Customer relationship management

Project Brief: British Telecom

How can a network operator retain market position in the face of growing and maturing competition?

This was the question that faced British Telecom following deregulation of the UK telecommunications market place.



BUSINESS OBJECTIVE

The residential telephony market is becoming ever more crowded with service providers offering a similar range of products. The first few years following deregulation saw a battle fought mostly on price, which could often be enough to tempt customers to transfer their business.

As the competition matured, not only the products and services offered but also the way in which they were marketed became much more sophisticated.

The problem facing BT was twofold; not only did they need to reduce the rate of churn but they also wanted to pull back some of their previous customers who had moved across to competitors.

With the price differential near enough removed, BT decided that sales, marketing and customer service should be their market differentiators.

The main point of direct contact between BT and their customers was the '150' service, which handled customer enquiries and orders. With improvements, this would be the key to BT's new strategy.

The aim was to develop a system that would reduce the number of errors introduced during the processing of a call, and also act as a powerful sales tool to promote BT's products and services. With labour costs accounting for such a large part of the overall operating cost there was an additional requirement to reduce the call handling time and limit the length of training required by the Customer Service Agents (CSA).

IPL'S SOLUTION

The data that forms the basis for the '150' enquiry service is held within their Customer Service System (CSS). The single logical database for CSS is held on a number of mainframes, geographically distributed over 29 databases. Together they form the largest data warehouse in Europe.

Whilst suited to order and enquiry taking, CSS was not originally developed as a sales tool. Some tasks required the CSA to invoke a large number of different CSS processes.

The challenge was to automate the processes as much as possible to provide a fast and effective service. This needed to be combined with a user-friendly front end and reliable links to the CSS databases.

The solution is a three tier distributed system, which combines principles of data mining with Object Oriented development techniques.

At the desktop the CSAs have PCs running Windows NT. Customer profiles are generated automatically once the customer has identified him or herself. These then act as a sales prompt indicating any services that may be appropriate to this customer. Once a call is completed the updates are passed to the middle level while the CSA moves on to the next call.

The middle level consists of the intermediate databases and the communications systems. It provides immediate access to the required data along with remote access to the CSS databases. It also acts as a temporary store for updates to CSS.

The third level is CSS itself and the associated databases.

MANAGING THE PROCESS

IPL has worked very closely with the BT team since starting on the project. The work initially took place at one of the BT sites in London, but the IPL team, which undertakes design, development, project management and QA functions, now work from their own offices in Bath.

Frequent meetings are held between the IPL and BT project managers to ensure that both teams are up to date with the other's progress and potential problems are sorted out before they happen. Contact between team members at all levels is encouraged to ensure that everybody works as a team despite the geographical distance.

To date IPL has put many man-years of effort into the development of the system.

THE OUTCOME

BT has 5,000 CSAs working out of 34 customer service centres handling millions of customers' calls each year.

The project has delivered a reduction in call handling times, improved sales performance and reduced system-training times.

Future developments will take the service even further providing greater opportunities for both BT and its customers.

FURTHER INFORMATION

Contact:

IPL
Eveleigh House
Grove Street
Bath
BA1 5LR
UK

Telephone: +44(0) 1225 475000
Facsimile: +44 (0) 1225 444400
Email: telecoms@iplbath.com
www.iplbath.com



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