Verizon - One of the world's leading
BROADCASTING AND CABLE
companies achieves operational excellence and innovative technological solutions through HCL's Managed Services Delivery Model.

CUSTOMER DESCRIPTION

Verizon Communications Inc. known as Verizon, is an American broadband and Telecommunications Company and a component of the Dow Jones Industrial Average. It is a global leader in delivering innovation in communications, mobility, information and entertainment. It provides broadband, video & other wire line services to customers in more than 150 countries, including all of the Fortune 500 companies. Its products and services include Fixed-Line Voice, Fixed-Line Data, Fixed-Line Television, Wireless Voice/Data and Directory Operations. Verizon's revenue for 2011 stood at $110.8 billion. Verizon is headquartered in New York City and employs more than 180,000 people.

Verizon FiOS is a bundled Internet access, telephone and television service, which operates over a fiber-optic communications network. Verizon was one of the first major U.S. carriers to offer fibre to the home, and received positive ratings from consumer reports among cable television and Internet service providers. Verizon FiOS delivers 100% digital TV, bringing fiber optics directly into consumer's homes. This means more broadcast capacity for digital and HD than traditional cable, unparalleled IP bandwidth for on-demand & niche programming, cutting-edge interactivity, and unrivalled picture and audio quality. Currently the FiOS network has 17.4 million subscribers in the US.

BUSINESS CHALLENGE

Innovation is at the heart of Verizon's strategy. Over the last ten years, Verizon has transformed itself and leveraged new growth markets — wireless, strategic services, video and broadband — that now make up three quarters of its revenues.

Today, Verizon is transforming itself around another innovation explosion being driven by the convergence of mobility, broadband and cloud technologies. As these new capabilities erase the boundaries of geographies, technology and time, they have simultaneously created the **"connected consumer"**, a consumer who demands anytime, anywhere access to digital information. In addition, as the world becomes digitally connected there is a need for smarter networks, devices and solutions to address some of the most pertinent issues faced by the society.

Due to the ever-changing demographics and evolving technological landscapes, the Broadcasting & Cable industry faces the following challenges:

- **Expand customer base** - Companies are looking to expand their customer base by targeting different sections of the society based on age, gender, ethnicity, income etc.

- **Improve performance/productivity** - Faster TATs are needed to meet stringent timelines. Companies are therefore looking to shrink these timelines by choosing faster methods of validating content.

- **More for less** - Companies are looking to deliver 'more for less' for enhanced customer retention.

- **Integrated Solutions** - All media, broadcasting and cable companies are looking at delivering integrated solutions across platforms and devices. In the face of globalization, this is even more challenging to achieve, as it requires a high degree of collaboration and process integration.

- **Drive technology innovation** - Consumers need to be constantly engaged, they are increasingly looking at faster, cheaper and easier forms of quality entertainment. In this scenario, it is imperative that the broadcast and cable providers are able to leverage the latest technologies advancements to gain market share and retain leadership.

ENGAGEMENT MANDATES

Verizon's business objective was to identify a partner who would enable them to focus on their core strength of building new solutions / services to overcome industry challenges and retain market leadership, by being a catalyst in driving innovation.

They were looking for:

- A partner who could manage the 'Concept to deployment' of their FiOS interactive application and help in building their next generation platform

- An effective Systems Integration partner for Verizon's Digital Media content delivery platform
- A partner who could innovate effectively and work to enable cost optimization and introduce new methods for customer engagement, thereby leading to market leadership for Verizon

HCL SOLUTION

Verizon and HCL entered into a strategic partnership for a period of three years. This partnership would enable the development, support, and maintenance of its FiOS interactive applications.

This included:

- Setting up an independent lab at HCL's Chennai facility (similar to the production infrastructure) for the certification of interactive television widgets/applications.
- Program/Project management of the FiOS interactive application development, certification and maintenance.
- Improving delivery excellence - HCL had a deep understanding of the 'as-is' FiOS delivery process and identified the key challenges in the entire delivery process.
    - Cycle time reduction - It was taking 20-22 business days to certify one FiOS interactive application. During the discovery phase HCL identified the key factors that were contributing to increased certification time.
        - Review process - Some of the gate reviews were done during the end of the lifecycle
        - Code quality - Unavailability of the environment to the developer community had a major impact on the code quality
    - Integrated view of the entire process - Multiple discrete applications were used to manage the FiOS program. This created bottlenecks in the information availability for the stakeholders and delayed their access to the consolidated report generated.
    - Capacity Management - Because of the fixed team size, accommodating new applications that were delivered for certification was a challenge.

After a careful analysis of the objectives and the bottlenecks in the existing systems, HCL proposed a Managed Services delivery model through an HCL invested production like Independent Test Lab (ITL).

Some of the widgets that have been certified by HCL have greatly helped Verizon reinforce the faith the customers have on them. Widgets such as the 'Olympic Widget' and the 'Barbie Widget' were certified within a very short span of time, which enabled millions of users to access these widgets on their television sets well within time and without any glitches.

HCL DIFFERENTIATOR

- Managed delivery model for FiOS interactive application:

  - HCL leverages the Centre of Excellence (CoE) units that operate within the organization. It also leverages the delivery unit with 60 resources that have 77000 person hours of experience in interactive application development and support combined with the skill sets of HTML 5, CSS 3.0, JavaScript, Lua, .Net, Selenium.

  - The CoE's provide delivery units with best practices and innovative thinking customized to client's needs. The Media and Entertainment CoE and Application Development CoE have assisted in building solutions like the ITL Portal and automation tools which have improved performance and led to process improvements - translating into lower bottom line costs for Verizon.

- Delivery enablement through innovative methods:

  - Submission portal

  - Third Party Developer support for code quality improvement

  - Certification automation

  - Development of Interactive Widgets/Applications

  - TV Everywhere

  - Smart Guide

*HCL lab infrastructure: solution components & description*

- **Infrastructure** - HCL has invested in building a 5000 sq. ft. interactive applications lab with 35 set top boxes (7 variants) powered by a Motorola head end. The lab was setup by engineers from Motorola and operated by an HCL's head end specialist who works closely with the Motorola's support team. Incidentally, it is the only lab available outside of Verizon premises.

- **Integrated portal** - Enables integrated delivery through transparency. All the processes – from on boarding of third party developers to acceptance of the application by Verizon is managed through this integrated portal. All stakeholders can have a real time view of the certification process.

- **Code quality improvement** - Helped reduce cycle time by 50% through automation tools.

- **Certification automation** - Helped reduce cycle time by 30% through innovation – Integration test automation and functional test automation.

- **Development of Interactive Widgets/Applications** - HCL has a talent pool of resources who are working on state of the art designs to develop interactive widgets/applications for Verizon's interactive platform which include innovations like interactive apps. used via connected devices.

- **TV Everywhere** - HCL is ahead of its peers in anticipating future trends and is currently working on solutions like TV Everywhere. This will help customers tune into their favorite shows based on their convenience.

- **Smart Guide** - A guide, which recommends a list of programs and VODs to users based on their viewing patterns.

- **Understanding of the domain** - HCL understands the cable and broadcast industry in great depth. It has the required expertise such as lab infrastructure, skilled resources and understanding of the platform to help clients in any of their development and support activities. HCL leverages its 12 year old Media and Entertainment practice, with over 3500+ technology and functional consultants that have a total experience of 20000+ person years.

ENGAGEMENT MODEL

HCL has adopted the 'Asset as a service' model which benefits customers to move the expenses from Capex spend to Opex spend and pay for the services consumed. With the 'Asset as a service' model customers can roll out solutions to the market in a short span of time.
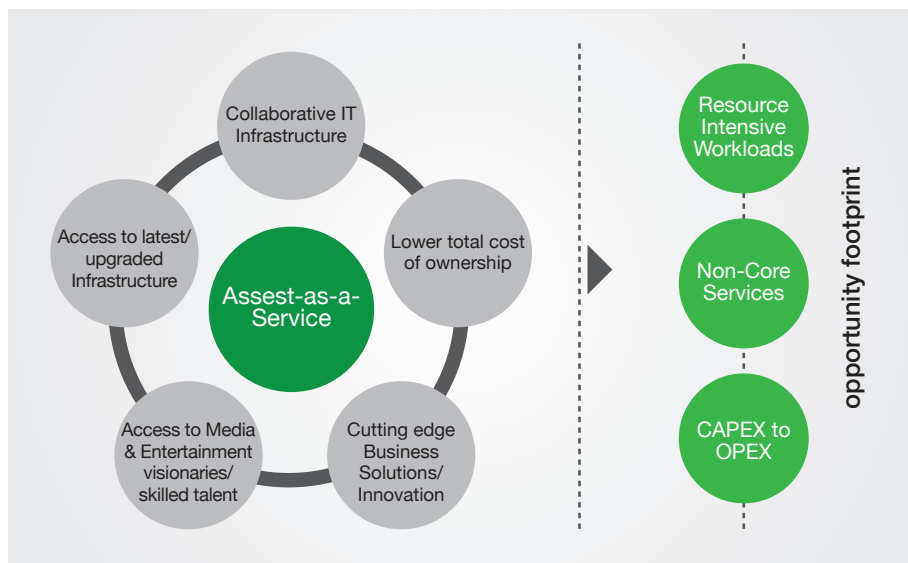

BENEFITS

- Flexible team size - HCL methodologies enable ramp up and ramp down in team size, both at onsite and offshore in a short span of time.

- Enabling Verizon to have a flexible team size - The core team involved in certifying the widgets has been redeployed for more strategic initiatives, helping Verizon improve their topline.

- Delivery through Transparency - The ITL portal along with the daily/weekly interactions and discussions that Verizon has with HCL has ensured a more transparent process for certifying widgets, which was missing earlier.

- Delivery through automation - Automation tools like the Code Review Tool and the Record & Replay Tool have cut short the certification process by almost 62%.

- Reduce time to market - A faster certifying process has enabled a 30% faster time to market and thereby improved margins.

- Innovative solutions to stay ahead of the curve - Initiatives such as HCL's Fully Loaded Service Lines (FLSL) which include development of Smart Guide, an intuitive Electronic Programming Guide and TV Everywhere, a solution with which users can access content anywhere and on any device, are helping the client stay of ahead ofcompetition.

- Process streamlining - The ITL portal developed by HCL has lent clarity and transparency to the entire process by tracking the life cycle of widgets - from submission to certification.
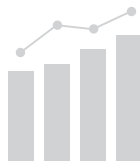
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