IBM

COLT delivers richer customer service with portal solution based on IBM software.

■ **Challenge**
Provide rich customer service capabilities to network customers while lowering support costs

■ **Solution**
e-COLT, a B2B Web self-service portal enabling corporate customers to manage their accounts

■ **Why IBM?**
COLT was impressed by the reliability and scalability of WebSphere® Application Server and had already selected a component of the WebSphere Studio Family as its application software

■ **Key Business Benefits**
€1.6 million (US$1.6 million) saved annually in customer service costs; 12% increase in revenues by selling portal services to resellers and dealers; 100% payback in 2.5 years; increased customer satisfaction; fast development of new portal versions

■ **Business Partner**
Versata, Inc.
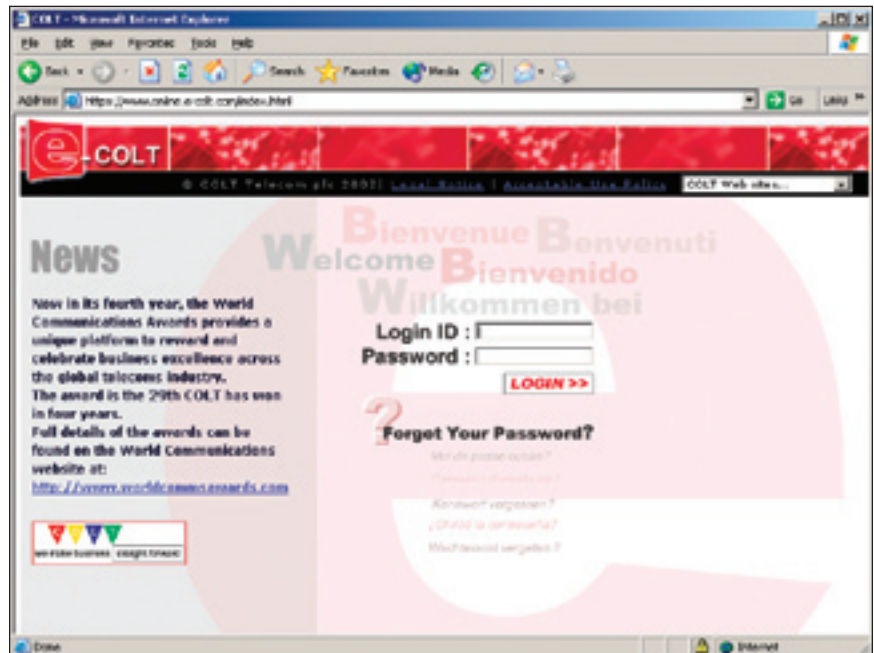
COLT owns and manages 13,000 km of fiber optic cable that provides high bandwidth capacity to the European business community.

If you're a 5,000-employee company with 70,000 customers, how do you provide each of them the individualized attention they deserve without breaking your budget? For COLT Telecom Group plc (COLT), the solution is a feature-rich business-to-business (B2B) Web portal that corporate customers can visit to manage their own accounts.

"While our revenues were rising, so were our customer support costs. So in the end, our gains weren't as great as they could have been."

– Jean-Charles Prugnaud, European IT Program Manager of e-COLT, COLT Telecom Group plc

e business

Key Components

Software

- IBM WebSphere Application Server Advanced Edition, Version 4.0

"Our online call detail report service represents so much in savings that our investment in this application has been fully justified. In fact, it took just 2.5 years to achieve a full return."

— Matthias Keuthen, e-business Manager, Central Region, COLT Telecom

Founded in 1992, COLT (*www.colt.net*) is one of the newest telecommunications companies in Europe, with revenues of €1.4 billion (US$1.4 billion). Headquartered in London, the company operates an integrated, European Internet Protocol (IP)-based network that links the financial and business centers of Europe. It provides large corporate customers with network services, hosted solutions and telephony offerings.

The company had been using a Web-based customer account management application, but in 1999, recognized that its rapidly growing business required a more flexible, scalable Web architecture. "In addition," notes Jean-Charles Prugnaud, European IT program manager of e-COLT, "while our revenues were rising, so were our customer support costs. So in the end, our gains weren't as great as they could have been."

COLT knew that a Web infrastructure based on Java™ 2 Platform, Enterprise Edition (J2EE) technology would be the best way to support the needs of its burgeoning customer base.

Through a multifunction Web self-service portal, the company could keep support costs down while efficiently adding new online applications as its business dictated.

Having selected Versata Logic Server (also part of the WebSphere Studio Family) from IBM Business Partner Versata, Inc. as its application software, COLT found it easy to choose an application server to support its new e-COLT B2B portal. The company was already pleased with the reliability and scalability of IBM WebSphere Application Server Advanced Edition, having used it in an extranet application, and selected it to support e-COLT.

"From e-COLT, our customers can inquire about their billing histories, make payments, order new services and change service options, view order status information and examine trouble tickets," explains Prugnaud. "Customers are enjoying the convenience of managing their accounts online, and we're saving €1.6 million (US$1.6 million) annually in customer service costs."

Channeling greater customer loyalty

Viewed by the company as a "single gateway for our customers," the e-COLT portal provides the front-end access point to COLT's backend order handling and fault management systems. By using firewalls, secure sockets layer (SSL) encryption and sophisticated user access management, e-COLT facilitates secure information exchange between the company and its customers.

So far, e-COLT has been launched in Germany, Switzerland and Austria, where the portal receives more than 1,000 hits daily. The U.K., Netherlands, France, Spain and Italy are next in line for their versions of the portal, which are expected to collectively log 2,000 hits per day. "You can't always put an immediate price tag on having happy customers, but we're sure that this will pay off in increased loyalty," says Matthias Keuthen, e-business manager, central region, COLT.

A more easily measurable benefit of e-COLT comes from online access to call detail reports. From such a report, a COLT customer can learn how its end users are utilizing its telephony services, such as the length and cost of each phone call. Previously, COLT mailed CDs containing call details to its customers.

COLT's reputation for quality of service has garnered 30 industry awards in a 4-year period.

Says Keuthen, "Our online call detail report service represents so much in savings that our investment in this application has been fully justified. In fact, it took just 2.5 years to achieve a full return."

COLT anticipates that its portal will fill a potentially large need when the company begins selling asymmetric digital subscriber line (ADSL) services to the mass consumer market. By directing this new customer base to the Web site, rather than to other customer contact channels such as telephone or mail, the company expects to reap additional savings in support costs.

On-demand development environment with WebSphere Application Server

e-COLT was developed within four months. Every month, the company releases an updated version, and is able to do so quickly thanks to its new J2EE component-based application architecture. Says Laurent Caron, lead developer of e-COLT, "WebSphere Application Server in conjunction with Versata Logic Server enables us to quickly launch new offerings to benefit our customers."

The Versata software provides an environment for developing J2EE technology-based presentation and business logic, offering templates and component reusability for rapid development. Soon, COLT intends to leverage the software to deliver content from its backend databases to the Web front end using JavaServer Pages (JSP) components, Java servlets and WebSphere software. "All the business rules in Versata Logic Server are written in a language very close to the spoken English language, so it's easy to understand," notes Caron. "As a result, we ramped up and were productive quickly."

WebSphere Application Server provides the runtime environment for the Java code. COLT started out with Version 3.0 of the software and has gradually migrated to Version 4.0, enjoying enhancements in performance, availability and stability with each upgrade. "WebSphere Application Server, Version 4.0 represents a quantum leap in value because of its increased support for J2EE technology and Web services standards," says Caron. "As with previous versions, the latest release is highly reliable and scales extremely well through its load balancing capability."

Profiting from the portal

In addition to helping the company save money, e-COLT is also providing COLT with a new revenue source. Resellers and dealers can purchase the portal applications, which COLT redesigns to appear as their Web sites. These partners can then deliver Web self-service to customers who purchase COLT telecommunications services from them. This service generates a 12 percent increase in revenues for COLT.

By utilizing the XML and SOAP support in WebSphere Application Server, Version 4.0, COLT plans to eventually sell its portal applications as Web services. The company also plans to create future releases of its portal with IBM WebSphere Studio Application Developer (formerly called IBM VisualAge® for Java), taking advantage of its wizard-based development environment and support for Web services standards.

"We strive to please tens of thousands of customers, so we needed a Web application development solution that was very flexible, powerful and fast," says Prugnaud. "With WebSphere Application Server and Versata Logic Server, we've not only met our objectives but we also have a platform to support next-generation iterations of our portal. For us, this has been a smart investment."

For more information

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