

The Customer Relationship Report

Energy

An insight into how the customer experiences
the relationship with their energy company



In this report, we show how energy companies' customer relationships largely play out during the payment transaction. What are the consequences? How do customers experience their relationships with the energy companies and what could a better path for the companies – one that leads to more loyal customers – look like in the future?

How was the report produced?

The report is based on two surveys conducted by Novus and commissioned by Billogram. The purpose of the surveys was to find out how customers experience the relationship with their providers of electricity, broadband and mobile telephony.

All interviews were conducted with people from Novus's Sweden Panel, which was created to give as representative a picture as possible of the opinions and thoughts of Sweden's residents. Read more about Novus's Sweden Panel at novus.se.

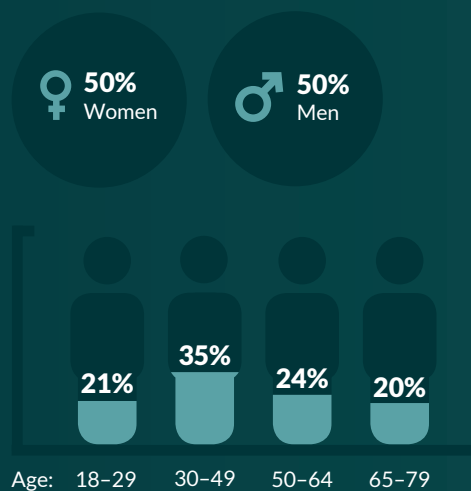
Study #1: 1072 interviews with randomly selected Swedes aged 18–79, which means that the results are statistically significant.

Study #2: 1801 interviews with randomly selected Swedes aged 18–79, which means that the results are statistically significant.

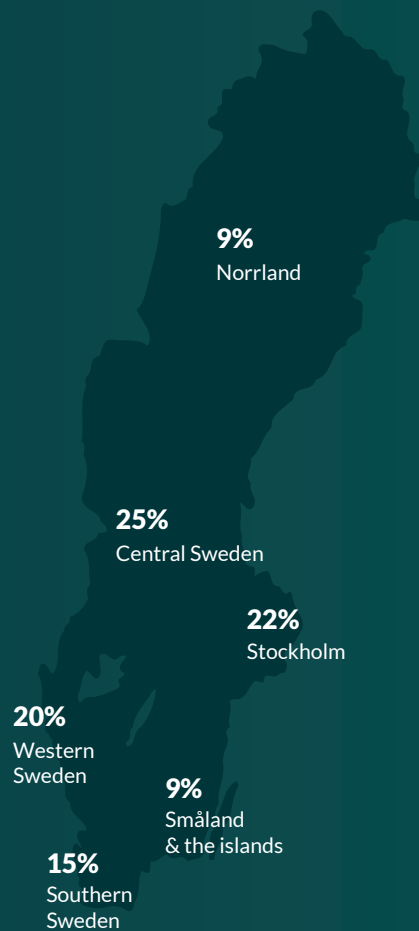
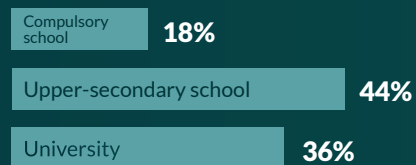


Sampling

The sampling was the same for both Study #1 and #2.



Level of education:



How is the report structured?

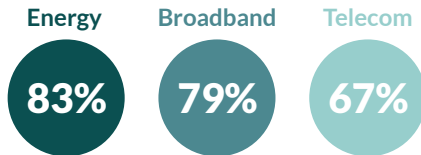
The report consists of 8 parts focusing on different topics, where each part starts by highlighting statistics that are relevant to the energy industry. This is followed by an analysis produced by Billogram and finally by recommendations on the topic, aimed at providers in the energy industry.



1.

For 83% of customers, the invoice is the only contact they have with their provider

Among the three industries surveyed, the energy industry has the highest proportion of customers who only have contact with their provider during the payment transaction:



The second most-used point of interaction was the web/My Pages, but “second most” is relative, as 57% of electricity customers stated that they do not even visit their provider’s website/My Pages “a few times a year.” Only 3.62% reported visiting the website/My Pages every month.



Communicate with the customer where the customer is already

For more than 4 out of 5 electricity customers, the payment transaction is the only time when the customer has contact with you as a provider. Are you giving the experience you offer the customer during the payment transaction a proportionate amount of attention?

In light of the fact that so many customers do not engage in other communication than the invoice itself, more departments at Swedish energy companies should be interested in making the most of the payment transaction. The payment transaction can no longer be the exclusive domain of the finance department; the experience tied to the act of payment must also be a matter for the marketing and sales departments. If 83% of customers do not engage in any other communication with the company, how do you use the payment transaction to build your brand? Strengthen your relationship with the customer? Highlight offers?

The idea is not to stop communicating via other channels, but rather to use the payment transaction to add value in the other communication channels. By taking advantage of the customers' attention during the payment transaction, it is possible to build natural entrances to other channels or at least create a willingness in the customer to explore more channels.



Recommendations

See the invoice as a payment experience

Start talking about the invoice, the point of contact for the vast majority of customers, as a payment *experience* and as a fundamental part of the overall customer experience. Then build from there. For example, if you are clarifying your brand, start with the question “How do we communicate it during the payment transaction?” instead of addressing that issue last or not at all.

Use the invoice for marketing and sales

Clearly task the marketing and sales departments with using the payment transaction. The customer journeys with which these departments currently work must be deepened and developed with the payment transaction as a focal point. For example, since the invoice is unique for each customer, the marketing department has great opportunities to score points by incorporating personalized messages into the payment transaction. Just as different departments see the web or social media as a tool, all departments must understand that the invoice is more than a transaction document – it is an experience and a tool.

Start where the customer is already

Meet the customer where the customer is, instead of forcing them towards a website that 80% of them generally don't use. Can the customer read about offers on the invoice, and maybe even make changes directly? Can the customer contact you during the payment transaction? During the payment transaction, does the customer get a good idea of your brand and what you stand for?

2.

1 in 5 think that they should change provider when the invoice arrives



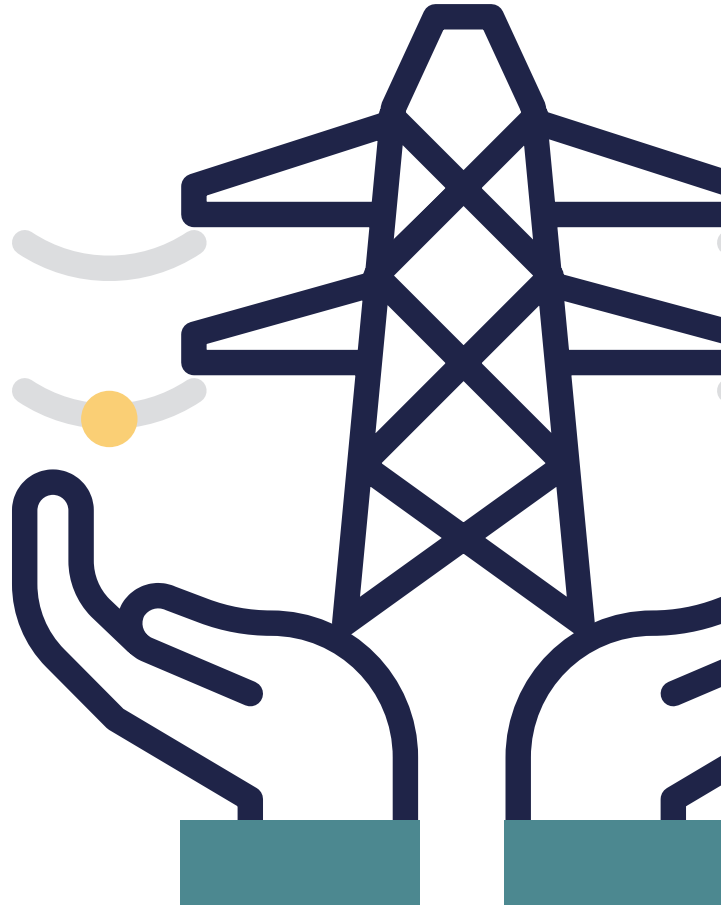
50% of customers actively evaluate their provider when the invoice arrives. Among young people, this tendency is particularly strong: in the target group of 18–29 year-olds, as many as 80% state that they evaluate their provider when they receive the invoice.



Of the industries surveyed, the energy industry is the one in which customers are most likely to evaluate their provider when paying their invoice.

35% of customers agree with the statement *“I often feel that the invoice amount is too high in relation to the service I have received from the provider.”*

Customers who have had the contract for a shorter period of time are more likely to evaluate their provider when they receive the invoice.



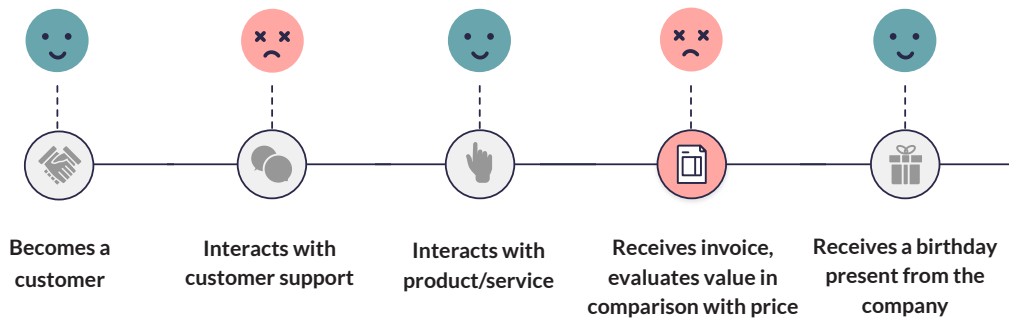
The invoice is the moment of truth in your customer experience

In a reality where every other customer evaluates their energy provider when they have the invoice in front of them, the risks of ignoring the importance of the invoice for the customer experience become painfully clear. If you limit the function of the invoice to merely managing transactions, you will miss out on the chance to develop and strengthen your customer relationship. For consumer-oriented companies, where the invoice accounts for a very large proportion of customer contact, viewing the invoice as a mere transaction document is no way to create a strong customer experience.

Based on these figures, what is a better approach? See the invoice as the occasion when the customer weighs the value she experiences against what she has actually paid. The balance between these two aspects determines whether the customer experience is negative, neutral or positive. The payment transaction is thus a kind of natural opportunity for the evaluation of the relationship you have managed to build with the customer.

Analysis

Formulated as a hypothetical law, it might look like this:



$L = aV \text{ vs. } P$

L = Likelihood that customer will stay

aV = accumulated Value

P = Price



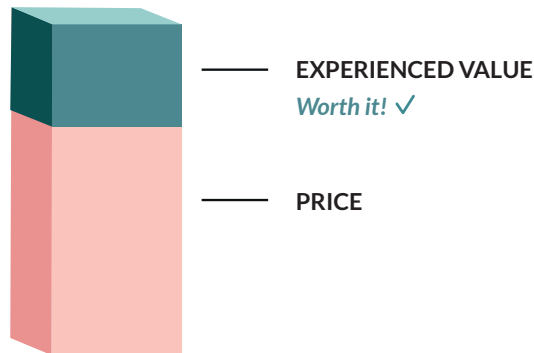
Positive experience
– Adds value



Negative experience
– Detracts value

Analysis

Each individual interaction that a customer has with you as a provider will either add to or detract from the value the customer associates with you. When the customer receives an invoice, she will compare the price on the invoice with the value you have managed to build up in her mind. To keep her as a customer, value she perceives must be higher than the price she must pay. In short, she must feel that your service is worth the price.



Given that for 79% of broadband customers, the invoice is the only point of contact, this is absolutely critical. The invoice bears the greatest responsibility for the customer experience but is at the same time usually the weakest link in the customer experience chain, as in its current form it does not add value for the customer. As a result, other links in the customer experience chain don't reach their full potential.

The energy industry is more likely to be evaluated than other industries

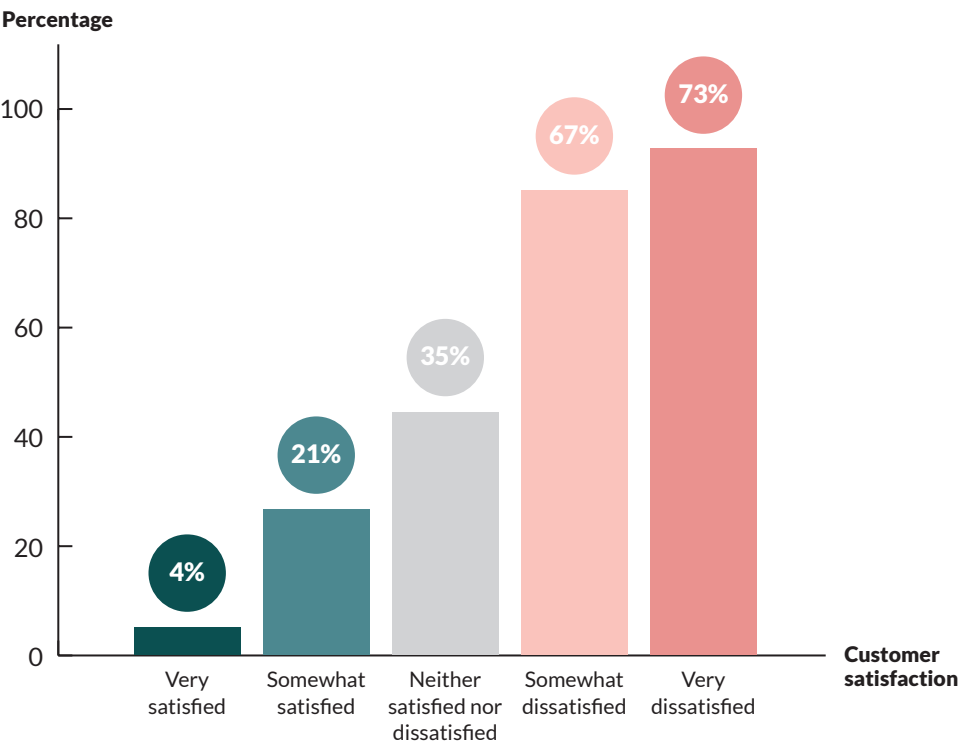
When we compare the industries, electricity customers are the ones most likely to evaluate their provider when the invoice arrives. One explanation may be that these customers generally have less contact with their providers because electricity is a product they more often take for granted – until it's time to pay the bill. In addition to taking electricity for granted, customers generally pay less often compared to other industries. Therefore, it seems easier for electricity customers to forget about the cost, creating a surprise effect when it's time to pay that triggers the customer to evaluate the provider. This is also one reason why the payment transaction is central to the customer experience and a point of interaction where it is crucial that you remind the customer of your value.

The greater the dissatisfaction, the greater the risk of evaluation – of course

Across all industries, those who have been customers for a maximum of two years are even more likely to consider leaving their provider during the payment transaction. Of these customers, one in four think that they should change provider when the invoice arrives. As expected, there is a strong relationship between customer satisfaction and the idea of leaving their provider at this time. For customers who are “somewhat dissatisfied” or “very dissatisfied,” the invoice is not only a request for payment, but also a reminder to look around for a new provider.

Percentage who consider changing provider when they receive the invoice, distributed on the basis of customer satisfaction:

Seen over all surveyed industries.



Young people evaluate more – get used to it

The behaviors and attitudes of young consumers are provide a glimpse of the future. As many as 80% of customers in the target group of 18–29-year-olds evaluate their energy company to some extent when the invoice arrives. Why this statistically significant difference compared to other age groups? The younger generation grew up in a digital world and is thus used to “on-demand”: jumping between services and apps as they please, pausing a TV show whenever they want, shopping whenever they want. It is no wonder that this target group translates this way of life to the idea of switching between energy companies at any time.

Will this behavior disappear over time, as young people grow up? Maybe, but another possible development for which there is more evidence is that the behavior will persist as they age and customers will become more mobile than ever.

Recommendations

Maximize the customer's sense of value during the payment transaction

Challenge yourselves to maximize the customer's sense of value during the payment transaction. How can the customer get more out of their purchase? What value can you add during the payment transaction? Imagine if not just 83% but a full 100% of your customers only interacted with you during the payment transaction. If this were the case, how could you strengthen the relationship as much as possible at that time?

Create a clearer invoice

Minimize the risk that the payment transaction will create problems. The invoice should be clear in both content and design, and it should be ridiculously easy to pay or ask questions about it. By all means, you want to ensure that the customer does not get more things to add to their list of negatives during this crucial moment of evaluation.

Remind the customer why they chose you

Once upon a time, the customer chose you for a reason. How can you remind them of this during the critical payment transaction? During every payment transaction, drill it into the customer's head that they made the right choice. The benefits of your particular brand and offerings must be highlighted to the greatest degree possible during this point of contact.

3.

Those little fees entail big risks

More than 1 in 3 energy customers look for a new provider if they receive an unjustified reminder fee, and the same proportion state that they sometimes subsequently share their dissatisfaction with the people around them.

48% of customers fully or partially agree with the statement *“If I receive a debt collection demand instead of being offered the opportunity to resolve a missed payment in another way, there is a risk that I will look around for a new provider.”*



Don't intimidate the customer with debt collection without good reason

As you might expect, debt collection demands aren't popular with customers. Half of them say that there is a risk that they will look for a new provider when they receive a demand and they are not offered any other solution than to pay a penalty fee. In addition to the risk that the debt collection demand may scare the customer away, you also completely lose control of the communication and the entire relationship with the customer. Instead, the debt collection company steps in and plays the "tough guy," with "extra everything" in terms of fees, all topped off with customer-hostile words such as "demand" and "the Enforcement Agency."



The debt collection companies' customer experience is also something of a nightmare, which is your problem because it is your customer they're handling. These companies exemplify the customer-hostile relationship by taking on the role of faceless debt collectors. Instead of using a warm but firm approach and making it as easy as possible for the customer to pay, they complicate the process in order to possibly be able to charge an additional penalty fee.

Sometimes debt collection demands are justified; the customer must of course pay their bills. But again, ask yourself: What is it worth? Have you quantified the risks you take when you hand over your customer to a debt collection company? Have you unilaterally focused on how easy it will make things for you if the debt collection company takes over the debt? Turn the tables and ask yourself what you could gain – in terms of customer satisfaction and counteracted churn – by maintaining your relationship with the customer.

Recommendations

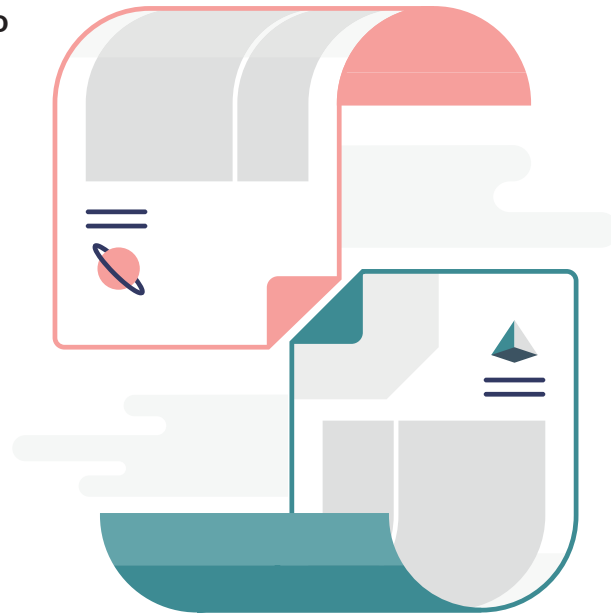
Figure out if the fees are really worth it

If you currently list reminder and debt collection fees as pure income items, in light of these figures you need to stop doing that. Dig deep to find out how many customers you are actually losing as a result of these fees. Calculate the loss each lost customer entails and compare this to the “gains” from these penalty fees. Is it still worth it? Maybe there is even an opportunity to brag that you don’t chase your customers and send debt collection companies after them just because an invoice ended up in the wrong pile of paper at the customer’s home.

4.

39% of customers feel locked into a contract with their broadband provider because it is a hassle to change providers

Among young people aged 18–29, the figure is even higher, with 55% finding it difficult to change providers.



Do you know WHY the customer is still here?

This figure underscores something we have said before and which is demonstrably worth saying again: it is not enough that you keep the customer from quarter to quarter, year to year. You need to know why the customer stays. 4 out of 10 electricity customers feel “locked” into their contract and feel that it is “a hassle” to change providers – how loyal would such a customer be if a competitor suddenly appeared that made it easy to switch? Perhaps right now the customer only has a notion of how difficult it would be to change providers? In that case, it would really be enough for a competitor to show them that it’s not so complicated – and presto, you’ve lost the customer.

Young people have a lower threshold for hassle

Just as other findings in this report show, young people stand out here as the group that thinks it's the biggest hassle to change providers. We don't know why this is, but it's no great stretch to assume that the customer experiences to which this target group is accustomed are far more user-friendly. Canceling or starting a subscription to a modern digital entertainment service is usually a matter of a few clicks on any screen. An entertainment service and energy are not the same product, of course – but that's not the customer's problem. Whether you like it or not, expectations of you are affected by all the other services that your customers use, and the number of young people who are more likely to feel “locked in” will only increase. In the long run, this is the #1 group of consumers to whom you must aim to appeal.



Digitalization, start-ups and legislative changes are driving change

Several simultaneous forces are driving this area in the direction of making it easier for the customer to move around. More and more startups in the energy industry are stepping in and simplifying the customer experience with fully digitalized, app-based offerings and aiming to appeal to the new generation of electricity customers. Established energy companies are tagging along and digitalizing their businesses, both because the threat from the start-ups is becoming real, and because legislative changes on the horizon proposed by the Swedish Energy Markets Inspectorate (EI) also point in this direction. EI even titled its report with the new proposal “Easier for the Customer,” with a stated goal of making the electricity market more “customer-friendly and competitive.”

The prospect that customers in the electricity market will become more mobile is no longer theoretical; the process is already under way. This means that you don’t want 39% of customers who may only stay with you because they feel “locked in” – you want customers who stay because they’re loyal.

Recommendations

Investigate why your customers renew their subscriptions

Dive deep with your customers to find out why they extend their subscriptions. Don't just ask them straight out, "Why did you extend your subscription?" When you do that, most customers give a simple answer ("because it works well"). Instead, dig deeper! Introduce the customer to hypothetical alternatives. "Describe how you would like the process of changing electricity provider to work," "If you had to change, which provider would you choose and why?" or "Why haven't you switched to that provider already?" And so on, in that style. Don't be afraid to find out a potentially uncomfortable truth.

Investigate how you can make it easier to switch to you

Work hard on the question of how you can make it as easy as possible to switch to you, without mixing in prices or offers. Completely limit your approach to the customer experience – what does a competitor's customer need to do to switch to you, and how can you drastically simplify that journey?

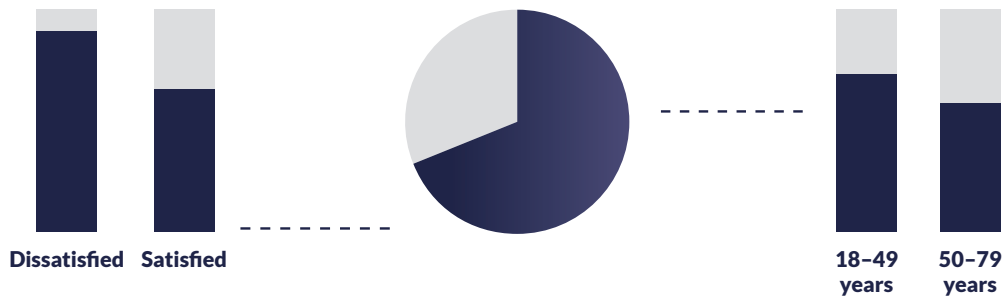
Learn from the best

Look at other modern subscription services to which today's users are accustomed (such as Netflix and Spotify) to gain inspiration and get a taste of what customers will increasingly begin to demand from you as well when it comes to the simplicity of starting/terminating a subscription.

5.

Invoice hassles hurt you as a provider

67% of broadband customers say that a complicated invoice can make them adopt a more negative view of their provider.



This figure is highest among customers who are already dissatisfied with their provider. In that segment, as many as 90% state that their view becomes more negative as a result of a complicated invoice. Among satisfied customers, 64% say that their view of the provider is negatively affected.

Younger people seem to have the least patience. In the target group of 18-49-year-olds, 71% agree with the statement that complicated invoices make them view their provider more negatively. The corresponding figure for 50-79-year-olds is 58%.

Nearly a quarter (23%) fully or partially agree with the statement
*"If the invoice was easier to pay,
it would improve my overall
experience with the provider."*



Nobody likes a hassle

7 out of 10 electricity customers believe that a complicated invoice has a negative impact on their relationship with the provider. Of course, no one likes hassle, but again we would like to remind you that for 83% of electricity customers, the payment transaction is the only notable point of contact. If the experience during the payment transaction is complicated, then all their contact with you as a provider is complicated. That doesn't make for a loyal customer base.

The age differences are interesting, because they offer a preview of how this will change over time. Younger people expect simpler and more comfortable experiences, and of course they expect everything to be digital. As more and more people who do not remember a time before the internet start paying their first broadband bills, expectations of you will rise. Soon you will have large crowds of customers who have been chatting with brands on Facebook Messenger for a decade but have never called a telephone support service, who have made seamless microtransactions using thumbprint verification on their phone but have scarcely made a withdrawal at an ATM. Now they will finally start subscribing to electricity – what differences in customer experience will they react to?

The format is a major source of hassle

To learn more precisely what aspects of invoices create hassle for customers, we need look no further than any energy company's FAQ site. The questions are often about:

- that the invoice is difficult to pay
- that information about what the customer is looking for is lacking
- that the customer does not understand exactly what costs money and why
- that it is difficult to change something that is incorrect.

Many of these problems could easily have been remedied if most invoices did not use such hopelessly outdated formats. The classic, completely “dead” paper invoice lands in most customers' mailboxes, and if it is “digital”, it often takes the form of the same paper invoice in PDF format, or of an e-invoice from the bank. This saves paper but doesn't really solve any of the problems we listed above.

To eliminate the hassle and meet customers' rising demands for convenience, the invoice must be a payment experience delivered via a digital platform, where you have the opportunity to change things in real time, to communicate directly with the customer, and to easily enter data and information from other sources. Simply put, you should be able to do everything that your customers expect you to be able to do in the digital age.

Recommendations

Find out what customers consider to be a hassle

You need to make it a priority to find out what your customers consider to be a hassle and how you can improve this. Don't accept being just as much of a hassle as everyone else; the figures show invoice-associated hassle is far too great a source of negative customer experiences for it to be sustainable.

Change the format

Switch to a digital and interactive format for the payment experience that allows you to meet the expectations of today's customers.

Simplify your contact paths

When questions arise, your contact paths must be as easy to navigate as possible. With Billogram's platform, customers can chat with their provider's customer service directly via the interface in the payment experience – how can you make yourselves as accessible as possible?

6.

Customers want personalized communication on the invoice

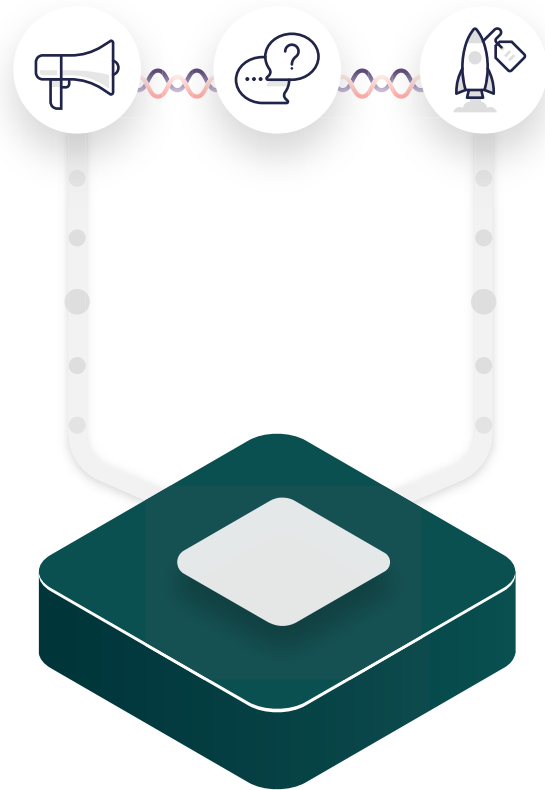
4 out of 5 are happy to learn about offers on the invoice, for example if a new contract would better suit the customer's consumption habits.



88% of electricity customers say that they are happy to receive information about, e.g., consumption, commitment periods and the like when they receive their invoice.

Of the industries surveyed, the demand for more information on the invoice was greatest among electricity customers.

43% agree with the statement *"In general, it feels like contracts aren't flexible and personalized for my situation."*



The data society leads to demand for personalized offers

4 out of 5 electricity customers are open to, e.g., more personalized offers delivered directly on the invoice. That message should go straight to the board room of every energy company in Sweden. Customers are positive about interaction with their energy company.

Why? This is probably due to the digital development we have seen in just the last five years, where increasingly personal data about users is collected and used by platform holders to adapt their offerings to each user's tastes. More and more people have experienced how good it can be when things are personalized, for example when services such as Amazon and Spotify seem to be able to predict what content we might like.

In the case of energy consumption, it does not entail such problematic privacy issues as those faced by the data giants. That said, 80% of customers are demonstrably open to data about their consumption being used to offer personalized products during the payment transaction. In an era where virtually every company that wants to develop is thinking about how it can better customize itself according to the customer's needs, it is reasonable to assume that openness to customized offers will increasingly strengthen into an expectation.

Data collection must be characterized by transparency and clarity

In this case, one results in the other. As many as 88% of customers want information about consumption, commitment periods and the like. Simply put, customers want to know what they are paying for.

Hasn't that always been the case? Not exactly. Because as consumers are now learning how much data providers have about them – and thus are open to offers that are personalized based on these data – this brings with it a counter-demand for transparency and clarity. The customer says: “I know you know. Now tell me and be open.” Energy companies that want to stay at the forefront of the market report as much information as they can, as clearly as possible.

Of the industries surveyed, the need to obtain information about, e.g., consumption and commitment periods is greatest among electricity customers, with 88% stating that they would consider it; the average among all the surveyed industries is 76%. The reason for this difference could be that it is electricity customers who are most likely to only interact with their provider during the payment transaction. In other words, this transaction becomes the natural opportunity for all that information to be reported so that the customer can evaluate what they are spending money on.



Recommendations

Show what costs money and why

Develop your communication during the payment transaction so that it reports what things cost money and why, with all the clarity that customers desire. Listing pennies and kilowatt hours in what can best be described as an Excel document is not in keeping with the clarity today's customers demand.

Use data to produce offers

Work hard to examine how you can use data about customers to produce relevant offers. If you're lacking data, just ask the customers! The figures point to a great willingness to share personal data if it results in customized offers, so go out and get the data you need.

Use data to customize the payment experience

Use personal data about customers to customize the entire payment experience. It is only reasonable that a younger man living in his first condominium and a middle-aged woman with a townhouse and her own charging station for the hybrid car in her garage should demand and receive different payment experiences.

7.

Too many people feel that you don't change with the times

43% of broadband customers fully or partially agree with the statement *"The offer I receive from my provider have not changed significantly in the last 3 years."*

65% of customers fully or partially agree with the statement *"When new customers receive better offers/contracts than I have today, it negatively affects my view of my provider."*



It's one thing to change, another thing for customers to understand that you have

More than 4 out of 10 customers do not think that the offer they receive from their energy company have changed “significantly” in the last 3 years. If you react to this with “Yes, but we haven’t made such big changes in 3 years,” then you’re probably being left in the dust by the competition.

If your reaction is instead “We have certainly changed, but the customers haven’t understood that we have,” then your problem is instead that nearly 43% of all your customers haven’t experienced the improvement in the customer experience or service in which you have invested.

How are you going to communicate the changes you have made to your customers, so that they actually understand what you are doing in exchange for the money the customer is forced to cough up month after month?

On the other hand, your old customers see you wooing new ones

While a large proportion don't feel that you're changing – and thus don't believe that you're improving – just over 3 out of 5 say that their attitude towards you deteriorates when new customers receive better offers or contracts. If you think about that situation, you'll realize that it's a fairly potent cocktail: the customer continues to pay the bills but feels that nothing happens, while you seemingly pour all your energy into attracting new customers with enviable prices.

In short, this is not sustainable.

Are you actually making the profound changes necessary for customers to notice a difference? Or is the picture that many customers have of you actually true: you aren't developing your offerings significantly, and instead focus on attracting new customers with favorable prices?

Recommendations

Communicate how you are developing your offerings and why

Invest a great deal of effort in communicating how you are developing your offerings and why. Don't forget to use the invoice in this communication; remember that for 83% of your customers it is the only point of interaction with which they engage.

Stop guessing

Ask yourself tough questions and conduct frequent tests with your customers: Do your changes actually add value? Or are you wasting precious resources on projects that management thinks are great but that the customers don't feel add value? You must *know* the answer to this; guessing is brutally costly.

Find out how campaigns targeting new customers affect existing customers

Evaluate in detail how campaigns aimed at attracting new customers affect your existing ones. It's one thing to decide that it pays to win a new customer over with a campaign, given the customer's potential lifetime value – but have you taken into account the effect of 65% of your existing customers developing a worse opinion of you when they see how you've done it?

8.

7 out of 10 customers have higher expectations of new digital solutions than they did 5 years ago



In addition, 69% of energy customers have higher expectations that it will be quick and easy to pay than they did just 3 years ago.



A single experience can change everything

It only takes a single experience to change a customer's expectations of an entire industry or of a certain type of activity. If a friend with another energy company shows your customer how their new digital service works, the lightbulb will turn on: "Why can't my energy company offer that kind of service?" A satisfied customer can become a dissatisfied one who has seen what is possible. It can happen in the blink of an eye.

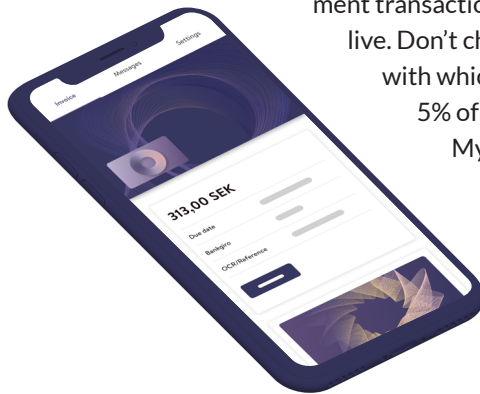
In other words, as a provider, there is a major risk here that you will be overtaken by your competitors – unless you yourself are proactive and act first, that is. For examples, just look at Netflix, Max Burgers and Amazon. They have changed their business model and offerings based entirely on digitalization and led the development in this area. Rather than becoming slaves to expectations, they have instead created them.

Netflix is not your competitor – but services like theirs help drive your customers' expectations. Expectations of new digital solutions follow the accelerating development of technology. Somewhat surprisingly, the expectation profile is the same across all age groups surveyed. So contrary to stereotypical assumptions, it is not only the younger customers who want better digital solutions.

Build digital solutions – with which the customer engages

When more than 7 out of 10 customers – both young and old – expect more digital solutions, the conclusion can only be that there are business opportunities here. Of course, you should not just go digital for the sake of going digital; you want to create digital solutions that have a positive impact on your business. We thus land right back in the same situation as we mentioned in the analysis of figure # 1: For 83% of electricity customers, the invoice is the only point of interaction with you as a provider.

If you combine these facts, you come to one of the biggest reasons for Billogram's existence. Since a sizeable portion of the energy industry's customers only engage with their invoice, for subscription services such as yours we aim to transform the payment transaction based on the new digital reality in which we all live. Don't channel all your energy into points of interaction with which customers don't engage (remember that only 5% of customers say they use their provider's website/ My Pages once a month). Build from the ground up by maximizing your use of the point of interaction that for 83% of customers is the only one: the invoice.



Recommendations

Buy or build the right digital solutions

Create or purchase digital solutions that are fundamentally adapted based on the possibilities of digitalization. Don't be content with simply transforming an analog process to become computer-based, for example with bad solutions such as digital forms and PDF invoices.

Learn from others

Look at how other subscription-based digital services build relationships with their users and – no matter how much of a clash it might be – work around the question: What would it look like if we worked like that?

Digitalize the invoice

Digitalize your #1 most-used point of interaction – the invoice – with a solution that paves the way for personalization and interactivity.

Summary

So how do customers experience their relationships with energy companies?
And what does the way forward look like for providers?

This study shows that the relationship between customers and energy companies largely plays out during the payment transaction. This is where many customers actively evaluate the relationship. This is where the greatest risks occur, as hassle quickly damages the relationship – but it is also where the opportunities lie.

Our recommendation is to broaden your view of the payment transaction from a necessary transaction to an experience. Companies need to start talking about the payment transaction internally and build their services based on that. They need to explore how they can maximize customers' sense of value at this precise moment, as well as how they can minimize risks through clearer payments. They also need to question how fees related to the invoice, reminders and debt collection affect the customer's overall experience and relationship. In addition, companies urgently need to start communicating with customers about what they are paying for and why they are making a good choice of provider. The companies that take this challenge seriously can look forward to an exciting and profitable future, in both the long and short term.

A new view of the payment transaction

Perhaps the most important insight that our work with Novus has given us is that for the majority of customers of telecom, energy and broadband providers, the payment transaction is the sole point of interaction. This means that the payment transaction is these suppliers' most important moment with their customers. Here lie the opportunities for loyal relationships, but also the risks of churn.

In light of the fact that the payment transaction is crucial for these companies' relationships with their customers, the shortcomings of the traditional invoice become obvious. The invoice remains a "dead", one-way document. It is equipped neither to be flexible nor to support a relationship.

What is a better payment option?

If the traditional invoice does not work to build loyal customer relationships, what alternatives do companies have? The answer is: lots of them.

The combination of technology and financial services has proven potent. We can now build completely new services that are far better at meeting the needs of both companies and customers. Everything can be done faster and more smoothly, but this development is not without pitfalls – especially for companies with subscription-based business models.

As it becomes possible to make everything simpler and more convenient, we need to stop and ask ourselves what happens to the customer relationship. Is a good payment experience really just about making the transaction as simple and convenient as possible?

The risk of only focusing on simple transactions is that we miss the opportunity to build relationships with our customers. A better payment transaction is thus about more than the transaction itself. The payment transaction only becomes really interesting when we merge the payment with what is currently known as CRM, when we can combine financial data with customer data and customize the payment experience for each customer.



“We want to broaden the view of the payment transaction from just a simple transaction that should be fast and convenient, to also being about an experience and a relationship. That’s why we talk about and develop our service to meet both of these challenges: smoother payments and better customer experiences.”

Jonas Suijkerbuijk, CEO of Billogram

About Billogram

Billogram is a payment solution that helps companies reconcile customers' demands for simple payments with the need for increased customer loyalty.

Since its inception in 2011, Billogram has transformed an outdated invoicing process by offering an intelligent digital platform for invoicing and payments. Through interactivity and automation, we streamline customer management for companies with recurring payments and improve the customer experience for their customers. The result is a payment that benefits everyone.

Read more about us at billogram.com



www.billogram.com