

The Current State of the CEM Marketplace

By Tim Young

Ah, the customer. The end-user. The subscriber. The one who pays the bills that keep us all in business. As automobile magnate, philanthropist [Henry Ford said it](#), “It is not the employer who pays the wages. Employers only handle the money. It is the customer who pays the wages.”

And over the last few years, companies of all types and sizes have really started to believe it. Whereas the focus for many firms had long been competitor focused and mired in one-upmanship and “me too” moves, more and more are focusing on understanding the experience of that person who is paying the wages.

Which brings us to the field of Customer Experience Management (CEM), an area about which we’ve written at length in this publication, and about which countless others have talked ad infinitum. Nevertheless, there is a good deal of remaining confusion about what CEM is, what technologies it includes, what metrics it involves, and what vendors offer its constituent products and services.

In the past, we’ve examined [what various CSPs are doing](#) to integrate CEM into their activities and put together [a buyer’s guide](#) that still has value. But given the ongoing evolution and complexity of the industry, we wanted to put together an updated field guide for CEM in the wild.

Some of this will seem a tad elementary to begin with, but I’m in the camp that believes it’s important to define our terms.

CEM - In a nutshell

Like pretty much everything else in our industry, CEM is awash in acronym confusion, half-hearted attempts at product and service differentiation, and an overall



expansion and contraction of scope that has led “CEM” to mean, depending on the case, nearly everything or next-to-nothing. Go down the rabbit-hole of marketing materials and you’ll find out that CEM is influenced by or serves as an outgrowth of CRM and measures CX and some call it CXM even though “experience” begins with

an e and not an x and on and on and on. It’s exhausting.

But at its core, CEM is a subfield—some refer to it as a management discipline, which I like—that does one main thing and a category of resulting things. It seeks to understand the customer’s

interaction with the company and its products and services (and how the customer feels about the company as a result of that interaction). That’s the main thing. Then it seeks to use that understanding to optimize and enhance the customer experience using all the other tools at its disposal.

Or, to put it another way, I like [Gartner’s definition](#): CEM is “the practice of designing and reacting to customer interactions to meet or exceed customer expectations and, thus, increase customer satisfaction, loyalty and advocacy.” To get there, you need to understand how things are going with your customer interactions, and once you have that, you can find ways to make those interactions shine.

Quantifying CEM



Not for distribution or reproduction.

One measure of customer experience is the NPS® (Net Promoter Score), and there's no doubt that countless companies—including CSPs—have become keenly aware of how they are faring in this measure of the proportion of so-called detractors that a particular company has as compared to how many promoters the company has. It's a tough but fair standard, as a single bad experience can flip a promoter to a detractor.

It's also a measure that stymies many a thoughtful consumer, by the way. I recently had my car serviced and the technician said "you may receive an email or phone survey. They'll ask you to rate the service you received on a scale of 1-10, and we consider anything less than a 10 a failing grade." Kudos to the service department for priming its staff to enlist their customers as allies in an internal war, but we live in a weird world when anything less than a 10 (or a 9, for that matter) is essentially considered a failure. And sure, that's a bit of a digression, but that one conversation with my mechanic made me realize that I have been ruining NPS numbers and other similar scores for years by being honest and reserving top ratings for truly exceptional experiences. I wonder how many other consumers do the same?

But my reservations notwithstanding, NPS is considered a solid measure of customer sentiment, if not a complete picture. It's very high level, and doesn't give you a concrete idea of how to make things better.

Neil Lilley, Product Marketing Director for OSS at Ericsson, echoes that sentiment in a recent blog post, saying "...as good a tool as NPS is, it doesn't really provide a 360-degree view of customer satisfaction or sufficient data that operators need to make the right service improvements in a timely manner." NPS is limited, he says, for several key reasons. It is based on small sample sizes and doesn't identify which specific customers need attention. What's more, "it cannot identify the root cause of the customer's dissatisfaction or what sort of offer/corrective action is needed."

Fortunately, NPS is just one measure that gives a high level view of how you're doing, in terms of the customer experience. There are dozens, if not hundreds, of other KPIs that can help give you more answers, depending on the questions you're interested in addressing.

Oracle's Jeff Greibeler wrote [a white paper](#) last year that does a good job of enumerating quite a few of the most relevant KPIs for understanding the customer experience. NPS is in there, but so are many others, including churn rate, customer satisfaction (CSAT), customer effort score (CES), average resolution time, service uptime, cost of acquisition (COA), first contact resolution (FCR), and lots more that can be determined

Which metrics matter most and what tools can help gauge metrics to improve?

through robust metrics on the provider's side or comprehensive survey data.

So there's lots to measure. The question for CSPs is which metrics matter most and what tools can help them gauge those metrics and work to improve those areas. And why choose just one? Capable solutions can track all of these and more and give you as much data as you need to choose the right path to a better customer experience.

And then they can help you get there. Whether it's enhancing customer self-serve or helping you understand the pricing and promotion models that your customers best respond to, there are lots of tools to help you out.

The CEM Landscape

Here's a look at some of the solutions available, in no particular order:

Comptel

Comptel's CEM solution is nested within its real-time decisioning (RTD) logic engine "softblade," rightly positioning customer experience data as a part of a larger whole. You can get a robust view of the customer experience complete with real-time data, and then have automated, contextually appropriate offers ready to respond immediately to specific customer behavior. The system can also make recommendations, offers and actions to the campaign management system, customer care group, service fulfillment group, or directly to the customer.

ItsOn

ItsOn is also leading in the area of contextual CEM. The company's solution helps mobile operators segment, micro-segment, design and deliver innovative offerings at the time of need or want - making them more relevant to subscribers. The solution also supports cloud-based account management and service offers which creates operational efficiencies for operators that can help drive

down sales and support costs.

Huawei

A few years ago, when SmartCare received Frost & Sullivan's CEM Solution Strategy Leadership Award, analyst Narla Ramaiah was quoted as saying, "While many vendors still depend on OSS products, such as network probes that restrict their focus to network-centric data, Huawei considers a vastly expanded set of touch points encompassing services, users, IT, and business systems." In the years since, many more vendors have gotten on board with this holistic view, but there's no denying that Huawei has been a part of that for some time. Also, as Atul Arora from Analysys-Mason [points out](#), Huawei is the largest contributor to TM Forum's CEM framework, which gives the company a good deal of leverage.

Amdocs

Amdocs has a comprehensive suite of customer care solutions focused on delivering a consistent, cohesive customer experience and being proactive about enhancing customer experience. Back in 2014, we gave Amdocs our Pipeline Innovation Award in the CEM category for their Multi-Channel Self Service solution, which allows customers to begin a transaction in one customer channel—on a mobile app, for instance—leave the transaction midway through, and then pick up (and hopefully complete) the transaction via another channel—like a web portal or retail store. Considering the rates of cart abandonment, making it easier to turn that almost-sale into a completed purchase is huge, not to mention the customer satisfaction benefits of creating a seamless multi-channel (or omni-channel) experience.

Apptium

Apptium is also championing the omni-channel experience, helping leading MSOs and CSPs around the world innovate and manage the complex multi-channel selling environment. Last year, Apptium's Intelligent Data Management product was recognized in Pipeline's Innovation Awards by winning the Innovation in Big Data and Analytics category, and this year the company is entering its EPortal product in the Innovation in Customer Experience category. EPortal, in concert with the company's other products, are being positioned to optimize The Customer Journey by combining, leveraging and streamlining commerce, business processes, disparate data sources, mobile platforms, and cloud technologies.

Here's a look at some of the solutions available

Netcracker

Netcracker's CEM solutions are different from some of the others in the pack, to our eye, for two key reasons. One is that they emphasize organizational simplicity and silo-busting as the key to a superior customer experience (a general theme shared by many of the better CEM approaches, but Netcracker emphasizes it more than most). The other is that they tout their consulting and planning services as a part of their overall approach to improving the customer experience. Again, while this may be a significant part of what some of their competitors do as well, I think it bears noting that Netcracker doesn't pretend a piece of software will keep your customers happy. Sometimes you need the sort of expertise that only real-life experts can provide.

Procera

The now-private DPI, PCRF, and overall data analytics company expanded its CEM portfolio a few years ago with a product called "Service Plan Assurance," which provided end-users with score cards—both time-series and real-time—that showed them actual metrics on the performance of their network connection. We really like this idea, as subscribers are notoriously suspicious that their provider is putting forth minimum effort, so the ability to not only collect usage metrics, but also share them with the subscriber, demonstrates a tremendous amount of respect for the intelligence of your subscribers. I, for one, would certainly welcome this from my CSP.

Astellia

A part of Astellia's Nova monitoring tool, Nova Customer Analytics is all about deep insight on high-value customers' QoE, and features cool map overlays and a variety of other useful visual metrics. In addition, they've built in a Service Level Agreement (SLA) Management tool, which helps avoid SLA breaches.

Nokia

Nokia's CEM focus seems to be all about ease of use, both for end users and CSPs. Nokia earned our 2015 Pipeline Innovation Award for CEM for its Customer Experience Index, which nicely compiles NPS and other KPIs into an easy-to-swallow package that helps CSPs know where to focus their efforts. They tout that their CEM On Demand solution has helped an unnamed European operator drop its churn rate from 10% to 1% in just three months, and claims a Latin American operator retained that might have otherwise churned by using targeted campaigns, and along the way the CSP netted \$2 million (USD) in revenue that would have otherwise been lost.

IBM

It's been a couple of years since Big Blue acquired Ireland-based analytics firm, The Now Factory and has retained that brand as the main thrust of its CEM offerings. It's a slick solution that offers a great deal of end-user visibility and the ability to identify problems, find root causes, and find a way to resolve them (hopefully before the subscribers even notice). IBM says that CSPs using the solution have saved incredible amounts of time and money, and have reduced complexity through the single tool.

Comarch

Comarch's approach to CEM is all about prioritizing the resolution of the inevitable issues that will arise on the network and elsewhere in the customer experience. The tools let you analyze the potential impact of network problems on your subscribers, allowing you to, in turn, prioritize the resolution of those issues to avoid negative consequences for as many users as possible (or your highest-value customers).

NICE

Customer experience is a huge part of what NICE does, and their solutions include not only customer metrics and customized offer capability, but also elements like employee engagement tools designed to ensure that every team member is on board and engaged with a common customer focus. Clients include BT Business, eBay Enterprise and American Airlines, and as we reported in a [previous article](#) on CSP CEM strategies, the firm has some significant results to show. "The BT Faults and Repair scores over the course of several months reveal significant improvements," said BT Business's Steph Cole of their work with NICE, "with NPI improving by an impressive 38 points and agent satisfaction by 23%, with numbers continuing to rise."

Adobe

As more and more firms realize that customer focus is a necessity, this list will no doubt grow

I'll admit that Adobe isn't the first company to leap to mind when I'm thinking about telecom customer experience... but that's my fault, not theirs. They are featured in Gartner's Digital Experience Management Golden Quadrant and boast a customer list that includes Verizon Wireless, Swisscom, and Vodafone. Their analytics solutions are robust, and their massive design cred decidedly informs their Experience Manager solution.

Oracle

A contributor from Oracle wrote about CEM in Pipeline back in 2013, and Big Red is still cracking along with a comprehensive suite of data-driven customer experience solutions. The reference architecture that Oracle developed for the communications customer experience consists of four layers—channel interaction, channel coordination, order and revenue management, and order fulfillment. The strongest CEM work is done in those first two layers by their Cross Channel Customer Experience (C3E) solution.

Ericsson

Ericsson is a huge player in every aspect of the traditional OSS/BSS marketplace, so it's no surprise that when they tackle the customer experience, they get big wins. Just a few days ago, as I write this, Vodafone tapped Ericsson Expert Analytics as a strategic CEM solution in 22 countries. Expert Analytics harnesses big data to examine and predict user behavior, and then take action to improve experiences, retain customers, and increase ARPU. "Vodafone undertook a rigorous evaluation process of CEM solutions to meet its global requirements," said Ove Anebygd, Ericsson's Vice President and Head of Solution Area OSS/BSS, in a statement. "Ericsson is proud to be selected as Vodafone's sole preferred CEM solution provider and we look forward to partnering on this important initiative."

CSG International

CSG International's CEM solution—Singleview Customer Management—nicely sums up a major goal of these solutions in its product description: "A single database shared with billing provides a real-time, 360-degree view of your customers so you can keep your story straight." And there's a lot to that idea. These solutions are all designed to keep end-users from feeling like they're getting a different story from every angle, and that no one knows or cares about the issues they're having. With centralized customer data shared with billing, Singleview helps reduce that complexity, and CSPs like Virgin Mobile Australia have testified to the power of those results.

Accanto Systems

Accanto is all about big data analytics, and their CEM use case earned them a 2015 Frost & Sullivan CEM Product Leadership Award. They were also highlighted as a key CEM vendor in the 2015 Gartner Hype Cycle. They say they can demonstrate a proven 20% reduction in churn within 4 weeks of rollout, and in a time in which more than a few huge software companies are taking on the CEM market, they continue to hold serious sway.

InfoVista

InfoVista's VistaNEO solution provides some really neat insights into end-user experience, including a "worst performing subscriber" chart that helps engineers know where to drill down to improve network performance. It also helps to optimize network performance to prevent small problems escalating into big ones.

Medallia

Medallia is all about CEM. Whereas some of the other companies here are really selling data analytics solutions that optimize networks and promote overall improved performance, Medallia is focused on wrangling customer feedback and using it to retain customers likely to churn and fix problems as quickly as possible.

Getting Started

I know this isn't a comprehensive list of every single vendor that touches the customer and improves overall customer experience, but it is decidedly a start. As more and more organizations realize that customer focus is a necessity, this list will no doubt grow even further. If Pipeline's 2016 Innovation Awards program is any indication, they already are as seen in this year's most hotly-contested Innovations in Customer Experience category. The question for CSPs, then, is not if you need to take charge of your customer experience, but when to start.