

Nurturing Your Customers

By Sanjay Kumar

The Intimate Customer-Provider Relationship

Today's service model has shifted. It has shifted from an infrastructure or network-based service model to a personalized and customer-centric service experience that incorporates a combination of services, devices, and applications. As a result, customers' expectations now incorporate much more than the connectivity itself. Customers expect a positive experience, consistent quality of service, and a similar service experience across mixed network, to multiple devices, for a multitude of service and application combinations.

Today's customers are also depending on their services for work, education, financial, entertainment, family, and social endeavors. Customers are now, more than ever, counting on their service providers to deliver services accurately and consistently and, there is a growing expectation that service providers are responsible for removing the technical obstacles and procedural annoyances that can tarnish the customer experience.

This evolution of services has led to a transformation in the traditional customer relationship. The operator is no longer a utility, but a literal provider of services, devices, and applications. In many cases, a single service provider can provide all the entertainment, communications, and mobile services for a single individual, family, or business. This unique customer-provider relationship puts the service provider in a remarkable and very unique position; a position



The potential payoff from improved operations is huge. Consider, for example, BT's well-known Right First Time program. In this initiative, BT tracks the way it handles new business customers from first call to 30 days after the first bill. It evaluates virtually every operations activity, looking for ways to improve. This laserlike focus on processes and their interactions yielded a 33 percent reduction in customer complaints and allowed the company to re-direct large numbers of employees away from constant billing inquiry and error investigation. Cost reductions and happier customers are making this endeavor a model for other CSPs.

Source: Yankee Group

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DELIVER A CUSTOMER EXPERIENCE

THAT'S MORE THAN

JUST TALK

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that may significantly distinguish them from their competition.

Service providers are in the unique position to understand and know their customer on a level more intimate than even some of the customer's closest friends and family. At any given time, service providers have access to an incredible amount of customer information such as the customer's entertainment choices, service preferences, location, downloads, interests, lifestyle choices, customer profile, and billing information. This close, customer-provider relationship can give the service provider unique visibility into their customers which they can use to customize their services and proactively manage potentially negative issues that may impact customers' service experience. What service providers do, or don't do, with this information and can make or break their relationship with the customer, distinguish them from over-the-top (OTT) providers, and even go so far as to perpetuate a positive (or negative) brand perception if ignored altogether. However, if this information and perspective are properly and proactively managed, it can create a very positive customer experience and form a special bond between provider and customer.

Improving the Customer Experience

All relationships tend to flourish when properly nourished and disintegrate if neglected. The customer-provider relationship is no different. The ability to efficiently manage the wealth of customer information to create and automate positive customer touch-points may make all the difference in the world. If nothing else, simply avoiding the pitfalls that lead to customer churn can be easily attained by a proactive customer experience strategy.

Most customers churn for similar reasons. There are some common pitfalls that create a negative service experience that ultimately leads to the demise of the customer relationship. These pitfalls can permeate the entire lifecycle of the customer (Fig. 1) and, if not properly managed, can create a systemic negative perception which could have been avoided by a proactive, end-to-end customer experience management (CEM) strategy. These pitfalls are the primary reasons customers churn and managing them forms the foundation of CEM. They include such things as:

1. **Service Delivery Issues:** accurately fulfilling service orders, managing changes in services, and maintaining a consistent quality of service is the foundation of a CEM strategy. Without it, your customers' very first interaction with your company could be their last and that negative perception may indefinitely persist. If nothing

The service provider often understands and knows the customer on a level more intimate than their closest friends and family.

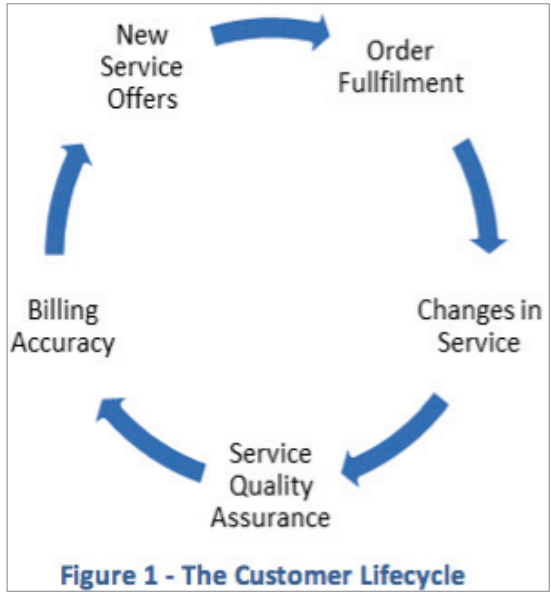


Figure 1 - The Customer Lifecycle

else, this negative customer experience could create a customer-provider relationship that lacks the loyalty that keeps customers from churning.

2. **Quality of Service Issues:** customers expect a consistent and predictable quality of service. The legacy process of reacting to service issues as they arise no longer works. Service providers can eliminate many negative customer touch-points that have a significant impact on the customer experience by proactively recognizing, managing, and preventing service issues. When issues do arise, they can and should be addressed immediately, effectively, and proactively with the customer; and then taking the necessary steps to prevent them from occurring again.
3. **General Aggravation:** every interaction customers have with their service provider shapes their experience and the perception they have of their service provider. Gaining visibility into these touch-points, and which are positive or negative, can be the key to designing an effective CEM strategy. Service providers can efficiently

eliminate negative touch-points by leveraging their unique and collective understanding of the customer Operational and Business Support Systems (OSS and BSS). After negative touch-points have been eliminated, positive touch points can be created and even automated to further improve and differentiate the customers' experience and even build priceless customer loyalty.

4. **Billing Disputes:** all too often the customers' most frequent interaction with their service provider is to dispute billing issues. By ensuring services are accurately billed, service providers are able to significantly reduce the number of negative interactions that their customers experience.
5. **Service Stagnation:** in today's dynamic communications and entertainment marketplace high-consumption customers are on the constant lookout for the next best thing. Even when the service experience isn't entirely negative, some customers will churn just to have the latest-and-greatest. By using customer information to identify these customers and understanding their interests, service providers can create a unique customer experience, craft innovative service and product strategies, and effectively target campaigns to the customers that are most likely to adopt them, at the time when they would welcome the offer.

If these pitfalls are not avoided and become an integral part of the CEM strategy the result is painful, negative customer touch-points across the entire lifecycle of the customer. This may be the final area of differentiation against OTT providers and other competitive threats. Service providers need to transform to compete, thrive and ultimately survive.

Service providers' wealth of customer information and intimate understanding of their customer puts them in an extremely advantageous position. Using this collective customer intelligence (CCI) to both remove negative touch-points and create uniquely positive experiences could dramatically set them apart from their competitors. However, the cultural transition and operational evolution required to leverage this advantage may be their biggest obstacle. Meanwhile, the competition is fierce and many other competitive providers are finding new innovative ways to mine more information from their customers to create more innovative and personalized service offerings.

Cultural Transformation and Operational Evolution

Historically, the process was to talk to the customer at point of sales and then it was "hands-off" until

Service Providers must leverage their existing infrastructure and systems to gain complete visibility of the customer lifecycle.

something went wrong. Today, customers are looking to their service providers to be a valuable, trusted, and ongoing advisor in the rapidly changing communications environment. To do this, service providers must first understand the customer lifecycle and then leverage their unique CCI to continually renew their customers' interest. This means, they must shift from being an engineering- or network-driven service company to a customer-driven service provider; and that's a profound shift from the days of old.

We should also all know by now that a Siloed approach doesn't work for today's converged world. But, no major service provider can afford or fathom to replace their existing systems. So, how can services providers leverage their existing infrastructure to gain an intimate, dynamic, and real-time understanding of their customer to create a healthy, positive relationship? The answer lies in leveraging and integrating OSS and BSS to mine customer information from disparate and often disconnected systems. Service providers must look for methods that combine the strength of their existing infrastructure, systems, and CCI to create a complete and dynamic customer profile and use that profile to eliminate negative customer interactions and provide more positive customer touch-points throughout the lifecycle of the customer.

The world of experience possibilities is virtually endless. By implementing a concerted CEM strategy using an integrated approach to OSS and BSS architecture that leverages existing systems, service providers have the opportunity to completely transform their customer's experience. They can remove the negative and annoying aspects of the customer experience by better understanding and improving their customer interactions. They can create new services based on their unique understanding of their customer. And, they can create a completely unique customer experience by using their CCI to create innovative, one-of-a-kind service experiences.

To do this, service providers need OSS and BSS that can leverage current systems and mine customer information from their existing network, systems, and data repositories and create a complete and dynamic view of the customer, their lifecycle, and

every customer interaction. OSS and BSS systems should give service providers centralized access to these systems so that they can leverage the collective strength of data, such as:

- **Call and Usage Patterns:** suggestive selling based on a better understanding of customer's needs
- **Individual Interests:** understanding your customer's proclivities so that you can create positive points of interactions around their specific areas of interest
- **Device Capabilities:** educating customers to take full advantage of device capabilities and notifying them of new service and application opportunities
- **Social Networks:** integrating social networks with traditional services to create unique, new service offerings
- **Service Plans:** correlating service plans with service usage so that customers are getting the best service at the best price – and are being accurately billed for them.
- **Billing Information:** streamlining the order process to make it as easy as possible for customers to purchase new services, devices, and applications
- **General Preferences:** centralizing customer information and preferences in a central repository to remove the redundant need for the customer to enter and re-enter the same information every time they interact with their service provider.
- **Location:** combining location with events, social networks, active service alerts, and notifications

Proactive CEM and The Symbiotic Customer-provider Relationship

With proactive CEM across the entire customer lifecycle, everybody wins. Customers benefit from a positive, consistent, unique, and continually renewed service experience. Service providers benefit from increased customer loyalty and trust, increased average revenue per unit (ARPU) and by reducing customer churn by creating a culture to which customers want to belong.

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