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UNLOCKING TELCO B2B GROWTH POTENTIAL: THE VITAL ROLE OF A COMPREHENSIVE END-TO-END CUSTOMER EXPERIENCE

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Powered by generative AI (GenAI), new platforms and solutions are transforming customer experiences and enabling telcos to offer seamless end-to-end sales journeys.

Unlocking Telco B2B Growth Potential: The Vital Role of a Comprehensive End-to-End Customer Experience Solution

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Introduction

According to IDC's 2023 *European Telco Networking and Operations Survey,* customer experience (CX) is the primary motivation for telcos when investing in their OSS/BSS systems. This highlights the significant role that CX plays in shaping the strategies of telecom operators. In their quest to expand their B2B businesses, IDC expects to see heavy investment in automation/augmentation and workplace transformation initiatives. These programs not only enhance CX but also boost operational resiliency, overall productivity, and effectively incentivize a broad ecosystem of solution partners.

B2B Market Trends and Drivers

IDC has identified the following key drivers for telcos to evaluate and invest in as they look to drive B2B revenue growth:

» Enhanced Customer Experience: Telcos acknowledge that simplifying the enterprise experience and tackling complex service structures is essential for driving B2B revenue growth. By investing in automation and augmentation technologies, telcos can streamline processes, accelerate service delivery, and provide more personalized, accurate, and efficient experiences to their B2B customers.

» New Business: Telcos have traditionally concentrated their efforts on B2C customers, specifically on identifying new sources of value and business models in this segment. As they develop 5G services, many operators are focusing on the B2B/B2B2X opportunity as the needle mover for revenue growth, rather than consumers. This means growing B2B customer segments and customer wallet spend. Understanding how best to attract and keep these customers and increase wallet share also requires an understanding of how to engage customer loyalty together with the fluid business models of partners.

AT A GLANCE

KEY STATS

According to IDC's 2023 European Telco Networking and Operations Survey, customer experience is the primary motivation for telcos when investing in their OSS/BSS systems.

KEY TAKEAWAYS

For telcos to effectively monetize new B2B services and unlock new revenue streams, communications service providers must prioritize a comprehensive end-to-end customer engagement solution.

Many progressive telcos are now looking for ways to differentiate themselves from the competition and boost customer engagement. Telcos recognize that they cannot deliver many use cases alone and will need partners to supply services through established strategic partnerships.

Amdocs has decades of experience serving hundreds of customers globally. Its pre-integrated modular applications and collaboration with Microsoft ideally position it to support telcos in addressing new B2B revenue opportunities.

» Ecosystem and Partner Engagement: Telcos recognize that driving B2B revenue growth necessitates high productivity levels and strong engagement with their solution partners. By fostering an ecosystem-friendly environment, telcos can incentivize their solution partners, encourage co-innovation, and jointly create value-added offerings for B2B customers. This collaborative approach stimulates revenue growth through enhanced partner relationships and a wider range of solutions and services.

» Operational Resiliency: To scale their B2B businesses successfully, telcos must ensure operational resiliency. By investing in workplace transformation initiatives, such as implementing advanced communication and collaboration tools, optimizing workflows, and enabling remote and flexible work arrangements, telecom operators can enhance their operational agility and responsiveness. This, in turn, allows them to effectively address the evolving needs of their B2B customers, maintain service continuity, and swiftly adapt to market changes, ultimately driving revenue growth through operational efficiency.

Transforming CX with Generative AI

The integration of GenAI in telecom networks holds tremendous potential for automation. While traditionally AI is commonly associated with chatbots and self-service tools in BSS and customer-facing systems, GenAI offers even more possibilities, and as the technology continues to advance, GenAI's role in the telecom industry will undoubtedly expand, providing ample opportunity for innovation and further revolutionizing the way customers interact with their telecom service providers.

IDC recognizes the following real-world instances where GenAI can make significant and measurable strides in customer experience management for the telco B2B sales process:

» Intelligent Marketing Communications: Telcos can demonstrate more intelligent marketing by pushing appropriate notifications to promote tailored product offerings based on data-driven insights. Rather than employing generic marketing content, service providers can leverage their intimate knowledge of customers' preferences derived from vast amounts of personal data. With tools like co-pilot, collaboration capabilities are significantly enhanced, propelling a more cohesive and efficient workflow. GenAI can also accelerate cycles by expediting tasks and decision-making, allowing telcos to respond to fluid demands by their B2B customers more rapidly.

» Analysis of Customer Behavior: Telcos have historically delivered mass-market offerings without segmentation, yet telcos' B2B customers have requirements that differ vastly to those of consumers. GenAI allows for a more refined approach with capabilities in customer behavior analysis enabling telcos to identify patterns within the B2B customer journey. By analyzing historical data and real-time interactions, telcos can identify trends, preferences, and pain points to optimize sales strategies, enhance productivity, streamline contract negotiations, and predict deal values and optimize margins.

» Customer Retention: Next-generation customer experience platforms offering digital-first experiences must proactively analyze the large volume of data involved in churn reduction. This analysis encompasses internal data from the customer journey system, and telcos are continuously investing in a common data model and customer interaction tools to gain a true 360-degree view of their B2B customers.

Telcos are steering away from a "mass-market" approach for their enterprise customers, acknowledging the distinct variations across B2B segments. Leading telcos are focusing on targeted "B2C-like" propositions such as retention, acquisition, and cross-selling to cater to diverse B2B opportunities.

It is clear that AI-infused customer experience platforms offer a deeper understanding of the contextual factors driving customer behaviors, allowing communications service providers to identify effective actions based on the data sources. IDC expects a significant surge in the scale and diversification of data being processed and the need for harnessing more AI services for customer engagement to become increasingly important for telcos; as such, they will need to work with strategic partners that can help them to meet the requirements of enterprise customers in terms of agility, flexibility, and seamless delivery of services.

Amdocs' Customer Engagement Platform for Telco B2B

On February 27, 2023, Amdocs announced that it had extended its strategic partnership with Microsoft by bringing together Amdocs' Commerce and Care Suite with Microsoft's Cloud and Dynamics solutions. Integrated and telco-verticalized, the Amdocs Customer Engagement Platform is designed to serve all customer types and meet the urgent demand of communications service providers to develop and introduce new revenue generation opportunities. It includes a comprehensive suite of integrated products and solutions to support the end-to-end telco B2B sales journey, spanning from marketing and sales to billing, fulfillment, and service provisioning.
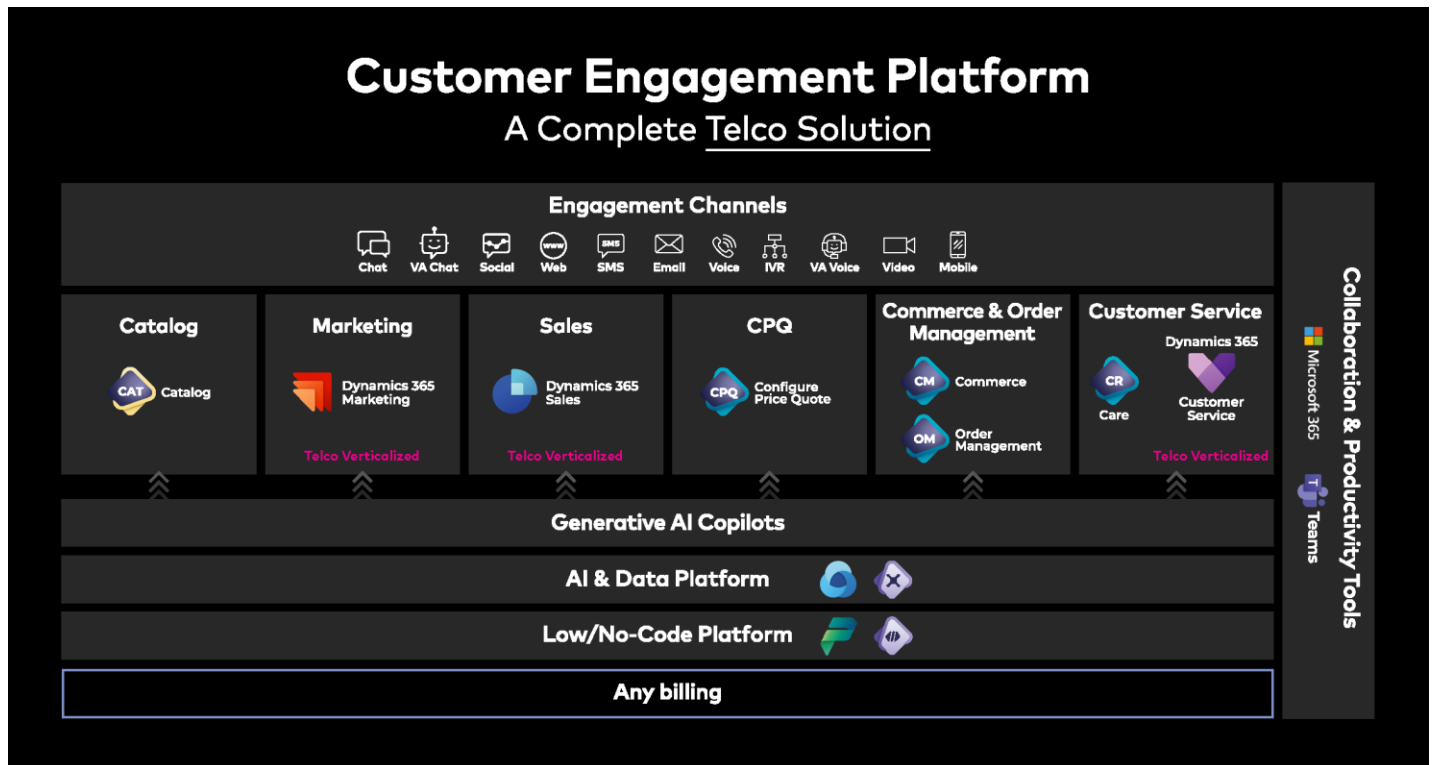
B2B telco sales journeys are typically more intricate than their B2C equivalents, driven by factors such as varying order volumes, diverse product portfolios, multiple process steps, and the need for bulk ordering and processing. Amdocs' Customer Engagement Platform introduces to the market a holistic B2B solution encompassing telecommunications-specific sales and configure-price-quote (CPQ) tools, seamlessly integrated with a unified catalog and order management, marketing, and customer service capabilities. The solution also encompasses collaboration and productivity tools using Microsoft 365 and Teams, ensuring a more efficient sales journey while being able to handle complex telco B2B-specific requirements such as multi-level complex pricing and discount models, post-contract amendments, and service-availability rules.

As part of the overall solution, Amdocs' CPQ engine handles vital functions, including approval, proposal, and agreement handling, along with lead-to-order processes, catering to SMBs and large enterprises with a focus on accuracy, efficacy, and serviceability. The goal of the CPQ function is to expedite processing for large and complex quotes, enabling rapid configuration, pricing, and bundling of enterprise solutions. Automated eligibility, compatibility, and serviceability rules ensure that all captured orders are valid and meet necessary criteria. Notably, Amdocs' CPQ engine offers modularity and flexibility for integration with other platforms. This ensures a frictionless integration process with various customer experience tools.

It is well appreciated that to compete in this market, communications service providers must implement new business model opportunities. Specifically, this will be how they charge for converged services — for example, this can be based on network type or quality of service. These changes will need to be modeled within a B2B-ready catalog that can handle complex pricing schemes. Amdocs Catalog provides a centralized, single source of truth and delivers a consistent view for all products and services across the business. It offers scalable deployment models on a microservices-based architecture and empowers business users to be part of the overall product creation process, thus reducing their dependency on IT. In addition, communications service providers must easily onboard partners, their services, and products, and incorporate them into bundles offered to enterprises, automating the process from an end-to-end perspective.

Within the framework of Amdocs' Customer Engagement Platform, the Collaboration and Productivity Tools modules harness the power of Microsoft Copilot. This integration serves to streamline the process of sales-force automation, delivering a heightened level of efficiency and valuable insights. It achieves this by offering features such as auto-generated opportunity summaries, contextual email generation, thorough meeting preparation, and on-the-fly guidance during customer interactions, enabling smoother customer interactions and optimized sales experiences for customer service agents.

In addition to the previously mentioned features, it is essential to highlight the following key aspects of Amdocs' Customer Engagement Platform:

» Automated Contract Generation: Streamlining the contract life-cycle management (CLM) process ensures efficiency and accuracy as information flows from the quote to the contract phase in B2B sales.

» Effective Contract Amendments and In-Flight Order Changes: Known as PONR (point of no return), this is typically more complex for B2B operations, requiring careful handling to maintain smooth workflows.

» Embedded GenAI Frameworks with Amdocs amAIz: Empowering the B2B sales process with predictive proposals enriched by data from various systems. This data-driven approach can support decision making and increases the chances of successful deals.

» Integration of Profit and Loss (P&L) Analysis: Ensures transparency and accountability to manage and execute pricing strategies. Sales teams can benefit from the harmonized data to enhance performance.

Next-generation customer engagement platforms should simplify telco complexities to effectively cater for their B2B customers. These platforms are pivotal for overseeing the entire telco order-capturing process, and the core capabilities combined within this solution contribute to a comprehensive B2B offering tailored for telcos. Amdocs' pre-integrated but modular applications and deep knowledge of the telecom market — built on decades of experience serving hundreds of customers globally — mean it is well positioned to support telcos in addressing the requirements of new B2B revenue opportunities.

Conclusion

To effectively monetize new B2B services and unlock new revenue streams, communications service providers must prioritize a comprehensive end-to-end customer engagement solution. Historically, telcos have underperformed in customer service compared with OTT players, primarily due to disparate systems with poor integration, a lack of investment in automation and omni-channel infrastructure, and their large portfolios of products and services. Many progressive telcos are now looking for ways to differentiate themselves from the competition and boost customer engagement. At the same time, they recognize that they cannot deliver many use cases alone and will need partners to supply services through established strategic partnerships. To achieve customer experience excellence, the right mix of interoperability, common data sharing models, and AI-powered analytics is vital across the customer-engagement platform domain. End-to-end operational capabilities must bring automation to customer engagement, rapidly create new products and services with a centralized product and partner management system, and offer an advanced billing solution to handle complex service subscription models. For enterprise customers driven by service-level agreements (SLAs) and quality-of-service (QoS) considerations, the scale and diversity of processed data will continue to grow, emphasizing the urgency of establishing AI best practices. Ultimately, the success of the B2B offering journey for telcos relies on ensuring accuracy, efficiency, and effective serviceability. By achieving these key factors, communications service providers can deliver a truly successful and satisfying B2B experience.

Amdocs' strategic partnership with Microsoft expands the collaboration they first announced in May 2021 to facilitate the migration of BSS/OSS components to the cloud. This new platform offering integrates Amdocs' Commerce and Care Suite (including Catalog, Commerce, Order Management, Customer Care, and CPQ) with its foundational low-code, data, and AI platforms. It combines these capabilities with Dynamics 365, encompassing Sales, Marketing, and Customer Service modules, along with the Microsoft Power Platform, Microsoft Cloud, and Dynamics 365 Copilot. While no company holds a monopoly on cloud or AI/ML algorithms, Microsoft possesses substantial expertise in these domains. Fused with Amdocs' expertise in telco OSS/BSS at a deeper level, this turnkey solution is a significant enhancement to the customer engagement offering to telcos. This end-to-end solution facilitates the entire journey from lead to activation and care management. It leverages a centralized platform, capable of capturing comprehensive sales, marketing, and interaction data, which is pivotal in efficiently managing complex B2B orders, negotiations, and contract enrichment.

IDC expects the Customer Engagement Platform co-developed by Amdocs and Microsoft to exceed market expectations. It has significant potential to succeed by catering for differentiated service offerings, driving B2B revenue potential with broad toolsets and ecosystems, and offering more flexible and responsive user experiences. Through these capabilities, the solution provides a compelling opportunity for telcos to simplify and accelerate the digitalization of their customer interaction platforms to be smarter and faster in meeting B2B customer needs.

About the Analyst

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Ahmad Latif Ali leads IDC's EMEA Telecommunications Insights program, directing research in this area as the telecommunications industry becomes an integral part of cutting-edge technology adoption. He provides strategic insight and perspectives on how telcos across the EMEA region are evolving from traditional communications service providers to platform players at the heart of digital ecosystems — deciding where to operate in the digital value chain, who to partner with, and how to manage and orchestrate new technologies.

IDC Custom Solutions

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