

KPN Drives a Customer-Centric Approach and Simplifies IT Systems with Prebuilt Integrations



KPN
The Hague, The Netherlands
www.kpn.com

Industry:
Communications

Annual Revenue:
US\$16.18 billion

Employees:
43,500

Oracle Products & Services:

Oracle Application Integration
Architecture for Communications
Siebel CRM
Oracle Communications Billing and Revenue Management
Oracle Financials
Peoplesoft Human Resources
Oracle Database
Oracle Universal Content Management
Oracle Identity & Access Management Suite
Oracle BPEL Process Manager
Oracle Enterprise Service Bus
Oracle Support

Implementor
Oracle Consulting

“It has to be right the first time. Customers should have nothing to complain about. They should be able to specify for themselves, via a self-service model, what services they want to receive. Oracle is helping us achieve this, with an integration platform and applications, but above all, with a good understanding of the telecommunications market. We are working together on this project as partners.”

– Jan Muchez, Chief Information Officer, KPN

KPN provides high-quality telephone, internet and television services and products and is an all-round provider of ICT services. Consumers in the Netherlands use fixed and mobile telephony, internet and TV from KPN. Business customers use KPN’s entire array of innovative and reliable services. They include everything from telephony, internet, and data traffic/management all the way through to the management of ICT services. In Germany, Belgium and elsewhere in Western Europe, the services of the KPN group consist mainly of mobile telephony.

Jan Muchez, KPN’s chief information officer since October 2005, describes the predeployment-years: a strong business, completely product-focused, a well-oiled machine that had pretty much every company and consumer in The Netherlands as a customer. That would soon change. The liberalization of the market, plus the explosive growth of mobile and the arrival of internet technology hit KPN at about the same time.

“Suddenly, we had numerous brands and products. Everything was decentralized into separate commercial departments. The smooth-running organization that existed before was now seen as a lumbering behemoth not suited to the internet age,” Muchez explained.

As a result of KPN’s focus on products rather than customers, a person who subscribed to five KPN products would end up in five different databases and receive five separate bills from the same company. External factors such as the bursting of the dot com bubble, the purchase of a costly universal mobile telecommunications system (UMTS) license, and a difficult

Oracle Partners:

Capgemini
www.capgemini.com

Accenture
www.accenture.com

IBM
www.ibm.com/services

Key Benefits:

- Saved time and costs by using Oracle's standard integration instead of the provider having to build this
- Connected applications without requiring the provider to build integrations, which avoids inherent risks and costs
- Accelerated time to market for new products and services by 30%
- Simplified the provider's IT landscape, thus reducing administration costs in the longer term

acquisition of the German firm E-plus, brought KPN to its knees in 2001. The communications provider realized that to attract new customers, retain its more than 30 million existing customers, and remain competitive as a multiplay provider, it needed to focus on creating a more customer-centric business and aligning its IT systems to meet this objective.

KPN embarked on a major strategic IT project, ultimately deploying Oracle's Siebel CRM and Oracle Application Integration Architecture for Communications to transform its business and improve customer satisfaction.

"It has to be right the first time. Customers should have nothing to complain about. They should be able to specify for themselves, via a self-service model, what services they want to receive. Oracle is helping us achieve this, with an integration platform and applications, but above all, with a good understanding of the telecommunications market. We are working together on this project as partners," Muchez said.

Simplifying IT Systems Despite Complex Products

KPN had reinvented itself as an internet service provider, selling Voice over IP, mobile telephony, a range of internet services, digital television—in short, the full media package. While the provider realized that its product suite was complicated, it also realized it needed to shield the customer from the complexity involved.

"An internal analysis concluded that KPN was selling complicated products and that the administrative processes involved were not, on the whole, set up efficiently. KPN has approximately 20 different call center systems, 65 different billing systems and around 20 different CRM systems. None of these are really integrated. On the one hand, KPN wants to cut back on the number of applications, but on the other hand the company wants to retain applications that are absolutely necessary. We have invested a lot of money in our application strategy over a period of years, and the goal is to make the strategic applications a seamless part of the whole," Muchez said.

Oracle Application Integration Architecture (AIA) for Communications is helping KPN achieve this vision. The pre-built, sustainable, service-oriented architecture (SOA)-based integrations between KPN's new Siebel CRM application and existing Oracle Communications Billing and Revenue Management application

“The results clearly speak for themselves: the implementation took just six months, while, thanks to the integration of applications, the time-to-market of our products and services has been slashed by no less than 30%.”

Jan Muechez
Chief Information Officer
KPN

ensure that product and service launches take place more rapidly by synchronizing product details. In addition, the platform has improved data quality with pre-integrated synchronization of customer and order data from CRM to billing, and increased customer satisfaction by ensuring customer service representatives have accurate and consistent data in the call center.

KPN is the first large communications company to deploy AIA. To date, KPN is using AIA in its latest products: trials involving fiber optic connections and the IP services they carry. The aim is to roll the platform out across the company.

“We are favorably disposed toward it on the basis of our experiences so far,” Muechez said.

Results-focused

Muechez noted that the AIA approach of software development helped considerably. “KPN was able to save time and money and organized all customer data in a very structured way. And we expect, even with our broad and extensive portfolio, to be able to guarantee a high degree of flexibility and a quick time-to-market,” Muechez said.

Muechez added, “The results clearly speak for themselves: the implementation took just six months, while, thanks to the integration of applications, the time-to-market of our products and services has been slashed by no less than 30%. What is more, we have achieved significant savings of time and money in realizing this project by making use of previously installed integrations. And that leads us back to the benefits of Oracle’s Application Integration Architecture.”

Frank Veldhuizen, Program Manager at KPN added, “With Oracle Application Integration Architecture for Communications, KPN has integrated key applications to offer efficient business processes for customer-centric billing. We have saved significant time and money by using prebuilt integrations, as opposed to having to develop them from scratch. It enables us to be a market leader in customer service, and will enhance our competitive position.”

Optimizing Technology Investments

KPN’s implementation of Siebel CRM and AIA also optimizes its existing investment with integrations to Oracle Communications Billing and Revenue Management that has been in production at

KPN since 1999. KPN originally selected the application to replace numerous legacy billing and rating applications and enable next-generation IP-based services. KPN now has Oracle Communications Billing and Revenue Management deployed for the majority of its consumer ADSL, VoIP, IPTV and other IP service subscribers with further plans to extend its use. The application enables KPN to deliver real-time and flexible billing plans and payment options, as well as quickly add new services to accelerate time-to-market.

Why Oracle?

After careful consideration, KPN decided to use Oracle's Siebel CRM for managing its customers. Oracle's demonstrated knowledge of the communications industry played a critical role in that decision. KPN had also deployed Oracle Communications Billing and Revenue Management software for several KPN services. The billing and revenue management (BRM) and CRM systems, both from Oracle, were naturally brought together via AIA.

"Siebel CRM is a proven, market-leading product that we knew would allow us to have a single, consolidated view of our customers and provide them with a unified experience," said Ernst Lamein, Manager IT Architecture at KPN. "With the selection of Siebel CRM, we put ourselves in a position to fully leverage Oracle Application Integration Architecture, which provides productized integration between CRM, Oracle Communications Billing and Revenue Management, and Oracle's ERP applications. Oracle's unique suite integration strategy will help KPN reduce costs, accelerate time to market, and improve customer satisfaction."

KPN chose AIA because it currently runs numerous Oracle applications and databases, including Oracle Financials, Peoplesoft Human Resources, and Oracle Database. In addition, KPN was attracted to AIA because it is based on standards. As Muechez noted, the SOA-based platform also makes the integration of nonOracle applications possible without KPN having to construct and maintain numerous point-to-point connections.

Implementation

From start to finish, KPN's deployment of Oracle's integrated CRM and billing platform for the launch of consumer fiber services

took less than six months. KPN relied on a number of Oracle partners: Accenture for the implementation of Oracle's Siebel CRM, IBM for the implementation of Oracle Business Intelligence, Oracle Communications Billing and Revenue Management and Oracle Application Integration Architecture for Communications, and Capgemini for the roll-out of Oracle E-Business Suite. KPN's own IT specialists always retained control of the process, however.

Muchez noted, "We did the project in close consultation with Oracle, both with the staff here in The Netherlands and at the head office in Redwood Shores, California. We all experienced the cooperation, and we saw the collaboration as a partnership."

Founded in 1852, KPN is a leading provider of telephony, internet, and television services, serving The Netherlands, Germany, and Belgium.