



RETAIL RECOVERY

# Improve Telecom Digital Customer Experience

Resolutions for the telecommunications  
sector in the new normal

Telecommunication Service Providers (telecoms) around the globe are facing monumental challenges, not only in light of the COVID-19 pandemic and resulting economic fallout, but also due to a trend in sagging retail sales, down as much as 30% in some instances as consumers tighten up spending.

To make up for these retail losses, telecom companies need to look at their current business models and future plans to determine what changes can be made, or project timelines moved up, to implement new technologies and meet the customer’s rising expectations of the products and services the telecommunications industry provides.

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## Current Situation: State of the Sector

The entire world changed in March 2020. Industry and retail faced shutdowns on a massive scale due to the ongoing COVID-19 global pandemic. But the problems facing many telecommunications service providers were apparent even before the World Health Organization declared the situation a global crisis.

Telecom organizations have been feeling increased industry pressure, influenced by consumer expectations, operational complexities, and the looming transformation of the industry by 5G technology for quite some time.



Consumer expectations continue to rise; as their lives are becoming increasingly digital, consumers want their telecommunications providers to give them the fastest networks and newest devices, coupled with the lowest costs possible, now. Add to that the higher standard and speed of customer service and frontline support that consumers are demanding, telecoms have a lot of variables to contend with to hold on to their customer base.

The volume of available products provided by telecommunication service providers, from wireline and wireless in the business and consumer sectors, is at an all-time high. Telecoms are tasked with bundling the most up-to-date services and products together in value-added plans and getting those offerings to market in an increasingly technical digital delivery system.

Competitive and regulatory pressures are also contributing to the operational complexities that providers are having to meet head-on to keep up with the pace of transformation.

Digital transformation has been a part of the future landscape for telecommunications for the last few years, and now, with the global rollout of 5G networks on the cusp of completion, the massive opportunities for growth and consumer adoption are beginning to bear fruit. But, for telecom companies looking to succeed, thrive, and grow in the new opportunities offered with the fifth generation technology standard for cellular networks, new business models will be needed. Automation, artificial intelligence, and speed-to-market for new digital solutions will need to be the cornerstones of any new initiatives that organizations look at to maintain or gain market share.

Lasting digital solutions are the way forward for telecoms as they face the reality that retail revenue may never return to pre-COVID levels. Strategy and solutions based on quick wins and stop-gap responses will not be enough to keep communication service providers from losing the competitive edge in retail. The bottom line is that consumers are changing purchasing habits and the telecommunications industry needs to evolve with those changing trends and remain responsive to the new buyer's journey.

## Impact on the Telecommunications Industry

According to a recent Webwire article<sup>1</sup>, backed by an August 2020 study by The Harris Poll, the desire by consumers for contactless shopping experiences is as high as 72%, with more than one-third of the Americans polled being satisfied with never making real purchases in-store again. Seven in ten of those same polled Americans would prefer a zero human contact experience.

These kinds of statistics are sending very clear signals to telecommunication service providers that the current retail model is not going to work into the foreseeable future and new business strategies will need to be implemented in order to curb the recent retail losses.

<sup>1</sup>[New Retail Consumer Behavior Poll Shows 70% of Americans Would Prefer Human-Free, Contactless Shopping](#)

## Important to note

With retail revenue down as much as 30%, telecoms are going to have to focus on customer retention over customer acquisition to maintain market share. Organizations that can provide greater perceived value and superior customer experiences to the consumer will be able to minimize churn rates and maintain flat or slightly increased revenue.

## Resolutions for the Path Forward

Acro Media has compiled observations and suggestions that telecommunications service providers should consider as they move forward through this pandemic and how they should best focus their energies to recover from the recent retail losses.

### Focus on product bundling and value-add product pairings

Many telecom organizations currently offer bundling in their product offerings, and it has proven to be an effective strategy with as many as 63% of consumer respondents to an [Omdia article](#) having purchased a bundle of two or more services. Multi-play packages are helping telecoms reduce churn rates and maximize customer lifetime value, while customers are open to bundling as a form of cost savings on the products and services they need for everyday life.

Currently, most telecommunications providers have multiple legacy-style bundles, including internet broadband, fixed-voice, paid TV, and wireless phone options bundled into one-play, two-play, or multi-play options. As consumer demands change, the challenge for communication providers will be to amend legacy bundle options, for example, the traditional grouping broadband internet with paid TV and fixed-voice in one



subscription, to include the non-traditional options that the next generation of consumers is looking for.

Non-traditional bundles, such as pairing fixed broadband with a smartphone and wireless offering, will become crucial to maintaining customer loyalty as we see many households moving away from traditional fixed-voice and paid TV offerings. If telecommunication providers can amend their traditional bundle offerings to include internet broadband service with better value wireless packages, they may see increased revenue in these new types of bundles.

With the rise of streaming services such as Netflix and Amazon Prime Video, telecom providers would also do well to create partnerships with these streaming video on demand (SVOD) providers and offer those value-added partnerships in bundles for their clients. In doing so, customers will view the telecom as forward-thinking, and having the client's needs in mind in terms of what content they are consuming.

Other areas that telecommunication service providers may consider adding to their offerings portfolio are partnerships with companies that manufacture wifi connected home security systems and Internet of Things (IoT) devices that connect wirelessly to a network and have the ability to transmit data. For example, by partnering with a company that offers connected devices like smart appliances, or smart thermostats, and creating a bundle where the customer gets a discount on the product purchase as well as a specialized home internet package that the IoT devices would use to send and receive data. Forward-thinking bundling and partnerships could pave the way for substantial growth in revenue if done correctly and offered to the right customer at the right time.

**Key areas to address in bundle offers to win-back customer revenue:**

- ▶ Ensure that marketing messaging is strong enough that the consumer knows that the bundle they are looking at accepting will meet their needs
- ▶ Offer significant enough discounts on bundled products and services to be more compelling than purchasing the components individually
- ▶ Make the purchase journey of buying a bundle simple and clear to understand for both consumers and sales teams, in both B2C and B2B channels

As more and more providers offer varied bundling strategies, less and less differentiation will be possible, so telecom providers will have to continue to evolve overall bundling strategies to stay relevant and avoid high churn rates as consumers move to better, more dynamic offerings in the sector.

## Develop strong AI and automation technology

Developing strong artificial intelligence (AI) and automation technology will also be another way that telecom organizations can improve customer experience across all business segments. By bringing data from all channels together, providers can improve communication, not only with their customer base but internally as well. Siloed departments such as network operations or customer care are not generally seen as affecting each other, but by bringing the data from those areas into a single view, communication service providers can analyze the data from those silos and generate specific, granular insights that can improve customer experience.

*“Telecoms have invested heavily in data infrastructure to collect and store information from across their businesses and this data cuts across the entire operational landscape. They have network data, device data, usage data, billing data and customer data from which to generate highly granular insights.”* - excerpt from [Connecting the dots: automating customer and network workflows to deliver better experiences](#) and greater productivity published by [ServiceNow](#) & [Mobile World Live](#)

The ultimate goal of developing AI and automation technology is to process and utilize the vast amounts of data being generated by all business aspects within the organization to deliver the intuitive experience that customers are looking for.

### Examples of how AI and automation could best be used:

- ▶ **Ecommerce personalization:** AI could identify customer “needs” based on purchase data and compare it to purchase by other customers to suggest complementary products and services. Ex: the last 1,000 people that bought X, also bought Y, so have that product offered as a suggested product to the consumer through ecommerce and advertising channels.

- ▶ **Proactively problem-solving:** in another use case, automation and AI technologies can be combined with speed to identify network congestion and automatically address the issue before it starts to affect the user experience.
- ▶ **Create more intuitive customer support features:** creating new tools and automation that can help users solve their problems through AI chatbots without human intervention, making problem resolution quick and painless.

## Prioritizing 5G offerings

Boasting lightning-fast connection speed, lower latency, and the ability to connect one million devices per square kilometer, the fifth generation of wireless technology offers the promise of changing the way that consumers and enterprise businesses will use the internet.



*"5G is the next iteration of the wireless network for connected devices, that goes beyond phones and computers, to drones, vehicles, smart-home devices, and other internet-enabled devices." - Telus International, [Five Ways 5G Will Impact the Customer Experience](#)*

Consumers and businesses alike have big expectations about the benefits they will reap from telecom providers in the 5G era: speed, reliability, increased coverage, unlimited mobile data, seamless mobile transactions, and overall, better value for what they are getting. Not only will companies have to roll out and build their 5G networks with speed, but they will also have

to ensure that the coverage and speed they are promising in their marketing meets what the networks can produce in reality.

Piggybacking new 5G assets on the current 4G and LTE network provides a quick-to-market strategy that will only work for so long, so telecommunications providers will need to move up implementation and improvements to existing tower sites and infrastructure to meet the rising demand and heightened consumer expectations of the new technology over the coming months, rather than years.

Telecommunication service providers that can provide a complete, reliable, and functional 5G experience earlier than others will reap the rewards in terms of customer satisfaction, increased customer loyalty, and a foreseeable low churn rate, as long as the 5G product offerings are consistent and of good value.

## Focus on a robust/diversified product portfolio

Along with 5G product offerings, telecommunications providers also need to make sure that customers know **all** the options that communications providers have available to them.

Many providers offer multiple products and services but choose to focus marketing on a select few. By positioning themselves as a one-stop-shop for wireless, voice and data, internet access, multimedia, international travel, and IoT network access services, telecoms become much more valuable to consumers. The convenience of getting all of the resources they need to power their daily tech from a single vendor is a big draw.

Getting home phone service, paid TV subscriptions, and mobile phone service through separate providers is not only inconvenient but in most cases, tends to cost the user more money in the long run. By offering a robust and diversified multi-play product portfolio, telecom companies will be able to capitalize on the consumer's need to get everything at once, at one price.

By focusing on a wider range of offerings, telecommunication service providers will become more attractive to consumers as they start viewing the telecom as the single provider for all of their digital and internet needs. A key thing to keep in mind when building these product offerings is that consumers can be fickle. If there is another provider out there that can give users all the services and products they need in one go, they will not hesitate to drop a current

provider to go to one with a newer, up to date product offering.

## Simplify the experience for new customer activations

On the topic of customers changing providers, we offer one last resolution for telecommunications service providers. **Make new customer activations as simple as possible.**

New account sign-ups online should be easy to navigate and straight forward, leaving no doubts or concerns for the user about what they are getting at what price. Straight-forward contracts and clear pricing instill confidence in the buyer's decision making, leaving them with a better post-purchase satisfaction rate. Think of this as the beginning of a relationship; overcomplicate things and burden the customer, and they will quickly jump ship and return to where they feel valued.



Part of making new activations simpler will mean that telecommunication providers will need to take a look at their current customer service technology and find areas where improvements can be made, making it easy for customers and agents to resolve inquiries. The customer experience from a problem resolution standpoint can be a make-it-or-break-it situation. A dissatisfied customer will change providers if their problems are not heard and resolved within an acceptable amount of time or steps. But, a customer who finds the process of getting through the onboarding with a new provider simple and painless will be eager to recommend that telecom to friends and family.

With the new technology that is on the horizon, or in use already, telecom providers can create seamless transaction journeys for the customer, both online and in-person, although in the post-COVID world, it is already being surmised that customer buying trends will continue to gravitate to ecommerce and human-less interactions.

# Conclusion: New Technology and Superior Customer Experience

Many telecommunications service providers in the midst of this pandemic are trying to find a way out of the economic hardships it has wrought. The only way to come out on the other side of this downturn and change in consumer behavior is through hard-hitting analysis. Now is the time to take a critical look at current business strategies and evaluate how those strategies can best be altered to recover from the retail losses that the sector has been hit with.

Prioritizing 5G infrastructure upgrades to meet the high expectations in terms of coverage, speed, and reliability as well as creating unique, non-traditional, value-driven bundles that include 5G offerings will be a crucial strategy for telecoms in the short term. Delaying upgrades and 5G offerings will see churn rates rise and see a drop in new customer acquisitions as the new technology is offered by the competition.

If a company is not able to immediately offer the newest generation of telecommunications technology, the primary focus should then turn to keeping the existing client base. This can be done by creating new and improved bundling offers that give better value and building new AI and automation systems that improve customer service through intuitive problem resolution.

At the end of the day, consumers want the newest tech at the best price and to feel like they are getting the best value and service for their spending. By focusing on the client's desires and working to keep existing clients happy, telecommunication service providers should be able to stem the losses and see slim growth on the other side of this pandemic.

## About Acro Media

Acro Media is a digital commerce consulting company specializing in open-source architecture, developing tailored solutions for effective operations and scalable growth for the Telecommunications sector. Our solutions have empowered Communication Service Providers such as TELUS, Koodo, NorthwesTel, and more for 10+ years. We continuously support those partners with an Agile integration framework that allows increased speed-to-market, resulting in improved profit margins, sales volumes and overall market share. Find out more about our custom success framework and Telco partnerships at <https://www.acromedia.com/csp-partnerships-future-of-telecommunications>