How AGL Energy Uses Pega CDH to Transform Customer Relationships
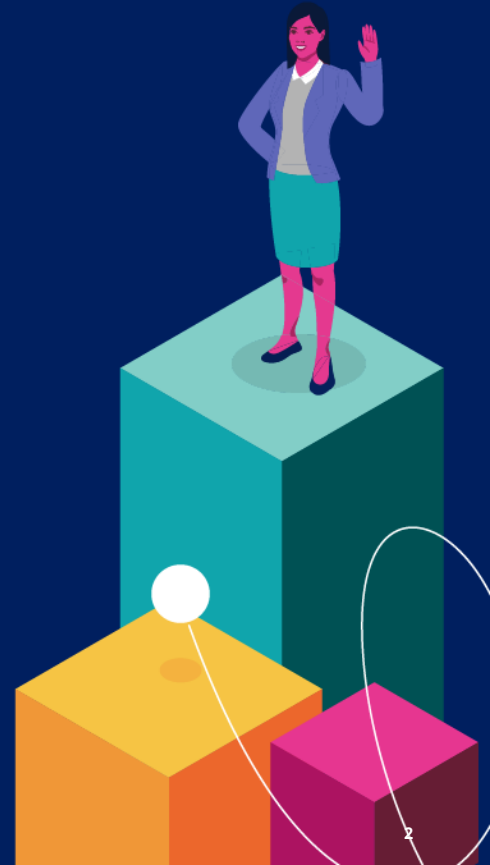
Tim Naylor.
Head of Marketing
AGL Energy

Bashir Yacoub.
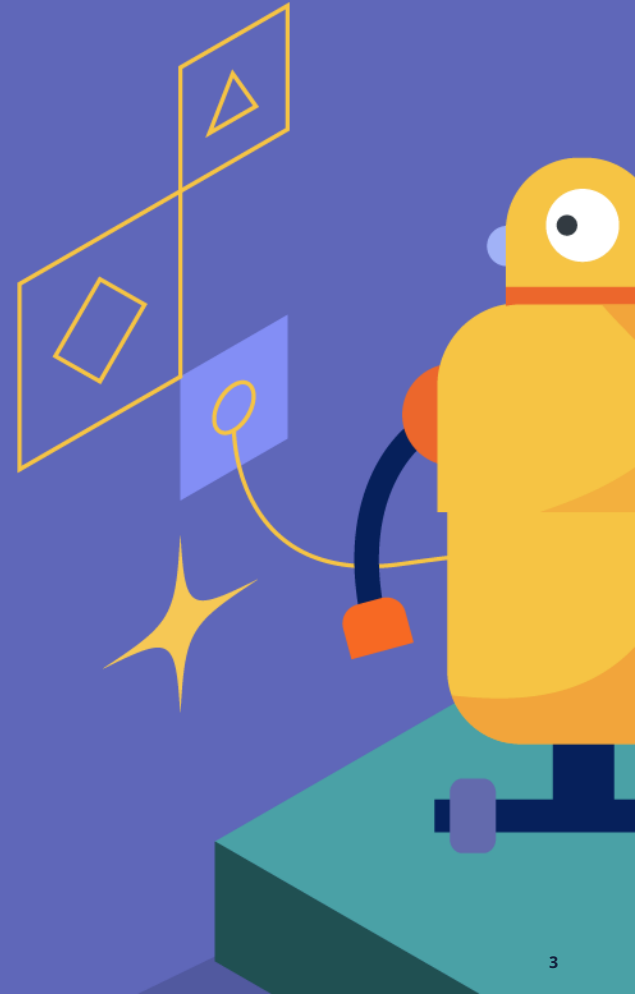Senior Manager – Platforms
AGL Energy

Agenda

- Introduction to AGL Energy

- Our Customer Engagement Engine

- Journey to Transforming Customer Relationships

- Our Successes & Challenges

- What's Next

About AGL Energy

Proudly Australian For More Than 180 Years

- Leading integrated essential services provider

- 4.3 million customer services and growing
  - Serving almost 30% of Australian households
  - Electricity, Gas, Mobile, Broadband, Solar, Battery & EV service offerings

- Diverse electricity generation portfolio, with an operated capacity >11,000 MW
  - Thermal generation, natural gas and renewables
  - Includes > 2,500 MW of renewable generation capacity, comprising largescale solar, wind and Australia's largest privately owned hydropower fleet

AGL Is Leading Australia's Energy Transition

Connecting our customers to a sustainable future

4.3 million services provided nationally - helping our customers decarbonise the way they live, work and move

+

Transitioning our energy portfolio

Ambition to add up to 12 GW of new generation and firming by end of 2035, requiring a total investment of up to $20 billion

>

agl

Leading the energy transition for all Australians

We will enable this transformation by ensuring a strong foundation:

ESG at the forefront

ESG at the forefront of what we do; playing a pioneering role in sustainability beyond carbon

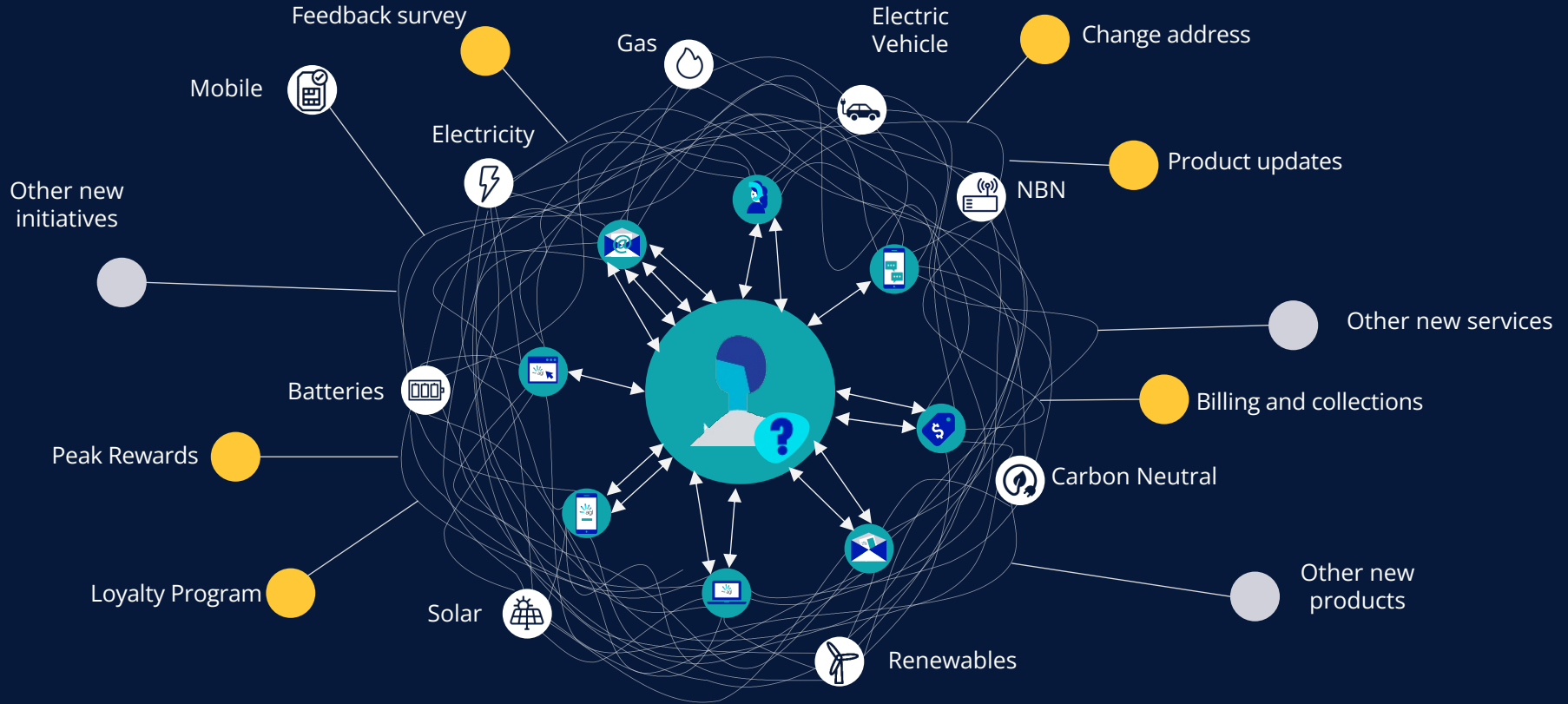**Future focused, high performing culture**

Develop and embed a future focused, purpose-driven organisation with our people as the driving force

Technology at the core

Unlocking growth through technology, digitisation and AI - enhancing customer experience as well as trading, operational and risk management capabilities

Embracing Complexity To Become Australia's Leading Essential Services Provider

Feedback survey

Gas

Electric Vehicle

Change address

Mobile

Electricity

NBN

Product updates

Other new initiatives

Other new services

Batteries

Billing and collections

Peak Rewards

Carbon Neutral

Loyalty Program

Other new products

Solar

Renewables

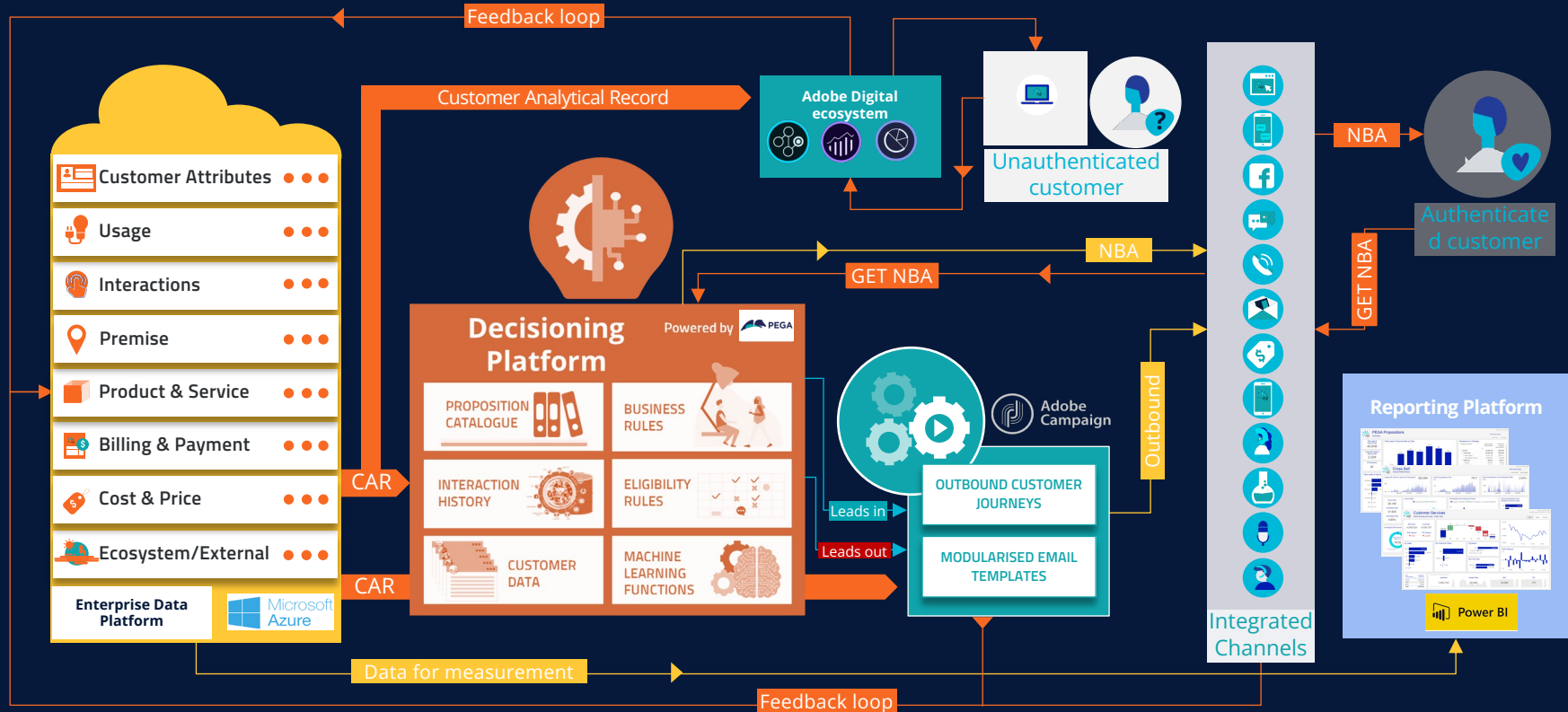# AGL's Customer Engagement Engine

AGL's Customer Engagement Engine (CEE) is the combination of people, process and technology ecosystem that determines how customers experience our brand.
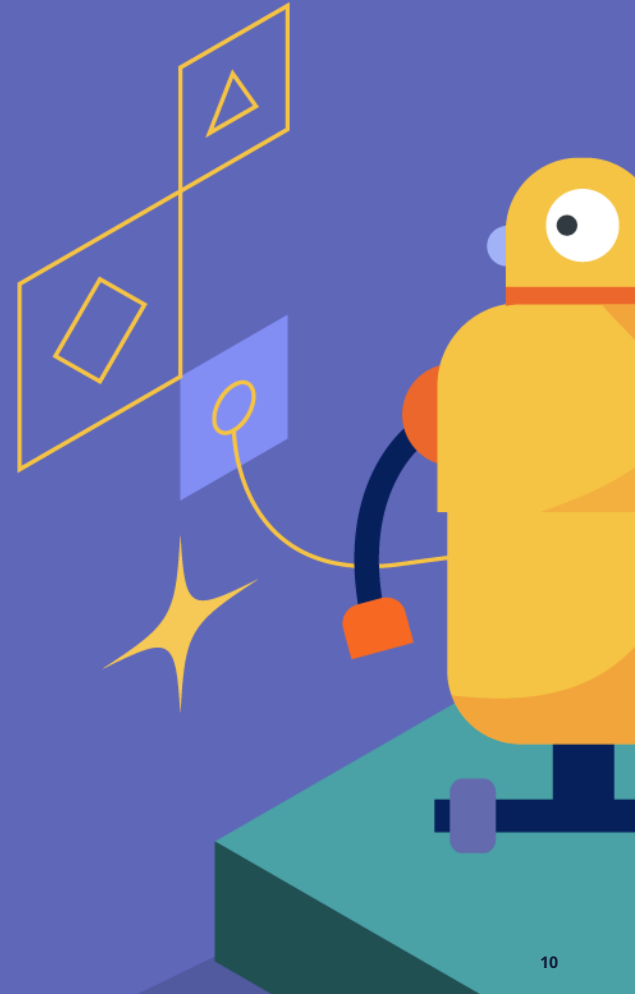
At its core is a desire to have the most meaningful, effective conversations with our customers, at scale.

CEE Orchestrates Relevant & Valuable 1:1 Conversations

Feedback loop

Customer Analytical Record

Adobe Digital ecosystem

Unauthenticated customer

Customer Attributes

Usage

Interactions

Premise

Product & Service

Billing & Payment

Cost & Price

Ecosystem/External

Enterprise Data Platform

Microsoft Azure

CAR

CAR

Decisioning Platform

Powered by PEGA

PROPOSITION CATALOGUE

BUSINESS RULES

INTERACTION HISTORY

ELIGIBILITY RULES

CUSTOMER DATA

MACHINE LEARNING FUNCTIONS

Adobe Campaign

Leads in

Leads out

OUTBOUND CUSTOMER JOURNEYS

MODULARISED EMAIL TEMPLATES

Outbound

GET NBA

NBA

Integrated Channels

NBA

GET NBA

Authenticated customer

Reporting Platform

Power BI

Data for measurement

Feedback loop

Our Journey

Transforming The Way We Engage With Our Customers

OUR AMBITION	THEN	NOW
Leveraging our customer data assets to have *meaningful, right-time, conversations that drive value*	• Fragmented data, difficult to extract insights	• Majority of insights, customer communications, models, and reporting leveraging a centralised enterprise data source
Employing a customer value management approach to build *long-term, valuable relationships*	• Targeted campaign activity largely focussed on sales through push marketing in outbound channels	• Blended sales, retention and service conversations through increasingly inbound channels
Excelling in a cost constrained future through a *focus on efficiency, scale, and automation*	• Small number occurring on inbound channels • High cost per opportunity	• Majority of targeted interactions on inbound channels • Increase scale of opportunities • Cost per opportunity reduction
Enabling a critical thinking, data-driven culture *focussed on commercial outcomes*	• Manual PIRs run on an adhoc basis, lack of timeliness	• Digitised static reporting for all customer engagement activity, used by over 200 employees
Working collaboratively to deliver outcomes through a *scaled cross-functional pod model*	• Manual approach to customer engagement • Unable to scale	• Embedded E2E POD model • Cross-functional capability • Focus on evidence-based actions

PegaWorld iNspire

Scaling, Optimising & Aligning

Technology Ecosystem

People

Process

INVESTMENT

CONSOLIDATION

PARTNERSHIPS

FRAMEWORKS

SCALE

INTEGRATION

SKILLED CAPABILITY

CULTURE & MINDSET

E2E PROCESSES

Our Journey To Develop An Omni-channel Experience

How it feels for our customers

"I am a bit confused by the messages I get from AGL"

"Some of the messages I get from AGL are highly relevant, but others don't hit the mark"

"My relationship with AGL is easy and I trust them to be my essential services provider"

"AGL is leading the way in providing a seamless customer experience and I wouldn't dream of going elsewhere"

Point in time, single channel campaigns	Personalised, automated campaigns in multiple channels	Scalable, strategic engagement	Life-long relationships across multiple channels

Customer Engagement Maturity

✓ Batch campaign activity ✓ Single channel ✓ Basic segmentation ✓ Adhoc campaign reporting ✓ Disparate data systems	✓ Batch campaigns ✓ Multiple channels ✓ Basic email personalisation ✓ Activity-based reporting ✓ Activity limited to specific areas of the CE Loop ✓ Centralised customer information ✓ Lead volume driven marketing & sales	✓ Multi-channel ✓ Multi-touch point ✓ Synchronised inbound and outbound activity ✓ Digitised reporting for all activity ✓ Activity covers most of the CE Loop ✓ Value-driven marketing & sales ✓ Feedback loop actioned	❑ Orchestrated CE across all channels ❑ Ability to start a transaction in one channel and complete in another (omni-channel) ✓ Digitised end-to-end reporting for all activity ❑ Activity covers all of the CE Loop ❑ Integrated trigger-based, customer-centric actions

Business Competencies

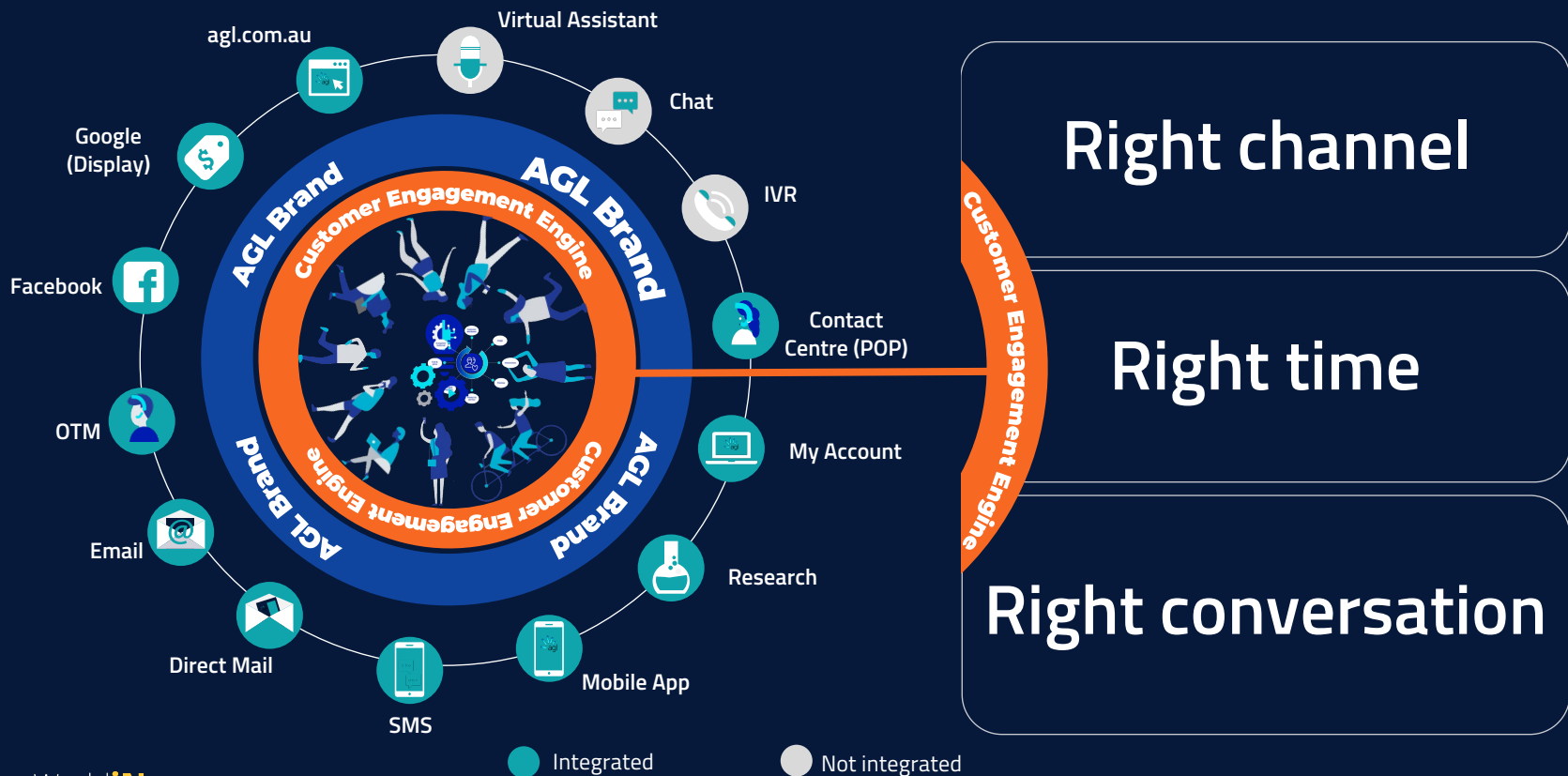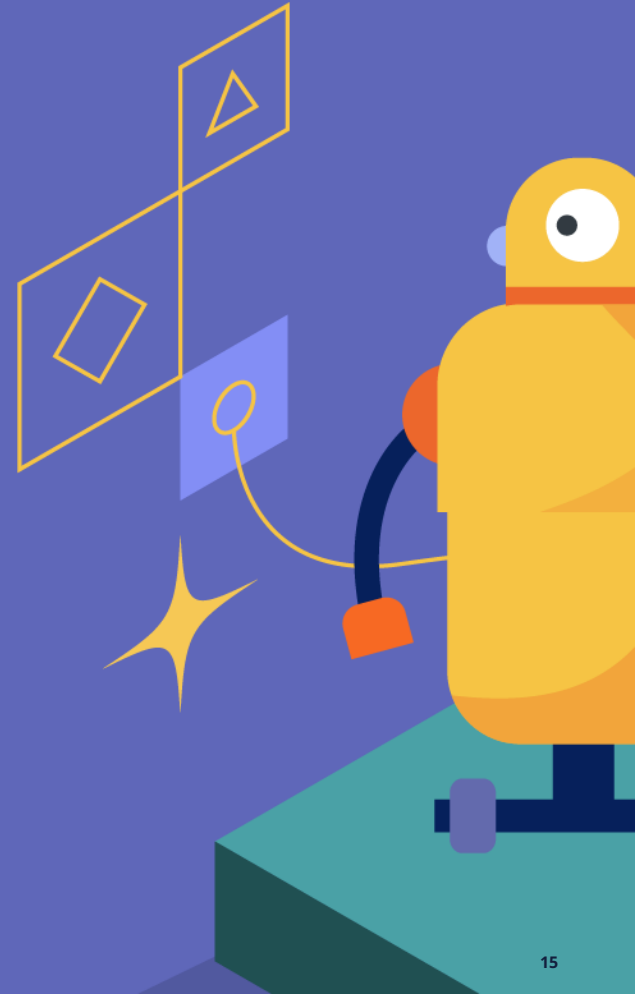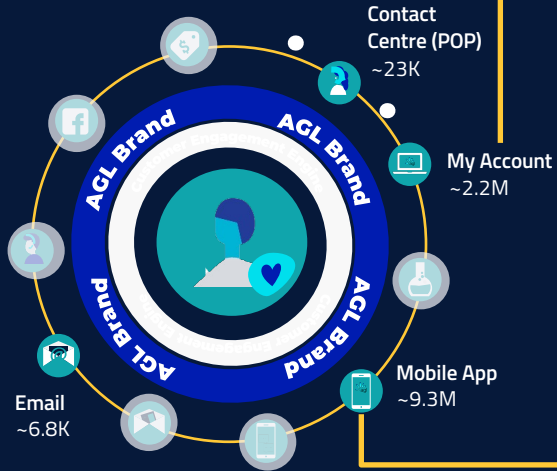|			
✓ Rules-based decision making	✓ Centralised rules management across channels ✓ Planning occurs at least one quarter ahead	✓ Evidence-based decision making ✓ Value-based prioritisation ❑ Decisions based on multi-year achievement	✓ Adaptive decision-making using Machine Learning ✓ Sophisticated global arbitration logic

Approach

"Gut feel" ────────────────────────────────────→ "Evidence-based"

Connected Channels, Relevant Conversations

Right channel

Right time

Right conversation

Integrated   Not integrated

Our Successes & Challenges

Carbon Neutral Sign Up On App & My Account

Exceeded Residential Demand Response Registrations

My Account
~359K

Mobile App
~1.2M

Email
~800K

Unified Customer Experience Launching Internet In Multiple Channels

First real time emails sent via **POP** to cross sell Internet!

Contact Centre (POP)
3.4K

My Account
~1.8M

Mobile App
~2.9M

Email
~668K

AGL Brand

Bill Block Message Eased Confusion & Reduced Call Volumes

Challenges & Key Lessons

Aligning Agent Incentives

"Sell On Every Call" Mentality

Agent Discretion for Back-Pocket Offers

Trust In AI & Technology

Real-Time Call Reasoning

Continued Investment In Data

Velocity Of New Products & Offers

CRM Interface & User Experience

What's Next In Our Journey

OUR AMBITION	NEXT

Leveraging our customer data assets to have *meaningful, right-time, conversations that drive value*

Employing a customer value management approach to build *long-term, valuable relationships*

Excelling in a cost constrained future through a *focus on efficiency, scale, and automation*

Enabling a critical thinking, data-driven culture *focussed on commercial outcomes*

Working collaboratively to deliver outcomes through a *scaled cross-functional pod model*

- More contextual conversations with customers in all channels and a centralised view of the customer surfaced to agents

- Accelerate activities driving engagement, retention, loyalty to enhance trust, grow product holdings per customer, and tenure

- Global arbitration logic automatically balances commercial and customer value across all channels and interactions

- Self-service insights, and a culture of evidence-based action

- Scaled POD model to leverage increased speed to market and insight to action

" You can't transform something you don't understand. If you don't know and understand what the current state of the customer experience is, how can you possibly design the desired future state? "

- Annette Franz