

How Magyar Telekom Keeps Performance Monitoring Flexible and Transparent with Varicent ICM

Magyar Telekom is Hungary's leading Information and Communications Technology (ICT) provider, connecting its customers through phone, broadband, TV, and Information Technology (IT). With high quality, reliable and a uniquely wide service range, their innovative solutions aspire not only to lead, but also to form the market.

The Challenge

Originally formed in 1989, Magyar Telekom underwent a series of acquisitions and rebranding iterations to become a leading ICT provider.

Over the years, the various acquisitions resulted in two separate commission systems to calculate seller payments. Sellers quickly grew frustrated with the complicated commission logic and rules, as well as the system's reluctance to provide up-to-date payment calculations. Unable to monitor how much they were going to be paid and when, sellers spent a lot of time shadow accounting in spreadsheets.

Magyar Telekom's diverse range of products equates to massive amounts of ever-changing data that the homegrown system wasn't equipped to process. So, instead of receiving daily updates on their payments, sellers were relying on monthly reports. With no advanced system for performance management, sellers needed to spend more time administering their performance, taking focus away from their customers.

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.

Sebestyén Melega, Incentive Development and Operations CoE Lead, Magyar Telekom

Industry Telecommunications	Size Enterprise
Geography Europe	Product Incentive Compensation Management (ICM)

Results

Support 4,400 sellers across the company

Sellers can now track their payments every day, drilling down to each transaction and its details. Plus, sellers can track disputes and reduce the amount of manual effort required.

Compile data insights in 1-3 days, instead of 1.5 months

Management uses Varicent's user-friendly dashboards to view all the product types and average commission fees by channel. If an Executive asks about the commission level, they can easily jump into the system and check for themselves.

Optimize visibility into individual transactions

The daily, detailed visibility of performance was a significant benefit for Magyar Telekom's sellers. Before, sellers couldn't check the system. If there was a dispute, it would take a long time to resolve, creating inefficiencies. Now, sellers can check transactions and payments line by line.

The Transformation

Magyar Telekom had been seeking a unified sales performance management and commissions settlement solution for some time. They first requested a proposal from various strong players capable of managing the complex needs of the company.

At the end of the day, they chose Varicent. Here are five reasons why:

A unified solution that removes friction across the entire organization.

With a combination of owned shops, franchise shops, door-to-door agents, customer care agents, and call centre agents, Magyar Telekom needed each of these different entities to be able to quickly react to changes in the market. Varicent manages the complex needs of Magyar Telekom, while providing a user-friendly experience that can be tailored to the needs of the individual. "We call our system 'WINcent' because with it, everybody wins," said Sebestyén Melega, Incentive Development and Operations CoE at Magyar Telekom.

Flexibility that leads to reduced manual processes.

Sebestyén explains it best: "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."

Daily, detailed visibility into performance.


With Varicent near real-time commission reporting, 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," said Sebestyén. "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."

A transparent dispute management system.

With so many sellers 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. Varicent enables sellers to proactively identify and resolve inquiries faster, eliminating the need for shadow accounting.

Accurate and timely data insights.

While it's important for sellers to monitor their performance, it's equally important for management to track performance and adjust the budget accordingly — something that wasn't possible before at this advanced level. With the legacy system, management was making decisions on data that was three months old. According to Sebestyén, "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."



The main stakeholders are happy. Today, they are convinced that the investment in Varicent's solution was worth it.

Sebestyén Melega, Incentive Development and Operations CoE Lead, Magyar Telekom



The Results

Magyar Telekom launched Varicent ICM to provide a more transparent, accurate and flexible incentive compensation management solution. Varicent continues to work with Magyar Telekom to manage their complex needs and remove friction across the organization. With access to self-service, transparent, commissions statements and dashboard, the Magyar Telekom sales team is more motivated than ever to outdo past performance.

[Learn more by contacting one of our trusted advisers.](#)

Key Takeaways

Empower sellers to be proactive

Varicent ICM simplified the inquiry process for sellers, and gave them visibility into their performance, making it more efficient to identify and resolve inquiries for a friction-free experience.

Make data-driven decisions

Accurate and up-to-date data helps the leadership at Magyar Telekom to plan, manage and react more effectively in an ever-changing market. This has helped Magyar Telekom to stay ahead of the competition and continue to lead the ICT industry in Hungary.

Simplify the complexities

Magyar Telekom replace their outdated commissions system with Varicent's flexible, user-friendly seller performance management solution. It helped reduce error-prone and inefficient manual efforts.

Varicent Incentive Compensation Management removes friction from sales compensation, enables you to adapt strategy to stay in step with the market and provides you with actionable insights to outdo past performance.

Learn more about how Varicent can help you and your teams.

[Book a demo today](#)

