

For Telecom Businesses

# Increasing ARPU through Personalized Recommendation

**plumb5**



The Telecoms Industry is currently experiencing a time of drastic change, as traditional communications solutions decrease and data revenues grow. As a consequence, many companies within the industry are witnessing a decline in Average Revenue Per User (ARPU) – usually an indicator of business growth and profits. To reverse this, telecom businesses in the industry must begin to monitor customer spending, and consider altering their services to cater to the changes.

## Key Concerns: Changing Trends

There has been substantial decline in user spending on voice and text services have caused a decline in telco revenue. Mobile Data use is decreasing due to the increased availability of WiFi hotspots. Smartphone traffic using WiFi has increased by 140%



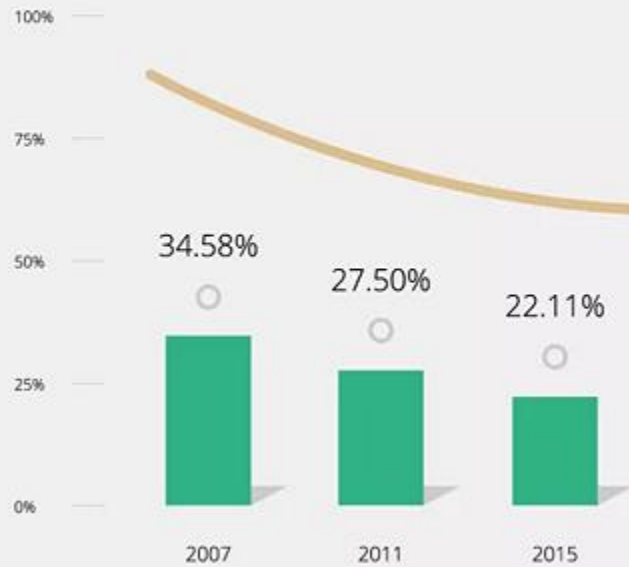
\*But with OTT services taking a percentage of data revenue, telcos are losing revenue overall

Voice revenues are declining  
whilst data revenue grows\*

## Key Concerns: Decline in Revenues

Due to these changing factors, there has been a dent in revenue increase and the future looks bleak for companies that do not adapt to the changing times.

Telecom average revenue per user (ARPU) is declining



Revenue growth is slowing



A hand holding a smartphone and a coffee cup. The background is dark and blurred, showing a hand holding a smartphone and a coffee cup with a lid. The text is overlaid on the left side of the image.

# How can Telecom businesses take control?

Telcos needed to significantly improve its understanding of its customers to help **ensure customer retention and increase satisfaction**. They need to target individual customers with the marketing message most appropriate to their usage and customer profile to improve **average revenue per user (ARPU)** through higher campaign conversion rates.

# Implementing the Right Customer Platform

A data driven approach to engage customers would require the solution to cover the following main solution areas

## Unified Customer Behavior & Journey

Integrate customer information from various data sources and create a single customer view in order to understand their behavior all along the purchase journey.

## Targeted Campaign Management Solution

The need to implement a targeted marketing campaign management solution that uses real-time subscriber data to develop personalized, targeted campaigns and deliver it to the preferred channel.

## Deeper Insights and Predictive Models

Using predictive models to examine the complexity of its customers' behavior and determine which service mix is optimal for each customer's need, as well as the insights to retain customers.



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# Plumb5 Omni-channel Engagement

Plumb5 Customer Engagement Platform serves every customer touch-point with contextual personalized communication. Irrespective of the touch-point, customer data is integrated to create customer journey, allowing in holistic analysis of customer behavior and intent.

Plumb5 enhances customer engagement by creating more personalized digital experiences across channels. The solution integrates customer information from multiple data sources and allows the business to configure rules to define its target audience at various levels, incorporating behavior, profiles, and preferences.

Plumb5 **Omni channel Data Integration** strategy covers

Website   Mobile   Email   SMS   USSD   Social   Store   Call Center   IVR   Bots

# Increasing Revenue with automated machine driven personalization

The real-time probabilistic scoring model within Plumb5 is capable of detecting patterns in user behavior and can generate recommendations that are highly effective, increasing **customer engagement** rate of the campaigns, leading to **higher revenue conversion** rate.

Contextual recommendations results in reduced churn, relevant customer engagement and improved ARPU.

Automation allows in real-time targeting reducing campaign launch time by more than 80%



# Business Outcome

## Improved ARPU

Improved customer revenue through recommendation of new services and timely engagement enhancing monthly recurring revenues for every subscriber.

## Reduced Churn

Improved customer retention and conversion rates by targeting customers more precisely through advanced modeling and profiling capabilities

## Contextual Campaigns

Improves customer loyalty by offering customers the services they really want and need. Improves campaign performance by more than 70 percent, in turn increasing campaign ROI



Plumb5 Unified Data Platform

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