

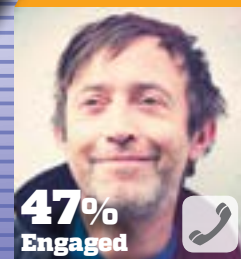
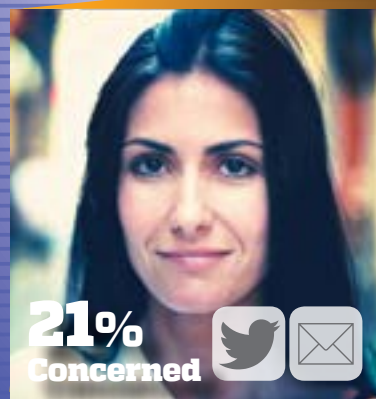
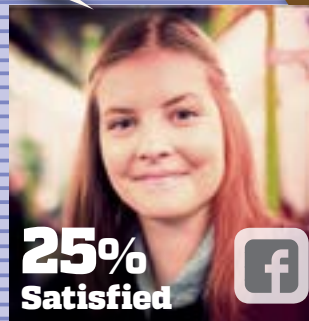
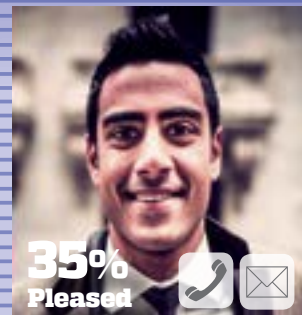


Start

TECHNOLOGY IN BUSINESS

THE VOICE OF THE CUSTOMER

MODERN MARKETING
MEASURING SENTIMENT
FUTURE OF TELCOS
2014 CRM BUYER'S GUIDE
PRIVACY BREACHES



ISSUE 46
QUARTER TWO 2014
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CASE STUDIES: RETAIL, AGED CARE, PROFESSIONAL SERVICES,
DISTRIBUTION, PROPERTY DEVELOPMENT

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From the editor

The customer is king. Yes, it sounds clichéd but it's the truth, and the common theme that ran through the conversations behind this issue. And yet many companies still haven't learnt the lesson. They are stuck in the industrial age, where the supplier-customer conversation is a one way product push. But technology has transformed that conversation and customers are making it clear that they want to make a connection and feel appreciated by the companies they purchase from. They want you to understand them, and if you manage to do that, they will fall in love with your company. If you are savvy you will want to give them the tools and opportunity to do so. If you get it right, they will be your biggest advocate.

This issue has all you need to know about how to get your customer to love you and shout it from the rooftops and I think it would behoove senior executives to note that social media is just one small part of it. In my cover feature, I explore the modern marketing theories of several business leaders 'in the know' - and, apparently, 'All you need is love...' (altogether now...). Learn what they have to say on p12. Anthony Doesburg extends these theories into the realm of the mind-boggling array of solutions that are competing to help you manage your customers on p22. Our regular commentators Paul Brislen and Ben Kepes chip in too, offering their advice on using social media for business, and we also provide a good dose of real world experiences in CRM-focused case studies in the section after the 2014 CRM Buyer's Guide fold-out. Of course, customers are not always delighted as the call centre jockeys will attest and, worse, this pain point is often outsourced or even off-shored, so we sent Stephen Withers out to the coalface to find out more. It's a sticky topic, he discovered, where all is not as it may seem, turn to p44 for more.

CRM systems are chock-a-block with more and more intricate and sensitive customer data - name, email, likes, dislikes, birthday and favourite underwear style. It's scary when you stop to consider how much personal and intimate information is stored digitally by companies and it would be remiss to not consider its safety in this issue. The dirt on data breaches is exposed in my feature on p52, and ASC president Brenda Aynsely along with the experts at MYOB remind us that often it is the people behind IT that we rely on to keep customers' data safe and clean.

One industry that is much-maligned by its disgruntled customers is telecommunications. Today it finds itself between a rock and a hard place as fixed-line connections dwindle and it needs to carve out new revenue streams. Bill Bennett investigates the future of our telcos on p64. One potential new area of income is the digital venture space, but that's getting pretty crowded too. There seems to be no shortage of people with great ideas that could become money spinners (I see the spin on at least ten a day myself). Actually turning those ideas in to action and success is quite a different matter and that's where business incubators and accelerators come in. If you have an idea that you think has legs and the gumption to do something about it, check out Fiona Hanlon's list of who can help on p72. And if it really looks like it's going to take off, give me a call!

Enjoy the read everyone,

Clare Coulson

Editor



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MOBILE BUSINESS



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EduTECH

3-5 June 2014 | Brisbane

For more information visit <http://edutech.net.au/index.html>

Agile Australia 2014

17-18 June 2014 | Melbourne

For more information visit <http://www.agileaustralia.com.au/>

Datacenter Dynamics Converged

24 June 2014 | Sydney

For more information visit <http://www.datacenterdynamics.com/>

Gartner Application Architecture, Development & Integration Summit

21-22 July 2014 | Sydney

For more information visit <http://www.gartner.com/>

Technology in Government Expo 2014

4-5 August 2014 | Canberra

For more information visit <http://www.acevents.com.au/techgov/>

KM Australia 2014, Congress - Knowledge Border Crossings

22-24 July 2014 | Sydney

For more information visit <http://www.kmaustralia.com/>

iStart NEW ZEALAND EVENTS – Q2 2014

CIO Summit 2014

11-12 June 2014 | Auckland

For more information visit <http://www.ciosummit.co.nz/>

IBM BusinessConnect 2014

17 June 2014 | Auckland

For more information visit <http://www-07.ibm.com/au/connect/index.html>

GOVIS 2014 Delivery@Pace

19-20 June 2014 | Wellington

For more information visit <http://govis.org.nz/Conference/2014.aspx>

Ed Tech for Export 2014

19-20 June 2014 | Wellington

For more information visit <http://www.edtechforexport.co.nz/>

IT & Enterprise Architecture Forum

30 June-1 July, 2014 | Auckland

For more information visit <http://www.conferenz.co.nz/conferences/it-enterprise-architecture-forum>

NZ Social Media Forum

30 June-1 July, 2014 | Auckland

For more information visit <http://www.conferenz.co.nz/conferences/nz-social-media-forum>

UPCOMING iStart WEBINARS 2014

iStart Podcast "The future of ERP"

June 25th

GUIDE TO CASE STUDIES

Type	Industry	Company	Vendor	Page
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CRM	Aged care	Aged Care Channel (ACC)	SugarCRM	38
CRM & ERP	Distribution	Tata Ltd (UK)	Greentree International	40
CRM	Property development	Peet Limited	Zavanti	42
Infrastructure	Professional services	Searells	Ricoh	58



FLAMINGO AIMS TO PUT CUSTOMER SERVICE IN THE PINK

A SYDNEY SOFTWARE START-UP called Flamingo has created a relationship management platform that puts the power back in the hands of the consumer as part of a bid to improve customer experience and cut churn. While many enterprises have relied on CRM systems to support customer interactions, the power is ultimately held by the vendor. Flamingo has launched a vendor relationship management system that allows customers to work with their suppliers to personalise the goods or services they receive, and the way in which suppliers communicate with them.

Flamingo allows vendors to bring together in one location all the information they have about a particular customer and support what's described as an 'online co-creation lab' where a customer can collaborate with a sales rep to design the sort of experience they want from the vendor and see on screen what they are getting and spending.

The smarts behind the system come from Fifth Quadrant, a research business focused on call centres and customer

experience, set up by Dr Catriona Wallace, who is also founder and CEO of Flamingo. She said that analysis had found that 75 percent of people would like to be able to customise the relationship they had with suppliers and were prepared to pay up to 14 percent more for a better experience.

"Australian consumers buy on price and product but defect on experience," she said.

Wallace said that Flamingo is in discussion with NBN Co, Department of Human Services, Department of Premier and Cabinet and the Department of Immigration and Border Protection about the tool. While coy about pricing, Wallace said a small to medium enterprise would be looking at spending much less than \$10,000 a year for the cloud-based platform where a large enterprise might spend \$100,000.

The ultimate goal, however, is to charge enterprises a fee measured in "tens of dollars" per customer interaction – much lower than the \$600 some enterprises calculate to be the cost of finding a new customer.

INTERNET OF THINGS COMES OF AGE

ESTIMATES OF THE NUMBER of devices that will connect over the internet range as high as 50 billion by 2020. Gartner expects that the economic impact of a more connected world will be \$1.9 trillion and big business is looking at ways to reap the rewards.

This time it's not just the banks and retailers, traditionally intensive users of information technology, getting in on the act; broad swathes of industry are linking together devices that can collect data and analytics to deliver improved outcomes.

Mining company Thiess for example is clearly attracted by the economic potential of the benefit of big data, and in February announced it was working with IBM to use predictive analytics and modelling in order to improve productivity by identifying potential machine breakdowns in advance, preventing production delays.

Other organisations are already moving in this direction. NSW's Transport Management Centre, which has a network of 20,000-plus connected traffic lights, variable signage and traffic flow systems, has developed an application with Pegasystems that can identify potential problems in the network, allowing maintenance and diversion scheduling as required.

Pegasystems' APAC vice president Luke McCormack acknowledged that for an organisation such as the TMC, this had required a mindset shift so that the organisation recognised its data was not just for tracking assets, but also to enhance customer service.

While private communications networks will prosper so too will public interaction. Simon Watt, the R&D director of communications company iiNet, said the advent of inexpensive Zigbee or Z-wave chips that allow devices to connect over the internet will drive future demand. He said that iiNet is currently working on a prototype platform that would allow users to integrate a range of devices into what amounts to a form of data fabric.



CEOs PIN HOPES ON IT TO SPUR GROWTH

GROWTH IS A TOP-THREE priority for 54 percent of CEOs and senior executives according to a global survey of large enterprises conducted by Gartner. Many have identified technology as an important lever to deliver that growth and Gartner reports a level of engagement with technology from the C-suite unseen since the end of the 1990s.

The survey of 410 C-suite executives (including 21 based in Australia and New Zealand where Gartner's \$US250 million company revenue cut off would have limited eligibility to participate) uncovered particular enthusiasm for cloud computing and deployment of big data initiatives to steer decision making.

Certainly there is renewed optimism about the business outlook. According to the most recent index from Business Network International released in April 67.5 percent of business leaders in A/NZ reported an improvement in business conditions compared to the year before.

Despite these improvements Gartner has warned that CEOs are lagging in terms of their understanding of what it will take to become a truly digital business and the disruption that might ensue. And although 22 percent of CEOs said IT was a top-three business priority for the year ahead, only three percent said that innovation or R&D was a top priority – suggesting a mismatch between ambition and understanding.

Gartner vice president Mark Raskino warned: "A decade of believing that IT was a commodity function, to be mostly outsourced, has left many business leaders in a position of relative weakness. Their vision and knowledge of the changes that technology makes possible are not strong enough. Their abilities in making deep, technology-enabled business change happen are not well practiced."

CLOUD SPRAWL MAY PROMPT ENTERPRISE BILL SHOCK

THERE HAS BEEN A proliferation of Australian IaaS deployments, particularly for test and development according to Dion Williams, CEO of Sydney-based IT services business UXC Keystone. While IaaS is lauded for the speed at which infrastructure can be deployed, Williams said that CIOs were increasingly finding that when it came time to deploy systems developed on IaaS there could often be insufficient understanding of the dependencies between information systems operating in a cloud and those still in the enterprise production data centre.

Williams estimated that 30-40 percent of companies have rogue IaaS deployments which are not monitored or controlled centrally. He said that State Governments, tier two finance companies and retailers seemed to be particularly vulnerable.

New Zealand companies did not seem to face the problem to the same extent, possibly he said, due to the country hosting fewer of the large IaaS vendors.

For those companies which do have IaaS sprawl, Williams warned that "at the click of a button they can stand up thousands of servers" without really considering the ongoing cost of that service.

"We are working with one of the State Governments and they are looking at the cost of Amazon Web Services and Rackspace. When they got the first bill they were horrified," he said.

They might of course be less horrified next time around as Google, Amazon Web Services and Microsoft are engaged in a price war. But whatever tactics the vendors employ, it still makes sense to have control and visibility of costs and systems.



PREDICTIVE ANALYTICS CRACKS DOWN ON CRIME

LISTED NEW ZEALAND TECHNOLOGY company Wynyard is predicting strong Australian demand for its crime analytics platform as it becomes predictive, with almost a third of its \$NZ21.8 million revenues generated in Australia last year. According to the company's managing director, Craig Richardson, strong growth is tipped this year with Australian and US demand expected to star. It will be a few years however before the company turns a profit as it focuses on growth in the medium term.

Wynyard, which was spun out of the Jade Group and floated on the NZ stock market in 2013, offers risk and threat analysis, a core criminal analysis and investigation tool and case management software. The technology has been used in murder inquiries in Australia and the UK to process large collections of data leading to a number of charges being laid.

Already deployed by the Australian Federal Police, New Zealand Police and London's Metropolitan Police Force, the system has also been rolled out by government regulators, government departments and financial institutions according to Richardson. In 2013 banks and insurance companies accounted for 43 percent of all sales – the largest single user group.

Richardson said in April that the initial focus had been on second tier financial services businesses, although Wynyard was now holding discussions with Australia's largest financial institutions. Australian Customs, the Attorney General's Department and Queensland Rail are also using Wynyard's technology, which has been designed to search for complex relationships between entities that are seemingly unconnected.

Wynyard is also collaborating with University College London on a predictive analytics project intended to not only identify potential crime hot spots, but also determine what might happen if more resources were deployed to an identified trouble spot and where crime might disperse. "You could apply the same logic to sex offenders," he said.

Richardson said that Australia's "heavy security focus" and attempts to control drugs, weapons and money laundering made it an important market for the company. He said that the company believed "it could more than double in Australia". At present Wynyard has a team of 25 based in Australia, but plans to grow this to 35 by the end of the year and boost local R&D. To fuel that growth and underpin the company's US expansion plans Wynyard has recently completed a \$NZ35 million round of fund raising, on top of last year's IPO.

SWEDISH ERP MINES RICH SEAMS IN A/NZ

OVER THE LAST FIVE years Swedish ERP specialist IFS has built up a portfolio of 34 customers across Australia and New Zealand. In the last year the greatest demand has come from the mining and construction sector in Western Australia – but according to the company's local managing director Rob Stummer, "we are seeing a big spike in demand in New Zealand".

At present the company has just six New Zealand customers. In 2012 IFS signed a deal with Solnet Solutions to become the exclusive retailer of the IFS Applications 8 suite in New Zealand. Stummer noted, however, that until recently there were very few opportunities to sell to New Zealand-based businesses. "The economy has been diabolical. But they are starting to spend again," he said adding that infrastructure companies seemed to be first in line.

Although the company competes against major suppliers such as Oracle and SAP, Stummer said that often the incumbent solution used by many organisations IFS sells into was an Excel spreadsheet.

While IFS' system is available both for on-premise and in-cloud deployment all of the company's A/NZ customers have taken the on-premise option. IFS' chief executive officer Alastair Sorbie was in Australia in February to attend the Australasian Oil and Gas Exhibition and Conference and told *iStart* that he did not believe software-as-a-service was necessarily the right model for a comprehensive ERP solution. He said many customers found that the total cost of ownership of moving to a SaaS ERP did not stack up.

"Multi-tenanted SaaS does not work," he said, although he acknowledged that for some functions such as CRM the approach often made sense.

Unlike many of its international markets where the company has focused on delivering solutions to manufacturing companies, in Australia it has concentrated its efforts on selling to infrastructure, mining and construction businesses. It has opened offices in Western Australia to support users in that market and is considering opening a further office in Queensland to support its mining and construction businesses.



GARTNER: RACE IS ON TO FILL GAP IN BI MARKET

THE MARCH GARTNER BUSINESS

Intelligence Summit held in Sydney highlighted significant growth in the BI platforms market in Asia Pacific, with the Australian BI platform software market remaining the region's biggest in the next few years, up 5.4 percent over last year to reach \$US386.2 million in 2014 and US\$443.5 million by 2017. In New Zealand, the BI market is expected to grow 5.6 percent to US\$50 million in 2014 and US\$55.8 million in 2017.

Gartner said that while organisations are rapidly moving from BI systems used primarily for measurement and reporting to those that also support analysis, prediction, forecasting and optimisation, there is a gap in the market for a solution that can meet the dual demands of enterprise IT and business users.

Gartner said that while the "megavendors" SAP, Microsoft, Oracle and IBM have the lion's share of the market and are preferred by IT executives, business units increasingly prefer data discovery solutions, such as Tibco Spotfire, QlikTech and Tableau Software.

The results of the latest Gartner Magic Quadrant for Business Intelligence

and Analytics Platforms, (revealed at the Summit) illustrated business' trend towards using, and even standardising on, data discovery platforms for their larger enterprise BI deployments. In many cases, however, Gartner said that existing data discovery platforms lack the necessary enterprise features in relation to governance, administration and scalability while the incumbent leaders are strong in IT-led systems-of-record enterprise capabilities, but have had limited success in delivering 'good enough' data discovery capabilities for business users.

Gartner said "the race is on to fill the gap in 'governed data discovery'" – in other words, platforms that address both business users' requirements for ease of use and enterprises' IT-driven requirement.

A number of vendors are working towards improving their offerings in this area and Gartner highlighted SAS as having made "one of the boldest moves of any vendor with its plans to replace its current enterprise BI platform (where it is integrated across the rest of its application and decision management stack) with Visual Analytics, a new data discovery environment, as its 'go forward' BI platform".

DATA CENTRES SPROUTING IN AUSTRALIA

THE DATA CENTRE INDUSTRY in Australia is booming with three major new data centres announced in the space of one week in March.

NEXTDC had an official opening of its fifth data centre in the Perth suburb of Malaga, by Western Australia premier Colin Barnett. NEXTDC CEO, Craig Scroggie, said the event marked the completion of phase one of the company's plan. "We now have state-of-the-art facilities in the five key ICT markets in Australia."

The facility is one of only eight data centres in Australia certified Uptime Institute Tier III for both design and building construction.

Cloud-based contact centre vendor LiveOps has announced the opening of a new data centre in Sydney "to better serve the needs of its growing Australian and New Zealand customer base and partner network". LiveOps' chairman and CEO, Marty Beard, said the new data centre would support LiveOps'

plans for rapid growth in the local market and provide customers with high-speed access to the cloud-based network. Research firm Frost & Sullivan has forecast that over 60 percent of organisations in Australia are likely to evaluate or deploy cloud-based contact centre systems in the next two years.

According to Kristen Pimpini, managing director, A/NZ for LiveOps the new Sydney data centre would open up new industries as potential customers for LiveOps "because it offers improved performance and addresses data sovereignty issues".

OpenText, which has over 50,000 customers using its enterprise information management software around the world, has opened its first data centre in Australia, also in Sydney, likewise saying it will address data sovereignty issues for Australian clients and boost OpenText's cloud performance for local customers through lower latency times. The move takes the number of OpenText data centres to 10.

NBN AUDIT: WISE MOVE OR WITCH HUNT?

THE COALITION GOVERNMENT HAS announced it has initiated an audit into the processes by which the former Australian Labor Government arrived at its decision to build a fibre-to-the-premises (FTTP) national broadband network to 93 percent of Australian premises. Ostensibly the probe is to ensure that what it sees as a hugely costly mistake can never happen again. Not surprisingly, the move has been branded a witch-hunt by the Labor Opposition, and by a number of observers.

The audit will be headed by Bill Scales, a former group managing director for regulatory and corporate affairs at Telstra. It will cover the period from April 2008, when the Labor Government issued a tender for a fibre-to-the-node (FTTN) network, until May 2010 when the implementation study for what by then had morphed into an FTTP network was released. It will outline the public policy process undertaken and the advice received to support the decisions that lead to this policy.

The proposed FTTN network would have been heavily reliant on Telstra copper so it was widely expected that Telstra would win the tender. However Telstra's bid was ruled non-compliant in December 2008.

An expert panel had been appointed to review the valid tenders and for the first three months of 2009 the nation waited on its decision. Then, in early April 2009, the Labor Government dropped its bombshell. It released only a few pages of the expert panel's report, in which the panel declined to recommend any of the proposals, and announced plans for the FTTP network and the formation of a government-owned company to build it. The processes by which that decision was reached, and the advice on which it was based have never been made public.

Scales has been given four months to complete the audit. The Government has not said how much it will cost.

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ENTERPRISES WARNED NOT TO WASTE MONEY ON GAMIFICATION

TWO YEARS AGO GARTNER warned that about 80 percent of attempts to gamify employee or consumer behaviour would fail by 2014; it seems no-one was listening.

Research vice president Brian Burke recently launched his book *'Gamify – how gamification motivates people to do extraordinary things'* noting that most organisations still aren't getting it right.

"Organisations should use gamification to empower their customers, employees and communities to reach their goals. Gamification is about motivating people to achieve their own goals, not the organisation's goals," he said.

Dr Jason Fox, an Australian motivation strategy and design expert, said that the most successful gamification deployments, "are those that help customers do what they want to do or improve staff processes".

Airlines and retailers have long used gamification in their loyalty and rewards programmes, but there are increasingly subtle deployments now taking place. The Commonwealth Bank's Investorville

– a game that lets people play 'what if' with the property market – for example attracted 23,000 users in its first nine months, 12 percent of whom went onto to visit the CBA's home loans web page.

There are however a number of more obvious attempts to steer behaviour. In an approach that Fox describes as "advergaming" People's Choice Credit Union last month launched a smartphone app that rewards weekly winners of a game with cash prizes. The organisation says that 75 people a day are downloading the app which is part of a campaign to get people to sign up for an online account – but the prize winning campaign lasts just six weeks – a relatively short period in which to change consumer behavior.

Gartner's Burke says genuine success will come from more calculated and strategic approaches which bring together C-suite executives and technologists to determine what optimal behaviour should be encouraged, and the means by which that can be achieved by delivering some form of emotional engagement.

JADE SOFTWARE HAS MONEY IN BANK, AIMS TO DOMINATE LOGISTICS MARKET

DESPITE A REPUTATION FOR focusing on 'made in Jade' and selling off its best innovations, Jade Software has solid plans for success post Wynyard Group sale. At a media event in March Jade's managing director David Lindsay said people have been asking him what Jade will do now – a question he said which has been asked several times throughout Jade's history when it sold LINC, its healthcare business and its HR business.

"We are not going to do anything differently. We have innovation in our blood, in our DNA, and it has been for 35 years. We've shown a unique and innate ability to bring to market some great business applications and build some really compelling and valuable businesses for our shareholders and that's what we are going to continue to do," Lindsay explained.

He said the source of Jade's innovation is usually collaboration with its clients and called Wynyard "a real milestone in innovation for Jade" as it was incubated within the company before being released to the New Zealand market where it is doing well.

Wynyard also generated \$35 million in cash for Jade upon listing, a significant amount of which its shareholders have allowed Jade to keep for investment in future innovation. With a lot of money in the bank Lindsay said Jade will now be investing deeply in accelerating revenue growth and building out its product set, focusing on technologies, enterprise solutions and logistics. Lindsay sees the major opportunities for Jade being in the logistics area and mobile. He said Jade has the opportunity to become the number one supplier for terminal operating systems for mixed container ports, and hopes it will grow its digital business 100 percent per year, despite the crowded mobile market.

MYOB API ALIVE AND WELL, CELEBRATES FIRST BIRTHDAY

THE MYOB API TEAM is celebrating the one-year anniversary of its AccountRight Live API with more enhancements to the developer programme. MYOB's platform strategy manager, Paul Greenwell, said the company has had a developer programme for quite a few years, but about 18 months ago it changed tack and decided to really step up its efforts on that front.

He said MYOB created his role to oversee the API product and evangelist team. He said in the past 18 months MYOB has also re-launched its developer programme; launched a new developer portal; recently appointed a new sales and a new marketing function specifically to support third party add-on offerings; and is

rolling out a developer certification programme. In the 12 months since its first API launched the programme has grown from just over 65 developers to more than 800 and the number of add-ons has risen to 70 across 20 categories.

Chief technology officer Simon Raik-Allen says he is pleased with the success and expects appetite for the API to grow noticeably with the next big round of enhancements in Q2.

With all these changes and enhancements, Greenwell admits he was surprised by comments from industry commentators attending MYOB's roadshow in February in which suggestions were made that the company was not focusing on developing an add-on

ecosystem.

"It did take me by surprise, because my role is to oversee the ecosystem and the API started 18 months ago. And we've been working really hard. At last September's conference we made a splash about the API. I guess that we take for granted now that we are out there and in the cloud and have this ecosystem!"

He added that MYOB is moving into more and more "connected services" but its strategy is to un-ashamedly look at the mass market opportunities and create core functionality that is needed by all businesses. Third-party MYOB add-ons, therefore, can be niche products or specialise in a specific industry vertical.

CIOs SHOULD ACT AS VENTURE CAPITALISTS

IN ITS JUST-PUBLISHED 'Tech Trends 2014: Inspiring Disruption' report, Deloitte says that, like venture capitalists, "CIOs should actively manage their IT portfolio in a way that drives enterprise value and evaluate portfolio performance in terms that business leaders understand – value, risk, and time horizon to reward. CIOs who can combine this with agility and align the desired talent can reshape how they run the business of IT."

It explains that CIOs are realising their current tools for managing risk and leveraging assets may not work in the face of other disruptors such as crowdsourcing, big data, the shift to mobile devices and cybersecurity challenges.

"Many are beginning to manage their technology portfolios in ways that drive enterprise value, actively monitor the performance of the portfolios, and communicate the portfolios' positions in language the business can grasp. To do this, CIOs are borrowing from the playbook of today's leading venture capitalists. As a result, they are reshaping how they run the business of IT."

However research suggests that CIOs might be struggling to realise this vision. Gartner undertook a survey of 2300 CIOs in 77 countries. Respondents said they often felt overwhelmed by the prospect of building digital leadership while, at the same time, renovating the core of IT infrastructure and capability for the digital future. The survey found that 51 percent of CIOs were concerned changes were coming faster than they could cope with and 42 percent felt they did not have the talent to face this future.

In its report, Deloitte identifies five disruptors and five enablers. The disruptors are: CIO as venture capitalist, cognitive analytics, industrialised crowdsourcing, digital engagement and wearables. The enablers are existing technologies which warrant another look due to new developments and capabilities: technical debt reversal, social activation, cloud orchestration, in-memory revolution and real-time DevOps.

GREEN SCREEN SYSTEMS ACCUSED OF HAMPERING EMPLOYEE PRODUCTIVITY

A NEW STUDY HAS revealed that more than half of CIOs and IT directors surveyed in A/NZ do not believe their green screen applications do a good job and claim that end-users feel bored, frustrated, ambivalent, or restricted when using these applications.

The study, conducted by independent research analyst Vanson Bourne on behalf of Micro Focus, surveyed 590 CIOs and IT directors, including 50 from the A/NZ region. The results show 86 percent of CIOs across A/NZ have had complaints from end users about green screen applications and a third said green screens were having a negative impact on end-user retention and recruitment.

The study cited a number of barriers to modernisation, including a lack of skills in-house to update green screen applications and difficulty hiring new employees who can use them or learn them. Although everyone surveyed said they believed there would be a positive impact on productivity if new capabilities were added to green screen applications, more than a third believed it was technically difficult to update the user experience, while 30 percent thought it was too expensive and risky.

Commenting on the research results, Derek Britton, director of product marketing at Micro Focus which commissioned the research, said: "Today's end user expects mobility, efficiency and simplicity from their business applications, and the same experience on any device, whenever, wherever. The accepted wisdom is that you cannot provide this from green screen systems – but that isn't true.

"It is possible to both quickly and cheaply modernise green screen systems, delivering new features that take advantage of Windows, the internet and mobile devices, without any application code change or disruption to the end user community."

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APPOINTMENTS AND DEPARTURES

Gartner has appointed former Australian Government CIO **Glenn Archer** to the position of research vice president in its public sector research group, commencing 19 May. Archer will advise Gartner's senior government technology and executive clients globally and his research will focus on the opportunities in the rapid transition to digital service delivery by governments. Archer has had a significant management career in government technology roles including Australian Government CIO, lead for AGIMO and CIO of the Department of Education. He has also held senior roles at Centrelink.



Michael Harte has resigned as CIO of **Commonwealth Bank** to take up a new position as the chief operations and technology officer at the UK's **Barclays Bank**. During his tenure he led and concluded CBA's major \$A1.1 billion core systems overhaul, and the role at Barclay's is an opportunity for Harte to once again work with a bank on a major transformation initiative – Project Transform, which relies extensively on technology to improve customer service, boost efficiency and reduce costs.

Critical threat assessment and

advanced crime analytics software business **Wynyard Group** has appointed **Gareth Cronin** as vice president of engineering. Cronin brings more than 15 years of technology and leadership experience to the company and will be responsible for growing and leading the engineering and development group. Cronin leaves his role as head of the product development group for **Orion Health** to take up this new opportunity.

International online workplace **Elance-oDesk** has officially launched in Australia, appointing **Kyri Theos** as country manager. Theos will be responsible for establishing the company's long-term presence in Australia. Ultimately the Australia branch will have a team of five to be located in key cities around the country. Prior to joining Elance-oDesk, Theos was VP of marketing at **Rocket Internet** in Indonesia and has also worked as a management consultant for **Deloitte** in Australia.

Mint Wireless has announced the appointment of **Alex Teoh** as its new executive chairman and **Robin Khuda** as its new CEO effective 1 May. Teoh is the company's co-founder and former CEO, and takes over as chairman from **Terry Cuthbertson** who will remain as an independent non-executive director. Khuda takes on the role of CEO after holding a number of senior leadership roles with various successful and high growth IT and telecommunications companies including **NEXTDC Limited** and **PIPE Networks Limited**. He played a key role in the latter's \$373 million merger with **TPG Telecom Limited** in early 2010.



Greg Scholten has been appointed as general manager, **SAS Solutions OnDemand** for **SAS Australia and New Zealand**. He will be responsible for delivering the strategy for SAS Cloud Analytics in Australia & New Zealand. Scholten has held senior IT sales and marketing positions for more than 20 years in both Australia and the US. His recent experience includes three years as the CEO of **Longreach Software** Inc. in San Francisco. He has also served as northern regional manager for **NetApp Australia** and Australia country manager for **Firescope Inc.**

Gen-i has announced the appointment of **Simon Gillespie** to the role of general manager of corporate clients. Gillespie replaces incumbent **Steve Mills**, who has recently moved into the newly created role of general manager client delivery and operations. Gillespie joins Gen-i from his position as **Dimension Data** CEO, a role he has held since April 2013. He has spent 20 years at Dimension Data and starts at Gen-i on 14 July.

DEALS, SIGNINGS AND IMPLEMENTATIONS

Abel ERP software has been selected by **Hotter Engineering**,

a Taranaki-based supplier of engineering solutions for the global dairy industry. In addition, long-standing Able customer **Alsco** is now running Abel in 10 countries. Its newest implementation in Switzerland went live last quarter.

Coca-Cola Amatil (CCA) has signed a multi-million dollar five-year deal with **IBM** which will provide CCA with access to its **SAP** enterprise software supplied as a cloud service. The deal is initially to support its Australian operations but eventually IBM will take on the role of providing SAP cloud services to CCA businesses in New Zealand, Indonesia, Papua New Guinea, Fiji, and Samoa. CCA says it will cut costs and use the cloud-based solution to standardise information systems and operations across the region.



Kiwibank announced the first week of March that it had chosen the **SAP for Banking** set of solutions to support its long-term strategic plan. At the same time the **New Zealand Department of Conservation (DOC)** released news of its successful implementation of **SAP Work Manager**, the first of its kind in the country. Managing director of **SAP NZ**, **Graeme Riley** told *iStart* the recent news is indicative of broader trends that he is seeing amongst customers in New Zealand where SAP is continuing to grow and win new business.

Queensland-based payment integration company **Ezidebit** has selected **Oracle Eloqua**

Marketing Cloud Service to deliver more effective and personalised communication to customers. Oracle's solution was selected because it provided more flexibility in campaign flow than other alternatives.

Bickford's Australia and sister organisation **Vok Beverages** have implemented the **StayinFront EdgeCG SaaS CRM and Analytics** solution for consumer goods companies and **StayinFront TouchCG** for mobile devices. Bickford's legacy CRM and mobile devices were holding back its sales and ability to deliver high quality in-store selling. The new services allow managers from sales offices around Australia to have real-time access to all data to produce reports that enable better decision making.



Telecom NZ has selected **Zuora** to provide the cloud-based subscription e-commerce platform to support the roll out of its mass consumer **Big Pipe** broadband service. Big Pipe, one of Telecom New Zealand's first **Telecom Digital Ventures** incubator businesses, is hoping to bring uncapped, no-frills broadband internet services to the New Zealand consumer market. Zuora will providing it with automated billing and a scalable platform to support growth and

flexibility in pricing and packaging, collection and accounting of recurring revenue.

Natures Organics, Australian developer, manufacturer and distributor of naturally-based personal care and household cleaning products, has selected **Pronto Software's** business management software solution to improve efficiency and grow its business. Natures Organics had outgrown its previous IT environment and Pronto's integrated ERP and BI platform, Pronto Xi, will provide greater visibility of day-to-day functions, enable better cost and warehouse management, and improve performance management using **IBM Cognos** reports embedded within the ERP system.

MERGERS, ACQUISITIONS AND PARTNERSHIPS

UXC Limited has partnered with **Senetas** to provide Australian government agencies, defence and large corporations with tailored data security solutions and services. The partnership brings together the certified high-speed, defence-grade encryptors of Senetas with UXC's end-to-end ICT offering of advisory, consulting, and network infrastructure services and makes this solution available to UXC's Australian government and commercial customer base.

Microsoft Corporation has acquired Kiwi start-up **GreenButton**, winner of the 2013 NZ Hi-Tech Awards 'Hi Tech Emerging Company' category. The



financial terms of the deal were not disclosed. GreenButton specialises in high-performance cloud computing and has **Pixar**, **NASA** and **Boeing** as customers. It now joins the **Microsoft Azure** family of cloud services.

Payment solution provider **Transaction Services Group (TSG)**, parent company of **Debitsuccess** and **FFA PaySMART**, has announced the acquisition UK-based **Harlands Group**. TSG's businesses support the growing subscription economy. Harlands Group provides business process outsourcing with particular expertise in direct debit and collections management. As a result of the transaction TSG will now collect approximately \$NZ2 billion of collections per annum across two million customers worldwide via its stable of companies.

Ricoh Australia has announced that it will be uniting the Ricoh and **Lanier Australia** managed services and product offerings under the Ricoh brand. Lanier was acquired by the Ricoh Group in 2001 as part of a global acquisition. This integration aims to boost Ricoh's market presence in Australia. "We are taking two strong, profitable organisations and building a new, even stronger business in Australia," said **Les Richardson**, MD of Ricoh Australia.

Interactive Intelligence and **Gen-i** in early April announced a partnership in which they will "bring the first fully monitored, managed and integrated cloud contact centre solutions into the New Zealand market". Gen-i currently delivers the fully-managed, hosted and on-premise options of Interactive Intelligence's

CIC solution and says it will be transitioning clients to the fully scalable cloud contact centre solution early in the new financial year.



Zendesk announced in April that it had acquired **Zopim Technologies Pte Ltd**, a Singapore-based leading provider of live chat software. The acquisition and integration of Zopim will expand the chat capabilities of Zendesk's customer service platform. "Real-time chat has become the foundation for how customers want to communicate online today. Zopim has a proven track record of providing tools for proactive engagement," said **Mikkel Svane**, founder and CEO of Zendesk, who added that the Zopim team shares Zendesk's belief in building beautifully simple products that anyone can use.

TechnologyOne has been granted permission by the **Inland Revenue Department (IRD)** to store data for its New Zealand customers in Australia on the **TechnologyOne Cloud** as a third party provider. The IRD's approval exempts TechnologyOne customers from data sovereignty rules requiring financial records to be stored in New Zealand.



All you need is **love**...

a modern marketer's tech guide



Image: Kradlum

The arrival of new technologies has opened opportunities for marketing, but taking advantage of them requires a significant shift in modus operandi. In today's 'age of the customer' where consumers have easy access to a multitude of research tools, marketing is all about leveraging technology to gauge customer sentiment and build reputation based on honesty, openness and authenticity. Clare Coulson asked industry thought leaders how businesses should behave and where technology fits....

Marketing has come a long way since Pear's Soap became the first legally registered brand in 1789 and French newspaper *La Presse* took the first paid advertising in 1836. Indeed it has come a long way from simple print ads, TV commercials and billboards. Today Kevin Roberts, CEO of world-leading advertising agency Saatchi & Saatchi, talks about 'lovemarks' not 'trademarks'; brands that touch the heart as well as the mind, creating an intimate, emotional connection with their fans.

He says lovemarks inspire 'loyalty beyond reason'. "Take a brand away and people will find a replacement," the Saatchi & Saatchi website proclaims, "take a lovemark away and people will protest its absence. Lovemarks are a relationship, not a mere transaction." In short, they are every marketer's dream result.

Love and mastery

Professor Simon Bell, professor of marketing & director of executive education at the University of Melbourne, refers to Saatchi & Saatchi's lovemarks when discussing the new marketing landscape. He says that today it's not the product but the engagement that sells.

"We've known for a long time that people value mastery and we are now seeing that that kind of need for mastery can extend in to the consumer space where the customer becomes a better customer, an educated one through participation and involvement.

"For a long time I think businesses have thought that they were the ones solely responsible for creating what is valuable."

A recent IBM survey of more than 4000 C-suite executives, entitled '*The customer activated enterprise*' showed that CEOs have noticed customers' desire to be engaged as individuals. They now see customers as a bigger force in driving company strategy than either company boards or their own internal strategy function. It's a massive shift and according to the study members

of the C-suite agree that there is an entirely new set of dynamics emerging.

"Customers and citizens expect to be treated as individuals, which means knowing what makes each of us 'tick': our values, beliefs, habits and quirks. That, in turn, requires much closer collaboration between organisations and the people they serve," the report says.

With the arrival of online self-service this



collaboration and interaction, which was traditionally achieved by human contact, must now also be accomplished via 'intimate systems' - technologies that create a sense of intimacy.

Good listeners

One way to gauge customer satisfaction is through a market research technique called 'Voice of the Customer' or VoC programmes. Alan Tong, Asia Pacific director of research firm Frost & Sullivan describes VoC as the perception of customer's needs and how they drive satisfaction. The strategy focuses on customer acquisition and retention by understanding what makes them happy.

VoC solutions collect data on customer needs from various customer touch points or interaction channels and use analytical tools to understand and prioritise them so the business can put the learnings in to action. Tong says anyone interested in setting up a VoC programme should have full commitment from the senior management in terms of resources, innovation, support and funding. "Build-in the entire VoC value as part of the

"It's really important to understand that social networks are both a destabilising and disrupting factor for sales people."

Tom Skotidas, director of Skotidas

organisation's business strategy in developing the customer relationship."

Hot new couple

Referring to the findings of the IBM report, Ian Wong, interactive experience lead for IBM A/ NZ, says the customer-activated enterprise will place significant demands on IT systems to build an ecosystem that is capable of supporting very complex customer interactions. For CIOs and chief marketing officers (CMOs) this requires a major shift in priorities. They need to act in concert on activities relating to customer experience management and new business development.

"We see the CIO and the CMO becoming an



increasingly important duo. The CMO and the CIO need to work in unison for the CEO to really drive the customer experience that they need to gain competitive advantage," says Wong.

Lies and heartbreak

An authentic and fulfilling customer experience is what sets one brand above another and customers are finely tuned to detect a fake.

Geoff Ross, creator of 42 Below vodka and it's cool-yet-inclusive brand vibe (and ex-Saatchi & Saatchi man to boot), explains: "All brands need stories. They need roots, credentials and a reason for being. The great thing about the internet is people can look into your backyard really quickly and if your brand story is not true and genuine you are going to be found out." On the up side he says, the internet has increased the speed of a brand's development. "Things can spread really quickly. Messaging is very scalable on the internet and that works for you when you have a really compelling and entertaining story."

Reputation management specialist Karyn Arkell, who has kept the gloss on the reputations of some of Australasia's biggest brands at Grace and Acumen agrees. She says the internet has

made everything faster and smartphones have put cameras and social media in to the hands of the masses. She advises that people, brands and businesses think carefully about the company they keep - the other brands they align or associate with, the environments they tell their stories in, and where, when and with whom they are seen. "What you say is heavily influenced by where and how you say it," she says. "Never, ever lie. Always act with integrity."

Share the love

Back in 1983 motorbike brand Harley-Davidson looked like it was on the road to oblivion. Thirty years later it is a top-50 global brand thanks to its decision to engage with its core group of fans and build a community based on the lifestyle, activities and essence of the brand. This was before everyone had email and long before web 2.0, social media and smartphones existed.

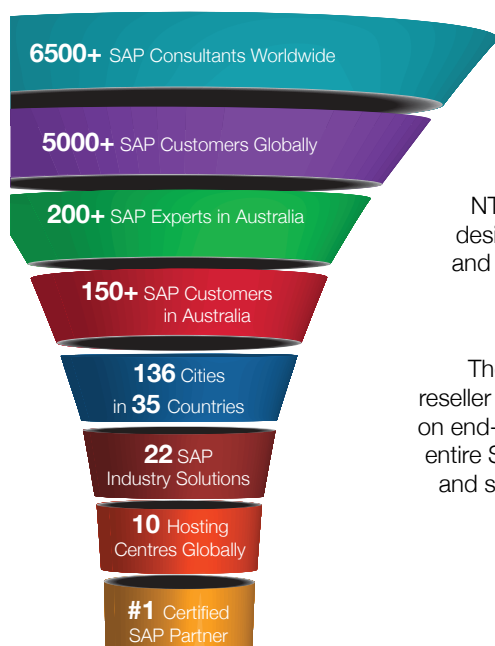
But Bell says that marketers today need to relax and "let the client into the kitchen". "That's why McDonald's has open kitchens - so that they could show off the cleanliness of their kitchen and the good behaviour of the staff. When was the last time we saw a kitchen in a restaurant behind a greasy

swinging door with a glass portal in it? It's chefs front and centre."

It is a hard thing to do for marketers who have existed for years on the basis of black box proprietary technologies and ideas that were guarded jealously, says Bell, but at the end of the day the evidence shows that people don't love brands for their products but for the communities they belong to by engaging with the brand. The clients themselves are part of the conversation about what a brand represents or means by interacting not just with the firm through Facebook and other online discussion portals, but also with other customers. Those conversations are going on well and truly outside of marketers' control.

Sales people are a valuable marketing asset and Tom Skotidas, director of B2B social media lead generation company Skotidas, says that social networks and the internet have changed the way B2B buyers treat sales professionals. "B2B buyers all of a sudden have a massive amount of information that they can rely on to self educate before they call the sales rep in. And there are studies at prove this: almost 60 percent of any decision has been made before a sales rep is called in," he explains.

"It's really important to understand that social



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networks are both a destabilising and disrupting factor for sales people, but at the same time, if sales professionals understand this they can actually arrest the buyer's attention and be part of their early decision making and buying process before it is too late.”

To do this sales people have to forget the sale, forget the money and become a respected part of the community their potential buyers frequent. They must become overwhelmingly focused on providing insights that solve the needs of their target audience, without any expectation of a sale. If they can do that, he says, they will build trust with the community and an associated perception of value, and the sales will come naturally.

In fact customer engagement carries such importance that Bell suggests Android will win the war over Apple. “Apple are very closed. They rely on their internal people being the smartest guys in the room, the ones that will come up with the solution to all problems. But Apple are still a minority. We think Apple are dominating but Android are killing them. In a sense it's because Android are an open platform, they are far more embracing of customer ideas, they publish roadmaps of where the platforms are going and Apple don't and I think it's to Apple's detriment in this regard.”

Pick your battles

Ross, says that discussions in open forums with customers can be enlightening but it can be easy to get carried away and influenced by customer views that, while they maybe irksome or exciting, are not actually influential. He suggests that looking at who else is following commenters is a good way to reference check how influential they are in the grander scheme of things.

“It's very easy for people to be a keyboard warrior; they can hide behind their keyboard and be pretty vehement and aggressive in their views but it's not necessarily what they would tell you in person and that's not necessarily what broader society is thinking either,” he says.

Skotidas says it is easy for companies to over-

estimate the negative impact of social media on their company and says people are generally quite forgiving, even in the presence of quite negative comments. Indeed, marketers should remember that not everything said about their brand will be positive but if they listen there may be lessons to learn about how customers really feel.

Ross warns managers not to let company strategy become unduly influenced or skewed by customer's online comments. “I think that's really dangerous because they don't have the context or the view or the future understanding or the intimate knowledge that you do”. At the end of the day he says you should always act with honesty and be prepared to know what to listen to and what to ignore in social media.

Hooking up

As polarising as they are, social media and the internet have been significant enabling factors in building brand communities and engaging with customers authentically, but they are by no means the only technology-based tactics available to marketers today.

There are the traditional CRM platforms and email campaigns, and the more sophisticated marketing automation platforms, location-based mobile marketing and loyalty cards integrated with the point of sale solution. Increasingly there is targeted digital signage, personalised apps and digital wallets that attract, convert and smooth the path to payment. Underpinning the efficacy of all of these is analytics – real-time analytics, reported analytics, behavioural analytics etc.

Arkell says she has seen development in this measurement and reporting area. “We've moved on from things like press clipping services to integrated brand monitors that give you real-time monitoring of online conversations.” To get a more sophisticated and accurate read of a brand's total market reputation, however, you need to layer what your brand research is telling you against what people are saying on social media, how engaged they are, how much they are sharing information etc. “If you layer all of those three things together

you get something that tells you what your total market impression is like, as opposed to looking at these things in not only an outdated way but also in isolation of each other. That's the area where progress is being made,” Arkell says.

She admits, however, that it can be a challenge to get people to invest in these tools despite the value she believes they offer. Skotidas suggests that if social media listening software and sentiment analysis tools are too pricy then free Google alerts, industry newsletters and an employee or two that are active on social media provide adequate substitutes.


Intimately linked

As Arkell says, there is little point in approaching each type of marketing and customer-related activity independently and systems need to be integrated to offer the best result.

“You need to try to actively integrate it [online and social media platforms] within your communications marketing plan. I think that the best companies and the best relationships with customers are born out of intimacy. These can be supported by back office CRM platforms so there is another technology that needs to be integrated,” says Bell.

He warns, however, that technology solutions are not just a bolt-on that automatically result in loyal customers. “It's really the other way around, you have loyal customers based on what you do, and the value you create, and CRM platforms are more a way to make that easier – a facilitating device,” he says.

Perfect match

The brands we are loyal to are the brands that we love. Love comes from intimacy and intimacy in the marketing world comes from technologies that facilitate conversations that are personal, meaningful and authentic. Any technologies that facilitate intimacy with customers will be the ones that underpin genuine brand loyalty. Perhaps, at the end of the day, all we really need is love... and a little bit of tech. 



Unmasking the new CIO

Owen McCall reflects on the characteristics of a successful CIO in today's technologically saturated enterprises – and questions whether these have changed since the inception of the role...



For as long as I've been in the IT industry (which is a disturbingly long time) commentators have been lauding the virtues of the emerging 'new CIO'.

While the details change, the underlying theme remains constant; technology is changing rapidly and with these changes the role of the CIO must change as well. Today's version of this is what IDC have called the third platform and is built on the convergence of mobile devices, social technologies, cloud services and big data. This 'new platform' will fundamentally change what technology services are available to organisations and users, such as enterprise-wide systems on smartphones, as well as how and by whom they are provided. Most people agree that these changes will in time tip the balance of power from the centralised IT team, led by the CIO, to a market where users are free from the tyranny of the centralised IT group for the first time. The result has been a call for a new type of CIO as the current version will not be relevant in this new world.

But as the French critic and journalist Jean-Baptiste Alphonse Karr said: "The more things change, the more they stay the same". So, do we really need a new type of CIO? Well, that depends on how you define the CIO's role. I see two typical characterisations in answering this question:

Option 1: CIO as IT leader

The CIO is the functional leader of IT. Their primary role is to manage the organisation's technology investments and ensure those investments support the organisation's strategy. As technologies change then so does the role of the CIO and, as we know, technology is constantly changing.

If this is your view of the CIO role then yes, a lot is going to change as organisations begin to understand and transition to the third platform. Under this scenario the CIO will need to retrain themselves and their team to understand the new environment. These changes are not just about the new technologies but also about new styles of relationships, new expectations for service levels and new models for delivery to name just a few.

Option 2: CIO as strategy enabler

The CIO is an executive and leader within the organisation who has particular skills in delivering value through the strategic use of technology. Here while technologies come and go the focus of the CIO remains constant, determining how to use the technologies to deliver value to the organisation.

If this is your view then nothing changes. That said, these are very exciting and important times, the transformational changes that we are seeing

in technology mean that there are many new opportunities to be investigated and capitalised on. In this environment, the role of the CIO will be even more critical as organisations wade through the competitive implications of technology changes and there are a number of these. By leveraging social, mobile, cloud and big data technology the CIO will become central to every relationship an organisation has rather than simply being a catalyst for internal efficiency. A CIO focused on unlocking this value will be vital to an organisation's future success.

So, is there a need for a new CIO? I would argue no. The role of the CIO has and always will be unlocking the value of technology. Of course if this isn't your focus, watch out. Unless you can make the transition, your world is about to end. ■



ABOUT OWEN MCCALL//

Owen McCall is the founder of Viewfield Consulting a specialist IT strategy and leadership consulting firm. He was CIO of The Warehouse for seven and a half years. You can find Owen on the web at his blog site www.successfulcio.com

Frankly speaking... honesty's the best online policy

Ben Kepes cuts to the chase about building an online following for business – and he should know since he's managed to drum up 14,700 followers on Twitter alone...

Many readers will recall a few years ago when the "social media guru" video hit the interwebs – it's worth a quick watch (scan the QR code opposite) but for those who haven't seen it, suffice it to say it was all about a fictional social media consultant who went into an established organisation to show them how to "do social". Chaos ensued and the organisation was left paying a lot of money for very little of value. While a fictional tale, it is, alas, one that is played out far and wide within large organisations that feel threatened by all the cool kids gaining mindshare through social media and want a piece of the action.

Now, I never have been, wouldn't profess to be, and hope someone would push me off a bridge if I'm ever tempted to become, a "social media guru" but, at the same time, I am someone who spends a lot of time on social media, have managed to build something of a following, and have leveraged social tools to build a presence – all from a lifestyle block in rural North Canterbury. In so much as that gives me a credible platform to espouse from, I thought I'd share my views on social media for business.

Here it is: it's just communication. Frankly, that's about it.

Perhaps our most well known tech success story, Xero, built its early reputation through the regular blogging of its co-founder and CEO, Rod Drury. Back when Xero was a completely unknown business, and Drury was only known by a small, close-knit group of tech people, the company built a strong presence via the insightful, sometimes opinionated, and regular blogging (and later tweeting) of Drury. There were no social media strategy, PowerPoint presentations (at least I strongly assume not) and no PR firm handled the

Xero or Drury social media accounts. It was simply a collection of off-the-cuff, honest and engaged missives from someone intimately aware of the business and the environment it worked within.

Having been on the receiving end of some of the more brutally honest comments from Drury, I can confirm that sometimes genuine social media is bruising. But no more bruising than the raw conversations that happen over a good old Kiwi BBQ or beer with the lads.

And this really gets to the crux of the matter. If we look at the fictional, but realistic example of the social media guru video, we have a situation where a large business thinks it can outsource its social media involvement in the same way it can outsource its PR functions. Alas, it cannot. Having a consultant tweet or blog on your behalf is akin to having a handler answer all your questions at a family BBQ – it makes the conversation stilted, inauthentic and unnatural. It does nothing to make you or your organisation feel like someone at the center of the conversation and it harms the brand you're trying to portray.

Really, social media is pretty easy to master. Be open. Be Honest. Take criticism with good humour. And make the people at the end of the line feel like they're having a conversation, not being talked at. Your social media presence is an extension of yourself and your company. It's a tool to articulate your culture, your values and your humanity. Don't try and turn it into a machine, and don't think you can come out of the blocks and succeed from day one – like all good things it takes care and nurturing. And if you ever want a chat, hit me up on Twitter. Just don't expect my stream to be polished or on-message, that's not the idea... **fi**



ABOUT BEN KEPES//

Ben Kepes is a technology evangelist, an investor, a commentator and a business adviser. Ben covers the convergence of technology, mobile, ubiquity and agility, all enabled by the cloud. His areas of interest extend to enterprise software, software integration, financial/accounting software, platforms and infrastructure.



Ben Kepes says:

Social media gurus nailed in this YouTube video – excuse the expletives!



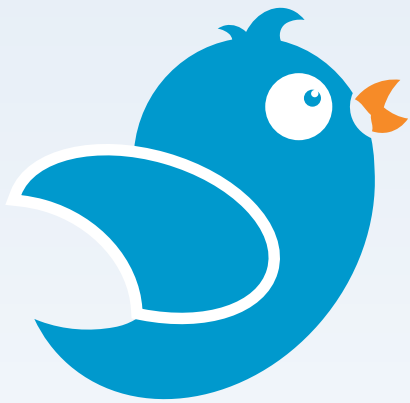
The Social Media Guru

There is no actual social media guru, he's an amalgam of a hundred different half-assed guru-wanabees I've encountered online and in real life.



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Paul Brislen describes the moment Twitter started making sense and why he tries not to deal with companies that don't tweet...

I love Twitter. As a former reporter, it's the replacement news feed that I'd been looking for.

It wasn't always that way, however. When I first heard of Twitter I wasn't that fussed. Sounds like ICQ or any of the other instant messaging platforms, I thought. I'd used ICQ extensively in a distributed newsroom setting so we could all stay in touch and because we all used it for everything, even across-the-room chat, those who worked remotely were included in the conversation.

But yet another version of that? "Meh", I thought.

Of course, Twitter differs fundamentally from instant message platforms and it wasn't until someone re-tweeted a photo of a bunch of people standing on the wing of a plane that was floating

"Twitter doesn't just allow me to see what other people are doing right this second - far from it. It's also my new favourite search engine and the single best way to get in touch with a corporation."

@paulbrislen

in the Hudson River in New York that I realised this was the news feed I'd been dreaming of.

Someone on a rescue boat had taken a photo and posted it straight to Twitter. It was at least half an hour before the New Zealand news websites started carrying 'breaking news' banners about a plane crashing in New York, but I knew they were all OK and I had proof.

It was a seminal moment, but Twitter doesn't just allow me to see what other people are doing right this second - far from it. It's also my new favourite search engine and the single best way to get in touch with a corporation.

I'll give you an example - I went to Hong Kong for business about two years ago and when I got to the hotel I couldn't find my credit card. "Great", I thought. "I've left it in the chemist at the airport in Auckland. Brilliant."

I called Kiwibank, but of course it was after hours so nobody could take my call. I wanted the card blocked until I figured out where it was, so I tweeted and Kiwibank came straight back - yes, they could help. They called me, we verified identities and the card was blocked.

I couldn't have done that without Twitter and these days I try not to deal with companies that don't have a Twitter account. All too often companies seem to put barriers in the way of doing business with them - Twitter cuts through all of the rigmarole in a heartbeat.

It's also incredibly fast and closes the gap between customer and CEO from a few weeks to mere seconds. In the old days you'd get poor service, you'd demand to speak with a supervisor, you'd be fobbed off and ultimately you'd write

a letter. In due course that would find its way to someone senior and you'd get a response, or not if they didn't think it worth the bother.

These days that's all gone. Responses have to be immediate and clearly thought out or they become the stuff of legend. Dominos Pizza, United Airlines, Comcast and WalMart have all been caught with their social media pants down in recent years, and closer to home we've seen local companies also try to bluff and bluster their way through what is, at its heart, an exercise in customer relationship management.

Social media puts consumers in the driver's seat. No more interactive voice recognition, or hold music. No more fobbing off and form letters that go nowhere. Any company that ignores social media is ignoring its customers and that's a business that I don't want to have anything to do with.

Years ago I asked my dentist about flossing. I'm from the UK and we didn't have such things when I was a kid. "Which teeth do I floss?" I asked. "Only the ones you want to keep," he said. Social media is like that. Which customers should you talk to? Only the ones you want to keep. **fi**



ABOUT PAUL BRISLEN//

Paul Brislen is the Telecommunication Users Association of New Zealand (TUANZ) chief executive.



Ten steps to knowing what your customers really want

*Most companies think they know what their customers want when they don't really have the full picture. UXC Eclipse's **Chuck Schaeffer** discusses how to capture the voice of your customer and use it for the better...*

Being too presumptuous of your customers' needs can trigger a cascade effect that degrades research and development, marketing communications, sales effectiveness, service delivery and customer experience.

The negative financial impact incurred in any one of these areas is a significant hidden loss that goes largely unrecognised by most organisations.

'Voice of the Customer' (VoC) programmes are a strategic asset for the most forward-thinking and customer-centric CEOs, CMOs and customer experience leaders. These programmes improve the customer dialogue and tabulate what customers most want from their suppliers. Gaining an accurate, complete and continuous VoC reading separates strategic customer approaches from the tactical and will enhance your ability to achieve your most important objectives. When you really know what your customers want, you can design business strategy, craft messaging and offer solutions that truly resonate.

10 STEPS TO USING VOC PROGRAMMES:

1. Assess your culture. Despite the marketing rhetoric, most companies are product-centric, not customer-centric. To achieve success through a VoC programme, companies must be customer-centric. If your company isn't there yet, defer any VoC effort until you have adopted a customer experience strategy, and revert to some simple survey analysis tools in the interim.

2. Assign a champion. All IT and strategic business initiatives require executive sponsorship. Additionally, a designated resource must be tasked to design the VoC methods, data schema and use cases. Because customer data resides in multiple systems, a business analyst with cross-departmental relationships may be the best choice.

3. Set measurable objectives. For most businesses, VoC programmes will seek to capture, categorise and prioritise customer expectations and preferences by customer segment so that the company can orchestrate the right mix of culture, people, processes and technology in a co-ordinated effort to consistently satisfy their customers. In addition to prioritising customer preferences, it is helpful to organise these in a hierarchy with related preferences linked together. Achieving one customer preference will add value or jump-start others.

4. Design business processes. VoC programmes can be done manually or with technology. Manual methods include focus groups, customer interviews or reference programmes. While these methods deliver qualitative analysis, they don't scale well. Organisations need to leverage technology to achieve VoC automation in a way that can be easily analysed and acted upon.

5. Segment your customers. Customers are not homogeneous so VoC programmes must be based on tightly-defined customer attributes and



"Gaining an accurate, complete and continuous VoC reading separates strategic customer approaches from the tactical and will enhance your ability to achieve your most important objectives."

Chuck Schaeffer, vice president of CRM, UXC Eclipse



segmentation. B2B companies will want to segment customers by objectives and personas using both explicit (i.e. demographics and firmographics) and implicit (i.e. transactions and behaviours) criteria. B2C customers will want to further include key performance indicators such as 'recency, frequency, monetary' (RFM) loyalty programme activities and social media behaviours. Also, a rule of customer segmentation best practice is to create a category for lapsed customers, quite often the single biggest customer segment. Advice offered by this group can be used to improve and, combined with a reactivation strategy, can return some big revenues.

6. Consider 'master data management' (MDM). As much customer data as possible needs to be leveraged to truly understand the VoC, but most companies manage customer data in separate systems (eg ERP, CRM, spreadsheets etc).

These disparate data siloes need to be bridged to make sense of the customer relationships. MDM is a popular approach for managing multiple views of the customer by consolidating, standardising, persisting and distributing customer data throughout the business so that it is accurate, complete and consistent. Don't begin a VoC programme before considering the data complexities.

7. Review VoC tools. Voice of the Customer software tools are commonly called VoC Hubs and are often differentiated by their preference for inbound or outbound methods, ability to capture data by themselves or through third party systems, and MDM or MDM-integration capabilities. VoC applications use many techniques such as email or online surveys, web self-service, website analytics, chat, quality monitoring, enterprise feedback

management (EFM), text mining, speech analytics, case management insights and natural language processing (NLP) knowledge management.

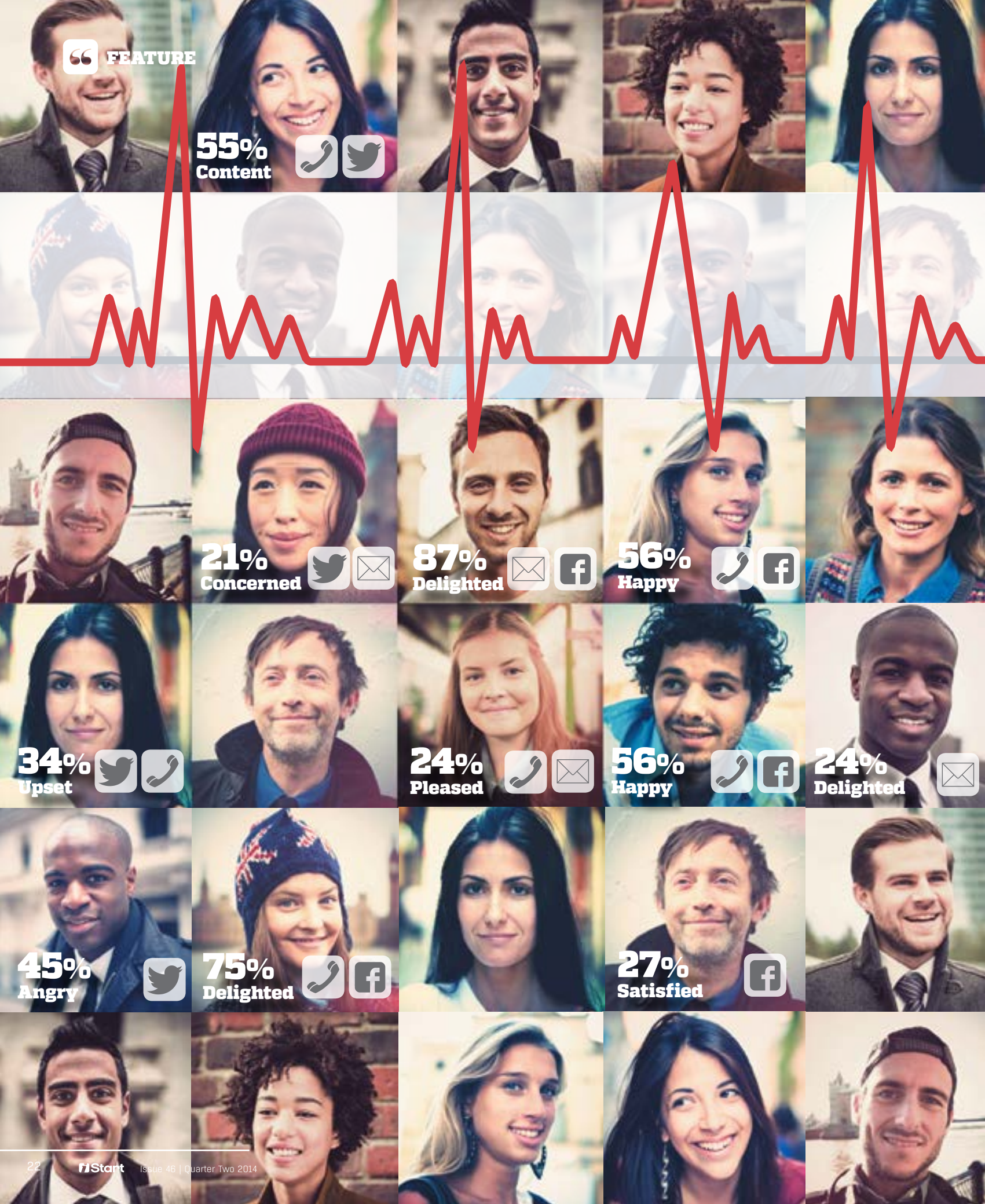
8. Integrate to CRM. One rule of best practice is to make sure VoC software integrates with the customer system of record, which is normally the CRM system. The process can be automated and the correspondence can be personalised with customer data. More personalised surveys improve response rates and make the feedback more actionable. CRM applications can generally also: tabulate VoC data from multiple data sources; append customer feedback directly to the company or contact record; update the account's activity feed (i.e. Yammer); distribute notifications if customer problems or exceptions are identified; create and assign tasks for follow-up; roll the data into KPIs and reports; and expose patterns and correlations among customer feedback and company attributes.

9. Engage your customers. Whatever engagement method you chose, a key success factor is to probe customers using open-ended questions designed to understand the customer's vision, objectives, partnership preferences, frustrations and measures of success. Also, consider all customer touch points such as email correspondence, call centre recordings, social media comments, marketing conversions, sales win/loss analysis, customer on-boarding and user group interactions, in terms of how they can contribute to a holistic view.

10. Measure the results. Payback needs to be demonstrated to make VoC programmes sustainable. While many organisations use customer satisfaction measures such as NPS, CSAT or customer loyalty, performance metrics that demonstrate revenues and clear return on investment, such as customer up-sell/cross-sell, customer retention and customer lifetime value (CLV) are far better. Time stamp key metrics to determine baselines and show trending. **■**

MORE INFORMATION //

This article was contributed by UXC Eclipse. The author, Chuck Schaeffer, is the vice president of UXC Eclipse's CRM business.
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Tracking the customer pulse

*Business models have changed. It's no longer enough to push products out into the market and tell customers they want or need them. Successful businesses today must continually take the pulse of their varied customer base and respond to their wants and needs. And what better way to do this than with the plethora of cloud-based, affordable and accessible tools on the market for just that purpose? But which to choose? And why? **Anthony Doesburg** set out to discover what we should be looking for when considering modern CRM solutions...*

If the customer is king, social media provides high and mighty consumers with powerful new ways to make life miserable for the merchant class. Using Facebook, Twitter, Pinterest and other platforms, shoppers swap notes from consumerism's frontlines that can make or break business reputations. To prosper in this cut-throat version of the royal court, merchants are having to acquire tools to gauge their status with the king before a cry of 'off with their heads' jolts them from complacency. The result is a boom in customer relationship management software sales and an explosion in the number of products, and vendors, vying for a share of the action.

The straightforward – or functional view – of CRM spans an organisation's customer-related

activities including sales, marketing, customer service, master data management and analytics. But there's another way of looking at CRM, taking a customer experience or customer journey view, that is spawning a confusing mass of tools designed to take advantage of merchant paranoia. These tools' purpose is to measure customer perception of the organisation before, during and after engagement.

"CRM, as Gartner talks about it, has quite a large scope," says Gartner's Sydney analyst Olive Huang with more than a trace of understatement. The CRM software category is so vast that it fills not one but 18 of the firm's 'magic quadrants', its signature method for assessing products' strengths which divides vendors into leaders, challengers, niche players and visionaries. They range from

CRM systems for multichannel campaign management and contact centre infrastructure to sales force automation.

And the sector's scope is expanding: it is expected to grow at a compound annual rate of almost 15 percent through to 2017, with cloud CRM deployments increasing by nearly a quarter.

IBM, SAP and Oracle each crop up in more than half of the CRM categories Gartner analyses, and Salesforce.com and Microsoft Dynamics CRM are also prominent. But customers should not expect to get their desired functionality from a single vendor.

"It is normal for large organisations to have up to seven different products," Huang says, and they need to interface with each other.



53%
Homicidal



Sense and respond

One way of describing what these products facilitate is a 'sense and respond' approach to doing business, which contrasts with the old-school 'make and sell' model. Australian pizza chain Eagle Boys is doing it the new way: it has seen the virtue of gaining insight into customer appetites as opposed to trying to feed them what it thinks they might want.

The Queensland-based company's story also illustrates the diversity of software that today sits on the CRM shelf. Eagle Boys uses cloud-based Google Maps for Business to record delivery addresses for online orders.

Analysis of the mapping software's geospatial data enables franchisees to see how the popularity of different pizza flavours varies over time and to relate spikes in sales to events such as sports matches, arming it with information to plan for future events.

Sneaky or smart?

Another form of intelligence-gathering is social selling, which Warren Everitt of MarketOne Australia says relies on using channels such as LinkedIn for lines into potential customer organisations.

"We use it heavily not only for our business development purposes but for our customers', too," says Everitt, Australian managing director of the US-based marketing consultancy.

It might be as obvious as finding connections between MarketOne's overseas offices and the target organisation, then using that information to

"Although the customer journey view of client relationships delivers a softer, less-definable kind of information, it is as important as the functional view in analysis of CRM systems."

Olive Huang, Gartner analyst

get past the 'gatekeeper' who answers the target's phones.

"We can go in with the pitch that they're an existing customer. It's almost sneaky because they're not an existing customer in the region we're calling from."

Sneakiness is the name of the game: competitors can use the same methods to see who your customers are so they can try to steal them. Everitt concedes that social network noise can be a distraction but says there's no ducking the fact that the selling methods of the bricks and mortar marketplace are losing relevance.

Truth prevails

"We're moving to a world where most products and services are being sold online."

A savvy social media plan is therefore necessary not just for finding opportunities but also for putting out fires.

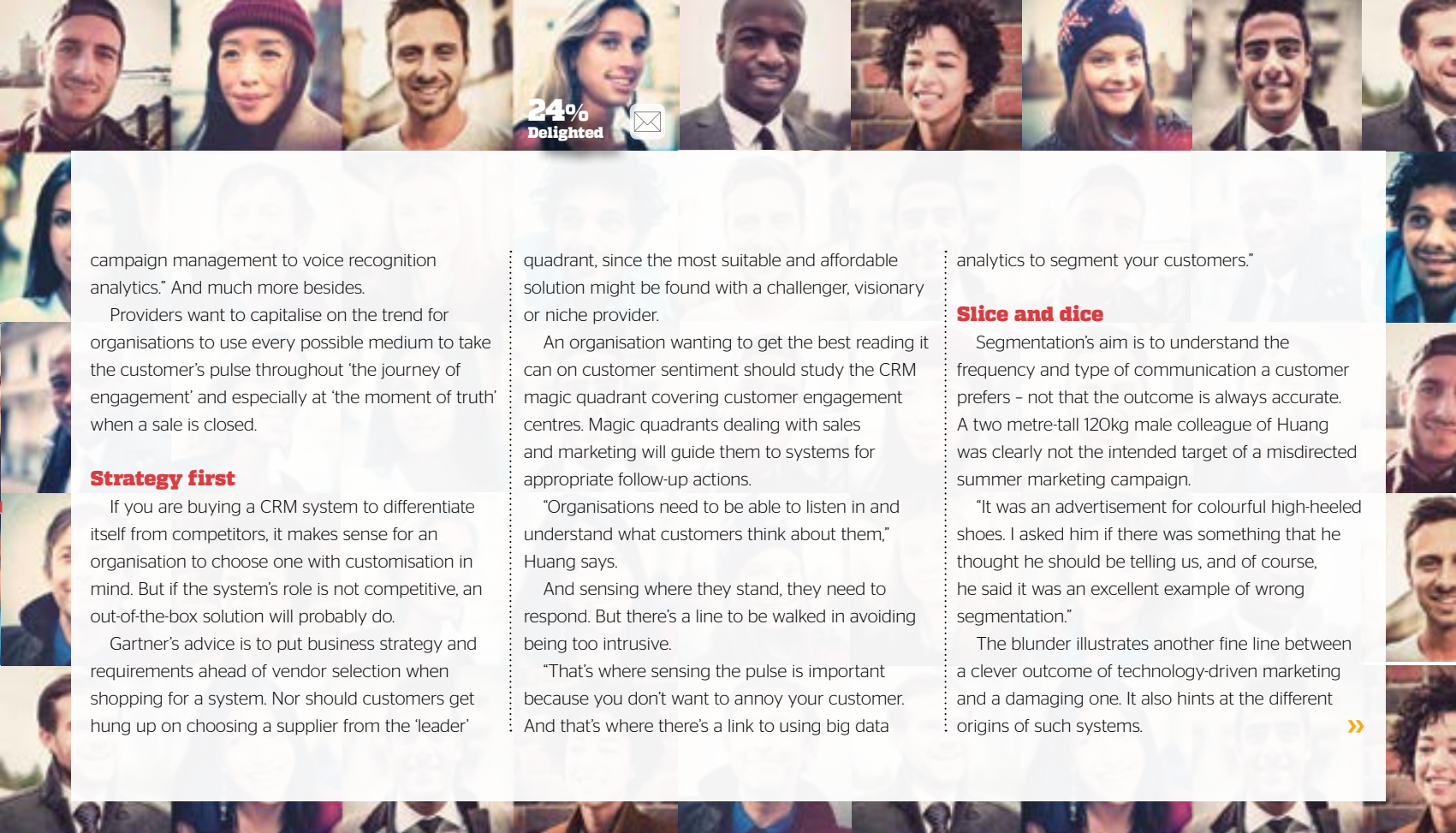
"We have tools for what's called social listening, which can scan the web for a customer's name. Complex algorithms then match the name with any negative or derogatory terms. We can then get reports of the locations of those negative posts so we can attempt to understand their origins.

"Is it someone with a product issue or did they try to get customer support but weren't happy with the outcome? Or is a competitor trying to defame you and if so, what's its impact and how do you stop it going viral?"

As in the physical world, Everitt says some people believe any online publicity is good publicity. Gartner's Huang lends that view some weight with her conviction that sabotage by competitors doesn't get far in the social media realm because the truth has a way of asserting itself.

Huang says although the customer journey view of client relationships delivers a softer, less-definable kind of information, it is as important as the functional view in analysis of CRM systems. The trouble is the sheer volume of products - thousands, according to Everitt - that are trying to squeeze into the customer experience management space.

Indeed, Huang says, "everyone will tell you they're selling these kinds of products. They range from contact centre telephony solutions and multichannel



24%
Delighted



campaign management to voice recognition analytics." And much more besides.

Providers want to capitalise on the trend for organisations to use every possible medium to take the customer's pulse throughout 'the journey of engagement' and especially at 'the moment of truth' when a sale is closed.

Strategy first

If you are buying a CRM system to differentiate itself from competitors, it makes sense for an organisation to choose one with customisation in mind. But if the system's role is not competitive, an out-of-the-box solution will probably do.

Gartner's advice is to put business strategy and requirements ahead of vendor selection when shopping for a system. Nor should customers get hung up on choosing a supplier from the 'leader'

quadrant, since the most suitable and affordable solution might be found with a challenger, visionary or niche provider.

An organisation wanting to get the best reading it can on customer sentiment should study the CRM magic quadrant covering customer engagement centres. Magic quadrants dealing with sales and marketing will guide them to systems for appropriate follow-up actions.

"Organisations need to be able to listen in and understand what customers think about them," Huang says.

And sensing where they stand, they need to respond. But there's a line to be walked in avoiding being too intrusive.

"That's where sensing the pulse is important because you don't want to annoy your customer. And that's where there's a link to using big data

analytics to segment your customers."

Slice and dice

Segmentation's aim is to understand the frequency and type of communication a customer prefers - not that the outcome is always accurate. A two metre-tall 120kg male colleague of Huang was clearly not the intended target of a misdirected summer marketing campaign.

"It was an advertisement for colourful high-heeled shoes. I asked him if there was something that he thought he should be telling us, and of course, he said it was an excellent example of wrong segmentation."

The blunder illustrates another fine line between a clever outcome of technology-driven marketing and a damaging one. It also hints at the different origins of such systems. »

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“CRM, as comparatively lightweight software whose data mostly originates outside the firewall, is eminently suited to cloud delivery.”

“One group is traditional email campaign management vendors, which are very smart at personalising messages based on a person’s profile. The second group is new channel vendors that base the ads or promotions they send you on what you browse online and what you do on Facebook, Twitter and Snapchat.”

Gartner estimates only about 15 percent of companies have social media listening platforms and only a small number of those are translating the noise they hear into product support or marketing responses.

Huang says: “The messages your social analytics tool is hearing need to be brought into the marketing, campaign management and service departments, so a number of interfaces need to be built. But the technology is the easy part – what is hard is getting the marketing, sales and service departments to work as one team.”

The pace of adoption for social media listening software looks to be picking up, according to a survey of 330 Australian and New Zealand marketing managers by Sitecore, a UK-based customer experience management platform provider. This year, it says, digital marketing spending – primarily on social media – will eclipse offline spending. The choices aren’t simple, however.

Spoilt for choice

As one surveyed marketing manager said: “I feel overwhelmed at the enormity of creating and implementing a digital marketing plan with very little budget.”

Sitecore Australia and New Zealand managing director Robert Holliday, whose customers include

the Australian Army and Statistics New Zealand, sympathises. “Marketers are faced with a diverse and growing range of channels, a consumer journey with multichannel touch points, different technologies to deliver to each channel and no consistent approach to the measurement of marketing effectiveness.”

Telecommunications company Optus tackled the issue of getting all channels and departments to work together by changing its organisation structure, appointing a consumer group head with end-to-end responsibility for those three functions. Other organisations are creating the role of chief customer officer.

Cloud affinity

CRM, as comparatively lightweight software whose data mostly originates outside the firewall, is eminently suited to cloud delivery. Its coming-of-age in the social media era also saves it from data centre capture. A major side benefit of cloud deployment is affordability as it allows much smaller organisations to use solutions they couldn’t have before.

CRM vendors themselves come in many guises. Google, whose Maps for Business software is used by Eagle Boys pizza, is at least recognisable as a software company. But American Express? As a response to the competition posed by internet payment systems and digital wallet providers, the credit card company has become a financial added-value service provider for retailers, making use of the records it has of cardholder transactions.

A programme that it promotes through social media links customer likings for certain products

with discount vouchers that are applied at card level. When customers see a promotion for a product they like on American Express’ Facebook page, they can use Amex’s ‘link, like, love’ application to add a voucher to their credit card, which then automatically applies the discount at the checkout.

It’s extremely efficient precision marketing executed in a very smooth loop. In one swoop American Express has moved itself from being a credit card company to being a big data value-added service provider, all done in the cloud.

Long live the king

One danger of the drive to probe customer sentiment ever more deeply is that, if mishandled, it could result in the sort of big data backlash that followed disclosures of seemingly unrestrained surveillance of populations by national security agencies. If that happens, it could be a case of déjà vu for some analytics system providers, which also have national security arms.

For a glimpse of what is ahead, Huang points to China. “Although it doesn’t have Facebook or Twitter, it has its own social media. And in terms of commercialisation [of social media data], it is at least five years ahead of the rest of the world.”

Has that secured or undermined the position of the customer as king? If Huang’s 72-year-old mother in Beijing is typical, it’s the former: “She buys all her groceries online, she orders and pays for taxis on her mobile and she’s not special – every other Beijing grandmother is doing it.

“I don’t see anything that will stop the same happening in the rest of the world.” ■

A black and white photograph of a warehouse interior. In the foreground, a man wearing a high-visibility vest over a polo shirt is smiling and holding a large cardboard box. In the background, another man in a shirt and tie is also smiling and holding a folder. A forklift is visible in the background between the two men.

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	Act!	Crossware
Industry focus	Small-Medium Business, Professional Services, Healthcare and Healthcare Products, Utilities, Government, Recruitment, Manufacturing, Automotive, Construction & Engineering, Education & Training, Entertainment, Finance & Insurance, Food & Beverage, General Services, Health & Support Services, IT & Communications, Not for Profit, Property Development, Tourism, Transport, Wholesale & Distribution.	Agriculture / Farming, Automotive, Construction, Cultural and Recreational Services, Manufacturing, Property and Business Services, Project Management, Transport and Storage
Appropriate for businesses of size (\$ turnover)	Small to Medium	Small to Medium
A/NZ site installed	50,000+	80+
Key A/NZ Client Sites	Mantra Group Australia, Toll Transport, Mirvac Projects, ING Direct, Brisbane City Council, Maccaferri NZ Ltd	Avanti Cycles (Sheppard Industries) , Clariant New Zealand , Connexion Point, Company Sales & Acquisitions , Electrix, Fastway Couriers, Health and Disability Commissioner, Hynds Pipes , Kerry New Zealand, McConnell Dowell Corporation, Metso Minerals, NYK Shipping Line , Omron Electronics, Port Taranaki , Ricoh New Zealand , Summit Quinphos, Suzuki New Zealand, THE EDGE® , Vantage Point , Washtech
Solution Overview	Act! is the #1 best-selling Contact & Customer Manager, trusted by individuals, small businesses and sales teams for over 25 years. You can rely on Act! to help organize all your prospect and customer details in one place and take the guesswork out of marketing to drive sales results and create customers for life – in the office and on popular mobile devices.	Crossware CRM is a customer relationship management system customised to your business. Crossware CRM takes a holistic approach to the customer that makes it possible for employees to contribute across business functions. Lost customer communications, or forgotten opportunities will be a thing of the past. Fully integrated with Microsoft Outlook or IBM Lotus Notes. Offline synchronisation allows the system to be available anywhere offline on your laptop. Supports Microsoft Windows or Mac OS.
Current Version	Act! Version 16	2012
Cloud hosting available	Yes	Yes, hosted option available
SaaS (fully browser-based)	Yes	No
xRM membership management	Yes	Yes
Call centre management	Yes	Yes
Marketing/Campaign management	Yes	Yes
Loyalty program Management	Yes	Yes (with configuration)
Social media integration (which ones?)	Yes. Facebook, LinkedIn	In future releases
eMail integration (which clients?)	Yes. Outlook, Gmail, Lotus Notes, Outlook 365	Yes, Supports Microsoft Outlook & IBM Lotus Notes
Accessible via mobile	Mobile and Tablet	Inbuilt support for Blackberry
Out of Box ERP Connectors	Yes third party add-ons	Yes, most major packages.
Pricing (per user per month for first 12 months)	One off cost: Pro - AUD313+ ; Premium - AUD553+	Contact sales@crossware.co.nz for latest pricing information.
A/NZ Vendor & Partner Details	ACTCRM Pty Ltd	Crossware Limited, and various resellers globally refer www.crosswaresolutions.co.nz
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	Exact Software	Greentree International Ltd	Microsoft Dynamics
Industry focus	Professional Services, Project based companies, Communications, Manufacturing, Wholesale & Distribution, Consultants,	Integrated solutions across various industries including: Wholesale & distribution, not-for-profit, manufacturing, construction & engineering, property development, agriculture, education & training, mining, transport, entertainment, food & beverage, health & support, ITC, tourism, automotive, service industries (professional, trade, HVAC, high tech, heavy equipment etc).	Government, Finance/ Insurance/ Banking, Manufacturing, Distribution, Not For Profit, Franchises, Professional Services, Wholesale, Retail, Education.
Appropriate for businesses of size (\$ turnover)	Small to medium sized	\$5m to \$500m range	Small business up to Global Enterprise sized clients
A/NZ site installed	100+	10,000+ companies Globally	500+ NZ sites
Key A/NZ Client Sites	ISPhone, bugaboo, Adecco, TUV SUD, Balmain Hair, FC Servilla, Secure Care, TPF Planeg	MediaWorks, Mazda NZ, Oxfam Shop, Universal Homes, EasiYo, Ryman Healthcare, Toyota Technical, Medical Council of NZ, Griffiths Equipment, Epic Employment Service, Sisters of Mercy, Kerrick Industries, Museum of Old & New Art, William Loud, Halifax Vogel, Ewing Construction, Carers ACT, Dynea, GS1, Alvin Electronics, John Hart, Leap, HW Richardson, Rothbury Insurance Group, RJ Hill Labs, Gray Lines, Keratec, HJ Cooper, Seeka, Ivoclar Vivadent, Eurotec, Vynco, Airfirst, Curious Film, NPBHS, Paramount Services, Palfinger, EnviTE, Smith & Davies, Hydroflow, Fire Fighting Pacific, Infocus, TEAR Fund, United Cleaning, Print Blocks, SJ Displays, Irvine International, Parmco, Butch Petfoods.	TEC, Bridgestone, Pumpkin Patch, PGG Wrightson, BRANZ, Onesource, Frucor, photonewzealand, Delta Utility Services, MedRecruit, Rakon, AXA, Air New Zealand, Les Mills International, Fonterra Brands, Westfield, photonewzealand, Mt Difficulty Wines, Auckland Airport, Jet Park Airport Hotel, Crest Commercial Cleaning, Maritime New Zealand, MedRecruit, Western Milk Products, Loyalty NZ, Perry Developments, The Motor Trade Association (MTA), Combined Rural Traders (CRT), Rural News Group, Simcro, Waikato Milking Systems, Tertiary Education Commission (TEC), Spectrum Care, The Comfort Group, Environment Canterbury, DYWIDAG-Systems International, First Assistance, Tasti Foods, Shine, Auckland City Council, Parkland Products.
Solution Overview	Exact is a global provider of quality, comprehensive and functionally rich solutions to organizations in the business areas of CRM, Workflow, Document Management, HRM, Project Management, Accounting/Financials, Sales / Distribution, Warehousing/ Inventory Management, Manufacturing, eCommerce and more.	Greentree's Customer Relationship Management (CRM) suite delivers the total solution: from enabling highly effective marketing efforts, identifying sales opportunities, tracking contacts and their buying behaviours, right through to full integration into mission-critical service management, supply chain and financial suites. Modules available include: Contacts & Relationships, Sales & Marketing, Bookings Management, Fundraising, Knowledge Base, Customer Service, eService, Contracts & Service Level Agreements and Asset Management.	Microsoft Dynamics CRM helps organisations improve sales and customer service. Accessible from Microsoft Outlook and the Web, Dynamics CRM is designed to be easy to use, customise, and maintain, integrates with other business systems, and scales to grow along with your business. Microsoft CRM/xRM works through and with familiar technologies like the Microsoft Office system, Microsoft Office SharePoint Server, Microsoft SQL Server.
Current Version	Synergy, Release 252	Continuous upgrade	CRM 2013
Cloud hosting available	Possible	Yes	Yes – CRM Online (SaaS via both partners and direct)
SaaS (fully browser-based)	Yes	Partial	SaaS via both partners and direct
xRM membership management	Yes	Yes	Yes
Call centre management	Yes	No	Yes
Marketing/Campaign management	Yes	Yes	Yes
Loyalty program Management	Yes (with configuration)	No	Yes
Social media integration (which ones?)	Yes, LinkedIn	No	Yammer (out of box) Facebook, LinkedIn and Twitter 3rd party but will be integrated with next Dynamics release
eMail integration (which clients?)	Yes (Outlook)	Yes (Outlook)	Yes - Exchange/Outlook, Email Router Supports Exchange/POP3/SMTP
Accessible via mobile	Yes	Yes	Yes, no extra charge for Web, or multiple device access
Out of Box ERP Connectors	Yes, Fully integrated	Yes, fully integrated to Greentree.	Microsoft Dynamics ERP adapters available including a BizTalk .NET adapter which allows easy data migration using Web Services as well as the Microsoft provided Dynamics Connector and numerous 3rd party connectors.
Pricing (per user per month for first 12 months)	Contact Exact Software for the latest Pricing Information	Licensed on a concurrent user basis by suite, allowing cost effective pricing for different user counts in each product area, e.g. Financial, Distribution, Manufacturing and CRM.	Microsoft CRM has a flexible pricing model through Microsoft Volume Licensing programs as well as pay-per-use hosted/cloud based pricing.
A/NZ Vendor & Partner Details	Exact Software Australia Pty Ltd Level 4, 15 Help Street, Chatswood, NSW Ph: +61 2 8448 1900 Email: Yasmin.dost@exact.com Website: www.exactsoftware.com.au	Greentree is sold through a network of resellers throughout A/NZ. These include: NZ: Endeavour Solutions, Capital IT, Primacc Systems, Verde Group AUS: Star Business Solutions, Addax Business Solutions, Frank, Daniele Saunders & Partners, Endeavour Solutions, GT Business Solutions, bizlinkIT, Kinetic Information Systems, Synateq For more details, visit: www.greentree.com/partners	Microsoft works through a broad range of certified Microsoft Dynamics CRM partners. For a complete list visit www.microsoft.co.nz/dynamics www.microsoft.com.au/dynamics See UXC Eclipse, Koorb, Adaptable Solutions and Zavanti on iStart.
A/NZ Contact Details	Exact Software Australia Pty Ltd Level 4, 15 Help Street, Chatswood, NSW Ph: +61 2 8448 1900 Email: Yasmin.dost@exact.com Website: www.exactsoftware.com.au	Graham Hill Channels Director DDI: +64 9 366 3897 Email: graham.hill@greentree.com Australia: 1800-000-737 New Zealand: 0800-313-313	Microsoft: e: askdyn@microsoft.com Ph: (AU) 1800 197 960 Ph: (NZ) 0800 800 162 www.microsoft.com.au/dynamics www.microsoft.co.nz/crm

MYOB EXO CRM	Pronto Software
Agriculture, Business Services, Wholesale & Distribution, Job & Project Based Business, Manufacturing, Mining, Not for Profit, Retail Trade, Sport & Recreation.	Retail, Wholesale & Distribution, Automotive, Construction, Job & Project Based Business, Manufacturing, Mining, Facilities Management, Service Industries.
\$1m to \$50m+	Medium to Enterprise
700+ MYOB EXO CRM sites	1000 +
Product launched in September 2011, please refer to www.myob.com/ enterprise for current client case studies and testimonials. WHF Group is listed on iStart.	Snooze, Co-op Bookshop, Hart Sport, CleverPatch, The Body Shop, Roland, Wallace Bishop, RSEA, Inspirations Paints, Shimano, Jet Black, AGnVET, Mozi, Hirotec, Chubb, House, Matt Blatt, Valley Girl, Tempt, Nike (RPG Group), Office Max
MYOB EXO CRM is fully integrated with EXO Business, allowing for the management of all prospects and customer information within the one system. Features include activities, tasks and communication history, campaign management and sales team budgets, combined with the added functionality of sales or job costing quotes, sales data and client financial information.	For more than 30 years, Pronto Software has been working closely with its clients to create business management software that helps them get the absolute best out of their business.
Comprehensive integration saves time and money by eliminating duplication of client information as well as eliminating inconsistencies and subsequent errors typically experienced when using multiple systems.	Pronto Xi is modular and includes integrated business intelligence capabilities empowering your business to monitor and manage key operations more efficiently.
Flexible customisation allows for varying levels of access, meaning that the information required to perform the job is the information presented. And, because all client information is located within the same central data base, you can take comfort knowing that your sales team will always be armed with current and accurate information.	Pronto has a strong track record and the company's recent awards include: - 2011 Australian Business Awards for Enterprise for Best Software - 2012 Australian Business Awards for Product Excellence - 2013 Australian Business Awards for Product Innovation - 2013 BRW GE Momentum Mid-Market Awards for Best Mid-Market business
Integration, accuracy and flexibility – three key words that define the perfect customer relationship solution for business.	
V8.7	Pronto Xi 710.1
Yes	Yes
No	Yes
Yes	Yes
No	Yes
Yes	Yes
No	Yes
Yes – Facebook, Twitter and LinkedIn	No
Yes – supports Microsoft Outlook	Yes (MS Outlook)
Yes – via EXO OnTheGo	Yes
Yes, fully Integrated with MYOB EXO Business.	Yes fully integrated with ERP (Pronto Xi)
Contact MYOB for the latest pricing information.	Licensed on a concurrent user basis, please contact Pronto Software for pricing information.
MYOB Pty Ltd, and various resellers globally refer www.myob.com or www.myob.co.nz	Velocity Global (NZ) Level 4, 126 Khyber Pass Road Grafton Auckland, New Zealand Phone: +64 9 358 4445 Email: info@velocityglobal.co.nz Website: www.velocityglobal.co.nz
MYOB Australia www.myob.com.au exo@myob.com.au Ph: 1300 55 110	Pronto Software Limited (AUS) 20 Lakeside Drive East Burwood VIC 3151 Australia Phone: +61 3 9887 7770 Email: info@pronto.net Website: www.pronto.net
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For more information, whitepapers and case studies on these solutions go to www.istart.com.au/crm.htm (or .co.nz) Case studies highlighted in **Orange** can be found on iStart.

	SAP CRM	SugarCRM
Industry focus	Public Sector, Retail, Engineering and Construction, FMCG and Mining	Education, Finance, Manufacturing, Professional Services, Retail
Appropriate for businesses of size (\$ turnover)	\$5m+	Small to Medium and Enterprise
A/NZ site installed	50 + sites	1100+ customers in APAC
Key A/NZ Client Sites	Allied Mills, Aurizon, Department of Infrastructure, Ensham Resources, EPA Victoria , ERM, Fonterra , Franklins, George Weston Foods , Graincorp, GWF Baking, Idemitsu, McCormick Foods, Queensland Nickel, SCA Hygiene Australasia , Sedgman, Staples Australia, Super Retail Group, Supercheap Auto , Woolworths	Macquarie University, IBM, WA Papers, Airways New Zealand, Yellow Pages
Solution Overview	SAP supports your core business operations with market-leading applications, processes and technologies designed to work together in a fully integrated business suite. Stay on the cutting edge with continuous enhancements and new technologies that facilitate business growth. Design, implement and fully manage solutions spanning multi-channel interactions (mobile, web, call centre), account execution, customer loyalty and retention, campaign management, case management, customer analytics and service delivery. Understand customer challenges to provide solutions and exceed expectations in the rapidly changing technology marketplace. As your business partner NTT DATA Business Solutions can provide software, full-scale implementation services and full application management including hosting for SAP CRM as well as Rapid Deployment and Fast-Start solution options.	Sugar offers core CRM functionality the help automate and optimize the customer lifecycle across sales, marketing, and support. In addition, Sugar includes strong platform capabilities to enable users to customize their Sugar deployment as well as create custom applications that fit their unique customer management needs. SugarCRM's goal is to build the most innovative and affordable CRM in the market. Through Sugar UX, users receive a modern, social and mobile user experience that helps them be more effective in their jobs as customer facing individuals. In addition, Sugar is priced so that organizations can afford to place this indispensable tool into the hands of more customer-facing employees. With a focus on usability and individual empowerment coupled with attractive total cost of ownership allows organizations to be more strategic and leverage their CRM initiative to differentiate themselves in the market.
Current Version	SAP ERP 6 / SAP Business All-in-One Business ByDesign (OnDemand)	Sugar 7
Cloud hosting available	Yes	Yes (hosted, public and hybrid available)
SaaS (fully browser-based)	Yes	Yes
xRM membership management	Yes	Yes
Call centre management	Yes	Yes
Marketing/Campaign management	Yes	Yes
Loyalty program Management	Add-on	Yes
Social media integration (which ones?)	Add-ons available (Twitter, Facebook) SAP Social Media Analytics	Yes, Facebook Twitter and Xing.
eMail integration (which clients?)	Yes (Outlook, Lotus Notes)	Yes, Microsoft Outlook, IBM Lotus Notes, Gmail, Yahoo! Mail and IMAP mail
Accessible via mobile	Yes	Yes, Sugar offers native applications for devices using iOS, Android and BlackBerry operating systems; plus HTML 5.
Out of Box ERP Connectors	Yes, for SAP	Yes, many, like Quickbooks, Sage 100 and other ERPs. Also has open business logic hooks and APIs and connectors to data services like InsideView and Dun & Bradstreet.
Pricing (per user per month for first 12 months)	SME or Enterprise licensing available. Please contact UXC Oxygen for additional information.	Contact SugarCRM for the latest pricing.
A/NZ Vendor & Partner Details	www.sap.com NTT DATA Business Solutions are a SAP Gold Partner featured on iStart.	SugarCRM Australia and New Zealand Phone: +61 2 8091 1237 Sales Inquiries: sales-apac@sugarcrm.com Partner Directory http://www.sugarcrm.com/partners/overview
A/NZ Contact Details	NTT DATA Business Solutions P: +61 2 8908 4200 contact_au@nttdata.com www.nttdatasolutions.com.au www.solutions.nttdata.com	Wayne Goss Phone: +61 2 8091 1237 Sales Inquiries: sales-apac@sugarcrm.com

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CRM roadmap – the future of customer satisfaction

Microsoft CRM for little, large and in between

At Microsoft's recent Partner Awards 2013 the company confirmed that it sees Dynamics as a core growth pillar for the New Zealand business over the next three years. *iStart* caught up with Microsoft New Zealand managing director **Paul Muckleston** and his new Dynamics lead **Keir Garrett** to find out more...

There has been quite a lot of change at Microsoft over last 18 months Muckleston told *iStart*. "One of the things that has been revalidated as a really important part of the business for us is Dynamics, both in terms of CRM and what we'd traditionally call the ERP space," he said. Indeed, Microsoft NZ is adding a couple of new sales and pre-sales roles to its Dynamics team and Muckleston plans to continue the business unit's double-digit growth of the past five years.

For Garrett, still new to the Microsoft fold, Microsoft is applying its innovation to its business solutions, with the result being Microsoft Dynamics AX and CRM which are "industry-aligned and enterprise-ready". It has also broadened the capabilities of its Dynamics CRM, particularly in the social media space.

Where once Microsoft's business solutions were aimed squarely at the mid-market, Muckleston and Garrett say they are now suitable for small business right up to the enterprise. This scalability means they are now making the shortlist of some big RFPs and winning. "I think that's a good indicator in terms of where forward business is going to. We are still winning in that mid-business space, but increasingly we are seeing our partners start to win larger customers," said Muckleston.

Garrett added: "We are being more bullish and more confident about bidding on the RFPs given the build-out of the Microsoft solution set. Now we do have full end-to-end ERP solutions, coupled with the CRM. We also have industry-aligned capabilities within that and it's not a modular solution, this is what you buy when you buy Microsoft Dynamics."

Microsoft Dynamics CRM roadmap

The executive vice president of Microsoft Business Solutions, Kirill Tatarinov, is calling on businesses to adopt a person-to-person engagement approach, a customer-centric view of business that enables people to deliver meaningful and satisfying personal interactions for both customers and employees.

The new version of Dynamics CRM is very different from the traditional customer database paradigm we are accustomed to. Dynamics CRM in the new era is a tool that reaches out to end customers and brings back significantly more information about individuals, using an array of methods including social interactions and customer self-service. Information that previously took companies days and months to capture is now available at the touch of a button.

Dynamics CRM is seeing some stunning growth: it has achieved 38 straight quarters of double-digit growth, and has seen 80 percent growth in Dynamics CRM Online, Microsoft's cloud CRM offering.

In 2013 there were three major product acquisitions, and three major releases of Dynamics CRM. In 2014 things are ramping up even further with eight product releases, and a lot of exciting new innovations planned.

The Q2 release consists of three major areas of enhancements:

- **Leo** release: Introduces Customer Care, making customer service easier and more effective, with new state of the art case management, built in SLA management and a new unified service desk. One anticipated enhancement is the new timer control, a tool that will improve customer case management dramatically. Users will also be able to merge cases and link parent/child cases and take advantage of email-to-case automation, while queues can be made available both privately and publically.
- **Mira** release: Integrates the recently acquired Marketing Pilot, an enterprise-level marketing management platform. This provides much improved campaign management and lead scoring capability. This new release closes the marketing cycle from planning to monitoring activity to analytical reporting.
- **Subra** release: Social listening is introduced following Microsoft's acquisition of Netbreeze a year ago. Social listening gives you the capability to listen for conversations about your products and services on various channels, like Twitter and Facebook, and proactively respond to these through making key data available in your CRM system for triggering appropriate action.

Sugar UX roadmap

Putting the 'i' into CRM

With the launch of its Sugar UX platform, Sugar is rolling out a suite of features that enable more customisable customer relationship management for businesses, and a more intuitive and engaging interface for individual users.

The new platform moves CRM away from the clunky, text-heavy interface to include better visualisation tools, improved user-first design and a much-heralded contextual intelligence. Traditionally, CRM has focused entirely on management tracking and reporting functions. Sugar has taken a different view. While the management and reporting tools are still at the core of the platform, it focuses on features that empower the end user.

What does this mean?

Sugar UX has the simplified look and feel, mobility, and social aspects of a consumer application, but fuses it with the hard-headed business process optimisation of traditional CRM. The result is a more immersive, intuitive

and ultimately more productive user experience. Visualisation tools in particular make it possible to quickly understand large quantities of customer data.

The improved user experience makes Sugar UX easier to use, but more importantly it makes the platform more productive. When these UX improvements are mashed against the mainstream management and reporting strengths of SugarCRM, the products potency becomes clear.

Contextual intelligence, improved collaboration

In the pursuit of sales, context is everything, and this is where Sugar has added smarts to CRM.

Contextual intelligence for every contact, company, lead, or opportunity is presented in an easily-consumed, personalised visual format. Information from internal sources like ERP, third party applications and social channels help users to make better decisions.

CRM collaboration with context-sensitive activity streams are embedded in the user interface. Every

record in the system has its own stream, for faster, easier access to the most relevant information. In addition, global streams on a user's home page provide aggregate notifications from other users or updates to records assigned to them enabling a level of collaboration that has not previously been a feature of traditional CRM.

Sugar is also building an advanced tagging mechanism so users can quickly tag records in the system with basic keywords, then easily search and sort them, or export them to be used in targeted marketing campaigns.

It's simple: Create extraordinary customer relationships

Traditional CRM tools focus on management tracking and reporting. Sugar UX puts the requirements of the customer-facing employees first. The result is a platform that encourages extraordinary customer relationships.

**The above information was supplied by SugarCRM - see p38 for more details.*

We put the "i" in CRM



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Green Cross Health dispenses loyalty

The pharmacy group has integrated customer and loyalty data to deliver improved customer communication and service levels...

Green Cross Health, until recently known as Pharmacybrands, is the largest pharmacy retail group in the country, and is the only retail pharmacy group listed on the stock exchange.

The pharmacy division represents more than a third of all community pharmacies throughout New Zealand under the Unichem, Life Pharmacy, Amcal, Care and Radius brands, and holds equity interests in 70 pharmacies nationwide.

Out-of-synch

With strong growth plans, Green Cross Health recognised that customer-centric technology would be a key enabler, and needed to address legacy issues stemming from data in siloes across several back end systems. These included Toniq, the core POS and merchandising system, website data and a legacy CRM. Marketing and customer service processes both suffered from clunky access and out-of-synch data.

Issues also arose from limited self-service functionality available to website customers. Users needed to update their address details, or review/redeem reward points via email or phone.

Justin Fogarty, executive for acquisitions at Green Cross Health, explained the drivers behind implementing a new CRM system: "With five brands of pharmacy, over 300 pharmacies and 180 licensees, we have a very complex set of relationships to manage efficiently and effectively," he said. "The strategy was to form a bond with the consumer...and also ensure we deliver a value proposition to the pharmacies so they benefit from being part of the group."

Team dynamics

The group selected Microsoft Dynamics CRM 2011, and Koorb Consulting, which already supported its Microsoft Dynamics AX solution,

was appointed to implement and integrate the CRM into the wider architecture.

The Koorb team was a known quantity which also knew the environment, and an independent project manager, Gloria Hooper, was also hired to manage the interface between the internal GCH and Koorb teams. Both initiatives helped reduce the project risk.

Integrate

The previous lack of system integration was a lesson taken on board when planning the new solution. Hooper explained: "With the old CRM access was so difficult that campaigns were being run by the marketing team with data extracted from Toniq on Excel spreadsheets. Although the campaigns were executed in a streamlined fashion, and to demand, they weren't recorded or monitored in a centralised customer database."

The objective was integration of CRM into the company's various touch points with customers. This spanned the website contact us form, the loyalty programme, online stores, point-of-sale and enterprise digital marketing platforms.

Mastering CRM

Roedolf Smit, who manages Green Cross Health's data and insights team, commented: "With Dynamics CRM our ability to run multiple concurrent campaigns has increased drastically. Within our first month we have seen a five-fold increase in the number of campaigns we are capable of fulfilling."

The data management team now has control of data quality with the help of an exceptions report. "This produces a list of anomalies which can be reviewed in the CRM," said project manager Hooper. "Each record can be individually viewed with a single click to show



what the problem was," she said.

"Having reliable data has meant that we can generate more mailing lists and target our lists more accurately," added Smit.

The customer service team uses Dynamic's case management functionality. This addresses the handling of customer feedback and queries from the website, automatically lodging customer emails in the CRM and creating a case. Based on subject, emails are now assigned to teams and further prioritised depending on implied urgency. Escalation rules are applied to generate alerts when cases are not dealt with within set timeframes. Green Cross Health can now view customer query audit trails and measure the performance of those responsible for their resolution, and has eliminated the loss of requests in manual email systems.

Loyal to the end

One of Green Cross Health's key marketing



initiatives is its loyalty programmes, which collectively have attracted hundreds of thousands of members across New Zealand. Each Green Cross Health pharmacy has its own set of individual programmes – some particular to the brand they came under, for example the Life Pharmacy programme, and some unique to each store's ownership model.

"Even though we could see those local programme customers centrally," said Hooper, "there was no way to bring it all together. The CRM project created a framework by which Green Cross Health could unite the data in one place, while still respecting ownership of the record to a specific chain or pharmacy. By having the data in one place, when a staff member from a store says 'I want to send a message out to everyone who's bought Optifast in the last six months' it can be run through the CRM to generate a list, then an email is sent out to those customers through CheetahMail."

The plan for 2014

A major next-step in 2014 sees the integration of Green Cross Health's websites with Dynamics CRM and a much-enhanced self-service option. Customers will be able to redeem their rewards vouchers against website purchases, view vouchers and accumulated points, see their previous purchase history, and update delivery addresses.

Mobility is also on the horizon, as well as implementing the opportunity management module for business development.

A progressive solution

Hooper sees Dynamics CRM as providing a solid yet scalable base from which Green Cross Health can progress. "Green Cross Health now have a very powerful tool that creates a lot more visibility and accountability. From here, it's about taking the data and making ever better use of it as a communications platform, in whichever direction is chosen." ■

CASE STUDY//

**Green Cross Health
(NZX:GXH)**

AT A GLANCE//

INDUSTRY

- Retail

LOCATION

- New Zealand-wide

BUSINESS OBJECTIVE

- Improve data integration and quality.
- Enable marketing processes.
- Support loyalty scheme.
- Improve customer experience.

SOLUTION

- Microsoft Dynamics CRM 2011.
- Microsoft SQL Server.
- (SSIS), Scribe data migration, CheetahMail.

BUSINESS BENEFITS

- Can handle multiple concurrent campaigns with quality, targeted data.
- Improved resolution and monitoring of customer enquiries.
- Future website integration for self-service and voucher redemption.

FOR MORE INFO//

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Microsoft's CRM partner implementation of the year for 2013.

Visit iStart online for more Koorb case studies

Aged care education provider learns benefits of IT partner

When ACC needed to upgrade its CRM, the team realised this wasn't a job for its IT department of one, so ACC engaged an integrator to help and it's just as well they did...

In 2003, with the support of the Commonwealth Department of Health and Ageing (DoHA), director Andrew Ricker and Paul Bennett established Aged Care Channel (ACC) to enable staff and residents of aged care homes across Australia to access accredited education and training programmes. Today, ACC provides an extensive library of programmes for residential and community care providers, management series and pastoral care programmes in Australia and the United Kingdom.

Time for help

As ACC's IT department is run by one employee, management quickly realised that it needed help to upgrade its ageing Customer Relationship Management (CRM) system to something easier and more flexible for the sales and marketing department to use. It also needed a solution which would include additional tools to improve efficiencies and gain new customers.

The incumbent CRM system lacked automated tools for marketing and mail-out campaigns, and the deployment method meant that staff constantly needed to synchronise with the database to update details. ACC needed to upgrade it if it wanted to maintain a useful database that could be quickly accessed and leveraged to achieve its goals.

Sweet lesson

ACC partnered with Loaded Technology to roll out a SugarCRM solution as the technology ticked all the requirements, and was within budget. SugarCRM was flexible, easy-to-use and could be deployed on a third-party cloud server hosted by Amazon Web Services. This

was particularly important given the fact that the CRM solution was to be used by the Australian and UK offices, and staff needed a central source to access up-to-date data.

ACC's Technology Director, Grant Ricker says, "Loaded Technology played a critical role in physically implementing the new system, and ensuring the deployment, migration and ongoing needs of the CRM were matched with the company's goals and objectives.

"Loaded Technologies has the size, requisite expertise and experience to undertake this unique implementation of SugarCRM between our Australian office and our UK office. The skill of its in-house consulting team and developers made the decision to go with Loaded an easy one."

As the SugarCRM solution is hosted in the cloud, it could be set up and configured for a staff member almost instantly. "Previously, it could take up to a day and half to configure the CRM system when a new person came on board, but with SugarCRM a new staff member can be ready to go in less than five minutes," he explains.

Included in the Sugar solution is an automated campaign system which has enabled the sales and marketing team to vastly improve the quantity of campaigns and mail outs they send out to generate business.

Learning pains

There were some complications in the roll out of SugarCRM, which highlights the need for an experienced consultant to guide the company through the transition to the new system.

During the migration of data, ACC came across a few issues as the two systems were not immediately compatible. The team at Loaded

Technologies was able to liaise with ACC to accurately move the data from Sage to SugarCRM and ensure that the new system would assist the staff at ACC without placing an additional strain on the one-man IT department.

The data was migrated from its previous system to SugarCRM using Talend as the middleware ETL solution to manage the data migration rules, hierarchies and error validations. When Loaded Technologies initially attempted to extract the data and convert into a form that they could accurately load into SugarCRM there were difficulties that required the consulting firm's expertise and experience to troubleshoot.

Ricker says: "We had a few headaches migrating the data, but the consultation and advice from Loaded Technologies was invaluable, particularly as our IT department did not have the time to troubleshoot the difficulties and accurately move the data into Sugar, so that we could see the benefits of a centralised database."





Top class results

The centralised CRM system has improved productivity through business process automation; given greater visibility of stakeholder data across the company; and reduced double handling of information.


The results were made possible because of the customisable nature of the SugarCRM solution. Working closely with Loaded Technologies, ACC was able to tailor its system to align closely with the business processes and ensure the right outcomes were met. These customisations also provided an additional benefit as the system was flexible enough for other departments to use and streamline their processes, something which was not possible with Sage ACT!.

Furthermore, by deploying Sugar in the cloud, ACC has access to the CRM database across both its offices, with low latency meaning faster access to information.

Additionally, setup times for new staff

members have been drastically reduced from 18 hours for UK staff and three hours for Australian staff to five minutes under the new CRM system, thanks to the improved transfer of the database package.

SugarCRM has enabled the marketing department to communicate quickly and efficiently with customers and stakeholders and with less manual handling.

“Sugar is far simpler to use than our previous CRM system, the automated features, particularly the campaigns has improved productivity and the cloud solution has enabled us to truly centralise our database across our two offices,” said Ricker. “The consultation and assistance we have received from Loaded Technologies helped us manage the upgrade to Sugar and let us get on with job at hand, providing exceptional Best Practice training and knowledge sharing programs for social and care workers in Australia and the UK.” 

CASE STUDY//

Aged Care Channel

AT A GLANCE//

INDUSTRY

- Aged care

BUSINESS OBJECTIVE

- Centralised CRM system to manage all of its stakeholders including members, staff and industry partners.
- Provide staff with greater visibility over customer data.
- Streamline its marketing campaigns.

SOLUTION

- SugarCRM deployed via an Amazon Web Services cloud system.
- Professional services by Loaded Technologies.

BUSINESS BENEFITS

- Centralised cloud CRM system and its data available for both the Australian and UK offices.
- Reduced double handling and inefficiencies.
- New user set ups down from hours to minutes.
- Automated campaign system increased speed and frequency of marketing department communications.

FOR MORE INFO//

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Tata tightens up UK procurement with Kiwi ERP

When the UK procurement division of Indian global conglomerate Tata scouted out a new ERP solution they didn't expect to find it down under...

Tata Limited provides the interface between Tata in its home market of India and its various operations in the UK. It has expanded beyond its traditional purchasing activity by introducing sophisticated systems, and now offers comprehensive and highly specialised services that cover almost every type of industry and activity, including procurement, freight management, insurance

and finance.

Increasingly, Tata Ltd's ageing systems couldn't cope with workloads from rapid customer expansion, and lack of integration just added to the burden. So they went shopping for a new ERP system and New Zealand's Greentree was identified as an option early in the shortlisting exercise, but the local UK Tata management felt it was sticking its neck out and recommending Greentree.

"The lack of profile for Greentree was an issue particularly with our higher management, as it was really unheard of in the UK," says Kamal Desai, Tata Ltd's Procurement Manager.

But Kamal and his team wanted a system that suited their needs. It had to be intuitive and easy to use, especially for staff who were not especially computer-literate. The final choice was between Greentree and SAP B1, and when Greentree was named as the preference, senior management started asking why.

"Immediately the questions came: 'who are they, what do they do, why aren't we going for SAP, everyone uses it?'" Desai recalls.

Due diligence

So Desai went hunting for proof that Greentree was the right move. He ended up talking with Greentree's senior management, and came away convinced the company had a sound financial base and track record, and a progressive outlook

on technology's changing roles.

"We were impressed by Greentree's efforts to talk to us and demonstrate that we weren't just punting into the dark," he says. "We could see that Greentree has both a strong history and a future that it's working towards – the percentage of funding that it puts into development is higher than most other software companies.

"We soon realised that we weren't just dealing with a very small unknown company; Greentree has some big names in its portfolio. That made a big difference for us."

Growing concerns

Tata has massive worldwide interests that include the steel, chemical, automotive and power industries. Tata Limited was established in London in 1907 as the conglomerate's representative in Europe, and has become a service provider for many Tata companies.

"We source material and equipment, procure it and arrange for its despatch to India – anything from nuts and bolts and bearings, up to full plant equipment or even a complete new establishment," Desai explains.

Tata Ltd's London offices process upwards of 4000 orders a year from the company's headquarters in India, generating over 5000 shipments worth £160-200 million. Each order requires its own set of documents, which include shipping instructions and insurance.

Cutting slack

The procurement staff were using an ageing bespoke system while the finance staff were using Sage, and there was no connection between the two.

"If we had one figure coming out of one system and a different figure going into another system, it was very difficult to then trace back, find and resolve mistakes," Desai says.

The systems were slowing down due to increased workloads brought on by the growth of Tata's companies, and the lack of automated checking created potential for errors.

"There were no lockdowns of the correct manner for making changes to invoices," says Desai. "Someone could just change an invoice, print it out and send it, with no way for anyone

else to know if it was correct. It was a slack method of operation which we couldn't allow to continue. We needed a system that essentially forced us to operate in the correct procedures."

Informed clients

Greentree's 'active desktop', with its workflow, approvals & alerts functions, was the obvious answer to providing change control. Workflow's search capability also streamlined the checking process, removing the need to hunt through paper files.

"It's now much easier to keep our clients informed," says Desai, "and Greentree's total integration means we're also saving time through not having to re-enter the same piece of data over and over."

The Greentree partner also set up a workflow with a special "Shipping Screen", allowing Tata Ltd's staff to generate the invoice, insurance, shipping and supplies information in a single document, with approvals & alerts set up for checking each stage, simplifying what used to be a tricky and time-consuming process.


Staff at Tata's offices in India, China and the USA are able to access Greentree through remote online desktops, so orders coming in from different time zones can be checked and approved as soon as the London staff log into the system.

Time savings

"Since the introduction of Greentree we've had about a third increase in our workload, and yet we haven't had to increase staff," Desai says. "We can answer queries from our customers about the progress of orders without having to say, 'give us a couple of days while we try to find the files.'"

Desai also reports "massive" time savings in the generation of monthly, quarterly and annual reports, switching from manual spreadsheets to straightforward exporting out of Greentree. A three to four-day task has been reduced to a single day.

Desai says today he feels vindicated in his decision, and pleased that he made the effort to check Greentree carefully.

"Greentree has made us more efficient, it's saved us time, and it's allowed us to service our customers in a more professional manner." 

CASE STUDY//

Tata Ltd (UK)

AT A GLANCE//

INDUSTRY

- Distribution

LOCATION

- United Kingdom

BUSINESS OBJECTIVE

- Replace aging, slow systems.
- Improve audit trail and change control.
- Deliver improved customer service

SOLUTION

- Greentree's fully integrated Financial Management, Customer Relationship Management and Supply Chain & Distribution, coupled with Workflow.

BUSINESS BENEFITS

- Period end reporting down from 3-4 days to one.
- Customer service enquiries immediate rather than up to two days.
- Global self service from Tata Ltd staff.
- Higher workloads accommodated with existing staffing.

FOR MORE INFO//

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Visit *iStart* online for more Greentree case studies

Property developer builds online sales success

Peet has significantly enhanced its web-based property sales success rates thanks to a customer relationship management (CRM) solution hosted and supported by Zavanti...

James Peet established Peet & Company in 1895 and is recognised as a pioneer in residential land syndication. It is now Australia's largest specialist residential land developer and has created land investment companies for thousands of ordinary Australians and a number of large and highly-respected institutional investors. Today, Peet Limited manages around 70 company-owned, syndicated and joint-venture projects, but when its website began to generate an increasing number of online leads, however, its sales conversion rate began to slip so it turned to technology to help.

"Before we implemented our CRM too many leads generated from our various websites were not being successfully turned into sales," says Nicole Carter, CRM Consultant at Peet's Perth headquarters. "But now that we have standardised our processes and refined how we follow-up our web-based leads with our CRM solution, we have increased our sales significantly."

Web-based property sales opportunities

Peet's CRM initiative is an ongoing project. Traditionally Peet's sales process had been based on walk-in prospects. People would visit one of its sales offices where they would be greeted by a sales person who would then manage the sales process. As we developed a web-based strategy, we found that we were generating quite a few leads from online forms. However, we didn't have the processes in place to provide the same level of personalised services that our walk-in prospects received. As a result, Peet's management decided to develop a CRM solution that would

standardise how we managed online sales prospects and replicate the personalised services that Peet's walk-in clients had come to expect."

Detailed RFP

It began in 2010 when Peet went to market with a detailed Request for Proposal (RFP).

With such a long and successful history behind it the management team at Peet understands the property business and has already developed a sales model that works.

"We knew exactly what we wanted in terms of functionality and performance when we issued the RFP," says Carter. "We wanted a flexible platform that could be customised, we wanted plenty of scope for growth and we wanted a partner that understood our business and one that could help us continue to grow our online presence."

After a thorough and comprehensive selection process, Peet chose property and professional services experts Quantum Business Technology (QBT) to develop and implement a CRM system based on the Microsoft Dynamics CRM and .NET platform. "The team at QBT had already developed a CRM framework for the property industry that provided an excellent foundation for our proposed CRM solution," says Carter. "They were property professionals so they grasped immediately what we wanted to achieve with the program. Because we maintain a lean IT profile, we appreciated the fact that QBT could manage the development and deployment details while we provided our requirements in business and property sales terms. We went live with the



"Before we implemented our CRM too many leads generated from our various web sites were not being successfully turned into sales."

Nicole Carter, CRM Consultant at Peet's

first phase of the deployment in 2011."

In 2012 QBT was acquired by Zavanti, a global provider of complete financial and business management software solutions for the property and construction industries. "The transition from QBT to Zavanti as our CRM partner was seamless right from the start," notes Carter. "We immediately had access to a much wider pool of application and development



expertise. While we had enjoyed a close relationship with the local QBT developers, Zavanti made every effort to support our operations. In fact, we took advantage of Zavanti's hosting capabilities to further reduce our IT support footprint."

Online sales success

Today approximately 50 percent of all of Peet's property sales are generated from its online CRM solution. When potential property buyers register their interest on any one of Peet's 30-plus land and property websites across Australia their details – including the reasons they want to buy and if they have a builder lined up – are then collated, qualified and automatically assigned to the most appropriate sales agent who immediately follows-up.

"We have some 20,000 active prospects at any given time," says Carter. "The CRM gives us visibility into each and every one of them. We can

track correspondences, ensure that follow-ups have been completed and set alerts. Implementing the CRM gave us an opportunity to fine-tune our sales and marketing processes and standardise the way each office – and our internal and external sales agents – manage prospects."

Customer registration is just the beginning of Peet's CRM process. "Once people have registered," explains Carter, "we can continue our communications with them via special targeted campaigns and regular updates. We'll have a complete record of all interactions concerning each prospect so that we can co-ordinate all of our sales efforts with no overlap or omissions. All of this information can be displayed via a 'dashboard' that has been personalised for each agent or class of users.

"With the CRM, our team has all of the information they need to successfully manage the sales process. And their success rate proves it." ■

CASE STUDY//

Peet Limited

AT A GLANCE//

INDUSTRY

- Property development

BUSINESS OBJECTIVE

- Increase sales success rates for online prospects.
- Standardise sales process across online and customer-facing sales teams.
- Provide visibility across organisation.

SOLUTION

- Zavanti CRM For Property Development.
- Microsoft Dynamics CRM 6 .NET.
- Hosting and professional services by Zavanti.

BUSINESS BENEFITS

- Online sales now account for approximately 50 percent of total – previously negligible.
- Provides a competitive edge over competitors.
- Fewer lost leads as a result of enhanced tracking and monitoring of the sales process.
- Reduced IT support overheads due to Zavanti's hosted model.
- System flexibility provides a platform for further growth.
- Ability to launch targeted marketing campaigns.

FOR MORE INFO//

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Satisfaction calling: does outsourcing contact centres work?

*Often maligned from within and outside, the contact centre is the coal face of customer service interaction. But so often the processes and people are dumbed down so they can be sent offshore and run more cheaply. Issues of customer satisfaction, costs and ease of management abound. **Stephen Withers** treads the political minefield to find out if it is really worth the potential pain...*

Contact centres get a bad 'rap' no matter where they are based. It used to be commonly accepted that a happy customer would tell three people about their experience, an unhappy one would tell 14. That was bad enough. Then came the internet and social media, giving disgruntled customers a platform on which to be heard – by millions.

If contact centres are at the coalface of customer service interaction then their staff have the power to make or break every customer's early experience whether it is over the phone, email or social media channels. But how can you tell if your customers are happy, especially when you outsource or offshore your contact operation?

Measure to manage

Surprisingly, the industry bodies in Australia and New Zealand have not adopted any standard benchmarks for contact centres. "CCiNZ [Contact Centre Institute of NZ] doesn't endorse any benchmarking systems," said vice chair Kathryn

Starr, who is also general manager of contact centre outsourcer Phoneplus. It is the same story at the but the CCiNZ and CCMA are separately planning to prepare or endorse sets of benchmarks.

While contact centre performance is often thought of in terms of metrics such as hold time, this seems to be an outdated position. When it comes to monitoring performance, "all roads lead to NPS [Net Promoter Score]," says customer management company Convergys' international director of sales Geoff Dutt. That makes sense: why ensure you can answer calls five seconds faster if it doesn't make customers happier? Convergys has monitoring systems for measuring NPS, he says, though clients sometimes do their own surveys. It does also track traditional metrics, but although clients have live access to these figures Dutt says they rarely look at the detailed statistics after the first few weeks.

It's a different story internally: "BPO [business process outsourcing] is an industry that's run by the numbers... we slice and dice data until the

cows come home," Dutt says, pointing out that there is no point measuring quality unless you also analyse and fix any shortcomings in processes and operations, "so that's what we do".

Lisa Roos, general manager at Merchants (a Dimension Data company which provides contact centre solutions) tells a similar story: for her clients the primary metric is customer experience, whether that's expressed in terms of NPS or some other system. Old-school measures such as wait-time are falling out of favour, she says.

Yellow braves off-shoring

An outsourced and offshored contact centre is working for New Zealand based-Yellow Pages Group according to CEO Michael Boersen. The company offshored its 018 directory enquiries call centre in 2009, when Bruce Cotterill was CEO, as a cost-cutting measure. "It just wasn't realistic for us to keep running the service out of New Zealand," Boersen says of the decision.

018 was first outsourced in 1998 when Yellow

was still part of Telecom. In 2008 it changed provider from Sitel to TeleTech - the contract was up for renewal and Yellow invited proposals from other outsourcers as part of normal commercial due diligence. “A year later, we off shored - still with TeleTech - to Manila in the Philippines,” Boersen says.

“It’s been nearly five years since we offshored, and it was in the media a bit at the time, so I think people who call 018 know they’re talking to someone overseas - we definitely don’t hide it.”

Indeed there was more than a bit of media about it at the time, with the move eliciting a veritable hue and cry. First there were complaints about the loss of New Zealand jobs (140 in Palmerston North) and then came complaints about poor service (incorrect numbers provided, inability to answer queries, language difficulties), but eventually the furor has seemed to die down. Boersen concedes that a few people are fundamentally opposed to offshoring, but these days most people who call 018 just want someone who can find the number they’re after.

The transfer from New Zealand to the Philippines was done gradually over approximately three months. An increasing proportion of calls were routed to Manilla as TeleTech ramped up the number of trained staff at that centre.

“We’re pleased with the service we receive - we aim for a short call time, high satisfaction rates and low abandonment rate,” says Boersen, which is what you would expect for a directory service.

While there was an initial dip in service levels, that was rectified by improving agents’ knowledge of New Zealand - notably geography, government departments and community services. “A lot of people think that the team in Manila will struggle with Maori pronunciation, but it’s the opposite actually as there are some similarities between Tagalog and Maori. The guys tend to breeze through this section of the training with flying colours,” he explains.

Technology and metrics don’t merely allow

“We’re pleased with the [offshored] service we receive - we aim for a short call time, high satisfaction rates and low abandonment rate.”

Michael Boersen, CEO, Yellow

contact centre off-shoring, they also make it easier for the client to make sure everything is running smoothly. Yellow receives daily, weekly and monthly reports on a range of metrics. Call recording and screen capture software mean any problems that do arise can be solved remotely, and the company uses Skype and WebEx to keep in touch with staff in Manila and to provide guidance from afar.

Outsourcing, offshoring and brand considerations

While Yellow managed to weather the storm, it’s not the same for all organisations that offshore. Starr says that some that do so for cost reasons subsequently discover that the cost of managing the relationship and maintaining consistent quality mean it is more cost-effective to bring the operation back onshore.

There’s also a risk to brand reputation, as offshoring is a ‘water cooler’ topic, she says, and she also recommends consideration be given to the political stability of any particular offshore location.

Brendan Jones (a pseudonym we’re using for an individual with long and intimate involvement with contact centres) says Australians still have some issues with Indian voices but contact centre workers from the Philippines are generally well accepted. Dutt goes further, suggesting that any objections to ‘foreign’ voices at contact centres

are merely “the tail end of parochialism”.

Jones suggests a sea change is underway in the way organisations are looking at contact centres. Saying they want ‘good customer relationships’ is really code for ‘selling more to their best customers’. The old-school model - tightly scripted contact centres with high attrition rates - is still used by telcos, financial institutions and so on, he says, but it doesn’t mesh with the ‘customer is king’ philosophy. Progressive organisations are turning away from lowest-cost solutions and are instead moving skilled staff into contact centres and allowing them to make decisions, and this means running an in-house, onshore contact centre in order to cultivate much better customer relationships.

These new contact centre staff are being given





an opportunity to make perhaps 50 decisions in a day rather than the five they currently make in a branch office “so that’s a promotion,” he says. The pitch is that the company is investing in ‘customer-centricity’ and has picked these employees to take on more responsibility.

Engagement

Convergys’ Dutt also thinks that clients of the better providers are looking for customer value rather than just cost reduction. He says providers offering bums on seats at the lowest price experience a high churn rate of clients. And if an organisation outsources a contact centre just to reduce the amount it spends on people, the project will typically fail, he warns. He gives the example of an unnamed second-tier Australian telco that chose

a low-end contact centre provider after which its customer churn “went through the roof and their NPS went through the floor”.

In contrast, tier one contact centre providers look at their clients’ total processes: why are people contacting the company, why does the contact centre exist, and what are the corporate goals? For an outsourcing arrangement to be successful, the provider must work in partnership with the client. Dutt says it is better to identify what he calls “the good guys” in the industry, talk to them about what is required, and then use those conversations to develop a short list of perhaps just two candidates before going into detail.

Agent selection

As Yellow discovered, having the right people with the right skills in your contact centre is important, so the better contact centre providers tend to hire agents specifically for a client. Convergys, for example, determines the type of personnel that is required, recruits the agents specifically for that client, and provides comprehensive training.

This quickly pays off, according to Dutt who says a Convergys operation had the highest NPS among all of one customer’s contact centres from the day it went live, and he claimed that the company’s large Australian clients achieve lower NPSes at their own onshore centres than those operated for them by Convergys in India and the Philippines.

Merchants, which operates outsourced contact centres in Europe and South Africa for clients around the world including Australia’s iiNet, takes a somewhat different approach to staff selection because the formality of the relationship varies considerably between clients, Roos says. In some cases, a client CEO will only talk to Merchants’ CEO and so on down the hierarchy, while others prefer using social media for an open dialog among everyone involved. Consequently, during the recruitment process “the single biggest thing we

The contact centre handover and beyond...

For Lisa Roos, general manager at Merchants (a Dimension Data company), taking a contact centre live for the first time has to be a partnership between the provider and the client. Senior representatives of the client should be onsite at the time, and she also advocates using some agents with the native accent of the target country in the centre during this period.

Roos sets great store by ‘brand attachment’, encouraging agents to identify with the client they serve. This is partly because a good proportion of calls to most contact centres are negative: customers usually ring only when they have a problem, so it is important that agents are also exposed to the positives. She advocates regular (say twice yearly) visits from senior managers, sharing news about the client’s financial results, industry awards and so on with contact centre staff, distributing branded merchandise, and arranging for the temporary exchange of agents between the client’s onshore and offshore contact centres and then encouraging them to maintain those personal contacts.



look for is cultural fit” with the client, although technical knowledge and experience are also considered.

Furthermore, “culturisation” is an important part of getting staff ready to work for a particular client, Roos says, and ongoing training is mostly about new products and services, as well as any changes in terminology. One way of easing new agents into a particular client’s contact centre is to initially have them working on non-voice communications such as email, as that gives them a chance to become accustomed to the client’s business before having to deal with phone calls.

Dutt says customer service is ingrained in Philippine culture, making it “one of the best locations globally” for handling such calls. Convergys finds it easy to recruit staff as people in the Philippines derive cachet from working for well-known companies.

Conversely India is the best location for technical support as the mix of education and commitment is “second to none,” he claims.

Good providers should also enable their clients to listen in to calls when they wish, and offer regular meetings to ensure that the provider and the client have the same opinion of the way the interactions were handled. Issues can also be dealt with informally via social media, email or phone calls as they arise.

What clients want

Clients based in Australia and New Zealand basically want the things they can’t do themselves, Dutt says. This can be at a technical level, such as applying analytics to determine how to mitigate calls, or demographic analysis to describe who is calling and why. Voice and email services are the most commonly requested by Australian and New Zealand organisations, Roos says, and mostly in the customer service area rather than more complex processes. That said, Merchants has taken on

“For an outsourcing arrangement to be successful, the provider must work in partnership with the client.”

Geoff Dutt, director of sales, Convergys

increasingly technical work for some clients and “that has definitely worked for Australia”, she says.

Roos notes a cultural affinity between Australians and South Africans, and also points out that the time zone difference means South Africa is well positioned to be part of a ‘follow the sun’ operation as its working day starts as eastern Australia’s is finishing. Recently she has seen tenders for offshored 24x7 contact centre operations in South Africa, mostly for first-line customer service – the country has the right culture and is cost-effective, she says.

Thank you, and call again

The customer-centric pitch with ‘hand-picked’ agents is fine as long as it is true, Jones warns, otherwise the likely outcome is the same old poor service being delivered to frustrated customers. Organisations “have to stop reading the dreadful script” or risk a landslide loss of customers to anyone that provides better service.

Jones believes organisations will fund this new and more expensive model by commoditising the other two-thirds of customer contacts through offshoring and moving them to channels other than voice (eg, web chat and email).

“People want the result,” he says, so they will be patient as long as you can show you understand their problem, even if you are handling the enquiry electronically. ■



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Eight mistakes to avoid in replacing your phone system

*Voice services have historically had a high level of reliability and because they are (for the most part) reliable, people are inclined to think they are simple. And, if they are simple, then any one can do it. How hard can it be anyway? It turns out it's not that simple after all, as **Mike McLaughlin** explains...*

 ver the years, I have been involved with the replacement of many telephony systems and, it appears, some things never change. Here are eight common mistakes I see when it comes to telephone system replacement.

1. Needs assessment? What needs assessment? In many organisations, the goal of replacing the telephone system is simply to upgrade the existing system. However, the telephony landscape has changed dramatically in the past five to 10 years.

A thorough needs assessment, which covers both business and technical requirements, is critical and has multiple benefits:

- a) Discovering new productivity enhancements offered by mobility and collaboration.
- b) Revealing communications issues which can often be resolved by changing business processes.
- c) Improved system acceptance through user buy-in.

2. Assuming that all systems are much the same. While this is true of basic features such as putting a caller on hold or retrieving voicemail, with newer capabilities (especially presence and mobility) there are significant variations amongst products in terms of how they accomplish a function, how much information is available and how that information is presented to a user.

If you want your users to adopt all the cool new features your new system will provide, the user experience (UX) is critical.

3. Not involving business users in the decision. When a system is selected only by the IT team, the solution is often more technical and may not be as user-friendly as it could be.

Furthermore, I've seen decisions that were based on what would be easiest for the IT team to administer or best for enhancing their resumé.

Involving business users in the decision-making process will result in a better end result, although it is true that getting agreement amongst a larger group can be like trying to herd cats. Nevertheless, the users will help to clarify what is really needed versus what is nice to have; they typically aren't swayed by the coolest new toys, and they don't pick a solution based on how it will impact their resumé.

4. One-size-fits-all decisions. Most telephony solutions support a wide array of endpoints (big phones, small phones, soft-phones, wireless phones) and capabilities (presence, mobility, collaboration). The variety can be overwhelming, so the options often get narrowed down for manageability. Recognise also that you will have both casual users





and 'power users', and that their needs differ.

You need to decide what really matters and what would be 'nice to have' and also recognise that features do not necessarily translate into benefits.

5. Tomorrow is another day. Most vendors have well-practiced and fairly slick presentations and demonstrations. You'll be shown what their systems can do, but you won't be shown what their systems cannot do. Assume nothing.

Furthermore, you need to assess each vendors' implementation, training, service and support teams as rigorously as you review the system itself. If you buy an orphan which is the only one in the country from a team who have never done an implementation before and then rely on a single technician who could get hit by a bus and a support desk which is only a phone call away (if you can make that call) to a neighbourhood in Mumbai, you won't get a lot of accolades from the CEO.

It's better to pay a bit more and/or sacrifice a feature to ensure the system does what you need, when you need it.

6. Skimping on user training.

In recent years there has been a trend away from classroom training on live phones and more towards webinars and train-the-trainer options. While these methods save a lot of time and cost for the vendors, they are often insufficient for the users. On the surface it seems okay. After all, how difficult can it be to use a new phone?

But new telephony solutions bring many new capabilities that users may have never been exposed to previously, such as the ability to manage calls and features using a computer instead of the hard phone; mobility applications;

collaboration tools; presence and more. In order to get full use of the new capabilities, users must be trained on them.

7. Ignoring the underlying infrastructure issues.

This is really basic, but it happens all the time. Almost every new telephony solution has a significant VoIP component, and this means that the data switches supporting the IP or SIP phones must support VLANs and QoS.

Furthermore, these capabilities must be configured and working on the network. If you want your phones to work during a power outage, your switches must also support Power Over Ethernet (POE) and you must have sufficient UPS resources in your data closets to support the phones.

Finally, your cabling must be at least Cat5e and phones must be located within approximately 100 metres of the supporting switch. When a phone is not located next to a computer, there may be a cable or distance issue.

8. Skipping the network assessment.

Many people say: "Our network will be able to support voice without any problem." But voice is more than just another app. It's an application that requires real-time delivery of packets and these cannot be delayed or re-sent and still make sense.

A network assessment will determine if voice traffic will be impacted by any jitter, delay or latency issues that don't impact data traffic. Having such an assessment assures that the issues can be resolved before there is an impact on voice traffic. The assessments do take some effort up front, but not as much work as diagnosing and fixing a problem after the fact. ■

MIKE McLAUGHLIN//

This article was written by Mike McLaughlin and was first published in Mimir. McLaughlin is managing director of Mimir Marketecture and an expert in call centres and computer telephony. He is frequently invited to speak at public forums about telecommunications and contact centres.

Protect and serve

how safe is your personal data?



The revelations of the Heartbleed vulnerability in April and the recent implementation of Australia's new privacy regime in March have put data breaches firmly back in the limelight. Clare Coulson finds out more...

It's the information age; there's data, data everywhere. By 2020 IDC forecasts that we will generate 40 zettabytes (ZB) of data. To give you an idea of just how much data that is, American linguist Mark Liberman calculated the storage requirements for all human speech ever spoken at 42 zettabytes if digitized as 16 kHz 16-bit audio. Every minute of every day we create more than 204 million email messages, over two million Google search queries and \$272,000 is spent on e-commerce. Not only is that a lot of information, but amongst it is a great deal of data that is categorised as sensitive – financial information, personal health information, personally identifiable information and trade secrets and intellectual property. And being breached.

Mega breaches and new targets

The OpenSSL Heartbleed vulnerability was a timely reminder that sensitive data is not always as secure as it should be. Symantec's Internet Security Threat Report 2014 also showed that data breaches are getting bigger. It declared 2013 "the year of the mega breach". A mega breach is a breach that exposed one or more pieces of information about more than 10 million identities. In 2012 there was only one mega breach. In 2013 there were eight. In total Symantec says over 552 million identities were breached in 2013, "putting consumer's credit card information, birth dates, government ID numbers, home addresses, medical records, phone numbers, financial information, email addresses, logins, passwords, and other personal information into the criminal underground". The total number

of breaches in 2013 was 62 percent greater than in 2012 with 253 total breaches and the top types of information breached were real names, birth dates and government ID numbers (such as social security). Along with the usual targets, Symantec says that attackers are now turning to the internet of things and wearables.

"Baby monitors, as well as security cameras and routers, were famously hacked in 2013. Furthermore, security researchers demonstrated attacks against smart televisions, automobiles and medical equipment. This gives us a preview of the security challenge presented by the rapid adoption of the internet of things (IoT)," the report states.

Symantec's director of technology Sean Kopelke noted, "If we can hack Google Glass then we can actually see someone punch in their PIN."

Image: midnightder79

Although many organisations have invested in anti-virus technology, sniffers and next-generation firewalls, security experts attending the Techleaders Forum in Queensland in February said these were no longer a guarantee of security as they generally only protected organisations from a known threat. Vendors recommended companies take a layered approach to security using a range of tools and services in order to provide themselves with the best chance of protection.

Who is sharing your information?

Last year the *Wall Street Journal* conducted a test to identify what personal information gets passed to other companies when users log in to a site. It reported that it had tested: "50 of the top sites (by US traffic) that offer registration, excluding sites that required a real-world account, such as banking sites.

The results showed that 50 percent of the sites tested were sharing some kind of data with third parties, including email addresses, names, usernames, age or year of birth, zip code or other information either in full, in part or encoded. Fifty-three percent of the sites that sent either email addresses or usernames, sent them in full.

In general the information shared with third parties was for analytics, targeted self-promotion or to serve advertising. In some cases, such as dating and networking sites, the information was also used to perform services on users' behalf.

Five of the 50 sites tested shared full, unencoded email addresses, including CNN.com, Ask.com, Pinterest, Whitepages and the Wall Street Journal itself. Another five shared partial or encoded email addresses. CNN and the Whitepages responded to the Journal saying they were investigating while Pinterest and Ask.com said they no longer practice this. The WSJ.com said most of its personally

identifiable information detected was transmitted in error and that it is working to close that hole.

Those sites that pass on the most data fields can be seen as instrumental in leaking sensitive information – even anonymous data can be gathered and later paired with email addresses from other sources to reveal the behaviour of a named person for more targeted advertising purposes.

A/NZ by the numbers

In his keynote speech Federal Attorney General, Senator George Brandis told the Cebit conference in Sydney in May that cybercrime was now costing Australia over \$1 billion a year. He said that although IT was a key enabler of business and all aspects of modern life it was "unfortunately also a key enabler of crime and security threats". In a separate Cebit speech Joe Franzi, assistant secretary cyber security at the Australian Signals Directorate, confirmed that attacks were on the rise, with reports to the Cyber Security Operations Centre up from 1259 in 2011 to 2168 last year. He said mining and resources, energy, defence, technology and financial sector organisations were at greatest risk.

In New Zealand the 2013 annual report from the Office of the Privacy Commissioner showed a sharp increase in the number of data breaches being voluntarily reported. While such reporting remains voluntary in New Zealand the Office of the Privacy Commissioner has recently started to track breach notifications more formally. In 2012-13 there were 107 breaches reported, only 23 of which came from the private sector. Government, hospitals and other health agencies reported the most breaches. Interestingly the data also shows that the largest number of breaches seemed to come down to human error, with 'Electronic information

"On March 12 Australia implemented its new privacy regime; the most significant shakeup in its privacy laws in over two decades."

sent to wrong recipient' and 'Physical information sent to wrong recipient' being the most frequent cause of breaches, followed by website problems. Only four instances of data breach were caused by hacking in 2012-13. However, because breach reporting is entirely voluntary at present the Privacy Commission's figures are unlikely to reflect the actual number of breaches that occur and who they are happening to, with many private companies likely reluctant to broadcast such information.

A new regime

On March 12 Australia implemented its new privacy regime; the most significant shakeup in its privacy laws in over two decades. The 13 new Australian Privacy Principles (APPs) replace the previous 10 National Privacy Principles and affect Government departments, most private enterprises and not-for-profit organisations.

To be compliant organisations have to have processes and technology in place to allow access to information not just on corporate CRMs for example, but also information collected from emails or social networks. The onus is now on businesses and other organisations to protect the information and privacy of their clients. To achieve this APP 1 requires entities to consider a 'privacy by design' approach to systems and procedures, and embed

Australian Privacy Principles — a summary

The Office of the Australian Information Commissioner has put together a summary of the new Australian Privacy Principles for private sector organisations, Australian Government and Norfolk Island agencies covered by the Privacy Act 1988. It, along with other information, can be found at: <http://www.oaic.gov.au/privacy/privacy-resources/privacy-guides/app-quick-reference-tool>

privacy protections in the design of their information handling practices. Compliance will help to establish an organisational culture and processes that will assist with compliance with all the other APPs.

At the very minimum these organisations need to have a clearly defined and well-publicised policy regarding data management and ensure that staff understand and comply with that policy. The new rules also require much more transparency on the part of large organisations which use personal data so consumers receiving direct marketing materials can now find out more about what information is being held and how it is being used.

A whitepaper by Hitachi Data Systems, says that data quality and integrity are paramount for a successful privacy programme. It says that entities affected by the new regime will need to ensure that any customer data that is to be retained, whether it is structured data in a CRM or unstructured data in emails, log files or social media, needs to be managed in an “immutable, auditable and versioned” manner. This means the data needs to be protected, copied and searchable.

According to law firm Corrs Chambers Westgarth, even foreign companies conducting activities in Australia are subject to the new Principles. And their activities outside Australia are covered by the Act, if:

- a) they “carry on business in Australia”; and
- b) they collect or hold personal information in Australia.

This is the case even if they have no physical

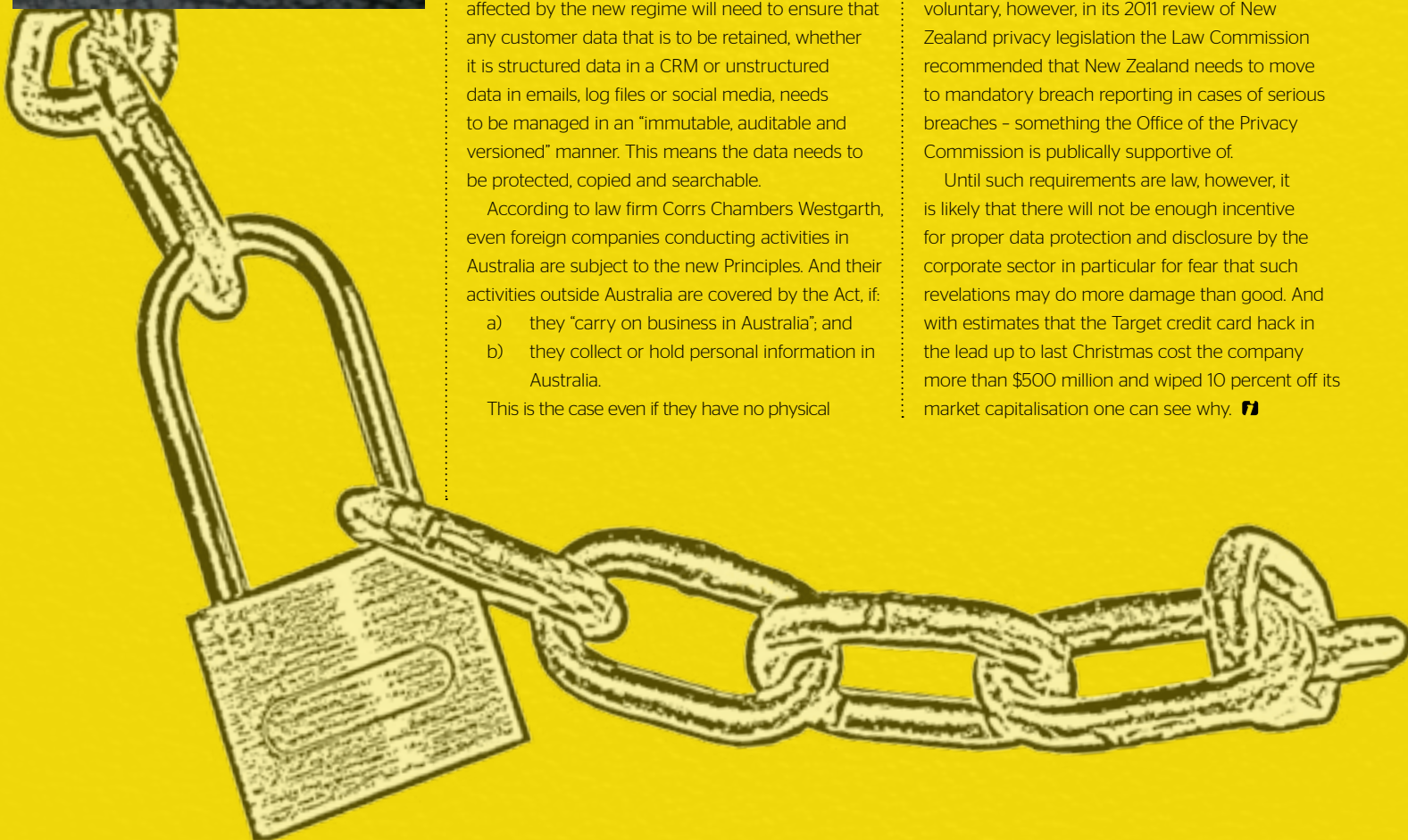
premises in Australia but a web presence that collects the personal information of people who are physically in Australia. A foreign company will also find that if it enters a transaction with an Australian organisation that involves the transfer of personal information from Australia to the foreign company, the Australian organisation will seek a contractual obligation by the foreign company to uphold the APPs.

The missing piece

Although the new privacy rules in Australia have created penalties of up to \$1.7 million for enterprises which fail to properly protect data, they stop short of requiring that data breaches be disclosed as they are in the USA.

In New Zealand disclosure also remains voluntary, however, in its 2011 review of New Zealand privacy legislation the Law Commission recommended that New Zealand needs to move to mandatory breach reporting in cases of serious breaches – something the Office of the Privacy Commission is publically supportive of.

Until such requirements are law, however, it is likely that there will not be enough incentive for proper data protection and disclosure by the corporate sector in particular for fear that such revelations may do more damage than good. And with estimates that the Target credit card hack in the lead up to last Christmas cost the company more than \$500 million and wiped 10 percent off its market capitalisation one can see why. ■



Who is handling your data?

*With data privacy a hot topic at present, **Brenda Aynsely** of the Australian Computer Society asks how to keep data safe...*

The ongoing pursuit of perfection in business relies a great deal on understanding the needs of the customer and ensuring those needs are met. In previous years though, the act of defining those needs was more difficult than it really should have been. When customers were spread geographically it simply wasn't feasible to reach out to them individually without incurring a significant

cost. There would then be the matter of identifying if there was a strong enough ROI to justify the expense of what really amounted to a direct mail campaign.

In the last decade the pervasive nature of technology has helped to shift the balance of ROI by dramatically lowering the level of investment required. As a result of this, more businesses are now drilling deeper into their customer base and gathering far more information than they ever thought they could. Even the recent changes to privacy legislation in Australia will not immediately slow this gathering of data, although businesses are well advised to ensure they know the changes and are compliant.

While this is undoubtedly a positive for business, it carries with it some significant risk. With so much data being collected, transmitted and stored it is vital that data security be at the forefront of CRM. This doesn't simply speak to the technical elements of security in storage and transmission, but also to the calibre of staff used to develop, maintain and operate these systems.


Consider this – in 1963 Ronnie Biggs had to stop a train to steal around \$A82 million in today's money. If he had wanted to steal something of the same value now, he could do so by acquiring a USB key with the customer data of a bank on it. Of course, these aren't readily available, but it only takes one rogue employee to place customer data, and indeed the future of a business, at risk.

It seems, however, that more and more businesses are prepared to hire people to manage their customer data without first identifying whether or not they are a suitable person to be the custodian of such a valuable asset. This raises the question of whether businesses should

be undertaking mandatory background checks of potential employees.

What business should consider is whether or not they are hiring professionals to manage their data. In fields such as accountancy, law and medicine the definition of a professional is clearly understood and in some is managed by the relevant professional association often in conjunction with the State. We do not have a legislated requirement for an individual working in ICT – anyone can provide ICT services to a client and yet in many ICT roles, access to private or commercially sensitive information is easy. It does not appear that this will change in the immediate future, which is why the role of recognised industry associations is so important.

Members can be accredited as professionals within their field which carries with it certain guarantees, much like a legal or medical professional and members can be sanctioned in a similar manner should they not uphold the industry-agreed standards. This is called professionalism.

The field of customer data management is fraught with risk. It therefore requires a great deal of risk mitigation. In the field of ICT, I believe that professionalism is the best form of risk mitigation. If you thought hiring a professional was expensive, just wait until you hire an amateur and things go wrong. 



ABOUT BRENDA AYNSELY//

Brenda Aynsley OAM was a founding member of the South Australian Internet Association and Chair of the SA Committee of the Percy Foundation from 2006-2012. In 2008 she was awarded honorary life membership of the ACS, and in 2013 was elected as the first female President of the organisation.



Cleanliness is next to 'wealthiness'

*Winter has arrived and that means muddy floors, runny noses and an endless amount of cleaning. But cleaning doesn't stop at home or around the office, it extends to the information inside your business too as **Michael McCash** and **Trudi Masalski** discuss...*

There's no need to bring out the wipes and rubbish bags. This cleaning session needs nothing more than rolling up your sleeves, getting a hot drink and mustering up a bit of determination at your PC. The noise around 'big data' relates to making use of all the data captured by a company, so data quality management is more important and challenging than ever, so a quick clean-up can help increase your data's effectiveness and save time and money.

Four tips to help get your data clean and make sure it stays that way:

1. Data cleansing

The first tip is to do an initial data cleanse. Ideally, you're using a Customer Relationship Management (CRM) system or software that allows you to export and import any changes. With the data exported, it's time to look at some typical culprits that are easier to handle such as:

Inconsistent format

Ensure a consistent format for all your data fields. For example, email addresses need to have an initial text, followed by a '@' symbol, followed by the domain name and ending with a .com/.com.

au/.co.nz etc. Phone numbers should be saved in a consistent format, with the standard international number format recommended (i.e. +64 2 1234 5678) including country and area code for ease of one touch dialing on mobiles. Quickly sorting and filtering the data makes it easier to pick up errors and correct them.

Duplicate records

Searching for duplicate records can be done against a number of common attributes, like email addresses, phone numbers or physical addresses. Duplicates can arise from a simple mistake such as creating one account under the trading name and another under the legal entity. Finding, matching records and combing through these accounts ensures you'll have one customer record to store your documentation and dialogue with contacts against.

Data matching

A quick way to refresh your data is to email your contacts and ask them to update their records. Just make sure you advise them of why you have their details and why you are contacting them. If you have a lot of records, it may be worth investing in a data matching company.



"A clean, accurate and well-managed database will not only reduce your headaches but will also help you to make your customers happier too."



Sending a ping email

You can also check if an email address is still active without the expense of paying for an email campaign. There are tools available that allow you to ping email addresses to validate them – just do a Google search for “ping email tool”. The customer won’t actually get any email – it’s just a check that the email address is valid. If the email comes back as invalid you can then focus your efforts and budget on correcting that data.

2. Tweaking your input fields

If you are able to, you might want to look at restricting your input fields. For example a telephone number field should only allow users to enter numbers not letters. Fields can often be tailored to your requirements so you can capture mobile or home phone numbers. By taking the

guess work out of your inputs, you can improve the quality of your data and ensure you’re in a position to contact your customers when you need to.

3. Incentivise staff

Every staff member that works with clients or client data should be incentivised to keep that data clean. They should be educated about why the business needs clean data and what goes wrong when the data is ‘dirty’. The next time they speak to a client, make sure they confirm the contact person is still with the company and check the email or address is still up to date.

One effective solution we’ve seen was to make a competition out of maintaining data. The person who updated the most records in a month won a \$100 voucher. \$100 may seem a lot (\$1200 a year), but in terms of the amount of time and resources

saved over a year it’s one of the cheapest ways to ensure your data remains clean.

4. Nominate a data steward

Every business typically has a ‘health and safety steward’ or a ‘fire warden’ and given the increasing importance of efficient data quality management there should be a ‘data steward’ too.

Admittedly it isn’t a life threatening need, but having someone who takes on the responsibility of managing the accuracy of your data ensures it remains an ongoing priority instead of being a one off.

They can be the ones to motivate staff, run an incentive programme, find ways to automate and optimise the data cleansing process through better systems like implementing a modern CRM or business management system, and implement processes within your company to ensure that data gets entered, managed and updated correctly.

Having a clean database means every call, email or post you send out reaches the right person, every time. With an average of 15 percent of businesses changing postal addresses, one in five employees changing jobs and one in 5,000 businesses changing phone numbers every year, the reality is that your database is always out of date, so it needs a constant maintenance effort.

A clean, accurate and well-managed database will not only reduce your headaches but will also help you to make your customers happier too. **FI**

MORE INFORMATION//

This article was supplied by MYOB. The authors, Michael McCash and Trudi Masalski are from MYOB and specialise in B2B sales and marketing activities for MYOB’s Enterprise software. For more information on the MYOB EXO product range visit: myob.com.au/myob/enterprise myob.co.nz/myob/enterprise

Christchurch consulting business improves efficiency with IT overhaul

When Searells identified IT was constraining performance, they engaged Ricoh IT Services to deliver a new approach...

Searells is a firm of chartered accountants and business improvement consultants based in Christchurch. It provides a range of business advice and accounting solutions to businesses of all sizes with a vision to be the leader in driving business success for its clients.

Searells is frequently engaged on process and systems reviews, particularly through its Tradeworx group for the construction sector. More often than not, the advice it serves to clients involves system and process improvements, so it stands to reason that it takes its own internal capabilities seriously.

The challenge

After recovering from the disruption of the earthquake and relocating to new premises on 433 St Asaph Street, Searells was in the process of updating its practice management software. It found it was experiencing issues with ageing server infrastructure and variable costs to support its critical, yet piecemeal, IT systems.

As an existing Ricoh copier and document management customer, Searells contacted Ricoh IT Services about sub-par performance of their document management solution, which led to the discovery of wider system issues.

Taking stock

Ricoh undertook an analysis of the existing IT systems and identified three main ways to add value to Searells. Firstly, Ricoh confirmed that the performance of the existing document management system could be improved; secondly, the server infrastructure could operate more efficiently if it was consolidated and virtualised onto one physical machine; and, lastly that staff

working off-site needed a better way to access business critical systems.

Underpinning these changes, the team also identified that a Ricoh Managed Service contract would benefit the customer by protecting their IT investment and providing certainty around monthly IT costs.

The Ricoh engineers improved system performance with a customised IT solution that has future-proofed Searells' business and reduced the risk associated with maintaining a piecemeal network.

Virtualisation of server resources has reduced costs of hardware down to one physical host which provides the platform for three applications and delivers better value under the document management software licensing.

With a mobile workforce often out on client sites, Searells also needed to provide fast and reliable remote access. This was set up via a thin client to access the firm's accounting management and productivity software from anywhere staff were located.

The solution was future-proofed under the cover of a fixed-price managed service contract.

Searells has engaged Ricoh as a single supplier with complete oversight of Searells' critical infrastructure and business solutions.

Refreshing response

Glenn Morris, Searell's General Manager outlined the reasoning behind extending the relationship with Ricoh beyond photocopiers and document management: "Ricoh wasn't a logical step it's fair to admit. There was a natural fear to having all of our eggs in one basket. Sure there was some synergy in having the specialists from



"Ricoh's proposal wasn't the cheapest, and it wasn't the most expensive either. What set Ricoh apart from the rest of the pack was their people..."

Glenn Morris, General Manager, Searells

the same party around the table, but there was also a fear that we'd get clipped by being locked in. It didn't take me long throughout the process to see the flip side of the argument which was that there could be no passing of the buck, and that has turned out to be a real advantage."

"The hardware guy couldn't point fingers at



Supporting benefits

- Managed Service contract delivers agreed IT services at a fixed price
- A cost-effective system with reduced risk and improved performance
- Less physical space required to house IT systems
- Options for remote access delivering wider business benefits for staff and management
- A future-proofed business technology platform

the software or network guy - the Ricoh team just had to get on with finding a solution to any issues that came up."

"Rico's proposal wasn't the cheapest, and it wasn't the most expensive either. What set Ricoh apart from the rest of the pack was their people and the positive synergy the combination of their three specialist teams brought to the table," he said.

"Putting in a new IT solution is expensive, causes disruption, takes up time, and is trying at the best of times so you need the best of breed working for you. The Ricoh team were in the middle of their careers, experienced, full of energy, passionate about their product and a really good team,

"The way Ricoh went about building the relationship with us, designing the solution and making it happen was refreshing and first class," he said. **fi**

CASE STUDY//

Searells Accounting

AT A GLANCE//

INDUSTRY

- Professional services

LOCATION

- Christchurch

BUSINESS OBJECTIVE

- Improve document management process efficiency.
- Provide systems access to remote staff.
- Consolidate IT infrastructure and support.

SOLUTION

- A future-proofed IT system with virtual server infrastructure and a Remote Desktop Service for full and fast remote access via a thin client technology—all covered by a fixed-price Ricoh Managed Service contract.

BUSINESS BENEFITS

- Faster document storage and retrieval.
- Efficiency for remote workers in accessing information and completing tasks.
- Reduced hardware and licensing costs.
- Surety of support and fixed costs.

FOR MORE INFO//

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Visit iStart online for more Ricoh case studies

MOBILE BUSINESS

TELSTRA WANTS FOREIGN OWNERSHIP LIMITS LIFTED

IN A SPEECH TO the Australia-Israel Chamber of Commerce in early March Telstra CEO, David Thodey, sought to dispel the image of Telstra as a former incumbent telco and reposition it as a digital tech company, and significant international player.

Like all former monopoly telcos, and indeed most other telcos, Telstra is heavily dependent on revenues from legacy services such as fixed-line telephony that are in rapid decline, and must find new sources of income to replace these. For Telstra, this means moving into digital content services and other IT services such as cloud, and expanding globally.

Thodey argued that Telstra's two main competitors, Optus and Vodafone, were both foreign owned. He was reported saying that the foreign ownership cap had served its purpose and was preventing Telstra from exploiting overseas growth opportunities. Foreign ownership of Telstra is capped at 35 percent and no shareholder can hold more than five percent.

He also argued that majority Australian ownership of Telstra would become unnecessary as Telstra lost its stranglehold on customer access as the NBN rolled out, replacing its copper access network. However with the Government planning to largely abandon the former government's fibre-to-the-home plan in favour of fibre-to-the-node, parts of that network will still be essential and ownership/access agreements have yet to be negotiated with Telstra.

The scale of the transition Telstra will need to make was revealed by chief financial officer, Andrew Penn, earlier this year. He was reported saying that, in order for the new growth sectors like Asia, network applications and services and media to become significant for Telstra they collectively needed to generate more than \$A20 billion in annual revenue. However in the year to 30 June 2013 they generated only \$A5.4 billion.

In his speech Thodey also pledged Telstra to adopting a digital-first strategy in its interactions with customers. "We have listened to our customers and know many of them want the convenience of dealing with us on their terms in their own time. Improving and simplifying our online relationship with them will help to deliver this. We will be looking at every Telstra product and service to see if there is a way we can provide this through digital channels as well as in-store or over the phone."



RIPCURL ET AL RIDE WEARABLES WAVE OF DEMAND

RIPCURL HAS UNVEILED A GPS smartwatch that counts surfers' waves, calculates their top speeds, and can then sync the information to a smartphone or computer; signalling yet more wearables for the masses. New analysis released by IDC in April has forecast that 19 million wearable computers will be sold in 2014 – rising to 112 million by 2018.

Describing wearable technology as having a "long runway" IDC claims that quantified-self focused technologies such as the Fitbit, Nike+ or Jawbone bands – and presumably the (far chunkier) RipCurl watch – will seed consumer demand with other devices such as Google Glass taking longer to gain traction. IDC is not predicting much mainstream activity for that sort of wearable technology before 2016.

However some businesses aren't waiting. Australia's Heritage Bank will this week auction a man's business suit featuring an embedded Visa paywave NFC chip and antenna to allow wearers to make a payment of

up to \$100 by swiping the sleeve over a contactless payment terminal.

While the bank has only commissioned 12 such suits for trials and promotional activity, the bank's chief operating officer John Williams said he could envisage future deployments in sports-wear.

The banks have been fast to spot the potential of wearable technology – both to facilitate payments and to gather customer data. Westpac New Zealand and St George in Australia are both running Google Glass trials and plan to release an application once the devices are available locally to allow customers to check their balances or transfer funds.

St George last week also released a mobile banking app for Android smartwatches in Australia that allows users to check balances on the watch and be directed to the nearest ATM. It can't however yet be used for contactless payments.

Telstra also has a project underway to develop applications for Google Glass ready for release as soon as the technology lands locally.

.KIWI APPLICATIONS OPEN FOR ALL KIWIS

IN MARCH DOT KIWI, the company that lodged the ICANN application for the creation of the .kiwi top level domain name, opened up the .kiwi domain name bidding to all New Zealanders.

Tim Johnson, CEO of Dot Kiwi, said that while it is likely hard for the average internet user to envisage what the changes to internet domain names will mean, in the coming years it's going to be become the norm for domain names "to describe you".

"Very soon, the more traditional domain name endings like .com are going to be viewed as characterless," he said.

Dot Kiwi's own research indicates a significant demand for the .kiwi domain name, with registrations of interest already received for 3000 domains (not including pre-registration) and requests coming in from Canada, Australia, Thailand, Singapore, the United States, Malaysia, China, and all over Europe (as well as New

Zealand).

Dr Bruce Tonkin, from leading global domain names registrar, Melbourne IT (trading as Domainz Ltd in New Zealand) said: "Based on the level of interest we've seen [...] it is clear that many New Zealand businesses view .kiwi domain names as a valuable addition to their online marketing tool kit."

Craig Donaldson, Global CEO of Kea New Zealand which has been helping to raise global awareness, said: "New .kiwi domain names will be of keen interest to expats looking for ways to stay connected with home, and for local businesses looking for new ways to communicate online."

Dot Kiwi is operating a phased launch approach, rather than the traditional first-come, first-served model, to ensure that all New Zealanders have a fair opportunity to purchase the domain name they want.

MOBILE PAYMENTS AND DIGITAL WALLETS UP THE ANTE

ALMOST THREE OUT OF four Australians expect mobile wallets to replace physical wallets by the end of 2021. A recently released survey by the Commonwealth Bank found that besides offering an alternative to physical cash and card payments, mobile wallets were expected to be used to store loyalty points, distribute and spend coupons, store receipts and act as a travel pass.

Given that Ernst & Young's Mobile Money report indicated that just 11 percent of Australians were currently regular users of mobile money this points to a fast escalating trend, leaving companies limited time to prepare.

In the past enterprises secured physical wallet space with mag-stripe loyalty cards or a printed card that fit into every wallet. Today a plethora of different digital payments systems is evolving which have differing form factors and operating systems. The challenge for many enterprises will be deciding which mobile payments platform or digital wallet to back.

The major banks are forging ahead with

their own payment apps and terminals, global companies such as MasterCard and Visa have digital wallets, reports have surfaced in the *Wall Street Journal* that Apple is planning to launch its own digital wallet, while closer to home local

accounting software business MYOB will shortly make its PayDirect system available which turns an iPhone into a payments terminal that can be integrated directly with the MYOB accounting platform.

Foad Fadaghi, managing director of technology analyst Telsyte, said it was too early to attempt to pick a winner and enterprises would do better to work with their existing financial service providers – leveraging

that relationship into the mobile payments space.

He acknowledged that there was also room for some form of middleware to exist which would allow enterprises to craft applications (loyalty programmes, coupons) which could run across several platforms. Fadaghi pointed to Melbourne start-up Rewardle as an example.



WEARABLES TO WORM WAY INTO ENTERPRISE IT

CONSULTING GIANT DELOITTE HAS forecast that 10 million wearable computers will be sold this year – representing a market of \$US3 billion. While most smart glasses, fitness bands and smartwatches are currently consumer focused, Deloitte predicts that this is the year when wearable technology starts to percolate the enterprise.

Google Glass has yet to be released in Australia or New Zealand, but Deloitte predicts that a fifth of the Australian adult population under the age of 75 will have a wearable by August – for enterprises it's less a case of BYO device than wear your own device. Deloitte casts the wearable as a smartphone peripheral, tethered to the phone, but capable of capturing and relaying information.

"Industries most likely to benefit from smart glasses in the medium term include manufacturing, oil and gas. Analysts have estimated that smart glasses could save companies up to \$US1 billion a year by 2017 through displaying instruction guides, relaying photos and videos and interacting with remotely located experts," according to the firm's newly released report *Technology, Media and Telecommunications Predictions 2014*. Mining and health could also be among early adopters in Australia according to Stuart Johnston, national head of Deloitte's TMT practice in Australia.

Deloitte argues that the glasses could be used to provide a flow of real-time data to users, with the potential to improve productivity and safety in a workplace. However the organisation acknowledges there could be health and safety issues and privacy implications to be considered.

Johnston nevertheless believes that "The untold story for 2014 is about the application of wearables in the enterprise." For enterprise CIOs the challenge will be to identify how wearables could be deployed, the business case for a trial, and how key information from enterprise information systems can be sourced and relayed to users.

MASTERCARD LAUNCHES DIGITAL WALLET ECOSYSTEM IN NEW ZEALAND

WHILE VISA HAS PUBLICLY admitted it is considering changes to its current model for digital wallets, MasterCard is getting closer to its dream of a virtually invisible payments process online and in-store with the announcement that its digital wallet 'MasterPass' is now available in New Zealand.

MasterPass stores MasterCard and other branded credit, debit and prepaid card and shipping information, address books and more on its secure platform to give shoppers a click-and-go checkout for online purchases, eliminating the need to input payment and shipping details for every online transaction. The wallet-based experience is optimised for the smartphone to help enable easy plastic-based transactions on mobile.

MasterPass will be available through New Zealand banks "because customers trust their bank" and the data is stored either on MasterCard's PCI compliant platform or by the bank. Westpac New Zealand is the first bank in New Zealand to offer the service but ANZ, BNZ, and Kiwibank are currently in talks with the card provider.

Matthew Barr, MasterCard's head of market development and innovation Australasia said the launch of the digital wallet brings MasterCard one step closer to its goal of providing a click-and-go online shopping experience and a tap-and-go in-store experience, using NFC-enabled payment

cards integrated with the same digital wallet.

Peter Chisnall, MasterCard New Zealand country manager said the MasterPass solution is a "crucial step in the evolution from plastic cards to digital wallets". He said New Zealand consumers are financially and technologically savvy, and he sees a real appetite in the market for a safe and efficient way to make digital payments.

Barr said that MasterPass was launched with limited partners in selected countries, including Australia, in April last year as a technology proof of point, but MasterCard's intention is that new markets, such as New Zealand, have a full ecosystem available from day one. MasterCard already has 100 local merchants signed up for the wallet as well as Westpac and New Zealand's main payment technology providers.

When asked about its competition at Visa, Barr said the V.me solution is quite different and the relationship between the consumer and the wallet is with Visa not the bank. It is also a payment gateway where MasterPass is not. He said Visa had made some very different decisions adding that Visa's CEO had recently said the company is reviewing its digital wallet strategy.

MasterCard hopes digital wallets will become a standard feature of the e-commerce landscape within the next three to five years, although Barr admits this is an optimistic goal.

DROPBOX SETS UP SHOP IN AUSTRALIA

DROPBOX, WHICH CLAIMS ITS system is already used by 95 percent of Australia's top 100 listed companies, has opened an office in Sydney – but has no plans to offer local data hosting. Ross Piper, vice president of enterprise strategy at Dropbox, was in Sydney in early April to announce the new office, Dropbox's first foray into Asia Pacific. With local high profile users such as Macquarie, Mirvac and Atlassian, Dropbox has been widely accepted by personal and business users alike – but all the important metadata stored in Dropbox will continue to be stored on Dropbox's own US data centres, while AWS will host other data.

While there's a local office, Dropbox hasn't invested much thought in local marketing. Asked at the launch how much the newly-released Dropbox for Business service would cost in Australia, Piper could only quote US pricing of \$US125 per user per year.

Having started as a shared document storage system, Dropbox's range now includes a reworked Dropbox for Business tool which delivers greater rigour with regard to data governance, control and transparency.

TELECOM REBRANDS AS SPARK, VENTURES IN NEW DIRECTION

EARLIER THIS YEAR TELECOM announced that it is intending to change its name to Spark as part of a series of changes the company has made during the past year to reposition itself in the market. Other changes that have been implemented include launching its 4G mobile data network; public wi-fi hotspots in old phone booths; Ultra Fibre services and committing a further \$149 million towards becoming the biggest player in the newly available 700 MHz band radio spectrum.

Telecom's half-year results show the company has gained 200,000 new mobile customers in the same period.

Telecom chief executive Simon Moutter said the rebrand is intended to reflect the changing focus of the company and the name 'Spark' better reflects the company's diversification.

"As a company we've moved far beyond the home

telephone. Spark better represents what we are today. Spark is a word that has life and energy, and links to the creativity of New Zealanders, the modern tech economy and our desire to enable our customers to thrive," said Moutter.

Telecom also announced the upcoming launch of a new internet-delivered TV and movie service, called Showme TV, which will add to the growing choices that New Zealanders have around their home entertainment.

Spark Digital Solutions will be the new name for Gen-i, Spark Ventures will be the new name for Telecom Digital Ventures and Spark New Zealand Limited is intended to be the new name for the parent company, Telecom Corporation of New Zealand Limited. Until the name change takes place later this year, the company will continue to trade as Telecom and Gen-i.



VODAFONE M2M REACHES ONE MILLION CONNECTIONS WITH NEW DEAL

VODAFONE NEW ZEALAND HAS reached over one million machine-to-machine (M2M) connections, thanks to a five-year global agreement with International Telematics Limited (ITL) signed last week.

Vodafone's global M2M platform provides managed connectivity and device management and offers users the ability to connect to over 580 mobile networks around the world. While it has traditionally been difficult to deploy M2M solutions internationally Global CEO of International Telematics, Guy Colglazier said the platform makes it possible to scale a product globally. International Telematics uses M2M technology to provide asset location monitoring and security, driver behaviour reports and environmental impact assessment.

"In the past, it has been very difficult to penetrate a new international market. Vodafone's reliable network will help us remove the traditional barriers for expansion offshore. Now, with Vodafone's global M2M platform, we can ship our product straight from our warehouse and know that whether the box is opened in Adelaide or Albuquerque, it's going to work in the same way without any adjustments."

Tony Bacon, Head of M2M at Vodafone New Zealand, said there is a great deal of potential for businesses to reduce cost, complexity and expand internationally by using a global M2M platform.

Vodafone has topped the rankings for its M2M services in Analysys Mason's independent M2M annual scorecard for the third year in a row and is recognised as a global leader in M2M technology in Gartner's Magic Quadrant.



TAIT SECURES BRISBANE AIRPORT CONTRACT AHEAD OF G20 SUMMIT

TAIT COMMUNICATIONS HAS SIGNED a contract to design, deploy and manage a critical new digital mobile radio communications system for Brisbane Airport. Tait is well-known for supplying radio communications solutions to public safety agencies, utilities and transportation agencies where reliable communications are critical, including Air France, London Bus and British Columbia Rail. The contract signing comes as Brisbane prepares to host the G20 Leaders Summit later this year, which will bring around 4000 international delegates and 3000 domestic and international media to the city in November.

James Kyd, Tait's chief marketing officer, said that the upgrade will not only serve the airport well in keeping its critical communication solutions running 24/7 at

a time when the global media focus will be on Brisbane, but will also "open up a world of possibilities for the future of the airport's communication".

He also said the contract win is indicative of how Tait is now working in close partnership with its clients on a long-term basis and enables the company to demonstrate its expertise in providing full managed services.

"Our clients are now looking to us to provide the expertise to not only design and install their communications systems but to manage and support them as well. Managed services is a key part of our growth strategy and will enable us to deliver increased value to clients, internationally and domestically, on a long-term basis."

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has the spark gone out of the telco business?

*A generation ago telecommunications giants Telstra in Australia and Telecom New Zealand broke free of government ownership. As natural, private monopolies they made eye-popping profits and controlled the market. That didn't last. Eventually users had enough of high prices and indifferent service. Political pressure meant governments regulated, ushering in a new era of competition and, in the process, squeezing their margins. Now telcos face new challenges from technological change, global over-the-top operators and a new era of market intervention. **bill bennett** asks where is the telco business going?*



he writing was on the wall when, in May 2010, Paul Reynolds, Telecom NZ's CEO at the time, stood in front of journalists and analysts to explain the company's third quarter financial performance. The result was better than expected yet it triggered a slide that saw just a few weeks' later Telecom NZ shares hit an all-time low.

Even relatively good financial news was not enough to overcome the gloomy long-term forecast. In the presentation Reynolds showed two graphs. One showed a gentle, but persistent, decline in Telecom NZ's legacy fixed line business.

Reynolds' second graph showed growing telecommunications services. The bad news was that these new revenue sources, mainly broadband

and mobile, were in hotly contested markets where Telecom NZ has to fight for customers.

While modern telecommunications margins remain respectable by economy-wide standards, they are pitiful compared to the rivers of gold telcos made from a network that was installed and paid for by taxpayers years ago.

Put simply, even with a fast rampup of new business and a slowly declining old business, most telcos cannot find new revenue fast enough to replace lost revenues.

new challenges

Four years on, telcos still struggle with the same problem. Old-school public switched telephone networks (PSTNs) are in terminal decline as

customers switch to mobile networks and voice over IP (VoIP).

If anything the challenges have multiplied. In 2010 the broadband market – one of the brighter replacement technologies – still had plenty of headroom. Taryn Hamilton is general manager of Slingshot, part of CallPlus New Zealand's third largest telco and a hungry, lean newcomer snapping at Telecom NZ's heels. Hamilton says market conditions have changed again: "PSTN is declining, but broadband is still increasing. That said, it's near saturation."

And then there is government intervention. For the past decade or so governments around the world have moved to deal with what economists call "market failure". In most cases this has meant

"apple's ios and android have been neatly inserted between telcos and their customers and that's just one reason why the old telecommunications business model is dead."

Paul Brislen, CEO, TUANZ

opening up telecommunications networks to competition and regulations to help things work more smoothly.

In Australia and New Zealand that government intervention has included funding the creation of new, fast, wholesale fibre networks that will, eventually, replace copper networks. They are taking different paths, but the big picture is similar. Australia's government-controlled NBN Co has the job of connecting the whole country to fibre and other fast network technologies. In New Zealand there are two projects. The Ultrafast Broadband (UFB) network - being built and run by private companies - will run fibre to the premises for the 75 percent of the population living in urban areas. A separate Rural Broadband Initiative (RBI) will use fixed wireless and fibre improving broadband speeds in less densely populated areas.

Paul Budde, Australian-based managing director of independent telecommunications research and analysis group BuddeCom says the regulatory approach taken by Australian and New Zealand governments is sophisticated by international standards. He says: "They recognised the importance of the wider digital economy and the pivotal role telcos play. So instead of just interfering

to solve problems, they have a holistic view." He says governments in northern Europe, China and Singapore take a similar approach.

Budde says regulation in both countries has seen a move to 'structural separation'. In the past telcos were vertically integrated. The company that sold phones also ran the network infrastructure and provided services. Because building a network is prohibitively expensive, that effectively made true competition almost impossible. In practice structural separation means stripping out the physical network once owned by Telstra or Telecom NZ, putting the assets into a separate company, then opening it up on the same terms to all-comers.

over the top

In the last decade or so a new threat emerged to telco profits: the emergence of the so-called over-the-top (OTT) providers. Budde says companies like Telecom NZ can't compete with companies like Google, Amazon or Apple providing value-added services that go over the networks. He says: "They have an enormous cost advantage that telcos can't match."

Telecommunications Users Association of New Zealand (TUANZ) CEO Paul Brislen says Apple's iOS and Android have been neatly inserted between telcos and their customers and that's just one reason why the old telecommunications business model is "dead"; It's just that the telcos haven't realised that yet. The customers are voting with their feet - or more accurately with their wallets."

John Stanton, CEO of the Communications Alliance - which acts on behalf of Australia's telecommunications industry - says there's a big fight for ownership of the customers and the threat is real. "If you look at a typical iPhone you might see 20 icons, only one of those refers to services provided by the carrier. OTT means telcos have to provide capacity for services that they don't earn revenue from." Stanton thinks telcos still have an opportunity with apps to deliver relevant services that integrate with customer's lifestyles. In September last year the Australian Centre for Broadband Innovation released an "app-trepreneur's" guide to next-generation broadband networks which outlines the opportunities

that exist for apps to connect businesses and consumers once great bandwidth becomes bidirectional.

reinventing the telco

Telcos are no longer vertically integrated but monopolies still exist in the industry. Slingshot's Hamilton says: "Monopoly still largely exists at the access layer with Chorus owning the copper network, albeit with regulated pricing." In Australia NBN Co is the regulated access layer monopoly.

While Telstra's investment in New Zealand infrastructure (now sold to Vodafone) means Chorus is no longer a national monopoly, Brislen says Telecom and Vodafone still account for about 90 percent of the New Zealand telecommunications market. And their combined market share means they are still able to cause trouble he says.

According to Budde Telstra is further along the post-vertical integration path than Telecom NZ. He says this is mainly because of scale; "New Zealand is a smaller market. There's less room for competition and investing in new areas is proportionately more expensive." This means Telecom NZ finds itself clinging more to the old business model. Budde says Telecom NZ will take much longer to transform.

There are still opportunities for telcos to grow. Budde thinks the best prospects are the growth of machine-to-machine (M2M) communications along with investments in data centres and cloud computing. He says telcos need to move fast in these areas as a number of IT companies are already marking out the turf.

In New Zealand, Telecom NZ's Gen-i division recently paid almost \$NZ100 million to buy Revera, a data centre business that among other things supplies all-of-government cloud services. Meanwhile in Australia Budde says Telstra has earmarked \$A800 million for cloud investments.

John Stanton agrees that M2M holds a lot of potential for telcos. Telstra forecasts that today's 50 million connections between Australians and their devices will rise to 240 million by 2020. "It requires communications, but low bandwidth which means it is cheap to do," says Stanton. That means carriers won't be able to get high margins from M2M business: "When a sensor costs only

KiwiShare lives on, for now

By international standards Telecom NZ has done better than many telcos when it comes to defending legacy fixed revenues. TUANZ CEO Paul Brislen says this is down to the TSO or telecommunications service obligations. This is a set of rules laid down by Government when Telecom NZ was privatised in 1990. Among other matters there was the Kiwi Share agreement that Telecom had to provide unmetered local calls.

Brislen says this has proved popular with consumers who often wrongly refer to the 'free local calls'. They are not free, because the quid pro quo for unmetered calls is a high monthly line rental. However, this has meant that New Zealanders are more inclined to make local voice calls on Telecom NZ's fixed line service than using mobiles.

That most telcos have been forced to offer 'naked' broadband services (the data connection without the home phone) is an indication, however, of how the demand for services is moving from traditional copper connections to data and mobile.

a few cents, no-one will want to pay dollars for each communication. On the other hand, telcos will be able to make it up with the sheer volume of business. There will be billions of devices worldwide, each of them regularly sending and receiving data," Stanton explains. And he says M2M services don't require expensive face-to-face customer services. If telcos can find ways of integrating M2M technology into consumer lifestyles - along with services - it could be lucrative he suggests. In New Zealand Vodafone, which is recognised as a global leader in M2M technology and services by Gartner and Analysys Mason, has just announced it has already passed one million M2M connections.

Budde says one option for telcos is to find new value-added services. Telstra is investing in emerging technologies through the establishment of its own venture capital fund Muru-D. The company has produced a three minute video (worth a watch for budding entrepreneurs) to introduce the future it foresees. The video represents a series of technologies, many of which are already in production or prototype, to demonstrate what Telstra believes life will be like in seven years' time. At Telecom NZ that job has been delegated to Telecom Digital Ventures. Rod Snodgrass, who heads the unit describes his role as "disruptive". TDV is behind the low-cost Skinny mobile brand and the equally low-cost Big Pipe ISP

operation. It added value to Telecom NZ's mobile business with a nationwide wi-fi hotspot network and formed Qrious a big data business.

Collectively these units only account for a tiny fraction - possibly less than one percent - of Telecom NZ's revenue. TDV is dwarfed by the huge cashflow from voice calling and mobile, yet Telecom NZ expects them to become significant over time.

the telco of the future

What will telecommunications companies look like a decade from now? TUANZ's Brislen says they will look more like electricity and power companies. "They won't be front of mind. They'll have to get rid of large marketing departments and sales teams. They won't need or be able to afford fancy downtown offices."

Telecom NZ's Skinny mobile phone operation, which has a low-cost structure, could be the template. "Skinny is slick, lean and virtual. As a model it has huge potential," says Brislen. He says another possible model is what happened in the UK when the Tesco supermarket chain entered the phone business.

Brislen says people won't have a relationship with their telcos but with the services they use on the networks such as Netflix, WhatsApp, Hulu and so on. "The market will move away from thinking about telcos or ISPs."

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dumb pipes

So does this mean telcos are doomed to become dumb pipes? Brislen thinks there is nothing they can do to stop this trend. However, while the pipes may be dumb, they need to be good. He says the winners are going to be the telcos with the best pipes.

Slingshot's Hamilton echoes the point about quality. "ISPs that can deliver their customers the best quality access to the most popular OTT services will be in most demand, he says. However he thinks the pipes don't always have to be dumb. When it comes to acquiring and retaining new customers, value-added services will become significantly more important. He also thinks telcos need to get better at delivering a blend of services and that video services are set to continue expanding at an exponential rate.

"I see no indication they will move into different fields. Instead it will be just about the pipes and that means fibre, 4g and eventually 5g."

Paul Budde, managing director, BuddeComm

BuddeCom's Budde also sees the dumb pipe model as inevitable - at least for some parts of the future telco business. He says telcos had an opportunity to avoid this, but: "They missed the boat. When it first appeared they thought the internet was a fad. They never saw what would happen."

Budde says the market will change but he can't see most telcos changing fast enough to play a significantly different role from today. "I see no indication they will move into different fields. Instead it will be just about the pipes and that means fibre, 4G and eventually 5G. They might also want to focus on providing wholesale services," he says. "I expect to see them relegated to just being utility operators rather than market innovators." In New Zealand, the forced separation of Telecom to create the Chorus wholesale network business has accelerated this movement, although the dynamic is quite different with Chorus also claiming the largest chunk of the UFB. In Australia, the NBN is effectively providing the structural separation for Telstra, as connections will be forced to migrate off Telstra's copper as the NBN's fibre network is rolled out.

Budde says most telcos still have a very strong, in some cases dominant, market position when it comes to infrastructure but that's not necessarily going to help. The total amount of money people pay for telecommunication services remains steady, but telcos get an ever-smaller slice of that money: "Instead of spending it with telcos they are buying apps and services from elsewhere."

Like Brislen, Budde thinks telcos will disappear from view, at least for consumers. He also says the services - those dumb pipes - will be pushed further and further into the background. "Eventually telecommunications network charges will be a small percentage of the cost input for other services."

Budde also sees a wave of industry consolidation. He says this process has already happened in the USA where mergers have

brought the market down to two, three or four large organisations.

the diversity option

The Communications Alliance's Stanton says in recent years the core battleground between Australian telcos has been around customer service and retention. The companies have been working on delivering a better customer experience. To illustrate this he talks about the way they now provide customers with plenty of warning so they are less likely to experience 'bill shock'.

He sees this focus on customer service as setting a future course for telcos as they move to having a less specialist relationship with customers. "Successful future telcos will compete on a broad range of fronts with a diverse range of services. They will sell power, insurance and financial services as they broaden the utility aspect of their business and leverage their customer relationships."

Stanton says this process is already well underway. Australian telcos first moved into financial services because they were nervous about banks and other finance companies moving in the opposite direction. He also says telcos are active in providing content, for example, customers can already buy Foxtel through Telstra and Telecom NZ has just launched internet television.

new directions

One thing is clear; telecommunication is changing at a rapid pace and that change will continue. We may not see a huge change over the next five years, today's biggest players are likely to be 2020's biggest players, but they will look different and their product mix will change. In some cases their names will change. Telecom NZ has announced it will rebrand as Spark, the name change in part reflecting the fact the company will be about more than just providing a telecommunications service in the future. 

Telco complaints laid bare

John Stanton, CEO of the Communications Alliance, reveals why telco customer service levels will soon be in the spotlight again...

At dinner parties across Australia these days conversation almost invariably turns to the injustice of skyrocketing electricity bills.

But a few years ago the more common topic of collective post-prandial outrage was the poor customer service performance of the nation's telecommunications companies.

Not that it was universally bad – many Australian telcos have built their business success on the strength of their customer service. Nonetheless, almost everyone, it seemed, had a story – or knew someone who had a story – about an unexpectedly high phone bill or the difficulty of getting a problem resolved with their telecommunications provider.

Complaints to the telecommunications industry ombudsman (TIO) had reached record volumes and the Government and regulators were on the brink of implementing harsh new standards and regulations.

The introduction of a stronger new *Telecommunications Consumer Protections (TCP)* code in 2012, combined with a genuine change of mindset within the industry and a shift to make customer service excellence the new competitive battleground, has seen marked improvements during the past two years.

Complaints to the TIO fell to a six-year low in the last quarter of 2013 and a swathe of new products have hit the market, designed to prevent so-called 'bill-shock' – particularly that stemming from mobile data and international roaming charges. Mobile customers now receive mandatory spend alerts as they near their monthly data allowance and have access to other tools to help them manage their spend.

A quarterly survey of telco customer satisfaction, conducted by Roy Morgan Research on behalf of Communications Alliance, is showing a slow

but steady rise in satisfaction levels. Telcos are no longer as unpopular as banks (OK, it's perhaps a pretty low bar, I concede, but progress is progress...).

Research recently conducted by the industry regulator (the ACMA) found that consumers are finding it easier to compare the different plans and products on offer in the market, thanks to the stronger and more standardised requirements for product-summary information to be given to consumers pre-sale.

The ACMA research revealed that 82 percent of consumers had found helpful the new Critical Information Summaries (a standard format description of all the key attributes of a product plan, including price, inclusions and exclusions, performance characteristics and termination conditions) that service providers are making available to prospective customers in their shop-fronts and on their websites.

Many consumers believe, however, that it is still difficult to reliably compare the customer service performance of telecommunications companies before deciding with which provider to sign up.

Help is on its way. The Communications Alliance is working with the TIO to create a regime that will track, over time, the comparative customer service performance of individual communications service providers.

Under the planned scheme, the complaints lodged with the TIO against individual service providers during each quarter will be converted into a ratio of complaints in relation to the total relevant services that the provider has in operation at that time.

In this way consumers will be able to see a graph tracking the comparative customer service performance of individual telcos, their competitors, and whether the achievement of each is trending in a positive or negative direction over time.



Already seven service providers – representing collectively a large majority of the total market – have volunteered to be part of the programme, which will initially operate for 12 months before having its effectiveness reviewed.

It's up-Kimono time in a way that has never before been seen in the sector. It certainly risks bringing telcos back into the dinner party conversation, but hopefully on a more informed and positive note. ■



ABOUT JOHN STANTON//

John Stanton is the CEO of the industry umbrella group, the Communications Alliance, and is a seasoned communications industry executive with over 18 years of senior management experience. He is a former CEO of People Telecom, a former President of Intelsat, and former senior executive at Telstra.



Q&A: Getting your website mobile ready

Your prospective customers are already using mobile devices to search for the things that you sell. Is your door open when they come knocking? Or is your website a member of mobilus horribilus? iStart spoke to the web design experts at Zeald about what it takes to build websites that adapt to the users' choice of screen...

f/ What is responsive design?

Responsive design is a way of designing websites so that they create the best user experience by automatically adapting to the screen size of the device used to visit your website. Because the internet is now available on more than just desktop PCs, responsive design makes your website user-friendly for a wide range of devices. The site displays in a friendly way regardless of whether you are using a large widescreen desktop, a laptop, tablet, smartphone or a device that hasn't been invented yet. Responsive design also uses the least amount of resources to make your website mobile friendly. It uses standard website technology so you only have to build and maintain one website that understands how to respond to many devices.

f/ What is involved with responsive design - how does it work?

At its most basic, the three primary elements of responsive design are a flexible grid, flexible images, and media queries. Website developers design responsive websites using a special code that detects the browser size and changes the layout of the information on the page to make it visually appealing and easy to read and navigate within that screen size.

f/ What are the challenges of designing a responsive design website?

Technology moves fast. There is no such thing as a 'mobile screen size' or a 'laptop screen size'. When we do a responsive design we have to take into account the wide range of resolutions between devices. For example, different types of phones. Content that looks perfect on a Samsung S5 might look out of alignment on an iPhone 5S. As new phones and other devices come onto the market the design needs to account for these unknown devices to be sustainable.

This requires us to be constantly informed about developments in mobile phone technology, as well as a lot of clever coding from our developers.

A major challenge is the transition between the multitude of current and future screen sizes. To get around this designs are set to 'breakpoints' of a screen size and then the content decides the breakpoints from then on. It has been said that responsive design is not about what happens at the breakpoints - it's about what happens between the breakpoints.

Content layout is also challenging. A designer has to choose how to size images, fonts, tables etc. and then choose where that content should go based on its importance and relevance. Images are slightly more complicated as they can be cropped,

resized, wrapped or a combination of all three.

Another main challenge is navigation. If you have a drop-down menu, or a lot of navigation links, how do you make it easy to navigate with a finger swipe?

f/ Who should get responsive design?

Not every site needs to be responsive. Research into your audience's needs, and analysis of your sources of website traffic, will answer this better than anyone else ever could.

Some examples where responsiveness is important could be:

- Businesses whose customers are likely to use mobile devices to find, research and shop for their products and services.
- Tourism and hospitality industries attracting people travelling and using their mobile





to find accommodation, restaurants or entertainment.

- Those potentially urgent services like a plumbers or electricians.
- Or for any kind of ecommerce website – one out of 5 people research products on mobile devices while watching TV.

More and more browsing and purchasing habits on mobiles and tablets means fewer and fewer websites are not impacted by the issue.

f Why are the benefits of responsive design?

Responsive websites often have higher conversion rates, because they are much easier to use, and all content displays correctly, reducing 'friction' or difficulty which can frustrate customers and prevent them from taking action.

Google can tell if a website has been responsively designed, and will give these sites a boost in website ranking when someone searches their keyword on a mobile device. This is a great way to get a competitive advantage in fields like plumbing, or restaurants.

f How has the rise of mobile changed the way Zeald design websites?

We have had to think about how mobile phones function, and the features that users expect to work on a website. For example we add a special code to phone numbers in the headers of our websites so that someone on a mobile phone can click the number and start phoning the business in one click. As you can gather from the other answers, there are a lot of factors to consider.

f Why should I get responsive design? My website already looks okay on mobile devices.

For most businesses, the main reason to implement responsive design is increased sales. The easier it is for potential customers to navigate and find what they're looking for, the higher the conversion rate. But for many designers, responsive design for a business website has typically meant just shrinking the size of the content to fit a smaller screen. Anyone who's spent any time scrolling around and zooming in and out to find information they're looking for knows that a miniature version of a website is okay but it isn't the answer.

When a customer uses their phone to view the website you don't want them struggling to click on tiny links and missing important content because they didn't scroll to the left or right. A responsive design website ensures navigation is simple, content is resized and prioritised.

f Shouldn't I get an app instead?

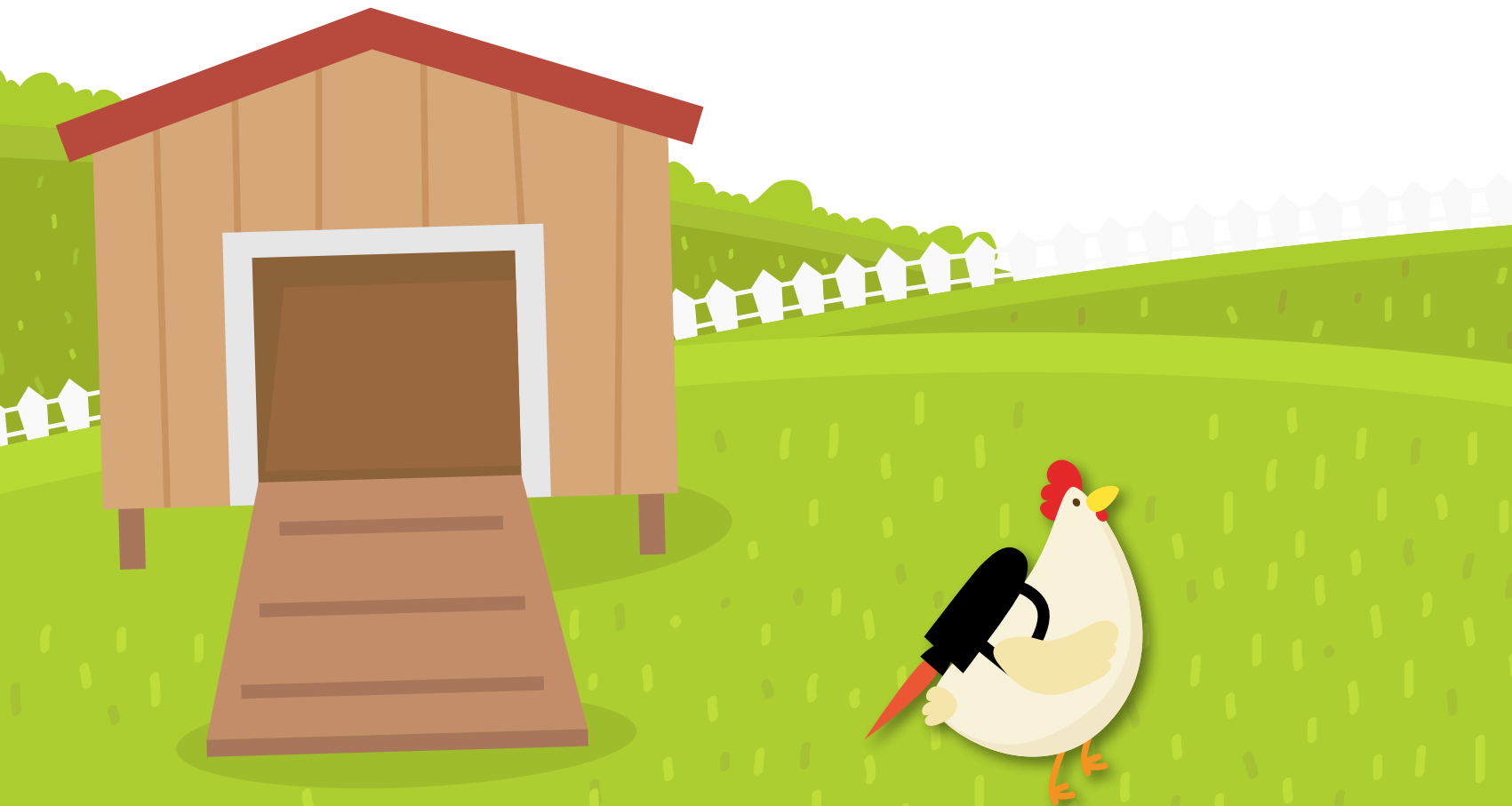
There are a number of drawbacks to this approach, certainly one of them being the expense of creating and maintaining multiple sites/apps and co-ordinating content across them. And, of course, when a new device comes out, there's yet another new release needed.

In many cases mobile users are used to using your website, and don't want to download and learn a whole new way of using it. Many mobile apps have had to struggle with people who bypass the app for the functionality of the regular website – e.g. Trade Me, NZ Herald. Responsive design doesn't strip any functionality from the website, and doesn't punish mobile users by removing content or functionality.

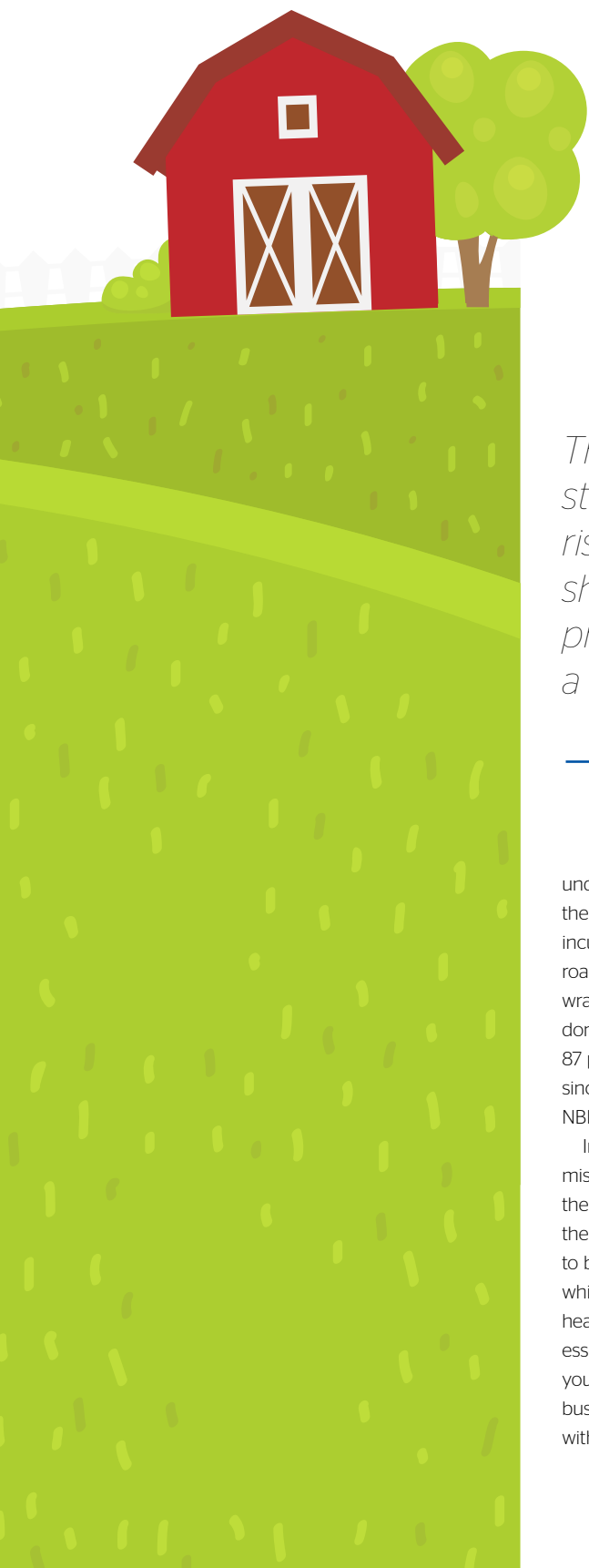
If done correctly, responsive design can address almost all issues in designing for mobile devices. **f**

MORE INFORMATION //

For more on mobile-ready website design, download the full white paper **Smartphone Smart Business** from www.zeald.com



How to hatch your business idea **incubators and accelerators in Australasia**



*The statistics are compelling; basically half of all new start-up businesses fail within two to five years. Since the rise of businesses incubators and accelerators statistics show that the successful completion of an incubator programme plays a significant role in the success rate of a company. **Fiona Hanlon** investigates....*

The benefit of the incubator/accelerator model is best summed up by Phil Morle of Sydney's Pollenizer when he said: "I think most of the start-up culture understands now that ideas are cheap, and that it's the execution that's really difficult." The business incubator or accelerator gets the rubber on the road as fast and as cost effectively as possible and wraps around it the business people who have done it before and know some tricks. For example, 87 percent of firms that graduated from incubators since inception are still in business, according to an NBIA 'Business Incubation Works' Report.

Incubators and accelerators have the same mission - both aim to get young companies over the initial start-up hump. The main difference is that the incubator is there from the beginning helping to build the business - they act as co-founders which typically involves early-stage investment, heavy mentoring, guidance and resourcing. It's essentially a business bootcamp that will either kill you, or build you into a strong, lean and profitable business. Accelerators on the other hand begin with a cohort intake process whereby they accept

applications for entry and pick a set number per round, they make an equity investment in the start-ups, and in-turn the business model is based on generating venture style returns, not rent, or fees for services. Finally they add value to the entrepreneur via mentoring, making connections, and the notoriety that comes from being chosen to be a part of the accelerator.

Here in Australasia we are well serviced by business incubators and accelerators, particularly if your business idea falls into the digital technology arena. Australia has a greater offer of accelerator programmes with a number of start-ups being accepted into a range of three to six-month programmes. Australia also differs to New Zealand in that at least half of its incubators are driven by private individuals or enterprise. New Zealand has only a handful of accelerator programmes and the mostly private/public partnership incubators dotted around the main centres appear slightly more nebulous in terms of their offerings, promoting more of the entrepreneurial ecosystem (think office space), mentoring and the promise of an introduction to people who can invest and help.



1 The Icehouse & Ice Angels

www.theicehouse.co.nz



Auckland



Incubator



Charitable trust encompassing business incubators for start-up companies, a training company for owner-managed companies and New Zealand's largest grouping of angel investors. A collaboration between The University of Auckland Business School and various private and listed entities. Launched 75 technology companies; raised \$50 million through the angel-investor network.



Provides expertise, networking and funding for start-ups and established businesses across any industry. Timeframes and investment varies depending upon when a business has joined. Help identify options and assist in presenting the business to attract funding.



Nexus6 - monitors asthma patients in real-time
M-Com - mobile-banking software
EcoPortal - simple smart online management systems
SnapComs - internal communication software



Register via website to attend a free workshop or give them a call

2 Soda Inc

www.sodainc.com



Hamilton



Incubator & entrepreneurial hub



Focused on helping any economically successful, Hamilton businesses grow to develop the region into a vibrant entrepreneurial city. Public/private incubator supported and funded by Wintec, HCC & NZTE as well as corporate partners - ASB, Bold Horizon, Cisco, Deloitte, Norris Ward McKinnon and Velocity Networks.



Offers start-up businesses workshops, pre-incubation programmes, a 12-week acceleration programme and full-incubation programmes and established businesses short and long-term professionally serviced offices.



Findatruckload - online market place auctioning transport / logistics
PagePulse - automated digital mystery shopper
Current co-working clients include Xero



3O Finance - PayAfter provides more flexible payment options online.
Aeronavics - manufacturer of advanced multi-rotor airframes, RTF craft and related robotics



Enquire via website or call

3 Creative HQ & the Lightning Lab

www.creativehq.co.nz



Wellington



Incubator & accelerator



Offers incubation programmes, digital accelerator and science commercialisation activities. Specialises in sectors of competitive advantage for Wellington i.e. creative and innovation-led businesses. Funded by Grow Wellington, NZTE and private Wellington companies.



Start-ups: Partner with companies as a minority equity holder (five to 10 percent) and deliver resource, strategy and team capability. A 12-week plan working on a quarterly cycle of assessing progress and setting goals.
Up to \$18,000 of seed investment and intensive mentoring for teams of start-up entrepreneurs. Pushes for agreed results within a three month timeframe.



Silverstripe - open source content management system developer
Optimal Experience - user experience consultancy



Eight Wire Ltd - SaaS program
Conductor fixes common data errors and formatting inconsistencies
PriceTech - cloud-based optimisation application that provides companies with real time information on pricing



Lighting Lab entry via competitive intake



4 powerHouse Ventures

www.powerhouse-ventures.co.nz



Christchurch



Investor/incubator



Intellectual property commercialisation company using private and public investment to develop award-winning new spin-out ventures sourced primarily from research partners. Provides technology investment, business incubation, seed-funding and research commercialisation. Developed methodology to systematically commercialise IP and academic knowledge.



Combines attributes of angel investment in seed-stage ventures with business incubation. Holds a Securities Act (Venture Capital Schemes). Exemption Notice 2008 that lowers cost of raising capital for start-up businesses. Percentage of equity researchers and institutes receive depends on the nature and strength of the IP involved.



BIMStop - creates smart 3D content for architects
CropLogic - online crop management
Invert Robotics - makes climbing robots for inspecting industrial facilities



MARS Bioimaging (MBI) - provides in vivo colour x-ray imaging



Application via website

5 Upstart

www.upstart.org.nz



Dunedin



Incubator



A Not-for-profit in Dunedin helping start-ups to turn a product or idea into a commercial reality. Offers clients expertise and support to grow through coaching and a wide range of business services. Funded by NZTE, Otago University, Otago Polytechnic, Dunedin City Council and other private funding.



Clients selected based on a variety of factors, including idea, growth potential, talent and commitment. Comprehensive schedule of potential funding options available on website. Ranges from seed funding of up to \$15,000 to covering company set-up costs of \$10,000. Offers a partnership with Christchurch's powerHouse Ventures.



TracPlus - real-time global tracking, sensor monitoring and data analysis
Lifetime Health Diary - shares health related information between stakeholders



Trovolo - visual trip planning tool
Jumblesoft Games - ethical and learning-based mobile games



For information call or contact via website

6 StartMate

www.startmate.com.au



Sydney



Incubator & angel investor



Group of start-up executives offering mentoring and seed financing to technical founders creating global internet start-ups.



Eight teams are accepted for a five-month programme. Three months of the programme held in Sydney and two months in San Francisco. Provides a \$50,000 investment for 7.5 percent equity. Programme includes trip to Silicon Valley and two demo days. Mentors include founders of Atlassian, Hitwise and Spreets, and partners at Southern Cross Ventures.



Kinderloop - Instagram for child care
ScriptRock - simple testing for complex IT systems



Flirtey - parcel delivery by flying robots
Drawboard - PDF collaboration for engineers
Inductly - mobile-based staff induction
Composure - automated email
Lumific - photo enhancement
Foogi - effortless meeting scheduling



Competitive intake, application via website



7 Pollenizer & Pollenizer Ventures

www.pollenizer.com



Sydney



Incubator & venture capitalist



Five-year old venture builder founded and led by Phil Morle a key player in Australia's start-up ecosystem. Core focus on offering funding and capital-raising programme through Pollenizer Ventures. Founded over 20 start-ups in Asia Pacific to date.



A partnership-style arrangement for less-technical founders. Applies 'lean start-up' process to an initial nine-month phase. Process provides capital, team, services and networks to achieve product/market fit. Pollenizer continues as a co-founder for life of the business. Inception funding can be up to \$A100,000.



Lawpath - one-stop shop for any legal issue

Accruto - delivers qualified candidate shortlists using social networks
Currently incubating about two new companies a year.



Enquire via website



8 Blue Chilli & Blue Chilli Capital

www.bluechilli.com



Sydney & Melbourne



Incubator/accelerator & venture fund



Venture technology agency that combines software development, marketing, branding and business development skills with investments in online start-ups.



Does not invest cash in start-ups; instead venture fund BlueChilli Capital invests in tech and marketing for the business. Provides ongoing technical support at cost to BlueChilli investments. Ongoing support through the Sydney and Melbourne incubators. Delivers a new start-up every two months. Has made 23 investments; is on track to invest in 100 start-ups by 2016.



FoodOrbit - connects local food producers and growers with city fringe restaurants

Clutterfi - platform to curate bills, financial statements and digital receipts
Maestro Training - platform for pro sports enabling coaches and trainers to identify and curate emerging talent



Tribalmind - solves problems faster and more effectively through crowdsourcing

Cuzin - crowd-sourced shopping



Application via website



9 York Butter Factory & Venture Capital

www.yorkbutterfactory.com



Melbourne



Co-working space & venture capitalist



Entrepreneurial hub of like-minded individuals. Focused on digital media and web 2.0 companies.



Provides an environment in which the best entrepreneurs can get s**t done or simply #GSD. The culture is one of collaboration, resource-sharing and tough love. Rent a permanent, part-time, or after-hours desk.



Podzy - secure, on-premise document collaboration solution for enterprises - www.podzy.com

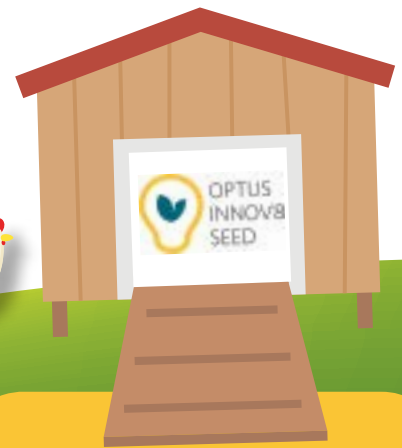


Current members sharing the space include:

Zoop
Writable
Bugcrowd
Campee
Hello Code
Omny
Price Geek
Unlocked,
Tout Creative and many more.



Sign up to rent your space and pay



10 iLab

www.ilabaccelerator.com



Brisbane



Incubator/accelerator



Focus on supporting early-stage, high-tech companies through first years of development. Funded by the State Government and a subsidiary of the University of Queensland.



Build business management capabilities, fosters mentor networks for start-up founders, creates investor-ready companies, and graduates companies for independent growth or acquisition. Offers a variety of programmes including training, mentoring, office space, and up to \$A20,000 in funding.



Smooth Operator - POS platform for cafes and restaurants
Veilability - personalised venue search and compare tool



Bliip - tool for job seekers, employers, educators and researchers to measure employability skills and culture fit
Enthuse - turn-key mobile social loyalty solution for sports clubs and teams



Apply to Incubation programme via expressions of interest on website
Apply to Germinate & Accelerate programme through competitive intake via website

11 muru-D

www.muru-d.com



Sydney



Accelerator



Start-up accelerator backed by Telstra. Supports the very best early-stage digital start-ups and provides seed capital, a purpose-built work space, world class acceleration services, and access to business networks.



Each six-month incubation period sees up to 10 groups go through the accelerator. Start-ups move in to the purpose-built start-up academy for six months of tailored support. Provides cash contribution of \$40,000 in return for six percent stake in the company.



Chatty Kidz - educational platform where family and kids learn together
Farmbot - monitoring system for farms, remote infrastructure and environments



10 new applicants are in the current Feb 2014 intake.



Competitive intake apply via website

12 Optus-Innov8 Seed

www.optusinnov8seed.com.au



Sydney



Angel investor



Private collaboration between Optus and SingTel Innov8 bringing together funding and resources for Australian tech start-ups.



Focus on areas in which they have a strategic interest including self-monitoring/sensing and wearable computing, EdTech, the digital home, transport & logistics, payment technology, technologies to increase data speed and reduce latency, identity security and IP protection.



12Icast - online platform that delivers personalised audio for consumption on the go
Venuemob - a Wotif for functions and events



Ideally apply through a mutual connection or partner who will provide an introduction and hopefully a recommendation or via application online.



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