

Not your parents' BSS/OSS: a digital stack for the internet economy

Gemini Waghmare, CEO, UXP Systems



As the CEO and founder of UXP Systems, Gemini Waghmare has rapidly become a leading voice in the communications industry, frequently guiding operators on digital transformation and the power of the digital user lifecycle. Gemini has held senior positions at Amdocs, TELUS, Digital Equipment Corporation, and various startups along the way, and holds a degree in Business Administration from the Richard Ivey School of Business at Western University. Gemini provides the strategic direction for UXP Systems and is responsible for the realization of the company's goal of empowering the digital users that drive the internet. His deep knowledge of service provider infrastructure and entrepreneurial vision give UXP Systems the foundation to succeed in the dynamic telecom and cable landscape.

The rise of millennials and the concept of 'the digital native' have unsettled traditional business. The internet economy has conditioned us to interact with goods and services in new ways. Wherever we can eliminate the friction of human interaction, we do. Browsing and purchasing are increasingly online. Digital goods are available in real time, while physical goods arrive at our door in logistically impossible timeframes. Internet merchants know what we want before we do, and condition our appetites with prescient online ads. Billing and payment proves that simplicity is genius. One-click purchasing, simple subscriptions and online account management combine convenience with peace of mind.

In the telecom industry, our BSS/OSS serve an important purpose. They ensure that networks are provisioned and activated. They churn out invoices with minutes and megabytes are accurately metered and rated. They produce extensive reports from which we can identify fraud and run campaigns. And they manage extensive customer records that call center agents use to decipher our eligibility for offers and upgrades.

As CIOs plan future investment, the trend of legacy BSS isolation is growing. We see an increasing desire to let systems of record do what they do best without trying to refit them for the digital age. Instead, a new digital BSS stack emerges, overlaying the legacy and engaging our users in the internet economy. While approaches and market

Yes, this is a complex business and we have implemented solid systems of record that anchor our core. But our BSS/OSS have also anchored us many layers beneath the surface of the internet economy. They frustrate consumers and put us out of the digital game.



- ▶ dynamics differ between operators and regions, here are four components of the new digital stack:

1. Identity management over customer management

Our CRM (customer relationship management) systems were designed for customer service representatives and retail store agents. They hold critical customer information but millennials don't want to deal with agents and neither do I. Digital services don't need full-blown CRM. If I have a credit card and a user ID, I can get Netflix for a \$9 a month without extensive CRM platforms.

Investing in identity management over CRM provides a digital bridge to the customer experience. Give me a username and a password, and let me engage with my operator by myself. Ensure the overlay can leverage a singular view of my products and services, and let me govern access to services for me and my family. Let me personalize the experience as an individual, and manage my privacy.

Digital identity can be a strategic service for operators, and fronting CRM with a digital user management platform also opens up the opportunity to manage non-customer relationships for things like free WiFi, trial users, and freemium business models. Lastly, engaging via my digital ID means I don't need to pick up the phone or walk into a store. The business case for identity management is bolstered by reducing care costs, increasing NPS and enabling new business models.

2. Simple subscriptions and user data over complex charging

It used to be that operators differentiated by pricing. Complex bundles, friends and family plans, rollover minutes and megabytes were used as ways to win over consumers. This drove significant investment into charging platforms and product catalogs. The internet economy runs on one-click purchases and a recurring flat rate.

Roaming and overages are going away and transactional VOD (video on-demand) makes way for subscription VOD.

It's not uncommon for operators to have 10,000 price plans while Netflix has three. Facebook and Google make billions of dollars without charging a cent.

Operators would do well to deprecate the value of their charging systems and invest instead in cloud and flat-rate billing with added focus on collecting, normalizing and monetizing user data. By simplifying subscription models with lightweight billing platforms, the scale and cost of BSS will drop dramatically. After all, there is no differentiation left in out-bundling competitors.

3. Service entitlements over ordering and provisioning

In the digital world, services aren't provisioned, they are entitled. Let's take the example of Spotify. I register digitally and I subscribe. The service works instantly. Because I engage via digital ID, I am either entitled or unentitled upon login. It's as simple as a check mark/token against my digital identity.

In the cable and telecom world, turning on a service usually means sending an order to a provisioning system, and activating a device. The device might be a SIM card, a set-top-box or a home gateway. Operators need to think about entitling digital users versus activating physical devices. Yes, set-tops and networks may still need to be provisioned, so make that a legacy function in the legacy stack.

Overlay a user entitlement system that can authorize or revoke a user's access to any digital service in real time, and open the door to dozens of new services you can offer above your broadband network.

4. Deep learning and AI over analytics and reporting

By engaging with digital users, giving them simple ways to subscribe and access digital services and capturing user data, your consumers will leave digital breadcrumbs of their consumption across screens, services and interactions.

Designing a digital BSS architecture that can homogeneously capture interaction data will create an opportunity to personalize the engagement between you and your consumers. From recommending offers and rewarding loyalty to addressing network issues and targeting content, deep learning and artificial intelligence are real and in active use in astonishing ways in the internet economy. Operators remain seated in one of the most advantageous positions to turn user data into actionable and profitable interactions.

Capitalizing upon business opportunities often requires choice. We can't pursue everything, so we need to make sound investment decisions. Deciding to remain relevant in the internet economy seems a choice every operator has made, but undertaking the technical and cultural shifts requires brave vendor decisions, internal engagement and focused commitment. The internet economy is waiting, and a new digital stack can take you there. Are you ready?

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