INTERNATIONAL TELECOMMUNICATION UNION

CCITT

THE INTERNATIONAL
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CONSULTATIVE COMMITTEE

F.15

(08/92)

TELEGRAPH AND MOBILE SERVICES

OPERATIONS AND QUALITY OF SERVICE

EVALUATING THE SUCCESS OF NEW SERVICES

Recommendation F.15

Geneva, 1992

FOREWORD

The CCITT (the International Telegraph and Telephone Consultative Committee) is the permanent organ of the International Telecommunication Union (ITU). CCITT is responsible for studying technical, operating and tariff questions and issuing Recommendations on them with a view to standardizing telecommunications on a worldwide basis.

The Plenary Assembly of CCITT which meets every four years, establishes the topics for study and approves Recommendations prepared by its Study Groups. The approval of Recommendations by the members of CCITT between Plenary Assemblies is covered by the procedure laid down in CCITT Resolution No. 2 (Melbourne, 1988).

Recommendation F.15 was prepared by Study Group I and was approved under the Resolution No. 2 procedure on the 4th of August 1992.

CCITT NOTE

In this Recommendation, the expression "Administration" is used for conciseness to indicate both a telecommunication Administration and a recognized private operating agency.

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EVALUATING THE SUCCESS OF NEW SERVICES

(1992)

1 Introduction

This Recommendation provides guidance on the factors which should be taken into account in assessing the probability of success of new services which Administrations may be considering for introduction. Such a determination will permit Administrations to be more responsive to customers' growing and changing needs, and will also permit Administrations to plan the necessary network facilities and capacities which the new service may require.

Note – Guidance on forecasting new services for traffic engineering purposes may be found in Recommendation E.508.

2 Market research

Market research is a valuable tool which should be used for new services or for services for which there is no historical demand data. This research may employ questionnaires, market analysis, focus groups and interviews. Its purpose is to determine customers' intentions to purchase or use a new service, customers' attitudes towards new or existing services, price sensitivity and cross-service elasticities. Market research helps to identify customers' needs for innovative services and the likely success of new service offerings. Market research will help to avoid the pitfall of offering new services which are developed largely on the basis of the capabilities of the new technologies, without a clear understanding of customers' needs.

3 Factors affecting the successful offering of new services

The following are some important factors which should be analysed and taken into account when assessing the chances for the success of a new service offering.

3.1 *Customer-oriented factors*

3.1.1 *Customers' needs*

- Strength of customers' needs (business/residence);
- degree to which the service solves customers' needs;
- availability of other solutions.

3.1.2 *Human factors aspects of the service*

- Ease of learning (learnability);
- ease of use (usability);
- extent of match with users' requirements (functionality);
- capability to satisfy needs of different categories of users (flexibility);
- benefits provided to users (usefulness);
- availability of corresponding services to others (ubiquity).

3.1.3 *Customers' price sensitivity*

- Expected limit/range of charges for the service (or package of services);
- price of alternative services;
- price/benefit relationship.

3.1.4 *Customers' quality expectations*

- Availability;
- connection speed, accuracy and clarity;

– reliability;
– ease of problem referral;
– speed of repair;
– privacy and security;
– training and customer support.

3.1.5 *Charging and billing aspects*

– Charging mode/method;
– charging accuracy;
– completeness and clarity of bills;
– frequency of bill presentation;
– resolution of billing disputes.

3.1.6 *Provisioning aspects*

– Ease of placing orders;
– speed of installation;
– accommodation of special requests;
– reliability in meeting service dates.

3.2 *Administration-oriented factors*

3.2.1 *Expected market size*

– Expected number of customers – initially, long-term;
– amount of service usage by typical customer;
– availability of alternative services – now, later;
– reaction of competitors;
– service life-cycle.

3.2.2 *Service provisioning*

– Internal procedures and interfaces;
– external procedures and interfaces.

3.2.3 *Technical requirements*

– Development requirements and timeframes;
– impact on network and other services;
– maintenance and operational considerations.

3.2.4 *Regulatory consequences*

– Possible conflicts with present or future regulations;
– privacy requirements;
– security requirements.