CASE STUDIES & TEACHING CASES
BRK: digital transformation to delight consumers

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INTRODUCTION

The trajectory of BRK's digital transformation, propelled by operational and customer service hurdles during the COVID-19 pandemic, unfolds an engaging narrative of adaptation and innovation from 2020 to 2022. The metamorphosis in customer service delivery is illuminated by the 35% of customer interactions via digital channels in 2019, a metric that soared to 81% by October 2022. The provisional closure of physical outlets at the dawn of 2020 catalyzed an array of customer-centric initiatives. Prior to this digital venture, pivotal services such as new connection requests or ownership transfers were exclusively orchestrated in-store. Yet, the deployment of assorted digital channels like WhatsApp, My BRK, and collaborations with third-party platforms markedly amplified customer engagement and experience. This transformation further entailed upskilling the service team to accommodate digital and in-person customer inquiries.

With the easing of pandemic restrictions, the revival of in-store services impelled BRK to reassess its physical infrastructure and service offerings, ensuring seamless integration with the continuing digital strategy. Embracing the "phygital" (physical + digital) ethos, innovative spaces were devised for customers to engage and become proficient at navigating various channels.

Within this framework, Luiza Acedo, the Customer Relationship Manager at BRK, reflected on the significant progress made over the previous two years. With satisfaction, she reflected on the innovative store model (see Annex) and the subsequent question, "What now? Having achieved laudable levels of service and operation, how to rationalize continuous investments in this vital transformation?". This question highlights the critical point at which BRK finds itself. While most services have transitioned to the digital domain, attracting customers therein and optimizing operational expenditures, moving towards the third wave of services, focused on innovation, requires steadfast investments and holistic support. This encapsulates Luiza's challenge as she gears up to advocate a sustained transformational blueprint in the imminent years.

The BRK company

Established in 2008, BRK emerged as a leading private sanitation entity in Brazil, joining the Brookfield group in 2017 with financial backing from FI-FGTS (Investment Fund from the Service Time Warranty Fund). It operates in 13 states, reaching over 100 municipalities (see Annex). The workforce exceeded 5,500 people by the end of 2020, has been instrumental in BRK's steady growth, reflected in the escalation from seven initial assets to 23 by 2020, encompassing a mix of concessions and Public-Private Partnerships (PPPs).

BRK is dedicated to managing comprehensive water and sewage services, from sourcing to the final treatment and disposal of wastewater. The company's contracting models adapt to the specific needs of different states and municipalities.

Committed to "elevating sanitation beyond the fundamental," BRK places sustainability at the heart of its strategy. The annual ESG report, initiated in 2018, reflects the company's activities' adherence to its core sustainability values.

Customer service and the challenges of COVID-19

Historically, BRK has prioritized excellence in customer experience, providing three different channels of service: physical stores, call center, and digital platforms. In 2019, the distribution of service across these channels was 23%, 42%, and 35%, respectively (see Annex).

BRK maintains a store in each municipality where it operates to meet customer demand and contractual compliance, totaling 96 establishments distributed in 80 cities. The number of stores is calculated based on active customers (termed active accounts), considering how many customers can be served in a particular store. Based on historical data of customer preferences, the company estimates that 5% of its customer base visits physical stores. In some cities like Sumare (SP), São José do Ribamar (MA), Rio de Janeiro (RJ), Palmas (TO), and Maceio (AL), the company has more than one store, as, depending on the number of active accounts, the number of stores or service positions per store could increase. Store locations were strategically chosen for customer accessibility and aligned with the company's broader objectives.

BRK's stores have been instrumental in providing services and building emotional bonds with customers, particularly in smaller communities. As per Luiza Acedo's insights, "these stores are pivotal in connecting BRK's brand to its customers at a local level."

Before 2020, stores were essential for customers to access several BRK services. Thus, a customer had to go to the store if they wanted to request a new water and sewage connection, change the account holder, negotiate or installment an outstanding amount, request a home technical team visit, request a bill review or refund of amounts, contest values or even request a suspension of supply.

The company had a division of service scopes among channels, where some issues, in fact, could only be handled by the store team. With the pandemic's onset and consequent social distancing protocols, BRK transitioned to remote operations, striving to maintain the level of service previously offered exclusively through its physical stores. This shift highlighted the challenge of ensuring continuity of these essential services during unprecedented times.

Immediate changes in BRK consumer service

With the pandemic-induced closure of stores, BRK faced a critical challenge warranting uninterrupted customer service. The service team began to assist customers from their homes via WhatsApp and phone. The in-person service team went home and began to assist the customer via WhatsApp and phone calls. The transition to virtual service required a reconfiguration of their 0800 call system, redirecting calls to employees' computers via VPN. This posed a significant adaptation for attendants, who had to shift from personal engagement to handling multiple digital interactions, often simultaneously, without the benefit of direct eye contact. The company's strategy centered on integrating WhatsApp as a primary service channel, despite the high volume of interactions and potential latency issues. A single service position (SP) could manage up to four interactions simultaneously. This required the definition of a clear and effective training strategy for the team, ensuring mastery of the tool and its correct use. According to Luiza, "the concern the company had was to choose a tool that had a low level of complexity, that was easy to use, as well as simple and intuitive. Something that resembled a chat."

Thus, the training of the team was the central point for the effectiveness of the tool. It's worth noting that a training program requires special care in any scenario. Remote training added a greater complexity when people were still adapting to this modality. However, the company was successful in this challenge, implementing the tool quickly and effectively.

The challenge became the new way of monitoring and effectiveness of the commercial team. Before the pandemic, the company was going through a phase of standardizing the service system and disseminating the main metrics and goals for monitoring, to standardize service and focus on indicators.

With the introduction of WhatsApp as a service channel, the company had doubts about the ideal productivity parameters of an attendant. What would be the ideal waiting time for a customer to be served? What would be the average service time? What are the main services that customers are requesting via WhatsApp? While some units recorded 80% productivity in services, others oscillated between 30 and 40%. In addition, it was necessary to train the monitoring and supervision team, which was familiar with in-person service metrics and needed guidelines on which SLA (Service Level Agreement) they should follow.

Moreover, issues related to service control emerged, such as downtime. Initially, it was believed that the customer commanded the flow, responding whenever they wanted. However, this premise proved to be impractical as it would require a gigantic service force to maintain the service level. Some customers sent just a "hi" without providing their CPF (Brazilian individual taxpayer registry identification). In these cases, the attendant became 'stuck' and was unable to serve other customers. Consequently, customers complained about the long wait for service, with an average tolerance of 15 minutes. Thus, benchmarks were sought from other companies. The startup that collaborated with BRK on implementation already served other utilities and sanitation companies. This know-how was important for BRK to establish its productivity and performance parameters.

Another factor that aggravated the situation was the sudden increase in the number of services. If an attendant showed low productivity, their queue increased, directly affecting customer satisfaction. Additionally, regional differences broadened the challenges. BRK has units, as in Tocantins state, where it serves more than 40 cities of different sizes, with distinct service demands, leading to a specific scaling of attendants for each scenario. Thus, the need for multi-skill employees ascended. The company developed a team of attendants able to handle multiple tasks and cities. Completing this strategy, a system of multiple queues was established, where demands forwarded to the call center are filtered, directing certain topics to relieve the workload of these attendants, while others are sent directly to the store team.

However, the implementation of the WhatsApp tool allowed for a change in the contact screening process, considered the Audible Response Unit (URA). When initiating contact through the app, the customer is not directed straight to a human attendant, but to an automated URA to identify themselves, inform their city, the desired service, etc. The company was evolving in the digitization process, and identified problems were quickly resolved. For example, upon noticing an increase in people stuck in the URA, a dedicated team quickly diagnosed the problem, reprogrammed, tested, and measured the results in the next period.

Another benefit was the evolution of self-service. Initially, the options for self-service were limited, and in most requests, it was necessary to speak with an attendant. In this process, different self-service options were added, providing the customer with more ease and speed in solving issues. Some challenges found in this process were the high complexity of the technical construction of these digital services and the engagement of customers to adopt automated solutions.

Revenue and accounts receivable management

The pandemic presented challenges and opportunities for BRK's revenue and receipts management. With various sectors of the economy impacted, the company raised concerns about how it could keep the customer compliant amidst the restrictions imposed by the pandemic. Traditionally, the company had organized negotiation fairs in partnership with various financial institutions. However, such events became impracticable during this period.

Embracing the concept of digital transformation, the company sought a solution to this challenge by partnering with an online negotiation platform. This platform allows for the registration of special and segmented payment conditions for each customer. Additionally, customers can conduct all negotiations online, selecting the payment options that best suit their needs. This initiative proved to be advantageous for BRK, as it enabled the expansion of negotiation channels at a critical moment. Previously held in-person or in partnership, the fairs were redirected to this online tool.

Furthermore, BRK established partnerships with various digital payment wallets. The agreement established with the platform stipulates that BRK receives the full invoice amount, while the interest, negotiation terms, and other conditions are determined by the partner. This collaboration has yielded promising results for BRK. In addition to offering a high degree of flexibility for customers, advantages such as cashback in Brazilian currency (Real) depending on the invoice amount and installment options with extended deadlines have been introduced.

With the strengthening of digital channels (My BRK – details on the next section), BRK expanded payment methods, with Pix (the recently launched direct payment system) and credit card, since payment with the card is attractive given the accumulation of points/miles, advantages not available in payment via bank slip.

Lastly, the WhatsApp platform itself represented a significant innovation, as customers have the option to negotiate debts, renegotiate, and parcel as options in the system's URA. In addition to offering different digital payment methods, the company developed recurring communication campaigns to sensitize the customer about the importance of payment and the new possibilities, emphasizing the relevance of compliance for the continuity of the provision of such an essential service for everyone, especially at the time of the pandemic.

My BRK (*Minha* BRK)

The COVID-19 pandemic accelerated the realization of one of the milestones in the company's digitalization journey: the virtual agency My BRK. While the project was initially conceptualized in 2019, the company was compelled to rapidly advance its launch to customers in 2020 due to the disruptions caused by the pandemic to in-person service channels. Luiza categorically highlights the accelerated pace of development: "[…] we had a vision of placing BRK at the forefront of technology, and due to the pandemic, we were able to compress six years of progress into two, bringing structured solutions to our customers."

My BRK project was supported by a renowned consultancy specializing in digitalization. Initially, various benchmarking exercises were conducted. The aim was to carry out a thorough assessment of the company's existing service channels. This involved visits to physical stores to understand in-person service delivery and customer requirements, as well as visits to the call center and a comprehensive evaluation of the company's digital channels at the time. The primary focus was on actively listening to customer feedback, understanding their service preferences and interactions with BRK, and identifying areas for improvement.

The company learned that customers frequently drew comparisons between BRK and other utility companies, particularly energy providers. Phrases like "I can manage everything seamlessly through the energy company's app, but not through BRK's app" or "I don't understand why I can change my account details with one company but not the other" were common. Additionally, customer experiences with companies from other sectors, such as transportation or food delivery, were also used as benchmarks for water and sanitation services. As a result, the company expanded its benchmarking scope to include other public service providers (water and sewage, energy, gas, among others).

As an extension of the development process for My BRK's service offerings, the company reviewed a list of 50 essential services applicable to any business type. These services were categorized into four groups: (1) indispensable services, considered as the primary attractions to entice customers to the virtual platform; (2) services that directly benefit both customers and the company, such as reducing operational costs; (3) innovative services that offer unique value propositions; and (4) "nice to have" services that enhance the customer experience but are not essential.

While the development process was not entirely linear, category 1 services were prioritized and offered more quickly to expedite customer acquisition for the platform. These services did not require significant changes to the company's existing processes. Some category 2 services were also implemented, while category 3 services are still under development. The company has not yet introduced any category 4 services.

The implementation of My BRK also introduced innovative project management practices. This was the company's first project to utilize a purely agile model. This change transformed BRK's approach to project delivery. As Luiza emphasized: "We had two options: spend two years meticulously planning the perfect virtual agency, waiting for the pandemic to end, or quickly deliver something valuable to our customers." The agile methodology proved suitable for this project, as the virtual agency is not a project with a defined beginning, middle, and end; rather, it is an evolving product that continuously improves and delivers new features that enhance customer value. Therefore, it was possible to develop a Minimum Viable Product (MVP) to launch the project with essential features initially. It took six months of dedicated effort for the company to launch the My BRK MVP in December 2020. The first version of My BRK offered seven services, including issuing a second copy of invoices, accessing consumption history, receiving informative reconnection notifications, setting up recurring credit card payments, and receiving invoices via email. As highlighted, these services provided significant value to customers.

Another strategic decision was to dissociate the virtual agency from the company's institutional website. This led to the creation of a dedicated portal (minhabrk.com.br) (see Annex), which serves as the virtual home for BRK customers. This unique channel establishes a distinct identity for service delivery and monitoring, fostering a closer relationship with customers.

Additionally, the company developed a communication strategy that differed significantly from its previous approaches in terms of model and investment. For the launch of My BRK, BRK partnered with a renowned communication agency specializing in digital communication. The launch campaign aimed to reach a broad customer base, providing information about the new service channel, and highlighting the ease of use of this medium through a digital campaign and direct customer communication. The primary objective was to attract customers to the digital platform (see Annex).

Employee training was a crucial pillar of this transformation, as these individuals would serve as the front line, interacting with customers daily. Comprehensive training was provided to field agents (meter readers), operational teams, store employees, and call center staff. The training focused on providing clear and consistent guidance on how to inform customers about services available through the virtual agency. Internal communication played a pivotal role in ensuring that all customer-facing personnel were adequately trained, effectively transforming them into agents of change. This comprehensive training initiative proved to be a significant turning point in the successful implementation of the digital agency.

The overall transformation was anchored in three key pillars. Firstly, technology played a critical role in providing a well-designed virtual agency that offered a seamless and positive digital experience for customers. Secondly, an integrated and consistent communication strategy was essential in effectively guiding BRK customers to the digital platform. Finally, the third pillar focused on empowering employees through training and engagement, enabling them to become active agents of change. These three elements were essential in preventing the digital agency from becoming an unsuccessful launch.

The current situation and the challenges of channel integration

Throughout the pandemic, BRK experienced a surge in service requests, exceeding initial forecasts. However, the company's robust digital channels effectively absorbed this increased demand. While the company had anticipated 4 million service requests across all channels, it received a total of 6.9 million requests by the end of 2021. Digital channels played a pivotal role in managing this influx, accounting for 75% of all services provided during the year.

With the lessening of pandemic restrictions in 2022, BRK's physical stores reopened, presenting a new challenge: maintaining seamless integration between channels and ensuring a smooth digitalization journey for BRK's customers. As Luiza aptly stated, it would be counterintuitive for "customers accustomed to self-service for two years to suddenly encounter a physical store that doesn't align with their digital experiences, leaving them wondering about the availability of familiar channels like WhatsApp, the website, and digital payment options." To address this concern, BRK introduced the concept of "phygital" stores, a fusion of physical and digital environments. The goal is to provide customers with a cohesive experience, enabling them to interact with BRK through the various channels developed during the digital transformation process.

Several modifications were made to enhance the phygital store experience. Firstly, the availability of self-service kiosks was expanded, allowing customers to conveniently request duplicate bills or monitor their consumption history. Additionally, the stores were designed to foster a welcoming atmosphere while also serving as educational hubs for customers to learn about and utilize BRK's digital channels. Upon entering a phygital store, customers are immediately immersed in BRK's digital ecosystem. The environment features not only self-service kiosks but also a variety of devices commonly found in homes, including smartphones (iOS and Android), tablets, computers, and laptops. Customers are also assisted by digital specialists, who replace the traditional screening process and guide them through the digital channels while they wait for service. This interactive learning experience can be conducted using the store's devices or even the customer's own device.

Customers were educated in-store on navigating the company's digital platforms, focusing on routine issues such as generating invoice copies, while reserving in-person interactions for resolving specific or complex issues. Additionally, specialists assist with customer registration on My BRK, a process that often poses initial challenges to customers.

The company aims to enhance the experience for consumers increasingly opting for digital channels. By October 2022, digital services constituted 81% of total interactions, with call centers and physical stores accounting for 12% and 7%, respectively. According to Luiza Acedo,

> This shift complements the strategy we've developed and are executing for the post-pandemic landscape. It's the repositioning of the store, but without considering this store no longer exists. It's all about leveraging the existing trust built during in-person engagements to transition customers to our digital platforms.

Next steps and internal dilemmas

After all these transformations and advancements, the company is addressing a more intricate issue: the structuring of more complex services, classified in category 2, which not only benefit the customer but also generate value for the company. A good part of these services is exclusively carried out in stores, such as the change of service billing person.

The services delivered so far are of great value to the customer but have caused a few internal frictions. However, to carry out a change of service billing person, the customer needs to sign a physical document due to regulations. Altering this protocol would require the involvement of other areas such as the legal department. Moreover, even though the Net Present Value (NPV) and Internal Return Rate (IRR) are much higher than projected and more than 80% of the services are digital, the current challenge is to demonstrate the continued value of investing in digital customer service transformation. According to Luiza Acedo:

> the challenge is to demonstrate the merit of continued investment in digital innovation within the company. We cannot stop, as we have not yet reached the level of offering all the services most demanded by customers, notably those that will generate even more value for BRK. Besides, if you leave an app without updates, it will become obsolete and hard to use, and thus the functionalities will no longer be suited to their initial objective, and ultimately, worsen the customer experience.

Luiza is preparing to defend the maintenance of the company's digital transformation plan and justify the necessary investments. It's evident to her that digital transformation was central to leverage service and customer experience. However, the first phase occurred in an atypical scenario, which made all areas work integrated and aligned for implementation.

Past the most critical moment, some concerns may arise, such as the marginal return of the next investments, the execution risks of more complex services, or even the lesser perception of value on the part of the users.

The manager deeply reflected on how she could demonstrate the gains obtained with the project so far and how the company can capitalize by improving the customer experience with the automation of more complex procedures.
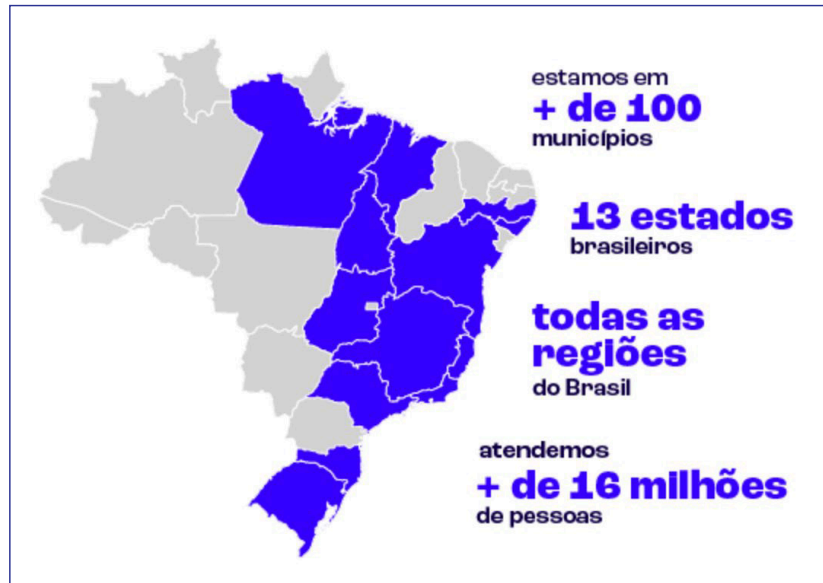
ANNEXES

Figure 1
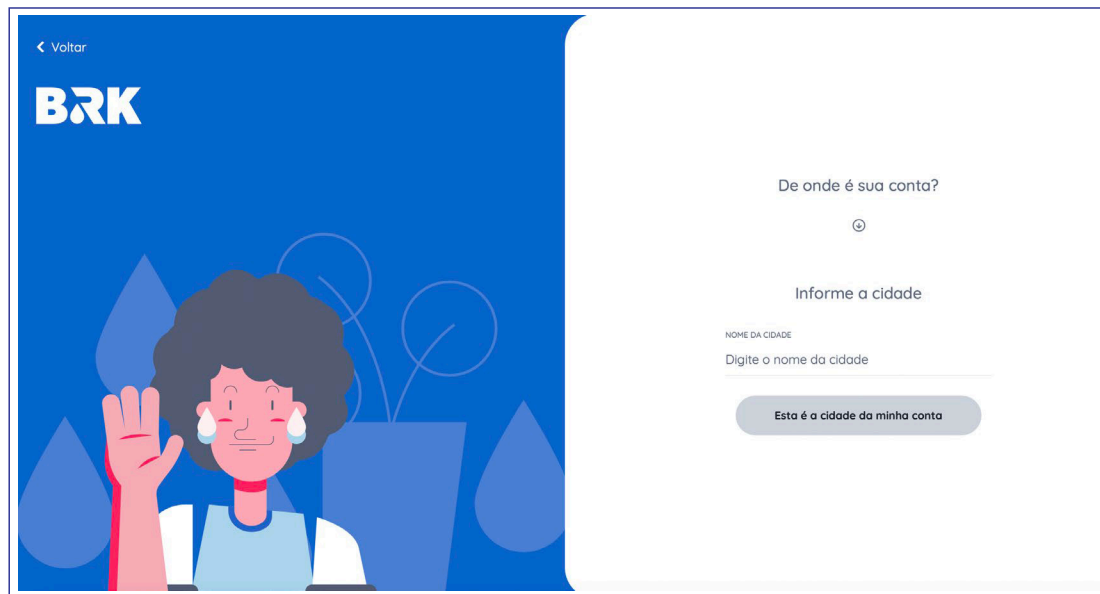**New Palmas (Tocantins state) store**
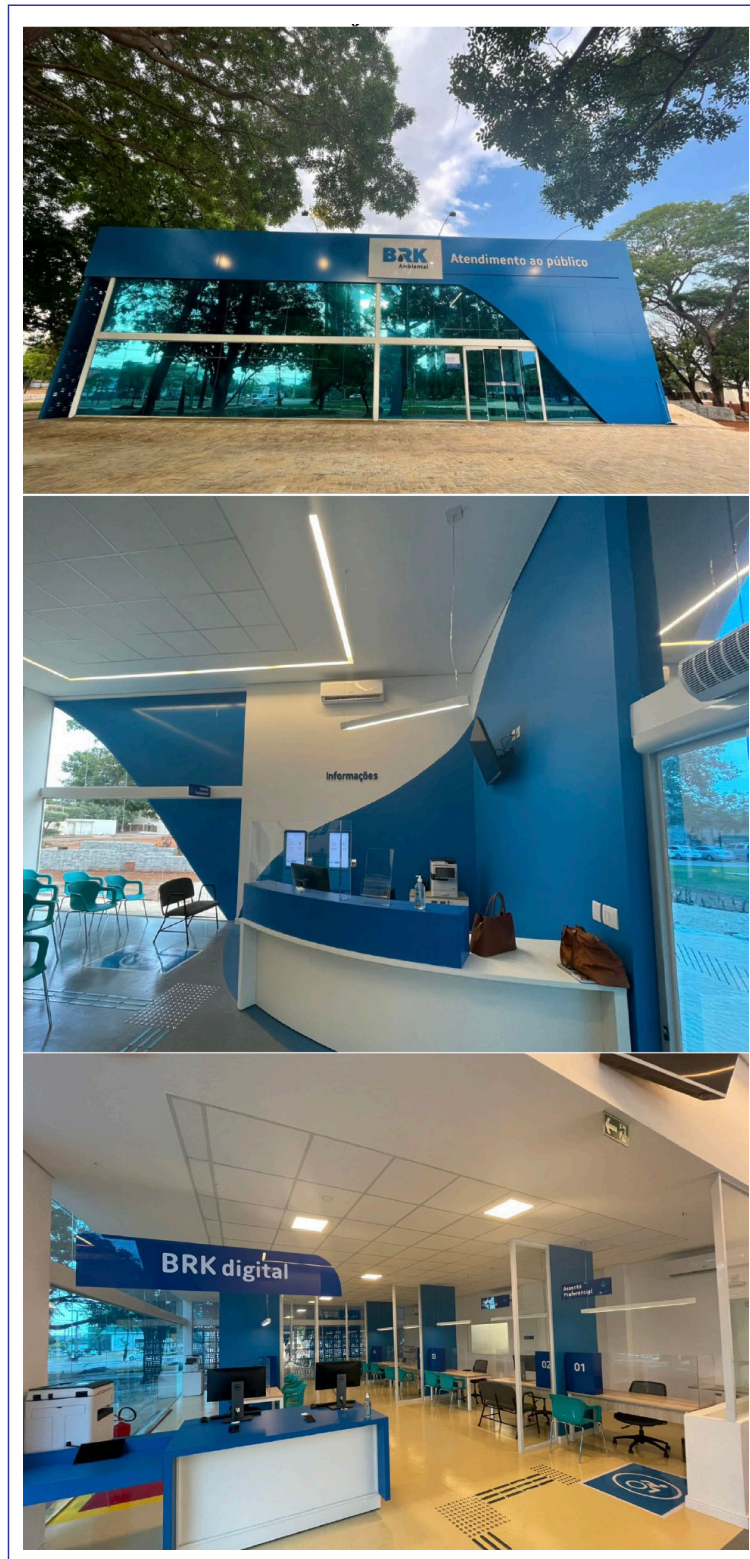
Source: BRK (2023).

Figure 2
BRK profiling

Source: BRK (2023).

Box 1
Evolution of the service mix by channel

	Dec. 2019	Dec. 2020	Dec. 2021	Oct. 2022
Face to face	23%	3%	7%	7%
Call Center (0800)	42%	27%	18%	12%
Digital	35%	70%	75%	81%

Source: Data generously shared by BRK.

Figure 3
My BRK (*Minha* BRK) website

Source: Minha BRK (2023).

Figure 4
Advertising ad campaign for My BRK (Minha BRK).

Source: BRK (2023).

TEACHING NOTES

BRK: digital transformation to delight consumers

Abstract

In recent years, BRK, one of the largest private basic sanitation companies in Brazil, has undergone a rapid digital transformation, prioritizing the customer experience. Several advancements have been achieved, such as the implementation of the WhatsApp channel, the consolidation of the digital agencies 'My BRK', and the innovation through the launch of a new hybrid agency format, integrating both physical and digital environments. However, the company faces the dilemma of how to continue investing in digital transformation and solidify the centrality of the customer. The case is written from the perspective of the customer relationship manager and discusses how it's possible to place and keep the consumer at the forefront in a Utilities sector where this practice is unusual. The case was designed for undergraduate and postgraduate students in management and marketing courses, specifically for courses in service marketing, consumer experience, or sales management.

Keywords: Digital transformation. Customer experience. Phygital. Utility services.

BRK: transformação digital para encantar consumidores

Resumo

Nos últimos anos, a BRK, uma das maiores empresas privadas de saneamento no Brasil, passou por um processo acelerado de transformação digital, priorizando a experiência do cliente. Diversos avanços foram obtidos, como a implementação do canal de WhatsApp, a consolidação das agências digitais Minha BRK e o lançamento de um novo formato de agência híbrida, integrando os ambientes físico e digital. No entanto, a organização enfrenta o dilema de como continuar investindo na transformação digital e consolidar a centralidade do cliente. O caso é escrito sob a perspectiva da gerente de relacionamento com clientes e traz uma discussão sobre como é possível colocar e manter o consumidor no centro das atenções num segmento de utilidades, no qual essa prática é atípica. Ele foi elaborado pensando em alunos de graduação e pós-graduação em cursos de gestão e marketing, para as disciplinas de marketing de serviços, experiência do consumidor ou gestão de vendas.

Palavras-chave: Transformação digital. Experiência do cliente. Phygital. Serviços públicos.

BRK: transformación digital para encantar a los consumidores

Resumen

En los últimos años, BRK, importante empresa privada de saneamiento básico en Brasil, ha experimentado una rápida transformación digital, priorizando la experiencia del cliente. Se han logrado varios avances, como la implementación del canal WhatsApp, la consolidación de las agencias digitales 'Mi BRK' y la innovación con el lanzamiento de un nuevo formato de agencia híbrida, integrando tanto ambientes físicos como digitales. Sin embargo, la empresa enfrenta el dilema de cómo seguir invirtiendo en transformación digital y consolidar la centralidad del cliente. El caso está escrito desde la perspectiva de la gerente de relaciones con clientes y discute cómo es posible situar y mantener al consumidor en el centro de atención en un sector de Utilidades donde esta práctica es inusual. El caso fue diseñado para estudiantes de pregrado y posgrado en cursos de gestión y marketing, específicamente para cursos en marketing de servicios, experiencia del consumidor o gestión de ventas.

Palabras clave: Transformación digital. Experiencia del cliente. Phygital. Servicios públicos.

Teaching objectives

This case aims to explore the concept of Customer Experience, through service innovation and digitization of activities. Through digital transformation, in a short span of time, the company was able to continue serving customers, in addition to ensuring that the company's revenue and compliance were not affected.

Target audience

The target audience for this case are undergraduate and postgraduate students in management and marketing courses, for the subjects of service marketing, customer experience, or sales management.

Data sources

This case was written based on the analysis of a recent transformation occurred at BRK. For the elaboration of the narrative and better contextualization of the dilemma, in-depth, individual interviews were conducted with managers who participated in the implemented activities and actions. Moreover, rounds of internal validations were carried out, as well as an application of the case to a small group of company employees, for feedback collection and necessary adjustments. To strengthen the discussion, concepts related to the themes addressed were sought in the literature, which were the basis for the elaboration of the teaching notes.

Opening questions

The instructor can use the following questions for students to prepare for the discussion in class:

a)   What were the reasons that led BRK to adopt customer centrality in the Utilities industry?

b)   How did BRK manage to maintain customer service, without impairing the consumer experience and the business objectives of the company, in an atypical scenario? What was the role of digital transformation in this scenario?

c)   How can the company continue to improve the experience of customers in the coming years?

Teaching plan

The case was planned for a 120-minute class. Pre-reading is an essential tool for the classroom discussion to be rich and productive. It is suggested that the preparation questions be assigned at least one week in advance. Below is how the instructor can better divide the time for the discussions.

- **Minute 1 to 10:** conduct an opening about the case and revisit the concepts of Customer Experience and customer centrality in the Utilities segment, bringing the innovative aspect of BRK.

- **Minute 10 to 30:** next, the instructor can introduce the first question "a". The objective is to make clear the reasons why BRK accelerated its process of customer centrality.

- **Minute 30 to 80:** after the discussion of the first question, the group will be better prepared to debate question "b", in which the central objective is the presentation of the "ABCD Framework for Customer Experience", Figure 6, by Sahu et al. (2018).

- **Minute 80 to 110:** after the discussion of the dimensions of the model, the focus shifts to BRK's future challenges. Question "c" provides the opportunity for the instructor to foster discussion on the "phygital" theme and the evolution of the company's services.

- **Minute 110 to 120:** closing and final comments.

CASE ANALYSIS AND DISCUSSIONS

To aid in solving the case, it is highlighted how the discussion could be conducted. Starting with the strategic decision to place the consumer at the center of attention in a Utilities segment, where this practice is not recurrent, can already clarify for the students the importance of learning from BRK's case.

The instructor can discuss the concept of customer experience with the students to introduce the case discussion. Thus, a brief debate on the topic can be stimulated, questioning what the audience understands by Customer Experience. Meyer and Schwager's (2007, p. 1) definition can be used as a reference to synthesize the discussion: "Customer Experience encompasses every aspect of a company's offering – certainly the quality of customer interaction, but also advertising, packaging, product, and service features." This experience is influenced by reactions to direct contacts (purchase, use of products and services) and indirect contacts (word of mouth, communication among customers, reports, or reviews) that the consumer has with the brand/company.

Once the concept of customer experience is revisited, the central questions of the case can begin to be explored.

a) What were the reasons that led BRK to adopt customer centrality in the Utilities industry?

With the COVID-19 pandemic, the company's challenge became the maintenance of basic service offerings, without impacting customer satisfaction while ensuring the company's revenue and a good level of compliance. These three pillars (Figure 5) directed the company's digital transformation strategy.

Figure 5
Central concerns of BRK – levers of the process of customer centrality
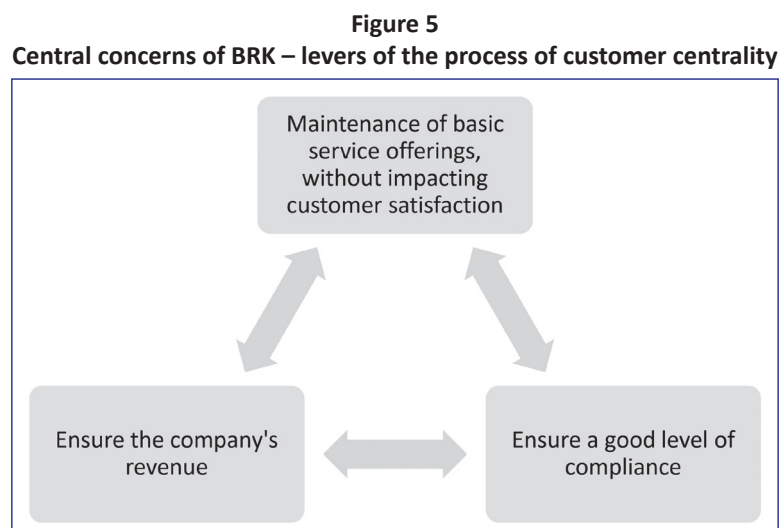
Source: Elaborated by the authors.

The instructor can stimulate the students in the discussion about understanding the central challenges of BRK, without first presenting Figure 5. The elements highlighted in sequence can be the basis for directing the debate.

One of the first imposed challenges was to rethink the ways of contacting customers since the stores were closed (see Annex). In December 2019, 23% of the services were provided through the in-person channel and 42% through the call center, both channels that were impacted by the pandemic. Digital was, until then, a channel little explored by the company. With the impacts of the pandemic, the company needed to quickly structure itself.

Additionally, the challenge of maintaining revenue is highlighted, considering the commitment to the company's shareholders and at the same time the safety of the reading team that had to go to the field to generate the bill.

Lastly, ensuring compliance, the company's collection, in a scenario of many uncertainties and economic impacts, without executing the main action that would be suspension. Orchestrating all of this, quickly and thinking about the customer, was the company's great challenge.

The role of digital transformation in strengthening customer service strategy becomes evident, as well as supporting the company's interests, with the guarantee of revenue and compliance. To strengthen the debate and transition to the next discussion, the instructor may present some transition questions, such as: *Which companies could be examples of good customer experience management practices? How did digitalization contribute to customer experience in these companies?*

The instructor can collect the group's perceptions or even raise examples of companies that could illustrate the discussion. Such questions create a good connection to explore question "b".

b) How did BRK manage to maintain customer service, without impairing the consumer experience and the business objectives of the company, in an atypical scenario? What was the role of digital transformation in this scenario?

Before gathering students' perceptions on the company's digital transformation process, the instructor can present a new question: *why is talking about digital transformation in the utilities industry a greater challenge?*

Among the possible answers, one can highlight to the students the characteristics of the mass market, in which BRK operates. Thus, unlike a food delivery company, or even an electronics retailer, the company has a very broad range of segments to serve. In this case, new barriers may arise, such as low access to technology in cities with populations with lower purchasing power or resistance to the use of digital channels. This characteristic presents a greater challenge for the company and a point of difference for the teaching case.

Then, the instructor can initially collect students' perceptions on which actions implemented by the company can be highlighted. Students should bring answers like the use of WhatsApp, the My BRK portal, or even digital negotiation and payment tools. After collecting students' answers, the discussion can be directed towards the acceleration of the company's digital transformation process, as the answer to the three major challenges.

In this way, the instructor can present the "ABCD Framework for Customer Experience", Figure 5 by Sahu et al. (2018), having four dimensions, namely A for Analytics (data analysis); B = Business (specific business context); C = Customer (customer context); D = Digital (digital strategy). The idea is to lead the discussion of the company's digital transformation process and how it was fundamental to ensure a good customer experience in a scenario of uncertainty.

Figure 6 highlights the basic elements of the framework and can be used as a basis for the instructor's presentation.

Figure 6
ABCD framework for customer experience
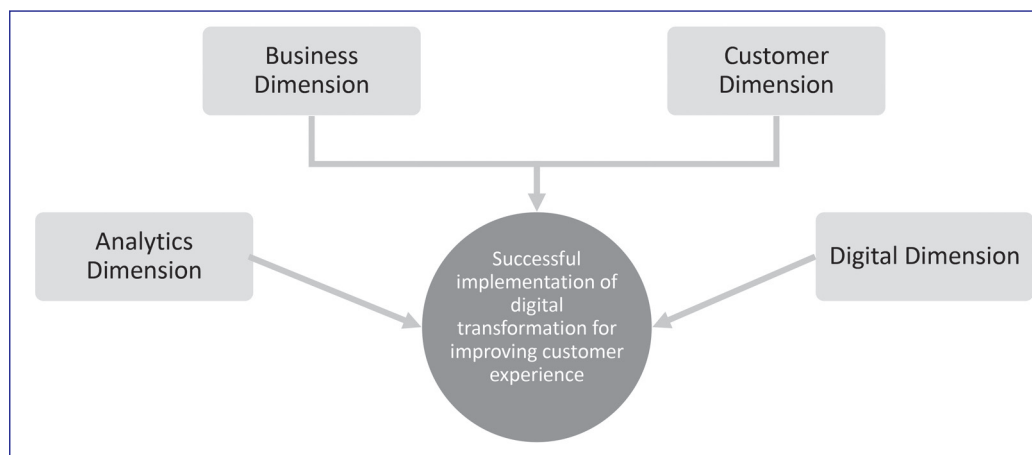
Source: Adapted from Sahu et al. (2018, p. 4).

Before starting the discussion of the structure, it is worth emphasizing that the company adopted a similar digitalization strategy, not focusing solely on digital tools. The following excerpt from the case can be used to illustrate to the students, the way the company conducted its process.

The overall transformation was anchored in three key pillars. Firstly, technology played a critical role in providing a well-designed virtual agency that offered a seamless and positive digital experience for customers. Secondly, an integrated and consistent communication strategy was essential in effectively guiding BRK customers to the digital platform. Finally, the third pillar focused on empowering employees through training and engagement, enabling them to become active agents of change. These three elements were essential in preventing the digital agency from becoming an unsuccessful launch.

Analytics

The Data Analytics dimension is of great importance for the digital transformation process to enhance customer experience. According to Sahu et al. (2018), at this stage, the company should seek knowledge about the customer, based on the available information. From this knowledge, companies can improve their interactions with customers, resulting in a better experience. In this case, the 'A' dimension was not explored, but it is important that the instructor introduces the model, considering all four dimensions, explaining how the 'A' dimension lays the foundation for the other dimensions. Students can be encouraged to discuss which customer information could be useful (following the good practices of the General Data Protection Law – LGPD), for a better understanding of BRK customers' consumption behavior, as well as specific needs that may be addressed in the digitalization strategy.

Business

The Business dimension, according to Sahu et al. (2018, p. 4) is related "to business changes for improving consumer experience through digital transformation in organizations. [...] This dimension considers four components, among them: digital strategy, business model, consumer value proposition, and business strategy".

One of the central issues for digital transformation to occur in the case of BRK was the speed of decision-making and the alignment of the organization's areas. An example was the joint work between the customer relationship areas and information technology (IT). From joint work sessions between the areas, it was possible to meet the requests of the IT area to minimize risk, as well as taking care of information security, without losing speed and focus on the need for customer service.

Thinking about the challenges of revenue management, receipts, and improving consumer experience, BRK made changes to its customer receipt process. Some actions highlighted in the case are worth being reinforced by the instructor: the partnership with an online negotiation platform, the partnership with digital payment wallets, as well as the implementation of the possibility of paying the invoice via credit card or Pix.

Another important action to ensure the delivery of the new value proposition, highlighted in the case, was the training process of the team that would be on the front line talking to the customer. The field teams (meter readers), store employees, operational teams, and call center, received intense training to direct the customer to the new solutions available on the company's digital platform.

Customer

According to Sahu et al. (2018), the Customer dimension is associated with all interactions with customers during their consumption journey, considering the digital transformation process, and it is crucial to recognize the points of contact, as well as consumer engagement actions.

The concept of consumer satisfaction is central to the case discussion. Thus, considering that satisfaction in services results from the perception of the offer received versus the client's expectations, the instructor can stimulate the students with the following question: *what does a customer of a water and sewage service provider expect in the relationship with the company?* To support the instructor in preparation, Box 2 presents some expectations that may arise in the discussion. However, the idea is for the students to put themselves in the place of water and sewage service consumers and list the main expectations, to be recorded by the instructor.

Box 2
Main customer expectations

Customer Expectations
• Service regularity
• Ease of resolving issues with the company
• Different points of contact with the company
• Ease of bill payment
• Ease of accessing account information
• Ease of contacting the company

Source: Elaborated by the authors.

After raising customer expectations, designing the consumption journey could be useful for the customer dimension to be better explored within the model. Thus, the instructor can encourage the development of a water customer's consumption journey. For this, the critical activities that a consumer performs throughout their journey should be identified. Some examples that may assist the instructor are:

- A Moving to a new residence/Requesting water connection.

- Cancellation of the previous account/change of address.

- Daily water consumption (faucets, toilet, shower, washing clothes, dishwashing, plant irrigation, yard cleaning, swimming pool, etc.).

- Problems during consumption (water shortage, leaks, unplanned consumption – forgetting the faucet open, etc.).

- Receiving the bill.

- Doubts about the received bill.

- Bill payment.

- Negotiation of overdue bills.

- Requesting the suspension of water supply.

- From the understanding of the journey, the context for discussing digital tools is created.

Digital

According to Sahu et al. (2018, p. 5), "the Digital dimension refers to the adaptability, usability, and integration of digital technologies and their applications in the existing infrastructure in the organization. [...] It usually includes five aspects: applications, platforms, infrastructure, functions, and channels".

The instructor can retrieve the actions that the company had to establish, such as the WhatsApp channel, as well as creating a VPN access to direct the handling of 0800 calls, considering mobility and contact restrictions throughout the pandemic.

It is worth highlighting here the challenges that the company faced, notably regarding maintaining the response time and remote training of the service team. This example shows the relationship between the Digital and Business dimensions, as different processes and parameters needed to be reviewed due to the implementation of new tools.

Additionally, partnerships with digital payment wallets were established, as well as the availability of new payment methods on digital platforms. The implementation of all these tools impacted the business model of BRK, as highlighted in the Business dimension.

Furthermore, My BRK portal project played a key role during this transition period, evolving with self-service options for the customer. With the project starting in 2019, it is evident in the case how the company accelerated the implementation of digital tools leveraged by the pandemic.

Here it is clear how the Customer and Digital dimensions of the framework by Sahu et al. (2018) relate. The understanding of the consumer journey can enhance the creation or digitalization of services that have value for the consumer, like the issuance of a 2nd copy of the bill.

Also, the relationship with the Business dimension appears in the portal implementation. The following excerpt is a good example of process changes that needed to happen in the company for digitalization to occur.

> The implementation of My BRK also introduced innovative project management practices. This was the company's first project to utilize a purely agile model. This change transformed BRK's approach to project delivery. As Luiza emphasized: 'We had two options: spend two years meticulously planning the perfect virtual agency, waiting for the pandemic to end, or quickly deliver something valuable to our customers.

Lastly, an interesting aspect that corroborates with the customer centrality was the decision to turn the portal into the customer's home, dissociating the access from the regular company site. Thus, the portal was born[1] – the customer's home at BRK.

The systemic view of the ABCD framework

The discussion of the case, based on the ABCD framework by Sahu et al. (2018), proves to be adherent. From the discussion of the four dimensions with the examples from the case, examples of a certain interdependence between them are noted. The mapping of the journey allows digital tools to be better implemented. Consequently, for the good implementation of the tools, business model processes need to be adjusted. The very value proposition for the customers changes, from the digital tools.

Furthermore, the digital transformation process also feeds back into the dimensions, as with the learnings obtained over time, the company was adjusting its activities, tools, indicators, training, services offered, etc.

Up to this point, the students were able to reflect on the concepts of customer experience and how digitalization can function as a lever. The examples sustained in the company case can make room for discussions that overflow the specific reality and sector studied. However, customer expectations are rising, thus, the services that today are perceived as differentials may be understood as expected in a short time.

Thus, the instructor can present a question to stimulate the discussion of the next case question: *what can limit the development of customer experience? What can a company do to overcome these challenges?* The instructor can capture individual perceptions, encouraging the use of examples by the students. After a brief discussion, question "c" can be presented, funneling the discussion towards the BRK case.

c) How can the company continue to improve the experience of customers in the coming years?

With the possibility of reopening stores and a good part of the digital transformation actions implemented, BRK faces the challenge of continuing to enhance its customers' experience. Thus, it is suggested that in this topic, the instructor highlights two discussions: the integration of the stores into the digital environment (or the digital environment in the stores) and the future services that the company can implement.

To start the discussion, the instructor can present an introductory question about the role of the stores in BRK's relationship with the customer.

It is noted that the stores are critically important for BRK's business. Besides being important to ensure contractual compliance, stores are the main points of contact between the company and the public. Luiza's phrase can be highlighted to reinforce this fact: "the store is the point of connection between the BRK brand and the customer in their city."

It's worth noting that before the digital transformation process, some services were only possible in stores, including requesting a new water and sewage connection, changing the account holder, negotiating or parceling out an outstanding amount, requesting a technical team visit at home, requesting a bill review or reimbursement of amounts, making a challenge of amounts, or even requesting a suspension of water supply.

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[1] https://minhabrk.com.br/

As highlighted, with the closure of the stores, different actions were implemented thinking about accelerating the company's digitalization. However, with the possibility of reopening the stores, a new challenge arose: *how to ensure that all the good digital experience the customer experienced continued, even in the store?* In Luiza's words, "bringing the physical to the digitalization strategy was essential, as it is a turning point to attract people and show that the two worlds can coexist in a harmonious manner."

The concept of "Phygital" naturally emerges. Belghiti et al. (2017) highlight phygital as a hybrid shopping/consumption experience. To execute this strategy, the company explores both the physical aspects of the offer, for example, point of sale, as well as digital characteristics, in this case providing applications, kiosks, and other forms of digital interaction in-store.

In BRK's case, it is evident with the new store concept (see Annex), that the intention is to transform the consumer experience of those who visit the store. The phrase from Luiza presented in the case, can be highlighted by the instructor: "customers accustomed to self-service for two years to suddenly encounter a physical store that doesn't align with their digital experiences, leaving them wondering about the availability of familiar channels like WhatsApp, the website, and digital payment options."

Thus, the consumer who arrives at the BRK unit can have contact with the functionalities they were accustomed to during the pandemic period, or even take advantage of the visit to the store to learn about technology, such as how to download the app and receive instructions on how to navigate and request future services from their home through the tool or the My BRK portal. Such strategy is important for maintaining an integrated customer experience, since after the implementation of the company's digital transformation strategy, the digital channel came to represent more than 80% of the attendances, in the year 2022 (see Annex). Thus, the case brings an interesting context for the Phygital concepts to be explored by the instructor, strengthening the company's digital transformation strategy.

Lastly, the discussion can be concluded with a debate about new ideas for customer services. It is noticed from the case information that the services conceived by the company can be separated into four categories: (1) indispensable services, considering the hook to bring the customer to the virtual environment; (2) services that have value for the customer, but that bring value to the company, reducing, for example, some company cost; (3) services that focus on innovation and (4) the nice to have services.

The axes of value for the customer and value for the company can generate an interesting discussion considering the company's future steps. Thus, it is proposed that the matrix highlighted in Box 3 be presented to the students. Additionally, revisiting the water consumer's journey may bring inspiration for debating new ideas among the discussion participants.

Box 3
Service ideation matrix

	Does not add value for the company	Add value for the company
Does not add value for customers	Type of services to be avoided, as they only consume energy and resources without adding value to either side.	Some services may only add value to the company, however, since they do not add value to the customer, they should be avoided.
Add value for customers	According to the case, most of the services implemented initially focused on adding value to the customer. What other ideas can be implemented by the company?	The challenge is to think about services that can add value to both sides. Students can be challenged to think of ideas for these services."

Source: Elaborated by the authors based on the case data.

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DATA AVAILABILITY

The entire dataset supporting the results of this study was published in the article itself.

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