Telco Churn Management

Churn Evaluation

Loyalty Program Development

Churn Prediction and Propensity Modeling

Vision Development: A Customer-Centric Telco

How Do You Define Customer Loyalty?
Customer Churn . . . Blessing or Curse?
It Depends!

It depends on which side of the transaction you are on.

For some carriers, churn means that they lose a large number of customers in a short amount of time. A large part of their hard earned ARPU and profitability is leaking away while they stand by and watch it happen.

For the other carriers in that market, however, it means an opportunity to acquire customers lost by the competition due to wrong pricing, inferior customer service, improper brand positioning, or poor product offerings.

The trick to churn, then, is making sure that you are on the winning side of the equation.

Why do people churn? Why are the customers leaving?

Too often, managers are willing to accept the “easy answers” such as price, quality of service, brand image. All of these contribute to the complex churn-or-stay decision that each customer makes.

At XiT, we have had the chance to study the attitudes and buying behaviors of customers in dozens of markets around the world. We have identified more than 30 factors that contribute to the customer’s decision to churn, and we have made a science of the process of figuring out how to reverse a negative customer perception and turn it into a positive one.
Churn Management – Not as Easy as it Seems!

Telco managers often fail to realize exactly how complex the churn problem really is. The onset of churn can be quite a shock to those who have been doing business for many years without worrying about it.

Many managers try to treat the problems of churn like a cold or the flu, something to be tolerated for a little while. They hope that, if they wait long enough, it will simply go away.

Others either over-simplify the situation or over-react to it. Those people often do more damage to their market position than if they had ignored the problem.

We have found that the most effective way to address churn is by taking all factors that are contributing to the problems into consideration. Customers do not churn because of any one factor, and you cannot effectively and economically respond to a churn problem without understanding what all of those factors are.

Churn Management – An Enterprise-Wide Effort

We have found that customer loyalty is indeed an enterprise-wide effort. Marketing, branding, advertising, sales, customer service, product development, network operations, and quality of service all play a role to play in effective churn management. Only when all of the people are working together as a single team can you have optimum effect on any given churn situation.

Effective churn management is more than just giving away phones or reducing your prices. Effective churn management is more than simply creating clever predictive models and mailing brochures to the customers that are at risk.

Effective churn management is the process of reviewing who your customers are (their wants, needs, and willingness to pay) and who you are (your quality of service, level of customer service, brand image, market position, and attractiveness to consumers) and determining the best way of leveraging your assets to have maximum impact on the marketplace.

OFFERINGS

Churn Prediction Capabilities
- Churn Prediction Model Development – models that predict who is likely to churn and when
- Churn Propensity Model Development – models that help identify different customers’ level of pre-disposition to churn
- Customer Churn Risk Index Development – index that will flag the high-churn-risk customers for the call center so that they can be handled appropriately
- Customer Churn/Value Cross Indexing – special indexes that assess the potential value of the customer, providing for much better, targeted churn campaign decision making

Call Center Churn Management
- Development of special indexes to identify the high-risk, high-value customers for call center handling
- Churn routing and handling design
- Development of churn management scripts and campaign materials
- Training in churn management techniques for call center managers and agents

Churn Campaign Development
- Development of models to identify the best targets for churn campaigns
- Development of churn management campaigns (message, medium and targeting strategy)
- Training of marketing and sales teams in churn management best practices

Loyalty Campaign Design
- Effectiveness evaluation of the of current loyalty campaigns and activities
- Development of loyalty programs (points plans, user groups, etc)
eXcellence in Telecommunication (XiT) is a small, boutique consulting, publishing and training company, dedicated exclusively to the development and delivery of best practices in telecommunications operations.

THE TELECOM CHURN MANAGEMENT HANDBOOK

At XiT, we are so serious about studying and mastering telecom churn that we have written a book about it. This publication, authored by Rob Mattison, is the only authoritative source of information available about the many aspects of telecom churn, its causes and its cures.

The book provides the reader with an exhaustive overview of the many types of churn, how telcos around the world have tried to manage it (successfully and unsuccessfully), and the techniques that have proven the most effective.

For information about how to purchase a copy of this book contact us at churnbook@telco-churn.com or download a free .pdf version for yourself from our website at www.telco-churn.com/churnbook.asp

Rob Mattison, the author and president of XiT, is an internationally recognized expert and thought leader in telecommunications churn management and telco business intelligence.

A consultant with more than 20 years experience with customers across Asia, South America, the US and Europe, and author of many books on telecommunications operations and analysis, he is a popular and much sought after speaker at conferences and seminars.