



CRM case

CRM strategy report of Orange, one of the major telecom companies in the World.

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Orange

CRM case

Orange, a subsidiary of France Telecom, is today one of the major telecom companies in the world and the one of the first in Europe with no fewer than 221 billion of customer all over the world. Orange provides fixe telephone lines, mobiles telephony, ADSL, Tv and B-to-B.

Orange has a turnover of €45,5 billion and the quotation (France Telecom Orange) of 22/11/2011 on the NYSE Euronext is 11.885€ for a market cap of €31 billiard.

Overview:

CEO: Stephan Richard

Network launch: April 1994

Number of employees: 167 148 (2010)

Market capitalization of France Telecom: €31 018.13 Billion

Number of active customers of the France Telecom Orange group is 221 Million (2010)



To understand the CRM strategy of Orange, we have to check the 9 steps of the CRM strategy.

1. Create awareness
2. Vision- Mission- Strategy
3. Ask to the customer
4. Customer Segmentation
5. Mass customization
6. Contact strategy
7. Relationship strategy
8. Customer information
9. Customer processes

1. Create Awareness

What does the company mean with CRM?

The CRM vision of orange is to create a better future where people can communicate wherever, whenever and however they wish while remaining secure and confident.

Orange wants to give to the customer a “customer experience” is a full range of services and product. Orange wants to be linked with all social and content aspect.

Oranges linked partnership with mains social networks and acquire Deezer (music platform) or Dailymotion (video streaming). They give content and acquire more touch points (feedback) to finally touch suspects and prospects and to retaining current customers.

What is their current/future CRM model?

Mindset vs. Connectivity

Current?

The current CRM model of orange is to know what does the customer wants. What do they search? Which kind of media they want to have an access? They will satisfy the customer in the best way by collecting information (and so search what they need) thanks to different ways. And the strong point here is Orange doesn't search to suggest several offers, Orange searches to drive the customer to the best offer as possible for itself and for this one.

They are doing this by following the purchases and especially thanks to fidelity programs. In brief, the CRM vision of Orange is to be more confidential.

Future?

The future CRM strategy of Orange is to lead the same way, to be more confidential with their customer. In fact, the current CRM strategy of Orange is the same as the future; indeed in the end of 2009, Orange decided to have a 5 years program (Conquest 2015) to lead its organizational vision.

Orange knows that there are more and more channels to touch the client and they have to choose which channel they have to use to touch a particular kind of customer. But the new thing here is they will implement the social vision of its CRM, a social CRM. It means “interaction”. How will it can be possible to interact with the customer or prospect to acquire fidelity and to have a different way of link with the customer. It's not a transactional link, it's an interactive link.

So they will use their website, fidelity programs, mails, phone and now social media like facebook or smartphone applications to have a real discussion with their customer!

2. Vision- Mission- Strategy

Vision

Orange's vision is to create a better future where people can communicate wherever, whenever and however they wish.

The vision of the CEO of Orange is:

Today there are services (Yahoo, Microsoft, Google, Amazon, eBay, etc..), contents (Youtube, Deezer, Netflix, etc..), devices equipment (Apple, HP, Intel, etc..), social (Facebook, Twitter, Tuenti, etc..) and networks (Orange, T-Mobil, British Telecom, etc..). Orange is in the middle to connect everybody together (the normal customer or the professional customer).

Mission

To create new daily link, with responsibility to create, maintain, guarantee and renewal the social link between people.

"Being the first in customer experience."

Values

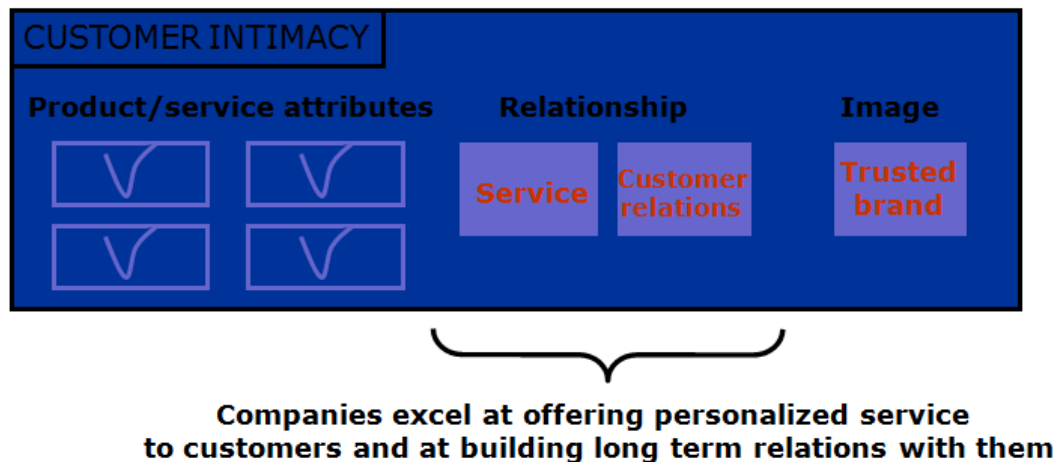
- Simplicity: direct relations which able to understand each other.
- Proximity: to listen everybody to have long-term relationship. Everybody is implicated (employees, customer, partners,).
- Trust: Clear, coherence, to be here for customer anytime.
- Boldness: Think different
- Transparence: Easy readable about offers, prices and delay. Franc in intern and extern. What it said is done.
- Innovation: To give the best technology to make life easier and more connected with the world.

Critical Success Factor

Orange promise their customer to change their life ("Today changes with Orange"), it also means they accompany them to a better, easier life while to live a real customer to company experience

Customer perspective

Orange as today an intimacy customer perspective.



The core competences of it:

- Exceptional skills in discovering customer needs
- Problem solving proficiency
- Flexible product/solution customization
- A Customer relationship management mind-set
- A wide presence of collaborative (win-win) negotiations skills

According to the Conquests 2015 program, Orange has already different ways to get this side of the customer intimacy. They first way of customer intimacy is the fidelity program which permits to know who is the customer and to have a permanent contact with him. Also Orange follows him by the purchases of this one. It means that it know what the customer wants.

The website is also a very important channel for Orange where the customer can find quickly information about his account, to ask question to Orange, etc ... it gives him an impression of interactivity and trusted brand.

Today, a new face and a new possibility to touch the customer (or prospect) and to have a relationship customer is the social face and mobile revolution. In a first hand, you have the social networks who give you the possibility to know exactly who is the person in front of you but also, it allows this one to takes part directly in the company. In a second hand you have the mobile revolution (Iphone, Android, Pads, etc ...) which allows you to have a direct and easy touch point (applications). And so you can give him information about what

he wants and personalize your offers to him (in short: to respond quickly to their specific and special needs). It gives a real time feedback. It no more only a question of trust but also a question of utility (an application has to be useful).

Orange provides relationship and services which are linked now together. Orange uses also traditional CRM software to better know their customer.

Align the CRM strategy

Objectives

In accordance with the “Conquests 2015” plan, the group wants to double the turnover in emerging countries, increase the number of customer to 300 million, conquers the client and the enterprise, hire 10 000 new employees and deploy a wider optical fiber where Orange is implanted. Also improve to B-to-B turnover (€1,5 billion on emerging market).

Measure

In 2015.

Today: Orange changed its slogan and work in intern to reach the objectives.

In 2010, Orange changes its CRM software for enterprises¹

In one year, Orange got a customer's increase of 7%.

Target

- Acquisition of content/entertainment enterprises to give more content to customer
- Being the 1st or 2nd everywhere where Orange is implanted
- 1st quality enterprise

Initiative

- Include: our social engagement. Making the world more accessible
- Preserve: our environmental engagement. Fight against climate change
- Health: review the situation of your GSM and your health
- Promote responsible uses
- become n°1 for quality of service
- simplify products & services portfolio, and leverage
- customer knowledge
- improve customer experience, innovate in customer relations and loyalty
- capture opportunities in adjacent businesses
- partnerships with content providers always based on technology

¹ <http://www.cogivea.com/Orange-Business-Services-retient-notre-solution-CRM>

3. Ask to the customer

Customer research, demands, needs

Orange proposes a lot of different range of offer for their customers in different depending the country. You will not find the same offer in Europe than in Africa for instance.

Orange tries to take in everybody (from the student to the pensioner).

To do that, it uses their touch points to find who are their customer.

Retention & loyalty drivers

Orange has fidelity program to keep their customer with a system of fidelity points. During special events (especially Christ-mas), Orange provides discounts and promote the replacement of the subscription. Also there is a legal term where a customer is engaged with the operator. At the end of the legal term, Orange will propose to increase the fidelity points or try to find a better offer (thanks to the crm).

Customer experience

With the "Conquests 2015" plan, Orange purpose to give a customer experience. To do it, Orange engages the customer but the new possibility of social/contents network. It's no more only the transactional link, it's also now an interactive link between a customer and a company. Orange is present on the most of social networks (facebook, twitter, Friendster, etc ...) and content website (youtube channel, takes parts in the capital of Dailymotion and Dezeer).

Also, Orange has to serve, inform and to satisfy their customer. Orange has a customer area (on the website) where they can find all useful information they need. Orange has developed phone application to more improve the customer experience. The customer can also call Orange to talk with an employee. But the best customer experience is the outlets where customers have a direct contact with the company.

Why the customer chooses Orange?

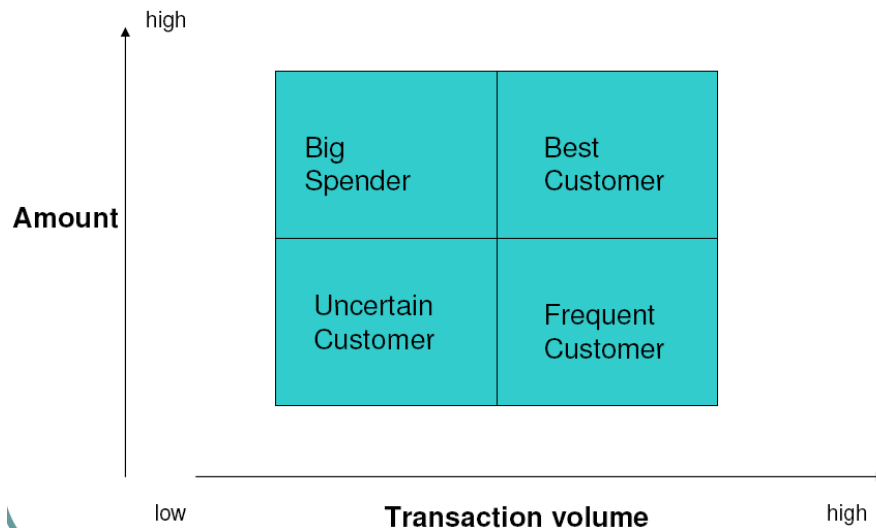
Orange has a huge range of offer to satisfy you. You will always be able to find what kind of contract is the best for you. Orange engages itself to have phone signal everywhere and a 3G connection in 89% of the territory.

You can also benefits from their internet provider statue because they have offers which link mobile phone and internet. As Apple with iCloud, Orange can save yours phone files, contacts, text messages or multimedia text messages. You can also send a message if your phone is broken.

4. Customer Segmentation

When you visit the Orange web site, you can see 2 main segmentations:

- Individual customer (b-to-c)
- Professional customer (professional and enterprise) (b-to-b)



Individual customer segmentation are depending according what they need but also according how much money they have and what they can have with and according their age (a person will have not the same needs if he/she is teenager or retired).

Individual segmentation:

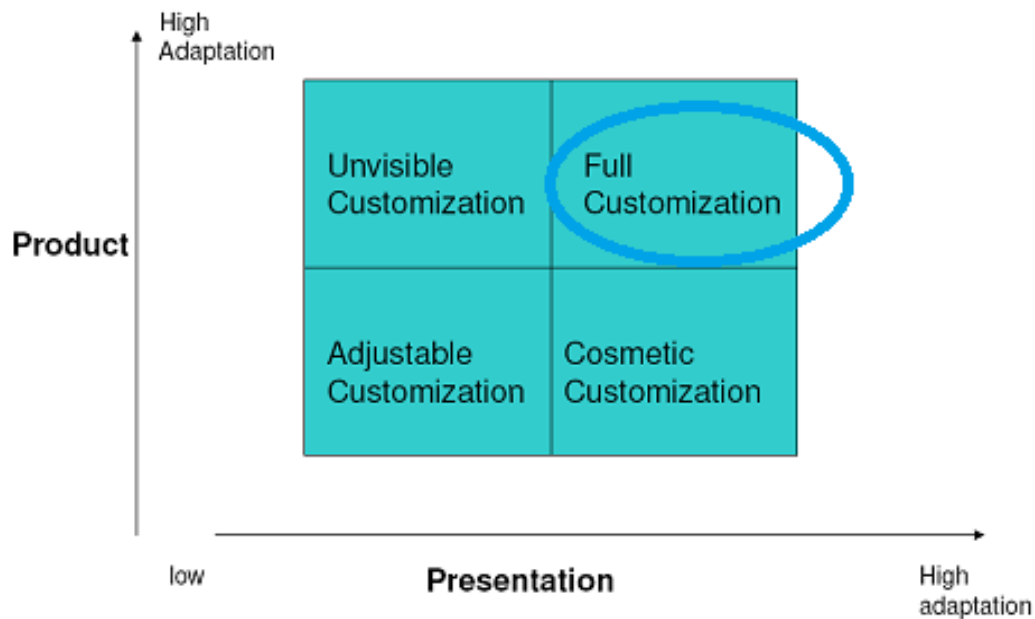
- Depending the age: special subscriptions for young/old people
- Depending of revenues: pre-paid card/little prices packages/blocked packages
- Depending of needs of use: packages which will adapt according to the needs of the costumer

As we can see, Orange tries to touch ever kind of customer:

Big Spender & clients (adapted packages), frequent customer (little prices packages/blocked packages/special packages) and uncertain customer (pre-paid card/little prices packages).

Professional customer segmentation depends only according to the needs. They have to adapt their offer according the needs of the enterprise. Also, they link more different services than for individual customer.

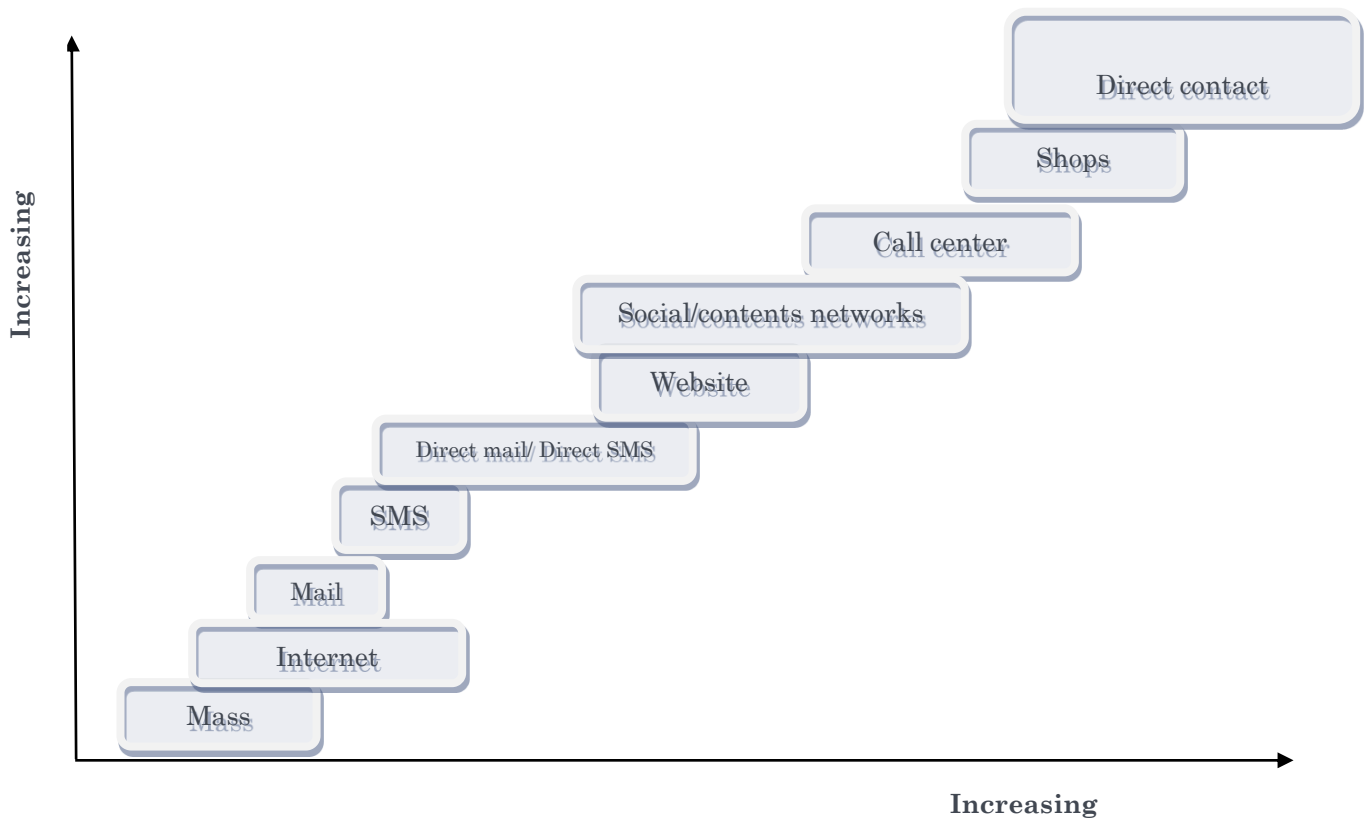
5. Mass customization



Orange provides full customization. As it has different customer who have different need, Orange has many offers at many prices customizable.

- New customers get some advantages like discounts for few months or gifts.
- Frequent customers can quickly find the new products.
- Uncertain customers can compare products; look for what they really need.
- Best customers get the same advantage but are kept up to date with the new promotions.
- Big spenders can get discounts or special options or invitation to change their phone, etc...

6. Contact strategy



Mass media

Orange changes its vision (connect everybody and every technology anytime) and we can see it on new commercials ads.

Sample: <http://www.youtube.com/watch?v=MS-cAXV3tXY>



Internet according to Orange: "There is the Internet ...and the Internet"



Adapted Solutions

Internet

Orange is making ads on internet (specialized websites). With the technology of cookies, the providers of ads space can know who you are and target you better (you can see an ad on a unspecialized website for exemple).

Mail/SMS

Orange can send you information like newsletters to keep with a contact with the company or important changment for everybody

Direct Mail/SMS

Orange can directly send you mails of SMSs to inform you about you subscription, promotion or discount you can have.

Website

The website of Orange allows to the customer to quickly have information about his/her subscription. He/she cans also change option or ask for help.

Social networks

New way of touch point (also with phone application), Orange is present on every content/network website. It allows to them to “engage” the customer in the brand mark and retaining this one.

Call centers

Call center are especially used for help.

Shops

Shops are also quite important because they are used for three customer processes. Staffs of the shops have to be customer friendly, well informed and efficient.

7. Relationship strategy

Orange is using a push strategy (traditional mass) because it is using much advertising, promotions, website... They try to push the most customers than possible to join them by making advertisement, offering TV commercials, pricing reductions.

Today, Orange understood people doesn't want any more generic attraction, they want people who are focus on them. The current CRM allows Orange to know better who are their customer and to give them a personalize response. By using the new opportunities of socials media & networks, Orange can really touch and attract specific customer.

Orange also uses Cross-selling. They sells others product with the one the customer wants to purchase. You make a contract for mobile phone; they will propose us to add ADSL or another service like fixed telephony.

8. Customer information

Orange has a lot of tools to gather information from their customers. They use data of the registrations and questionnaires and make local researches. They also can use information put customer on internet or use information from smartphone.

Call center will also ask some basic questions when a customer call them.

Orange also uses customer information which come from other services.

Also for professional customers, Orange provides specialized services where it must have a permanent contact with the client and it has a feedback

9. Customer processes

Customers want today cheaper, better, faster products/services but in same time customized products/services. The best at the cheapest price.

Why a customer would change for Orange?

- ⇒ Orange can propose me personalized offers
- ⇒ I want internet everywhere
- ⇒ Promotions? Discounts?
- ⇒ Simple use
- ⇒ Cheapest price
- ⇒ Good customer services
- ⇒ Don't need to change my number
- ⇒ Reward my fidelity with gifts, advantageous, discounts
- ⇒ How see they me?
- ⇒ Are they always disposable for me?
- ⇒ Where can I find them? (internet, physically, mails, etc...)

Orange want to be trustful and they do it by the well-developed touch points, services, information, selling and advertising (marketing) by knowing all the attitudes and behaviors of their customer. In this way, they can adapt a better return.