



PVM CASE STUDY

Driving Customer Satisfaction, and Lowering Costs with Personalized Video Messaging

“Awesome!”

*“This is one of the coolest things I’ve seen in a long time...
and I work in the technology industry.”*

*“I was surprised, because I’ve never gotten a video explanation
or any explanation, for that matter.”*

“I liked it, much better than reading it on the bill, great job with the video”

When was the last time your utility got verbatims like that from its customers?

These verbatims were gathered by Rappahannock Electric Cooperative (REC), which serves about 164,000 members in central Virginia. They were gushing over a customized bill-explanation video message, one of several Personalized Video Messaging services offered by Apogee Interactive.

Personalized Content is Key:

“We believe in proactive member communications, and Apogee’s Personalized Video Messaging service helps us deliver on that,” said Brian Baer, online communications specialist at REC.

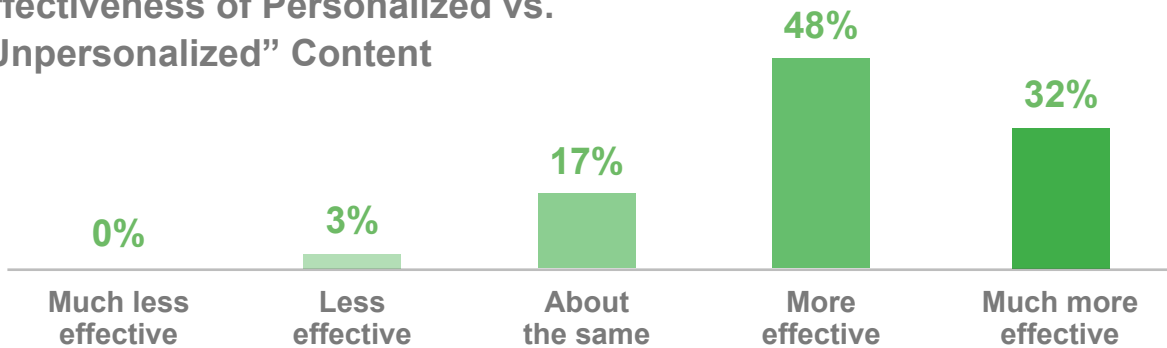
REC has been using Apogee’s personalized bill explanation video service for about two years. Each month, some of its members receive an email with a personalized, two-minute video explaining why the current month’s bill is different from last month’s bill.

“Video is the way of the world, at least for some segments, and we have found Apogee’s bill analysis video email service to be cost effective, popular and valuable to us and our members.”

"What makes the bill analysis video so great is its personalization," comments Greg Cook, Chief Financial Officer at Community Electric Cooperative.

"Personalization makes a good product great."

Effectiveness of Personalized vs. "Unpersonalized" Content



Easy to Understand Video

Using notification criteria set by the cooperative, participating members each month receive an email with a personalized video assessment of why this month's electric bill differed from last month's bill. The avatar in the video starts by discussing big-picture factors that affect the bill, such as the weather and number of days in a billing cycle.

After providing a specific dollar amount for the impact of each of those changes, the avatar then notes that some changes from one month to the next can't be explained by those three factors. The avatar explains about changes on their side of the meter that could affect the monthly bill, such as:

- Thermostat changes
- Appliance use
- More people in the home
- Potential equipment problems



The Virginia electric cooperatives we interviewed were enthusiastic about the Bill Analysis Video service.

“People want to watch videos rather than read words,” says Erin Puryear, manager of member services and energy innovation planning at Old Dominion Electric Cooperative, a generation and transmission co-op serving 11 distribution member co-ops in Virginia. Over the last two years, ODEC has offered this service to all of its 11 member distribution cooperatives.

“We see the video messaging as a creative and innovative way for our Members to interact with their Members,”

Unique Service, Unique Impact

“We’re not aware that there’s anything like this in the market,” the ODEC manager notes. “We were not looking to build this in-house. But we were eager to meet the changing expectations of our member co-ops and their members.”

In fact, Erin adds with a laugh, “If we tried to build this in house, we’d still be working on it!”

ODEC uses customer satisfaction and member relations as their main criteria for determining if a service is adding value or not. Erin says the Apogee Bill Analysis video is a winner on both counts. The five ODEC member co-ops using the service rely on lowered call volume and member feedback to assess whether a service is successful. Again, ODEC and the five ODEC member cooperatives using the service voted a resounding “Yes!” that the service has added value for them.

“Member service is our Number 1 priority, and we’ll investigate anything that helps members and creates a positive experience for them,”

comments Lauren Irby, communications specialist for Southside Electric Cooperative (SEC), an ODEC member that serves about 45,000 members. (use in pull quote)

“Our members want to know why their bills fluctuate from month to month, and the Bill Analysis video provides those answers in an engaging and easy-to-understand format,” she continues. “We want to help our members with education, planning and notification about energy use and energy bills. This service helps us do that in a transparent way.”

“If our members like it — and they do — then we like it,” Irby adds.

Video Drives Engagement

Andrew Packett, public relations specialist for Northern Neck Electric Cooperative, another ODEC member co-op, says the Bill Analysis video deepens its relations with members: “The video goes beyond education to involvement,” he tells us. “After members view the video online, then they can access their account and pay their bill online. Then, while they’re on our site, they might want to investigate ways to lower their bill.”

At the end of the video, each cooperative has an opportunity to include a link — which can be changed at their discretion — that directs viewers to a specific section of their website or to their “bill payment” page.

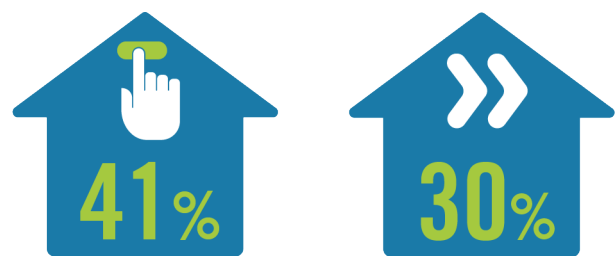
“If you can give members a free tool that provides them with better service, increases their knowledge and inspires their engagement,” Packett asks, “why wouldn’t you do that? Our management was delighted to provide the Bill Analysis video to members.

Adds REC’s Baer, “We were getting feedback from our members that indicated **they did not necessarily make the connection between changing outdoor temperatures and changes in their bill.** Members were expressing frustration through comments like ‘I never touch my thermostat, but my bill keeps getting higher.’ This personalized video service has really helped with member education and understanding.”

A Cure for Email Immunity

The Apogee video service also provides utilities and cooperatives with an effective way to deal with the problem of email immunity. Open rates for emails were hovering around 12% for Community Electric Cooperative, which serves 9,800 members in southeastern Virginia near the North Carolina state line.

“Our email open rate was low and declining,” comments Greg Cook of Community Electric Cooperative. “But when we sent our first email for a bill-analysis video, we got a 40% open rate, an unbelievable rate.”



On average, Apogee utilities and cooperatives using the Bill Analysis video report a 41% open rate, roughly double the industry average. Click rates average 30%, many times higher than the industry average.

More than 9 in 10 (95%) found the videos easy to understand and 94% said they were useful.

“These days, people go to YouTube rather than read a book,” Cook remarks. “Less and less people are reading email. We needed to find a more effective way to communicate with our members. Remember, it’s not only about the content in an email. If no one’s opening your emails, who cares how great the content is?”

Continues Cook: “Many co-ops and utilities communicate in generalities — ‘the weather was hotter last month’ — or they bog you down in industry jargon: ‘You used X amount of kilowatt-hours last month.’ No one understands kilowatt-hours, but everyone understands dollars and cents.”

Lowering Calls to the Contact Center

Cook and other users of the Bill Analysis video say it has lessened calls to their contact center, which frees member service representatives to help other members with other things.

The cooperatives have the option of customizing their member-notification preferences, including any dollar-specific trigger they choose. Some opt for a \$10 change from the prior month, others for a \$20 month-to-month change.

Roughly 50% of Community’s members receive the Bill Analysis email each month. Other Virginia co-ops report between 33% and 55% of their members receive it each month. A lot of the variance depends on weather.

“Our members like the videos,” Cook comments. “Our board likes the fact that our members like the videos. And we like the fact that our board and our members like them.”

Sheena Seale, a member services representative II for BARC Electric Cooperative, echoes Cook’s comments. “The video cuts down our call volume. Members like it because it helps them understand their usage. As long as it helps our members, it’s a good thing.”

Would they recommend the Bill Analysis video service to other electric cooperatives? All six interviewees said, “Yes!”

VIDEO SERVICE

How Does it Work?

Apogee’s customized bill analysis video service is one of several outbound customer communications services that are powered by our Empower Platform, a powerful analytical engine that stores billing data for customers served by Apogee’s clients.



That monthly customer usage data, coupled with continually updated weather and regional wholesale electric costs, provides the customer-specific information voiced by our animated avatar.

Apogee also offers similarly customized videos to reduce customer electric demand, explain co-op capital credits, prepare for severe weather, welcome new members, drive safety messaging, announce annual meetings and more.

Client Service: Apogee is There When You Need Us

Something else that united these six Virginia electric cooperatives is their high praise for the quality of service provided by Apogee. This was particularly important because co-ops tend to run lean, with each employee asked to wear several different hats. Having Apogee create and manage these videos, and having helpful support when it is needed, puts their minds at ease.

BARC’s Seale says, “Apogee has been really helpful and responsive. Any time I need anything, whether it’s a phone call, an email or a webinar, they’re right there, willing to help.”

Cook of Community adds, “They bend over backwards to make sure everything is working the way it should and that we’re happy. As a small cooperative, I really appreciate that. Apogee shares our commitment to service.”

**To schedule a webcast demonstration of our billing analysis
or any other personalized video messaging service,
contact Apogee at
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