

TRANSFORMATION IN TELECOM

INTRODUCTION

In the dynamic era of digital penetration, every sector including Telecom is going through a phase of transformation. Enhancing their process capabilities, reducing overhead cost and introduction of new technologies to capture market are major focuses of Telecom companies to survive in the fast paced dynamic environment. Every Telecom company is investing more and more money to enhance its capabilities to take an edge over others. Lifetime of any new technology has reduced, leading to high pressure on companies to generate enough revenue to overcome investments and make cash available for new opportunities. In the Telecom sector huge investments are made by companies to gain edge in 5G technology. After the introduction of 5G, there will be tremendous increase in number of connections and devices. There will be huge amount of data transfers which will open doors of huge possibilities for Telecom companies leading to cut throat competition.

5G IMPLEMENTATION

One of the major causes leading to transformation in Telecom is introduction of 5G. Use of cloud based environment and smart devices leading to congestion in network has generated the need of a faster, smarter, low latency and reliable network which can support the rising demand without fail. For this Telecom providers have started investment, such as development of 5G lab. This initiative is introduced by several providers in which they invite other players to develop new projects and test them in live 5G environment taking a leap further and co creating with developers. Securing their future by partnership with developer is strategic focus of these companies.

5G implementation will affect every industry and bring out possibilities of future. Gaming experience of user will change a lot. Today gaming industry is incurring huge losses due to piracy. According to a report in 2014, gaming industry lost \$74 billion due to piracy. This can easily be saved if we can move games fully on cloud based environment. One issue with this is that the network that is available has huge latency issues which doesn't allow smooth and fast gameplay. After the deployment of 5G this issue will get resolved leading to higher revenue for both Telecom and Gaming companies.

In cities like Melbourne, Uber and Telstra have partnership to provide Air Taxi service with the help of 5G network. Providing a new mode of transportation for people and enhancing their lives by providing better facilities.

AUTOMATION IMPLEMENTATION

Automation plays a key factor for performance enhancement and cost reduction. Therefore, investment is made on huge scale to adapt automation so that customer can get better experience in low investments. Chat bot is one example which is adopted by almost every big and small service provider. The basic idea behind implementing a chat bot is cost reduction. Before the introduction of chat bot it was cost intensive and tedious task to hire a person to answer queries of customers. Various platforms have come up that provide chat bot development such as Avaamo and Ui Path. In these user friendly platforms, it's a task of just few hours to create a chat bot and deploy in live environment. Apart from this, they provide advance analytics features for bots which lets the user live track performance of bot. With these advantages in mind, companies have provided chat bot facility on websites and apps. If a chat bot fails to answer a query it is escalated to a live agent.

Another common example of automation are self-service portals. These are designed to provide quick service to customers. Instead of going to a shop for recharge or balance enquiry users can simply login to an app and do it by themselves. Eliminating need of mobile service provider stores. These user friendly, cost efficient stores on mobile devices not only help customers to recharge or avail basic facility but also provide advance analytics to service providers and customers to enhance customer experience by catering specific needs of individuals.

IVR is not new but has created huge impact on Telecom industry. It helps in reducing calls in call centre. A call answered by an employee cost more as well as handling huge volumes requires human efforts resulting in high cost and low customer satisfaction if it's not answered. In this regard, every Telecom company has introduced this facility in their system which reduces call volumes to a huge extent and automates the process.

SIMPLIFICATION

With the rise of digitization, automation and cost reduction there is also need to simplify things in the organization. To provide better services in simplified manner Telecom companies are taking some serious steps in this regard. An Australian service provider has reduced their consumer and small business plans from 1800 to 20. Many providers have reduced their managerial roles and now restructuring the organization connecting their top leaders to lower level managers. In this way making it more user friendly for customers and make it efficient in internal process.

COST REDUCTION

Another transformational feature which is being executed by Telecom providers is reduction of cost by application of automation and removing extra work force. In this regard companies have started retrenching employees. Many firms are opening new opportunities and new job roles while reducing roles which are no longer required. Apart from this equipment reduction and other measures are also being practised. A detail of which is shown in picture below.

TELCO GEO	CURRENT NPS	COST REDUCTION PLANS
UK, EUROPE	15	Removed 2800 roles, led to 180 Million pounds savings
UK, EUROPE	29	SEK 1.3 Billion via the cost reduction program
UK, EUROPE	11	Aims to save 350 Million Euros in operating expenses
INDIA	-1	Removed surplus equipment on 24,000 sites out of the total 67,000 co-located sites. Additionally, exited about 9,900 low utilization sites.
INDIA	47	Lays off 4500 contractual and permanent employees
AUSTRALIA	12	Plans to cut 440 employees as it turns to digitization and automation
NEW ZEALAND	7	60 million in labour cost savings, it plans to save \$25 Million a year off the operating and sales costs of its home, business and mobile division.
NEW ZEALAND	-1	Planned to remove 400 employees

ABOUT AUTHORS



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