

Vendor Spotlight: Subex

By: Scott St. John

If you haven't looked at [Subex](#) recently, it's worth taking a look at them now.



Subex has emerged from a period of major rejuvenation; shedding all its debt and strengthening its robust portfolio – including an increased focus on driving new business models, enhancing the customer experience and optimizing the enterprise – with higher operational visibility into revenues and [renewed commitment to creating shareholder wealth](#). More importantly, it's doing this to leverage its key assets to help their customers better contend with digital transformation.

While the company has many well-defined product areas, it has found that its customers require increasingly custom solutions and it has started to evolve to meet their needs. This is, apparently, being well received with its services revenue nearly doubling in the last year alone.

Historically, you may think of Subex as the OSS/BSS company powered by the ROC® (Revenue Operations Center) suite. The ROC suite encompasses revenue assurance, fraud management, asset assurance, capacity management, data integrity management, credit risk management, cost management, route optimization and partner settlement areas. Subex today is a vibrant, debt-free company with a bright future built upon the company's underlying core principles of people, technology and customers. These three pillars are poised to support them through the foreseeable future, as the market shifts into key areas of digital transformation. Key areas that just happen to be in the direct path of Subex.



Subexians: The People

For a brief period seemingly long ago, I was a proud "Subexian", a term the company uses to describe its staff. While serving on the board at *Pipeline*, I also was engaged to help Subex craft and hone its global marketing strategy. During this time, I got to experience firsthand what it meant to be a Subexian and I can tell you people and, more specifically, creating a strong company culture is integral to the Subex fabric.

That same principle still rings true today. In fact, over 10 percent of Subexians have a tenure of over 10 years with the company; which provides a remarkable knowledge trust. Subex also says it's

seeing a high degree of former Subexians returning to their workforce, strengthening the company's rich technical and cultural base. But high retention rates can also sometimes lead to stagnation. Subex offsets this risk by investing heavily in new talent, with 85 percent of its staff being comprised of tech-savvy Millennials, and motivates them with new technology areas such as machine learning. It's this blend of old and new – and product and people – that is preparing Subex for what's ahead and allows them to leverage their core expertise around new and exciting development areas.

Subex is also leveraging its staff to focus more heavily on solutions and services. This illustrates a fundamental shift from being a product-focused company to being a trusted and long-term business solution provider to its customers. This demonstrates a renewed commitment to its customers' success and differentiates them from some of the other players in this space. Because of Subex's deep customer and product installbase, it has the technology, products, and reference-able deployment scenarios to support their services offering. This specific domain expertise, coupled with its internal knowledge trust within its people, makes their solutions and services offering fairly unique. Other large players in the space may not have the extensive domain expertise or depth of product knowledge. By leveraging its own people to deliver its services and products Subex is striving to better serve its customers who benefit by shorter deployment cycles, deriving more value out of its products, and cultivating a stronger partnership with Subex.

Solutions: The Technology

If I were to summarize Subex's portfolio of solutions and what they do, I would define that in three essential areas:

- **Drive New Business Models:** Pivot offerings around revenue, open new revenue streams in emerging business areas and allied services, leverage the partner ecosystem
- **Enhance customer experience:** Retain existing customers and acquire new customers using analytics, leverage business insights to better understand customer behaviour for deeper engagement
- **Optimize enterprise:** Enable operational excellence by focusing on maximizing revenue and mitigating business risks, ensure year-over-year cost savings to make investments for the future

Today, Subex is leveraging its domain expertise in these areas to focus on newer offerings specifically related to Partner Management, Mitigating Risk and Big Data and Advanced Analytics. These areas all had a significant role in the traditional telco, but this has an even more important role in a digital service provider.

Partner management

Operators are quickly realizing they have no choice but to transform into a digital service provider to make up for losses in traditional voice and messaging revenues. As they transform to try to capitalize on new digital service offerings, the ecosystem gets exponentially more complex. Partner management and revenue management become a business imperative. Whether operators are trying to compete directly with OTT or launch their own content-rich services, they are going to need a solution that can profitably manage those expansive relationships. Video, for example, which integral to any digital service offering, is complex enough. Add mobile gaming, news, real-time event coverage and other content and smart devices into to the mix and the complexity quickly starts to explode. Subex has adapted its technology to keep up with the complex partner ecosystem so its customers can focus on building their business.

Security and risk

Similarly, protecting against fraud and risk becomes paramount as operators transform. Subex has core expertise in identify risks and mitigating them. Again, this has applicability in the traditional telco environment; but, as operators transform and billions of new devices come on line, the need to proactively identify and eliminate threats is critical.

With everything from home pacemakers to video cameras being vulnerable to attack, the threat is real and the threat is now. In the U.S., a sophisticated IoT-based [DDoS attack against ISP Dyn](#), leveraging tens of millions of [hacked video cameras](#), took down the internet across the East Coast and notable sites such as Amazon, PayPal, Netflix, and Twitter. In the U.K., a [massive cyberattack against the ISP TalkTalk](#) led to a reported loss of one hundred thousand customers at an estimated cost of 60 million pounds.

To help its customers identify and prevent threats like these, Subex has leveraged their expertise in both the fraud management and network discovery areas to scan networks for both behavioral and dormant indicators that signify a potential threat. For years, the company has been researching [IoT threats](#) by planting vulnerable devices, called “honey pots” around the world to gather information and record threat types and patterns. This research has been compiled into an extensive library that can be leveraged in virtually any infrastructure environment. Subex has incorporated this into their fraud detection technology to provide its customers with tools to ensure, as the multitude of devices come online, their network and their business will be secure.

Big Data and Analytics

These new digital devices, services, and lifestyle customers both consume and produce a tremendous amount of data. [Subex has been investing heavily in analytics](#) for some time to provide consumable insights to key constituents within operator organizations for better and faster decision making. Each department or team within the operator environment has unique data requirements and Subex is enabling that data to be uniquely modeled and create actionable insights and activities relative to their needs. Through interactive storyboards which can be consumed by executives at multiple levels, Subex is democratizing the data so that it can be shared and presented to each stakeholder per their unique requirements. It is also focused on providing agility so those models can be quickly deployed and adapted as the reporting requirements change. And by combining this with its discovery capabilities, there is virtually no limit to what information can be modeled or how it is presented. But Subex is going beyond the revenue and device data by understanding social interactions and the communities these new digital lifestyle customers possess.

Customers

Subex serves operators worldwide who are feeling the pressure to transform. Revenue from legacy services, such as voice and SMS, have been all but decimated by OTT competition and that's driving their customers to rethink their offerings and re-position themselves as digital lifestyle enablers. Subex customers are enabling and monetizing digital services to better compete and attempt to disrupt an already turbulent marketplace.

There are two sides to this transformation: the first being achieving operational efficiencies by leveraging digital strategies within the operator, and the second being the digital service offering promoted to the market to drive revenue and higher profitability from new digital service streams. The digital service providers who are focusing on new service revenue can be separated into two distinct groups: one first that partners with OTT providers to gain a share of the revenues and the other – typically in larger markets – where they are developing their own digital platform for news, music, video, messaging and other digital services to compete with OTT head on.

For example, in India there is the latest entrant of the digital lifestyle service provider who is planning to flip the game through its digital service offerings. It is betting big on data consumption, and has plans to offer a full suite of apps and rich content to enable a digital experience to its customers. This player would like to combine products, services, infrastructure, people and processes to provide a platform for consumers and partners to do digital business. In this game-changing business model, customer experience is the key differentiator. Subex believes that “real-time revenue assurance” can make it happen as it brings transparency to consumers and help customers understand how their data is charged and hence make them feel more comfortable around operator's products and services. Traditionally, revenue assurance is used for preventing revenue leakage for traditional voice and data services. But as telecom service providers embrace

digital business model, revenue assurance can be used for creating competitive advantage by providing superior customer experience. Subex is putting its people and products to work for its customer to help them thrive through their digital transformation process to disrupt the market.

The Future Looks Bright for Subex

Whether its IoT device security, partner revenue management, big data and business insights, customer experience management, or digital transformation; Subex is in the direct path of the biggest challenges facing its customers to help them on their journey. It may be early as their own transformation is relatively new, but Subex seems well-poised to capitalize on what's ahead. It warrants underscoring the enormous effort that was required to put them in this position, both technically and operationally. Subex today is a new company built upon its core strengths – its people, products, and customers – to address the needs of the market now and well into the future. If you haven't taken a look at them recently, it's definitely worth taking a look at them now.