

Shifting to a Customer Focus at Nuon Business



Nuon
Amsterdam, The Netherlands
www.nuon.com

Industry:

Utilities

Annual Revenue:

More than 5 billion

Employees:

10,000

Oracle Products & Services:

Siebel CRM
Siebel Energy

Key Benefits:

- Quickly identifies key customers for customized offerings
- Facilitated a 30% conversion rate to extended contracts for key customers

“Prior to deregulation, we had very little customer management because we knew our customers couldn’t go anywhere else. In the changing environment, we realized that unless we developed a complete understanding of our customers, our competitors would have us for breakfast.”—Rob Weerts, Information Manager, Nuon Business

Until 2001, Nuon was one of three regulated regional suppliers of energy in The Netherlands. Then, the Dutch market was opened to domestic and foreign competition, starting with large business customers consuming more than one gigawatt of electricity. Nuon recognized that it had to transform itself into a customer-centric business—and fast—focused on more effective sales and marketing and highly responsive service.

“What little contact we had with our business customers was through our billing system—the invoice served as the primary form of customer communication,” says Kevin Mahon, Program Manager, Nuon Business. “On the sales side, all the information developed by our account managers was locked away in different paper-based and electronic information silos, which made it extremely difficult to understand the type and volume of energy that each business customer was buying, the price they were paying, and the history of sales calls.”

The solution was a customer relationship management system that could provide the company with the in-depth customer understanding and insight to capitalize on sales opportunities, improve service, and combat competitive threats both at home and abroad.

Prepackaged CRM Solution

According to Rob Weerts, Information Manager at Nuon Business, Oracle’s Siebel Systems was in a class by itself in terms of CRM experience, knowledge, and prepackaged product functionality. “We needed a best-of-breed CRM application that

“Knowledge is power, and Siebel gives Nuon the power to create profitable, long-lasting relationships.”

Kevin Mahon
Program Manager
Nuon

we could launch straight out of the box without expensive customization,” Weerts says. “Siebel Energy fit our needs perfectly. We also liked the fact that Siebel Energy integrated quickly and closely with our SAP IS-U billing and provisioning system.”

Today, the Siebel CRM solution is the foundation of Nuon’s strategy to efficiently acquire new customers and retain existing ones. At any time, Nuon Business can review a complete record of each customer’s profile; the type and volume of products customers are using; and their buying history, preferences, and contract conditions. The company uses this information to identify the most important and profitable customers and to target resources accordingly; to cross-sell related services, including gas and renewable energy; and to support sales pipeline management.

Thirty Percent Conversion Rate

Siebel Energy has already played a key role in supporting several highly successful marketing campaigns for Nuon. “Using Siebel, we quickly identified 6,000 business customers who were most of the way through their contract. We then built a product offering specific to this audience and mailed offer details to customers. Of the 6,000 recipients, 1,700 signed up for a new three-year contract—a conversion rate of more than 30%. That represents an exceptional return on investment,” explains Mahon.

While Nuon has already seen significant benefits from its Siebel implementation, the journey is far from complete. The next steps are the launch of a multichannel customer contact center, followed by Web-based self-service and the use of the Siebel CRM solution to market energy services to more than 2 million customers in the Netherlands and overseas. As Nuon reinvents itself, the ability to get closer to customers will provide a distinct advantage every step of the way. Siebel Consumer Goods offered us all the prepackaged functionality, flexibility, and scalability that we needed.”

Nuon, a leading, independent, international group active in the generation, marketing, sale and distribution of electricity, gas and heat, as well as related products and services, serves millions of customers. The company also invests in utilities and energy generation projects—including facilities harnessing renewable resources such as wind power—worldwide.