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# The 10 Transformation Journeys to the Intelligent Telco

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Digital transformation has been burrowing its way into the very heart of the telecoms industry for at least the last decade – probably much longer. Over this time, the 10 Transformation Journeys Framework has proven helpful to many companies trying to better understand the full scope of digital transformation. Its main strength has always been its insistence on thinking broadly about digital transformation, on taking a holistic view of the challenges to fundamentally transform to a digital telco.

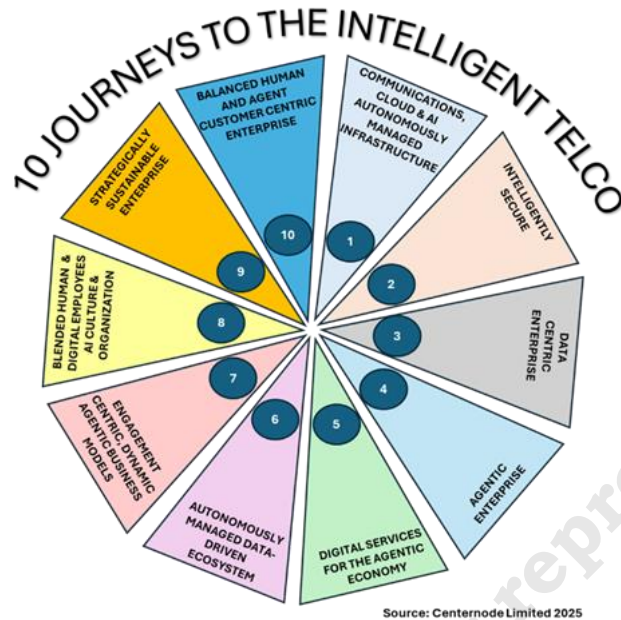


But the 10 journeys never really accounted for the emergence of AI and its impact on every industry globally. AI has been the veritable 'rock thrown into the pond' of digital transformation, and the ripples are changing every aspect of how the telco transforms. AI not only changes how the telco will operate, but it also creates a once-in-a-generation opportunity to change how the telco is positioned in the global digital economy. The emergence of this new *Intelligent Telco* has some key characteristics:

1. The Intelligent Telco positions itself as a balanced communications, cloud, and AI player. While the telco has looked to establish relevance beyond communications for many years, AI creates an additional imperative for a telco. The next generation of AI-enabled services - ranging from AR to consumer/enterprise robotics - requires ultra-high reliability, low-latency infrastructure that offers enhanced uplink reliability in addition to downlink excellence. The telco that can offer the required connectivity experience in speed, latency, and reliability, linked to edge cloud AI, can position itself as a gatekeeper for the provision of such important new services.
2. The Intelligent Telco will be at the forefront of embracing the emerging Agentic Economy - both in how it runs its business, and as the trusted, sovereign provider of Agents in an increasingly untrustworthy world. It prepares itself for a world where the majority of its customer engagement will be agent to agent, rather than human to human, and where its business models become an order of magnitude more flexible, engagement-focused, demand-driven, and context-sensitive.

- The Intelligent Telco recognizes that the future workforce will be made up of a blend of real employees and digital employees. Finding the correct balance between the tasks that only humans can do, the tasks where human effectiveness is enhanced by intelligent co-pilots, and the tasks that Agents can best do on their own, is a critical learning exercise for the Intelligent Telco.

This results in a new *10 Transformation Journeys* - driven by the impact of AI - to transform a digital telco into **the Intelligent Telco**.



**Journey #1: Multi-technology, autonomously managed, communications, cloud and AI infrastructure:** A few years ago, the main challenge for the telco was to work out how best to become a *cloudified telco* as a mechanism to improve efficiency, reduce costs, and better prepare them for the service demands of the future. By and large, this has been achieved in the core and management systems of the telco industries, while progress in the RAN has been much slower. The growing sophistication of AI has also allowed the telco to begin to move towards more autonomously managed networks – staffed in part by digital employees.

But this journey is also about beginning once again to invest in the *Telco Cloud* opportunity. The concept of the telco having a serious role to play in cloud provision seemed impossible 5 years ago due to the overwhelming power of the hyperscalers. But thanks to deglobalisation and a breakdown in global trust, telcos have now been gifted the opportunity to once again compete as *Sovereign Cloud & AI* providers. Telcos now need to work out how quickly and strongly they go after this opportunity.

A final aspect of this journey for every telco has little to do with AI, but rather with the inexorable rise of LEO satellite offerings. The telco needs to develop a strategy for LEO that will ultimately be integrated from a technical, geopolitical, and business model perspective into their existing terrestrial offerings.

**Journey #2: intelligently secure:** AI is transforming the security challenge, simultaneously expanding the security threat landscape while equipping operators with advanced tools to combat cyber risks. As communications networks evolve with 5G, IoT, and cloud integration, the AI-driven threats - such as automated phishing, deepfake fraud, and AI-powered malware - are escalating. But AI is also helping. AI offers faster threat detection, predictive analytics, and automated incident response, enabling operators to mitigate risks more effectively as they mature. It's a journey from static rules-based security and human bottlenecks to data-centric, behavioural and predictive security, and eventually to agentic self-healing systems — but only if data, workflows, and governance evolve first.

**Journey #3: Monetized Data-Centricity in an Increasingly Regulated Environment:** The data transformation journey is no longer just about effectively capturing, cleaning, and making data available in data lakes; today, it has evolved into how telcos can monetize their growing data-centricity, while in parallel becoming cloud-native organisations.

The sheer volume of legislation (particularly in the EU) surrounding how data must be managed has become a significant challenge for telcos and requires telcos to become experts in how to navigate the ever-growing data regulation. The emergence of *data spaces* has created a new opportunity for telcos as a trusted supporter and mediator of enterprise digital transformation.

**Journey #4 The Agentic Enterprise:** Agentic AI offers huge opportunities for the telco in both the management of the complexity of communications and the creation of brand new service offerings. However, this transformation also raises concerns about alignment, control, and ethical risks, as highly autonomous AI systems are given the freedom to act in unpredictable ways. How the telco navigates this agentic journey will, to a large extent, determine its long-term efficiency and relevance.

**Journey #5: AI-Enabled Services Monetization:** This transformation journey is about how the telco shifts its entire organisational and investment mindset towards aggressive monetization (rather than primarily focusing on cost reduction). While many of the AI initiatives within Telcos are focused on AI as a way of improving efficiency and customer experience, this journey is all about using AI as the missing piece of the jigsaw that allows the telco to monetize its vast investments.

**Journey #6: Intelligent Ecosystem Engagemen:** AI opens up new opportunities to engage more effectively with dynamic ecosystems – involving both human interaction and engagement between agents. This new style of ecosystem engagement will require technical and business process transformation, as well as implementing new techniques to constantly maintain and optimise ecosystem engagement.

**Journey #7: Flexible, Disruptive & Intelligent Business Models:** Business model design all comes down to designing innovative *value creation* and efficient *value capture*. Large and Small language models (LLM, SLM) create an almost unending series of opportunities for *new value creation* in every industry, while *value is captured* from these LLM solutions by charging for the volume of usage (i.e., tokens). But there are also

opportunities for more sophisticated Agentic & Copilot-based value-capture models that link more directly to how telcos manage their cost base.

**Journey #8: Integrating Digital Employees into an AI Organisation & Workforce:** With the emergence of AI, we are witnessing a cultural change in the telco, forcing it to once more reassess the types of skills it needs for the future. What jobs will be replaced by AI, how many digital employees will a telco require, what new skills will be needed in physical employees, and what co-pilots will be needed to optimize the effectiveness of the physical employees? This transformation is fundamental and cannot be underestimated. It is being driven by technology, and I suspect the electoral politics of every country. This journey needs to be addressed urgently by every telco as it's coming faster than any of us can imagine.

**Journey # 9: Sustainability & AI:** Sustainability is one of the top concerns of most telcos - sometimes driven by concern for the planet, or more often, driven by the soaring cost and limited availability of energy to drive AI ambitions. Either way, sustainability is now a key consideration in telco transformation. This journey is about shifting the mindset around sustainability, so that the telco looks at the topic from the financial business case perspective for investing in sustainability, how sustainability may be essential in supporting the telco AI ambitions, and the financial penalties for failing to invest.

**Journey #10: Managing Customers & Agents:** One of the first applications of AI to deliver tangible results within the telco has been using AI to replace call centre costs. However, with the emergence of Agentic AI, we are beginning to move to a new level where customer agents are interfacing with telco customer care agents to resolve problems, identify upsell & cross-sell opportunities, and agree & sign contracts for service - with dizzying speed! How the telco embraces this and stays in control and command of their business and customer experience is a key transformation consideration in this 10th journey.

So, while the transformation journey to the Intelligent Telco echoes some of the traditional digital telco journeys, don't be fooled! Transforming into the Intelligent Telco is a much more difficult game, and one where the stakes are significantly higher!