T-Systems Cross Company Exchange Platform (CCEP)

Delivering innovative video and unified communications experience.

EXECUTIVE SUMMARY

Customer Name: T-Systems, subsidiary of Deutsche Telekom AG

Industry: Telecommunications

Location: Germany

Number of Employee: 29,300 in Germany; 52,700 worldwide

BUSINESS CHALLENGES

- Increasing commoditization of access and network services
- Driving revenue growth by focusing on value-added services

NETWORK SOLUTION

- T-Systems Cross Company Exchange Platform (CCEP) provides centralized solution for corporate videoconferencing, unified communications, and collaboration
- CCEP service differentiators include solution interconnectivity and device-agnostic approach

BUSINESS RESULTS

- Since 2011, CCEP customer base has increased to more than 40 multinational corporations, 100 German companies, and 300,000 end points
- CCEP is key component of T-System's strategic vision to derive greater proportion of revenues from video and unified communications services

Overview

The T-Systems Cross Company Exchange Platform (CCEP) is a centralized services suite for corporate videoconferencing, unified communications, and collaboration. When launching CCEP in 2011, T-Systems recognized the challenges that enterprises are facing in IT cost management for infrastructure and resources. CCEP services are designed different types of corporate environments with key differentiators in solution interconnectivity, device agnosticism, and global services footprint.

Service Innovation

T-Systems CCEP services are designed for team, intra-company, and inter-company implementation. Team services are localized within a department, Cross Company services connect multiple departments within a company, and Mass Collaboration services enable companies and their partners to collaborate effectively.

A key differentiator for CCEP is the interconnectivity between its services, allowing customers and partners to easily join sessions even if they have different communications providers. This is a key benefit for companies seeking secure and flexible bandwidth while easing the burden of systems management. By enabling service accessibility from any device at any location, CCEP also takes into account the need for mobility and the variety of devices in use.

Another differentiator is CCEP's global footprint, with service options such as Full Service/Standard, Individual, and project-specific groupings. Full Service/Standard services are available in locations where T-Systems has its own data centers in operation. Individual services take into account an enterprise's ability to manage its own data center requirements, and project-specific implementations are based on the customer's resourcing of services via partners. Video options are also customizable and recognize the potential need for customers to transition to an outsourced option.

Opportunities

Provide large enterprises with a holistic set of hosted collaboration, corporate video, and unified communications (UC) services. T-Systems CCEP delivers an innovative collaboration, corporate video, and UC solution that can encompass legacy systems, varying end-user requirements, and the transition to all-IP networks, while creating value-added services for the client and its partners.

Establish a global presence for CCEP. T-Systems intends to expand CCEP internationally and secure more customer wins from large enterprises in these markets. These deals are long and complex, and competition against other operators is intense, but wins can result in large annuity revenue and establish a lasting relationship with the customer.

Target a much broader range of enterprise customers. CCEP is targeted to mid- and large-sized multinational corporations (MNCs) in Western Europe. T-Systems focuses its domestic and international direct sales teams on securing deals in verticals such as healthcare and automotive.

> "A better connection with UC shows noticeable improvements in quality, efficiency, and customer service in concrete cases."
> **— Jörg Focke, Spokesperson, Asklepios Kliniken Group**

Challenges

Customer pressures. T-Systems, like other service providers, is facing a number of challenges as price erosion and margin pressures increasingly commoditize access and network services. In addition, larger enterprises and MNCs continue to maintain complex legacy systems, even though they may lack the capital to invest in large-scale upgrades. T-Systems seeks to create value and stickiness for its global WAN services and at the same time highlight the need to recognize the transformation occurring within the ICT environment.

Service revenue growth. T-Systems is seeking to achieve revenue growth by implementing its Zero Distance philosophy and vision for the future. Zero Distance refers to the T-Systems view of the entire customer experience, one that is enhanced through new platform-based services driven by cloud, big data, and collaboration. Zero Distance is also a key competitive differentiator in T-Systems' relationships with partners such as online retailers offering mobile payments.

Sell value-added services. T-Systems continues to focus on value-added services, and recently the company has achieved significant wins in the UC and cloud market domestically and internationally.

Strategic Partnerships

To deliver its cross-company video and unified communications services, T-Systems entered into a strategic partnership with Cisco. The partnership goes beyond the supply of hardware and software, with the two companies collaborating on the testing and development of services as well as joint marketing.

T-Systems is the only Cisco Authorized Technology Partner in Europe for video conferencing and TelePresence-as-a-Service. T-Systems also serves as a beta tester for the Cisco video exchange platform, providing feedback about core functionality and interoperability. T-Systems joint marketing efforts with Cisco enables deep insight to the technology and evolving product roadmaps.

Monetization

Monetization is built upon the ability to install and charge for the services, with a 'pay as you go' option available to customers. While services are customized to user profiles, services pricing is globally consistent.

Success Metrics

Since its 2011 launch, CCEP has been adopted by more than 40 multinational corporations. Customers include German hospital operator Asklepios Group and the German Heart Institute in Berlin. These institutions were seeking to connect local clinics as well as expand services internationally to partner operations in Saudi Arabia, UAE, and Africa. CCEP also has over 100 German corporate customers. Overall, 300,000 end points are associated with the CCEP service.

CCEP is expected to drive a sizable portion of T-Systems' revenue growth going forward, considering the service's focus on MNCs and vertical sectors expected to bring large contract values. CCEP is a key part of T-Systems Zero Distance strategy to derive a greater proportion of its revenues from video and unified communications services.

For More Information

To find out more about the T-Systems Cross Company Exchange Platform, go to http://www.t-systems.com/.

Printed in USA

C36-730963-00   03/14