further.

What has been consistent in all the feedback we have received is an overarching commitment and passion from everyone we have talked to. A willingness and desire to help us think of new and creative ways to build on our strong foundations, to work smarter to make things better and to drive forward our ambition to provide unrivalled customer experiences.



"We've been deliberative and consultative and we've sought open dialogue in different forums"

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### **Our Passion For Unrivalled Customer Service**

### **Our Enablers**

- Our customer priorities
- Our pillars of customer experience excellence
- Our framework for service excellence

### Leadership driving passion for unrivalled experiences

- We recruit for attitude and emotional intelligence, and train for skill. We know this is the best way to get the right behaviours and to ensure our people are passionate about delivering unrivalled customer experiences.
- We have clear vision, values and purpose statements and we communicate them and the behaviours we expect to all our people and our delivery partners. We don't compromise.

### Empowered people, always advocating for customers

- We are active corporate members of relevant professional bodies including the Chartered Institute of Personnel and Development (CIPD).
- We make sure our whole business is empowered to prioritise delivering unrivalled customer experiences – creating services that are memorable and add value, and we regularly reward and recognise it.
- We live and breathe unrivalled customer experience – we pride ourselves on that every single day.

### Informed research, learning and insight shaping decisions

- We actively benchmark with other high-performing companies in sector and beyond to ensure we're networked, informed and able to horizon-scan for emerging trends or innovation.
- We use feedback, insight and research to inform change and we test and adapt so we're always making dataled decisions that allow us to deliver unrivalled customer experiences.

## Connected thinking, delivering together for all

- We are active members of the Institute of Customer Service (our Customer Director is a Vice President), making sure we're always at the leading edge of service research and insight.
- We've made sure that the Institute's World Class model for service excellence underpins this strategy, so we know we follow best practice, always focusing on things that matter most.
- We incorporate creative ideas like design thinking into our leadership programmes to challenge ourselves and set new, inspiring standards for all.

### Strong vision and partnerships, driving positive change

- We make sure customer change projects and programmes are director-led, leading by example and demonstrating that commitment to unrivalled customer experience is role-modelled and actively championed throughout the company.
- We partner with trusted experts to complement our service offerings and to reach and support customers, even in the most vulnerable of circumstances, in ways they find accessible.

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### **Our Guiding Principles**

# Our Guiding Principles for customers, communities and our people

We have made important long-term commitments that make sure we are always putting our customers, our communities and our people at the heart of everything we do. Our Guiding Principles stretch us to innovate, be efficient, and keep checking that in all the changes we make, we're doing everything we can to be bold, ambitious and successful. They make sure we keep our communities and people safe and thriving, and that we actively invest in shaping a more positive future for them and for our customers.

Our Guiding Principles for delivering unrivalled customer experiences are:

- Our services are inclusive
- Our services are affordable
- We listen to our customers
- We care about the environment

These Guiding Principles are not only for today but also for the future and future generations of our customers. We engineer all our projects and programmes of work from a customer-first perspective. We always consider customer and community impact when setting up new work packages, developing or upgrading our assets. Our ambitious goals reflect that we want to be a responsible business, employer, and a good neighbour in our communities.

Our Guiding Principles make sure that we always remain focused on the things our customers tell us are important and that will improve their local areas and communities. With 97% of our employees also being customers there's huge cross-over and it's always important that our people know they are valued as they are the best ambassadors of our brand.

More information on how we make sure our services are inclusive and affordable can be found in For everyone: **Our Customer Inclusivity Strategy 2023-30**. Further information about how we care for the environment can be found in **Restore and Regenerate: Our Environment Strategy to 2050**.



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### **Our Customer Priorities and Pillars of** Customer Experience Excellence (cont'd)

### **Customers'** expectations, priorities and preferences are constantly evolving.

We regularly talk to our customers to understand not only what they think, but what matters to them most and what matters less. As well as talking about the services we deliver, we also talk to customers, other stakeholders and our colleagues about how we should deliver them.

We have taken time to understand what our customers want and expect from their water and wastewater company. Our Unrivalled Customer Experience Strategy is based on what our customers have told us is important to them.

We used our customers' feedback and developed six customer priorities - these are our golden threads and they form 'what' we need to do to be successful in our customers' eyes.

#### Our six customer priorities are:



#### Your services are accessible. easy to use and are available around the clock.

#### Earn the trust of my community

I trust you to provide us with the services we need in a sustainable and ethical way.

#### Make it easy

I enjoy interacting with you because you make it nice, simple and fast for me.

#### **Keep your promises** I can count on you to always

do what you say you'll do.

#### **Own my problems**

When things go wrong, you get to the bottom of it and put it right straight away. You know how to say sorry.

#### Show me that I matter

You show me you know what matters to me and vou focus on that.

We explored the world of customer experience excellence to find a delivery model for our six customer priorities, adopting KPMG Nunwood's Six Pillars of Customer Experience Excellence. Each pillar builds on the other to create world class experiences.

The pillars show 'how' we focus our energies and efforts to provide unrivalled customer experiences every time:



#### Integrity Being trustworthy and engendering trust.

#### Resolution



Turning a poor experience into a great one.



#### Expectations

Managing, meeting and exceeding customer expectations.



#### Time and effort Minimising customer effort and creating frictionless processes.



### Personalisation

to drive deep rapport.

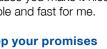
Using individualised attention to drive an emotional connection.

Achieving an understanding of the customer's circumstances

#### Empathy

Our customer priorities and pillars of customer experience Excellence complement each other.





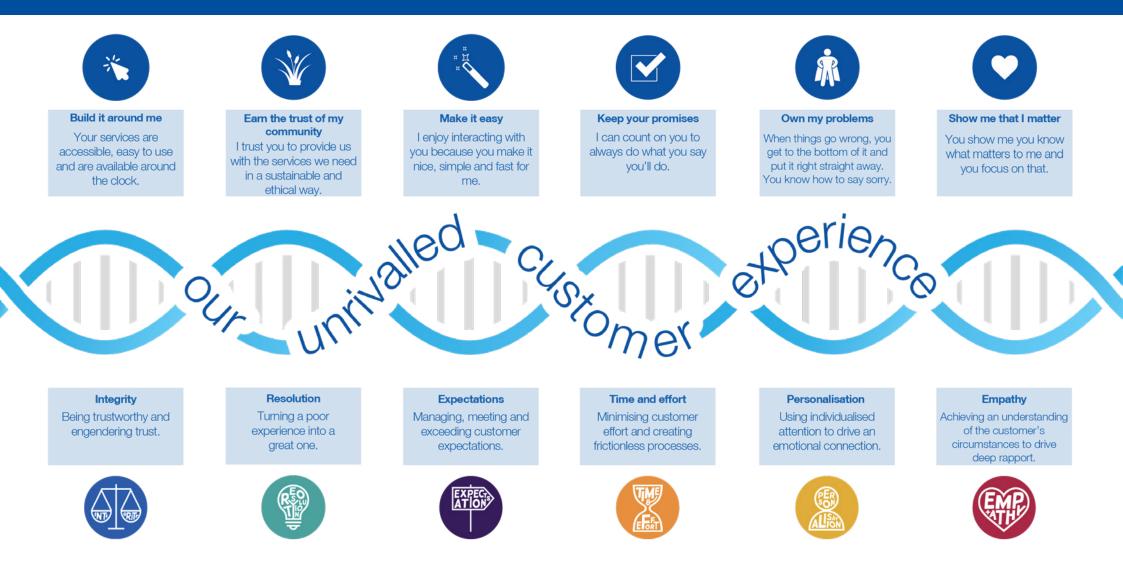
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### Our Customer Priorities and Pillars of Customer Experience Excellence (cont'd)



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### **Our Customer Priorities In Detail**

### Build it around me

### Your services are accessible, easy to use and are available around the clock.

- We embrace diversity and support the individual needs of all our customers, always.
- Our channels are built around our customers' needs enabling them to choose how they engage with us, and when.
- We offer high-quality, accredited customer experience training to all colleagues and runway partners.
- Our leaders are 100% committed to providing the best experiences, driving our 'right first time, fast time, every time' culture.
- We understand the barriers that customers in vulnerable circumstances face, ensuring tailored options are always available and accessible.

#### Case Study Excellent Digital Experience



Through our website and app, we empower our customers with effortless account management right at their fingertips.

With just a few easy steps, they can:

- Set up an online account
- Make payments
- Set up and adjust direct debits
- Submit meter readings

On our website, we go a step further, offering additional features such as:

- Notifying of moving home
- Affordability support eligibility check
- Priority Services Register application
- Report a problem
- Check what is happening in your area

We are proud to offer our Smart Metered customers a powerful tool for monitoring and managing their water usage through both our app and website. This feature provides a comprehensive view of their consumption data, allowing customers to make informed decisions about their water usage.

Across both our app and website platforms, we've introduced a notification centre, allowing us to engage seamlessly with our valued customers. We will use this feature as a communication hub for various purposes, including sharing useful account-related information, providing updates on local events and activities, and delivering other valuable messages tailored to our customers' interests and needs.



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### **Our Customer Priorities In Detail**

## Earn the trust of my community

### I trust you to provide us with the services we need in a sustainable and ethical way.

- We look after the environment and our local communities for now and the future.
- Social value is important to us, we invest in local supply chain, work with key stakeholders, and leave positive legacies.
- We invest in our beaches, bathing waters and rivers and ensure thriving spaces in our communities.
- We're building an exceptional workplace culture, delivering a Great Place to Work for all colleagues.
- We regularly engage diverse customer groups to build trust and understanding of community needs.

#### Case Study Good Neighbour Tone of Voice

We want our customers to trust us to do the things that are important to them. To know that we understand and care about them, their community and the environment. We also want them to feel able to talk to us anytime, because we are a good neighbour.

In the current financial climate, the number of customers finding themselves in a vulnerable situation and falling into debt has increased. Despite the wide range of help and financial support schemes, many customers were choosing not to talk to us about their needs.

Looking at customer feedback and reviewing customers' journeys helped us understand how we could make some small changes that would really help customers reach us more easily and feel more at ease.

Thinking about all our customer priorities together made this clear for us. We opened-up channels, like Facebook and WhatsApp, that our customers already used to talk with friends and family and let them know they could talk to us that way too. We re-thought how we shared messages in writing and encouraged our people to write like they talk rather than using formal language or industry jargon. Our tone softened and became more conversational so we really could encourage valuable conversations with our customers on the things that mattered to them and their communities.

We worked hard to reset how we engage and stay real and relatable to and for our customers so we can consistently provide unrivalled customer experiences that also reflect who we are and what is important to us. Our Good Neighbour personality was born.



#### We are:

- Warm, considerate and caring always giving a personal and empathetic service.
- Friendly and enthusiastic educating customers to build confidence and encourage change.
- Honest and straightforward we always tell the truth.
- Trustworthy and trusting carefully listening to find the best solutions for everyone.
- Patient always there, ready to listen, help, explain an issue or answer questions.

To ensure our good neighbour personality became part of our culture, we heavily invested in experiential training from induction onwards. We work hard to ensure our people live and breathe our values, and consistently convey our personality when communicating with every customer.

Our Unrivalled Customer Connections training, focusing on professional mindset, effective communication, handling challenges and acceptable behaviours, was awarded the Institute of Customer Service Training Mark accreditation.



**Case Study** 

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### Our Customer Priorities In Detail

#### Make it easy

### I enjoy interacting with you because you make it nice, simple and fast for me.

- We communicate with our customers in a personalised, helpful and easy-tounderstand way.
- We do value-adding work for customers and are always looking to improve and innovate.
- Our bills are accessible, clear and fair and we offer support to make them affordable for all.
- Our channels are built around our customers' needs, enabling them to contact us when they want to, or to self-serve easily.
- We're all responsible for our number one priority providing an excellent customer experience.
- We make it as simple as possible for customers to benefit from our extra support services.

### Our Zero Water Poverty Ambition

## Data sharing with the DWP to move customers out of water poverty

In March 2021, we were an early adopter of data sharing with the Department for Work and Pensions (DWP) to help identify customers needing financial support. This Act allowed DWP and other authorities to share information with water companies to help people living in water poverty to reduce their water bills, improve water efficiency, or improve their health or financial well-being.

We securely share customer data with the DWP, which matches it against its records to let us know if a customer receives certain benefits. This approach allows us to provide industry-leading proactive service to our customers, applying discounts to their water bills and moving them out of water poverty without needing them to take time and effort to apply to us. For example, this allows us to identify customers who may be eligible for our WaterSure and Pension Credit tariffs.

As a result of this arrangement, we have reduced customer effort and now automatically verify eligibility for Bill-Cap WaterSure and our Low Income Pensioner Discount using DWP information. This has helped to double the number of customers benefiting from WaterSure by August 2023.

As a result, we now have more than four times as many pensioner households supported by a discounted bill compared to January 2022. We know pensioner households have heightened concerns about scams and often view support schemes as handouts. This proactive approach has overcome this barrier and provided customers with the discounts they are entitled to.



We have identified 7,000 accounts who are eligible for WaterSure and 21,000 on Pension Credit. We have automatically applied these discounts and sent reduced bills and payment arrangements.



Our Customer Priorities 6 • and Pillars of Customer Experience Excellence

### **Our Customer Priorities In Detail**

#### Keep your promises

### I can count on you to always do what you say you'll do.

- Training colleagues to connect with our customers is a top priority for us.
- We do what we say we will, when we say we will, every time, as we strive for a consistent right first time culture.
- We benchmark our performance against best in class, not just our own industry, to make sure we keep up with changing expectations and stay on top of promises.
- We measure and learn from customer feedback and sentiment to make sure we drive positive experiences that are effortless and easy to access.
- We horizon scan to find new and innovative ways to be creative and do more of what matters most to customers.

Case Study Our Passion to be Unrivalled

Making sure our customers are firmly at the heart of everything we do is in our DNA.

### We are passionate about our customers and about consistently delivering what they expect from us, and much more.

We want to be recognised as providing unrivalled customer experiences not just within the water or utilities sectors, but nationally and globally. This means we must always keep our promises, be reliable and get things right first time. It requires passion, empowerment and consistent effort to be focused on always delivering an unrivalled service experience. We are immensely proud that in our company-wide Great Place to Work surveys, we consistently score brilliantly – 94% in 2023 – for the question that asks whether our people agree with the statement: I am committed to delivering an unrivalled customer experience for our customers.

We have set ourselves the ambitious goal of consistently being in the top two companies for Ofwat's industry measures of customer experience - C-MeX D-MeX and BR-MeX. They measure our customers', our Developer (e.g. house builders) customers' and our Business customers' satisfaction with customer service.

There is no room for error, only relentless focus on getting it right. Our people always put their best selves forward to make every single interaction with our customers count, and to do everything we can to make sure we give 10/10 service. This is the golden thread that runs through everything we do, and everything we say. It is our passion to be unrivalled!

"I am committed to delivering an unrivalled customer experience for our customers"

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### **Our Customer Priorities In Detail**

### Own my problems

#### When things go wrong, you get to the bottom of it and put it right straight away. You know how to say sorry.

- We're focused on improving our customers' experiences and reducing complaints, if we don't get things right first time we'll say sorry and put them right quickly and fairly.
- We invest in our people and their skills so they show emotional intelligence and resilience and can problem solve for our customers.
- Our people thrive on finding ways to innovate, and to make sure we always have our customers at the heart of what we do and how we deliver our services.
- We find ways to inform our customers about channels and services useful to them, gently nudging towards the simplest and best solutions.
- We measure what caused pain points and we use our toolkits and experience to re-design journeys engineering out failure.

Case Study Mazaru Write it Well

Our customers told us that we deliver great customer services and resolve issues quickly, but that sometimes the letters that we send to them were difficult to understand. That they were formal and contained jargon. We decided that we would focus a project on improving written responses to customer complaints.

Our objective was to write honest, customer focused complaint responses, that addressed concerns in a friendly, straightforward way. We wanted customers to feel reassured that we had listened and understood, whatever the outcome. Our partner, Mazaru, tone of voice experts, helped us improve complaint handling through a three-stage approach.

#### **Discovery**

- We reviewed and aligned our tone of voice to our new Good Neighbour personality.
- Complaint responses were put through Mazaru's Insights tool, giving a detailed breakdown of where writing was not meeting best practice.
- We spoke to our people writing complaint responses to get their views and shared the feedback from conversations with customers to help the team understand why it was important to change our tone of voice.
- Finally, we used all the data, identifying that we needed to focus our efforts on personalisation, empathy and customer time/effort.

### Training

- An interactive module was developed, introducing 'The Good Neighbour' tone of voice, and providing techniques to improve written communication. This was further supported with an eLearning quarterly interactive refresher.
- A 'Write it Well' guide was created as a reference guide with 'before and after' examples.
- We created a desk aid, as a reminder of our customer priorities, pillars of customer experience excellence, and our overall aim to provide unrivalled experiences for all of our customers.

### **Quality Assurance**

- We introduced a new quality assurance (QA) process, based on best practice and our Six Pillars. The framework is used by Team Managers during quality checking and coaching. Monthly levelling sessions ensure continuous improvement.
- Team Managers use the QA form to coach the team during 1:1 development sessions, according to their needs, ensuring self-development.
- Team self-assessment huddles were introduced. A safe place to get support with written responses.

Following the success in written complaints, we've now introduced the programme to 23 further customer correspondence teams and are supporting other directorates to introduce the programme in their areas.

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### **Our Customer Priorities In Detail**

### Show me that I matter

### You show me you know what matters to me and you focus on that.

- Our tone of voice is always friendly and inclusive, and we pride ourselves on being 'a good neighbour' in what we do and how we do it.
- We give our people all the tools and time they need to deliver great customer service every time and we seek feedback so we can continually improve.
- We research and engage with our customers continually, ensuring that their voice and feedback influences our business decisions.
- We personalise as much as we can so we really focus on what our customers tell us is important to them, tailoring our services and engagements.
- We measure the things that matter most, know what success looks like, and keep building from it to be even better.

Case Study Water's Worth Saving

We have set an ambitious target to reduce Per Capita Consumption (PCC) – the average amount of water each of our customers use on a daily basis - to 110 litres per person per day by 2050. Our customers currently use around 154 litres per person per day.

We dived deep into our data and we found that a small group of metered customers were using extensive amounts of water – the Top 5%. They were heavily impacting our average PCC and overall demand on water.

In 2022, we refreshed our water efficiency strategy and defined a new approach to water saving home visits. This included review of our offering, recruitment, interventions, engagement, and seeking to understand the Top 5% ers. The ultimate objective was to encourage them to make sustainable changes to save more water.

So far this year (2023), we are achieving an average measured water saving of 41 litres per property per day. This is more than average savings achieved in previous campaigns. Since all customers in Water's Worth Saving are metered customers, saving water and energy following our visits mean that customers will see a reduction in both their water bill and energy bills.

# 9.7 out of 10 rating of the quality of the home visit programme

Water's Worth Saving is our new home water and energy saving retrofit programme. Customers are contacted via mail or email, depending on their billing preference, and invited to take up a home water and energy sa

water and energy saving visit. The visits tend to last around one hour and the plumber completes a full audit of water using fittings, fixtures and appliances. The plumber will also repair any small leaks. While doing this, they talk to customers to gain insight into how and why water is used. They can then tailor their discussion with the customer so that behavioural change conversations are relevant and offer more targeted interventions for the customer.

### 99% overall satisfaction rate

Customer satisfaction scores are extremely positive. Lots of our customers comment on how each plumber took care to respect them, and listen to their individual circumstance, rather than delivering a generic script. This is a fantastic example of delivering an unrivalled customer experience whilst achieving a key business objective.



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# Six Pillars of Customer Experience Excellence in detail

#### How we need to do it

To enable our performance against these, we've also invested in finding the right model – tried and tested in many of the best performing companies worldwide – to show 'how' we make that happen. We've worked with KPMG Nunwood over a number of years to understand their model – the Six Pillars of Customer Experience Excellence – and to embed it into our training, our thinking and our ways of working. It perfectly complements our own Customer Priorities and a key part of our refreshed Unrivalled Customer Experience Strategy will be fully embedding both into our business and with all of our fabulous delivery partners.

We know that weaving this golden thread through every element of our work will assist us in consistently being the best we can be and delivering unrivalled customer experiences.

Both models have enabling behaviours and actions which sit below them. They make it really clear to our people what is expected, how to achieve it, and what 'world class' service experience looks like. Together with our 'right first time, fast time, every time' mantra, we're confident we've developed a winning customer experience formula. One that can evolve with any changes to customers' expectations and preferences and that will see us deliver unrivalled customer experiences. C-Mex is a measure used by Ofwat to incentivise water companies to provide an excellent customer experience for residential customers. It provides a holistic comparison of companies' customers' satisfaction and customers' experience. CSS is the element of C-MeX that measures customers' satisfaction with their actual experiences and transactions; and CES is the element of C-MeX that measures customers' perception of the company regardless of whether they've been in touch with us. This is an industry comparative measure and the ranking position is more relevant to report on than the absolute score.

#### In 2022/23 (April 2022 to March 2023), we were absolutely delighted to achieve first place out of all water companies in England and Wales.

We are passionate about engaging with our customers to understand how they want us to deliver world class customer service. Our focus remains on getting things right first time, fast time, every time. We know our customers really value this and we always work hard to achieve it.

Our fabulous employees pulled together across the business to deliver a fantastic overall result for the year through relentless hard work and a real obsession with customer service – this is reflected in our 2023 Great Place to Work scores. Over 90% of employees who took part said they were committed to delivering an unrivalled customer experience for our customers.

We know that to be unrivalled and to be recognised by our customers as top performers, we need to look at the interactions and engagements we have every day, as well as the cumulative impact of these and the way our customers see us overall, or through time.

#### Case Study Customer Measure of Experience (C-MeX)

To improve CSS scores, our focus was on improving customers' experiences when they do get in touch. We focused on communication at all stages of our customers' journeys as we know keeping them informed and being open and transparent is critical to satisfaction and positive experiences. We improved how and when we communicate, as well as the channels we choose to share messages.

Being proactive, choosing the right time to get in touch and the right messages to share means we can share positive updates and information in a timely way that helps customers understand and feel in control. We've had positive feedback about our enhanced approach.

In the small number of cases where complaints are received, we take a 'phone first' approach and talk with our customers before following up in writing if we need to. This makes sure we fully understand their concerns and that they are satisfied with our proposed resolution. We have put in place robust crossfunctional processes to make sure complaints are resolved to customers' satisfaction as swiftly and consistently as possible.

In relation to CES, we continue to promote the great work we do through our Just Add Water integrated marketing campaign and have ramped up visibility of this in our local communities, promoting the ways in which we can offer help with bills to our customers who are struggling to pay.

We also looked at overall customer journeys and experiences, where our brand is positioned and how we can be the best version of ourselves in local communities. This ranges from briefing our teams on considerate parking, driving and on-street working, to how we help our customers, engage with them and consistently act as positive role models in the areas where we work and live. 1 · Summary

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### Our Framework for Service Excellence

### Our framework for service excellence is based on the things we know matter.

It's based on research, best practice models, industry-leading thinking, our own experiences and all the things our customers tell us are important to them when it comes to unrivalled customer experiences.

It includes key metrics and allows us to measure success against them, at numerous levels across our business at appropriate frequencies. It means we can keep track of those golden threads that lead us straight back to our key aim – providing unrivalled customer experiences! It drives us to be consistently brilliant so our customers score us in the top two water companies for our industry measures. We were delighted to rank first for C-MeX in 2022/23.

It is a framework bespoke to us and our aspirations and goals. It also contains

every component of the 'World Class Service Model' published by the Institute of Customer Service (ICS). It is our go-to place for working out what we need to do to make our strategy come alive and be ultimately successful. It is also our north star in terms of ensuring we are relentlessly focused on the right things, at the right time - which in turn enables our 'right first time, fast time, every time' ambition.

We have compared ourselves against world class companies to set internal benchmarks and baselines. Changes in customer

expectations, demands and behaviours (especially following the Covid-19 pandemic and cost-of-living crisis) have recast what 'excellent' looks like and how it can be achieved. Companies that were leading have fallen behind and companies that were yet to have their moment are now shining stars and enjoying untold success. We are looking inwardly to make sure we maximise our potential, every bit as much as we look outwards to learn, horizon scan and innovate. The next page shows some of the ways we commit to do this as part of our framework.

"We want our customers to score us in the top two water companies for our industry C-MeX, D-MeX and **BR-MeX** measures"



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### Our Framework for Service Excellence (cont'd)

- We will use both our people strategy and our unrivalled customer experience strategy to set a high bar on employee experience and drive engagement across our business. We'll validate success through Great Place to Work accreditation and ServCheck, part of the ICS' ServiceMark accreditation.
- We will develop and deliver tailored training on our Six Customer Priorities and the Six Pillars of Customer Experience Excellence across our whole business and delivery partners, so their essence is embedded, understood and role-modelled across our business delivery.
- We will regularly talk about our Customer Experience Pillars and Priorities with our leadership teams, and weave the golden threads into our internal and external communications so they organically form part of our conversations and calls to action to help drive excellent performance.

- We will keep engagement and enthusiasm high through developing a network of Customer Ambassadors who are our elite in terms of delivering unrivalled service, and who will shout about being relentlessly customer focused in everything we do, making sure we drive 10/10 experiences.
- We will test our Customer Priorities with customers at least every three years as part of our customer research programme. This will make sure they remain valid, value-adding and are centred on what our customers tell us matters most.
- We will benchmark our strategies and models against the best performing companies nationally and globally, through leading indices like the ICS' UKCSI and KPMG's Customer Experience Excellence listing. This will allow us to stay leading-edge in our thinking and delivery, and are looking outwards always proactively adding to our service toolkit, not reacting to change.

- We will make sure our operational and Customer Experience models reflect all relevant regulatory guidance and best practice as a minimum. We will work to incorporate this seamlessly into training, communications and delivery, always pushing to do more for our customers where we can.
- We will benchmark our training modules with the leading industry body on customer service, ICS, by having our core Customer Experience training packages benchmarked and accredited to their TrainingMark standard every three years.
- We will continue to review our customers' journeys across our digital and non-digital service offerings, creating improved service and journey maps, digitalising as we go.
- We will drive our new and exciting insights strategy and continuous improvement approach together, so we measure more and really understand our customers' views. We'll use the Business Benchmarking tool, part of the ICS' ServiceMark accreditation to measure and validate success

- We will proactively champion our customers when anything goes wrong and we'll constantly refine our processes and procedures, so we reduce complaints at source, and improve experiences while resolving them.
- We will trailblaze at every opportunity, look for ways to say yes to new and exciting innovations, thinking differently and through new lenses as we create new experiences and support for customers.
- We will drive a culture change, and we'll look outward as well as inward to find innovation and new thinking to complement our vision. This will be iterative across business planning periods.
- We will deliver unrivalled customer experiences.

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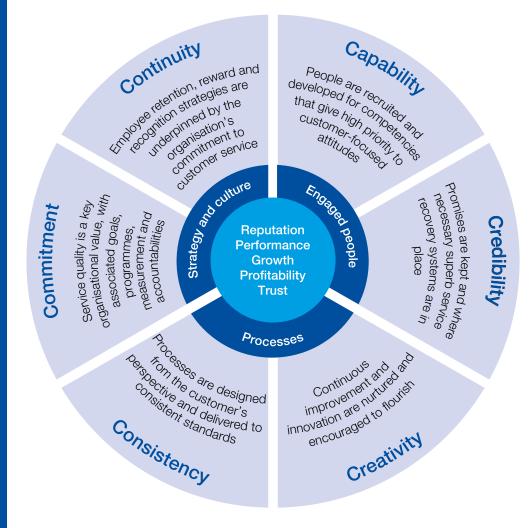
### Our Framework for Service Excellence (cont'd)

## How will we know we are delivering?

It is important that we can demonstrate we are delivering against our Unrivalled Customer Experience Strategy. To do this, in a robust and transparent way, we are very excited to have started our Institute of Customer Service (ICS) business wide ServiceMark accreditation.

#### ServiceMark is a national standard, independently recognising an organisation's achievement in customer service and its commitment to upholding the standards within ICS's World Class Customer Service Model. ServiceMark is awarded based on customer satisfaction feedback and an assessment of employee engagement with their company's customer service strategy - Our Unrivalled Customer Experience Strategy. We are committed to achieving this standard and using it to further enhance our performance through using the Institute's world class service model in tandem with our own framework for service excellence.

### **ICS World Class Customer Service model**



ServiceMark



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### Our Framework for Service Excellence (cont'd)

Our customers tell us that trust, value for money and being able to support them when they need it most us important.

They place great value on us being able to personalise experiences and really focus on keeping our essential water and wastewater services flowing, for them and for generations to come.

We will keep looking at and measuring our performance against what customers tell us matters most and we'll continually strive to be the best we can be. We will hold ourselves to account on this and we'll continually review what we're doing and how that measures up to industry best practice and leading companies' performance. We listen to feedback from our customers, our stakeholders and our people – and we will act on it.

We are confident that the areas we will focus on and the plans we're putting in place as a result of our Unrivalled Customer Experience Strategy will see us deliver on our ambition and commit to relentlessly focusing on this as we go forward.

Every year, we'll also publish our progress on key metrics. We will show what we've done and how delivering unrivalled customer experiences have made a positive difference to our customers.







## Thank you!

If you would like to share your thoughts on our Unrivalled Customer Experience Strategy, please contact HaveYourSay@nwl.co.uk.



