



**IBM Software Universe**  
Smarter Businesses, Smarter Industries.

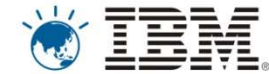
8th March 2011, Pan Pacific, Dhaka.



## Smarter Telecom

**Mr. Prashant Tewari**  
**Country Manager, Business Analytics**  
**IBM India/SA**

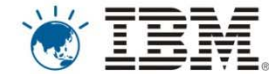




**The world is smaller and flatter.**

**The world is connected:**  
economically, socially and technically.

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## The need for progress is clear.

**2 billion**

People worldwide are not connected either to mobile or fixed telecommunication services.

**Over 20%**

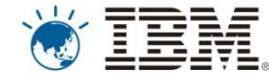
Of subscribers for some European carriers churn within one year, with even higher rates for prepaid customers.

**60-80%**

Of wireless service providers' energy consumption comes from powering base stations and mobile switching centers, with only 10-20% coming from powering their data centers.

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# The opportunity for progress is clear.



From 6 to 88  
million subscribers  
in 4 years

*Growth in Lower-Income Country*

**Bharti Airtel** transformed the way India communicates by extending mobile and multimedia communications to all sectors of the community – adding 1.5 million subscribers per month!

50% increase in  
ability to predict  
churn

*Customer Retention*

IBM's research team is helping telecom operators measure its impact on **customer churn** ....helping them improve their ability to predict those customers likely to churn by 50%.

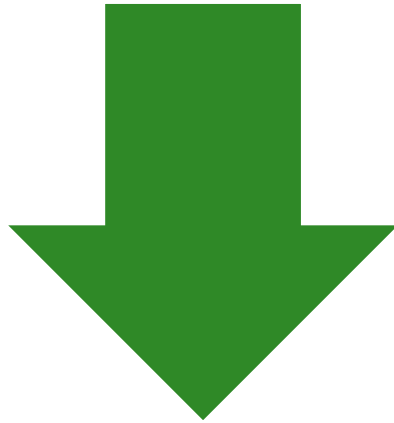
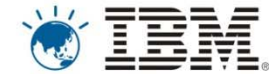
Reduce energy  
costs 20-30%

*Cellular Tower Management*

Many IBM clients are leveraging technology to reduce **operational costs**, while becoming “greener” by monitoring & proactively managing power consumption at base stations and mobile switching centers.....thus reducing energy costs by 80-90%.

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# Today's Telecom environment is shaped by four drivers and four inhibitors.



## INHIBITORS

**Financial Constraints:** Limited access to capital

**Leapfrogging Effect:** Lack of readily available technologies & resources

**Complex Processes:** with growth in subscriber base & markets

**Regulation:** can potentially stifle growth



## DRIVERS

**Growth Opportunities:** New services, expansion of outreach, new devices & technologies

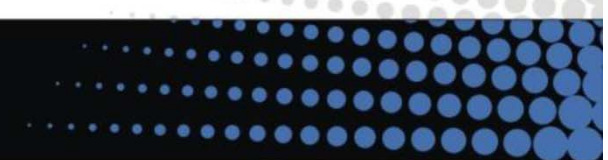
**Competition:** Global & local – requiring rapid responses to market dynamics

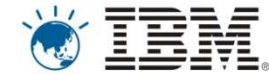
**Customer Retention:** Customer experience strategies

**Operational Performance:** Cost reduction, operational efficiency and asset monetization



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To set the leadership agenda, telecommunications service providers must develop a new ecosystem.

They are doing so by becoming  
**Instrumented, Interconnected and Intelligent**

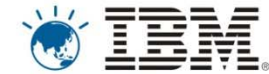


An opportunity for telecommunications service providers to think and act in new ways.

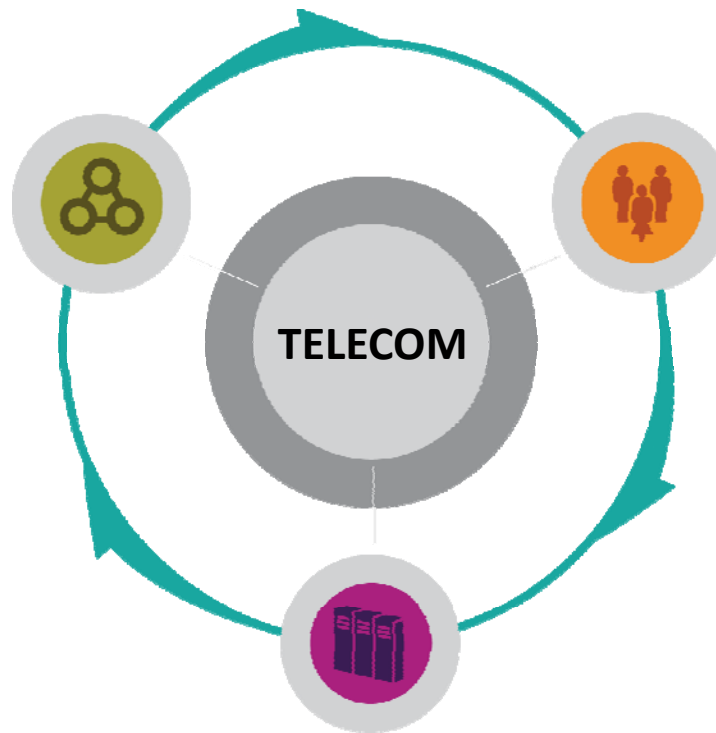
**This mandate for change is a mandate for smart.**

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# Smarter Telecom providers are transforming business models, operations & customer experiences by....



**ENABLING NEW BUSINESS MODELS**  
Leverage the continued convergence of telecom, media and Internet to strengthen core businesses, improve competitive position and generate new revenues faster.

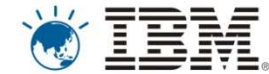


## **DIFFERENTIATE THE CUSTOMER EXPERIENCE**

Launch new innovative services quickly, using real-time analytics to gain deep customer insights and personalize offerings; Monetizing customer data and assets, improving security, and modernizing customer systems to increase revenue and reduce churn.

**IMPROVE OPERATIONAL EFFICIENCIES**  
Reduce infrastructure and process complexity to improve profitability, reduce costs, manage fund innovation, enable expansion into new markets, and support critical network and business transformation initiatives.

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**ENABLING NEW  
BUSINESS  
MODELS**



**DIFFERENTIATE THE  
CUSTOMER EXPERIENCE**

**IMPROVE OPERATIONAL  
EFFICIENCIES**

## SMART is....

- Altering traditional business models to extend beyond telecommunications into new business sectors
- Consolidating or offloading procurement and other supply chain operations and management in order to reinvest the savings into innovation
- Undertaking a strategic transformation initiative to concentrate on creating value and managing organizational change.

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## Smarter Telecom: Enable new business models

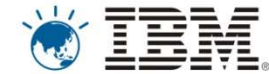


**Telstra:** Outsourced its procurement processes and leveraged IBM to achieve greater control, visibility, responsiveness and internal compliance while saving AU\$355M over two years.



**Maxis:** Launched a transformation initiative to improve key initiatives such as CRM, business intelligence, convergent billing, sales dealership etc to allow the operator to focus energies on managing the business aspects of change.

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ENABLING NEW  
BUSINESS MODELS



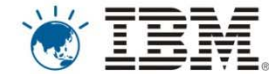
IMPROVE OPERATIONAL  
EFFICIENCIES

**DIFFERENTIATE  
THE CUSTOMER  
EXPERIENCE**

## SMART is....

- Capitalizing on social networking business analytics to predict subscribers likely to churn as a key part of their retention strategy
- Analyzing real-time data from the network to identify new revenue opportunities based on a customer's actual experience

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## Smarter Telecom: Differentiating the customer experience



**South African Operator:** Using churn management to improve their capability to predict customers churn, by 50%, based on their social network calling patterns. Armed with this information, the operator can launch retention strategies to keep each customer.



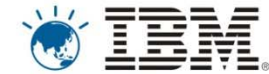
**US Service Provider:** Is deploying trials of a customer experience management solution that analyzes usage data generated from the network to assess the subscriber's actual experience. In one day's data for 6 million subscribers, the wireless operator uncovered an estimated \$4.8 - \$7.2M worth of untapped annualized revenue for customers who were unable to access and use the operator's data network.



## SMART is....

- Utilizing industry standards to improve underlying operational processes, save money, and speed time to market
- Applying service management systems and processes in new ways to reduce operating expense and increase efficiencies in high-cost areas

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## Smart Telecom: Improve operational efficiencies



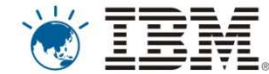
**T-Com Croatia:** Is redesigning its core business processes from the bottom-up and creating a roadmap to process optimization based on eTOM standards and best practices.



**SE Asian Service Provider:** Is using service and asset management from IBM to manage their tower energy consumption, resulting in 20-30% reduction in power usage and lower operating costs.

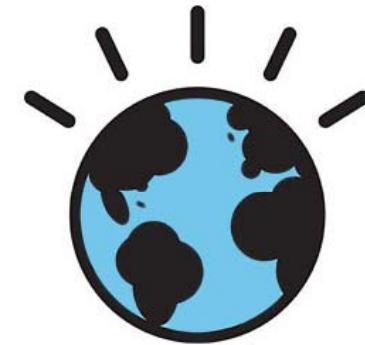
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# Why must telecommunications service providers in growth markets take action now?



Old challenges are accelerated by the economic instability, and traditional solutions will not be sufficient to address them.

- Slower revenue growth and eroding ARPU (average revenue per unit)
- Slow time-to-market of new services
- Inability to target new services to specific customers' needs
- Access to capital to fund growth
- Investment decisions on infrastructure and processes critical to future growth
- Regulatory constraints

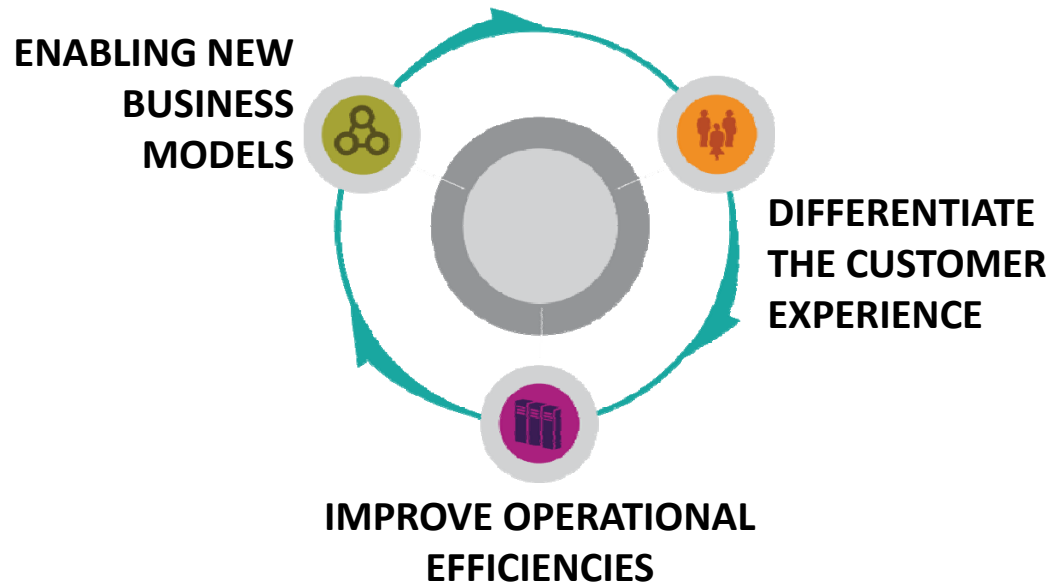
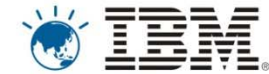


A smarter planet offers the opportunity to solve problems in new ways.

- Capitalize on subscriber growth to increase market share
- Take advantage of economic stimulus and “economic zones”
- Leapfrog mature markets, who are burdened with legacy infrastructure and processes, to build advanced, standards-based broadband and wireless technologies into core infrastructure

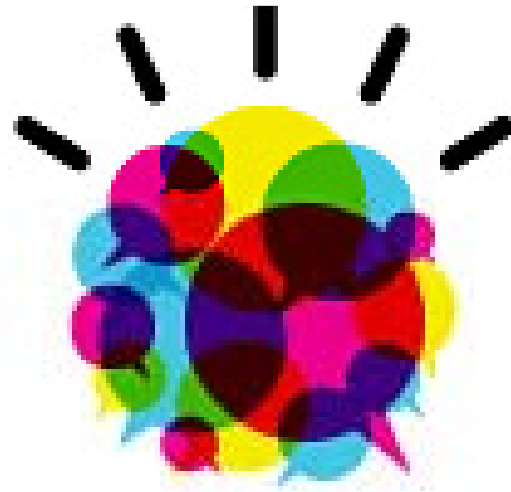
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# Topics we will cover today.....



- IBM Telecom Frameworks: Bridging the gap between business & IT
- Data Management for Telecom
- Networks: Fault and Performance Management
- Effective Software Delivery for Telecom
- Access the information you need - anytime, anywhere
- Optimizing Business Processes using Filenet BPM
- Customer Churn & Insight for Telecommunications
- Dynamic Business Process Management for CSPs

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**Thank you**

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