Accenture Communications Solutions Client Case Study

Building a Nimble Giant:
Turkcell teams with Accenture to transform the creation, deployment and management of new value-added services

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Company overview

Turkcell is Turkey's leading GSM operator, with 27.9 million subscribers and 100% coverage of all towns with 5,000-plus inhabitants. As Europe's fourth-largest GSM operator, Turkcell's outstanding market coverage is matched by a global reputation for innovation. The company was the first to introduce convergent billing solutions in the GSM Association and in Turkey it has consistently been a market leader, introducing a range of new products and services, including "GPRSLand" (World Communication Awards winner, 2002), MaxiMesaj (Multi Media Services), "Shubuo" (a set of new value-added services combining targeted marketing in partnership with various consumer brands), "Push to Talk", the launch of BlackBerry services in Turkey and "Turkcell EDGE" in 2005. Turkcell now has GPRS roaming agreements in place with 235 operators in 88 countries, making it the world leader by number of contracted operators.

Business challenge

With the drive towards privatization and deregulation gathering momentum, new operators have wasted no time entering the Turkish marketplace. 2005 saw a number of significant developments including the arrival of Vodafone (acquiring Telsim, the country's second-largest mobile operator) and the purchase of a 55% stake in fixed-line operator Turk Telekom (40% owners of leading Turkish mobile operator Avea) by a consortium which includes Saudi-Lebanese company Saudi Oger and Telecom Italia.

Increasingly brutal competition for customers is clearly set to be a fact of life in Turkey's wireless market. In such an environment, establishing differentiation is a strategic priority for operators. Crucial to this is their ability to create infrastructures and processes that support the rapid roll-out of innovative, value-added software-based services to customers.

• Consulting • Technology • Outsourcing

For all operators, the proliferation of value-added services places significant strains on existing IT infrastructures (particularly so where these have evolved "spontaneously" over a period of years, mainly based on point-to-point integration between different components with no clear architecture in place). As a result, product development schedules, sales capabilities and customer care (especially in supporting higher-level applications and complex bundling of services) are all tested to the limit.

For Turkcell—already offering its 27.9 million subscribers more than two thousand services across several different service categories—the scale of these combined challenges was immense. Since its operational launch in 1994, the company had successfully established a commanding market position—to maintain that leading position in an increasingly competitive market, it needed to revitalise the ways in which value-added services were developed, deployed and controlled.

As part of this process, the company urgently needed to offer its customers "channel agnostic" services in an accessible and controllable self-service environment. And instead of taking up to one year to develop and bring to market, these services would have to be rapidly deployed. Given the pace of change in the wireless market, it was also essential that the new IT infrastructure should be inherently future-proof, with a projected lifespan of between five and 10 years. Easy and seamless interoperability with legacy business support systems was also a must. Concurrent with these objectives, Turkcell needed to maximise the potential for top-line revenue growth by lowering operational costs, as well as refreshing its legacy IT architecture.

Turkcell knew that it needed a new Service Delivery Platform (SDP) architecture to help reduce complexity, enabling it to develop and operate value-added services more quickly

and cost effectively. However, the deployment of this SDP would be a massive technical and operational challenge. The sheer scale of Turkcell's operations meant that hundreds of services would have to be seamlessly migrated to the new SDP architecture with no interruptions. The company's legacy architecture would have to be integrated with the new architecture, without risking any loss of service. And the whole project would have to be completed within one year, in line with Turkcell's strategic business priorities.

With deep industry experience, a close familiarity with the Turkish wireless market and market-leading-assets, Accenture Communications Solutions featuring the Service Delivery Platform was eventually chosen to lead the project. Commenting on this decision, Neil Gultekin, Turkcell's SDP Programme Manager, says: "We were impressed by the Accenture team's ability to view the project holistically—they were fully committed to achieving genuine alignment between our business and technology objectives. At the same time, they brought an approach to us—not a pre-packaged solution. We needed to be deeply involved in the development of this new architecture and Accenture impressed with the flexibility and simplicity of its framework offering. And, as important, they were open to teaming with us for the long term, as well as being eager to work with the various third-parties also involved in this project."

How Accenture helped
As the first SDP deployment in the Turkish wireless marketplace, this project was high-profile and closely watched. The Accenture team was, from the outset, geared to delivering solutions against a very demanding deadline. Beginning work in March 2005, the focus was on a two-phase process. The immediate priority was for Turkcell's new services portal to go live in September. Phase 2 targeted the integration of legacy and new SDP architectures as soon as possible after that date.

With eight different companies also involved in the project as specialist solution developers, management of the overall programme was daunting. As project leader, the Accenture team had to coordinate the efforts of 200 designers and 300 service developers during the course of the project to put in place a coherent architecture.

Accenture's Tunc Yorulmaz explains what was involved: "At heart, what we brought to Turkcell was a clear framework and a simple approach. Our ability to introduce a comprehensive taxonomy for the service delivery infrastructure that could be readily understood by all involved played a vital role in ensuring the overall success of this project."

Accenture identified and defined three distinct, but interconnected, infrastructure domains as central to the new system—the core Service Delivery Platform; the services to be deployed onto the new architecture; and the enablers, or "building blocks" between the core SDP and the services themselves. In line with Turkcell's need for a flexible, "future-proof" infrastructure, Accenture had committed to putting in place a technology-agnostic system that could adapt to new technologies—and this commitment underpinned Accenture's approach to the project.

Having met the September 2005 deadline for preparing Turkcell's new service portal, the Accenture team concentrated on migrating Turkcell's core infrastructure towards a centralised service-oriented approach. To ensure service continuity and minimise impact on customers, the legacy point-to-point architecture had to operate throughout in tandem with the new SDP solution—"Something like changing clothes while running"—as Accenture's Cenk Ikiz puts it. The goal was to enable Turkcell to cost-effectively create, deploy and manage value-added data services and make them easily and securely accessible by consumers—anywhere, anytime and on any device.

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By providing a common set of functions and a common way of viewing the underlying network, Turkcell's new Service Delivery Platform standardises all service interfaces—creating a horizontal platform from which the company can provision, control and bill for all the value-added services it provides (whether created by third-party application developers, or by the service providers themselves). Because it integrates with OSS, BSS and network service products based on industrial standards (such as XML, HTTP and Web services), the new SDP allows Turkcell to leverage its existing technology investments. And because the new platform architecture provides opportunities for converging or consolidating different media such as voice, data, and video into a single enterprise architecture, it places Turkcell in a strong position from which to fully exploit the IP convergence opportunities that may soon be available in Turkey.

The new project will dramatically transform Turkcell's relationships with business customers and consumers, as Turkcell's Service and Product Development Senior Manager, Sibel Koksal, explains: "Third-party service developers can readily access the service delivery platform through the new portal, which offers predefined processes and ready-to-use application programming interfaces. This means that they can very quickly create and integrate their own solutions and services."

High performance delivered

By teaming with Accenture to develop a unique service delivery infrastructure, Turkcell has significantly advanced towards high performance—and it has done so in a remarkably short period of time (the new SDP will go live by March 2006).

The most dramatic benefits lie in the 75% reduction in time to market for new services. As Ali Koksal, Head of Turkcell's Strategic Architecture and Design, explains, instead of taking up to 1,000 man-days to integrate brand new service platforms with its legacy OSS/BSS architecture and deliver them to customers, it now takes significantly less time to bring new platforms to market—a crucial differentiator in such a competitive marketplace. Besides agility, this dramatically shortened timeframe also delivers significant operational cost savings–Turkcell's Neil Gultekin estimates that, compared with the company's previous service creation environment, savings of between 50% and 75% will now be achieved.

The Accenture solution has resolved the "Scale vs. Flexibility" dilemma which confronted Turkcell. Despite the company's enormous scope, its flexibility has actually been enhanced. Whether scaling horizontally with new services for its customers, or scaling vertically with new service providers, Turkcell does not need to write a single line of code in order to change the core architecture of the SDP. As a "nimble giant", Turkcell is leveraging this flexibility to build an expanded, independent third-party developer community that will accelerate the pace and breadth of its innovation, as well as enabling genuine sales agility (in terms of developing and deploying new sales campaigns and bundling and packaging features and applications to create new services).

There have also been less immediately tangible benefits. Turkcell has achieved a seamless migration from its legacy point-to-point service infrastructure to a new service-oriented approach with no loss of continuity. Customer satisfaction has therefore been maintained throughout

the process. At the same time, the company has developed a technology eco-system based on a network of close collaborative relationships that will encourage innovation and knowledge-sharing across and beyond the enterprise. Internally, employees have benefited from a clear understanding of processes and workflows, enabling them to adapt smoothly to a service-oriented world.

The strength of the teaming relationship between Accenture and Turkcell ensured that the new system was developed dynamically and responsively. At the same time, the coordinated efforts of the eight specialist solution developers involved were a major source of value. As a result of this project, Turkcell's Neil Gultekin concludes: "We are faster, more flexible and more responsive to consumer demands than ever before. Our new service delivery architecture has opened up a new business approach, meaning that we can develop new products and services more quickly, before delivering them via exciting and flexible new channels."

Contact

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About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance. With more than 126,000 people in 48 countries, the company generated net revenues of US$15.55 billion for the fiscal year ended August 31, 2005. Its home page is www.accenture.com.

About Turkcell

www.turkcell.com.tr
Turkcell is the leading GSM operator in Turkey with 27.9 million post-paid and pre-paid customers as of December 31, 2005 operating in a 3 player market with a market share of app. 64% as of September 30, 2005 (Source: Telecommunication Authority). In addition to the high-quality wireless telephone services, Turkcell currently offers General Packet Radio Service countrywide (GPRS) and Enhanced Data Rates for GSM Evolution (EDGE) in dense areas, which provide for both improved data and voice services. Turkcell has an extensive coverage of 100% of the towns with more than 5,000 inhabitants and 77.08% of geography in Turkey. Turkcell provides roaming with 486 operators in 185 countries as of January 16, 2006. Serving with its high-quality wireless telephone network to a large subscriber base, Turkcell reported US$3,201 million net revenues as of December 31, 2004 and US$3,193 million as of September 30, 2005. Turkcell has interests in international GSM operations in Azerbaijan, Georgia, Kazakhstan, Moldova, Northern Cyprus and Ukraine. Turkcell has been listed on the NYSE (New York Stock Exchange) and the ISE (Istanbul Stock Exchange) since July 2000. Being the only NYSE-listed company in Turkey, effectively, Turkcell's 37.09% is held by Sonera Holding, 27.05% by Cukurova Group, 13.22% by Alfa Telekom Turkey Ltd, 6.07% by M.V. Group, 0.01% by YKB, and 0.01% by other while the remainder 16.55% is free float.

All Turkcell figures are correct as of January 2006.

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