THE CUSTOMER EXPERIENCE EXPERTS

Transforming Water Sector CX and Cost-to-Serve with a Next-Gen Best Practice Voice of Customer Program: Delivering Actionable and Cost-Effective Insights

A CSBA research paper inviting your engagement

JANUARY 2025



CSBA's Mission is to deliver highly relevant, timely insights using industry benchmarking and proprietary CX tools to support CX decision-making.

Purpose of this paper

Voice of the Customer (VoC) programs are essential for improving customer experience, reducing costs, and building loyalty. However, CSBA's research highlights a key challenge—while most water sector organisations have VoC programs in place, many struggle to fully harness their potential to drive meaningful impact.



This paper aims to:

1. **Highlight current VoC practices in the Australian water sector** and their integration into customer experience (CX) initiatives.
2. Showcase **opportunities for improvement** to maximise the value of VoC programs through advanced technologies, integrated data, and cultural alignment.
3. Provide **actionable recommendations** to adopt next-generation VoC practices that deliver faster, more cost-effective, and actionable insights for smarter decision-making.

We invite you to engage with this research and explore ways to unlock greater value from your CX investments.



About the report



This research report presents the findings from the **Voice of Customer research survey** completed by CSBA in October 2024.

How to read the report:

- The report presents 5 key insights from CSBA's VoC Research, covering key metrics, VoC program structures, and organisational challenges.
- Each insight is supported by survey data and includes:
- Best practices
- How CSBA can support your VoC program based on your maturity level.
- Survey participants: 28 water companies (~70% of the sector) participated out of ~40 in Australia. 15 companies chose to be named, while 13 remained anonymous.
- Participation count (n): Each "n" represents one water company, as only a single key stakeholder managing the VoC per organisation completed the survey.

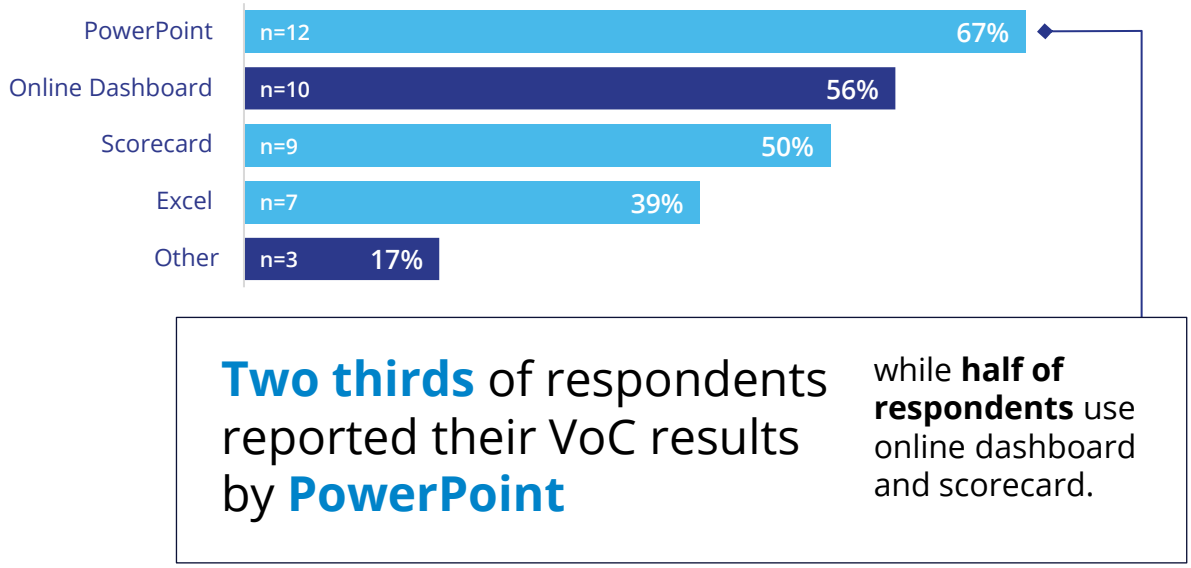
Key Insights from the Australian Water Sector VoC Research



INSIGHT # 1

Water sector lags in adopting best-practice VoC programs relying on static reporting formats (PowerPoint, Scorecards, and Excel) which limits real-time, actionable insights.

How do you report your VoC survey results? Base: n=18 water organisations



Two thirds of respondents reported their VoC results by **PowerPoint**

while **half of respondents** use online dashboard and scorecard.

Best Practice:

Transition to online dashboards to enable real-time access, customisation, and interactive visualisation of VoC data. This shift will not only reduce manual effort and enhance decision-making speed, but also empower organisations to optimise customer experience initiatives with greater clarity and focus.

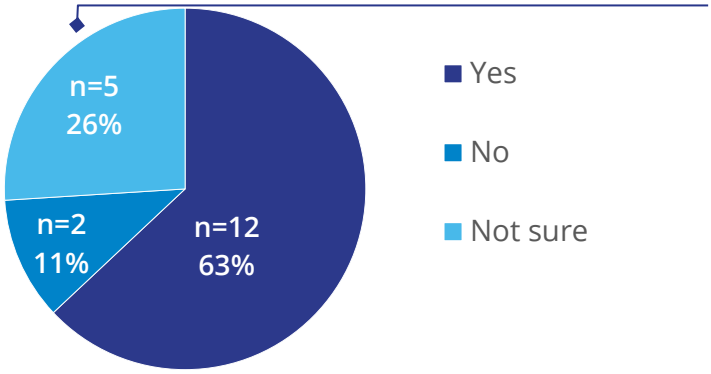
How can CSBA support you?

CSBA can support the transition by creating dynamic reporting through customised dashboards that transform static VoC data to interactive visualisation and into actionable insights. These dashboards can consolidate VoC data into an easily digestible format, allowing organisations to identify key trends, prioritise areas for improvement, and track progress over time.

INSIGHT # 2

Water companies are not leveraging statistical techniques to transform VoC data into meaningful, actionable insights.

Do you conduct any statistical analysis (e.g., key driver analysis) on your VoC survey data? Base: n=19 water organisations

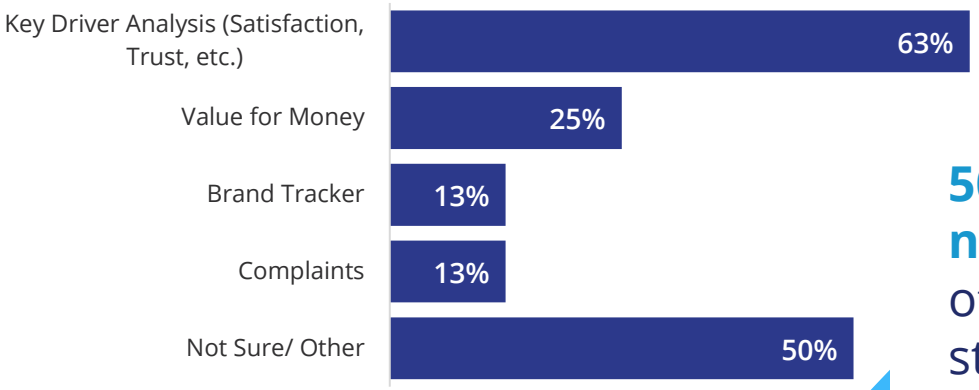


Nearly one-third of participants **did not conduct, or were unsure** about conducting, statistical analysis on their VoC data, limiting the data's strategic value.

Approximately **40%** of **respondents appeared uncertain** about the meaning of statistical analysis,

as evidenced by their responses to the question: "Please name the statistical analyses conducted for the VoC program".

Please name the statistical analyses conducted for the VoC program
Base: n=18 water organisations



"Some of the techniques cited, such as "Brand Tracker" and "Complaints," suggest a potential misunderstanding of the term "statistical analysis," raising questions about their familiarity with or application of these methodologies within their VoC programs.

50% were not sure of what statistical analysis they conducted.

INSIGHT # 2

Water companies are not leveraging statistical techniques to transform VoC data into meaningful, actionable insights.

Best Practice:

Best practice involves using advanced statistical techniques—such as Key Driver Analysis and effective response coding—to uncover actionable insights, identify trends, and predict customer behavior. By integrating these methods into VoC programs, organisations can transform raw data into strategic assets, enabling targeted CX investments that maximise impact on metrics like CSAT, NPS, and Trust.

How can CSBA support you?

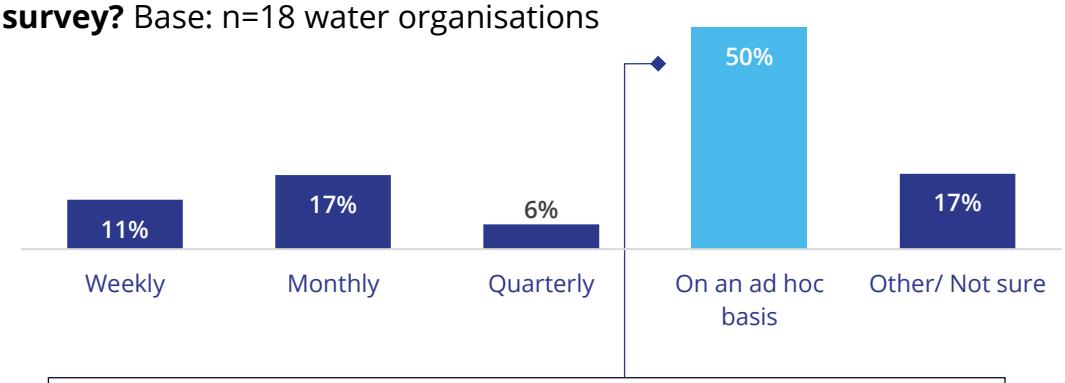
CSBA can help your organisation prioritise investments and maximise CX value by conducting advanced analytical services, including Key Driver Analysis, to uncover impactful insights.
We create deep-dive reports using your VoC data, transforming it into compelling stories that drive actionable insights.
CSBA can provide expert support to translate VoC data into informed strategies for improved customer outcomes.

Training in basic data analytics or partnering with external experts like CSBA could enhance analytical capacity within these organisations.

INSIGHT # 3

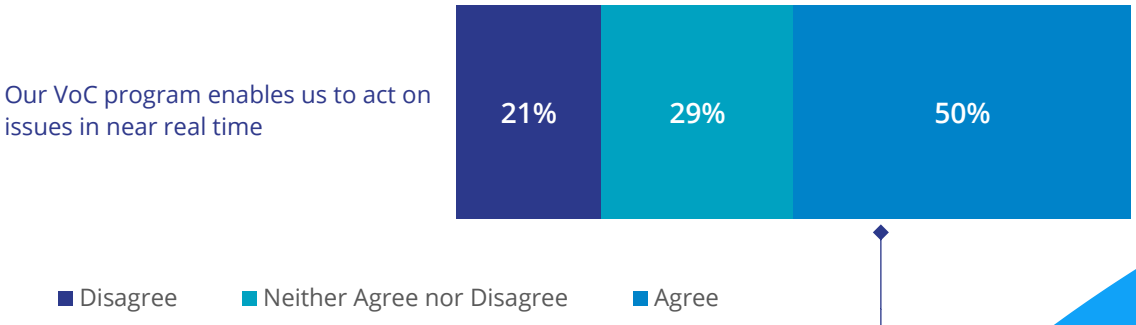
Acting on feedback ad-hoc implied a lack of consistent approach, reactive rather than proactive response, and missed opportunities to improve customer experience.

How often does your organisation act on customer feedback from your VoC survey? Base: n=18 water organisations



~60% of participants use a mix of weekly, monthly, and quarterly surveys, while 25% conduct surveys weekly. Despite this **50%** of **participants acts on feedback** on ad-hoc basis.

We're interested in your opinion about the effectiveness of your organisation's VoC (Voice of Customer) programs. How much do you agree or disagree with the following statement? Base: n=14 water organisations



Similarly, **only half (50%)** of respondents **felt that their VoC programs enable them** to address issues in near real-time, highlighting the importance of taking action rather than just measuring.

INSIGHT # 3

Acting on feedback ad-hoc implied a lack of consistent approach, reactive rather than proactive response, and missed opportunities to improve customer experience.



Best Practice:

Implement a real-time feedback loop to shift from ad-hoc actions to structured, continuous improvements.

Real-time VoC programs help organisations swiftly identify improvement opportunities, address issues, and optimise agent performance. They also allow for direct customer recontact to resolve problems, turning dissatisfaction into positive experiences and strengthening relationships.

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How can CSBA support you?

CSBA can produce customised online dashboards with real-time feedback capabilities.

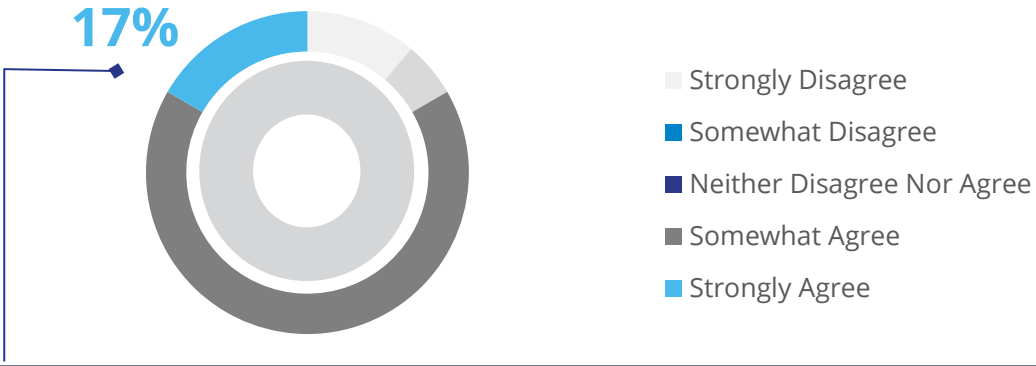
- Real time dashboard (update everyday) to act on customer feedback promptly.
- Automated alert systems for regular feedback and follow ups
- Guidance in setting up a CX taskforce to effectively prioritise and act on customer feedback.

Regularly updating customers on actions taken will reinforce a culture of responsiveness and drive CX uplift across the organisation.

INSIGHT # 4

There is a significant gap in the strategic integration of customer feedback.

How much do you agree that your VoC results are shared and embedded throughout the organisation? Base: n=18 water organisations



Only **17%** of participants **strongly agree** **that VoC insights are fully embedded and acted upon frequently within their organisations**, presenting an opportunity for water organisations to strengthen their use of VoC insights to drive meaningful actions and improvements.

Best Practice:

Best practice is delivering clear, targeted VoC reporting aligned with specific touchpoints and channels. This ensures feedback is integrated into business reviews and strategy, fostering customer-centricity, defining accountabilities, and setting measurable targets. Effective VoC reporting also drives leadership buy-in, enhances communication, and ensures insights lead to meaningful action.

How can CSBA support you?

Tailored to each client's needs, CSBA can enhance decision-making by aligning VoC metrics with strategic goals and uncovering deeper insights.

CSBA delivers customised VoC programs, real-time reporting, and advanced analytics to turn feedback into actionable insights. We help embed customer-centricity across all levels, driving better outcomes for your organisation.

INSIGHT # 5

Top Challenges in managing VoC were:

1. Analysis of feedback to extract insights;
2. Taking actions; and
3. Establishing links between survey metrics and performance.

Please indicate the top 3 challenges your organisation faces in managing Voice of Customer (VOC) data and feedback. Base: n=14 water organisations

1st	**Analysis of feedback to extract insights**
2nd	**Taking actions from feedback**
3rd	**Establishing links between survey metrics and business/financial performance**
4th	Technology constraints
5th	Obtaining sufficient volume of feedback
6th	Feedback data lags e.g., from survey to reporting
7th	Identifying drivers of performance
8th	Communicating feedback across departments/teams
9th	Closing the loop with customers
10th	Other (please specify)

"Analysis of feedback to extract insights" is the most pressing concern, receiving the highest first-rank votes **(36%).**

Other challenges like **"Taking actions from feedback"** and **"Establishing links between survey metrics and performance"** were also prominent.



INSIGHT # 5

Why CX Professionals Struggle to Manage VoC Programs Effectively: *Challenges in Their Own Words*

Q19. You said that [answer from Q18] was a primary challenge. Can you please elaborate on why this is? Base: n=14

Top 3 Challenges	**Reasons**
Analysis of feedback to extract insights	▸ "Monthly pulse surveys has verbatims that are in Excel; have to manually collate." ▸ "We do receive insights from external advisors but drawing out deeper insights internally is limited due to resourcing and expertise." ▸ "Internal resources are limited to undertake this analysis. Using an external resource is expensive."
Taking actions from feedback	▸ "Require resourcing to make changes to improve (both dollars and people), and budgets are pre-set." ▸ "A lot of time collecting and reporting means not as much time for action." ▸ "The VOC Program continually identifies focus areas for improvements however the organisation either does not have the capacity or appetite to invest in the projects / technology to deliver an uplift in experience."
Establishing links between survey metrics and business/financial performance	▸ "Metrics can be influenced by multiple factors, so we need to run ad hoc projects to measure specific benefits realisation."

INSIGHT # 5

Top Challenges in managing VoC were:
1. Analysis of feedback to extract insights;
2. Taking action; and
3. Establishing links between survey metrics and performance.

Best Practice:

To effectively address challenges for managing VoC effectively and drive impactful outcomes, organisations should adopt a structured, data-driven approach.

Analysis of Feedback to Extract Insights

- **Use Advanced Analytics**: Leverage text analytics, sentiment analysis & thematic clustering to identify trends and root causes.
- **Quantify Impacts**: Leverage Key Driver Analysis (KDA) to understand the relationship between customer feedback and KPIs like NPS, CSAT, or retention.
- **Visual Insights:** Develop dashboards with real-time data visualisations to track patterns and enable actionable insights. Communicate how specific feedback drives performance to align stakeholders through various channels like CSAT townhalls.

Taking Action from Feedback

- **Prioritisation Framework:** Segment feedback into quick wins, strategic projects, and systemic changes.
- **Accountability Mechanisms:** Assign ownership of improvement initiatives across teams with clear KPIs and timelines.
- **Action Plans:** Develop structured follow-ups to ensure initiatives translate into tangible improvements.

Establishing Links Between Metrics and Performance

- **Statistical Modeling:** Use regression analysis to link VoC data to financial outcomes (e.g., revenue, cost-to-serve).
- **Benchmarking:** Compare survey results with industry standards to assess relative performance.
- **Narrative Building:** Communicate how specific feedback drives performance to align stakeholders through various channels like CSAT townhalls.

INSIGHT # 5

Top Challenges in managing VoC were:

1. Analysis of feedback to extract insights
2. Taking action and;
3. Establish links between survey metrics and performance.

How can CSBA support you?

CSBA provides tailored solutions to drive CX improvements, including:

Advanced analytics (text/sentiment analysis, thematic clustering, Key Driver Analysis) to derive actionable insights.

- Customised dashboards for real-time visualisation and tracking.
- Frameworks for feedback prioritisation, accountability, and action plans.
- Statistical modelling linking VoC insights to financial outcomes and benchmarking against industry peers.
- Stakeholder alignment through data storytelling, workshops, and townhalls.

With CSBA's expertise, transform customer feedback into tangible CX improvements.

CHARTING THE PATH FORWARD: Three Strategic Takeaways



1. Customer Experience is the main driver

for productivity improvement

2. Bridging the CX gap is crucial,

turning Insights into Action in the Water Sector

3. CX Change Can't Be Superficial

No Metric is Valuable in Isolation

1. Customer Experience is the main driver for productivity improvement



Why it matters:

Exceptional customer experience (CX) is no longer a differentiator; it's a necessity for long-term success. Organisations that invest in CX gain an edge by fostering trust, loyalty, and satisfaction among their customers.

Listening to your customers in a meaningful way is the foundation of a successful strategy. Designing an effective Voice of Customer (VoC) program is the first critical milestone on the path to reducing the cost to serve and enhancing customer experiences.



Key to success:

- For water utilities, integrating CX excellence into organisational strategies is crucial to meet rising customer expectations while managing cost to serve and protecting reputation.
- A key focus should be understanding and leveraging VoC insights to create consistent, impactful customer interactions.
- While the water sector enjoys a monopoly, CX remains the key to reducing cost-to-serve. By excelling in CX, organisations can improve customer satisfaction, increase productivity, and reduce costs—a win-win situation for all.

2. Bridging the CX gap is crucial

turning Insights into Action in the Water Sector



Why it matters:

The gap between the importance of CX and the ability to act effectively creates missed opportunities. While 50% of water sector participants address VoC feedback on an ad-hoc basis, only 17% embed and act on insights consistently. – as per the Water VoC survey data.

This performance gap demonstrates the need for prioritisation and strategic focus at the leadership level.



Key to success:

- Enable Real-Time Action: Use technology and processes to address customer issues promptly, ensuring feedback drives meaningful improvements.
- Senior Stakeholder engagement: Engaging senior stakeholders is crucial for driving CX improvements and aligning efforts across the organisation to ensure sustained, impactful results.
- Consistency is Key: Present a unified view of CX metrics across departments to ensure cohesive and consistent improvements.

3. CX Change Can't Be Superficial

No Metric is Valuable in Isolation



Why it matters:

Metrics lose their value if they are not connected to actionable improvements.

No metric is valuable in isolation; the true value lies in using metrics to guide continuous improvement.

Connecting metrics and prioritising high-impact areas of the customer journey ensures we go beyond measurement to drive meaningful, consistent improvements across all touchpoints.



Key to success:

- Integrated Metrics: Link individual transactional metrics (e.g., resolving a query) with relationship metrics (e.g., overall customer loyalty) to gain a comprehensive view of CX.
- Prioritise Impactful Interactions: Identify key touchpoints that shape customer satisfaction and invest in improving them.
- Focus on Continuous Improvement: Build feedback loops to turn insights into ongoing actions, ensuring that CX change leads to measurable outcomes.



Methodology

- Responses were collected via 5-minute online surveys sent to a total of 40 water organisations in Australia.
- Fieldwork was conducted in two waves, the 1st between Sep-Dec 2023 and the 2nd between Aug-Oct 2024.
- Various questions were asked to understand the specifics of the Voice of Customer programs in place.
- Participation in this study was entirely voluntary.
- All responses have been aggregated and are represented collectively, with no individual water organisation or participant identified.

Thank you

Out of 40 water organisations surveyed, 28 responded, with 15 revealing their identities including (listed below) and 13 choosing to remain anonymous.

South East Water
Unitywater
Goulburn Valley Water
GWMWater
East Gippsland Water
Hunter Water
UrbanUtilities
SA Water
BarwonWater
Central Highlands Water
Logan Water
wannonWATER
North East Water
Westernport Water
South Gippsland Water

csba

For further details and insights on this report, please get in touch:

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