



## Executive Briefing

# THE INVISIBLE GAP: HOW TO ADDRESS THE 5G B2B OPPORTUNITY

Though enterprises are excited about 5G, they still have a limited understanding of its potential industry specific benefits beyond speed. In this report, we highlight key recommendations for operators on how to close this gap and seize the B2B opportunity that 5G presents.



# Executive Summary

## Operators must close the “5G opportunity gap”

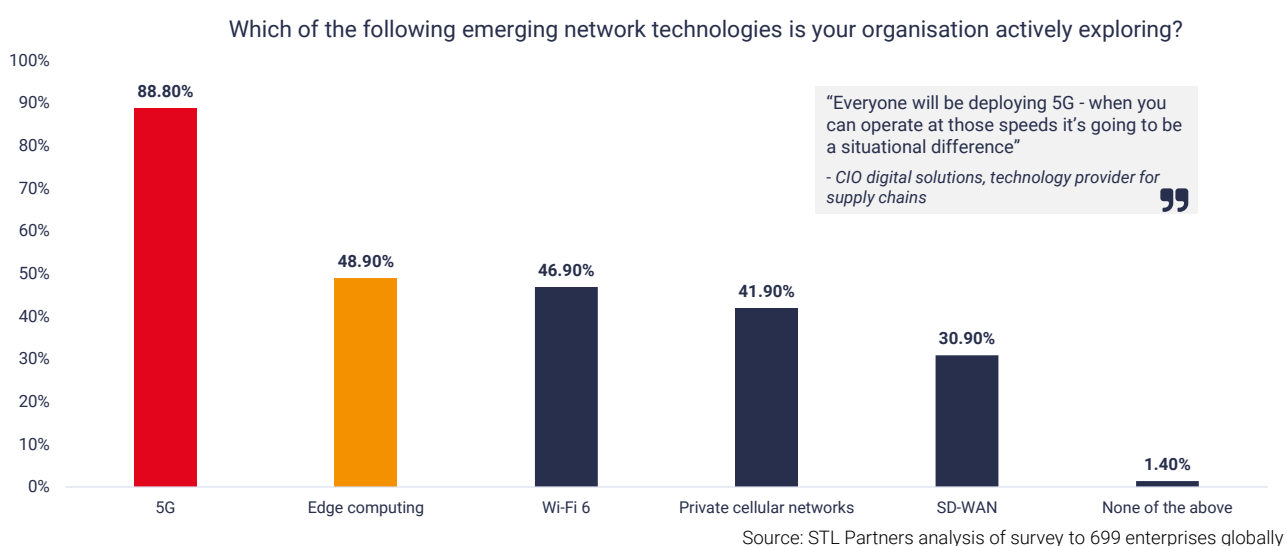
The Coordination Age presents operators with an opportunity to play a bigger role in serving enterprises. This shift is further accelerated by the roll-out of 5G and its promise to proliferate new use cases and capabilities. Our research for this project (with around 700 enterprises globally) revealed 5G to be the most widely explored next-gen networking technology. Despite this, enterprise knowledge of 5G’s unique benefits and vertical/business-specific use cases is limited. To capitalise on the 5G B2B opportunity, operators must bridge the the “5G opportunity gap” between enterprises’ interest in 5G and their understanding of its potential.

## What’s causing the gap?

In our global survey of enterprises, 88% of respondents indicated that their organisations are exploring 5G (see Figure 1). The issue is that, despite its popularity, 5G and its capabilities are still not well understood by most enterprises, which view connectivity as separate from their operational technology (OT) and do not yet understand 5G’s potential to be a bridge between the two worlds. In fact, enterprise understanding of 5G is significantly influenced by consumer messaging that puts a heavy emphasis on speed as the primary benefit of 5G.

While greater speed is indeed one of most obvious advantages of 5G, there are other, more platform-centric benefits that the previous generations of mobile technology did not offer. In this light, the onus is on the operator community to educate the market on the relevant 5G benefits that can help enterprise customers make the business case of investing in this new technology.

**Figure 1: 5G is the most explored networking technology with enterprises**



# What strategies should operators pursue to close the gap?

From our research, we've identified the following three strategies operators can adopt to address this challenge:

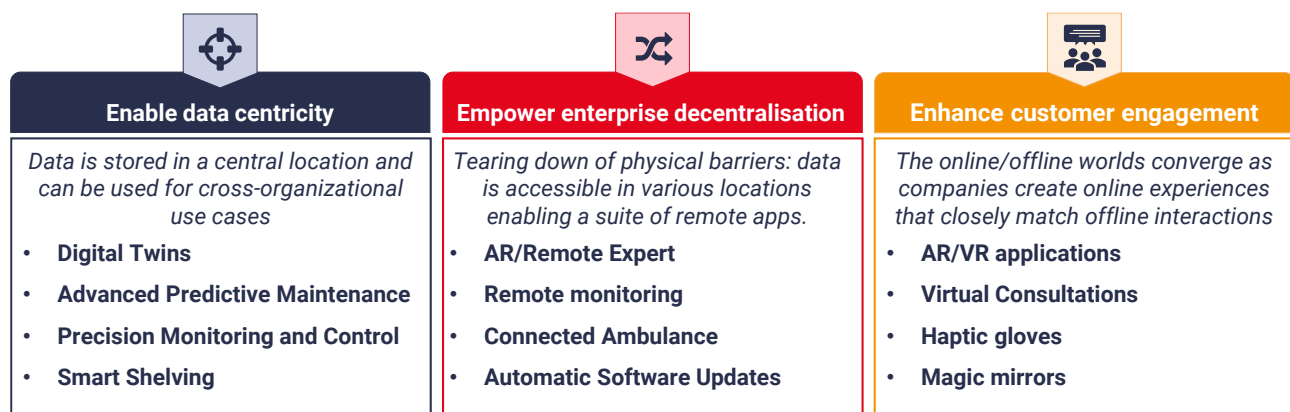
## 1. Build credibility within prioritised industry verticals (details on p.13)

A scattergun approach to targetting verticals with a horizontal offering will fail operators as companies look for tailored solutions that are specifically applicable to their respective industries. Hence, operators aiming to play a more prominent role in the ecosystem should think about focusing their efforts on carefully chosen priority verticals where they can build the skills, capabilities, partnerships, and offerings needed to create value and act as a trusted advisor to their business customers.

## 2. Build messaging around "killer concepts" instead of a "killer app" (details on p.14)

A lot of the discussion around 5G focuses on finding the killer application that will make the case for investing in this new technology. Our research shows that there may not be a single 5G "killer app" that dwarfs all other application and use cases. There are, however, 5G-enabled "killer concepts" worth promoting (see Figure 2):

**Figure 2: Three "killer concepts" for 5G**



Source: STL Partners analysis of survey to 699 enterprises globally

Operators should identify the relevant "killer concepts" within their priority industries to build vertical-specific messaging and promote use case portfolios that leverage 5G as a platform. For example, within a Manufacturing organisation, operators could promote the killer concept of "enabling data centricity" as a powerful tool in their 5G proposition. Furthermore, within Healthcare for example, operators could build the 5G proposition around enabling enterprise decentralisation, so that patients and doctors can securely access medical expertise from anywhere, anytime.

## 3. Pursue more innovative monetisation models (details on p.16)

An integral part of realising the new telco vision is the successful monetisation of 5G services. This, in turn, depends on a host of things, including the operators' ability to introduce new commercial

approaches e.g., “as-a-service”, use diverse channels (e.g., digital vs offline), and self-serve evaluate, configure, and spin up next generation services.

There are several avenues that operators can explore to achieve this task:

- **Drive true flexibility in the payment model** (e.g. consumption-, opex-, or as a service-based)
- **Support omnichannel journeys for enterprises**
- **Enable seamless self-service configuration of enterprise solutions**

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# Introduction

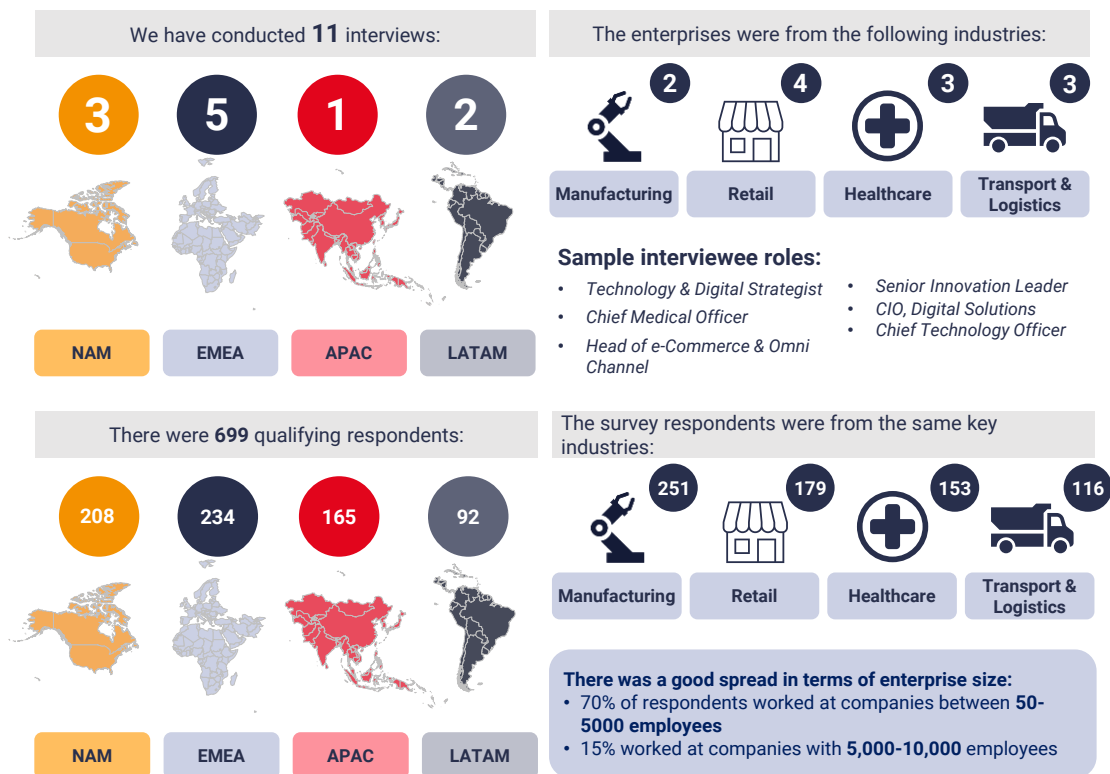
There is currently significant investment in 5G, with operators globally rolling out the next generation of networking technology. However, many are still trying to build the business case for 5G, asking how to improve ROI for the investment in 5G deployments.

This research, sponsored by Amdocs, seeks to answer this question by diving into the 5G opportunity in the B2B space, understanding:

- Enterprise perspectives of 5G and its perceived benefits;
- How these perspectives may vary by enterprise size, industry, and region;
- The potential role for operators in the ecosystem and the key recommendations for how to achieve those ambitions;
- The preferred models for next-generation solution procurement and how 5G may change the game.

To inform this, STL Partners undertook a research programme with enterprises globally, comprising an interview programme with senior execs in the enterprise ecosystem, as well as a survey to 699 enterprises across regions, industries, and sizes (see Figure 3).

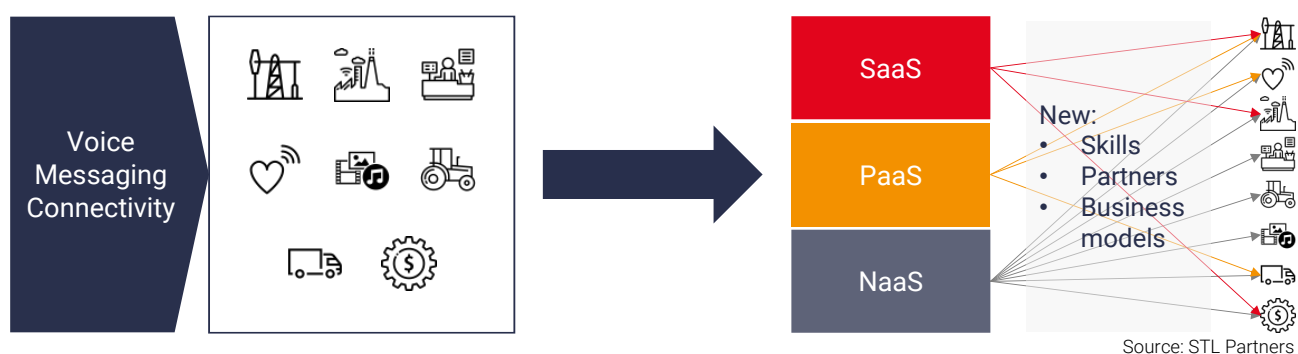
**Figure 3: Coverage of the research programme**



# 5G in the Coordination Age: a new role for operators

The telecoms landscape is changing. Operators understand the need to move away from legacy, core communications products, and towards a new telco vision - where the network is leveraged as a platform to launch valued services to a new ecosystem of customers and partners. This includes a move away from the traditional horizontal model for telecoms operators, and towards a verticalised strategy, where telcos may look to play across more of the value chain, providing new services beyond connectivity to prioritised segments of customers across the consumer and enterprise verticals. At STL Partners, we break the verticalised strategy into 3 service layers (see Figure 4).

**Figure 4: The new telco vision and the shift to verticalised services**



1. **Network as a service (NaaS):** The telco will still have the foundation of providing connectivity services horizontally to a broad range of customers. However, in the new telco vision, the network is built and delivered in a cloud-native way – the network will be consumed through more dynamic and flexible models, and telco services will reflect the need for customisable and not “one size fits all” network products. This includes next-generation services such as private networking, network slicing, and IoT connectivity platforms.
2. **Platform as a service (PaaS):** As part of the shift towards verticalised strategies, telcos need to find opportunities to play further up the value chain and beyond connectivity. There is the opportunity for telcos to provide application enablement services at a platform level to partners and customers, including data management capabilities, security and authentication services, payment and lifecycle services, and APIs to expose network assets to network embedded services.
3. **Software as a Service (SaaS):** At the next level up, telcos can play in the SaaS layer, delivering solutions and applications to target verticals. This is where much of the share of wallet lies and so, to drive new growth, telcos need to find a way to tap into this layer of the value chain and build credibility in prioritised verticals. There are a number of leading telcos already pursuing a strategy in the solutions or SaaS space - for example, SKT providing content and gaming services to its consumer market, TELUS Health providing electronic medical record (EMR) and



telehealth solutions in the healthcare industry, and Elisa delivering its smart factory portfolio to the Manufacturing industry.

### The role of 5G in enabling the Coordination Age

As well as this cross ecosystem shift towards the Coordination Age, operators can leverage the emergence of next generation network technology, like 5G, to support the ambition to take a new role with customers, especially in the enterprise space.

From our interview programme, enterprises believe that 5G will bring something new to the table that other Gs of mobile technology couldn't – and this change gives operators the opportunity to enter a new battle ground in the enterprise space. We outline the potential capabilities below:

- **Increased flexibility:** The promised flexibility and dynamism that 5G brings to networking versus 4G or WiFi will support the migration of enterprise customer towards more cloud-native models for adoption of network and non-network services. Furthermore, it will enable operators to strike a balance between productised offerings and customisable, bespoke offerings – enterprises and applications will be able to mould the network to the specific needs of the organisation or application, without the legacy systems integration requirements of traditional turnkey solutions. Essentially, 5G is supporting a move away from the one-size-fits-all network while maintaining a productised model for the operator.
- **Bringing mobile technology to the operational technology (OT) space:** mature 5G's increased performance versus mature 4G will also enable enterprises to leverage mobility in new ways, which previously would not be supported. In place of using mobile technology for enterprise mobility solutions, for example, many enterprises could also use mobile to enhance their operational applications.

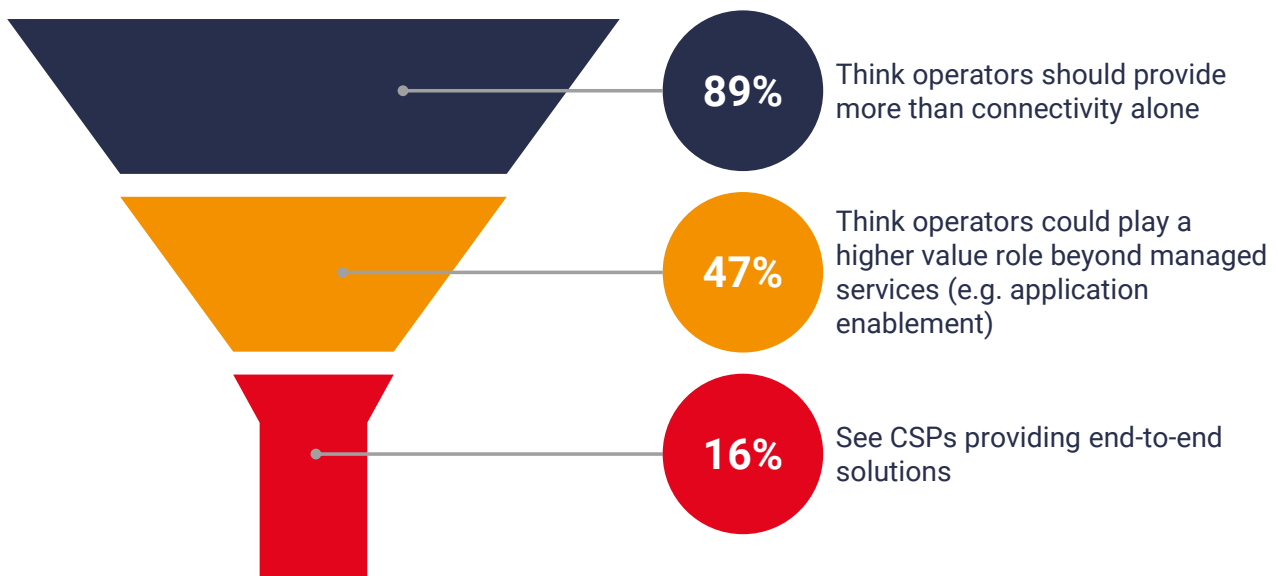
Enterprises in key verticals (e.g. manufacturing, transport & logistics) quote the potential use of AR/VR in the field, where headsets must be connected across a wide area. This cannot be supported through 4G due to the jitter and degradation of human experience. This ability to bring mobile technology to operational applications, therefore, opens a new battle ground for operators.

- **New potential partner ecosystems:** The potential benefits of 5G not only attract new customers but also new partners: OEMs, SIs, ISVs and developers, looking to make use of the promised performance increases to deliver new solutions to their enterprise customers. This offers telcos the opportunity to build their own ecosystems of partners, stitching together solutions which they can front for their own customers. Additionally, for operators who do not necessarily have the ambition to lead their own ecosystems (which comes with significant barriers and complexities), 5G also makes it easier for them to participate in others' ecosystems effectively.
- **A catalyst of transformation:** Even if operators look beyond the potential performance improvements that 5G promises, they should not underestimate the excitement created in the enterprise community – many enterprises globally are exploring 5G as an opportunity to drive their own transformation. There is varying maturity in their exploration, with more advanced

enterprises understanding more of the future-proofing benefits of 5G, but even the more nascent explorers are keen to understand how 5G could benefit their organisation.

## A new role for operators

**Figure 5: c. 90% of enterprises believe operators should provide more than connectivity alone**



Source: STL Partners analysis of survey to 699 enterprises globally

As well as the potential opportunity in 5G, operators shouldn't underestimate the power of enterprise perception when it comes to the role telcos can play in the ecosystem.... and, in the context of next-generation network enabled solutions, enterprises do think that telcos should provide more than connectivity alone.

From our survey, almost 50% of enterprises identified that there is a role for operators higher up the value chain (PaaS or SaaS – see Figure 5). While there are examples of operators who have delivered on this vision already and provided services beyond connectivity (think [TELUS Health](#) or [Elisa Smart Factory](#)), it is still a strategy that requires long-term investment and risk management.

Justifying this investment, particularly for a role offering end-to-end solutions, is not straightforward. It may be the most promising from a share of the wallet perspective, but with only 16% of enterprises seeing offering end-to-end solutions as a current role for operators, there is still a credibility barrier to overcome. In this report, we'll explore how operators can seek to overcome this barrier and effectively move to a "new telco vision" for enterprise services.

# Addressing the 5G opportunity gap: key recommendations for operators

From this research programme, we have three key recommendations for operators to more effectively address the 5G opportunity:

1. **Build credibility in prioritised industry verticals**
2. **Build messaging around “killer concepts” instead of a “killer app”**
3. **Pursue more innovative monetisation models**

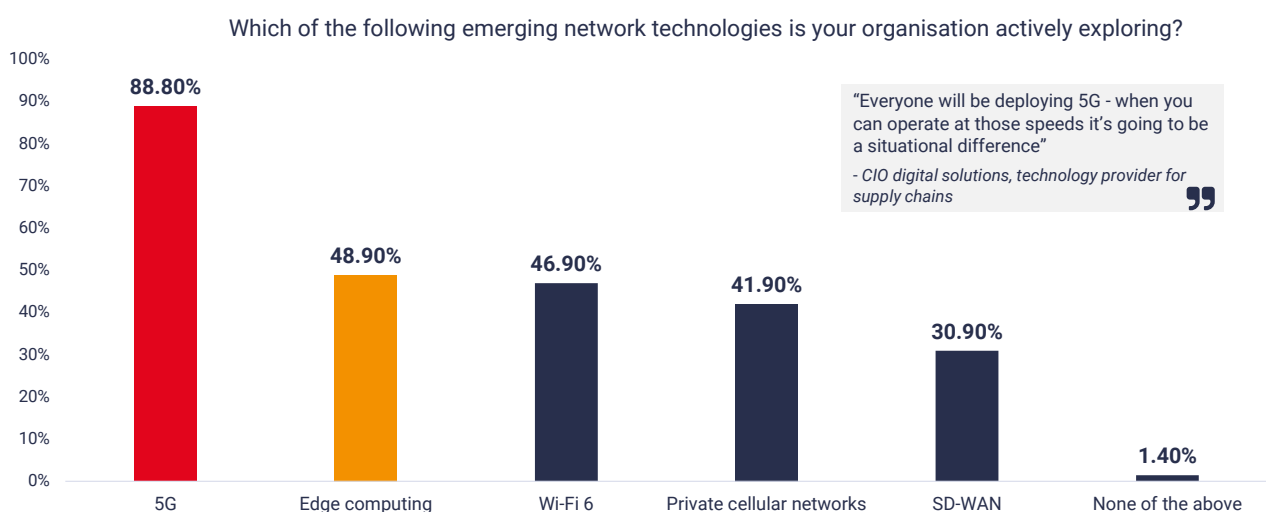
These recommendations will help operators to close the “5G gap” of enterprise interest in 5G versus their knowledge of 5G’s benefits, as well as build more credibility with customers to play further up the value chain.

## Introducing the “5G opportunity gap”

The 5G opportunity gap sits between enterprise interest in 5G and their narrower knowledge about the business benefits for their organisations. Operators must address this gap if they are to take advantage of the B2B opportunity that 5G offers.

In a recent survey conducted with enterprises across regions, industries, and enterprise sizes, 5G was selected as the most explored next-generation networking technology – 88% of respondents said they were exploring 5G in some capacity, compared to only 49%, for example, with respect to edge computing (see Figure 6). Broader 5G messaging is therefore reaching enterprises and they want to understand the benefits for their organisations.

**Figure 6: 5G is the most explored networking technology with enterprises**



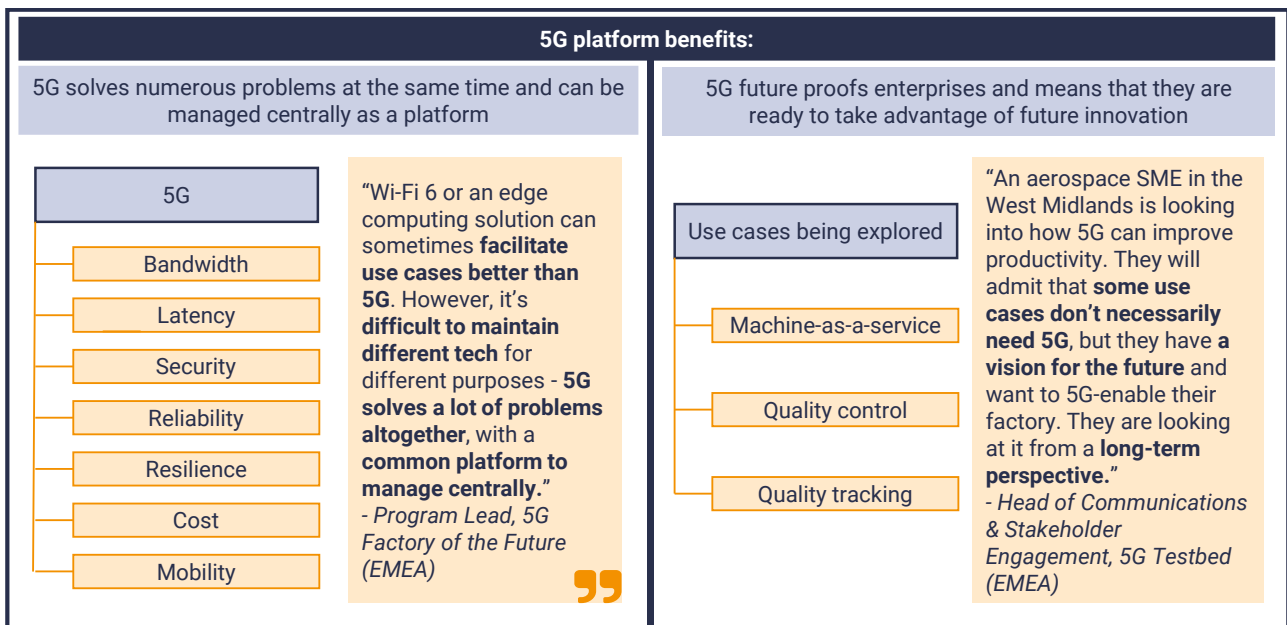
Source: STL Partners analysis, survey to enterprises n=699

The problem, however, is that enterprise understanding of 5G currently comes from consumer focussed messaging or futuristic, science fiction-like enterprise messaging (think remote telesurgery or autonomous drones). These propositions tend to focus on 5G's benefits as greater speed and do not highlight the additional business benefits 5G could bring – enterprises therefore see 5G as primarily an opportunity for “bigger pipes”, often lacking an understanding of the viable industry-specific and organisation-specific benefits and use cases.

This also leads to the notion that 5G will (in the shorter term) be deployed as a point solution (rather than as a platform) to address specific enterprise applications' need for greater speed. It will also primarily be adopted to improve existing applications and processes (rather than for example, in the deployment of greenfield applications).

Owing to the above, enterprises struggle to build a compelling business case to adopt 5G. This is because it runs into the debate of “couldn't you deliver this use case over 4G or WiFi”, and away from the potential platform benefits that 5G can bring to organisations (see Figure 7).

**Figure 7: The platform benefits of 5G**



Source: STL Partners research programme

There is a role here for operators to educate enterprises about the potential value of 5G to them from a more holistic viewpoint. Operators should support enterprises in understanding the roadmap of deploying next-generation networks, including the evolution (of the network and associated use cases) from 4G to 5G, as well as how 5G will interact with the tapestry of other connectivity solutions (Wi-Fi, NB-IoT, Bluetooth etc.).

On this roadmap, operators should highlight to enterprises where 5G can support the advancement of brownfield or existing application sets versus in the future where it can support the deployment of greenfield applications.

As laid out in the recommendations below, telcos need to support enterprises in building their 5G business cases and highlighting the benefits of 5G for their industry (or better still their specific enterprise), helping them to understand the roadmap for 4G to 5G, and how 5G fits amongst a tapestry of other connectivity solutions.

## 1. Build credibility within prioritised industry verticals

For operators looking to move further across the value chain, significant investment must be made to build new, industry-specific:

- Skills & capabilities
- Partner ecosystems
- Infrastructure (network and IT)
- Propositions

However, due to budget constraints and the significant capex investment in 5G network deployments and telco cloud, investment cannot be spread over a number of verticals in a scattergun approach. If operators want to play a higher value role in the enterprise space, they, therefore, need to prioritise the right vertical(s) for them. This could be based on a suite of different factors, for example:

- **Size of industry opportunity** (e.g. number of customers, customer spend, GDP output)
- **Technical readiness of the industry** (e.g. maturity of use case adoption, variation/distribution of customer maturity, high growth potential for digitisation)
- **Telco right to play** (e.g. the existing competitive landscape, the telco's existing capabilities, the operator's credibility)

Once operators have identified priority verticals to target, operators should build industry specific propositions to gain credibility with customers, and support the building of a richer 5G business case for their customers.

This is because each industry has different sets of needs and, even if the technology to address those needs is similar, the messaging must be different to capture the attention of the customer and prove an understanding of their needs. For example, many manufacturers are focussed on reducing unplanned downtime of machinery to significantly improve the bottom line for their factories. However, retail customers are more focussed on new business models and greenfield applications which will help counteract the decline of the high-street and create new, eCommerce led, ways to engage the consumer.

Even if both could benefit from use cases around augmented or virtual reality (AR/VR), for example through remote experts supporting machine maintenance in manufacturing or magic mirrors in retail,

the messaging around the technology and the models for delivery need to highlight the industry-specific benefits, as well as how the use cases could evolve, for the specific organisations.

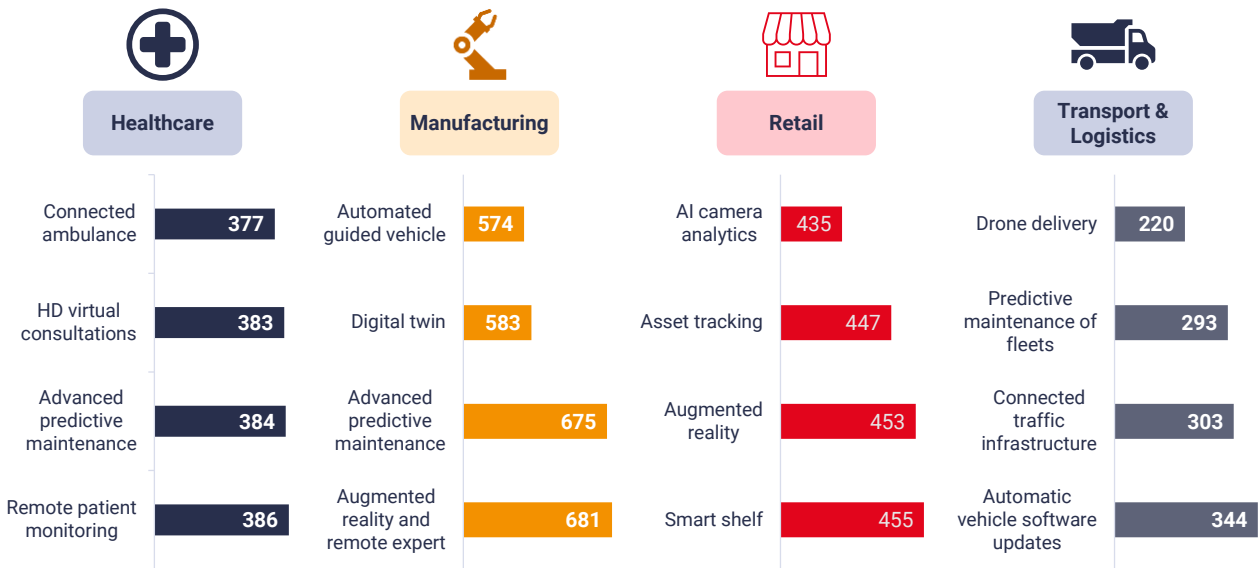
We summarise five key recommendations for operators looking to move higher across the value chain, build credibility with enterprises, and close the 5G gap to seize the B2B opportunity:

1. **Prioritise target verticals** where there is an opportunity to play across the value chain.
2. **Conduct proof of concepts and proof of values (PoCs/PoVs)** to understand the needs of your customers, the industry drivers, and the use cases/preferred models that enterprises are searching for through 5G.
3. Build **industry specific messaging** to avoid “consumer” propositions permeating throughout the customer base, and show credibility and knowledge in the space.
4. Provide **tangible use cases in the short and long-term** to show the roadmap and evolution from where enterprises are now to where they could be. This will help negate the futuristic messaging reaching enterprises and build a business case for early adoption of 5G to future proof the organisation.
5. Promote the **platform benefits of 5G** – 5G solves a number of problems at once, providing a centrally coordinated networking solution which can be leveraged to deploy a suite of use cases to transform the industry at once. This also helps avoid the comparison versus 4G and WiFi of specific point solution deployments.

## 2. Build messaging around “killer concepts” instead of a “killer app”

Telcos and enterprises alike are searching for the “killer app” for 5G around which to build the business case. We explored this idea in our research and, while many applications were mentioned by enterprises as potential candidates for 5G, one didn’t spring out as the “killer” application (see Figure 8).

**Figure 8: There is no “killer app” for 5G**

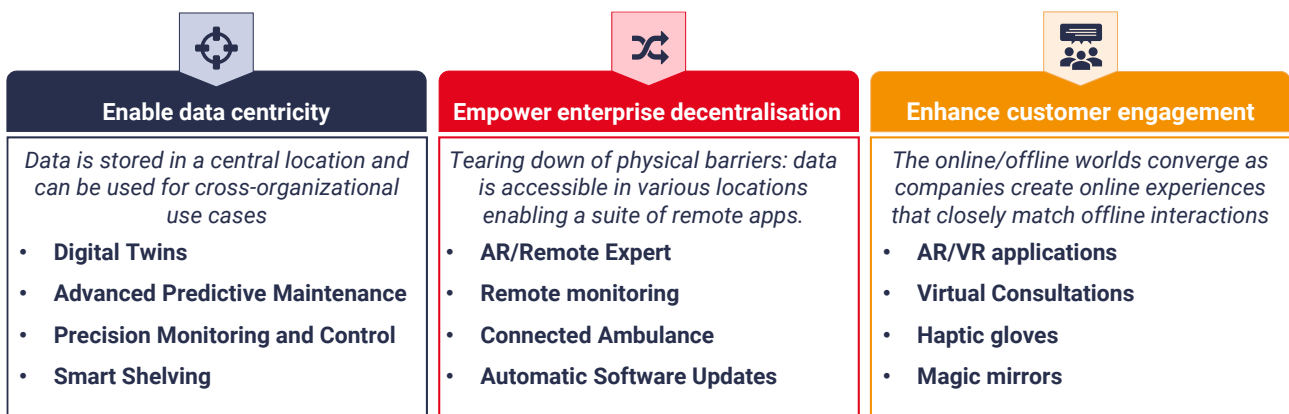


Source: STL Partners analysis of survey to 699 enterprises globally. Values shown are a weighted score across all use case rankings

Our research suggests that there is **no single**, standout application for 5G within or across industries, and searching for and attempting to promote a killer app may unnecessarily fuel the “can’t this be done on 4G?” debate.

Instead, operators should build the business case for enterprise around 5G enabling “killer concepts” (see Figure 9):

**Figure 9: Three “killer concepts” for 5G**



Source: STL Partners analysis of survey to 699 enterprises globally

Killer concepts for 5G

From our research programme, we identified three killer concepts for 5G:

- **Enable data centrality:** 5G, through lower latency, higher bandwidth, increasing capacity etc., supports the right time collection of more data, for example from sensors. Data from these

sensors can then be effectively transmitted, stored, and analysed to be shared within or even eventually beyond the organisation. This will enable better automation and optimisation of processes, for example through use cases like advanced predictive maintenance or precision monitoring and control in manufacturing.

- **Empower enterprise decentralization:** 5G bringing mobility to operational applications for enterprises supports the tearing down of physical barriers: data and applications are accessible from a range of remote locations and no longer tethered to specific locations or pieces of kit. For example, 5G enables a move towards acute care at home, where doctors can access and analyse (through remote monitoring use cases, for example) patient data from anywhere and patients can access medical expertise without the need to travel into the hospital. This will significantly increase access to and throughput of medical infrastructure.
- **Enhance customer engagement:** The online/offline worlds converge as companies create online experiences that closely match offline interactions. This will be essential in the retail space, for example, where 5G's performance and flexibility can support delivery of more dynamic eCommerce-type models to enhance customers' experience of online shopping. AR/VR or haptic use cases are great examples of this – leveraging the need for a jitter-free and low latency connection to provide a more face-to-face experience for shoppers.

Operators should **identify which killer concepts resonate with their customers and build this into their industry-specific messaging**, promoting suites and portfolios of use cases which could leverage 5G as a platform now and in the future – this will help identify the roadmap of use cases enterprises could deploy, and support building a business case for enterprises around future proofing the organisation.

### 3. Pursue more innovative monetisation models

A key enabler of the move towards the new telco vision will be the ability to monetise 5G services in new, more innovative ways. This spans across areas such as emerging cloud-like or “as a service” payment models, different use of channels (e.g. digital vs offline), and the ability to self-serve evaluate, configure, and spin up next generation services.

Telcos need to invest now to enable these models, creating a seamless experience for customers and partners, and delivering on the promise of flexibility that 5G brings.

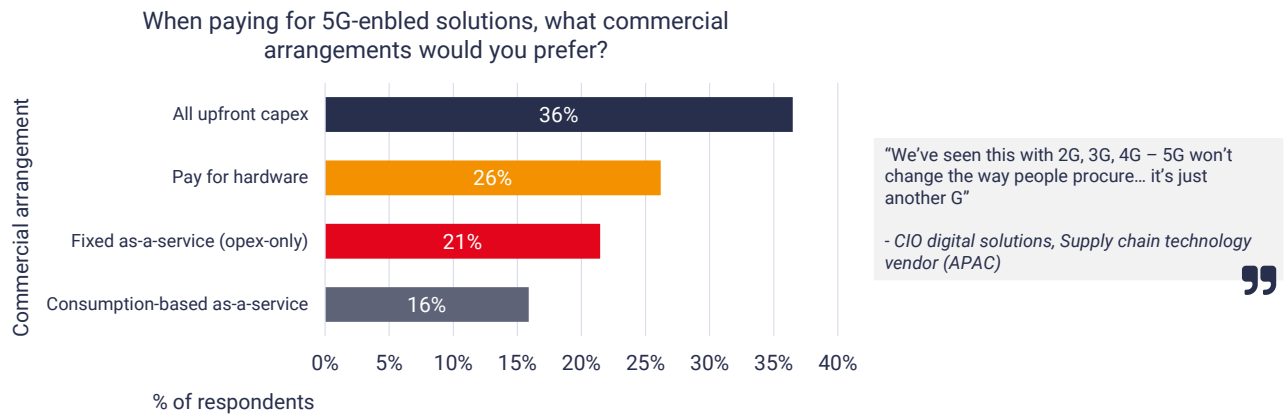
#### Drive true flexibility in the payment model

We are seeing an industry-wide shift, across enterprises globally, towards more cloud-like models for discovery, evaluation, procurement, payment, and delivery of next-generation services. The hyperscalers and tech giants are driving the adoption of more consumption-, opex-, or as a service-based models, as well as best practice around cloud native flexibility for solutions. This includes the spin up and spin down of services, plug in and play models (as opposed to big SI transformations), and true flexibility around contracts and vendor lock-in – a push towards openness.



However, our survey with c.700 enterprises globally shows that enterprises are still early in their migration and adoption of these models, favouring traditional capex models for next generation solution procurement (see Figure 10).

**Figure 10: Enterprises still think about 5G commercial models in a traditional way**



This ties back to the 5G opportunity gap - although enterprises are excited about and keen to understand the benefits 5G could bring to their organisations, they lack the knowledge (and messaging from telcos) about industry-specific and realistic benefits for their organisation. Due to this lack of understanding of 5G’s wider benefits (beyond speed) including the increased flexibility and dynamism of the network, less advanced enterprises do not yet understand how 5G will help enable the shift towards these new cloud-like models. Enterprises lean towards the traditional models they already know.

Telcos will therefore see a steady migration of their enterprise customer base towards cloud-like models as:

- Enterprises continue to adopt cloud services across their organisations and business processes.
- Messaging around 5G becomes more enterprise-specific [see previous section].

As well as the 5G gap, this lack of adoption of cloud-like models for procurement is due to the current limitations of some as-a-service (XaaS) models. Enterprises are wary of models that promote opex payments with lengthy contractual commitments that lock-in the enterprise for years. We found that enterprises are even willing to pay a premium for true flexibility – when asked how much more they would pay for a flexible lease model with no contract length versus a 2-year contract, c. 60% of enterprises said they would pay 20% more.

We have two key recommendations here for operators:

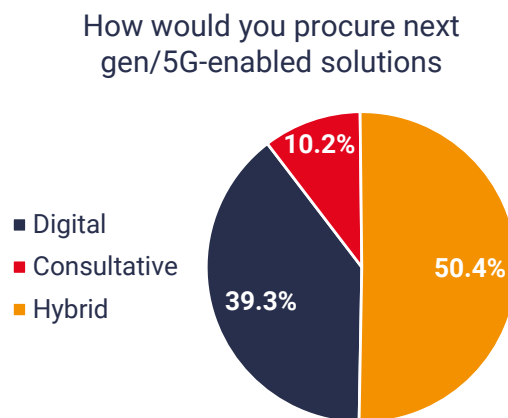
1. Telcos will need to be ready to support the migration of enterprise customers from traditional to cloud-like models, investing in the capabilities now to support:
  - the more advanced enterprises who may already prefer these models;

- hybrid models to give the customer choice and flexibility of payment structure;
  - and traditional models with strategic support for less advanced enterprises.
2. Telcos shouldn't confuse opex with flexibility – they need to pursue true cloud-like models, including the ability to readily spin up and spin down services. Enterprises will even pay a premium for this capability.

## Support omnichannel journeys for enterprises

Although enterprises are still early in their adoption of new models for payment, our recent survey suggests that enterprises are more advanced in their preferences for channel. When asked about their preference for channel when procuring next-generation solutions, c. 40% of enterprises wanted an all digital journey and c. 50% wanted a hybrid (digital and traditional consultative approach) model. This means that 90% of enterprises want some form of digital engagement across the customer journey (see Figure 11).

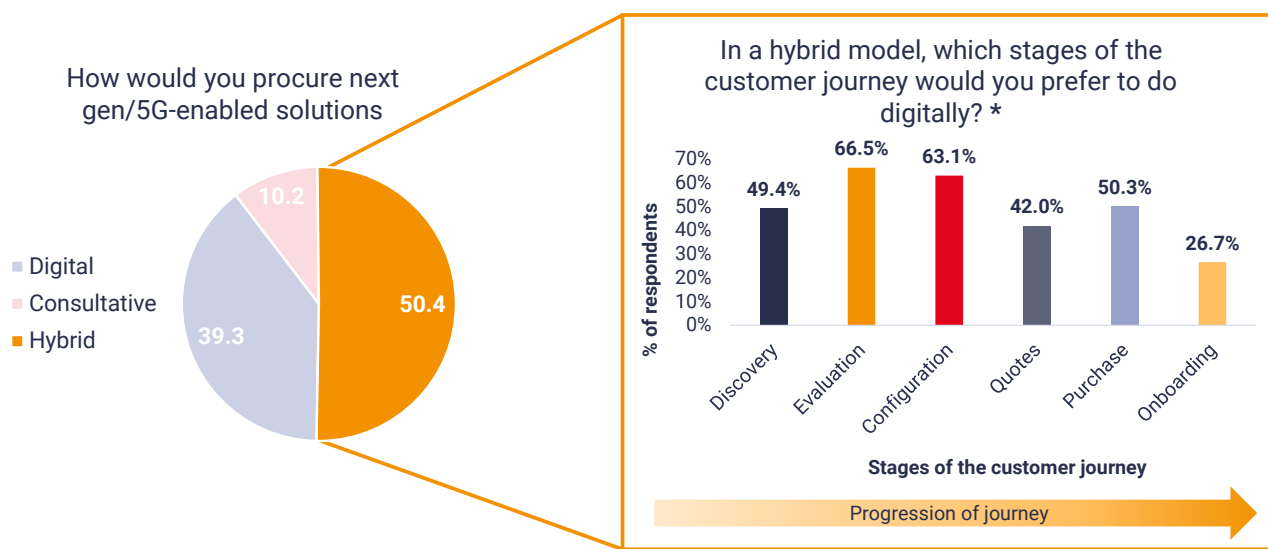
**Figure 11: c. 50% of enterprises want a hybrid procurement model for 5G-enabled solutions**



Source: STL Partners analysis of survey to 699 enterprises globally

Interestingly, for enterprises who selected a “hybrid” journey, their preference for digital engagement varies by the different phases of the procurement process. Most enterprises prefer digital as they progress through the evaluation and configuration stages of the journey, needing more handholding in solution discovery, and more complex onboarding (see Figure 12).

**Figure 12: Enterprise preference for digital varies by stage of the customer journey**



Source: STL Partners analysis of survey to 699 enterprises globally

Operators need to have the capabilities to handle this migration towards digital channels for enterprises, while maintaining the capabilities to handle hybrid and assisted journeys. **Omnichannel capabilities will therefore be critical for operators** to enable a seamless and frictionless experience for enterprises as they transfer between channels.

This preference for channel doesn't vary significantly by enterprise industry or region, however, it does vary by enterprise size. Smaller enterprises actually had a slight skew towards a more consultative approach – the majority still favour a hybrid approach, but there is a greater proportion that want a face-to-face feel throughout the customer journey and want an all consultative approach.

This is due to a lack of IT resource, knowledge, and capabilities compared to larger enterprises that have dedicated IT teams to manage these types of services and models. SMEs require slightly more hand-holding throughout the process to support the identification, evaluation, and configuration of the right services for them.

This is especially important in 5G B2B where there is a knowledge gap on what the business case of enterprises will be – there is a clear role for the operator in supporting SMEs through this process, enabling hybrid journeys and taking on a more strategic advisory role to support wider digital transformation.

## Enable seamless self-service configuration of enterprise solutions

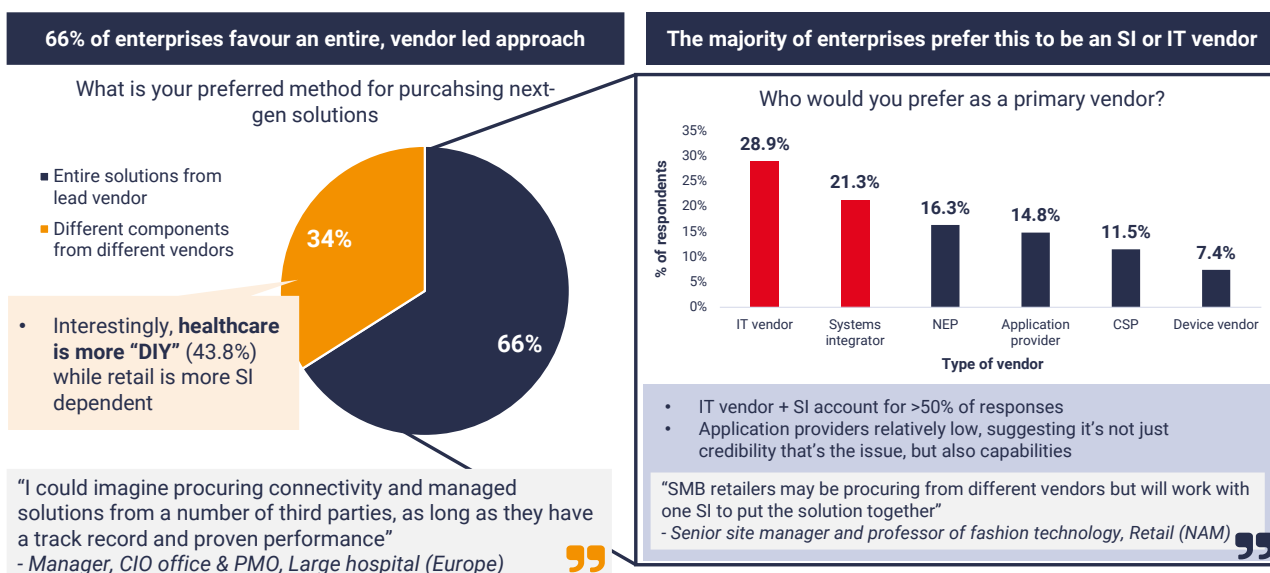
In tandem with the increasing prevalence of digital channels comes an increasing amount of self-service. Enterprise customers and partners want to be able to log onto a digital portal, or leverage API calls, to configure, procure, and spin up next generation solutions.

This includes more customers taking a do it yourself (DIY) approach to the purchasing and configuration of next-generation solutions. Although purchasing the entire solution from a lead vendor

(primarily the SI or technology vendor) is still the primary go-to-market option (66% of enterprises), there is an increasing number of enterprises that would prefer to stitch solutions together from across a suite of best-in-class vendors (34% of enterprises) (see Figure 13). This favours larger enterprises due to the dedicated IT resource and significant budget, knowledge, and skills – they have the capabilities to take a DIY strategy.

N.B. Of those enterprises who prefer to procure the entire solution from a lead vendor, only 11.5% want CSPs to fulfil that role. Though it isn't insignificant, for telcos looking to play across the value chain, they need to do more to build industry expertise and gain credibility with vertical-specific offerings. Read more on this in section "1. Build credibility within prioritised industry verticals".

**Figure 13: Purchasing the entire solution from an SI or IT vendor still dominates the go to market for enterprise solutions**



Source: STL Partners analysis, global enterprise survey n=699

Telcos looking to play further up the value chain and potentially deliver end-to-end solutions to the enterprise space will therefore need to enable partners and customers to digitally interact with and create in real-time bespoke services and solutions. Operators will need to enable the configuration of services in real-time, as well as providing a quote for and the spin up of the service without lengthy delays in procurement or time to market. This will require new backend capabilities to handle this in a right-time and automated way, as well as the simplification of the portfolio to create a seamless front end experience

However, this is more difficult in the enterprise space due to the apparently conflicting objective of simplifying the portfolio, and the increasing complexity, richness, and programmability of telco offerings. Operators will begin to deliver more flexible, dynamic, and bespoke network services (NaaS), as well as services beyond connectivity (PaaS and SaaS) - essentially there is an increasingly rich portfolio that needs to have a simple way (through digital portals or API calls) to navigate and interact with. Telcos therefore need to think about how they will drive a configuration-based (and simple to navigate) front end, with a backend that enables this flexibility and increased complexity.

# Conclusions

Although there is a significant buzz around 5G in the enterprise space, most enterprises are still unaware of the additional benefits it could bring their organisations beyond bigger pipes. This makes it more difficult for enterprises to build the business case for 5G as it runs into the debate of “couldn’t this be done over 4G” and away from the future proofing and platform benefits 5G could bring.

There is a clear role for operators in addressing this 5G opportunity gap and the telcos who are successful will be able to more effectively capitalise on the 5G B2B opportunity. We summarise our recommendations for operators below.

- **Build credibility in prioritised industry verticals:**
  - **Prioritise target verticals**
  - **Conduct proof of concepts and proof of values (PoCs/PoVs)**
  - **Build industry specific messaging**
  - **Provide tangible use cases in the short and long-term**
  - **Promote the platform benefits of 5G**
- **Build messaging around “killer concepts” instead of a “killer app”:**
  - Our research suggests that there is **no single**, standout application for 5G within or across industries
  - Instead, operators should build the business case for enterprise around 5G enabling “killer concepts”
    - **Enable data centricity**
    - **Empower enterprise decentralization**
    - **Enhance customer engagement**
  - Operators should **identify which killer concepts resonate with their customers and build this into their industry-specific messaging**, promoting suites and portfolios of use cases which could leverage 5G as a platform now and in the future
- **Pursue more innovative monetisation models:**
  - Drive true flexibility in the payment model:

- Telcos will need to be ready to **support the migration of enterprise customers** from traditional to cloud-like models, investing in the capabilities now to support:
  - (1) the more advanced enterprises who may already prefer these models;
  - (2) hybrid models to give the customer choice and flexibility of payment structure;
  - (3) and traditional models with strategic support for less advanced enterprises.
- Support omnichannel journeys for enterprises:
  - 90% of enterprises want some form a digital engagement across the customer journey
  - **Omnichannel capabilities will therefore be critical for operators** to enable a seamless and frictionless experience for enterprises as they transfer between channels.
  - Operators have a key role in the SME segment supporting a more consultative approach and strategic advisory model for next-generation services.
- Enable seamless self-service configuration of enterprise solutions
  - Enterprise customers and partners want to be able to log onto a digital portal, or leverage API calls, to configure, procure, and spin up next generation solutions.
  - Telcos looking to play further up the value chain and potentially deliver end-to-end solutions to the enterprise space will therefore need to enable partners and customers to digitally interact with and create in real-time bespoke services and solutions.
  - This will require new backend capabilities to handle this in a right-time and automated way, as well as the simplification of the portfolio to create a seamless front end experience
  - This is more difficult in the enterprise space due to the apparently conflicting objective of simplifying the portfolio, and the increasing complexity, richness, and programmability of telco offerings.

# Message from our sponsor

The deployment of 5G networks is expected to become a catalyst for CSPs in approaching business customers with new offerings, potentially growing beyond connectivity with partner-based solutions in new areas like IoT, edge, security and more. While CSPs are aspiring to climb up the value chain with these new 5G-embedded solutions, it is still unclear whether their business customers share the same vision... do they understand what 5G is? do they have a defined strategy around adopting 5G services? What are the KPIs they would like to improve with 5G -based solutions?

It is clear from the research that there is a big gap between CSPs ambitions and the current perspective of their business customers. The good news is that there are specific and well-defined steps CSPs can take to overcome that gap and become more attractive in offering 5G-based solution to businesses. Amdocs' B2B portfolio includes a wide set of solutions, specifically tailored around 5G, to support our customers in their 5G B2B monetization journey, encompassing service definition, automated service delivery and flexible monetization and engagement engines, directly aligned with the research recommendations.

For more information feel free to contact your Amdocs delegate or visit: <https://www.amdocs.com/5g-value-plane>

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