

# LG Telecom Cuts Product Development Time from Two Months to Two Weeks



LG Telecom  
Seoul, Republic of Korea  
www.lgtelecom.com

**Industry:**  
Communications

**Annual Revenue:**  
US\$3 billion

**Employees:**  
2,100

#### Oracle Products & Services:

Oracle Master Data Management Suite  
Oracle Customer Data Hub  
Oracle Product Data Hub

#### Key Benefits:

- Reduced product development from two months to two weeks
- Increased service subscriptions by 8.6%
- Increased revenues by 5.8% and enhanced return on investment
- Increased new product types by 108%
- Prevented churn of existing customers and helped to bring new ones on board

*“Oracle Master Data Management has allowed us to enhance our up-sell and cross-sell marketing with differentiated service, increasing our average revenue per user) and average margin per user. We have also been able to target customers more accurately and at lower cost.” – Park Sungsoo, General Manager, Billing Information Team, IT Division, LG Telecom*

Founded in July 1996, LG Telecom provides telephony and internet services to the South Korean market. Controlled by the LG Group, LG Telecom became one of the world’s first telecommunications providers to deploy code division multiple access (CDMA) technologies for commercial purposes. In October 1997, the company launched a nationwide personal communication system (PCS) commercial service and in January 1998, offered wireless data services over its CDMA network.

In May 2001, LG Telecom became the first provider to commercialize wireless internet in Korea. It has also delivered a nationwide CDMA2000 1x service to enable the rapid distribution of multimedia services, such as video, and entrench its position in the wireless internet market.

LG Telecom built a third-generation EV-DO Revision A network to maximize the quality of calls, deliver enhanced content, and increase the competitiveness of charging through a convenient and low-cost open data service. To establish a strong, reliable business and build its subscriber base, LG Telecom based its marketing to consumers on the mobile phone-enabled lifestyle while delivering robust wireless internet and data services.

To meet the needs of an increasingly demanding and diversified customer base, respond to shorter product lifecycles and fluid business models, and support convergence of voice and data onto a single network, LG Telecom implemented a new customer service billing system (CSBS) supported by Oracle Master Data Management Suite.

Oracle Master Data Management provides consistent, reliable, high-quality customer data and allows LG Telecom to manage several businesses based on a single data instance

### Improving Customer Service and Resource Utilization

Master data is crucial to the management of corporate information. If it is difficult to manage or not properly integrated, then the ability of a company to leverage information is compromised. With a subscriber base of 8.59 million people, LG Telecom needed to ensure the information supporting its new “Next”-branded CSBS was robust, accurate, and accessible.

LG Telecom deployed Oracle Master Data Management Suite to leverage quantitative customer information to up-sell and cross-sell, as well as identify and provide differentiated service to higher-value customers. This increased service subscriptions by 8.6%.

By accurately determining the status of relationships and the behavior of customers, LG Telecom was able to enhance the quality of service. The company also prevented the departure of existing customers and used low-cost initiatives to acquire new customers. In addition, the solution enabled LG Telecom to complete accurate customer targeting, which helped reduce the expense of new customer creation. This increased revenues by 5.8% and enhanced return on investment (ROI).

By applying a comprehensive product management strategy, LG Telecom also reduced product development from two months to two weeks and slashed product registration errors. In addition, thanks to a reduced time-to-market, it also increased the number of new product types by 108% compared to similar periods.

By accurately understanding customer niches, relationships, and values, LG Telecom could market its products and services more effectively to customers and provide them with a better service.

The organization significantly increased customer satisfaction by implementing a one-stop service across all channels and delivering a consistent response to customers. All channels base their decision-making on a single view of the customer, which enables employees to respond more flexibly and increases overall satisfaction by 12%.

Using Oracle Master Data Management, LG Telecom plans to boost its ability to define master data to the enterprise level, separate master data from individual applications, and enable easy integration. This includes defining partner information, finance, and user information to provide an enterprise-class master data management service.

Its strategy also includes further strengthening quality management to ensure data consistency.

### **Why Oracle?**

LG Telecom selected Oracle Customer Data Hub and Oracle Product Data Hub—components of Oracle Master Data Management—to help manage the CSBS.

The reliability and superior functionality of Oracle Master Data Management played a key role in its selection. In addition, Oracle Customer Data Hub and Oracle Product Data Hub incorporated strong data quality management and workflow functions. LG Telecom also gained the confidence to select the solution based on the number and quality of customer references in Korea.

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