

Critical success factors for successful transformation

By [Ahmad Sayed](#)

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Digital transformation. We are all a part of it: governments, companies and consumers. But while some feel like they are on the back of a runaway train, others have taken control of their destinies.



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Manufacturers are using the Internet of Things (IoT) to enable predictive maintenance and servitisation business models. Retailers are generating 360-degree views of customers to forge agile, individualised service. Banks are offering their customers the ability to conduct almost all transactions either from the comfort of their home, via a mobile app/website, or at their nearest ATM, all in an effort to improve customer satisfaction and stay one step ahead of the competition.

This is digital transformation in action; it offers the potential to ride the wave of revolution and come out on top.

But what of communication service providers (CSPs)? Ovum's latest ICT Enterprise Insights report tells us that the telecoms sector is farthest along in its digitisation, with a maturity-progression index score of 43.9%, beating all those innovative manufacturers and retailers, and even outpacing the banking sector, which has an index of 42%.

It is worth noting that by 2021, almost all Tier 1 and most Tier 2 telecom operators across EMENA, APAC and the Americas will be either running on the cloud or in the midst of migratory programmes. These operators will have recognised that digital business models can drive monetisation. They will have become digital service providers (DSPs).

Indeed, a 2017 Ernst & Young study revealed that 71% of operators around the world consider this issue their top priority.

So how should CSPs approach this transformation journey to become DSPs? Customer experience is, of course, key. Deep-dive analytics can deliver actionable insights, to be sure. And introducing agility across multiple areas will allow that actionable intelligence to be enacted before opportunities dissipate. But the top-line goal should be to ensure that business support systems (BSS) solutions can support a three-pronged strategy.

Faster time to market

Time-to-market is of extreme importance. The right BSS solution will allow telecom operators to configure new products and services quickly and efficiently, stripping development lifecycles down to a bare minimum without any trade-off in quality. True DSPs must be able to take full advantage of transformational technologies such as cloud architecture, blockchain, IoT and 5G, to upend and reinvent business models, and to diversify revenue streams.

This flexibility in the BSS platform is of particular importance as telcos experiment with non-traditional wares, such as insurance, financial and even healthcare services. Content provisioning is also becoming increasingly popular, with many operators already offering digital TV programming and music to customers. The BSS solution must become the cornerstone of digital transformation, enabling CSPs to capitalise on such new opportunities, which in turn have come about through the same digital revolution.

Flexible product offering

Before the coming of age of millennials and Generation Z, CSPs could replicate customer experiences, selling the same product to everyone the same way. But digital transformation rules have amped the game to a new level. Each year, larger proportions of each telecom operators' potential subscriber base are digital natives. Expectations have morphed, from "that will do" to "why can't you?".

To reach all possible customers with new products and services, omni-channel brand engagement and personalised service must now come as standard. BSS platforms must be flexible enough to allow sufficient granulation of offerings, so that providers can cover a broad range of use cases. Once digital-native customers see a richer menu, from which they can select an option that meets their unique circumstances, they will come to see the telco not as a "service provider" but as a "lifestyle enabler".

Embracing the API Economy

By opening their core platform to integration with many others, DSPs can enrich their portfolio and extend their reach. A BSS platform that supports an open partnership infrastructure can eliminate barriers to new products overnight, broaden a

provider's talent pool, and enhance customer engagement where consumers learn that they can find everything they will ever need under a single roof. Surges in brand loyalty and ambassadorship will soon follow.

Furthermore, open architectures allow DSPs to diversify business models in true digital transformation fashion, leading to new revenue streams. The open API is an important step. The right BSS solution must deliver this capability, along with dual-speed architecture that supports migration from legacy platforms to future-proof, cloud-based stacks—all without downtime. Business agility, accelerated integration, increased value and total cost of ownership (TCO) optimisation are just some of the benefits of open architecture.

Future-proof

True DSPs are natives of the cloud. They are plugged into a suite of AI-based analytics that allow them to understand customers and gives them the flexibility to offer granular services that transcend the market. These DSPs integrate the IoT in to their operations, using advanced sensors and analytics to tweak and enhance service delivery. They offer business customers elastic scalability and pricing models that match. These DSPs are also a one-stop shop for core and Over-the-top (OTT) offerings.

In summary, the only way for CSPs to transition to DSPs is through a digital powerhouse—a robust BSS solution that enables network monetisation, centralised product cataloguing, omni-channel customer experiences and the creation of rich partner ecosystems. And as the digital transformation echo fades, it is these same DSPs—those that have embraced a powerful, future-proofed BSS solution—that will emerge even stronger, gain a decisive competitive advantage and grow their subscriber base and business.

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