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Cross-Industry Digital Transformation

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Customer service providers want to support their clients in every step of their business journey. In the B2B and B2B2C sectors, supporting clients means they have to deliver excellent service in the face of any changes, whether their client wants to switch up their business model, add more offer packages, introduce new pricing or adjust for when the business grows. Thus, the flexibility of all internal operations plays a strategic role in the provider's value creation process.



Unfortunately, fewer than one-third of organizational transformations succeed, according to [research by McKinsey](#). Some of the reasons for a low success rate include starting from the wrong point, the absence of a clear innovation plan and the lack of adequate tools.

Developing organizational structures capable of coping with changes in customers' processes—and simultaneously running a solution for the new services side-by-side with the existing ones—should be supported by solid back-end software. When choosing a solution for their digital processes, companies have to consider the capacity to evolve smoothly alongside them.

Over the course of productive collaboration with big and small service providers in various verticals, which include telco, gaming and utility, I witnessed otherwise perfectly tech-savvy company executives being surprised to learn to what extent inadequate practices and software were preventing their businesses from growing and evolving. As the market is changing and new opportunities for more complex business models emerge, similar issues appear across all industries. One of these is the lack of automation in revenue and partner management operations. Let's take a closer look.

Case study: online casino provider

When MaxBill entered the online entertainment and casino sector, we discovered that many companies were still using the unfitted in-house software or manual operations for their billing

and contract management processes. In particular, one client—a major eCasino platform provider—used Excel spreadsheets for revenue management. Therefore, each operation's accuracy depended on the accountant's concentration and vigilance. Taking into account the multitude and complexity of the contract data, and the sheer quantity of transactions, calculations were very complicated and lengthy. The potential for human error was huge. The accountants were not able to properly control the contract policy changes in the Excel worksheets and reflect them in the calculations in a timely manner. All of this could result in huge revenue losses at any moment and obstructed the scalability of the company.

There were other problems. The production of reports regarding revenue distribution for every single partner was done manually and took days to accomplish, while still lacking in accuracy and transparency. This led to a breakdown in communication between partners and clients, as the company often could not sufficiently explain its invoices.

The executive team wanted their business to grow faster and more effectively through expansion of the client base and providing more service options. With these goals, the old way of revenue and partner management had to change. The company needed an alternative approach, which would support its growth vision and contribute to future-proofing the company.

In pursuit of their goals, company leadership automated the most impactful workflows to ensure the simplicity of contract management and negate the risk of human error. At the same time, by administering the right level of approval, they were able to preserve the possibility of full control over exceptions. This perfected the accuracy of reconciliation even for complex revenue-sharing schemes and simplified the audit of contract changes. Now it was easy to edit any of the existing contracts and create new ones, with the changes immediately reflected in revenue calculations. Account managers could analyze the data and create forecasts for future revenue. This enhanced the efficiency of the business processes and opened up new growth opportunities. The company gained unlimited scalability.

Report quality also improved, as now the compilation of the explanatory breakdown was created and distributed automatically with each invoice and could contain any details that a partner requested. Business relationships benefit immensely from such transparency and promptness of communication and, by transforming its business, this provider could build trust with all accounts.

Lessons for other sectors

After successfully transforming revenue and partner management for a major gaming provider, we noted that many of its past issues were not unique to the gaming industry anymore.

Telcos used to have simpler commercial rules. However, in recent years, forging partnerships with over-the-top providers became very popular. Thus, the variation of a combination of different offer packages and possible cross-industry partnerships is growing exponentially, and the revenue-sharing schemes are becoming increasingly complex.

One of the examples of emerging business opportunities can be 5G-influenced service offers. By targeting new types of use cases, operators will be able to achieve sufficient returns on their 5G investments and broaden their offer packages, consequently attracting new user groups and strengthening the influence over existing ones.

For instance, selling 5G services to other businesses, which then sell them as part of their offering to their own customers, is a very promising trajectory for many telecoms. This means expanding away from the traditional B2B and B2C business models by adding B2B2X—business-to-business-to-third-party. Under B2B2X, which encompasses both B2B2B and B2B2C, connectivity providers collaborate and share the rewards with B2B partners. Such partners can come from any sector: VR experience and streaming service providers, companies involved in creating smart cities, and so on. The revenue-sharing schemes can be quite complex, and contract audit processes may differ a lot from the standard.

This means that the telecommunication industry will soon also be facing the challenges of complex reconciliation hierarchies, just as gaming providers did. Therefore, telecom operators and multiplay service providers can use the experience of this fellow industry to inform a more coherent vision of how to handle this challenge.

In particular, setting up portals for partners, where they can manage offers and services between different categories of customers, proves to be a beneficial solution for simplifying the relationships between different business parties.

Just as in the case of the gaming platform provider, telcos should embrace workflow automation for major business processes for the partners, such as product offering, order management, revenue management and ongoing service relationship with their customers, in order to achieve higher speed and operational accuracy. To gain the mutual trust of the partners and clients, companies need to be able to track and measure the effectiveness of partner activities, including notifications and alerts based on business rules, providing corresponding transparent reports upon request, and using this data to predict the potential outcomes of contract changes.

The above requirements should be fulfilled by a solution that has native support for B2B, B2B2X and new evolving business models. It should allow third-party company settlement and partner-commissioning configuration.

No one can deny that the world is changing rapidly right now. The best decision we can make for our business success is to anticipate the possible challenges of the future and start answering them today. By looking beyond a single industry's needs and experiences, we can set the right course for digital transformation in a chosen sector. For telcos, where the evolution trajectory now looks similar to gaming, this means focusing on adding more value, enhancing the flexibility of operations, and providing more efficient ways to manage partners and customers.