Telecommunications strategy consulting

Strategy consulting helps companies transform the way they do business. We help our clients achieve competitive advantage through a fusion of business, customer and technology strategies and an explicit linkage of critical issues to actions and results. We bring our clients the resources of IBM Global Services, the largest services company in the world, and the first-hand operational experience the IBM Corporation has gained over the course of its ten-year transformation.

Below is an example of our insights and work in the telecommunications industry.

TELECOMMUNICATIONS AT A CROSSROADS: BUILDING THE CUSTOMER-CENTRIC CARRIER

The Issue:

In today's difficult market, telecommunications carriers face the most daunting set of challenges they have ever faced. The traditional voice business has matured and no longer provides an engine for revenue growth, yet the much-hyped data market has not matured sufficiently to deliver continued growth. Legacy infrastructure still limits the ability of most carriers to rapidly develop and deploy new services. For many carriers, customer satisfaction has declined dramatically. Furthermore, mounting debt and unfriendly capital markets have limited the ability of carriers to invest in new infrastructure. What practical steps can carriers take to weather this storm and effectively access new market opportunities?

Our Perspective:

The key step for carriers is to systematically pursue transformational change based on a customer-centric vision of the business. Carriers must move far beyond the traditional customer relationship management models and
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systems and rethink their entire businesses with the customer at the center. By shifting from a technology or product-centric business model to a customer-centric model, carriers can access new markets, address customer dissatisfaction, and effectively move forward despite the difficult market conditions. Achieving this objective requires a customer-focused infrastructure that supports rapid product development and maximum flexibility. Through targeted steps, carriers can begin today to build the capabilities and processes required to transform themselves into customer-centric businesses.

Case in Point:

A major telecommunications company was faced with slowing revenue growth. The company was focused on ways to improve its cost structure, especially with regard to its cost center infrastructure, as personnel costs were exceptionally high. Understanding that people, process, and technology are inextricably linked, the telecommunications company wanted to undergo a rigorous review of its existing contact center environment to create opportunities for cost savings and revenue growth.

A joint IBM-telecommunications company focused on customer strategy to launch the process. It created a technology change strategy process, which focused on sophisticated cost savings tools such as Integrated Voice Response. The key deliverable was a detailed roadmap and implementation plan to launch a cost center infrastructure overhaul.

The team presented the results to executive management, and the telecommunications company is currently reviewing the results. The team expects that the company will adopt the roadmap, and see results of greater than 10% reduction of contact center costs.

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NEW PRODUCT DEVELOPMENT FOR TELCOS -- SPREAD THE BETS, DON'T BET THE FARM

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The Issue:

Telecommunications carriers are in a difficult situation of meeting earnings expectations while pursuing growth prospects. Managing to fulfill short-term capital market expectations is often at odds with achieving medium-to long-term growth opportunities. With debt and cash flow issues, carriers can not afford necessary next generation
network investments. Firms need to reach the golden triangle of increasing revenues, reducing costs and reducing churn/customer acquisition cost. While the current imperatives are clear, it is uncertain how successful firms will be.

On the revenue front, telcos are turning to new service offerings as fuel for the engine. However, the traditional approach to new revenue-generating products has required time-intensive technology development, testing, and rollout.

Our Perspective:

Carriers need to change their paradigm for service deployment. In the past, new product deployment was approached by developing end-to-end proprietary solutions. The improved approach to new product deployment is based on leveraging common computing platforms and software-based services. This open platform approach moves toward a plug-and-play environment which enables third party capabilities to support new product development, testing and service creation.

By using an open platform, deployment times shorten considerably and many new offerings can be launched at much lower cost. A new launch approach reduces the downside and uncertainty of deploying new services. The relative ease of launching many new offerings enables service providers to experiment with new services to find "blockbuster" services rather than place a few large bets. By rapidly developing and launching new products, carriers can combine revenue growth with cost reduction.

Additional links

Multiplying business value: The fusion of business and technology
Consultants have long proclaimed the need for strategic alignment between business and IT: Set your business strategy, and then determine how technology can help. Unfortunately, traditional alignment approaches invite risk and leave opportunities untapped. Higher returns can be achieved through a higher degree of strategic alignment - the fusion of business and IT.

Closing the performance gap: Back to basics for the U.S. banking industry
Banking institutions across America show a striking dichotomy in terms of stock performance. Those that remain at the top of the charts display strategies and attributes that consistently garner shareholder value. A recent study by the IBM Institute for Business Value suggests that while their methods may vary, these leaders share three distinct strategies.
Weathering the economic downturn… while moving ahead

While the economic downturn has hit some sectors and geographies harder than others, almost every business has felt its impact. At the same time, economic uncertainty elicits different reactions from different firms. Some organizations simply tread water, while others move ahead of competitors. As executives rethink their business strategies, they should consider a variety of approaches -- including some that are not immediately obvious given today’s uncertain economic climate.