

Pipeline

Knowledge Is Power

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Keep the Customer or Lose... Everything

by Tim Young

How do you do it? After spending dollar upon dollar on advertising and promotions and freebies for new customers and network buildout and everything else involved in providing service, you've finally secured your customers. Now how do you hold onto them? How do you keep them in your company's fold, rather than losing them to that feared beast: Churn.

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 **NETSCOUT.**

As we explored in the [October, 2006 issue of Pipeline](#), customer care can be the differentiator between a successful SP and an also-ran, and can also be the deciding factor in the battle between cablecos and telcos for market share. In the 2006 JD Power rankings for residential telephone service, cable companies took the top spot in 5 out of 6 regions in the US. Furthermore, in almost every one of those regions, the cable companies taking top spots also had higher customer service ratings than their telco competition. Add to that the ever-increasing voice quality and reliability of VoIP and you have the root of the pain that many telcos have felt and are feeling these days.

So how can the user experience be improved? The first is by improving the overall level of quality. How can SPs make their services solid and reliable from day one? Joe Frost of JacobsRimell draws a parallel that rings true. "When you check into a hotel, the moment you open the door you think 'What a dump!' or 'Brilliant! Lovely room.'" The same really applies to those to whom you bring service." Indeed, from the moment that subscribers make a call or order an on-demand video, the service is on trial. Even if there are cost savings, cost is never the single determining factor in customer satisfaction. If it was, BMW could pack up shop and be sold for scrap, because we'd all be driving Hyundais.

Therefore, step one is managing QoS. Maintain voice quality, avoid lag and packet loss, and ensure clean calls and pictures. "Easy for you to say!" the cries no doubt

ring out. Ultimately, however, if you can't maintain a satisfactory level of QoS, the customer will go find someone else who can. Furthermore, if you've managed to upset a customer along the way, they may even change to an SP that isn't even vastly superior in quality just because they don't want to receive service from you any longer. Never underestimate the power of the vindictive customer. In the age of user-generated content where blogs and YouTube are ubiquitous and often well-trafficked, an angry enough customer tends to become a very real problem.

So how else can you meet customer needs? Another step is figuring out who the customer is. A situation that is relatively overlooked in classic telecom arrangements is the setup of multiple subscribers or users all under one roof with a single bill payer. "Traditionally, most telcos treat their customers as a street address or a phone number," says Frost. "It's just a fact of life of the operational systems that were in place at the time." However, with so many more services and the increasing percentage of households that have multiple services for the multiple users, that isn't the reality of many situations. "If you take my household as an example," Frost continues, "I'm the bill-payer, so British Telecom thinks of me as the subscriber. In fact, there are four people here who have access to or subscribe to at least four services each, but they're all configured as if the subscriber was me, because that's the way the systems have evolved."



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The problem here, according to Frost, is that each user is going to have enormously different needs and priorities. In a household with parents who occasionally work from home and kids of various ages, applications may range from simple data services like email and web browsing, to bandwidth suckers like streaming video and online gaming, to business-related VoIP calls in which voice quality is essential. Ultimately, this should have an impact on how the SP fulfills the services at hand. Though all of the services are being used by the 'subscriber', not all are created equally or as importantly.

Therefore, the aspect of prioritizing and categorizing services is extremely important, can maximize available bandwidth, and generally increase overall customer satisfaction.

Also, happy customers are customers who feel as if they have access. They want to be able to handle problems, pay for and change services, and otherwise interact with the SP with as little hassle as possible.

Under this banner, there is the customer-pleasing aspect of self-service. Many customers opt not to be bothered by dealing with SPs any more than they absolutely have to, and want to be able to pay bills, add and remove services, add and remove users, and perform other activities on their own. Take eTicket kiosks. They have helped to bust lines and increase efficiency at airports and other ticketed venues around the world, and now companies like CSG are putting in kiosks for telco and cable at payment centers around the country. The kiosks function much like those in the airports, and serve to bust lines and create a way for customers who insist on coming into payment centers (of which there are a surprising many, considering all of the other options available) a way to pay with cash, credit, or check onsite, and receive immediate payment confirmation.

Sometimes, however, there simply is no easy substitute for personal service. Do what makes sense. Analyze costs. Make cuts. Ultimately, however, keep in mind that a local, live voice is the ultimate in customer service for many. Abandoned calls and long wait times do nothing to reduce churn. Having to constantly repeat information frustrates customers. What good is cost savings if customers abandon ship in favor of a more customer friendly option?

There are many aspects to customer satisfaction, and it's not a simple formula for success. However, if QoS, customization and prioritization, and access are handled with care and diligence, customers have no choice but to be pleased.

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