



Overview

Business Challenge

As the third and most recent player in the highly competitive telecommunications market in New Zealand, 2degrees has focused its efforts on award winning customer experiences – hinged on accurately predicting their customers' needs. With a growing number of subscribers, however, managing the growing volume of data and gaining timely insight became increasingly expensive, complex and slow.

Solution

2degrees worked with IBM® Business Partner* Lexel Systems to move from a traditional environment to the IBM® PureData™ System for Analytics, powered by Netezza® technology. This powerfully integrated platform combines data warehouse and analytic capabilities to help 2degrees reduce the time and cost of delivering valuable analytical intelligence to the business.

2degrees puts its big data on speed dial

High performance analytics enables rapid insight into network and business operations delivering improved customer experience

Two Degrees Mobile (2degrees) entered the New Zealand mobile market four years ago with a simple proposition: to make mobile services more affordable for all New Zealanders.

The response from consumers was overwhelming. In four years, the company has grown to more than a million subscribers and garnered 22 per cent subscriber market share.

An essential part of the company's success is delivering outstanding customer service – and the company's data is crucial in helping to meet this goal.

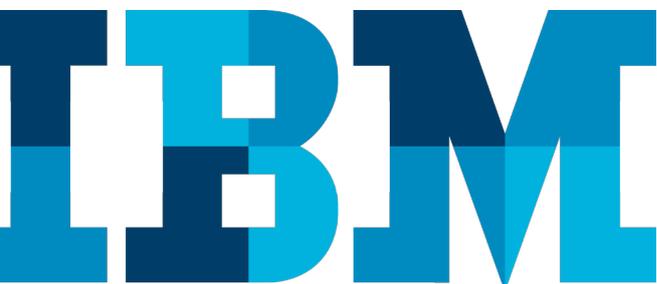
“By analysing call, text and data usage, we are constantly on the lookout to see how we can improve our products and services,” says Peter McCallum, Information Solutions Manager, 2degrees.

Big data strains company's data warehouse

As the number of subscribers grew, it became more challenging and time consuming for 2degrees to proactively identify customer issues and uncover new growth opportunities.

“We wanted to improve our sales comparison ability, which is critical in helping telcos evaluate the success of new products and services,” explains McCallum.

While capacity was the biggest obstacle, query performance and load times were also significant challenges.



Business Benefits

- Helped staff identify specific groups of customers who could potentially benefit from new network solutions
 - Provides sophisticated information to assist company executives in determining competitive business propositions
 - Accelerated query performance by 10 to 100 times
 - Improved data load times by 40 per cent
 - Decreased the number of IT resources required to support the solution
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“To improve load times and query performance, we required the purchase of additional existing licenses and server upgrades – the question was, do we just do what was needed for the short term or could we find a solution that caters to our growing needs?” McCallum explains.

Right partner enables quick and seamless deployment

2degrees put out an RFP and were approached by a large number of vendors including IBM Business Partner, Lexel Systems (Lexel).

“Lexel was a trusted partner. We had worked with them before and I was aware of their expertise in Business Intelligence.”

The RFP resulted in 2degrees evaluating two final choices: IBM PureData System for Analytics, powered by Netezza and another product. Both products were similarly priced and on paper their performance appeared to be matched. 2degrees decided to put the products to the test, by requesting a Proof of Concept –with their own data.

“The Proof of Concept was extremely valuable,” says McCallum. “It reaffirmed everything we had heard about the PureData System and performance. IBM PureData System for Analytics loaded data incredibly fast and we were very impressed. It was more cost-effective for us to put in the PureData System than it was to upgrade our existing platform.”

2degrees worked with Lexel to plan the deployment which was on a tight schedule and included some significant logistical challenges.

“Lexel went to great lengths to manage the physical installation of our new hardware – even hiring a crane to carefully lower the systems into our down-town offices at 4.00am, before the peak hour rush started. It was a really well-planned and tightly synchronised roll-out. Lexel made sure they had the right people with the right expertise to minimise delays and get things completed ahead of schedule.”

Lexel worked with 2degrees to configure the new systems and migrate the data from the existing platform to the new IBM platform. The deployment process was incredibly smooth McCallum explains.

“About two days after the PureData System went in to the data centre, we were ready to go. Lexel also provided a lot of good advice on how to get the most out of our new system.”

McCallum says a critical step in ensuring a smooth transition was the valuable training Lexel helped to provide.

“We did a lot of prep, communicating with staff and educating them as to what would happen in the cutover period,” says McCallum. “If they had any code that needed to be imported to the new system, we set up

Solutions Components

Software

- IBM PureData™ System

IBM Business Partner

- Lexel Systems
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“Reports that regularly took over an hour to complete are now completed in less than five minutes. Queries that took over 12 hours to complete on our previous system are now completed in 10 minutes or less on the PureData System for Analytics.”

Peter McCallum
Information Solutions Manager,
2degrees

sessions to help support them through that. Because of this, there was really no negative impact from the change.”

Slicing and dicing data at the speed of business

The new platform enabled 2degrees to triple its data warehouse storage capacity. This increased capacity allows the company to run more in-depth analysis on a greater volume of data, giving the business deeper insight into customers’ experiences.

“With the PureData System for Analytics, we’ve realised up to 10 times compression for some samples,” says McCallum.

Query performance is also now 10 to 100 times faster than before and data loads that once regularly took over half a day or more to complete are now finishing in less than eight hours—a 40 per cent improvement.

“Reports that regularly took over an hour to complete are now completed in less than five minutes,” says McCallum. “Queries that took over 12 hours to complete on our previous system are now completed in 10 minutes or less on the PureData System for Analytics.”

Insight improves competitive edge

While the IT benefits are incredibly compelling, it’s the impact on the business that McCallum says is most important.

In a recent example, 2degrees executives met with a large retailer regarding a new handset offer. They needed hard data to determine the best option— and they needed it fast.

“Our new system allowed us to meet the deadline and come up with a compelling deal that suited both parties,” says McCallum.

The new data warehouse environment allows 2degrees to target the needs of specific customer groups based on their handset requirements. As a result, the company identified more than 60,000 subscribers who could potentially benefit from a new network solution. This type of intelligence is highly valued in a competitive telco market.

With the ability to analyse greater volumes of data—and analyse it more quickly, McCallum expects to gain additional insight that will help the company:

- Expand its product mix to further increase revenue per user
- Uncover user trends so that staff can implement programs to increase retention rates
- Improve cell site planning and network response times

“The built-in analytics functions, which enable prediction and scoring within the database, are a huge added bonus,” says McCallum. “We intend to take advantage of this built-in expertise and expect it will lead to even smarter decisions for the business.”



About Lexel Systems

Lexel Systems operates across New Zealand and Australia and is one of the largest privately-owned ICT Integrators in New Zealand, with a dedicated staff of over 160. The company's Infrastructure Division provides consulting, design, procurement, implementation and support services while its Project Services division provides project management and business analysis.

About IBM PureData System for Analytics

IBM PureData System for Analytics, powered by Netezza technology, is purpose-built to make complex analytics on big data simpler, faster and more accessible to more decision makers. It delivers blazing fast responses to complex analytical queries.

For further information from IBM

If you would like to speak with an IBM Sales representative please call 0800 801 800 (in New Zealand) or 132 426 (in Australia) or visit: www.ibm.com/ibm/puresystems/nz/en/index.html or www-01.ibm.com/software/data/bigdata/

For further information from Lexel Systems

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