

Global mobile telecommunications leader boosts collections efficiency and speed by partnering with Transcom



Business Challenge

Awarded its first mobile license in the early 1980s, this mobile telecommunications company has grown to have ownership interests in over two dozen countries across 5 continents. Going live in Germany in the 1990s, our client has turned the country into one of its principal markets, where it now lays claim to tens of millions of customers. To build up its impressive German market share, the mobile telecommunications company has needed to operate one of the most efficient mobile networks in the world and consistently

stand out as one of the fastest moving players on the field.

This focus on efficiency and speed extends to the mobile telecommunications company's credit management policy as well. Each month, the company is faced with millions of euros in overdue receivables arising from unpaid invoices for mobile phone use as well as from purchases made in its brick-and-mortar and online shops. Collecting on these receivables in a cost-effective and quick manner is vital to ensuring the company's overall performance.

When Transcom began discussions with the mobile telecommunications company in Germany over a decade ago, the firm was already outsourcing its credit management from the amicable collection stage onward, and felt satisfied with its incumbent providers.

Transcom, however, compellingly illustrated how it could help the communications company to:

- Achieve the same or stronger success rates while lowering external costs
- Improve cash flow by reducing case handling times
- Protect customer satisfaction via careful, professional case handling
- Ensure continuous improvement in the collections process via rigorous reporting

Transcom's Solution

Interested in maintaining or even increasing collection success rates while decreasing the costs involved in such work, the company decided to entrust a test project to Transcom's hands.

A key element of project implementation was the data transfer method. Transcom demonstrated its know-how and flexibility by quickly establishing a connection to its client's SAP applications and offering it a variety of interfaces.

The initial case volume was small, but Transcom achieved a greater success rate—and at a better price—than the mobile communications company's incumbent providers. Pleased with the results of the test, the company began to assign more and more cases to Transcom's care. Over their decade-long partnership, Transcom has managed over half a million cases on this client's behalf.



CASE STUDY: GLOBAL MOBILE TELECOMMUNICATIONS LEADER

Transcom currently handles more than 170,000 B2B and B2C cases for the firm, with a total face value of over €130 million.

Typically when the cases reach Transcom, they have already been through the reminder services stage and are 136 days overdue. By this point the debtors' mobile phone service has been stopped, and Transcom begins amicable collection with a reminder letter.

If payment is not achieved, Transcom follows a highly effective workflow of calling and lettering, eventually sending a lawyer letter, undertaking a creditworthiness check, and handling judicial procedures, execution and/or long-term monitoring on the client's behalf. In addition, Transcom manages full reporting to the SCHUFA, the blacklist of German debtors.

Achieved Results

With a team of over 45 specialized collectors working in German, English, French and Dutch, Transcom accomplishes collection success rates that match, and often exceed, those attained by the mobile telecommunication leader's other credit management service providers. But thanks to Transcom's lower prices, the client keeps a greater amount of the recovered monies.

The telecommunications company also appreciates Transcom's quick yet conscientious case handling, a skill which accelerates the company's cash flow while resulting in very few incidents and ensuring customer satisfaction. Transcom consistently achieves payment in a shorter amount of time than its benchmarked competitors and immediately confers with its client to resolve potential issues before they become problems.

In addition, Transcom has proven its adaptability and professionalism by quickly tailoring its report layouts to fit the telecommunications company's needs and by providing it with extensive, reliable reporting. For the client, this equates to greater customer insight and also pinpoints steps in the workflow that can be modified in order to continuously improve the collection process. In Transcom, the global mobile telecommunications leader has found a long-term credit management partner capable of boosting both the efficiency and speed of its collections efforts.

As both companies have continued to grow, the scope of the partnership has also expanded. After recently acquiring a competing telco player in Italy, our client now relies on Transcom for support in this market as well, with a legion of 1,200 highly-skilled Transcom agents handling its interactions with customers of the acquired company.

In the area of inbound voice work, Transcom provides sales, customer care, and technical helpdesk, selling new products and services, assisting callers with commercial and administrative inquiries, and resolving technical issues.

After fulfilling the customer's need, Transcom makes a personalized up- or cross-selling offer, both stimulating revenue per customer and building loyalty. Transcom also helps our client fight churn by performing retention programs. When customers call in to cancel their subscriptions, Transcom presents them with compelling reasons to stay—for example, improved billing plans.



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In terms of outbound activity, Transcom carries out large-scale telesales campaigns to win new subscribers for the company. Just recently, Transcom kicked off a new outbound project to promote and sell our client's integrated mobile, fixed line, and DSL broadband services to Italian consumers. Meanwhile in the realm of back office, Transcom handles tasks such as contract data entry, contract management, customer complaints, technical ticket escalation, and invoice recalculation.

Over the course of the successful, decade-long partnership, both Transcom and the telecommunications company have established themselves as global leaders in their respective industries. If the past is any indication of the future, exciting things await.

Facts: Mobile telecommunications leader

- A global leader in mobile telecommunications, with hundreds of millions of registered customers
- Supplies consumers and businesses with a wide range of voice, data and internet services using wireless and broadband technologies
- Boasts a significant presence in Europe, the Middle East, Africa, Asia Pacific and the United States
- Employs over 60,000 people around the world
- The Group reported revenues of over EUR 45 billion in its latest fiscal year

Facts: Transcom

- Established in 1995 by the Kinnevik group
- Europe's largest geographic CRM solution provider
- The services offered include inbound and outbound customer contact, Interactive Voice Response (IVR),
- Internet services, legal services, CRM consultancy and Credit Management Services
- More than 20,000 employees in 29 countries across Europe
- Delivers services in 33 languages to over 120 major clients

