CELLCOM DIGITAL MODERNIZATION CASE STUDY
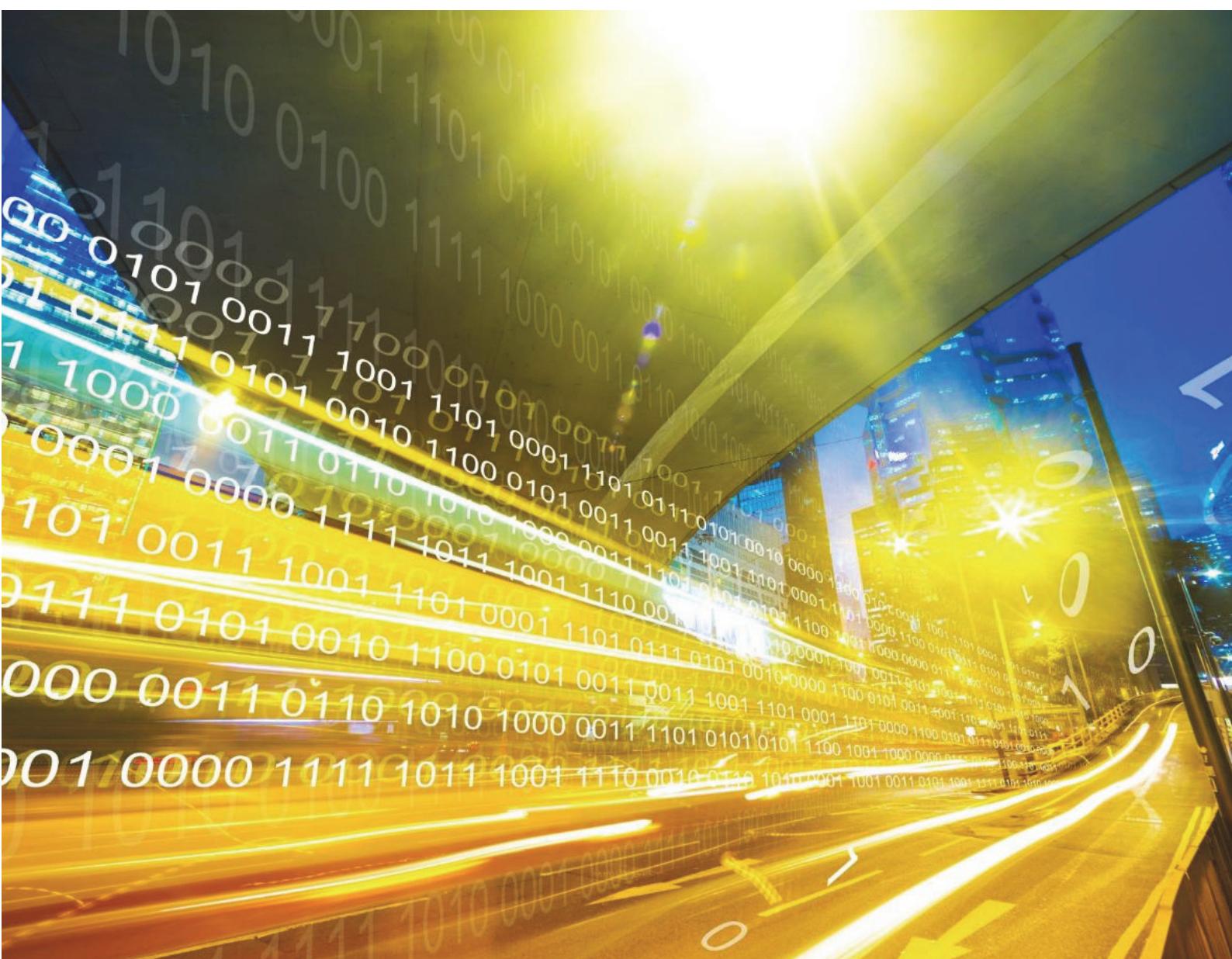
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Cellcom Digital Modernization Case Study

Introduction

Global communications service providers (CSPs) are embracing digital technologies and the cloud to transform the way they do business. Today's unpredictable reality requires CSPs to rethink business readiness, giving them flexibility in everchanging conditions to accelerate product innovation that will differentiate them from the competition.

Global CSPs are embarking on BSS modernization programs to reinvent their CRM systems and deliver an omni-channel digital-first experience serving all their customers' network, charging, and commerce needs. The reality for most CSPs, however, is that they are burdened by a disparate and legacy CRM landscape at a time when they need to bring solutions to market faster, find better efficiencies, and, most importantly, offer better customer experiences.

Cellcom began collaborating with Amdocs in 2020 to accelerate its digital modernization program, building an enhanced user experience that is consistent across all channels of engagement, offering Cellcom customers (both consumers and enterprises) advanced digital services, while also improving operational efficiency with automation to help Cellcom introduce innovation to the market.

One of the key elements of Cellcom's digital modernization program was to consolidate its disparate CRM portfolio into a single application that can unify the platforms to better manage Cellcom's customer base, providing a more streamlined service for consumers and enterprises. For historical context, Cellcom merged with numerous telecommunications companies in Israel, including Netvision (which provided landline services) back in 2011, to complement Cellcom's pure-play mobile service offering and boosting its footprint across Israel. Since the prominent acquisition of Netvision, Cellcom has been through a couple of transformation cycles in an attempt to consolidate the operational assets of Netvision and Cellcom (which include customer service functions) but was challenged to deliver on its objectives mainly due to the high operational costs of running the program. Head of Program at Cellcom, **Nava Granot**, confirmed that "*Cellcom needed a more cost-effective and flexible solution*

BUSINESS VALUE highlights

ORGANIZATION
Cellcom

ORGANIZATIONAL CHALLENGE
» Consolidate disparate CRM landscape to create a consistent experience across channels.

SOLUTION
» CRM modernization through a co-development model with Amdocs, creating a personalized and digital-first experience for business and retail customers across their multi-channel engagement platforms, as well as simplifying agent experience with reduced system complexity and cost reduction.

PROJECT DURATION
» Contract signed in June 2020, project kicked off in August, and first deliverable went live in May 2021. Project due to complete in November 2022.

BENEFITS
» CRM is a significant step forward in Cellcom's ability to become fully customer-centric, delivering cost savings, innovative products, flexibility, and services that will differentiate it from the competition and help it remain relevant to its customers.

KPIS REALISED
» 10%–20% increase in agent productivity
» 80% reduction in new agents' training time

through a co-development model that can deliver better operation efficiency and achieves a future development-autonomy." And so, in June 2020, Victor Malka — Chief Information Officer at Cellcom — led the company to engage with Amdocs following an executive management shake-up determining that Cellcom needed to strategically change its direction of travel with regards to its digital modernization program.

Background

By acquiring many small and large telecommunications companies, Cellcom became one of the largest operators in Israel. However, the post-acquisition IT landscape was sprawling, consisting of multiple information systems spanning multiple market segments with entirely different service offerings. Cellcom lacked a consolidated architecture and a single source of truth for all customer-related data. It was undeniable that this complex architecture was not flexible and adaptable to ensure Cellcom's business readiness to support the future road map of exciting and innovative services expected to be offered by the company. Cellcom decided to undergo a major CRM consolidation and at the same time reinvent the customer experience. Its vision was to create a personalized and digital-first experience for business and retail customers across its multichannel engagement platforms and was identified as a foundational pillar to help Cellcom meet its objective to digitally transform interaction layers for customers, encompassing all the logic and processes required for every pre-sale/post-sale activity. The value proposition was concentrated into three key areas: improving efficiency, accelerating digital modernization, and minimizing business and technology disruption.

Implementation

To provide solutions that are relevant to enterprises, CSPs must offer capabilities beyond connectivity. The openness and programmability of 5G compels CSPs to collaborate with strategic partners to transform. Cellcom's vision was to design a CRM system that can deliver a set of sophisticated digital capabilities that can be supported across any of its customer engagement channels. This includes CRM, customer service dashboards, chatbots, and campaign management platforms, representing a significant step forward in Cellcom's ability to become fully customer-centric and focused on delivering a more personalized experience that anticipates customer needs. Amdocs was seen as the right partner to co-develop the new CRM platform with Cellcom as it displayed the most credible solution approach that would be managed and delivered with aggressive project timelines. Cellcom's new CRM platform had to be supported on mobile devices, web, call center, and store point of sales (POS), with the goal to increase self-service adoption, reducing CSR agent reliance in general customer interactions, and be agile and flexible enough to support new product launches. **Nava Granot** confirmed that *"It was easy to build the collaboration as there was existing knowledge within our organization of the Amdocs platform, we have in-house CSM teams that know how to develop on top of Amdocs."* Cellcom was able to accelerate its CRM transformation by leveraging Amdocs' experience in delivering such projects. **Amdocs** commented that they *"already had something that was built on the Amdocs platform, so they could install and start developing right away. There was also a catalog of APIs and UI templates that were provided to Cellcom as a foundation to accelerate the UI design. Amdocs took the template and modified it for Cellcom."*

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The project kicked off on August 1, 2020, and the first CRM modules went live in May 2021, with all content delivered on time and within budget. Since Cellcom hadn't worked in scrum teams before, Amdocs helped architect the project with new methodology and practices leveraging CI/CD and DevOps tools. One of the teams was offshore, the rest were working locally in Israel. The dynamic mixture of onshore and offshore teams, with 100% remote working during the pandemic, did not hinder the project deliverables and commitment timelines were kept. Cellcom confirms that the flexibility of the teams and the methodology was key in delivering the project's milestones and objectives.

Cellcom opted to deploy the new CRM in its private cloud environment and is confident that by leveraging the micro-services and container-based architecture, they will have a platform that is cloud-ready should it choose to shift its applications to the public cloud in future infrastructure transformation projects. IDC believes that the move to cloud will pave the way for an application-centric network that can help CSPs like Cellcom deliver better customer experiences for each application with real agility, scalability, and security that is inherent within cloud solutions. Since the infrastructure is mostly leveraging Open Source/TM Forum APIs, Cellcom can leverage their cloud-native solution to drive better interoperability with external systems through a digital eco-system, further enriching their CRM systems via a common framework that is aligned with industry standards. IDC believes that such frameworks offer a modern approach and the standards required for CSPs to deliver new and differentiated services while avoiding rigid, complex, and customized solutions. Moving forward, the target is to have all Cellcom's CRM agents using the new capabilities of the systems and the organization expects that once the commerce modules are delivered, more CSR agents will be working on the new platform as the project is on-going with deliverables and milestones until November 2022.

FIGURE 1

Cellcom Digital Modernization Timeline

May 2021	November 2021	June 2022	October 2022	November 2022
B2C+B2B 360 Billing Manager Customer Manager Lead + Opportunities	**B2C** Landline	**B2B** Project Management System **B2C** Sim Only	**B2C** Handsets	**B2B** Client Management

Source: Cellcom, 2022

Benefits

Adopting Amdocs methodology methods and practices enabled full transparency and seamless day-to-day operational processes for development, supporting Cellcom's vision to transform its CRM into the 5G-ready platform. Amdocs has already completed the first phase of the digital

transformation project in partnership with Cellcom, producing a series of tangible business benefits, including a 10%–20% increase in overall frontline productivity, with shortened AHT and an improvement in FCR, leading to a reduction in the number of repeat calls; 80% reduction in new agents training time, and will lead to an overall reduction in time to market (TTM) for new/modified products. CSR agent productivity has increased significantly since they spend less time searching for important information and entering fewer fields into a new order, resulting in a much happier and positive workforce. These improvements were achieved through the introduction of a new Customer Relationship Management (CRM) platform built on a unified, simplified and cloud-ready architecture,

By consolidating its disparate CRMs, Cellcom was also able to recognize an improvement in customer acquisition. There was an increase in self-service adoption and automated customer interactions while also reducing customer churn; the burden on CSR agents will also be reduced owing to the decline in calls to customer service centers.

BENEFITS REALIZED:

IMPROVED EFFICIENCY:

- Simplifying Customer Service Representative (CSR) experience by reducing system complexity and improving agent efficiency drives better scoring in AHT, FCR and NPS.
- Adopting open-source for development to help drive down costs and avoid vendor lock-in, addressing the shift to openness in the telco marketplace.
- Reducing TTM for new products and services and matching the expectations of customers in the 5G-era.

ACCELERATED DIGITAL MODERNIZATION:

- Leveraging existing infrastructure to build a unified, omni-channel digital experience across all channels with a single source of truth, utilizing advanced methodologies and technologies.
- UI/UX-led design collaborating closely with Cellcom employees and agents, enabling better usability experiences that can ultimately improve employee satisfaction.
- Adoption of open-source tools to build the solution as a collaborative development platform that is low code and encapsulates a common components library for reusability.

MINIMAL BUSINESS AND TECHNOLOGY DISRUPTION:

- Delivered on-top of Amdocs Order-to-Cash footprint within Cellcom's BSS stack (which includes Catalog, Ordering, and Billing), reducing integration friction through advanced knowledge of APIs and data models.
- Co-development model between Amdocs and Cellcom development teams, ensuring Cellcom's future IT autonomy with the flexibility to develop, customize and manage the entire end-to end pipeline.

Summary

Cellcom wanted to deliver new functionality, features, and capabilities for its customers in rapid iterations with aggressive timelines to recognize value more quickly and to rapidly react to ever-

changing market requirements, driven by a digitally savvy customer base. Cellcom adopted a co-development strategy with Amdocs to modernize its CRM portfolio as part of a wider digital modernization program, reinventing the CRM stack into a unified, simplified, and cloud-ready architecture that generates incremental value as the project is deployed and progressed further. The strong collaboration between Cellcom and Amdocs underpinned the success of the project since both parties were building upon a strong foundation through an existing partnership. Amdocs was able to quickly deploy its process, systems, and tools within the Cellcom development environments and set up scrum teams within the scope of an agile delivery methodology to develop, build, test, deploy, operate, and upgrade applications through a DevOps approach and CI/CD practice. Cellcom is confident that the co-development model is agile enough to support future development and business models, providing it with tools to achieve development autonomy.

Methodology

This document is based on interviews with Nava Granot, Head of Program at Cellcom, and Netanel Ovadia, Customer Account Manager at Amdocs. Background information on the project was supplied by Amdocs.

About the Analysts

Ahmad Latif Ali, **Associate Vice President**, **European Telecommunications Insights**

Ahmad Latif Ali leads IDC's European Telecommunications Insights program, directing research in this area as the telecommunications industry becomes an integral part of cutting-edge technology adoption. He provides strategic insight and perspectives on how European telcos are evolving from traditional CSPs to platform players at the heart of digital ecosystems — deciding where to operate in the digital value chain, who to partner with, and how to manage and orchestrate new technologies.

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