

“How a South American Telecom achieved near-2X Broadband growth in 1 year, and defended against a Mobile Giant”

Brief on the Client – GT&T

GT&T is the largest provider of telecommunication services, located in Guyana, South America, with a subscriber base exceeding three hundred thousand in a country with an average population of seven hundred thousand. Its parent company is Atlantic Tele-Network (ATNI), based out of the United States of America. ATNI has invested over US \$20 million in GT&T over the past two decades.

GT&T provides local, long distance and international voice services for Consumer, Small Business, Enterprise, and Government customer segments. International voice traffic is carried for GT&T by Verizon; international collect calling is provided through agreements with AT&T, Sprint, Verizon, Call Home Telecom, Bell Canada, Telus and British Telecom. GT&T also offers Mobile (Cellular) services under its Cellink brand, with a vast retail footprint throughout the country, via both direct and indirect (reseller) channels. In addition, the Company also offers Broadband services under the previous brand, eMagine, which was rebranded as Blaze. GT&T's Business offerings include enterprise data connectivity, mobile services for business, and PBX services.

GT&T operates in a monopoly environment for wire-line services (fixed line, broadband, business internet), however there are still several competitors in this space – all of whom resell internet services from GT&T, but with aggressive service bundling. The Mobile market is fully open, and is active with legal and licensed competition.

In 2010, GT&T participated in the completion of Guyana's first submarine fiber optic cable, which enabled significant upgrades in services offered, including higher broadband speeds, increased wholesale business, and higher data speeds for Mobile services.

The Challenges / Key Issues

During the timeframe of the ITE Services engagement in 2009, GT&T was facing considerable competitive challenges in Guyana. Chief among those competitors was Digicel, the largest Mobile services provider in the region, with business units in 31 markets across the Caribbean, Central America, and Oceania regions. They were rapidly deploying 4G LTE across their markets, and were also launching Broadband services, and Business services.

In addition to the competitive threat faced by Digicel, GT&T also faced numerous smaller, independent, local niche competitors in Guyana, offering a variety of services including voice services via VoIP (voice-over-IP), Broadband services, and small-business networking services. Some small operators were also offering TV services, without all the required content agreements in place, creating a low price point that larger operators simply could not match.

Aside from the competitive threats to GT&T's customer base, GT&T was also struggling with dated network infrastructure, resulting in very low Broadband speeds for the highest rates in the entire region – the highest tier was 1Mb Broadband for US \$165 per month. Business Internet services were equally slow and over-priced. GT&T's Cellink Mobile service was not as far behind as their Broadband product, but any advantages they had in coverage, store-fronts, and service reliability were quickly being matched by Digicel.

Another challenge faced by GT&T was the “monopoly-mindset” by team members, and members of the Management team, that had not yet fully transitioned to operating in a competitive environment. The level of business urgency, agile Go-To-Market practices, innovation in product and service creation, and customer care, all needed to be significantly enhanced, in order to maintain and defend market share against the growing numbers of competitors.

The Objectives

Increasing revenue erosion across all lines of business, prompted GT&T to search for solutions to directly address their market challenges. Following an elaborate proposal and qualification process, led by the CEO of ATNI, GT&T's parent Company, ITE Services was engaged. Team ITE, led by Dr. Girish Pathak, embarked upon an immediate discovery phase, which led to the following Executive-agreed objectives:

- Reversal of 8% revenue decline since 2007
- New Revenues through Broadband and Mobile roadmaps
- Stabilize and Reset the Brand. Messages are mixed
- Introduce retention / growth strategies, regain wallet share
- Deliver improved Customer Experience with re-Brand
- Internal Capability improvement - fix gaps; set future state into play
- Defend and Grow markets via targeted messaging / campaigns

The CEOs of both ATNI and GT&T understood that an undertaking of this magnitude would require an all-in approach from their end. In that regard, ITE Services was given the full cooperation of the GT&T Leadership team from Day 1, with each functional leader, and extended teams, working directly with the Senior Advisors of ITE Services.

ITE's Approach

With the objectives agreed to amongst the GT&T and ATNI Executive Teams, ITE Services shifted into high gear. Dr. Pathak assembled a dream-team of ITE Services professionals, combining the best-practices of more advanced North American markets, with local market and product expertise, covering all functional areas of the engagement, from Sales & Marketing, and Product Management, to IT, Billing, Networks, and Support.

An over-arching project structure was officially initiated, with Team ITE experts leading each individual functional area, supported by a dedicated project manager, leading all project deliverables. Some project highlights include:

- **Product** – developed 5-yr roadmaps for Broadband and Mobile, focusing on HSPA and 4G, as well as Broadband and Fiber-to-the-Home offerings. Held Product Workshops to elevate product management capabilities, focusing on market data, forecasting, product lifecycle management, service creation, and pricing. Revised wholesale and carrier services product portfolios, in preparation for the availability of the new sub-sea fiber connectivity. Developed full Business Solutions product portfolios and roadmaps.
- **Marketing** – created consistency and uniformity in all messaging and advertising. Created a new brand for Broadband (eMagine) and developed all Go-to-Market strategies. Rationalized annual marketing budgets, ensuring a more strategic approach, than the blanket approach that was used. Developed customer segmentation and engagement models to enable profitable and sustainable growth strategies. Successfully launched the eMagine Broadband brand.
- **Sales** – training of sales teams, including residential sales, channel sales, and business sales. Developed segmented plans for residential, business, government, with differentiated value propositions for each, including a deep dive on all business verticals. Revised commissions structures for indirect sales channels (reseller network), and revamped commissions structure and reward system for GT&T Corporate Sales teams.
- **Customer Care** – implemented best-practices in customer acquisition and retention strategies, including churn reduction initiatives, customer loyalty, and premium support. Implemented a new customer-experience methodology, offering differentiated customer care for premium customer segments.

- **HR and People** – implemented SMART-based performance management and reward systems, the first of its kind within GT&T, to form the foundation of a new high-performance culture. Worked with HR and functional leaders on succession planning, as well as accelerating the development of young talent within the Company. Revised job descriptions along the lines of performance-based roles, and introduced a system of KPIs, measurement, and balanced scorecards. Provided recommendations for creating an overall organizational structure, geared towards performance.
- **IT and Billing** – led an OSS/BSS RFP process, to significantly increase capabilities around provisioning, support, and reporting. Guidance in the areas of market analytics and critical data requirements, allowing for faster, automated revenue reports to be readily available.
- **Networks** – development of new network designs for future services, including fiber broadband, HSPA/LTE, high-bandwidth mobile data services, and expansive business solutions portfolios. Implemented revised CapEx management framework and discipline. Developed a relationship framework for vendors and suppliers, with the view of transforming them into partners, invested in GT&Ts growth, rather than just equipment sellers.

Results of the ITE Engagement

Within one (1) year of engaging ITE Services, GT&T experienced near 2x revenue growth in their Broadband line of business. ITE Services was in the fortunate position to work closely with GT&T's Marketing leadership to develop, implement, lead, and measure the strategies and tactics associated with the Broadband product revamp. Team ITE also played a leadership role in the actual eMagine Brand re-launch, and related marketing events, culminating in the massive success that was enjoyed. Higher broadband speeds for a fraction of the cost, with excellent customer service and support.

Today, almost seven (7) years after the initial engagement, GT&T is still following the ITE-developed roadmaps, all the way to success. They are now offering broadband and mobile data speeds that were unthinkable, just a couple of years prior, and their Business Services division is growing rapidly, thanks in part to increased bandwidth available via the new submarine cable.

Executives at both GT&T, and parent company, ATNI, confirmed that the engagement with ITE Services was instrumental in:

- Preparing GT&T for a Marketing-driven / Data-driven operating environment
- Business Function realignment / Creation of a High-Performance Culture
- Documentation and implementation of revised Business process flows
- Mobile Data 4G engineering preparation and related product roadmaps
- Human resources functionality alignment, assessment and scoring procedures
- Streamlining Internal and External communication procedures
- Winning the Broadband war, and successfully defending against a Mobile giant

GT&T's Chief Marketing Officer, Wystan Robertson commented, *"Team ITE took us to the next level. They elevated our abilities to develop and execute measurable strategies, and we have been leveraging that experience in all areas of the business."*