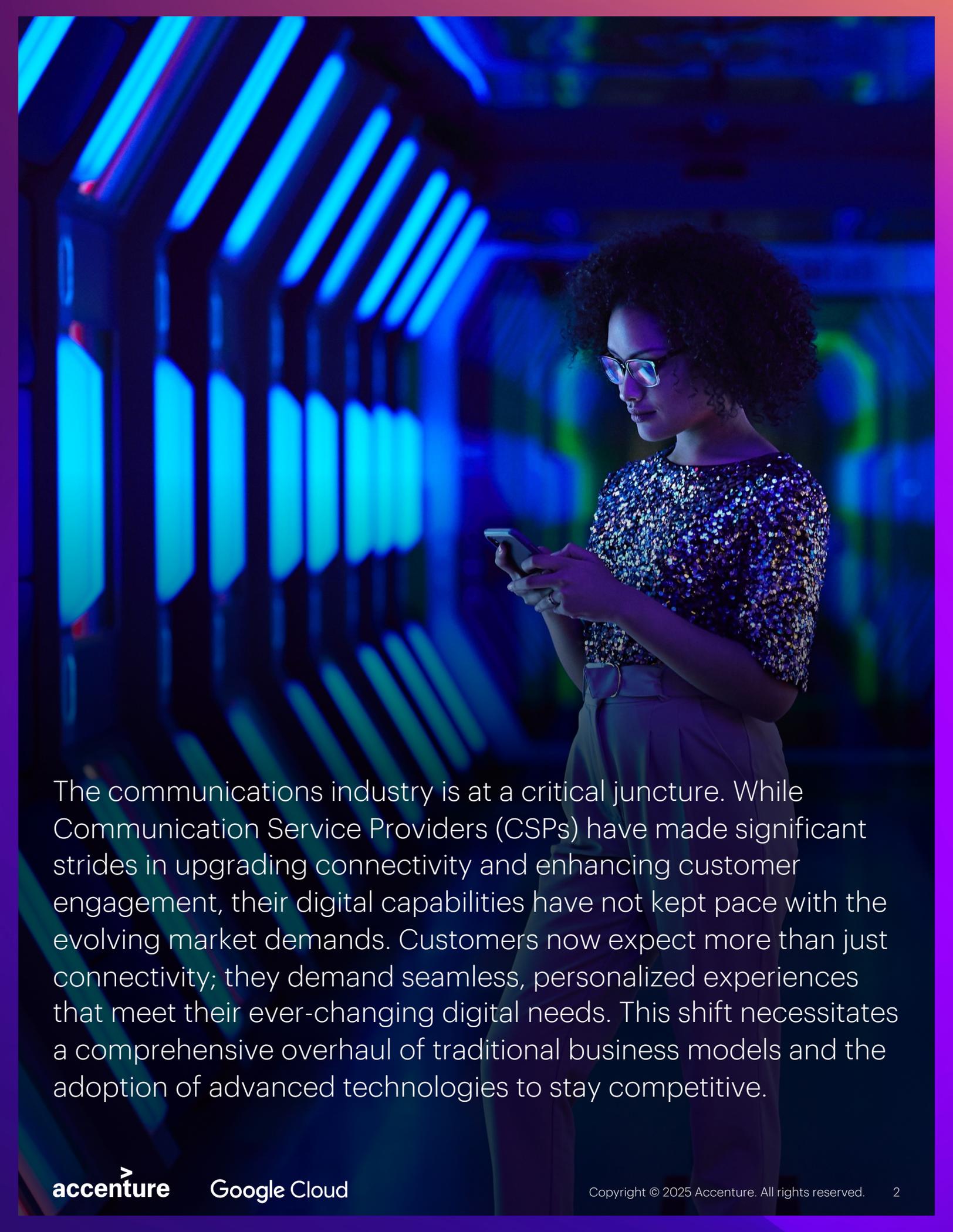




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The State of the Industry: Challenges and Opportunities for Communication Service Providers (CSPs)



The communications industry is at a critical juncture. While Communication Service Providers (CSPs) have made significant strides in upgrading connectivity and enhancing customer engagement, their digital capabilities have not kept pace with the evolving market demands. Customers now expect more than just connectivity; they demand seamless, personalized experiences that meet their ever-changing digital needs. This shift necessitates a comprehensive overhaul of traditional business models and the adoption of advanced technologies to stay competitive.

The Changing Landscape of Communications



Evolving Customer Expectations

Customers, whether they are individuals, small and medium-sized businesses (SMBs), or large enterprises, have heightened expectations for sustainability, accessibility, and versatility. This presents a window of opportunity for CSPs to digitize their businesses in a way that not only delights customers and employees but also reduces operating expenses and improves margins.

The Digital Core as a Catalyst for Industry Leadership

Connectivity is the backbone of the business, but it is also a critical element of every other industry's digital core. By investing in a standardized, open architecture for their digital core, CSPs can create new business opportunities that enable other companies to reach their own performance frontiers. This reinvention within a CSP opens doors for other businesses to reinvent as well.



Network Innovation as the Future of Telco Growth

As telcos explore means of growing beyond connectivity, many of the underlying systems that support their business have remained unchanged. Their networks, products, and services need to fulfill new and growing demands, making legacy systems obsolete. Telcos must reframe themselves as technology companies that power communication services for all industries, surpassing the title of mere communications providers.



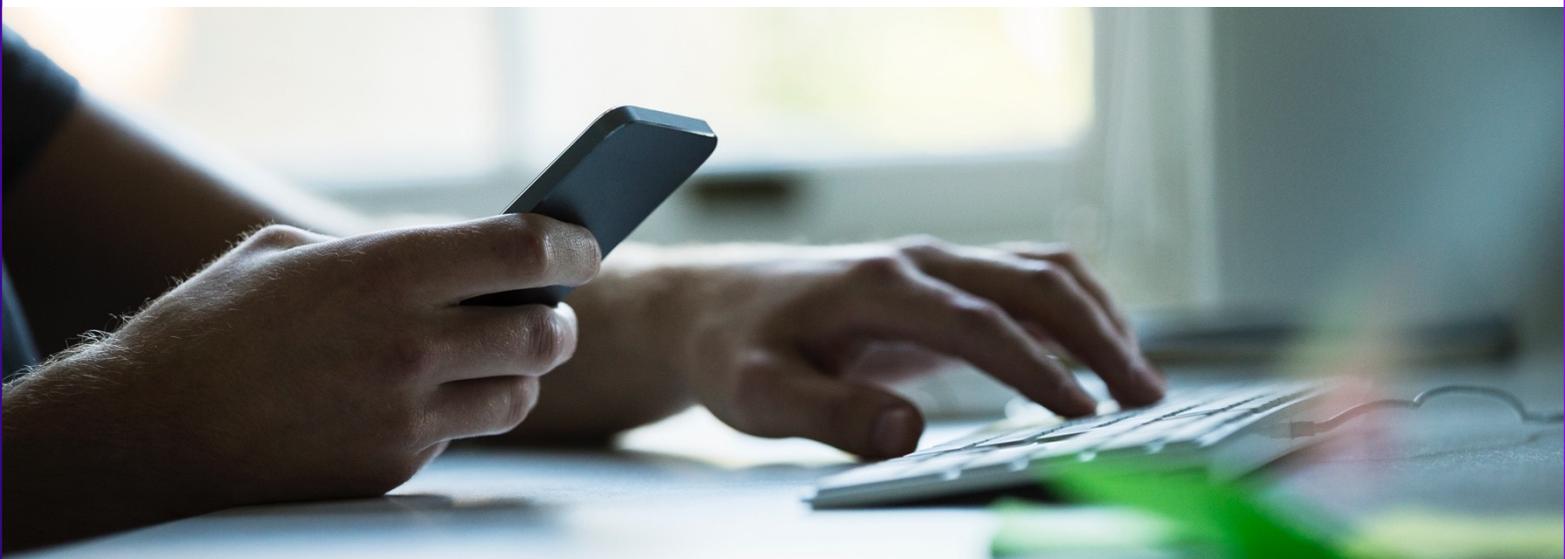
The Path Forward: Tech Transformation for CSPs

Market Shifts and Challenges

The market is characterized by increasing competition from digital natives and over-the-top (OTT) players, evolving customer expectations for personalized and seamless digital experiences, regulatory pressures, and the need for cost optimization. Legacy systems and siloed data hinder agility and innovation, making it crucial for CSPs to modernize their tech stacks to stay competitive and meet customer demands.

Strategic Areas for Tech Transformation

- 1 Network Modernization:** Adopting software-defined networking (SDN) and network functions virtualization (NFV) for increased agility and cost efficiency.
- 2 Data and AI:** Leveraging data analytics and AI to enhance customer experiences, improve operations, and drive new revenue streams.
- 3 Cloud Adoption:** Migrating to the cloud to benefit from scalability, flexibility, and cost savings.
- 4 Digital Customer Experience:** Investing in omnichannel platforms and personalization to enhance customer journeys.



How Accenture and Google Can Help

Modernizing Business, IT, and Operations

Accenture and Google offer a suite of cloud-based assets and accelerators that can speed up the implementation of modern architecture, advance operating models, and build out capabilities with hyperscalers more efficiently. This can result in a 20-40% cost reduction across core IT systems through simplification, standardization, automation, and operations with cloud-native platforms, decoupling, and agile architecture.



Cloudifying the Network

Transforming the network into a cloud-native platform that is agile, efficient, and secure is essential. With pre-engineered network solutions that cover the full network lifecycle, Accenture and Google can help optimize, operate, and monetize cloud-native networks. This can lead to a 30% decrease in operational costs through improved network service fulfillment and ticket management, while improving service quality and customer satisfaction, and increasing revenue by up to 10%.



Case Studies and Success Stories

Several CSPs have successfully implemented tech transformation initiatives, highlighting benefits such as improved customer satisfaction, new revenue streams, and operational efficiencies. These case studies underscore the importance of developing a clear transformation roadmap aligned with business objectives, fostering a culture of innovation and continuous learning, partnering strategically with technology vendors and startups, and ensuring robust cybersecurity and data privacy measures.



Future Outlook

CSPs that embrace tech transformation will be better positioned to thrive in the digital era, driving growth and capturing new market opportunities. The future of telco growth lies in network innovation, and CSPs must reframe themselves as technology companies that power communication services for all industries.



Conclusion

The communications industry is at a pivotal moment. CSPs must modernize their networks and digital capabilities to meet the evolving demands of customers and stay competitive. By leveraging the expertise and solutions offered by Accenture and Google, CSPs can fast-track their transformation initiatives, enhance customer experiences, and unlock new business opportunities. The path forward is clear: invest in a strong digital core, modernize networks, and embrace the role of a technology company to thrive in the digital era.

