

COVID-19: TELECOM OPERATORS RESPONSE

19 March 2020



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OLIVER WYMAN FLASH COVID BENCHMARK

- Oliver Wyman has experienced a high volume of COVID related requests from its clients and decided to turn private questions into a public service
- Oliver Wyman has run a flash benchmark amongst its clients on 18/3 and received 20+ responses from operators around the world with the express intent to publish best practices
 - Most responses came from European operators but also from North America and Asia
- Benchmarks participants were asked 4 questions:
 1. What is the operator's policy on technician home visits now? Have you changed any procedures? Do you take additional precautions/ protections?
 2. Have you identified critical job classes that require continuous staffing? How do you manage the NOC, call centers, field force, logistics?
 3. How about critical public attention jobs and shops? Did you close shops? If you keep them open is there any change?
 4. Are you implementing working from home policies? How does it work? Do you use video and collaboration tools? Do you require daily presence?
- We hope that the following analysis is useful and serves to share the best ideas
 - If you have a best practice that is not mentioned please do not hesitate to contact Oliver Wyman and we will update this document and keep it alive

TELCO HAS ALWAYS BEEN CRITICAL, BUT NEVER MORE CRITICAL THAN IT IS TODAY

Traffic spikes and busy hours shifts under confinement regimes

>40% Increase in fixed IP traffic (in part driven by video and gaming)

50% Uptake in mobile voice services

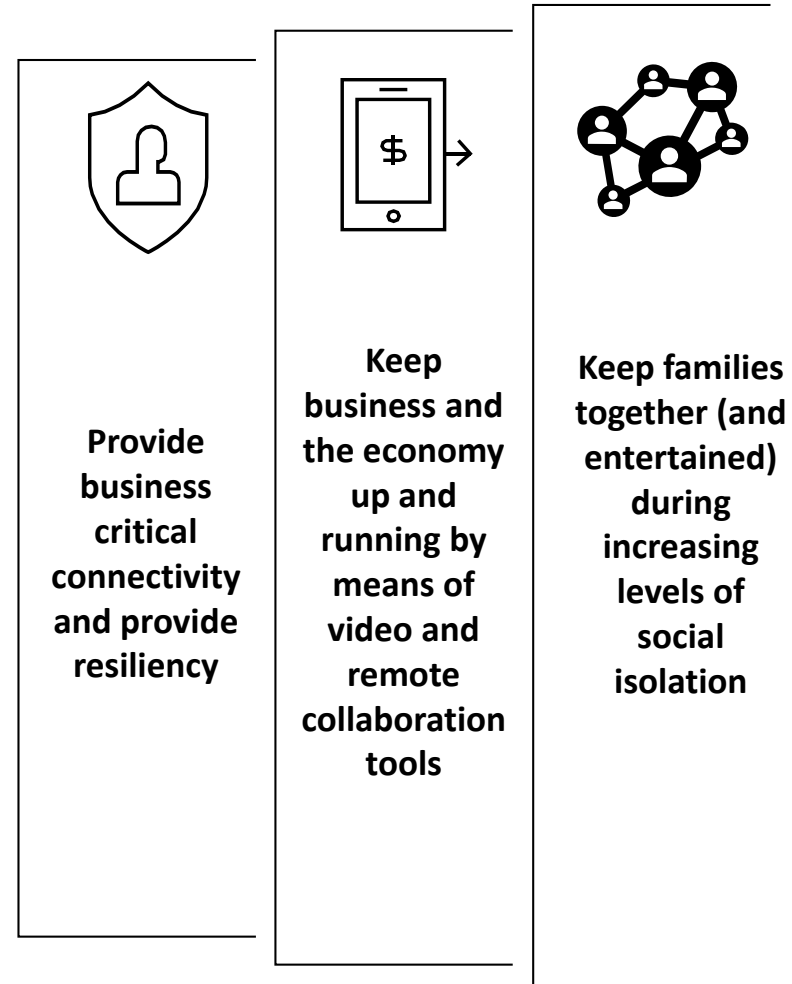
5x More traffic from instant messaging platforms (e.g. Whatsapp)

4x Increase in traffic from remote work platforms

Source: Spanish and Italian operators data

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Telco is mission critical to keep the economy moving



BEYOND DONNING PROTECTIVE GEAR FOR CUSTOMER-FACING STAFF, BEST PRACTICES FOCUS ON RISK MANAGEMENT AND LIMITING EXPOSURE

Best practices – network focused



Limiting exposure by remote diagnostics and pushing self-install/repair, e.g. support through video calls and instruction videos



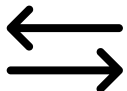
Risk management by qualifying customer contacts, e.g. call customer ahead of visit to confirm appointment and check if there are infected people on premises, check again when at the door



Provide technicians with protection equipment for themselves AND for the customer: gloves, face masks, hand sanitizers and hand washing protocol at minimum, protective gear and goggles when entering infected residences



Virtualize non-critical jobs and re-assign vulnerable workforce to back office duties, e.g. move older or otherwise vulnerable workforce to back office duties, virtualize office jobs immediately



Set up work-shift structure to limit exposure risk, e.g. two or more non-overlapping groups to manage critical infrastructure, focus on outdoor, smaller work teams

Best practices – general and commercial



Refreshing business continuity plans, e.g. most telcos report having benefitted from having good BCM in place (including with 3rd party suppliers)



Early identification of critical personnel/activities and aggressive protection, e.g. contact limitation, shifts etc



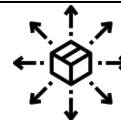
Force shift to working from home early in the process to protect employees and limit viral spread: e.g. virtualize call centers, fast deployment of laptops and collaboration/video tools (Webex/Skype/Microsoft Teams most used), remote NOC, etc.



Re-assigning retail workforce to customer care or telesales, e.g. telesales contacting efficiency has never been so high



Limit opening hours and close shops not only for protection but also because of footfall decrease
Move to “vending machine” approach, to limit exposure risk, e.g. work with service window in shops avoiding customer contact



Prime the supply chain, e.g. maximize stock levels to support ~8 weeks of business

“SOCIAL DISTANCING” OPERATORS PREPARE TO GO TO “QUARANTINE” MODE

Personnel and business protection measures vary with degree of confinement

- Protective measures (gloves, masks, disinfectant, etc) of customer facing work force
- Segregation of vulnerable segments of workforce to avoid contacts
- Virtualization of (back) office work
- Limitation of shop opening hours



- Full virtual workforce with only critical activities supported (stop build)
- Critical workforce working shifts to limit infection probability
- Protective gear and risk control procedures for customer contact
- Shops closed or vending machine-style
- SIM delivery through messengers
- Re-assignment of retail staff

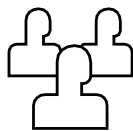
“Social distancing” countries



“Quarantine” countries

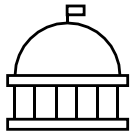


EVERY CLOUD HAS A SILVER LINING – TELCOS CAN STRENGTHEN THEIR POSITION WITH CUSTOMERS, REGULATORS AND SOCIETY AT LARGE



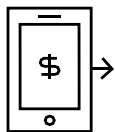
Strengthen connection with customers

- Real opportunity to **gain service and reputational ground with customers** through billing relief, entertainment and broadband provisioning for quarantined families
 - **Reallocate** lower SAC/SRC/Commercial activity cost savings **to existing customers and create post-crisis up- and cross-selling paths:**
 - Free content/entertainment (kids, news, series,...)
 - Remove throttling and bundle limits
 - Extra data allowance, upgrade in fixed speed levels no out of bundle data charge
 - **Increase backbone capacity** to deal with extra traffic
-



Achieve critical national infrastructure designation

- COVID crisis presents clear rationale **to designate telco as critical infrastructure at the same level as other critical services** (e.g. gas, electricity, etc..)
 - Similar access and intervention rights to solve faults as water or gas services
 - Fast fixed and mobile broadband networks are a **critical component of national resilience** and need government support to ensure full access
 - Improve access to rights of way and to private infrastructure
 - Find financing solutions to bridge digital divide
 - Curtail excessive indirect taxation through expensive spectrum auctions
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Increase adoption of new services by enterprises and society

- The crisis presents an **opportunity to increase telco relevance for society and enterprises by providing business continuity solutions**
 - Business critical communication for Health centres and remote patients diagnostics
 - E-learning tools for educational centers to keep permanent contact with students
 - Sharing and remote working solutions for small and medium enterprises to remain connected to their teams and clients – even in confinement situations

BENCHMARK RESPONSES SUGGEST EMERGENCE OF COMMON TELCO COVID AGENDA

1

Reconfirm business continuity programs to identify and protect critical personnel and infrastructure; prepare to shift to full virtual working mode for an extended time

2

Redeploy retail workforce idled by shop closure or footfall reduction to customer care and reactive sales

3

Reinvest commercial windfall in bill relief, limit removals and free service/trials; with an eye to provide up- and cross-selling paths after the crisis has passed

4

Accelerate Regulatory and Public Policy strategy refresh for a post-COVID world focusing on elevating telecom to be recognized as critical national infrastructure

5

Start planning for global recession and demand deceleration after the crisis has passed

PLEASE SEND RESPONSES OR FEEDBACK



This is a live document.

Please contact us if you feel a best practice is missing that is important to share.

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READ OUR LATEST INSIGHTS ABOUT COVID-19 AND ITS GLOBAL IMPACT ONLINE

Oliver Wyman and our parent company Marsh & McLennan (MMC) have been monitoring the latest events and are putting forth our perspectives to support you clients and the industries you serve around the world. The Coronavirus Hub will be updated daily as the situation evolves.



[Visit our dedicated COVID-19 website](#)



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