

A hand in a blue shirt sleeve points towards a glowing digital interface. The background is a complex network of blue circuit lines and data points, with a central glowing square and lines radiating from it. The overall theme is digital technology and connectivity.

Digital CRM

**Accelerating Order Management
for Telcos**

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ABSTRACT

Customers today expect speed, convenience and accessibility in the purchasing process. And telecom service providers often struggle to meet these expectations. This is largely due to the fact that a customer, more often than not, has to visit a local store, fill a paper form and submit relevant documents to subscribe to a service. This normally involves manual handling of documents, keying in data manually in the CRM system and maintaining a document repository. These lead to data and hence order entry errors eventually leading to problems in managing customer orders and long fulfillment cycle times. This has been the traditional way of availing services from a telecom service provider.

Times have changed drastically over the last few years and customers have access to various channels of information. However, more often than not the customer is still required to visit the store hence there is no change in experience for the customer.

The CRM system still remains an internal system for the service provider and provides only as much benefit to the customer. It thus becomes imperative for the telecom service provider to digitalize their CRM system(s) in order to better the order management processes.

In fact a McKinsey research article lays emphasis, among other things, on the below two points

1. Digitize the CRM process:

Digital CRM is helping the top performing telecom operators achieve greater cost efficiency and customer satisfaction.

2. Digitize the Order Management process:

The top performing telecom companies are using automated order management systems to link everything from the initial capture and validation of service requests to fraud checks, payment authorizations, billing and customer communications quickly and cost-effectively.

We acknowledge the contributions from a wider TM Forum community in the customer experience and omnichannel space. And this white paper complements those contributions by exploring how Digital CRM will help telecom service providers to accelerate their order management process. Also, TM Forum's strategic program 'Metrics' has been referred to outline how the benefits can be measured using certain business metrics.

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EVOLUTION OF CRM

CRM has traditionally existed as a tool for marketing and sales management in the business organization in one form or another for a long time. However in the recent times, CRM has evolved to become an integrated, sophisticated and highly informative software-based business tool used by a wide range of organizations as the cornerstone of their business strategic planning functions. CRM over a period of time has evolved broadly as follows.

- **CRM prior to technology:** At this time, marketing/sales strategy and people management determined business success using simple, yet functional, paper or rudimentary systems.
- **The computer era:** With the advent of the computer, the focus is now on boxed, software-based work flow automation solutions for managing and tracking high volumes of records associated with accounts, opportunities, and leads that needed continuous updating. This made tasks more efficient, eliminated redundancy, and ensured accuracy.
- **SaaS or Cloud:** Until this time CRM was typically hosted within the organization and managed internally, also called 'on-premise'. The typical limitations were high implementation and maintenance costs. With the introduction of *Software as a Service* (SaaS), CRM is now delivered via the internet as software on demand (i.e., from the cloud) outside of the traditional technical limitations, making it available to all sizes of organizations, not just enterprise-class corporations.

Hence CRM has come a long way and has become a key tool in managing the relationships with an organization's customers. But there are changes happening rapidly and the customers' expectations are increasing which requires a tectonic shift in the approach to CRM.

WHAT IS DIGITAL CRM?

Traditionally, CRM activities focused on automating and supporting internal business processes. Organizations built long-term individual relationships with a mostly one-way communication approach. Different channels were seldom interconnected and individual customer touch points such as a shop or call center did not know which offers the customer had received at another touch point.

Today's customer is more independent and more informed. They have access to the telecom operator's offering through various channels. Also the customer today is at the center of the CRM ecosystem and not the company itself. Companies need to provide tailored communications and service based on analytics and trigger events. For instance, offering an upgrade to a customer who consistently exceeds the data limit. In this new age, customer events are captured, automatically processed and the right action is taken based on the current customer context and point on their individual customer journey. And this is possible by Digital CRM.



Figure 1 - Digital CRM (Source: Digital CRM Study 2015 – Deloitte Digital, 2015)

Digital CRM puts the customer in the spotlight by integrating various digital channels like social media, apps, etc. into the traditional CRM system, thus enabling companies to generate new customer data through new methods such as social listening.

HOW WILL IT HELP IN ORDER MANAGEMENT PROCESS

TM Forum’s Business Process Framework (eTOM) is a standard framework of business processes for telecom service providers. The order management process (‘Order Handling’ under ‘Fulfillment’) falls under the ‘Customer Domain’ in the ‘Operations’ area of eTOM as shown below. There are considerable benefits on ‘Order Handling’ by adopting Digital CRM as described.

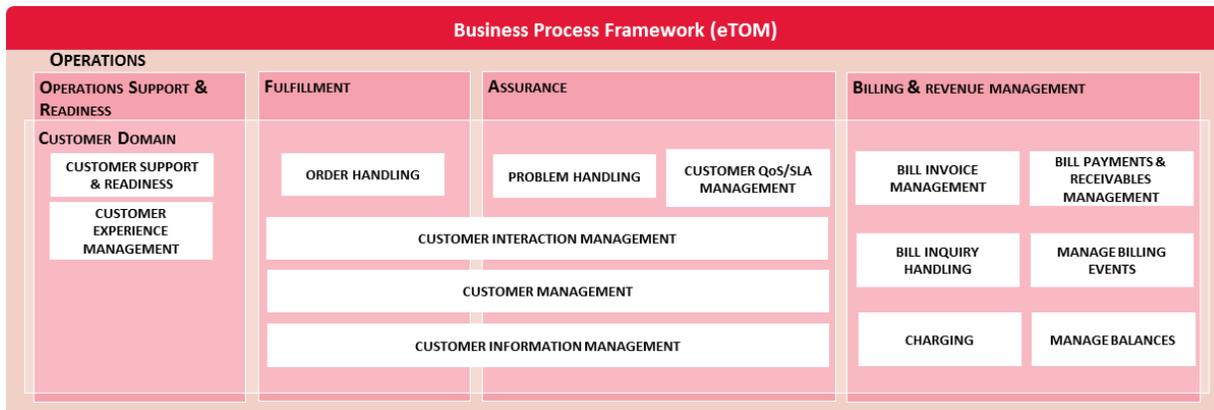


Figure 2 – Source: TM Forum Business Process Framework (eTOM) R16.0

The order management process starts with receipt of order and the related information from various order entry channels. CRM traditionally provides a single order entry point. However, with Digital CRM there are multiple order entry channels available and hence this leads to an improvement in the order management process.

As is evident from the illustration below the traditional way of order entry (paper based forms, manual keying, etc.) are prone to errors and could lead to issues in order management in downstream.

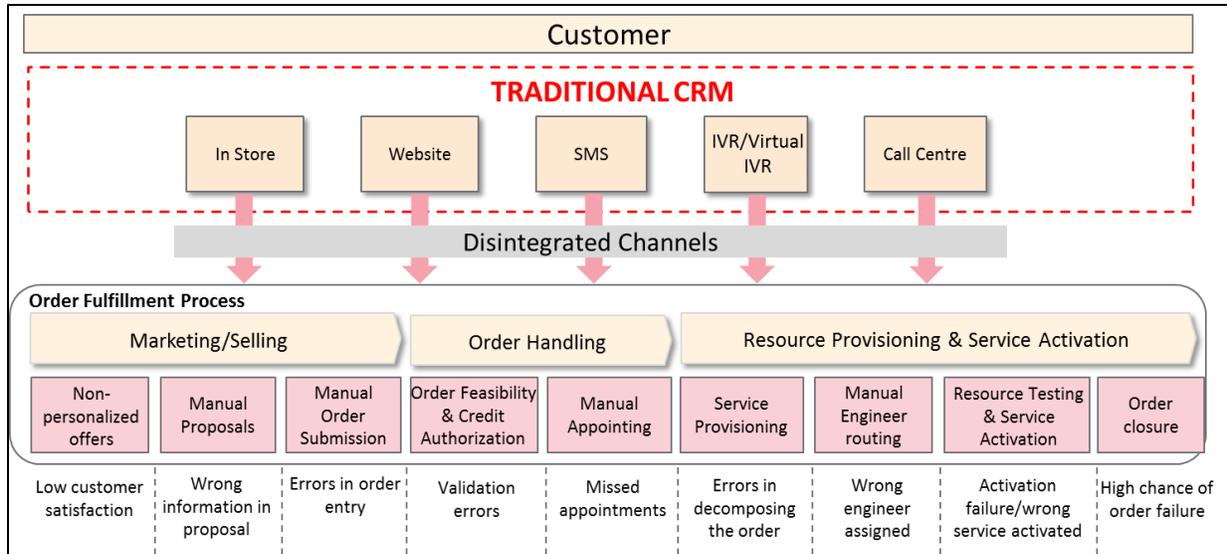


Figure 3 - Order Management Process using Traditional CRM

However, by adopting Digital CRM the multiple channels are integrated with an ‘Omni channel enablement layer’. This ensures coherency in order entry and reduces errors to a great extent. This in turn leads to improved order handling.

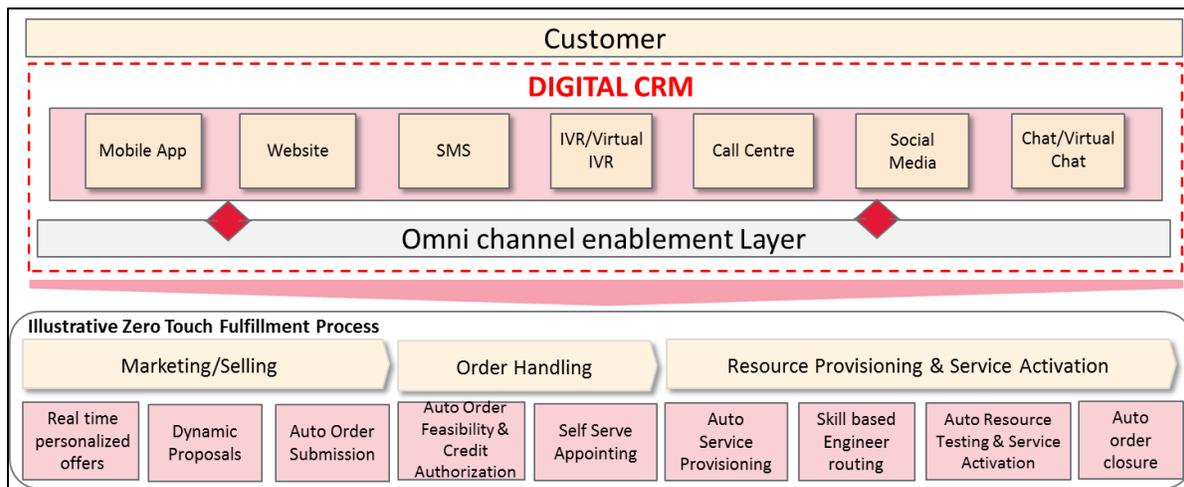


Figure 4 - Order Management Process using Digital CRM

For instance in a B2B scenario, the sales person closing a deal at a client location can digitally enter the order in a handheld device (mobile phone, tablet, etc.), scan the required documents, take the customer’s signature digitally and complete the order. This will eliminate order capture in a paper based form, keying the order again in the system which increases the chances of errors later.

MEASURING THE IMPACT USING TM FORUM METRICS

'Metrics' is one of TM Forum's strategic programs which provide a host of metrics that can be used to capture critical performance indicators. The impacts of Digital CRM on order management can be measured using TM Forum's standard metrics definition (GB988 TM Forum Metrics Definition R16.0.1). These are operational KPIs (Key Performance Indicators) broadly categorized under 'Customer Experience' and 'Operational Efficiency'. Below table illustrates the business metrics/KPIs for order management that will be impacted.

Customer Experience		Operational Efficiency	
Time	Quality	Time	Quality
# Hours Order Fulfillment Time, From Ordering, To Acceptance, Per Order Accepted By Customer 	% Activations Completed But Failed 	# Hours Order Fulfillment Time, From Ordering, To Activation, Per Order Accepted By Customer 	% Orders Requiring Rework, by Cause Type 
% Activations Completed By Committed Date 	% Orders Failed within 28 Days 	# Hours per Order, from Ordering to Activation, by Process Type 	# Hours per Fulfilment Issue 
% Orders Delivered by Committed Date 			% Orders Requiring Rework 
			% Orders Pending Error Fix 

Figure 5 - Order Handling KPIs impacted (Source: TM Forum Business Metrics Poster Framework Release 15.5)

Apart from the above there are additional KPIs that will have an impact as a result of Digital CRM as follows

KPI	Impact
% Opex of Revenue	
% Orders fulfilled Right First Time	
NPS (Net Promoter Score)	

Figure 6 - Additional KPIs impacted (Source: GB988 TM Forum Metrics Definition R16.0.0)

While embarking on implementing a Digital CRM strategy it is quite important to define certain Digital Business KPIs to assess the degree of progress in implementing Digital CRM. (This has been illustrated in an article by Gartner and the principles have been adopted here). Below is an illustrative framework to track and assess the progress in digitalizing an enterprise's current CRM and order entry model.

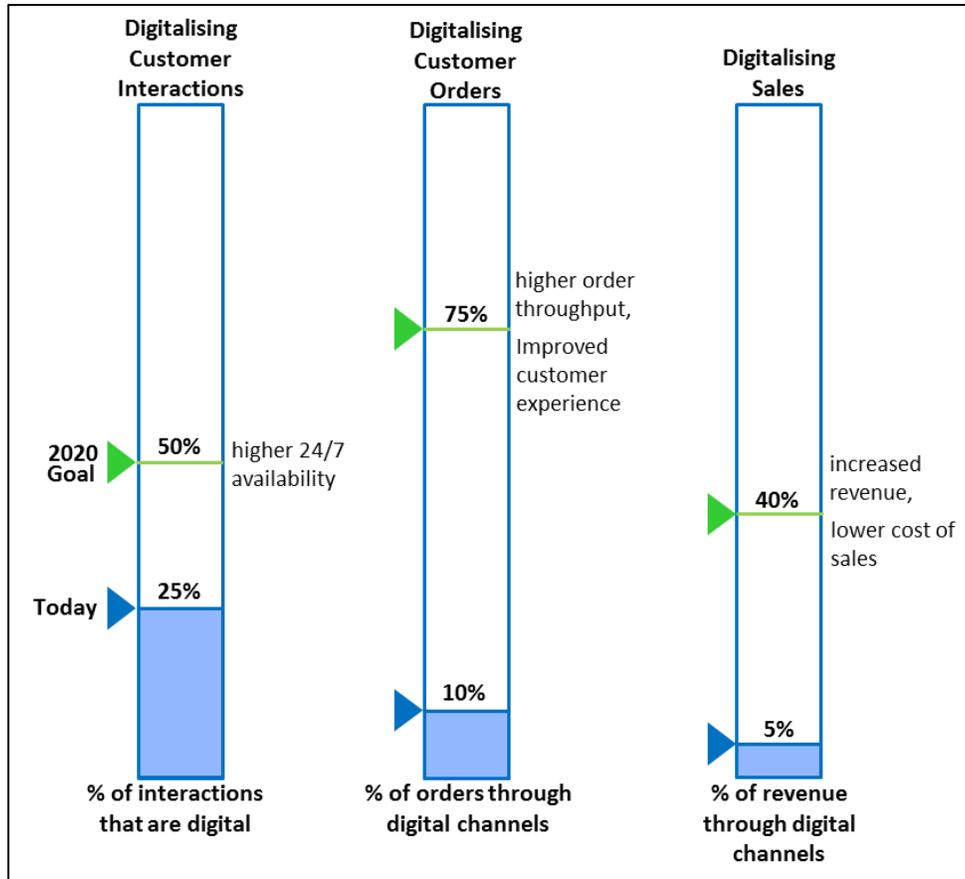


Figure 7 - Business KPIs while implementing Digital CRM

These KPIs are designed to assess the progress of an enterprise in becoming digital which eventually will lead to improvement in the performance that is reflected in the operational KPIs.

Digital Business KPIs are temporary and they start and end with the implementation of Digital CRM.

It is quite possible that the operational KPIs will evolve, after the telecom organization completes Digital CRM transformation, with additional KPIs being added.

CAPABILITIES FOR A DIGITAL CRM

Given that Digital CRM has direct benefits in terms of improved and efficient order management process, it is now important to understand what are the important features a CRM solution should entail to make it truly Digital.

Telecom enterprises have been using CRM systems with certain standard features and functionalities. However, there are new developments pushing the humble CRM into new landscapes and usage models where it is expected to play a prominent role across the entire buyer's journey and deliver personalized service.

The following are some key capabilities that have been gaining momentum for the past few years which would make CRM systems more prominent.

Accessibility and Integration

Digital CRM will be truly accessible to users within and outside the organization with the below features.

- CRM on the Cloud: This will help a telecom enterprise to move its investments from a Capex model to Opex and hence make money available for other avenues like R&D, business expansion, etc.
- Mobile CRM capabilities: This is very important especially for sales reps that are out on the field meeting clients. Capturing lead, opportunity and potentially order details on a mobile device will aid in order management process further.
- Social Tools (Social CRM): Integration with social platforms will help telecom enterprises to analyze social media interactions to generate leads, understand buyer sentiments and maybe in the future capture order information.
- Stronger Multichannel support: A customer will reach out to a telecom service provider through various channels like IVR, Chat, Web/Online, Mobile App, USSD, etc. A CRM system must support all these channels so that information is captured in a central location and available later instead of having data in silos.
- Ease of integration: A very critical feature is that a CRM system should be able to integrate with various internal organizational systems. This will help the agents to access information about the customer hence providing 360-degree view. And particularly, in case of a telecom enterprise, integration with billing systems is important since generally 80% to 90% of calls to call centers are related to billing.

Collaboration and Analytics

One of the primary functions of a CRM system is lead generation; also it is imperative to have collaboration between sales and marketing departments. Below are some capabilities detailing out the collaborative features and also usage of predictive analytics.

- Lead Generation and Follow up tracking: Generating leads is a standard feature of most of the CRM systems. In addition a follow up tracking mechanism ensures that sales people are automatically reminded to 'follow-up' with a client. This will help in maintaining strong relationships with the customer.
- Marketing Collaboration Features: A research by HubSpot along with LinkedIn revealed that 59% of marketers have no formal understanding with the sales team regarding their responsibilities. Hence it becomes imperative to have collaboration between marketing and sales by providing a marketing department-facing dashboard of the CRM system, where members will be able to access sales team opinions and information about buyer pain points, objections and preferences.
- Use of Predictive Analytics: With Big Data information boom predictive analytics will allow telecom enterprises to analyze and predict about the future course of events. It will be helpful to pinpoint the reason behind sudden shifts, changes or spikes in customer (and operational) data. This in turn will help the telecom enterprise to make clear business decisions.

Advanced capabilities

Apart from the features and capabilities described above, here are some advanced capabilities for a CRM system to make it Digital.

- Geo-Location Personalization: Geo-Location is basically understanding the co-ordinates of the customer accessing the service provider's website. This will help the enterprise to offer targeted services, products, discounts, etc. And by using predictive analytics map tendencies or averages for prospective buyers from the same location.
- CRM in Context: The idea here is that the CRM system displays data according to the needs of the user, for example: provide screen views, dashboards, access rights, etc. to sales reps based on their performance, importance of their accounts and their past interactions with the CRM system.
- Extended CRM: CRM is primarily a system to manage relationships with the enterprise's customers. Extended CRM is essentially nurturing and organizing strategic connections with all key stakeholders including investors, vendors, suppliers and logistics.
- Interconnected Devices and the Internet of Things (IoT): With the advent of IoT the customers have access to the network through plethora of devices like television,

refrigerator, washing machine, etc. All these streams of data will have to be managed by the CRM system. For instance, a customer could place an order for a special sports package during FIFA through the TV.

CASE STUDIES

Order Management Transformation for a Leading European Telecom Operator

A leading Europe based telecom operator is undergoing a major transformation as part of a New Order Management program with the intent to simplify the Order Management processes and rationalizing the distributed components of the order management stack into a single system.

During the transformation it turned out that there are various shortcomings in their CRM system(s) which greatly impacts the order management processes. A case in point for B2B customer is that 40% of the orders received from business partners have errors as these are manually entered into the CRM system from a paper-based form which runs into multiple pages. This hugely impacts overall order fulfillment times leading to low customer experience and increase in order handling costs.

In case of B2C customers who place orders online, the data is received as an email by the telecom operator's partner that is manually fed into the CRM system which makes it prone to errors, leading to validation errors during order management.

Adoption of a Digital CRM system which integrates well with existing architecture will go a long way in addressing the order handling issues and enable the telecom operator to accelerate digitization of the order management processes by achieving the following KPIs:

1. 99% orders fulfilled successfully
2. Over 80% orders fulfilled right first time
3. 99% of new activations completed in 5 minutes.
4. 99% or service management requests completed in 1 minute.

Service Delivery Process improvement for a Leading UK Telecom Operator

A leading UK based telecom operator serving enterprise customers spread across local and global markets. The key challenge was long service delivery cycles due to lot of legacy processes inherited through multiple acquisitions, multiple handovers and interfaces across the process chain, large number of custom built legacy applications, no real solution for the service delivery/order management function.

A comprehensive transformation program is being carried out to build a centralized order management system driven by digital order entry and validation to improve 'first time right'. Also define a service delivery process and operating model for the global delivery teams.

The proposed business benefits are as follows:

- Opex Impacts:
 - 20% Reduction in effort for order managers

- 10% reduction in effort for Quality Managers and Order Managers
- 15% overall reduction in resource cost
- Revenue Impacts:
 - Accelerated cash flow resulting from cycle time reductions – approx ~ 400k GBP by next fiscal (FY 16/17)
- Capex Impact:
- Reduction in £ spent on essential keep-alive issues associated with one off CAPEX avoidance of approximately £1m In FY 2015-16

CONCLUSION

The focus is clearly shifting from the telecom organization to the customer who has access to various channels of information and hence is empowered today when compared to earlier times. Also the customer today wants telecom services delivered faster with minimal or no errors. Hence Digital CRM is the threshold to accelerate the order management process ensuring lower order processing times, lower costs and improved customer satisfaction.

However before embarking on a Digital CRM journey it is important that a telecom enterprise puts in place a business strategy and identifies the objectives that it wants to achieve. Along with that it is important to have the buy-in of the people within the organization and make them part of the transformation journey. One of the major reasons for failure of transformation programs is disengaged organization staff and inability to bring about a change in the mindset before, during and after the transformation. And finally the choice of right technology to fit into the overall technical architecture of the organization to avoid creating new silos. The culmination of strategy, people and technology are important for the success of a Digital CRM transformation.

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