

The Digital Journey Comprises Customers, Services

By: Cody Bowman

Picture this: Two roads diverge in a wood. One signpost reads, “Customers.” The other reads, “Service.” Unlike the sorry traveler in that Robert Frost poem, telcos must find a way to travel both.

The journey to digital transformation is fraught with peril and metaphors, but practically speaking, it comes down to those two factors: customers and service. Telcos must change the way they interact with and serve customers, while also developing and delivering new types of digital services, in ways that are both convenient to the consumer and economical to the operator.

Why? Because the market demands it.

For a slice of the impact of digital transformation, just look at how drastically the mobile market has shifted in the U.S. in just the past several months. Market leader Verizon made a huge splash in mid-February, announcing the [return of its unlimited data pricing plans](#). Verizon’s plan took direct shots at the rising “Un-carrier” T-Mobile, highlighting a 10-MB hotspot allowance and access to HD video, features T-Mobile did not previously offer as part of its own unlimited data plan. But, not to be undone, [T-Mobile countered one day later by plugging those feature gaps](#).

By the end of the month, [AT&T had announced an update to its unlimited wireless plan](#), which now includes a \$25 bill credit toward its DIRECTV video service bundle. By early March, Sprint began testing an over-the-top content bundle of its own in two U.S. cities, partnering with Dish Network to offer unlimited wireless subscribers free access to the streaming platform Sling TV.

Unlimited data. Streaming content deals. Price incentives. These are all the moves of mobile operators looking to appeal to savvy consumers in a rapidly competitive mobile market. It’s just one market (albeit a big one), but it reflects the real-world impact of the trend we’ve all been hearing about for years: *digital transformation*. Customers are hungry for mobile data. Streaming content is king. Existing sales models won’t work any longer. Digital transformation will involve changing everything an operator does – from sales and marketing to service delivery and the network – to support these new realities.

We’re now starting to see big industry players react and transform. But, there’s still plenty of innovation to be made at every level of the industry in every country, from Tier 1s in mature markets to disruptive operators in emerging corners of the globe.

It starts by choosing a path. To transform, operators must change both *how* and *what* they serve customers. In other words, digital transformation requires customers to embark on both a digital customer journey and a digital service journey. Here’s what you need to know about both.

The Digital Customer Journey

This journey involves modifying everything that must change to meet customer expectations for engagement and service.

First, it’s important to understand those expectations. Mobile has always been a personal medium



and consumers' attachment to their devices has created a strong desire to have individual control over their personal digital ecosystem. Each mobile customer loads up their phone or tablet with exactly the apps they want or need, and ideally, they'd love to have more of a say over how they purchase and pay for those services. This isn't just a B2C phenomenon – enterprises also crave personalized digital services.

The role for operators is not to dictate to their customers, but rather to support them. Telcos should engage customers with the tools and services to self-create their personal digital ecosystem, but right now the word “personal” is missing from many telco strategies. A recent survey of more than 2,000 mobile subscribers in the U.S. and U.K. revealed that [52 percent feel they are treated as just another nameless subscriber](#) by their carriers.

Changing this perception involves applying the right technology. Data analytics is one obvious tool for smarter, more personal engagement, but artificial intelligence takes the benefits of big data a step further. With AI, operators can discover the types of services and experiences that matter most to their customers. They can then automatically serve more of these opportunities – in the form of revenue-driving upsells or experience-enhancing notifications – at their peak point of interest to ensure the best likelihood of response.

Change also involves new customer-oriented business models. This could mean reorganizing a customer management team toward proactive outreach and loyalty management. Indeed, transforming with the customer in mind could require reevaluating an operator's overall corporate culture so that everyone from sales, marketing, service and product development can deliver on a more automated customer-first approach.

The Digital Service Journey

This journey involves all of the processes, strategies and technologies telcos must embrace to develop and deliver a large variety of dynamic digital services for discerning customers. The focus here is the end-to-end orchestration of hybrid services – leveraging both traditional telco assets, and new cloud-based services customers expect in the digital economy.

Customers should be able to self-select, configure and purchase any digital service from an easily accessible catalog – including attractive new content and digital services developed in-house or through partnerships – at any time. Once chosen, a modern OSS should be able to quickly compose, assure and deliver that service in line with company policies and customer expectations. Everything should operate seamlessly in a secure feedback loop, so that current behaviors inform future service opportunities.

Naturally, the construction and evolution of the operator's network is critical. It's next to impossible to deliver such a model at the speed customers demand when you're working with a closed, monolithic, homogenous vertical IT stack. Modern telco networks require openness, flexibility and the ability for service components to interact “conversationally,” with different SDKs, APIs and services operating together.

Telcos moving in this direction see less value in buying a single stack solution from one vendor. For example, the transition toward network functions virtualization (NFV) provides the modularity and freedom for operators to purchase virtual network functions (VNF) from any vendor, and rely on common technologies that can interact with everything across the board. So, the digital service journey involves a distinct move toward multi-vendor, conversational network infrastructures.

Similarly, the OSS layer must become more flexible and intuitive as orchestration increasingly becomes the domain of non-IT telco staffers. That means moving toward a role-specific OSS, where unique aspects of service orchestration can be viewed and managed from a customer service manager perspective rather than that of a network service designer, as one example.

Everything comes back to how the operator network supports what is being offered on the front end. Clearly, telcos want to evolve their networks because agile systems are more efficient and offer greater OPEX relief. But, a more dynamic service approach also makes it possible to explore new

business models, service verticals and non-industry partnerships creating more top-line revenue opportunities

The Ideal Digital Journey

So, what should this new journey look like for you, the telco operator?

A new customer chooses you because you offer great solutions, the most flexible service terms and a reputation for great customer service. Your business is finely tuned to empower these customers, whether it's through perfectly timed automated service recommendations or satisfying, situation-relevant customer support experiences.

Your service catalog is dynamic, automated, and appealing to the most digitally savvy buyers. Your network is primed to deliver these services in a timely and cost-effective way. The customer stays with you longer, adding on more services over time, and becoming a loyal advocate for your brand. Your subscriber base grows, along with your revenue. You enter new markets and verticals, further strengthening your brand.

That's what's possible when you evolve what you do from a customer and service perspective. Sounds like the right path, doesn't it?