

Business Case Development for Telecom Product Platform

<i>Year</i>	<i>Industry</i>	<i>Functional Area(s)</i>	<i>Type(s) of Service</i>	<i>Case No</i>
2004	Telecom	- Business Planning	- Expert Advice	326

The Client Company

A national fixed line operator

The Client's Situation

The company was facing an increasing need to develop new products and tariff packages within a very short time (shorter time-to-market). At the same time, the integration of these products into existing systems (such as billing, provisioning etc.) was becoming more and more complex. Therefore, also the maintenance of this multitude of products was getting more of an issue.

It was the company's idea to develop an IT platform that made the integration and maintenance of new products much easier (less integration effort, less mistakes, less cost) and reduce time-to-market to make the operator more competitive.

However, the company had not developed a business case that would justify the significant investment.

CSK's Assignment and the Approach

CSK's assignment was to develop a business case in order to verify whether the investment was justifiable. If yes, CSK should provide a management presentation to convince the executive team to release the needed resources.

The Result and Client Feedback

CSK's deliverables were twofold:

- a) *Business Case*: CSK provided a business case for the envisioned platform. It consisted of a complete cost and revenue assessment, an NPV/payback calculation and it included three scenarios (pessimistic, base, optimistic)
- b) *Board Presentation*: CSK developed a convincing board presentation outlining the goal, the main concept and rationale, the involved risks, the business case, and case examples. The client successfully launched the services.

Result: The client is now able to react quickly to changing market conditions by setting up new service packages much quicker than before, while reducing maintenance costs and achieving faster time-to-market.

