



CRM
– REMEMBERING
WHY

White Paper by Pauline Dabiri, Senior Consultant



CHORLEYWOOD CONSULTING

fixed • mobile • internet



Contents

1 Introduction	3
2 The Overriding Issue - Responsiveness	3
3 Oiling the Machinery	3
4 The Driving Question	4
5 Workflow and Provisioning.....	6
6 Dialogue - Who owns the customer?	6
7 Conclusion	7



1 Introduction

Where are we all trying to get to with CRM? What is it we are trying to achieve? The following benefits of CRM for the telco are well known:

- Good CRM reduces churn and improves brand
- Improved brand impacts share value and increases customer base
- Integrated systems that provide a single unified view of the customer also reduce costs and increase efficiency
- Automated systems help overcome skills shortages

But this writer grows a little weary of the “What’s in it for me?” preoccupation that seems to be overtaking the industry, discolouring and diluting once worthwhile objectives. We must remind ourselves also of the following statements:

- Customer expectations have risen, and at the same time;
- Customers do not feel that their treatment at the hands of providers has improved

2 The Overriding Issue - Responsiveness

“What’s in it for me?” focuses on selling more to customers and increasing revenue. True CRM will bring both of those almost as a by-product.

CRM at its very core is about responsiveness – the responsiveness of the Communications Service Provider (CSP) to its existing and potential customers. Responsiveness can be demonstrated by how well the provider listens to requests, comments or even complaints, how promptly and willingly it acts on the same, the quality of service it delivers to its customer and the knowledge and understanding of the customer that it acquires.

Knowledge of the customer is key to providing good service. Much CRM activity focuses on encouraging the customer to buy more products and services, but unsatisfactory product quality or inadequate delivery and support will only drive customers away again. Whereas providers are willing to accept that the product quality must be good to retain customers, and there is now a surge in focus on the speed and effectiveness of delivering the product or service, there is still a noticeable discrepancy between the quality of support that providers feel they are offering and the quality that customers feel they are receiving. Frustration levels rise as customers are thwarted in their attempts to obtain service. This frustration often causes customers to abandon an attempt and even to desert the provider at the first possible opportunity.

It is likely that the discrepancy between provider-perceived service level offered and customer-perceived service level received is down to a preoccupation with “What’s in it for me?” on the side of the provider.

3 Oiling the Machinery

Much can be done to improve responsiveness and consequently customer relations, by improving business processes and Business Support Systems (BSS). Both of these are important contributors to responsiveness. Workflow management in turn plays a vital role in both as it manages the flow of customer-related information around the organisation. Strong Workflow Engines and automated BSS are tools which become key enablers of good CRM:



Workflow management is increasingly becoming recognised as vital to process automation and control. It manages both the resources and the processes, for example allowing an order to be tracked right through its stages. It can also provide a middle layer between the customer facing staff and the legacy systems which synchronise the data. As well as improving contact with the customer, workflow has been used with much success to streamline processes, thereby cutting costs and improving efficiency. It also helps reduce the number of highly skilled staff needed by steering less-experienced staff automatically through the appropriate milestones, reducing the opportunity for human error.

Workflow facilitates good communications between departments and adaptive workflow allows the CSP to change and adjust swiftly to market changes by enabling workflows to be altered on the fly.

However, beware the train of thought that takes this idea only to its first and most obvious conclusion ie that by adapting more swiftly to market changes your company will be able to grasp more market share and increase revenue. Of course these are benefits to be reaped, but it could be argued that just as important if not *more* so is the benefit to the customer. Being able to adapt swiftly to market changes and introduce new services more swiftly means that the customer or prospective customer receives higher quality service. Happy customers bring in more revenue, but making customers happy should also be a goal in itself. It is only when we change our perspective and actually place the customer at the centre of that which we are trying to achieve, that we become most effective as an organisation and as a provider of services.

Whatever the services an operator is able to offer, unless the requests for those services can be fulfilled both swiftly and efficiently, the expected return on investment will not be realised. Automated order management and service provisioning systems can therefore play a crucial role in obtaining that Return on Investment (ROI), but to return once again to the main theme of this paper, rapid and efficient delivery of services sends one of the clearest possible messages to clients that this provider is responsive and has its clients' interests at heart - good relationship management.

The introduction of Next Generation Networks and 3rd Generation mobile services has led to greater complexity and extended supply chains, heightening the need for strong customer support, more flexibility, and better relations.

Workflow management is vital for fixed wire and next generation mobile 2.5 or 3G operations where multiple steps might be needed to provision certain services or where external organisations might be involved.

The following challenges to CSPs are increased with the introduction of Next Generation Networks:

- How to extend the range of services whilst maintaining sufficient levels of customer support
- How to bring together the wealth of customer information from disparate, previously segregated systems, achieving one view
- How to react quickly to competitor activity
- How to anticipate future customer demands
- How to be flexible without impacting efficiency/profitability

4 The Driving Question

One question underlies most of the key issues behind CRM. It is the question that people in organisations spend most time trying to answer – “What’s happening?” This question provides one of the main justifications for the existence and the need for CRM. Customers want to know what is

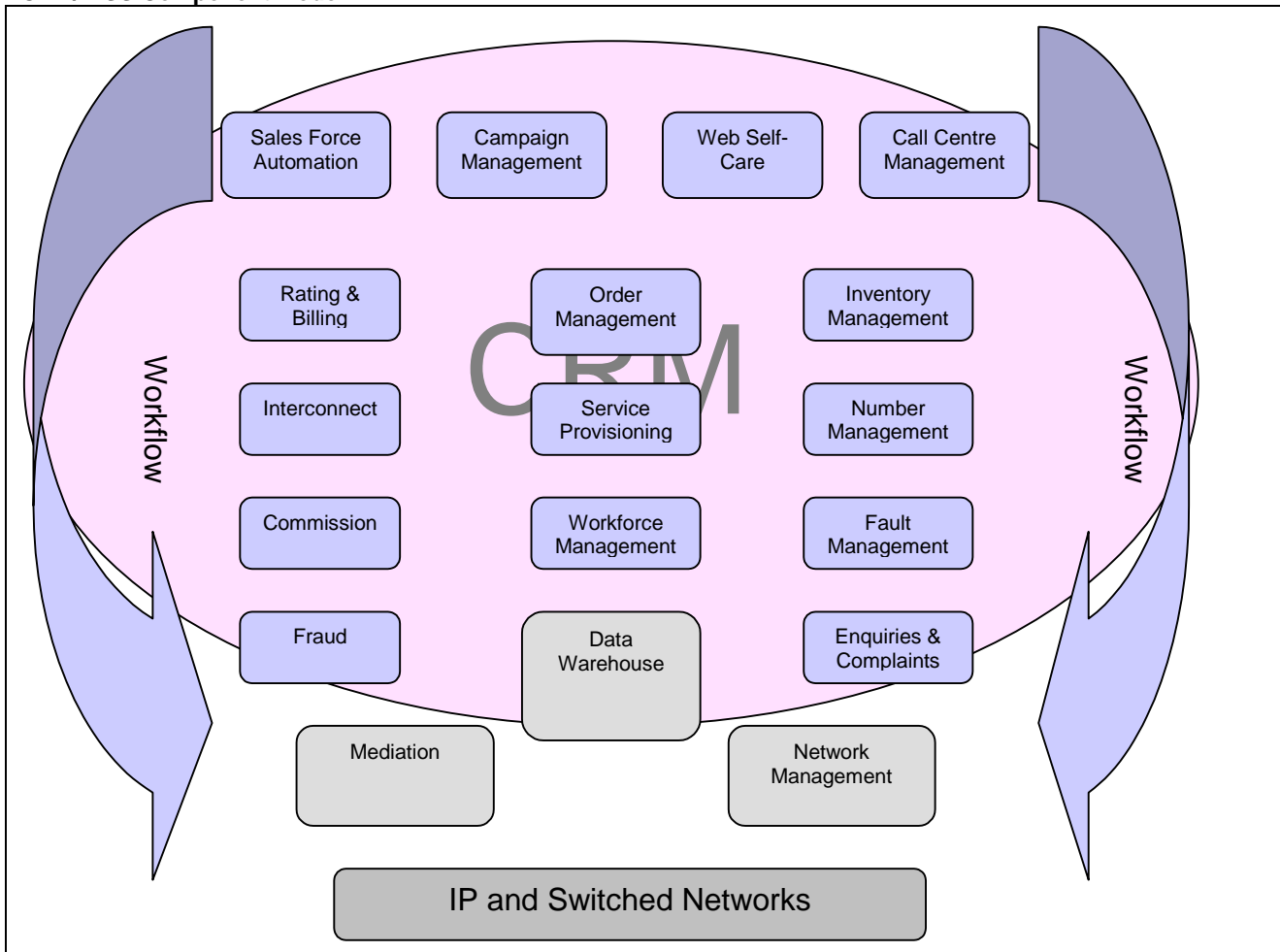
happening – is a request being processed? Has it been completed? Is there a problem? Is anyone doing anything? Meanwhile personnel in the provider's organisation want to know what is happening around them, what the other departments involved in any given process are doing, what the status of a transaction is, what the customer feels.

How well we choose to answer the question "What's happening?" determines our internal and external CRM requirements. More than any other single element, workflow management can be judged as the tool that delivers most benefit here.

To return to the role of BSS in CRM, how do BSS help us to understand 'what is happening?' and what is the contribution of workflow to this?

Workforce management, service provisioning and all other elements of BSS (see diagram below) help build up the service and support that customers require, but it is the workflow that bonds these systems and the information contained within, creating a seamless flow of information and activity.

CRM/ BSS Component Model



There is also the complexity of using these systems to be considered. For personnel to get answers to "What's happening?" and then to convey such information to today's customers, it is necessary to grasp the intricacies of sophisticated, and therefore complex solutions. The fundamentals of service provisioning systems can take personnel a month to come to fully



understand and more complex provisioning processes can take much longer to master. Once again workflow offers assistance. Automated workflow leads the user through the process, prompting or even forcing the user through the appropriate steps. As mentioned previously, this automation helps avoid human error and reduces the skill levels needed to use the systems involved. Taken a step further it is possible to see how automated systems built around workflow technology will enable customer-facing personnel to support the extended range of services that are expected to be present in a Next Generation Network (NGN) environment.

Organisations that use a field-based workforce to deliver a service generally have a great deal of room for improvement, and workflow is the ideal way to achieve this.

One major vendor estimates that a provisioning process can comprise from 20 to 100 tasks. At the network end, these include creating paths from the switch or other service platforms to the customer's premises as well as activating phone switches. From the business end, these entail updating customer records and assigning service features and attributes (eg call forwarding) to the service profile. In the past, customer service agents entered this data into their systems manually, keeping only paper copies of their work. The staff further down the line then had to navigate through the legacy systems and databases to find the current information needed to create an order, then move it along to the next task. The ability to track the process of, and update a single order and all its information from a single interface as it goes through the disparate systems, is a significant step forward. In addition to accelerating the process, once again there is the opportunity to reduce error.

Chorleywood has often referred to CMR - Customer Managed Relationships – in workshops and presentation. How can we define a CMR?

- The Customer can access up to date information pertaining to his/her account as and when required and via the medium that is most convenient at that time (ie the customer may prefer to have a choice of medium made available to cater for different situations rather than opting for one preferred access medium at the outset)
- The customer should also be able to obtain assistance as and when required, not just at certain hours of the day

5 Workflow and Provisioning

Workflow management systems determine the flow of work according to previously defined business processes. Modern object-oriented architectures and widely available APIs now enable interoperability between workflows and other applications. Many advanced vendors favour a workflow model to form the core of the provisioning offering. The workflow concept, particularly adaptive workflow, is ideal for service provisioning, as it provides the means to define and execute the tasks which make up the process chain involved in providing a service to the customer. The end-to-end control inherent in workflow systems of processes and associated data flows, allows the operator to track a particular order in the system, as well as providing data on performance, throughput and other parameters.

6 Dialogue - Who owns the customer?

Another issue at the forefront in today's complex telecoms market is the whole question of who owns the customer. Fixed network operators historically had a direct relationship with their customers throughout the customer lifecycle, from acquisition onwards. However this is changing, with virtual telcos being established and resellers entering in particular the long distance and



international markets. However, the mobile operators are much more accustomed to using resellers and dealers and have already had to face the issue of customer ownership.

As the value chain becomes more complex, the position of the operator as the holder of the customer data, the knowledge of the customer, becomes a privileged one. However, questions remain as to whether this knowledge can and should imply ownership. The operator must decide whether it will assume ownership of other aspects of the relationship such as the content of data being transmitted and the resolution of customer complaints relating to services provided further down the chain. These are business decisions as much as technical ones.

Chorleywood's 'Best Practices in CRM' report makes the following statement:

“A crucial element of managing the relationship with the customer is optimising the means of contact. Throughout the customer’s lifecycle there is a need for two-way communication. The telco will be making contact mainly to market or bill the customer. On the other hand, the customer will be contacting the telco in order to make a purchase, pay a bill, make an enquiry or a complaint. These are all communications that can make or break a relationship”.

This is where the idea of CMR comes into its own. Communication must not be considered by the telco as primarily a means of selling. It is an invitation to the customer to give feedback, to develop the relationship. Communication should be customer-led, that is via the customer’s chosen medium (which may or may not be the medium used previously) and it is the CSP’s opportunity to prove its commitment to that customer by how well it responds and how flexible it shows itself to be to customer requirements.

Web self-service has the potential to become the medium by which the customer is most able to shape communication to his/her liking. However, this requires the CSP to give the customer the flexibility to drive the relationship. Additionally, well-managed websites can satisfy a customer’s need for up to the minute information and convey the message that the CSP is available to the customer ‘on demand’. Such benefit can soon be eroded though, if customers are left feeling that technology has taken the place of any human interaction. It must also be remembered that self-care is not only addressed via the Web. All points of customer contact should be addressed.

7 Conclusion

It has been widely documented that CRM solutions are powerful tools. It has now also been widely recognised that systems and technology alone will take the provider only part of the way. This document has highlighted the role that BSS and Workflow Management have to play. The secret of really making changes that customers will recognise is to examine the provider’s attitude to the customer. Providers must ask themselves how responsive they are and indeed are *willing* to be, to the needs of their customers.