CGI Energy Commission Suite

Improving performance and reducing risk in B2B energy retail indirect sales channels

The challenge

Third Party Intermediaries (TPIs), or brokers, are a core sales channel for B2B energy retailers, with a significant percentage of contracts being secured via this route. The UK TPI market is large and varied, with TPIs estimated to be generating around £450m in revenues from energy suppliers per year. TPIs are typically remunerated via sales commissions, with a variety of payment models including upfront payment based on forecast consumption. These 'secret' commissions have gained renewed media interest within the last year, giving rise to increasing legal action from business customers.

Accurate calculation and management of TPI invoicing is critical to protecting revenue and enhancing the relationships between energy retailers and their indirect sales partners. Poor performance by a supplier in paying contracted commissions in an accurate and timely manner can dissuade the TPI from working with them. Equally, over payment of commissions, which is not uncommon, can have a negative margin impact for the retailer.

Commissions calculations can be very complex - there can be thousands of records of data involved in calculating payments to a TPI. However, the process for managing and paying commissions to TPIs sits outside the remit of most core CRM and billing solutions, meaning this critical activity is often performed manually or via 'grey IT' solutions such as spreadsheets.

The CGI solution

CGI Energy Commission Suite has been developed in conjunction with two leading B2B energy suppliers. It is designed to integrate with existing sales, quotation, contract and billing platforms - agnostic of the application data model - using industry standard definitions of data to enable accurate risk management, calculation and validation of commission invoices.

CGI Energy Commission Suite supports energy retailers to:

- Reduce risk by generating more accurate commissions statements
- Reduce cost by improving the speed of the commissions process
- Develop better relationships with TPIs and win more business
- Free up expert resources for higher value adding activities
- Improve TPI payment performance
- Provide a demonstrable controlled audit trail for commission payments.

Provided as a Software as a Service (SaaS) application with transparent calculation, our solution removes reliance on complex reporting solutions or uncontrolled business developed solutions, and provides a full audit trail of all changes.

A wide range of benefits

CGI Energy Commission Suite provides benefits across an energy retailer's business, supporting more productive relationships with TPIs.

Key benefits can include:

Reduced OpEx - up to 50% smaller commissions team size to operate grey IT models and to import data / instruct calculations / manage exceptions

Improved accuracy - reduced statement revision for TPIs, elimination of overpayments due to incorrect volumes, and a reduction of the need for claw backs

Fewer disputes - Improved accuracy, better pull through of data, and fewer volume issues resulting in fewer queries, issues and disputes, reducing effort

Improved insights – On demand reporting to help understand where the most value is being delivered and where performance can be improved

Increased sales – Improved throughput and accuracy generates TPI confidence to place additional business with retailers using the solution

Reduced 'grey IT' - Reduced risk and cost of unsupported solutions, reduced business risk of the application failing and commissions not being paid

A platform for the future

Our solution combines the best of CGI's deep industry expertise in Energy Retail with Netcall's Liberty Create low code platform. This platform enables the rapid development and deployment of applications that can automate and transform to remove manual processing and 'Grey IT' in your organisation.

Contact us at the details opposite to discuss how our solution can reduce your financial risk and optimise your TPI management, or how we could apply the same approach and technologies to an alternative business use case.

CGI Energy Commission Suite can transform the way that retailers manage their TPIs. Key features include:

- Automatic calculation and invoice generation for commission payments
- Intuitive dashboards for commission and volume risk
- Out of the box support for a wide range of commission terms, payment arrangements and calculations
- File and API based integration with billing and CRM platforms to accurately calculate arrears or reconciliation payments and enable up front invoicing to the TPI.

About CGI

Founded in 1976, CGI is among the largest IT and business consulting services firms in the world. We are insights-driven and outcomes-based to help accelerate returns on your investments.

In the Utilities industry, we have more than 6,000 experts worldwide supporting end to end production, distribution and central markets across Europe and North America. As the utilities world continues to evolve rapidly to adapt to changing market demands, we help suppliers move to new business models, modernise legacy IT environments, increase security, and become more customer-centric.

For more information
Visit cgi.com/uk
Email us at enquiry.uk@cgi.com