Customer-centric marketing for the telecommunications industry

A strategic approach to marketing for customer retention and business growth
At a time when it has become increasingly difficult to differentiate offerings, telecommunications companies that make the shift from a product centric to a customer-centric culture can stand out in measurable ways.

**Driving toward revenue, retention and growth**

In an increasingly competitive landscape, marketers at telecommunications companies must adopt a customer-centric approach rather than the traditional product-centric “philosophy”. This involves understanding customer requirements and preferences and delivering an outstanding customer experience at every touchpoint.

**The challenge of adopting new strategies in a maturing market**

Wireless penetration in the U.S. as of June 2011 was 102.4%, actually exceeding the total U.S. and territorial population, with more than 300MM wireless devices in use.

In addition, new entrants into the wireless space are encroaching on two-year contracts with no-contract service. Competition has heated up and network quality has become increasingly more consistent. With a more level playing field, delivering customer-centric communications to the right customer at the right time is paramount.

**Build a greater competitive advantage**

Communication represents one aspect of the customer experience that you can actually plan, manage and control if you approach interactions from an enterprise perspective. Now you can deliver more personalized, appropriate and relevant customer communications while operations become more streamlined, focused and automated to inform interactions.

This is your opportunity to become an organization that delivers on its brand promise with a connected customer experience that enables lifetime relationships. It all starts with gathering customer intelligence, discovering how to stay best choice with current customers and attracting defectors from competitors.
Boost revenue, retention and growth
Reduce churn with a customer-centric approach and timely, targeted two-way interactions that keep profitable customers engaged.

Broaden and deepen relationships, motivating persuadable customers to upgrade for example, to a triple-play package, add a phone or text plan. Win back customers who are willing to switch.

Use location intelligence to map coverage areas and visualize customer density against marketing efforts. Identify pockets where the best coverage and prospects align and perform deeper market analysis.

Improve the customer experience
It is essential to create interactions that are more focused on the specific needs and preferences of the customer and take on a dialogue format. Simply saying “we value your business” is insufficient. Telcos need to carefully consider when and how to initiate customer communications—and what to say that will be relevant, compelling and reflective of the situation at hand.

Streamline operations
As data quality and customer understanding improve, customer interactions yield better results and operational efficiencies as well. Now, you can make content decisions based on accurate, timely customer insights and turn service encounters into relationship building experiences that cultivate loyalty.

Send messages only to those who will respond positively, reducing marketing costs. Apply geo-demographic data, lowering acquisition costs while trimming more expenses from your marketing budget.
Real-world impact

Discover how marketers at telecommunications companies around the world are taking a more strategic approach to customer centric marketing.

T-Mobile reduces churn
Pitney Bowes Software was instrumental in helping T-Mobile Austria reduce churn by 20% and improve the accuracy of their targeted marketing campaigns. T-Mobile Austria was also able to lower software costs, significantly improve the turnaround for analytic requests and decrease its dependency on external consultants.

“We chose Pitney Bowes Software as it rated better in our ‘sample projects’, can be used by our marketing team and gives us control over software and consultancy costs.”

Christian Reder
Marketing Analyst
T-Mobile Austria GmbH

Sprint reduces churn
Sprint was experiencing voluntary churn in the first 30 days as a result of inadequate explanations of coverage. Sprint turned to Pitney Bowes Software to build a coverage tool. Now customers can understand their local and expanded coverage at any location, even map how their coverage changes while on the road.

“With Pitney Bowes, we were able to build a customer-facing coverage tool using the MapXtreme platform to help solidify customer satisfaction.”

Travis Lathrop,
GIS Supervisor,
Sprint

Time Warner Cable
Time Warner Cable needed to better communicate with its sales team in order to drive additional revenue from untapped markets. Pitney Bowes Software location intelligence solution uncovered detailed information and analysis about prospects and competitive threats, enabling Time Warner Cable to quickly and accurately identify new customers and increase sales.

“We’ve reached a time where not only can you live or die based on the quality of your product, but you will die if you stay stagnant analyzing and utilizing data in the same old way.”

Ron DiGrandi,
Director of Business Development,
Time Warner Cable
Customer centricity in the telecommunications industry

Telecommunications firms that make the transformation from product-centric to customer-centric realize a competitive advantage along the way. Information across various functions can be integrated and insight turned to action. By placing greater emphasis on customer desires and preferences, marketers at telecoms can maximize customer lifetime value and differentiate from the competition.

WITH ALIGNMENT ON CUSTOMER LIFETIME VALUE, FUNCTIONS CAN MORE EFFECTIVELY AND EFFICIENTLY DRIVE COLLABORATION, DRIVE DIFFERENTIATION AND CREATE SHAREHOLDER VALUE.

The uplift advantage

Communication companies have become smarter about contacting customers—strengthening customer relations and revenues as a result. Abandoning blanket approaches, many turn to uplift modeling to deepen customer relationships through segmentation. By focusing only on those who will respond positively to a campaign, telecoms can dramatically improve ROI and reduce churn.

UPLIFT ENABLES TELCOS TO FOCUS MARKETING EFFORTS UPON ONLY THOSE CUSTOMERS THAT WILL REACT POSITIVELY TO A MESSAGE, WHILE WEEDING OUT THOSE THAT WILL BUY ANYWAY, WILL NEVER BUY, OR COULD REACT NEGATIVELY TO A SOLICITATION.

Forrester: How analytics drives customer life-cycle management

With the growing importance of customer intelligence in organizations, the role of analytics to extract insight and embed it back into organizational processes is at the forefront of business transformation. However, marketers predominantly enable measurement and analytics infrastructure to serve the needs of customer acquisition, with a limited view toward the entire customer life cycle.

DEPLOYING VARIOUS ANALYTICAL TECHNIQUES ACROSS THE CUSTOMER LIFE CYCLE GROWS EXISTING CUSTOMER RELATIONSHIPS AND PROVIDES INSIGHT INTO FUTURE BEHAVIOR.
Connect with customers through coordinated efforts. Orchestrate more personalized engagements across print, mail, web, email, call center and mobile. Build customer relationships at every touchpoint by consistently reaching each customer with the right message at the right time, winning customer hearts and minds.

Customer Experience Management

**Develop a clearer customer profile with analytics**
Gather customer information across the organization and apply customer analytics to achieve enhanced insight. Leverage customer intelligence to craft accurate two-way dialogues with customized content and images. Now your communications will be acted upon because they are more engaging, timely and relevant. Add location intelligence to better support sales and marketing initiatives, sharpen prospecting and inoculate against competitive threats.

**Drive stronger, deeper customer relations with uplift modeling**
Identify and target only customers who will respond positively to an effective campaign. Reduce churn by bypassing segments where marketing messages trigger a negative response. By focusing resources on the customers that are persuadable, and avoiding mailing to those segments where you can’t move the needle, you can dramatically improve marketing effectiveness and boost profits.

**Understand preferences and retain valued customers**
Earn high marks for superlative customer service when you speak to customers in their preferred channel. Deliver content in both print and digital formats from the same data stream, automatically reformatting content for web, email or mobile. By enabling reps and customers to view and manage accounts in real time, you’ll increase satisfaction and savings.

“Business process pros must balance process skills, execution best practices, and a growing set of tools for behavioral analytics to enhance the customer experience, improve retention, and boost the bottom line.”
Forrester
2011

Defining and pursuing best next actions requires quality data and quality analytics, carefully applied.
Market Insight for Customer-Centric Marketing

**Transform business intelligence into location intelligence**
Empower your organization by integrating sophisticated mapping directly into your data. Now you can stay ahead of supply and demand issues, attract the best customers more easily and capitalize on more opportunities.

**Improve marketing efforts and increase sales**
As you know more about your customers and prospects you can create relevant offers based on market trends, demographics and lifestage events—increasing response at lower cost.

**Wireless**
Location data and demographic analysis enable wireless providers to expand coverage, introduce new services and effectively reach their target market. With this key intelligence, wireless carriers can pair the availability of faster network speeds and special phone and accessory offers with prospects and customers in the demographic that craves these features.

**Cable**
Cable providers can discover what services might be most popular in a given area, overlay network usage data with demographics and use this information to improve targeting.

For example, cable providers could create special offers for new packages with channel selections that appeal to a younger audience marketed just to that demographic.

**Wireline**
Wireline carriers can assess customer potential by mapping where current voice and data customers and concentrations of high-value potential subscribers intersect. Then, focus their marketing efforts on high-value prospects from competitors’ churn.

Marketing managers across all areas can analyze churn by location, with cross references to network outage and performance, competitive and demographic indicators.

**Design and execute a strategic roadmap to profitable growth**

Find out how you can communicate in a unified voice in coordinated ways to create a connected customer experience...the kind of experience that fuels profitable growth.