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# Managing Integrated Customer Services in Telecommunication Company

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## Case #4:

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## Case Study

As a response to telecommunication deregulation, Indosat formed a merger with Satelindo and IM3, which had caused the combination of several complex systems supporting its different types of products. The various systems include highly customized CRM systems and other supporting systems for the registration and activation of customers' services. In addition, this merger had also caused multiple cards and voucher inventory systems causing complication in reconciliation and reporting. As the business becomes more dynamic, changes to the systems become more complex and tedious, thus causing long turn-around time during issues resolutions or new product creation. In addition, the reliability of these systems is also one of the biggest concerns within the business. As the complexity of the systems grew, the legacy systems have become unreliable, impacting the customers service level.

### How Accenture Helped

Using the Accenture Communication Solutions, based on telecommunication industry best practices, Accenture implemented an integrated customer care and cards inventory management systems that combined all the wireless products within Indosat. Accenture managed the project by working closely with the users to understand the business concerns and practices. In addition, the project was set-up with a combination of strong local resources combined skilled people from the region and skilled resources from Accenture's delivery center. As a result, the systems implemented had been stable, and had been able to provide better service level to the subscribers. In addition, the project also consolidated Indosat's products within a single system, which enabled the client to provide bundled services. Indosat in turn is able to effectively track its cards inventory and distribution, resulting in a higher accuracy of SIM cards inventory. a Leadership Statement to establish a formal definition of leadership to strengthen culture and values

***With the above adoption, how would Indosat improve its customer service level?***

## Answer

According to the case study, there are mainly three issues that were faced by Indosat as the results of its merger process:

1. Complication in reconciling and reporting of multiple cards and voucher inventory systems,
2. Long turn-around time during issue resolutions or new product creation, and
3. Unreliability of the legacy systems.

All of the above issues are caused by the complexities of various systems supporting the company, including its Customer Relationship Management (CRM) system.

On [Wikipedia](#), CRM is defined as a widely-implemented strategy for managing a company's interactions with customers, clients and sales prospects. It involves the usage of technology to organize, automate, and synchronize business processes related to marketing, sales, customer service and technical support. In highly dynamic telecommunication industry, the company's CRM system becomes essential to help the company find, attract and win new clients, retain loyal customers and reduce the costs of marketing and client service. Hence, any issues that harm the company's CRM system will disrupt the company's overall services to customers. Therefore, its customer service level will be decreased.

Customers' perception of service quality is shaped by many factors. On each of these factors, the customer makes a conscious or sub-conscious value judgement. Broadly, these can be grouped into three categories:

1. Factual experience of using the product or service,
2. Factual experience of dealing with supplier organizations, and
3. Less tangible impressions from indirect sources, such as peers.

Long turn-around time during issue resolutions will make the customers think that the company's services are unreliable. This will interfere the customer's loyalty. Moreover, the perceived unreliable services will harm the company's reputation and it can be spread among people, preventing the company to get more customers. Furthermore, the company will also lose its ability quick response its market demand for new products, because of the long turn-around time for new product creation.

In a highly dynamic market, the ability to response to customer's needs is really important. Therefore, it requires reliable and real time reporting system to support the company's decision making for its service deliveries. Complication in reconciliation and reporting of cards and voucher inventory systems will hinder the company to make such decisions. This, in turn, will make the company fall behind the competitors.

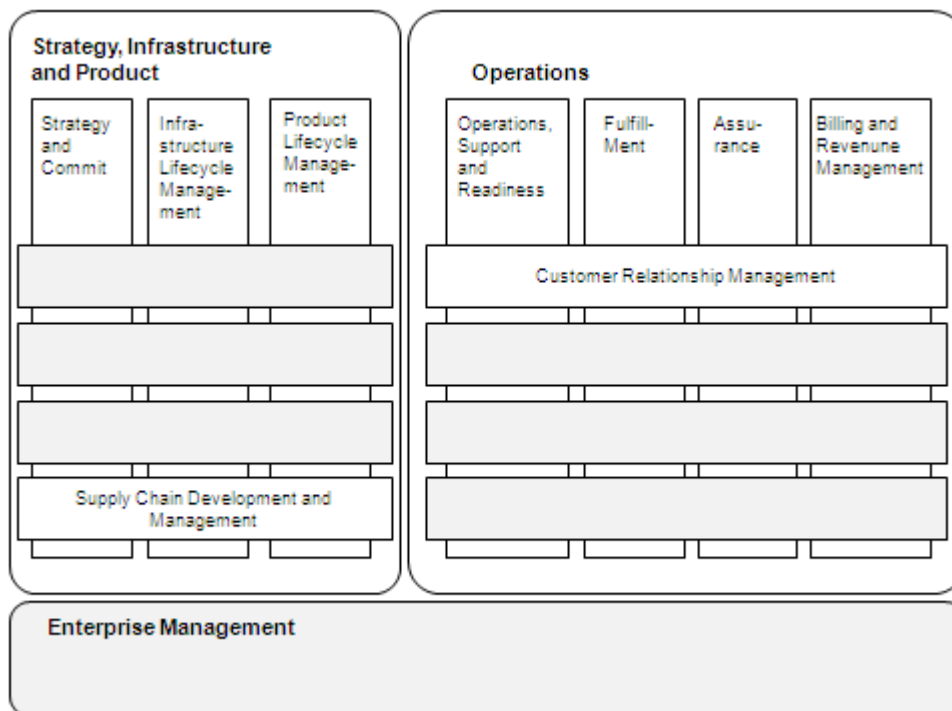
## Improving Customer Service Level

What has been done by Accenture according to the case study is as follows:

1. Implemented an integrated customer and cards and vouchers inventory management system that combined all the wireless products within Indosat,
2. Consolidated Indosat's products within a single system, which enabled the company to provide bundled services

The key point of the above solutions is integration. Accenture, together with local resources from Indosat and another consulting companies, have been successfully implemented an integrated system to manage its inventory, services and customers data, resulting in high performing service deliveries to customers.

Based on [eTOM](#) (enhanced Telecom Operations Map), a business process framework published by [TM Forum](#) that is widely used in telecommunication industry, inventory management system and customer relationship management system are placed on different process area.



A simpler adaptation from TM Forum's eTOM, which only highlights some components

Integrating customer data with inventory data can be an advantage for Indosat. For example:

- The system solves the complication issue in reconciling and reporting of multiple cards and voucher information systems that enable the company to make better and faster decisions
- Indosat can determine what type of card and voucher (e.g. GSM, CDMA) to be supplied more or less, according to the number of sales, customer preferences, customer support history or market trends
- Indosat can predict the type and numbers of cards and vouchers to be provided before the actual demand occurs, resulting in better preparation in sales and delivery
- Indosat can provide a better and more personalized customer services, especially for those related to cards and vouchers availability
- Regional customer data will make it easier for Indosat to accurately distribute cards and vouchers to each region where the company operates
- Efficiency in supply chain process and customer relation process can reduce costs and enable the company to offer better products and services with competitive prices

The second advantage comes from the usage of integrated system to consolidate all Indosat's product within a single system. This enables the company to bundled services, both for personal customers or corporates. Using integrated system, all operation processes, which include order fulfillment, billing, technical support and customer services, can be managed simultaneously for all product categories, resulting in more efficient operations. Complex combinations of product categories, available services, benefit for the company from each product, number of sales and many other informations can be extracted from the system and provide a good decision support system for management to define and execute a better strategies.

This integrated system also solves the problem faced by the company in decreasing the turn around time during issue resolutions and new product development since the system is also integrated with CRM. All issues and demands for new kind of products can be extracted from the CRM system, combined with information from operations support system, can produce a high quality report that gives the company a quick insight of what happened and what has to be done. This new system also replace the old unreliable legacy systems and make the company's operations more reliable and robust.

Quick and well prepared response, availability of customers expected and lower price products and services are what the customers want from the company. Hence, this will definitely improve the customer service level of Indosat.

## References

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