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Deployment Summary

The Customer Intelligence (CI) division of KPN's Customer Management for the Business Market analyzes data and customer behavior of all KPN business customers. After an extensive pilot, the division made a compelling business case for selecting Spotfire's Enterprise Analytics Platform to produce its many standard and ad-hoc reports.

"Spotfire makes it much more convenient to generate and distribute reports. This allows us to adapt to the ever-changing needs of the marketing department."

Jiske Zurlohe, Data Consultant, KPN

KPN Delivers Customer Intelligence Faster and at Reduced Cost with TIBCO Spotfire Enterprise Analytics Platform

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The Customer Intelligence (CI) division of Customer Management for the Business Market specializes in analyzing internal customer data and customer behavior. It develops a wide range of reports, predictive models, segmentation and response profiles to support KPN's marketing department and to help them optimize their business results in various ways.

The market volatility associated with the rapidly changing telecommunications industry places great demand on the CI division to continuously fine-tune its analyses and reports based on new data and insights – and to do this very quickly.

CHALLENGE

The CI division has its own database environment in which various (customized) source data is stored. CI edits the data either directly in the database or via its statistical modeling software. Results of these analyses are distributed in the form of reports via PowerPoint or Excel. An attempt to automate the report-creation process within the IT department proved too costly and too time consuming.

So KPN Data Consultant Jiske Zurlohe and her colleagues put together a business case to compare the effort and the turn-around time needed by the internal IT group to automate and generate reports versus end-user self-service in the CI department using Spotfire enterprise analytics platform. The business case outlined the requirements for the reporting tool and included: the necessity to integrate into CI's existing analysis environment; the ability to handle very large data sets; a strong graphical presentation; the possibility for reports to be delivered over the Internet and dynamically updated; the ability to dynamically drill down into the report; ad-hoc analysis capabilities (self service) for the analysts; and other criteria.



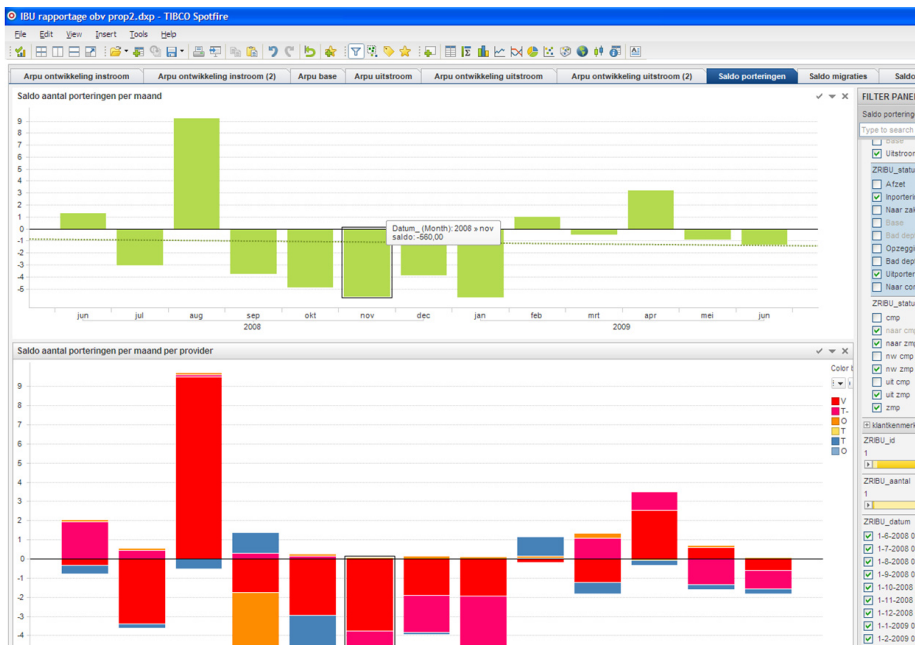


Figure 1: Monthly development of the net amount of mobile network switch migrations

SOLUTION

The CI division became aware of Spotfire software via a consultancy firm and because other groups at KPN were already using it for visual KPI analytics and reporting. A Spotfire pilot was undertaken in September 2008. CI approached the proof of concept from two fronts: 1) user experience; and 2) technical experience and capabilities.

From a user perspective, Spotfire enterprise analytics integrated seamlessly into CI’s analysis environment and easily imported data from the analysis server, as well as from other sources. As a data-processing tool, the end-users found it very easy to create new variables based on existing parameters in the data set. As a presentation tool, the users were impressed with the range of graphical ways to present data, finding it very user friendly

– particularly the tabbed interface which features the ability to link many different graphs to one underlying data set. In terms of ease-of-use, CI users learned how to use Spotfire software quite quickly.

The users were also impressed with Spotfire software’s graphical report dissemination options that include distributing reports via PowerPoint and PDFs, as well as over the Web. Finally, with the ability to generate several reports in a matter of minutes, CI found the time savings to be dramatic. For example, it took Spotfire enterprise analytics one hour to generate 60 graphs compared with one to two days using Excel or SPSS. “Spotfire makes it much more convenient to generate and distribute reports,” notes Zurlohe. “This allows us to adapt to the ever-changing needs of the marketing department.”

From a technical perspective, CI found the installation to be fairly simple and without complication. Spotfire enterprise analytics integrated well with CI's existing server and software. User-access control and various library settings could be copied from the existing LDAP server, so there's no need for users to remember a new user ID and password. Software updates are automatically distributed and installed. CI found that Spotfire technical support responded quickly and accurately to questions.

The workflow begins with preparing the data in the database, which is then put into tables or views. Spotfire software connects directly to the database, and reports – which include campaign comparisons, several KPIs, churn and migration insights – are created, then exported to PowerPoint and distributed to KPN marketers. The marketers often want to drill down deeper into the data, which the CI division can instantly accommodate

in Spotfire enterprise analytics. Eventually the marketers will be able to drill down themselves using Spotfire's Web Player interface.

RESULTS

At the end of the pilot, Zurlohe and her colleagues had built a very conclusive business case that demonstrated that the CI division would significantly reduce cost and especially time (turn-around time in creating the reports) by using Spotfire software to meet its ever-changing reporting needs. The result? The CI division purchased Spotfire enterprise analytics in early 2009.

Areas where Spotfire enterprise analytics scored particularly high:

Integration and data manipulation: Spotfire enterprise analytics integrates well with the current analysis environment and easily handles the large volume of customer records

Speed to insight: Spotfire enterprise analytics facilitates the rapid discovery

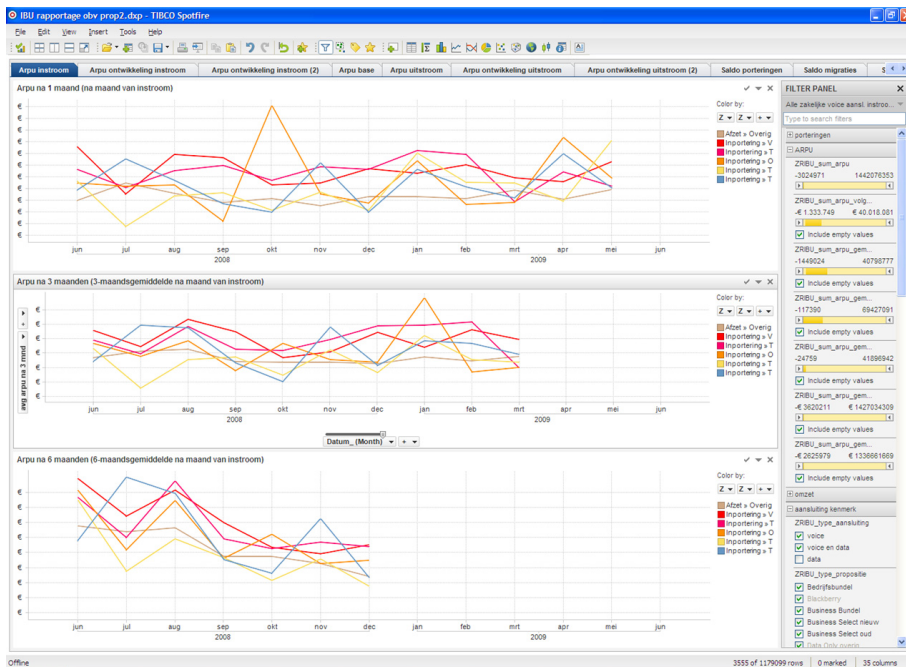


Figure 2: Average revenue per customer for new mobile subscriptions (resp. after 1, 3 and 6 months after subscription)

of new insights that wouldn't have been possible in Excel

Easy to learn and use: Users are able to create reports with little effort (previously it took a month to change standardized reports)

Ad hoc reporting capabilities: Marketers often ask CI for ad-hoc analysis; Spotfire enterprise analytics accommodates this on-the-fly, enabling CI analysts to quickly generate new reports

Flexibility: it's simple to add more variables to a data set, look at different views within the data and drill down – e.g., if a marketer wants to isolate just customers with traditional landlines a click of a checkbox enables that.

In addition, other departments are discovering Spotfire software's visual analysis and reporting capabilities and have expressed interest in adopting the solution in their domains.

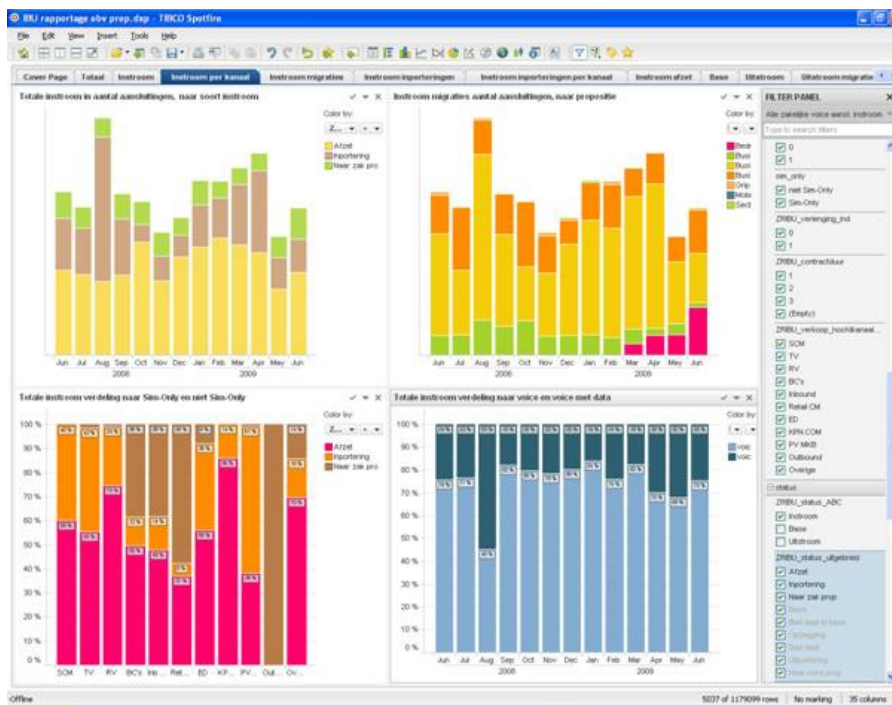


Figure 3: Monthly development of new mobile subscription in the business market per type and proposition

The plots featured in this case study do not represent actual data and have been manipulated for presentation.



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