Service Camp Replication, Karnataka to Manipur

Service Camp concept is an alternative cost effective method of providing after sales service, generating awareness and bringing in new customers. It was recently initiated in SELCO in order to address the issues of a growing customer segment base, apathy from potential customers who were disgruntled by poor servicing from other companies and to build confidence in important stakeholders like financial institutions. Till date, SELCO has conducted around 75 camps in Karnataka. The success of this approach was further tested as it was replicated in a different context by SELCO Incubatee in Manipur, Maangal Sustainable Solutions. The Service Camp demonstrates a different tool that has been tailored to rural contexts that can serve multiple benefits.

Identification
Internal assessment to generate awareness and build confidence of renewable energy systems.

Problem Statement
Growing organizations may lose personal touch with customers and increasing penetration of cheap renewable energy products that do not work and generate negative perceptions.

Financial Model
The average cost of conducting a camp in Karnataka is INR 4000-6000 but the income generated can range from INR 1000-10,000. The price varies depending on size of service camp and location for example in Manipur the cost was approx. Rs.25000. In Karnataka, at maximum so far there have been 250 people.

Project Nuances
Preparation time starts about 15 days prior to event. Key activities include generating a customer list in the area of planned camp, conducting marketing activities announcing the camp. All members of the branch are expected to be present at the camp to ensure a strong customer interface.

Customized, proactive after-sales service is a cornerstone to SELCO’s business model. A typical servicing includes regular maintenance of the battery, module, and other technical components to ensure smooth functioning of the system. Although it is now considered conventional wisdom to provide a servicing component for energy services particularly for off grid systems, service is often below par mainly due to lack of will to invest in necessary channels and adequate technical skill development, which results in short sighted approaches that break down quickly.

In the present scenario, at least 10,000 SELCO customers have access to free servicing every year as part of the product package. Beyond this period of free servicing, customers can avail a fee for service in the form of an Annual Maintenance Contract (AMC). As SELCO continues to grow it has observed that there are customers who often do not care to call for a service, nor can the existing customer support team cater to the ever increasing list.

The organization relies on high-quality service to promote sales, strengthen consumer confidence, strengthen banker relationships and develop employee capacity. Thus the idea of a Service Camp was conceptualized. It is basically a gathering of customers (existing and potential), key community building organizations, local VIPs, banks and other stakeholders to a common location for SELCO staff to conduct a mass technical servicing program. This is effective in three ways:

- As another means to retain customers with minimum service charge. Servicing from the branch would cost Rs.150 per service but through a service camp that fee is reduced to Rs.50 per service.
- Build and strengthen banker confidence who witness commitment from their technical partner in ensuring that the system is in good working condition. This also then ensures customers are making regular repayments towards their solar loans.
- Marketing opportunity to bring in more customers who perhaps dissatisfied about the service of other solar competitors by providing a place for them to have their systems serviced.
In addition to the core element of servicing, other activities include a key speech by a prominent respected community member and a demonstration of new SELCO systems to pique interest of potential customers. The concept started in 2010 and till date SELCO has conducted over 75-80 camps with a mandate for each branch to conduct 1 service camp per quarter.

An entrepreneur who is a cohort member of SELCO’s Incubation Centre replicated the concept of the Service Camp in his area of operations in August 2014. Maangal Sustainable Energy Solutions operates in Manipur, North east India. Maangal has a similar model of providing solar home lighting systems to rural, remote households and institutions. Manipur has a prolific penetration of cheap solar lighting systems imported from China that is sold over the counter. After purchasing these systems, several customers who have negative experiences tend to generalize this negative experience with any renewable energy service provider in the region which includes Maangal thus affecting sales and customer confidence.

Maangal replicated the concept of the service camp in Churachandpur district, Manipur. A preliminary survey revealed that 31 out of 53 households were already using Solar Home Lighting Systems (SHLSs) as their primary source of lighting. Almost all of them weren't designed based on the load/usage, no charge regulators, no proper maintenance of the batteries leading to shorter life of the batteries. The program was attended by over 100 villagers in the area and 20 households received servicing by the team. By conducting a service camp in this remote area, Maangal wanted to leverage the opportunity to conduct servicing for existing customers and also bring about awareness through demonstrations for other members of the community. Some who had defunct solar systems from other companies or over the shelf purchases. They also inaugurated the event through a key local member which brought publicity and credibility to the event and eventually media coverage to reach a broader audience.

Key Aspects:

- Presence of a key local member recognized for credible reputation to build confidence and trust in community such as a banker, village leader, people’s elected representative.

- Preparation in advance to generate customer lists to estimate potential human resource requirements to cover servicing, demonstrations and sales generation.

- Cost effective especially for remote areas where multiple trips can increase transaction costs instead, single service camp can serve multiple purposes for larger effort.

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### Impact

- Customer retention
- Enquiry generation and hence future sales opportunities
- Reputation of SELCO further strengthened to community, bankers and other stakeholders

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### Project Nuances

Selection guidelines for conducting service camp:

- Customer cluster of at least 50
- Typically systems have been in operation for 3-4 years
- The distance from the branch is further enough that it makes economical sense to hold a camp vs individual servicing.
- If there is a partnership with an existing financial institution in the area it makes sense to hold a camp in the vicinity.
- Potential area of new customers can be mapped with existing customers to leverage the maximum out of a service camp.

### INNOVATION

- Cost effective way to reach rural remote customers and generate awareness and marketing opportunities for renewable energy products
- Tapping into local reputable members of community to inaugurate and participate in camp building confidence
Service Camps conducted in Karnataka: Stall in which products are displayed and demonstrated.

Service Camps conducted in Manipur: L-R, Promotional banner, target households for service camp (Photo courtesy Maangal)
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