

Dialog Axiata leads in digital customer experience, automating 80% of processes

Who?



What?

A complete digital customer experience transformation, personalization and automation initiative across app, web, retail customer experience store, kiosk, contact center and social media channels

How?

Buy-in at group level to a culture of innovation, upskilling and measurement, supported by TM Forum's Digital Maturity and AI Maturity Models; conformance to the Open Digital Architecture and Open APIs, part of the Open Digital Framework; and participation in the Catalyst Program

Results

US\$12.6 million in increased revenue and cost optimization

100% automation of distribution channel activations and with US\$1.1 million in savings

60% of post-paid customers moved to e-bill, saving LKR400 million (around US\$1 million) per year

50% of all payments – US\$242 million - collected via app, web, kiosks, IVR & other digital channels

Top 80% of manual processes automated

Dialog Axiata aimed to take a massive step forward to become South Asia's customer experience champion and most valued brand by 2022. The company's customer experience vision included transforming to humanize digital care to fulfill consumers' needs for connection, self-expression, exploration and consumption through omnichannel experiences. With 14 million customers and a complex product portfolio including mobility, broadband, digital TV and more, Sri Lanka's largest telecom provider sought to automate end-to-end and gain the ability to gather and respond to customer feedback continuously with strong digital customer experiences across all channels.

Dialog's primary customer experience goals were to provide personalized, automated customer experiences throughout its customer journeys, encompassing all touchpoints and the entire customer lifecycle. This translated into not only simplifying and digitalizing its manual processes and channels but doing so with an intense focus on delivering customers want they wanted, where and when they wanted, even if they'd never seen it before. Every phase from Awareness to Consideration, Order to Activate, Usage to Bill, Bill to Cash, and Trouble to Resolve had to be assessed and human-centric techniques determined to create solutions in creative and innovative ways.

Focus on personalization and humanization

With executive commitment and investment from Axiata Group for a major transformation and customer experience leadership initiative, Dialog partnered with Axiata Digital Labs (ADL). Exclusively set up to cater to Axiata operating companies' digital transformation needs, ADL helped bring rapid change through Agile methodology and convergent digital design experiences.

“We used design thinking to tackle problems that were ill-defined or unknown to come up with innovative solutions that provided better experiences, more value and increased revenue at the lowest possible cost,”

says **Rakesh Ajbani**, *Senior General Manager – Digital CX and Omnichannel, Dialog Axiata.*

Mass personalization across all channels meant reimagining Dialog's mobile app; web store; contact centers and telesales; kiosks and retail experience stores. The company aimed to run consistent campaigns across all channels by integrating each to a contextual understanding of customer behavior using big data analytics. This omnichannel approach would also align all customer interactions with Dialog's "Star Points" rewards and "Club Vision" loyalty program.

Personalization was key to both efficiency and to the humanization of the company's digital approach. For example, a customer who called regarding a disconnect for non-payment would be greeted by an IVR that immediately offered the customer an opportunity to get a small loan from the communications service provider (CSP) or make an immediate payment but remain connected either way. As a result, IVR interactions, which are common for Dialog given that smartphone penetration is only 50% in the country, are contextual to the customer, ultra-efficient and offer a highly relevant experience.

Another unique personalization example came in Dialog's retail experience stores. The company introduced Smart Kiosks in a move toward fully "autonomous stores" – self-serve stores that are a first for Sri Lanka. Smart Kiosks let customers swap SIMs, purchase devices and make payments. In Sri Lanka, credit card penetration is limited, as a result, even a self-serve Smart Kiosk that's otherwise fully digital must accept cash and provide change.

Dialog also saw it needed to meet customers where they spend their time in their digital lives. This meant being the first in Sri Lanka to enable services like WhatsApp and Facebook Messenger as fully functional customer service channels. Dialog deployed a new chatbot for first line, personalized customer service interactions. This chatbot serves across all channels, including these social media channels, to create a consistent, omnichannel experience for customers including those without smartphones via SMS or USSD.

Transformational framework

To ensure new customer experiences were not conceived in a vacuum, they were created using design-led thinking and customer feedback. Dialog invested in a consumer digital lab, where customers are invited to help co-create and provide customer feedback on prototypes, products and services. Prototypes were then modified based on user feedback to create products and services that delivered superior customer experiences and were far more likely to succeed.

ADL played a critical role in rapid development and implementation, having previously used Agile with Dialog for API disaggregation and microservice-based development. More than 1100 staff members were trained in Agile. Driving continuous integration/continuous development (CI/CD)

compliance; weekly deployments; and blueprint methodology, Agile methodology was a force for change in shifting Dialog to digital ways of thinking and working. The advantages were clear: faster time to market, incremental product shipment and the ability to course correct based on customer feedback.

The “API-ification” of Dialog’s legacy BSS was another critical step. Legacy BSS is in the process of being replaced gradually, wherever possible, as part of a migration to a cloud-native and microservice architecture. By fronting legacy BSS with APIs, Dialog can accelerate upper layer, customer experience-related development using Agile, while continuing to work around and then replace legacy platforms with cloud-native components.

Close collaboration with TM Forum

Dialog’s overarching digitalization program, including its customer experience transformation, is aligned with the TM Forum Digital Maturity Model (DMM), an online tool that can be used to identify possible investment priorities and manage the transformation journey itself, step-by-step. The TM Forum Network as a Service (NaaS) API component suite’s specified functions provided the guidelines for organizing this program. The TM Forum Open Digital Architecture (ODA) is also a primary reference for Dialog’s operating and business support system (OSS/BSS) modular developments and API integrations. Dialog also complies with the TM Forum AI Maturity Model, using it to build new AI capabilities for its customer experience.

ADL is an active participant in TM Forum’s proof-of-concept Catalyst Program having led the award-winning **App Trading Marketplace Catalyst**, a first-of-its-kind solution which explores the opportunity for telcos to come together, explore synergies and share success stories via an online marketplace environment. ADL also is one of the main contributors to the **Digital Platform for Ecosystem Business (DPEB) Pioneer Project**. ADL’s experience with TM Forum best practices and standards was a critical value-add to Dialog’s digitalization program.

A winning approach

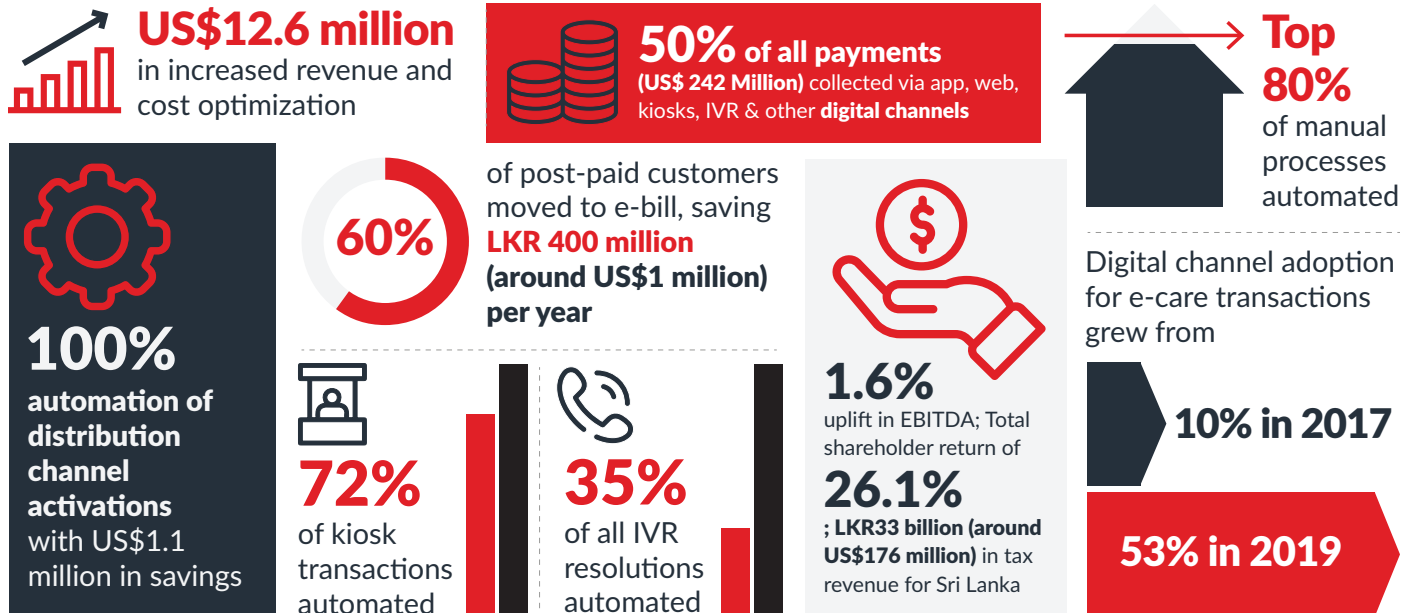
Measurement is central to Dialog’s culture. Every employee’s performance, up to the C-level, is tagged to NPS so that everyone lives by these metrics. NPS targets are set and reviewed biannually. Both NPS and customer satisfaction (CSAT) scores are reported in real time to nearly 300 users. As a result of this customer experience transformation, Dialog Axiata’s NPS increased from 50 in 2018 to 54 in 2019, maintaining Dialog’s five percentage point lead over its competitors.

The company’s broad digital transformation initiatives have contributed to roughly LKR2.3 billion (US\$12.6 million) in increased revenue and cost optimization with a 1.6% uplift in EBITDA and total shareholder return of 26.1%.

The company automated 100% of its distribution channel activations and achieved LKR200 million(US\$1.1 million) in savings as a result. Digital channel adoption for e-care transactions grew from 10% in 2017 to 53% in 2019. 60% of its post-paid customers moved to e-bill, saving LKR 400 million/USD\$1 million per year. 50% of all payments – LKR44 billion(US\$242 million) - are collected via app, web, kiosks, IVR & other digital channels.

Dialog moved the top 80% of its manual processes to automation, with 90% of those digitalized through the app. 72% of all kiosk transactions moved to total automation. On average, 35% of all IVR resolutions were automated in roughly 1 year from February 2019 to February 2020. Furthermore, the company’s new app is the most downloaded telecom app in Sri Lanka, with more than 4.5 million downloads with a rating of 4.4 on the play store.

Key results of Dialog Axiata's digital customer experience transformation



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TM Forum, 2020 (Source: Dialog Axiata)

At a group level, Axiata also measured the success of all of its operating companies' digital transformation processes and Dialog was ranked the group-wide leader. Three independent consultancies were engaged:

- The Oliver Wyman Digital Telco Index (DTI), which measures overall digitalization, increased from 6.7 in 2018 to 7.6 in 2019 (on a scale of 10). The DTI measures technology, people and culture with Dialog leading the group.
- The Frost and Sullivan Digital Maturity evaluation of Dialog's business functions moved from "evolving" to "driving" with an overall score increase from 3.54 in 2018 to 4.07 in 2019 (on a scale of 5).
- Dialog was classified as a Digital Champion in McKinsey & Co.'s Digital Quotient; its score of 58 places the company in the top quartile for telecom service providers globally.

Investing in people for positive cultural change

Implementing this degree of successful change across its entire organization while remaining nimble and improving both customer experience and bottom line continues to be a tremendous challenge. Change had to be driven from the group level and coupled with substantial investments in upskilling employees and recruiting new staff in design thinking, Agile methodology, AI and data science.

Legacy system, process and policy change is an ongoing mission. Dialog has continued to improve its skill with consolidating multiple systems into one, such as with its CRM infrastructure which had disparate systems for each business unit. Similarly, customer data had to be consolidated to support AI efforts. TM Forum Open APIs play a key role in facilitating these changes and moving toward a cloud-native future. "There is still legacy – we've used workarounds or replaced legacy, or are in the progress of replacing legacy," says Ajbani, "but we are going cloud-native."