

## Change the channels

### 2 ways MSOs can improve margins in a hyper-competitive landscape

It's a critical time for MSOs. Streaming services are proliferating, increasing competition and placing added pressure on traditional bundled offers. Consumer loyalty is down in the face of abundant choices, and all of this is weighing greatly on an industry with tight margins and little differentiation between providers.

With margins shrinking and competition coming from all sides, how can MSOs retain or improve their margins? And how can they retain customers in an industry that is rapidly evolving and offering ever-more sophisticated options? While every provider will address the specifics differently, Celerity's proven MSO experience shows the best way to improve margins in this environment is to focus on reducing operating costs and increasing yield on every dollar spent. This can be accomplished by both reconsidering your product portfolio and using your data in new ways.

## Optimize your product portfolio to increase margins

In today's environment, consumers are presented with—and expect—an abundance of choice. On the MSO side, that translates to a strain on operational processes and systems.

When MSOs maintain large historical product catalogs and customers continue to receive legacy products, it bloats providers' entire OSS/BSS architecture. This issue is intensified when similar products are offered with different configurations across the geographical footprint. Proper lifecycle management is the Achilles heel of many MSOs. As providers try to move forward in this environment, it becomes more complex and time-consuming to add new products while managing the historical complexity on the back end. It makes it harder to onboard customer service employees, technicians, and sales people, and train them on how to support product offerings. All of that impacts the speed and accuracy of customer service, on-site support, and identifying cross-sell and upsell opportunities.

Intentionally optimizing your product catalog has multiple benefits — systems are streamlined, customer-facing resources can respond quickly and more knowledgeably, and consumers have a clearer, less confusing menu of products to choose from. Here are four ways Celerity is helping MSOs rationalize their product portfolios to simplify choice, accelerate market responsiveness, and enable providers to operate smaller sets of products at maximum efficiency:

#### DEVELOP STANDARD PRODUCTS

Streamline your operational processes to improve service delivery and product maintenance. Fewer options and standard offerings across the footprint leads to an improved customer experience, often translating to a reduction in churn and support costs.

#### MIGRATE CUSTOMERS FROM LEGACY PRODUCTS

Upgrade managed routers or security services to cloud-based services to reduce the required manpower and overhead. Or migrate customized solutions to standard solutions in order to reduce the operational complexity and manual processes required by bespoke services.

#### UPGRADE OR "RIGHT-SIZE" EXISTING CUSTOMERS

Identify customers who are good candidates for service upgrades at limited incremental cost. Upgrades could include minor bandwidth increases for data customers, adding managed services and add-on features, and increasing product bundling options. Once identified, initiate upgrade campaigns to get customers on board.

#### FUEL MARKETING INITIATIVES

From customer referral campaigns to technician upselling, empower marketing to produce more targeted campaigns that enable sales teams to shorten sales cycles and reduce sales costs.

## Use your systems to support margin-increasing capabilities

Just as streamlining your product portfolio can ease the strain on your systems, enhancing the value of your underlying OSS/BSS can better align customers to your products. The two go hand in hand. Celerity's industry experience gives us a deep understanding of support systems, how they work, and how to use available data to make informed decisions.

The good news is that most OSS/BSS systems already offer myriad opportunities to provide more value to your operations, your management, and your customers. The challenge lies in determining how to get what you need from the system and data you have. Here are just a few of the possibilities:

### ENABLE GREATER LEVELS OF SELF-SERVICE

Whether through tailored portal experiences or features like faster and more accurate IVR routing for improved first call resolution in the call center, increasing customer self-service capabilities translates to lower operating and care costs.

### IMPROVE DATA QUALITY

Rather than thinking of data purely as an intelligence tool, you can begin using it to drive more automated customer operations, reducing the headcount needed to serve your customer base and allowing your organization to be more responsive at scale.

### REDUCE NON-PAY DISCONNECTS

Identify the primary reasons for late payment or no payment, and create processes to support unintentional payment delays. The data is already in your system; now, turn it into actionable intelligence you can use to get revenue flowing.

### IDENTIFY UNREALIZED REVENUE

Audit your customer billing processes to identify customers with broken bundles, expired promotions, and out-of-term contracts so you can follow up with price adjustments and upsell or cross-sell opportunities.

### PERFORM ROOT CAUSE ANALYSIS

Identify the primary reasons for customer churn and create a churn reduction plan for each cause by using retention models and offers for each customer segment.

### MINIMIZE TRUCK ROLLS

Create standard practices for self-installs and troubleshooting, such as self-performed troubleshooting techniques for customers or remote IT support to minimize service calls. Technicians are then available to focus on complex customer installs, increasing revenue recognition.

### INCREASE VISIBILITY AND CONTROL

Deploy workforce systems that provide better visibility into your resources so you can manage them more efficiently. Deploying a fleet management tool for field technicians, for example, can lead to efficiency gains in how quickly service calls can be made.

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## Gain insights that can turn your margins around

The bottom line is that you can't leverage opportunities you don't know you have, and you can't manage costs that are hidden. That's where Celerity comes in; we know MSOs. We can help you uncover the unseen within your organization and make the case for change. Then we can help you optimize your product offerings, improve operating efficiencies, and maximize your ability to make data-driven decisions moving forward. If your efforts to improve your margins have stalled, let's talk.



## Ready to reduce operating costs and improve margins? Let's talk.

Celerity is a business and technology consulting firm dedicated to helping MSOs respond to change—efficiently, quickly, and with focus on the customer. We specialize in digital experience, change management, and operational efficiency, and the integration between them all.