

SERVING TOMORROW'S ENTERPRISE: A GLOBAL SURVEY OF BUSINESS USERS' ATTITUDES TOWARDS THEIR CSP

A CHECKLIST FOR CSP PREPAREDNESS



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ABOUT THIS EBOOK

In mid-2014, the technology insights firm [MachNation](#) conducted a survey of over 800 small-medium and large enterprises to understand their views of CSPs and the services they provide. The goal of the survey: to better understand the needs of the global IT and communications business services market.

We reasoned that by more fully understanding businesses' motivators to buying, requirements for support, and concerns about missed expectations, CSPs would be able to increase the value they provide to their business customers.

In partnership with [CSG International](#), the Business Services Global Survey 2014 asked respondents in North America, India, France, Germany, UK, Australia, New Zealand, Mexico and Indonesia about their business and technology challenges, pain points and future communications technology and support needs.



The findings were sometimes surprising, and sometimes validated some long-held beliefs. We have summarized the results in this eBook, and included recommendations for CSPs pursuing strategies to attract and retain ongoing enterprise revenue.

For a one-page summary of the recommendations, turn the ePage...

SUMMARY OF RECOMMENDATIONS

The survey results can be found in the following pages, but for those short on time, here are our top recommendations:

- **PRODUCTIVITY & INNOVATION ARE TOP BUSINESS PRIORITIES:** Sell the **value** of communications solutions to **drive business productivity and innovation** while allowing businesses to **manage change**.
- **BE SMARTER ABOUT SECURITY:** Device and data security are top technology challenges for businesses. All elements of a CSP's offering – product, support and management – should **highlight security** for large and small enterprises. But don't overdo the messaging, especially for smaller businesses.
- **BUNDLE IT UP TO GO:** **Bundling** is a great way to provide **more value** to customers – and customers recognize it. But the **risks** of making mistakes – missing customer expectations – **increase as** the size of the **bundle increases**.
- **TWO IS THE LIMIT!** Make strong efforts to make **no more than two mistakes** with business customers **in a 12-month** period. Businesses are more likely to share their frustrations with others when they have more than two problems per year. Businesses are most upset when a CSP misses its SLAs.
- **THE CLOUD HAS SUBSTANCE:** Keep pushing **cloud services** to business customers – it is the non-commodity and a **key differentiator** in a CSP's offering.
- **EMPOWER BUSINESSES WITH SELF HELP:** **Offer** businesses the ability to help themselves. **Self-care** helps businesses and it helps CSPs.

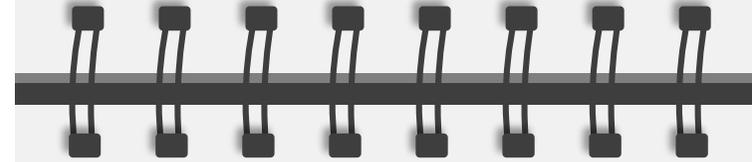
PRODUCTIVITY & INNOVATION ARE TOP BUSINESS PRIORITIES

GOOD NEWS! YOUR BUSINESS CUSTOMERS HAVE MORE IMPORTANT THINGS TO DO THAN CUT COSTS.



It might not feel like it sometimes, but your customers say that increasing productivity is their top business priority. The reasons behind this are many: increasing competition in the market raises the specter of pricing pressures, and productivity gains are required both to keep pace with competitors' offers and maintain margins, quality and service levels. Businesses face an environment where *their* customers' expectations continue to rise, and business users demand the same levels of choice, quality and responsiveness in the work environment that they have at home.

The second priority is fostering innovation, and it's no coincidence that this is driven by the same factors. Competitors abound in nearly every industry. Your customer's customers have a growing number of choices, so the business must expand its offers. And in face of declining prices, they are seeking new revenue streams. The collection of services that the CSP delivers to its business customers must foster productivity and innovation.



THE CSP'S CHECKLIST: Foster Productivity & Innovation

- ✓ Develop and market a **suite of business productivity tools**, delivered and enabled through traditional connectivity offerings. These should include business process applications, infrastructure management capabilities, reporting and analytics features, and data and information security
- ✓ Ensure that your **marketing messages focus on the benefits** and value that your business customers will derive, and not on price. Develop growth-centric advertising campaigns.
- ✓ Research, develop and communicate **quantitative and qualitative examples** of the value and benefits that your business customers have derived.

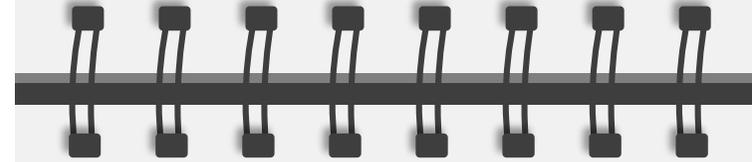
CONCERNS ABOUT INFORMATION AND DEVICE SECURITY MANIFEST THEMSELVES AS THE TOP TECHNOLOGY CHALLENGE FOR BUSINESSES OF ALL SIZES.



24% OF ENTERPRISE CUSTOMERS SAID SECURITY IS THEIR TOP TECHNOLOGY CHALLENGE

There is no apparent escape from the growing threats to customer and financial data records, intellectual property and business operations. For large enterprises, protecting against these threats demands ongoing investment in security operations, including staff, applications and governance processes at all levels of the organization. They are interested in solutions that increase staff skills and productivity, monitor and analyze networks in real time, and accelerate responses to attacks.

Small and mid-sized enterprises are most concerned about managing employee devices – another concern driven by security challenges. As SMEs increasingly adopt Bring Your Own Device (BYOD) policies that increase productivity and reduce costs, they face the risk of processes, applications and data crossing outside the physical and virtual walls of their businesses. With less capacity to invest in robust security operations, SMEs look to partners who can help them build the strongest defenses against security threats.

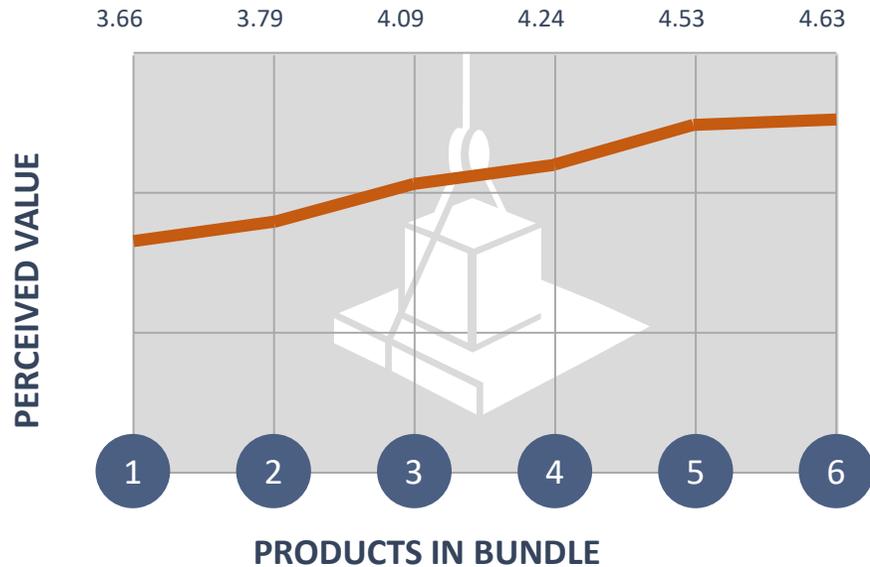


THE CSP'S CHECKLIST: Meet Customers' Needs for Security

- ✓ Offer expanded **security solutions**, in particular packaged solutions and services to small and medium-sized businesses.
- ✓ Emphasize the **security attributes** of all of your offerings in your messaging and value propositions.
- ✓ Provide flexible **device management** tools that facilitate on-boarding of employees' personal assets, authentication, authorization and policy applications, and monitoring and reporting of usage and access.

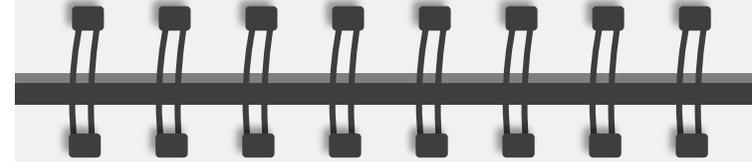
BUNDLE IT UP TO GO!

INCLUDING MORE IN YOUR BUNDLE INCREASES BUSINESSES' PERCEIVED VALUE OF YOUR OVERALL SOLUTION.



The benefits of bundling to the CSP have long been acknowledged: they result in increased revenue and customer stickiness. But our survey illustrates that business customers value the bundle as well: purchasing 5 or 6 services in a bundle – including things like fixed connectivity, mobility, broadband, video and cloud services – is significantly more valuable to them than just 1 or 2 services.

Delivering a larger number of services in a bundle requires careful planning, however. With each incremental service comes an increased risk of service issues over time, and business customers have demonstrated a threshold for the number of issues experienced before they begin to go public with their frustration with their service provider (see page 7). Businesses that experience too many service problems take their business elsewhere.



THE CSP'S CHECKLIST:

Keep Bundling

- ✓ Keep on **bundling**. Continually monitor which combinations of services can be bundled to deliver the greatest benefits to both your SME and large enterprise customers.
- ✓ Continue to **add services to your bundles** over time. Add new services and applications to existing bundles, because your customers will value the bundle even more.
- ✓ Create **tailored technical and customer support** to customers with the biggest bundles to minimize the risk of dissatisfaction. Implement unique escalation paths when businesses with large bundles encounter problems.

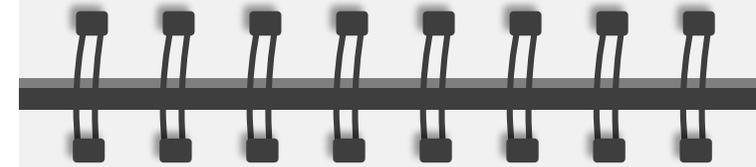
TWO IS THE LIMIT!

BUSINESSES THAT EXPERIENCE MORE THAN 2 PROBLEMS WITH THEIR CSP SERVICES IN A YEAR WILL SHARE THE BAD NEWS.



With numerous tools available for interacting with communities large and small, it should come as no surprise that businesses use these to share their experiences. And expressing concerns about their CSP in public forums is one thing that businesses do. They are reasonably tolerant with the first two issues that they encounter in a year, and there are certain internal actions that they take in every case, including reporting it to the CSP, to the manager, and to one's peers. But as soon as they cross the threshold beyond two incidents, the cover is blown: businesses are twice as likely to go public with their dissatisfaction.

And the issues that could be experienced are diverse, ranging from service outages, SLA violations, billing disputes and more. Two-thirds of survey respondents reported missed SLAs, and more than half experienced billing errors. Each one of these incidents adds to the collective pool and moves the customer to the point beyond which the complaints will be aired.



THE CSP'S CHECKLIST:

Whatever you do, don't exceed 2

- ✓ Create **incident dashboards** for both internal and external use, keeping track of issues of all types – service issues, disputes, billing issues – as they arise and are resolved.
- ✓ Develop and optimize processes **to identify recurring problems** and conduct root cause analysis.
- ✓ Be **proactive** about issues and reach out to your customers to **notify** them that you're working to resolve them.

THE CLOUD HAS SUBSTANCE

CLOUD SERVICES IN THE BUNDLE INCREASE THE BUSINESS'S PERCEIVED VALUE OF THAT BUNDLE – TWOFOLD.

WITHOUT

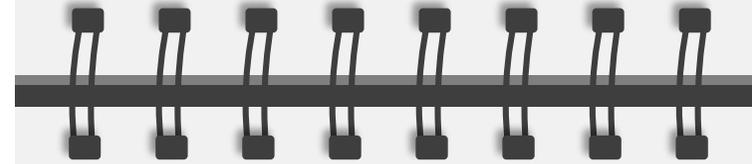


WITH



Cloud matters in a big way: the business bundle with cloud is deemed exceptional nearly twice as often as the bundle without cloud services. Cloud infrastructure and cloud applications are also the two most demanded future products in which businesses plan to invest, so the time is now for the CSP to add cloud services to the bundle if they aren't offered already.

The demand for cloud services is driven by the need to increase productivity and stimulate innovation in businesses large and small alike. Recall that those were the top priorities identified elsewhere in the survey (see page 4). So it becomes clear why businesses value the cloud so highly and will invest increasingly in the cloud: these are effective tools, from both a cost and a provisioning perspective, that enable the business to keep pace with changing needs.

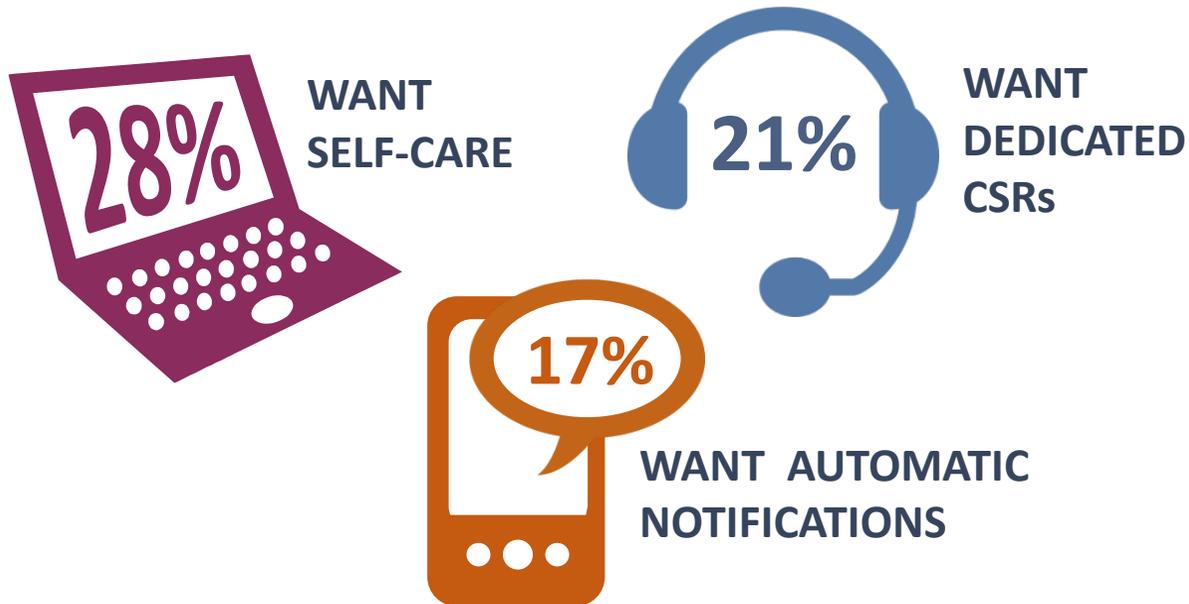


THE CSP'S CHECKLIST:

Offer Cloud whenever you can

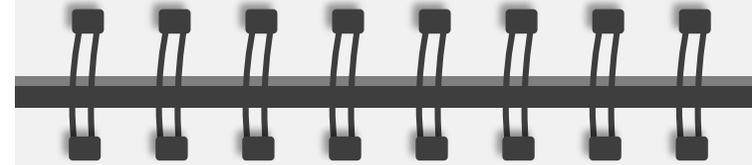
- ✓ Offer all kinds of things in the **cloud**: infrastructure as a service, software as a service, unified communications as a service, security as a service.
- ✓ Build your marketing value proposition on **your legacy as a reliable provider of technology** to compete against the pure cloud players. Focus on the technology attributes of your brand, including reliability and availability, as you market cloud services.
- ✓ **Include cloud** offers into your **existing bundles**, which will encourage uptake and further increase the value your business customers derive of the bundle they already have.

BUSINESSES WANT TO HELP THEMSELVES – BUT THEY WANT YOUR SPECIALISTS TOO.



When asked about their support requirements, over a quarter of businesses said they wanted some form of self-care such as tools to help them manage their accounts and analyze their business and employees' usage and spending.

But when they need to speak to someone live, enterprises also expect a high level of competency from call centers with staff specialized in their business services. Having access to a dedicated team of call center agents was their second priority. As another indication of the importance of security and productivity to enterprises, they also like automatic notifications about unusual account activity, and tailored product offerings came in very close behind.



THE CSP'S CHECKLIST: Treat Businesses Like Consumers

- ✓ Provide customers with **self-service portals** with GUIs that allow businesses to get things done quickly and easily. The portal should present data about a business's account, usage, spending, trouble management and areas of potential cost savings.
- ✓ Since businesses are more receptive to a CSP that is **proactive about outages or missed promises** than one that tries to hide it, consider including this information in a portal as well.
- ✓ Ensure **call centers** are staffed with competent and highly-trained staff **dedicated to business customers**. The support they provide is a reflection of your firm's commitment to quality.

WANT TO LEARN MORE?

VISIT [HTTP://INFO.CSGI.COM/MORE-ON-SERVING-ENTERPRISE](http://info.csgi.com/more-on-serving-enterprise)



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WHO IS MACHNATION?

MachNation is the only application development and dedicated insight services firm covering the future of the Internet of everything (IoE) and the connected business world. MachNation specializes in understanding and predicting technology sectors including developments in hardware, platforms, communication services and applications. MachNation specialists have provided guidance, consulting services and support to the majority of the world's leading IT and communications firms.

MachNation provides strategic, tactical and marketing support for firms that care about differentiating themselves in the connected future.

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WHO IS CSG INTERNATIONAL?

CSG Systems International, Inc. (NASDAQ:CSGS) is a market-leading business support solutions and services company serving the majority of the top 100 global communications service providers, including leaders in fixed, mobile, and next-generation networks such as AT&T, Bharti Airtel, Comcast, DISH, Orange, SingTel Optus, Spark New Zealand, Telefonica, Time Warner Cable, T-Mobile, Verizon, Vivo, and Vodafone.

With more than 30 years of experience and expertise in voice, video, data, and content services, CSG International offers a broad portfolio of licensed and Software-as-a-Service (SaaS)-based products and solutions that help clients compete more effectively, improve business operations and deliver a more impactful customer experience across a variety of touch points.

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