

## REVENUE ASSURANCE

### Challenge and Opportunity

Telecom operators' reality is a technologically complex, competitive and global environment. New technologies and the arrival of OTT's have meant increased competition, even in national markets, from global players with highly disruptive business models. This increasingly competitive global market where customers have more choices than ever before have stimulated operators to invest in new sophisticated technologies and products.

These new services together with bundled and tiered product plans and flat rates – or “all you can eat” offerings – increases the demands on billing, OSS & BSS systems. Billing and collection, which were previously fairly straightforward exercises, have become increasingly complex. Sometimes systems are not optimally integrated or their capabilities aligned with all products and services which increases the risks in the Revenue Assurance (RA) perspective.

The high-volume, low-value nature of transactions of most operators further amplifies the financial implications of any "small" errors.

Typical reasons behind RA problems are changes in configuration of switches or network; new products or tariffs; and issues in integration between mediation and billing systems. In addition, traditional risks such as fraud or more mundane issues such as incorrect data entry are ever present RA challenges.

Effective RA has a significant positive impact on financial performance and can also contribute to higher customer satisfaction and retention.

# Scope and Domain

To ensure that the RA activities can be measured and targeted effectively the scope in terms of objective (what to look for) and domain (where) must be defined.

The **objective** defines the purpose of the activity.

Examples of objectives are:

- RA Objectives**
- Revenue leakage
- Cost leakage
- Margin leakage
- Fraud management
- Network downtime

The **domain** defines which products, systems and / or activities to be targeted.

Examples of domains are:

- | <b>RA Vertical Domain</b>   | <b>RA Horizontal Domain</b> |
|-----------------------------|-----------------------------|
| Mediation system            | Pre-paid voice              |
| Interconnect billing system | IPTV                        |
| CRM system                  | Internet ADSL               |
| Voice switches              | PSTN                        |
| Pre-paid billing system     | SMS                         |
| Sales                       | MMS                         |
| Credit management           | In-bound roaming            |
| Accounts receivables        |                             |

# Our Methodology

Parcus Group offers operators a hands on approach in evaluating and enhancing their RA capabilities. We address RA in three main perspectives:

- (1) Detection
- (2) Correction
- (3) Prevention

## **Detection**

RA Detection entails the monitoring of how data changes as it moves between systems or within a given system itself. Detection can be achieved by both manual and automated means. Typical detection activities include comparison, investigation and auditing of information and processes. The aim is to find the root cause behind detected errors and deviations.

Detection can also be expanded to include fraud management, tariff abuse or even low margin customers, products or segments that would not normally be identifiable in existing reports or procedures.

RA Detection can also include a forensic investigation either as an ad-hoc initiative aiming to find any currently unknown issues or to find the reason behind a known problem. Forensic detection of unknown RA problems can be a very challenging and difficult undertaking and is one of our core competencies.

RA Detection can be executed as a one-off exercise or as a continuous process by means of manual and/or automated processes and tools.

## **Correction**

Correction is the set of activities and processes employed to minimize errors identified by the RA Detection. Typically, some information or configuration needs to be added, edited or removed from a system, process or procedure in order to correct the detected anomaly. The process of correction of a root cause can involve modifications or enhancements of information, processes, systems, technology and organisation.

## Prevention

Prevention is the process of performing an activity in order to prevent anomalies that would be found using RA Detection before they have occurred. Preventive activities can be:

**Synchronization**; for instance, ensuring that price bands or tariff plans are uniformly implemented across all systems or that all customers in the CRM system are also implemented in the billing system.

**Data Integrity**; for instance, comparing different sources of data ensuring they match and are correct.

**Pre-process checks**; for instance, checking that data is consistent and conforming to requirements before it is loaded into a system.

**Post-process checks**; for instance, checking that output from a process is relevant compared to the input.

## Parcus Group RA Offering

Parcus Group provides one-off consulting reports and, if required, ongoing real-time actionable alerts and exception reporting services to guide operators towards the correct remediation activities.

For the purpose of such real-time reporting we can deliver a RA platform which provides re-rating, reconciliation, fraud detection and other features which are customised on a per-deployment basis to fit the specific requirements of each operator.

### Examples of Parcus Group RA capabilities:

- I. A **forensic RA investigation** into already known, or unknown, problems
- II. **Ad-hoc RA detection** with an objective and domain to be defined
- III. **Assessment** of current RA processes and capabilities giving recommendations in line with best practice
- IV. Deployment of a real-time re-rating, reconciliation and **analytics engine** for any service or group of services, either on premise or in the cloud
- V. **Outsourcing** of RA activities partly or in full
- VI. **Training**, enhancing your organisation's capabilities in the RA domain