

Telefonica

# CHILE

# Telefonica Implements SIP Network IVR Consolidation

Case Study



## Summary

### Challenge

When confronted with increasing customer service calls, Telefonica Chile (formerly CTC, Compañía de Teléfonos de Chile), the largest communications company in the country, needed to find a way to reduce the overall costs associated with these calls. The company decided to consolidate all of their outsourced call center IVR services by bringing them into the network and fully taking advantage of what Network IVR had to offer. This required not only the consolidation of multi-vendor and legacy IVR platforms, but also the transition from TDM to Telefonica Chile's new SIP network. Additionally, there would be a need to enhance the existing IVR applications as more calls would be completely handled through automated self-services.

### Solution

Telefonica Chile selected the APEX Service Delivery Platform (APEX SDP<sup>™</sup>) for its consolidated Network IVR solution. The APEX SDP, with its OmniVox3D<sup>®</sup> SIP Application Server, simplified the enhancing of existing IVR applications, as well as the designing, developing and delivering of new applications, through the use of its integrated, browserbased OmniView® Service Creation Environment. To assist locally with the applications, Telefonica Chile selected Telectronic and VPTSA, two leading APEX VARs in Chile. APEX also migrated services from TDM to Telefonica Chile's new SIP network, ultimately consolidating all of the customer service calls from disparate IVR platforms into a single, unified solution.

"The addition of SIP Network IVR on APEX SDPs into the Plataforma de Atencion Clientes, or PAC, has contributed to a marked reduction in outsourcing costs, with an increase in overall customer satisfaction."

Ramiro Ramirez Manager of Planning and Development

# Challenge

Telecom network operators are regularly confronted with increasing volumes of customer service calls, which often negatively affect the bottom line. In the ever-competitive telecom industry landscape, this trend can be detrimental, especially if it diverts funds away from the ability to offer enhanced voice and video services – key services that can positively impact Average Revenue Per User (ARPU) levels.

Two primary options pursued by an increasing number of network operators has been to first, curb the use of outsourced call centers by bringing the IVR functionalities into their network through investing in Network IVR Consolidation; and second, increase the availability of automated self-services by taking full advantage of all IVR-related technologies, both in a bid to reduce the overall costs associated with handling customer service calls.

Telefonica and its affiliates, one of the primary telecommunications companies in Chile, and offering a vast array of services – including local, long distance and public telephone services, internet access, value added services, television, interconnect services and data communications – fully grasped the implications of this trend, and wanted to proactively minimize its negative consequences.

Similar to most leading network operators, Telefonica Chile receives thousand of customer service calls each day relating to three primary areas of concern:

- Customer Care balance inquiry, modifying existing plans, etc.
- Customer Inquiry information on calling plans, available promotions, etc.
- Repair Services technical support, "how to" questions, etc.

All of Telefonica Chile's customer service calls were answered by multiple, outsourced call centers, either by on-premise IVR systems or live agents. When the original decision was made to outsource, one of the primary reasons was to reduce costs associated with these calls. However, over time, the direct and indirect costs associated with outsourcing had become cost-prohibitive and needed to be rectified quickly, cost-effectively and with relative ease.

Also, Telefonica Chile had decided that if they were going to bring in-house the IVR portion of the outsourcing through Network IVR Consolidation, they wanted to achieve more than just reduced costs. They wanted to increase revenue by minimizing the timeto-market for new enhanced services, while maximizing their time-in-market with the flexibility to incorporate new features as they become available.

Whatever the decision on how to address the lowering of costs, Telefonica Chile knew that would have to achieve it seamlessly and with the absolute minimum amount of downtime.



## Solution

Telefonica Chile decided to consolidate all of the IVR services handled by the outsourced call centers by bringing them in-house, (into their network), while continuing to have the call centers handle calls which required live agent assistance. Once the decision was made that the APEX SDPs would process all the IVR customer services calls (customer care, customer inquiry, repair services), Telefonica Chile, APEX and its two VARs jointly began the planning of the IVR consolidation and how to further enhance the automated self-services.

During this consultative phase, Telefonica Chile realized there would be additional benefits to having APEX SDPs in-house handling all the IVR calls, other than simply lowering costs and increasing revenue. Some of these benefits included –

- taking complete control over the IVR systems with unlimited access to the applications on them;
- consolidating various IVR systems into a single unified system giving callers one interface within the network;
- increasing their competitive edge by rapidly offering new services with minimum time and effort;
- minimizing the number of undesirable calls transferred to live agents through better filtering;
- requiring fewer ports through media resource optimization as fewer calls go to live agent;
- running an almost unlimited number of services on the APEX SDP with its multiservice capabilities.

#### Network IVR on APEX SDPs with OmniVox3D and OmniView Offer Four Essential Benefits

Network IVR is commonly deployed in networks with large call volumes and offers network-level functionalities such as interacting with multiple databases, billing systems, provisioning systems, and SMSC/MMSCs. The primary benefit most network operators require from their Network IVR solution is scalability. As call volumes continue to increase, both from customer service and the launching of new services, being able to guickly increase capacity is invaluable to growth. However, the speed at which scalability can be implemented is only half of the challenge. The other half is the ability to minimize. or completely eliminate, downtime while scaling up capacity.

> APEX SDPS offer four essential benefits... scalability, flexibility, reliability and rapidity.

A second benefit to scalability is flexibility, which offers a number of important benefits of its own. Flexibility offers support for multiple networks (3G, TDM/SS7, AIN/IN and converged) with seamless migration to SIP/IMS; open interoperability with standards for integration to third-party components such as softswitches, media servers, media gateways and SIP proxy servers: multi-service platforms, processing an almost unlimited number of services (i.e. IVR, Video IVR, Prepaid, Messaging, Conferencing, CRBT, and Automated Collect Calling) on a single platform; SIP redirection and call control to improve the efficiency of telephony and media resources and allowing greater flexibility in the use and distribution of those resources; and enhanced functions and features through web services and complimentary technologies, such as Automated Speech Recognition (ASR) and Text-To-Speech (TTS).

A Third essential Benefit of a Network IVR solution based on OmniVox3D is reliability. The terms "carrier-grade" or "carrier-class" refer to solutions that can handle all levels of services, including mission critical. Whether it is five-9 (99.999%) availability through fault tolerant servers or redundancy built into the software, reliability is a must for all network operators. Regardless of whether the solution is standalone or distributed across multiple regions or countries, reliability is a key differentiator separating Tier 1 and Tier 2 network operators from the rest.

The final benefit, rapidity, enables network operators to quickly move through the deployment cycle – design, develop, deliver – and launch new value–added and revenue–generating enhanced services. OmniView, the browser– based service creation and OAM&P environment of OmniVox3D, encompasses the entire deployment cycle, as well as the management of services once in production. A single environment for deploying and managing voice, video and data enhanced services.

## Results

Since transitioning their IVR customer service calls from outsourced call centers to the APEX Service Delivery Platforms within their network, Telefonica Chile has achieved overwhelming results in a number of key areas, above and beyond just reducing costs. Theses include –

- Increased Levels of Customer Satisfaction – with APEX SDPs in the network, Telefonica Chile can provide customer service to an even larger portion of the low-income population.
- Selecting Call Centers with complete control of incoming calls, Telefonica can now be very selective in choosing which call center will receive its calls, enabling increased competition amongst them.
- Common IVR User Interface for all Services – Telefonica Chile controls the Customer Care IVR call flows and is able to rapidly implement changes through OmniView.



- Customer Segmentation with APEX SDPs, Telefonica provides its several customer segments with tailored services, potentially increasing ARPU.
- Lower Operating Costs by bringing the IVR services into the network, more calls are completed by the APEX SDPs, requiring fewer calls to be redirected to the outsourced call centers, lowering IVR and agent costs. Additionally, incorporating an automated front-end provides a barrier to undesirable calls that were being transferred to agents.
- Customer Self Service Telefonica Chile now provides an automated method for its customers to resolve issues and obtain information.
- Return on Investment Telefonica Chile has been successful at adding new services to the APEX SDPs, helping amortize CAPEX and OPEX across multiple services, such as outbound calling, and combining non-call center services into a single platform (i.e. repair line).
- Data Analysis by implementing an IVR consolidation strategy all calls are first processed by the APEX SDP in the network, automatically capturing a wealth of data, including complete CDRs, IVR call duration, agent call duration, percentage of calls being transferred to agents, customer preferences, completion rates and menu options.



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