

# *What is a prepayment system ?*

Just a new meter ?



Just a Point Of Sale terminal ?

Just a database ?



# *What is a prepayment system ?*

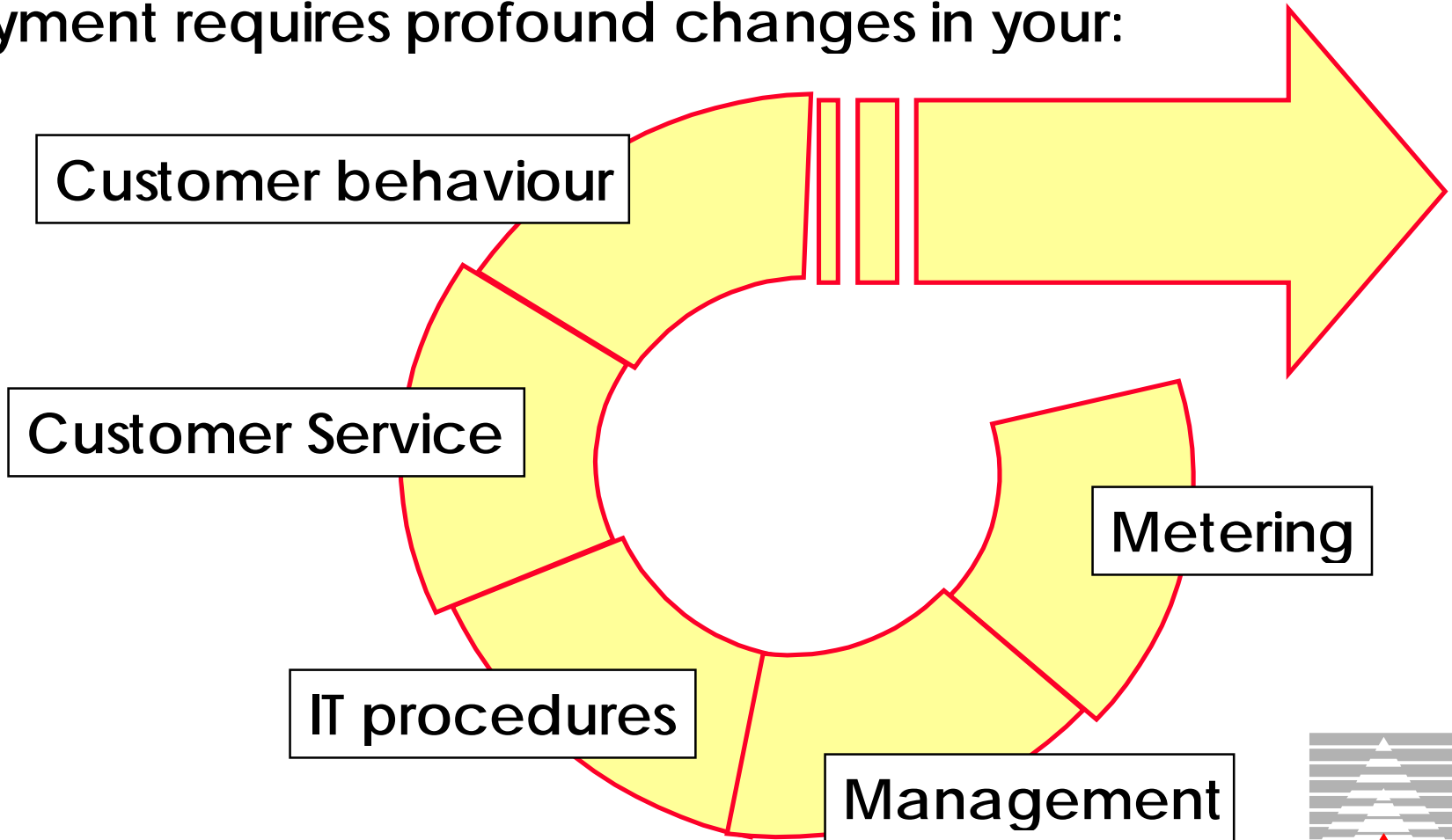


- All components are linked together to form a complete system !



# *The Wind of Change*

Prepayment requires profound changes in your:



# *Co-operation*

In fact, all parties need to buy into the concept and appreciate the benefits offered.



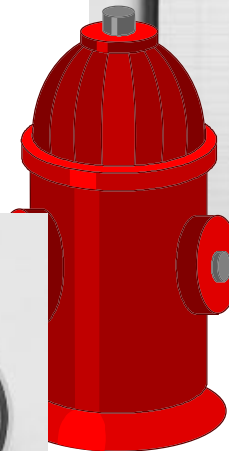
# *Project Management*

➔ Allocate resources and responsibilities

➔ Establish programme schedules

➔ Fix tangible milestones

➔ Measure the progress



## *The Plan*

- These are some of the actions that need planning :

- Tender specification
- Selection of a prepayment system
- Staff training
- **Marketing Campaign**
- Selection of vending sites
- Contracting of vendors
- Revenue Management
- Installation of equipment
- Maintenance
- Daily Administration





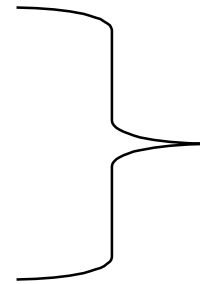
# *Tender Specification*

Look at all the system components :

The meter

The payment system

The management tools



Only a complete system ensures efficient revenue management !!



Meter



Vending

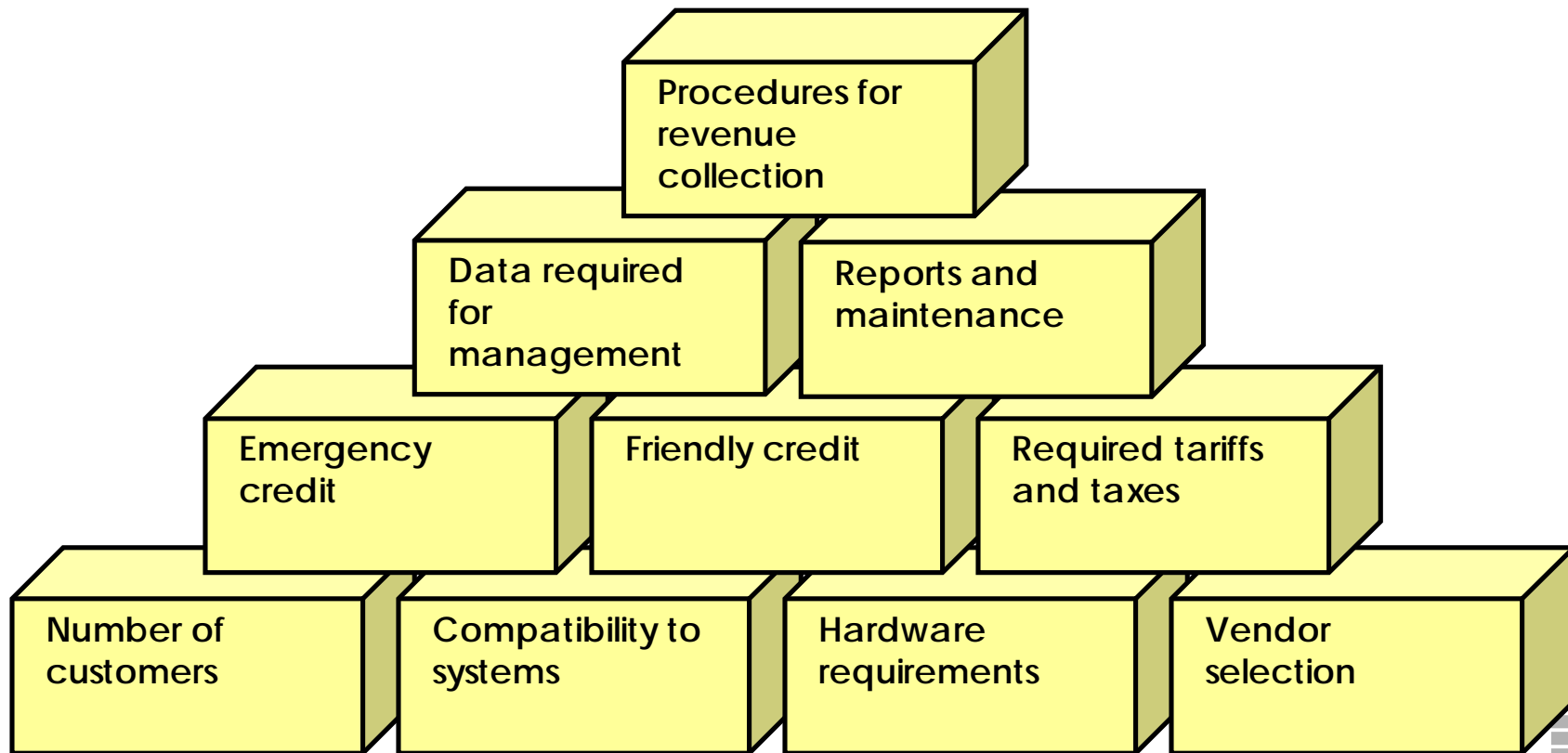


Database



# *Selecting the System*

Specification areas to cover:





# *Teaching Ourselves*

- The sophistication of most prepayment systems requires staff training on different levels :

Management

System Administration

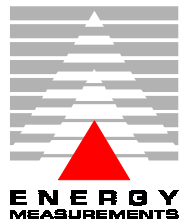
Installation teams

Maintenance teams

Customer Service staff

Vendors

Vending operators



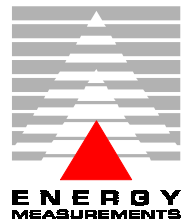
# *Marketing Campaign*

- The aim is to engender consumer acceptance and appreciation:
  - Advertising themes
  - Media (TV, radio, mail shots, brochures, posters etc.)
  - Public meetings
  - Involving local community leaders
  - Encouraging demand
  - Emphasising the benefits to the consumer



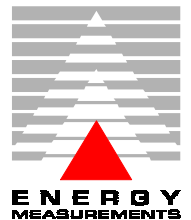
# *Consumer Education*

- The consumers must know how to use the product:
  - how and when to purchase credit
  - be able to enter the credit
  - to read the ED, to know when to re-purchase credit
  - know how much credit they have available at any time
  - how to clean the ED
  - what to do or who to contact if they experience problems



# *Marketing of the Benefits*

- The consumers must appreciate:
  - the benefit of being in control of their budget: they decide how often and in what value they wish to purchase
  - should they forget or not be able to pay for their electricity that they will not be physically cut off by the Utility
  - they won't have to wait to be reconnected, or pay a reconnection fee
  - will not have to suffer from the embarrassment of this situation
  - convenience of purchase
  - no more accounts or bills to pay which they may not have previously understood



# *Advertising Themes*

- At all times re-enforce the positive aspects:

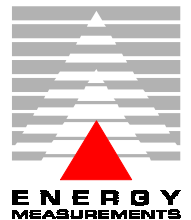
“Making your life easier”

“Electricity at your convenience”

“No more shocking bills/accounts”

“Putting you in control of your electricity costs”

“Pay as you go”



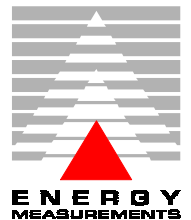
## *Add Value*

- The Utility can add value in a number of ways:
  - vending stations are conveniently located
  - enough Points of Sale are available
  - vending is possible at all hours of the day
  - vending services are accessible to remote customers
  - 'phone in vending



## *Encourage Demand*

- Newly electrified customers do not always have the appliances to use electricity.
  - Low usage and poor return on investment
  - Partner with an appliance manufacturer or distributor
  - use the the connection fee or deposit to purchase a two plate stove
  - appliance manufacturer provides a discount coupon with every ED (could also be exchanged for electricity)
  - during customer demonstrations use the manufacturers appliances: possible donations as prizes
  - vendor can act as “agent” for appliance manufacturer



# *Choosing Vendors*

- Points of Sales can be established in many places :
  - Supply Authority offices
  - Supermarkets
  - Petrol stations
  - Unattended Vending
  - Telephone Vending
- Contracts need to be set up with vendors before start of the operation.





# *Where is the Money ?*

- Revenue Management
  - Select a System Manager and appoint supervisors
  - Organise training for all system operators
  - Configure the SMS to your needs
  - Ensure compatibility with other IT systems
  - Ensure implementation of security measures
  - Determine policies and procedures w.r.t.
    - housekeeping of the database
    - running of reports
    - communication with vending stations



## *Installation*

- Set up installation teams and prepare appropriate tool kits
- Determine the timing for each installation
- Prepare your installation teams to meet curious customers and to answer questions
- Get your staff trained in fault finding and product testing
- Measure their performance and adjust your plans
- Feed back to your customer base !!



## *Ongoing maintenance*

- Set up a meter maintenance centre with all required tools
  - credit reader
  - ED verifier
  - Engineering workstation
- Define procedures how to handle enquiries and meter change-outs



# *Daily Administration*

- Define procedures for
  - Emergencies (hardware failures, power outages etc.)
  - Archiving of data
  - Backing up of data
  - Running of exception reports
- Have regular training sessions for your staff



## *Conclusion*

In order to achieve.....

We need a marketing campaign as well as careful planning and.....

Our reward will be happy consumers and lots of this :

