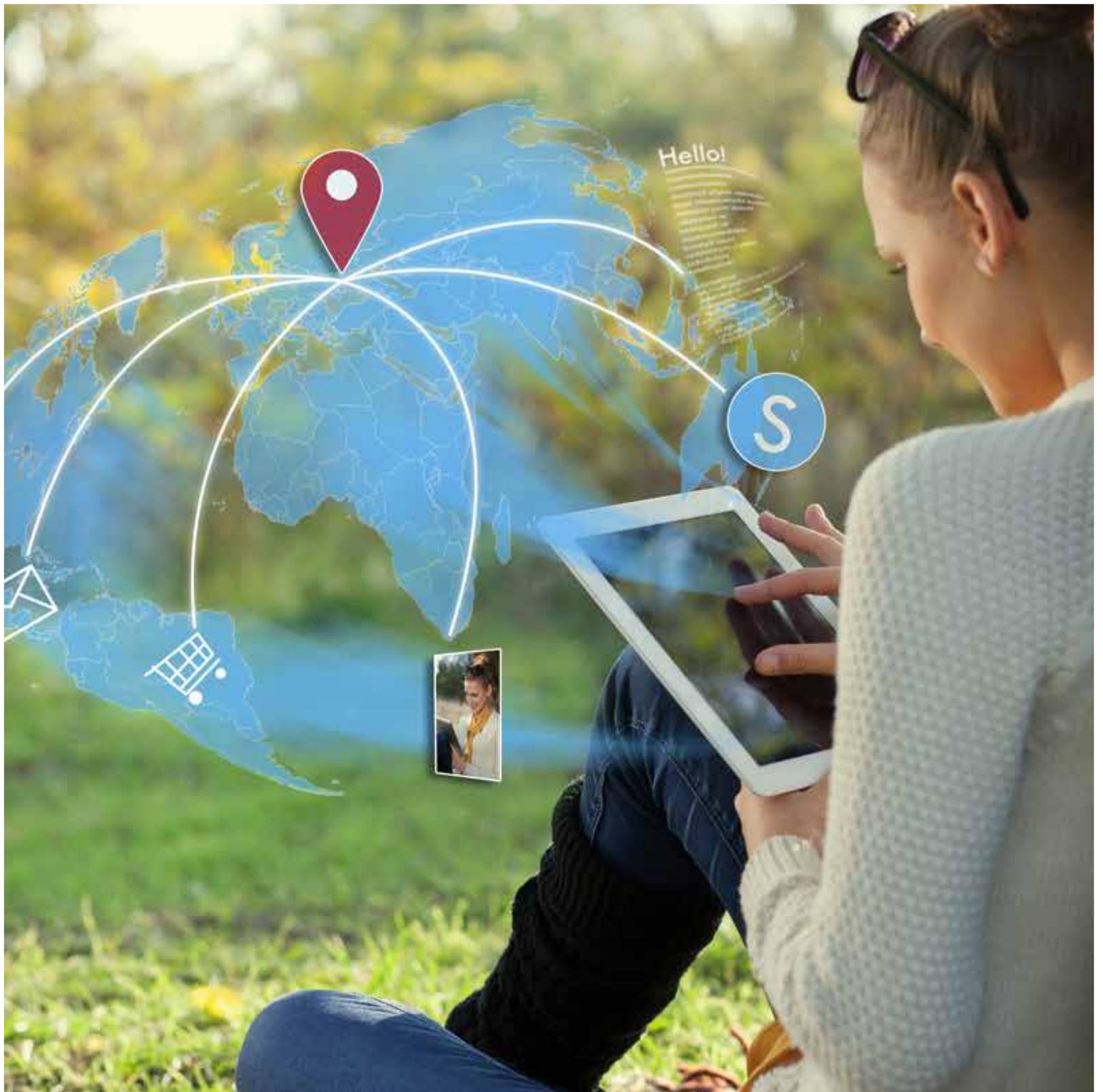




TRANSFORMING CUSTOMER EXPERIENCE

HOW HCL CAN HELP IMPROVED CUSTOMER SERVICE
FOR COMMUNICATION SERVICE PROVIDER INDUSTRY?



INDUSTRY OVERVIEW

The telecom industry is grappling with multiple challenges, including falling voice revenues, rising network capital costs and a growing threat from Over-the-Top (OTT) players. Complicating these challenges is the fact that CSPs struggle to deliver an excellent customer experience resulting in high rates of customer churn. Compared to customer experience leaders such as Apple, Google, and Amazon that enjoy a Net Promoter Score (NPS) in the 70-80 range, CSPs report a NPS as low as 3. To survive in the long run, the Telecom companies need to do two major changes- adapt to technological advances and provide great customer experiences. Through these measures they can achieve multifold long term benefits namely- revenue, profits, customer trust, loyalty and improved NPS and CSAT scores.

Customer journey has never been so dynamic in today's world. The digital experience has transformed the customer psyche and the definition of key to success has flipped upside down. The advent of social media and real-time interactive feedback allows every customer to build and maintain relationship with the organizations today. However, the businesses are failing in capturing the pulse of the customer due to priority mismatch. The companies are focusing on increasing social care teams, consolidating with peripheral businesses to upscale the offerings to acquire more customers etc. However, to retain these customers it is equally essential for the business to address the most important issue at hand- customer experience.



TRENDS IN TELECOM INDUSTRY

Reducing the number of customer departures has become a high priority for most Telecom service providers today as the competition intensifies. Why do such high levels of churn persist?

☑ The telecom provider industry is evolving from being traditional telecom network providers to becoming the quad play providers. The industry is converging and consolidating. However the CSPs are still operating in the same mode today rather than changing with the today's customer psyche. Instead of transforming customer service, pursuing loyalty programs, they focus on new installations, new customer acquisitions, and spending more on advertising or marketing activities. Hence not much progress has been made to curb the churn with churn levels which are as high as 2-2.5% per month. For a major Telco the rate of customer defections rose to 1.22% in Jan 2015 over the previous year due to unsatisfactory customer service.

☑ According to the ACSI Telecommunications and Information Report 2015 the biggest players have fared the lowest scores. The trend has been continual with telecom service providers CSAT and NPS scores plummeting each year.

☑ Large players have reported a loss in video subscribers, as more and more people opt to view video online using services such as Netflix, Hulu (News - Alert), and Boxee. The subscribers today expect issues to be resolved at the first point of contact. These newer players give the customer an integrated customer experience through their digitalized customer service not leaving a single stone unturned. Thus churn of subscribers from CSP is bound to increase.

GROWING EXPECTATIONS

RETENTION



68% have stopped doing business with a brand due to a poor customer service experience.

EXPECTATIONS



56% have higher expectations for customer service now than they had a year before.

IMPROVEMENT



62% feel that overall customer service is getting better rather than worse

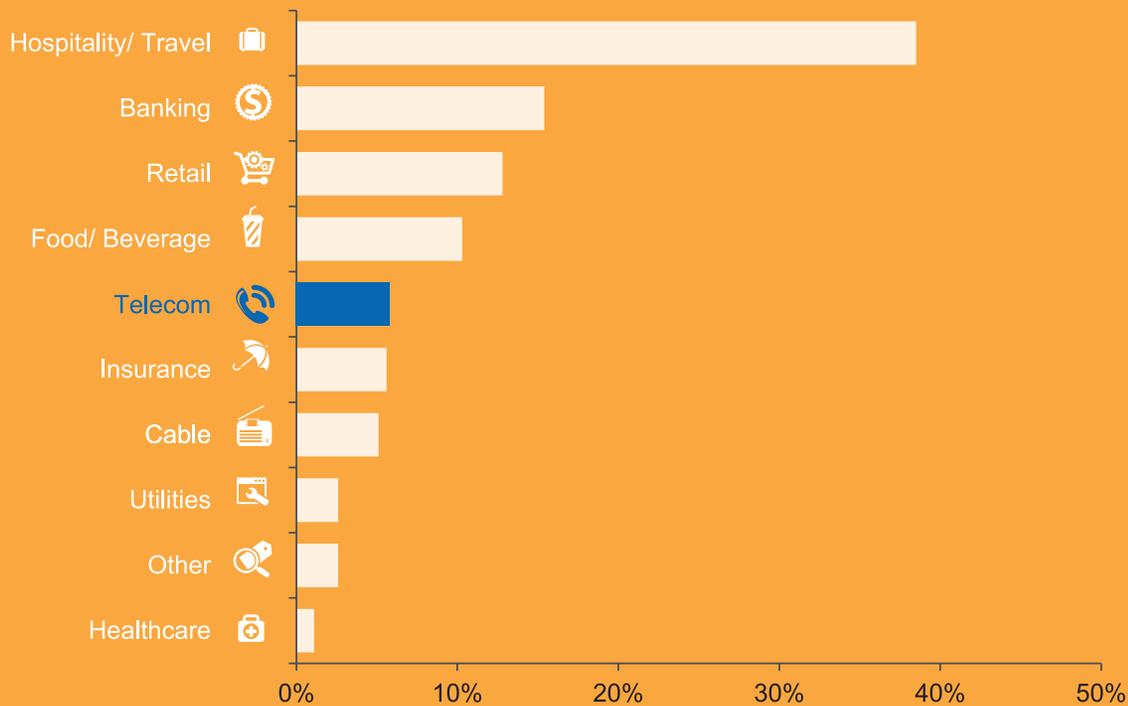
IMPORTANCE OF SERVICE

It is important to provide a superior customer experience because it helps in earning loyalty among the customers. The customers tend to buy more and become promoters, they stay longer with the telecom provider and most likely also recommend it to friends. E.g. Apple is especially good at understanding customer emotions and recently came out on top in the American Customer Satisfaction Index and JD Power's smartphone customer satisfaction survey¹. Thus customer experience is bound to be the key priority of the businesses in order to curb churn. The first step in mitigating the churn problem is improved customer understanding and kinds of issues faced.

It costs hundreds of dollars to acquire a new customer in most telecom industries. When a customer leaves, the CSP loses not only the future revenue from this customer but also the resources spent to acquire the customer in the first place.



CUSTOMER SERVICE COMPARISON INDUSTRY WISE



Telecom Industry Customer Service is in shape of turmoil compared to other industries.

This chart gives an idea of industry wise comparison in terms of customer service, highlighting Cable industry performance.



SOLUTION STATEMENT

What telecom industry needs to understand is that creating an extra ordinary customer experience will retain the customer and win the loyalty. One small change at a time is the need of the hour to improve customer relationship. This can be achieved through various ways, including improved customer service.

There are many ways to reduce churn: better products, better delivery methods, lower prices, building satisfactory customer relationships, better marketing &, above all, successful customer communications.

How can the CSPs stem the tide of subscriber attrition? The first step in mitigating the churn problem is improved customer understanding and issues faced.

The telecom provider industry is neck deep in problems due to its traditional outlook and belief that it can get away with poor customer service as few operators rule the market. The customer holds the strings today and is much aware than ever before. Customer is cutting the cord and paying a premium rather than dealing with a poor customer experience. Thus telecom companies need to transform their customer experience model by bringing about the change in the way they perceive the customer.

HOW HCL CAN HELP?

At HCL we believe that the transformation can be brought about by executing a judicious mix of short term and long term strategies and solutions. Through Short Term Solutions, the CSP should engage Customer through increased digital interaction, while through long Term solutions they should focus on becoming seamless and integrated, with convergence of services, platforms and screens. HCL addresses the problem of their customers with a three pronged approach:

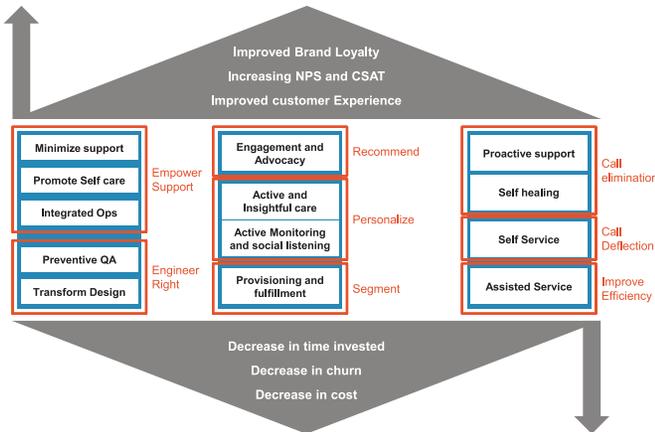


Figure 1: HCL Framework for Unified Customer Experience

ENSURING ZERO SERVICE PRODUCTS



The products are engineered and tested provisioned to be able to avoid trivial issues.

MINIMIZE SUPPORT:

Through predictive analytics elimination of many issues before the device or product reaches the customer can be brought about. Through right automation and tooling, the product is tested for network, wifi, interoperability; network level diagnostics are conducted to diagnose the problem proactively before it reaches the customer.

PROMOTE SELF-CARE:

These ensure that the customer traffic reduces in call center. Through crowdsourced communities and forums a substantial percentage of customer complaints can be solved effectively. Gamification can be used to engage customers while providing them solutions interactively. Many standardized operations like installation, some aspects of self service, upgrade/ downgrade of the package can be managed through mobile apps. For example: A South Korean Multinational conglomerate creates user-generated content by rewarding users for getting engaged with the community, participating in Q&A discussions with other users, watching videos, reviewing products, and other activities. In exchange for their participation, users are awarded with badges and progress through levels of achievement. This has almost doubled the number of visitors to their website and social pages.

INTEGRATED OPERATIONS:

Through workflows to manage and orchestrate virtual CPE services on self-care portals, self-healing features, a major traffic of customer calls to customer center can be deflected.

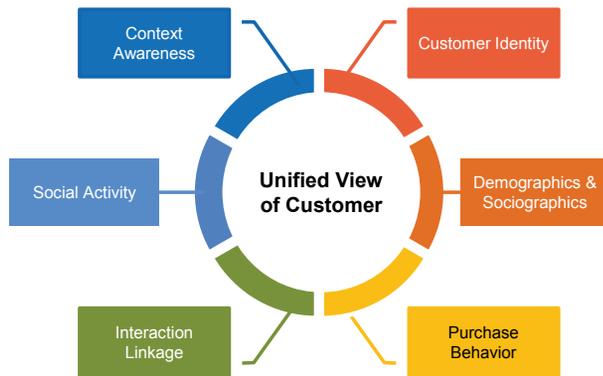
PROMOTE PRODUCT INTELLIGENCE:

Pre-validated designs are the need of the hour. On the basis of analysis and on field triage, the quality should be ensured.

The leading American aircraft manufacturer used the Flight test system for conducting flight tests for certification and functional testing over a mainframe platform. The tool had become old and costs were escalating and knowledge pool was decreasing due to incremental evolution of product without sufficient documentation. HCL re-hosted the application on client server architecture. This was crucial for the success of the airplane development program since the new airplane would not have any alternate system for testing and certification. In phase 1, the existing system was re-hosted on a J2EE platform with the existing functionality. In phase 2, the functionality of the system was enhanced to include those features that were specific to the 787 program. Apart from this HCL developed the Test Planning Tool, Filenet based solution that helps automate the generation of Test sequences and TIP sheets. This led to reduction of the flight testing duration from 11 months to 6.5 months.

ZERO MOMENT EXPERIENCE: SINGLE VIEW OF THE CUSTOMER

In order to attain benefits of long term sustainable advantage it is necessary to invest in digital technologies to give the customer a unified and seamless experience.



Realizing the unified view of customer

ENGAGEMENT AND ADVOCACY:

Engagement of customer through the right channel at the right time captures his attention. By providing immediate resolution through these channels will win brand loyalty and make customer a promoter.

ACTIVE AND INSIGHTFUL CARE:

Engaging the customer across channels through digitization curbs the lapse of time and effort wasted due to inconsistency and also enhances the customer experience. A psychographic profile of the customer can be created using digitization i.e. linking the various digital channels where customer has left footprint and analyzing them to understand the customer preferences and deliver the best customer experience.

ACTIVE MONITORING AND SOCIAL LISTENING:

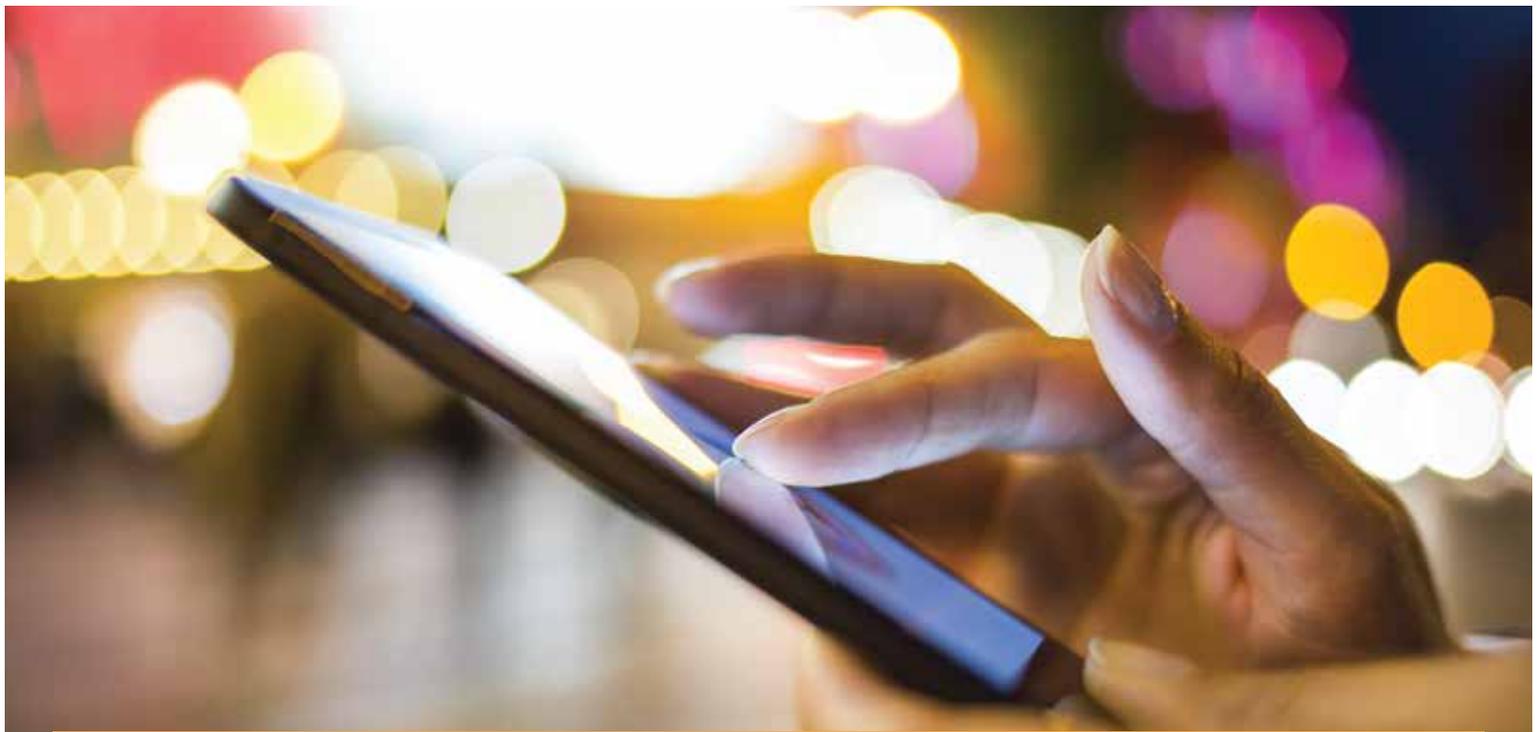
Keeping eyes and ears open to the various media where customer is vocal is necessary and helps the social care team to be proactive and pin point issues bogging down the customers. Also through social analytics, customer perception about the brand, customer sentiments, challenges faced can be studied and appropriate steps taken.

HCL helped in increasing product penetration for a US major financial company by identifying and targeting highly profitable members. HCL profiled and segmented the products active and non-active users, gave insights to member segments & their key differentiators. Hence through analytics HCL team helped Customer to utilize maximum possible information spread across enterprise to derive insightful member segments. It was a 4 weeks post campaign; the acquisition rate was 10X better than control group.

ZERO TOUCH OPERATIONS

Focusing on fine-tuning the internal processes at each level, right from a new connected digitized ecosystem will help in eliminating unnecessary calls, deflecting calls and improve efficiency.





PROACTIVE SUPPORT: Through predictive analytics, the telecom providers can prevent the problem before they occur. The set up boxes can be built as one-box-wireless only device to reduce telecom and hardware issues.

SELF-HEALING PRODUCT: Developing self-diagnostic products will ensure that the problems are rectified when they occur. Socially convergent products which are integrated with Social media like Twitter also fall in this category.

SELF-SERVICE AND ASSISTED SERVICE: Empowering customer by making the product self-service enabled will reduce customer care call traffic as well as leave the customer satisfied rather than frustrated when he is dependent on the customer representative or technician to rectify the issue. Integrating Service platforms to make service requests and incident response is a more unified approach.

HCL enabled the Zero Touch Operations Solution for a leading British Telco player. The solution comprised of incident management, change management, problem management, weekly health check on devices, SLA/SLO reporting, Device Level Performance and Link utilization Reporting and Creating and updating process and technical documentation on Wiki and the Electronic Data Collection System. With the help of this solution, the numbers of incidents encountered were reduced by 22%.



BENEFITS

CUSTOMER BENEFITS

With its vast experience in the TME, HCL delivered tangible and intangible benefits with:

ONE OF THE TOP 3 US WIRELESS PROVIDER

HCL implemented one of the largest Tibco MW SOA platform handling more than \$1Bn 96MN transactions/day and delivered following benefits:

- Partner Integration time reduced to 2 weeks from 3 Months
- Customer activation time reduced by 82%
- 15% sales lift; and 15 bps churn reduction

LARGEST COMMUNICATIONS SERVICE PROVIDER IN UNITED KINGDOM:

HCL was managing Customer facing Billing/ CRM systems with over 50 million customer base. Process improvement in a repairs billing campaign, resulted in over USD14 million revenue over a period over 2 yrs apart from the following benefits:

- Customer experience scores improved to 95%
- Improved FCR and reduced average Call Handling

Time (CHT) by 25%

- Reduced Turn-Around-Time (TAT) for billing disputes from 54 days to 3 days
- Debit card collections have increased to 4% from 2% of total contacts within 3 months

LARGEST GLOBAL TIER 1 CARRIER:

HCL deployed end to end Multi-Site framework supporting sites for B2B, B2C and eCare systems thus accomplishing following benefits for the customer:

- \$1+M Annual Reduction in Operating Cost of B2C sites
- CSAT scores have increased by almost 10% for eSupport
- Remodeling/Re-factoring of Premier Applications with respect to Customer Profile resulted in 20-50% Performance Improvement
- 3-5 % Reduced calls in call center

HCL HAS A END TO END FOOTPRINT IN THE TELECOM INDUSTRY



HCL TME PRACTICE

Telecom, Media and Entertainment (TME) Industry is going through a transformational phase and we at HCL understands and work together with the clients to help them in sustaining and innovating their offerings for their customers.

HCL TELECOM PRACTICE

In Telecom Space and engineering, HCL has a Marquee list of customer base, ranging from CISCO, Juniper Boeing, Ericsson, Microsoft, ALU, Intel, Facebook and Google.

In Network Engineering & IP Investments, HCL has 15,000+ practitioners, Access, Transmission & Core for Carriers & OEMs Investments in SDN/NFV

HCL has been a Leader in cloud services, where HCL has been involved in Cloud Assessment, Migration, Private/Hybrid Cloud, New applications on Cloud HCL's own IP, MyCloud

In Digitalization, IOT and Customer Experience, HCL has a Strong practice for legacy modernization, Data Fabric, Digital transformation. Digital enterprises, APIs including solution accelerators. HCL also is a partner with IBM on IOT solutions.

HCL M&E PRACTICE

550 Million

7500+
Consultants/
Partners and SMEs

13+ years
of focus

6 Media
specific labs

35 solution
accelerators

Industry
Partnerships

45+ Strategic Customers

60% Transformation revenue

ABOUT HCL

About HCL Technologies

HCL Technologies is a leading global IT services company working with clients in the areas that impact and redefine the core of their businesses. Since its emergence on the global landscape, and after its IPO in 1999, HCL has focused on 'transformational outsourcing', underlined by innovation and value creation, offering an integrated portfolio of services including software-led IT solutions, remote infrastructure management, engineering and R&D services and business services. HCL leverages its extensive global offshore infrastructure and network of offices in 31 countries to provide holistic, multi-service delivery in key industry verticals including Financial Services, Manufacturing, Consumer Services, Public Services and Healthcare & Life sciences. HCL takes pride in its philosophy of 'Employees First, Customers Second' which empowers its 105,571 transformers to create real value for customers. HCL Technologies, along with its subsidiaries, had consolidated revenues of US\$ 6.1 billion, for the Financial Year ended as on 30th September 2015 (on LTM basis). For more information, please visit www.hcltech.com

About HCL Enterprise

HCL is a \$7.1 billion leading global technology and IT enterprise comprising two companies listed in India – HCL Technologies and HCL Infosystems. Founded in 1976, HCL is one of India's original IT garage start-ups. A pioneer of modern computing, HCL is a global transformational enterprise today. Its range of offerings includes product engineering, custom & package applications, BPO, IT infrastructure services, IT hardware, systems integration, and distribution of information and communications technology (ICT) products across a wide range of focused industry verticals. The HCL team consists of over 110,000 professionals of diverse nationalities, who operate from 31 countries including over 505 points of presence in India. HCL has partnerships with several leading global 1000 firms, including leading IT and technology firms. For more information, please visit www.hcl.com



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CONTENT & SOCIAL



CUSTOMER
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DIGITAL
SYSTEMS
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