TELEFÓNICA DE ARGENTINA

SIMPLIFIES ACTIVATION AND MANAGEMENT OF COMPLEX BROADBAND SERVICES



Telefonica

Telefónica is the first and largest integrated telecommunications provider for the Spanish-Portuguese speaking world and provides local, domestic long-distance, and international fixed-line telephone services, Internet, mobile and Pay TV services to over 300 million customers in Latin America.

In 2009, Telefónica de Argentina, the Local Operation of Telefónica Group in Argentina, implemented a multi-phase Total Broadband Care and Motive Home Device Manager solutions to improve the customer experience while driving measurable operational savings.

THE CHALLENGE

Providing activation and technical support services that are responsive to customer needs while being cost effective to deliver is a key challenge faced by all telecom providers. Part of the problem is that most customers are not technologically sophisticated. Yet broadband services and the home network have become ever more complex.

Today, service providers must cope with the set up and management of a wide variety of a proliferation of customer premises equipment (CPE) such as home computers, wireless home routers, VoIP gateways, and set-top boxes., This complexity is a major impediment to fast activation of new services and why 40 percent of broadband customers experience a problem within the first year.

"Our Technical Call Center received an increasing number of calls about Internet Connectivity issues," confirms Jose Luis Caresani, Head of Broadband Services Provisioning and Management, Telefónica de Argentina. "Many of these calls

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were related to changes in the customer's PC or the CPE's configuration: problems not easily resolved by our Call Center Agents." The result was an increasing level of field support, often to resolve minor set-up issues.

"We needed a solution that would transform our whole approach to Broadband Care and drive measurable cost savings in support and service processes," says Caresani. Telefónica de Argentina called this new initiative the *Smart Speedy Project*: a CPE-vendor agnostic solution that would reduce incoming calls and the need for field support, improve the customer experience, and simplify the deployment of new broadband services.

Strategic planning for the *Smart Speedy Project* began in 2009. Specific objectives included:

- Deliver "ready to use" broadband services and make it easy to provision value-added services
- Drive measurable cost savings in support and service processes
- Ensure Telefónica would be positioned to smoothly scale to meet growing customer demand
- Improve service quality and reduce churn
- Identify and offer new value-added services in an efficient and profitable way

CHALLENGE	SOLUTION	BENEFITS
 Customers were having difficulty activating or upgrading broadband services Technical Call Center was receiving an increasing number of calls Increased level of field support(truck rolls) for minor problems Increasing OPEX due to increase in customer support services 	 Complete solution for Broadband Services Deployment and Support: Motive Self-Service Manager, Motive Customer Service Manager, and Motive Home Device Manager Automated self-help tools with a virtual assistant for activation, support and maintenance of broadband services with guided resolution of common technical problems Deliver broadband service intelligence to Help Desk personnel related to PC and CPE configuration issues 	 Incoming calls to Technical Call Center reduced by 60 percent Faster first-call resolution of customer problems by Help Desk agents Easier management of CPE such as DSL Modems, Routers, residential gateways, IP set-top boxes and other devices Reduced field support and truck rolls Faster deployment of complex services including triple-play and fixed mobile services Improved average revenue per user (ARPU) and measurable OPEX

WHY ALCATEL-LUCENT?

The foundation of the *Smart Speedy Project*, and the key to OPEX reductions, were new tools that empowered customers and Help Desk personnel alike. Specifically, the *Smart Speedy Project* required:

- Simple, easy-to-use self-service tools that would enable customers to quickly activate new broadband services and proactively solve many routine technical problems themselves, and;
- Large scale remote device management tools that would provide Call Agents with greater visibility on the entire service chain, including CPE, and accelerate time to an accurate diagnosis and problem resolution.

Telefónica de Argentina chose Alcatel-Lucent because of its ability to unconditionally meet these requirements and support a smooth, trouble-free implementation of the *Smart Speedy Project*. "We saw that Motive solutions would provide us with a view of the entire service chain: from CPE and customer PCs through the network backbone right to our service platform," says Caresani. "Our Call Center agents would be able to see all configurations and inconsistencies between different platforms or elements in the network, and rapidly correct whatever parameters were wrong," he says.

In addition, Telefónica greatly valued the consultative approach taken by the Alcatel-Lucent project team. Telefónica not only wanted Help Desk agents to resolve problems more quickly it also wanted to acquire critical CPE information to support data mining and analysis. This was part of a proactive and predictive maintenance strategy with the overriding goal of transforming customer support into a revenue generating opportunity.

"The project team had a relevant background to quickly address frequently experienced problems associated with a complex, multi-phase implementation, and could recommend the best

solutions used by other telecom providers around the world," says Caresani. For example, the Motive Self-Service Manager, a key tool used in the Telefónica solution, has the widest deployment in the industry and has been installed on over 100 million PCs around the world. "This experience and the consultative approach [by Alcatel-Lucent] gave us assurance that we would get our broadband services and support platform working quickly and meet key milestones in our *Smart Speedy Project*," acknowledges Caresani.

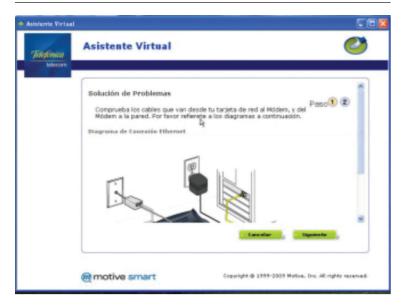
THE ALCATEL-LUCENT APPROACH

Alcatel-Lucent supported the *Smart Speedy Project* with the deployment of three integrated products: Motive Self-Service Manager, Motive Customer Service Manager, and Motive Home Device Manager. The Motive Self-Service Manager provides a virtual assistant that enable Telefónica's subscribers to activate their broadband services and resolve problems independently of Help Desk support. The Motive Home Device Manager provides the activation and key Auto Configuration Server (ACS) technology required for remote CPE management, while integrating with Telefónica's CRM to drive measurable operational improvements.

Phased implementation

The *Smart Speedy Project* was implemented in three phases and branded by Telefónica as "Asistente Virtual" to help end customers solve the typical issues related to their broadband connection. Phase 1 consisted of construction of the customer self-install kit, CPE remote management and support, and PC health check and care. Phase 2 resulted in proactive and predictive service maintenance, and service quality monitoring. Phase 3 introduced Doctor Speedy as a new value added service for complete digital home care.

Figure 1. Telefónica de Argentina's "Asistente Virtual"



Faster troubleshooting and resolution

Motive Self-Service Manager (Motive SSM) provides a two-tiered customer service experience that starts with proactive self-service. Motive SSM quickly and efficiently guides Telefónica's subscribers through a wide range of common technical issues including broadband connectivity, e-mail setup and configuration, and Web browser optimization and configuration. Many of these problems can be resolved without the subscriber ever having to call Telefónica's Help Desk for support.

Motive Customer Service Manager (Motive CSM) gives customers the option to open a chat session and escalate the support request if the problem cannot be solved with self service. This provides a seamless transition between self-service and assisted-service. At this point, Motive's SSM uses a powerful, automated data telemetry submission to send diagnostic information directly to Telefónica's Call Centre. This data gives Help Desk Agents through Motive CSM immediate insight to the customer's PC, how it is configured, and the type of broadband connection they have. They are immediately able to pick-up where the subscriber left off in their trouble shooting process and more quickly resolve the problem.

Motive Home Device Manager (Motive HDM) compliments this by supplying data from the actual gateway itself. Motive HDM allows Telefónica to remotely manage CPE, such as residential gateways, IP set-top boxes, and VoIP terminal adapters that comprise a home networking environment. Motive HDM is now being used to manage over 60 million CPEs globally. Motive HDM supports one-to-one and bulk device management including configuration, troubleshooting, firmware upgrades, event management, user management, and reporting.

Together, Motive SSM, Motive CSM, and Motive HDM give Telefónica's Help Desk Agents the critical real-time information they need to quickly troubleshoot and resolve a customer's activation or service problem.

Easy activation right out-of-the-box

The final plank in the Motive solution to supportTelefónica's *Smart Speedy Project* was an auto-installation tool that dramatically simplifies the activation of new broadband services. This capability was provided by the Motive HDM: a tool that guides subscribers step-by-step through the initial PC verification and connectivity steps, then through an online flow to complete the activation process.

Compelling benefits

During phase 1, Telefónica experienced a measurable reduction in support calls 30 days after the deployment of Motive HDM. "We had a 60 percent reduction in the incoming calls for technical support from customers using the self-installation kit powered by the Motive solution," says Caresani. Put another way, customers that used Telefónica's customer self-install kit and connected to HDM were 60 percent less likely to call-in for help versus users that did not use the kit. When Telefónica compared the universe of CPE under management to legacy (un-managed) CPEs, it found an average reduction of 22 percent in the incoming calls for both technical support and dispatched field technicians. "This means an average of 18 percent fewer truck rolls to provide field support," confirms Caresani.

VALUE ADD

The Alcatel-Lucent solution enabled a much higher percentage of Telefónica's Help Desk agents to reach an exact diagnosis and solution at the first level of Call Center support while simultaneously empowering customers with a tiered self-help strategy and an easy to use auto-installation kit for new service activation. The measurable operational and economic benefits also ensured a superior customer experience. Not only can Telefónica's subscribers resolve many common technical issues by following the step-by-step guidelines of a virtual assistant, they also spend less time on hold waiting for an available Help Desk Agent.

Perhaps the greatest value provided by Motive solutions are the "recommendations" provided by Motive SS, and MotiveCSM, and the wealth of data related to CPE from the Motive HDM. This data is driving operational improvements while providing

Telefónica with a straight line to new value added services, revenue, and higher ARPU. "We are able to discover what kinds of devices our customers are using and are getting insight to their digital life," confirms Caresani. For example, Telefónica now gets numbers on how many customers have iPods connected to their home WiFi network. "We are using this type of CPE information to develop new value added services with quick deployment; and turn customer care into a revenue-generating opportunity," says Caresani.

SUMMARY

Telefónica has not only raised the bar on customer support for broadband services in Argentina, it has introduced a new business model: one that has set the stage for identifying, developing and rapidly deploying new value-added, revenue-generating services. Moreover, the economic benefits that have been realized from deploying Motive solutions in Argentina are now being repeated in other Latin American countries. "We are using the same platform to provide a new level of 'customer care' support to broadband customers in Columbia, Brazil, Peru and Chile," confirms Caresani.

Latin American customers want easy, ready-to-use broadband services with quick installation, upgrades and fast problem resolution. That's exactly what they'll get from the Telefónica's Broadband Care Support program — now powered by Alcatel-Lucent.

For more information about Alcatel-Lucent Customer Experience Solutions, visit: www.alcatel-lucent.com/motive

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