THE POWER OF CUSTOMER ENGAGEMENT CAN BRIGHTEN OUR FUTURE.

Board of Directors Update
Presented by: Heather Siebken
July 16, 2020
What is customer engagement? It’s simple really. It’s the direct and indirect interactions with a brand over time: before, during or after a transaction by phone, online or in person. It also includes likes, shares, tweets and posts on social or comments on review sites.

Customer engagement is an ongoing relationship with a brand as opposed to a singular customer experience or event. And it’s proactive. Brands can reach out to customers to inspire purchases, build brand recognition, solicit feedback and gather information. The idea is to build an ongoing dialogue with customers that creates an emotional attachment. *Make them want you.*
A TWO-WAY CONVERSATION

Today’s customers want to hear from the brands they use — maybe not daily, but often. They want to have an open dialogue and receive relevant content, offers, tips and more. We want this as well and continuously engage our customers in conversation, like a friend at the kitchen table, listening to their input, delivering on their requests and partaking in too much coffee.

That’s why top brands focus on engagement efforts — asking, listening and delivering time after time. Customers judge a brand and perceive its value based on an overall experience and engagement level. The good, and the bad, interactions resonate with customers for a long time.
FLYING HIGH WITH CUSTOMERS

“We are not simply a Company of planes—we are a Company of People. And it is the Heart of the People of Southwest Airlines that makes us who we are—yesterday, today, and tomorrow.”

—Gary C. Kelly, Chairman of the Board and Chief Executive Officer
BUT WHY?

At OPPD, our products power homes, businesses and lives. Literally. But as we face a changing industry, we need to better define and target investment in the customer experience, tailoring it to the changing environment if we want to beat future competitors and keep customers.

By better connecting and engaging with customers to understand what is important and desired, we can define, plan and prioritize initiatives that help meet their changing expectations. We are already a customer-led company, but a deeper understanding of our customers will allow us to help solidify our position in their hearts and minds for years to come.

READY, SET, GO

Customers give utilities roughly 10 minutes per year. Wise companies keep it short, simple, elegant and targeted.

9.2 MINUTES
Via digital channels
AVERAGE TIME SPENT INTERACTING

11 MINUTES
Via non-digital channels
AVERAGE TIME SPENT INTERACTING

Source: Accenture New Energy Consumer research, 2017
A SHIFTING STRATEGY

VALUE TO THE BUSINESS

LEVEL 1
Mass Marketing

LEVEL 2
Segmentation

LEVEL 3
Personalization

LEVEL 4
Engagement

TIME

PRODUCT
MARKET
CONSUMER
INDIVIDUAL

BUSINESS STRATEGY
A SHIFTING STRATEGY

1. PUT PROMOTERS TO WORK
- Promoters bring in new customers who become promoters.
- Give promoters a platform to be a mouthpiece to promote your business/brand.

2. ENGAGE PASSIVES
- Passives only need a reason to promote you.
- Tell them what you are doing to improve.
- Ask them to help prioritize.

3. CONVERT DISTRACTORS
- Target specific customers.
- Ask them to help you improve.
- Make them trusted advisors.
- Show them you’re listening and taking action.

4. REACH OUT TO NON-RESPONDERS
- They’re tired of telling you what to do to keep their business.
- They’re just waiting for one more reason to leave you.

5. IMPROVE PRODUCTS, SERVICES AND RELATIONSHIPS
- Take action on customer insights.
- Incorporate employee insights.
- Ask customers to help validate and prioritize.
- Provide regular progress updates.

6. SIMPLIFY BUSINESS PROCESSES
- Make it easy for employees and customers to do business.
- Simplify business infrastructure.
- Simplify language inside and out.
- Dissolve the silos.

ADVOCACY
Improve Loyalty, Satisfaction and Engagement
THE *MUSTS* GUIDING US FORWARD...

**Customer Understanding**
*We must* discover and deeply understand the needs and expectations of our customers, businesses and communities. Customer data can be one of the greatest assets when we capture it intentionally and strategically — and use it to develop and deliver the solutions our customers desire.

**Customer Empowerment**
*We must* help our customers do business with us in the manner they desire. This means personally engaging with them throughout their journey and empowering them to make informed decisions that meet their energy objectives.

**Solutions Engineering**
In our transformation as an energy provider of choice, *we must* offer solutions that solve our customers’ problems. When we understand our customers on a deeper level, we can deliver differentiated products, services and resolutions that our customers value.

**Operational Efficiency**
As financial stewards, *we must* invest our customers’ dollars wisely. This means we are obsessed with operational excellence, continuous improvement, timely decision-making, innovative thinking and efficient use of resources. We deliver value to our customers when we proactively seek their insights and feedback.
...ARE THE **GOALS** OUR CUSTOMERS DESERVE

**Customer Understanding**
OPPD understands my expectations, utilizing those motives to develop and deliver business goals to support my needs.

**Customer Empowerment**
OPPD engages with me throughout my personal journey and empowers me to make informed decisions that meet my energy-related goals.

**Solutions Engineering**
OPPD enables access to a variety of differentiated products, services and solutions that I value at different states in my life.

**Operational Efficiency**
OPPD proactively seeks insights and feedback from consumers, like myself, for everything that it does, in order to assure what it delivers serves my expectations.
ADVOCACY IS THE ULTIMATE GOAL
GO, TEAMS. GO!

**ORGANIZATIONAL READINESS TEAM**

- Create customer engagement playbook for teams to follow.
- Assess our current state and benchmark us against other utilities and organizations.
- Propose roles and responsibilities.
- Secure/provide training.
- Use the customer engagement maturity model and identify actions needed to gather customer insights.

**ADVANCED ANALYTICS AND TOOLS TEAM**

- Investigate, acquire and implement tools to support storage of customer insights.
- Conduct analyses to better predict outcomes and inform company actions or responses.
- Determine how to utilize new and/or existing marketing tools to better target customers.
- Leverage enhanced customer-attribute and customer-transactional data to create and optimize segmentation models.

**CUSTOMER INSIGHTS AND OUTPUTS TEAM**

- Focus on the inputs and outputs that lead to successful customer engagement.
- Create targeted customer personas, develop transactional survey instruments and collect customer insights on specific topics.
- On the output side, create tailored messaging, build a customer “product and service” review process and post and monitor social media.
PROJECT APPROACH

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<thead>
<tr>
<th>Phase</th>
<th>Start Date</th>
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<tbody>
<tr>
<td>PRE-ENGAGEMENT</td>
<td>March 2019</td>
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<tr>
<td>PHASE 1 – ALIGNMENT AND VISION</td>
<td>March 2020</td>
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<td>PHASE 2 – SCAN THE ENVIRONMENT</td>
<td>September 2020</td>
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<td>PHASE 3 – DEFINE THE FUTURE</td>
<td>March 2021</td>
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<td>PHASE 4 – ROADMAP AND RESOURCES</td>
<td>August 2021</td>
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<td>PHASE 5 – DEVELOP</td>
<td>January 2022</td>
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<td>PHASE 6 – IMPLEMENT, INTEGRATE, RECOMMEND</td>
<td>May 2022</td>
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RESOURCES

PERSONNEL SUMMARY
• Total Personnel Involved = 30+ personnel
• Total Personnel Hours = 31k+ hours

ADVISORS

ORGANIZATIONAL READINESS TEAM
• Austin Martinez, CS
• Nina Swanson, HC
• Kate Thomas, PA

ADVANCED ANALYTICS AND TOOLS TEAM
• Sara Biodrowski, CS
• Tim McAreavey, FS
• Sarah Riley, BT

CUSTOMER INSIGHTS AND OUTPUTS TEAM
• Corey DeJong, CS
• Jennifer Johnston, CS
• Laurie Zagurski, PA

SUPPORT TEAM
• Mindy Wells, Project Coordinator
• Adam Haynes, Change Management
• Mary Oswald, Communications

CORE TEAM + SUBJECT MATTER EXPERTS
• Approx. 20 additional resources
• Diverse mix from across all business units
• Will onboard to the team in preparation for Phase II

PERSONNEL SUMMARY
• Total Personnel Involved = 30+ personnel
• Total Personnel Hours = 31k+ hours
Customer Engagement Video
ENERGIZED FOR POSITIVE CHANGE

There’s no question — customer engagement will power our future and result in OPPD becoming a trusted energy provider to our thousands of customers. Thank you for your unconditional support of this initiative.

Now go forth and engage...