



# Effective real-time data-driven marketing activation for telcos

How to mobilize  
on customers' individual  
needs with  
1:1 relationships





## A trusted advisor

A lot of interactions we have today are with machines. Indeed, we like to interact with machines because they're convenient, fast, and always available. On the other hand, such interactions feel very impersonal. We are alone and must choose and decide. We must take the initiative and –if something fails, if we make the wrong choice – we are on our own. The human is in charge, but she must be able to interact with and make decisions for the machine.

What we would like instead is to have a friendly and trusted advisor. Somebody available when we have a question or a new need. He can make recommendations among different choices because he knows us. He understands our history, family, and usage. He is also proactive, contacts us, and proposes new things. He suggests a good roaming option for our holiday trip abroad. He knows when we have difficulties in using a service and comes to help.

This is the type of personalized service affluent consumers use to manage their financial assets, and the very affluent

can access to manage their lives. Unfortunately, this level of individual service does not scale – telecom operators can provide such service only via expensive concierge plans. That means it's not available for the great majority of us, who are left with mass-market type interactions.

Telecom operators started as public utilities, with very basic services (a phone line, a telephone), with no plans, options, or choice of device. No need for marketing or promotions. Then, with liberalization and variety, came mass-market marketing. Segmentation and Data analytics did improve marketing campaigns, but it still meant reaching out to a person as part of a segment or category.

With call centers and shops, we can still talk to humans. But operators see hundreds of clients per week, and do not know the intricacies of a customer's life. We cannot expect them to be proactive with us. Usually, they rotate so fast that it is challenging to train them on the subtleties of offers, tariffs, options, device compatibilities, and other parts of the job.



## A new generation of tools for 1:1 relationships

A new generation of tools has been made available in the past five years. Data has always existed in large volumes at telecom operators, but thanks to the maturing of cloud platforms it can now be collected, assembled, and made available more easily, with higher agility and efficiency.<sup>1</sup>

AI technologies have matured as well, from the lab to the first prototypes and trials, where they have proven their value, and now in production, where they can reliably deliver insights at every instant. Here again, Cloud platforms provide effective tools, enabling teams to concentrate on delivering business value with minimal investment in technology.

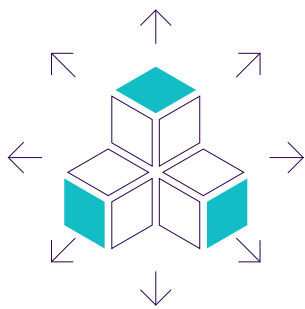
Finally, we now have technologies to make decisions and interact with customers in real-time. Millions of interactions can be triggered every day based on billions of events processed in real-time, on vast volumes of historical data, on business rules and on AI models.

1. [The cloud imperative for telcos' data analytics, Capgemini, 2021](#)

# Realizing the true customer potential with AI-based interactions

A major US-based broadband operator was facing a key challenge in realizing true customer potential, with an urgent need to reduce churn and improve loyalty and stickiness. Most contact was based on manual decision and interaction; agents used to manually pick up campaigns and call customers. Offers and bundles were chosen in shops based on the expertise of the sales agent.

The CMO decided to start an initiative to provide next-generation interaction decisioning, empowering marketing and sales to present the best-fit offers and actions to customers based on their demographics, purchasing behaviors, interaction history, and service usage.



## Transformation

Partnering with Capgemini, our client implemented a significant transformation in the suggestion of offers and actions, starting with shops and then extending to web and call centers.

Setting up marketing operations based on an AI-based next-best-action engine enabled our client to:

- Offer intelligent guidance to agents, with contextually relevant offers to push to customers. These offers are selected based on hundreds of configurators, reducing the reliance on the agent's expertise and contextual understanding.
- Suggest relevant actions filtered by eligibility, relevancy, and validity rules against the customer's needs, available infrastructure at her location, sales strategy, and exclusive prioritization – not only offers and bundle suggestions, but also actions tailored to provide the next-best experience such as managing account services and resolve issues
- Provide a consistent offer and action strategy across all channels: call centers, shops, web, and mobile app
- Capture the customer's response for every suggestion and offer, collect feedback, and learn and tune the next-best action strategy accordingly.



## Metrics

- Adoption of NBA-recommended offer bundles jumped to 76%, from 54% in the previous year
- New customers: recommendation of flexible packaging options (FPO) and video/data bundles drove higher revenue by \$2 per month per customer
- Upgraded customers: recommendation of FPO drove higher revenue by \$7 per month per customer
- The new system is responsible for the migration of over 2.5M customers from legacy offers to the new FPO.



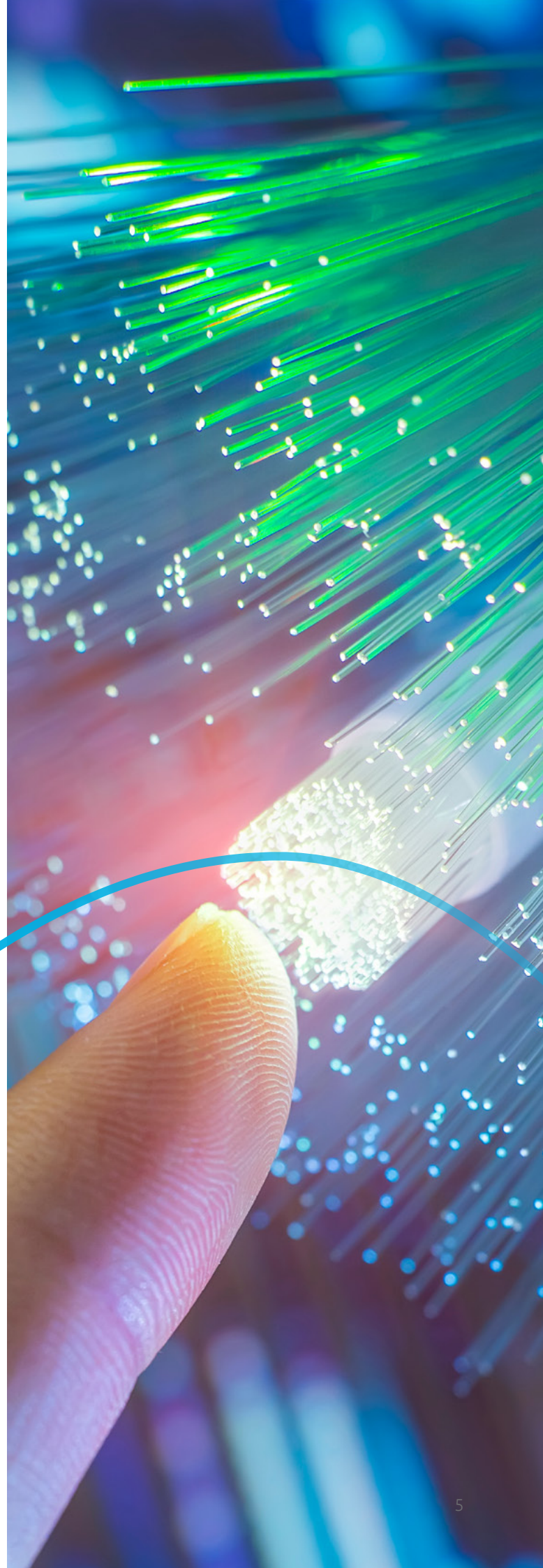
# Critical moments

Seizing the opportunity of consolidating a close relationship with customers requires attending to them during their entire end-to-end lifecycle, as they expect their telco to anticipate their needs and proactively reach them with the right content, at the right time, and on the right channel. As part of Capgemini engagements, we have helped clients identify and act relevantly and diligently at these moments.

We have helped our clients capture key lifecycle moments through:

- Navigation to critical web pages (cancellation terms, contract details, etc.) – giving the opportunity to address retention proactively
- Mitigating plan overspending/bill shock – preventing bill shock can improve customer satisfaction, prevent unpaid bills, and avoid cancellation through warnings, suggesting payment terms, and possibly transfer to different plans
- Accommodating children with mobile needs – creating an opportunity for transfer to a family plan
- Foreign travels – anticipating travel and associated needs for roaming plans.

The variety in customer moments, contexts, and operator goals combines with the range of offers, plans, and actions accessible to the telco. The decisioning process on customer interactions is thus of high complexity and must be renewed and adapted regularly to follow market conditions and telco strategies.



# The biggest challenges for an excellent customer experience

Based on our experience with many telco companies, we found that the main challenges to delivering a truly individual experience are:



Customer interaction projects are managed frequently

as technical projects, without enough effort on the alignment with business objectives and transformation of operational teams, and lacking in monitoring and KPI-based feedback.



Decisioning on real-time interaction is not identified as a separate

core function and is therefore implemented in different ways for different channels or offers; this leads to redundancies, inefficiencies, and a lack of consistency in customer experience.



Machine learning and advanced analytics are needed

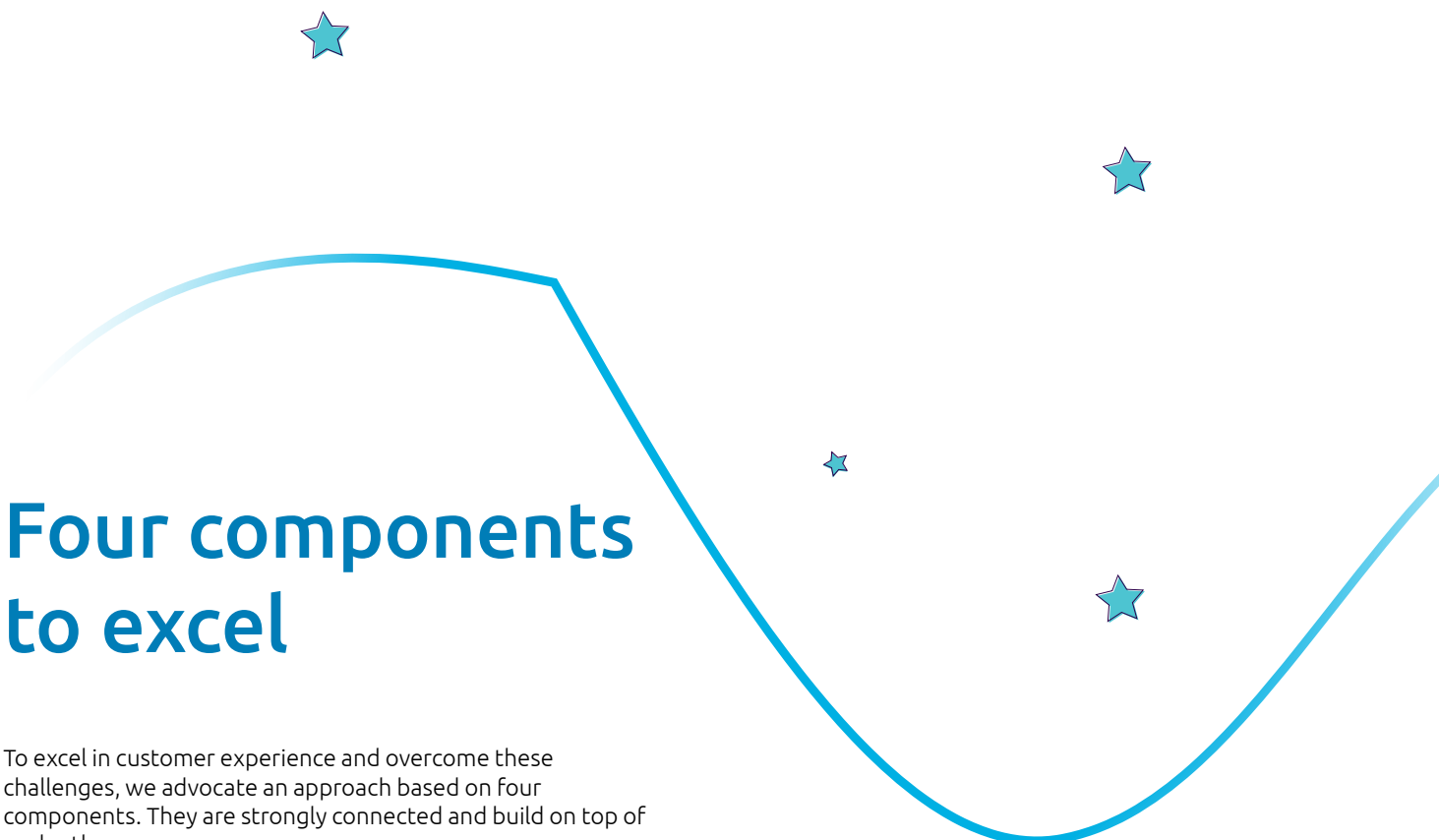
to get deep insights and understandings on customers. But going from experimental environment to production at scale has proven difficult for many organizations



High-quality, reliable, and trustworthy data is difficult to obtain. Data

is difficult to collect and reconcile across the many silos at telcos (customer care, digital, usage, network, etc.), especially under GDPR and other privacy laws. Once data is processed and prepared, getting access is challenging due to the multiplicity of data repositories and organizational domains.

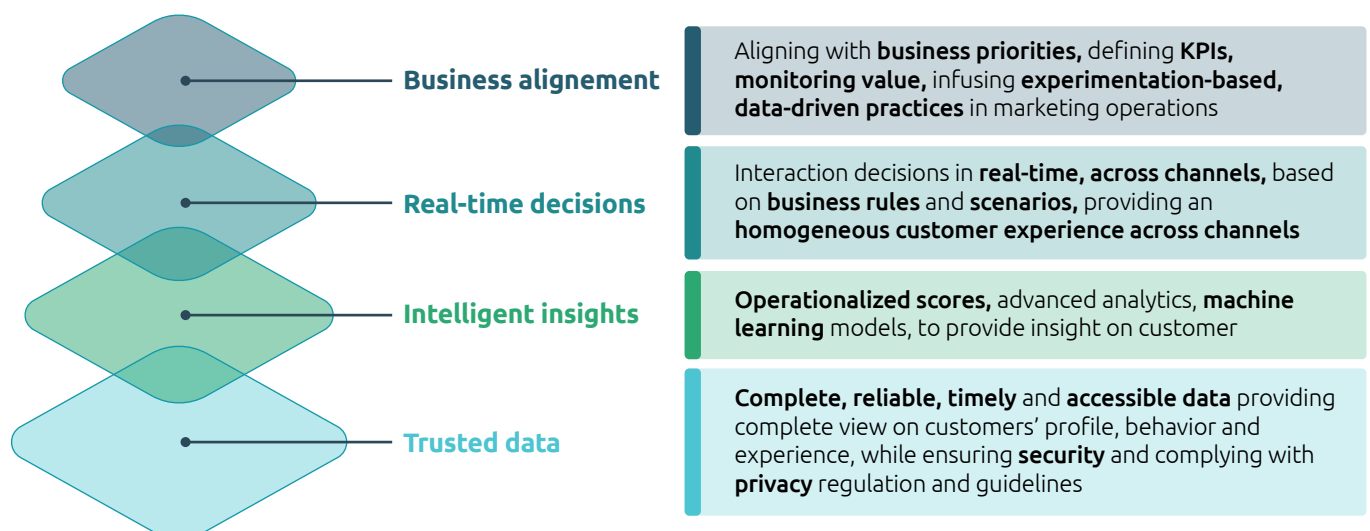




# Four components to excel

To excel in customer experience and overcome these challenges, we advocate an approach based on four components. They are strongly connected and build on top of each other.

## The four components of a tailor-made customer experience



# 1

## Business alignment

A data-driven interaction strategy must be based on sound metrics and continuous monitoring to ensure effectiveness and alignment with business objectives. It must be implemented at the start of the journey: identifying the key business objectives first. Do we want to reduce churn on prepaid mobile? Can we upsell to families? Are young adults the priority customers? From these objectives we can define use-case priorities and associated KPIs. Those are then monitored and regularly updated as more use cases are added. Having well-defined indicators allows us to prioritize and select use cases, assess their business value, measure the impact in real time, learn, and improve.

# 2

## Real-time decisions

To respond to and anticipate customers' needs, it is essential to decide and act quickly. Real-time decisions enhance the user experience and reduce costs and risks by reacting instantly to business and customer events. A central interaction decision-making solution allows telcos to leverage intelligent insights and deliver a consistent and relevant customer experience with a consistent approach across channels. This solution must be easily configurable by marketing operations to allow the creation of a rich library of interaction scenarios adapted to a variety of customer situations, which can build up over time.

The real-time interaction engine can be built as a bespoke solution, specific to one telco, allowing more tactical relevance. Starting small and getting to pilot rapidly on the first simple use cases with minimal investment and within short timeframes, complexity will build over time and require incremental investment to boost sophistication. Alternatively, an off-the-shelf product allows telcos to start with a rich set of capabilities and a user-friendly configuration environment building on the experience of other organizations but requires more upfront investment and more integration work.







### 3

#### Intelligent insights

To produce effective insights, we need sophisticated statistical models based on extensive customer information. Having several specialized models allows telcos to separate different aspects, build them, and test them independently; models for churn propensity, relevance of upselling convergent offers, channel propensity, satisfaction score, and relevance of handset change. We can build scenario triggers and prioritization based on these models focused on various aspects of customer understanding.

All these models need to work in real time to produce inferences and scores and then fuel data-driven decisions. Their development must be industrialized and maintained reliably and efficiently, using the MLOps practices and a highly productive Data & AI platform.

### 4

#### Trusted data

While most businesses today have access to some data-driven insights, only a handful implement data in their day-to-day operations. To generate truly individualized and relevant interactions, telcos need to combine and unify datasets from various sources ranging from customer demographics, subscribed offers, website visits, media audiences, network quality, service usage, up to customer center interactions. These datasets come in many types and formats and from heterogeneous data sources.

To tackle the organizational and technical complexities of getting trusted data, organizations must set up adequate data management practices, supported by a data platform. Both data management and the data platform can be set up incrementally, starting with an ambitious vision and building up based on a tailored roadmap.

# Data-driven marketing operations

Becoming real-time data-driven is a challenge to telcos' marketing operations. It changes the daily relationship with customers, making it more powerful, real time, and focused on their individual needs. It also requires deep attention to data and relating it to customers' concerns. Marketing leaders struggle with transformation efforts for three main reasons.<sup>2</sup> First, they often see transformation as overhauling technology when it is about moving the organization towards creating new value. Second, they forget to put customers first and focus too much on internal processes. Third, innovation efforts are dispersed among teams and domains without adequate coordination and cooperation.

We help our telco customers implement a pragmatic program with three steps:

1. Formulating the vision, communicating it, and translating it to priorities and use cases. This enables an effective mobilization on clear objectives to achieve.

2. Implementing the priority pilot use cases and monitoring them via KPIs. Setting up monitoring from the start allows organizations to implement rules and scenarios gradually, and get feedback quickly.
3. Scaling by iterating: define new steps, implement, and monitor to get new feedback and adjust. The first feedbacks are used rapidly to adjust and then improve, building a system of customer insights and relevant interactions over time, based on sound data-driven practices.

With our approach, vision can be rapidly transformed into action for all teams, with clear objectives and measurable impact. Working together, learning and iterating is the best way for teams to adapt processes and implement the vision of real-time, data-driven, hyper-individualized interactions, covering the variety of situations and interactions.

## Capgemini as the preferred telco partner

At Capgemini we have deep telecom expertise, with more than 30,000 telecom experts worldwide and more than 1,000 projects delivered in 50 countries. We understand the industry and its priorities, challenges, and drivers, as shown by the trust we get from our telco clients and the awards we receive from industry analysts.

We address the entire breadth of business needs, from strategy and design to operations, fueled by the fast evolving and innovative world of cloud, data, AI, and platforms. We have helped telcos define their customer interaction strategy, supported change management in marketing operators, modeled key customer behaviors with advanced analytics, and implemented real-time interaction platforms.

Our Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future.

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## Our credentials

Adaptive NBA/NBO to broadband customers

### The challenge

A broadband operator faced competition and was unable to offer personalized recommendations to customers based on their access type and equipment. The CSP decided to build and deploy gradually an NBA/NBO platform, under the leadership of the CMO.

### The solution

Progressive deployment of the NBA/NBO platform, using insights and scores produced on the customer analytics platform. This platform now supports 16M houses on self-care, in-person, and outgoing channels.

### The outcome

- \$20M annual savings through more efficient use of retention discounts
- Support for 16M houses
- Adoption rate > 65% and continuously growing.

2. [A new playbook for chief marketing officers, Capgemini Research Institute, 2021](#)

# Authors



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Yannick is a Group Offer lead for Data & AI in the Telecom industry. He has more than 25 years of experience working in the Telecom and Banking industries, helping organizations actually implement their digital and data transformation and better serve their customers.



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Stéphane leads Marketing personalization capabilities, in France for frog part of Capgemini Invent. He combines data / AI assets and marketing operations to deliver additional value to its clients. Some of his expertise areas are Customer lifetime Value modeling and Next Best Action / Offer projects delivery.



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Jerome has a wide experience in business & IT consulting, helping CXOs of the telecom industry to face key challenges: digital transformation, customer experience, very high broadband, simplification of the operating model, launch of innovative services leveraging new cloud technologies.



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Ramakrishna is CTO for Global DCX India Practice. Ramki has 23 years of experience as a Technologist, working with Customers globally, helping them in Digital Transformation and Simplification initiatives to improve the Customer experience and Operational efficiency



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## About Capgemini

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of 325,000 team members in more than 50 countries. With its strong 55-year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fuelled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering and platforms. The Group reported in 2021 global revenues of €18 billion.

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