

TELEFÓNICA

Leveraging Teradata to Improve the New Customer On-boarding Process

Telefonica

Telefónica de Argentina S.A. believes in *The Spirit of Progress*. More than a slogan,

it's a fundamental tenet that is firmly imbedded in the culture of the entire organization. As one of the largest enterprises in all of Argentina, and the leading provider of telecommunications services in the nation, Telefónica carries a rich history of leveraging technology investments to drive process improvements that create value for customers and produce tangible business outcomes. That's one of the cornerstones to the *Spirit of Progress* mantra. Throughout this history, Teradata® has been their preferred partner in the Data Warehouse and Customer Relationship Management arenas.

In 2009, Telefónica embarked on an ambitious journey to integrate a variety of disparate operational systems into a meaningful data platform that would unite all information about process flows from beginning to end in the new customer on-boarding process. The business issues which drove the ambition were clearly laid out. Disparate information flows between the Sales and Provisioning process made accountability difficult to ascertain. Long provisioning times led to customer disconnects, associated customer churn and lost revenues before the service was actually installed. The opportunity for cross-sell revenues from new services was deflated. Operational groups, supported by their own systems and Key Performance metrics, felt they were aligned with expected outcomes, not always

understanding the relationship between their activities and the downstream outcomes on end users. Measurements were different across the functions of Pre-Sales, Sales and Provisioning, derived from different data sources at different times in a cumbersome and inefficient manner which accentuated the problem of disconnects. Finally, new service orders eventually resulted in a customer billing event and Telefónica suspected that the accuracy, timeliness and full revenue potential associated with these events was less than optimal.

A comprehensive project plan was put in place by Telefónica with the help of Teradata consultants. The plan isolated the true cause of concern – the inability to trace and connect specific processes in the new order work flow which had the potential to cause delays, lost revenues and dissatisfied customers. Challenges associated with six different operating systems – each using different metrics and time measurements, each relying on a compartmentalized approach to measuring performance and process improvements – made the task seem insurmountable. Change is often difficult. But *The Spirit of Progress* often motivates people to think differently, plan carefully, forecast business results with maximum probability and drive forward with improvements that create meaningful change to the existing way of doing things. Technology can often be the great enabler for such visions but the imagination and the spirit of the planners lies at the core of all significant process improvements.

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With the help of an on-site team of Teradata consultants, Telefónica was able to complete the initial phase of the project that traced all the steps between customer inquiry and the actual deployment of new telecom services. The solution leveraged existing Enterprise Data Warehouse (EDW) platforms and data models from Teradata to integrate the previously disconnected operational systems. New tools, reports and alert mechanisms were developed to not only trace the root cause of delays and subsequent customer disconnects, but to anticipate service level shortfalls and potential bottlenecks before they occurred. Performance metrics were standardized. Business unit accessibility to the new systems was supported by training and the creation of dashboard reporting tools that end users could access, analyze, and use to determine corrective actions.

The results were immediate. The process improvements resulting from the implementation of the new system are on pace to generate a return in sales revenues and cost savings of more than US\$ 2 million in the first year. Customer provisioning times have been reduced significantly.

“It was not just a case of deep data warehousing and telecommunications expertise, Teradata knows the way we do business....they know our culture.”

Roxanne Garcia, Manager of the Commercial Operations Center at Telefónica (COC)

Customer defections are running 30% below the previous levels. The second phase of the project, which will connect the billing systems to the Sales and Provisioning process, is expected to generate further positive impacts on revenue and profitability.

But, most important to Telefónica, a foundation for identifying future process improvements that can leverage technology to satisfy customers and drive business results is now in place. When you can trace the steps between the beginning and the end there is no limit to what you might learn. The resulting understanding, supported by the innovations defined by *The Spirit of Progress*, means that the sky is the limit.