



Case Study



vodafone™

Vodafone
Germany
Delivers
Digital
Convergence
with Vindicia
Connect



vindicia®

A decade of rapid expansion with converged broadband and pay TV services has propelled Vodafone Germany to the number-one position in its market. But with multiple legacy systems it risked a fragmented user experience. Vindicia Connect is underpinning digital transformation, enabling seamless customer journeys across every product and service.

Fast expansion of multi-play services creating a user experience challenge

From the largest mobile operator to major broadband and TV provider

Vodafone Germany is the leading mobile operator in the country, and with revenues of more than €12 billion is the largest operating company within the Vodafone Group. This success is built on a strategy of acquisitions and new service launches positioning Vodafone as a leading multi-play provider.

The operator's business has transformed rapidly: from taking control of Arcor's fixed-line DSL business in 2008, to becoming the biggest TV player in the market through acquisitions of Kabel Deutschland in 2014 and Liberty Global's Unitymedia in 2019, along with Vodafone's Giga TV standalone IPTV service.

Its product portfolio has developed to include business services, email, cyber security solutions, emerging 5G products, and numerous portals for self-service access to account information and service.

Integration challenges of convergence

The swift growth and diversification have brought commercial success, enabling Vodafone Germany to offer a comprehensive and competitive range of products. But it has created a new challenge. A complex web of BSS/OSS, customer accounts and identities inherited from multiple acquisitions and legacy products was leading to a fragmented and confusing experience for consumers who had to juggle multiple log-ons as they navigated the products in their bundle.

Such a disjointed user journey risked negatively impacting the operator's new position as the country's leading converged provider.

Vindicia Connect key results for Vodafone Germany



Single user identity for every customer across all services: wireless, broadband, pay TV and other products.



Seamless user journeys: regardless of which products they are consuming, customers experience consistent, friction-free interactions with the operator.



Faster for users: sign-on experience is easier and quicker with noticeably faster access to services for customers.



Quicker time to market: integrates with existing platforms without needing an expensive and risky technology "rip and replace".



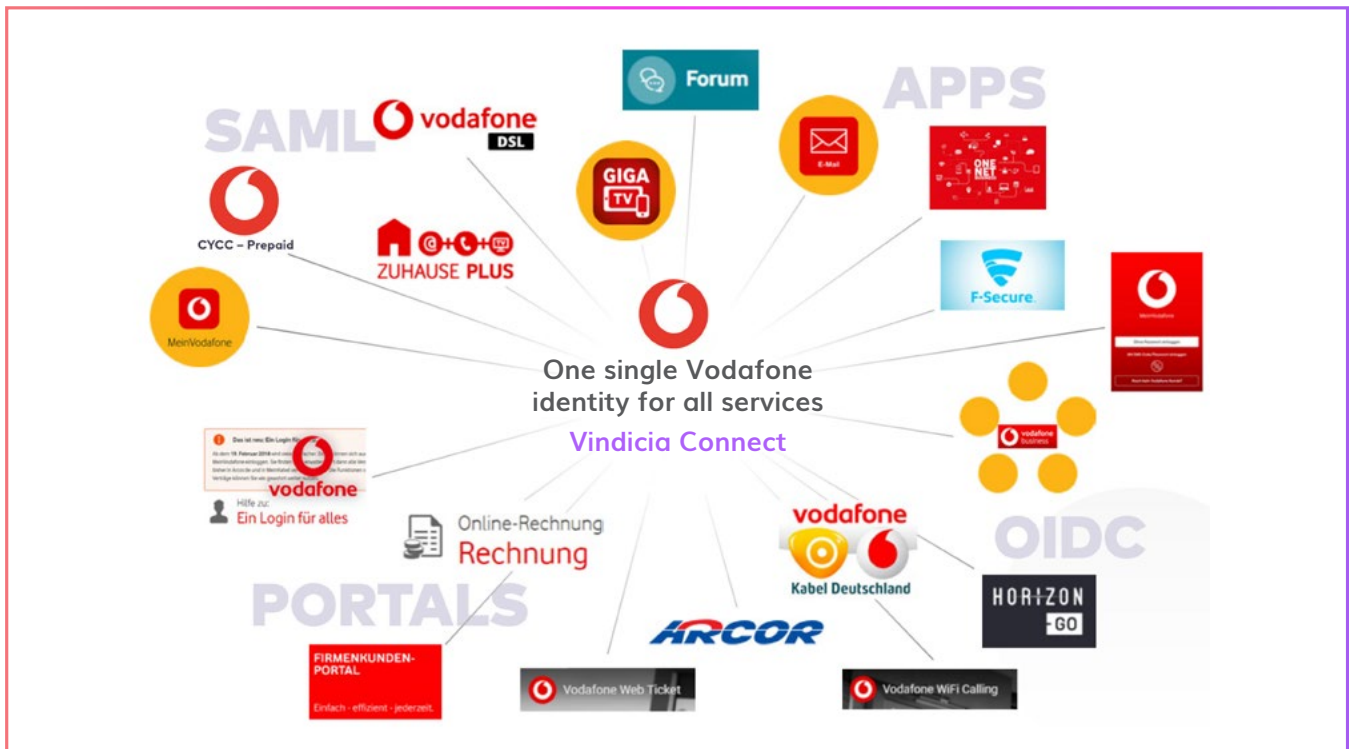
Reduced operating costs: no need to maintain multiple overlapping systems, with expensive and obsolete legacy single sign-on solutions retired.



Accelerating business growth: making new acquisitions easier to integrate, adding new revenue potential and achieving cost synergy targets.

"The communications industry is changing rapidly, and we are embarking on an accelerated journey to transform Vodafone Germany's business, improve IT velocity and offer a unified, digital customer experience."

- Ralf Hellebrand
Program Director, Technology
Vodafone Germany



Vodafone Germany's users have a single identity to access a wide range of communications, content and pay TV and smart home services.

Service and technology challenges

Complexities of customer care

Delivering class-leading and efficient service was also a challenge. Vodafone Germany's customer care team had to deal with multiple systems when trying to resolve an issue. And self-care was very difficult for customers facing a confusing array of user journeys.

Even with a standard bundled plan, subscribers had one identity for their TV service and another for mobile. The process used to manage the account for broadband was very different from that of a mobile service.

Avoiding "rip and replace"

Behind the scenes, the integration of many legacy systems created a dilemma for Vodafone Germany's IT team, tasked with enabling better digital experiences for millions of users.

Making the changes needed to provide a seamless customer experience would involve ripping and replacing all the existing BSS and consolidating on a single platform.

But such a major back office rebuild would have been incredibly expensive, taken a very long time, and introduced a high level of risk. It would have been an investment never directly seen by the customer, and adding little to digital transformation. And a years-long project to rebuild internal systems would have severely delayed the crucial fixes to a fragmented user experience.

Instead, Vodafone Germany realized that a different approach was needed if it were to inject digital capabilities quickly, efficiently and without jeopardizing business-as-usual.

" Vodafone was going to market with a converged bundle offer: mobile, broadband and TV service. It's a great proposition to take to the market. But the underlying systems were all disparate."

- Terence Carvalho, Director Strategic Accounts
Amdocs (Vindicia's parent company)



Creating the digital experience

Vindicia Connect abstracted

Vodafone Germany deployed a new solution for identity management and single sign-on (SSO) as a common service, supporting every product and service line.

Crucially, the user management capability was abstracted from the underlying systems and implemented as a new best-in-class service.

By partnering with Vindicia's parent company Amdocs to implement the Vindicia Connect solution, Vodafone Germany achieved the level of unification essential to improving the customer experience and internal business operations like customer care.

At the same time, the operator avoided the need to alter established business processes or change existing systems—with all the risk of unintended consequences this would have entailed. And obsolete and expensive-to-maintain legacy SSO solutions were retired, reducing technology costs and complexity.

Delivering rapid time-to-market

This approach allowed Vodafone Germany to implement its new user lifecycle management service rapidly, accelerating the time to market of a better experience for customers. Within months, every user received a single Vodafone identity, irrespective of the products and services they use or the legacy stack they came from.

This enabled rapid transformation of the user experience. From logging on to email, to using a portal to check their bill or request service, to authenticating cable and IPTV set-top boxes, to accessing content on mobile devices, the operator's customers now enjoy a consistent experience with a single set of credentials.

Vodafone Germany¹

- ✓ Leading operator of converged digital infrastructure in Germany with €12 billion annual revenues, the largest operating company within the Vodafone group contributing 41% of group adjusted EBITDA.
- ✓ Customers include 55.2 million SIM connections and 10.9 million fixed-line connections.
- ✓ Footprint of gigabit-enabled homes expanded to 22 million households, more than 50% of all homes in Germany, and 90% of the company's cable coverage.
- ✓ Became the major TV player in the market with the July 2019 acquisition of Liberty Global's Unitymedia for €18 billion, with 13.5 million cable and IPTV subscribers.
- ✓ Rolled out Vodafone brand across all TV products in August 2020, with "significant improvements" to content portfolio.
- ✓ Multi-play strategy driving growth with 1.5 million converged customers reported in 2019, representing 12% year-on-year growth².
- ✓ First operator in Germany to commit to 5G "fixed wireless access" (FWA) product offering wireless broadband service, with fiber-to-the-home (FTTH) launch planned.

Underpinning digital transformation

With a common user identity and access management solution deployed so quickly, Vodafone Germany had delivered a crucial enabler for its strategy to transform user services and deliver converged digital services.

Unlocking new experiences to drive business value

Enabling new experiences by engaging with every user

Vodafone Germany can now engage with every user, not just the bill payer, offering a best-in-class experience. And users have a single identity from which they can manage all the services they consume with consistent, friction-free, self-service interactions.

The operator has been able to deploy exciting new capabilities—such as accessing service and support via voice-assistant services like Amazon Alexa.

Offering this level of converged experience creates business value by making it easier for customers to consume additional services all in one place—underpinning Vodafone Germany's ability to attract new customers and grow revenues and stickiness with its existing users.



IDC: Identity management is increasing customer centricity and revenues

- With digital identity forming the foundation of digital service delivery, operators should consider investment in identity management as a strategic imperative.
- Identity management strategy goes beyond identity and access management to become the foundation of digital service delivery and customer engagement.
- As telecoms service providers evolve into user-centric digital service providers, they need a strategy to handle vast amounts of customer data, and an increasing number of services and devices, as customer expectations are driven ever higher by digital-native competitors.
- Adopting an appropriate identity management approach enables an operator to grow revenues and lifetime customer value by building tighter customer relationships and increasing personalization.

"It is not just about up-to-date identities and managing access to services and account details. Digital identity can be the linchpin of digital service delivery and form the foundation for customer engagement."

Source: IDC Market Perspective (November 2020) Identity Management: Increasing Telcos' Customer Centricity and Revenues. Available for free download at: <https://solutions.amdocs.com/idc-identity-management-telecom.html>





Enabling massive TV platform growth

A real test of the new Vindicia Connect solution came with Vodafone Germany's acquisition of Liberty Global's Unitymedia cable TV business in July 2019, adding 5.5 million additional TV customers.

Along with rebranding and product enhancements, Vindicia Connect is ensuring that Unitymedia's customers enjoyed a seamless transition to the new operation, with the ability to handle diverse requirements like set-top box authentication, and multiple user profiles within the cable TV user interface.

Whether TV customers had an existing relationship with Vodafone or not, they enjoyed a simpler user journey and a consolidation of their credentials with their new provider.

Reducing operating costs

The Vindicia Connect project has also delivered savings in operating costs. It's far more efficient for Vodafone Germany to maintain a single identity management solution than ten different ones. And it becomes a one-stop shop for integration, allowing new products to be launched more quickly and more securely.

The removal of legacy systems directly drives IT savings—such as eliminating the need to hire specialized consultants to manage an end-of-life SSO platform.

And providing better self-service tools not only improves the user experience, but reduces the cost of sales and service.

Projects like Vindicia Connect have enabled Vodafone Germany to extract real savings from its acquisition strategy, with the company stating in late 2020 that it is six months ahead of schedule in its plan to achieve €535 million of cost and capital expenditure savings over five years.³

" It's far more efficient for Vodafone Germany to maintain a single identity management solution than ten different ones. And it becomes a one-stop shop for integration, allowing new products to be launched more quickly and more securely."

By implementing Vindicia Connect to manage seamless user journeys across digital services, Vodafone Germany is achieving:



Single user identity for customers used across every Vodafone Germany service and touch point.



Quicker and simpler experience for users with fast and seamless SSO process.



Best-in-class customer journeys and full self-service sales and customer care without manual intervention.



Digital transformation enabling 22% of contract mobile and fixed sales in FY21 Q2 to be completed through fully digital customer journey, enabling reduction in retail store footprint.⁴



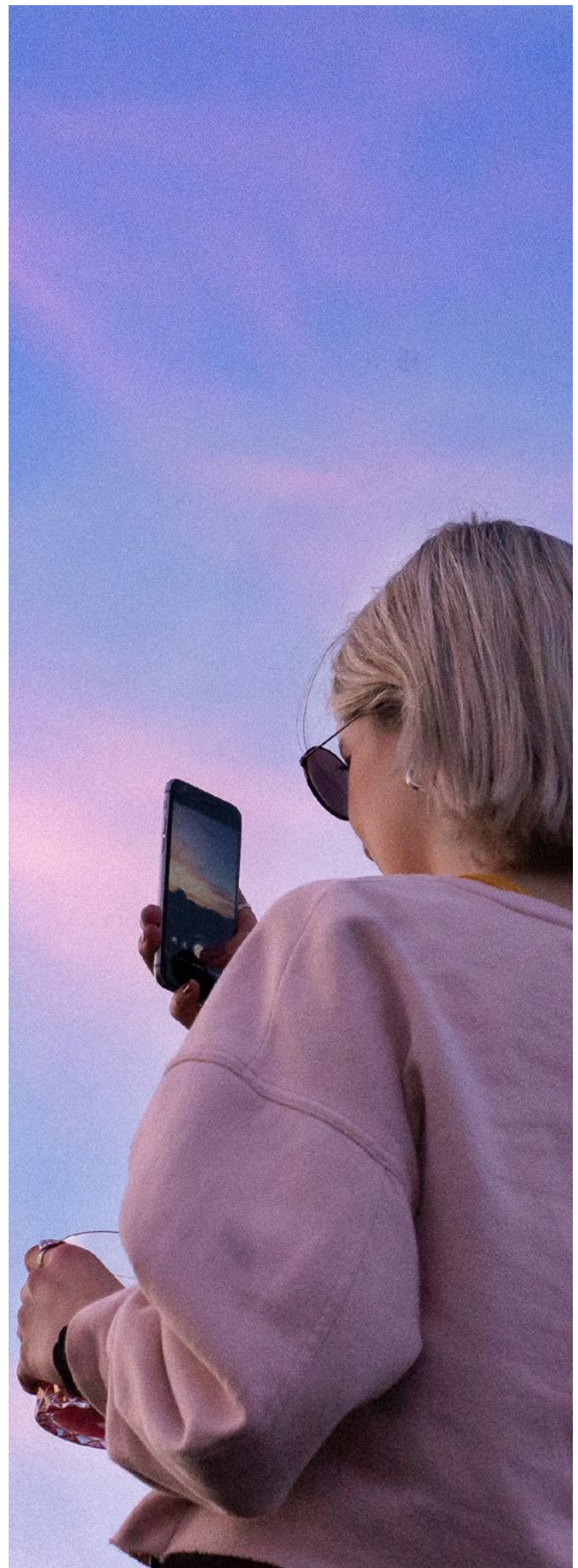
Digital transformation without needing to rip and replace complex legacy systems—investment is focused on customer touch points.



Operating and capital cost savings, contributing to €535 million cost synergies over five years.



Rapid onboarding and integration of major new acquisitions, notably 5.5 million TV customers from Unitymedia.



REFERENCES

1. Vodafone Group H1 FY2021 results, https://investors.vodafone.com/sites/vodafone-ir/files/result_document/vodafone-fy21-h1-results-announcement.pdf
2. Omdia (May 2020) Germany: Mobile, Broadband, TV, and OTT Video Report
3. Vodafone Group H1 FY2021 results
4. Vodafone Group H1 FY2021 results

ABOUT VINDICIA

Vindicia offers comprehensive subscription management solutions that help businesses acquire and retain more customers. Providing much more than just a billing and payments system, the company's SaaS-based subscription management platform combines big data analysis, strategic consulting and proprietary retention technology. Vindicia provides its clients with more recurring revenue, more customer data, better insights, and greater value throughout the entire subscriber lifecycle. To learn more visit www.vindicia.com.

Copyright © 2021 Vindicia, Inc. All rights reserved. Vindicia, the Vindicia logo, Vindicia MarketONE, Vindicia Connect, Vindicia Subscribe, Vindicia Bundle, Vindicia Retain, and the designated trademarks herein are trademarks of Vindicia, Inc. in the U.S. and/or other countries. All other brands or product names are the trademarks or registered trademarks of their respective holders. 0121

US Headquarters

Vindicia, Inc.
2988 Campus Drive, Suite 300
San Mateo, California 94403-2531
P +1 650 264 4700
F +1 650 264 4701
vindicia.com/contact-us

vindicia.com