



Magyar Telekom



Industry

Telecommunications

Size

Enterprise

About

[Magyar Telekom](#) is Hungary's leading ICT provider, connecting its customers in multiple ways through phone, broadband, TV, and IT. With high quality, reliable and uniquely wide service range, Magyar Telekom's innovative solutions aspire not only to lead, but also to form the market.

Geography

Europe

Solution

Varicent ICM

Calling for a New Way to Monitor Sales Performance

Hungary's leading Information and Communications Technology provider, Magyar Telekom needed a flexible, user-friendly seller performance management solution to replace their outdated commissions system. Varicent answered the call.

The Challenge

Originally formed in 1989, Magyar Telekom underwent a series of acquisitions and rebranding iterations to become the leading Information and Communications Technology provider in Hungary.

Over the years, however, the various acquisitions resulted in two separated commissions systems to calculate seller payments. With a significant part of their commissions settlement based on payment calculations, this homegrown system quickly became very complicated for Magyar Telekom.

Sellers increasingly grew frustrated with the complicated rules of commission logic, as well as the system's reluctance to provide them with up-to-date payment calculations so they could

monitor how much they were going to be paid, and when.

Magyar Telekom offers an array of different products, from mobile, to TV, to broadband Internet, which makes for a lot of data. Updates to existing records are happening all the time. The homegrown system wasn't equipped to process such a large amount of ever-changing data. So, instead of receiving daily updates on their payments, sellers were relying on monthly reports. With no advanced system for performance management, resellers needed to spend more of their working hours for administering their performance—valuable time that could have been spent with customers.

In short, Magyar Telekom assumed their homegrown system wasn't reasonably sustainable. They needed a unified performance management and commissions settlement solution that would offer their employees and agents the ability track their commission and expected fee their on an ongoing basis.

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— Sebestyén Melega, Magyar Telekom

The Transformation

Magyar Telekom had been dreaming of a unified performance management and commissions settlement solution for some time. With a combination of owned shops, franchises shops, door-to-door agents, customer care agents, and call center agents, Magyar Telekom needed each of these different entities to be able to react to changes in the market. Sebestyén Melega and his team at Magyar Telekom, were looking for a solution that would “manage this level of complexity and gain the flexibility to show information in a user-friendly format that could be modified by the user.”

When Magyar Telekom first requested a proposal from some strong players, capable to manage the complexity, but, at the end of the day, they chose Varicent. Sebestyén Melega continues, “the improved flexibility of Varicent allowed for a significant reduction in manual efforts and put control in the hands of business users (rather than IT), meaning changes can be made more quickly. Also, the daily, detailed visibility of performance was a significant benefit for our payees.”

The Varicent team worked with Magyar Telekom to configure, “WINcent,” their performance management and commissions settlement system. “We call our system ‘WINcent’ because with it, everybody wins,” explains Sebestyén Melega.

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— Sebestyén Melega, Magyar Telekom

The Results

Today, Magyar Telekom has over 4,000 payees using their system. With Varicent, sellers can now keep track of their payments daily, drilling down to each transaction. “In the previous system, sellers could only check the accuracy of the values once they had received payment, which was more than a month after the sale.” says Sebestyén Melega. “Now, they can see the expected payment on a daily level, so they can check the payment based on yesterday’s performance. It’s a great way to help motivate them to do more and more.”

With so many payees checking their payments every day, it was also important for Magyar Telekom to use the dispute management system (to check the transactions and easily send a dispute. This is a core functionality of Varicent. “Before, payees couldn’t check the system, so there were some disputes, but it was very difficult to remember if one did not have access to up to date data,” explains Sebestyén Melega. “Now, sellers can check transactions and payment line by line, product by product, and drill down to specific transactions that translate to their performance, and if they see a mistake, they can send an inquiry.”

While it’s important for the sellers to be able to monitor their performance, it’s equally important for management to be able to track performance to adjust the budget accordingly. Something that wasn’t possible before Varicent at this advanced level. For example, in the legacy system, the July data wasn’t accessible until the end of August. By the time management started to react, it would already be September. So, with the legacy system, management were making decisions on three-month-old data. According to Sebestyén Melega, “now, we can see the trends in mid-July at the end of July, and we can react at the end of July. That’s an important and very strong feature of Varicent.”

Varicent’s user-friendly dashboards are also an important feature of Varicent. At Magyar Telekom, their management dashboard shows all the product types and average commission fee by channel. So, if an Executive asks about the commission level, he can now easily jump into the system and check himself. Sebestyén Melega argues, “the most important thing is that the main stakeholders are happy with the system. Today they are convinced that investment in Varicent’s solution was worth it.”

To learn more about how Varicent can help you and your teams, [book a demo today.](#)