



WHAT'S NEXT IN THE EVOLUTION OF DIGITAL SERVICES?

ASK YOUR MANAGED SERVICE PROVIDER

A WHITE PAPER



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I've spent the last several years with Communications Service Providers (CSPs) around the globe, talking about digital transformation. In particular, how to align internal teams, processes and systems to more efficiently support today's business, while also paving the way to make the roll-out of new digital services faster and easier. This is a global issue facing the telecom industry and I expect to have this conversation for many years to come. In the midst of these strategy sessions, I see a future emerging, one where the next evolution of the digital transformation will start to materialize. It includes a multi-layered, B2B2X world built on an open, interoperable, and virtualized digital services platform, where ecosystems of partners will become a primary model to deliver digital services. That's a broad concept; but it can be broken down into a few components.

DIGITAL TRANSFORMATION EVOLVES: ENTERING A B2B2X WORLD

Even today, CSPs are increasingly turning to partner ecosystems to enhance and simplify the customer experience. As this model continues to grow, traditional lines of business segmentation will begin to blur, including a blurring between consumer and business segmentation, and CSPs must be able to seamlessly monetize and track revenue across the business and consumer chain. A blurring between retail and wholesale capabilities will also take place, as the complex partner ecosystem forces wholesale capabilities such as partner management, complex revenue share and settlement capabilities into the heart of the retail model. All of this blurring is called B2B2X—a world in which the CSP delivers digital services to any number of end-users, whether enterprise, retail, partner, supplies or end consumers.



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WHAT IS DRIVING THIS CHANGE?

For one thing, we are now past the era of multi-device, and moving into “multi-connected devices.” Powered by the increasingly connected world of IoT, advances are driving innovation and improving experiences across all segments, from health to home security to agricultural productivity to telematics. The result is that customers now expect to have access to an exciting ecosystem of an increasingly diverse range of services and solutions that come directly from a single aggregator.

In today’s world, European CSPs are taking first steps in this direction, such as Deutsche Telekom’s recent partnerships to advance voice-controlled smart homes with Amazon’s Alexa or bring cutting-edge IT to Daimler’s cars are examples of how operators are expanding beyond their traditional scope.

NAVIGATING THE B2B2X TRANSFORMATION ON THE BACK-END

While the exciting headlines may be on the “front-end” of creating highly connected cars or smart homes, this shift has important implications for the “back-office” of today’s CSPs.

Streamlined visibility and partner integration, and support for complex policy and usage rules will be key. Real-time balances, real-time data capture and assessment, real-time actions and offers, followed by real-time payment and balance adjustment will also be critical. In addition to settlement and revenue share models to satisfy partners and suppliers, CSPs will need to create efficiencies within their partner ecosystem. Adding more partners will require automation and self-service dispute management for quick on-boarding and effective partner management.



WHY MANAGED SERVICES CAN MAKE A DIFFERENCE

All of this change requires a massive undertaking by investing in IT architecture—but no CSP wants to ‘rip and replace’ complex and expensive systems. This is where the right managed services approach can add significant value to create a lean, cloud-based operating infrastructure while also applying internal teams and processes to support overall business objectives in the most impactful way possible. Managed services has dramatically evolved in the past few years. With the emergence and integration of the cloud, managed services are moving toward full solution offerings designed to address a CSP’s most pressing business-level B2B2X issues.

Managed services used to be about cost cutting, but today they are about making traditional business environments more lean and agile, while driving innovation for new digital business. “Leaning” the operating infrastructure often results in significant cost savings for CSPs, which frees up investments to feed back into innovation on the digital side, such as upgrading networks to increase capacity for voice and data traffic surge.

Written by:

Richard Ullenius
Vice President of Managed Services, CSG

ABOUT CSG

For more than 35 years, CSG has simplified the complexity of business, delivering innovative customer engagement solutions that help companies acquire, monetize, engage and retain customers. Operating across more than 120 countries worldwide, CSG manages billions of critical customer interactions annually, and its award-winning suite of software and services allow companies across dozens of industries to tackle their biggest business challenges and thrive in an ever-changing marketplace. CSG is the trusted partner for driving digital innovation for hundreds of leading global brands, including AT&T, Charter Communications, Comcast, DISH, Eastlink, Formula One, iflix, Maximus, MTN and Telstra. To learn more, visit our website at [csgi.com](https://www.csgi.com) and connect with us on [LinkedIn](#), [Twitter](#) and [Facebook](#).