

Case Study: Communications, Media & Technology

## Inmarsat transforms billing systems within OneIT

Inmarsat collaborated with Cognizant to transform their billing capabilities into standardized processes supported by a single, scalable and enterprise grade platform.

For over 40 years, Inmarsat has led the way in global mobile satellite communications, connecting maritime, aviation, government and enterprise sectors with the most reliable and secure satellite, ground networks and safety services – anywhere in the world.

To meet their clients' needs across numerous geographies, Inmarsat works with a global network of partners. However, over time, they acquired so many entities with a variety of client services, billing processes and systems, that it created inefficiencies and duplications for their customers and internal processes. Inmarsat engaged Cognizant to standardize their billing capabilities, improve customer experience (CX) and operational effectiveness, and set the stage for profitable growth.



### At a glance

After years of growth through numerous acquisitions, Inmarsat discovered inefficiencies in their internal and external processes that made it difficult to meet commercial, customer and operational requirements.

To answer the ever-growing need for reliable mobile communications, while addressing these inherited challenges, Inmarsat moved forward with a OneIT billing transformation that delivered the following benefits:

- \$4M annual savings on operating and capital costs
- 40% reduction in number of invoices sent to customers
- Up to 80% reduction in time required to implement pricing updates
- 70% decrease in legacy rate plans

## The Challenge

During a four-year period of global expansion, Inmarsat found itself maintaining and operating 38 disparate billing applications and tools. Among these technologies, 40% were no longer supported because of legacy IT infrastructure, and the complexity of having 5,200 different pricing plans and over 2,400 product, service and subscription plans. The scenario limited system integration efforts and created an extensive Purchase and Sale (P&S) portfolio. Inmarsat faced a number of challenges, including:

- ▮ Longer lead times and higher costs to launch new products and services
- ▮ Significant gaps in systems and business processes, limiting commercial competitiveness
- ▮ Customers receiving multiple bills, creating lack of clarity and accuracy
- ▮ Inefficiencies from manual billing and other tasks
- ▮ Different billing systems aged from 10-20 years, which added higher risk in business continuity, reliability and stability

In addition, a series of process challenges drove up operating expenses (OpEx) and capital expenditures (CapEx), totaling an additional \$4M per year. There were also increased daily sales outstanding (DSO), which impacted cash flow. Longer lead times to market (TTM) diminished competitiveness in an increasingly competitive environment. Also, customer experience (CX) was hindered due to billing errors and a mediocre user experience (UX).

## The solution

To address these challenges, Inmarsat worked with Cognizant, a trusted, long-time partner of the company, to create a seamless, end-to-end One Inmarsat experience for all billing interactions.

We simplified disparate billing capabilities into a single, standard and scalable platform based on industry best practices, a single-core system and specific commercial requirements. We also helped to add pricing flexibility, dynamic discounting,

- ▮ Cleansed significant amounts of data
- ▮ Reduced daily sales outstanding (DSO) by 5 days
- ▮ Cut time to market (TTM) for new services from several months to weeks
- ▮ Removed 50+ custom processes
- ▮ Consolidated 38 billing systems to four
- ▮ Defined 250+ processes

and the agility to support future commercial models for new products, services and go-to-market strategies. The new solution eliminated the risk of system obsolescence and material failure in billing processes and employed security that complied with cyber-security policies.

## One-size-fits-all approach

Prior to implementing the single, integrated billing platform, customers relied on legacy systems that were not uniform and lacked real-time data for pricing, products and procedures set by Inmarsat. This meant multiple or duplicate bills were sent, creating issues with clarity and accuracy. To combat growing frustration among customers and employees, Inmarsat set out to provide a better user experience and one-stop shop for all billing interactions by implementing:

- ▮ **Commercial off-the-shelf (COTS) billing technology.** Inmarsat chose to buy, rather than build a principle of OneIT using the 70-20-10 rule for custom development. Out-of-the-box functionality versus internal development enables the company to achieve the lowest total cost of ownership (TCO).
- ▮ **A single, core application.** Implementing new requirements at one time benefits Inmarsat's business units, customers and operational teams by facilitating business process rationalization, and reducing the complexity and cost of having multiple integration points.

“As a result of the transformation, Inmarsat realized some key benefits....The program enabled us to standardize our organization and make operations more efficient.”

– **Jules Radford, VP, Financial Operations, Inmarsat**

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**I Internal billing operations.** Instead of outsourcing operations, Inmarsat has the flexibility to meet rapidly changing needs without contractual overhead and the significant interdependencies that come with other OneIT rationalization programs.

“Part of our drive was to move to a single enterprise class system that harmonizes and rationalizes our goods and services in a common fashion for our customers,” says Roger Butt, Director, Global Billing and Revenue Assurance, Inmarsat.

We implemented the approved, four-phase solution, which included discovery, design, build and business migration over the course of 45 months.

## Business outcomes

The business transformation consulting engagement yielded significant business benefits for the company and its customers. Transforming disparate billing capabilities into a single, scalable platform provided the commercial agility, customer experience and operational efficiency Inmarsat needed to support its growth.

“As a result of the transformation, Inmarsat realized some key benefits. The first is the timely

turnaround of bills to our customers. In parallel, we have a better, more accurate billing system and fewer customer complaints. Finally, the program enabled us to standardize our organization and make operations more efficient,” says VP, Financial Operations Jules Radford, Inmarsat.

By redefining processes within a single, simple and scalable billing platform, Inmarsat anticipates that they will realize a range of benefits:

- Save \$4M annually
- Simplify 45+ business decisions
- Reduce legacy rate plans by 70%
- Improve efficiency for revenue posting each month by 85%
- Reduce the volume of invoices sent to customers by 40%
- Improve overall business performance by 50%

Being a world leader in mobile satellite communications is about enabling the connected world. To better serve their land, sea and air customers, Inmarsat seized the opportunity to grow their business through future mergers and acquisitions (M&A) with simplified OneIT billing operations.

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## About Inmarsat

Inmarsat has led the way in global mobile satellite communications for over 40 years. They solve the toughest connectivity challenges of their customers, anywhere in the world. Working with their global network of partners, they have satellite communication needs covered—today and far into the future. For more information, visit [www.inmarsat.com](http://www.inmarsat.com).

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## About Cognizant

Cognizant (Nasdaq-100: CTSI) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 194 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at [www.cognizant.com](http://www.cognizant.com) or follow us [@Cognizant](https://twitter.com/Cognizant).

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