

Acquia
EXPERIENCE DIGITAL FREEDOM

INDUSTRY RUNDOWN: TELECOM

**HOW TO USE DATA AS A CATALYST
FOR RICH CONSUMER INSIGHTS**



IN A CHALLENGING TIME, LOOK FOR OPPORTUNITIES

The telecommunications industry is constantly in flux. Between consolidation, mergers and acquisitions and competition from technology giants and new nimble competitors alike, customer expectations are a moving target. But some things remain constant: the need for seamless connectivity and high bandwidth. Often, those require major investments in infrastructure to deliver the speed and service customers want, which makes cost management an ongoing challenge.

Now, the 5G era is here — with the promise of faster speeds, better coverage and low latency. The Internet of Things continues to explode, and in turn drive demand for new services and fill the marketplace with more and more data.

Visionary companies are partnering to use the data to form new ecosystems, gain new customers, grow revenue and access new markets. Machine learning helps turn data into actionable insights to enable marketers to deliver more personalized customer interactions and service and drive business goals.

The key to success across these evolving ecosystems is using data to deliver a 360° customer-centric, highly personalized approach.



TRENDING NOW IN TELECOM



The telecom industry is highly competitive and commoditized, which increases market pressure to grow profit margins and market share. And technology advances are driving disruption across the entire industry, providing new revenue, customer acquisition and partnering opportunities.

Customers expect self-service, omnichannel and instant communication more than ever — with fast, seamless data connections and immediate issue resolution. Combine high expectations and a competitive marketplace, and customer retention can be a challenge. That means now more than ever, it's vital that a provider meet customer expectations and assure customer loyalty.

One way to navigate the marketplace to drive both acquisition and retention is with more personalized communication and offers. Unfortunately, disconnected systems and siloed customer data make it difficult for telecommunication companies to have a unified view of the customer. This throws a wrench in the mechanism for personalization.

THE PROBLEMS FACING TELECOM: COMMODITIZATION, COMPETITION AND CHANGE

Commoditization of the industry's primary connectivity services, price wars and declining average revenue per user (ARPU) is causing stagnant, or even declining, growth across the industry.

Competitive pressure is rising as telecom companies compete for subscribers in saturated markets. Emerging technology is designed to reduce barriers to entry, and new over-the-top (OTT) competitors have emerged, bringing new challengers into revenue streams for voice and messaging services.

Previously direct relationships are being bypassed by new players. Customer loyalty and retention are at risk when consumers today know they have many choices and aren't hesitant to switch.

THE SOLUTION?

Get proactive. There are more ways than ever to meet customer expectations and ensure customer loyalty and retention, but you have to do it right. That means taking advantage of newly available technology to analyze customer data and glean more meaningful insights.



The commoditization of the global wireless telecom industry continues apace. Thanks to saturated markets, booming data demand, new market entrants, ongoing consolidation, and vicious price wars, wireless service providers are fighting for market share and the average revenue per user (ARPU) is declining in many markets around the world.

PWC

LAND OF OPPORTUNITY: WELCOME TO 5G

Gartner predicts that the transition to 5G is expected to generate a windfall for network, infrastructure and equipment vendors, and predicts that worldwide 5G network infrastructure revenues will touch \$4.2 billion in 2020, recording year-over-year growth of 89 percent.

This is a major opportunity. 5G provides customers with greater speed, moves more data and increases download speeds with lower latency. It also dramatically changes how customers use and expect services to be delivered.

But 5G isn't just about bandwidth. It allows for the creation of additional services for billions of interconnected devices that share or send information over the network, paving the way for new 5G applications and revenue streams.

HERE'S HOW TO MAKE THE MOST OF IT:

The true promise of 5G is in using the data it provides to better understand, acquire and engage with customers. Better insights will allow telecommunication providers to deliver more seamless and engaging user experiences.

“

The advent of 5G technology will not only improve connectivity through faster network speeds and coverage, but also will revolutionize the ways in which people interact with digital platforms. Though widespread adoption won't be realized for a few years, once fully adopted, 5G will improve companies' abilities to send targeted, personalized, and relevant messages to a greater number of consumers. With faster data transmission, companies will more effectively be able to target customers based on location, recent purchases, social network activity, and more.”

HAWKPARTNERS



DATA, DATA EVERYWHERE

The Internet of Things (IoT) has created a proliferation of devices — items such as industrial devices, wearables, smart homes and connected cars — now connected and sending massive amounts of data across the network, and this is only expected to increase.

The numbers are astounding. In the future we will see:

30
BILLION
connected devices
by 2021

\$1.8
TRILLION
in revenue by 2026

The amount of data that can be captured is overwhelming, but with the right tools, you can sift through the data to monitor and optimize the network, improve customer service and evaluate new potential partnerships and products.

HERE'S HOW:

Aggregate and unify data from disparate online and offline sources and make it actionable. That way, you can offer more data-driven, personalized engagement with customers on the channel and device that they prefer.

“It’s undeniable that telecommunications companies are collecting and generating volumes of data from mobile devices and apps, wearables and more — wireless data is expected to continue to increase through the 2020s — but it will be the companies that use it to their competitive advantage that will survive.”

FORBES

CHALLENGES: LAYING THE FOUNDATION

If telecom brands want to make good on the potential of 5G, they have some obstacles to overcome.



INFRASTRUCTURE:

Rapidly increasing demand for high speed connectivity is accelerating the need for next generation networks. That requires a significant investment in infrastructure.

SYSTEM OVERHAUL:

Complex legacy systems are aging, fragmented and siloed with customer information stuck in the silos and not easily shared. That makes it way harder than it should be to create a single view of a customer and where they are in a journey.

EMERGING MEDIA:

As the number of touchpoints and interactions across dispersed networks continues to grow exponentially, telecoms need a unified view to deliver personalized experiences and interactions.





THE BIG DATA PROBLEM

The good news is that the Internet of Things is projected to bring billions of devices that need to be connected to telcos, driving massive amounts of traffic and data across the networks. As partner ecosystems evolve, IT and marketing teams must be able to translate data across systems, networks and touchpoints to generate big-picture insights that reach new customers, deliver seamless and engaging user experiences, and drive customer loyalty. But managing, storing and securing this data will present big new challenges to IT and marketing teams.

Luckily, they're not in it alone. AI and machine learning will become even more important to make sense of the data, both for providing high quality service and less downtime to customers, and for personalizing the customer experience. With the right data in place, marketers can tailor offers for every step on the customer journey.

“Less than 10 percent of telco marketers say their organization is highly effective at using historical data to better understand customer needs and revenue growth opportunities. Only 20 percent report they are consistently good. The majority of respondents believe they are getting better. However, a disappointing 28 percent say they are inconsistent in the use of historical data, have problems with extracting data from silos or are just poor at using it effectively.”

MarTech Series

RAISING CUSTOMER VALUE IN THE FACE OF LOWER PROFITS

Price wars are an inevitable part of the telecom industry, as companies work to find their service's value propositions. That can lead to diminishing subscriber growth and rapid shifts in customer expectations, behavior and loyalty, which all have a negative impact on profits.

Rather than compete on price on an endless loop, telecoms need to differentiate and deliver customer experiences that are richer, meaningful and more personalized so that consumers are willing to pay a premium. In other words: Don't lower your prices. Increase your value.

What means the most to consumers? That's right there in your data. Whether it's quick problem resolution, proactive programs to predict customer behavior, or special offers to improve retention and loyalty, you can use customer data to add value in a way that works harder for you — and your customers.



KEYS TO SUCCESS

To compete in the ever-changing landscape of telecom, you have to have your priorities straight.

To adapt to changing customer behaviors, telcos need to build customer-centric, data-driven platforms that leverage their own and their partners' services. This will require a quantum leap in analytics and intelligent automation.

Roland Steiner, VP,
Global Head of Telco Solutions, Atos

Here are some of the most important ways for companies to seize on new opportunities and drive results.

1

A DATA-DRIVEN MARKETING STRATEGY

This means you're constantly learning. Use a digital platform to translate massive volumes of data into actionable insights.

2

CUSTOMER-CENTRIC VIEW

When you put them first, it goes a long way to solving their problems. With an omnichannel strategy, you'll be able to deliver a more personalized customer experience.

3

MEET CUSTOMERS WHERE THEY ARE

Don't make them work for it. Use data to gain deep insights into customer behavior and sentiments to place targeted offers at the right time in their journey.

4

PREDICTIVE BEHAVIOR

Once you get to know your customer, you can anticipate their needs and provide customized and personalized offers and service.

GET IT ALL IN ONE PLACE: ACQUIA CDP

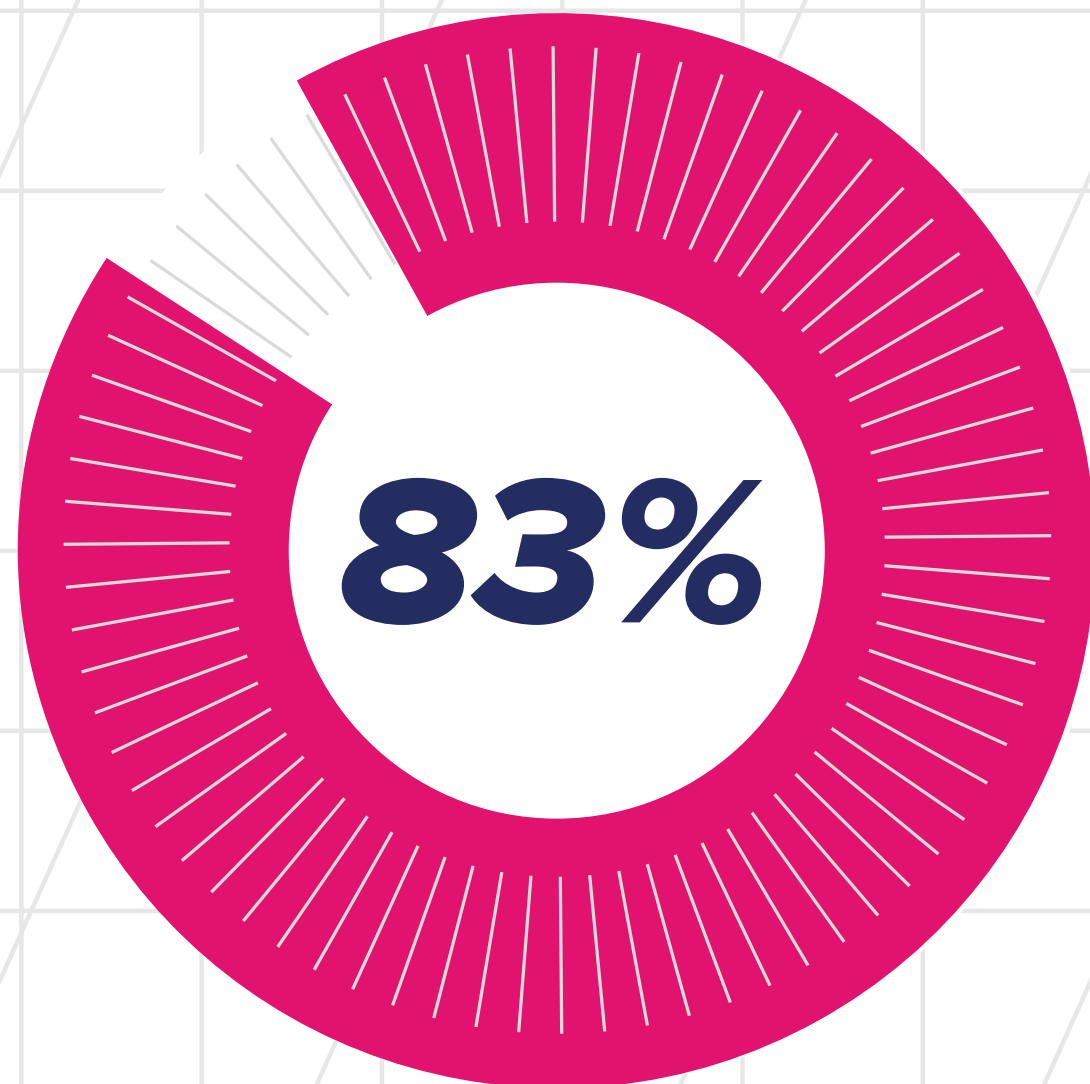
Telecom companies need to differentiate and deliver meaningful and personalized customer experiences. This can be challenging — if not impossible — with siloed data across disparate systems and ever-expanding touchpoints.

With a customer data platform (CDP) telecom companies can unify all customer data for deep, holistic views of their customers. New technologies and machine learning enable deeper insights into customer behaviors and preferences.

With Acquia CDP telecoms can:

- Reduce churn
- Improve retention and loyalty
- Increase lifetime value and profitability
- Improve customer acquisition
- Grow market share in a rapidly changing environment

Find out everything you need to know with our “Customer Data Platforms 101” eBook.



83% of marketers say that their customer data lives in unconnected silos, with data from different channels and systems stored in separate servers, clouds and databases scattered across multiple departments.

Acquia

ACQUIA.COM

ABOUT ACQUIA

Acquia is the open digital experience platform that enables organizations to build, host, analyze and communicate with their customers at scale through websites and digital applications. As the trusted open source leader, we use adaptive intelligence to produce better business outcomes for CX leaders.

