



Customer Lifecycle Management – A New Paradigm!

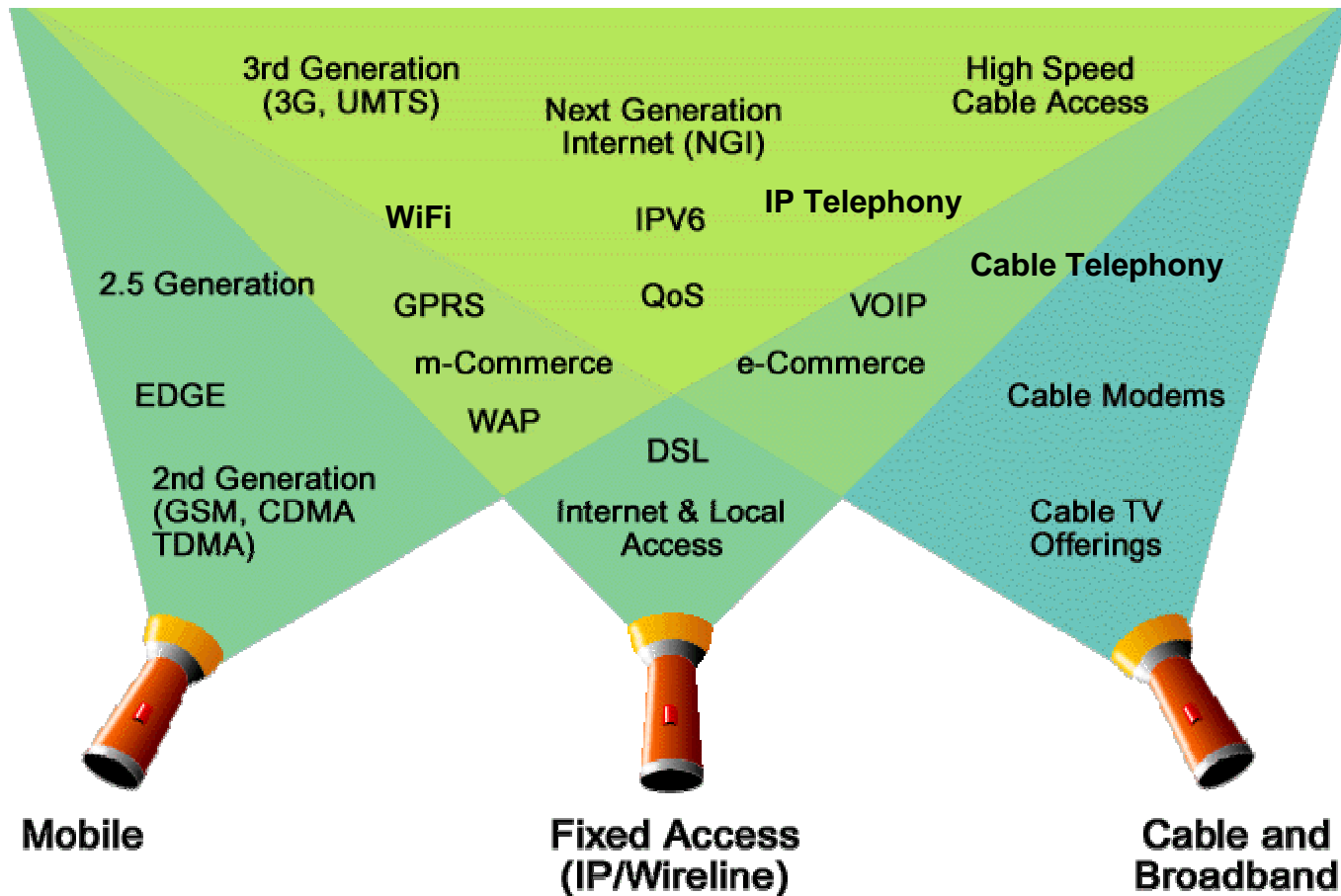
Keith Wolters
Senior Director, Convergys Corporation

Agenda



- The Need for Customer Lifecycle Management - Industry Perspectives
- Customer Lifecycle Management Overview
- Customer Lifecycle Management Core Solutions
 - Details
 - Issues : Old World Approach
 - Solutions : New World Approach
 - Critical Success Factors
- Convergys Overview

Industry Perspective Converging Media



Example of a Converged Services User

Fortune 200 Network User

- 1000+ bills / month
- 50+ locations worldwide
- 32,000+ workstations
- 48,000+ lines
- 1.5 billion minutes annual voice traffic
- 30-90 days to get service (USA)
- Up to 2 years to resolve billing disputes

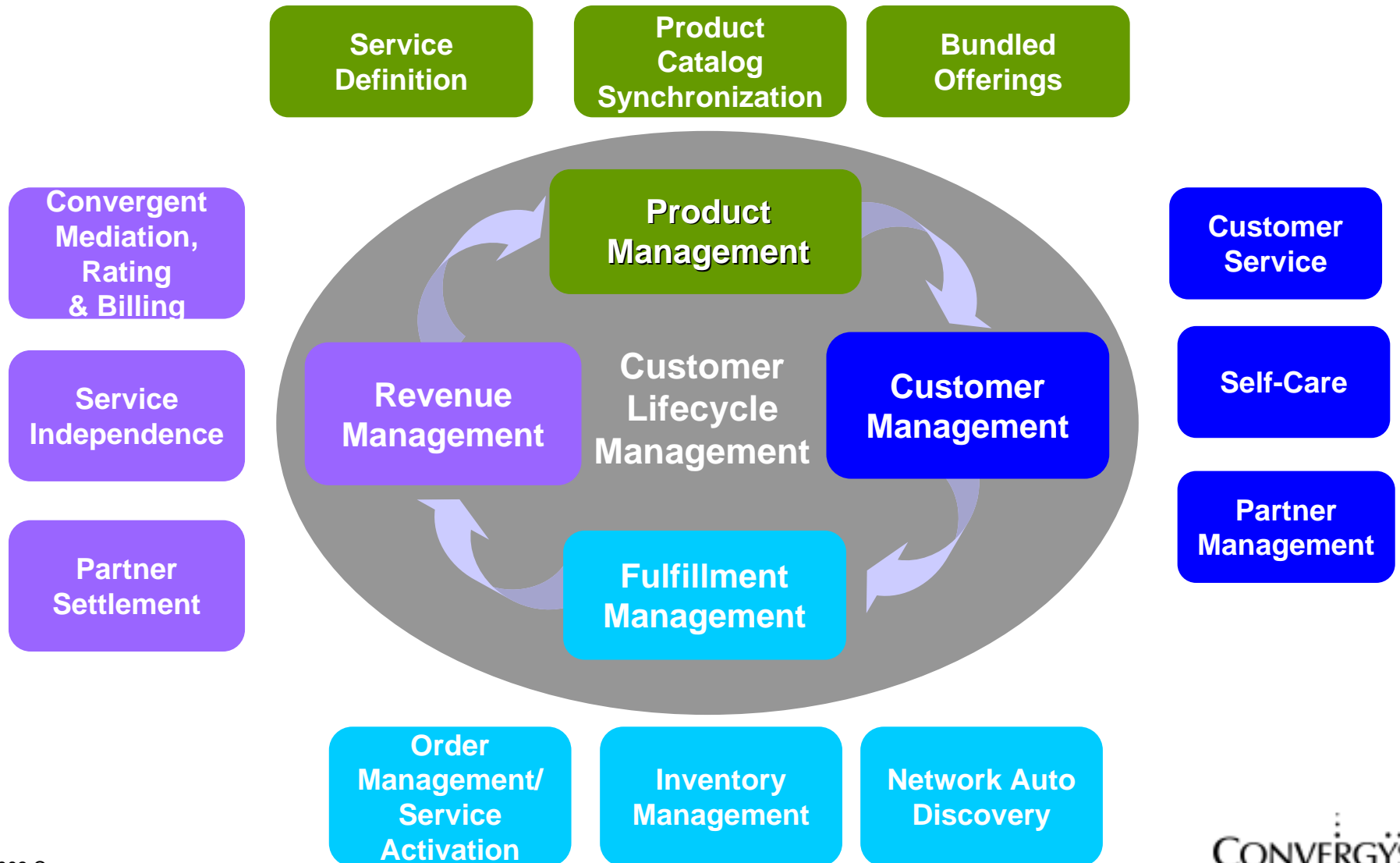
Our CTO Wants

- More reliable information on price and availability of products
- Consistent information across all interaction points with operator
- Improve service provisioning lead times
- Improve billing accuracy & proactive bill reconciliation
- Consolidate number of bills
- More hierarchical statementing

CONVERGY'S

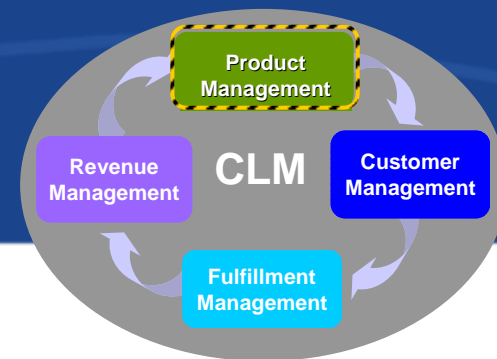
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Customer Lifecycle Management Overview



Customer Lifecycle Management

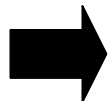
Product Management



Service Definition

Product Catalog Synchron

Bundled Offerings



- Rules driven product definition
- Pre-Configured Service Models
- Catalog data synchronization
- Logically centralized product definition
- Accurate, up-to-date view of service definitions
- Define cross-product discounting, pricing, business rules, sales messages
- Service-specific workflow definition
- Standardize business processes for product management



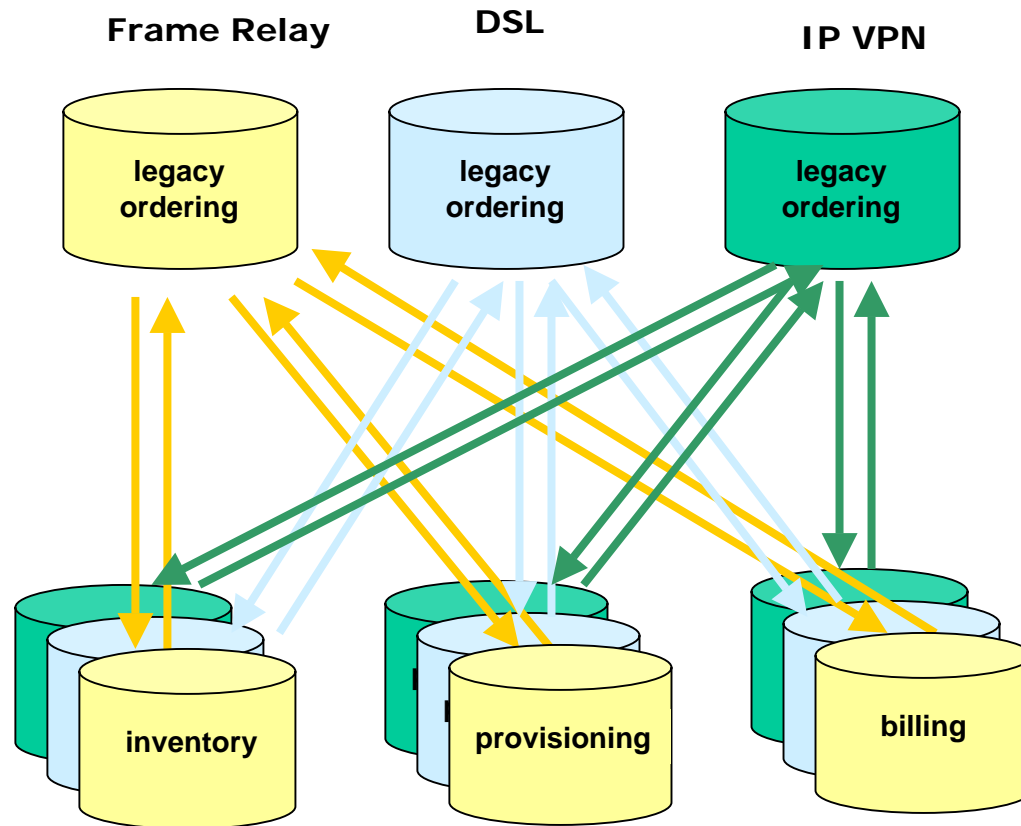
Accelerated service deployment

Integrity of Product Data

Support for Convergent Bundles

Issue : Old World Approach

Point-to-point Product Definition



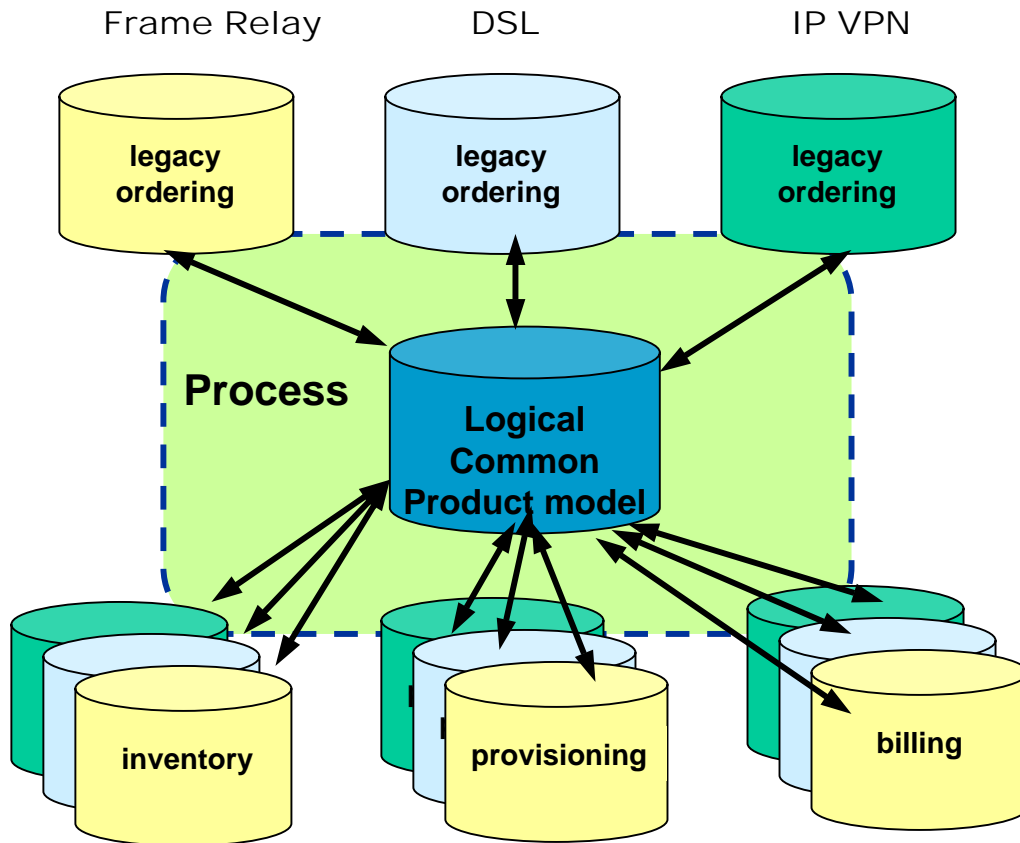
Barriers to Success

- Manual linkage between functional components
 - Slow time to market
 - Limits bundling
- Discrete product line management
- Point-to-point functional links

**High Deployment
and Maintenance
Costs**

Solution : New World Approach

Rules Driven Product Definition



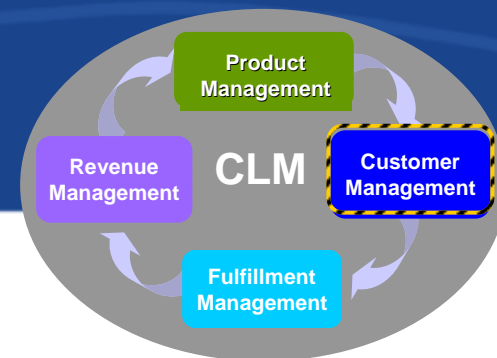
Solution Characteristics

- Common process for product definition
- Define downstream workflow
- Less costly error correction
- Promotes bundling

**Time to Market
Advantage**

Customer Lifecycle Management

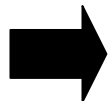
Customer Management



Customer Service

Self-Care

Partner Management



- Integrated Customer Service Applications
- Single front-end to be utilized across the entire end-to-end solution
- 24x7 web-based self-care
- Full contact center support
- Management of complex hierarchies
- Electronic bill presentment and payment
- Subscriber self provisioning
- Automated wholesale-retail trading, including upstream and downstream B2B interfaces
- Consistent care across all channels



Improved CSR Productivity

Single View Of The Customer

Improved Customer Loyalty

Issue : Old World Approach Customer Care



Barriers to Success

- Multiple: systems, interfaces, CSRs, transfers
- Long calls and transfers between agents
- No common view of customer or their complaint history
- Dependent on CSR product knowledge

**High subscriber
churn**

Solution : New World Approach **24x7 Web-Based Self Care**

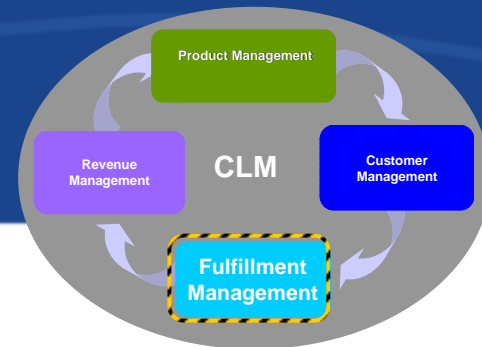
Solution Characteristics

- *Digerati* expect instant information
 - Improve satisfaction & longevity, reduced churn
- Create a Commerce center not info booth
 - Improve cross-sell
- Increase ability to test market new services quickly
 - Improve upsell
- Improve CSR productivity
 - Reduce costs

**Improve lifetime value
of subscriber**



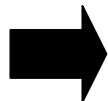
Customer Lifecycle Management Fulfillment Management



Order Management/
Service Activation

Inventory Management

Network Auto Discovery



- Elimination of manual processes
- Application of business edits during order entry
- Enforced order validation
- Collaborative order configuration
- Pre-integrated Order Management, Inventory Management and Service Activation
- Centralized workflow
- Physical and logical managed network resources
- Retrieval of physical network information directly from the managed network devices
- Reclaim unused resources



Reduced Order Fallout

Automated Quote-to-Cash Process

Shortened Provisioning Lifecycle

Issue : Old World Approach

Order Fallout

Root causes

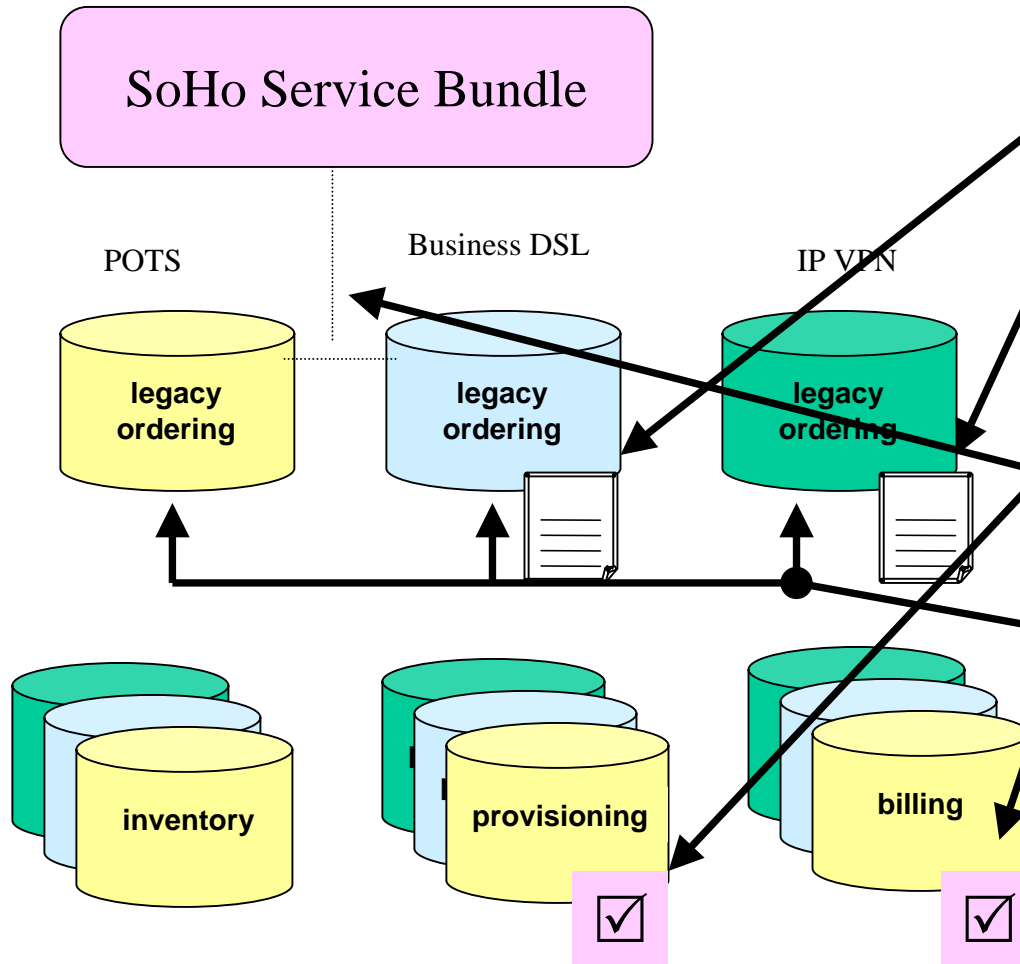
Manual & paper-based processes to manage interface gaps

Lack of validation since product rules are spread across disparate back-office systems

Duplicative data entry in multiple ordering systems

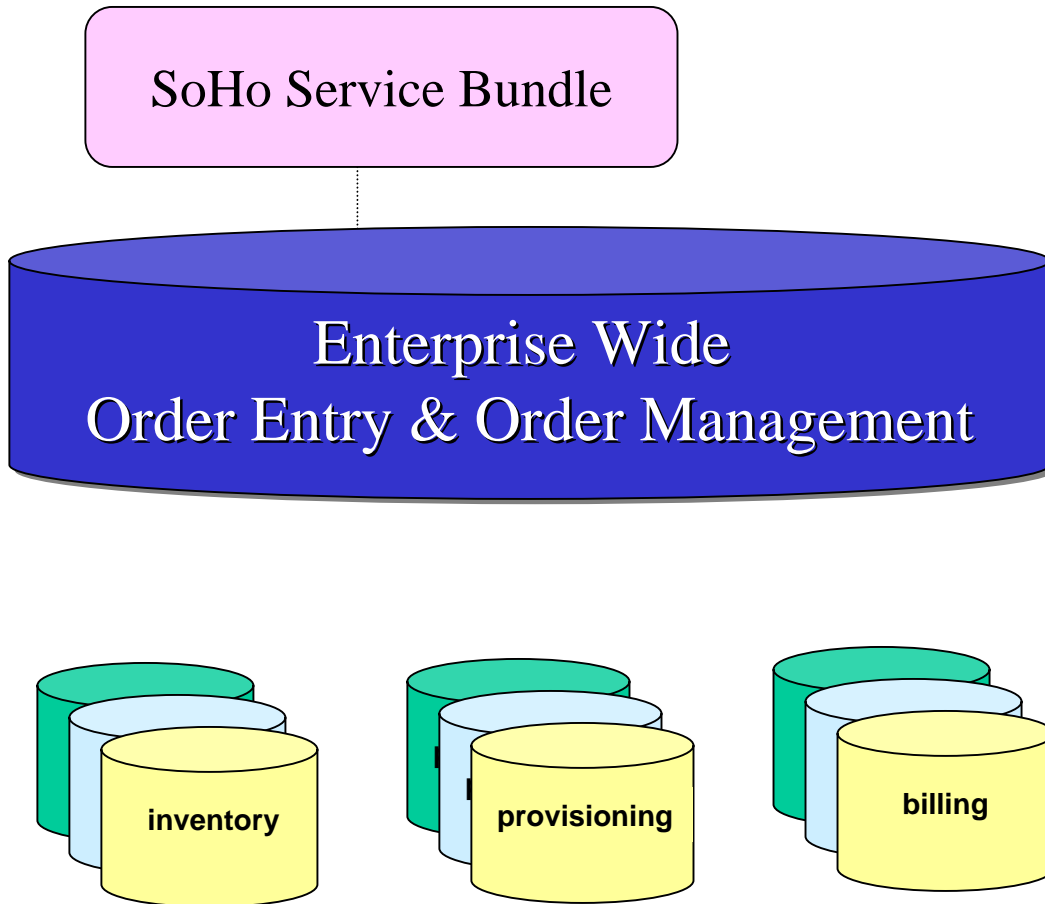
Syntax and service order omissions due to entry edits errors

Billing & provisioning out of synch



Solution : New World Approach

Automated Order Management



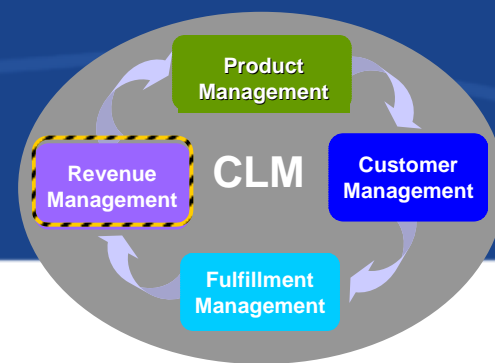
Solution Characteristics

- Eliminate manual workarounds and duplicate entry systems
- Automated order validation managed by single front-end system
- Reduced data entry
- Order entry business edits
- Fewer human touch-points
- Streamlined workflow

Reduced Quote-to-Cash cycle

Customer Lifecycle Management

Revenue Management



Convergent
Mediation,
Rating
& Billing

Service
Independence

Partner
Settlement



- Real-time event management
- Manage billing events from legacy platforms
- Discounting structures
- Payment & Invoicing Options
- Consolidation of billing across traditional and complex services
- Provisioning – Billing Synchronization
- Management of partner reconciliation statements
- Ordering and rating of any combination of services
- Integrated revenue assurance value-chain



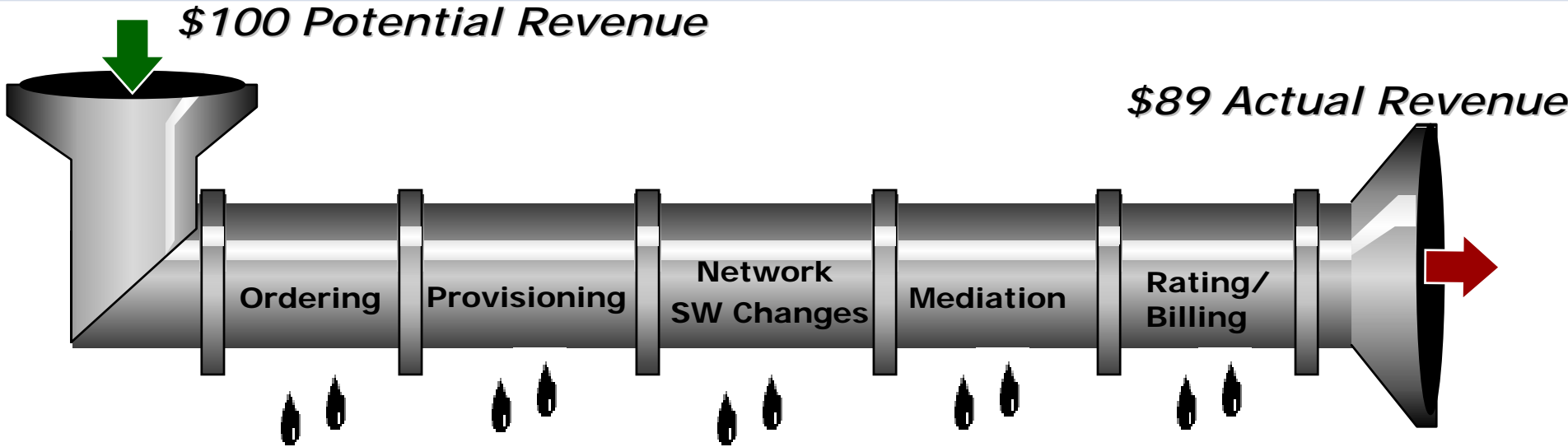
Single
Convergent
Billing
Platform

Maximized
Revenue

???

Issue : Old World Approach

Revenue Leakage



Root causes

- Order Fallout
- Lengthy provisioning cycle
- High operations costs
- Poor Network usage translation
- Disparate sources of information
- Unbilled lines and/or features
- Customer Fraud

Orders 20%; Mediation 45%; Billing 25%

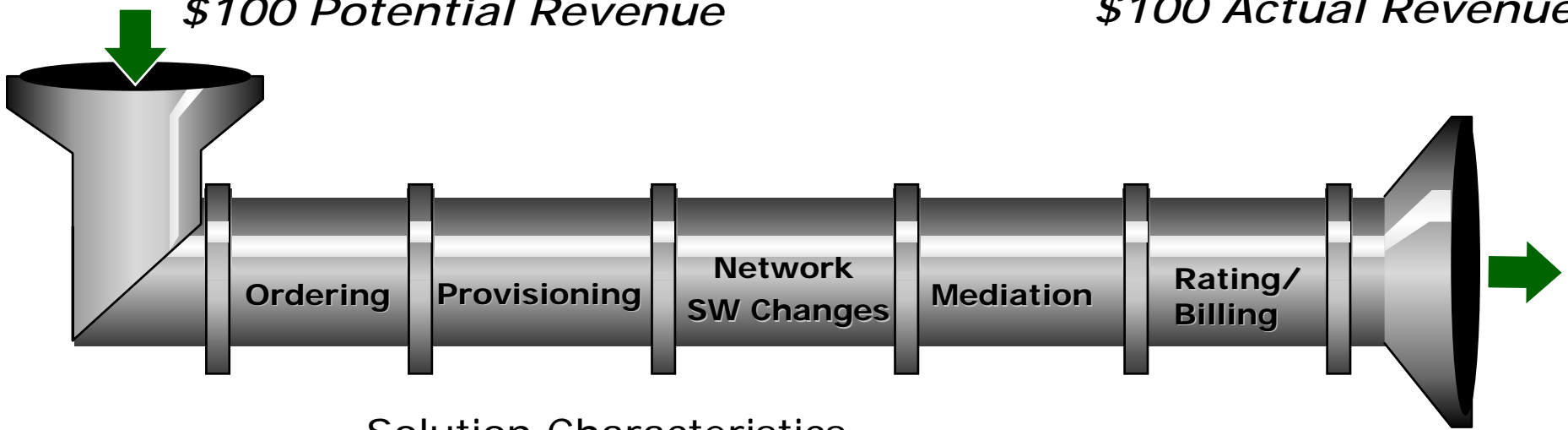
Profit margins are squeezed

Solution : New World Approach

Integrated Revenue Assurance

\$100 Potential Revenue

\$100 Actual Revenue

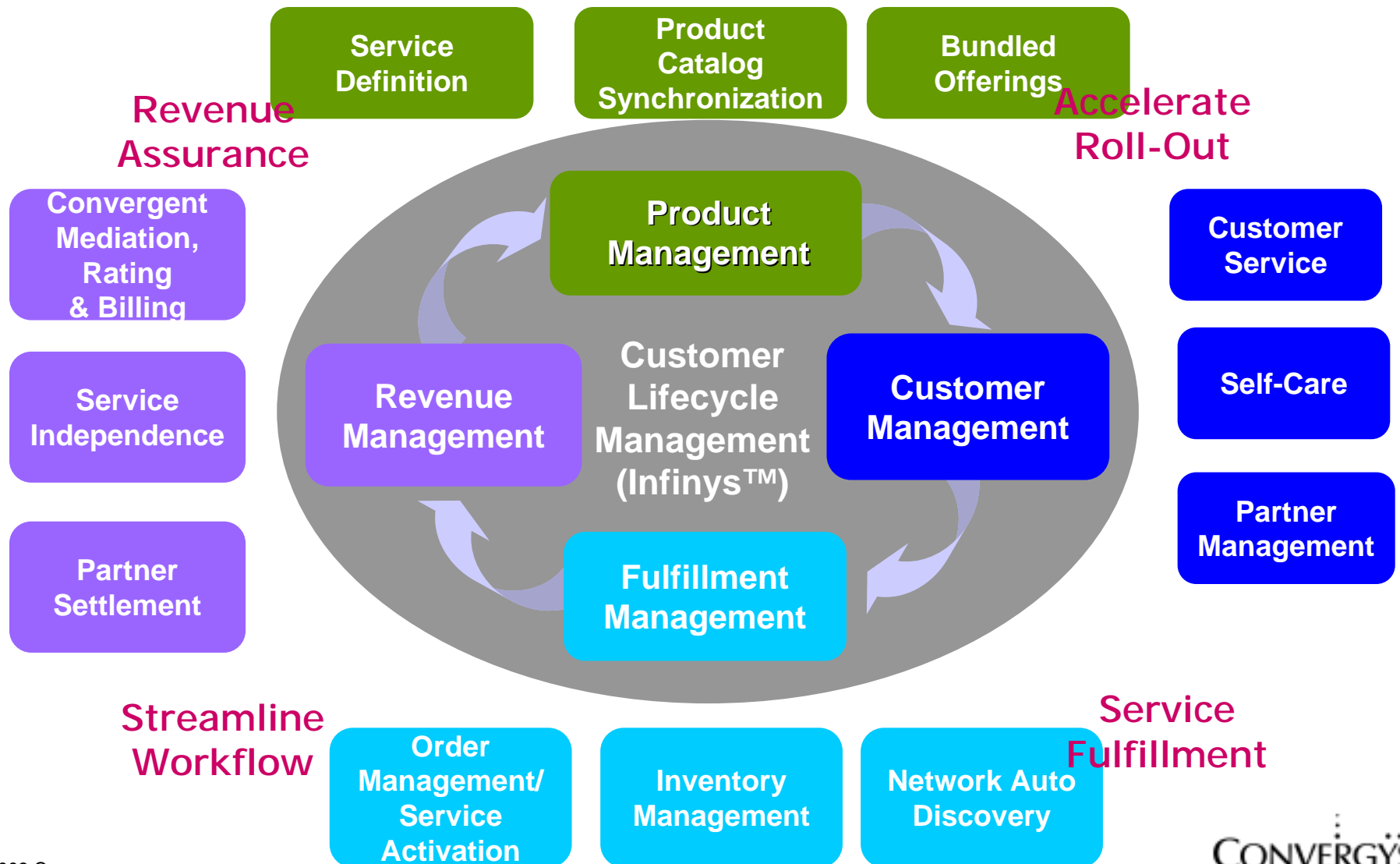


Solution Characteristics

- ✓ Order entry business edits
- ✓ Automated order validation
- ✓ Real time event management
- ✓ Automated workflow
- ✓ Convergent Billing & Rating Platform
- ✓ Cross product discounting

**Revenue
maximization**

Customer Lifecycle Management Overview



Convergys Overview

2002 Convergys Facts

\$2.3B in revenues

\$253M Operating Income

\$114M R&D investment

Customer Management Group

Providing outsourced contact center solutions to marketing intensive companies worldwide

- 46 contact centers with 25,000 workstations
- 620M customer contacts/year in 20+ languages

Information Management Group

Providing and managing billing and customer support systems across key industries worldwide

- 2 state-of-the-art data centers
- Produce over 545M bills per year
- Software supports 120M subscribers at over 100 operators, worldwide

Employee Care

Providing outsourced human resource and benefits administration services to employees

- 1000+ employee care professionals
- Handle over 5 million employee contacts annually
- Provide service to over 2 million employees



CONVERGYS

Thank You

www.convergys.com