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Think Big, Start Small, Move Fast: *Building Lifetime Customer Value*

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Digital transformation solutions need not require complete system overhauls to be impactful in positive ways. Small changes in technology can have massive impacts. The same can be said for updating existing enterprise software to enhance customers' journeys, experiences, and loyalty. Digital transformation doesn't necessarily equate to big, complicated processes. What matters is enhancing existing infrastructure in ways that produce returns on both short- and long-term investments. Let's look at how telcos can start small, move fast, and successfully transform in ways that count.



The Winding Digital Road

The concept of digital transformation has been around for a long time. It is now a necessary core component of enterprise planning efforts. But developing new, faster network infrastructures requires huge expenditures, years of effort, and positive returns on investments are not guaranteed. Think 5G network deployment or installing a new broadband fiber backbone. Transformative mega projects of this nature may not deliver identifiable value for years. It's certainly a tough place to start a conversation with investors looking for a strong, near-term business case for major capital expenditures. They want easily identifiable benefits and measurable short-term profitability without having to re-invent the wheel.

Focusing on Customers First

When searching for places to make the best, most meaningful impact in digital transformation, look to customer experience (CX). The best thing a company can do to be more profitable is to keep customers coming back for more. Striving to improve individual customer relationships and foster customer loyalty is key to not just optimizing marketing spend, but also for ensuring sustained revenue in competitive markets. This strategizing of customer retention efforts is sometimes called

customer lifetime value. It is based on the idea that acquiring a new client is over [six times](#) more expensive than it is to keep a current one.

What does customer focus have to do with digital transformation? The answer, of course, is plenty. Consider the myriad ways customers engage with their CSP using a digital channel – email, instant messenger, text message, social media platforms, web browser digital assistants, or something else. From opening accounts and paying bills to software upgrades and adding new services, numerous touch points (and opportunities) exist and are ripe for improving overall CX. After all, the way customers engage with companies matters [just as much](#) as their perception of the quality of the services they provide.

CSPs should be looking for fast, profitable ways to initiate digital transformation, and the primary point of focus should be on growing customer lifetime value. But is implementing a new digital engagement suite actually fast and profitable? In the traditional way, no. The good news is that digital transformation doesn't have to be done the traditional way anymore. Let's take a look at the way it's been done in the past compared to the way it's going now.

Taking the Long Way?

The thought of revamping a digital communication suite can be intimidating; the process is very often problematic. Leaders know from experience that such endeavors will inexorably run into thorny and resource-intensive [obstacles](#) on the road to developing new processes, breaking down legacy departmental silos, and revamping existing data management systems. Sorting through and evaluating the myriad technologies that may or may not help address problems often leads to choice-paralysis. In fact, [over half](#) of business leaders aiming for digital transformation goals said their biggest concern was integrating new solutions into their everyday business dealings. The implications are clear: although they want to use their own available data and information, the mix of new and legacy systems becomes too complicated to face. As a result, many leaders become [scared](#) of implementing any change, sometimes [pausing](#) their efforts altogether at any sign of risk or uncertainty. Perhaps this hesitancy is why nearly [half](#) of all digital transformation efforts deliver much lower return on investment (ROI) than expected.

The old, oft-cited solution to the problem of integration is a wholesale rebuild of the company's systems. The thinking goes like this: When faced with an intimidating integration to your business support systems (BSS) or operational support system (OSS), re-create the systems from scratch so you can be sure the new approach is compatible. Unfortunately, such thinking puts us right back to the problem of digital transformation solutions being dreadfully expensive, highly laborious, and painfully time-consuming. Thankfully, there is another way.

The Age of Off-the-shelf Solutions

There was a time not long ago when any company that wanted an accounting system or inventory processing software had no choice but to build a one-off custom software that they managed themselves. Then came the advent of enterprise resource planning (ERP) software, and now there are several options for off-the-shelf accounting and inventory systems. The same goes for customer databases and the rise of customer relationship management (CRM) programs. Can there be a comparable, off-the-shelf solution for digital customer engagement? Or are CSPs still faced with ground-up software rebuilds every time?

By taking an approach based on Application Programming Interfaces (APIs), CSPs can aim to isolate their specifically needed areas of improvement instead of rebuilding the entire system. APIs that deliver data from one place to another can be added to any BSS, OSS, CRM, or ERP without disrupting

any current processes. This way, CSPs can use their existing data and systems to achieve new, exciting digital transformation in the areas of customer engagement without needing a full overhaul of their software. All it takes is access to the systems, and the right way of connecting the data.

So, if an API-based approach to digital transformation is so quick and easy, why isn't it common? In short, it's because a company still needs to create the APIs that will best serve the purposes of a major telecommunications provider. This task can be tricky. In order to be effective, the APIs need to account for customer preferences in aiming for informed, intentional communication. Users demand tailored, relevant touch points that meet them where they are on their customer journeys, and those kinds of high-value interactions take time and expertise to develop.

New customer engagement efforts thrive when they are personalized, cross-functional, and integrated. Simply put, customer communication efforts that are siloed are [unlikely to work](#). Addressing this, however, can involve accounting for hundreds of different user personas and customer journeys. In other words, the digital communication suite needs to meet the preferences of an 18-year-old student just as well as a 75-year-old retiree. Accomplishing this level of diversity is heavy lifting for an internal IT team, and alien territory for software companies or systems integrators.

This is where the concept of an off-the-shelf solution comes in. With enough experience and expertise in the realm of CSPs and their needs, the right collection of digital engagement integrations can be pre-built into a solution that can match the needs of whatever business segments, personas, or communication channels a given CSP would want. So, not only is an ideal software specially created with CSPs in mind, but the APIs are all pre-designed up front and ready to go, complete with dashboards and analytics to measure success. The ideal is having a CSP customer engagement digital transformation kit that will produce measurable results in a matter of days, not years.

Putting it all Together

Digital transformation does not need to be a long, pricey, and complex task to produce meaningful results. By embracing new opportunities that aim for consumer-facing digital engagement from the perspective of customer lifetime value, CSPs can find meaningful value by increasing customer satisfaction and loyalty. The best part is that the new era of digital engagement suites will be off-the-shelf, API-based solutions that meet their unique needs right away. CSPs can bypass the daunting task of complete BSS or OSS system overhauls, enabling them to integrate new digital engagement tools with their existing IT infrastructure easily and efficiently. This direct approach not only mitigates the risk and uncertainty often associated with digital transformation projects, but also promises a quicker ROI by prioritizing projects with easily identifiable benefits. By beginning with modest initiatives, CSPs can accelerate progress, avoid headaches, and ensure their digital transformation efforts yield significant results up front. Think big, start small, move fast.