

How CSPs Serve Up IPTV

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In the 1970s Burger King launched its memorable “Have it Your Way” campaign. Since then companies have based their growth strategies on the same idea – target the right customers with the right products at the right time. In today’s converging market, simply delivering new services is not enough. Providers must seamlessly integrate IP services and offer consumers what they want – a fully integrated bundle of services tailored to meet their needs. To successfully deliver the multi-play, service providers must adopt an integrated customer management approach with the ultimate goal of creating an intentional customer experience that forges stronger, more profitable customer relationships.

The Race for the Multi-Play

In response to growing competitive pressures, many providers have deployed bundling strategies. The hope is that by bundling services together, consumers will perceive greater value resulting in decreased churn and increased customer lifetime value. Despite their committed efforts, traditional American wireline service providers are finding themselves behind in the race for the triple-play. In order to counter cable’s ‘triple-threat’, service providers must differentiate their offerings. Traditionally, the telecom bundle included fixed voice, wireless, and broadband services. Recognizing the gap, many providers are now looking to IP services to evolve their bundle and deliver a more compelling offering that will take them into the multi-play environment. The winners of this race are those that are prepared to take advantage of the opportunities created by their IP deployments. These include opportunities such as fixed-mobile convergence where a mobile call can be continued from a subscriber’s mobile phone to the fixed line in the home office, and feature interaction between networks including the ability to display an IPTV EPG on a mobile phone and set recording times for TV programs using the same mobile device.

Will IP be Enough?

Despite the promise of more innovative video services, the nagging question is whether or not simply adding IP services to the telecom bundle will be enough to gain competitive advantage and satisfy the growing expectations of consumers. To answer this question, bundling must be created using the views from a customer’s perspective.

Although bundled services are perceived to deliver greater value, it is not enough to simply be able to put all services on one bill or even to achieve rapid time-to-market for new IP services within an existing bundle. For a bundling strategy to work and successfully deliver a multi-play, a service provider must be able to create the intentional customer experience. This means that the customer experience becomes the driver of all operations and business decisions. Creating an intentional customer experience requires a fundamentally different business approach – an integrated customer management approach. This is a way of doing business in which all corporate resources are agile and aligned to deliver an intentional customer experience. To achieve an integrated customer management approach implies a move away from the ‘stovepiped,’ legacy systems, organizational structures, and business processes that characterize most service providers. This old concept of network-centricity applied to the new needs of convergence means that the customer experience across services, functional departments and interaction channels is a by-product of, rather than the focus of, the business. In order to achieve integrated customer management, service providers must place the customer at the center of their businesses.

Unlocking the Potential of the IP Platform and Delivering a Differentiated and Intentional Customer Experience

By adopting an integrated customer management approach, a service provider's resources are aligned around the customer, providing visibility across all services supported by the IP platform and insight into how and when customers use their services as well as their personal preferences. This creates unlimited opportunities to leverage the customer experience to maximize value for both the service provider and the customer, particularly in the areas of personalization, self care and content management.

Subscribers place a lot of weight on personalized content that is tailored to their specific needs and preferences. Having a complete view of a customer across all services and devices allows for a much greater level of personalization and the ability to create a differentiated and intentional user experience. For example, providing a sports fan the ability to access real-time updates of his favorite football players while watching a match on TV, and viewing everything on the same screen. Or a customer watching a cooking program receives on-screen links to web pages featuring related content and program scheduling notices. How a customer pays for services and goods purchased through their IPTV service can also be personalized. For example, providing a customer with an advice of charge for a transaction that reflects any bundling or promotional offers that apply specifically to that individual and the services he subscribes to. Likewise, a service provider can also provide multiple options for customers to pay for goods and services that meet their individual preferences; this includes the options to charge a transaction to their credit card or monthly bill using their TV remote control.

By adopting an integrated customer management approach, a service provider is able to leverage the full benefits of self care as a strategic interaction channel. With an integrated customer management approach the provider is able to provide a single, personalized user interface that can be replicated across multiple devices, interaction channels and applications. Such robust self care functionality is critical to the success of the multi-play strategy where the expectation of the customer will be to have anytime, anywhere access. For example a customer who subscribes to an IPTV bundle will expect to be able to use the self care functionality of his mobile phone to order a pay per view TV program and set the program to be recorded while he is at work so that he can view it at a later time that is more convenient for him. When using his mobile phone to order this service he wants to access all of his account and IPTV service information and have complete visibility of the order process and receive confirmation that the order was successfully placed and billed correctly. This customer will expect his user interface, profile and experience to be exactly the same regardless if he placed the order through his TV, PC, or mobile phone. Similarly, he expects that if he had a problem with the order or the billing of the program, when he contacts customer service the service representative would have complete visibility of his profile and provide consistent support across all touch points. Providing customers with the ability to self manage all aspects of their accounts, not only empowers the customer but also helps the service provider to significantly lower support and call center costs.

The Newest Customer Demand: Content

Content is the latest standard of service by which customers evaluate service providers. In the multi-play environment customers want an unlimited choice of content. As a result, service providers must take on the role of a retail content and entertainment super store where customers can browse, discover and buy any content service they chose on demand. Service providers must rapidly roll-out new content and services (much of it from third-parties) at a dramatically lower cost than they can today. To do so, involves automating the complex tasks of delivering content services and managing complex business models with any number of partners. To proactively deliver high value content and a differentiated customer experience, also requires understanding what content consumers are using, how and when. Such insight can only be achieved through an integrated customer management approach.

To remain competitive and meet growing consumer expectations, service must be able to support the multiplay. Of course, it is not enough to bundle IP services and other digital content services together and present a common bill. To achieve market leadership, requires service providers must undergo a

significant business transformation from network-focused business models to agile, customer-centric business models that facilitate a supermarket of digital, multimedia services and an intentional customer experience at all touch points – true integrated customer management. Only by taking this new approach to their business, can U.S. service providers ensure that their customers can have it their way!

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