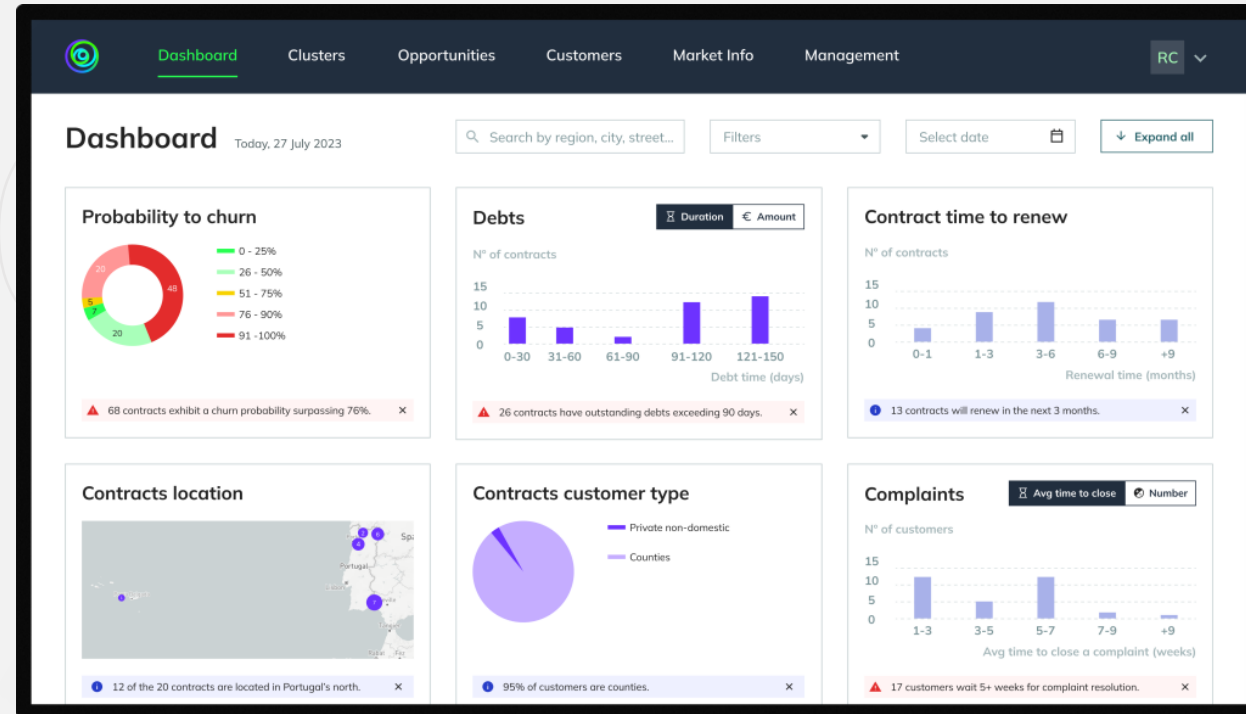




New contract & churn advisor

Smart



REACH-2022-READYMADE-EDP_1

Susana Lourenço

27/09/2023



Code

REACH-2022-READYMADE-EDP_1

Description

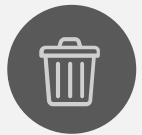
The objective would be to create a predictive model for acquisition of energy & services and also a churn probability.

Problem



Churn is the most significant pain point and growth challenge for energy and utilities companies.

Kaksio Labs



CHURN

Average churn percentage for energy and utilities in Europe is around 12-15% (~30-35% in the US).



NEW CONTRACTS

Attracting new customers costs the company five times more than retaining the already existing ones.

Solution

Well-designed behavior based segmentation and persona work is a great tool for sales and marketing but it also helps control customer churn.

5 Tips to Reduce Customer Churn in the Energy and Utilities Industry



DATA

+



TOOLS

Opportunities and proposals

Contracts

Billing and debts

Complaints

Market information

Segment customers in clusters

Predict willingness to celebrate a new contract

Predict churn probability

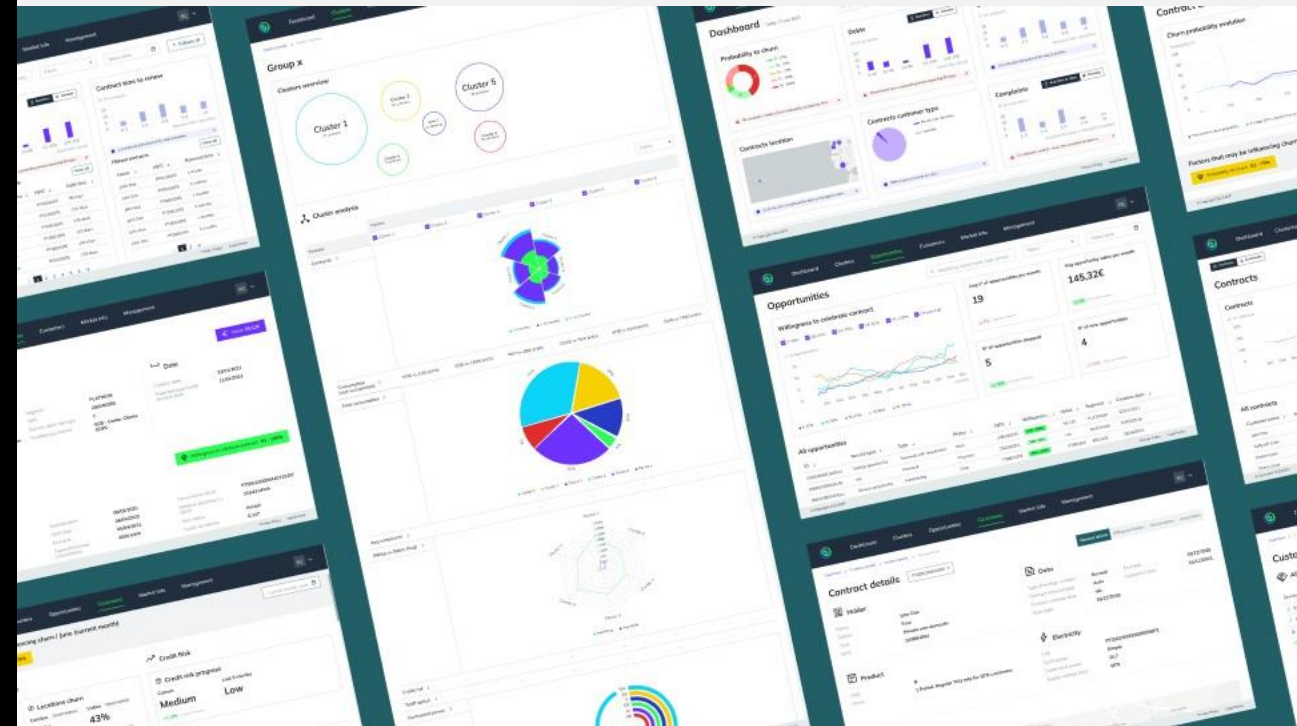
Compelling visualization techniques

Know your customers!

Product

PERFORMS CUSTOMER SEGMENTATION
WHILE PREDICTING ACQUISITION
AND CHURN PROBABILITIES

Smart Clustering





Product



Prediction of churn

Dashboard Clusters Opportunities **Customers** Market Info Management RC

Customers > Customer details

Customer details

All contracts

Search by service type, status... Filters Select date

Service type	Status	CPE	District	Type of energy	Avg monthly billing	Due date	Probability of churn	System cluster
Electricity	Active	PT0002000001808601PE	Faro	Normal	31.91€	12/08/2023	0-25%	1
Electricity	Active	PT0002000006097617AK	Faro	n/a	36.66€	15/12/2021	0-25%	1
Natural gas	Active	PT0002000006098518CW	Faro	Normal	7.560,81€	31/12/2013	0-25%	1
Electricity	Active	PT0002000006099306PP	Faro	n/a	15.130,03€	15/12/2021	0-25%	1
Electricity	Active	PT00020000012867129EN	Faro	Normal	16.201,03€	16/12/2020	0-25%	1

Customer billing summary

Total Customer billing: 14.405,63€ (Jul)

Average monthly billing: 273,41€

Total billing: 5.825,32€

Outstanding billing: 72,64€

Open/Total complaints: 2/12

N° of active contracts: 9

Customer general details

Name	John Doe	Group	A	Segment	Platinum
District	Lisboa	NIPC	243881084	Sub-segment	Multipoint
Type	Private non-domestic	CAE	64190		

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Dashboard Clusters Opportunities **Customers** Market Info Management RC

Customers Customer details Contract details General details

Contract details: PT000200000180

Churn probability evolution

Factors that may be influencing churn / June (current month)

Probability to Churn: 51 - 75%

Location/Industry: Coimbra 26.20% (vs 10% in last 5 months)

Credit Risk: Credit risk progress: Current Medium, Last 5 months Low

Price: Contract price / Current vs Start: Current month 39,10€ (vs 10% in last 5 months), Start of contract month 31,50€ (vs 10% in last 5 months)

Debts: Debts / Current vs Start: Current 74,35€ (vs 22.25€ since start of contract), Start of contract 52,10€

Contract price / Current vs Edp Average: Coimbra 39,10€ (vs 10% in last 5 months), Lisboa 35,20€ (vs 20% in last 5 months)

Debts duration: Longest 147 days (12 Jan - 6 Jun), Shortest 22 days (3 Aug - 25 Aug)

Complaints: N° of complaints: This contract 12 (vs 35% in last 5 months), EDP Average 6 (vs 10% in last 5 months)

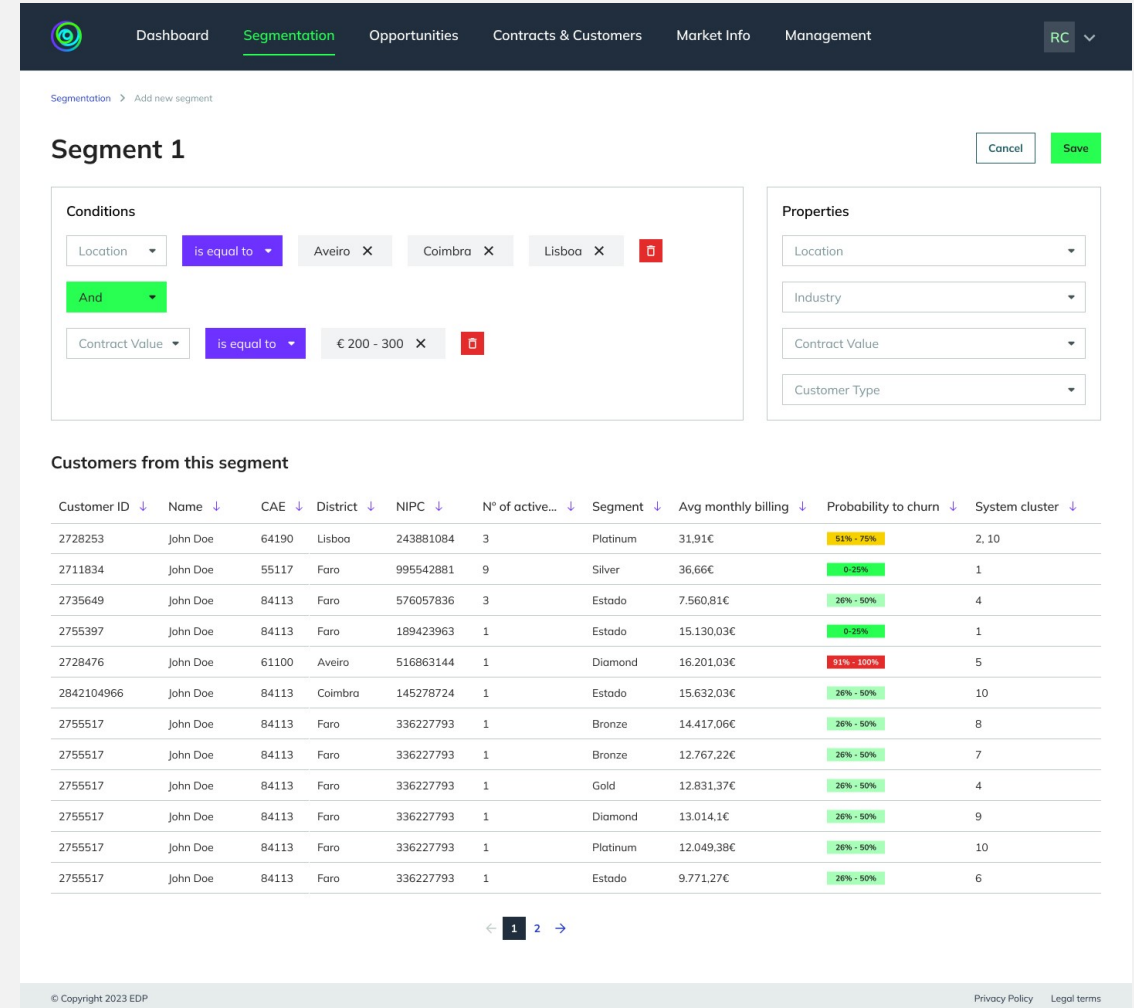
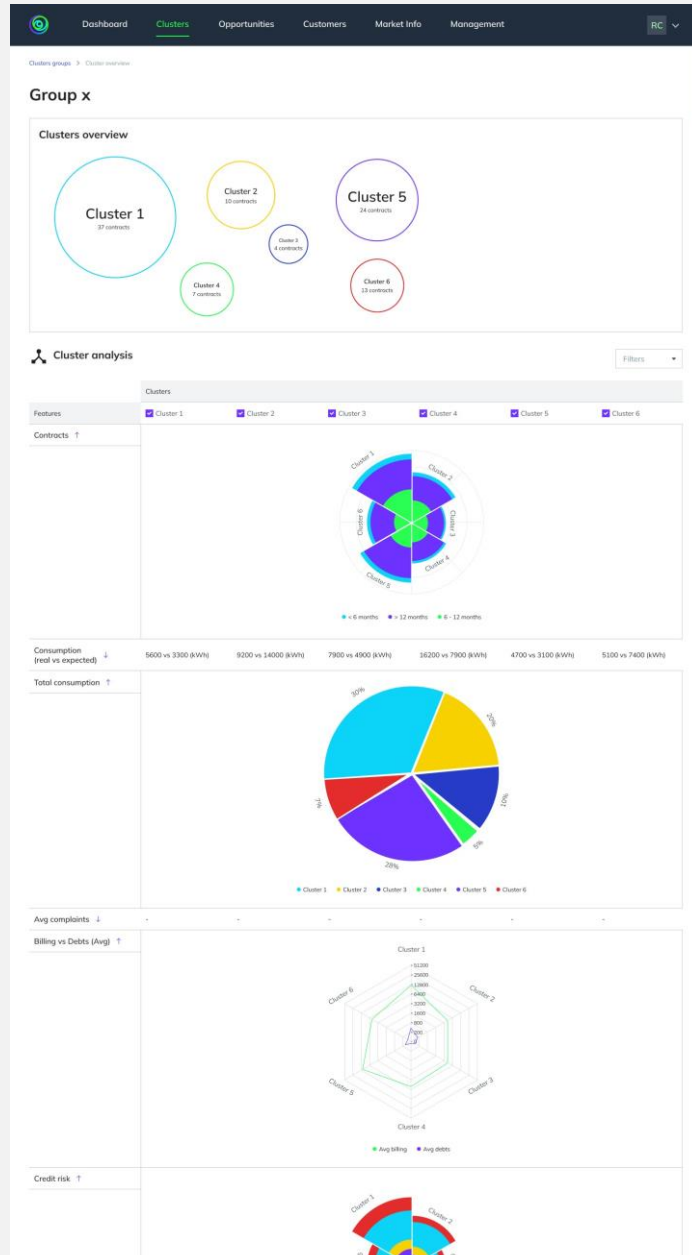
Average time to solve a complaint



Product



Dynamic segmentation





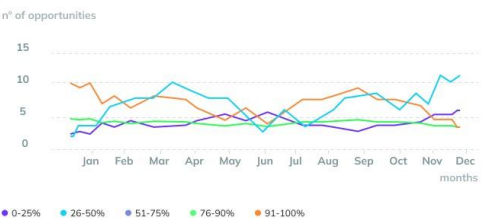
Dashboard Clusters Opportunities Customers Market Info Management RC ▾

Opportunities

Filters ▾
Select date 📅

Willingness to celebrate contract

0-25%
 26-50%
 51-75%
 76-90%
 91-100%
 Unselect all



Avg n° of opportunities per month

19

-5% in the last 6 months

Avg opportunity value per month

145,32€

+5% in the last 6 months

N° of opportunities dropped

5

-20% in the last 6 months

N° of new opportunities

4

-10% in the last 6 months

All opportunities

ID ↓	Record type ↓	Type ↓	Phase ↓	NIPC ↓	Willingness... ↓	Value ↓	Segment ↓	Creation date ↓
0063X00001ARze3	Energy opportunity	Renewal with negotiation	Won	209340355	91% - 100%	59,12€	PLATINUM	22/01/2021
006b000000JGUfy	n/a	Renewal	Proposal	734330911	76% - 90%	n/a	PLATINUM	02/05/2016
0063X00001EFyLc	Service opportunity	Fundraising	Drop	778609078	91% - 100%	3.580,50€	BRONZE	28/06/2021
0060X00000UDdaj	Energy opportunity	Fundraising	Won	984405625	54% - 75%	28,53€	DIAMOND	19/02/2018
0063X00001EHcJE	Mobility opportunity	Fundraising	Won	292793233	0-25%	1€	SILVER	19/07/2021
0060X00000Z8IXq	Service opportunity	Fundraising	Lost	540898424	26% - 90%	2.261,00€	DIAMOND	21/01/2019
0063X00001BseSf	Energy opportunity	Automatic renovation	Won	912891628	0-25%	83,37€	SILVER	27/01/2021
0063X00001Egf75	Energy opportunity	Complaint support renewal	Won	135579074	91% - 100%	107,54€	ESTADO	07/07/2021
0060X00000WF3fi	Energy opportunity	Fundraising	Lost	925368598	91% - 100%	n/a	SILVER	24/09/2018
0063X000019Tfo2	Energy opportunity	Automatic renovation	Proposal elaboration	604134059	0-25%	n/a	PLATINUM	18/10/2020
0060X00000@evy	Energy opportunity	Renewal with negotiation	Won	587677515	0-25%	154,42€	DIAMOND	23/12/2019
0060X00000dQjPA	Energy opportunity	Fundraising	Negotiation	490971983	0-25%	n/a	SILVER	13/08/2019

< 1 2 >

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Dashboard Clusters Opportunities Customers Market Info Management RC ▾

Opportunities > Opportunity details

Opportunity details

€ Value: 59,12€

General

ID: 0063X00001ARze3 Segment: PLATINUM

ID (SFC): 0063X00001ARze3 NIPC: 209340355

Registration type: Energy opportunity Current client manager: C

Type: Renewal with negotiation Fundraising channel: B2B - Gestor Cliente

Phase: Won EDPC

Probability: 100%

Date

Creation date: 22/01/2021

Expected opportunity decision date: 11/02/2021

Proposal

Willingness to celebrate contract : 91 - 100%

Contract line

Number	752022	Decision date	06/02/2020	Consumption local	PT0002000084407152FF
Line	4960975	Start date	06/04/2020	Baseline deviation CL MWh	20,643 MWh
Type	Electricity	End date	05/04/2021	Item status	Accept
Creation date	23/01/2020	Expected annual consumption	6000 kWh	Fundo de manejo	0,147
Approval date	24/01/2020	Period consumption	5.981 kWh	Credit risk	1,935
Validity date	08/02/2020				

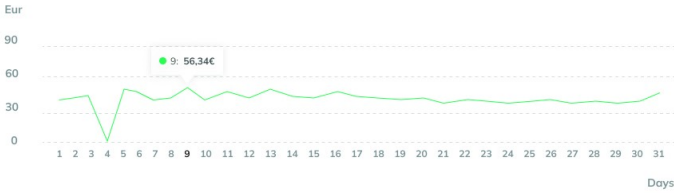
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Dashboard Clusters Opportunities Customers **Market Info** Management RC

Metrics

Market price

Current month, year



9: 56,34€

Average price
46,70€

Maximum price **56,34€** Minimum price **38,13€**

Today vs Last year price
56,34€ vs 75,53€


19,19€ in the last 12 months

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Dashboard Clusters Opportunities Customers Market Info Management RC

Dashboard Today, 27 July 2023 Search by region, city, street... Filters Select date Expand all

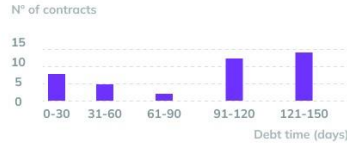
Probability to churn



68 contracts exhibit a churn probability surpassing 76%.


Debts

Duration Amount



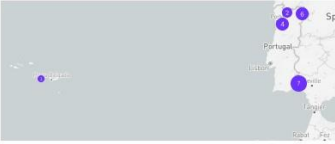
26 contracts have outstanding debts exceeding 90 days.

Contract time to renew




13 contracts will renew in the next 3 months.

Contracts location



12 of the 20 contracts are located in Portugal's north.


Contracts customer type



95% of customers are counties.


Complaints

Avg time to close Number



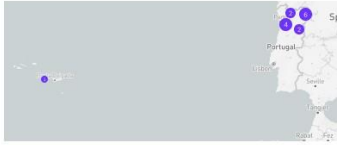
17 customers wait 5+ weeks for complaint resolution.

Willingness to celebrate contract




14 opportunities have 76%+ chance for contract.

Opportunities location



All opportunities are located in Portugal's north.

Opportunities customer type



95% of customers are counties.

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Target Markets

The global customer experience management market size is projected to grow from \$11.55 billion in 2022 to \$29.78 billion by 2028; it is expected to grow at a CAGR of 17.1% from 2022 to 2028.

The insight partners



Energy

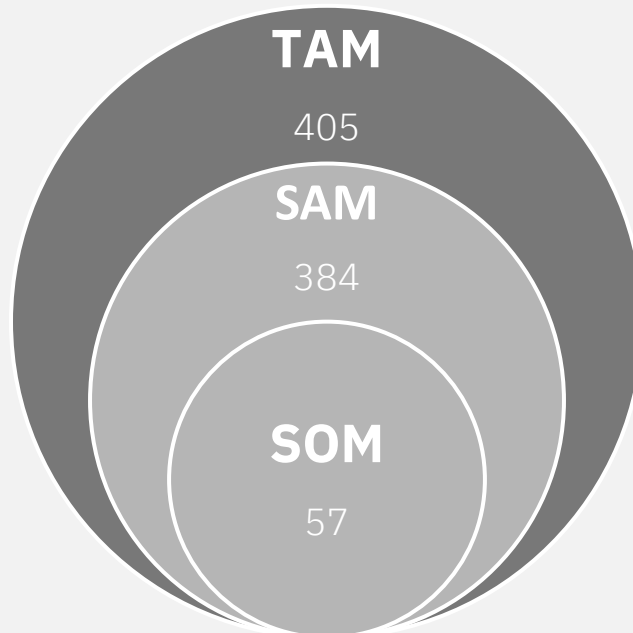


Telecommunications

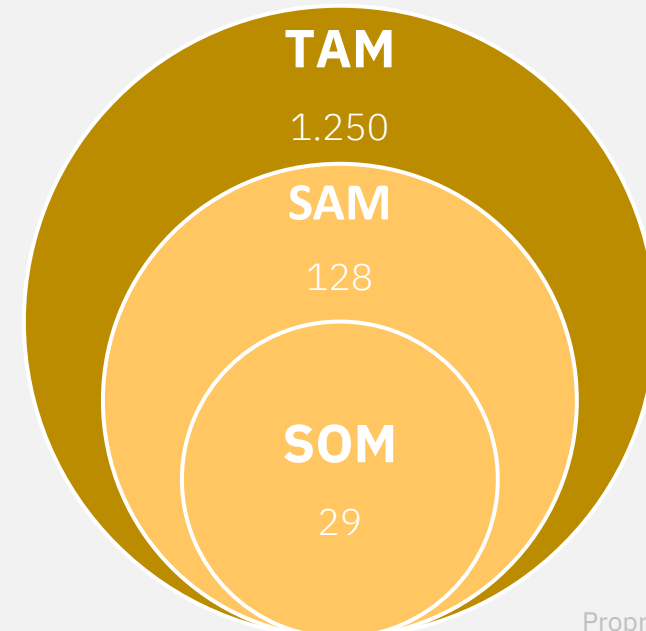


Other utilities segments

Electricity



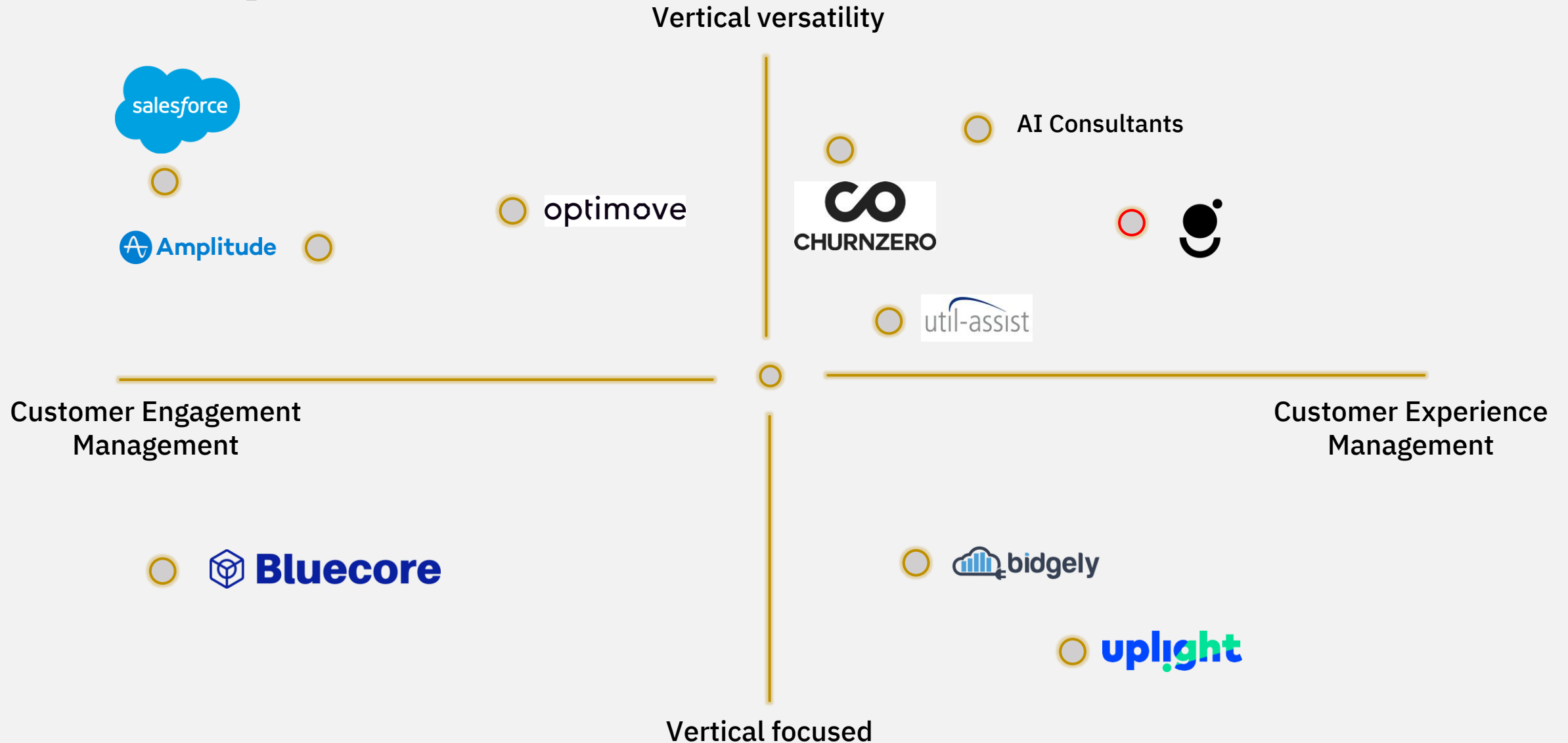
Telcom Operators



TAM – Total Available Market
SAM – Serviceable Available Market
SOM – Serviceable Obtainable Market

In number of operators

Competition





Business Model



License-based (cloud or on-premises)



Professional services:



Integrations



Customization



Training



Setup & deployment



Maintenance

Our team



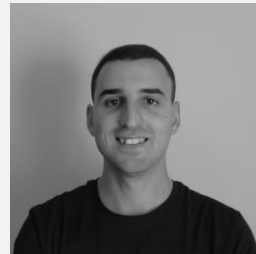
Rafael Maia
CEO



Susana Lourenço
Head of Product



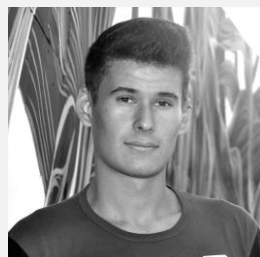
Manuel Nunes
Tech Lead



Marco Mendes
Product Designer



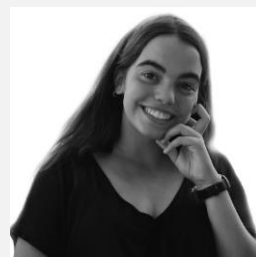
José Cunha
Data Scientist



Gonçalo Pinto
Data Scientist



Francisco Gaspar
Data Scientist



Beatriz Antunes
Software Engineer



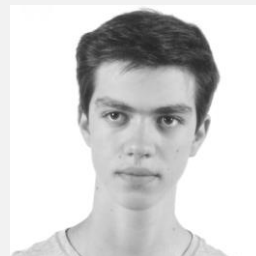
João Gonçalves
Software Engineer



Gonçalo São Marcos
Software Engineer



José Esperança
Software Engineer



Francisco Bugalho
Software Engineer



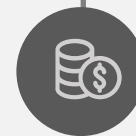
+14 years telco experience



+10 years data digital products



+12 years startups bizdev



+12 years driving funding processes

Smart Clustering so far



Business model definition



Market and competition assessment



Business plan



Business model validation



REACH

EXPLORE

EXPERIMENT

MVP



Product definition



Data validation



MVP co-developed with EDP

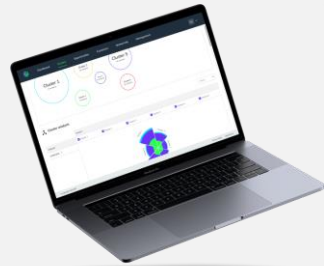


Ensure scalability to other verticals

👤 Data Value Chain

REACH

2024 - ONWARDS



Smart Clustering



Data layer security



Data models validation



Joint product development



Integration of the two products as a single solution



grama



ecostar3



Application layer security



Platform architecture validation



Enlarge customers' base and target segments



Commercial and sales synergies

Smart Clustering Roadmap



First customer licences closed on Energy segment



First contacts on mobile networks operators segment



Growth on Energy market segment



First customer licences closed on mobile networks operators segment



Explore new potential verticals



MVP

2024



Launch Smart Clustering 1.0



Prioritization of underlying factors for churn



Integration of customer behaviour analysis

2025



Launch Smart Clustering 2.0



Improve dynamic segmentation systems



Direct integration with other systems and applications

Next steps



Present the Smart Clustering to EDP board, based on their real use-cases



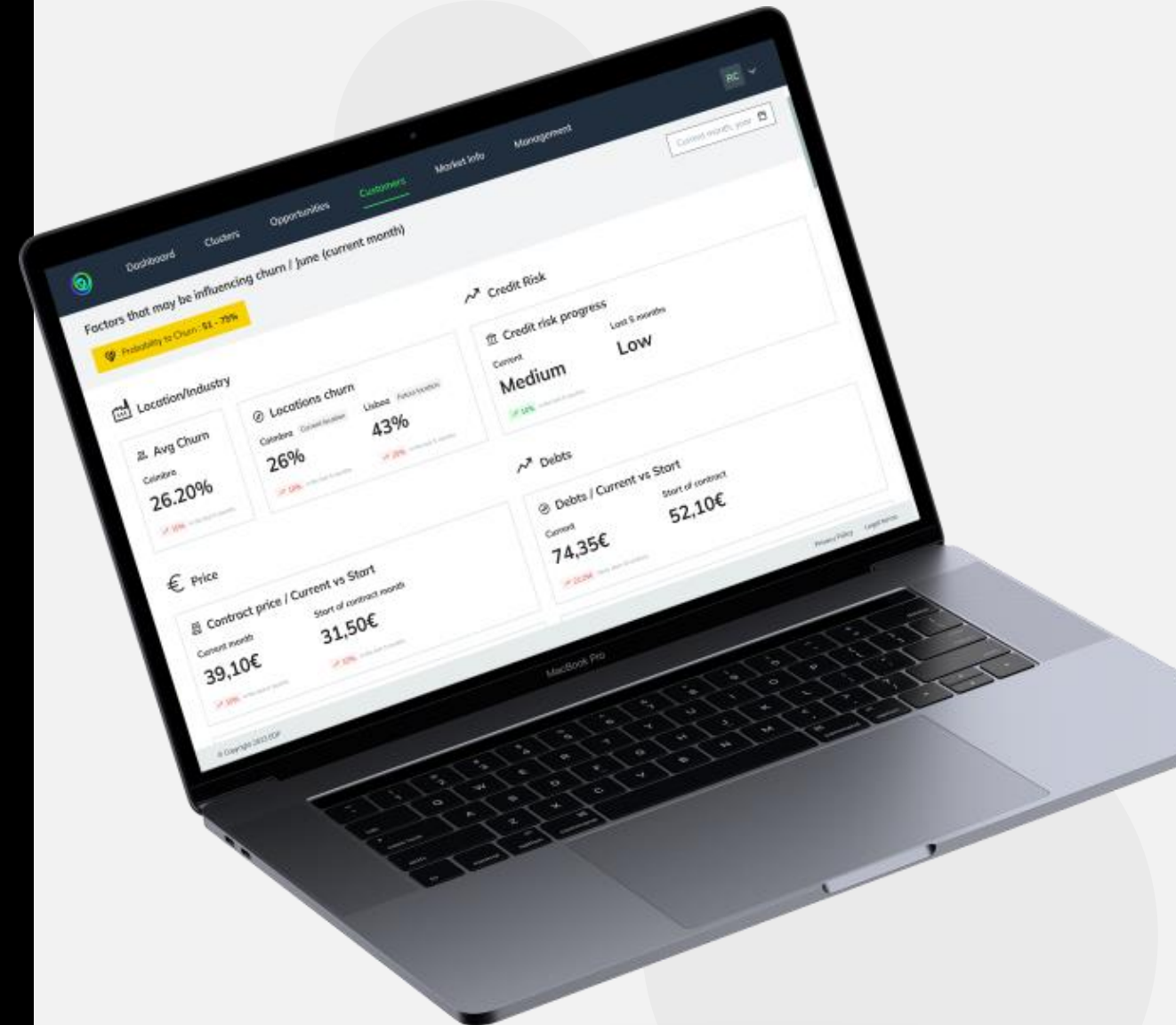
Explore the telecoms sector where we have more business contacts



Mature our business model with new potential customers

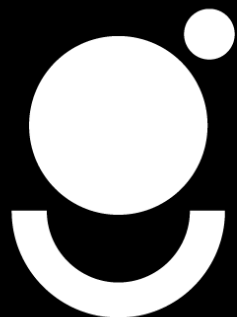


Take it to the market



Merci
Danke
Gracias
Obrigado

Thank you



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www.grama.io

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