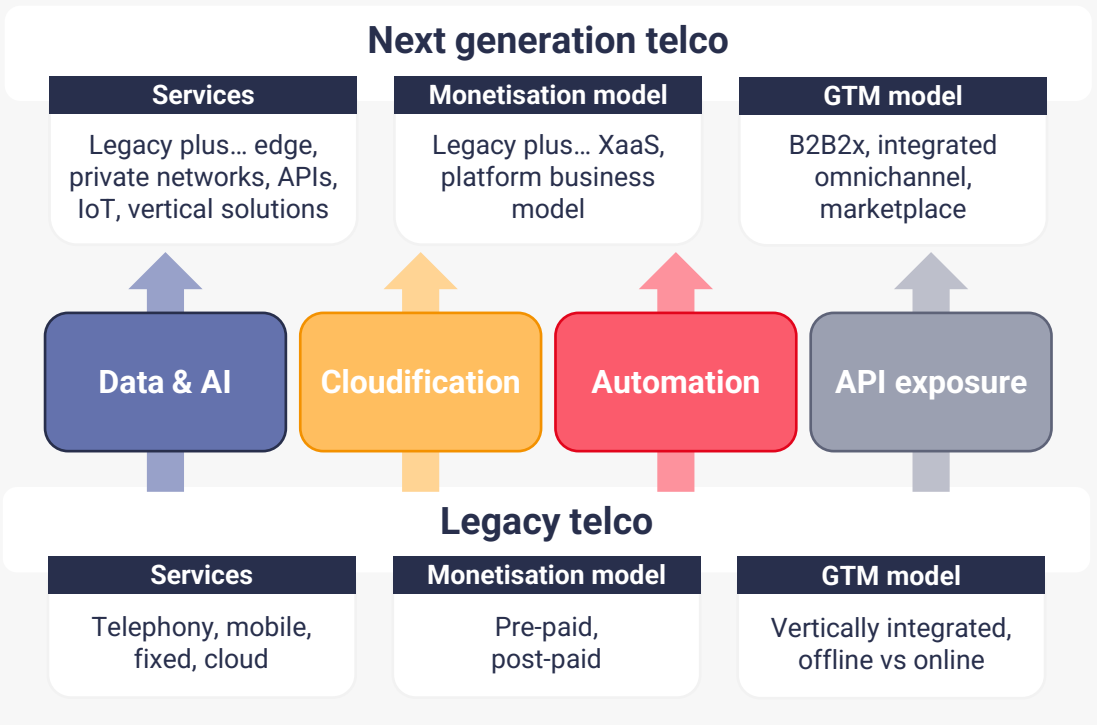# What are the four pillars of network transformation & automation?
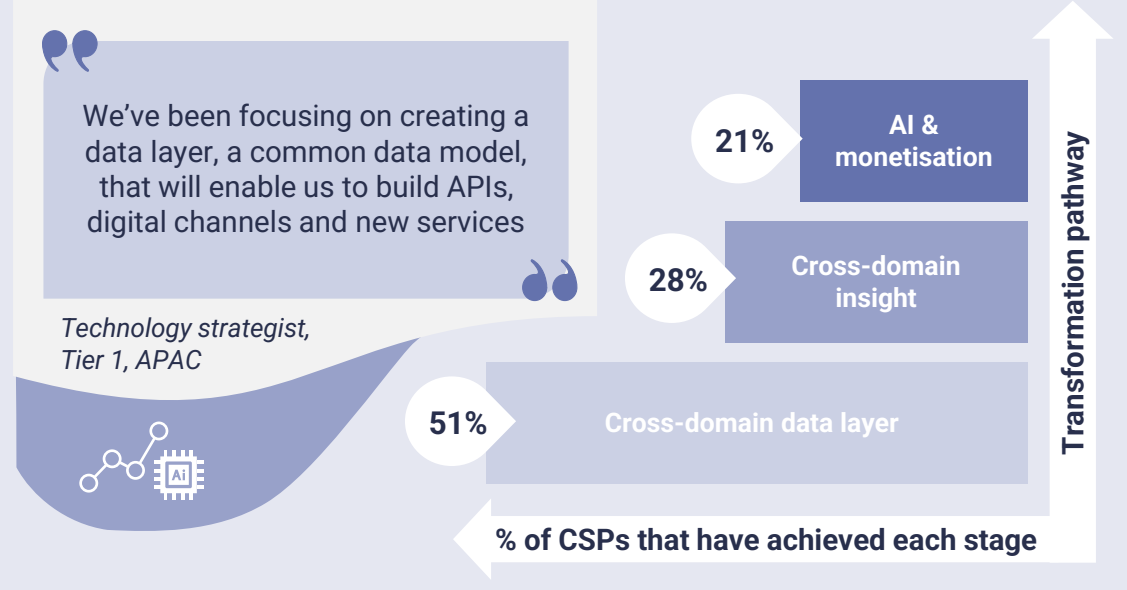
Unlocking new revenues and generating cost efficiencies requires operators to make the complex transformation from **legacy to next-generation networks.**

The **four pillars** of this transformation are:

Next generation telco

Services	Monetisation model	GTM model
Legacy plus… edge, private networks, APIs, IoT, vertical solutions	Legacy plus… XaaS, platform business model	B2B2x, integrated omnichannel, marketplace

Data & AI | **Cloudification** | **Automation** | **API exposure**

Legacy telco

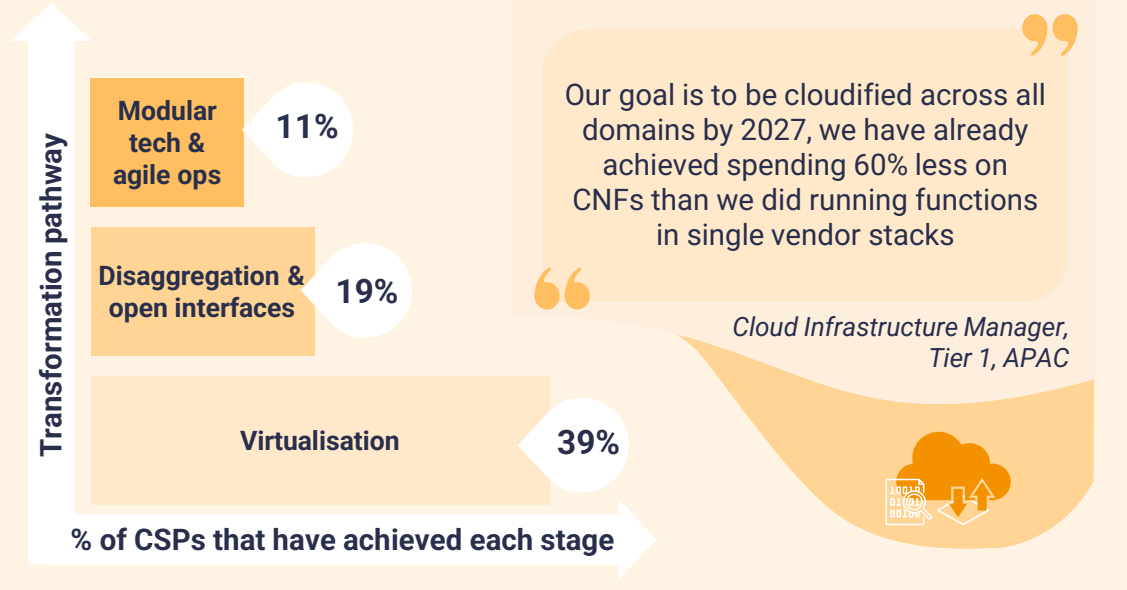| Services	Monetisation model	GTM model
Telephony, mobile, fixed, cloud	Pre-paid, post-paid	Vertically integrated, offline vs online

*Within each pillar, we have defined **three transformation milestones** that operators must go through to transform – at each stage, we present the **proportion of telcos** that have reached or exceeded this stage.*
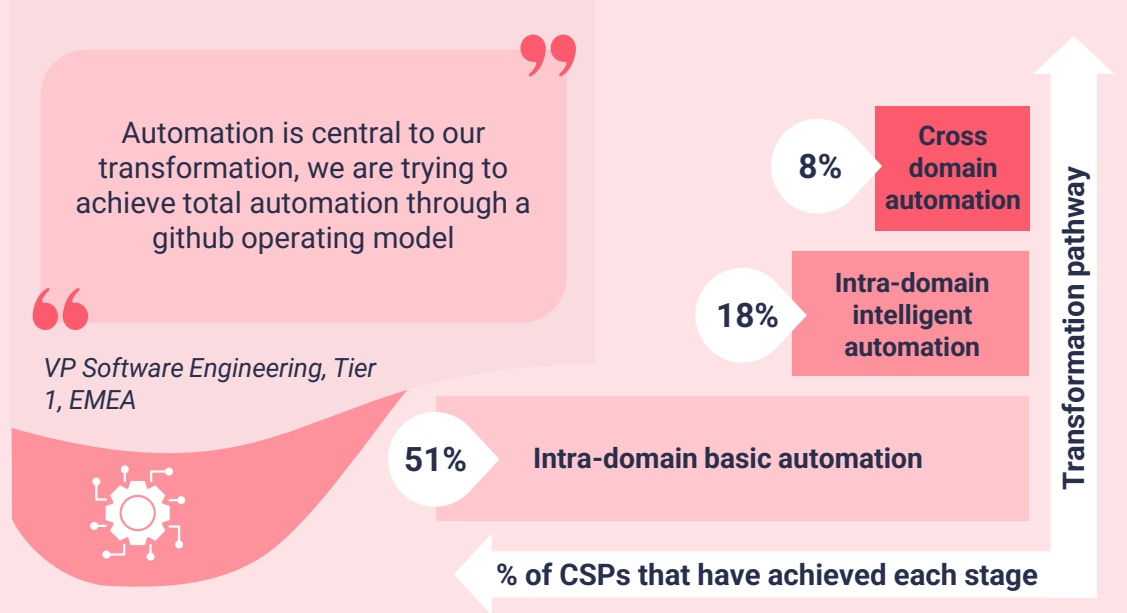
Data & AI

is a foundational transformation pillar and is where the industry has made most progress to date, with a fifth reporting to have reached our highest benchmark of AI & monetisation
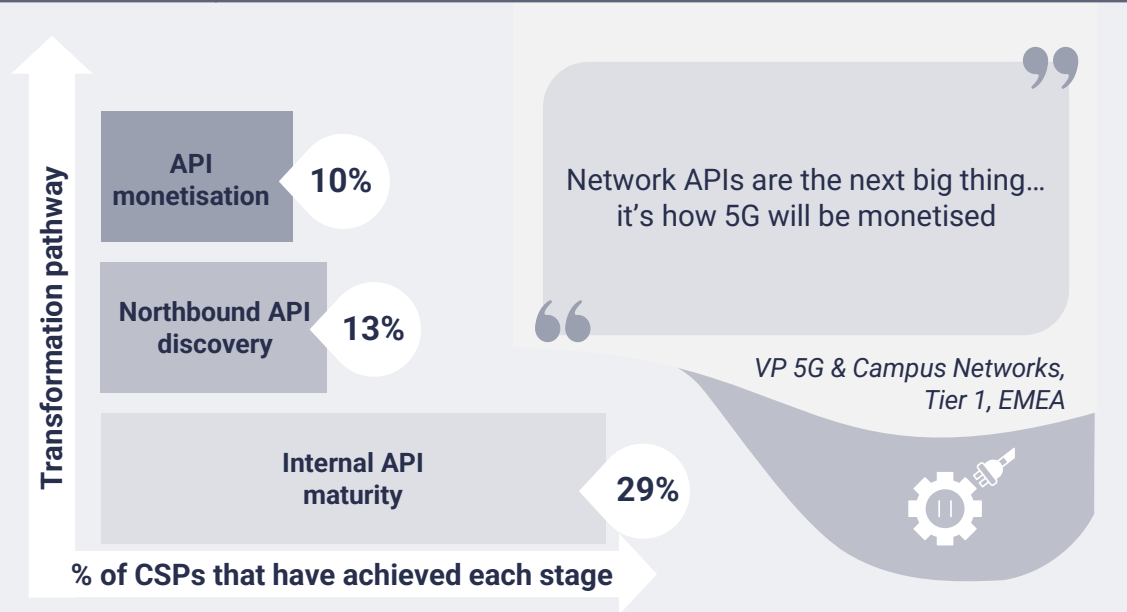
> We've been focusing on creating a data layer, a common data model, that will enable us to build APIs, digital channels and new services

Technology strategist, Tier 1, APAC

- 21% — AI & monetisation
- 28% — Cross-domain insight
- 51% — Cross-domain data layer

Transformation pathway

% of CSPs that have achieved each stage

Cloudification

is another key enabler of more advanced transformations - the industry is making good progress on virtualisation, but disaggregation has proved more challenging

Transformation pathway

- 11% — Modular tech & agile ops
- 19% — Disaggregation & open interfaces
- 39% — Virtualisation

> Our goal is to be cloudified across all domains by 2027, we have already achieved spending 60% less on CNFs than we did running functions in single vendor stacks

Cloud Infrastructure Manager, Tier 1, APAC

% of CSPs that have achieved each stage

Automation

is an intrinsic feature of the next-generation network, today operators are accelerating basic automation to unlock cost savings quickly, but the ultimate goal is zero-touch

> Automation is central to our transformation, we are trying to achieve total automation through a github operating model

VP Software Engineering, Tier 1, EMEA

- 8% — Cross domain automation
- 18% — Intra-domain intelligent automation
- 51% — Intra-domain basic automation

Transformation pathway

% of CSPs that have achieved each stage

API exposure

is growing across the industry, operators first focus on east- and west-bound APIs for internal data transfer, and later look to monetise with northbound

Transformation pathway

- 10% — API monetisation
- 13% — Northbound API discovery
- 29% — Internal API maturity

> Network APIs are the next big thing… it's how 5G will be monetised

VP 5G & Campus Networks, Tier 1, EMEA

% of CSPs that have achieved each stage

Find out more in our full length report

Download the full report