

## XL Axiata / Marketing & Product Development

### More marketing clarity through 5 Lenses

PT XL Axiata was established in 1995 and is one of the major cellular providers in Indonesia with a majority ownership by Axiata Group Berhad (66.7%).

The Axiata Group includes Robi (Bangladesh), HELLO (Cambodia), Idea (India), Celcom (Malaysia), M1 (Singapore), Samart (Thailand) and Dialog (Sri Lanka), as part of its holdings in Asia.

XL is now the second largest company in the Indonesian Telecommunications market and one of the most profitable operators.

“Renoir’s operational and result driven manner has enabled us to achieve a valuable change in our marketing department. Therefore I would suggest to any company that is serious about continuous development and improvement, particularly at the level of operations improvement, to engage with Renoir Consulting Group.”

**Asni Juita**  
**VP Marketing Integration & Customer Experience**

#### Key Results

Pilot 5 Lenses in HQ and regional rollout

Globalization of 5 Lenses alignment meetings for national & regional products

Installation of product KPIs tracking scorecard

Products reduction from 80 to 35

Mapping & proactive analysis of each product lifecycle for proper decision making

#### ANALYSIS

Following a number of highly successful projects with XL, Renoir has become more of a partner, than consultant. XL asked Renoir to review their Marketing department and more specifically, their Product Development & Pricing structure, systems and processes, both within Headquarters (HQ) and the Regions.

A Project with the following objectives was planned:

- Align product development & creation process with business strategy
- Develop and install HQ Product Development & Pricing 5 Lenses concept, Management Control System (MCS)
- Optimize Product Portfolio Management and develop and install product achievement tracking and lifecycle proactive management

The overall objective of the Project was to ensure effective communication and operational planning between HQ and the Regions in terms of Regional Business Strategy, Product Development & Pricing, Network Management, Product Branding & Communication, and Customer Satisfaction for the improvement of business performance.

#### PROJECT APPROACH

The Project kicked off with Renoir’s Focus Process™ and Implementation, developed over many years and based on experiences with hundreds of successful assignments. It ensures that consistent and sustainable outcomes are achieved.

The 5 Lenses concept was developed to address the issues and inefficiencies within Marketing’s Product Creation & Development Process. The objective of 5 Lenses is to enable HQ and the Regions to analyse all critical aspects of the Product Creation & Development Process to ensure proper and desirable product releases to the market. Another aspect of the Project was to ensure continuous communication and cooperation between all stakeholders (Marketing, Network Operations, Sales, Customer Services, etc.) and more particularly between HQ and the Regions, for national products as well as regional product decisions and launches.

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Finally, the project team was given the challenge to review the current Products Portfolio Management process to ensure more optimal product lifecycle management, reducing the number of unnecessary existing products.

## PROJECT DELIVERABLES

### 5 Lenses Concept Development

#### Lens 1

##### The Consumer Behaviour and Purchase Analysis Lens

focuses on analysing the consumer spending behaviour. Important focus points are knowing: consumers' needs, in terms of product; who is using the product; consumer purchase patterns; consumer preferences; and consumer reactions to product launches. The information is supplied by Consumer Analytics (CA), Marketing Strategy & Insight and Regional input.

The Consumer Behaviour and Purchase Analysis is a fast moving lens and should be reviewed regularly. It is best to incorporate the marketing mix (Product, Price, Place and Promotion) into the information found for this lens.



#### Lens 2

##### The Capacity and Performance Analysis Lens

focuses on analysing performance of network capacity and profiling, for each region. This ensures proper alignment with the product development capacity requirements and the regional network capacity available for resources optimisation. The required information is generated from the Demand Capacity Meeting, HQ network team and the Service Assurance team's

User Experience Testing (UET).

The Capacity and Performance Analysis Lens is directly linked to the first Lens. The two should be reviewed together to prevent both Network problems and customer dissatisfaction.

#### Lens 3

##### The Market and Consumer Analysis lens

focuses on analysing future trends and examining how consumer behaviour is developing, current development in telecommunication technology and planning for future possibilities and opportunities.

The sources of information for this Lens are Customer Analytics (CA), Consumer Insight (CI), Customer Lifecycle Management (CLM) and Device Management (DM).

The information compiled for this particular Lens is rather slow moving and does not require regular updates.

#### Lens 4

##### The Competitive (Competition) Analysis lens

focuses on regional competitor activities, market share and market positioning as well as overcoming threats from competition. As competitor activities for each Region are unique, competitive analysis is provided by each Regional business team. Both Above The Line (ATL) and Below The Line (BTL) activities of major competitors in each region should be reviewed. As market conditions become more challenging, it is proven that a product concept meeting customer needs and expectations

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would be more beneficial than reacting and matching the competition. Channel market surveys are a good source of information for this Lens, and, by using direct communication with retail outlets, the channel strategy team can perform a more accurate market survey.

This fourth Lens is again fast moving, as competitor’s activity may change weekly.

### Lens 5

**The Brand and Point Of Charge Segmentation** focuses on product branding and how products and campaigns are being communicated to consumers. It also assesses the effectiveness of marketing and product campaigns,

based on ground level consumer feedback. Ultimately, branding and product communication must be able to increase revenue generation to be truly effective.

This Lens focuses mainly on post launch activities in each Region. Due to the different approach to branding and product communication applied in each Region, this lens requires each Region’s feedback to help the branding team to be able to create more effective campaigns. Another source of information can be the IPSOS’s monthly Branding Tracking Survey, providing a national view of the brand quality and awareness. This last Lens is fast moving requiring review.

The Point Of Charge (POC) segmentation is the strategy framework developed by the corporate strategy department that divides all POCs across the territory into 3 segments – Defender, Contender, Attacker. It provides a decision matrix to show what marketing strategy that should be applied in each POC’s segment. It also creates a profile of each POC, establishing its identity in terms of market share, population, community preference and market saturation.

### Product Creation Criteria

Product creation criteria provide an optimal framework to ensure successful product creation. Based on the principles of each Lens, it outlines the business specification and requirements for Voice, SMS and Data products.



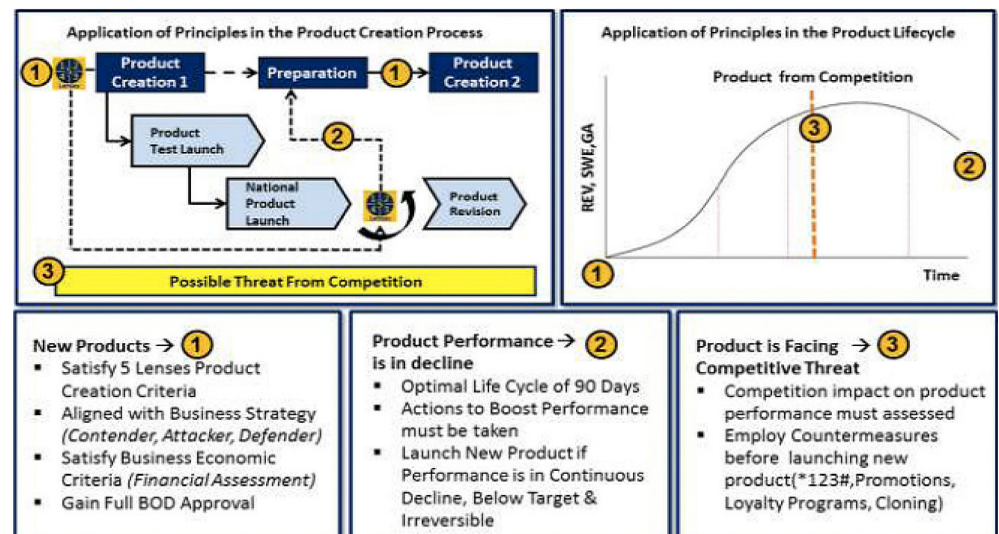
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A product that satisfies the criteria framework is a product that meets the customers' needs, matches the technical constraints of the billing and network team, concurs with current consumer trends, taking into account competitor's action and positioning, has a suitable communication strategy and most importantly is financially sound. A product that follows the criteria framework does not necessarily guarantee success, but its probability of success is greatly increased.

### Product Portfolio Management

In order to better manage the existing Product Portfolio, governance principles were developed and put in place to ensure proper alignment with 5 Lenses. The diagram below shows the 5 Lenses' involvement in Pre and Post launch of products. It also outlines the Governance principles in the growth, mature and declining stages of the product lifecycle. The main involvement of the 5 Lenses in the product portfolio management, is the products performance tracking.

The regular 5 Lenses meeting, directly contributes to product pre-launch by ensuring that 5 Lenses Product Creation Criteria is given consideration for each new product initiative. During product post-launch, the 5 Lenses meeting continues to track the performance of new products that have been launched and identifies product revisions if required. The meeting also allows the ability to share best practices across different regions in the company.



## THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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