# ID Cover Page

# Summary of WP Student Team

# A Consulting lab on Galp’s B2C Omnichannel Strategy

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**Reading observations for jury:**
If applicable

Note: this template is a support document for the jury members before the defense, only.

A Work Project, presented as part of the requirements for the Award of a Master's degree in Management, from the Nova School of Business and Economics.

# A Consulting Lab on Galp's B2C Omnichannel Strategy

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## Abstract

The current project concerns the conception of an Omnichannel strategy – A roadmap for the full integration and broader channel experience of Galp's B2C offer. The goal of this Work Project is to assist Galp in shaping its services towards a more integrated, efficient, and convenient Omnichannel approach. An analysis of the market, the identification of the main competitors as well as the best practices in the Omnichannel domain, and concept testing and validation, are the major steps taken in the approach. The outcome is divided into a new channel strategy and a set of recommendations that formulate the strategy.

Keywords: Strategy Consulting, Omnichannel, Strategy, B2C, Portugal, Energy sector, Digital transformation, *Phygital*, Channel strategy

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## List of abbreviations

AI – Artificial Intelligence

B2C – Business-to-consumer

C-Store – Convenience Store

CJ – Customer Journey

CLV – Customer Lifetime Value

CX – Customer Experience

E-mob – Electric Mobility

E2E – End-to-end

EPS - Employee Promoter Score

EPS – Employee Promoter Score

ERSE – Entidade Reguladora dos Serviços Energéticos

EU – European Union

EV – Electric Vehicles

FCF – Free Cash Flow

G&P- Gas and Power

GDP – Gross domestic product

GDPR – General Data Protection Regulation

HR – Human Resources

IoT – Internet of Things

IT – Information Technology

JV – Joint Ventures

KPI - Key Performance Indicator

LPG – Liquefied Petroleum Gas

NPM – New products to margin

NPS – Net Promoter Score

R&D – Research & Development

SMS - Short Message Service

UK – United Kingdom

US – United States

UX – User experience

YoY – Year-over-year

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## 1. Executive Summary

Galp is a Portuguese energy company with operations in the Electricity, Oil & Gas industries. Galp's activities are divided into four business segments: Upstream, Commercial, Refining & Midstream; Renewables & New businesses. Galp is the only company in Portugal that offers products and services in the three industries where it is present.

Even though price is still the main brand choice factor in this sector, **customers are increasingly more concerned about the experiences they have** – an experience with a company is no longer about fulfilling buying needs, on the contrary, **it is about enjoying the fulfilment of those needs**. Competitors in the Business-to-Consumer (B2C) Commercial segment are taking the first steps towards a more integrated Customer Experience (CX) with small Omnichannel initiatives, boosted by the technological progresses of the last two decades. Despite Galp's attempts to provide competitive experiences, there is not a high-level plan that aims to understand how CX's will improve in the long run.

From the factors mentioned in the previous paragraph, the question is posed: **can Galp improve its current CX's and become more competitive in a changing and more technological market landscape?** Yes, by tracing an Omnichannel Strategy grounded on the strategic positioning of each channel, its value proposition and correspondent role in Omnichannel, as well as the initiatives that respond directly to the needs of each channel, formulated by the recommendations. These initiatives aim to change the Galp-customers interactions, introducing specific features in the current journeys.

The present project aimed to embody the previous answer in an **Omnichannel Strategy** for Galp under **three stages** with distinct goals: *Diagnosis*, aiming to understand where Galp is in its B2C Omnichannel experience and what factors influence it; *Analysis*, with the goal of analyzing Galp's current journeys, identifying possible project paths according to the market analysis and test these; *Roadmap*, targeting a definition and prioritization of Galp's digital and physical channels, what should their value proposition and product offering be to differentiate from main competitors, as well as successfully delivering an implementation roadmap that meets the needs of each channel. **The new channel strategy highlights the rise of C-stores as new convenience hubs** that will be the face of change, and, at the same time, will embody a whole **new concept of fuel stations that will shift and largely improve Galp's relationship with customers**. The **App *Mundo Galp* will become the central touchpoint with customers**, integrating new features that will largely increase customer satisfaction. Also, traditional channels will maintain their relevance, despite the increasing adoption of new technologies.

The recommendations were grouped into three categories, according to their goal. On ***Customer Experience***, the team suggested seven recommendations that directly impact what customers feel and experience, aiming to improve the journeys substantially. From this category, new payment methods and the upgrade of the current rewarding system stand out as some of the more relevant initiatives. On ***People***, the team suggested two recommendations that aim to gear Galp's human capital with the capabilities to lead the change, from which we highlight the new customer-centric Human Resources (HR) programs. Laslty, in ***Data***, a balance was made on the new technological capabilities that Galp needs to unlock to implement Omnichannel properly and elevate it to its splendor.

## 2. Project overview

### 2.1. Project Context and Project Governance

**Consulting Labs** are real-world business projects solved by a group of students in a professional context, benefiting both the students and the organization. Students are able to work on a demanding project and put their theoretical knowledge and skills into practice. The possibility to take part in a **real consulting project**, with a practical and integrated approach, work and learn from skilled and experienced individuals, allows the development of work methodologies and skills that are precious for the future. Also, as in all consulting projects, the students are expected to **acquire deep knowledge regarding a specific industry** and understand how an energy company such as Galp operates. Additionally, companies have access to a pool of bright students with analytic abilities, new ideas, and an open mind, that challenge mindsets and encourage Galp to adapt to new market trends. Moreover, the client benefits from an outside and less biased **problem-solving approach**, as well as a **research-based approach** that does not affect the ongoing running of the business.

The project's main goal was to improve Galp's B2C CX in the Portuguese Energy sector through the development of a new disruptive Omnichannel strategy. Nova SBE's team collaborated with Galp's team for four months, exchanging and validating ideas that helped to develop the new strategy. The project's success depended on the support and collaboration provided by the steering committee, the follow-up team, and the Project Manager. The Steering Committee members were Dr. João Pedro Machado, Dr. Nuno Vaz Neto, Dr. Adrián Lazareno, Dra. Patrícia Boavida and Professor Constança Casquinho. The follow-up team, which provided weekly feedback, was composed of Dr. Adrián Lazareno, Dr. Carlos Bonjour, Dra. Patrícia Boavida and Dr. Pedro Casaca Santos. Finally, Dra. Isabel Pedrosa as Project Manager assured that the project was going in the right direction and the settled deadlines were fulfilled. Additionally, Dra. Isabel facilitated all contacts within the company and gave access to the necessary information for the development of the project.

### 2.2. Project Challenge

In this "Experience Economy" where the battle is for attention and time, customers do not think about what channel they are in; they just want great CXs that get things done, on whatever digital or non-digital touchpoint is most convenient and effortless for them. Disruption is constantly occurring in the energy sector, and the increase in customer centricity, decarbonization, decentralization, and digitalization set the tone for the need to change, which presents an opportunity for Galp to assert its position in the Portuguese energy market.

Today, Galp has many diversified channels with independent customer journeys. Galp must step up and design an integrated channel strategy, by setting up a specific focus on strategic positioning and each channel's role in the future — design a proper **Omnichannel Strategy**.

Therefore, the following questions set the challenge for the team:

- What should be the customer offering across different channels and how can Galp differentiate from competitors?
- What should be the CX and Customer Journey in each priority channel?
- What should be the data collection mechanisms Galp needs to activate to capture insights and promote new sales opportunities along the sales funnel in each channel?

### 2.3. Project Scope and Goals

The main purpose of the Consulting Lab was to build the new Omnichannel Strategy for Galp, including the mix and role of each digital and physical channel in the customer journey, considering market trends, customer preferences, and necessities, as well as impacts on the operation and profitability. Alongside Galp's main goal to reposition itself in the energy market by achieving a disruptive customer experience that delivers high levels of comfort and convenience, three other goals were set to lead the project in the right direction:

- Understand where Galp is in its Omnichannel experience for B2C and what factors influence it.
- Analyze Galp's current journeys and identify possible project paths according to the market analysis and test these.
- Define and prioritize Galp's digital and physical channels and define what should their value proposition and product offering be to differentiate them from the main

competitors, as well as successfully delivering an implementation roadmap that meets the needs of each channel.

Galp's B2C Commercial offer consists of a wide range of products and services, hence it was necessary to choose the products that represent a high share of the generated revenues as well as products that have a great potential to increase sales in the future due to the current market trends. The chosen products to be analyzed were fuels, solar energy, electric mobility, C-stores (convenience stores) products, gas, electricity, and bottled gas. The customer target defined by Galp was the B2C segment, and the project was focused on Mainland Portugal. In discussion with the Steering committee during the second phase of the project, the time scope was set to four years, as both parties agreed that Omnichannel is not a ready-to-implement solution, and it needs proper planning and initiative scheduling. Out of scope was the Business-to-Business (B2B) segment and the rest of the world analysis, as well as the technical aspects of the implementation of the proposed project, budget analysis and pricing strategies.

# 3. Methodology

## 3.1. Project Calendar and General methodology

The project was structured in three main stages to properly answer the challenge proposed — to formulate a new Omnichannel Strategy for Galp. The three project stages were defined according to the evolution stages of the project:

- **Phase 1: Diagnosis** – 6 weeks | From the 2nd of February to the 11th of March – A diagnosis was performed to understand the current state of the Industry, Galp, and Omnichannel practices. This phase comprised the handout of the Kick-off Document, the Industry analysis, a Best practices and benchmark analysis, and a preliminary proposal for the research methodology – further discussed with Galp's research department and during the expert interviews with Nova SBE Professors. This phase took the longest time as Omnichannel became a topic that needed intense research.

- **Phase 2: Analysis** – 5 weeks | From the 11th of March to the 18th of April – A strategic analysis of Galp's customer journeys provided relevant insights that shaped this phase´s research, including the formulation of hypotheses on possible project paths. During this phase, the group delivered a document with the results of the market research and the whitepaper for a framework developed – explained further in this sub-chapter.
- **Phase 3: Roadmap** – 3 weeks | From the 18th of April to the 6th of May – The new channel strategy and the respective recommendations roadmap that enables the strategic implementation of omnichannel in Galp's B2C offer were developed in the last stage of the project. The group handed a channel strategy proposal, a set of recommendations, an implementation roadmap, a monitoring strategy with Key Performance Indicators (KPIs) and a final report with all the project's main takeaways.

A complete project Gantt Chart can be consulted in the appendix 1. It was used as a project management tool to schedule and monitor all the project stages.

### 3.2. Phase 1: Diagnosis

The goal defined for the first stage of the project concerned a deep understanding of the landscape in which Galp operates as well as the factors that influence and structure Omnichannel. The first phase of the project was divided by a situation analysis, a baseline research, industry best practices analysis, and a benchmark analysis. In this phase, the team also took time to engage with all the project stakeholders, identifying possible contacts within Galp's network and getting familiar with Galp's B2C product and service offering.

<u>Situation Analysis</u>

The situation analysis was split into three parts. In the first part, the External Analysis aimed to understand the current Portuguese market environment in which Galp operates.

Therefore, a **PESTLE** framework was developed, and the **Industry trends** were identified and analyzed. To understand the competitive landscape in which Galp is inserted, the **Porter's Five Forces** analysis was performed. The second part comprised the Internal Analysis where the team met with **eight different business units** (Integrated B2C offer, Digital channels, Digital Marketing, Physical channels, Research, Feedback collection, Market Intelligence, and Customer Care) to get familiar with Galp's product offering and efforts on Omnichannel. Lastly, the team performed a Strengths, Weaknesses, Opportunities and Threats (**SWOT)** analysis and the consequent Threats, Opportunities, Weaknesses and Strengths (**TOWS)** matrix. The situation analysis also included five distinct half-day **site visits** to Fuel stations (Posto A5), Stores (Almada e Loures), a pilot C-store (Oriente) and a Gas distributor (Sacavém).

Baseline Research

The team considered relevant to dedicate two entire weeks of the first phase to intensive research on the Omnichannel matter, on how to analyze the Customer Journey more effectively, and on the current consumer trends. This stage was informed mainly by **research from the Internet** (websites, news, and articles) and **literature** (mainly *The Customer centricity Playbook*, by Peter Fader and Sarah Toms; and *Mapping Experiences*, by Jim Kalbach).

Industry best practices and benchmark analysis

Omnichannel is a topic in which the comparison with the market is not *per se* quantifiable. Therefore, the team decided to focus this stage of the analysis on **Industry best practices** on Omnichannel, mostly outside of Portugal. A second stage of the analysis included Portuguese players in the same industry, where an assessment of initiatives was conducted to understand the Omnichannel performance of the competitors. In this stage, a framework by Accenture named **The 7 p's of Omnichannel** became a central tool for the proceeding benchmark analysis, breaking down the concept of omnichannel into seven themes that were further explored (Mcglynn and Conlan 2017). As a data-gathering tool, the team did **internet research** and used **client support phone calls**, simulating processes as a mystery client.

### 3.3. Phase 2: Analysis

The second phase of the project aimed to meet the goal of understanding Galp's current customer journeys, identifying pain points, and formulating and testing hypotheses for recommendations that would constitute the Omnichannel strategy. This phase was composed by qualitative interviews, expert interviews, and the hypotheses formulation session which led to the quantitative experiments, a brainstorm session, and the street-tests. Rasiel (1999) suggests in his book *Mckinsey Way* that "When generating an initial hypothesis, you don't need all the facts, just enough to have a good overview of the industry and the problem", and that methodology was followed by generating these after the diagnosis and the qualitative interviews, that highlighted customer pain points and needs. Additionally, this phase included several internal group discussions and brainstorm sessions, on which the pareto principle became the main decisive factor most of the time.

<u>Qualitative Interviews</u>

The qualitative interviews were structured in three phases: **script design, interviewing process,** and **answers analysis**. In the first phase, a matrix that crossed channels and product offering resulted in **22 standard journeys** that were briefly defined. Each standard journey had approximately ten open questions that aimed to understand interviewee´s perception of the current Galp customer journeys along the four stages of the **sales funnel** (Awareness, Intent, Purchase and Loyalty). In the second phase, **25 individual video-call in-depth interviews** with Galp B2C customers took place, each one covering more than one type of journey. The sample consisted of 15 women and 10 men between 22 and 66 years of age. The results were registered on individual sheets in Microsoft Excel. Lastly, the interview answers analysis, resulted in a set of **pleasure and pain points** identified, as well as **key customer necessities**.

Expert interviews

On the 15th of March, the group had an individual session with Professor Nadim Habib, a strategy expert from Nova SBE, in which Omnichannel was discussed. The group presented the project goals and the steps taken so far and Professor Nadim presented his thoughts on Omnichannel and best practices. The outcome of the conversation was a **four-level framework** co-created between the group and the Professor, called "**The four levels of Omnichannel maturity**", being paramount for the later stages of the project. Professor Nadim also highlighted the fact that, in Omnichannel, one should not segment, since Omnichannel is about every person interacting "whenever and wherever they desire", being impossible to trace profiles of all types of potential customers. This interview was crucial to shift the perspective on how Galp could start implementing a new Omnichannel strategy from a set of initiatives that take place on a long run and generate real change. On the 16th of March, the group met with Professor Carlos Santos, a statistics expert from Nova SBE. The group discussed with the professor what could be some of the fundamental principles for the quantitative stage of the project. On the 6th of April, the group met with Professor Pedro Gardete, a Marketing expert at Nova SBE, to discuss the structure of the quantitative experiments. In the session, the Professor confirmed the team's initial hypothesis that the quantitative part of the research could be performed through a **dynamic co-creation experiment** — a survey in which the respondents would be placed in the customer's shoes and asked to make decisions.

Hypotheses formulation

After identifying the customer pain points along the customer journey, understanding the customer needs, performing the best practice analysis (previous phase), and seeing Omnichannel as a matter that needs to be timed, planned, and strategically thought, a **set of hypotheses** was formulated to find possible paths to be explored in the new strategy. Nine hypotheses were formulated according to what the team understood from the previous stages, being these only related to what the team could assess during the quantitative experiments and street tests.

Brainstorm session

On the 30th of March, a Brainstorm session took place. It was initially suggested by Dr Nuno Vaz Neto, to share with the consulting team the ongoing Omnichannel-related projects, as well as brainstorm **over new initiatives** with Galp employees. Some participants also asked the team to evaluate and include ongoing initiatives in the qualitative experiments. The session happened in a **video-call** format and all participants logged into the ***Mural*** online platform, a whiteboard collaborative online tool for brainstorming, in which each participant had a post-it color and the ideas would be placed on a previously organized whiteboard, following a design thinking methodology. A presentation with the session guidelines was sent to the participants and can be found in the appendix section (appendix 13).

Quantitative experiments – *Co-creation* methods

To validate the hypotheses formulated in the previous stage, the team collaborated with Galp's research department and conceived the **quantitative experiments'**. Those were not formulated as common surveys since they intended to perform a **walkthrough on different customer journeys** – following *Co-creation* methods — and understand decisions and preferences in an hypothetical mindset and not in the respondent's current Galp experience. The main goal was to infer what were the priority channels chosen for particular actions and test the receptivity to new initiatives – according to the hypotheses. The experiment was conducted in **Qualtrics**, a survey platform, and was distributed via email, social media, and WhatsApp. In total, 534 valid answers were recorded with a gender distribution of 63% female and 37% male. In discussion with Galp's research department, the group decided to weigh **the answers** according to the Portuguese population in gender and age.

<u>*Street tests*</u>

After most of the research was performed, Dr. João Pedro Machado, a member of the steering committee, suggested that a last trial on the defined initiatives should be performed to understand the **differentiating character** they could have when opposed to the competitors in the Portuguese Energy Industry. The group selected a set of the most relevant initiatives and went to the field with the goal of having informal conversations – *Street tests* - with real customers. On the $12^{th}$ of April, the group interviewed 43 customers at the *Telheiras* Galp fuel station.

By the end of the second phase, it became clear how each project tool was relevant in the diagnosis and analysis, and the role these would have in the last phase of the project. A table can be consulted in the Appendix section - Appendix 2 - that specifically highlights how each tool became relevant.

**3.4. Phase 3: Roadmap**

The last phase of the project aimed to successfully deliver a channel strategy, highlighting the value proposition and Omnichannel role in the sales funnel for each of the priority channels. This stage also included the formulation of the recommendations and the trace of the implementation roadmap, providing a monitoring strategy through a series of KPIs.

<u>Intra-team brainstorming</u>

With all the information gathered, the team now had enough tools to trace the deliverables of the project. A thoughtful job of **brainstorming** over each channel's role and how each recommendation would be structured took place. At this point, the Metaplan methodology was paramount, as it helped to fit the initiatives into multiple recommendation buckets (Metaplan 2019). These buckets ended up defining the three categories of the recommendations: *Customer Experience, People* and *Data*. The first category was informed by the hypotheses and best practices analysis, and, in most cases, each hypothesis resulted in one recommendation. For the latter two, the recommendations were informed by the daily relation with Galp's employees, by the company internal analysis and by the best practices analysis.

Recommendations and implementation roadmap

Besides the new **channel strategy** development, the set of **recommendations** on Customer Experience, People and Data — was fit into the "**Four levels of Omnichannel maturity framework**" to trace the **implementation roadmap**. This roadmap was traced according to an action priority matrix that helped to understand what the first steps would be to take. An additional monitoring strategy was developed based on KPIs, and the impact of the strategy is projected in the Estimated Impact chapter. To conclude, the limitations, risks and further research are presented. The limitations are split into two: the limitations of the project and limitations of the strategy proposed.

## 3.5. Literature Review

The team's research was mainly focused on critical points of current knowledge on Omnichannel, and concepts related to this matter. Thus, the literature review was divided into two stages, the Omnichannel research, and Framework and methodology concepts.

### 3.5.1. Omnichannel research

Over the past decade, most companies followed a **multichannel approach**, in which companies' operations were divided into separate channels wherein each one had a separate database and fragmented logistics systems. From a customer perspective, there was no transition between channels and customer experience was fragmented, verifying a low complexity and integration. (Lehrer and Trenz 2022) This approach, characterized by limited integration, considers channels only as customer touchpoints- where the company and the customer interact- being cross-channel interactions ignored. Customer **touchpoints** relate to the period where a customer has direct or indirect contact with a company (Verhoef, Kannan, and Inman 2015). **Channels** are the different means a company uses to deliver its products, services or information to its customers, being a touchpoint in which the company and customers have the opportunity to interact- for example a store, a website or contact center (Mirsch, Lehrer, and Jung 2016). **Cross-channel** is the integration of several channels, allowing the customer to switch between channels. For this to happen, it is crucial to interact and integrate individual channels and touchpoints, being an intermediate step between multichannel and omnichannel, starting allowing to share some data across channels. (Mirsch, Lehrer, and Jung 2016)

**[Omnichannel]** Recently, the world is witnessing a move towards an omnichannel approach, bringing a broader perspective of channels. **Omnichannel** is described by Verhoef, Kannan, and Inman (2015, 176), as "the synergic management of the numerous available channels and customer touchpoints, in such a way that the customer experience across channels and the performance over channels are optimized". Research shows that Omnichannel rises customers' satisfaction by improving customer experience and maximizes efficiency by integrating both online and offline channels. It is an evolution of the multichannel phase, involving more channels, where different channels become blurred, and borders tend to disappear (Verhoef, Kannan, and Inman 2015). An overview of the comparison between multichannel and omnichannel is available in appendix 3.

**[Customer Journey]** Omnichannel is possible by centralizing a database for all channels, having an integrated Information Technology (IT) system, by coordinating and integrating channel management, and by maximizing synergies where logistics are integrated. Customers can feel a seamless experience across channels, where consistency across the customer journey is a key factor (Lehrer and Trenz 2022). The term **Customer Journey** (CJ) is described as the sequence of touchpoints under which a customer interacts with a company. Customer journey analysis has place when the company takes the viewpoint of the customer and reaches insights about the customers' experiences (Følstad and Kvale 2018). Moreover, putting the customers at the business´s heart is beneficial to assess and evaluate customers' experience within any service context (Mangiaracina, Brugnoli, and Perego 2009).

**[Phygital]** By incorporating this new approach, differences between digital and physical channels will vanish and phygital becomes key. The term **Phygital** was created in 2013 by Momentum, an Australian marketing agency and was mainly used to refer to the goal of digitalizing the in-store experience, incorporating a website and/or social media experience(Belghiti et al. 2018). Building on this term, from the Omnichannel logic it refers to "a hybrid shopping experience, consisting in the consumer hybridizing physical and digital channels throughout the buying process." (Belghiti et al. 2018, 4) This new perspective broadens the scope of customer touchpoints, where there are interactions between customers and the company and customer-to-customer interactions (Verhoef, Kannan, and Inman 2015).

**[Customer Experience]** At the end of the day, the goal of Omnichannel is to improve customer experience across channels. Emerging from a marketing concept, **customer experience** is aimed to create an unique, pleasurable, and memorable experience (Verhoef et al. 2009). This concept has highlighted the importance of achieving company's success by building a strong relationship with the customer. Research shows that customer experience has an important role in connecting channels, allowing a superior and more holistic omnichannel customer experience (Gao et al. 2021).

**[Customer Centricity]** Nonetheless, to gain a competitive advantage, a customer-centric strategy must be put into place. **"Customer centricity** is defined as putting customers' interests at the center of a firm's actions" (Habel et al. 2020). This strategy can be implemented by customer-centric organizational structures, customer-centric information technologies, and customer-centric marketing strategies. (Habel et al. 2020). The great challenge of customer-centricity is the increasingly competitive landscape and demanding society. To overcome these, companies should focus on the right customers (Fader 2012).

**[Artificial Intelligence]** Companies are making use of new technologies such as Internet of Things (IoT) and Artificial Intelligence (AI), to leverage omnichannel and optimize customer journeys. **Artificial Intelligence** is defined as the concept of connecting smart systems to provide valuable and automated solutions to problems. It has the potential to influence and make advances in customer experience, quickly and at scale, in an everchanging environment, also allowing to create a seamless customer journey along all channels and touchpoints (Schrotenboer 2019).

**[Digital Transformation]** According to Duarte and Ebert (2018), **Digital Transformation** means "adopting disruptive technologies to increase productivity, value creation, and the social welfare".

### 3.5.2. Framework and methodology concepts

A considerable number of frameworks was used throughout the project to assess, evaluate and analyze the energy industry and to structure the recommendations. Additionally, critical concepts relevant to the project had to be studied. Thus, the research concepts presentation is divided into three phases according to the project phases presented before: Diagnosis, Analysis and Concept development, and Roadmap.

<u>Diagnosis</u>

**[PESTLE]** The **PESTLE framework** was used to identify external factors that impacted the Portuguese B2C energy market. First mentioned in 1967 by Francis Aguilar as ETPS, PESTLE is a strategic planning framework aiming to help businesses succeed by understanding external influences such as political, economic, social, technological, and environmental impacts (Rastogi and Trivedi 2016).

**[Porter's Five Forces]** Moreover, according to Porter (1979) "competition in an industry is rooted in its underlying economics, and competitive forces exist that go well beyond the established combatants in a particular industry". Thus, to have a successful strategy formulation, information about competitors must be collected and evaluated. **Porter's Competitive Five forces** is the most adecuate tool to capture the complexity of competition and identify the attractiveness of an industry. (Hitt, Ireland, and Hoskisson 2017) This tool allowed the identification of the complexity of the competition in the Portuguese B2C energy market, as well as mapping the factors impacting each force.

**[SWOT]** To determine the strategic vision of an organization, the internal and external environment of an organization must be analyzed. Aslan, Çinar, and Kumpikaitė (2012) state that the **SWOT analysis** is the tool to capture the most accurate insights and support the decision making. This tool was developed by Albert Humphrey in the 1960s and evaluates four factors: Strengths, Weaknesses (internal factors), Opportunities, and Threats (external factors). In the project, this tool was used to evaluate the internal and external factors that impacted Galp's performance in the Portuguese B2C energy market. (Aslan, Çinar, and Kumpikaitė 2012)

**[TOWS]** Lastly, to develop strategic responses for Galp, the **TOWS Matrix** was used. This framework was created in 1982 by Weihrich, to ease the match of the external threats and opportunities with the internal weaknesses and strengths of the organization, by keeping organizations effective through "a rational approach towards anticipating, responding to and even altering the future environment" (Weihrich 1982, 59). This matrix indicates four conceptual alternative strategies, tactics, and actions, which are obtained by intercepting the internal and external factors mentioned in swot: WT Strategy (Mini-Mini), WO Strategy (mini-maxi), ST Strategy (maxi-mini) and SO Strategy (maxi-maxi). Using the TOWS matrix several strategic responses were created for Galp.

Analysis and concept development

**[Deductive and Inductive approach]** For the analysis phase, a **deductive and inductive approach** was carried out to identify and address the challenge. This approach was presented in the book “The Pyramid Principle” written by Barbara Minto. According to Minto (2012), deduction “presents a line of reasoning that leads to ‘therefore’ conclusion” where points derive from each other, while inductive “defines a group of facts or ideas to be the same kind of thing, and then makes a statement (or inference) about the sameness” (Minto 2012, 63).

**[Sales Funnel]** The **Sales Funnel**, also known as the AIDA model, was originally invented by Elmo Lewis, in 1898 –available in appendix 4. According to Doyle (2011), this model was developed in the attempt of explaining how personal selling works, being consisted of four stages – Attention, Interest, Desire, and Action – that form a linear hierarchy. Thus, potential customers must go through these stages to be motivated to make a purchase, from being aware of a product to be interested in it, and according to Lewis, the Action stage comes as a natural result of the previous three stages. (Doyle 2011)

**[Brainstorm]** Furthermore, several brainstorming sessions were held, with Galp, which ensured multi and interdisciplinarity idea conception, becoming the source of some of the hypotheses developed and explored. **Brainstorm** was originally introduced by Alex Osborn in 1953. This method was greatly influenced by creative thinking theories, and the process requires generating as many quality ideas as possible, providing room to criticize and develop those same ideas in a safe environment (Besant 2016). According to Rasiel (1999, 93), “Brainstorming is the *sine qua non*e of strategic consulting”. Nonetheless, it is a process that takes time, it requires that its participants come prepared for the session, and that preconceptions and prejudices are put apart.

**[Mixed Methods]** During the project, qualitative and quantitative research methods were used sequentially to gather customers’ insights about their experiences and test preferences. **‘Mixed methods’** is a research approach whereby researchers collect and analyze both quantitative and qualitative data within the same study. According to Mack et al. (2005, 2), “when used along with quantitative methods, qualitative research can help to interpret and better understand the complex reality of a given situation", thus the two research methods were combined to allow to complement the conclusions reached from one another.

**[Sample]** To understand if the experiment's findings were statistically significant, the team had to research by selecting **samples**. Hence Gallo (2016) highlights that "with bigger sample sizes, you're less likely to get results that reflect randomness", and "select a sample from a more varied population, you can't be as confident in your results" (Gallo 2016), thus larger samples with lesser variation reduces the sampling error.

**[Pareto Principle]** Throughout the project, the team followed the **Pareto Principle,** also known as the 80-20 rule, which was created by Joseph M. Juran within his work on quality management. This principle states that "80 per cent of consequences stem from 20 per cent of causes", asserting an unequal relationship between inputs and outputs, turning into a guide for businesses on how to allocate resources efficiently (Bunkley 2008).

**[Co-creation]** The team followed a **co-creation** approach when developing the quantitative research. This concept "allows companies and customers to create value through interaction" (Galvagno and Dalli 2014, 1). This new paradigm of management literature allows interaction between companies and customers so new business opportunities are developed. Additionally, co-creating with customers leads to innovation and better customer services, where engagement and empowerment of customers increase. (Galvagno and Dalli 2014) (Galvagno and Dalli 2014)

<u>Roadmap</u>

**[Action Priority Matrix]** According to Jason Morin (2017), the **Action priority Matrix** "is a simple visual tool that prioritizes a group of ideas, solutions, or actions across two dimensions: effort and impact". Regarding these two dimensions, the effort may be generated from different factors such as cost, time, and organizational resources, and impact reflects the effect of implementing an initiative, being quantitative or qualitative (Morin 2017).

Subsequently, initiatives are categorized into one of the four quadrants: Fill-ins (Low Effort, Low Impact), Thankless Tasks (High Effort, Low Impact), and Quick Wins (Low Effort, High Impact), and Major Projects (High Effort, High Impact). Anything that is a quick win should be received with the highest priority, and Major Projects should be evaluated in long term (Morin 2017).

# 4. Situation Analysis

In the present chapter, a situation analysis will be carried out. This analysis departs from an external point of view, including a PESTEL analysis, a Porter's Five Forces and a Portuguese competitor's analysis, switching to the proceeding internal analysis. Subsequently, the analysis merges the external and internal takeaways into a SWOT analysis that leads to a TOWS matrix.

## 4.1. External analysis

### 4.1.1. PESTEL analysis

The PESTLE analysis gives an overview of the political, economic, social, technological, legal, and environmental aspects that currently shape the Energy sector's landscape and influence its future.

<u>Political</u>

The energy industry's political environment in Portugal is highly influenced by government action. In 2021, the National Plan for the Energy and Climate (2021-2030) established ambitious goals towards reducing gas emissions (45% to 55%), incorporating renewable energy (47%), and increasing energy efficiency (35%) and security (Agência Portuguesa do Ambiente 2021). Regarding European Union (EU) regulations, the Paris Agreement had a positive impact on renewable energies, aiming to increase the 2030 greenhouse gas emission reduction target (United Nations 2015). Additionally, the European Green deal positioned a plan to boost efficiency, cleaner fuels, implement a circular economy, and cut out pollution. These regulations may reflect a change in strategy for companies in the energy industry, having the need to become greener.

Economic

Economic instability has marked the last few years due to the Covid-19 pandemic, which led to an 8,4% decrease in the Portuguese GDP (Gross Domestic Product) in 2020 (INE 2022). Additionally, even though the starting of the current year has brought a growth in energy demand closer to pre-pandemic levels, a crisis in the energy supply emerged due to the conflicts in Eastern Europe, leading to an increase in energy and raw material prices(Levitt, Gabel, and Zakaria 2022). Therefore, both the covid-19 pandemic and the war, are fostering the constant increase in global inflation. In Portugal, it is estimated to reach 3,7%, contributing to the decrease in the purchasing power of the Portuguese (Miranda et al. 2022). These factors, have a high influence on the purchase power of Galp’s customers, leading to a negative impact on the consumption of consumables and fuels, for instance.

Social

Portugal is the 8th European country most energy-dependent (DGEG 2021), due to it high exportation levels from Spain and U.S. Lin 2021, INE recorded an increase of 1,7% in the annual cumulative electricity Portuguese consumption. This value is highly characterized by changes in consumers' lifestyles, leading them to spend more time at home, and consequently consume less fuel and much more electricity (INE 2022). Additionally, after a downturn in the unemployment rate in the last years, it is expected that by the end of 2022, the unemployment rate decreases to 5,9%, as the labor market and consumer sectors are returning to their pre-pandemic values (INE 2022). According to Eurostat (2022), in 2021, 55% of the Portuguese population from age 16 to 74 had at least basic overall digital skills, a fact that companies that are transitioning to a digitalized world have to take into consideration.

Technological

Within the energy industry, digital technologies are helping to improve safety, productivity, accessibility, and sustainability, as the market is moving towards technological progress, reflecting the integration of IoT in smart electricity grids and intelligent transportation such as Electric Vehicles (EV). Additionally, the digitalization of the grid increases the demand for AI solutions enabling greener and more efficient operations (Jackson 2021), where smart meters and smart grids are a consequence of this process. All these new digital technologies are currently changing the energy market, where traditional energy companies like Galp are starting to invest in it, even if the high costs of implementation presents to be a barrier.

Legal

In the context of Omnichannel and Customer Centricity, when sending smart recommendations and trace profiles, legal concerns about data protection must be considered. The General Data Protection Regulation (GDPR), applied in 2018, is a regulation established by the EU, that lays down rules concerning the treatment of personal data in the EU. In addition to strengthening the legal protection of the rights of data subjects, the GDPR defines new rules and procedures from a technological point of view (European Union 2018). Since 2006, all Portuguese citizens can freely choose their energy provider, due to the liberalization of the energy market, being ERSE the regulatory entity of energy services in Portugal (*Entidade Reguladora dos Serviços Energéticos*) focused on increasing energy literacy (ERSE n.d.).

Environmental

While the climate change, global warming, and devastating loss of biodiversity are at the center of the most important international conferences such as DAVOS and G-20, consumers are starting to become more aware of the negative impact of energy. The use of energy represents the largest source of greenhouse gas emissions (European Environment Agency 2021), hence why, 90% of consumers expects companies to be socially and environmentally responsible. Environmental concerns are expected to increase over the years, leading to the increase in the demand for EV and green sources of energy, which has a direct impact on the energy industry (Robison and Vranica 2022).

#### 4.1.2. Porter's Five Forces

The Porter's Five Forces framework further analyzed, allows to have an overview of the competitive landscape and the possible forces in the market.

The threat of New Entrants

According to Porter (1979), if barriers to entry are high and new entrants expect a high retaliation, then, the threat of entering will be lower. In the case of the Energy industry, it is required great initial investments, hard national and international regulations, and reduced access to sources of raw material. Also, this is a complex business that demands to have experts working in such companies, and where it is difficult to build credibility among customers. The high volatility in Oil & Gas prices makes entrance even more difficult. According to Joseph Bain's (1956) typology of entry conditions, this industry can be considered to have deterred entry conditions, where a market is highly contested, and a firm should undertake predatory acts in order to claim its position in the market. Thereby, there is a **low threat of new entrants in the energy industry**.

Threat of Substitutes

Substitute products or services can limit the potential of an industry if its threat is high. When this happens, industry players' profitability is reduced (Porter 1979). Throughout the years, consumer consumption patterns tend to change, and right now energy production is switching from fuel-based to renewables. The market is witnessing new alternative sources to produce energy for transportation, electricity, and heating (nuclear energy, coal, hydrogen, biofuels, and renewables). Nonetheless, there are high switching costs due to the requirement of capital (specific product assets), and the attractiveness and availability of decentralized energy technologies are increasing, where traditional players in the market are entering new types of energy production, leading to a **high threat of substitution**.

Bargaining power of suppliers

When market players are unable to pass on costs as prices increase, the bargaining power of suppliers is high (Porter 1979). In the energy industry, there is a reduced number of energy suppliers, leading to **high bargaining power** over prices. Players with vertical integration present an advantage in the market, as the high power of suppliers reduces the overall profitability of the sector.

Bargaining power of buyers

If players in the market do not have enough power to control prices, the bargaining power of buyers is high, and profitability is reduced. Additionally, having highly profitable buyers reduces price sensitivity (Porter 1979). In this case, there are many buyers, with few switching costs. B2C consumers have **low bargaining power**, as it is difficult to find substitute products at lower prices.

Industry Rivalry

Industry rivalry is dependent on the intensity of competition between players in the market. The number of players in the Portuguese market has grown substantially since 2006, after the liberalization of the market, which **increased industry rivalry** (CGIP 2020)**.** Also, the industry is growing gradually, and it is introducing new commodity products. At the same time, there are high exiting barriers and low switching costs faced by buyers. Another relevant characteristic of this industry is the price rivalry that drives consumer decisions – the main decision argument is the product price. This characteristic is driven by considerable price elasticity, as the energy price depends on conditions at all levels from upstream to downstream.

#### 4.1.3. The Portuguese Competitive Landscape Analysis

The Energy sector in Portugal is highly competitive. Nonetheless, Galp is the player with the most differentiated offer compared to its peers, presenting a wide range of products and services being the only player in the market present in the three energy sector industries: electricity, natural gas and oil. Both EDP and Endesa are only present in the energy and natural gas industries (Appendix 5). Regarding the electricity industry in Portugal, EDP is the largest player in the market with a 70.2% market share, followed by Endesa (7.7%), Iberdrola (6.1%), and Galp (5.1%) - values from 2021 (ERSE 2021). When referring to the natural gas consumption market, Galp is the main player, having a market share of 57.7%, followed by Endesa with 13.4% (ERSE 2021). At the same time, in Oil products consumption Galp attained the largest market share with 27% and the largest gas station network with 42.6% of the locations. (Galp 2021).

Over the last couple of years, the Omnichannel landscape in the Portuguese Energy sector started blooming, following the example of other industries such as retail and banking which are offering more advanced Omnichannel experiences (Rizzi and Taraporevala 2019). Competitors are looking to make their channels as valuable and convenient as possible across the CJ, by introducing small Omnichannel initiatives that aim to facilitate customers' lives (Appendix 6). These small initiatives are increasingly becoming first-mover advantages in Omnichannel as they become brand choice factors for customers, a sign of the current times where speed and efficiency are increasingly valued by customers.

**EDP** is a Portuguese vertically integrated utility company, present in the entire electricity value chain with production, distribution, and supply (EDP n.d.). Until 1997, EDP was a state-owned entity that held the energy monopoly in Portugal. After the energy market liberalization, with the entry of new players, competition became fierce. The company now holds only 70% of the electricity market (ERSE 2021), as mentioned before. In recent years, to compete with new players, EDP has established strong partnerships, particularly in the fuel industry with BP, entering in the EV market with EV charging stations. EDP stands out in omnichannel by offering two strong apps: EDP Zero allows to monitor energy consumption, forecast bills Automatic sending of, forecast future payments and send readings automatically; EDP Ready Solar allows to monitor energy consumption, performance & production and alert for irregular consumption patterns or possible failures (EDP n.d.).

**Endesa**, founded in 1994, is a Spanish energy provider company focused on electricity and natural gas. Endesa is in the Portuguese energy market for more than 20 years, and has been conquering its place in the Portuguese energy market through an aggressive pricing and communication strategy with strong marketing and promotion campaigns (Endesa n.d.). Endesa is focusing on increasing convenience in the contracting process with a partnership with the Portuguese oil company PRIO. This partnership allows the customer to do an energy contract in one of the Endesa stands available at some PRIO gas stations and to get a discount on the PRIO fuel card for each energy purchased (Endesa n.d.).

**BP** plc is a British and one of the world's seven Oil & Gas major companies. The company is operating in Portugal since 1929 and was the first multinational oil company to operate in the country. Today Bp is one of the largest organizations in Portugal dedicated to the commercialization and distribution of fuels and lubricants (BP n.d.), and highly investing in establishing strong partnerships to get advantages in the market. In 2021, BP and EDP joined forces with Brisa to implement fast-charging stations for EVs. The partnership with *Pingo Doce Cartão Poupa Mais* and *Pingo Doce&Go* C-stores aimed to conquer market share by capturing loyal customers from the retail company. The British company also invested in the app *PremierPlus* to give the customer access to a reserved area where there is available the number of accumulated points in the card BP *PremierPlus,* the available discounts with partners, and the location of the nearest service stations (BP n.d.).

**Shell** is a British publicly traded oil and gas company, that operates in more than 70 countries. Shell focuses on being able to innovate and adapt to changing customer needs, which marks its great success (Shell n.d.). After 17 years, the British company returned to Portugal with a franchising model, starting with 14 fuel stations (Marmé 2021). Shell claims the intention to stay in Portugal for many years and get closer and closer to Portuguese customers. The company offers a differentiated reward system program valid in Portugal and Spain. Everything will be available in a single app, *Shell Energy*, and it is possible to have the loyalty card in the customer pass wallet in a QR code format (Shell n.d.).

Launched in 2020, **MEO Energia** is born from the partnership between PT Live, S.A. and MEO, S.A. MEO Energia joins energy and sustainability with technology and telecommunications, marking in Portugal the shift of the telecommunications sector to the energy business (Meo Energia n.d.), and building capabilities that no other player in the market has. This competitor is evidently using telecommunications as a source of competitive advantage, without the need of partnerships or synergies to offer wider product bundles, as most of the competitors in the market do.

In the Appendix 6.2, there is available a matrix overview of the competitors' products offered per channel, as well as more detailed information on the competitors' channels across the sales funnel stages (appendix 6.1).

### 4.2. Internal analysis – Company overview

Galp Energia is a Portuguese holding company based in Portugal that was founded in 1999 and is dedicated to the electricity, oil, and gas industries. Galp is involved in the exploration, production, refining, distribution, retailing, and green energy co-production supply activities, having operations divided into four business segments: **Upstream** - gas and oil exploration and production; **Industrial and Energy management**- refining, cogeneration, and logistics in the industrial segment; **Commercial -** focused on optimizing the integrated offer of products and services; and **Renewables and New business -** develop a sustainable portfolio. Galp is considered a leading Portuguese company listed on Euronext Lisboa. In addition to Portugal, the energy company also has operations in Spain, Brazil, Nigeria, Argelia, Angola, Mozambique, and East Timor. (Galp n.d.)

Galp is the player with the most differentiated offer compared to its peers, presenting a wide range of products. Its strategy seeks to serve customers in their living and mobility dimensions, through a Broad Coverage Strategy (Besanko et al. 1999). Exploring these strategies, offering, for instance, fuels and also car-care products, carwash, car air fresheners, oils, and much more, represents a strategy in which Galp explores economies of scope through common distribution channels and marketing.

In the *Home* dimension, it is close to its customers by providing simple, insightful, and customized services at home, being able to get better value for money by integrating needs into one solution. The *Home* dimension product offers include natural gas, electricity, liquefied petroleum gas (LPG) - including heating and cooking devices - and services - 24h technical assistance, family medical assistance, comfort Line, energetic certification, etc. On the *Road* dimension, Galp's retail network comprises a total of 1,480 service stations, being the leader in Portugal. Galp's in road services are designed to enable movement in the most efficient, convenient, and sustainable way possible, and its offering in service stations includes oil products (such as gasoline, diesel, or LPG), new energies (such as electric mobility (e-mob)), non-fuel and/or convenience products and car services. The company is now extending its domains to the Convenience dimension aiming to build one-stop shops that not only help to save time when needed but also provide a safe place where customers can spare some time caring for their lifestyle and wellbeing (Galp n.d.). All Galp's products and services are available in a wide variety of channels: App Mundo Galp, website, Galp stores, gas stations, call center, resellers, email, SMS (Short Message Service), and door to door.

Galp is committed to redefining the business and the way energy reaches the customer. "*Together we will regenerate the future*": this is a purpose that encompasses the companies´ portfolio, relationships, and also their people, and that will set the course internally and externally to adapt to the future. Their strategy is based on five solid foundations to help Galp prosper during the energy transition: with a portfolio of high-quality, cash-generating projects, growth in the Upstream segment will continue to be the foundation of the business; simultaneously, Galp intends to transform its Downstream segment, adapting it to the energy transition and new consumption trends while capitalizing on its strong asset base; additionally, will continue to invest in the renewable energy business, expanding the portfolio to deliver growth and value on an ongoing basis; and finally, Galp will keep the focus on developing new energy businesses with high-value potential, leveraging their portfolio and their internal capabilities (Galp n.d.). The Commercial Business Unit is focused on providing solutions adapted to the clients' needs and operates based on the following strategic pillars: (1) diversification of products and services, (2) integrated offer, (3) client-focused, (4) strong brand, (5) digitalization. It comprises B2C and B2B (Business-to-business) client segments.

In 2021, Galp generated €16.117million in Sales and reached €2.322million in EBITDA. The EBITDA per business area was €2.020million for Upstream, €288million for Commercial, €64 million for Industrial & Energy Management, € –13million for Renewables & New Businesses, and €-38million for others. Regarding innovation and Research and Development (R&D), Galp implemented 78 innovation projects and 18 pilots (Galp 2022).

### 4.3. SWOT analysis

The exercise of identifying Galp´s Strengths, Weaknesses, Opportunities, and Threats was crucial to the understanding of the situational framework of the project. However, became more relevant to elaborate the SWOT analysis through an omnichannel perspective, assessing the current situation of the company in this matter, instead of performing a general analysis of the company. By performing a focused SWOT analysis (appendix 7), the team was able to bridge the results with an Omnichannel diagnosis, having a strong impact on the hypothesis formulated.

**[Strengths (S)]** Galp is a company that leverages strong brand recognition and a wide customer base with high levels of loyalty. This may be a result of valuing a relationship of proximity with the customers, highlighted by the widespread network of fuel stations in Portugal and by the relationship that employees usually build with customers. This also shows that culture and human capital are strong assets of the company. Not only do customers associate Galp with strong and positive brand values such as quality and heritage, but also, they associate Galp collaborators with sympathy and kindness. There are great efforts in achieving high levels of employee satisfaction and effectively training them. The large and diversified product and service portfolio as well as the variety of channel options reveal that Galp aims to increase efficiency by exploring economies of learning and scale (Besanko et al. 1999). Additionally, Galp owns the largest network of fuel stations in Portugal, building a robust network of barriers to entry to competitors. Moreover, there is an internal sense of urgency across all units towards achieving an effective Omnichannel CX, as the market is witnessing moves towards omnichannel strategies. Mundo Galp App's constant development is an example of the first step towards an Omnichannel CX.

**[Points of improvement (W)]** In general, Galp has a weakened Omnichannel position in the electricity market. Moreover, there is still room to make more investments in technologies that enable to constantly improve the CX. Galp's lack of technological investments in improving the Customer Experience causes digital processes to be inefficient and inconsistent, highlighting obstacles to the efficiency and effectiveness of processes and decision making. The results are fragmented in cross-channel customer journeys and have an inconsistent digital and physical environment. Data management also presents to be a strong point of improvement for Galp. Not only the data collection mechanisms are limited, but also there is a lack of data analysis methodologies and multiple data silos present in the organization. The result is that unique customer preferences end up not being considered. As for the high-level omnichannel considerations, employee training programs are still not customer-centered and CX is not at the core of Galp's concerns and priorities.

**[Opportunities (O)]** In the environment where Galp is operating, there is a multitude of new trends that favor and help the investment in an omnichannel strategy. From consumer behavior trends to high digitalized ecosystems built on AI, 5G, and data management technologies, there is the possibility to constantly improved CX and reach for new customer segments. More structural market trends such as the increase in environmental concerns, are reflected in the rise of electric mobility and solar energy and Galp has the opportunity to be present and to be a facilitator in the transition of the customers to green energy. Regarding business management trends, many heavy in scale corporations have been making a transition to an agile methodology, showing that is possible to have a more efficient R&D process that keeps up with an ever-changing market. Partnerships, Joint Ventures (JV), or acquisitions of CX management tools-related companies also present a great opportunity to companies that do not have access to this type of know-how in-house to keep up with the evolution of technologies. In the Portuguese case, the energy market still is not entirely digitized as competitors are not yet offering fully Omnichannel experiences, presenting the opportunity for Galp to be a disruptor in this matter.

**[Threats (T)]** Nonetheless, the energy sector has an aggressive competitive setup. As competitors are showing the first signs of providing proper Omnichannel experiences, new entrants with skills and techniques such as Shell are levelling up the stakes. Both new entrants and the already established organizations are focusing great part of their efforts on the transition to green energies. External factors to the energy market also play an important role when analyzing Omnichannel: other sectors are transforming, and customers demand and expect the same Omnichannel experience level as they had previously with other companies. As for technological development, budget can be a barrier due to the high costs of implementation and outsourcing may leave a high dependence on third-party suppliers/partners. Ultimately, being Omnichannel such a recent and always changing matter, the learning curve for new practices is uncertain.

### 4.4. **TOWS analysis**

When analyzing strengths, weaknesses, opportunities, and threats altogether with a TOWS analysis, it is possible to derive how Galp may leverage its strengths, mitigate weaknesses, take opportunities that arise, and fight market threats – Appendix 8.

For the **WO Strategies** (Mini-Maxi), due to its low technological investment Galp is not able to achieve End-to-End (E2E) Customer Journey mapping, losing the opportunity to discover new opportunities to disrupt the Energy sector in Portugal. Galp will end up not capturing and retaining tech-savvy customer by not being able to deliver a strong and consistent digital and Phygital experience The strategic priorities of the Company and how they communicate them to their employees, shows that Galp still has room to improve on customer centricity, resulting in not being able to identify the necessities that arise from the new customer trends. Unique customer preferences will continue to not be considered. Moreover, if digital processes remain inefficient and inconsistent, delivering fragmented cross-channel customer journeys, Galp will not be able to achieve a first-mover advantage and capture customers from the companies that do not offer fully Omnichannel experiences. For the **WT Strategy** (Mini-Mini), the high dependence on fuel sales may threaten Galp´s performance, and worsen its weak position, especially in the electricity market. Over and above that, Galp will also have to face the risk of having debilitated financial results, seeing that the associated investments with technology and CJ mapping can be higher than predicted. Facing the current competitive dynamics, the new strategies employed by the competition will end up highlighting the pain points across the different CJs. If Galp does correct and tunes these in a timely way, customers may be able to perceive them, ending up choosing to change their energy supplier. For the **ST Strategies** (Maxi-Mini), Galp should be aware that being in a context of extremely fierce competition, valuable assets such as brand recognition and high customer loyalty rates may be jeopardized. Having companies from inside and outside of the energy industry heavily investing in Omnichannel strategies may cause Galp, with all its limitations and constraints, to be too behind in the race, risking losing customers to competitors. If not affected, the scale in which Galp operates must mitigate the dependence on suppliers and partners by incorporating new R&D departments into the company structure. Also, if new methodologies are incorporated, Galp has to manage learning curves more nimbly, as scale enables economies of learning to happen. Lastly, for the **SO Strategies** (maxi-maxi), investing in new technologies and going for the upfront know-how in the market is a major priority to successfully increase the potential of the customer experience, allowing a full cross-channel integration within the CX. Efforts should be made to make Galp´s digital channels the central touchpoints of any customer journey to leverage data collection and digital solutions. Galp´s strengths should be directed towards continuously testing products and services according to new market trends and technologies, uncovering each time new customer needs that are not being captured. The energy company must go beyond aiming for trust and loyalty to the brand should, and look for being a facilitator in customer's lives, especially during their transition to greener energies. The first step towards a successful Omnichannel practice must start from the core. Hence, to differentiate itself from competitors, Galp must empower and refocus its employees toward a customer centric mindset.

### 4.5. Key conclusions

The central question posed by the project is if Galp can become the top-of-mind reference for Omnichannel CX in the Portuguese Energy sector over the next years. The following external factors show why Galp can become the top-of-mind reference for Omnichannel CX's in the Portuguese Energy sector over the next years: (1) **The industry's attractiveness** in the medium-long term is **moderate** given the strength of the five competitive forces, especially due to the **high industry competitive rivalry** (with strong players as EDP and Shell); (2) **Increased competition** in the energy sector, due to the **entry of new players** (e.g., Meo Energia)**,** both **international** and from the sector, as well as players **outside of the sector**; (3) **Energy sector trends** are becoming a sense of urgency, shaping how energy companies play in the market, decreasing the focus on fossil fuels, and trying to put the customer at the heart of the operation, investing highly in digitalization.

Additionally, the team highlighted the following internal factors that show why Galp can become the top-of-mind reference for Omnichannel CX's in the Portuguese Energy sector over the next years: (1) **Galp's brand reputation** and **unique multi-product offering** in Portugal may increase the receptivity to customer journey innovations to a more convenient and digital setup, boosting customer relationship and loyalty; (2) Galp's **employee** training and employee engagement and satisfaction levels are a great start to shift the organizational culture towards high levels of innovation and customer-centricity; (3) Galp's **large customer base** allows for greater expertise and **wider access to consumer insights**.

Therefore, by leveraging the market trends and developments and the company's unique product offering, brand reputation, and high sector expertise, Galp can create a differentiating integrated customer experience, capable of maximizing value for the customer and for itself. To do so, the company should not reconsider the role and value proposition for each channel, but also shift the roots of the company's high-level strategy to assure that real change towards the Omnichannel occurs.

# 5. Baseline research

Omnichannel and Customer journey themes revealed a need to do additional research so that the team could get familiar with the topic. The present chapter starts with an introduction to the **Energy sector trends**, where topics such as Customer centricity and Digitalization became a starting point for the analysis. Afterwards, the team researched the current **CX trends**, which preceded a paramount part of the analysis. This chapter also includes the "**7 P's of Omnichannel**" framework, the best practices analysis, and the "**Four levels of Omnichannel maturity**" framework explanation.

## 5.1. Energy sector trends

The energy sector is known to be highly cyclical and sensitive to the surrounding economic environment. During expansion periods, the sector tends to inflate due to the increasing prices of Oil and Gas. During recessions, the demand decreases and, consequently, production decreases too, weakening the sector (CFI n.d.). The Energy sector has seen four major trends arising over the last years, three of which are included in Deloitte's **3D framework** (Deloitte 2020). This framework sets three key industry drivers that are currently shaping the Energy sector: Decarbonization, Decentralization, and Digitalization. The fourth trend is highlighted by Mezger (2017) in an Accenture Strategy paper about Customer Centricity. The first two were relevant for the context of the analysis but did not provide insights into the context of the project. However, Digitalization and Customer-centricity were the key trends with a more relevant contribution to the project.

The **Decarbonization** trend is characterized by the phaseout of coal and nuclear assets and the understanding of the critical role of natural gas and batteries (Accenture 2020). E-mobility solutions represent a relevant stake because of the increasing pressure from governments and business stakeholders to address climate change (Motyka et al. 2020). Lastly, the increasing adoption of renewables as a source of energy is driving the sector to unforeseen scenarios.

The **Decentralization** of the energy grid departs from the idea that energy consumers begin to take part in energy production, leveraged by investments in the energy market. Through the integration of renewables in the grid, consumers can produce energy in their homes and increase the stability and security of the business (Deloitte 2020).

**Digitalization** is the trend that characterizes the underdoing digital transformation that companies are taking, by the deployment of digital infrastructure and creation of new data streams. While eight out of ten managers have made efforts towards the digitalization of their enterprises, less than one-third of those consider those measures to have been successful. Digitalization concerns the effective integration and customization of energy solutions in the ecosystems (Deloitte 2020).

**Customer Centricity** is the fourth key trend analyzed. This trend appears lately as a consequence of the increasing care that companies reveal towards the experience of their customers. Companies now understand that customers are much more than money-spenders, seeking experiences and relations instead of products and satisfaction. Here, factors related with propensity to buy, tendency to be loyal, ways of communicating and responses to the same offer are more relevant than the number of products a customer buys (Morgan 2021). Adopting a customer-centric mindset means knowing the customer through the right analysis tools and making proper use of data. Customers need to be delighted with their experiences. 85% of managers have a clearly defined customer-centric strategy, but only 46% plan to implement it. The same happens with employee training: 78% of managers consider it important to have a customer-centric training but only 40% are planning to implement it (Morgan 2021). There is a large gap between recognizing the importance of customer centricity and being able to implement it.

## 5.2. Customer trends in CX

### 5.2.1. Customer Journey

As described in the literature review subchapter, the Customer Journey is a mean to take the **viewpoint of the customer,** but also to reach insights into the experiences. The journey is the path and the decisions taken by the customer through all the touchpoints that constitute a buying mission, putting the **Customer at the center of the problem-solving process** (Maechler, Neher, and Park 2016). The end goal of a Customer Journey and CX strategy is to build value for the customer, boosting the generation of new leads (Maechler, Neher, and Park 2016). It helps to understand the customer behavior that creates more value for the business. Also, it enables the analysis of the historical performance of real customer cohorts. Lastly, it allows an analysis of trends and a forward-looking view through data to suggest products and services. All these factors aim to increase the Customer Lifetime Value (CLV).

When **mapping the customer journey** an article posted by McKinsey suggests that the analysis should focus on the satisfaction issues with the **highest pay-outs** (Maechler, Neher, and Park 2016). By analyzing a company as Galp with the multiplicity of B2C offer as it has, it becomes challenging to have a proper macro view, being, therefore, recommended that the analysis is scoped on the most relevant issues. Next, no single touchpoints should be analyzed since these will only refer to a single interaction silo. **E2E journeys** constitute the blueprint that highlights cross-channel opportunities that a customer journey intends to analyze. An additional matter highly relevant in journey analysis is the idea of **consistency** and how a journey feels unified rather than a set of independent interactions with a company – this is where the concept of *seamless* appears. The last topic that the article McKinsey published, highlights the **voice of the employees** as a tool to understand the CJ, by helping to bring out the experience of the ones who know customers the best – the frontline staff (Maechler, Neher, and Park 2016)**.**

Customer Journeys can be analyzed through a large multiplicity of criteria. On the one hand, the main drivers of satisfaction within the journey are efficiency, convenience, friendly service, knowledgeable service, ease of payment and up-to-date technology. On the other hand, bad employee attitudes and unfriendly service, lack of trust in the company, unknowledgeable employees, inefficiency, and unavailability of stock are the main drivers of an undesirable customer experience (Puthiyamadam and Reyes 2018).

#### 5.2.2. CX trends in the energy sector

Consumer trends become a relevant object of study as these will highlight some Omnichannel grounds to be addressed later. Caccavale (2019) in a Forbes article refers the fact that throughout his conversations with energy-industry clients they all pointed out the same topics – customization, information, technology –, and all of them came back to customer experience. Energy sector companies are now competing in areas where they have not competed in the past.

The customer experience trends identified in the energy sector are the following: the need for **information**, as customers want to make informed decisions; a **shift from in-store shopping to web and mobile**, challenged by price comparison tools, fast delivery and convenience; the **technological progress pushing for front-line applications**, improving customer information, operations and better personalization; the steps taken towards **multichannel digital experiences** as a trend that is starting to enable fully integrated experiences (Caccavale 2019); the **customer expectations around digital** interactions with utilities unlocks the need for customer satisfaction through digital (Dean et al. 2021); the **personalized experiences** as customer retention catalyzers (Conlan and McGlynn 2017); the **power of employees** in the success of the customer experience, as companies are increasingly aligning their operations to the customer value chain (Quin 2020); the **investment in technology** and analytics that allow journeys to be flexible, agile, automated, insight-driven and seamless; **trust** as the new currency in customer centricity, since companies must provide trustworthy, reliable, consistent at the right price point that is aligned with customer requirements, risking losing customers to competitors (Conlan and McGlynn 2017).

Both traditional and digital channels are relevant to customers. However, for the new generations, the desire for fast and clear information emphasizes the need for an Omnichannel strategy, reinforcing the presence of digital. Omnichannel highlights new, more **efficient, and effective strategies to reach customers**, boosting competitiveness (Quin 2020). And that's the topic we will cover in the next sub-chapter.

The last, increasingly growing, trend investigated in the scope of the project were the **Phygital** experiences. According to Pangarkar, Arora, and Shukla (2022), Phygital is a holistic, exhaustive and transformative shape of Omnichannel, which addresses specifically the interactive and hybrid experiences a company can offer to its customers. Phygital appears as a consequence of, on the one hand, a demand for outstanding physical CX's and, on the other, a demand for immersive digital CX's (Prior 2021), as mentioned in the literature review subchapter of the present document. Therefore, the question was posed: How do experts design **immersive in-store experiences** while leveraging the **efficiency and instant gratification of the digital world?** And the answer is Phygital, an experience where the physical highlights the emotions of the digital environment, and the digital increases the efficiency of the live experience. It becomes an even more relevant concept once the numbers are analyzed. According to Griggs (2018), 87% of consumers have their phones constantly on their side and 82% consult their phones when doing a purchase. Also, 76% of consumers interact at least once with a brand before arriving at a store. In-store retail Phygital experiences have a conversion rate of 20%, compared to the average of 10%. As a matter of example, we can highlight the Amazon Go stores in the United States (US). These stores opened in 2018, fostering the '*Just walk out'* concept, while most retailers were exploring the scan-and-go services. Even though these have a large initial investment, they become highly cost-effective, with revenues per square foot being almost ten times higher than the industry average (Cheng 2019). Phygital requires investments but it quickly highlights its benefits – more effective store management, data collection, and outstanding customer experiences.

### 5.3. The 7 P’s of Omnichannel (Accenture Analysis Framework)

During the investigation on Omnichannel, an analysis framework became relevant – **The 7 p’s of Omnichannel** (appendix 9). In it, the article published by Accenture outlines the several components of the E2E customer value chain and how a meaningful pairing of these can drive sustainable cost, revenues, and large loyalty benefits (Conlan and McGlynn 2017). The 7 Ps are: (1) **Presence** refers to the deliberate choice of channels in which a company operates, understanding products, services, and support present in the channel. Also, it refers to how and why customers want to engage, requesting a clear value proposition in all human, physical, and digital channels; (2) **Persistence** highlights the connectivity between channels and the seamlessness that a customer finds when switching between these. It seeks a consistent and connected experience across channels; (3) **Personalization** aims to offer an individual experience to customers across the multiple interactions one has based on customer preferences. It focuses on predictive and proactive ways of making a customer feel valued; (4) **Product** focuses on the product offer and how this can meet customer needs; (5) **The process** relates to policies that enable an efficient journey through a customer-friendly environment that is aligned with the organization’s objectives; (6) **People** highlight the importance of a company’s human capital, requiring the collaborative work to happen, as well as the awareness of employee needs towards a customer-centric strategy; (7) **Purpose** appears as an anchor for transformation, being the creator of a shared value between a company and its customers. (Mcglynn and Conlan 2017)

These **7 P’s Omnichannel** became relevant in the analysis as they created a set of criteria for evaluating each company brought to discussion. From the framework, the team developed a rating criterion (1-5) for each dimension, which enabled a best practice analysis based on the same referential. The table with the criteria can be consulted in the appendix 9.2, as well as the explanation of each element "P" with examples - appendix 9.1.

### 5.4. Best practices analysis — Omnichannel competitive landscape

As mentioned above, Omnichannel is still evolving and emerging among different industries. Therefore, to get a better understanding of the Omnichannel performance around the market, the team decided to perform an Omnichannel best practices analysis, divided into **four quadrants**: inside and outside of the Energy industry; inside and outside Portugal. The most relevant players on Omnichannel were identified, resulting in the choice of **11 companies**. However, the team decided to highlight the conclusions of the six most important best practices in this paper, having the remaining research in the appendix 10. The 7 P's of the Omnichannel framework was used to guarantee a consistent and comparable analysis of all companies, assessing performance using the same criteria.

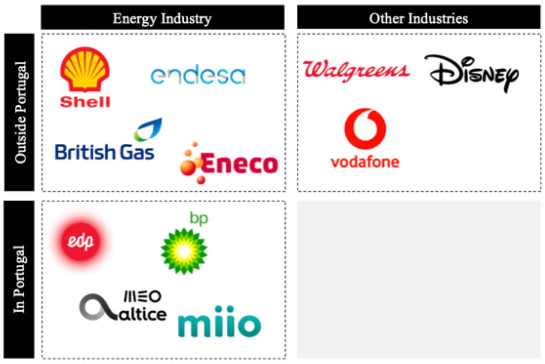


*Figure 1- Best Practice Companies*

Starting with the foreign Energy industry quadrant, **Royal Dutch Shell**, also known as Shell, stood out as one of the leading brands of oil and gas companies worldwide (Statista 2022). Shell is a global energy company that specializes in the exploration, production, refining, and marketing of oil, natural gas, and chemicals. This analysis focuses specifically on Shell UK (United Kingdom) to study and evaluate its Omnichannel initiatives. In the past years, Shell UK has developed innovative digital pilot projects to boost customer convenience and Phygital interactions, namely the introduction of an **in-car fuel payment system** for Jaguar and Land Rover, through which customers pay from the touchscreen of their car (Newcomb 2017); **Shell TapUp** that allows customers to order and payment of fuel through the App and receive it with a home delivery service (Shell TapUp n.d.); lastly, the **Shell App**, with more than 1 million users in 36 countries, enables the mobile payment of fuel, monitoring of energetic home balance and payment of the bills (Shell Energy n.d.). On top of that, Shell UK has been following a strategy of putting the customers at the center of its operations, reflected by the several programs. The **Five-minute economy** aims for a simple and enjoyable customer in-store journey, that should not last more than 5 minutes, including technologies such as mobile payments, fuel rewards, and connected Application Programming Interface (API) car technology to boost convenience (Shell Energy n.d.). **Shell Go+ reward system** is an AI-based system, through which customer loyalty is rewarded with personalized offers, based on user's behaviors and customer data (Shell n.d.). Shell UK also implements **customer-centered HR programs** to treat each customer as a guest by having customer service training for front-line staff. In sum, Shell UK appears as a strong player with numerous ongoing initiatives to reach Omnichannel and managed to score the highest grade on all the 7 P's scopes.

Still, as part of the foreign Energy industry quadrant, **Eneco**, a producer and supplier of natural gas, electricity, and heat in the Netherlands, showed Customer Relationship Management (CRM) improvements in recent years, by communicating with customers on a personal level, leveraging on data to create relevant offers, and reaching customers at the right moment. Moreover, Eneco uses an **AI-driven customer journey platform** denominated *Relay 42* that recognizes the customer journey in real-time and anticipates every move, it also allows for the creation of independent profiles according to customer data, makes decisions on time, personalization at scale, and creates a step-by-step map of the journey's touchpoints (Relay42 n.d.). To complement this platform, Eneco also has a **24/7 chatbot** - ***My Eneco*** - to make data-based decisions and solve problems immediately, plus a **community platform** that introduced customer ambassadors, enabling customer participation through which customer needs are answered in an interactive and lively way (Microsoft 2021). In sum, Eneco rolled out a hyper-personalized Omnichannel strategy Leveraging the **Relay42** platform to offer truly seamless customer journeys across all their online and offline channels, playing an important role as an omnichannel reference. As per the 7 P's framework evaluation, it reached the highest score on Presence and Process and showed lower results on the Product scope.

Moving on to the Portuguese Energy industry, **EDP** was analyzed, as it is the largest producer, distributor, and trader of electricity in the country. Research showed that, in 2019, EDP went through a digital transformation, supported by three major programs/projects. First the implementation of the **Easy4u platform** to improve the employee experience, that centralizes all requests and complaints in a platform and enables employees to have higher operational control, provides real-time status on requests and instant feedback. This results in an incremental of 17% the employee satisfaction (OutSystems n.d.). Secondly, the introduction of **EDP Digital Factory**, a Digital Hub that is in contact with all the business units developing pilot projects related to digitalization. Lastly, the development of programs to improve the on employees' life, creating opportunities from them to achieve more personal goals (Silva 2019). The digital transformation enabled the **centralization of services, data-centric decision making and employee empowerment**, reflecting in a higher performance in Persistence, People and Process. However, EDP presents lower score in Personalization, according to the 7 P's framework.

Moving forward to the next quadrant – Outside the energy industry outside of Portugal – Walgreens, Vodafone UK, and Disney were the companies selected for this analysis. Starting with **Walgreens**, a pharmacy-led health and beauty retail American company, it is to be highlighted the fact that Walgreens managed to improve its relationship with customers by launching a super-app – ***MyWalgreens*** – built as the central touchpoint with customers. The app picks up signals from Media, Behavior, Context, Location, Environment, and Transaction sources, that are later translated into personalized custom offers (Raine 2021). The results talk for themselves, as it improved the customer engagement, the App usage increased significantly and enabled a seamless experience. In terms of company performance in the 7 P's Framework, the scopes of Purpose, Presence, and Personalization are at their maximum, however, People still needs to be improved.

**Vodafone UK** is a British provider of telecommunications services and a subsidiary of Vodafone Group, the world's second-largest mobile phone company. In 2021, Vodafone defined a new customer experience strategy, with a **single-layered digital experience**, breaking down data silos, having microservice components in the Amazon Web Services (AWS) cloud, enabling common customer journeys across all channels, and using technologies such as Google Home, Chatbots, and Amazon Analytics to integrate every channel (Finegold 2020; IBM n.d.). In addition, a **culture of innovation** was also incorporated, transitioning from waterfall to an agile culture, making efforts into educating teams and establishing clear CX goals. Because of the before-mentioned changes, the Net Promoter Score (NPS) and customers' trust increased, and the integration of technologies improved the problem-solving, making all the 7 P's scopes to be at the highest score possible.

Finally, **The Walt Disney Company** is an international family entertainment and media enterprise with a global presence. Throughout the research, Disney revealed a great focus on **customer-centricity**, exploring the *guestology* concept in their theme parks – the science of studying customers, identifying needs, and informing employees about expectations. Employees were trained to be aligned with Disney values, and to make that all elements are integrated to provide a seamless experience for customers (Kinni 2011). Additionally, Disney is a great example for Phygital experiences, as customers can experience a blended *Phygital* journey when in the parks. By using the app ***My Disney Experience***, visitors are able to have contactless dining experiences, schedule an attraction in-app, download and save photos taken on the park, among other features (Disney n.d.). Concluding, Disney's strategy based on customer focus, innovation, storytelling excellence, and seamless *Phygital* experience translates into an excellent performance in almost all 7 P's scopes, with Process and Persistence still needing some improvement.

To conclude the Best practices analysis, the team drove conclusions on the **key strategies identified** along with the 11 companies. All companies had a **highly digitalized customer environment**, implemented from inside the company, with digitalized employee internal processes and centralized in one platform. Six of the companies had an **innovation mindset** and developed innovation hubs. The **use of AI to improve problem-solving** and provide a personalized experience to the customers was used by most companies analyzed. Some **partnered with external software providers** to improve processes and implement AI systems. Furthermore, most companies invested in **customer-centered HR programs** to stimulate employees' capabilities and aligned to a customer-centric approach. Finally, a few companies were working on communicating with customers on a personal level through **personalized experiences**. A summarized comparison of the best practices' 7P's diagrams is available in appendix 10.1, as well as further analysis on the industry player's channels presence across the sales funnel stages (appendix 10.2).

### 5.5. The Four Levels of Omnichannel Maturity (Developed Framework)

On one of the expert interviews, the group met with Professor Nadim Habib, a Faculty member at Nova SBE. The most relevant takeaway of the interview was the **co-creation of an Omnichannel framework**, later titled **"The Four levels of Omnichannel Maturity"**. Why did the team need a framework? According to Conley (2016), a professor at the Illinois Institute of Technology (IIT), frameworks appear because business problems are very unstructured, with more than one variable playing a relevant role in their conception. Frameworks help to fit a problem into a standard and break it down into its multiple parts and, due to the nature of Omnichannel, the conception of the framework helped to gain better insights on the structuring and scheduling of an Omnichannel strategy – a white paper was produced by the group to make possible a greater theorization of the framework – Appendix 11. The current technological signs of progress are pushing the competitive landscape to levels never seen before. Progress has been made towards a more customer-centric approach, leveraged by technology, and companies that have understood this are taking large steps towards a differentiated offer. This progress introduces **Omnichannel**. The issue posed is that Omnichannel is composed of a large set of initiatives, with different conceptions, and these initiatives need to be categorized according to their implementation and how much 'Omnichannel' they are. The framework presented solves that issue. It is divided into four levels of maturity, as seen below.

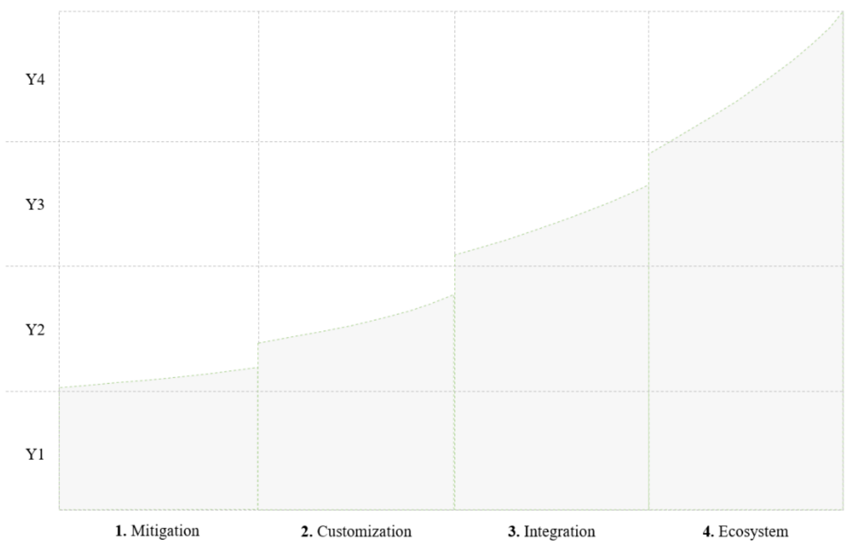


***Figure 2*** *- Four levels of Omnichannel Maturity Framework*

**1. Mitigation** – The first stage of Omnichannel maturity concerns the capabilities a company builds to mitigate pain points found by customers along the journey. It does not assure *per se* that a company has Omnichannel as a central mindset but allows the company to **correct issues with digital tools**, setting the stage for a consequent deepening of the Omnichannel offers. It does not concern decisions the customer is able to make. To identify the most important pain points to be fixed, the company should conduct interviews, focus groups, behavioral observations, and surveys. It is possible to list hypotheses to mitigate the founded pain points by interpreting these. Ultimately, the hypotheses would turn into recommendations.

**2. Customization** – The second level of the framework aims to adapt the experience to the needs and expectations of the customer, boosting engagement along the journey. It departs from the previous stage of pain point fixing and establishes a new level to the experience – **customization**. Here, the customer starts making the first decisions, shifting the experience at his own pace, and **modifying it to fit personal needs and expectations**. People feel naturally more attached when they can make decisions over a subject. Consequentially, customization boosts engagement. Omnichannel happens when the customer can choose the features of the interactions, and the first step towards that is to provide multiple options, which increases **power of choice**. This way, to allow **customization**, a company must define multiple channels, products and product features that can easily provide decision power to customers. The existence of the second level requires that the identified pain points are previously fixed since customization will not fit its purpose if the journey is still fragmented and ineffective.

**3. Personalization** – The third level of Omnichannel maturity increases the depth of complexity to a level that customers can no longer see or iterate over and can only feel the effects of it. It regards to the **integration of services**. Here, customer-centricity becomes bolder as the multiple channels, platforms and data silos start becoming connected to provide a **personalized experience**. After fixing pain points and providing a customizable experience, it aims ultimately to boost sales by making more directed offers to customers. Personalization appears as the next level after customization, implying that customers have the freedom to customize, but most of the settings are pre-set according to decisions the customer took in the past.

**4. Ecosystem** – The fourth level of Omnichannel maturity is reached when a single individual is treated at the same level on every channel and product by every employee, device, and process. Here, the **customer is the central key** of the whole business plan, and the company tracks every decision the customer makes so that the journey is seamless, integrated, easy and, above all, exceeds expectations. With the data collected, a company creates individual behavior profiles, tracks preferences, maps journeys and, ultimately, makes decisions according to the preferences of the consumer. It concerns the achievement of a sublime customer experience with zero friction and pain, and 100% consistency and efficiency. At this level, technology is taken to a level of automation and independence in which the algorithms make decisions toward **customer experience excellence**.

## 6. Concept testing

### 6.1. Qualitative Research

The **qualitative research** aimed to understand the experience of the interviewee in the previously used Galp's channels and drive conclusions regarding current customer journeys.

In total there were 25 individual semi-structured interviews with urban Galp B2C customers. The age interval was between 23 and 66 years old, where 15 were female and 10 were male. The sample had a representative distribution between the **channels** (fuel station, store, website, app, service lines) and **product** used (fuel, non-fuel, gas and power, solar, electric mobility, bottled gas). The interview guide and sample are available in appendices 12.1 and 12.2.

Additionally, whenever it was possible, **cross channel journeys** were mapped and the interviewer tried to observe how customers behaved in the analyzed channels. Interviews started with a brief gathering of gender, age, role in the definition and payment of the energy supplier and channels and product usage. The second part of the interviews aimed to understand the customer journey within used channels by product used, identifying touchpoints within each channel. The third section of the interview aimed to assess the perception of the interviewee by understanding pain and pleasure points, identifying frictions during the experience, and measuring satisfaction levels to acknowledge the perception and relationship with Galp as a brand. In the final section, the interviewee was asked to provide examples of previous innovative and remarkable customer experiences from other companies in any industry, as well as asked to imagine how was the experience with Galp in three years. (Appendix 12.6)

The main pleasure and pain points identified in the interviews were split into four categories: **Convenience**, **Digital tools**, **Payments**, and **Operations**. (Appendix 12.3 and 12.4) In **convenience**, interviewees identified as pleasurable the efficiency in fuel stations functioning, the different locations and variety of channel offers and availability and the late opening hours. As for the pain points, interviews identified that the **experience was different from store to store and had space to improve and be more pleasant**. Also, there should be a better equilibrium between the price and quality of the fuel station products and stores are not convenient enough. Although **digital tools** enable an efficient contracting process and have a good amount of information available, interviewees found that they **were not intuitive or user-friendly**, the information was not well organized and the experience between channels was not fluid. The necessity to constantly provide the same personal data is also presented to be a pain point in digital channels. As for the **payment process**, interviews referred they valued the payment options available, especially that Via Verde and Pay&Go were faster and convenient options, however, these are **not intuitive and not much information is available about these options**. Also, the waiting times to refuel and payment were mentioned as strong issues to be solved. Interviewees also showed to be **interested in having access to past transaction information**, something that is still not available in any channel. In what regards **operational** aspects, interviews strongly evaluated the trust in Galp’s brand and product quality as pleasure points. However, **phone lines were pointed out to be disorganized and time-consuming**, and the general perception of the interviewees was that **when contacting with diverse channels they felt they were dealing with different companies**, highlighting that the experience between channels is still well fragmented. Moreover, **e-mobility (e-mob) interviewees stated that charging stations are not always working**, **and it is not possible to schedule a slot**, risking the arrival at an occupied station.

The pain and pleasure point analysis derived from the qualitative research allowed an identification of the customer Omnichannel necessities that make it possible to understand the underlying motivations of a customer's channel preference. Eight customer Omnichannel necessities were identified, but they were not ranked, being all equally relevant to customers at this stage of the analysis. The necessities identified were the **access to information** (the customer has access to all the information needed to make decisions), **proximity** (the company constantly feeds customer relationship), **consistency** (offer and experience is the same regardless the channel), **decision power** (customers are able to make an informed choice on which channel to use), **personalization** (the offer is adapted to consumer consumption, and better offers are made), **efficiency** (the experience is practical and easy, without complications along the way), **convenience** (channels are designed and programmed to leverage the convenience for the customer), **flow** (the experience from channel to channel is not fragmented, being seamless).

### 6.2. Brainstorm session

As mentioned above in subchapter 3.2, a **brainstorming session** was carried out to bring together different Galp business areas. With the mediation of the team and Professor Constança Casquinho, it was possible to come up with a high-level overview of the current omnichannel related initiatives, being a clear opportunity to show the client that the team was committed to not work **FOR** Galp, but rather **WITH** Galp, creating synergies along the way.

Based on a design thinking methodology (Knight et al. 2019), the session was divided into four different moments, Presentation, Empathy, Define, and Ideate. The session was wrapped with a group discussion about the ideated ideas and possible challenges, mediated by the team - appendix 13 for the briefing sent to participants.

In the end it was possible to identify **12 ongoing initiatives** and to ideate and **discuss 16 new initiatives.** Within the **ongoing initiatives** identified, [redacted] Confidential [redacted] As for the **new ideated initiatives** the ones selected were: new delivery/pickup channels, bottled gas orders tracking, services simulator, unique customer profile tracing, integration of AI to clarify doubts faster, reward system adapted to customer, notifications system for product news and availability, annual tracking of savings, purchase/transaction history, detect when the customer enters any Galp store, possibility to know how busy each physical channel is at a distance, provide a customized offer based on customers' interactions, their individual profiles, and necessities.

### 6.3. Hypothesis conception

The best practices analysis, benchmark, market data and interviews with Galp's customers, allowed to understand cross-sectional patterns and market trends, which lead to the present development of hypotheses. These hypotheses had the goal to verify its accuracy and further prioritize the most relevant, not to being a theory that is proved or disapproved (Rasiel 1999).

The following hypotheses were developed after an initial analysis, and the problem was broken into different components, creating an *Issue Tree* (represented in table 1). The team organized the *Issue Tree* into three main issues - Customer Experience, People and Data. These three domains appear as a synthesis and reinterpretation of all the Omnichannel dimensions identified. Having dimensions where Galp is already a reference in the market- for example in product-, the hypothesis focused only on those that needed improvement. The three domains were divided into sub-issues- question types, being then answered by hypotheses to get a view of what the team intended to verify (Rasiel 1999). The resulting hypothesis allowed an understanding of possible paths to be explored within the project, before starting the recommendations (Rasiel 1999).

Issue 1: Customer Experience

The diagnosis phase of the project highlighted the fact that companies must deliver exceptional experiences and move from fulfilling desires and needs to increase and meet customer's expectations. Brands can build advantages by blending physical and digital experiences, where micro-moments are powerful for the experience of the customer - the precise moments in which the experience can be leveraged by digital reactions (Griggs 2018). The following *Issue Tree* breaks down the first issue: Customer Experience, answering the challenge by formulating hypotheses supported by the investigation performed.

***Table 1*** *- Issue Tree (continues on next page)*

| Issue | Sub Issue | Hypothesis | Validation Tools |
|---|---|---|---|
| Customer Experience | A. Should Galp correct the identified fragmented customer journeys? | YES. Fragmented journeys damaged the CX | Qualitative Interviews<br>Quantitative Experiments<br>Brainstorming sessions<br>Site visits<br>Internal Analysis |
| | B. Should Galp enhance information display in the decision-making process? | YES. For the customer to make the right decision, the information needs to be displayed in a clear and consistent way. | Qualitative Interviews<br>Quantitative Experiments |
| | C. Should Galp enhance information display through monitoring features? | YES. Customers want information about asked consumptions, purchases, and transactions. | Qualitative Interviews<br>Quantitative Experiments<br>Best practices analysis |
| | D. Should Galp incorporate new payment methods? | YES. To increase customer choice, new payment methods should be added. Enabling phygital experiences. | Qualitative Interviews<br>Quantitative Experiments<br>Brainstorming sessions<br>Best Practices analysis |
| | E. Should the current in-store product pick-up be complemented with new service offerings? | YES. Customer trends highlight the need for a diversification of processes that enhance convenience. | Qualitative Interviews<br>Quantitative Experiments<br>Brainstorming sessions<br>Best practices analysis |

| | | | | |
|---|---|---|---|---|
| | F. | Should Galp's new Omnichannel strategy highlight the digital channels over traditional channels? | YES. Digital transformation will shrink traditional channel usage. | Qualitative Interviews<br>Quantitative Experiments<br>Brainstorming sessions<br>Best practices analysis |
| | G. | Should Galp's current engagement processes be continued? | YES. The *Galp+ card*, *Cartão Continente* and the *App Mundo Galp* establish an effective link with customers. | Qualitative Interviews<br>Quantitative Experiments<br>Brainstorming sessions<br>Best practices analysis |
| | H. | Should Galp find new solutions to communicate with customers? | YES. Customers need to feel recognized in the loyalty phase of their journey. New targeted communication methods, will increase consumer-brand identification | Qualitative Interviews<br>Quantitative Experiments<br>Brainstorming sessions<br>Best practices analysis<br>Internal Analysis |
| | I. | Should Galp find new paths to collect customer insights? | YES. Collecting customer feedback allows a constant improvement of experiences Galp can provide. | Qualitative Interviews<br>Quantitative Experiments<br>Brainstorming sessions |

### 6.4. Quantitative Research

In line with the **qualitative research** and brainstorming session, a **quantitative research** was held to validate the above-mentioned **hypotheses**, and to test the issues mentioned by Galp employees in the brainstorm session. However, the research tool was not designed as a usual survey – the team developed a **quantitative experiment** in collaboration with Galp's research department and Professor Pedro Gardete. This approach followed a **co-creation methodology**, requesting the inquiries to go on a walkthrough of three ideal customer journeys within different domains. It was designed to understand the customers' channel preferences at each touchpoint in an ideal mindset, rather than what the current customer's choice is. Moreover, the team wanted to conclude on the decision-making process, what influences it, and what the customer values at each stage.

In line with **Galp's Omnichannel Strategic Domains – My Home, My Ride, Me & my Family** – the Experiment's customer journeys were developed. These domains were shared by Dr. Nuno Vaz Neto as part of a long-term vision, highlighting the fields where Omnichannel could stand out. The first one, **My Home**, was characterized by simple, insightful, and customized services at home, being able to get good value for money by means of integrating needs in one solution. It was converted into the **Home Journey**, testing the products and interactions related to home services, namely Gas and Power (G&P), bottled gas, and solar. Secondly, the **My Ride** domain, related to services that enable commutates in the most efficient, convenient, and sustainable way possible, being converted into the **Mobility Journey**, covering fuel and e-mobility products. Lastly, **Me & My Family** domain was transposed to a **Convenience Journey**, covering the c-store products and services. This domain was characterized as a one-stop-shop where one can spare some time, caring for the customers' lifestyle and wellbeing. The complete experiment's script can be found in the appendix section – Appendix 14.1, 14.2 and 14.3.

The **Experiment had three specific goals**: 1. to infer the priority channels for customer interaction to understand the role and purpose of each channel in Galp's customer journeys; 2. test the receptivity to Galp's new initiatives being launched soon and how they fit into the ideal journeys; 3. finally, test how the Customer Journey could be improved through future Omnichannel initiatives, validating the hypotheses posed before.

The Experiment was formulated in **Qualtrics,** an online survey tool, made available by Galp's research department. The team distributed the experiment's link via email, WhatsApp, Galp's network, and social media. In terms of **demographic results** (appendix 14.4), there was a total of 660 people reached, with a gender distribution of 63% female and 37% male. Due to the lack of representativeness of the sample, the sample was weighted in its age distribution and gender, according to the Portuguese population – table 2. In the age weighting, the team considered the interval of [18—70].

***Table 2*** *- Sample demographic distribution, weighted according to the population (N) (continues on next page)*

| | | Sample | Weighted |
|---|---|---|---|
| **Age distribution** | 18-24 | 34% | 8% |
| | 25-34 | 22% | 16% |

| | | | |
|---|---|---|---|
| | 35-44 | 9% | 21% |
| | 45-55 | 16% | 23% |
| | 55+ | 19% | 31% |
| **Gender** | Male | 37% | 50% |
| | Female | 63% | 50% |

The Experiment also collected the geographical distribution from the participants, however, only answers from Lisbon and Porto were considered since, on the one hand, the answers from these cities accounted for 88% of the sample – no weighting could be used due to the lack of representativeness, according to Galp's research department – and, on the other hand, the team and the workshop members considered that the larger cities would eventually be the catalyzer of the Omnichannel transformation. Thus, resulting in a total of **534 valid answers out of the 660 people reached.** Moreover, the **SPSS**, a statistical analysis software, was used to analyze the experiment's data.

The **Home journey** conducted the respondents through sequential touchpoints divided into the different stages of the **sales funnel – Awareness, Intent, Purchase, and Loyalty** – asking inquiries to choose their preferred channel for a particular interaction – table 3. In the **Awareness stage**, when asked about their preferred channel to get to know a product/service for the first time, the majority preferred being **referenced by a family or friend**, and the **website** was the second most preferable. In the **Intent stage**, two touchpoints were assessed – The search process and clarification process. Within the search process, the respondents were asked about their preferable channel to search for information about a given product/service, as a result, a huge majority choose the **website**, being this channel the most chosen. However, in the clarification process, the results changed, as the majority preferred to clarify doubts about a product/service using the **call center** or using the **website**. Next in line, the **Purchase stage** was constituted by two touchpoints – contracting and ordering processes. The **website** was the most preferable channel in both contracting and ordering processes, although the second choice was different, for the contracting process inquiries preferred the **call center** and for ordering the **app**.

The detailed percentages per channel can be found in the table below.

***Table 3*** *- Home Journey's top 3 Preferred channels by Touchpoint - Awareness, Intent and Purchase*

| | **Awareness** | **Intent** | | **Purchase** | |
|---|---|---|---|---|---|
| **Preferred channel** | Be exposed | Search | Clarification | Contract | Order |
| 1st option | Referecend **31%** | Website **74%** | Call Center **48%** | Website **48%** | Website **46%** |
| 2nd option | Website **24%** | Store **15%** | Website **21%** | Call Center **26%** | App **25%** |
| 3rd option | Store | Call Center | Store | Store | Store |

Finally, the **Loyalty stage** included five relevant touchpoints – monitoring invoices and consumption, solar panel monitoring, feedback, customer care, and promotions. On what concerns the monitorization of invoices and consumption, and promotions, the **email** was the most chosen, while the **app** was at the second position, as it can be seen in table 4. For solar panel monitoring, inquiries opted for the **app** and **call center**. Furthermore, to give feedback, the preferred channels to use were the **website** and **email**, with 27% and 21% respectively, as it can be seen in table 4. Moreover, to receive customer care, inquiries opted for the **call center** and the **website**, and the detailed percentages per channel can be found in the table below.

***Table 4*** *- Home Journey's top 3 Preferred channels by Touchpoint - Loyalty*

| | **Loyalty** | | | | |
|---|---|---|---|---|---|
| **Preferred channel** | Monitor consumption | Solar Panel Monitor | Feedback | Customer Care | Promotions |
| 1st option | Email **72%** | App **61%** | Website **27%** | Call Center **56%** | Email **55%** |
| 2nd option | App **17%** | Call Center **32%** | Email **21%** | Website **12%** | App **23%** |
| 3rd option | Website | Store | App | App | SMS |

To sum up the **Home journey's touchpoints findings**, the fuel station **c-stores** were the least chosen channel along this journey, the **stores** were relevant within the intent and purchase stages, and the **call center** was important to clarify doubts and solve problems. Moreover, the **website** represented the most preferred channel across almost all touchpoints, the **app** gained importance within the loyalty stage and the **email** was relevant for the monitorization and receive promotions.

Following the touchpoint questions, the inquiries had to state how **relevant for them were the presented initiatives** as well as evaluate the most valued characteristics in were given situations. The most valued characteristics for them when choosing an energy supplier were having **quick problem-solving**, the product quality, being a **trusted brand**, and having an easy contact with the suppliers. Moreover, related to the decision-making process, the inquiries found the more relevant for companies to have the following factors, provide as much information as possible, have an **online simulator** to analyze options, and have products that fulfil the customers' needs. Additionally, the inquiries were given a range of initiatives and had to qualify them in terms of relevancy in turning their experience more personalized, thus the most relevant was the possibility of **monitoring electricity usage** (76%), having **personalized discounts** (70%), having **recommendations based on consumption** (70%), having **access to payment history and past purchases** (67%), and having **location/need-based rewards** (56%).

When comparing the channel preferences and initiative relevancy by generation, the team noticed that generations had distinct preferences, as example, to receive promotions, Gen Z and Millennials preferred the **app**, while Gen X and baby boomers opted for the **email**. Furthermore, younger generations found more relevant technological and innovative initiatives than older generations. Finally, **further analysis** and detailed results of the **Home Journey** can be access in appendix 14.5.

Moving forward to the **Mobility Journey**, within this mobility journey, the experiment focused on depicting decisions related to Omnichannel initiatives more than channel preferences, therefore, only five-channel preferences were questioned here – table 5. These five touchpoints were included in the **purchase** phase – Fuel, non-fuel, and e-mob payment - and **loyalty** phase – feedback and promotion. For fuel payments, the inquiries preferred to pay at the **pump** using Pay&Go or paying at the **c-store**, as for the non-fuel payment the top choice was at the **c-store**, followed by payment at the **app**. As per the e-mob payments, the most preferable channel was the **charging station**, using an *ATM* card and in second there was the **app**. Moving on to the **loyalty** stage, the respondents preferred the **app** to provide feedback or through a **survey**. To receive promotions, the **SMS** and **app** were the most chosen.

In conclusion, the **website** was the least chosen channel along this journey, the **app** and **email** became more relevant within the **loyalty** touchpoints, additionally, the **pump** and **c-store** were very relevant in the **Mobility Journey**.

***Table 5*** *- Mobility Journey's top 3 Preferred channels by Touchpoint*

| | **Purchase** | | | **Loyalty** | |
|---|---|---|---|---|---|
| **Preferred channel** | Fuel Payment | Non-fuel payment | E-mobility payment | Feedback | Promotions |
| 1st option | Pump **41%** | Fuel Station **45%** | ATM card **60%** | App **32%** | SMS **37%** |
| 2nd option | Fuel Station **25%** | App **36%** | App **24%** | Survey **26%** | App **32%** |
| 3rd option | Drive Thru | Click & Collect | - | Email | Email |

Moving forward, a set of questions on what characteristics the respondents value the most were asked, as well as to evaluate several initiatives in terms of relevancy. By analyzing the experiment, the most important features when choosing a supplier were the **location**, **product promotion** in-store, and the fuel **queueing time**. On what concerns the charging process of EV, the inquiries found most relevant to k**now remotely if a charging station is available** and its **status** (89%), having the estimated time on the charging completion, the ability to schedule in advance the station to charge, and lastly, having access to historical data of energy consumption and invoices. Still related to the e-mob process, the inquiries stated that the most relevant features to have while waiting for the charging is internet access, comfortable space to wait, a location that allows going for a walk, the store offer and being possible to shop for convenience product.

Finally, to **validate the hypothesis formulated** previously, the team added a question testing several initiatives that the inquiries had to evaluate in terms of relevancy, in consequence the most relevant were having **personalized discounts** (55%), having a **location/need-based reward system** (52%), being able to **access to fuel/charging payments historic** (45%), and having an **annual tracking of savings based on discounts** (36%).

Similar to the analysis performed above, the team compared the results between generations and noticed that the millennials evaluated the e-mob initiatives higher than any other generation. The reasoning behind this result may be that the generation millennial has the capacity to buy EV and it is probably more exposed to these types of cars than other generations, valuing more new initiatives on this matter to improve their customer experience. Furthermore, further investigation and findings on the Mobility Journey can be access in appendix 14.6.

Lastly, the **Convenience Journey** was analyzed, having a different focus from the other two, as it had the intent of gathering insights on how convenient the customer experience could become in a c-store. Therefore**, three touchpoints** were analyzed – **in-store environment, payment process, and promotions**. The first touchpoint asked about how the environment within a **c-store** should be, and the inquiries chose an environment such as a grocery store (51%), a terrace (22%), or even a workspace (12%). Additionally, as part of the first touchpoint, the inquiries had to select the type of products that they would find relevant to have available at the **c-stores**, in result the most chosen were pharmacy products, car products, groceries, fresh meal takeaways, and fresh bakery. In the second touchpoint – payment process – most of the inquiries preferred to use the **Drive-thru** (41%), a facility in which one can be served without leaving the car, followed by in-store self-checkout (18%) and curb side pickup (13%). Finally, on the last touchpoint, the promotions, the inquiries' preferable channel to receive discounts and offers was the **App** with 75%. Moreover, the experiment's results show that the top 3 features that make people go to a c-store were the **product offer & quality**, the **accessibility**, and **quickness & efficiency**.

Additionally, given the importance of the **App** to improving the convenience and efficiency of the customers' experience in-store, the team tested several **App** initiatives to make conclusions on which of them were the most relevant for the inquiries. The **App** features that were more valued were the scan & pay, in-store product stock, having fuel prices, the possibility of home delivery, store traffic, and price comparison, respectively in terms of relevance.

Lastly, in the Appendix 14.7 a detailed analysis of the Convenience Journey is available.

### 6.5. Street tests

After deriving customer preferences in the quantitative research, it was still necessary to confirm and understand how the customers **captured the value of the new proposed initiatives** and how they captured the **differentiation from competitor companies.** Hence, an on-sight qualitative analysis was conducted on the newly opened *Telheiras* Fuel Station and C-store - 43 random customers were interviewed while completing their buying missions.

The interviewees were asked if they valued an initiative related to the channel and their perception of that initiative when compared to current competitors. Where **two types of interviews** were conducted: 1. the customers that were at the station refueling their car were asked about personalized rewarding systems, fuel home delivery, refueling performed by a collaborator, and in-app payment; 2. customers that were consuming at the c-store were asked about drive-thru, scan and pay, self-checkout and grocery store environment preference.

This *in loco* approach ensured that the proposed initiatives were considered **differentiation factors** and were **not limited to the hypothetical perspective.**

After analyzing the set of raw data collected during the street test, it was possible to identify the initiatives that are evaluated as **brand choice factors to the customer**: have a seamless website and app experience; upgrade the c-stores environment and digital options; implement an online product simulator and assistant; have a drive-thru option in fuel stations; implement new payment methods such as in-store scan and pay and fuel and e-mob charging in-app payment; set the possibility for home equipment delivery; establish partnerships to expand service portfolio; offer at home vehicle refuel by demand; have the possibility to monitor gas, power, and solar consumption, as well as to monitor fuel consumption and e-mob charging; offer unique product recommendations based on past consumption patterns; offer personalized smart rewards; and apply oriented communications.

### 6.6. Hypotheses validation

In this subchapter, the validation of raised hypotheses takes place (appendix 15). The table represented is the same as in the conception sub-chapter (6.3), however, the analysis tools leave room for the validation verdict and the rationale behind the decision – table 6.

***Table 6*** *- Hypotheses Validation Issue Tree (continues on next page)*

| Issue | Sub Issue | Hypothesis | Validation | Rationale |
|---|---|---|---|---|
| Customer Experience | A. Should Galp correct the identified fragmented customer journeys? | YES. Fragmented journeys damaged the CX. | Validated | The Experiments results revealed that, within the same journey, customers will switch channels more than once. Also, the Interviews revealed that the in-channel journeys need large improvements. |
| | B. Should Galp enhance information display in the decision-making process? | YES. For the customer to make the right decision, the information needs to be displayed in a clear and consistent way. | Partially Validated | The experiments revealed that customers need to make informed decisions in all stages of the journey, therefore it should not be aimed at specific stages of the sales funnel, being a partially validated hypothesis. The main characteristics and needs identified in the information sources are clearness and relevance |
| | C. Should Galp enhance information display through monitoring features? | YES. Customers want information about asked consumptions, purchases, and transactions. | Partially Validated | |
| | D. Should Galp incorporate new payment methods? | YES. To increase customer choice, new payment | Validated | The experiments highlighted the need for a large variety of |

| | | | | |
|---|---|---|---|---|
| | | methods should be added. Enabling *Phygital* experiences. | | payment methods. A wide offer of payment methods highly increases the convenience a customer feels in the experience. |
| | E. Should the current in-store product pick-up be complemented with new service offerings? | YES. Customer trends highlight the need for a diversification of processes that enhance convenience. | Validated | The results obtained from the experiment revealed that the current pick-up methods are not enough to meet or exceed customer expectations. |
| | F. Should Galp's new Omnichannel strategy highlight the digital channels over traditional channels? | YES. Digital transformation will shrink traditional channel usage. | Not Validated | The experiment denied this hypothesis, revealing that traditional channels remain important, even for tech-savvy customers |
| | G. Should Galp's current engagement processes be continued? | YES. The *Galp+ card, Cartão Continente and the App Mundo Galp* establish an effective link with customers. | Partially Validated | The current engagement processes establish the desired link but remain defective in efficiency and potentiality. Galp has too many customer loyalty plans and offers for customers and customers need a simple and centralized option at their disposal. |
| | H. Should Galp find new solutions to communicate with customers? | YES. Customers need to feel recognized in the loyalty phase of their journey. New targeted communication methods, will increase consumer-brand identification. | Validated | Customers increasingly value the feeling of individuality and how personalized and directed services are to them, as revealed by the research. The experiments confirmed that customers want these types of communications in the setting of an Energy sector company. |
| | I. Should Galp find new paths to collect customer insights? | YES. Collecting customer feedback allows a constant improvement of experiences Galp can provide. | Validated | The research highlighted the need for customer insights and the fact Galp is not properly collecting the right type of customer feedback. The experiment revealed that customers are willing provide more feedback if they feel their voice is heard. |

## 7. Recommendations and Roadmap

The present chapter embodies the outcome of the project in its four main components: the new channel strategy, where the new role of each channel in Galp's channel offer is presented; the recommendations, a set of twelve individual strategies split into three categories that propose a new Omnichannel approach and answer the needs of the channels presented before; the implementation roadmap, according to the framework "The Four Levels of

Omnichannel Maturity", where there are derived the first steps that should be taken by Galp; and the proposed monitoring KPI's, that will help to ensure the strategy is following the estimated path. On the Appendix section, three *reimagined* Omnichannel journeys are presented as the embodiment of the proposed initiaves in the new channel setting (Appendix 18.1; 18,2 and 18.3).

### 7.1. New channel strategy

The current subchapter presents the new channel strategy in which a description of the role of each of Galp's channels in the new Omnichannel environment is made. It breaks down the **Value proposition** and **Omnichannel role** of each channel, as well as each channel's role in the **multiple stages of the sales funnel**. With this setup, the recommendations aimed to answer to the role established for each channel.

#### 7.1.1. Value proposition and Omnichannel role

An Omnichannel setup is necessary to **guarantee that all channels are doing 'the right thing at the right time', fulfilling customers' needs in each contact with Galp in a relevant way**. This way, it is necessary to constantly review the channel's strategy and derive what is that the channel offers to the customer and how is that the channel behaves in an Omnichannel ecosystem, from **level 1**. It is also important to assure that Galps channels (**App, Website, Pump and charging stations, C-stores, stores, support center, email, and SMS**) are meaningfully connected so that cross channel journeys occur in a pleasant course of action. A summary table of each channel's value proposition and Omnichannel role is available in appendix 16.1.

**App Mundo Galp** value proposition is to be an **instant-access and intuitive App** that centralizes all the digital touchpoints for **tech-savvy customers**, enabling *Phygital* experiences and access to a personal area. Its Omnichannel role is to enable digitalized experiences and **gather data** and **insights** mostly on the **purchase and loyalty stages**. The **Website** value proposition refers to a **fully equipped platform** that gathers a range of information about Galp products and services, aiming all **customer segments**. Enables an intuitive contracting process and the personal area offers exclusive features and promotions. Its Omnichannel role is to increase the available data points by bringing customers and information closer to each other and guiding them through contracting, monitoring and customer care. The **Pump and charging station** should deliver the most time-saving solution for **younger generations** with clear and structured instructions to **older segments**. In Omnichannel both fulfil customer needs in the **purchase stage**, being crucial for **consumption data-collection. C-stores** are a new concept of fuel station stores made to fulfil the convenience needs of customers, being the stage of *Phygital* CX's for tech-savvy customers and a pleasant experience for older segments. They have a paramount role in the awareness stage, as c-stores will be the public face of Galp's change. C-store CX's will allow data collection and customer preferences assessment on the purchase stage. **Galp stores** should aim to be physical flagship-stores that unlock quick problem solving and allow older customers to have a clear and informed non-digital onboarding. Their Omnichannel role is to inform, manage and give live support regarding all customers' contracting products from the awareness to the loyalty stage. The **Support Center** should have a new data-based approach to **information clarification** and **customer care**, where all customers will feel recognized by Galp from day one. Support center is relevant to leads follow-up and conversion, as well as ensuring an efficient informing process, support, and customer care. Mostly relevant on intent and l**oyalty stages.** Finally, **Email** presents to be a familiar channel that is used to inform, and target communications mostly for **traditional customers** in older segments, and **SMS** is a close channel which will establish contact with non-converted leads, as well as forwarding these to the proper conversion channels.

#### 7.1.2. New Channel Matrix – Channel's role in each Sales Funnel stages

The first stage of the Sales Funnel is **Awareness**, where Galp has the task to make sure that prospective customers know the whole product and service offer, as well as what the company stands for (more detailed information about each channel's role across the sales funnel in appendix 16):

**[App Mundo Galp]** The **App Mundo Galp** should display content that reflects the company values, being informative and educational at the same time. The displayed content should highlight Galp's products' added value and benefits.

**[Website]** The **Website** is crucial for brand awareness, being one of the first contacts customers have with Galp. Both digital channels should generate leads by contacting customers that access information regarding the products, and by incentivizing non-converted customers to share contact details with the company.

**[C-Stores] C-stores** (within the mobility journey) may set the tone for a highly innovative, relevant, and convenient experience compared to competitors. Therefore, C-stores must reflect the benefits of a differentiating experience on comfort and convenience. Lead generation occurs towards G&P products, by incentivizing customers to access a QR code that redirects to personalized informational sections (cross channel).

**[Galp Stores] Galp stores** become flagships with a strong visual aspect associated with Galp brand values, as they are placed at strategic locations to reach relevant customers and be a familiar channel for older generations.

**[Support Center]** The **support center** has the responsibility to follow up leads previously collected in the app, website, or c-stores, by calling prospect customers and advertise products of interest for their profile.

**[Email and SMS]** Both **Email** and **SMS** are crucial channels to also follow-up on previously collected leads, sending emails or SMSs that advertise products of interest for the customer profile, adding related discounts.

The second stage of the sales funnel is **Intent**, at this stage, Galp must assure that the search and decision-making processes are as insightful and captivating as possible so that conversion rates are assured.

**[App Mundo Galp] App Mundo Galp** provides access to clear and organized information about Galp's products and services. App features are also displayed in a way that intuitively leads customers to the next stage of the purchase funnel. At this stage the app should have mechanisms to start collecting behavioral data.

**[Website]** The **Website** has the role to develop a relationship from the beginning, displaying a value proposition that connects with the heart of the customer, reflects Galp's values, and how the company can improve customer's life. This channel should also facilitate the search process, providing clear and organized information in an intuitive way so that customers do not have to access another channel to be fully clarified. This way, the website highlights products features, added value and benefits to spark customer's interest, guaranteeing that the customer can clarify its own doubts (selfcare), and helps customers with the decision-making process in a quick and efficient way.

**[Pump and charging stations] Pump and charging stations** must be placed in strategic geographies, as location is one of the strongest brand choice factors for refueling/recharging. Customers need clear information and instructions regarding payment methods and procedures on these channels. All payment methods should be explicit and incorporated in a seamless way within the journey.

**[C-stores]** In **C-stores**, customers will look for a wide product offering, convenient location, and easy accessibility. C-stores should provide a grocery store feel to incentivize customers to enter. Before the purchase experience starts, there should be clear information regarding processes and procedures.

**[Galp Stores] Galp stores** should give customers access to clear information about products and procedures and support and advise during the decision-making process of non-digital customers. However, whenever it seems to be fit, customers should be forwarded to the website and app. In both C-stores and Galp Stores, employees must be able to clarify doubts and give information about the entire service portfolio and about any of the channels.

**[Support Center]** The **Support Center** aids in the search process, by clarifying doubts. Support Centre's employees must be familiar with all Galp's products and services and be capable to advise and support issues/doubts found in the process with other channels. At last, in the intent stage, **email** follows up pending leads on any action not completed, incentivizing to finish purchases, contracts and customer care tickets, while **SMS** is used to ask for login authentication when accessing *GalpID* in any channel.

The third stage of the Salles Funnel is **Purchase**, where Galp must assure that purchase and contract processes are as seamless and efficient as possible, which increases customer satisfaction.

**[App Mundo Galp]** Most customers will begin using **App Mundo Galp** at the purchase stage, hence, the app must have an intuitive and clear onboarding. Furthermore, at this stage it is crucial to allow in-app purchases and contracting without redirecting the customer to other channels, which assures a seamless cross-channel experience. In-store Phygital experiences are enabled through in app payment and collection processes.

**[Website]** The **Website** must also have an intuitive and clear onboarding strategy, as well as allowing in-website purchases and contracting without redirecting the customer to other channels. During contract and purchase processes it is possible to incentivize customers to download the app. Galp should collect purchase-based data through both digital channels.

**[Pump and charging stations] Pump and charging stations** should allow customers to pay on-site immediately and provide multiple payment methods so that the customer can decide on the most convenient option based on the information displayed before. For EV charging customers, the channel must ensure that other connected channels, such as the C-Stores, can provide the necessary commodities to them.

**[C-stores] C-stores** should also offer multiple payment methods so that the customer can decide the most convenient option. To achieve a more convenient *Phygital* experience, these stores should integrate multiple delivery and collection options. For the E-mob customers this is a convenient and comfortable solution while waiting for complete charging.

**[Galp Stores] Galp stores** must allow for in-store contracting as an alternative channel to the non-digital customers. However, digital processes should be incorporated in the contracting process to increase efficiency and sustainability (with paper savings). These stores must provide an Omnichannel experience to both tech-savvy customers and traditional customers.

**[Support center]** The **Support Center** aims to give support and clarify doubts during the online contracting process, and, in case customers are not able or do not have access to the digital channels or physical stores, is the last resource channel to make contracts.

**[Email]** The **Email** appears in this stage as a merely informative channel that informs about order placement status and sends invoices to the customer.

The last phase of the Sales Funnel is **Loyalty**, where the company must support post-purchase experience and continuously feed customer relationship.

**[App Mundo Galp] App Mundo Galp** gives access to previous orders, purchases, and invoices, shares product updates and collects feedback after every journey that the customer completes with Galp. The app also provides access to promotions and offers, based on customer preferences, and in-app interactions are promoted by rewarding usage. This channel should be an additional option in customer care, answering issues and solving them in real-time. If first call resolution is not possible, the app forwards the customer to the Support Centre.

**[Website]** The **Website** also gives access to a personal area to monitor previous orders, purchases, and transactions, share product updates and collect feedback. It provides customers with promotions and offers, based on customer preferences collected in the previous stages. The website is the second option in customer care, answering issues and solving them in real-time. If not solved, the website forwards the customer to the Support Centre. While interacting with the website, the customer is incentivized to download and use the app for product usage monitoring.

[**C-stores and Pump/ charging stations**] Both **C-stores and Pump/ charging stations** contribute to the loyalty stage by being integrated with all channels to convert purchases and consumer habits into data, boosting product personalized recommendations.

**[Galp Stores]** In **Galp Stores** employees must have access to all customers' information regarding its energy lifestyle in order to improve problem-solving capacities. Employees must additionally be able to give support and enable first call resolution to any issue related to the entire Galp's portfolio. During the in-store experience, the customer should be persuaded to join digital channels. Galp stores are built as an alternative channel to support non-digitalized customers and to customers who value physical contact with brands.

**[Support center]** The **Support Center** is a crucial channel at the loyalty stage, offering Customer Care to customers who do not use digital channels or to forwarded customers that were not able to achieve first call resolution in the digital channel. The goal is to provide a frictionless and efficient customer care experience to both digital and non-digital customers.

**[Email] Email** is used to keep customers updated by sending newsletters with relevant personalized and curated content. Both email and **SMS** provide promotions and offers regarding fuel, e-mobility, c-store products, G&P, bottled gas, and solar products.

### 7.2. Recommendations

The set of strategic recommendations was structured according to **three strategic pillars**, which are crucial for achieving an Omnichannel strategy. These **three strategic pillars** were defined as the most relevant for the recommendations that the group intended to provide. On the recommendations brainstorm sessions (sub-chapter 6.2), the group understood that some initiatives were not specific to the Omnichannel department at Galp. However, these represented a relevant role in the **successful settlement and implementation of the strategy**. The three pillars are *Customer Experience*, specific to changes Galp should perform in the current customer journeys; *People*, relative to changes that should take place in HR management; and *Data*, referring to technology IT-based recommendations that transcend the Omnichannel team capabilities, requiring collaboration with the IT department.

The first one is related to a set of actionable initiatives related with **CX**. These recommendations are the boosters of the Omnichannel strategy, being the focal point of the strategy. These initiatives aim to foster CX and make sure that every interaction with a customer is unforgettable and differentiated. How to boost customer engagement and maintain customers on the loop? Galp should uplift the CX to outstand customer expectations as well as develop an effective loyalty environment. The previous set of recommendations is followed by high level corporate initiatives that are considered Omnichannel strategy enablers. There are two enablers to the Omnichannel strategy: the **Human Resources** (HR) initiatives that give power to the **People**, and recommendations on how to leverage **Data**. Power to the **People** initiatives aim to start the change from within. Galp should develop internal capabilities that will refocus its human capital. As for leveraging **Data**, it is a crucial aspect since nowadays data is the strongest source of power a company can detain. Galp should develop robust data-management capabilities to maximize value extraction. Having updated data capabilities is a prerequisite to implement an Omnichannel strategy.

### 7.2.1. Customer Experience (CX)

Seven Customer Experience recommendations were formulated as actionable customer-perceived initiatives - table 7 - to improve the customer experience and strengthen the customer-Galp relationship within physical and digital channels. A cross-channel matrix connecting the initiatives is available in the appendix 17.1.1 as well as detailed description and rationale of each of the initiatives in the appendix 17.1.

***Table** 7 - Customer Experience Recommendations*

| | **Customer Experience Recommendations** |
|---|---|
| **1.1** | Mitigate intra and inter-channel Frictions |
| **1.2** | Enhance information display |
| **1.3** | Incorporate New Payment methods |
| **1.4** | Diversify product collection processes |
| **1.5** | Increase Customer Engagement through Galp One Program |
| **1.6** | Strengthen Customer Relationships through Outbound communications |
| **1.7** | Implement new feedback mechanisms |

1.1 <u>– Mitigate Intra and inter-channel Frictions</u>

Within this recommendation, the team suggested the improvement of Galp's customer experience in its different channels, increasing satisfaction and retention by **mitigating the pain points identified.** The goal was to **provide a seamless experience**, making it easier and more intuitive. Customers should not have to share their personal information at every touchpoint, making the channels integrated **with a centralized data set**.

The reasoning behind this recommendation was first, the pain points identified in the qualitative research – customers' necessity to always provide personal data; the website and app were not user friendly nor intuitive; stores were not convenient nor comfortable. Secondly, the call center was identified on the quantitative research as the most preferred way to clarify doubts and to receive customer care, thus it should be improved to fulfil that position.

To do so, **four initiatives** were formulated and are presented in the table below.

***Table 8*** *- Mitigate Intra and inter-channel Frictions Initiatives*

| | | Initiative |
|---|---|---|
| **Mitigate Intra and inter-channel Frictions** | 1.1_A | Seamless Website and App Experience |
| | 1.1_B | Fix in-App fragmented journeys by adding new features |
| | 1.1_C | Upgrade C-stores |
| | 1.1_D | Convert Call Centre into a Support Centre, integrating Digital tools |

Starting with the first initiative (1.1_A) **Seamless Website and App Experience**, the website and app should have a **single login** to access to the personal area, enabling a consistent intrachannel and interchannel experience. The following features should be added within the customer's area: access to past orders, access to invoices, consumption monitoring, and access to discounts and rewards. Finally, all Galp's product/service related information should be aggregated in a single website page to facilitate the website experience.

On what concerns the second initiative (1.1_B) **Fix in-App fragmented journeys by adding new features,** it was verified that implementing app-focused features without redirecting to the website allows customers to stay engaged with the channel. Thus, an in-app bottled gas ordering system is recommended, as well as an in-app contracting system by the integration of the "3 minutos" – Galp's software that guarantees one can make an energy contract in just three minutes.

The third initiative (1.1_C) **Upgrade C-stores** aims to incentivize the customers to enter and spend more time in the C-stores, by improving the **comfort** in this channel. To do so, the team suggested the implementation of the *Telheiras* fuel station model across Galp's c-stores, and a re-evaluation of the variety of the products in this channel, such as grocery products and fresh meals. Furthermore, Galp should **improve information display and clarity** of Pay & Go and Via Verde processes to increase usage.

The final initiative (1.1_D) **Convert Call Center into a Support Centre integrating Digital tools** suggests the integration of an AI system into the Call Center to help employees check if a customer had already asked for help through another channel such as in-store, chatbot, or video call assistance. The development of a **central dataset** with all customer information is suggested to provide a personalized treatment based on individual interactions and enable the **identification of customers through their Customer ID**. Lastly, the team recommended the incorporation of a software with clear guidelines to employees regarding all Galp's products/services' possible problems and their resolution, to improve **first contact resolution.**

1.2 – Enhance information display

It is recommended that Galp ensures **consistency of information** and in the way it is presented in all channels across the sales funnel stages, helping customers in the decision-making, providing insights about different options, preventing losing leads, and assisting in **problem resolution** (Gardete and Hunter 2020). Additionally, by implementing the following initiatives, presented in the table 9, customers would also be able to track their monthly spending, **increasing convenience** and **leveraging app usage**.

This recommendation became relevant because of the **experiment's results**, which confirmed the importance of the availability of information, having an online simulator and a virtual assistant. Additionally, the respondents considered relevant to monitor their energy and fuel consumption and to have access to in-store product stock. Lastly, research showed that conversational AI- chatbot- improves **customer acquisition,** increases **revenue per customer**, freeing up employee capacity, and enables low integration costs and high potential return on investment (Deloitte 2019).

*Table 9* - *Enhance information display initiatives*

| | | Initiative |
|---|---|---|
| Enhance information display | 1.2_A | Online simulator and assistance |
| | 1.2_B | Artificial conversational entities (chatbot) |
| | 1.2_C | In-store product and store availability |
| | 1.2_D | Monitoring Gas, Power and Solar consumption |
| | 1.2_E | Monitor Fuel consumptions & E-mob |

The first initiative of this recommendation (1.2_A) **Online simulator and assistance** aims to improve the current Galp website simulator by developing an online product simulator for G&P, where customers can upload their current energy consumption, expenditure, and other variables, so that it gives the best product offering for them and their household. For customers that do not know how to fill it up, the simulator would ask personal questions to get a better sense of the person's electricity needs and suggest the most suitable offer.

Moving on to the following initiative (1.2_B) the team suggests the integration of **Artificial conversational entities**, with a new chatbot for the website and app to assist before the contract phase and during the post-purchase customer care. The chatbot would pop up in decisive moments to prevent losing leads and work as a Virtual Assistant that guides the customer through the website, giving tips and answering to the most common questions.

The initiative **In-store product and store availability** (1.2_C) intends to boost customers' access to information and increase app usage. To do so, there should be added a new feature in the App to give access to in-store product availability, for products like bottled gas, hotspots, and convenience products.

To enable customers to make decisions on their consumption habits and leverage app and website usage, the initiative **Monitoring Gas, Power, and Solar consumption** (1.2_D) was formulated. It is suggested that G&P and Solar customers should be able to monitor their electricity consumption through the App, website or email, and check where the electricity and/or gas is being used more.

The last initiative for this recommendation (1.2_E) **Monitor Fuel consumptions & E-mob** is similar to the previous one, being related to fuel and EV consumption. Firstly, there should be added an App feature that allows customers to monitor and track their monthly fuel spending, to increase convenience and leverage app usage. E-mobility customers could also track their energy consumption, check remotely if a charging station is available, check how long the charging will take, and even schedule a slot to charge in a station of choice.

1.3 – Incorporate new payment methods

With this recommendation, the team suggests the incorporation of **new payment methods** within physical channels to convert the customers' experience into **phygital**. Thus, physical and digital channels would become connected to provide a more convenient option for customers.

What drove the formulation of this recommendation was firstly the **experiment's results**, as the respondents showed great interest in using innovative payment methods that are not yet available at Galp. According to research in-store digital shopping can increase the customer conversion rate up to 20% (Prior 2021). The initiatives formulated for this recommendation are presented in the table below.

***Table 10 10*** *- Incorporate new payment methods initiatives*

| | | **Initiative** |
|---|---|---|
| **Incorporate new payment methods** | 1.3_A | Drive-Thru |
| | 1.3_B | In-store self-checkout |
| | 1.3_C | Scan & Pay App feature |
| | 1.3_D | Fuel & E-mob payment app feature |

The first initiative (1.3_A) suggests the introduction of a **Drive-Thru** payment, through which customers would be able to pay for convenience products within the App or at the pump screen and then collect them at the Drive-Thru of the c-store. Adding this option would increase convenience and interconnect three different channels, making the experience more integrated.

The team suggests the addiction of **in-store self-checkout** (1.3_B), where customers would be able to scan the products and select the pump of the refill, if applicable, to pay for both at an automatic checkout machine located inside the c-store. This would decrease c-store queues and customers would feel more autonomous while shopping.

In line with the previous initiative, the introduction of a **scan & pay app feature** (1.3_D) would enable customers to scan products' QR codes through the App, using the phone camera, and leave the store in just one click. On what concerns the payments, it could be done at the App, by *Mbway*, or with an associated card, enabling a *phygital* experience that connects digital and physical channels at the same time.

Lastly, incorporating a **Fuel & E-mob payment app feature** (1.3_E) would enable a faster pump experience and increase convenience for customers. Within this feature, a geolocation system would be used to locate which fuel station the customers are at, and they would only need to choose the pump, the type of fuel to refill, and the quantity at the App. Additionally, this feature would also allow unlocking chargers from the public grid. The payment could be done at the App, by *Mbway,* or with an associated card.

1.4 – <u>Diversify product collection processes</u>

To exceed customer expectations, product and service collection processes should be diversified. Thus, the team recommended the introduction of new and pioneer methods of **product collection**. This recommendation was based on the experiment's results, as the respondents reacted positively to the given collection methods, and research showed that it is crucial to understand how the experience fulfils the desires of the customer. This recommendation would improve convenience and experience levels by integrating different channels, promoting digital experience, and incentivizing app usage. To do so, the following four initiatives were formulated – table 11.

***Table 11 11** - Diversify product collection processes initiatives*

| | | Initiative |
|---|---|---|
| **Diversify product collection processes** | 1.4_A | Click & Collect |
| | 1.4_B | Home equipment delivery |
| | 1.4_C | Integrate new service partnerships to boost convenience |
| | 1.4_D | Galp Refill |

The first initiative (1.4_A) **Click and collect** constitutes an ongoing initiative at Galp. However, at the moment, Click and Collect it is only available at one store and through the website. Thus, this initiative aims to expand this method to more stores, and make it available in the App.

Additionally, the introduction of **Home equipment delivery** (1.4_B) for bottled gas and hotspot would enable customers to order these products through the App and select the most convenient time and place to have them delivered, increasing convenience levels.

With the third initiative **Integration of new service partnerships to boost convenience** (1.4_C) customers would be able to unlock new services through partnerships. As an example, the team highlighted a possible partnership with *HeyWash*, an on-demand car wash service that does not use water, making it available for customers to purchase this service through *App Mundo Galp*.

Finally, the last initiative **Galp Refill** (1.4_D) suggests the introduction of home delivery of fuel, that could be ordered in the App. As this would be a pioneer method in the Portuguese energy industry, it could change the way consumers refill their cars, which may lead to an increase of the customer base and to the convenience of the refilling process.

1.5 – Increase customer Engagement through Galp One Program

There is great potential in a **Loyalty Program to capture customers' attention**, focusing on turning the customer-brand relationship into an emotional connection, and increasing the number of touchpoints in the CX. Through the loyalty program, **personalized offers** are developed for each customer, addressing them in a customized way rather than using standard discounts that may be seen as spam. Thus, this recommendation aims to develop a loyalty program – **Galp One** – within the App to serve a crucial role in engaging and rewarding the customers. With Galp One, customers would feel incentivized to purchase more, redirecting to other channels to pursue the order and also increasing customers' loyalty to the brand.

The rationale that led the team to formulate this recommendation was the **experiment's results and street testing** which confirmed that the customers value personalized recommendations. Additionally, research showed that loyalty program members spend more 27% when the brand establishes a **positive emotional connection** (Forbes 2020). To achieve the above-mentioned objective, five initiatives were developed – table 12.

***Table 12 12****- Increase customer Engagement through Galp One Program initiatives*

| | | Initiative |
|---|---|---|
| **Increase customer engagement through Galp One program** | 1.5_A | Sign in loyalty program |
| | 1.5_B | Location & necessity-based discounts |
| | 1.5_C | Incorporate "*Quem indica, amigo é*" referral program |
| | 1.5_D | Unique product recommendations based on consumption |
| | 1.5._E | Personalized smart rewards to each customer |

Firstly, having a **single sign-in loyalty program** (1.5_A) would centralize all Galp's cards -*Galp+, Cartão Continente*-, making it more convenient for the customers. In addition, customers would be able to choose to be part of Galp One through a physical card -traditional customers- or within the App -tech-savvy customers-, making the program inclusive for all generations.

The next initiative (1.5_B) **Location and necessity-based discounts** suggests adapting the type of discounts and rewards to the customers' place of residence and individual needs. This would ensure that the customers appreciate the rewards given and use them. Additionally, customers could choose the channel to access these offers, among the following: App, Galp One card, SMS, or Email.

The team also recommended the **incorporation of the "*Quem indica, amigo é*" referral program** to Galp One (1.5_C). The referral program would enable customers to be compensated with exclusive discounts by referring Galp's products to family and friends.

With the fourth initiative (1.5_D) **Unique product recommendations based on consumption**, the team suggested Galp to introduce personalized product recommendations and discounts, based on each customer interaction and past purchases (Gardete and Santos 2021). This represents a win-win situation, where, from one side, customers would receive relevant offers to complement their consumption, and on the other side, Galp would generate cross-selling opportunities. The available channels to access these recommendations would be push notifications in App, via email, or by SMS.

Lastly, the team suggests the incorporation of **Personalized smart rewards**. To do so, each customer would be seen as a unique profile with individual preferences and be offered deals and promotions oriented to their needs and preferences, collected by an AI-based system. These discounts should be available through Galp One card, in the App, sent by email or SMS.

1.6 – <u>Strengthen Customer relationships through outbound communications</u>

Regarding this recommendation, the team proposes Galp connecting with customers by suggesting **product-related content** and using **aligned communication** to increase consumption**.** Adapting communication to the customers will lead to a higher engagement in the App and website and include calls for action resulting in more purchases. To achieve this, four initiatives were formulated – table 13.

***Table 13 13*** *- Strengthen Customer relationships through outbound communications initiatives*

| | | **Initiative** |
|---|---|---|
| **Strengthen customer relationship through outbound communications** | 1.6_A | Oriented communications |
| | 1.6_B | Blog content suggestions |
| | 1.6_C | Re-engagement strategy (customers) |
| | 1.6_D | Follow-up strategy (non-customers) |

With the first initiative (1.6_A), Galp should implement **Oriented communications** to improve communications that are sent to customers via App, email, and SMS. These oriented communications would be developed using **AI creative-content generation** to create relevant communication adapted to each customer, resulting in higher engagement and conversion rates (Palumbo et al. 2021). This system generates a sequence of words automatically and individually created to motivate people to action.

In the **blog content suggestions** (1.6_B), AI-unlocked decision-making would match blog content with the customers that value it, based on consumption patterns and predictions, sharing the content on digital channels- app, website, and email - to increase awareness. Galp should use **AI to push notifications** to customers for them to be aware of the content that may be of their interest.

Regarding the **Re-engagement strategy** (1.6_C), a set-up of automated emails would be made to reconnect with customers who have not purchased anything for 30, 60, or 90 days. To win-back those customers, emails can be an excellent way to reengage them, including one or more call-to-actions that take the customer directly back to either the website or the App in a personalized communicational approach, giving a sense of recognition.

Finally, the **follow-up strategy** (1.6_D) would send follow-ups, through email, SMS, or call, on any action not completed within the website or app, regarding the contracting, purchasing, or customer care processes. For example, if the person starts the contracting process int the website and does not complete it, an email is sent referring where the specify customer at, inviting to continue the process. By sending a follow-up email, message or call, possible customers will not forget where they were in the process, and leads will not be lost.

1.7 – Implement new feedback mechanisms

Monitoring customer satisfaction is much easier when a company constantly collects feedback (Forbes 2020). More important than collecting feedback is putting it to use. Therefore, Galp should use it to adapt and improve customer experience by making the necessary adjustments to current problems. By doing so, customers should **be asked to provide feedback at several touchpoints** and be rewarded for that. The following initiatives – table 14 - would enable to put this recommendation into practice, allowing the understanding of customer satisfaction and gathering insights on what could be adjusted.

***Table 14 14*** *- Feedback Mechanisms Initiatives*

| | | Initiative |
|---|---|---|
| **Feedback Mechanisms** | 1.7_A | Constantly gather feedback to boost CX |
| | 1.7_B | Value and Incentive the Feedback |

The first initiative (1.7_A) **Constantly gather feedback** suggests that Galp should gather feedback at the end of each journey, through the app or at a c-store, trough Customer ID/Galp One card with a notification requesting it. In consequence, customers would feel like they are being heard, and it would work as an additional data collection point.

Lastly, Galp **should value and incentive the feedback (1.7_B)**, by offering small but meaningful rewards to the customers, so they feel appreciated and motivated to continue to give feedback. These rewards would be given by an AI preference system and would be available for customers through the app or sent by email.

#### 7.2.2. People

The world is currently living a time where about 80% of the companies are working towards **customer centricity**, agreeing that it is of most importance to have a clear and defined vision and **train and empower employees** (Harvard Business Review 2015). In an Omnichannel environment, **People** becomes a rather important strategic pilar to power a culture that boosts innovation and creativity, framed on a customer-centric setup.

Firstly, **creative**, and **innovative mindsets** boost the possibility to exceed customer expectations by delivering more and more convenient initiatives. Secondly, front line employees are the face of the company and represent its values and culture, having the role to ensure that customers have a pleasant experience and will desire to come back. Thirdly, building a culture rooted on continuous process and CX improvements depends on how efficiently the **human capital structure** is organized and the set of skills that employees develop. Therefore, the team considered important to develop **People** recommendations that would enable Omnichannel – table 15. Detailed information of each of these recommendations, and respective initiatives, is available in the appendix 17.2.

***Table 15 15*** *- People Recommendations*

| | **People Recommendations** |
|---|---|
| **2.1** | Customer centered HR programs |
| **2.2** | Establish an Agile culture |

2.1 – <u>Customer-centered HR programs</u>

Galp should create and develop a set of **HR programs** to train and get employees involved in building Omnichannel, assuring **companywide purpose alignment**. From the service manager or engineer to the call center worker or solar panel sales executive, everyone must be just as enthusiastic and proud of the company. This is achieved by offering an immersive employee experience in company values and culture. At the same time, empowering and making employees feel included occurs by **collecting feedback** that is further implemented in future initiatives and training. The goal with these programs is to transform how people think, feel, and behave at work and make sure each employee is geared to make decisions targeting a more **customer-centric experience**.

Why is employee empowerment and training so crucial for Omnichannel? The importance of training arises when, in an Omnichannel set up, simply satisfying is not enough. The magic of quality service is to **exceed expectations**, as understood in the best practice's analysis with the example of Disney (subchapter 5.4). Employees need to be trained to work in a **customer-centric environment** rather than being focused on performance. Hence, employees should be as knowledgeable and equipped to **deliver extraordinary experiences** as possible, and, at the same time, should feel they have the space to give feedback and come up with innovative ideas, feeling they are part of the company.

**British Gas** crafted a program with a compelling narrative to help communicate this in a way that got people excited and involved. This program gave voice to 28 thousand employees, having the mission to **fight employee misalignment** with company purpose. "I feel I have the opportunity each day to have my voice heard" indicator increased by 49% from pre-event to post-event, and the EPS (Employee Promoter Score) had an increase of 26% (MindGym n.d.).

Within this recommendation, three initiatives were developed to attain the recommendation's goal – table 16.

***Table 16 16** - Customer centered HR programs initiatives*

| | | Initiative |
|---|---|---|
| **Customer Centered HR programs** | 2.1_A | "Galp Star": a program that celebrates, listens, and gives voice to the employees |
| | 2.1_B | Customer centric programs – Moving in unison |
| | 2.1_C | Customer centric programs – empower frontline staff |

The first initiative (2.1_A) "**Galp Star", a program that celebrates, listens, and gives voice to the employees, aims** to attribute prizes that compensate employees' creative ideas and solutions to improve any business area. This program aims to **celebrate, and share** Galp employees' achievements from across the organization. Additionally, the program aims to **collect feedback** trough satisfaction surveys regarding what employees feel about leadership relationship and their level of motivation, and through focus groups to hear employees' perspectives. The goal is to adapt the company based on the identified necessities. Within this program, it is also suggested workshops on the importance of self-promotion motivation and skills in professional life, inspired by Google's internal initiative, "I am remarkable", which aims to recognize accomplishments both at work and outside. The program resulted in 82% of participants declaring to feel more confident (Google n.d.).

The second initiative (2.1_B) **implement customer-centric programs** has as its first step to make employees across all business areas feel part of the process and eager to help, by communicating what is going on across business areas and what new initiatives are being developed and implemented in the company. This program should also train on company purpose, values, and quality standards. The second step is to **empower frontline staff**, that should be specifically trained on product portfolios, channel functionalities and cross channel possibilities, so that they can give informed responses and suggestions to the customer (Coelho, Augusto, and Lages 2011). Staff should also be trained towards **increasing decision-making**

**capabilities**, which results in the ability to forward customers to a more appropriate channel to their profile and needs, or to compensate customers at the moment they are not satisfied. Within this program, clear KPIs based on customer experience should be defined, to energize and motivate workers.

2.2 – Transition to an Agile culture

Firms now have to generate instant, frictionless value at scale, anywhere, anytime, on any device, and agile comes forth as a methodology that enables to immediately overcome pain points and constantly implement initiatives to adapt to customer needs in a timely way. This brings a focus on **continuously adding value** for customers. In a volatile, complex, uncertain, and ambiguous world, difficult issues must be broken down into small parts and carried out by small **cross-functional autonomous teams** in short cycles of three weeks to six months (Denning 2018). Cross-functional teams with E2E responsibility have proved to be successful to break down silos between online and offline and, having access to fast feedback from customers, to **provide a seamless and improved CX**. Traditional companies have decision-making processes that run down the hierarchy, whereas agile organizations have a common goal and delegate decision-making authority to the team's (McKinsey 2019).

Although top **cross-functional teams** sound the same as what agile is, if an organization structure is truly agile, there are simply groups of people who are specifically focused on a mission or task. It is all about changing mindsets and habits, and genuinely embracing a different style of working to truly become agile. (McKinsey 2020) In order to achieve this transition to Agile, the team suggested two initiatives – table 17.

***Table 17 17*** *- Transition to an Agile culture initiatives*

| | | **Initiative** |
|---|---|---|
| **Transition to an Agile culture** | 2.2_A | Agile Pilot |
| | 2.2_B | Innovation based culture |

Considering that implementing **agile** in heavy corporations such as Galp is a huge challenge, it is recommended that Galp starts by implementing an **agile pilot**. The agile pilot's scope must be defined, and the agile team must be assembled with a practical end goal and short-term implementation in mind. It is necessary to decide on team staffing, structure, workspace, facilities, and resources. This team would be allowed to make **decisions quickly** and having the **autonomy** to pull in the right people when needed. Regardless of their individual role in the organization, every team member is **driven towards the same goal**, and not simply focused on what their function expects from them. The team should function on a **trial-and-error basis,** in which the error is incentivized and must not be feared.

Before scaling up an agile culture it is suggested that Galp makes a swift transition to an **Innovation based culture,** where there is the commitment to actively nurture and strengthen entrepreneurial mindsets, going beyond the small-minded virtues of efficiency and reliability and drawing on the virtues of the human spirit: **generosity and creativity**. To boost the transition, it is recommended that Galp hires **young digital natives** that are familiar with digital and technological evolution, have creative and motivated minds and can anticipate market trends. Cultural change presents to be a great challenge, therefore, to incentivize everyone towards this goal, it is important to define clear KPIs based on R&D conversion metrics that promote change from the top to the bottom line – subchapter 7.6 for KPIs.

**Vodafone UK** is a great example to show that scaling up agile in big corporations is not impossible. The telecommunications company started with small pilot teams and then scaled up agile. Jon Davies, the Head of Digital at Vodafone UK, stated that Agile enabled Vodafone UK to launch new products and services, build **new digital infrastructure**, and roll out agile methodologies at scale to **revolutionize the customer experience** with emerging technologies. In Vodafone UK, agile was not an isolated experiment. Rather, it was part of large-scale implementation of an entrepreneurial approach to run the organization with continuous innovation. (MMT Digital n.d.)

### 7.2.3. Data

In 2017, *The Economist* published an article entitled "The world's most valuable resource is no longer oil, but data". This motto has become a matter of discussion over the last years, with some claiming that this shift is not properly beneficial for data. However, if seen through the lens of what can be achieved through it, it is possible to quickly understand that tech giants have at their disposal one of the most valuable assets – even better if considered to be sustainable and renewable as data is (Bhageshpur 2019). In today's economy, those with the **better data systems and capabilities** will win – by an increasingly outsize margin (McKinsey 2018).

Achieving ideal Customer Journeys in an Omnichannel environment as this project aims, requires that a proper **data setup** is done and that the **right data is collected** at the right time. The next step is to understand how data comes alive and brings actionable insights that can meet Galp's needs with Omnichannel. **Data becomes purely an enabler** – the set of recommendations in this section is not aimed at the Omnichannel department, but translates the capabilities needed to be built in order to achieve the **highest expression of Omnichannel**. Hence, why is data so relevant for Omnichannel? First, it allows **better decision-making** through more accurate insights; Secondly, it **improves productivity** through the enabling of scale; Lastly, it **brings better marketing actions** by making personalized experiences possible.

In the context of this project, three recommendations are shared, presenting in more detailed in the appendix 17.3, aiming a gradual implementation of a proper data strategy according to the multiple levels of maturity of Omnichannel – table 18.

***Table 18 18*** *- Data Recommendations*

| | **Data Recommendations** |
|---|---|
| **3.1** | Create a centralized Data Strategy |
| **3.2** | Enable E2E Customer Journey mapping and analysis |
| **3.3** | Integrate Artificial Intelligence (AI) systems |

3.1 Create a centralized Data Strategy

The first recommendation on the Data scope aims to establish the solid ground for a properly implemented Data Strategy. It departs from the observations that Galp currently holds data spread across departments in isolated silos. It will allow any employee, team, or software to access, at any moment, all the historical transactions and actions a customer did in previous journeys

***Table 19 19*** *- Create a centralized Data Strategy initiatives*

| | | **Initiative** |
|---|---|---|
| **Centralized Data Strategy** | 3.1_A | Implement a centralized Data Governance Strategy |
| | 3.1_B | Build a Data Literate Culture |

In order to unlock a proper use of data, a "single source of truth" is needed (Labombard et al. 2019), justifying the need for a **Centralized Data Governance Strategy** (3.1_A), the first initiative in this recommendation (3.1). Data silos are damaging to businesses since data analysis is harder; access issues slow down research; work and effort is multiplied; siloed information means siloed work culture-here, it is possible to bridge with the recommendation 2.2 presented before-; and Data security is compromised (Qualtrics n.d.). The implementation of this initiative must begin with an extensive surveying of all the data-related departments across Galp, in order to identify all the roadblocks. Then, these isolated data silos must be merged into a cloud-based platform, ensuring that the current IT systems are not outdated. The

Cloud's architecture must be thoughtfully defined so data becomes a strategic asset. The second initiative (3.1_B) aims to **educate** all layers of the organization to foster an **engagement with data and its contribution to value creation**, elevating the four cornerstones of data literacy: Understand, Engage, Analyze and Reason (Lambers, Goedhard, and Madlener 2018).

3.2 Enable E2E journey mapping and analysis

Understanding customer journeys implies that Galp is able to perform an effective mapping of these, defining what datapoints feed the cloud and understanding how customers flow between these touchpoints. To materialize this recommendation, the team formulated three initiatives presented in table 20.

***Table 20 20*** *- Enable E2E journey mapping and analysis initiatives*

| | | **Initiative** |
|---|---|---|
| **Enable E2E journey mapping and analysis** | 3.2_A | Increase Customer Journey datapoints by establishing a CustomerID/ RequestID tracking system |
| | 3.2_B | Collect customer journey data by mapping E2E Customer Journeys, feeding the Cloud |
| | 3.2_C | Perform insightful analyses by developing Customer Journey Analytics capabilities |

The first initiative (3.2_A) establishes a **tracking system** that allows a journey to be mapped from the first touchpoint with the customer. This tracking can happen through the phone number, the IP address, the fiscal number or the *GalpID*. With this, for every customer that starts a contact with Galp, even if only a request was made, the information collected is associated with the tracking ID and **no information will be lost**. A journey can be interrupted and continued whenever a customer wants.

The second initiative (3.2_B) implements a holistic approach of customer journeys, with **real-time mapping**. With this, a unique profile per customer will be traced with all the data collected from all journeys ever performed. British Gas, a UK-based company, implemented in 2021 the Quadient Customer Journey Mapping tool, which centralized all the customer journeys that customers were performing, allowing a more structured view of these.

With all the data organized and structured, insightful analyses are needed. Therefore, a third initiative concerns the development of **Customer Journey Analytics** capabilities (3.2_C). This initiative aims to elevate the previous ones to a new level of complexity, where real-time analyzes is performed, allowing software to detect issues and quickly mitigate them. It also allows to detect patterns in customer consumption and preferences and consolidate decision-making. Adobe Experience Cloud software was suggested as a tool to be further explored, with an example of Walgreens Boots Alliance that increased mobile usage in 30% and 50% increase in digital traffic with the use of this software (Adobe Experience Cloud 2021).

3.3 Integrate AI systems

***Table 21 21*** *- Integrate AI systems initiatives*

| | | Initiative |
|---|---|---|
| **Integrate AI systems** | 3.3_A | Perform AI-based 360º view Customer Journey Analyses |
| | 3.3_B | Decrease acquisition cost by unlocking New Customer Segments |
| | 3.3_C | Improve speed and efficiency by activating AI based decision making |

The present recommendation is the ultimate tool that will **elevate Galp's Omnichannel offer** to the last maturity level. The first initiative **Perform AI-based 360º view Customer Journey Analyses (3.3_A)** departs from the development of **Customer Journey Analytics** capabilities initiative presented in the previous recommendation, introducing **Artificial Intelligence** to perform the more complex analyses of Customer Journeys. It will analyze the data to provide actionable insights for employees, for instance, knowing the best staff member to forward a customer in need. Additionally, this initiative enables a better risk management as fragmented journeys will be detected and fixed in real time.

A second initiative **Decrease acquisition cost by unlocking New Customer Segments (3.3_B)** highlights the fact that unlocking new customer segments will decrease the acquisition cost. Through the complex analyses achieved with AI, Galp will be able to understand new gaps in the customer journey or specific touchpoints that can attract new customers in different ways. Delivering increased personalization that targets new ways of reaching customers, understanding these, and boosting purchases.

With the last initiative **Improve speed and efficiency by activating AI based decision making** (3.3_C), real-time data and automated journeys will enable **AI-based** decision making that allow pain point mitigation and increase marketing efforts on cross-selling. At this stage of maturity -level 4, according to the defined framework for Omnichannel-, strategic decision making is decentralized from human power and personalized assistance will allow a large scaling of services.

### 7.3. Action Priority Matrix

The following Matrix aims to prioritize recommendations regarding the effort it would take to put them into practice and their impact. The recommendations within the **second quadrant** are considered **quick wins** and the ones in the **first quadrant** are more complex, implying more efforts from Galp. **Thankless tasks** should be putted away.

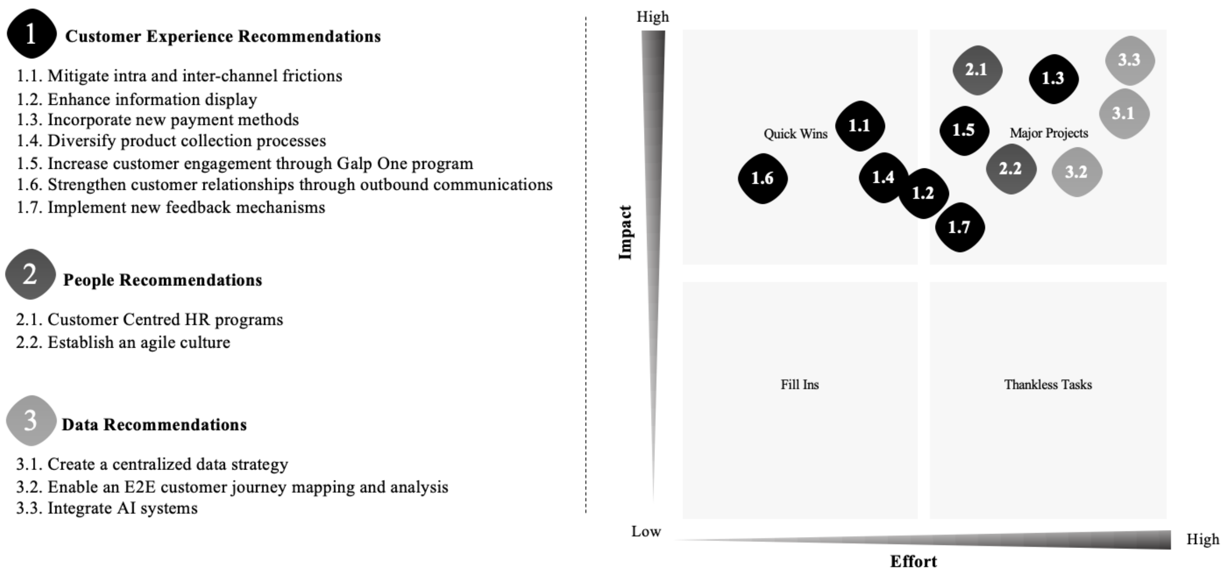


***Figure 3*** *- Action Priority Matrix*

After reorganizing all *Customer experience, People and Data* recommendations in an action priority matrix, it is possible to visualize which ones are the **quick wins** and should be implemented first, and which ones are major projects that need to start to be developed to have the most impact possible.

Regarding, ***Customer experience*** recommendations, it is worth highlighting the fact that most of the recommendations are **quick wins**, except for the integration of new payment methods and the reward program – *Galp one*. Nonetheless, these are the initiatives that will have more impact in creating an Omnichannel character in Galp's CX's.

To begin ***People*** transformation with right away results, Galp may develop and start running Galp Star program and quickly set an agile team to implement Omnichannel Strategy initiatives. Although these are **major projects**, without them, the other initiatives may not achieve the desired impact. This being said, the group suggested the implementation of these recommendations as fast as possible.

The ***Data***-related recommendations are mostly labelled as **major projects** due to the level and complexity of the technology capabilities needed and the potential impact it will have in the future, enabling the scale of the previous recommendations.

### 7.4. Omnichannel Implementation Roadmap

As the Omnichannel scope is very wide, the team suggested that Galp should recognize each initiative as an individual project, without losing track of the big picture. Thus, to structure the path of implementation of the given recommendations and respective initiatives, the team used the four levels of the Omnichannel Maturity framework as the baseline. The team opted for a 4-year timeline, with Galp's approval, as the world and technologies are constantly progressing, so these initiatives could become outdated.

With that in mind, the **customer experience**, **people**, and **data initiatives** were positioned horizontally throughout the four levels according to their impact on Galp, and vertically according to the estimated year of implementation taking into consideration the financial effort behind each initiative.

As seen in the completed framework - appendix 19 - most of the initiatives are concentrated within **level 2** - Customization which aims to adapt the experience to customer needs and expectations – and **level 3** – Integration which introduces personalization. However, the initiatives presented in **level 1** are equally important, as Galp should first mitigate the customers' pain points and go up on complexity towards the next maturity levels. **Level 4** initiatives should treat customers as the central key of the whole business. Additionally, the initiatives highlighted through the red circles were identified as quick wins – appendix 19 for colors.

As a suggestion of implementation, the team recommended that in the **first year** Galp should start by implementing quick wins of level 1 and level 2 – 1.1_A; 1.2_A; 1.4_A; 1.4_B – while simultaneously, the Omnichannel team should collaborate with the HR team to develop Customer-Centric HR programs and set an agile cross-functional team for future projects.

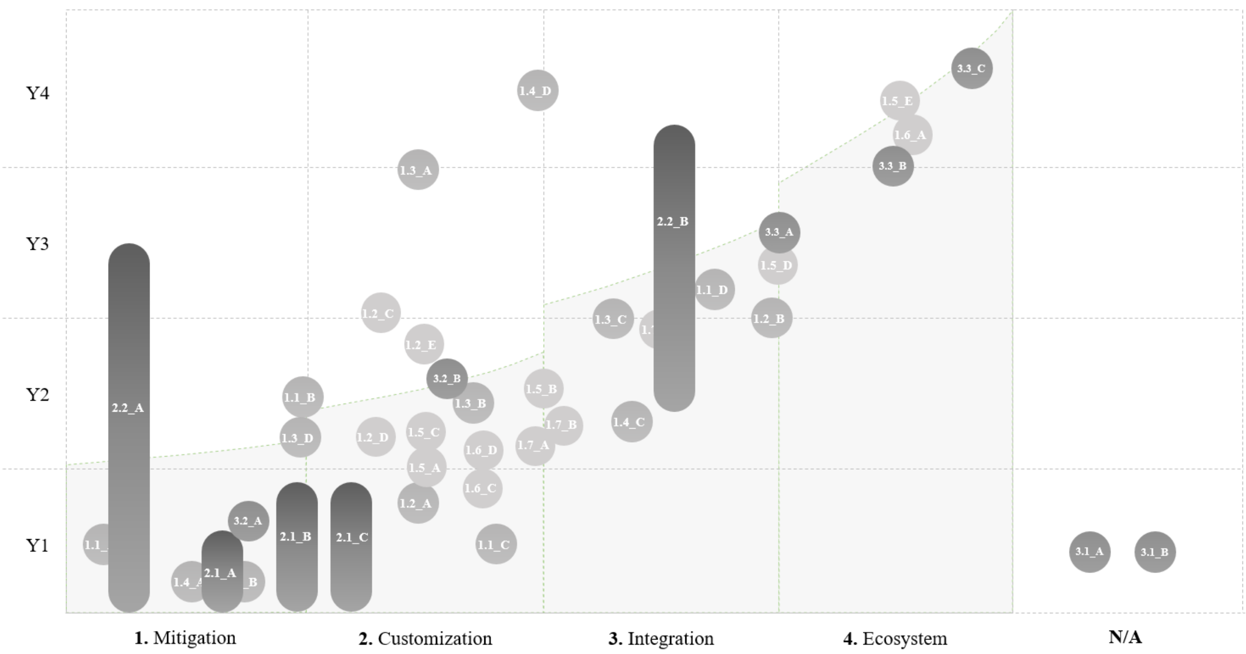


***Figure 4*** *- Implementation Roadmap within the four levels of Omnichannel Maturity*

Additionally, still, as part of the **year 1** implementation, Galp should implement the upgrade in the c-store's initiative – 1.1_C – and finally at the end of the year, the Omnichannel strategy should focus on implementing the re-engagement strategy – 1.7_C. Moving forward to the **second year**, Galp should implement the reward system initiatives, except for the personalized smart rewards, and additionally implement the remaining outbound communications and feedback mechanisms initiatives. The two quick wins – 1.1_B; 1.4_C – should be executed, as well as the in-store self-checkout, in-app fuel payment initiatives, monitoring G&P and monitoring fuel/EV charging. From **year 2 to year 3**, the Omnichannel department should focus on the introduction of chatbots, implementation of scan & pay at c-stores, and adding product stock availability in-app. Followed by the conversion of the call center into a support center and the introduction of unique product recommendations. Lastly, in the **fourth year**, the most complex initiatives should be executed, namely the development of the Galp Refill, and the introduction of Drive Thru. Finally, supported by AI, Galp could launch personalized smart rewards, and oriented communications. Additionally, the Omnichannel team should provide support to Data management, ensuring that the data management strategy is aligned with the omnichannel strategy.

### 7.5. Monitoring KPIs

Like with any strategic project, period after period the performance of the different initiatives must be measured and monitored. KPIs will enable Galp to continuously improve customer experience and loyalty, as well as the outcome on investing in training and employee satisfaction. The challenge is to choose KPIs that truly affect Galp's goals and provide useful, actionable information that impacts the business (Popky 2015).

The first group of KPIs is related to customer experience and satisfaction with Galp's products and channels. To monitor the effectiveness of the customer journey between the awareness and the intent phases, Galp should track the **Conversion Rate** - the percentage of customers who completed the contracting process - and the **Customer Acquisition Cost (CAC) -** the return on investment of efforts to grow customer base (Ojanen et al. 2020; Ord 2021). As for the **Customer Lifetime Value (CLV)** it is a measure of the average customer's revenue generated over the entire relationship with a company (Qualtrics n.d.). One of the project's goals is to increase **CLV** by estimating a customer's profitability and providing insights into the company's long-term growth potential.

Additionally, Galp should track in-store visit and **Return Rate**, as well as in-store visit length, during the physical channel experience. In terms of the digital channels Galp should monitor to determine whether a digital channel feature is valued by customers, where the **Feature Usage Score** focuses on customer behavior toward a specific feature of a digital channel, rather than the overall channel. (Diebner et al. 2021). To measure if the customer is satisfied with its relationship with Galp and if the customer feels supported and is engaged, the **Engagement score** can be used, as it measures how engaged a customer is, based on their activity and usage of Galp's products (Salesforce n.d.). To monitor customer support, Galp should track the **time from issue to resolution** and the **Customer Effort Score (CES)** - measures how much effort a customer must exercise to get an issue resolved, a request fulfilled, or a question answered (Dixon, Freeman, and Toman 2010). The **first call resolution rate** also gives insights on one of the focal objectives of customer care in Omnichannel: customers are able to clarify their doubts after the first contact with one of Galp's channels. The repurchase rate and customer retention rate are important brand loyalty metrics as they reflect the average of customers who made more than one purchase over a given period and the percentage of existing customers who remain customers after a given period, respectively. (Rioux 2020).

The **Customer Satisfaction Score (CSAT)** is used to assess customer satisfaction - uses a numerical scale to assess how satisfied a customer is with a specific interaction or overall experience - and **NPS (Net Promoter Score)-** a numerical scale that measures the likelihood that a customer would recommend Galp's products and services to a friend or colleague. (Magids, Zorfas, and Leemon 2015; Reichheld 2003).

As explained before, assuring employees empowerment and alignment is crucial to delivering a seamless, efficient, and pleasant customer experience. **Employee Net Promoter Score (ENPS)** - determines the likelihood that employees will recommend Galp as a good place to work - and **Employee Satisfaction Index (ESI)** - assesses employee satisfaction in the workplace in order to better understand employees' daily lives and attitudes toward their jobs - are both good indicators of employee satisfaction (Yaneva 2018; Hsu and Wang 2008). There should be clear customer experience based KPIs in training programs to motivate employees and measure their performance toward customer centricity. These KPIs should be based on **in-store metrics**, such as product availability, time spent in checkout lines, and store cleanliness, as well as **loyalty measures**, such as a customer's increased affiliation with the brand and willingness to recommend it to friends, or an increase in the number of loyal customers to the store (Parker et al. 2017). To establish metrics that measure employee innovation there should be KPIS based on R&D conversion. Such metrics may be based on **R&D-To-Product (RDP)** conversion - the ratio of R&D spend to new product sales to track how R&D investments are translating into new product sales - and **New-Products-To-Margin (NPM)** conversion - considers the gross margin percentage to new product sales ratio, which indicates the contribution of new product sales to margin increases (Aase, Roth, and Swaminathan 2018).

Lastly, there can be found in appendix 20 the mathematical formulas of each of the KPIs mentioned above.

## 8. Estimated Impact

Omnichannel is a recent topic, on which few sources refer to estimated impacts – companies are, perhaps, still quantifying the real impact of these strategies in their income statements, as well as understanding the return on the expected Omnichannel investments. Additionally, the nature of the project and the proposed recommendations did not allow a project valuation approach as it became unfeasible to calculate the capital expenditures as a whole. As further analysis approach, Galp could attempt to isolate each initiative and compute the correspondent Future Cash Flows (FCF's). All the calculations depended on an innumerous number of variables and values that were not available to the team nor Galp could share, for instance, the required investment for the Omnichannel Strategy, whose scope is unmanageable. Therefore, the impact of the present strategy will target the **relative estimation values** obtained from the research performed on the first phase of the project (3.2), failing to reach concrete numbers for Galp. However, the **estimated impact on revenues** is calculated, with the numbers that are publicly available, on **three possible scenarios**.

An Omnichannel Strategy that is properly implemented can have **outrageous impacts** on the analyzed numbers. On the **customer** level, the in-store visits can see an incremental increase of up to 80% (Zmuda 2021) as well as an increase of 250% in a customer's **purchase frequency** (V12 n.d.). These increases will take place due to the **increase in convenience** that the Strategy aims to bring. Also, a **customer's average spending** can increase up to 13% (Deloitte China 2020), due to initiatives that will enable cross-selling and targeted product recommendations. An **increase in scale**, unlocked by the use of the right technology, will enable a **reduction in the cost per contract** up to -7,5% (V12 n.d.), increasing the available resources to invest in CX. **Customer satisfaction** driven by the Omnichannel strategy will largely increase, increasing the **Customer retention rate up** to almost 90%, compared to the industry average of 30% (V12 n.d.). Lastly, one of the major figures of Omnichannel: the **CLV**. It is estimated that a 30% increase (Zmuda 2021) can be noted when compared to a single-channel strategy due to the large efforts in improving the relationship between Galp and its customers, as well as their propensity to buy.

To conclude, research says (V12 n.d.) that a properly implemented Omnichannel Strategy can have impacts of +9,5% **YoY annual revenue growth**, compared to +3,4% on weaker Omnichannel strategies. Therefore, according to Galp's 2021 final year revenues, the estimated impact of the Strategy on the EBITDA is calculated. The impact is calculated in **three possible scenarios,** according to the growth that the Omnichannel Strategy can generate – appendix 21. In the best-case scenario, the Strategy causes an YoY annual revenue growth of + 9,5% over the expected revenues. On the base case scenario, the strategy has an impact of + 3,4% on YoY annual revenue growth. Lastly, the worst-case scenario causes no impact on revenue growth. As assumptions, the team considered that sales are expected to grow 7,01% yearly, according to the Energy sector's last 5 years revenue CAGR (Damodaram 2022); the gross profit margin remains constant at 3,4%; and that the Strategy only has effects on sales from 2023 onwards. The table below shows the results, where the Δ EBITDA represents the incremental EBITDA expected from the implementation of the Strategy, when compared to the worst-case scenario where no Revenue increase is noted, apart from the expected CAGR. The base scenario is assumed to be equivalent to a partial implementation of the Strategy and the best-case scenario to a full implementation of the strategy.

***Table 22 22***- *Scenario Analysis (units in Million Euros)*

| | **Current** | **Worst-case scenario** | **Base scenario** | **Best-case scenario** |
|---|---|---|---|---|
| | FY2021 | FY2026 | FY2026 | FY2026 |
| Expected YoY Omnichannel Revenues Increase | - | 0% | + 3,4% | + 9,5% |
| Revenues | 7917 | 11109 | 12590 | 15611 |
| COGS + OPEX | 7629 | 10705 | 12132 | 15043 |
| EBITDA | 288 | 404 | 458 | 568 |
| Δ EBITDA | - | +0% | + 13% | + 41% |

The results shown on the table 22 reveal that if Omnichannel is implemented at its fullest potential, the expected EBITDA in 2026 will be 41% higher than the expected.

## 9. Limitations, risks, and further research

The present chapter discusses limitations, risks and further research than can depart from the analysis. The chapter will refer to limitations found throughout the project as well as limitations and risks associated with the proposed strategy.

The first project limitation identified is a matter of the **scope of the project**. Omnichannel is an area whose scope covers a wide range of matters, leaving the team constantly between the tradeoff of needing to be simultaneously specific and extensive in the approach. Regarding Omnichannel itself, due to the nature of the topic and how recent Omnichannel is, there was a limitation on the amount of **information available**, with a considerable number of theoretical frameworks existing but few examples referring to the real outcomes and impacts of the imposed strategies. A third project limitation covers the **research process** the team undertook, where Galp could not make available a database of B2C customers nor share customer data due to GDPR issues, and there was a complex mandatory process of coordinating every interview script and survey with Galp's research team. A fourth limitation regards the **limited results of the qualitative and quantitative sub-chapters**. Although 25 in-depth interviews and 534 valid survey responses were achieved, the outcome has a sample bias limitation due to the lack of ability to select the most representative data from the qualitative and quantitative collection. Since there was a time and access constraint, the data gathered as part of the project sample does not have representative geographical and consumption patterns scopes. A wider time frame would enable the collection of more data on a larger sample resulting in higher levels of representativity of the Portuguese energy customers. Conclusions would be more accurate, with lower margins of error.

The proposed Omnichannel Strategy faces some relevant risks and limitations that need to be considered in the implementation of the project. Firstly, throughout the project the team decided along with Galp's workshop team to focus the analysis on the two largest urban centers:

**Lisbon and Porto**, where the majority of the literate population is located. However, the rest of the country reveals a low level of **digital literacy** as well as the aging population. Consequently, digital initiatives related with Omnichannel might not have the expected results when implemented in a countywide scale. Additionally, the team observed the **lack of some of Galp's departments' focus on the need for a long-term strategy**, constantly requesting quick wins to unlock quick results and generate leads. However, Omnichannel cannot be considered as a quick-win framework where results are delivered quickly, therefore, Galp should put efforts in properly implementing a thoughtful strategy, through the major projects. A further risk, departs from the observed **fragmented dialogue between departments** inside Galp, for instance, the need for constant collaboration between the Omnichannel and Data management departments. With the current technological evolution, projects related with data and digital transformation can quickly became obsolete, representing a risk for the future of the Omnichannel approach. A last limitation on the implementation process can be the **large investments** needed to carry out the strategy.

To prevent risks from damaging the possible results of Galp's new Omnichannel strategy, **mitigation and monitoring** measures should be put into place: 1 – To counter the client's perception of complexity of the digital solutions, staff must receive specific training and guidelines on the approach to make to the client, assuring a correct explanation of the processes. Furthermore, a strong communication plan must be in place, aimed at clarifying clients' common doubts; 2 – Omnichannel team has the role to show leadership that cultural change is crucial and every single Galp's employee should work towards an Omnichannel approach. 3 – By scaling up Agile, Galp will be able to constantly keep up with new market trends and customer needs.

As a consequence of several limitations of the analysis conducted, **further research** must be conducted to **prove the validity** of the **given recommendations**. The further research can focus on the financial impact of the new Galp Omnichannel strategy in different scenarios and perform. Deeper research should be conducted regarding the costs associated with the different suggested initiatives and the impact on conversion and retention rates. It is also necessary to deeply study the operational side of the strategy, mainly the systems and technical details. Both Change Management and Agile should be deeply analyzed when implementing People related recommendations. As for the future of Omnichannel, Galp should consider the new realities with the rise of Metaverse technologies and what are the impacts on the future of the CX.

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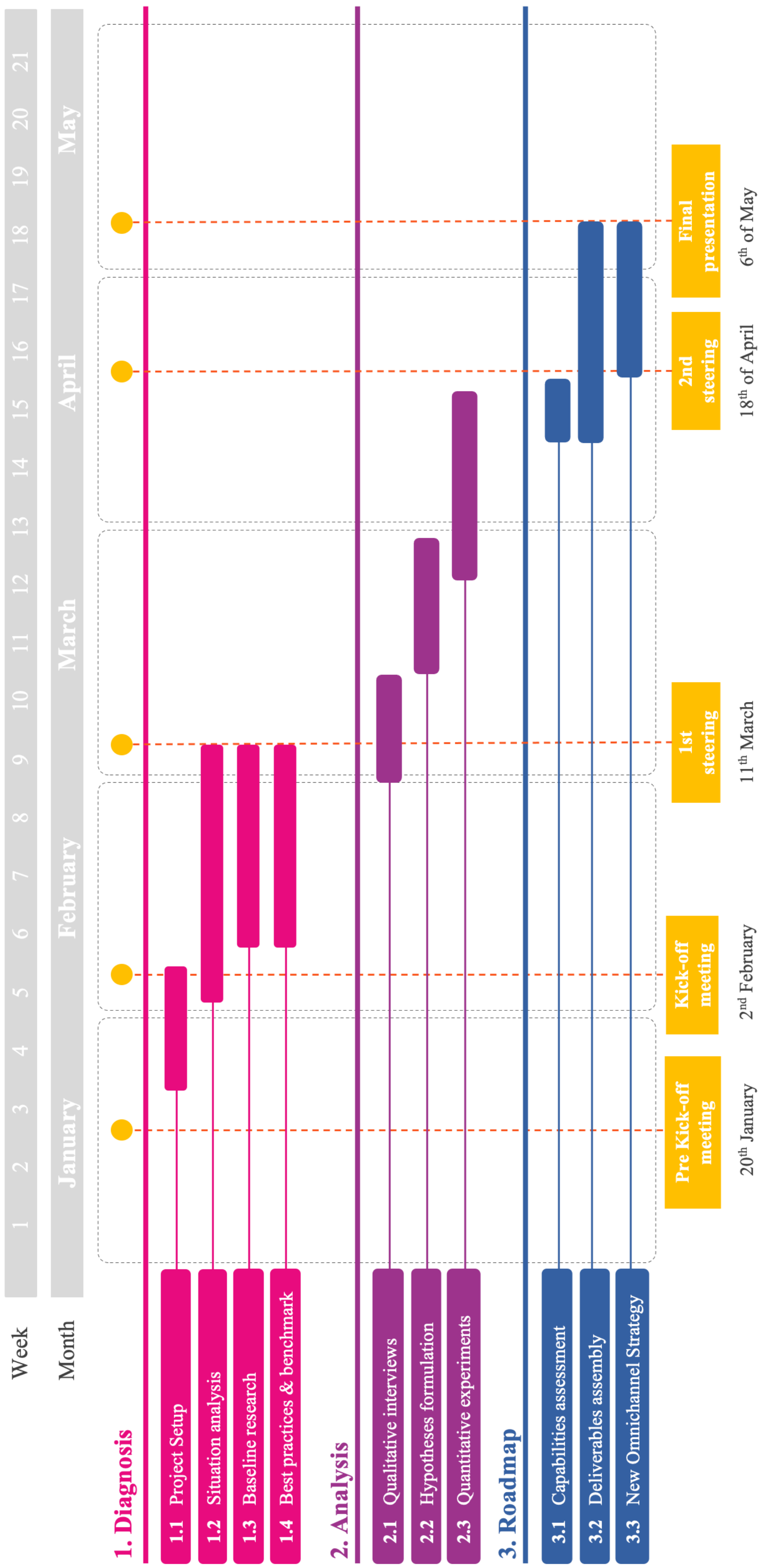
# 11. Appendix

Appendix 1 - Project Calendar (Gantt chart)



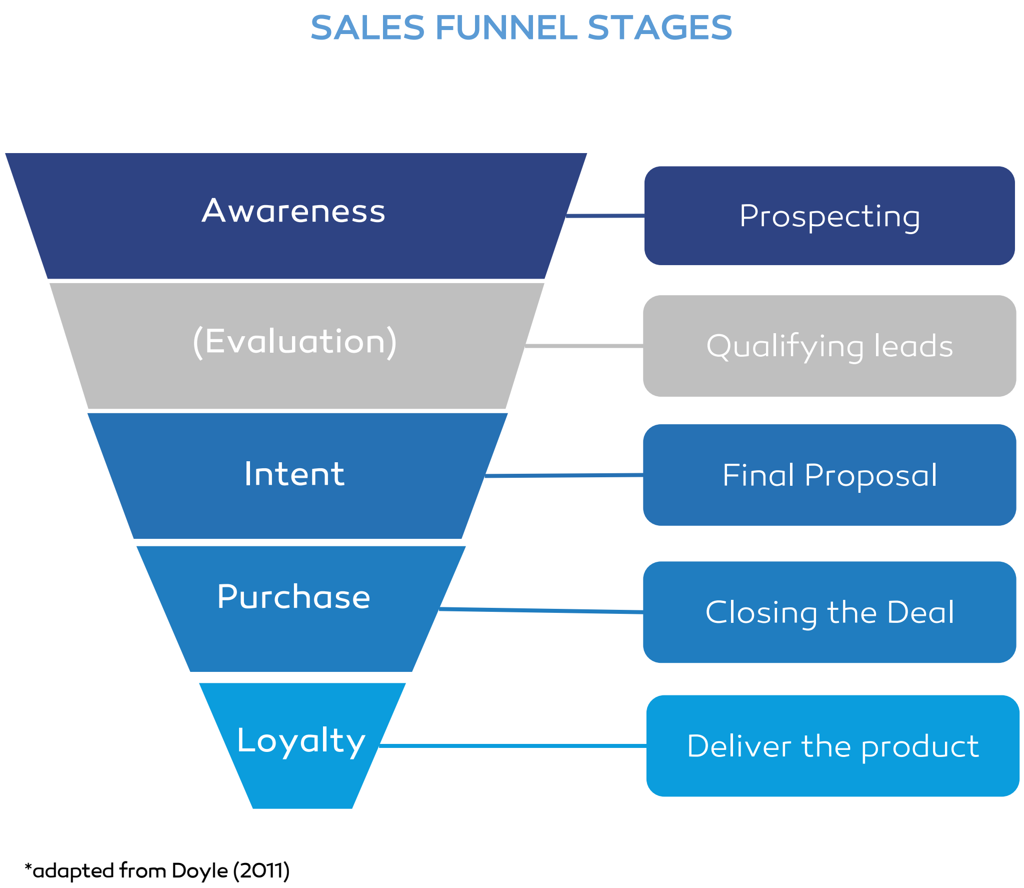
## Appendix 2 - Project Tools Key Takeaways

| | 7 P's of Omnichannel | Benchmark | Qualitative Interviews | Expert interviews | Brainstorm | Quantitative Experiment | 4 Levels of Omnichannel maturity |
|---|---|---|---|---|---|---|---|
| **Inputs so far** | Breakdown multiple dimensions of Omnichannel<br><br>Focus benchmark analysis | Industry Overview<br><br>Identification of key omnichannel strategies & initiatives | Identification of pain & pleasure points<br><br>Friction points in the customer journey | Orient the research development and strategy structure | Ongoing and future initiatives mapping | Identification of channel choice preferences<br><br>Analyse receptivity of initiatives | Understand omnichannel sequencing |
| **Inputs for next phase** | Will help **define the scope of the strategy**, targeting all recommendations that do not depend on Omnichannel initiatives | **Provide recommendations based on successfully initiatives implemented in and out of the industry** | **Provide recommendations based on customer needs, solve their pain points & boost pleasure points** | **Use "The Four levels of Omnichannel Maturity" to roadmap the recommended initiatives** | **Incorporate current and new initiatives** on the new omnichannel strategy | **Provide recommendations based on customer preferences** | Place specific initiatives at each level, to understand **the steps needed to reach full potential**.<br><br>Provide solid ground for **recommendations and implementation schedules** |

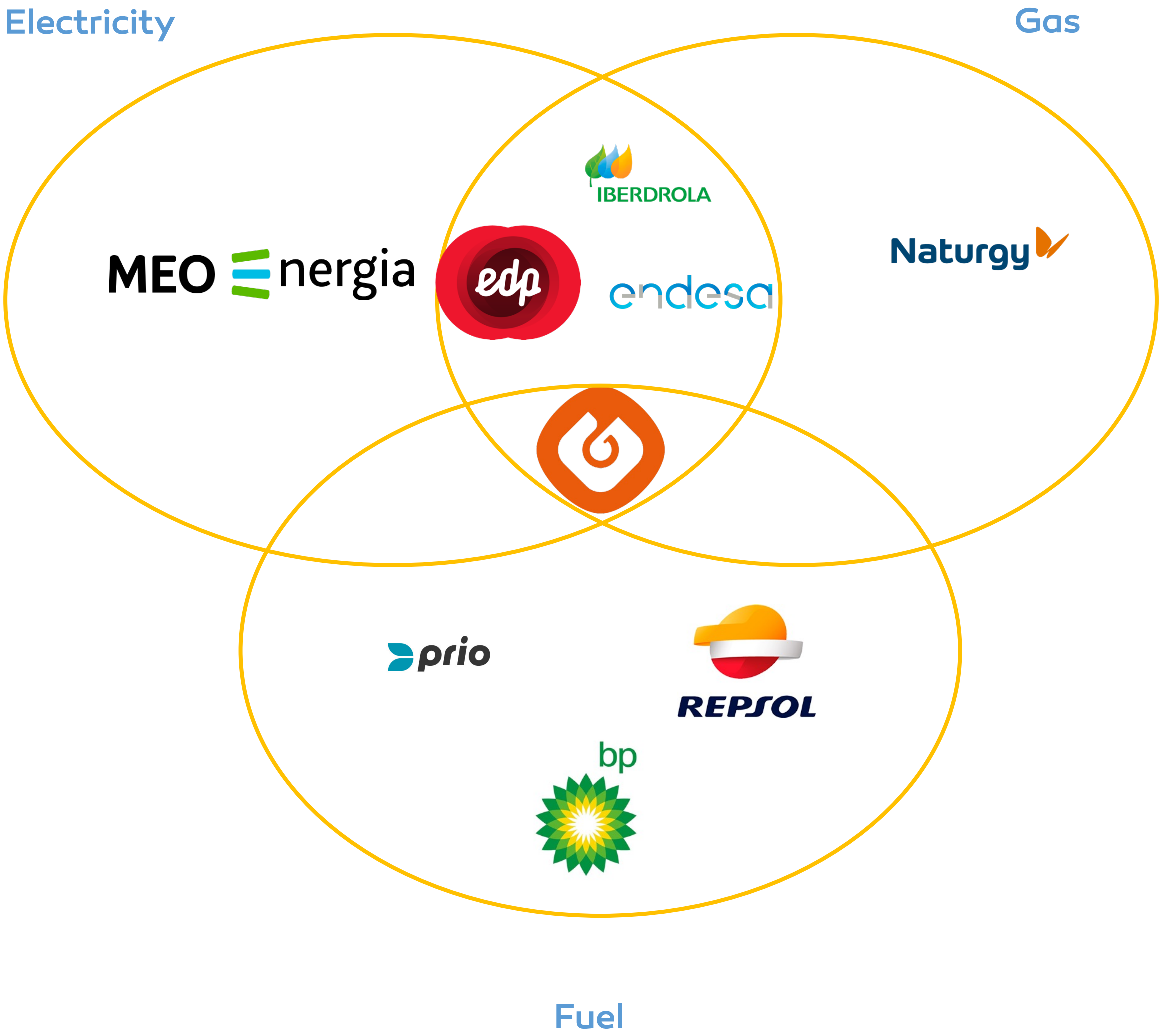
Appendix 3 – Omnichannel vs Multichannel

| | Customer perspective | | Firm perspective | | | |
|---|---|---|---|---|---|---|
| | Channel transition | Customer Experience | Information systems | Channel management | Incentive schemes | Logistics |
| **Multichannel**  | No transition between channels | Fragmented customer experience (products, services, promotions, prices) | Separate IT channels and databases for each channel | Independent siloed channel management. No Intelligence is shared across channels | Directed towards channel competition. Each channel pursues individual goals | Fragmented |
| **Omnichannel**  | Seamless experience across channels | Consistency is a key factor | Central database for all channels. Integrated IT system | Coordinated and integrated channel management | Towards a minimization of channel competition, maximizing synergies | Integrated |

Appendix 4 – Sales Funnel



Appendix 5– Market Presence of Portuguese Energy Companies



## Appendix 6 – Competitor's Omnichannel Efforts

**Strong app with new features**

**App EDP Zero**

- Monitor energy consumption;
- Forecast of the bill;
- Automatic sending of readings.[1,2]

**App EDP Redy Solar**

- Monitor **energy consumption, performance & production**;
- **Alerts for irregular consumption** or failures.[2]

**Partnership with Prio** [6]

- Make a energy contract in one of the **Endesa** stands available at some **PRIO** gas stations;
- Get a discount on your PRIO fuel card for each energy purchased.

**Porto Smart Store & App**

A prototype house that **rotates according to the sun**, **powered by green energy** and linked to **artificial intelligence systems that can be incorporated to a house.**[3,4]

**Iberdrola App**[5]

- Activate and monitor electronic invoice.
- Monitor energy consumption and send energy readings.
- **In app payment with card or MBway.**

**Partnership with Nowo**[7]

**Cross discounts on energy and telecommunications**

**Partnership with Fnac**

**Cross discounts on energy and Fnac card** for 100% green energy clients.

## Appendix 6 – Competitor's Omnichannel Efforts

**bp**

**Fast charging stations for electric vehicles**[1]

In 2021, BP & EDP joined forces with Brisa

**Cartão Poupa Mais & C-stores**[1]


**APP BP *PremierPlus***

- Access the reserved area know the points available in the card BP *PremierPlus.*
- Find service stations.
- Find available discounts with partners.

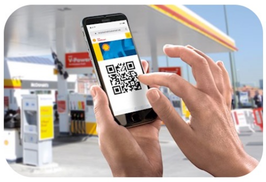
**Shell**

**Rewards Program Card and APP**

**Rewards program card**, valid in Portugal and Spain.

Everything will be available in a single **APP — Shell Energy**

Card is already available, have it in your pass wallet in QR code format.



**prio**

**Online Store & App**[1]

**Online store**

Extension of the brand's convenience stores, allowing even greater comfort.

**PRIO.GO**

- Paying for fuel without leaving the car, since 2019.
- Client can see its consumption.

**CTT Lockers**

**Installation of lockers at service stations**

**REPSOL**

**Omnichannel as a competitive advantage for the future**[2]

Use of **AI in all processes**, transforming the way Repsol is operating.

**Training programmes** to deepen the potential of the use of data and AI.

**APP Repsol Move**

Client area is centralised:
- virtual cards;
- QR code to accumulate points,
- check movements
- exchange products

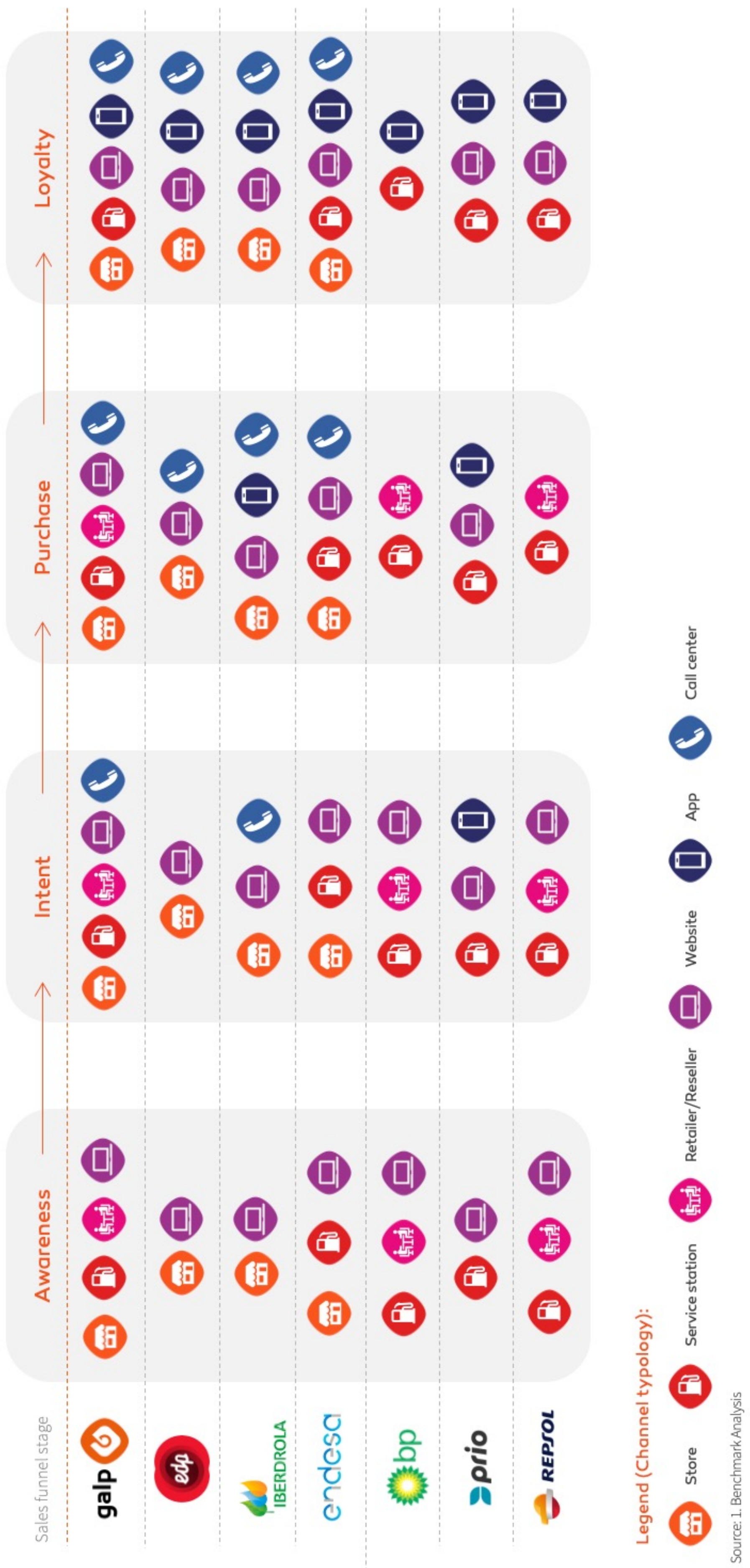
**Lidl Plus & Repsol**

Accumulate points to **discount on Lidl and Repsol.**

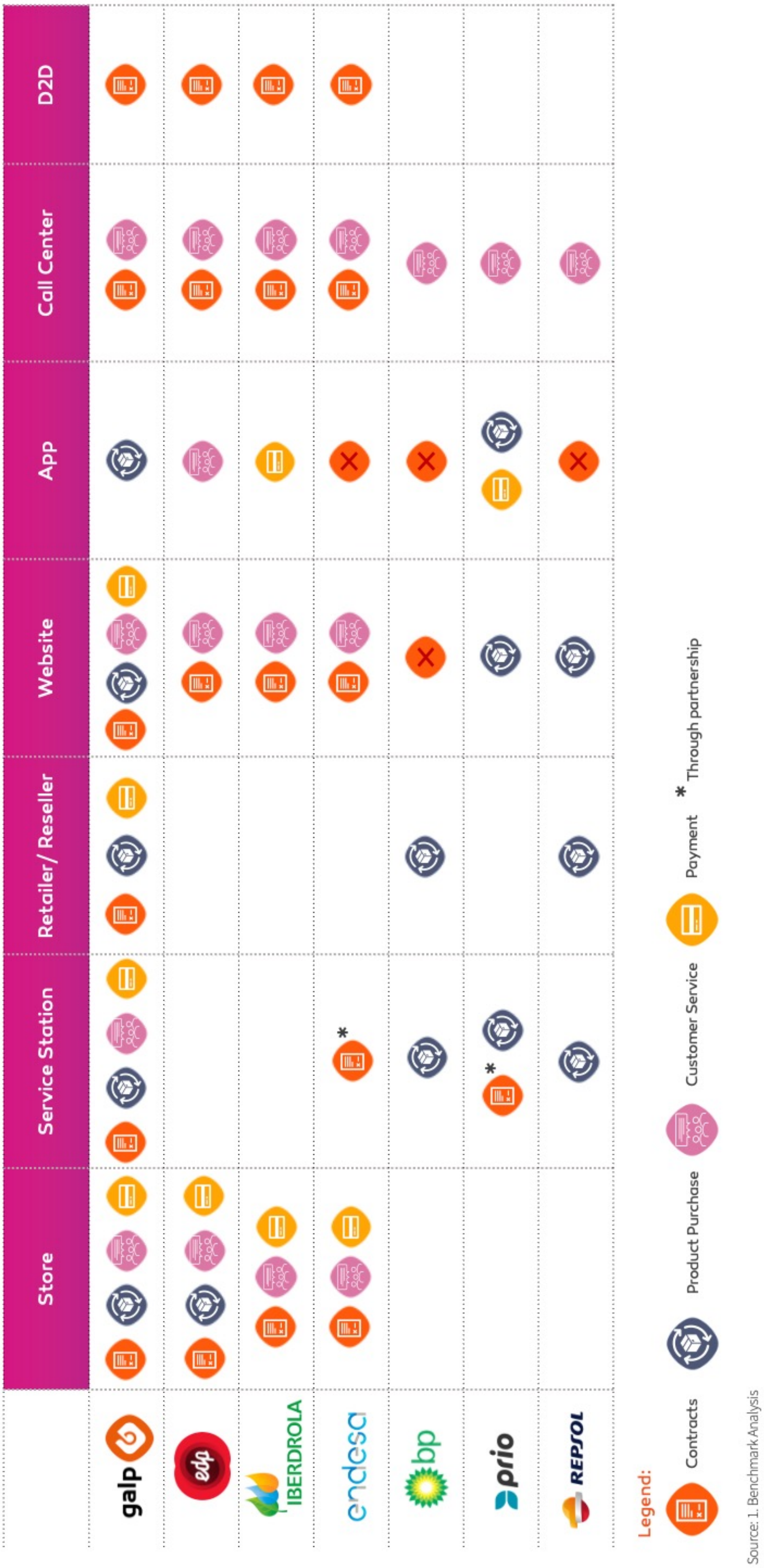
**Quero Gás Platform**[3]

E-commerce platform for bottled gas

Appendix 6.1 – Competitors' channels across the sales funnel



Appendix 6.2 – Competitors' Offers per channel



## Appendix 7 - SWOT Analysis

INTERNAL

### Strengths (S)

S1 — Known brand and High customer loyalty.
S2 — Proximity to customers.
S3 — Relevant information available.
S4 — Large product and channel variety.
S5 — Culture and human capital.
S6 — Strong brand values.
S7 — Focus and Purpose.
S8 — 'Mundo Galp App' as the first step towards an Omnichannel.
S9 — Internal sense of urgency towards an effective Omnichannel.

### Points of improvement (W)

W1 — Low technological investments in CX. No E2E CX mapping.
W2 — Inefficient and inconsistent digital processes.
W3 — Limited Data Analysis.
W4 — Multiple Data Silos.
W5 — Unique customer preferences not considered.
W6 — Fragmented cross-channel customer journeys.
W7 — Inconsistent Digital and Physical environment.
W8 — Employee training is not customer-centered.
W9 — CX is not at the core of Galp's concerns.
W10 — Weak position in the electricity market.

### Opportunities (O)

O1 — New trends in consumer behaviour.
O2 — Leverage current technology. AI, 5G and data management technologies enable an improved CX.
O3 — Partnerships, JV's or acquisitions of CJ management tools.
O4 —reach of new customer segments.
O5 — Agile- more efficient R&D.
O6 — Portuguese Energy market not fully digitized. As competitors are not offering fully Omnichannel experiences. Disruption is possible.
O7 —Support energy transition

### Threats (T)

T1 — Aggressive competitive landscape.
T2 — Competitors showing first signs of providing proper Omnichannel experiences
T3 — New entrants with skills and technology.
T4 — Other sectors are transforming and customers demand the same Omnichannel experience.
T5 — Budget can be a barrier due to high cost of implementation.
T6 — High dependence on third-party suppliers/partners.
T7 — Unpredictable learning curve for new practices.
T8 — Competitors are transitioning to green energies

# Appendix 8 – TWOS Analysis

**Strengths (S)**

**S1** — Known brand and High customer loyalty.
**S2** — Proximity to customers.
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**S4** — Large product and channel variety.
**S5** — Culture and human capital.
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**O6** — Portuguese Energy market not fully digitized. As competitors are not offering fully Omnichannel experiences. Disruption is possible.
**O7** —Support energy transition

**Strengths + Opportunities**

**S1 & S2 | O1, O2 & O4**—Understand and test products and services according to new trends and technologies.
**S4 | O2 & O3** — Invest in new technologies and know-how to leverage the customer experience, allowing a full cross-channel integration within the CX.
**S8 & S9 | O2 & O6** — Efforts directed to make digital channels the central touchpoints.
**S1 & S2 | O7** — Become a trusted agent that helps each customer's transition to greener lifestyles

**Points of improvement + Opportunities**

**W1 | O2 & O3** — Low investment in technology restricts E2E Customer Journey mapping, loosing new opportunities to disrupt the Energy sector in Portugal.
**W2, W5 & W6 | O6** — If digital tools remain inefficient, Galp will not be able to increase its customer base
**W1 & W7 | O4** — With the current state of the digital and phygital experience, Galp will not be able to capture and retain tec savvy customers.
**W3, W4, W8 & W9 | O1** — If Galp doe not adopt a customer centric approach, customer necessities that arise from the new customer trends not be fulfilled

**Threats (T)**

**T1** — Aggressive competitive landscape.
**T2** — Competitors showing first signs of providing proper Omnichannel experiences
**T3** — New entrants with skills and technology.
**T4** — Other sectors are transforming and customers demand the same Omnichannel experience.
**T5** — Budget can be a barrier due to high cost of implementation.
**T6** — High dependence on third-party suppliers/partners.
**T7** — Unpredictable learning curve for new practices.
**T8** — Competitors are transitioning to green energies

**Strengths + Threats**

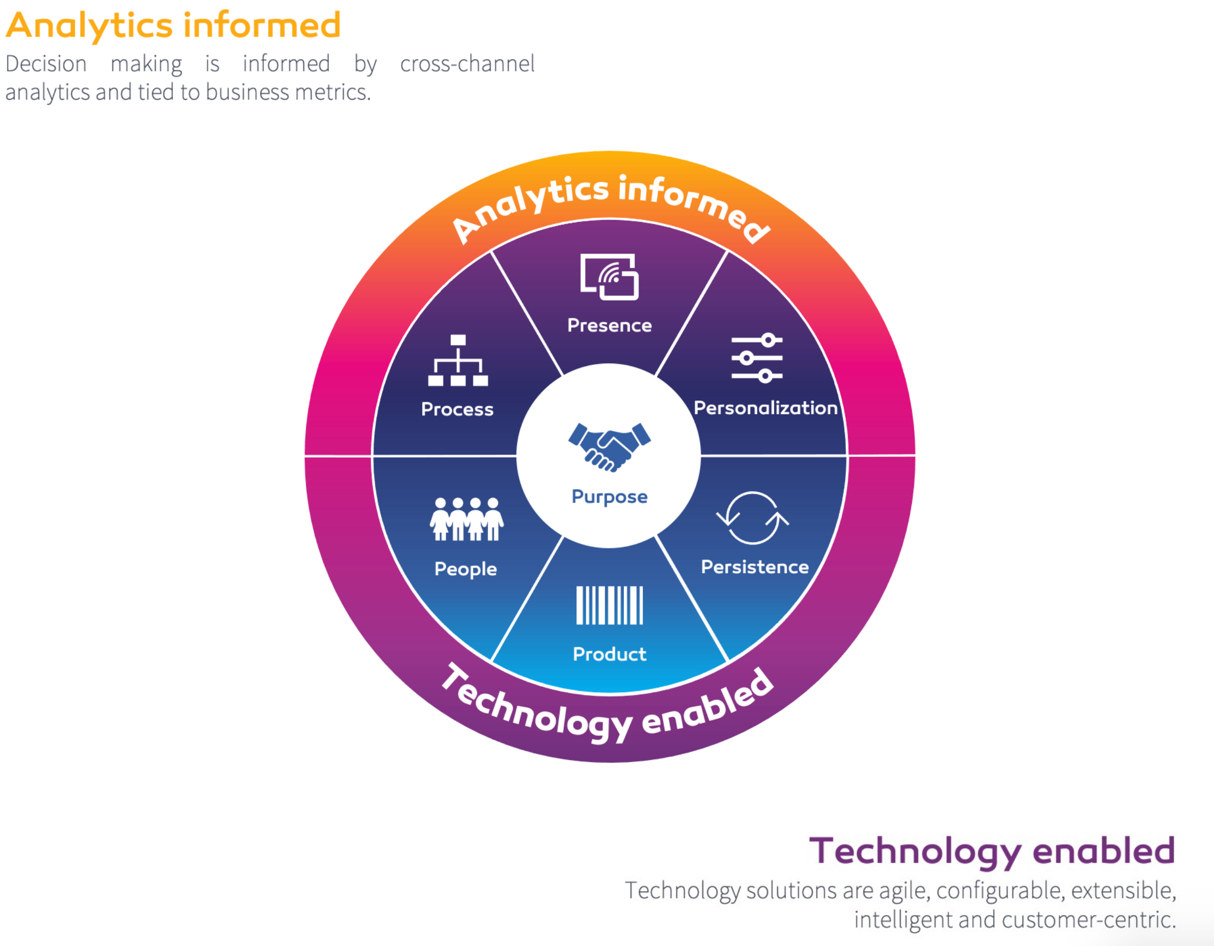
**S1 & S2 | T1 & T3** — Assets related with loyalty and brand recognition may be put into risk facing the fierce competitive landscape

**S1 & S2 | T2, T4 & T5** — Due to its limitation and, Galp may be behind in the Omnichannel ride, risking loosing customers to competitors

**Points of improvement + Threats**

**W1 | T5**— Financial results can be threatened by the cost of implementation of new technologies.
**W2, W5 and W6 | T2 & T3 & T4** — The new strategies employed by competitors will make even more evident the pain points along the journeys.
**W10| T8** —Facing the transition to greener energies, the high dependence on fuel sales may threaten Galp´s performance

Appendix 9 - The 7 P's of Omnichannel



Appendix 9.1 - The 7 P's of Omnichannel Explained: Presence

## Presence

### Characteristics [1]

**Omnichannel covers physical and digital channels**, which are very complex and distinct from one another, so companies should have a strategy for each and be available on key channels.

— **Deliberate blueprint for the products,** services and support available in each channel;

— Based on where, **how and why** customers want to engage;

— **Clear value proposition** in all human, physical, and digital channels.

### Risks/Limitations[2]

— **Too many channels -** brands should focus on the channels that customers use, rather than trying to cover as many as possible without a thoughtful approach.

### Criteria

Clear strategy, purpose and value proposition for each channel

### Best Practice[3]

Uber

— Uber's **value proposition is simple - always get the ride you want;**

— It has solved the problem of waiting for transportation, **eliminating the hassle of arranging transportation** before a journey;

— It has also put an end to private transport drivers overcharging the commuters;

— Uber has developed a robust logistics system and a **strong online platform;**

— It **offers unprecedented user convenience** at multiple levels:
  - Easy to use app, with a wide network of available drivers;
  - Automatically payment charged to card on customer's Uber account;
  - Integration of the UberEATS feature in the App, increasing the possible actions within the same touchpoint;
  - Dispute resolution with Uber is easy, customers can **request help within the app** and Uber is prompt with automatic responds and refunds when needed.

Source: 1. Accenture, 2017 ; 2. EY, 2020 ; 3. LinkedIn, 2021

Appendix 9.1 - The 7 P's of Omnichannel Explained: Persistence

## Persistence

### Characteristics[1]

**Customers, employees, and partners can begin an interaction in one channel and seamlessly finish in another.**

- **Consistent, connected experience** across channels – Consistent experiences create trust in the organization;
- **The customer journey is seamless**, and customers can begin an interaction in one channel and finish in another. Having as goal, the CX, and building value to the customer.

Risks/Limitations[2]

- **Avoid overexposure** – brands should be careful to not spam its customers with the same offers and messages, keeping the experience fresh is critical to ensure users positive connection/engagement.

### Criteria

Consistent experience across all channels in concordance with brands' values

### Best Practices

Spotify

Spotify recently **solved a problem of fragmentation across channels**[5]. The platform allows the same account to be logged-in in more than one device at the same time. This feature allows users to pause a podcast or a song and continue in other device. If the user is listening to music on the street and enters his car, the audio will resume in the vehicle's sound system. The platform is able to be **much more present in people's lifestyle**, providing an effortless seamless experience.

Source: 1. Accenture, 2017 ; 2. Forbes, 2019 ; 3. Forbes, 2021 ; 4 Forbes, 2010; 5. Billboard, 2020.

Appendix 9.1 - The 7 P's of Omnichannel Explained: Personalization

# Personalization

## Characteristics[1]

**The experience is individual and relevant, based on customer preferences, history and current context.**

- Offer an **individual experience** across channels and customer interactions that is based on the customer's preferences;
- Have the right data points to deliver smart, **relevant context, recommendations;**
- Focus on predictive and proactive ways to **make a customer feel valued.**
- **Continually tailoring the shopping experience to individual customers** by using a combination of internal and external customer data[2].

Exhibit 1 | Greater personalization boosts Customers' spending and brand satisfaction[2]


## Criteria

Provide a unique personalized and customizable experience

## Best Practice [3]

continente

- **Continent invested on innovation and artificial intelligence to change the relationship with its online customers.**
- Continente created **unique personalized digital leaflets,** in its app, with a selection of products tailored to each customer, including **products that the customer usually buys** and that are on sale that week.
- This level of personalization is only possible through the processing of big data, captured through the use of the Continente's card, as well as the implementation of **Artificial Intelligence and Machine Learning**.


Source: 1. Accenture, 2017 ; 2. BCG, 2019 ; 3. Dinheiro Vivo, 2021

Appendix 9.1 - The 7 P's of Omnichannel Explained: Product

# Product

## Characteristics[1]

**The product is the most tangible and lasting part of an omnichannel strategy**

— The **product is thought and built around consumer needs** and expectations, being at the same time aligned with the internal purpose of the brand.

— Important to **rethink on how they can facilitate the interaction with the customer**.

## Criteria

The product is in line with purpose of the companies, is valuable to consumers and meets their needs

## Best Practice

HELLO FRESH

HelloFresh is a German meal-kit company that **aims to reduce stress, time and money around meal time** by delivering customized boxes with the perfect amount of ingredients to cook the previously chosen meals. The company delivers straight to the door step-by-step recipes and all the pre-portioned, seasonal, fresh ingredients, to cook from scratch in the comfort of everyone´s kitchen.

- **It is 100% customizable around customer preferences and needs** according to: number of people, recipes per week, type of meals (quick, vegetarian, family friendly, calorie smart,..);
- Their core values are: budget, taste, freshness and sustainability
- It is possible to pause or cancel the subscription at any time;
- Has its services and products available on the website, and in the app.

Source: 1. Accenture, 2017 ; 2. HelloFresh

Appendix 9.1 - The 7 P's of Omnichannel Explained: Process

## Process

### Characteristics

It is important to have processes and policies are simple and enabled by technology that is easy to use, enabling efficiency.

- Enables **a customer friendly environment** that is aligned to organizations' objectives.
- **Policies** cannot cover every situation, but they should **provide clear guidelines and action steps.**
- Customers want to be able **to access the products** in the right places in real time, **requiring optimized processes** that need significant changes in three key elements, forecasting, inventory and information flow trough channels and systems.[2]
- It is essential to have a cross-channel system integration in order to provide real-time information for consumers.[2]

### Criteria

Processes and policies that enable an easier customer journey

### Best Practice

amazon

**Amazon is one of the most customer-centric companies, where its** goal is to please the customers, **providing the cheaper and fastest shopping experience** to them.

Amazon's logistics processes are highly advanced comparing to other companies in the retail industry, where distribution centres have advanced robotics systems that improve efficiency for customer delivery. Additionally, optimized intern processes keep problem-solving teams small, flexible and fast.

Finally, Amazon has a returns policy that enables customers to return products without contacting sellers. It includes a **"returnless refunds" feature** that enables sellers to offer a refund on certain products that are expensive to ship for customers to return or are difficult to resell.

Source: 1. Accenture, 2017 ; 2. McKinsey, 2021

Appendix 9.1 - The 7 P's of Omnichannel Explained: People

# People

## Characteristics

It is important to be aware of the employees needs, and that they are empowered to change in order to have a customer centric strategy. [2]

— Requires **working in a collaboratively** way, and the organization need to be connected in the entirely value chain.

— **Employee experience** is essential for companies to compete effectively. [3]

— In order to succeed it is important to **implement employee experience strategies** in order to have the company and their **people working together to create personalized, authentic experiences that ignite passion** and tap into purpose to strengthen individual, team, and company performance. [3]

— Make it easier for employees to find new internal making, being easier for employees to **move across roles inside the organization, promoting retention.**

## Criteria

Collaborative work in the entire value chain, promoting employee experience and training.

## Best Practice

Mercedes-Benz, representatives stated that they listened to their customers, nonetheless, they **did not listen to their employees**, not being aware that these, too, needed to be empowered to change, requiring training. [2]
With this in mind, Mercedes Implemented a **comprehensive multi-year training program** – **Customer one** – for more than 25000 employees in 360 dealerships.

The **goal** was to **shift mindsets and address elements of customer satisfaction and improvements needs**. This program was highly complex composed of training sessions and engagement surveys:

- A survey discovered that managers lacked leadership and employee interaction skills — a **leadership academy** was established, creating brand ambassadors to create **emotional connections with customers**.
- Another survey discovered that employees had **little experience with cars and emotional connection to the brand**. Mercedes is now conducting **brand-immersion training.**
- A great challenge in empowering employees is organizational silos and conflicting incentives.

Source: 1. Accenture, 2017 ; 2. HBR, 2015 ; 3. McKinsey, 2018

Appendix 9.1 - The 7 P's of Omnichannel Explained: Purpose

## Purpose

### Characteristics

**The purpose of an organization is the anchor of the transformations, and it is the heart of a customer centric business.** [4]

- Consumers highly value brands who are transparent at a corporate level, as they expect meaningful products and services. [3]
- Purpose, as an **aspirational reason for being**, which inspires and provides a call to action and provides benefit to society – **creating shared value** [2]
- Purpose provides differentiation and is the foundation of a business and customer experience, making the brand relevant for the customer. [3]
- This commitment to purpose requires the entire offering, operating model and people who work on the company to be aligned. [4]
- **Purpose-drive companies** make more money, have more engaged employees and more loyal customers. [2]

### Criteria

Clear purpose, enhancing customer centricity, and the hole company is aligned with it.

### Best Practice

enel Green Power

Enel's corporate development strategy is based on **sustainability, technological and geographical diversity**. Aiming to **create value for customers** and stakeholders by sustainably generating and supplying energy to a broad market.

- This strategy enables Enel to compete successfully, as they **stretch it across the entire value chain,** including inbound logistics.
- Also, the company has placed a **strong emphasis on HR** as vital to value creation, developing many value supporting HR activities including their **upskilling and reskilling** programs, promoting the development of current and new skills with a strong focus on **innovative technology and processes and the development of digital skills**.
- **Employees work daily to create shared value**, combining the pursuit of industrial objectives with a concrete contribution to the socioeconomic development, collaborating with institutions and communities.

Source: 1. Accenture, 2017 ; 2. EY, 2020 ; 3. Accenture, 2018 ; 4. Accenture, 2021

Appendix 9.2 - The 7 P's of Omnichannel Rating Criteria

| 7P's Framework | Rating Criteria | | | | |
|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 |
| Presence | Customers don't know where and how to interact. Brand doesn't know which channels to use. Strategic thought is the least of worries. | Customers know the basic channels. Companies don't know what product offerings and customer segments fit in each channel. Very disperse CX. | Cross-channel interactions are rather disperse, even if each channel individually works properly. Customers are not aware of all the features of all channels. | Present on the most relevant channels, with relevant product offering. A strategic thought of the value added by each channel as well as each channel's role in the whole is not clearly identified. | Clear strategy, purpose and value proposition for each channel. Solid selection, distinction and enhancement of most relevant channels. Customers know how, where and why to engage. |
| Personalization | The customer is only offered generic solutions that the company identifies as dominant. The experience is the same for all customers and no room is given to tweaks. Customers usually use the product because they need it. | The customers are given the idea of a customizable experience, even though it is very limited. The customization mostly happens in topics that the customer does not find value. | Data is collected and analysed to understand spending patterns on a high level. The analysis reveals generic recommendations that are targeted to groups of people. The experience is customizable, always depending on what is proposed. | The company is aware of the benefits its customizable features add to the customer. The customer feels his own experience as individual and tailored on purpose. The recommendations are relevant and based on common acquisitions. | Provide a unique personalized and customizable experience 100% AI tailored experience for each customer, where algorithms understand spending patterns and develop suggestions 100% aimed to a specific customer. |
| Persistence | Each channel works for itself and cross-channel experience is all but seamless. Fragmented experience and channel management. Customer's are approached from multiple fronts. | Channels are informed about other channels, but cannot provide a seamless experience. Brand values exist, but are not respected. A large amount of communication issues damage intensely the CX. | Brand values are present but customers cannot recognize them. The customers feel some communication issues, experiencing rather inconsistent voices from all channels. | Efforts in favour of a seamless experience exist, but customer experience is limited by processes. However, brand values are present and recognizable by customers. | Consistent experience across all channels in concordance with brands' values. Customers can enjoy a seamless experience that is fully integrated in their lifestyle. |
| Products | Product conception is irrelevant and not thought around customers' needs. The development process happens in a closed environment being usually idea-based. Besides, the customers cannot access available information. | Although the product is not so relevant, the company makes information available to general customers. The product is generally interesting but useless, not reflecting the company's values | The company offers a product that is useful and interesting to general customers, but does not add anything to the market. Relevance is not a worry. Product information is available. The company fails to deliver a product that customers can identify with. | The product explores new ways of solving old problems but, somehow, cannot comply with the company's values, being relevant in the wrong hands. The product meets the consumers' needs. | The product follows the purpose of the company, is valuable to consumers and exceeds their needs. Customers have a lot of available information and can make informed decisions. The product differentiates from the market. |

| 7p's Framework | Rating Criteria | | | | |
|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 |
| People | Employees have no relation at all with the product, the company and the processes. Employee retention is low and employees don't like the working environment. Promotions are not common, no connection to the brand. | A pleasant working environment is provided, but the company lacks to create an emotional bond with employees. Employees don't work collaboratively and engage in competitive initiatives. | Employees enjoy the working environment and work collaboratively. However, no promotions take place and finding ambition might be difficult. Employees lack information to provide customers. | Employees have enough information to make decisions, and small employer branding initiatives are created to foster emotional bonds with the company. These initiatives barely collect employee feedback. High level of retention exists. | Collaborative work in the entire value chain, promoting employee experience and training. Employees feel part of the whole and are able to speak in name of the company. Employees work in a customer-centric environment. |
| Process | The processes do not exist at all. The company provides a fragmented journey which is not optimized in each channel. The channels work individually and the company does not have data on who are its customers. | The processes exist but are not optimized at all. The customer journey is still fragmented. An effort towards optimization exists with small initiatives. Decision-making is not data-driven. | The company has data on its customers but does not do a thing with it. The optimization efforts lead to a fake feeling of consistency across channels. There is a flow across channels, but it is not evident to customers. | The customer journey is consistent on a very high level but more complicated operations are fragmented. The company is able to recognize its customers along the journey, but no data is collected. | Processes and policies that enable a convenient customer journey exist. Decision-making is data-driven. The company makes use of data along the journey, mapping every step of every customer. The company explores partnerships to improve quickly its service. |
| Purpose | The company is static and all corporate strategy initiatives are based on unsubstantiated decisions. There is no shared value among employees, nor transparency at a corporate level. The company is focused on profit and the customer is not a base for making decisions. | The purpose is clear but does not cover Customer centricity. The company does not convey a customer-first message and employees engage for the wrong purpose. HR does not foster value creation and the brand is not relevant for customers. | The company is purpose-driven but fails to engage the employee mass. The purpose has effects at higher levels but fails to drive lower organisational levels, or the opposite. The company makes public its will to target customer centricity but fails to implement. | The company is empathetic to customers and is able to convey a message of customer centricity. However, some sectors are not aligned with the company purpose, as the operating model employer branding. The company does not communicate its purpose in unison. | Clear purpose, enhancing customer centricity, and the whole company is aligned with it. The purpose is dynamic and aligned with innovations and society. Employees are fully engaged and the operating model is customer-centred. |

Appendix 10 – Best Practice Analysis – British Gas

British Gas

## Energy and home services provider in the United Kingdom

Empower communities to use energy efficiently, supporting households in need and helping to build skills for a bright future. There's more than gas and electricity.

### 2017 Strategic Refocus

Evolve into a home services provider

Transform into a digital-first, service led business.

Focus on the **functional benefits** that customers look for – warm and working, safe and sound, clever and connected.

**Goal**

Enhance overall customer experience via **optimized, seamless and satisfying** customer journeys.

### Data as the key driver of transformation

- **Creating and viewing in-depth, holistic customer journey maps:**
  - Customer satisfaction insights;
  - Real time CJ mapping;
  - Real-time pain-point mitigation;
  - Versatile, consistent and personalized business process;
  - Improves Customer Satisfaction.

quadient
Because connections matter.

Implementation of Quadient Customer Journey Mapping (CJM) tool in 2021

### Listen to your employees

- **The "One British Gas" programme gave voice to 28k employees:**
  - Fight employee misalignment with company purpose;
  - Upskill middle managers to understand feedback and communicate;
  - Increase of 26% on EPS (Employee Promoter Score).

MindGym

MindGym developed a Psychology-based transformation programme

Sources: British Gas; Quadient

**Main takeaways**

| | | |
|---|---|---|
| Holistic view of journey maps | Instant mitigation of pain points | Consolidation of multiple templates |
| Rapid creation of new communications | Improved cross-selling and up-selling | Improved employee engagement |

# Appendix 10 – Best Practice Analysis – Endesa

**Endesa is a multinational in the energy sector, its main business areas are the generation and distribution of electricity and the distribution of natural gas, that is present in the Portuguese market.[1]**

Opening up access to energy to a greater number of people, opening the world of energy to new technologies, opening up energy management to people, opening up the possibility of new energy uses, opening to a greater number of partnerships.

## 2018 Strategic Refocus

Customer-centric Omnichannel

Focus on solving fragmented channels

**CRM strategy** focused on a new way of interacting with the customer, based on redesigning all customer journeys.[2]

**Unique platform**, allowing more efficient processes, improve CX becoming customer centric

## Data-driven strategy

- **Fully automated personalised campaigns[2]**
  - New customer journeys;
  - Launch campaigns in real time, personalised for the customer and automatic;
  - Given a specific event, the system automatically activates the most appropriate offering promotions / new products to be contracted, through any of the channels.

## Processes based on AI & Service Cloud[3]

- **Simpler, faster customer service processes**
  - Offer quality service in the shortest possible time.
  - Increase process automation, improve all analytics models.
  - Scale marketing processes to propose even more personalised actions to customers in real time.

Salesforce designed a customer-centric and intuitive website & mobile app

## Main takeaways

- Customer is monitored across all stages of the Customer Journey
- All agents handle the same information across the channels
- Client satisfaction increases
- Automated and personalised offers

# Appendix 10 – Best Practice Analysis – BP

**BP is a multinational company based in the United Kingdom that operates in the energy sector, mainly oil and gas, and has activities in Portugal.**

Bring the best products and services to our customers, providing a better quality of life for all, always maintaining absolute respect for human rights and the environment.

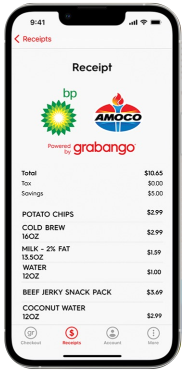
## BP U.S
Checkout-Free Shopping 2022

**Reprofit 10 convenience stores across BP network[1]**

Faster process, customers save time

System is automated, no need to scan each one on the way out.

Payment is automatic and contactless, saving additional time for the shopper.[2]




## BP Portugal fast charging stations for electric vehicles

A partnership with EDP started in 2018, to **implement fast charging stations** connected to the MOBI.E network.[3]

In 2021, BP & EDP joined forces with Brisa to facilitate electric mobility on the concessionaire's motorways and **installed ultra-fast chargers that allow charging in a few minutes**.

## CRM strategy in the U.S

EPSILON

Boost reactivation and refuel loyalty. **"BP drivers rewards"** that offers consumers a smarter way to save money on quality fuel.[4]

## BP Portugal Cartão Poupa Mais & C-stores


Save on refueling , partnership with ACP Master and BP Powerplus cards.[3]

**Pingo Doce & Go convenience store** has the goal to offer a varied assortment, adapted to the needs of customers, and by low prices

Sources: 1. CSP, 2021 ; 2. BP US, 2022 ; 3. BP, 2021 ; 4. Epilson, 2021

**Main takeaways**

CRM enabled higher click rates and visits

Higher Customer satisfaction with automated processes

Appendix 10 – Best Practice Analysis – Miio

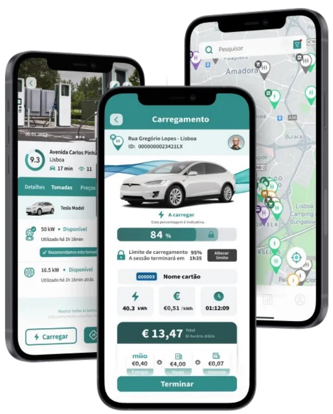
## Miio is a service that allows consumers to charge their vehicles in public service stations, 100% digitally.

Revolutionise Electric Mobility. We want you to charge easily, simply and worry-free!

### Digital Payments in 2021

Seamless and personalized payments

The first application in Portugal that allows the client to simulate and compare prices depending on vehicle and the state of battery.[1]




### Fully personalized experience[1]

- **Suggestions** of the most suitable sockets for the vehicle and simulate the time and final price, according to what the client wants to charge.
- There can be a **physical card or be totally digital**.
- Offering includes **corporate and fleet solutions**, with a total and centralized control of your fleet, 100% integrated within the app.

### On the spot payment charging network[2]

power dot

**Goal**

Create opportunities for people to charge their vehicles, both by investing in new chargers in places that are integrated in people's lives and by diversifying payment methods.


- Allows electric vehicle users to **immediately pay** for their charging on public roads through a QRCode.
- Give all users a more **convenient and simple experience**, allowing greater universality.

Sources: 1. Miio, 2022 ; 2. MobMaganize, 2022

**Main takeaways**

Start-ups can enter the market at a high speed

EV consumers are very receptive to a fully digitalised experience

# Appendix 10 – Best Practice Analysis – Meo Altice

**Altice Portugal, is a media conglomerate and the largest telecommunications company in Portugal. The company's activity segments the telecommunications sector as: fixed, mobile, multimedia, data and business solutions.**

Deliver the best customer experience.

## Increase in Altice portfolio

**MEO Energia**

Increase available portfolio for MEO customers to a new business sector: the Energy sector

**combines energy**, exclusively produced from 100% renewable sources, and **communication benefits.**

**Bundle offer** with energy & communication packages with several benefits.

## Meo Omnichannel Strategy

- **Offer is the both on digital & other channels, in order to provide CX and journeys that can cross several channels.**[2]
  - Promote the adoption of **more direct and selfcare channels** for purchase or account management issues (MEO online shop, portal & MyMEO app);
  - **Possibility for a customer to buy a product in one channel** and pick it in **other.**
  - Allows the customer to have a convenient experience as well as a specialized and **personalized assistance**.

## Hiring digital natives to enhance business

- Recruiting young graduates who greatly contribute to the company **anticipating** what will be the **market trends** in the coming years.[2]
- **Digital training** is carried out with "on the job training", so that those who work in this area are permanently aware of international publications , cases & trends.

Sources: 1. Ntech, 2020 ; 2. Marketeer, 2020

## Main takeaways

- Consumers are open to new players in the market
- Omnichannel expertise is reflected in the new industries
- Young talent is very valuable
- Training is essential to keep up with trends

Appendix 10 – Best Practice Analysis – Walgreens

## Pharmacy-led health and beauty retail company

Champion the health and well-being of the community

### Strategic Goal

From a pharmacy chain to a **true Omnichannel** design to meet safe, seamless and convenient customer needs

Launch of the **MyWalgreens App** as the central touchpoint with customers

MyWalgreens customers spend from **3.5 to 6x more in-store**

**Goal**

Build a **relationship with customers**, providing a seamless experience. Constantly **innovate** and **meet new needs**.

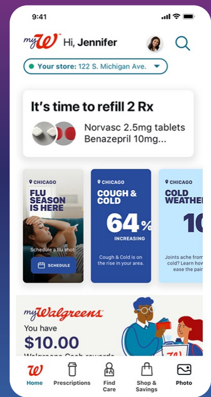
### MyWalgreens app as a customer engagement Platform

**Increased engagement from day 1, improving and strengthening relationships with customers, fostering innovation**

- Test product offerings;
- Allow a fast shift to digital grocery ecosystem;
- Geofencing — Based on location, suggest rewards and coupons when customers pass by a store;
- Personalized insights based on behaviour;
- Elevate the loyalty program to the next level;
- Virtual Doctor visits;
- 24/7 pharmacy chat;
- Donate cash to local charities

The App picks up signals from Media, Behaviour, Context, Location, Environment and Transaction sources. All these Signals are translated into **custom offers**.

MyWalgreens App




Main screen

Sources: 1. Think with Google, 2020 ; 2. David Salazar, 2021 ; 3. Forbes, 2020

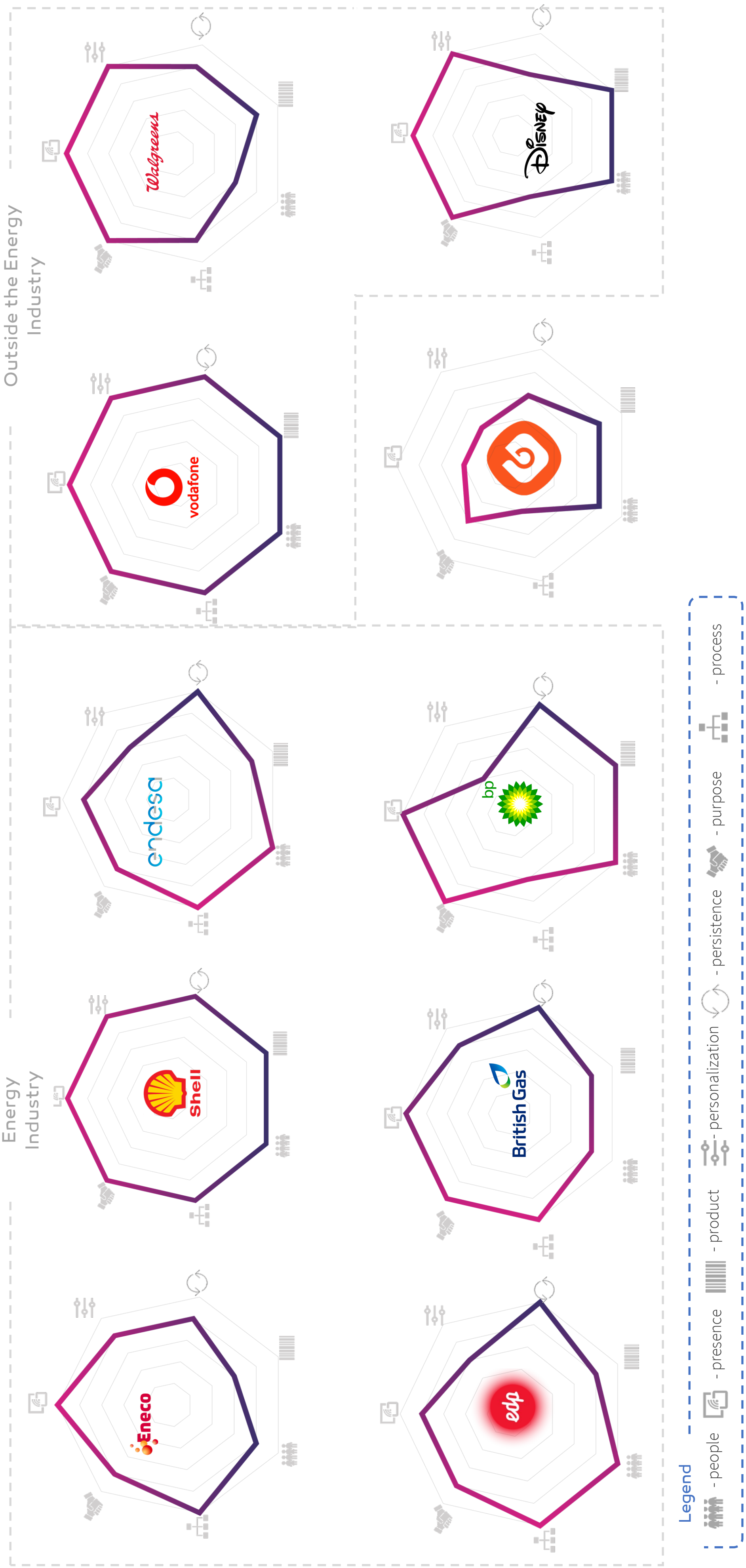
**Main takeaways**

Walgreens's app improved customer engagement

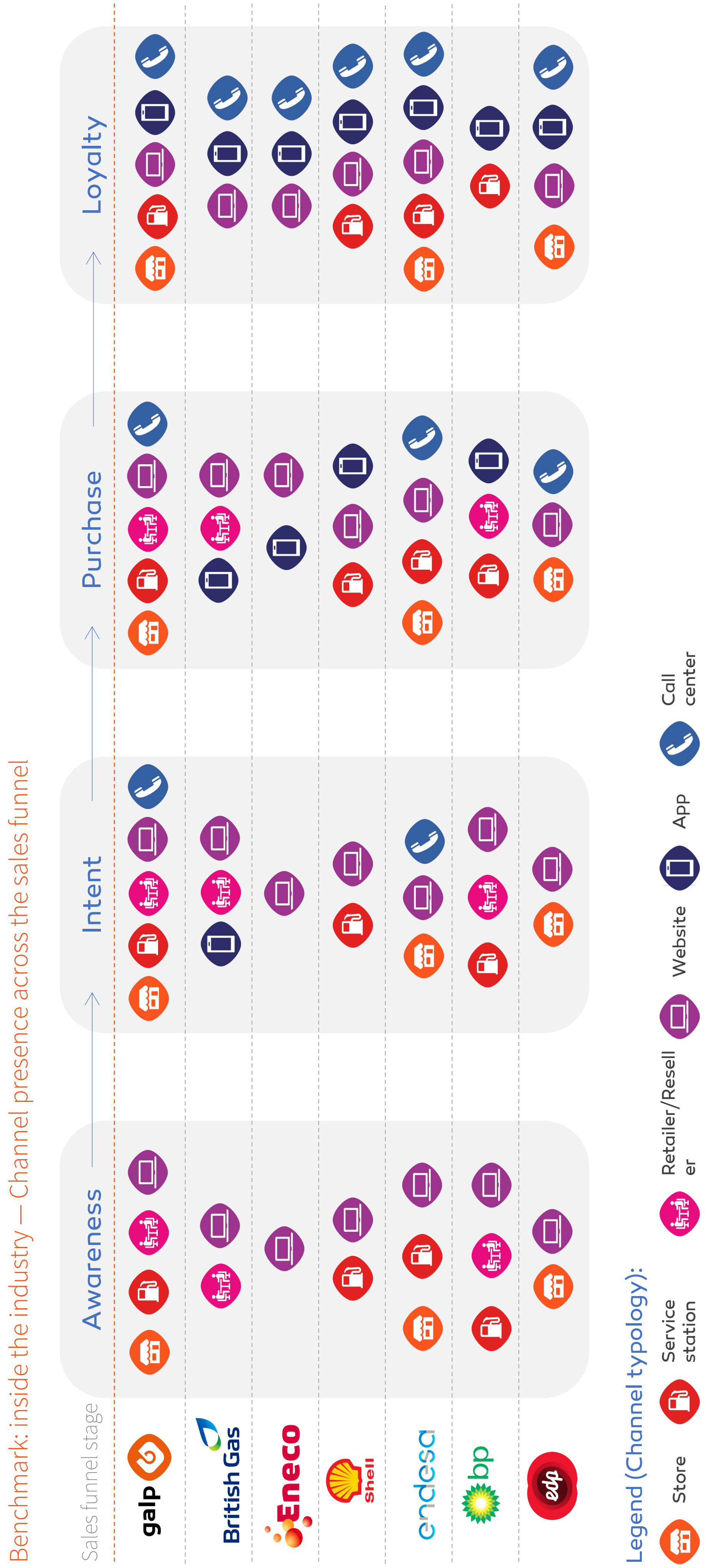
The amount spent by app customers increased significantly

Through data collection on customers' behaviour, Walgreens is able to deliver custom offers

Appendix 10.1 – Best Practice Analysis - 7P’s Diagrams of performance



Appendix 10.2 – Best Practice Analysis - 7P’s Diagrams of performance



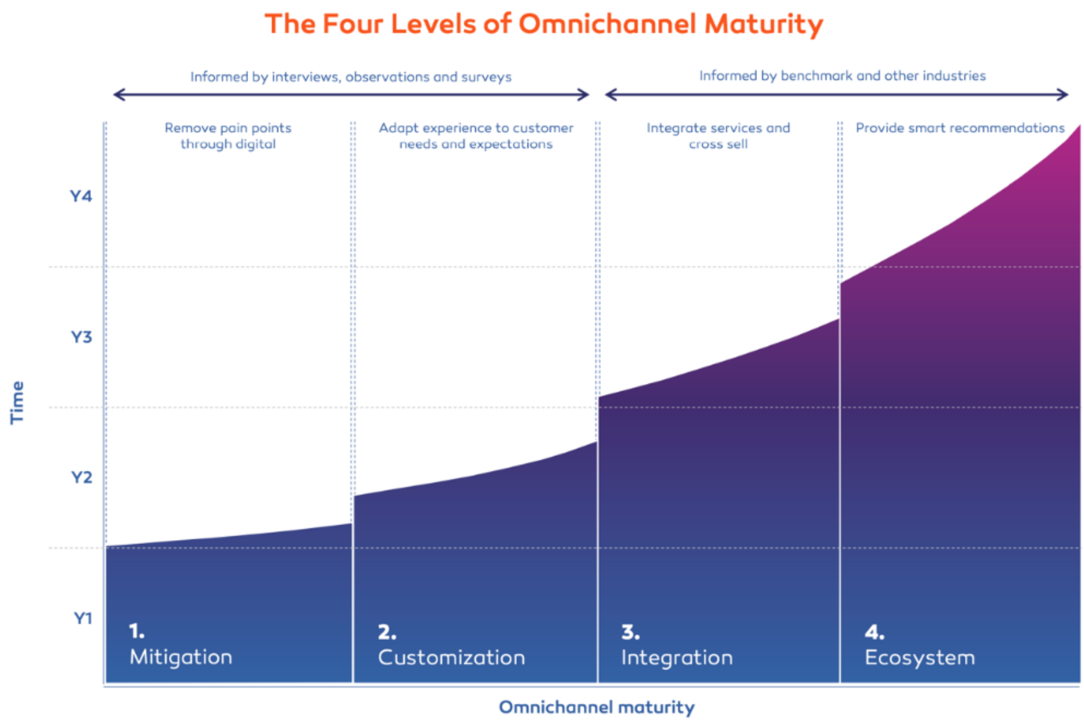

Sources:,

Appendix 11 – White Paper: The Four Levels of Omnichannel Maturity

# The Four Levels of Omnichannel Maturity

Conceptual framework

The current technological signs of progress are pushing the competitive landscape to levels we have never seen before. Consumer trends expect companies to improve and increase e-commerce usage, seeking instant gratification and company alignment with personal values. Progress has been made towards a more customer-centric approach, leveraged by technology, and companies that have understood this are taking large steps towards a differentiated offer. This progress introduces **Omnichannel**, an ecosystem of customer-centered desires and decisions which are enabled by the introduction of technology that mitigates pain points along the journey, allow customization of the experience, integrate services, and elevate the experience to the splendor of customer-centricity, a fully automated ecosystem. The issue posed is that consumers will demand the same experience across industries, hence, how to map and forecast these Omnichannel initiatives? Through the "Four Levels of Omnichannel Maturity" framework, presented below.



## 1. Mitigation

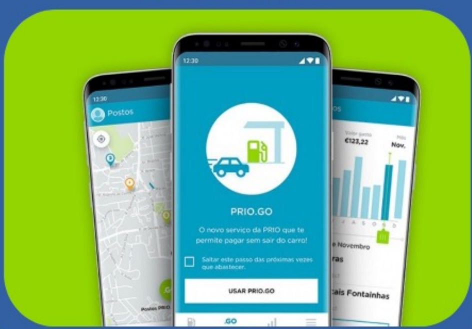
The first stage of Omnichannel maturity concerns the **capabilities a company builds to mitigate pain points** found by customers along the journey. It does not assure *per se* that a company has Omnichannel as a central mindset but allows the company to correct issues with digital tools, setting the stage for a consequent deepening of the Omnichannel offers. It does not concern decisions the customer is able to make.

These initiatives happen mostly on a short-term horizon, aiming to improve the relationship between a company and its customers, using digital initiatives that enable a quick fix of friction found along the journey.

To identify the most important pain points to be fixed, the company should conduct interviews, focus groups, behavioral observations, and surveys. By interpreting these, it would be possible to list hypotheses to mitigate the founded pain points. Ultimately, the hypotheses would turn into recommendations.
Tech-savvy customers, however, should not be the sole focus of Omnichannel activities. Therefore, companies with a wide customer base or targeting older segments must define strategies and moves that include the masses. These strategies might not even concern the use of technology by the customer, only depending on upstream technological improvements. If a company depends largely on the masses, an Omnichannel strategy must not discharge the optimization of these interactions, even though the customer might not perceive the digital processes.

**1. Mitigation | Example**

Prio Go App in Portugal allows in-app fuel payment and billing to fix the pain of in-store queues




**Embedding a customer-centric mindset** to the employees must be the first step taken. The employees must be reskilled to allow significant cross-team collaborations aiming at troubleshooting. Embedding a customer-centric mindset becomes needed to overcome internal limitations such as low and old technological investments. The staff is the motion engine of a company and change must come from within.[1]

**Small operational initiatives** characterize this level of maturity as they, step-by-step, improve the customer journey. A strategy that is focused solely on this level will end up being fragmented and non-holistic as the attention will be issue specific.[2]

Investing in **customer insight collection** becomes paramount when reaching stage 1 and 2. Building an Omnichannel strategy around customer feedback will not make reach excellency for itself but sets solid ground for the upcoming initiatives.

## 2. Customization

The second level of the framework aims to adapt the experience to the needs and expectations of the customer, boosting engagement along the journey. It departs from the previous stage of pain point fixing and establishes a new level to the experience – customization. Here, the customer starts making the first decisions, shifting the experience at his own pace, and modifying it to fit personal needs and expectations. People feel naturally more attached when they can make decisions over a subject. Consequentially, customization boosts engagement.

1 McKinsey&Company, 2021 (a)

2 McKinsey&Company, 2021 (b)

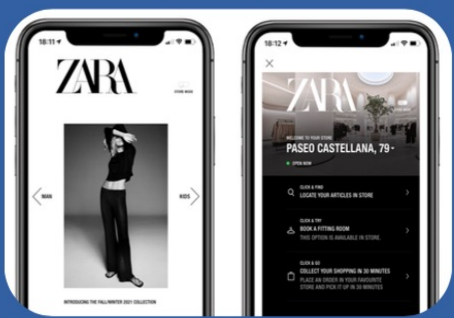
Omnichannel happens when the customer can choose the features of the interactions, and the first step towards that is to provide multiple options, which increases power of choice. This wat, to allow customization, a company must define multiple channels, products and product features that can easily provide decision power to customers. The existence of the second level requires that the identified pain points are previously fixed since customization will not fit its purpose if the journey is still fragmented and ineffective.

The initiatives associated with this level must be planned on a short to mid-term horizon and informed by interviews, focus groups, behavioral observations, and surveys. The company must understand in what dimensions of the experience the customer would like to make decisions and customize, proposing initiatives in that direction.

**2. Customization | Example**

Zara Spain customers can use the App while shopping, taking advantage of information and diversity of channels.

The app amplifies the actions a customer can make as product scanning, in-store and online stock view, find items, book fitting rooms, receive digital receipts and more.




**Providing customers proper information** to make the right decisions is a key factor when understanding customization. Also, the company must be able to target the provided information instead of choking the user with hundreds of possibilities. For instance, a German insurtech company creates instant personalized experiences according to the users' age, adjusting prices and service possibilities immediately[3]. Customers do not need all the information; they need the right information.

**Incorporating interactive technology** allows companies to maximize efficiency as the buying decisions more and more performed by customers. On the other hand, customers feel that the decision power is in their hands and take part in creating a custom experience[4]. Making decisions turns the customer tasks into meaningful experiences.

**Increase Customer Lifetime Value**, by focusing on an improved CRM strategy. Improving the relationship with customers, allowing them to make decisions along their journey and have their issues understood by service providers. A proper Omnichannel strategy can reach an increase of around 30% in CLV, when compared to single-channel usage. Moreover, retention rate can increase until around 90%[5]. The overall goal is to increase satisfaction and, the better the relation with the company, the higher the satisfaction levels will be.

## 3. Integration

The third level of Omnichannel maturity increases the depth of complexity to a level that customers can no longer see or iterate over and can only feel the effects of it. It regards to the integration of services. Here, customer centricity becomes bolder as the multiple channels, platforms and data silos start becoming connected to provide a personalized experience. After fixing pain points and providing a customizable experience, it aims ultimately to boost sales by making more directed offers to customers. That is where one can begin talking about Omnichannel properly.

Personalization appears as the next level after customization, implying that the customer as the freedom to customize, but most of the settings are pre-defined according to preferences and

3 McKinsey&Company, 2021 (b)
4 Salesforce, 2020
5 Google, 2021

decisions that the customer took in the past. For instance, at McDonald's one can ask for a Big Mac with no lettuce every time a person goes there (Customization), or McDonald's can know that every time the same person returns, their preferred menu will be the hamburger without lettuce (Personalization), leveraging on customer preferences. It concerns the concepts of service integration and cross-selling, mitigating data silos and using basic AI and Machine Learning to organize data and make customers' life easier.

**3. Integration | Example**

The Cartão Continente App, through the data collected from shopping preferences, suggests discount products based on the shopper preferences. This is a very straightforward use of data, with no prediction involved, but gives the consumer a sense of personalization. The customer feels known by Continente.


Additionally, it reveals the threshold where the term "segmentation" may lose its solid ground. When treating Omnichannel, it is necessary to understand that this concept means to allow the customer to decide when, how and where to interact. It is mostly related to behavior and behavior cannot be segmented. The unpredictability of unique set of behaviors ends in countless customer profiles. Thankfully, technology makes it possible to generate thousands of customer profiles. Farfetch, for instance, has around 7000 customer profiles, allowing a deep knowledge of customer preferences.

Customer and user feedback informs about what the customer is aware of. This level of the framework takes the first steps towards what the customer does not expect or control. Therefore, this stage should be informed with knowledge, technology, and improvements from top-notch avant-garde practice inside and outside the company's industry.

The recommendations that aim at this level of maturity are usually in the mid to long term as they imply the establishment of the first two levels as well as a thoughtful, organized, and consolidated data management strategy and structure.

**Operational efficiency** becomes paramount, as reducing friction is one of the themes here. Creating an holistic view of what the customer experience is and understanding what services can be integrated and simplified is the goal.[6] The company must collect each set of data only once rather than making life harder for the customer and asking for the same information at every touchpoint (for instance, the customer's fiscal number). The same frictionless mindset happens with how fast the experience is, and offering a quick onboarding, service as well as a seamless device integration is key. Customers must be able to choose when and where to start their journey and also when and where to continue.

**Seeking partnerships and sharing resources** becomes also relevant here. From this level onwards, most of the initiatives require capabilities that most companies do not have and cannot afford. However, finding alternatives in the market which serve the same purpose and cost a fraction of developing from scratch can be a viable option.[7]

**Cross-functional teams** are capable of enhancing the quality of the customer experience by breaking down silos across areas. Cross-functional teams with E2E responsibilities have proved to be successful through agile methodologies, increasing product and service quality, reducing handovers, and being structured. It also means that new talent

6 Salesforce, 2020

7 McKinsey&Company, 2021(c)

will be needed for new areas to be explored. A Customer Journey analytics team becomes essential at this stage to ensure that, much more than covering pain points, a company is able to find gaps in the CX that can be better integrated.

## 4. Ecosystem

The fourth level of Omnichannel maturity is reached when a single individual is treated at the same level on every channel and product by every employee, device, and process. Here, the customer is the central key of the whole business plan, and the company tracks every decision the customer makes so that the journey is seamless, integrated, easy and, above all, exceeds expectations.

With the data collected, a company creates individual behavior profiles, track preferences, map journeys and, ultimately, make decisions according to the preferences of the consumer. It concerns the achieving of a sublime customer experience with zero friction and pain, and 100% consistency and efficiency. At this level, technology is taken to a level of automation and independence in which the algorithms make decisions towards customer experience excellence.

**New customer segments** can be found when the whole operation is centered in what the customer values the most and the behaviors that depend on that. Operating in such a customer-centric environment allows companies to, much more than knowing customers, know the ways to get to those customers. Technology allows a quick testing of hypotheses and approaches with potential customers, improving largely lead generation capabilities.

**Trace every step** of your customer's journey. This might seem scary for some. Tracking a customers' activity with their consent in order to provide an improved experience is needed to provide proper 4th level Omnichannel experiences. By increasing the number of datapoints, a company can expand the scope information available for further analysis. When this analysis is algorithm-based, the possibility of predictions and decisions increases exponentially.

**Improve inventory turnover** by understanding customer's buying patterns, tracing individual preference profiles, and predicting seasons of higher request. Also, by understanding specific behaviors, companies can target specific products and services, and, therefore, increase sales.

### 4. Ecosystem | Example

The wide range of products offered by **Amazon** are part of their strategy to increase largely the datapoints available. All the devices integrate the Amazon Ecosystem, where customers have a multiplicity of channels to interact, receive offers from all channels and all the offers are 100% tailored for the purpose of that same customer.

## Some Omnichannel stats

### Problem identification

| | |
|---|---|
| 35% | of customers expect the same customer care in all channels[8]; |
| 61% | of customers are not able to switch between channels when contacting customer care[9]; |
| 85% | of customers start the purchase in one channel and end in other; |
| 39% | of customers will not return to a store after a bad experience; |
| 74% | of customers do online research before a live shopping experience[10] |
| 90% | Of customers rate an "immediate" response (10min) as paramount[11] |
| 90% | Of customers expect consistent interactions across channels |
| +208% | Growth in BOPIS during the pandemic[12] |

### Solution

| | |
|---|---|
| 6 touchpoints | used by more than 50% of customers before buying[13] |
| 77% | of companies with strong omnichannel strategies store cross-channel data of customers |
| 48% | of customers agree to share data for a more personalised experience |
| 88% | Perform Customer care omnichannel training[14] |

### Results

| | |
|---|---|
| +13% | Average spending[15] |
| +9,5% | YOY annual revenue growth, compared to 3,4% on weak omnichannel strategies[16] |
| +250% | Purchase frequency[16] |
| -7,5% | Cost per contract |
| +90% | Customer retention compared to average of 30%[16] |
| +30% | Increase in CLV, vs. single channel |
| +80% | Incremental store visits[17] |
| 41B | IoT devices in 2027 |

[8] Zendesk, 2020
[9] Dixa, n.d.
[10] Think with Google, 2021
[11] Acquire, 2022
[12] Thomas L, 2020
[13] Chawlani, 2021
[14] Deloitte, 2020
[15] Omnisend, 2020
[16] Aberdeen group, 2020
[17] Think with Google, 2021

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Appendix 12.1 – Qualitative Research: Interview Guide

**Objetivo:** Esta entrevista foi realizada no âmbito da investigação de uma tese de Mestrado em Gestão, realizada por alunos da Universidade Nova de Lisboa, Faculdade de Economia e Gestão. O objetivo da mesma será investigar a jornada e a experiência de um cliente da Galp.
**Confidencialidade:** A informação obtida será utilizada apenas para fins académicos (tese de Mestrado) e só será disponibilizada a membros deste projeto. Todos os dados recolhidos serão tratados apenas de forma agregada, nunca individualmente.
**Os seus direitos como participante:** A sua participação é inteiramente voluntária. Pode abandonar a entrevista em qualquer altura, sem qualquer penalização.
**Honestidade:** A sua honestidade é importante para nós, e por isso, solicitamos que as suas respostas a todas as nossas questões sejam espontâneas e sinceras. ***Para empresas contactadas pela Galp****: as respostas deverão ser relativas às necessidades da sua empresa, e não das atualmente satisfeitas pela Galp à sua empresa.*
**Formato:** A entrevista terá uma duração de cerca de 45 minutos, e está estruturada em 5 partes.

1. **Caracterização do perfil do entrevistado**

**Antes de começarmos a entrevista gostaríamos de recolher alguns dados pessoais:**

**1.1. Idade**
1.2. Género
1.3. Cidade onde vive

**Gostaríamos agora de falar sobre a sua relação com os canais da Galp.**
Quando falamos de canais referimo-nos aos pontos físicos e digitais nos quais interage com os produtos e oferta da Galp ou de outros comercializadores.

1.4. No último ano que canais Galp utilizou?
- App mundo Galp
- Website
- Lojas Galp (lojas de rua ou lojas do cidadão)
- Posto de combustível
- Linhas telefónicas

1.5. Quais os produtos/serviços que utiliza?
- Fuel
- Gás engarrafado
- Eletricidade
- Gás
- Mobilidade elétrica
- Solar

1.6. Onde? Casa principal, casa secundaria ou arrendamento?
1.7. (Caso seja cliente fuel) É cliente preferencial Galp ou cliente não preferencial Galp?
1.8. Paga as contas relativas à utilização dos produtos que menciono ou é decisor na escolha do comercializador/fornecedor?

2. Caracterização da Jornada

**Vamos agora fazer perguntas sobre a sua experiência como cliente nos diferentes canais Galp que referiu ser utilizador.**

**[Caso tenha utilizado o posto de combustível para:]**
**Produtos non fuel**
- Que serviços utiliza nos postos de combustível? (dar exemplo lojas de conveniência, beber café, comprar tabaco, revistas, comprar garrafa de gás, etc.)

- Qual é o percurso que faz dentro do posto para comprar esse produto (adaptar a pergunta à resposta que o entrevistado deu previamente)
- Sente que a sua experiência em qualquer posto sente que é semelhante? Porque não, porque sim?
- Qual o grau de recomendação da experiência no posto Galp habitual?
- O que o faria recomendar esse posto?
- O que o faria não recomendar esse posto?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**Fuel**

- Consegue descrever o processo de ir pôr gasolina desde o momento em que pensa abastecer, até sair do posto?
- Antes de ir por gasolina pesquisa onde tem um posto Galp mais perto de onde está? Ou se o posto tem mais algum serviço (ex. lavagem, etc.)?
- Costuma por gasolina num posto que esteja a caminho, ou mais perto da habitação/ trabalho? Costuma pagar o seu abastecimento nos ecrãs disponíveis em cada posto? (avaliar se a pessoa utiliza o pagamento Pay&Go) Porquê? Ou costuma deslocar-se à loja? Porquê?
- Sente que a sua experiência em qualquer posto que é semelhante? Porque não, porque sim?
- Tem cartão Galp + ou Galp Continente?
- Qual o grau de recomendação da experiência no posto Galp habitual? (0 a 10)
- O que o faria recomendar esse posto? O que o faria não recomendar esse posto?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**G&P**

- Como tomou conhecimento dos serviços de Gás (e/ou) Eletricidade da Galp?
- Fez alguma pesquisa prévia sobre os produtos de Gás (e/ou) Eletricidade Galp?
- Pediu informações num posto de combustível? Encontrou a informação que procurava? (possibilidade: não, tive de ligar para a linha telefónica- perceber o porquê de não ter encontrado a informação)
- Fez o seu contrato num posto de combustível? Ou em outro canal?
- Consegue descrever como foi o momento desde que pediu informações ao momento em que fechou o contrato? Ficou satisfeito? (dependendo do canal mencionado dar exemplos de jornada caso a pessoa não se esteja a recordar)
- Onde / como é que costuma gerir as questões relativas à gestão do seu contrato (leituras, faturas, pagamentos, dar exemplos dos canais caso n se recorde)?
- Porque é que escolhe esse mesmo canal?
- Como é o processo no [canal mencionado]?
- Quando tem um problema relativo ao seu contrato ou à utilização do produto que meios utiliza para entrar em contacto com a Galp? Porque escolhe esse canal?
- Qual o grau de recomendação da sua experiência no posto para contratação/ resolução de problemas eletricidade/gás da Galp?
- O que o faria recomendar o Gás (e/ou) Eletricidade Galp?
- O que o faria não recomendar o Gás (e/ou) Eletricidade Galp? "
- Tem conhecimento dos benefícios que tem ao ser cliente G&P? (Caso o entrevistado não se recorde, dizer quais são)
- (Caso a reposta à pergunta anterior tenha sido positiva) Utiliza os benefícios dos parceiros Galp (Uber, Uber Eats)? Caso não os utilize, qual é a razão?

**E-mobility**

- Como é o processo de carregamento da bateria do seu carro?

- Customa ir sempre ao mesmo posto carregar a bateria do seu carro, ou pesquisa o lugar mais conveniente?
- Como se deu o seu processo de adesão ao Galp Electric? Porque escolheu a Galp?
- Sente que tem à sua disposição todas as informações e vantagens do cartão Galp Electric?
- Que inconvenientes sente no processo de carregamento do seu carro?
- Como se dá o processo de pagamento e "login"?
- Sente que a sua experiência é a mesma em todos os postos? Porquê?
- que costuma fazer enquanto aguarda o carregamento do seu veículo? (Perceber se uma boa experiência de loja poderia ser positiva)
- Como é estar associado ao Galp electric? Tem acesso a uma área de cliente onde pode consultar pagamentos e carregamentos prévios?
- que o faria recomendar este serviço a alguém?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais optimizados? Ou incorporados?

**Gás engarrafado**

- Alguma vez adquiriu gás engarrafado num posto da Galp?
- Porque escolheu os postos Galp para comprar gás engarrafado?
- Compra as garrafas de gás sempre no mesmo posto? Qual a razão?
- Costuma ir a outros postos comprar gás engarrafado?
- Pesquisou em que posto estava disponível a venda de garrafas de gás? Que meios utilizou?
- Onde fez o pedido da garrafa de gás? Dentro ou fora da loja?
- Como foi o processo / atendimento? Considera que foi atendido de forma adequada e esclarecida? Considera que o tempo em que o seu pedido foi satisfeito é adequado?
- Deslocou-se ao posto apenas para comprar garrafas de gás ou usufruiu de outros serviços?
- Pagou a garrafa de gás no mesmo momento em que fez o pedido?
- Como descreve a experiência da compra de gás engarrafado num posto GALP? Rápida, conveniente, eficiente, agradável, intuitiva, confusa, demorada, aborrecida?
- Após a primeira encomenda através da app voltou a utilizar o serviço?
- Qual o grau de recomendação da sua experiência com o serviço de gás online da Galp na app? (avaliação de 0 a 10) O que o faria recomendar o serviço de gás online da Galp na app? O que o faria não recomendar o serviço de gás online da Galp na app?
- Que inconvenientes encontra em todo o processo que acabou de descrever? Que processos poderiam ser mais otimizados? Ou incorporados?

**[Caso tenha utilizado uma loja Galp para:]**

**G&P**

- Como tomou conhecimento dos serviços de Gás (e/ou) Eletricidade da Galp? Fez alguma pesquisa prévia sobre os produtos de Gás (e/ou) Eletricidade Galp? Dirigiu-se a alguma loja Galp para tirar duvidas? Como foi?
- Encontrou a informação que procurava? (possibilidade: não, tive de ligar para a linha telefónica- perceber o porquê de não ter encontrado a informação)
- Fez o seu contrato em loja? Ou noutro canal?
- Consegue descrever como foi o momento desde que pediu informações até ao momento em que fechou o contrato?
- Ficou satisfeito? (dependendo do canal mencionado dar exemplos de jornada caso a pessoa não se esteja a recordar)
- Costuma dirigir-se à loja para gerir as questões relativas à gestão do seu contrato (leituras, faturas, pagamentos, dar exemplos dos canais caso n se recorde)? Se não, onde o faz?
- Porque é que escolhe esse mesmo canal? Como é o processo no [canal mencionado]?

- Quando tem um problema relativo ao seu contrato ou à utilização do produto que meios utiliza para entrar em contacto com a Galp?  Porque escolhe esse canal?
- Qual o grau de recomendação da sua experiência no posto para contratação/ resolução de problemas relacionados com os produtos de eletricidade/gás da Galp?
- Tem conhecimento dos benefícios que tem ao ser cliente G&P? Se não se recordar, dizer quais são. (se sim) Utiliza os benefícios dos parceiros Galp (Uber, Uber Eats)? Se não, porquê?
- O que o faria recomendar o Gás (e/ou) Eletricidade Galp? O que o faria não recomendar o Gás (e/ou) Eletricidade Galp?
- Qual o grau de recomendação da sua experiência com o website no que diz respeito à eletricidade/gás da Galp? (0 a 10)
- Que inconvenientes encontra em todo o processo que acabou de descrever?     Que processos poderiam ser mais otimizados? Ou incorporados?

**Solar**

- Como tomou conhecimento deste serviço Galp? O que o levou a escolher a Galp?
- Como foi o processo de inspeção técnica/ simulação do rendimento?
- Como foi o processo de compra?
- Como foi o processo de instalação? Foi fácil agendar, o processo é intuitivo?
- Qual o grau de recomendação da sua experiência com o website no que diz respeito à Galp Solar? (0 a 10) O que o faria recomendar o Galp Solar? O que o faria não recomendar o Galp Solar?
- Que inconvenientes encontra em todo o processo que acabou de descrever? Que processos poderiam ser mais otimizados? Ou incorporados?

**[Caso tenha utilizado o website para:]**

**Gás & Power**

- Como tomou conhecimento dos serviços de Gás (e/ou) Eletricidade da Galp?
- Fez alguma pesquisa prévia sobre os produtos de Gás (e/ou) Eletricidade Galp? Se sim, que meios utilizou?
- Encontrou a informação que procurava? (possibilidade: não, tive de ligar para a linha telefónica- perceber o porquê de não ter encontrado a informação)
- Fez o seu contrato no website? Como foi o processo? Achou fácil e intuitivo?
- Consegue descrever o processo desde que pesquisou a oferta até ter o contrato assinado?
- Costuma aceder à sua área pessoal Galp, seja no website ou na app? Como avalia a experiência? (tentar conversar sobre como é o processo de log in, experiência no site, se acha intuitivo, que tipo de ações faz no mesmo, ou o que gostaria de poder aceder e não consegue)
- Costuma gerir as questões relativas à gestão do seu contrato (leituras, faturas, pagamentos, dar exemplos dos canais caso n se recorde) na sua área pessoal?
- Como é o processo no [canal mencionado]? Quando tem um problema relativo ao seu contrato ou à utilização do produto que meios utiliza para entrar em contacto com a Galp?  E porque escolhe esse canal?
- Sentiu alguma limitação ao utilizar o website? Se sim? Quais foram?
- Tem conhecimento dos benefícios que tem ao ser cliente G&P?
- Se não, dizer quais são. " (se sim) Utiliza os benefícios dos parceiros Galp(Uber, Uber eats)? Se não, porquê?
- Qual o grau de recomendação da sua experiência com o website no que diz respeito à eletricidade/gás da Galp? (0 a 10)
- Que inconvenientes encontra em todo o processo que acabou de descrever?     Que processos poderiam ser mais otimizados? Ou incorporados?

**Mobilidade Elétrica**

- Como tomou conhecimento dos serviços de mobilidade elétrica da Galp?
- Fez pesquisa prévia sobre outras empresas que fornecem o mesmo serviço?

- Sente que encontrou toda a informação que precisava para poder tomar uma decisão?
- Como foi o seu processo de adesão através do website? Consegue descrever?
- Que inconvenientes encontrou no processo de adesão?
- Tem acesso a uma área pessoal onde pode controlar pagamentos, carregamentos, postos de carregamento e mais?
- Sente que o website é intuitivo e explícito nas informações que são fornecidas?
- Alguma vez teve um problema associado ao seu cartão Galp Electric? Se sim, como o resolveu?
- Qual o grau de recomendação da sua experiência com o website no que diz respeito à oferta de mobilidade elétrica da Galp? (0 a 10)
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**Solar**

- Como tomou conhecimento deste serviço Galp? O que o levou a escolher a Galp?
- Como foi o processo de inspeção técnica/ simulação do rendimento?
- Como foi o processo de compra?
- Como foi o processo de instalação? Foi fácil agendar, o processo é intuitivo?
- Qual o grau de recomendação da sua experiência com o website no que diz respeito à Galp Solar? (0 a 10)
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**Gás Engarrafado**

- Alguma vez utilizou o website para encomendar garrafas de gás Galp?
- Como tomou conhecimento do serviço online de gás engarrafado?
- Fez alguma pesquisa prévia sobre o serviço de encomenda online de gás engarrafado Galp?
- Ficou satisfeito com a informação que encontrou?
- O que o levou a escolher a Galp? Acedeu ao serviço através do website da Galp ou pesquisou diretamente por gás engarrafado Galp ou pesquiso gás engarrafado?
- Como avalia o processo de encomenda de gás engarrafado na página Gás online? Demorado, eficiente, rápido, confuso?
- Usufruiu de algum desconto no pagamento da garrafa de gás?
- Que limitações encontrou na encomenda da garrafa de gás?
- Foi informado do estado da sua encomenda ao longo do processo? Como? Através do email?
- Conseguiu aceder facilmente à fatura do seu pedido? Se sim, onde? Email ou na área privada do website?
- Após a primeira encomenda voltou a encomendar gás engarrafado online?
- Se teve algum problema relacionado com a utilização das garrafas ou com o serviço gás online consultou o website?
- Encontrou a informação que procurava? Ficou esclarecido ou teve de recorrer a outro meio? Qual?
- Qual o grau de recomendação da sua experiência com o serviço de gás online da Galp? (avaliação de 0 a 10)
- Que inconvenientes encontra em todo o processo que acabou de descrever? Que processos poderiam ser mais otimizados? Ou incorporados?

**[Caso tenha utilizado a App Mundo Galp para:]**

**Fuel**

- Alguma vez utilizou a app para pesquisar onde existe um posto Galp?
- Alguma vez utilizou a app para pesquisar os serviços dos postos?

- Como sentiu que foi a experiência?
- Conseguiu encontrar o que queria? (sim/não) Porquê?
- Utilização a app para gerir o seu Cartão Galp +?
- Sentiu alguma limitação ao utilizar a app? Se sim? Quais foram?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**Gás & Power**

- Utiliza a app para envio de leituras? Como descreve o processo?
- Utiliza a app para pagar faturas? Como descreve o processo?
- Utiliza a app para ter mais informação sobre o seu contrato ou já utilizou para conseguir mudar o seu contrato? Se sim, consegue descrever como foi o processo desde o momento em que abriu a app até finalizar o pedido?
- Tem conhecimento dos benefícios que tem ao ser cliente G&P? (Caso não se recorde, dizer quais são. (se sim) Utiliza os benefícios dos parceiros Galp (Uber, Uber Eats)? Se não os utiliza, qual é a razão?
- Sentiu alguma limitação ao utilizar a app? Se sim? Quais foram?
- Qual o grau de recomendação da sua experiência com a app no que diz respeito à eletricidade/gás da Galp? (0 a 10) O que o faria recomendar o Gás (e/ou) Eletricidade Galp? O que o faria não recomendar o Gás (e/ou) Eletricidade Galp?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**Solar**

- Conhece a App Galp Solar? Alguma vez utilizou? Tem a app instalada?
- Utiliza a app Galp solar para gerir o seu sistema de energia solar? Se sim, qual a sua opinião sobre a app? Poderia melhor?
- Qual o grau de recomendação da sua experiência com a app no que diz respeito à Galp Solar? (0 a 10)
- Que inconvenientes encontra em todo o processo que acabou de descrever? Que processos poderiam ser mais otimizados? Ou incorporados?

**Mobilidade Elétrica**

- Costuma usar a App para procurar postos com carregadores elétricos? Consegue adicionar o seu cartão Galp Electric à APP?
- Quais são as limitações que considera existir no uso da App no âmbito da mobilidade elétrica?
- Qual o grau de recomendação da sua experiência com a app no que diz respeito à oferta de mobilidade elétrica da Galp? (0 a 10) O que o faria recomendar a app da Galp para ME? O que o faria não recomendar o serviço ME da Galp na app?
- Que inconvenientes encontra em todo o processo que acabou de descrever? Que processos poderiam ser mais otimizados? Ou incorporados?

**Gás Engarrafado**

- Alguma vez utilizou a app para encomendar gás engarrafado?
- Como tomou conhecimento do serviço gás online através da app?
- O que fez descarregar a app da Galp?
- Quais foram as razões que o levaram a encomendar garrafas de gás através da app e não através do website?
- Tem um log in na app da Galp? Como descreve a experiência de encomendar garrafas de gás através da app? Agradável, fácil, confusa, rápida, demorada, desagradável, intuitiva, eficiente, personalizada?
- Que limitações da app encontrou quando encomendou a garrafa de gás?
- Após a primeira encomenda através da app voltou a utilizar o serviço?

- Qual o grau de recomendação da sua experiência com o serviço de gás online da Galp na app? (avaliação de 0 a 10) O que o faria recomendar o serviço de gás online da Galp na app? O que o faria não recomendar o serviço de gás online da Galp na app?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**[Caso tenha utilizado as Linhas Telefónicas para:]**

**Gás & Power**

- Fez alguma pesquisa prévia sobre os produtos de Gás (e/ou) Eletricidade Galp? Ligou para alguma linha telefónica? Como foi o processo?
- Obteve a informação que procurava? Demorou tempo a ter a resposta?
- Onde fez o seu contrato? Consegue descrever como foi o momento desde que pediu informações ao momento em que fechou o contrato? Ficou satisfeito? (dependendo do canal mencionado dar exemplos de jornada caso a pessoa não se esteja a recordar)
- Costuma ligar para as linhas para gerir as questões relativas à gestão do seu contrato (leituras, faturas, pagamentos, dar exemplos dos canais caso n se recorde)? Se não, onde?
- Porque é que escolhe esse mesmo canal? Como é o processo?
- Quando tem um problema relativo ao seu contrato ou à utilização do produto que meios utiliza para entrar em contacto com a Galp? E porque escolhe esse canal?
- Qual o grau de recomendação da sua experiência com uma linha telefónica para contratação/ resolução de problemas eletricidade/gás da Galp? (0.a 10) O que o faria recomendar o Gás (e/ou) Eletricidade Galp? O que o faria não recomendar o Gás (e/ou) Eletricidade Galp?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**Mobilidade Elétrica**

- Quando tem um problema relativo à mobilidade elétrica ou à utilização do produto que meios utiliza para entrar em contacto com a Galp? E porque escolhe esse canal?
- O que o faria recomendar o atendimento?
- O que o faria não recomendar o atendimento? Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**Solar**

- Como tomou conhecimento deste serviço Galp?
- O que o levou a escolher a Galp?
- O serviço de atendimento foi útil?
- Como foi o processo de compra?
- Como foi o processo de instalação? Foi fácil agendar, o processo é intuitivo?
- Qual o grau de recomendação da sua experiência com o website no que diz respeito à Galp Solar? (0 a 10) O que o faria recomendar o Galp Solar? O que o faria não recomendar o Galp Solar?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- **Gás Engarrafado**
- Alguma vez utilizou a linha telefónica para esclarecer dúvidas ou obter informação relativas ao gás engarrafado?
- Como percebeu que podia ser esclarecido através do atendimento via linha telefónica?
- Onde encontrou os números para ligar para o serviço de apoio ao cliente Galp?
- Ficou esclarecido para que numero tinha que ligar na situação em que se encontrava?
- Qual a razão da sua chamada: resolução de um problema ou pedido de informação?
- Como avalia a chamada? Rápida, eficiente, esclarecedora, demorada, confusa, não atenderam?

- O que o faria recomendar o atendimento telefónico Galp para o gás engarrafado? O que o faria não recomendar o atendimento telefónico Galp para o gás engarrafado?
- Que inconvenientes encontra em todo o processo que acabou de descrever?
- Que processos poderiam ser mais otimizados? Ou incorporados?

**3.** Experiência global Omnichannel

**Vamos agora fazer-lhe algumas perguntas relacionadas com a perceção geral da sua experiência com cliente da Galp.**

3.1. Em relação aos canais que utiliza, considera que estes poderiam ser mais intuitivos e eficientes?
3.2. Como é que acha que deve ser a interação com a Galp? Algum inconveniente que encontre na forma como interage?
3.3. O que considera importante na interação com produtos / canais da Galp?
3.4. Considera que, ao ter contacto com a Galp pelos diferentes pontos, tem uma experiência uniformizada e consistente para qualquer que seja o produto?
3.5. Sente que tem acesso à informação e consegue tomar decisões acerca da forma de interação com a Galp?
3.6. Está satisfeito com o nível de personalização com os canais da Galp? Sente que a experiência é adaptada a si?

**4. Recetividade a uma experiência mais digitalizada**

**Gostaríamos de perceber quais seriam algumas das suas preferências em relação a uma experiência mais digitalizada como cliente Galp.**

4.1. Tem preferência pelo por interagir nas lojas físicas ou em formato digital pelo website ou app? Porquê?
4.2. Que ações da sua jornada imaginaria que poderiam ser mais disruptivas e digitais?
4.3. Recorda alguma experiência com qualquer outra empresa que tenha sido inovadora e que tornou a sua vida mais simples?

**5. Perceção da marca Galp**

**Para terminar, vamos fazer questões para perceber qual a sua perceção da marca Galp.**

5.1. Na sua visão, qual o propósito/missão da Galp em Portugal?
5.2. Qual é imagem que tem da marca Galp?
- Pontos positivos
- Pontos negativos

5.3. Como espera que a sua experiência como cliente da Galp seja em 2030?

Appendix 12.2 – Qualitative Research: Samples

## Qualitative interviews

| Channels /Products | Non-fuel | Fuel | Gas&Power | Solar | Electric Mobility | Bottled Gas |
|---|---|---|---|---|---|---|
| Gas station | ✓ | ✓ | | | ✓ | ✓ |
| Stores | | | ✓ | | | |
| Website | | ✓ | ✓ | ✓ | ✓ | ✓ |
| App | | ✓ | ✓ | ✓ | | ✓ |
| Service Lines | | ✓ | ✓ | ✓ | ✓ | |

### Interviewees Characteristics

**Total of 25 individual interviews**

Ages from 23 to 66

**15/25** **10/25**

Appendix 12.3 – Qualitative Research Results: Pleasure Points Identified

## Pleasure Points identified throughout the interviews

### Convenience

**Efficiency in Gas Stations**
Customers identify that going to a Galp Gas Station is a quick process, leading them to come back and leave satisfied.

**Different locations and variety of channel**
Either digitally or physically, customers consider that Galp is present in the right places, allowing them to choose the most convenient channel.

**Availability at late hours**
Convenience stores and gas stations are open for a long period of time during the day/night.

### Digital Tools

**Efficient Online Contract**
Customers identify that the process of doing a contract online is clear and quick.

### Payments

**Via Verde and Pay&Go is a fast and convenient option**
Customers identify this option as a good service to have, as caring less and less their physical wallets with them and paying on screens is a quicker option

### Operational

**Service quality**
Customers consider Galp's service consistent, efficient and friendly.

**Similar physical experience**
Physical channels are organized in a standardized way making customer journey easier.

**Trusted brand and quality products**

**Channel aesthetic**
Customer consider that channels have a clean design and are organized, having an appealing appearance.

Appendix 12.4 – Qualitative Research Results: Pain Points Identified

## **Pain Points** identified throughout the interviews

### Convenience Service

**Experiences are not similar**
Customers identify that gas station differ from one another.

**Necessity to always add data**
Customers need to provide their data for discounts every time they make a purchase, leading to a less efficient process.

### Assortment price-quality

**Stores are not convenient nor comfortable**
Customers do not like to go to the store. Consider the products expensive, that is a lacking variety and do not provide a good experience.

### Digital Tools

**Website is not user friendly**
Customers state that it is very difficult to navigate the website.

**App is not intuitive nor user friendly**
Customers identify that it takes a lot of time to open and it does not adapt to the mobile phone making it difficult to read and press the buttons, which may lead to a dropout *(information may relate to the previous app)*

### Payments

**Waiting time to pay and refuel**
Customers value a fast payment process identifying that having long lines represent an inconvenient.

**Pay&Go and Via Verde are not intuitive**
Both services should be used to save time, however, customers find them difficult to use and confusing. The lack of information available about the service leads the customer to give up and don't try to use it again.

### Operational

**Service lines are disorganized and time-consuming**
Customers report that when contacting the call center it takes a lot of time to answer as well as solve the problem.

Appendix 12.5 – Qualitative Research: Further Results

## Receptiveness to digitization

**Do you prefer to interact in physical stores or in digital format?**

Physical stores: 2 /14

Digital: 12 /14

**What could make your journey more disruptive and digital?**

- Facilitate the Pay&Go method
- Get notifications about the specific gas station (ex: is it full? Does it have via verde?)
- Having a QR code in the app with all personal information
- Be able to pay with the app
- Home deliver of fuel

**Experience with any other company that was innovative and made your life simpler?**

Betclic: Chatbots with real people

Lime: New transportation that is environmental friendly

vodafone: Use of video calls within the app to solve problems at distance

pingo doce: Pay with app and digital invoice

MOBI CASCAIS: Everything is done with the app: payments, bus schedules

## Perception of Galp

**What is the image you have of Galp?**

National reference

Low evolution

Trusted Brand

Quality

Top of mind

**How do you imagine your experience as a Galp customer to be in 2030?**

Home delivery for fuel

Faster and automatized

Home car wash

Everything is connected

More digital (App)

More personalization

Green

Appendix 13 - Brainstorm Session: Guideline sent to participants

**Brainstorming Session**

## Focus on quantity

- *"The more the merrier"*
  - Putting out more ideas enhances the likelihood of producing a radical and effective solution

## There are no bad ideas

- A seemingly bad idea at first can provide powerful insights after group discussion
- Unusual ideas can arise from new perspectives and suspending old assumptions
- Discarding no ideas generates a longer list of solutions

## Leave criticism at the door

- Judging will leave good ideas unspoken
- People must feel free to speak whatever comes to their minds

## Combine and improve ideas

- "1+1=3"
  - Two ideas can easily complement each other
  - A solution's flaws can be turn into strength through another idea's approach

## Be prepared to let go of your idea

- Brainstorming sessions are not a battle of egos
- If the idea is not part of the team's answer to the problem let it go


Strategic Goals
Identify omnichannel initiatives under way across Galp's departments.
Build together new ideas to meet Galp's omnichannel strategy (overcome fragmented customer journeys')
Decide what questions to address in the quantitative survey to be launched
Presentation
Context & Rules
-2min-
Team Presentation
-1min-
Time planned: 3 min
Empathy
Situation & Complication
-2min-
Strategic Goals
-2min-
Time planned: 4 min
Define
Identify current initiatives that Galp is launching/will be launched on omnichannel scope
List ongoing Initiatives per department
-5min-
Allocate initiatives in Sales Funnel stages
-5min-
List questions to be asked in Survey
-5min-
Time planned: 15 min
Ideate
Build together new ideas to meet Galp's omnichannel strategy (overcome fragmented customer journeys')
Creativity unlocking exercise
-5min-
Brainstorm (list ideas per sales funnel stages)
-7min-
Identify possible Challenges per idea
-5min-
List questions to be asked in Survey
-5min-
Discussion
-10min-
Time planned: 27 min

## Homework

For the workshop to be productive, we ask you to **invest some of your time preparing** and thinking about the challenge.

**Deadline:** 30 March at 13h00

## Tasks

1 Read the briefing pdf, and **reflect on the challenge**.

2 Based on what you have read:
- **Identify** and **share** the initiatives your department is doing
- **Brainstorm** future initiatives that you think should be done to elevate Galp's omnichannel offer (and meet Galp's strategic goals).

3 Explore the Mural Platform and become familiar with the ecosystem. See instructions HERE.

4 Log in before the session. HERE.

## So that the workshop can be fun and productive...

The top priority is for you to **feel free**, we count on your participation.

There are **no bad ideas**, **creativity** is the most important.

**Humour** is recommended.

Be comfortable.

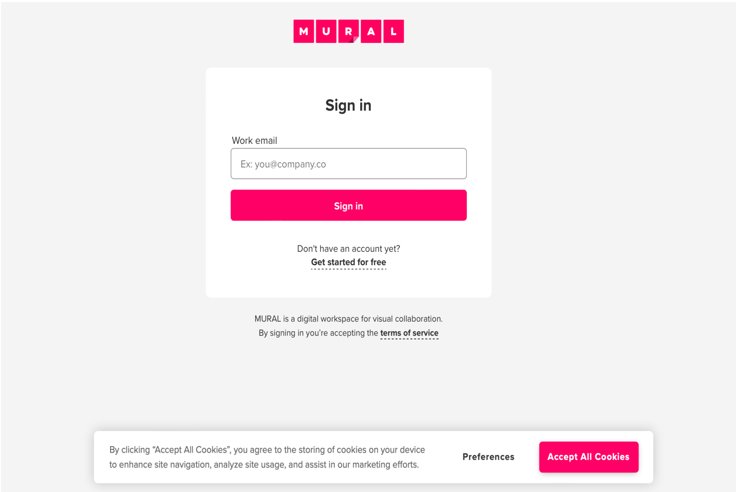
Please mute yourself during the session.

## We ask you to remember your colour...

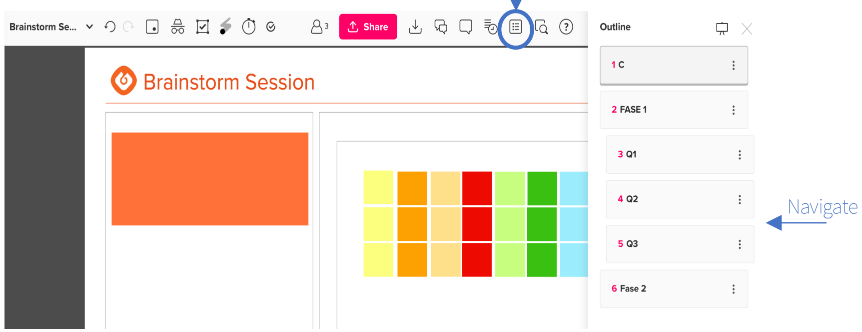
| | | | | |
|---|---|---|---|---|
| Nuno | Patrícia | Isabel | Adrián | Pedro |
| Delmira | Susana | Rita | Ana Rita | Marisa |
| Ana | Mariana | Carlos | Rui | Carolina |

1. Access the mural via the following link: https://www.mural.co

2. Log in using your Galp email before the session day

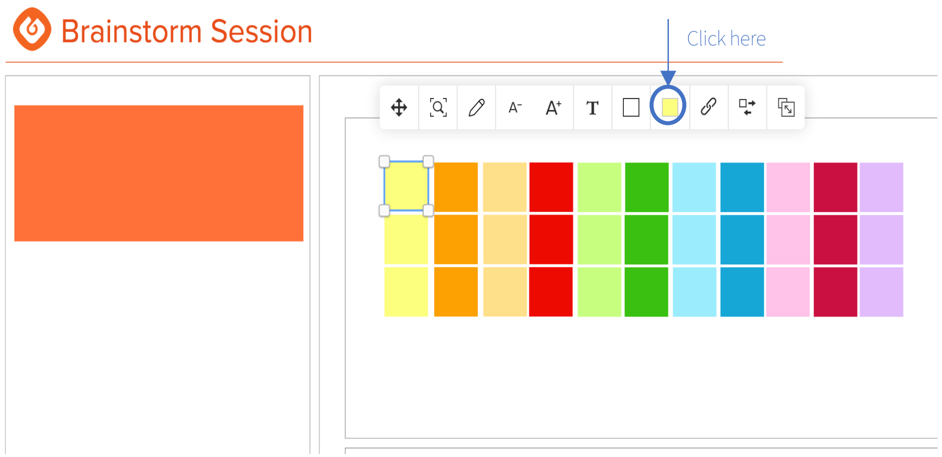



3. The session will be divided into 3 parts. Throughout the session you can navigate to each of these parts that are indicated in the Outline bar.




4. To insert a post-it double click the left mouse button.

5. Change the post-it to the colour assigned to you: clicking on the post-it you inserted will appear a bar that allows you to edit the text, colour, etc.

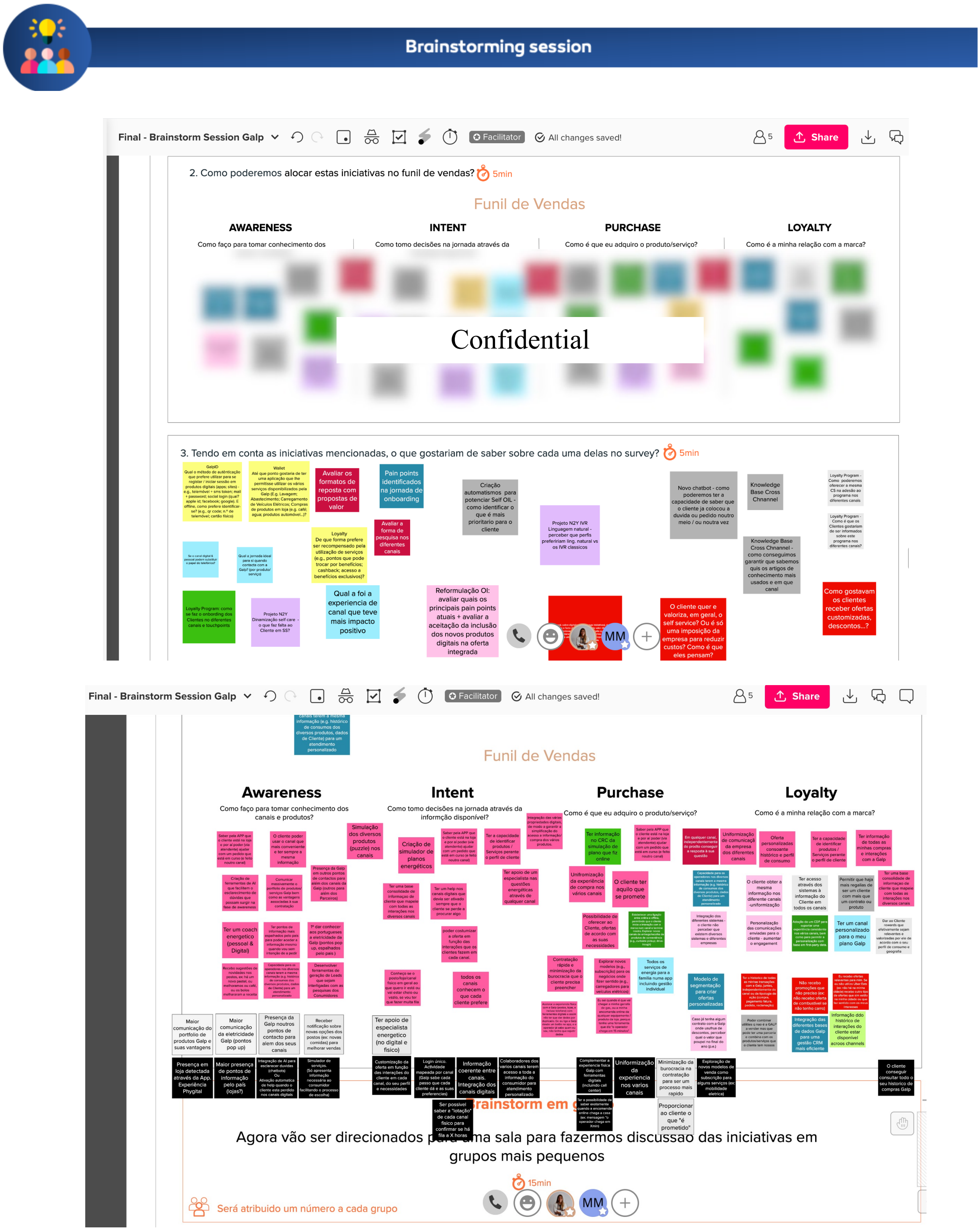



7. To scroll through the wal

8. To zoom in and out

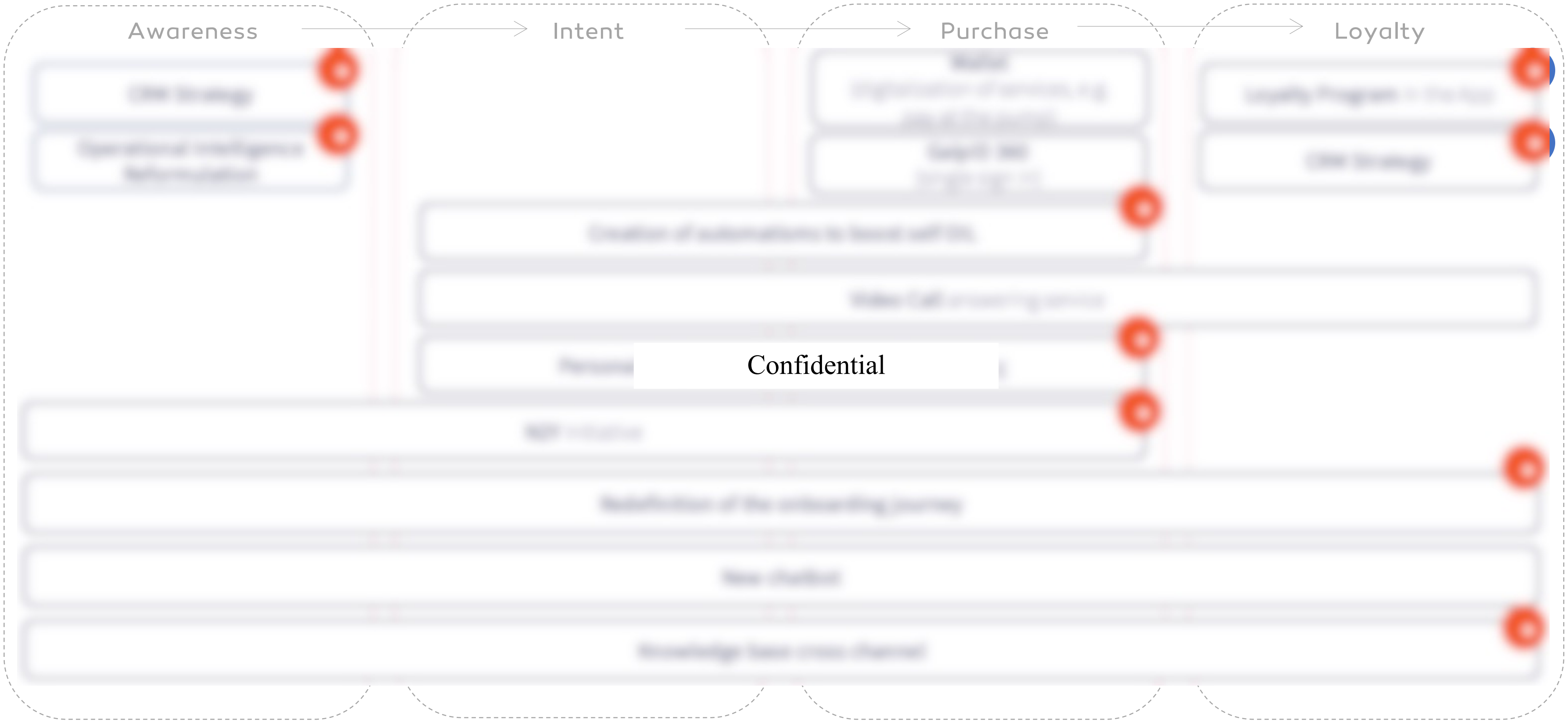
Take your time and try it out before the session HERE!

# Appendix 13.1 - Brainstorm Session Results




The initiatives mentioned in the brainstorm session were then **analysed and included in our quantitative research** to drive conclusions about the **consumers' receptivity and preferences.**

## Galp's ongoing initiatives

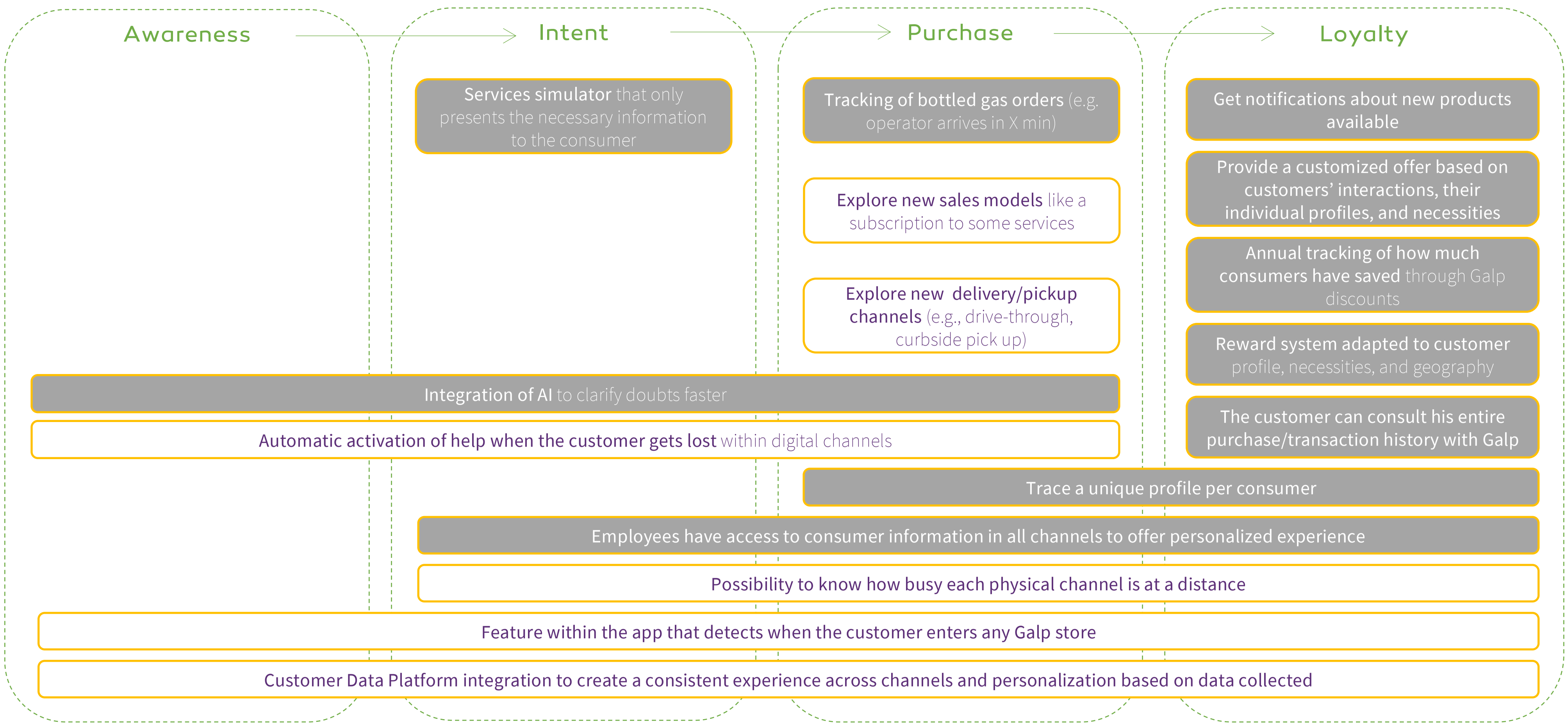



* Clarification requested by email

## “What would you like to know about each initiative in the survey?”

| Question | Stages covered | Goal |
|---|---|---|
| How do you prefer to be rewarded for using services? (e.g. points you can redeem for benefits; cashback; access to exclusive benefits) | Loyalty | Validate the how and in which channels customer s want to be rewarded |
| How much would you like to have an app that allows you to use the different Galp’s services available? *(E.g. Lavagem; Abastecimento; Carregamento de Veículos Elétricos; Compras de produtos em loja (e.g. café; agua; produtos automóvel...)* | Purchase, Loyalty | Validate the role that Mundo Galp app should have |
| Does the customer want and value self service? Or is it just an imposition by the company to reduce costs? How do they think? | Purchase, Loyalty | Validate if customers prefer automated or personal support |
| What is the authentication method you wish to use to register in digital channels? (app; website) –> cell phone + SMS token; mail + password; apple ID; Facebook; google. And offline? – (QR code; cell phone number; physical card) | Intent, Purchase, Loyalty | Validate GalpID and how the customer prefers to register in the channels |
| Can digital and physical substitute the phone channel? | Intent, Purchase, Loyalty | Validate the role service lines should have |
| Are digital value proposition a relevant choice factor, or if it is just an added value that does not generate a decision (only interest)? Would customers pay for this or it would only be a differentiating factor of the proposals, but without interest in paying more ?Is | Awareness, Intent, Purchase, Loyalty | Validate what role channels play in the choice of energy supplier. |

# Suggested Omnichannel initiatives



# Appendix 14.1 - Quantitative Research: Experiment script Home Journey

A partir deste momento, pedimos que imagine que se encontra na seguinte situação:
Vai mudar de casa e precisa de contratar serviços de eletricidade e gás.

Vamos questionar-lhe acerca das suas preferências em relação às soluções propostas e à forma como interage com com o comercializador. Pedimos que considere as perguntas num cenário hipotético, em que todas as soluções propostas são válidas.

Como prefiro ter conhecimento sobre um produto/serviço para casa?
(Indique a sua preferência)

- Ser contactado pelo comercializador
- Ser eu a pesquisar

Por que meio gosto de ser informado acerca de um produto/ serviço para casa?
(Selecione as 3 mais adequada para si)

- Anúncios
- Por referência de um amigo/familiar
- Contacto através do comercializador
- Loja física do comercializador
- Posto de combustível
- Redes sociais
- Website

Por onde prefiro pesquisar e consultar informação sobre esses produtos/ serviços?
(Indique a sua preferência)

- Loja física
- Website
- Linha telefónica
- App

O que me levou a escolher o meio de contacto da pergunta anterior?
(Selecione as 2 mais adequadas para si)

- Eficiência (**"O meu problema será resolvido com o mínimo esforço, tempo e recursos"**)
- Rapidez (**"O atendimento será rápido"**)
- Resposta informada (**"A informação disponibilizada será suficiente e clara para tomar uma decisão"**)
- Familiaridade com o uso e processo do ponto de contacto
- Informação detalhada (**"Tenho acesso a toda a informação que necessito sem ter de utilizar outro ponto de contacto"**)

Por onde prefiro esclarecer dúvidas em relação ao produto/ serviço?
(Indique a sua preferência)

- Loja física
- Website
- Linha telefónica
- App
- Chatbot
- E-mail

O que me levou a escolher o meio de contacto da pergunta anterior?
(Selecione as 2 mais adequadas para si)

- Eficiência (**"O meu problema será resolvido com o mínimo esforço, tempo e recursos"**)
- Rapidez (**"O atendimento será rápido"**)
- Resposta informada (**"A informação disponibilizada será suficiente e clara para tomar uma decisão"**)
- Familiaridade com o uso e processo do ponto de contacto
- Informação detalhada (**"Tenho acesso a toda a informação que necessito sem ter de utilizar outro ponto de contacto"**)

Como valorizo, cada um dos ponto seguintes, no processo de tomada de decisão de um prestador de serviços de eletricidade/gás?
(Classifique de 0 a 5 cada uma das opções)

| | 1 Nada Importante | 2 Ligeiramente Importante | 3 Importante | 4 Muito Importante | 5 Extremamente Importante |
|---|---|---|---|---|---|
| Ter acesso ao máximo de informação de forma a tomar uma decisão informada | ○ | ○ | ○ | ○ | ○ |
| O prestador de serviços direciona o produto/ informação de maneira a satisfazer as minhas necessidades (sistema de filtragem) | ○ | ○ | ○ | ○ | ○ |
| O prestador de serviços contacta-me de modo a ser feita uma proposta | ○ | ○ | ○ | ○ | ○ |
| Existência de um simulador online que permite escolher as opções mais viáveis para mim e simular o preço final a pagar | ○ | ○ | ○ | ○ | ○ |
| Existência de um assistente virtual que auxilia na pesquisa sobre o serviço e me ajuda na decisão consoante as minhas necessidades | ○ | ○ | ○ | ○ | ○ |

Que características valorizo no prestador de electricidade e/ ou gás que vou escolher?
(Selecione as 3 mais adequadas para si):

- Facilidade de contacto com o comercializador
- Rápida resolução de problemas
- Conta própria numa App para gestão de fatura/ consumos
- Pagamento digital
- Confiança na marca
- Apoio ao cliente digital
- Qualidade do produto
- Inovação do serviço
- Inovação do produto
- Sustentabilidade da marca
- Sustentabilidade do produto
- Apoio ao cliente presencial

Assim que escolho uma determinada empresa de eletricidade e/ ou gás, por onde prefiro realizar o contrato?
(Indique a sua preferência)

- Website
- App
- Loja Física
- Posto de Combustível da mesma empresa
- Parceiro (e.g. Worten)
- Redes Sociais (e.g. Instagram)
- Revendedor

O que me levou a escolher o ponto de contacto da pergunta anterior?
(Selecione as 2 mais adequadas para si)

- Eficiência (**"O meu problema será resolvido com o mínimo esforço, tempo e recursos"**)
- Rapidez (**"O atendimento será rápido"**)
- Resposta informada (**"A informação disponibilizada será suficiente e clara para tomar uma decisão"**)
- Familiaridade com o uso e processo do ponto de contacto
- Informação detalhada (**"Tenho acesso a toda a informação que necessito sem ter de utilizar outro**

Nesta fase da sua jornada, já tem o contrato de eletricidade e/ou gás assinado.

Por onde prefiro pagar as faturas?
(Indique a sua preferência)

- Débito direto
- App

O que me levou a escolher o ponto de contacto da pergunta anterior?
(Selecione as 2 mais adequadas para si)

- Eficiência (**"O meu problema será resolvido com o mínimo esforço, tempo e recursos"**)
- Rapidez (**"O atendimento será rápido"**)
- Resposta informada (**"A informação disponibilizada será suficiente e clara para tomar uma decisão"**)
- Familiaridade com o uso e processo do ponto de contacto

Agora pedimos que imagine que comprou um **Hotspot** (pequeno aquecedor de interior) para sua casa. Para tal, precisa de comprar uma garrafa de gás.

Onde prefiro adquirir essa garrafa de gás?
(Indique a sua escolha preferencial)

- Encomendar no Website
- Encomendar na App
- Comprar loja física da marca
- Loja física
- Compra no posto de abastecimento
- Comprar num revendedor

Onde prefiro que a garrafa de gás seja entregue?

- Em casa
- Recolha na loja
- Outro

Quão importantes são os seguintes fatores ao encomendar gás engarrafado?
(Classifique de 0 a 5 cada uma das opções)

| | 1 Nada Importante | 2 Ligeiramente Importante | 3 Importante | 4 Muito Importante | 5 Extremamente Importante |
|---|---|---|---|---|---|
| Seguir o estado da encomenda ao minuto | ○ | ○ | ○ | ○ | ○ |
| Marcar hora certa para a entrega | ○ | ○ | ○ | ○ | ○ |
| Ter na conta pessoal os últimos consumos | ○ | ○ | ○ | ○ | ○ |
| Saber a quantidade de gás que ainda sobra da garrafa | ○ | ○ | ○ | ○ | ○ |
| Consoante o consumo, receber alertas com previsão de quando terá de encomendar outra garrafa | ○ | ○ | ○ | ○ | ○ |
| Saber a disponibilidade em loja | ○ | ○ | ○ | ○ | ○ |

No final do mês já paguei a minha fatura de eletricidade e/ ou gás e já encomendei a garrafa de gás para o meu Hotspot.

Por onde prefiro receber a fatura e/ ou consultar consumos do gás engarrafado?
(Indique a sua preferência)

- E-mail
- App
- Website
- Correio
- Loja Física
- Outro

O que me levou a escolher o ponto de contacto da pergunta anterior?
(Selecione as 2 mais adequadas para si)

- Eficiência (**"A minha fatura poderá ser consultada com o mínimo esforço, tempo e recursos"**)
- Rapidez (**"O atendimento será rápido"**)
- Resposta informada (**"A informação disponibilizada será suficiente e clara para tomar uma decisão"**)
- Familiaridade com o uso e processo do ponto de contacto
- Informação detalhada (**"Tenho acesso a toda a informação que necessito sem ter de utilizar outro ponto de contacto"**)
- Acessibilidade (**"Sei que está sempre disponível para poder ir consultar"**)

Do seu ponto de vista, como é que esta experiência com produtos/ serviços para a casa poderia ser mais personalizada?
(Classifique de 0 a 5 cada uma das opções)

| | 1 Nada Importannte | 2 Ligeiramente Importante | 3 Importante | 4 Muito Importante | 5 Extremamente Importante |
|---|---|---|---|---|---|
| Receber descontos personalizados | ○ | ○ | ○ | ○ | ○ |
| Receber recomendações de tipo de utilização baseadas no meu consumo (e.g. "Podia poupar 27,3€/mês caso utilizasse o bi-diário") | ○ | ○ | ○ | ○ | ○ |
| Receber notificações de novos produtos disponíveis | ○ | ○ | ○ | ○ | ○ |
| Conseguir monitorizar a minha utilização da eletricidade e/ou gás | ○ | ○ | ○ | ○ | ○ |
| Conseguir monitorizar os pedidos efetuados (e.g. encomenda de gás engarrafado) | ○ | ○ | ○ | ○ | ○ |
| Ter na minha conta pessoal os últimos consumos | ○ | ○ | ○ | ○ | ○ |
| Receber sugestões de outros produtos que me poderão ser úteis ao utilizar este produto | ○ | ○ | ○ | ○ | ○ |
| Ter um sistema de recompensas de acordo com a minha localização / necessidades | ○ | ○ | ○ | ○ | ○ |
| Ter acesso ao histórico de pagamentos | ○ | ○ | ○ | ○ | ○ |

Para mim, quão importante é dar feedback sobre qualquer experiência relacionada com o produto / serviço que contratou?

| 1 - Nada Importante | 2 - Ligeiramente Importante | 3 - Importante | 4 - Muito Importante | 5 - Extremamente Importante |
|---|---|---|---|---|

Por onde prefiro dar esse feedback?
(Indique a sua preferência)

- Website
- App
- Loja física
- Linhas telefónicas
- Posto de combustível
- Chatbot
- E-mail
- Questionário Online
- Redes Sociais

Imagine que tem um problema com algum dos seguintes produtos/serviços: eletricidade, gás, Hotspot, aquecedor de exterior, garrafa de gás.

Por onde prefiro começar a resolução do problema?
(Indique a sua preferência)

- Website
- App
- Loja física
- Linhas telefónicas
- Posto de combustível
- Chatbot
- Assistência por vídeo chamada (pela App)
- E-mail

O que me levou a escolher o ponto de contacto da pergunta anterior?
(Selecione as 2 mais adequadas para si)

- Eficiência (**"O meu problema será resolvido com o mínimo esforço, tempo e recursos"**)
- Rapidez (**"O atendimento será rápido"**)
- Resposta informada (**"A informação disponibilizada será suficiente e clara para tomar uma decisão"**)
- Familiaridade com o uso e processo do ponto de contacto
- Informação detalhada (**"Tenho acesso a toda a informação que necessito sem ter de utilizar outro ponto de contacto"**)
- Segurança

Após a contratação, precisa de ter acesso à sua área pessoal no website / app para conseguir ter acesso aos seus consumos e faturas.

Ao criar a conta, como prefiro autenticar o registo?
(Indique a sua preferência)

- Sms token ("receber códigos por sms")
- Número de telemóvel
- Email + password
- Apple id
- Facebook
- Google

Quando entro numa loja (posto de combustível e/ou loja), como prefiro ser identificado para ter acesso a uma oferta personalizada e facilitada?
(Indique a sua preferência)

- QR code
- Número de telemóvel
- Cartão de cliente
- NIF
- App
- Prefiro não ser identificado

Por onde prefiro receber ofertas promocionais associadas ao meu contrato de eletricidade e/ou gás? (e.g. descontos em produtos e serviços da mesma marca, descontos em empresas parceiras, etc.)
(Indique a sua preferência)

- App
- Email
- Website - área de cliente
- Mensagem telemóvel
- Carta
- Outro

Imagine que por motivos de sustentabilidade e estilo de vida, decide adquirir painéis solares para a sua casa.

Por onde prefiro monitorizar o consumo/ produção dessa energia?
(Indique a sua preferência)

- App (desktop e telemóvel) apenas para este serviço
- App interligada com todos os outros serviços do comercializador
- Área de cliente no website
- Através das linhas telefónicas
- Numa loja física
- No posto de combustível

# Appendix 14.2 - Quantitative Research: Experiment script Ride Journey

A partir deste momento, considere que se encontra na seguinte situação:
Tem um carro próprio ou utiliza frequentemente o carro de outrem e necessita de ir abastecer a um posto.

Vamos questionar-lhe acerca das suas preferências em relação às soluções propostas e à forma como interage com o comercializador. Pedimos que considere as perguntas num cenário hipotético, em que todas as soluções propostas são válidas.

Quando escolho a marca de combustível onde vou abastecer, o que mais valorizo? (Ordene do mais importante para o menos importante)

- Serviços que oferece
- Rapidez
- Qualidade do produto
- Experiência digital
- Confiança na marca
- Inovação
- Descontos Associados

O que me faz escolher um determinado posto de abastecimento?
(Selecione as 3 mais relevantes para si)

- Saber se os produtos que mais consumo estão em promoção
- Saber quantas pessoas tenho à frente para abastecer
- Saber se os produtos que procuro estão disponíveis (e.g. produtos de conveniência e/ ou garrafas de gás em stock)
- Saber que tipo de serviços existem no posto (lavagem, ar, água, lavagem canina)
- Saber se tem posto de carregamento para carros elétricos
- A sua localização
- Ter colaboradores a abastecer

Como prefiro que seja o processo de abastecer?
(Indique a sua preferência)

- Gosto que seja um funcionário a pôr o combustível
- Gostava que me fossem abastecer o carro a casa
- Gosto de ser eu a pôr

Depois de abastecer, como prefiro efetuar o pagamento?
(Indique a sua preferência)

- Pagamento na bomba com cartão
- Pagamento na app
- Pagamento na bomba com MBway
- Pagamento na Loja
- Drive Thru (**"comprar/ pagar sem sair do carro"**)
- Pagamento através da identificação da matrícula associada a um cartão (e.g. via verde)

Imagine que para além de abastecer, quer adquirir outro tipo de produtos no posto (e.g.: garrafas de gás, produtos de conveniência - leite, batatas fritas, café, fruta, etc.).

Como prefiro comprar esses produtos?
(Indique a sua preferência)

- Click & Collect (**"encomendo antes de abastecer na App, e quando vou abastecer só tenho de levantar os produtos"**)
- Ir à loja e comprar lá
- Encomendar na bomba e recolher os produtos no Drivethru

Quando entro num posto de combustível, como prefiro ser identificado de modo a ter uma oferta personalizada e facilitada?
(Indique a sua preferência)

- QR code
- Número de telémovel
- Cartão físico
- NIF
- App

Quão importante para si é dar feedback sobre qualquer experiência relacionada com o produto / serviço que utilizou?

| 1 - Nada Importante | 2 - Ligeiramente Importante | 3 - Importante | 4 - Muito Importante | 5 - Extremamente Importante |
|---|---|---|---|---|

Se me for pedido feedback, por onde o prefiro fazer?
(Indique a sua preferência)

- App
- Website
- Loja
- Linhas telefónicas
- Posto de combustível
- Chatbot
- E-mail
- Questionário
- Redes Socias

Onde prefiro receber ofertas promocionais associadas ao meu consumo?
(Indique a sua preferência)

- App
- Website - área de cliente
- E-mail
- Mensagem
- Carta
- Outro

Como é que a experiência de abastecer o seu carro poderia ser mais personalizada?
(Classifique de 0 a 5 cada uma das opções)

| | 1 Nada Importante | 2 Ligeiramente Importante | 3 Importante | 4 Muito Importante | 5 Extremamente Importante |
|---|---|---|---|---|---|
| Descontos personalizados consoante o tipo de produtos comprados | ○ | ○ | ○ | ○ | ○ |
| Recomendações com base no consumo de combustível (e.g. abastece com pouca regularidade, pense em adquirir um carro eléctrico, irá fazer com que poupe 60,3€/ mês) | ○ | ○ | ○ | ○ | ○ |
| Notificações de novos produtos disponíveis | ○ | ○ | ○ | ○ | ○ |
| Monitorização de histórico de consumo de combustivel / energia consumida (no caso de carro elétrico) | ○ | ○ | ○ | ○ | ○ |
| Rastreio anual de quanto poupou em descontos | ○ | ○ | ○ | ○ | ○ |
| Sistema de recompensas de acordo com a localização e consumo | ○ | ○ | ○ | ○ | ○ |

Imagine que por motivos de sustentabilidade e estilo de vida, decide adquirir um carro elétrico.
Tenha em conta que em média o carregamento do seu carro num posto de carregamento demora entre 15 minutos a 1h30 minutos.

O que valorizo no processo de carregamento do carro elétrico?
(Classifique de 0 a 5 cada uma das opções)

| | 1 Nada Importante | 2 Ligeiramente Importante | 3 Importante | 4 Muito Importante | 5 Extremamente Importante |
|---|---|---|---|---|---|
| Saber à distância se há algum ponto de carregamento disponível | ○ | ○ | ○ | ○ | ○ |
| Poder agendar hora e posto onde vou pôr o carro a carregar | ○ | ○ | ○ | ○ | ○ |
| Saber o estado do carregador (se está ou não operacional) | ○ | ○ | ○ | ○ | ○ |
| Ter um histórico de quanto gasto em cada posto | ○ | ○ | ○ | ○ | ○ |
| Saber a que horas é que o carregamento vai terminar | ○ | ○ | ○ | ○ | ○ |

Por onde prefiro fazer o pagamento dos meus carregamentos?
(Indique a sua preferência)

- Cartão fidelização (com débito direto ou pagamento no final do mês)
- Cartão multibanco
- App
- Outro

Enquanto estou à espera que o meu carro acabe de carregar, ao que seria importante ter acesso?
(Classifique de 0 a 5 cada uma das opções)

| | 1 Nada Importante | 2 Ligeiramente Importante | 3 Importante | 4 Muito Importante | 5 Extremamente Importante |
|---|---|---|---|---|---|
| Desconto no café enquanto espero | ○ | ○ | ○ | ○ | ○ |
| Uma oferta na loja por carregamento | ○ | ○ | ○ | ○ | ○ |
| Um espaço confortável para poder esperar | ○ | ○ | ○ | ○ | ○ |
| Acesso à internet | ○ | ○ | ○ | ○ | ○ |
| Localização onde posso ir passear/ fazer outras coisas | ○ | ○ | ○ | ○ | ○ |
| Um espaço de leitura / biblioteca | ○ | ○ | ○ | ○ | ○ |
| Fazer compras de produtos de conveniência (e.g. mercearia, frescos, etc.) | ○ | ○ | ○ | ○ | ○ |
| Grab & go (sistema de atendimento com produtos já previamente preparados prontos para levar) | ○ | ○ | ○ | ○ | ○ |
| Tratar de assuntos relacionados com a casa (e.g. contratos de gás e eletricidade) | ○ | ○ | ○ | ○ | ○ |

# Appendix 14.3 - Quantitative Research: Experiment script Convenience Journey

A partir deste momento, considere que se encontra na seguinte situação:
é cliente fidelizado de uma empresa de Gás e Electricidade e/ou Combustíveis.

Vamos questionar-lhe acerca das suas **preferências em relação às soluções propostas** e à **forma como interage com com o comercializador**. Pedimos que considere as perguntas num cenário hipotético, em que todas as soluções propostas são válidas.

→

Os postos de combustível vão evoluir de maneira a ir ao encontro das necessidades do consumidor, tornando-se em centros de conveniência.

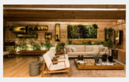
Que ambientes gostaria de encontrar numa destas lojas de conveniência?
(Indique a sua preferência)


Trabalho (co-work)


Convívio


Mercearia


Esplanada


Lounge

Para mim, que tipo de produtos são úteis nas lojas de conveniência/ lojas em posto de combustível?
(Selecione as 3 mais relevantes para si)

- Produtos para o carro
- Produtos de mercearia
- Produtos de padaria
- Produtos frescos
- Livraria
- Papelaria
- Postos de correio
- Produtos de manutenção de bibicletas
- Refeições takeway
- Parafarmácia
- Bebidas alcoolicas

Imagine que quer comprar uma revista e um refrigerante. Quanto tempo espero estar na loja de conveniência?
(Deslize a barra)

1 2 3 4 5 6 7 8 9 10

Tempo (em minutos)

Imagine que vai a uma loja de conveniência, e escolhe utilizar a App como ponto de contacto durante a experiência.

O que me leva a utilizar esta App?
(Selecione as 3 mais relevantes para si)

- Acesso a descontos
- Experiência mais rápida
- Pagamentos facilitados
- Sistema de recompensas (**"vou acumulando pontos conforme vou fazendo compras de modo a ter acesso a benefícios e ofertas"**)
- Não ter cartões físicos
- Predefinir e aceder rápidamente aos meus pedidos preferidos

Que funcionalidades considero mais relevante ter na App?
(Classifique de 0 a 5 cada uma das opções)

| | 1 Nada Importante | 2 Ligeiramente Importante | 3 Importante | 4 Muito Importante | 5 Extremamente Importante |
|---|---|---|---|---|---|
| Comparar preços | ○ | ○ | ○ | ○ | ○ |
| Comparar marcas | ○ | ○ | ○ | ○ | ○ |
| Fazer lista de compras | ○ | ○ | ○ | ○ | ○ |
| Verificar se os produtos estão em stock | ○ | ○ | ○ | ○ | ○ |
| Ver reviews de produtos | ○ | ○ | ○ | ○ | ○ |
| Localização de produtos em loja | ○ | ○ | ○ | ○ | ○ |
| Tráfego de pessoas em loja | ○ | ○ | ○ | ○ | ○ |
| Scan & Pay sem filas | ○ | ○ | ○ | ○ | ○ |
| Devolver compras online | ○ | ○ | ○ | ○ | ○ |
| Possibilidade de entrega em casa | ○ | ○ | ○ | ○ | ○ |
| Comprar online e receber em loja | ○ | ○ | ○ | ○ | ○ |
| Acesso aos preços da gasolina | ○ | ○ | ○ | ○ | ○ |
| Notificações de promoções | ○ | ○ | ○ | ○ | ○ |

Relativamente à questão anterior, existe mais alguma funcionalidade que ache importante?

| | 1 - Nada Importante | 2 - Ligeiramente Importante | 3 - Importante | 4 - Muito importante | 5 - Extremamente Importante |
|---|---|---|---|---|---|
| Outros | ○ | ○ | ● | ○ | ○ |

O que me faria não utilizar esta App?
(Selecione as 2 mais relevantes para si)

- Preocupações relativas com a privacidade
- Segurança
- Utilização de dados móveis
- Não quero ter mais apps
- Não preciso desses produtos/ funcionalidades

Pretendo comprar um produto numa destas lojas de conveniência.

Como prefiro concretizar a minha compra?
(Indique a sua preferência)

- Drive Thru (**"comprar/ pagar sem sair do carro"**)
- Curbside pickup (**"estou a pôr gasolina e levam-me os produtos ao carro"**)
- Click and Collect (**"encomenda online e levantamento em loja"**)
- Self-checkout (**"na App"**)
- Self-checkout (em loja)
- Normal check-out (em loja)

Geralmente os preços dos produtos nas lojas de conveniência são mais elevados.

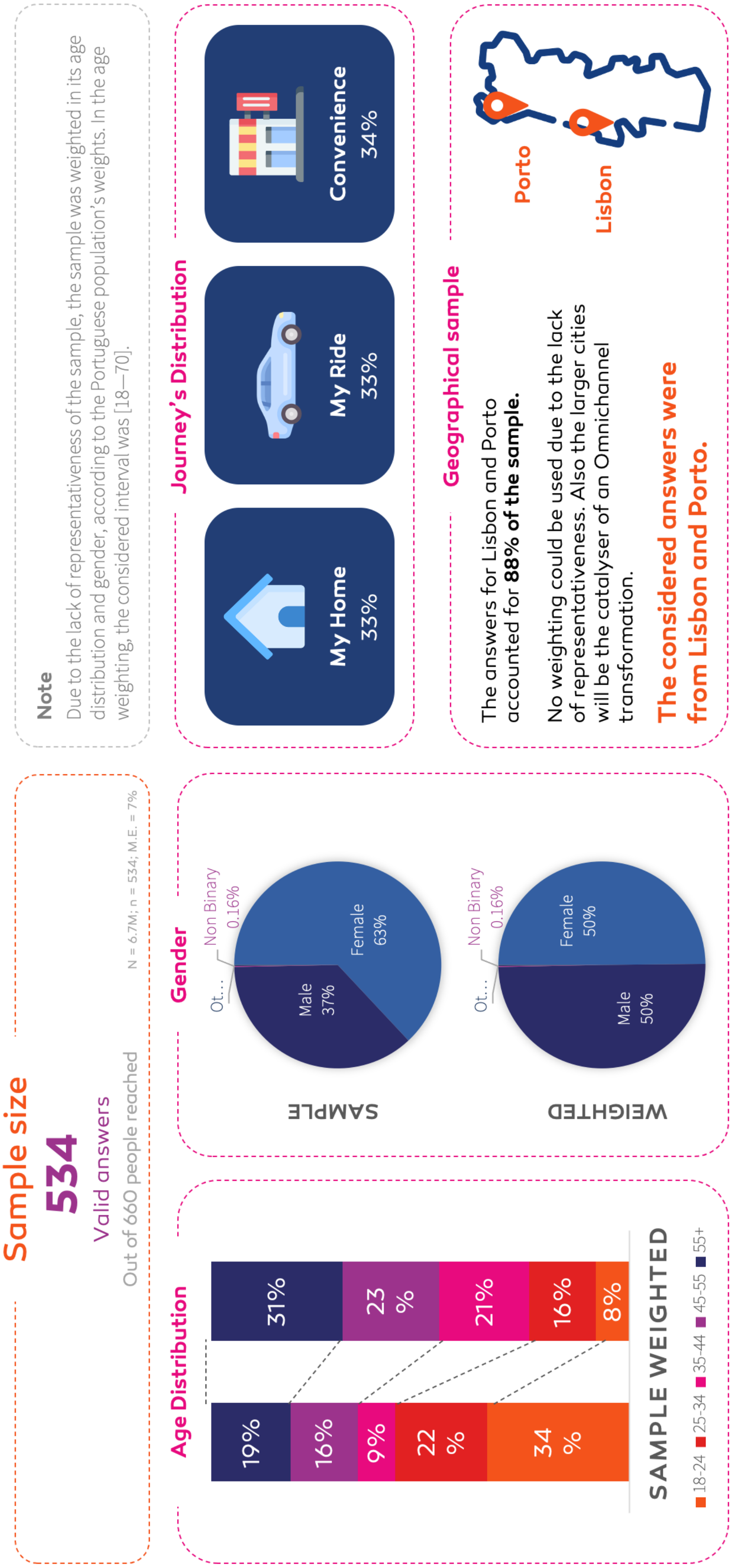
Quão disposto estou, para pagar um preço mais elevado caso esta experiência em loja seja melhorada?
(Classifique de 0 a 5)

| 1 Nada disposto | 2 Ligeiramente disposto | 3 Disposto | 4 Muito Disposto | 5 Extremamente Disposto |
|---|---|---|---|---|

Por onde prefiro receber novas ofertas de produtos ou saber quais os produtos que estão disponíveis?
(Indique a sua preferência)

- Notificação pela App
- E-mail
- Mensagem
- Carta
- Ter acesso na área pessoal na app

Appendix 14.4 - Quantitative Research Results: Sample



# Appendix 14.5 - Quantitative Research Results: Home Journey

galp

**My Home** Journey

Home services and products journey

**My Home** Journey

**My Ride** Journey

**Convenience** Journey

## Methodology

- The Home journey focused on a continuous journey, testing more touchpoints than the other 2 journeys;
- **Channel preferences** along an ideal journey were tested. The presented numbers do not reflect current choices but the preferences of the population in Lisbon and Porto;
- **New initiative's relevance** was tested as well.

## Products covered

Gas & Power

Bottled Gas

Solar

## Touchpoints

| Awareness | Intent | | Purchase | | Loyalty | | | |
|---|---|---|---|---|---|---|---|---|
| Be Exposed | Search Process | Clarification Process | Contracting Process | Ordering Process | Monitoring Invoices & Consumption | Feedback | Customer Care | Promotions |

## Initiatives

- **Valued characteristics when choosing a supplier** (Choose one option)
- **Factors valued in the decision-making process** (5 initiatives on a 1-5 Likert scale)
- **Factors valued during the order of bottled gas** (6 initiatives on a 1-5 Likert scale)
- **More personalized offer** (8 initiatives on a 1-5 Likert scale)
- **Bottled Gas delivery** (Choose one option)
- **Authenticate registration** (Choose one option)
- **Importance of feedback** (1-5 Likert scale)
- **Store ID** (Choose one option)
- **Invoice payment** (Choose one option)

My Home Journey

# My Home Touchpoints

## Preferred channels mapping

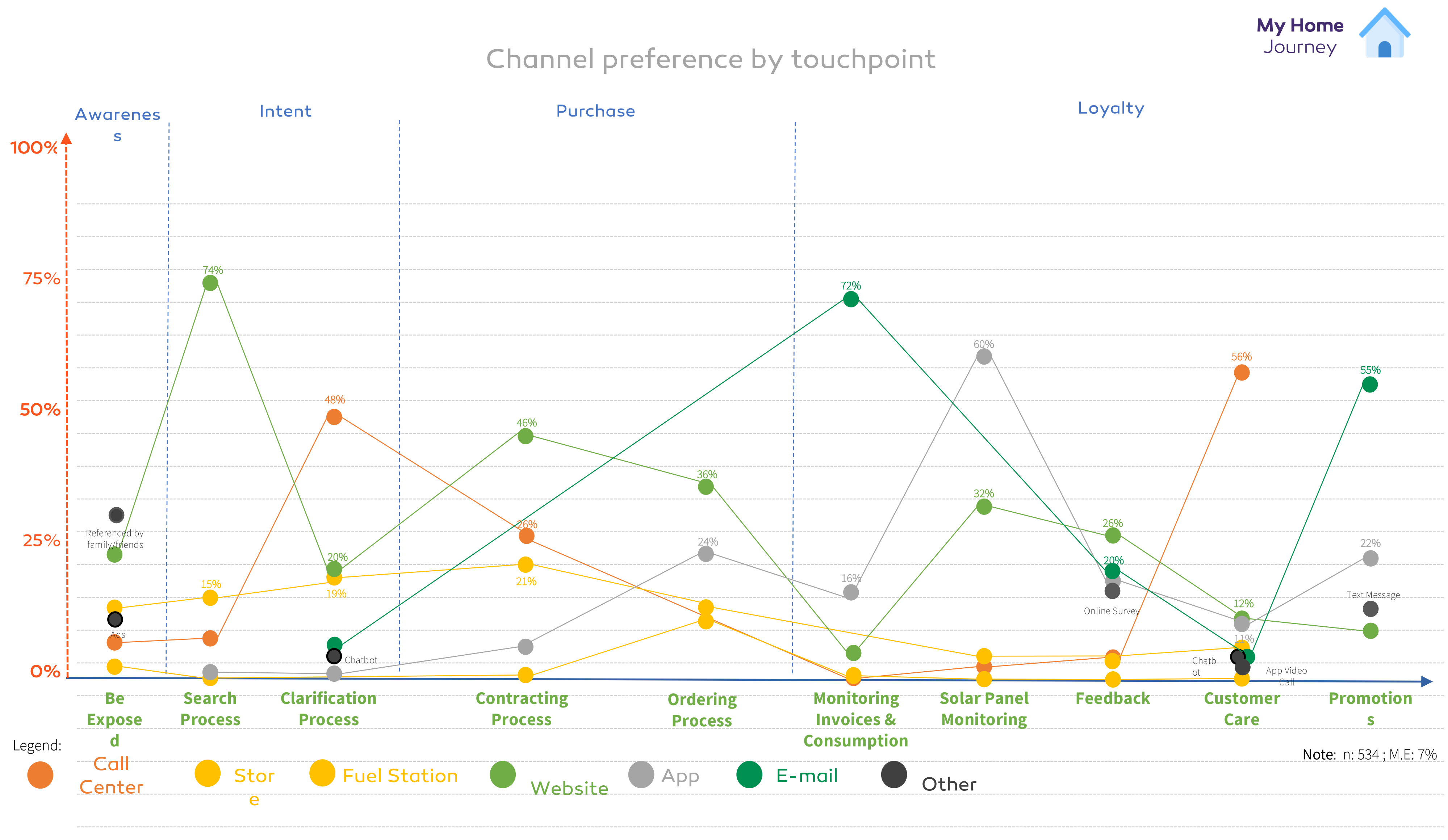
*A partir deste momento, pedimos que imagine que se encontra na seguinte situação:
Vai mudar de casa e precisa de contratar serviços de eletricidade e gás.*

*Vamos questionar-lhe acerca das suas preferências em relação às soluções propostas e à forma como interage com com o comercializador. Pedimos que considere as perguntas num cenário hipotético, em que todas as soluções propostas são válidas.*

| Touchpoint | Description | Question |
|---|---|---|
| **Be Exposed** | Getting to know a product/service for the first time | *Por que meio gosto de ser informado acerca de um produto/ serviço para casa? (Selecione as 3 mais adequada para si)* |
| **Search Process** | Search information about a given product/service | *Por onde prefiro pesquisar e consultar informação sobre esses produtos/ serviços? (Indique a sua preferência)* |
| **Clarification Process** | Clarify doubts about the product/service | *Por onde prefiro esclarecer dúvidas em relação ao produto/ serviço? (Indique a sua preferência)* |
| **Contracting Process** | Decide where to do the contract | *Assim que escolho uma determinada empresa de eletricidade e/ ou gás, por onde prefiro realizar o contrato? (Indique a sua preferência)* |
| **Ordering Process** | Order and receipt of bottled gas | *Agora pedimos que imagine que comprou um Hotspot (pequeno aquecedor de interior) para sua casa. Para tal, precisa de comprar uma garrafa de gás. Onde prefiro adquirir essa garrafa de gás? (Indique a sua escolha preferencial)* |
| **Payment Process** | Invoice Payments | *Por onde prefiro pagar as faturas? (Indique a sua preferência)* |
| **Monitoring Invoices & Consumption** | Consumption and product purchasing<br>Consumption of solar panels | *Por onde prefiro receber a fatura e/ou consultar consumos do gás engarrafado? (Indique a sua preferência)*<br>*Imagine que por motivos de sustentabilidade e estilo de vida, decide adquirir painéis solares para a sua casa. Por onde prefiro monitorizar o consumo/ produção dessa energia? (Indique a sua preferência)* |
| **Feedback** | Give feedback | *Por onde prefiro dar esse feedback? (Indique a sua preferência)* |
| **Customer Care** | Problem Resolution | *Por onde prefiro começar a resolução do problema? (Indique a sua preferência)* |
| **Promotions** | Discounts and promotions associated with the contract | *Por onde prefiro receber ofertas promocionais associadas ao meu contrato de eletricidade e/ou gás? (e.g. descontos em produtos e serviços da mesma marca, descontos em empresas parceiras, etc.) (Indique a sua preferência)* |

Awareness | Intent | Purchase | Loyalty

## Channel preference by touchpoint




Note: n: 534 ; M.E: 7%

My Home Journey

# My Home Preferred channel by touchpoint

| | | | | |
|---|---|---|---|---|
| **Be Exposed** | **Search Process** | **Clarification Process** | **Contracting Process** | **Ordering Process** |
| 31% Referenced by family/friends | 74% Website | 48% Call Center | 46% Website | 36% Website |
| 24% Website | 15% Stores | 21% Website | 26% Call center | 25% App |
| **Promotions** | **Customer Care** | **Feedback** | **Solar Panel Monitoring** | **Monitoring Invoices & Consumption** |
| 55% E-mail | 56% Call Center | 27% Website | 61% App | 72% E-mail |
| 23% App | 12% Website | 21% Email | 32% Call center | 17% App |

Note: n: 534 ; M.E: 7%

**Fuel station stores** were the least chosen channel along this journey

**Stores** were relevant within the intent and purchase stages

**Call Center** was preferred within the touchpoints to clarify doubts and solve problems

**Website** was the preferred channel for the inquiries across almost all the touchpoints

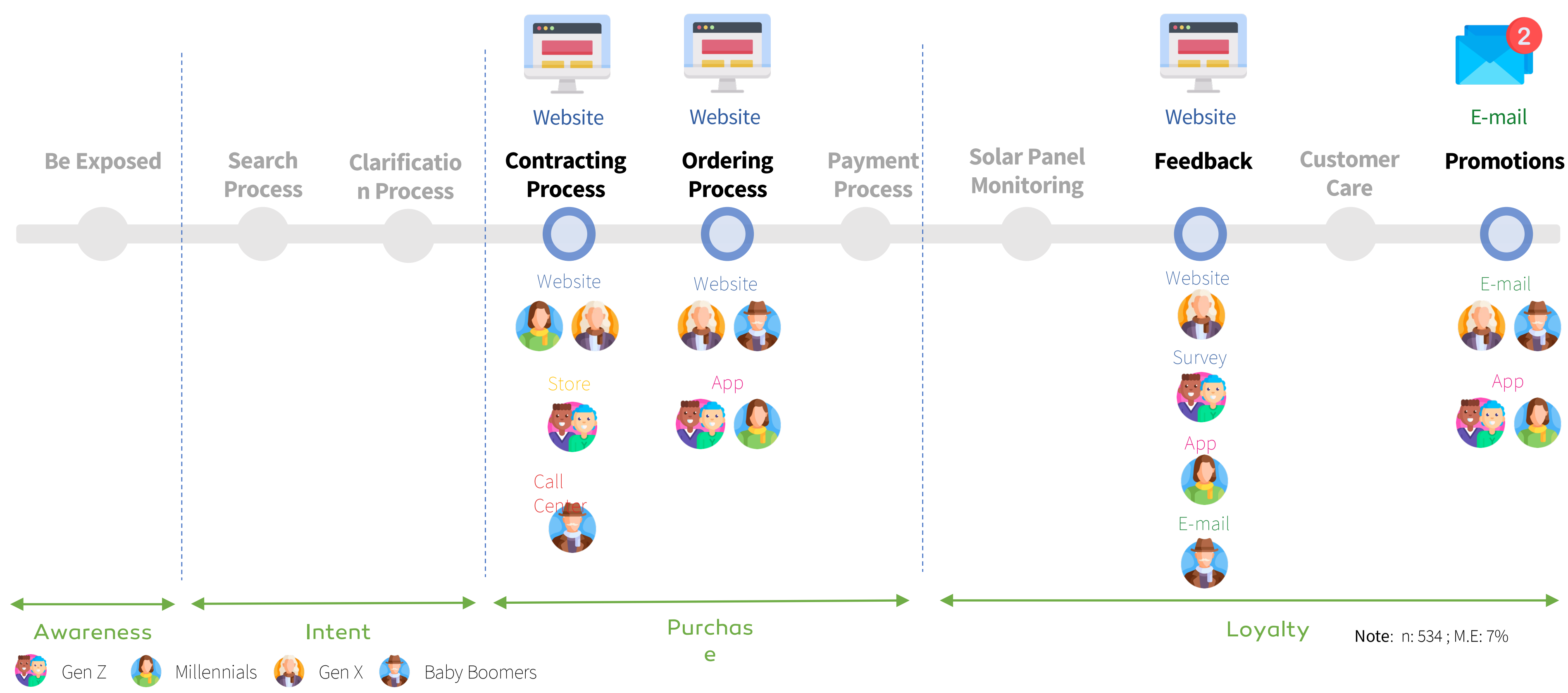
**App** gained importance within the loyalty touchpoints, increasing relevance as the journey evolved

**E-mail** was the most chosen to monitor invoices and to receive promotions

My Home Journey

# My Home Touchpoints

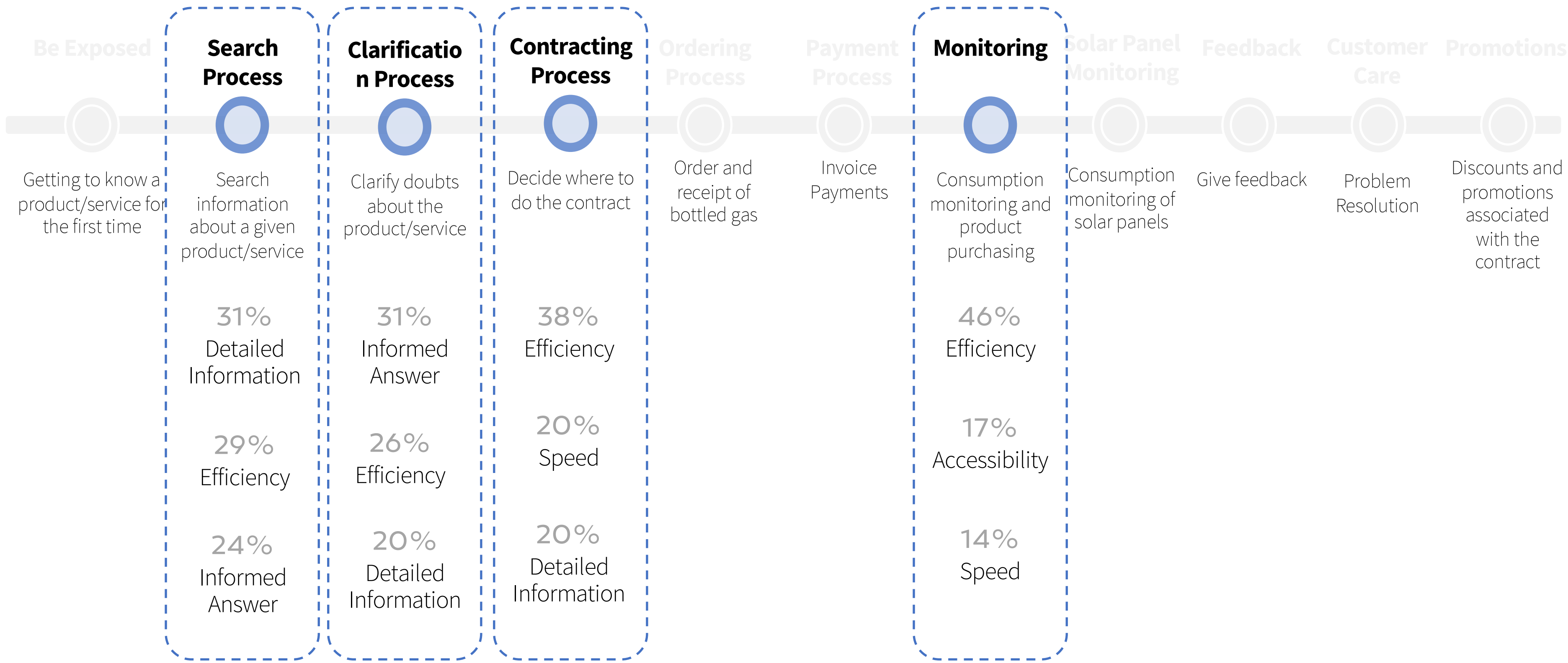
## Most preferred channels by Generation




Note: n: 534 ; M.E: 7%

# Most valued characteristics by touchpoint*

*"O que me levou a escolher o meio de contacto da pergunta anterior?"*
*(Selecione as 2 mais adequadas para si)*




**Note:** n: 534 ; M.E: 7%

## Valued characteristics when choosing a supplier

*"Que características valorizo no prestador de electricidade e/ ou gás que vou escolher?" (Selecione as 3 mais adequadas para si)*

| | | |
|---|---|---|
| Quick Problem-solving 24% | Product quality 15% | Trusted Brand 15% |
| Ease of contact with the supplier 12% | Digital Payment 8% | App for consumption management 6% |
| Product sustainability 5% | Face2Face customer support 5% | Digital Customer support 4% |
| Brand Sustainability 4% | Product Innovation 2% | Service Innovation 1% |

**Note:** n: 534 ; M.E: 7%

## Factors valued in the decision-making process*

*"Como valorizo, cada um dos ponto seguintes, no processo de tomada de decisão de um prestador de serviços de eletricidade/gás?" (Classifique de 0 a 5 cada uma das opções)*

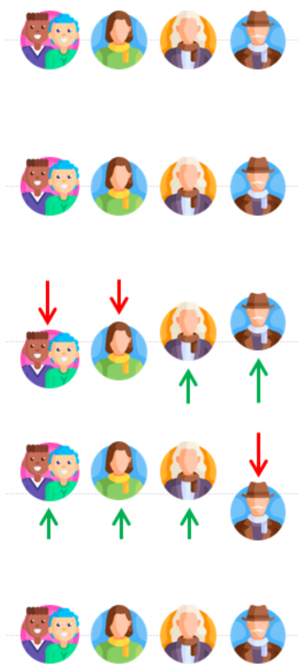
**Provide as much information possible to make an informed decision**
89% Relevant

**Online simulator to analyse options and the final price**
80% Relevant

**The service provider leads the product to meet consumer needs**
76% Relevant

**Virtual Assistant that helps the research to make the decision making easier**
45% Relevant

**The service provider contacts the consumer to make an offer**
38% Relevant



**Note:** n: 534 ; M.E: 7%

*Likert scale: 1-5 (% is the sum 4+5)

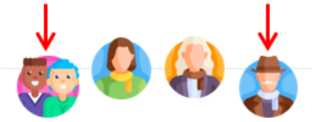
Push the value up · Push the value down · Gen Z · Millennials · Gen X · Baby Boomers

## Factors valued during the order of bottled gas*

"Quão importantes são os seguintes fatores ao encomendar gás engarrafado?"
(Classifique de 0 a 5 cada uma das opções)

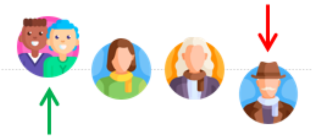
**Set the right time for delivery**

**82%**
Relevant



**Knowing how much gas is left in the bottle**

**73%**
Relevant

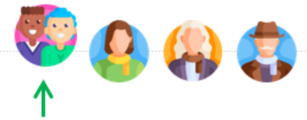


**Receive alerts predicting empty bottle based on consumption**

**67%**
Relevant

**Knowing bottle availability in the store**

**53%**
Relevant

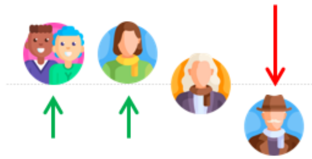


**Manage consumption on a personal area**

**48%**
Relevant

**Tracking the status of the order**

**36%**
Relevant



**Note:** n: 534 ; M.E: 7%

*Likert scale: 1-5 (% is the sum 4+5)

↑ Push the value up ↓ Push the value down · Gen Z · Millennials · Gen X · Baby Boomers

## More personalized offer*

"Do seu ponto de vista, como é que esta experiência com produtos/ serviços para a casa poderia ser mais personalizada?"
(Classifique de 0 a 5 cada uma das opções)

**Monitor electricity usage**
76%
Relevant

**Personalized discounts**
70%
Relevant

**Usage recommendations based on consumption**
70%
Relevant

**Access to payments history**
67%
Relevant

**Access to last purchases/consumption**
62%
Relevant

**Location/need-based reward system**
56%
Relevant

**Other product suggestions**
29%
Relevant

**New product notifications**
24%
Relevant

Note: n: 534 ; M.E: 7%

*Likert scale: 1-5 (% is the sum 4+5)

Push the value up · Push the value down · Gen Z · Millennials · Gen X · Baby Boomers

## Delivery of Bottled Gas*

*"Onde prefiro que a garrafa de gás seja entregue?"*
*(Indique a sua preferência)*

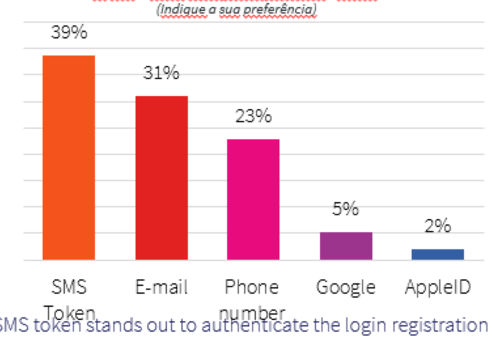

**Note:** n: 534 ; M.E: 7%

The majority of the inquiries **prefer to receive the bottled gas at home**

*only answers from Lisbon & Porto

## Authenticate registration

*"Ao criar a conta, como prefiro autenticar o registo?"*
*(Indique a sua preferência)*




SMS token stands out to authenticate the login registration

**Note:** n: 534 ; M.E: 7%

## Importance of giving feedback

*"Para mim, quão importante é dar feedback sobre qualquer experiência relacionada com o produto / serviço que contratou?"*
*(classifique de 0 a 5)*

**80%**

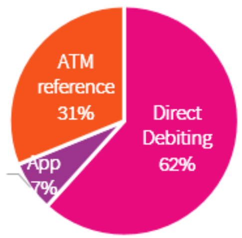
Of inquiries found relevant to give feedback

*Likert scale: 1-5 (% is the sum 4+5)

**Note:** n: 534 ; M.E: 7%

## Invoice Payment

*"Por onde prefiro pagar as faturas?"*
*(Indique a sua preferência)*

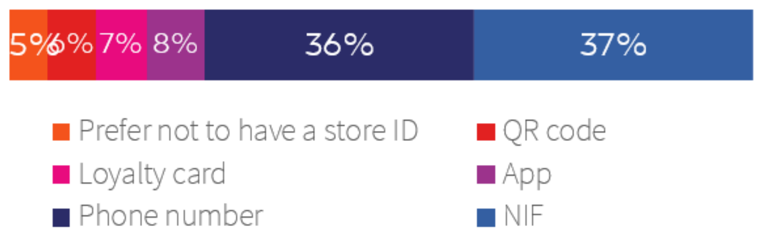



**Note:** n: 534 ; M.E: 7%

The majority of the inquiries **prefer pay the invoice by direct debiting or ATM reference**

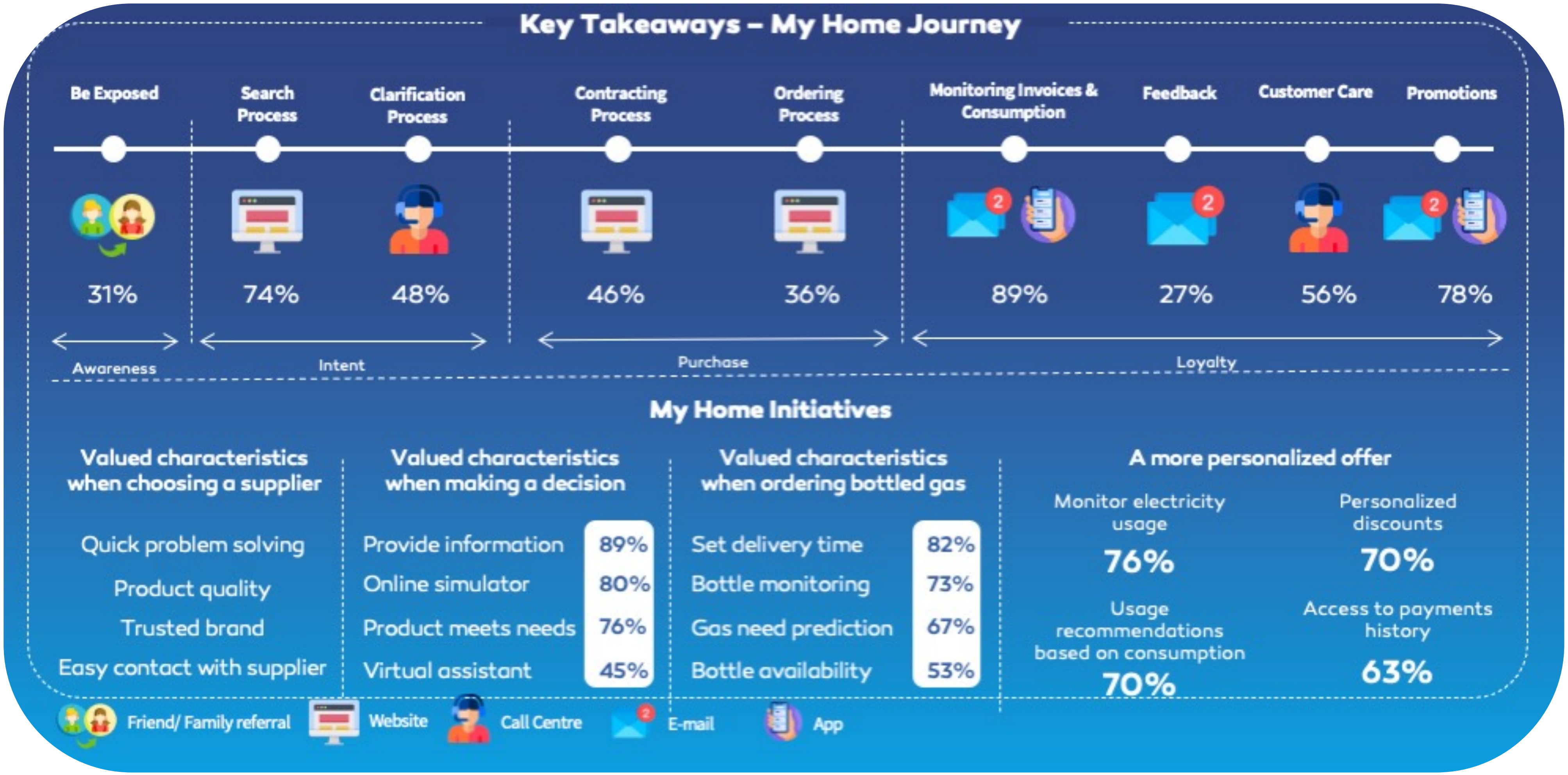
## Store ID

*"Quando entro numa loja (posto de combustível e/ou loja), como prefiro ser identificado para ter acesso a uma oferta personalizada e facilitada?"*
*(Indique a sua preferência)*




When entering the store, most inquiries prefer to be identified through NIF or phone numbers. **Only 5% prefer not to be identified.**

**Note:** n: 534 ; M.E: 7%


Key Takeaways – My Home Journey
Be Exposed
Search Process
Clarification Process
Contracting Process
Ordering Process
Monitoring Invoices & Consumption
Feedback
Customer Care
Promotions
31%
74%
48%
46%
36%
89%
27%
56%
78%
Awareness
Intent
Purchase
Loyalty
My Home Initiatives
Valued characteristics when choosing a supplier
Quick problem solving
Product quality
Trusted brand
Easy contact with supplier
Valued characteristics when making a decision
Provide information 89%
Online simulator 80%
Product meets needs 76%
Virtual assistant 45%
Valued characteristics when ordering bottled gas
Set delivery time 82%
Bottle monitoring 73%
Gas need prediction 67%
Bottle availability 53%
A more personalized offer
Monitor electricity usage
76%
Personalized discounts
70%
Usage recommendations based on consumption
70%
Access to payments history
63%
Friend/ Family referral
Website
Call Centre
E-mail
App

# Appendix 14.6 - Quantitative Research Results: Mobility Journey

galp

**My Ride** Journey

Mobility journey

**My Home** Journey

**My Ride** Journey

**Convenience** Journey

## Methodology

- The Mobility journey focused on a continuous journey, testing less touchpoints than My Home journey as it is a daily journey;
- **Channel preferences** along an ideal journey were tested. The presented numbers do not reflect current choices but the preferences of the population in Lisbon and Porto;
- **New initiative's relevance** was tested as well.

## Products covered

Fuel

Electric Mobility

Convenience Products

## Touchpoints

| Awareness | Intent | Purchase | | | Loyalty | |
|---|---|---|---|---|---|---|
| | | Fuel Payment | Non Fuel Payment | E-mobility Payment | Feedback | Promotions |

## Initiatives

**Valued characteristics in the charging process**
(5 initiatives on 1-5 Likert scale)

**Valued characteristics when choosing a supplier**
(7 options to choose the 3 most relevant)

**More personalized experience**
(6 initiatives on a 1-5 Likert scale)

**Most valuable features within a fuel brand**
(order the 7 options from most important to least important)

**Important to have while waiting for e-mobility charging**
(9 initiatives on 1-5 Likert scale)

**Importance of feedback**
(1-5 Likert scale)

Process of Refuelling the car
(Choose preference)

*more information in the Annexes (click on boxes to go there directly)

Data presented on the next slides

My Ride
Journey

# My Ride Touchpoints

## Preferred channels mapping

*A partir deste momento, considere que se encontra na seguinte situação:*
*Tem um carro próprio ou utiliza frequentemente o carro de outrem e necessita de ir abastecer a um posto.*

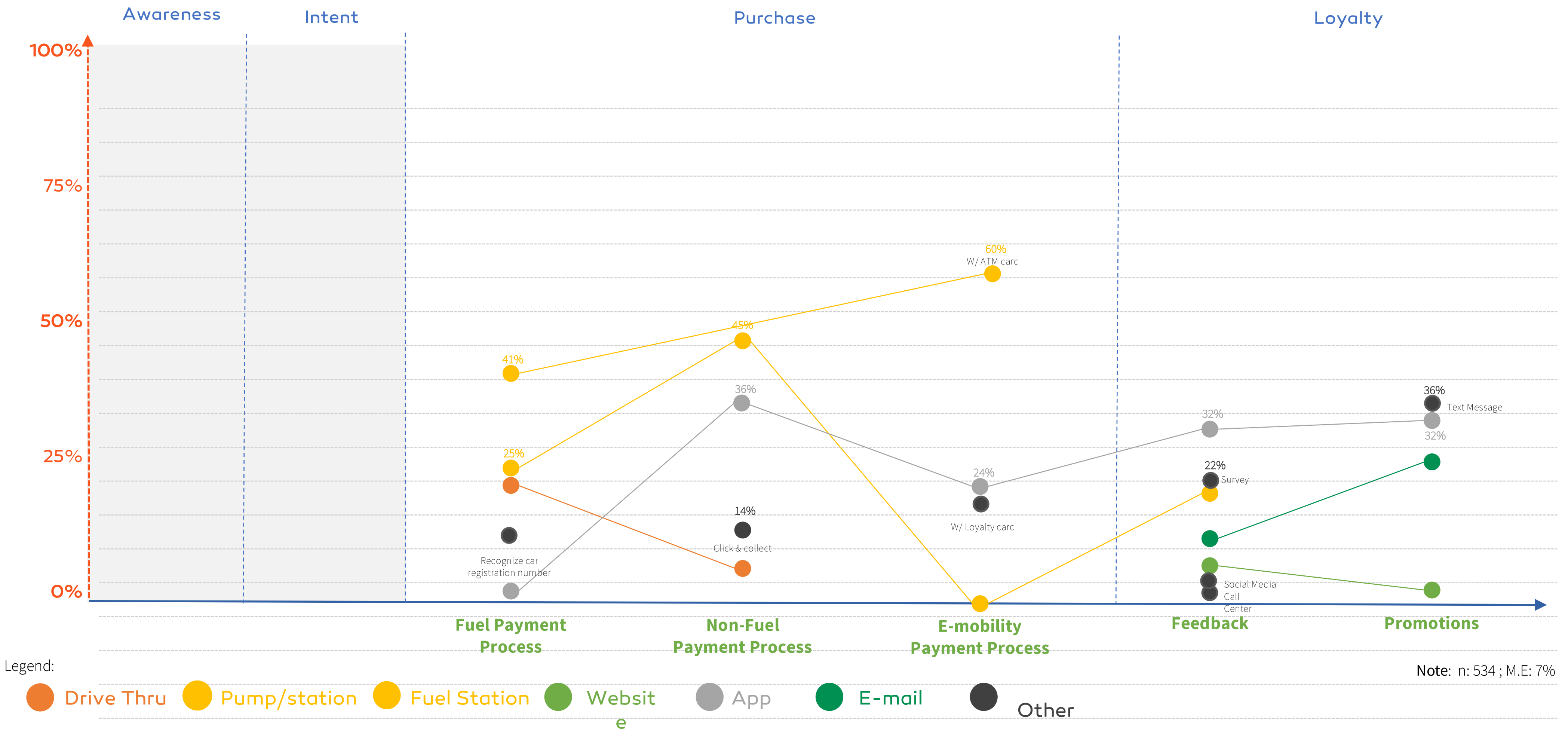
*Vamos questionar-lhe acerca das suas preferências em relação às soluções propostas e à forma como interage com o comercializador. Pedimos que considere as perguntas num cenário hipotético, em que todas as soluções propostas são válidas.*

In the mobility journey, the survey focused on depicting decisions related to Omnichannel initiatives more than channel preferences, therefore, only five-channel preferences are presented here.

| Fuel Payment | Non- Fuel Payment | E-mobility Payment | Feedback Process | Promotional Offers |
|---|---|---|---|---|
| Preferential payment method | Preferential payment method | Preferential payment method | At the end of the experience, where to give feedback | Preferential channel to receive promotions |
| Depois de abastecer, como prefiro efetuar o pagamento? (Indique a sua preferência) | Imagine que para além de abastecer, quer adquirir outro tipo de produtos no posto (e.g.: garrafas de gás, produtos de conveniência - leite, batatas fritas, café, fruta, etc.).<br><br>Como prefiro comprar esses produtos?<br>(Indique a sua preferência) | *Imagine que por motivos de sustentabilidade e estilo de vida, decide adquirir um carro elétrico.*<br>*Tenha em conta que em média o carregamento do seu carro num posto de carregamento demora entre 15 minutos a 1h30 minutos.*<br><br>*Por onde prefiro fazer o pagamento dos meus carregamentos?*<br>*(Indique a sua preferência)* | *Se me for pedido feedback, por onde o prefiro fazer?*<br>*(Indique a sua preferência)* | *Onde prefiro receber ofertas promocionais associadas ao meu consumo?*<br>*(Indique a sua preferência)* |

Awareness | Intent | Purchase | Loyalty

**My Ride** Journey




Note: n: 534 ; M.E: 7%

## *My Ride* Preferred channel in each touchpoint

| Fuel Payment | Fuel+Non Fuel Payment | E-mobility Payment | Feedback | Promotions |
|---|---|---|---|---|
| 41% | 45% | 60% | 32% | 36% |
| Pay at the pump (Pay&go) | Fuel Station | Pay at the station (with ATM card) | App | Text Message |
| 25% | 36% | 24% | 26% | 32% |
| Fuel station | App | App | Survey | App |

**Note:** n: 534 ; M.E: 7%

**Pump** was the preferred channel for fuel and e-mobility payments

**Fuel Station** was chosen mostly for fuel and non-fuel payments and give feedback

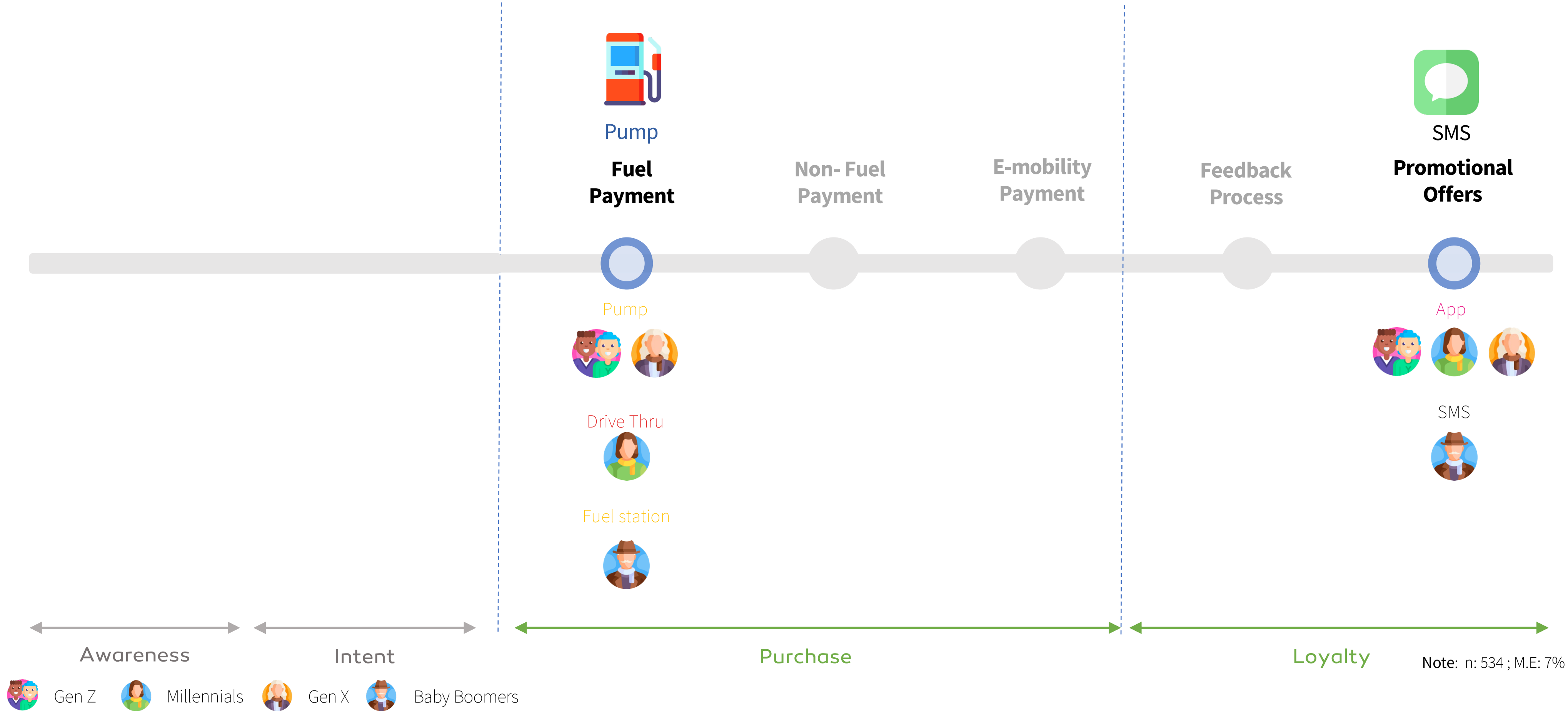
**Website** was the least chosen channel along this journey

**App** was mainly chosen for the loyalty touchpoints: feedback and promotion

**E-mail** gained importance to give feedback and receive promotions

# My Ride Touchpoints

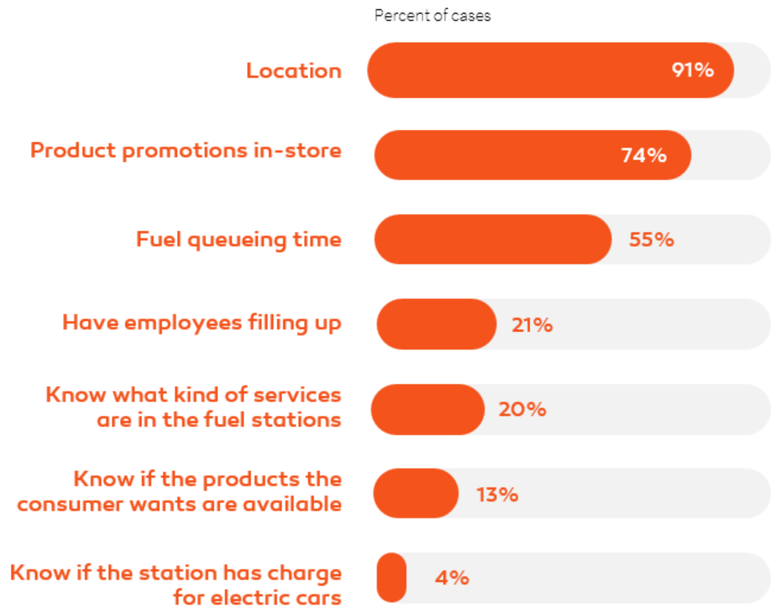
## Most preferred channel by Generation




Note: n: 534 ; M.E: 7%

## Valued characteristics when choosing a supplier

*"O que me faz escolher um determinado posto de abastecimento?"*
*(Selecione as 3 mais relevantes para si)*




Note: n: 534 ; M.E: 7%

## Factors valued in the charging process*

*"O que valorizo no processo de carregamento do carro elétrico?"*
*(Classifique de 0 a 5 cada uma das opções)*

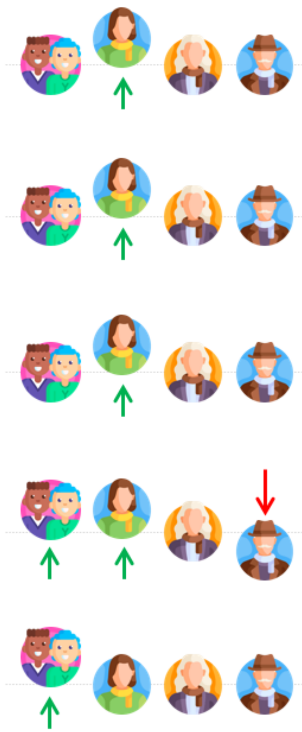
**Know remotely if a charging station is available**
**89%** Relevant

**Know remotely the charging station status (if working properly)**
**88%** Relevant

**Time prevision of complete charging**
**87%** Relevant

**Schedule in advance time and station to charge the car battery**
**63%** Relevant

**Access to historical data of energy consumption and cost**
**51%** Relevant



*Likert scale: 1-5 (% is the sum 4+5)

Note: n: 534 ; M.E: 7%

Push the value up | Push the value down | Gen Z | Millennials | Gen X | Baby Boomers

## Important to have while waiting for e-mobility charging*

*"Enquanto estou à espera que o meu carro acabe de carregar, ao que seria importante ter acesso?"*
*(Classifique de 0 a 5 cada uma das opções)*

**Internet access**
72%
Relevant

**Comfortable space to wait**
63%
Relevant

**Location where you can go for a walk/do other things**
46%
Relevant

**Store offer**
31%
Relevant

**Shopping for convenience products**
31%
Relevant

**Coffee discounts**
24%
Relevant

**A reading / library space**
23%
Relevant

**Manage house-related matters**
20%
Relevant

**Grab & go**
13%
Relevant

Note: n: 534 ; M.E: 7%

*Likert scale: 1-5 (% is the sum 4+5)

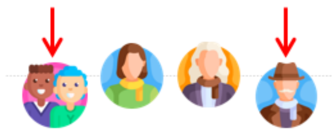
Push the value up · Push the value down · Gen Z · Millennials · Gen X · Baby Boomers

## More personalized experience

*"Como é que a experiência de abastecer o seu carro poderia ser mais personalizada?"*
*(Classifique de 0 a 5 cada uma das opções)*

**Personalized discounts**

**55%**
Relevant



**Location/need-based reward system**

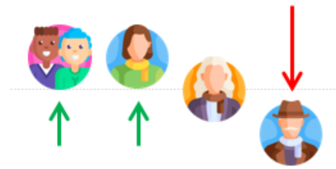
**52%**
Relevant

**Access to fuel/ charging payments history**

**45%**
Relevant

**Annual tracking of savings based on discounts**

**36%**
Relevant

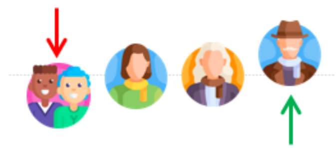


**Recommendations based on fuel consumption**

**32%**
Relevant

**New product notifications**

**17%**
Relevant



**Note:** n: 534 ; M.E: 7%

*Likert scale: 1-5 (% is the sum 4+5)

↑ Push the value up ↓ Push the value down — Gen Z — Millennials — Gen X — Baby Boomers

## Process of Refuelling the car

*"Como prefiro que seja o processo de abastecer?"*
***(Indique a sua preferência)***


The inquiries showed a **great preference for home delivery or having a staff refill the car.** Only 13% prefer to refill himself.

**Note:** n: 534 ; M.E: 7%

## Importance of giving feedback

*"Para mim, quão importante é dar feedback sobre qualquer experiência relacionada com o produto / serviço que contratou?"*
***(Classifique de 0 a 5)***

The inquiries **found it important to give feedback**, however, a higher percentage picked not important and slightly important, than very important and extremely important.

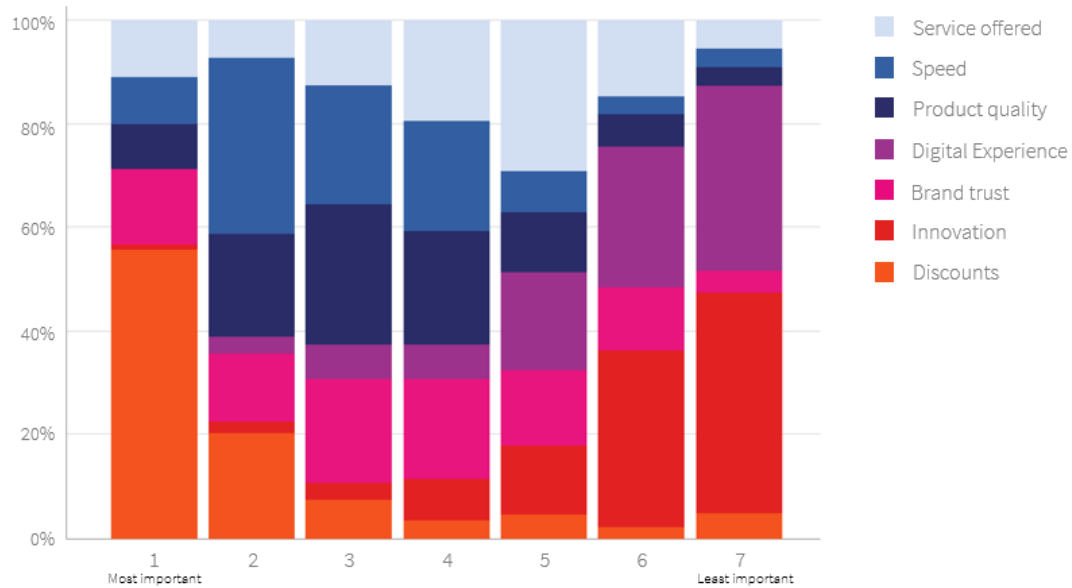
**26%**

consider important
*Likert scale: 1-5 (% is the sum 4+5)

**Note:** n: 534 ; M.E: 7%

## Most valuable features within a fuel brand

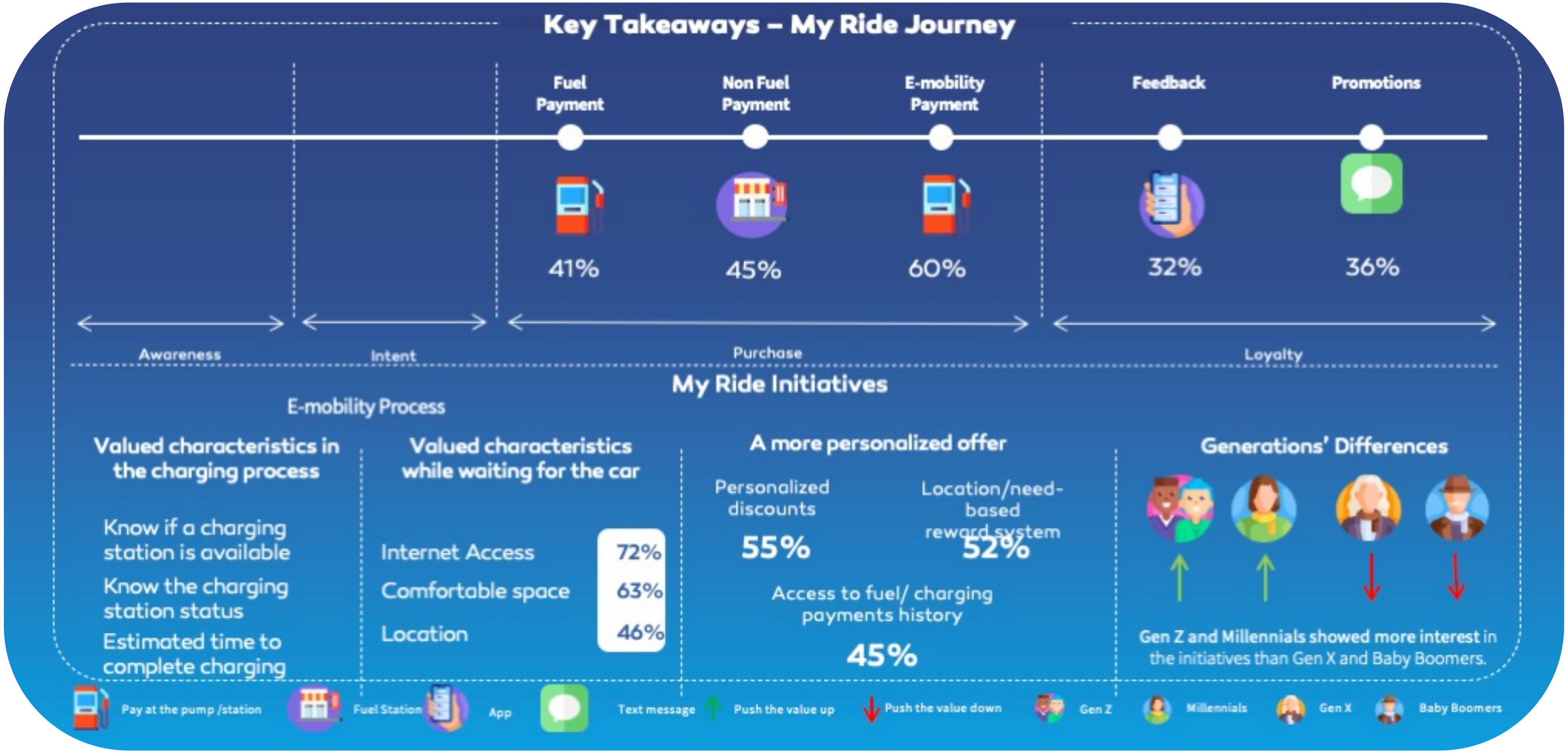
"Quando escolho a marca de combustível onde vou abastecer, o que mais valorizo?"
(Ordene do mais importante para o menos importante)




When asked to order the above qualities/features of a fuel brand, by importance, the results were the following:

- **Discounts were at the top ranking,** showing great importance for consumers;
- Speed, product quality, and brand trust were placed within the top 4;
- **Innovation and Digital experience were ranked at the bottom, however, with a tendency to penetrate the higher ranking positions.**

**Note:** n: 534 ; M.E: 7%


Key Takeaways – My Ride Journey
Fuel Payment
Non Fuel Payment
E-mobility Payment
Feedback
Promotions
41%
45%
60%
32%
36%
Awareness
Intent
Purchase
Loyalty
My Ride Initiatives
E-mobility Process
Valued characteristics in the charging process
Know if a charging station is available
Know the charging station status
Estimated time to complete charging
Valued characteristics while waiting for the car
Internet Access 72%
Comfortable space 63%
Location 46%
A more personalized offer
Personalized discounts
55%
Location/need-based reward system
52%
Access to fuel/ charging payments history
45%
Generations' Differences
Gen Z and Millennials showed more interest in the initiatives than Gen X and Baby Boomers.
Pay at the pump /station
Fuel Station
App
Text message
Push the value up
Push the value down
Gen Z
Millennials
Gen X
Baby Boomers

# Appendix 14.7 - Quantitative Research Results: Convenience Journey

galp

**Convenience**
Journey

Phygital journey

**My Home** Journey

**My Ride** Journey

**Convenience** Journey

## Methodology

- The Convenience journey focused on a daily journey, testing less touchpoints than the other 2 journeys, but testing more initiatives regarding convenience;
- **Channel preferences** along an ideal journey were tested. The presented numbers do not reflect current choices but the preferences of the population in Lisbon and Porto;
- **New initiatives relevance** was tested as well.

## Products covered

Convenience Products

## Touchpoints

In store experience

Payment

Promotions

## Initiatives

**The environment would like to find in a c-store** (Choose preference)

**Preferred products to have available in a c-store** (11 options to choose the 3 most relevant)

**Preferential payment method** (Choose preference))

**Preferential channel to receive discounts and offers** (Choose preference))

**Expected average time in-store** (slide bar 1-10)

**What makes people choose to go to a c-store** (open ended question)

**Willingness to pay a price premium** (Likert scale 1-5)

**Most relevant App features** (13 initiatives on a 1-5 Likert scale)

**Motivations to use the app** (6 options to choose the 2 most relevant)

**Limitations to use the app** (5 options to choose the 2 most relevant)

*more information in the Annexes (click on boxes to go there directly)

Data presented on the next slides

Convenience
Journey

# Convenience Touchpoints

## In store experience

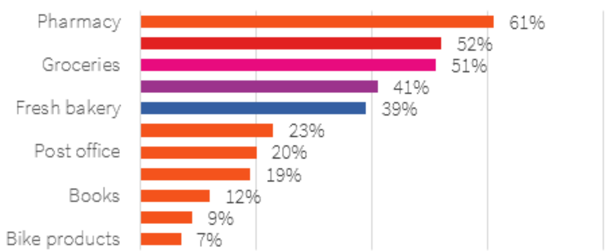
What products/services and environment customers look for in a c-store

### Environment

*"Que ambientes gostaria de encontrar numa destas lojas de conveniência?"*
(Indique a sua preferência)


### Products and services

*"Para mim, que tipo de produtos são úteis nas lojas de conveniência/ lojas em posto de combustível?"*
(Selecione as 3 mais relevantes para si)




Note: n: 534 ; M.E: 7%

## Payment

Preferential payment method

*"Como prefiro concretizar a minha compra?"*
(Indique a sua preferência)

41%
Drive thru

18%
In store self-checkout

13%
Curbside pickup

11.0 %
Click&Collect

11%
Normal checkout

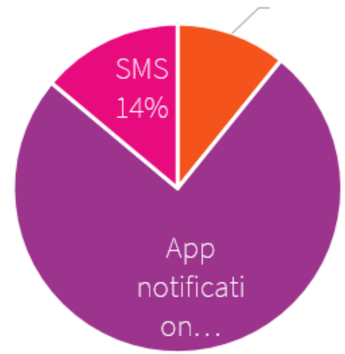
7.7%
In app self checkout

Note: n: 534 ; M.E: 7%

## Promotions

Discounts and offers to use in c-stores

*"Por onde prefiro receber novas ofertas de produtos ou saber quais os produtos que estão disponíveis?"*
*(Indique a sua preferência)*




Note: n: 534 ; M.E: 7%

## What makes people choose to go to a c-store

*"Existe a possibilidade de que estas lojas se desagreguem de um posto de combustível, e passem a estar localizadas no meio da cidade. O que valorizo numa loja de conveniência de rua deste tipo?"*
*(resposta aberta)*

| | | |
|---|---|---|
| 29% Product Offer & Quality | 17% Accessibility | 15% Quickness & efficency |
| 10% Do not value this type of store | 10% Accessible prices | 9% Extended Hours |
| 5% Confort & Environment | 4% Employee Treatment | 3% Digital Payment |

## Time in Store

Expected average time in store

*!Imagine que quer comprar uma revista e um refrigerante. Quanto tempo espero estar na loja de conveniência?!*
*(Deslize a barra 0 a 10)*

# 4 minutes

**Note:** n: 534 ; M.E: 7%

## Price analysis*

Price premium analysis

*Quão disposto estou, para pagar um preço mais elevado caso esta experiência em loja seja melhorada?*
*(Classifique de 0 a 5)*

Willingness to pay a **price premium** for the convenient experience

# 28%

are willing to pay

*Likert scale: 1-5 (% is the sum 4+5)
**Note:** n: 534 ; M.E: 7%

Convenience
Journey

# Convenience Initiatives

## App

Features

*"Que funcionalidades considera mais relevante ter na App?"*
*(Classifique de 0 a 5 cada uma das opções)*

| Feature | Relevant | Gen Z | Millennials | Gen X | Baby Boomers |
|---|---|---|---|---|---|
| Scan & Pay | 66% | ↑ | | ↑ | |
| In-store product stock | 55% | | ↑ | | ↓ |
| Fuel prices | 53% | ↑ | | | |
| Home delivery | 50% | | | | ↓ |
| Store traffic | 36% | | | | |
| Price comparison | 36% | ↑ | | | |
| Discount notification | 35% | ↑ | | | ↓ |
| BOPIS** | 33% | | | | |
| In-store product location | 31% | ↑ | | | |
| Return Online purchases | 29% | ↑ | ↑ | | ↓ |
| Shopping list | 29% | | | | ↓ |
| Product reviews | 20% | | ↑ | | ↓ |
| Brand comparison | 15% | ↑ | | | |

Note: n: 534 ; M.E: 7%  *Likert scale: 1-5 (% is the sum 4+5)  ↑ Push the value up ↓ Push the value down  Gen Z  Millennials  Gen X  Baby Boomers

** Buy online pick up in store

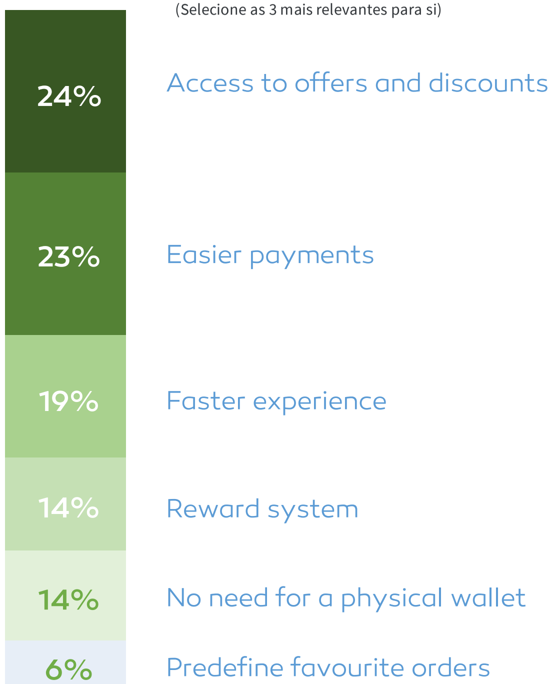
# Convenience Initiatives

## App

Limitations and reasons to use the app

### Motivations

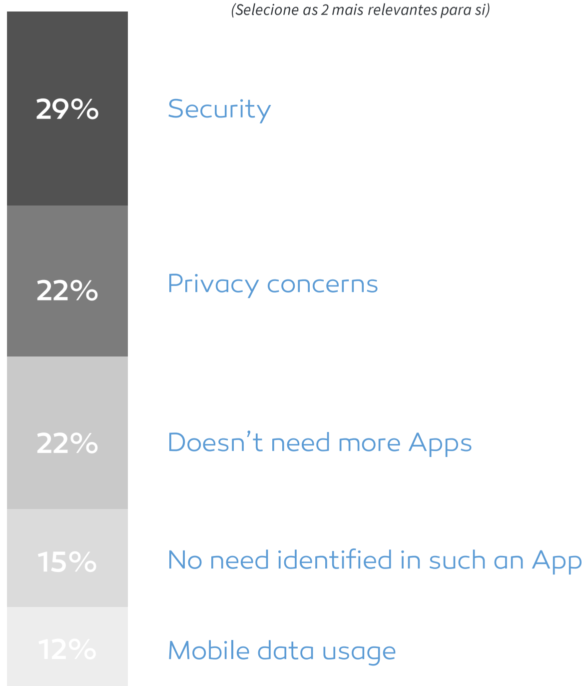
*"O que me leva a utilizar esta App?"*
(Selecione as 3 mais relevantes para si)



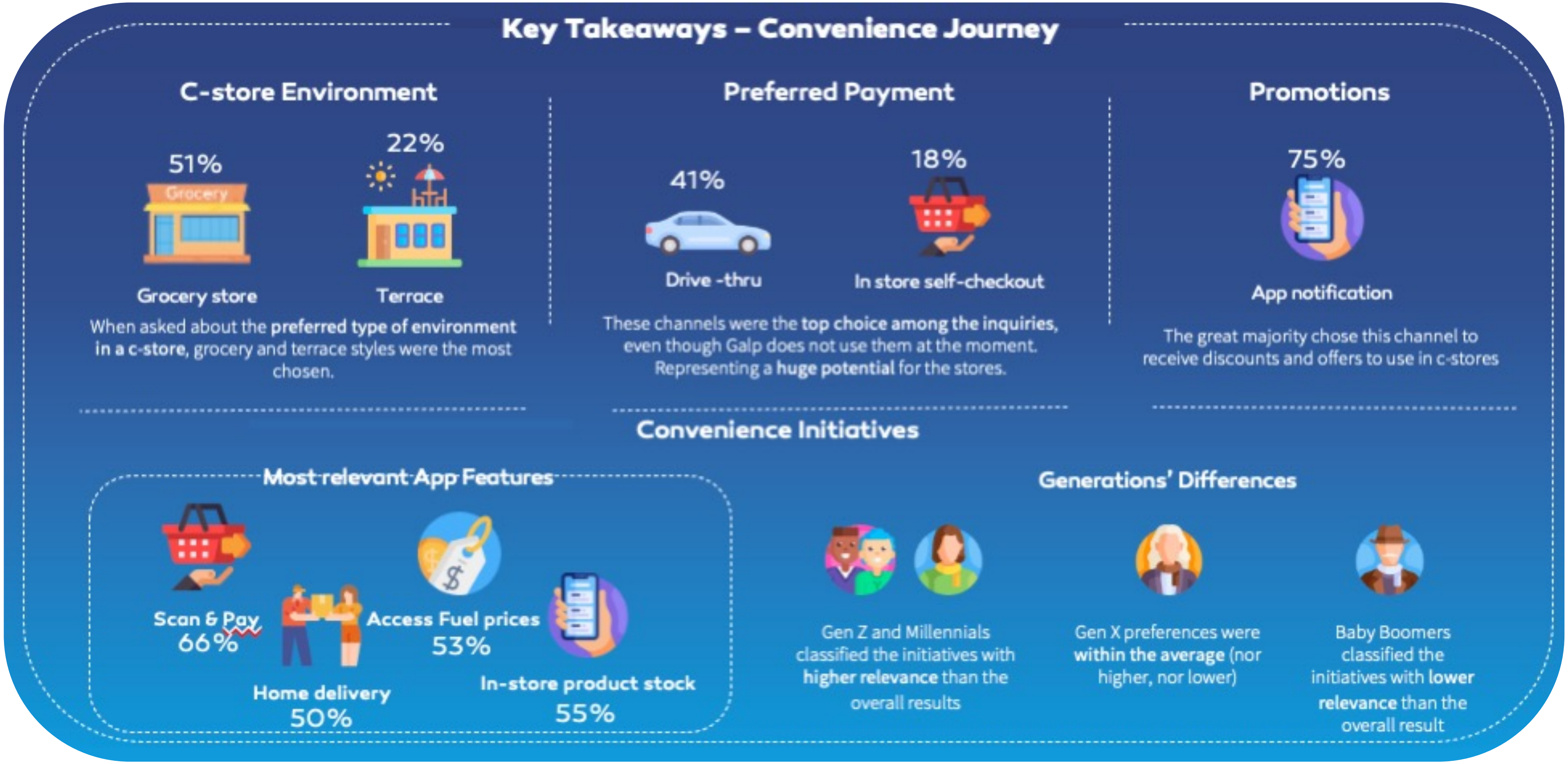

Note: n: 534 ; M.E: 7%

### Limitations

*"O que me faria não utilizar esta App?"*
*(Selecione as 2 mais relevantes para si)*




Note: n: 534 ; M.E: 7%


Key Takeaways – Convenience Journey
C-store Environment
51%
Grocery
Grocery store
22%
Terrace
When asked about the preferred type of environment in a c-store, grocery and terrace styles were the most chosen.
Preferred Payment
41%
Drive -thru
18%
In store self-checkout
These channels were the top choice among the inquiries, even though Galp does not use them at the moment. Representing a huge potential for the stores.
Promotions
75%
App notification
The great majority chose this channel to receive discounts and offers to use in c-stores
Convenience Initiatives
Most relevant App Features
Scan & Pay
66%
Home delivery
50%
Access Fuel prices
53%
In-store product stock
55%
Generations' Differences
Gen Z and Millennials classified the initiatives with higher relevance than the overall results
Gen X preferences were within the average (nor higher, nor lower)
Baby Boomers classified the initiatives with lower relevance than the overall result

# Appendix 15 - Hypothesis Validation

**Issue: Customer Experience**

| Sub Issue | Hypothesis | Validation | Recommendations |
|---|---|---|---|
| A. Should Galp correct the identified fragmented customer journeys? | YES. Fragmented journeys damaged the CX. | Validated | Mitigate Intra & inter-channel frictions |
| B. Should Galp enhance information display in the decision-making process? | YES. For the customer to make the right decision, the information needs to be displayed in a clear and consistent way. | Partially validated | Enhance Information display |
| C. Should Galp enhance information display through monitoring features? | YES. Customers want information about asked consumptions, purchases, and transactions. | Partially validated | Enhance Information display |
| D. Should Galp incorporate new payment methods? | YES. To increase customer choice, new payment methods should be added. Enabling Phygital experiences. | Validated | Incorporate new payment methods |
| E. Should the current in-store product pick-up be complemented with new service offerings? | YES. Customer trends highlight the need for a diversification of processes that enhance convenience. | Validated | Diversify product collection processes |
| F. Should Galp's new Omnichannel strategy highlight the digital channels over traditional channels? | YES. Digital transformation will shrink traditional channel usage. | Not validated | New channel's value proposition |
| G. Should Galp's current engagement processes be continued? | YES. The *Galp+ card, Cartão Continente and the App Mundo Galp* establish an effective link with customers. | Partially validated | Increase customer engagement through Galp One Program |
| H. Should Galp find new solutions to communicate with customers? | YES. Customers need to feel recognized in the loyalty phase of their journey. New targeted communication methods, will increase consumer-brand identification. | Validated | Strengthen customer relationships through outbound communications |
| I. Should Galp find new paths to collect customer insights? | YES. Collecting customer feedback allows a constant improvement of experiences Galp can provide. | Validated | Implement New feedback mechanisms |

validated · Partially validated · Not validated

# Appendix 16 - Channels Value Proposition and Role

galp

Channel
## App Mundo Galp

Target

Gen Z ↑, Millennials ↑, Gen X, Baby Boomers ↓

### Value proposition

*An **instant-access and intuitive App** that centralizes all the digital touchpoints for **tech-savvy customers**, enabling Phygital experiences and access to a personal area*

### Omnichannel Role

Built to enable digitalized experiences and **gather data** and **insights** mostly on the **purchase and loyalty stages**

## Product/service offering

| Gas & Power | Bottled Gas | Solar | Fuel | E-Mob | C-store products | Customer Care |
|---|---|---|---|---|---|---|
| Inform<br>Contract (3 Minutos)<br>Monitor consumption<br>Pay invoices | Inform<br>Order<br>Manage orders | Inform<br>Start Contract (Lead)<br>Monitor consumption and production | Inform<br>Fuel home delivery<br>At the pump payment<br>Monitor fuel consumption | Inform<br>Order card<br>Monitor energy consumption | Order<br>Manage order<br>C-store Payment | Inform<br>Clarifying doubts through chatbot |

## Channel Role across the Sales Funnel

| Awareness | Intent | Purchase | Loyalty |
|---|---|---|---|
| Display content that reflects the company values, and is informative and educational;<br><br>Highlight Galp's products added value and benefits;<br><br>**Generate leads: contact fuel customers that access information sections regarding other products within the app;** | Provide access to clear and organized information about Galp products & services<br><br>Display the App features, leading customers to the next stage of the purchase funnel;<br><br>Start **collecting behavioural data;** | Most customers will begin using the app at this stage. The App must have an intuitive and clear onboarding.<br><br>Allow in-app purchases and contracting, without redirecting to other channels.<br><br>**Enable in-store Phygital experiences,** through payment and collection processes;<br><br>**Collect purchase-based data**;<br><br>Manage ongoing orders. | Customer access to previous orders, purchases, and invoices;<br><br>Share product updates;<br><br>Collect feedback;<br><br>Promote in-App interactions, rewarding usage;<br><br>Provide access to **promotions** and offers, based on customer preferences<br><br>Be an additional option in Customer Care, answering issues and solving them in real-time. If not solved, forward to the Support Centre. |

Gen Z Millennials Gen X Baby Boomers ↑ More relevant ↓ Less relevant

galp

Channel

# Website

## Target

### Value proposition

*A **fully equipped platform** that gathers all range of information about Galp products and services, aiming all **customer segments**. Enables an intuitive contracting process and the personal area offers exclusive features and promotions.*

### Omnichannel Role

The website increases the available datapoints by bringing customers and information closer to each other and guiding them through **contracting, monitoring and customer care**.

## Product/service offering

| Gas & Power | Solar | Bottled Gas | Fuel | E-Mob | Customer Care |
|---|---|---|---|---|---|
| Inform<br>Contract (3 Minutos)<br>Monitor consumption | Inform<br>Start Contract (Lead)<br>Monitor consumption and production | Inform<br>Order<br>Manage orders | Inform | Inform<br>Order card<br>Order Wallbox | Inform<br>Clarify doubts through a chatbot |

## Channel Role across the Purchase Funnel

| Awareness | Intent | Purchase | Loyalty |
|---|---|---|---|
| Brand awareness: One of the first contacts customers have with Galp<br><br>Opportunity to capture leads by incentivizing non converted customers to give contact details | Develop a relationship from the beginning:<br>— Display a value proposition that connects with the heart of the customer<br>— Reflect Galp´s values, and how the company is able to improve customer life<br><br>Facilitate **Search process** with clear and organized information in a intuitive way so that customers do not have to go to another channel<br>— Highlight products features, added value and benefits to spark interest<br>— Make sure the customer is able to clarify its own doubts<br><br>Help customers with **decision making** in a quick and efficient way; | The website must have an intuitive and clear onboarding strategy.<br><br>Allow in-website purchases and contracting, without redirecting to other channels.<br><br>Collect purchase-based data;<br><br>Incentivize customers to download the App during contract and purchase processes (Bottled Gas; Fuel; E-Mob). | Access to a personal area to **monitor** previous orders, purchases and transactions, share product updates and **collect feedback**;<br><br>Provide customers with **promotions** and offers, based on customer preferences collected in the previous stages;<br><br>Promote App usage on product usage monitoring;<br><br>Be the second option in Customer Care, answering issues and solving them in real-time. If not solved, forward to the Support Centre. |

Gen Z · Millennials · Gen X · Baby Boomers · More relevant · Less relevant

galp

Channel
# Pump Station/ EV Charger

## Target

Value proposition

*The most time-saving solution for **younger generations** with clear and structured instructions to **older segments**.*

Omnichannel Role

Fulfil customer needs in the **purchase stage**, being crucial for **consumption data-collection**

## Product/service offering

| Fuel | E-Mob | C-store products |
|---|---|---|
| Refuel<br>Fuel payment | Charge<br>Charge Payment | Order products for products and collect in drive-thru |

## Channel Role across the Purchase Funnel

| Awareness | Intent | Purchase | Loyalty |
|---|---|---|---|
| N/A | Stations must be placed in strategic geographies, as the location is the main driver that influences decision.<br><br>Customers need **information about payment methods and procedures** on these channels;<br><br>All payment methods should be explicit and incorporated in a seamless way within the journey. | The pump and charging stations should allow customers to pay on-site immediately;<br><br>**Multiple payment methods** should be offered so that the customer can decide on the most convenient option, based on the information displayed before.<br><br>For EV charging customers, the channel must ensure that other channels, such as the C-Stores, can provide commodities to customers.<br><br>Cross with c-store | The pump and charging stations should be integrated with all channels to **convert purchases and consumer habits into data**, boost product and offer recommendations, and increase sales. |

Gen Z Millennials Gen X Baby Boomers More relevant Less relevant

galp

Channel

# C-Store

Target

Value proposition

*A new concept of fuel station stores made to fulfil the convenience needs of customers, being the stage of Phygital CX's for **tech savvy customers** and a pleasant experience for **older segments**.*

Omnichannel Role

Paramount role in the **awareness** stage, as c-stores will be the public face of Galp's change. C-store CX's will allow **data collection** and **customer preferences assessment** on the **purchase** stage.

## Product/service offering

**Bottled Gas** — Purchase & order home delivery; Collect bottled gas previously paid in App

**Fuel** — Fuel payment

**C-store products** — (Pharmacy) (Car products) (Groceries) (Fresh meal takeaway) — Purchase products; Collect products previously paid in App/ Pump

## Channel Role across the Sales Funnel

### Awareness

C-stores within the mobility journey can set the tone for a highly innovative, relevant and convenient experience comparing to competitors;

C-store must reflect the benefits of a differentiating experience on comfort and convenience.

**Generate leads to G&P by incentivizing accessing QR codes that redirect to website and app personalized informational sections**

### Intent

Customers will look for a wide product offering, convenient location, and easy accessibility.

C-store must provide a grocery store feel to incentivize customers to enter.

Provide access to clear and information regarding processes and procedures

**Employees must be able to respond to any product and any of the channels.**

### Purchase

**Multiple payment methods** should be offered so that the customer can decide the most convenient option in order to save time.

Integrate **multiple delivery and collection options.**

Convenient and comfortable solution for E-Mob customers while waiting for complete charging.

### Loyalty

C-stores should be integrated with all channels and company products so that the **purchases and consumer habits are converted into data,** boosting product and offer recommendations, and increasing sales.

Gen Z | Millennials | Gen X | Baby Boomers | More relevant | Less relevant

galp

Channel
**Store**

Target

### Value proposition

*A physical flagship-store to unlock quick problem solving and allow older customers to have a clear and informed non-digital onboarding.*

### Omnichannel Role

Inform, manage and give live support regarding all customers' contracting products from the **awareness** to the **loyalty** stage

## Product/service offering

**Gas & Power**
Inform
E2E contract
Monitor consumption
Pay invoices

**Solar**
Inform
E2E contract
Monitor production and consumption
Pay invoices

**Bottled Gas**
Inform
Purchase
Collect bottled gas previously paid in App

**Customer Care**
Inform
Clarify doubts
Problem Resolution

## Channel Role across the Purchase Funnel

| Awareness | Intent | Purchase | Loyalty |
|---|---|---|---|
| A flagship with a strong visual aspect associated with Galp brand values;<br><br>Placed at strategic locations to reach relevant generations and be a familiar channel for older generations. | Customers need information about products and procedures. Employees must be able to respond to any product and any of the channels.<br><br>Forward customers to the Website and App;<br><br>Support and advise during the decision process. | Allow in-store contracting as an alternative channel;<br><br>Incorporate digital processes when contracting to increase convenience and sustainability;<br><br>Provide an Omnichannel experience to both tech-savvy customers and traditional customers. | Employees must have access to customers' information to improve problem-solving;<br><br>Employees must be able to give support and enable first contact resolution regarding Galp´s portfolio;<br><br>During the in-store experience, the customer should be persuaded to join digital channels;<br><br>Built as an alternative channel to support non-digitalized customers and customers who value physical contact with brands. |

Gen Z   Millennials   Gen X   Baby Boomers   More relevant   Less relevant

galp

Channel

# Call Centre (Support Centre)

Target

Value proposition

*A new data-based approach to **information clarification** and **customer care**, where all customers will feel recognized by Galp from day one.*

Omnichannel Role

Relevant for lead follow-up and conversion, as well as ensuring an efficient informing process, support and customer care. Mostly relevant on intent and **loyalty stages.**

## Product/service offering

**Gas & Power**
Inform
E2E contract
Monitor consumption

**Solar**
Inform
Contract E2E
Monitor consumption and production

**Bottled Gas**
Inform
Order

**Customer Care**
Inform
Clarify doubts
Problem Resolution

## Channel Role across the Sales Funnel

| Awareness | Intent | Purchase | Loyalty |
|---|---|---|---|
| **Follow leads collected** on the app, website and c-stores by calling possible customers to advertise products of interest for their generation/profile | **Provide assistance in the search process, by clarifying doubts.**<br><br>Call Centre's Employees must be familiar with all of Galp's products and be able to advise and support any issue/doubt found in the process regarding any Galp channels. | **Support and clarify doubts during the online contracting process**<br><br>Last resource channel to make contracts in case customers are not able or do not have access to the digital channels or physical stores. | Built as a Support Centre to offer **Customer Care** to customers who do not use digital channels<br><br>Solve issues forwarded from digital channels.<br><br>Provide a frictionless and efficient customer care experience to both digital and non digital customers. |

Gen Z Millennials Gen X Baby Boomers More relevant Less relevant

galp

## Channel Email

### Value proposition

*A familiar channel that is used to inform, and target communications mostly for **traditional customers** in older segments.*

### Target

## Channel SMS

### Value proposition

*A close channel which will establish contact with non converted leads, as well as forwarding these to the proper conversion channels.*

## Product/service offering

| Gas & Power | Bottled Gas | Solar | C-store products | Fuel | E-mob |
|---|---|---|---|---|---|
| Access to Promotions<br>Information<br>Follow up contract<br>Monitor consumption | Access to Promotions<br>Manage orders | Access to promotions<br>Monitor consumption | Access to Promotions | Access to Promotions | Access to Promotions |

## Channel Role across the Sales Funnel

| | Awareness | Intent | Purchase | Loyalty |
|---|---|---|---|---|
| Channel Email | **Follow leads collected** on the app, website and c-stores by sending emails advertise products of interest for their generation/profile and offering related discounts | **Follow up pending leads** on any action not completed incentivizing to finish purchases, contracts and Customer Care. | Order placement informing;<br><br>Receive invoices; | Keep the customers updated by sending newsletters with relevant content;<br><br>Provide customers promotions and offers regarding fuel, e-mobility and c-store products.<br><br>Monitor consumptions. |
| Channel SMS | **Follow leads collected** on the app, website and c-stores by SMS to advertise products of interest for their generation/profile and offering related discounts | Ask for log in authentication when accessing to Galp ID in any channels. | | Provide customers **promotions** and offers regarding gas & power, bottled gas, and solar products. |

Gen Z Millennials Gen X Baby Boomers More relevant Less relevant

Appendix 16.1 - Channels Value Proposition and Role Definition: Overview

| | APP Mundo Galp | WEBSITE | Pump/EV Charger | C-STORE |
| --- | --- | --- | --- | --- |
| **Value Proposition** | An **instant-access and intuitive App** that centralizes all the digital touchpoints for **tech-savvy customers**, enabling Phygital experiences and access to a personal area | A **fully equipped platform** that gathers all range of information about Galp products and services, aiming all **customer segments**. Enables an intuitive contracting process and the personal area offers exclusive features and promotions. | The most time-saving solution for **younger generations** with clear and structured instructions to **older segments**. | A new concept of fuel station stores made to fulfil the convenience needs of customers, being the stage of Phygital CX's for **tech savvy customers** and a pleasant experience for **older segments**. |
| **Omnichannel Role** | Built to enable digitalized experiences and **gather data** and **insights** mostly on the **purchase and loyalty stages** | The website increases the available datapoints by bringing customers and information closer to each other and guiding them through **contracting, monitoring and customer care**. | Fulfil customer tank filling/battery charging needs in the **purchase stage**, being crucial for **consumption data-collection** | Paramount role in the **awareness** stage, as c-stores will be the public face of Galp's change. C-store CX's will allow **data collection** and **customer preferences assessment** on the **purchase** stage. |

| | STORE | SUPPORT CENTRE | EMAIL | SMS |
|---|---|---|---|---|
| **Value Proposition** | A physical flagship-store to unlock quick problem solving and allow older customers to have a clear and informed non-digital onboarding. | A new data-based approach to **information clarification** and **customer care**, where all customers will feel recognized by Galp from day one. | A familiar channel that is used to inform, and target communications mostly for **traditional customers** in older segments. | A close channel which will establish contact with non converted leads, as well as **forwarding these to the proper conversion channel**s. |
| **Omnichannel Role** | Inform, manage and give live support regarding all customers' contracting products from the **awareness** to the **loyalty** stage | Relevant for lead follow-up and conversion, as well as ensuring an efficient informing process, support and customer care. Mostly relevant on intent and l**oyalty stages.** | Used to follow-up and convert pending leads on the **awareness** and **intent** stages and used for order informing and monitoring on the **purchase** and **loyalty** stages. | **Lead follow-up** in the awareness and intent stages, **authentication** in the purchase stage and **promotion communication** in the loyalty stage |

# Appendix 17.1 – Recommendations: Customer Experience

## 1.1 Mitigate intra and inter-channel Frictions (1/2)

**What**

Improve Galp's customer experience in its different channels, increasing satisfaction and retention by **Mitigating the pain points identified.**

| Initiatives | Omnichannel relevance | Rationale |
| --- | --- | --- |
| **1.1_A Seamless Website and App Experience** <br> — Have the **same single login in the website and in the App** to access personal area, enabling consistent intrachannel and interchannel experience. (Recommendation 3.2_A) <br> — **Personal area features**: access to past orders, access to invoices, consumption monitoring, and access to discounts & rewards. <br> — **Aggregation of all product/service information** on a single website page to facilitate website experience. (Recommendation 3.1) | Awareness > **Intent** > **Purchase** > **Loyalty** <br> App · Website <br> A single login is important to **provide a seamless experience** across channels. Having an aggregated single website page, allows **access to clear and organized information** about Galp's products & services. | **Pain Points Identified in Interviews**[1] <br> Necessity to always add data: customers need to provide their data every time they make a purchase, leading to a less efficient process; <br> Website is not user friendly |
| **1.1_B Fix in-App fragmented journeys by adding new features** <br> — In-app ordering gas system <br> — No need to add data, as information is already provided by the single login feature (Recommendation 1.1_A) <br> — In-app contracting system <br> — Incorporate the "3 Minutos". | Awareness > Intent > **Purchase** > Loyalty <br> App <br> Implementing app-focused features without redirecting to the website, **allows customers to stay engaged** with the channel. | **Pain Points Identified in Interviews**[1] <br> App is not intuitive nor user friendly |

Source: 1. Team-based

— Brand choice factor (Results derived from the *street tests*)

# 1.1 Mitigate intra and inter-channel Frictions (2/2)

**What**

Improve Galp's customer experience in its different channels, increasing satisfaction and retention by **Mitigating the pain points identified.**

## Initiatives

### 1.1_C Upgrade C-Stores

- Implement *Telheiras* **fuel station model** across the C-stores
  - Re-evaluate the variety of products in fuel stations, such as grocery products and fresh meals (slide C-store)
- **Improve the design and comfort** of gas stations to be more inviting
- Improve **Pay&Go and Via Verde information exposure**

**Omnichannel relevance**

Awareness > **Intent** > **Purchase** > Loyalty

C-store

By improving the comfort in the C-stores, customers feel **incentivized to enter and spend more time there**.
Also, improving information exposure increases **Pay & go and Via Verde usage**.

**Rationale**

**Pain Points Identified in Interviews[3]**

**Stores are not convenient nor comfortable**

**Pay&Go and Via Verde are not intuitive**
the lack of information available about the service leads the customer to give up and don't try to use it again.

### 1.1_D Convert Call Centre into a Support Centre, integrating Digital tools

- **Integrated AI system across units** that helps employees to see if customers have already asked for help through another channel such as in-store, **chatbot, or video call assistance.** (Recommendation 3.1)
- **Central dataset with all customer information** to provide a personalized call based on individual interactions. (Recommendation 3.1)
- **Identification of customer just by providing phone number** (Customer ID)
- **Software to provide first contact resolution** (Recommendation 2.1)
  - Integrated software with clear guidelines to employees regarding all available Galp's products/services possible problems and resolution.

**Omnichannel relevance**

Awareness > **Intent > Purchase > Loyalty**

Call Center

The software, allows us to understand customers' issues in a better way and **avoids the repetition of problems.**
**By Centralizing the data set within the Support centre,** customers do not have to be redirected to another channel.

**Rationale**

**Important variables to achieve Support Centre**

Speed to answer | Reduce Call Duration | First Call Resolution

**Stats**

**Reduce 20% handling time**
**Improve first-contact resolution**
By implementing AI-driven knowledge base tools[2]

**75%**
of customers expect a response within 5 minutes.[1]

**Survey Results**

**Call Center**
was the most preferred way to **clarify doubts and to receive customer care.**

— Pioneer in the industry   — Brand choice factor (Results derived from the *street tests*)

Sources: 1. Forbes, 2022; 2. BCG, 2020; 3. Team-based

# 1.2 Enhance information display (1/3)

## What

Ensure **consistency of information** and the way it is presented in all channels through an online product simulator and a virtual assistant.

### Initiatives | Omnichannel relevance | Rationale

### 1.2_A Online Product Simulator and Assistance

— Improve the current **website** simulator.

— Develop an **online product simulator for gas & power**, where customers can upload their current energy consumption, expenditure, and other variables, so that it gives **the best product offering** for them and their households.

— If customers do not know how to fill it up, the simulator asks personal questions to get a better sense of the person's electricity needs and **suggests the most suitable offer**.

**Omnichannel relevance:** Awareness > **Intent** > Purchase > Loyalty

Website

This improved simulator will help the customer in the **decision-making**, providing insights about different options.

**Rationale – Survey Results[2]**

**Availability of information** – **89%** considered valuable for the decision-making process

**Online Simulator** – **80%** considered valuable for the decision-making process

### 1.2_B Artificial Conversational Entities (Chatbot)

— New chatbot on **Website and App** for clarifying doubts before contracting and post-purchase customer care. Evaluate the most viable option between an integrated chatbot or a **WhatsApp Chatbot**.

— **Pop up inside the chatbot** to not lose leads. Example: "look you searched for Electricity services if you are interested in contracting please leave here your email".

— **Virtual Assistant** that guides the customer through the **website**, giving tips and answering most common questions.

**Omnichannel relevance:** Awareness > **Intent** > Purchase > **Loyalty**

App | Website

The incorporation of a chatbot in the website and the app will **prevent losing leads, assist in problem-solving**, and **clarify doubts**.

**Rationale – Customer outcomes of Conversational AI[1]**

- Improve customer acquisition
- Increase revenue per customer (freeing up employee capacity)
- **15-70%** cost reduction opportunities
- Low integration costs & high potential return on investment

**Survey Results[2]**

**Virtual Assistant** – **45%** considered valuable for the decision-making process

Sources: 1. Deloitte, 2019; 2. Team Based

— Brand choice factor (Results derived from the *street tests*)

# 1.2 Enhance information display (2/3)

**What**

Ensure **consistency of information** and the way it is presented in all channels through an online product simulator and a virtual assistant.

| Initiatives | Omnichannel relevance | Rationale |
|---|---|---|
| **1.2_C In-store Product and Stock availability**<br>— The customer should have access to the product availability in-store through a new feature in App.<br>— The type of products that the customer should be able to see is for example bottled gas, hotspots, convenience products, etc. | Awareness > Intent > **Purchase** > **Loyalty**<br>App, C-store<br>Being able to see the stocks available in-store, will **boost customers' access to information**, and know which store to go. Will also increase **app usage.** | Survey Results[1]<br>In-store product stock 55% Relevant<br>Knowing bottle availability in the store 53% Relevant |
| **1.2_D Monitoring Gas, Power & Solar consumption**<br>— The Gas & Power customer can monitor its consumption and should be able to see where he is using more electricity and/or gas. Available through the **app, website and e-mail.**<br>— The Solar customer, must be able to monitor its electricity consumption and production. Available through the **app, website and e-mail.** | Awareness > Intent > Purchase > **Loyalty**<br>App, Website, E-mail<br>By monitoring their consumption, customers will be able **to do decisions** regarding their consumption habits and will **leverage app and website usage.** | Survey Results[1]<br>Access to historical data of energy consumption and cost 51% Relevant |

Sources: 1. Team-Based

— Pioneer in the industry — Brand choice factor (Results derived from the *street tests*)

# 1.2 Enhance information display (3/3)

## What

Ensure **consistency of information** and the way it is presented in all channels through an online product simulator and a virtual assistant.

### Initiatives

**1.2_E Monitor Fuel consumptions & E-Mob charging**

- Integration of Cartão GalpEletric in the App.
- Mobility customers can monitor and track their consumption (in fuel or charging).
- In a further stage of Omnichannel maturity, they can receive recommendations based on their consumption patterns.
- E-mob customers can see remotely if a charging station is available and how long its charging will take and schedule a slot to charge their vehicle.

### Omnichannel relevance

Awareness > Intent > Purchase > **Loyalty**

App Website

By monitoring their consumption, customers will be able to track their monthly spending, increasing convenience, and **leveraging app usage.**

### Rationale

**Survey Results**[1]

Access to fuel/ charging payments history
45% Relevant

Know remotely if a charging station is available
89% Relevant

Time prevision of complete charging
87% Relevant

**Example**

**Increased engagement from day 1, improving and strengthening relationships with customers, fostering innovation**

- Test product offerings;
- Allow a fast shift to digital grocery ecosystem;
- Elevate the loyalty program to the next level;
- Virtual Doctor visits;
- 24/7 pharmacy chat;
- Donate cash to local charities

Main screen

Sources: 1. Team-Based

— Pioneer in the industry — Brand choice factor (Results derived from the *street tests*)

# 1.3 Incorporate New Payment methods (1/2)

**What**

Incorporate **new payment methods** within physical channels so that Galp's customer experience becomes more **phygital**.

| Initiatives | Omnichannel relevance | Rationale |
|---|---|---|
| **1.3_A Drive-Thru**<br>— Introduce a **Drive-Thru** type of payment.<br>— Using this method, customers would be able to pay for convenience products **within the app** or at the **pump screen** that can be later collected at the Drive-thru of the C-store. | Awareness > Intent > **Purchase** > Loyalty<br>App · Pump · C-store<br>Adding the Drive-Thru to the fuel station experience **interconnects the 3 channels**. Moreover, it will be more convenient for the client to pay and collect c-store products. | **Survey Results[1]**<br>41%<br>Of inquires choose Drive Thru as the prefered channel<br>**Example**<br>Order, pay, and collect your meal without leaving the car |
| **1.3_B In-store self-checkout**<br>— **Automatic checkouts in c-store** where the customer scans the products and selects the pump where he filled up the fuel, to pay for both.<br>— Avoid queues and increase the power of the customer in the whole process. | Awareness > Intent > **Purchase** > Loyalty<br>C-store<br>On one hand, this will **decrease c-store queues** and customers will feel more autonomous using self-checkout. | **Survey Results[1]**<br>18%<br>Of inquires choose In-store self check-out as the prefered channel |

— Pioneer in the industry — Brand choice factor (Results derived from the *street tests*)

Sources: 1. Team Based

# 1.3 Incorporate New Payment methods (2/2)

## What

Incorporate **new payment methods** within physical channels so that Galp's customer experience becomes more **phygital**.

## Initiatives

### 1.3_C Scan & Pay App Feature

— Possibility to scan products and pay **through the App**.
— Customers can **scan products' QR codes** with their mobile phone camera and leave the store in just one click.
— Payment can be done through Mbway or with the card associated with the personal account.

**Omnichannel relevance**

Awareness > Intent > **Purchase** > Loyalty

App — C-store

Scan and pay will leverage Phygital experience, **decreasing c-store queues** and boost customers autonomy through the App.

**Rationale**

Survey Results[3]

66%
Of inquires chose Scan&Pay as the prefered channel

Stats[1]

**82%** of customers consult their phones on their purchases.

**20%** conversion rate for in-store digital shopping

**Example**

NOVA &GO — A convenient shopping experience in "less than a minute" through Scan & Pay.

### 1.3_D Fuel and E-mobility Payment App Feature

— A **geolocation system** allows seeing which fuel station the customer is in, so the customer only has to choose the pump, the fuel to use, and the quantity.
— Payment can be done through Mbway or with the card associated with the personal account.
— This feature will also allow to unlocking chargers from the public grid.

**Omnichannel relevance**

Awareness > Intent > **Purchase** > Loyalty

App — Pump

Fuel and EV payments in the app enables a faster process, increasing convenience for the customer.
Thus, the customer doesn't need to carry a wallet, being **the App the** central touch point.

**Example**

Shell — **Shell App**, is the first to allow customers to pay for fuel from their phones.

miio — **Payments are made through the App,** with the indication of the amount to charge, completion of payment and the start of charging[2]

Sources: 1. Forbes, 2021 ; 2. Jornal de Negócios 2021 ; 3. Team Based

— Pioneer in the industry
— Brand choice factor (Results derived from the *street tests*)

## 1.4 Diversify product collection processes

**What**

In order to exceed customer expectations, product & service collection processes must be diversified so that convenience is improved.

### Initiatives

**1.4_A Click & Collect**

— Integrate Click & Collect in App.

**1.4_B Home equipment Delivery**

— Increase convenience for bottled gas and hotspots orders through the app where the customer can select the most convenient time for their order to be delivered to their home.

**1.4_C Integrate new service partnerships to boost customer convenience**

— At App Mundo Galp, the customer can unlock new services through partnerships.

— For example partnership with HeyWash, an on-demand car wash service that does not use water, that is, it will be available wherever the customer is.

### Omnichannel relevance

Awareness > Intent > **Purchase** > Loyalty

App C-store

Click & Collect, home delivery and new partnerships will **boost customers' convenience** by integrating the two channels in a better way and **promoting a more digital experience**.

Furthermore, these will also increase app usage.

### Rationale

**Customer Desires**

Research showed that it is important to understand how the experience fulfills the desires of the customer. Click&Collect or BOPIS are examples. The geolocation of customers allows employees to pick the product beforehand.

**Survey Results**[1]

Set the right time for delivery: 82% Relevant

Home delivery: 50% Relevant

Click&Collect: 11% Relevant

---

**1.4_D *Galp Refill***

— Provide home delivery of fuel, ordered by the app

— Increase convenience to the customers so they do not need to leave the house to refuel their car.

Awareness > Intent > **Purchase** > Loyalty

App

Being a **pioneer** in the industry can change the way consumers refill their cars, **which may lead to an increase in the customer base.**

**Example**

**Shell TapUp** provides mobile fuel delivery direct from its vehicle to customers, with a sustainability value proposition. Started with a **pilot test in the Netherlands. Entered the US market in 2020.**

Sources: 1. Team Based

— Pioneer in the industry — Brand choice factor (Results derived from the *street tests*)

# 1.5 Increase Customer Engagement through Galp One Program (1/2)

## What

There is great potential in the Loyalty Program – **Galp One** - to capture the customers' attention, build their relationship into an emotional loyalty to the brand, and have more touchpoints with them.

## Initiatives

### 1.5_A Sign in the loyalty program

— This program **centralizes all Galp's cards** (Galp+, Cartão Continente) to be more convenient for the customer;

— Customers can choose to use Galp One with a **physical card** (traditional customers) **or within the App** (tech-savvy customers).

### 1.5_B Location and necessity-based discounts

– Adapt the type of discounts and rewards to the customers' place of residence and individual needs, for the customers to use and appreciate them. **Available in App, Galp One card, SMS or e-mail.**

– E.g.: Uber eats is not available in some cities, so these discounts should not be offered to people that live there.

### 1.5_C Incorporate the "*Quem indica, amigo é*" referral program

– By referring Galp's product to family and friends, one should be compensated with exclusive discounts within **Galp One**.

## Omnichannel relevance

Awareness > **Intent** > Purchase > **Loyalty**

**All Channels**

Having two options ensures that all generations are included in the program and guarantees that Galp can **track all customers' interactions, digitally and in-store**.

Awareness > Intent > **Purchase** > **Loyalty**

App E-mail SMS

Location and necessity-based discounts ensure that the rewards that are given to the customer are actually **relevant to them.**

## Rationale

**Stats**[1]

Loyalty program members **spend +27%** when the brand establishes a positive emotional connection.

**79%** of customers are more likely to join a rewards program that **doesn't require them to carry a physical card.**

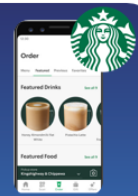
**Survey Results**[3]

**52%** considered relevant the existence of a **location /need-based reward system**

**Referrals** were the most **preferred way to be informed about a product**

**Examples**[2]

Starbucks state that its loyalty program drives significant **long-term value** through **more frequent occasions, increased spending,** improved **customer retention,** and marketing efficiency



Sources: 1. Forbes, 2020; 2. Indigo Digital, 2021 ; 3. Team-Based

— Pioneer in the industry

## 1.5 Increase Customer Engagement through Galp One Program (2/2)

### What

**Address each customer in a personal and customized way** by offering deals that the customer will appreciate and use, rather than standard discounts that are seen as spam.

| Initiatives | Omnichannel relevance | Rationale |
|---|---|---|
| **1.5_D Unique product recommendations based on consumption**<br>– Introduce **personalized product recommendations and discounts**, based on each customer interaction and past purchase.<br>– It's a win-win situation as customers receive relevant offers to complement their consumption and Galp **generates cross-selling**.<br>– Customers can have access to these recommendations through **push notification in App**, via **e-mail or SMS.** | Awareness > **Intent** > Purchase > **Loyalty**<br>**All Channels**<br>With adapted product recommendations, the App, e-mail, and SMS **will incentivize more purchases and redirect customers to other channels** to pursue the suggestion. | **Survey Results[3]**<br>70% of inquiries considered **recommendations based on consumption** relevant<br>**Street testing**<br>Confirmed that **customers value personalized recommendations** based on their consumption. They also stated that **this would be a decisive feature when choosing the brand.** |
| **1.5_E Personalized smart rewards to each customer**<br>– Each customer has a **unique profile** of preferences and values different rewards that other customers don't. Given that, customers **should be offered deals and promotions oriented to their needs and tastes**, collected by an AI-based system.<br>– Example of discounts:<br>– Discount on breakfast/magazines/fuel;<br>– Free car wash when X€ in fuel is reached;<br>– Voucher of car products.<br>– This discounts should be available through **Galp One card**, in the **App**, sent by **e-mail** or **SMS.** | Awareness > Intent > **Purchase** > Loyalty<br>**All Channels**<br>Introducing smart rewards will increase customers' loyalty to the brand and **boost App usage**. Furthermore, the rewards can **lead customers through more touchpoints** so they will feel more invested in Galp's products and experience. | **Survey Results[3]**<br>55% of the inquiries considered **personalized discounts** relevant<br>**Stats[1]**<br>87% **open to monitoring details** of their activity if it leads to more personalized rewards<br>**Examples**<br>Shell<br>Shell Go+ customers are **rewarded through personalized offers**, based on behaviors[2]<br>endesa<br>Launch **campaigns in real-time, personalized** for the customer and automatic. |

Sources: 1. Bond Brand Loyalty, 2019; 2. Shell ; 3. Team-Based

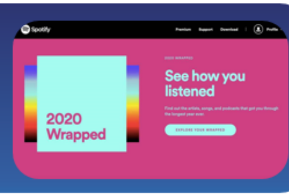
— Brand choice factor (Results derived from the *street tests*)

# 1.6 Strengthen Customer Relationship through Outbound communications (1/2)

## What

Connect with customers by **suggesting product-related content and use aligned communication** to incentivize more **products/services consumption.**

| Initiatives | Omnichannel relevance | Rationale |
|---|---|---|
| **1.6_A** **Oriented communications**<br>– Improve communications that are sent to customers via **App, e-mail and SMS.**<br>– Use **AI creative-content generation** to generate relevant **communication adapted to each customer,** resulting in higher engagement and conversion rates.[2] (Recommendation 4.3.)<br>– This system generates a sequence of words automatically and individually **created to motivate people to action.** | Awareness > Intent > Purchase > **Loyalty**<br>App · E-mail · SMS<br>Adapting communication to the customers, will lead to a **higher engagement and call for action** resulting in more purchases. | **Self-learning personalization** not only boosts results, but it also frees the marketing and analytics teams to engage in higher-value activities[1]<br>Stats[2]<br>**+40%** Average **increase in conversion rates** across engagement channels<br>**Up to 60%** **Reduction in cost per acquisition** of all customer segments |
| **1.6_B** **Blog content suggestions**<br>– AI-unlocked decision making that **matches blog content with the right customer that values it**, based on consumption patterns and predictions.<br>– Share the content on digital channels to **increase awareness: app, website, and email.**<br>– Send AI **push notifications** to customers so they can be aware of the content that may be of their interest. | Awareness > Intent > Purchase > **Loyalty**<br>App · Website · E-mail<br>Complementing the experience of the customers results in **a higher engagement in the app and website**, so customers feel more connected with the brand.<br>This will also result in more visits to the website blog. | Main reasons for businesses to have blog posts[3]:<br>- Keep the audience updated about the business<br>- Drive traffic and increase visibility<br>- Improve internal linking<br>- Teach and explain more about the product range<br>Example[4]<br>**Spotify**<br>**Individual Wrapped report** shows the **listening habits of each user**, making them eager to share the results |




Sources: 1. BCG, 2020; 2. BCG, 2021; 3. Velocitize, 2018; 4. Money Control, 2021

— Brand choice factor (Results derived from the *street tests*)

# 1.6 Strengthen Customer Relationship through Outbound communications (2/2)

## What

Connect with customers by **suggesting product-related content and use aligned communication** to incentivize more **products/services consumption.**

## Initiatives

### 1.6_C Re-engagement Strategy (customers)

- Set up **automated emails to reconnect with customers** who haven't purchased anything for 30, 60, or 90 days. Win-back emails can be an excellent way to reengage customers.
- Include one or more **Call-to-actions** that take the customer directly back to either the website or the App.

### 1.6_D Follow Up strategy (non- customers)

- **Follow up**, through **email, SMS, or call**, on any **action not completed** within the website or app. On contracting, purchasing, or Customer Care.
  - E.g., If the person starts the contracting process int the website, but it is not completed, the customer will receive an email saying where he is at, inviting him to continue the process

## Omnichannel relevance

Awareness > **Intent** > Purchase > **Loyalty**

Contact Center | E-mail | SMS

**Re-engaging** with customers, give a sense of **recognition** and may result in more purchases.
It is crucial to invest in the **retention of current customers**, for them to feel connected with the brand.

By sending a follow-up email, message or call, possible customers will not forget where they were in the process, and **leads will not be lost**,

## Rationale

**Win-back emails**

Message used to **reach out to inactive subscribers** or customers—someone who previously engaged with the company, but for some reason has stopped doing so for a certain amount of time.

**Stats**[1]

**45%**
of subscribers who receive a win-back email **will open future emails** from your brand

**80%**
of sales leads **require five follow-ups** after the initial contact[2]

**5x**
Costs more **to attract a new customer** than to keep an existing one

**Examples**

**Uber Eats**

Uber Eats sends **follow-up emails when a customer has not ordered for a while.** It also incentives the purchase by sending discounts on the next order.


Sources: 1. Phil Weltman, 2021; 2. Kristen McCormick, 2021

# 1.7 Implement new feedback mechanisms

## What

Gathering feedback is crucial to adapt and improve the customer experience, given that, customers should **be asked to provide feedback at several touchpoints** and be rewarded for doing so.

**Initiatives** | **Omnichannel relevance** | **Rationale**

### 1.7_A Constantly gather feedback to boost CX

- At the end of the purchase (in App, or in c-store in case of using Customer ID/Galp One card) send a **notification through the App asking for feedback.**
- In case customer does not have the app send **e-mail or SMS.**
- That way customers feel like they are being heard, and it works as one **more data collection point**.

Awareness > Intent > Purchase > **Loyalty**

App | Website | E-mail | SMS

Feedback enables to understand **customer satisfaction**, and gather insights on **what could be adjusted**.

**Customer Satisfaction analysis through Feedback collection[1]**

**Monitoring customer satisfaction** is much easier to do when you consistently collect feedback.[1] It is important to make the necessary adjustments to provide a solution to the problems.

**Main benefits of collecting customer feedback:[2]**

- Work as an alert system of inefficiency in the CX;
- Performance indicator;
- Relationship builder;
- Market research tool.

### 1.7_B Value and Incentive the Feedback

- More important than collecting feedback is putting it to use. By gathering customer experience feedback, **improvements can and should be made considering it.**
- To encourage the fulfilment of feedback, give small but meaningful rewards to the customers, that way customers will be motivated.
- Rewards given by a preferences system provided by AI.
- This rewards will be available in App or sent by e-mail.

Awareness > Intent > Purchase > **Loyalty**

App | E-mail

To guarantee that the feedback is collected, rewards are offered. Thus, the **customer feels appreciated** and will return to the stores.

**Survey Results**

**80%** of the inquiries considered **providing feedback** relevant

**Examples**

McDonald's: **Values customers' feedback and incentives it with rewards.** When a client buys a meal, it is offered a desert in the next purchase if he gives feedback

Uber Eats: After the food is delivered, **users are asked to rate the delivery service** and the restaurant on a five-star scale.

Sources: 1. Forbes, 2020; 2. Qualtrics UK, 2021

— Pioneer in the industry

Appendix 17.1.1 – Channel x Initiative Matrix

## Customer Experience Initiatives x Channels (1/2)

| Initiatives/Channel | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **1.1_A.** Seamless website and app experience | ✓ | ✓ | | | | | | |
| **1.1_B.** Fix in-App fragmented journeys | ✓ | | | | | | | |
| **1.1_C.** Upgrade C-stores | | | | ✓ | | ✓ | | |
| **1.1_D.** Convert Call Centre into a support centre | ✓ | ✓ | | | | ✓ | ✓ | |
| **1.2_A.** Online Product Simulator | ✓ | ✓ | | | ✓ | | | |
| **1.2_B.** Artificial Conversational Entities | ✓ | ✓ | | | | | | |
| **1.2_C.** Product & Stock Availability | ✓ | | | ✓ | | | | |
| **1.2_D.** Monitor Gas, Power and Solar consumption | ✓ | ✓ | | | | | ✓ | |
| **1.2_E.** Monitor Fuel & E-mob charging | ✓ | ✓ | | | | | ✓ | |
| **1.3_A.** Drive Tru | | | ✓ | ✓ | | | | |
| **1.3_B.** In-store self-checkout | | | | ✓ | | | | |
| **1.3_C.** Scan & Pay app feature | ✓ | | | ✓ | | | | |
| **1.3_D.** Fuel & E-mob App payment | ✓ | | ✓ | | | | | |
| **1.4_A.** Click & collect | ✓ | | | ✓ | | | | |
| **1.4_B.** Home equipments Delivery | ✓ | ✓ | | ✓ | ✓ | | | |
| **1.4_C.** Integrate new service partnerships to boost customer experience | ✓ | | | | | | | |
| **1.4_D.** Galp Refill | ✓ | | ✓ | | | | | |

## Customer Experience Initiatives x Channels (2/2)

| Initiatives/ Channel | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **1.5_A.** Loyalty Program sign in | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| **1.5_B.** Location and necessity based-discounts | ✓ | ✓ | | ✓ | ✓ | | ✓ | ✓ |
| **1.5_C.** Incorporate "Quem indica, amigo é" Referral program | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ |
| **1.5_D.** Unique product Recommendations | ✓ | | | | | | ✓ | ✓ |
| **1.5_E.** Personalized smart rewards | ✓ | | | | | | ✓ | ✓ |
| **1.6_A.** Oriented Communications | ✓ | ✓ | | | | | ✓ | ✓ |
| **1.6_B.** Blog post suggestion | ✓ | ✓ | | | | ✓ | ✓ | |
| **1.6_C.** Re-engagement Strategy (customers) | ✓ | ✓ | | ✓ | | | ✓ | ✓ |
| **1.6_D.** Follow-up Strategy(non-customers) | ✓ | ✓ | | ✓ | | | ✓ | ✓ |
| **1.7_A.** Constantly Gather Feedback | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| **1.7_B.** Value and Incentivise Feedback | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

# 2.1 Customer centred HR programmes (1/2)

## What

Assure company wide purpose alignment setting an immerse employee experience in company values and culture. Empower and make them feel included, by collecting feedback that is implemented in further initiatives and training.

## How

### 2.1_A "Galp Star": a program that celebrates, listens and gives voice to the employees

- Attribute prizes that compensate employees' **creative ideas and solutions** to improve any business area;
- **Celebrate and share employees' achievements** from across the organization;
- Develop workshops on the importance of self-promotion motivation and skills in professional life;
- Incorporate **focus groups to hear employees' perspectives and adapt the company based on the identified necessities**;
- **Survey employees' satisfaction** regarding what they feel about leadership relationship and their level of motivation.

## Rationale

**Empower Employees**

From the service manager or engineer to call centre worker or solar panel sales executive, everyone has to be just as enthusiastic and proud about the future of the company. Employees should feel they have the space to come up with innovative initiatives and feel like they are part of the company.

**Examples**

# I AM Remarkable

A Google initiative empowering women and other underrepresented groups to celebrate their achievements in the workplace and beyond. 82% of participants declared to feel more confident since attending the workshop[1]

British Gas

A program that gave voice to 28k employees[2]

- British Gas crafted a compelling narrative and devised a program to help communicate this in a way that got people excited and involved in the future
- Mission: Fight employee misalignment with company purpose;
- "I feel I have the opportunity each day to have my voice heard" increased by 49% from pre-event to post-event.
- Increase of 26% on EPS (Employee Promoter Score).

MindGym

MindGym developed a Psychology-based transformation programme

## 2.1 Customer centred HR programmes (2/2)

### How

#### 2.1_B Customer centric programmes — Moving in unison

- Envolve all employees by **sharing what is going on across business areas**, that way they feel part of the process and eager to help.
- Share company purpose, values, and quality standards.

#### 2.1_C Customer centric programmes — Empower Frontline Staff

- **Train staff on product portfolios**, channel functionalities, cross channel possibilities, so they can give informed responses and suggestions.
- Train staff to be able to **forward a customer to a more appropriate channel to their profile and needs.**
- Allow staff to compensate customers at the moment they are not satisfied.
- Define **clear customer experience based KPIS to energize and motivate workers**: in-store metrics (product availability, time spent in checkout lines, and store cleanliness) and loyalty measures (a customer's increased affiliation with the brand and willingness to recommend it to friends, or growth in the number of loyal customers the store has[1]

### What

Transforming how people think, feel and behave at work and making sure each employee is geared to make decisions targeting a more Customer and Experience centric mindset.

### Rationale

#### Importance of training

In an omnichannel set up **simply satisfying is not enough. The magic of quality service is to exceed expectations.**

#### Connection with Employees

Every company must create an **emotional deliverable that connects with customers and appeals to the hearts and minds of employees**.
Galp´s is to bring energy to everyone's lives
Employees need to be trained to work in a customer-centric environment rather than being focused on performance.
Employees feel part of the whole and are able to speak in name of the company.

#### Leaders Role

Ensure that leadership engages, inspires, and walks the talk of customer-centricity. The strategy should always be aligned and follow the vision from the top.

## 2.2 Establish an Agile Methodology Culture

### What

Agile enables to immediately overcome pain points and constantly implement initiates, to adapt to customer needs in a timely way

### How?

#### 2.2_A Agile Pilot

- The scope of the agile pilot must be defined and the team set up with a practical end and short term implementation in view (3 weeks to 6 months)
- Decide on team staffing, structure, workspace, facilities, and resources.
- The team has the room to make decisions quickly and the autonomy to pull in the right people when they need them
- Regardless of their individual role in the organization, everyone is driven towards the same goals and not focused on what their function expects.
- The team functions on a trial and error basis. Error is incentivized and must not be feared.

#### 2.2_B Innovation based culture[1]

- The commitment to actively nurture and strengthen, entrepreneurial mindsets, going beyond the small-minded virtues of efficiency and reliability and drawing on the large-hearted virtues of the human spirit: generosity and creativity.
- Hire young digital natives that are familiar and can anticipate market trends
- **Define clear KPIS based on R&D conversion metrics** that promote change: R&D-to-product (RDP) conversion and new-products-to-margin (NPM)

### Rationale

Agile towards customer centricity
Agile brings **an obsession with continuously adding value for customers.**

Firms now have to generate instant, intimate, frictionless value at scale**, anywhere, anytime, on any device**. This is more than an increased attention to customers: it is a shift in the goal of the organization.

Cross-functional teams with E2E responsibility have proved to be successful to break down silos between online and of fine and **provide a seamless customer experience**

vodafone

MMT DIGITAL

**It is possible to implement agile in "800-pound gorilla" structures: start with pilot teams and then scale up**

Vodafone UK was the 1st UK roll out of scaled agile framework, having now 10 agile scrum teams with embedded agile experts. Agile enabled to launch new products and services, build new digital infrastructure, and roll out agile methodologies at scale to revolutionizing the customer experience with emerging technologies.[3]

Appendix 17.3 – Recommendations: Data

## 3.1 Create a centralized Data Strategy

### What

Establish a company-wide common source of trusted data, aiming increased productivity, efficiency, optimized collaboration and trustworthy decision-making, by defining a **Centralized Data Strategy**.

### How

#### 3.1_A Implement a centralized Data Governance Strategy by breaking down data silos

- Survey all key data stakeholders across Galp, identifying the roadblocks;
- Mitigate isolated data along departments;
- Fix technological outdated systems, ensuring compatibility.
- Turn to Cloud-based platforms;
- Define the Cloud's Architecture, so that data can be treated as a strategic asset;

#### 3.1_B Build a Data Literate Culture[4]

- Educate all hierarchical layers of the organization in order to foster an engagement with data and its contribution to value creation;
- Elevate the four cornerstones of Data literacy: Understand; Engage; Analyse; and Reason;
- Employees need to develop their data capabilities based on their role within the business;

### Rationale

**Data Silos**

Repositories of data that remain within a single department's control and are isolated from the rest of the organisation. These tend to occur as each department has different priorities, responsibilities and benchmarks. Omnichannel cannot reach its fullest potential if orchestrated around a siloed organization. A single source of truth is needed.

**Why breaking down data silos?[2]**

**1** — Data analysis is harder;
**2** — Access issues may slow down research;
**3** — Work and effort is multiplied;
**4** — Siloed information means siloed working culture
**5** — Data security compromised by organizational culture

**Stats[3]**

Silos as the top challenge for **37%** of data managers[1]

**20 hours**/team lost monthly on poor data-related collaboration

**54%** of customer experience operations managed on silos

**15%** of a Customer Center operator's day is spent searching for information

**Vodafone UK new Data Strategy[5]**

aws

With COVID-19, Vodafone UK's NPS levels were at its lowest. The company implemented a **single layered digital strategy**, breaking down data silos, and incorporating microservices in the AWS cloud as Google Home, Chatbots and Amazon analytics.

## 3.2 Enable E2E Customer Journey mapping and analysis (1/2)

### What

Implement a Customer ID system to enable **E2E Customer Journey mapping** and tracking, ensuring a seamless CX and mitigating lead loss the sales funnel. Implement analysis tools and methodologies.

### How

#### 3.2_A Establish a Customer ID/Request ID tracking system

— Implement a tracking system that prevents a fragmented customer journey, as well as allowing journey tracking;
— Tracking system can happen through phone number, IP number, fiscal number or GalpID 360 (ongoing initiative for single login feature that unlocks the integration of all digital channels).

#### 3.2_B Collect customer journey data by mapping E2E Customer Journeys, feeding the Cloud

— Implement an holistic view of Customer Journeys;
— Map real time Customer Journeys;
— Trace a unique profile per customer, mapping every interaction and constantly updating with new and relevant data;
— Consider outsourcing.

### Rationale (1/2)

**Customers need seamless journeys, and Galp needs all the data shared from the first moment.**

**Ensure a seamless Customer Journey**
**1** — Associate each lead with an ID;
**2** — The information shared by customers and collected by Galp will not be lost;
**3** — If a journey is interrupted at a certain point, it can be continued later where it stopped.

**Stats[4]**

90% of customers expect consistent CX's across different channels

85% of customer experiences start in one channel and continue in other

6 touchpoints are used by customers before the acquisition

British Gas

— **Creating and viewing in-depth, holistic customer journey maps:**
— Customer satisfaction insights;
— Real time CJ mapping;
— Consistent and personalized business process;
— Improves Customer Satisfaction.

quadient
Because connections matter.
Implementation of Quadient Customer Journey Mapping (CJM) tool in 2021

## 3.2 Enable E2E Customer Journey mapping and analysis (2/2)

### What

Implement a Customer ID system to enable **E2E Customer Journey mapping** and tracking, ensuring a seamless CX and mitigating lead loss the sales funnel. Implement analysis tools and methodologies.

### How

**3.2_C Perform insightful analyses by developing Customer Journey Analytics capabilities[1]**

- Develop/Acquire a Customer Journey analysis platform integrated within the company systems (User platforms, IoT devices, customer care, etc) and make it available to all employees in Customer Journey-related departments (research on available partnerships in the market as Quadient or Adobe Experience Cloud)
- Associate specific touchpoints with specific KPI's;
- Detect fragmented journeys and solve problems on time;
- Gather insights on time and monitor unique journeys;
- Understand customer interaction preferences and decisions;
- Draw decision and preference patterns;
- Define analysis methodologies that are aligned with Galp's strategic positioning and business lines;

### Rationale (2/2)

**Survey-based analysis practices are no longer relevant;**

**1** — Post-transaction feedback is outdated;
**2** — Teams constantly lose precious time analysing customer feedback
**3** — These need to be centralized with analysis tools
**4** — Collect all sources of data as behavioural, financial, transactional and perform insightful analyses

**One possible path:**

Adobe Experience Cloud

**Customer Journey Analytics platform**

**1** — Cross-channel analysis application
**2** — Centralize data collection
**3** — Interactively explore the journey
**4** — Make information available to all departments, enabling a quicker pain point mitigation;
**5** — (Available AI features — Recommendation 2.3)

**Example[2]**

Walgreens Boots Alliance | Building a pharmacy for the 21st century

| 30% | 50% | 155 |
|---|---|---|
| Increase in mobile app usage | Increase increase in digital traffic | Basis points of sale increases |

## 3.3 Integrate Artificial Intelligence (AI) systems

### What

**Unlock the power of Artificial Intelligence** (AI) within the Customer Journey, using it to mitigate pain points in real time, detect issues beforehand, predict product needs and provide smart recommendations of product usage and acquisition.

### How

**3.3_A Perform AI-based 360° view Customer Journey Analyses**

— Understand Customer Journey to optimize Marketing efforts (cross-sell);
— Provide actionable insights for employees (e.g. Knowing the most adequate staff member to forward a customer);
— Stronger risk management (e.g. Detect likelihood of a fragmented journey)

**3.3_B Decrease acquisition cost by unlocking New Customer Segments**

— Deliver increased personalization that targets new ways of reaching customers, understanding these and boosting purchases.

**3.3_C Improve speed and efficiency by activating AI based decision making**

— Allow strategic decision making with real-time data;
— Enable personalized assistance that supports scale;

### Rationale

**Customer Experience needs new Analysis methodologies[4]**

**93%** → **15%** → **6%**

- **93%** Of leaders use traditional CX measurement systems (survey-based)
- **15%** Of leaders are fully satisfied with current CX measurement
- **6%** Of leaders expressed confidence on traditional measurement systems

**Prediction models are fed by two data environments**

**Customer Data**
- Interactions
- Transactions
- Behaviours
- Profile/demographics
- Location

+

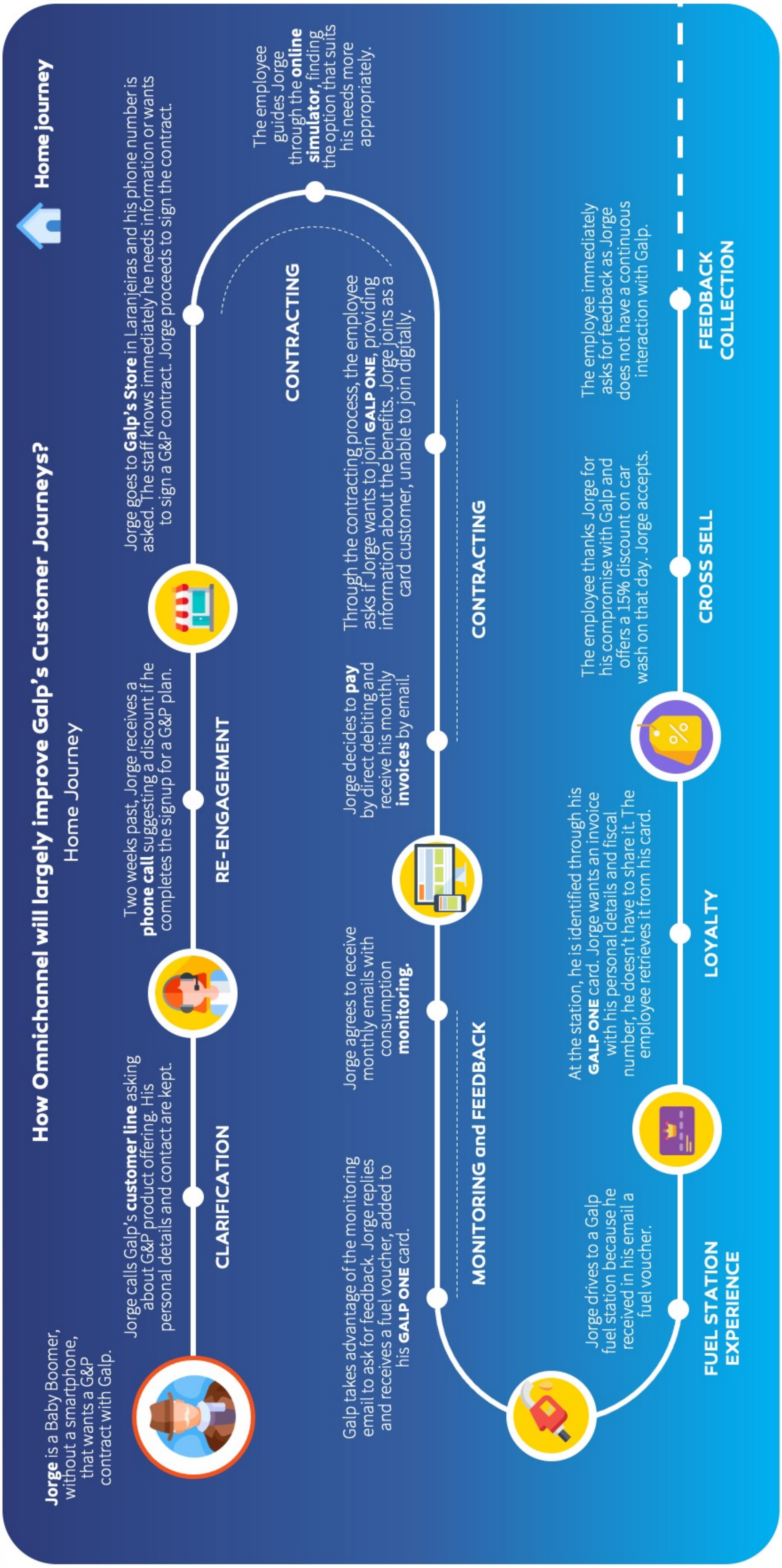
**Market Data**
- Segment attitudes
- Behaviour and preference trends
- Digital trends and social media

**The merge between both data environments generates relevant, personalized smart insights for each customer.**

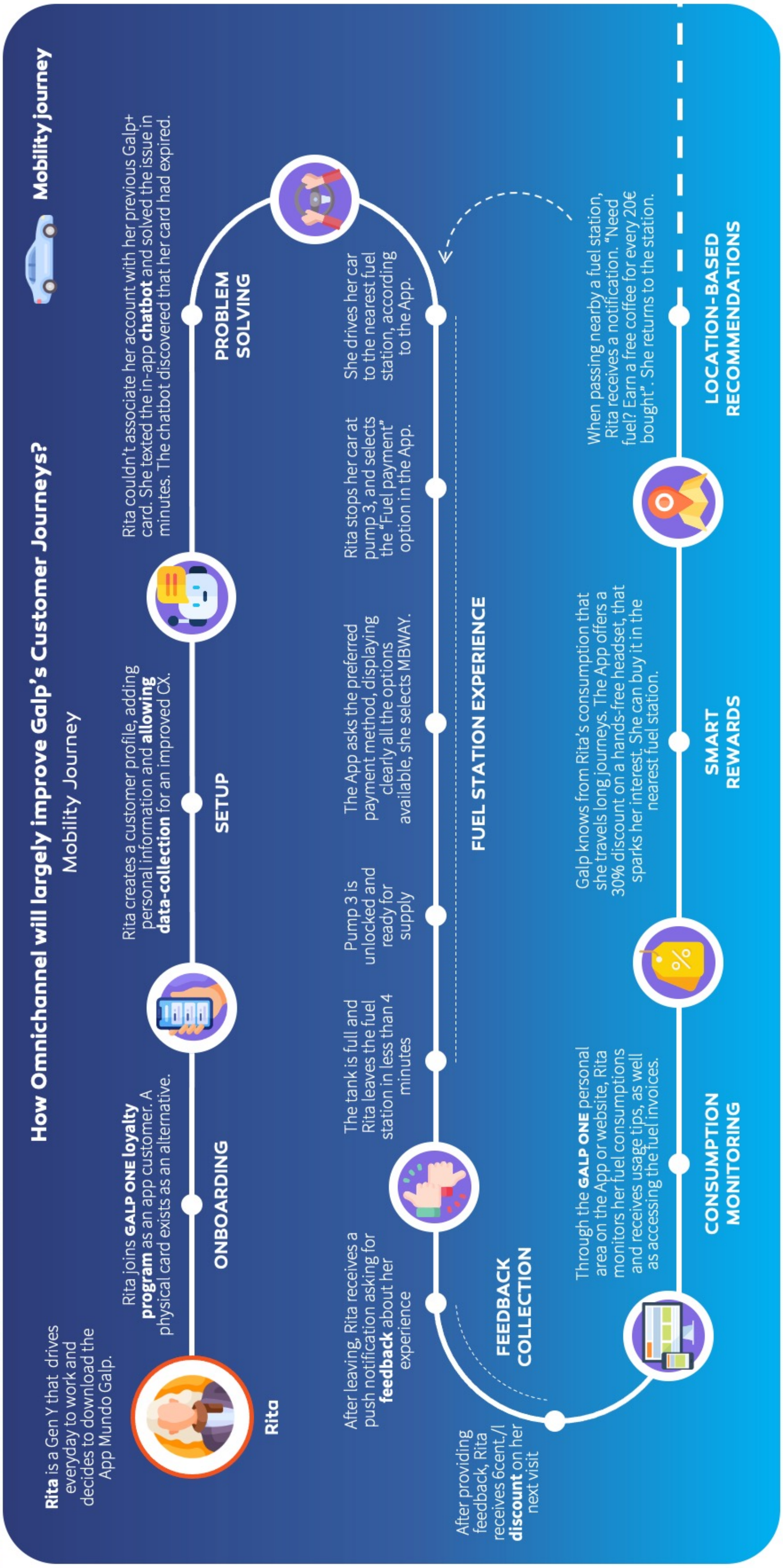
**AI technologies stats[3]**

- **83%** Of companies have AI as a top priority in their business plans
- **25B** Global spending on marketing automation tools in 2023
- **40%** Boost in employee productivity by 2035
- **40%** Of all customer interactions are expected to be AI-automated by 2023
- **95%** Of customer experience is expected to be AI-driven by 2025

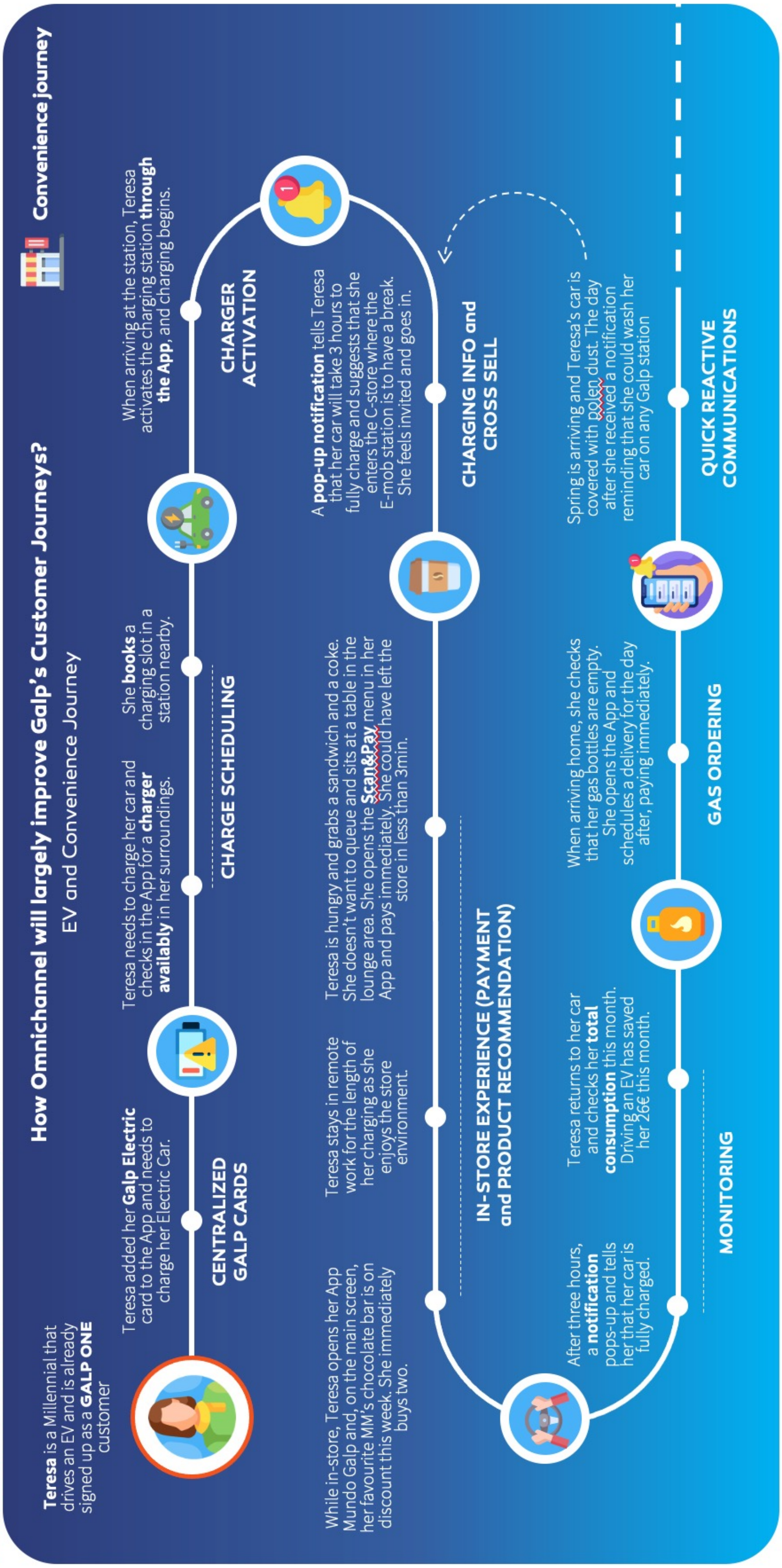
Appendix 18.1 – Customer Omnichannel Journeys: Home Journey



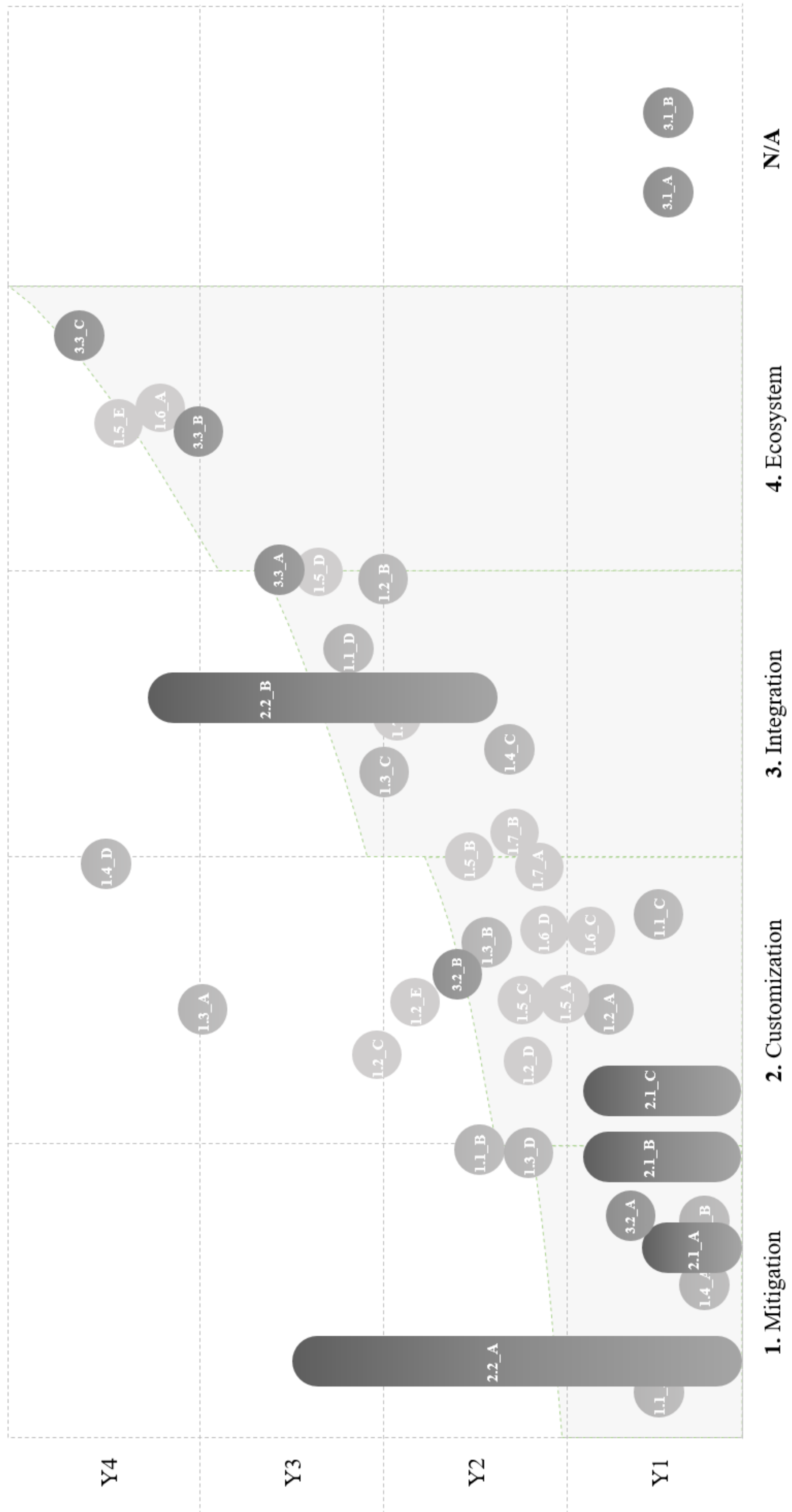
Appendix 18.2 –Customer Omnichannel Journeys: Mobility Journey



Appendix 18.3 –Customer Omnichannel Journeys: Convenience Journey



Appendix 19 – Implementation Roadmap



Appendix 20 – KPIs

**Conversion Rate** = (Total number of conversions / Total number of unique visitors) x 100

**Customer Acquisition Cost** = (Cost of Sales + Cost of Marketing) / Number of customers acquired

**Customer Lifetime Value** = $\sum_{n=1}^{N} \frac{(CR_n - C_n) \times R^n}{(1 + d)^n} - AC$

CR = customer revenues
C = customer costs
R = retention rate
d = discount rate
AC = acquisition rate

**Repurchase Rate** = # customers who have purchased more than once / Total number of customers over the same time period

**Retention Rate** = ((CE-CN)/CS)*100

CE= # customers at the end of the period
CN= # customers during the period
CS= # customers when the measured perios begun

**R&D-to-product** = R&D spend (as a % of sales) / Sales from new products

**New –Products-to-margin** = Gross Margin % / Sales from new products

Appendix 21 – Expected Impact on EBITDA (units in Million Euros)

| **Table A.** Best-case scenario – +9,5% YoY Revenue Growth | | | | | | |
|---|---|---|---|---|---|---|
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| Revenues | 7917 | 8472 | 9871 | 11500 | 13399 | 15611 |
| COGS + OPEX | 7629 | 8164 | 9511 | 11082 | 12911 | 15043 |
| EBITDA | 288 | 308 | 359 | 419 | 488 | 568 |

| **Table B.** Base scenario – +3,4% YoY Revenue Growth | | | | | | |
|---|---|---|---|---|---|---|
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| Revenues | 7917 | 8472 | 9354 | 10328 | 11403 | 12590 |
| COGS + OPEX | 7629 | 8164 | 9013 | 9952 | 10988 | 12132 |
| EBITDA | 288 | 308 | 340 | 376 | 415 | 458 |

| **Table C.** Worst-case scenario – +0% YoY Revenue Growth | | | | | | |
|---|---|---|---|---|---|---|
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 |
| Revenues | 7917 | 8472 | 9066 | 9701 | 10381 | 11109 |
| COGS + OPEX | 7629 | 8164 | 8736 | 9348 | 10004 | 10705 |
| EBITDA | 288 | 308 | 330 | 353 | 378 | 404 |

| Expected EBITDA variation | |
|---|---|
| Best case scenario | 40,53% |
| Base scenario | 13,33% |
| Worst case scenario | 0% |

| | |
|---|---|
| Profit margin | 3,64% |
| Sales growth | 7,01% |