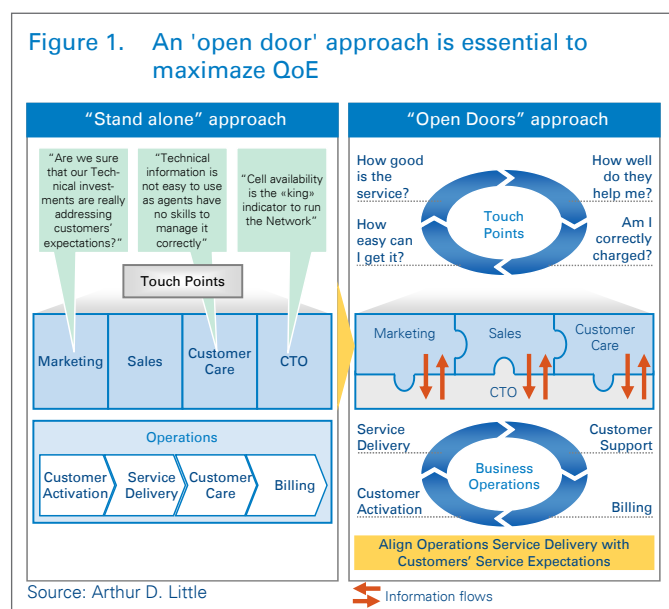


Besides re-designing the processes highlighted above, our experience with major mobile operators suggests that effective Customer Experience Management requires that the company migrate first from a traditional “stand alone” communication paradigm to an “open door” one.

Improve flow of internal communication

When integrating CEM throughout their organization, companies will need to move from a classical “stand alone” approach, in which the various departments interact with the customer according to its own needs in a independent manner, to an “open door” approach in which all the company’s units operate as a single entity in terms of the client’s perception.



In order to achieve an “open door” approach to customers, priority must be put on improving the communication flow between the Technical department and the various business functions. This approach requires the TD to expand on its traditional paradigm and effectively communicate the results of its internal operations to other stakeholders, including other departments and the customers themselves. The better the performance of communication between the Technical department and Customer Care, the stronger the resulting QoE. Therefore, management should focus on the following two key points:

- The Technical, Operations and the Customer Care departments need to share information about the status of the network and the performance of services in real-time. This is the only way for the mobile operator to guarantee a coherent and consistent QoE.
- The flow of information between Customer Care and the Technical department should be two-way. Customer Care,

being directly in touch with customers, can provide the TD with vital information about the customers’ perception of service performance.

Technical Operations and Customer Experience Management

CTOs and CIOs are usually focused on the performance of the networks and services they operate. Now the Technical department can also act as the technical enabler for a superior CEM.

There are two main levers that CTOs and CIOs should utilize in order to effectively introduce CEM in their operations:

- Shift their focus to monitoring E2E Service Performance and Customer Experience.
- Put effort into predicting Customer Experience.

Lever 1: Shift the focus to E2E Service Performance and Customer Experience

The first lever fits into the bigger plan of shifting the company focus from operating performance to the Quality of Experience as perceived by the customers. Managers in the Technical department usually rely on complex dashboards to monitor and control the performance of their networks. These dashboards are based on sets of Key Performance Indicators (KPI) that measure the current status of the network services. In order to adapt to the new Customer Experience Management model, the Technical department should introduce new processes and tools to monitor a new set of values that are known as Key Quality Indicators (KQIs). In this way, the technical processes for NW, IT and HS are matched against the end-to-end Customer Service Experience in order to measure their specific impact on customer satisfaction. New control panels are based on service performance and can be developed according the following approach:

1. Compile a complete catalogue of services prioritized by economic relevance.
2. Define a catalogue of Service Level Agreements (SLA)/KQIs for each service/customer segment, such as percentage of successful activations, average activation time, etc.
3. Describe the end-to-end process of every service.
4. Compile a catalogue of platforms and NW elements underlying any service. Define SLA/ KPIs.
5. Define a technical fault prioritization matrix according to service impact.

The objective of this kind of monitoring is to have real and continuous knowledge of service performance, enabling the immediate resolution of any technical problems that may have

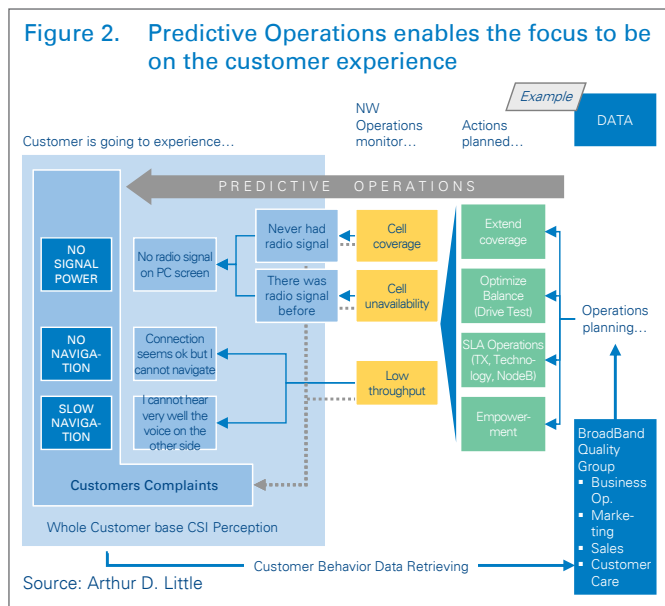
a negative impact in real time. Traditional indicators such as cell availability are not substituted, but rather integrated with additional information.

This approach provides a more reliable view of faults and service issues and their impact on service. Precise and systematic information about customers' experience, and the impact of faults on it, enables companies to better define their goals in terms of performance levels.

Level 2: Put effort into predicting Customer Experience

The second CEM lever requires the company to move from a traditional reactive model, in which Technical Operations only track customers' complaints and the company's subsequent response, to a predictive one. In the predictive model, Technical Operations merge data from business, technical and even social media, in order to predict customer expectations and habits and effectively focus investments in Customer Experience. A Big Data and Next Best Action approach can also be implemented for real time customer interaction (see Arthur D. Little report, "Big Data: From hype to real business value.")

This changeover is reached in two steps. First, a more advanced pro-active model is adopted in place of the reactive one.



In this new model, Technical Operations listen not only to complaints, but to the whole customer base, correlating customer satisfaction and expectations – monitored by the KQI and/or periodical surveys – to the KPI values of the operating performances. In this way, the Technical department is aware of the impact that a negative value on a KPI – for instance because of a NW fault – has on the QoE perceived by the customers. Second, in a further step forward, the predictive model is adopted; TD management can make decisions based on the

impact on CEX and investments can be correctly focused on the projects that increase overall QoE.

Customer Care and Customer Experience Management

Arthur D. Little has identified a specific set of drivers that mobile operators should employ to improve their Customer Care by enhancing the Customer Experience offered to their customers:

- Accessibility and ease of use
- Response Effectiveness
- Operations Efficiency

Accessibility and ease of use

Accessibility and ease of use is a fundamental driver when designing a Customer Care strategy that maximizes the QoE offered to the customers. Mobile operators should consider the following strategies and best practices to enhance the accessibility of their services in terms of the CEM paradigm:

1. *Offer multiple channel access to Customer Care services.* New technologies that connect customers to service providers, such as social networks and live web chat, are becoming increasingly popular. Mobile operators have to design their Customer Care according to these new trends by providing multiple touch points of interaction. MNOs also should try to push the interactions towards cost-savings touch points, such as the internet, mobile applications and IVR.
2. *Homogenize service experience according to multi-channel strategy.* When providing multiple channel access, mobile operators must seek to provide a uniform view of their Customer Care. Customers should have access to coherent and consistent information across all the touch points. Customers should easily switch from one touch point to another while preserving content.
3. *Simplify the process to receive support and information.* By exploiting new technologies, companies can reduce the number of steps that customers have to perform to get the information they need. Social networks and live web chat can reduce the distance between the customer and support services. Communicating information about scheduled interventions automatically may improve the performance of service, reducing customer complaints.

Response Effectiveness

When striving for a better Customer Experience, mobile operators should enhance the quality of the information they provide throughout the Customer Care services. Effectiveness in Customer Care services means:

1. *Providing real time information.* The customers should always receive the most updated information from Customer Care. Customer Care Operators should be able to access a complete view of the customer during the support process. This requires all the internal information systems to be deeply integrated and interconnected, in order to establish an efficient internal communication flow between Customer Care and other departments.
2. *Anticipating customers' needs.* Monitoring and predicting QoE enables the anticipation of future customer needs. This information should be used to introduce cross-selling and up-selling opportunities through Customer Care.
3. *Linking Customer Agents' performance to Customer Satisfaction.* European best practices show a model of pool-based routing in which groups of CAs take care of the requests of a fixed set of customers, having their performance indicators directly linked to the performance of the service being offered, in term of KQI, CSI, etc.

Operations Efficiency

One of the most important indicators of customers' perception of Customer Care performance is the average handling time required to resolve a client's issue and/or request. Providing prompt responses to clients is proving to be differential for client retention. Arthur D. Little recommends several strategies in order to improve the efficiency of Customer Care operations:

1. *Reduce the number of escalations to Back Office.* Innovative Customer Care moves competence upwards by re-designating the Front Office (FO) role; the FO should be able to handle problem troubleshooting, provisioning verification and to open tickets. New workflow-based tools, such as CCAT (Customer Care Automation Tool), can automate these processes and integrate all the workflows in one solution.
2. *Use innovative knowledge management tools with real-time update.* These tools allow Customer Care agents to retrieve answers to customers' requests quickly and accurately.
3. *Integrate the interfaces of the tools used by the customer agents.* Provide the Customer Agents with tools that allow them to easily access multiple systems from a unique interface and to switch from an interaction channel to another.

Customer service is a strong differentiator in the very competitive telecommunications segment. Maximizing Customer Experience Management efforts means monitoring, controlling and predicting service levels along all touch points in the customers' journey. This can be achieved by integrating CEM efforts throughout the organization, and primarily by making the Technical department a key enabler in the process.

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Arthur D. Little

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