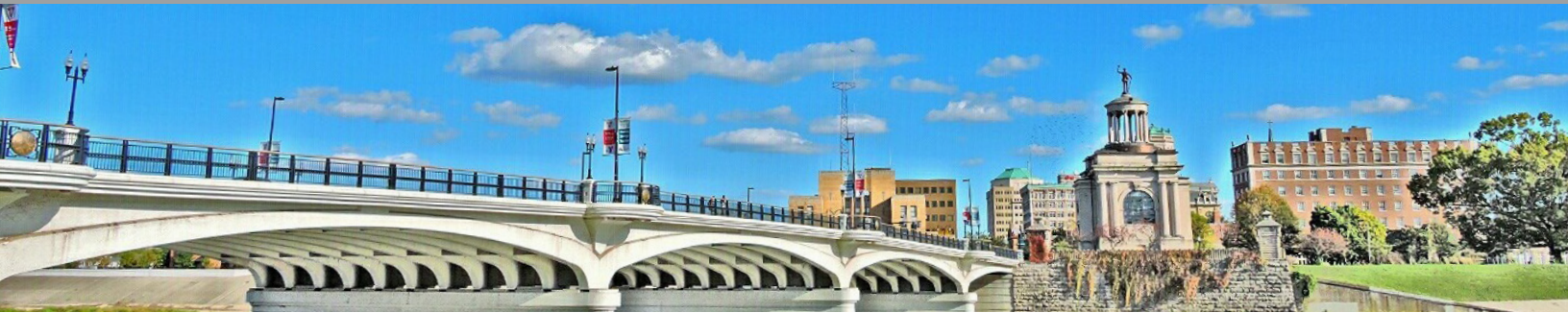# Maintaining Essential Services, Improving Customer Satisfaction Through Texting

Peter Maloney, June 4, 2020

Utilities are uniquely challenged during the COVID-19 pandemic to maintain essential services and customer satisfaction while controlling costs.

Texting can help in that effort. "Texting can improve customer satisfaction while reducing costs," says Mark Nielsen, Executive Chairman of TextPower, based in San Juan Capistrano, CA. With lower load from large commercial customers and lower tax receipts, many municipalities will need to keep costs low as the economy gradually emerges from the effects of COVID-19 closures.

One way to do that is to use texting to alert customers when power goes out–or comes back–because it reduces the load on a utility's phone system. Pinpointing outages reduces truck rolls, i.e., the need to dispatch field personnel. And utilities confirm that texting is much less expensive and more effective than door hangers or regular mail for communicating disconnect notices, Nielsen says.

As an example, New Braunfels Utilities in Texas switched to TextPower to notify customers about outages in 2016. Since then, texting has reduced the Texas public power utility's incoming call volume by over 55% and customers responded positively, with a 97% acceptance rate.

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> Superintendent of Fleet, Streets and Sewers
> Department of Infrastructure
> City of Hamilton, Ohio

The City of Hamilton, Ohio, began using TextPower in July 2019 to send outage alerts and bill notifications to customers. The experience was positive, and the city quickly realized it could expand its use of texting to send alerts for other operations--street cleaning, snow removal and leaf pickup services all now send text alerts in advance to citizens with very positive feedback.

Hamilton's Department of Infrastructure is a unique public power utility in Ohio in that it is the only city in the state that owns and operates all four major utility services--electricity, natural gas, water, and wastewater. Hamilton has owned and operated its electric utility system since 1893 and now serves about 30,000 electric customers.

Sending texts about leaf collection routes is a "more effective and efficient way to communicate with customers," Craig Koger, Hamilton's superintendent of fleet, streets and sewers, says. In the past, he said Hamilton would have used door hangers to inform citizens or would have had to respond to incoming phone calls.

"Texting reduces the number of calls we get," Koger says. "The more we use it, the less calls we are going to get." As many as 85% of received texts were read, he added.

"Leaf collection notifications used to be somewhat hit or miss," said Jim Williams, Director of Public Works for the city. "One or two houses on a street would have their leaves out for collection and then three other houses workers had already passed would call the city to ask the truck to come back for them. That creates overtime and costs for the city," he continued.

Texting is a "tool that has changed the way we communicate with the public. It actually gets them engaged. It allows for more efficient engagement with the community."

Nielsen added, "A lot of public power utilities post information on Facebook or on Twitter, but few people follow their utility on those platforms. A utility would be lucky to get 10% or 20% of their customers to follow them."

Nielsen also notes that, based on their own statistics, Twitter says only 30% of followers see a particular tweet. Facebook is even less effective with only about 16% seeing a post. The read rate on emails is similarly low. Only about 20% of emails are opened, Nielsen says.

Traditional phone service is also becoming an increasingly less effective tool. With about 54% of U.S. households no longer having a landline phone, cell phones are becoming more and more ubiquitous as the primary phone service for the majority of citizens. Yet most phone calls, especially from unknown sources, are now ignored or sent to voicemail.

Texts, however, are often perceived as being from somebody "you want to get a message from," Nielsen says.

In stark contrast to phone calls or social media posts, 98% of text messages are read and 90% are read within three minutes of receipt. "No other form of communication has that immediacy or reach of texting," Nielsen says.

Texting's other advantage over phone communications is that it is more cost-effective, especially when it comes to outage management. On an ongoing basis, the cost of a single text message is pennies, while the per-unit cost of an interactive voice response (IVR) message can be 5x that much per message, says Nielsen. If a live person is needed to answer the phone, the costs are measured in dollars.

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Expanding Services

Like many utilities, Hamilton began using TextPower for services such as outage management. The city quickly realized, however, that texting could be used for a wider array of services.

"We are always looking for continuous process improvement," Williams, Director of Public Works for Hamilton, says. Looking forward, Williams sees even more uses for texting beyond outages and leaf collection, etc. Hamilton has just levied a tax to repave city streets over the next two years. "We can use text responses to communicate the order in which streets get paved," he says.

In Williams' view, texting helps the public "understand our situation." The public is not always informed, he says, but "texting lets citizens know how their tax dollars are being used."

When the city started talking to TextPower about expanding its usage, it was easy to do, says Nielsen. "There was no additional cost to the city. We simply had to walk them through the process and provide a couple hours of training."

TextPower offers a full suite of application programing interfaces (APIs) that allow software applications–such as Milsoft's OMS and Cayenta's CIS that Hamilton uses–to talk to the TextPower system. "The platform can expand to multiple uses without any additional setup costs," Nielsen says. "The only additional cost would be for additional text messages at pennies each."

When Hamilton started using TextPower, about a year ago, "I didn't think it was that big a deal, just another bell and whistle," Bill Hudson, assistant director of utility operations for Hamilton, says. Now, he says he realizes it is saving many staff hours.

Going into the expansion, the city estimated that using TextPower services could save Hamilton $8,735 on leaf collection labor costs and $11,180 on street sweeping labor costs. Subtract the additional costs, and the city estimated it would have about a $15,000 return on investment in just the first year of using the service, excluding the added savings from outage reporting. "Texting is a very good tool to have in the toolbox," Hudson said.

For more information about TextPower, visit the company's website, www.textpower.com.

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