

# Case Study

## Frontier Communications

### Merger & Acquisition Growth Initiatives

## Executive Summary

**Frontier Communications**—one of the largest and most successful telecommunication service providers in the U.S.—has experienced tremendous growth over the last 10 years. Frontier provides a wide range of voice, data and video services and products in smaller towns and rural areas. The company had grown through merger and acquisition and faced challenges scaling its internal support operations fast enough to meet the rising customer demand on its Internet help desk for its residential DSL and video subscriber base. The company knew it needed a partner to help support its growth.

## Client Profile

Employees: Approx. 16,600

100% U.S.-based workforce

Operating: 28 states

Incorporated: 1935



## teleNetwork Partnership

According to Terry Rybold, Frontier's Vendor Manager, the company was looking for two things in a partner:

1. **Accessibility.** Frontier wanted to ensure that it could conveniently reach company representatives when necessary. A foreign-based company was out of the question.
2. **Adaptability.** Technologies and business needs change fast, and Frontier wanted a partner that could continuously adapt its processes and agent skill sets to accommodate those changes.

After an exhaustive vetting process, teleNetwork stood above all others. The company was headquartered in Central Texas and staffed agents across every U.S. time zone in 19 states, including many states in which Frontier offers service. This proximity to customers created a local presence which was part of Frontier's core business strategy.

Furthermore, 100% of teleNetwork's executives and agents were U.S. based. In addition, teleNetwork had extensive experience working with telcos of all sizes, particularly on technical support issues. This gave Frontier confidence that teleNetwork could rise to meet any business or technical challenge thrown its way.

Frontier was cautious about outsourcing some of its support operations, so gave teleNetwork a piece of it to evaluate their performance. As Terry explains, "It was really about allowing teleNetwork to prove to us that they could handle that business and grow it from there."

TeleNetwork first studied how Frontier did support internally, focusing on its training. "They came onsite and learned what our training was," says Terry. "Then they took that back and adapted it for their environment, without sacrificing any of the key components of the training."

One of the first things Frontier noticed was how quickly teleNetwork's agents got up to speed. Frontier puts its internal agents through a five-week training program, and the company assumed teleNetwork's agents would need the same training. But, as Terry explains, "because teleNetwork hired agents with a strong technical background, we were able to train them in just two weeks. This helped the business tremendously. It allowed us to improve our service levels up-front, as well as increase the level of support we could provide."

Impressed with how quickly teleNetwork was able to hit the ground running, Frontier expanded the relationship. Frontier also continued to provide support with in-house teams, as well as with another support vendor.

## Challenges

- Identify a partner who could maintain NPS performance at a lower cost than internal resources
- Setup a sales program to improve sales conversion within vendor channels
- Reduce the number of trouble tickets that resulted in an error internally and by vendors

## Solutions

- teleNetwork adopted Frontier's NPS management system and built a multi-layered strategy to achieve NPS goals
- teleNetwork moved its workforce to a pay-on-performance compensation model and developed sales tools & training
- teleNetwork built a proprietary tool and shared access with Frontier internal sites and outsourced vendor partners

## Results

- teleNetwork increased its NPS performance by 20% to achieve similar performance to Frontier's internal centers
- teleNetwork achieved a 27% increase in sales conversion and led all Frontier sales channels in total unit sales & conversion rate
- teleNetwork reduced its trouble ticket error rate to below 1% and helped another vendor move from 9% to less than 2% resulting in over \$252,000 in monthly savings

## Business Improvements

It wasn't long before Frontier began to see significant, quantifiable benefits from working with teleNetwork in several areas.

### Sales Conversion

Frontier wanted to increase its revenue and asked teleNetwork's agents to offer customers a value-added bundle of security-related tools and services called Frontier Secure. Importantly, agents would only offer Secure to customers whose problems were successfully resolved. That made successful problem resolution a critical stepping-stone toward increased revenue. It also meant that agents needed to be able to educate customers on the benefits of Secure and recommend a purchase—a skill many technical support agents lack.

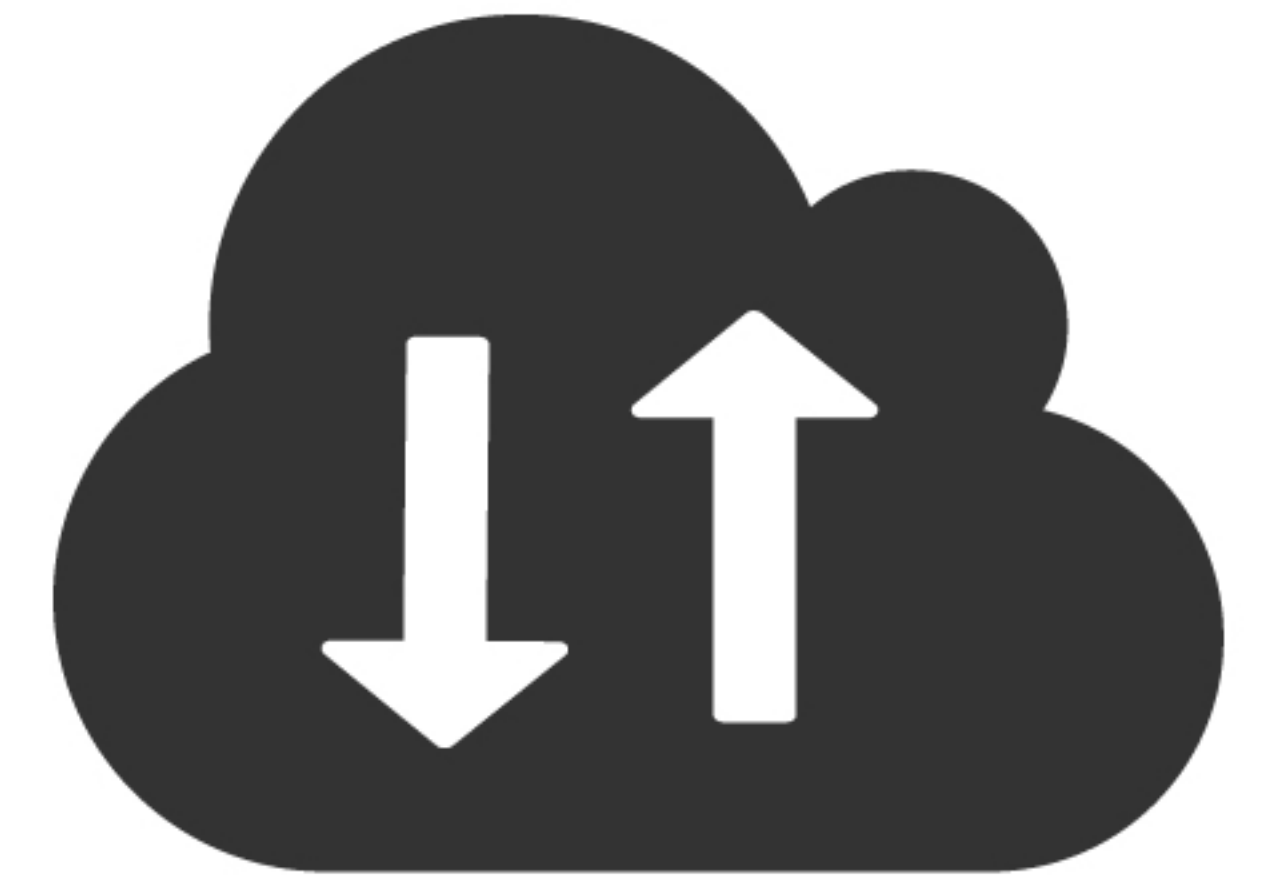
### Net Promoter Score

A key metric Frontier uses to evaluate internal support versus vendor performance is a Net Promoter Score (NPS). The score is derived from a short survey that asks customers who just worked with an agent whether they were satisfied with the agent and whether they would recommend Frontier.

According to Terry, "When we first started working with teleNetwork, our internal NPS scores were 20% higher than theirs. Within six months, they were on-par. And teleNetwork was able to deliver that equivalent level of service at a lower cost than we could do internally."

### Ticketing Error Rates

Another area where teleNetwork has proven its value is in the development of a proprietary software tool that ensured its agents would route trouble tickets correctly to avoid unnecessary truck rolls. The tool is a decision support system that guides agents in correctly matching the root cause of a problem to the type of truck roll required to resolve it, if any. By using this tool, teleNetwork has been able to maintain an error rate well under 1%.



"By using teleNetwork's tool, the other vendor reduced the number of ticket errors by 9%. At \$280 a truck roll, that's a potential savings of \$252,000 in one month."

-Terry Rybold, Vendor Manager, Frontier Communications

The tool has been so successful both at ensuring the right truck is rolled and avoiding unnecessary truck rolls altogether that teleNetwork has made the tool available to the other support vendor working with Frontier.

Prior to using the tool, that vendor had a 9% error rate. Within three months of using the tool, their error rate plummeted to under 2%. The potential cost savings is substantial. A truck roll often costs Frontier \$280 for each visit to a customer.

TeleNetwork even adapted the tool for another support vendor working with Frontier for a different line of business.

As Terry explains, “teleNetwork understands that even though this other vendor is in a different business, their ability to do support well impacts Frontier. TeleNetwork wants to do what’s best for our customers, and what’s right for our relationship.”

For Terry, the development and sharing of the tool is a prime example of how teleNetwork goes above and beyond. As he says, “In my experience over the last 10 years, I’ve found a lot of vendors to be very reactive. TeleNetwork has proven to be very proactive. They don’t wait for things to happen. They make it happen.”

## Conclusion

Terry is enthusiastic about Frontier’s relationship with teleNetwork. In addition to meeting or exceeding all performance expectations, Terry feels that the goal of finding an accessible partner was met. As he explains, “teleNetwork is very hands-on, from the leadership team on down. If you have a question, you’re able to reach somebody at teleNetwork. If something has gone wrong, I’m not spinning my wheels trying to figure out who to go to; I know who to go to.”



Terry's advice to other telcos considering a support partner? "Cheap isn't always better. Most companies look to outsource technical support to save money. teleNetwork is reasonably priced compared to other vendors, though sure, there are always lower-cost vendors out there. But teleNetwork has been a great investment because they've been a great partner. They're willing to jump through hoops to make Frontier successful. That's the real reason we're partners."



## About teleNetwork

teleNetwork is the leader in providing contact center and business process outsourcing services to companies who want to create a differentiated customer experience. We set out each day to identify ways to improve the experience for our clients by developing and executing highly successful customer service strategies. We serve companies in many industries including telecommunications, mobility, cloud, electronic government, eCommerce, software, retail and video. Our partners have been recognized for the unique and innovative ways that they deliver service to their customers leading to a number of industry awards and consistent brand recognition.

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