

CASE STUDY: AUSTAR



“We are very excited about the benefits realised since we implemented Envinsa, and it has certainly delivered significantly beyond the expectations we had when we decided to buy it.”

Dean Walters, CIO, AUSTAR

CHALLENGE

Austar needed to be able to accurately identify and profile its customers and prospects, and provide the foundation for increasingly sophisticated targeting for acquisition and increased customer revenues.

RESULT

The Envinsa platform has proven to be very much an enterprise wide tool, with data warehouse, software development and DBA's all leveraging the technology to solve what have in many cases been long standing problems. The stability and performance of the system has been excellent, and, the effort involved in supporting the platform has been minimal.

Introduction

AUSTAR United Communications Limited (AUSTAR) was established in 1995 and is the leading subscription television provider in regional and rural Australia. It has a steadily growing customer base of over half a million subscribers, in a market whose geography covers 5.7 million square kilometres and one third of all Australian homes.

While subscription TV is its core focus, AUSTAR also offers mobile phone and award winning dial-up internet services, and, has recently launched a range of wireless broadband internet products which offer a unique proposition for regional Australians.

Situation

With its customers spread across the whole of regional and remote Australia, maintenance of accurate customer address data has always been critical to the company's day-to-day operations. The quality of address data has historically been managed by a specialist team providing a 7 day a week by 14 hour a day service to the business' 500 seat call centre and installations staff. This team ensures that address creation and management are compliant with the standards set by the business. These standards ensure the field operations group are able to deliver industry best efficiencies and completion rates across what is one of the most difficult field service geographies in the world.

In parallel with its ongoing pursuit of operational excellence, AUSTAR has also become a sophisticated user of market research and customer modelling. It is engaged in a rolling program of initiatives to improve marketing and sales effectiveness and reduced customer churn, which was an impressive 1.2 per cent in 2005.

In 2005 following a phase of business growth which delivered compound annual growth in earnings before interest tax, depreciation and amortisation (EBITDA) of 51 per cent for three years, AUSTAR began looking for ways to further improve the business. Out of this process came the recognition that AUSTAR needed to create a single 'address' and 'household' universe that would enable it to accurately identify and profile its customers and prospects, and provide the foundation for increasingly sophisticated targeting for acquisition and increased customer revenues.

Solution

AUSTAR initially decided to out-source the management, profiling and segmentation of its customer address universe to a partner for whom this was core business. However, following a competitive tender (with a shortlist of five providers), it became apparent that the quality of address data, irrespective of the data source, was poor, and that the data required to support good address based profile and segment models for regional Australia was sparse. As an alternate strategy AUSTAR then decided to source a 'whole of universe' address data set to provide a reference data set for its own internal addresses and build the supporting address management, profiling and segmentation functionality in-house.

During the exercise to architect this data and functionality, it became apparent the MapInfo's Envinsa platform would provide the tools to deliver many of the complex elements of this architecture; specifically, address search, address matching, address correction, address geocoding and map and segmentation presentation. In addition it provided the platform to enable AUSTAR to improve operational processes in a number of other areas; specifically territory management and field technician routing.

THE MAPINFO ADVANTAGE



Envinsa is a location platform providing organisations with a broad suite of capabilities that can be applied to solve anywhere from a single location need to a wide variety of business problems. Centrally managed and based on web services technology, Envinsa delivers precise and reusable functionality in a scalable, high-performance package. Equip all of your critical business applications with the power of location.

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Be Location Intelligent™

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Dean Walters, CIO, AUSTAR

According to Dean Walters, CIO of AUSTAR, “The cost of address and customer segment dataset on offer for regional Australia was incongruent with the quality of the data being provided. In addition to this, the only holder of a relevant and comprehensive set of data about the all important discretionary spend behaviour of regional Australians, turned out to be AUSTAR itself.”

“For AUSTAR the key differentiators of the MapInfo solution were; that MapInfo provided us with a set of very competent tools to efficiently manage and manipulate our address datasets, and that we weren’t going to be charged to buy an address data set that in large part we already held in our customer management system. Additionally, Envinsa provides us with the core functionality required to execute our plans to increase the sophistication of the routing and jeopardy management tools provided to our Field Operations team.”

Benefits

AUSTAR implemented Envinsa 4.0 in early 2006 and it quickly became an integral tool for the business. Within weeks of the implementation of the Envinsa servers, two streams of work were utilising the Envinsa web services heavily.

The first priority for the business was the internal and external (www.austarbroband.com.au) tools needed to support the launch of the new AUSTAR wireless broadband service. Developing the applications within a .NET environment, these tools were built and deployed to very tight deadlines.

The second priority was to begin the process of creating a single validated whole of address universe which the business could begin using to drive much more sophisticated interactions and contact cycles with customers and prospects. This work is ongoing, but is already yielding significant benefits for the business.

Thus far AUSTAR has:

- Implemented a single consolidated address universe for regional and rural Australia

- Profiled address and also street segments (using the Extended Street Segments dataset) using activity and socio-demographic data
- Lifted Direct Mail response rates by 10 per cent using street segment profiling to identify good prospects. This has also resulted in a halving of the churn rate for these new customers. Added to this was the considerable saving to the business of not having to buy external mail lists for Direct Mail campaigns.

In addition to these formal projects, a number of operational reports have had mapping features added to them providing significant benefits to the business. For example, the location of trouble calls on the cable network is now presented in real-time giving operations good visibility of the impact of outages. Weather radar data is linked to the customer location so that customers making service calls where there is a possible loss of service due to rain can be identified. Coverage searches on the broadband portal are mapped, giving marketing and sales visibility of levels of interest and any geographic clusters of demand.

Future development

“The strength of this solution is that everyone has access and there is no need to worry about the performance of the system due to its scaleable architecture. While our historical solutions have provided access to address searching and map presentation tools to a small team of specialists, Envinsa opens this up to the whole business. This means that call centre interactions with prospects and customers that required referral will be dealt with by the Customer Service Agent, reducing call times and improving the customer experience” said Walters.

“There has been a great response to the system within the company and we continue to identify opportunities to use Envinsa to further assist the business. This solution represents great value for money and has given AUSTAR a good return on its investment. We continue to benefit from Envinsa as we discover more ways of leveraging its functionality to improve business and operational processes, and to better derive and articulate spatial data and business intelligence,” he concluded.