

OnStar's subscriber platform removes effort, defection, and cost from every journey

Business goals

- Improve subscriber renewals and retention.
- Reduce cost to maintain and enhance the OnStar technology platform.
- Support an easy and effective global rollout.

Results

- 1.5 percent higher subscriber retention in first six weeks.
- Projected \$33 million annual revenue gain.
- Updates regularly (not quarterly or semi-annually).

-
- Over 5,000 customer advisors worldwide.
 - Over seven million subscribers.

- Over 100,000 emergency service calls per month in North America.

“ *We are outsourcing IT to the business.* ”

Travis Bradburn, Head of Decisioning, OnStar



Challenge and vision: Providing critical subscriber service at speed

OnStar required technology changes to be agile and have the ability to market to and communicate with multiple customer types. The automotive telematics leader needed a next-generation, sophisticated platform to serve its subscriber base – one that would support a global rollout easily and effectively. Legacy technology was expensive to maintain and difficult for advisors to use. Business goals to improve subscriber renewals were hampered by slow advisor response times.

The advent of new vehicles providing 4G LTE capabilities posed a challenge to support the new capabilities, products, and services that came with this technology. As a result, the company's product and services combinations became exponentially larger and more complex. OnStar took this opportunity to move away from the bottleneck of a single-channel, contact center model, to a stand-alone decisioning engine that would drive capabilities into all channels that subscribers used to interact with the company: contact center, web self-service, mobile applications, and the in-car unit.

How Pega helped: Connecting phones, vehicles, customers, and decision management

OnStar chose Pega after requirements vetting, ROI models, and technology assessments. The team saw the strategic advantage of out-of-the-box functionality supporting key needs for speed-of-deployment and ease-of-maintenance. OnStar used Pega Customer Decision Hub™, Visual Business Director Module to imagine and plan for the future with visualization and simulation, while handling today's challenges using next best actions, predictive and adaptive analytics, and decision arbitration. From the start, project team members focused on identifying business owners and kept that focus throughout the project. A central delivery status dashboard tracked activity through all project phases, and the development team and product owners had daily standup meetings to stay on track. Now, when a subscriber contacts OnStar, the Pega Customer Decision Hub, uses rules, predictive intelligence, and machine learning to drive the next best action – regardless of channel – for consistent and relevant actions for sales, cross-selling, and retention.

Outcome: Improved speed and agility at a lower cost to serve

Using the Pega Customer Decision Hub, OnStar is now managing the customer journey from first enrollment, to understanding vehicle capabilities, to deactivation at the end of useful vehicle life — all to provide a tailored one-to-one customer experience. Pega worked closely with OnStar to determine the criteria that flowed into the related decision processes. Call routing rules, which previously lived in three different systems, were also united into the Pega Customer Decision Hub.

Using the Pega Platform™ and Pega Customer Decision Hub, teams can now make changes on the fly without having to tie them to a major release done every six to nine months. As a result, subscribers see improvements and new features faster.

Recently, the company's internal teams reviewed key subscriber value management metrics. The results? A 1.5 percent increase in subscriber retention in the first six weeks, and a projected \$33 million per year gain from improved conversion rates, profit margins, extensions of customer lifecycle on new conversions, and reduced margin dilution.



A subsidiary of General Motors (GM), OnStar Corporation provides subscription-based communications,

in-vehicle security, hands-free calling, turn-by-turn navigation, and remote diagnostics systems throughout the United States, Canada, and China. The OnStar service has more than seven million subscribers.