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Ingenuity for life

Case study



Boost's smart pay-as-you-go revolutionises customer experience

OVO Energy selects Siemens once again as its partner in energy retail innovation

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OVO Energy is a leader in the energy supply market as an innovative energy retailer that uses differentiation to promote growth.

The company partnered with Siemens to deploy a customer centric, smart pay-as-you-go (PAYG) system to enhance customer experience and improve control.

The challenge

Back in 2014, as part of the government's smart metering mandate, energy suppliers were given the chance to test new engagement models with their customers before the mass smart meter roll-out began. With its lead-from-the-front, pioneering approach OVO Energy chose to break with tradition and take a highly digital approach to this area of energy retail. Rather than simply meeting industry requirements the company grabbed the opportunity to shake-up the outdated model of prepayment – a physical journey to a shop to top-up – and develop a solution that would allow customers to top-up remotely.

After conducting a thorough review of the current market, OVO Energy chose Siemens as its trusted partner to support them in their revolution.

The company wanted a service that offered an improved customer experience. It wanted a system that provided flexibility and convenience for consumers and one that protected vulnerable customers from the risk of disconnection. It also recognised that PAYG had the exciting potential to transition from a niche payment method to a lifestyle choice for a digital society.

The solution


Siemens Managed Applications and Services decided to leverage its established technology already deployed in the mobile telecommunications industry to design an innovative smart PAYG system that utilised a 'thin' smart meter-based approach.

Thin smart metering uses centralised, back-office systems to manage prepayment and expose insights through digital channels, rather than 'thick' smart metering where top ups are sent to individual meters for management and an 'in the home' customer experience.

Kevin Tutton MD, Siemens, says: "We worked closely with OVO Energy to build a strong working relationship to truly understand their requirements to provide a cost effective solution that gave their Customers a positive and effective user interaction experience. The best way to achieve this was to use our proven technology."

Siemens built on its Energy IP prepay solution which had been developed in compliance with UK market requirements and then created the enhanced functionality required by OVO Energy to ensure it could offer a fully digital service to its customers. The smart PAYG system was hosted by Siemens Polarion SaaS solution – a resilient cloud-based solution – that had the support of an onshore team and delivered on security, availability and recoverability.

The result was a true PAYG experience, where consumers – using a single central wallet - could monitor their balances, receive valuable predictions on available days of credit and top up whenever they needed to, wherever they were.



We are looking forward to working with OVO Energy on future innovations. As a business, we are committed to ensuring that customers optimise the value offered from the transition to smart metering.

Kevin Tutton, says: “We were very pleased with the result. Smart PAYG simplified energy management for OVO Energy customers and provided a unique level of control over their purchasing and usage.”

The benefits

The distinctive and innovative smart PAYG solution has allowed OVO Energy to grow its customer base to an extent where it was necessary to introduce a sub-brand called ‘Boost’, created solely for the PAYG customer segment. Boost presents smart PAYG as a lifestyle choice and promotes freedom and flexibility for its customers, saving them time and money by using their mobile phone: technology that already lives in their pocket.

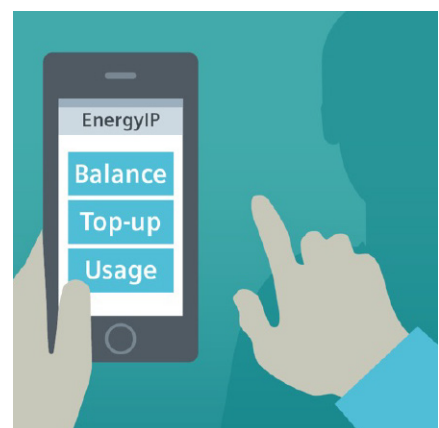
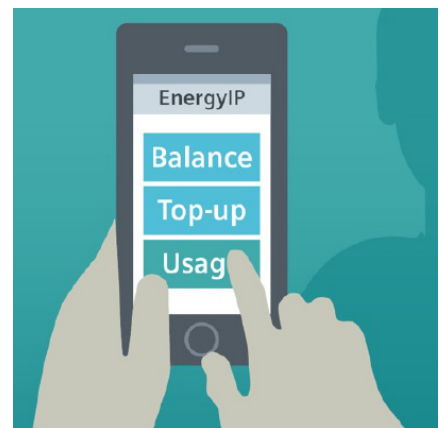
Siemens developed the solution with growth in mind and by using cloudbased technology to host, the flexibility and scalability OVO Energy needs to grow its customer base is enabled. The thin smart metering model also opens the opportunity for services in the future such as enhanced predictive analytics, personalised outputs and personalised tariffs – services that would be lessened by a thick client mode of operation.

Smart PAYG also introduces a reduction in cost to serve – prepayment costs can be more than 30 per cent cheaper compared to other prepayment options. This became particularly important on 1st April 2017 when Ofgem introduced a prepayment price cap which limited the amount suppliers could charge per unit of energy.

The partnership between Siemens and OVO Energy, will allow the energy supplier continued growth in its PAYG segment throughout the mass roll-out of smart meters. The recent introduction of SMETS2 meters saw an opportunity for Siemens to support OVO Energy again with integration works into the new centralised infrastructure of OVO Energy’s data communications company adaptor.

Justin Cockrell, Boost Managing Director, says: “We are delighted to have the opportunity to build on our existing relationship and continue working with Siemens for the enduring phase of smart metering. Our relationship with Siemens has helped our PAYG segment grow rapidly and we’re looking forward to continuing to work together for further rapid growth”.

Jon Turner, Head of Sales for Digital Grid, Siemens, says: “We are looking forward to working with OVO Energy on future innovations. As a business, we enjoy supporting those customers that stand to gain the most from the transition to smart metering.”



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