



VIVO Implements an Enterprise-Wide Business Intelligence Environment Using Informatica Platform

Largest mobile telecommunications provider in the southern hemisphere relies on Informatica Platform to access, integrate, and trust all its information assets.

FAST FACTS

BUSINESS INITIATIVES

- Enable individuals to easily access information for monitoring, analysis, reporting, and decision-making purposes
- Increase operational efficiency

TECHNOLOGY STRATEGY

Deployed Informatica PowerCenter® to manage the complex, high-volume data integration requirements of the telecommunications provider. Solution accesses all data, regardless of its source or structure, and delivers millions of records in the right format, at the right time, to all the applications and users that need it.

“The Informatica Platform gave VIVO the means to effectively capture, service, and retain more than 60 million customers. The Informatica Platform is the data integration engine of our business intelligence platform and is helping to turn VIVO into a data-centric enterprise.”

— Daniela Calaes, Senior Manager of Business Intelligence Systems, VIVO

Executive Summary

VIVO was relying on six siloed data warehouses, each with its own business intelligence tools, different data sources, business rules, processes, tools, cultures, and platforms. These warehouses had sprung from the merger and acquisition of multiple local providers. Their integration gave Brazil's leading mobile telecommunications provider the opportunity to create a single view of 60 million mobile telecommunications customers. By standardizing on the Informatica® Platform, VIVO has achieved its ambitions: the organization has created a single version of those 60 million customers, billions of call data records (CDRs), and a united view of key performance indicators (KPIs). Collectively, the company's showcase business intelligence solution has saved money annually and increased revenue substantially, through such better-targeted campaigns, more effective predictive churn analysis, and identification and resolution of bad debt.

BENEFITS

- Improved targeted marketing campaigns, boosting revenue by 30 percent annually
- Reduced time to market for new marketing campaigns by 75 percent
- Lowered bad debts, which led to a reduction in write-offs yearly and a 24 percent reduction in intentional default
- Led to a 20 percent reduction in network operation maintenance costs
- Reduced by 50 percent the number of staff involved in manual work to generate reports
- Lowered operational costs by \$1.2 million per year through enhanced direct marketing processes

NUTS AND BOLTS

- Solutions: Data integration and business intelligence, data warehousing
- Products: Informatica PowerCenter Real Time Edition™, Pushdown Optimization Option™, Enterprise Grid Option™, Multi-core Option™, Team-Based Development Option™, PowerExchange® for SAP, Oracle CDC, ODBC, and TIBCO
- Sources: Oracle databases and flat files. Examples: custom-built customer relationship management system, prepaid and postpaid billing systems, mediation (CDRs), interconnection, SAP, and others
- Partners: Informatica, Teradata, MicroStrategy, SAS, and UNICA
- Integrators: Telefonica Pesquisa e Desenvolvimento and Portugal Telecom Inovação

The Largest Mobile Telecommunications Company in the Southern Hemisphere

VIVO was created by the merger of six different companies and other acquisitions. They came together to form the largest mobile telecommunications company in the southern hemisphere. With more than 60 million customers, VIVO is the market leader in Brazil with almost 30 percent market share. The company has the largest coverage in Brazil with 3,647 municipalities and more than 11,000 points of sale.

However, this phase of mergers and acquisitions created a data integration “perfect storm”—each of the merged organizations had its own data warehouses and different data sources, business rules, processes, tools, cultures, and platforms. Six data warehouses had their own distinct business intelligence tools, including Business Objects, Hyperion, Crystal Reports, and MicroStrategy. And there were more than 1,000 users in different geographical locations using different processes to obtain strategic information for management decision making.

Daniela Calaes, senior manager of Business Intelligence Systems, VIVO, was one of those tasked with tackling this powerful data integration challenge. “The disparate data warehouses made it difficult for VIVO to obtain KPIs and provide senior management and strategic areas of the company with the information and indicators they needed for decision making,” she explains. “The situation also created a complex, costly, and slow-moving information extraction and analysis process, generating unacceptably high response time for the business users.”

Up to 2.5 Billion Registers Loaded Per Day

With management crawling all over Calaes and her team for strategic and tactical information they could use for management decision making, she and her colleagues responded with a single, enterprise-wide business intelligence solution. “The scale of business intelligence demanded a high-performance data integration engine that would accommodate our extremely high volumes of data,” says Calaes. “For this reason, we turned to technology vendors with a chosen track record in helping telecommunications providers and other organizations deliver highly available, high-performance data integration. Based on these criteria, Informatica was our first choice.”

The VIVO business intelligence solution consists of the Informatica Platform for data integration, Teradata as the database, MicroStrategy for the on-line analytical processing technology, SAS as the data mining tool, and UNICA for campaign management. The outcome is a 120-terabyte enterprise data warehouse with up to 2.5 billion registers loaded per day and more than 5,000 extraction, transformation, and load processes.

This innovative business intelligence project involved nearly 40 VIVO business areas—ranging from business intelligence, marketing, and sales to customer care and billing. Up to 150 professionals were allocated full-time to the project team. Besides being implemented as a powerful analytical tool, this business intelligence solution is also a source of information for crucial operational processes and transactional systems, such as commissioning, fraud detection, co-billing and front-office applications.

The project was made even more complex by implementing the enterprise data warehouse in parallel with a consolidation of transactional systems (ERP, billing, etc.). “This required tremendous control over the business intelligence project management,” says Calaes. “The simultaneous nature of the projects made the data integration process even more important, as we needed to make certain the Informatica Platform would accommodate the parallel process from the old systems to the new systems. Our concerns were unjustified—it does.”

Results Speak for Themselves

By unifying concepts, business rules, and processes, the Informatica Platform provides VIVO with a single version of the truth, which is being used to reduce costs and increase revenue, while accelerating trusted, accurate decision making. It also enables VIVO to perform comparative analysis between regions and receive a global view of KPIs. Now, for example, sales reports are available and also sent every two hours by SMS text message to the Brazilian sales force with sales indicators comparing partial results of sales during the day with goals defined to each location. The result has been more agile sales performance, according to Calaes.

The business intelligence solution contains billions of CDRs and billing information for detailed analysis on real traffic versus billed traffic, which means reduced billing issues. Meanwhile, an improved customer segmentation model enables VIVO's marketing teams to differentiate offers and customer service. More efficient predictive churn models allow actions to limit customer defection and to increase customer satisfaction.

VIVO has reduced costs and increased revenue while making hundreds of decisions faster and more effectively across more business units, such as sales planning, dealer management, revenue assurance, and fraud analysis. The business intelligence solution integrated complex customer profile, usage, and behavior data and is the official source for campaign management application. It allows for the automation of manual processes, more agility and quality in campaign management, a greater ability to measure the results, and more efficient marketing actions by offering products and services that match customer needs. Specifically, the benefits fall into a number of categories:

Increased revenues

- Increased direct marketing campaign revenues by 30 percent per year
- Drove better marketing actions to retain customers and reduce churn (via tightly targeted offers/actions to the right customers)
- Reduced bad debt by implementing statistical model to predict customer default (reduction in write-offs yearly and led to 24 percent reduction in intentional default)
- Lowered billing issues by comparing billions of CDRs and billing information for detailed analysis on real traffic versus billed traffic

Reduced costs

- Unified decision support environment, greatly reducing the number of databases, which decreased infrastructure, resources, and operational costs
- Minimized the impact of queries directly on the transactional systems and reduced investment required in those systems to generate reports
- Reduced by 50 percent the number of staff involved in manual work to generate reports
- Improved active direct marketing process, cutting operational costs by \$1.2 million per year
- Improved network capacity planning, which generated a 20 percent cost reduction in network operation maintenance through analysis of actual and historical traffic and usage patterns
- Enhanced capacity planning, thereby optimizing network resources utilization, reducing over-capacity, and matching real demand, while promptly identifying network faults and areas to extend cell sites
- Enabled faster management and regulatory reporting, avoiding steep penalties for wrong figures or reporting delays

Improved churn management

- Improved the effectiveness of postpaid and prepaid predictive churn models
- Enabled the creation of special lists and segments of customers likely to be lost/churned, allowing VIVO to more accurately predict customer defections, drive more effective marketing actions to retain customers, reduce churn, and increase customer replenish rates annually

Improved customer segmentation

- Enhanced customer segmentation model, which allows differentiated customer services and offers, increasing customer satisfaction, decreasing churn, and boosting revenue

Accelerated time to market

- Reduced time to market by 75 percent through automation of the direct marketing campaign
- Increased analytical capabilities for management decision making with accurate and faster information available through one version of the truth

Calaes concludes, "Where would VIVO be without Informatica? I can say that we wouldn't have been able to create this powerful business intelligence solution on the scale that we have achieved. The Informatica Platform gave VIVO the means to effectively capture, service, and retain more than 60 million customers. The Informatica Platform is the data integration engine of our business intelligence platform and is helping to turn VIVO into a data-centric enterprise."

VIVO was the winner of 2010 Informatica Innovation Award in the category "Enabling better decision making by driving business intelligence".

LEARN MORE

Learn more about the Informatica Platform. Visit us at www.informatica.com or call +1 650-385-5000 (1-800-653-3871 in the U.S.).

ABOUT INFORMATICA

Informatica Corporation (NASDAQ: INFA) is the world's number one independent provider of data integration software. Organizations around the world gain a competitive advantage in today's global information economy with timely, relevant and trustworthy data for their top business imperatives. More than 4,200 enterprises worldwide rely on Informatica to access, integrate, and trust their information assets held in the traditional enterprise, off premise, and in the cloud.



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