



# SK Telecom aces Customer Experience with a focus on AI and Employee Experience

INSIGHTS FOR SUCCESS | IDEAS TO EXECUTE

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# Introduction

SK Telecom (SKT) is South Korea's largest mobile service provider, with nearly 50 per cent market share. The company recently announced its 2021 results reporting US\$13.75 billion in revenues and growth in net income of 61.2% YoY.

The telco organises itself into five business units, viz., Mobile & Fixed-line, Media, Enterprise, AIVERSE and Connected Intelligence. The largest of the business groups is the Mobile & Fixed Line, contributing to 79% of the company's total revenue. Additionally, SK Telecom's 5G customer base has surpassed 10 million subscribers and SK Broadband increased its revenues by 9 percent YoY.

SK Telecom is recognised as one of the most innovative telco's in the world and is also a leader in driving non-connectivity business.



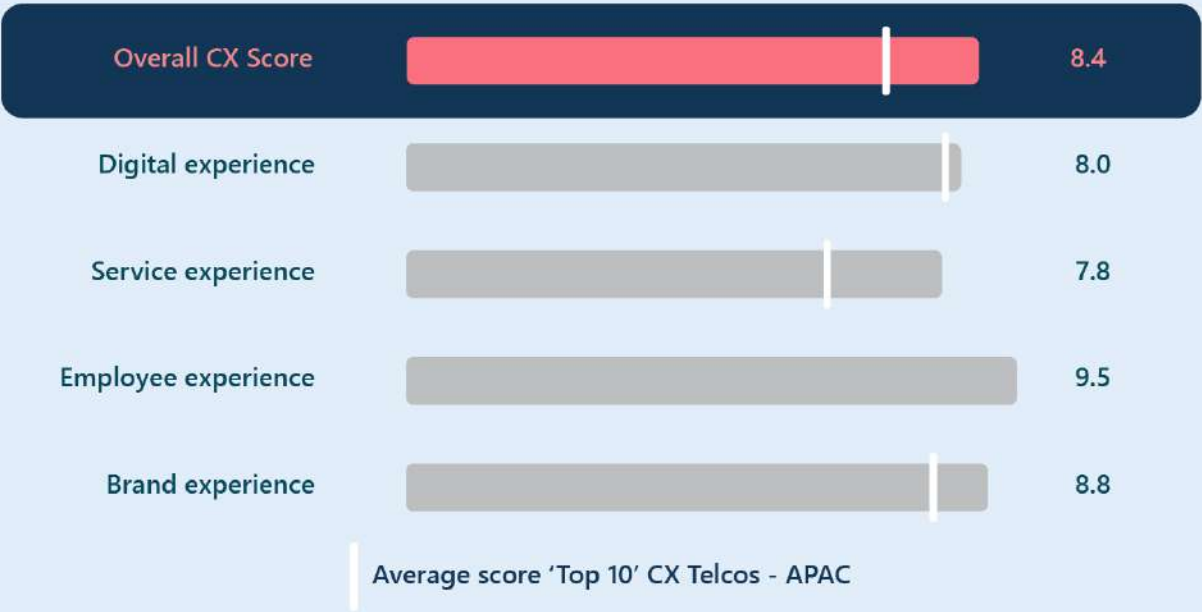
"As we open a new chapter in our corporate history, we will strengthen our market leadership by offering customer-centred technologies and services, and make redoubled efforts to become a socially responsible company" – Ryu Young-sang, CEO,

twimbit conducted a research analysis on the top 10 telcos in APAC to ace customer experience. In this research, we analysed telcos based on 4 parameters: digital experience, service experience, employee experience and brand experience.

SK Telecom came out on top. Its strong drive to enhance employee experienceserved as a blueprint for delivering exceptional customer experience. Among the ten telcos, SK Telecom scored above average and the highest in employee experience. The operator also focuses on leveraging new-age technologies such as AI, analytics, big data, and other consumer-oriented technologies to deliver a seamless digital experience.

Performance on twimbit CX Framework

Employee happiness driving results for customers



SK Telecom score performance in Top 10 Telcos Acing CX – APAC Edition

# Key Initiatives

## 1 Employees design their own happiness

SK Telecom is among the few telcos to emphasise their employee experience. The telco designed 'IM HAPPY', an application to measure happiness. It used this data to mould internal programs and implement improvement plans.

This simple and easy application acts like a diary for employees. It allows employees to express how they feel using stickers and happiness ratings. At the end of the month, employees and SKT get to see their 'Happiness Report' with specific happiness levels, average mood and happiness keywords shown within. Using this data, SKT strives to help drive a balance between corporate and personal life.

Among the plans born from this application is 'Happy Friday', which employees can take off every third Friday of the month.

*The happiness level of employees increased by 68.1% on Fridays, and a survey showed that 90% of employees are satisfied with this implementation.*

IM HAPPY has proven to be an effective tool for SK Telecom, it helps the company to look forward and plan its initiatives to enhance employee satisfaction.

## 2 SK Telecom's goal is to transition into an "AI & Digital Infrastructure Service Company"

Positioning SK Telecom as an "AI & Digital infrastructure Service Company" helps it imbibe digital in its DNA. The company leverages new-age digital technologies such as AI/ML, big data, and analytics to design services relevant to its customers' needs and preferences. The AIVERSE, AI+Universe, is a good example of how SK Telecom builds AI-based subscription services.

Among other initiatives is integrating its AI Agent into all products and services, which enables SKT to provide personalised services to meet each customer's needs and preferences.

*"With a sense of mission and responsibility as the leading service company in Korea, we will strive to create social value and contribute to improving the quality of life" – Ryu Young-sang, CEO, SKT*

## Innovating into an 'AI & Digital Infrastructure Service' company...

### SKT AI ecosystem



Leveraging 'AI' to bring daily life activities of users under SKT subscription blanket



Providing innovative service experiences through a collaborative AI ecosystem

Service offerings

Key Partners

### 3 SK Telecom's 24-hour AI consultation services are gaining traction every month

SK Telecom introduced two AI consultation services; Voicebot in 2018 and Chatbot in 2020. These AI consultation devices operate 24 hours and leverage AI automatic response systems. The aim of deploying these services are to improve customer satisfaction by providing customers accurate, real-time and easily customisable information to meet their needs.

The AI services provides easy access to consultation for customers and are also simple to understand. Customers have consultation services at their fingertips, increasing their trust and confidence in SK Telecom.

*The total number of customer consultations done using AI increased by 38% at the end of September 2021.*

SK Telecom aims to improve the AI consultation service continuously. One key initiative is to provide a customised list of consultation topics by anticipating the purpose of customer requests

## 4 Aiding the disadvantaged with AI

SK Telecom leverages AI for social impact with the aim of augmenting the quality of life through ICT technologies. A case in point is the implementation of 'AI Care Service' for the elderly who live alone on government support. This service will also help individuals with disabilities by providing features such as the "T map Tax" application exclusively for taxi drivers with hearing impairments and the "Happiness Coding School" for children and adolescents with disabilities.

### AI for Social Impact

'AI Care Service' for the elderly who live alone with government support

#### Usage data of the AI Care Service



- At end of 2020, **9,409 households** in 45 local communities were using the service
- SKT plans to add **~2,300 seniors** to the list of beneficiaries in 2021

## 5 How you can match up with/to SK Telecom

SK Telecom has leveraged ecosystem partnerships to enhance digital, service, brand and employee experience. It has deployed initiatives and operates in very focused attitude to tackle their goals. In the year 2021, SK Telecom has moved ahead of its competition by deploying NUGU. SK Telecom operates in these three states:

- Focuses on emerging technologies to build personalised experiences
- Tracks and enhances employee happiness to improve customer happiness
- Uses technology for the inclusion of the underprivileged





Insights



Immersions



Challenges

How can we help?

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