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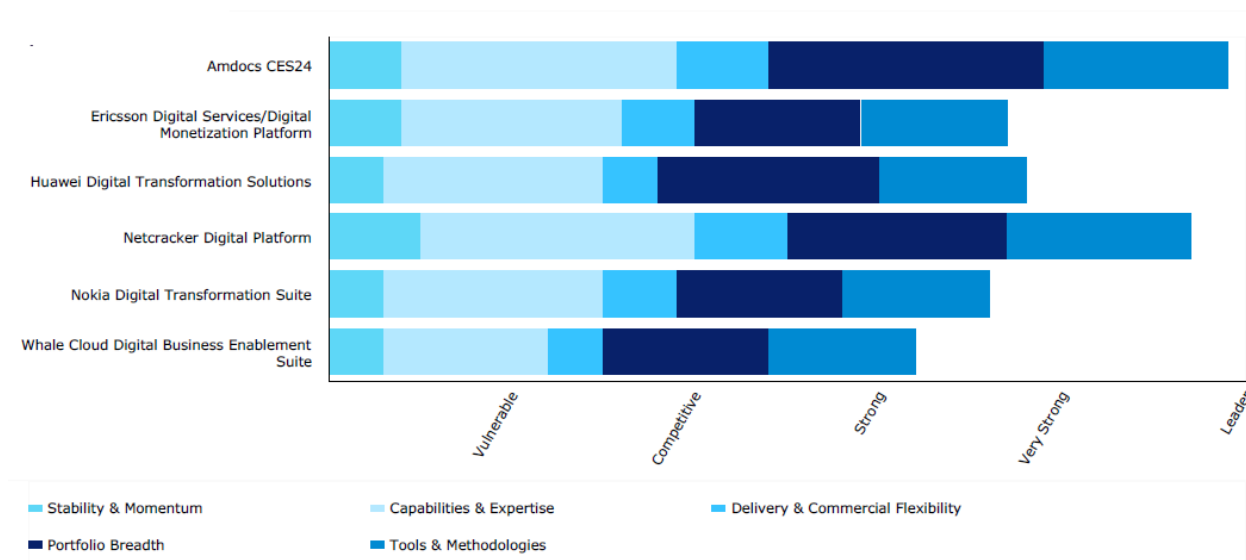
# **Digital Transformation Platforms:** **Competitive Landscape Assessment**

# Competitive Landscape Assessment: Digital Transformation Platforms

## Report Summary:

Telcos must embrace digital transformation to stay ahead. Customers demand personalized experiences that only digital tools can provide. With 5G and OTT services fueling innovation, those that adopt digital strategies will dominate the market.

## Product Class Scorecard



## Market Overview

Product Class	Digital Transformation Platforms
<b>Market Definition</b>	<p>Digital transformation platforms are comprehensive software portfolios that enable CSPs to transform their operations, processes, and customer experiences through the integration of digital technologies. These platforms typically include capabilities such as advanced analytics, artificial intelligence (AI), automation, and cloud computing.</p> <p>The products in this market address the problem/opportunity of communication service providers (CSPs) needing to modernize their operations and stay competitive in a rapidly evolving digital landscape. These platforms provide a framework to implement digital technologies and strategies that can improve efficiency, enhance customer experiences, and create new revenue streams. By leveraging digital transformation platforms, CSPs can transform their business models, operations, and services as well as stay ahead of the competition.</p>
<b>Rated Competitors</b>	<ul style="list-style-type: none"> <li>• Amdocs CES24</li> <li>• Ericsson Digital Services/Digital Monetization Platform</li> <li>• Huawei Digital Transformation Solutions</li> <li>• Netcracker Digital Platform</li> <li>• Nokia Digital Transformation Suite</li> <li>• Whale Cloud Digital Business Enablement Suite</li> </ul>
<b>Additional Competitors</b>	<ul style="list-style-type: none"> <li>• CSG</li> <li>• Oracle</li> </ul>
<b>Changes Since Last Update</b>	<ul style="list-style-type: none"> <li>• <b>May 2024:</b> Hawaiian Telcom will use Netcracker Digital BSS, along with support and managed services, as part of its digital transformation program. It will deploy Netcracker products to create an order management platform, including customer order management, product catalog, service inventory, service catalog, and service order management.</li> <li>• <b>May 2024:</b> Japanese cable TV, communications, and media entertainment company Jcom chose Amdocs as their strategic collaborator for a multi-year initiative aimed at transforming their business and operations ecosystem. Amdocs will partner with integration partner, SCSK.</li> <li>• <b>August 2023:</b> Nokia entered into a partnership with NTT Ltd. to make private wireless networking solutions available to more than 3.2 million enterprises across Thailand. Deployed at multiple enterprise business parks across Thailand, Nokia's 5G private wireless solutions will help in business-critical applications and use cases across sectors including manufacturing, mining, healthcare, and education.</li> <li>• <b>April 2024:</b> Orange Egypt selected Ericsson as a partner to accelerate its digital transformation initiatives. The two companies signed a multi-year bundle deal that involves deploying Ericsson's catalog manager and order care products. As part of the collaboration, Ericsson will also modernize and upgrade Orange Egypt's current Ericsson charging solution. It will also expand its current mediation solution to cater to accommodate the expansion.</li> <li>• <b>March 2023:</b> Malaysian service provider Sarawak Digital Economy Corporation signed a three-year contract with Whale Cloud to implement its BSS and accelerate its digital transformation.</li> </ul>

## Market Assessment

The market for digital transformation platforms is experiencing robust growth especially in the North America, Europe, and Middle East regions, driven by the incorporation of advanced technologies and some strategic initiatives by CSPs. Vendors are investing heavily in integrating AI, generative AI (GenAI), and machine learning (ML) into their platforms. These technologies enable capabilities such as predictive analytics, automation, and enhanced customer engagement, which are critical for modern digital transformation initiatives.

A significant trend in the digital transformation market is the shift toward cloud-native platforms. Vendors are developing solutions that utilize public, private, and hybrid cloud environments to offer scalable, flexible, and cost-effective services. Cloud-native platforms support rapid deployment and scalability, which are essential for businesses looking to adapt quickly to market changes and scale their operations efficiently. This transition not only lowers infrastructure costs but also improves the ability to manage and analyze vast amounts of data. Moreover, customer experience has become a focal point for digital transformation platform vendors. They are developing integrated solutions that enhance customer interactions and engagement across multiple channels. This customer-centric approach is crucial in today's competitive market where businesses need to differentiate themselves through superior customer service and personalized experiences. For instance, AI-driven chatbots and virtual assistants are increasingly being used to provide instant customer support and personalized recommendations.

GenAI has emerged as a powerful tool in the telco sector, driving digital transformation. By leveraging GenAI, telcos can achieve significant improvements in service quality, customer satisfaction, and overall operational effectiveness, positioning themselves for sustained competitive advantage. Digital transformation platforms can differentiate themselves by leveraging GenAI to enhance services, optimize operations, and improve customer experiences. By integrating advanced predictive analytics, AI-driven business insights, and personalized customer services, digital transformation platforms can enable telcos to proactively manage networks, deliver tailored offers, and make informed decisions. Additionally, features like automated network management, AI-powered customer support, and real-time fraud detection ensure high performance, security, and efficiency. These capabilities position telcos to achieve significant improvements in service quality and operational effectiveness.

Operational support systems (OSS) are evolving to become a critical component of digital transformation platforms. Modern OSS are being transformed to support real-time data processing, automation, and advanced analytics, integrating seamlessly with cloud-native architectures and AI technologies. This transformation enables telcos to efficiently manage the complexities of 5G networks, automate network operations, and deliver enhanced customer experiences. By focusing on scalability, resilience, and customer-centric approaches, OSS are now essential in driving the digital transformation initiatives of telcos, ensuring they remain competitive and agile.

In addition to technological advancements, strategic partnerships and ecosystem development are becoming vital. Vendors are collaborating with telcos and other industry players to create comprehensive solutions that address the diverse needs of businesses undergoing digital transformation. These partnerships enable the integration of various services and products, fostering innovation and offering end-to-end solutions that drive business growth.

Overall, both vendors and telcos are strategically investing in digital transformation platforms to enhance operational efficiency, customer experience, and service innovation. By leveraging cutting-edge technologies and focusing on agile, customer-centric solutions, they are well-positioned to drive sustained growth and gain competitive advantage.

## Market Drivers

- **Customer Experience:** Personalized services driven by customer data analytics are a significant market driver. AI-driven digital transformation platforms analyze behavior and preferences to tailor services, enhancing satisfaction and loyalty. AI-powered chatbots and virtual assistants reduce the workload and improve overall customer experience.
- **Evolving Technologies:** CSPs and vendors are embracing new technologies like 5G, AI, and cloud computing to drive digital transformation initiatives and unlock new opportunities for innovation and revenue generation.
- **Growing Competition:** The telecom industry is highly competitive, with new players entering the market and traditional boundaries blurring. Digital transformation platforms allow both vendors and mobile operators to differentiate themselves by offering innovative services, optimizing operations, and creating new business models like subscription-based services, pay-as-you-go options, and hybrid models.
- **Cost Efficiency and Operational Optimization:** Automating routine tasks and processes such as network management, billing, and customer service significantly reduces operational costs and enhances efficiency for telcos. This automation minimizes manual interventions, streamlines workflows, and accelerates service delivery.
- **Data-Driven Insights:** Telecom companies generate vast amounts of data from their networks, customer interactions, and operations. Digital transformation platforms leverage data analytics and AI technologies to extract actionable insights from this data, enabling better decision-making, predictive analytics, and personalized services.
- **Partnerships and Ecosystem Collaboration:** Digital transformation platforms facilitate partnerships and collaboration with other industry players, enabling telecom companies to create innovative solutions and tap into new markets. These platforms provide the foundation for ecosystem development and enable telecom companies to offer bundled services and integrate with third-party providers.

## Buying Criteria

- **Portfolio Breadth:** To assess true portfolio richness, GlobalData assesses each vendor's focus across three main areas: OSS/orchestration, business support systems (BSS), and customer-facing channels. In addition, the degree of support for various public cloud platforms, notably Amazon Web Services (AWS), Microsoft Azure, Google Cloud Platform, and Alibaba Cloud is weighed. Other factors considered include prime systems integrator capabilities, support for operations outsourcing, testing and certification outsourcing services, and degree of support for passthrough/B2B2X services offered to consumers and/or enterprises.
- **Capabilities and Expertise:** Within this area, GlobalData examines the vendor's total workforce devoted to digital transformation, including for various functions such as consulting and systems integration, user experience/design, and training. It also assesses how CSPs might reduce their workforce when they acquire AI and automation capabilities. GlobalData also examines vendor support for relevant certifications, including those related to customer care, network, and retail. Additional criteria include analysis of the most relevant digital transformation partnerships; digital transformation-related R&D and intellectual property assets; and any cutting-edge technologies such as blockchain being used.

- **Tools and Methodologies:** GlobalData assesses vendors' utilization of AI and analytical tools and methodologies to enhance their digital transformation capabilities as well as any tools being offered to assist CSPs in managing third-party ecosystems in support of digital transformation goals. Finally, the degree to which agile development and other relevant tools or methodologies are used to provide unique value to customers.
- **Delivery and Commercial Flexibility:** Analysis focuses on flexibility of business models enabled by vendors, including support for 'as-a-service' and 'pay-as-you-go' delivery; support for risk/reward and outcome-based compensation; and joint innovation with CSPs. A vendor's flexibility in terms of offering modular support to cater to customers not ready or willing to embrace a full stack of digital transformation software platforms or functionalities is also analyzed.
- **Stability and Momentum:** GlobalData assesses vendor stability by analyzing recent financial performance, including revenue and margin performance, debt profile, and other factors indicating corporate stability. Momentum is analyzed by referencing total digital transformation customer base; recent momentum with 'showcase' customers; and new badges as well as expanded customer relationships in the past year.

## Vendor Recommendations

- **Adapt Business Models:** To meet diverse customer needs, vendors should adopt flexible business models by offering subscription-based, pay-as-you-go, and hybrid options. Implementing modular offerings, clear communication, flexible contracts, customer education, and feedback mechanisms ensures these models effectively meet customer preferences and drive business growth.
- **Customer Experience Enhancement:** To enhance customer experience, vendors should leverage AI for personalization and proactive support, ensure seamless omnichannel engagement, act on real-time feedback, deliver reliable services, use intuitive interfaces, provide robust security, and continuously improve based on feedback and trends to foster satisfaction and loyalty.
- **Boost Operational Efficiency:** Vendors should provide automation solutions for routine tasks such as network management, billing, and customer service, reducing operational costs and increasing efficiency. This allows CSPs to focus on strategic initiatives. Additionally, implementing AI-driven predictive maintenance can help foresee and address network issues before they impact services, reducing downtime and maintenance expenses.

## Buyer Recommendations

- **Gauging Vendors' Integration Capabilities:** CSPs should assess the vendor's integration capabilities to ensure that the digital transformation platform can seamlessly integrate with their existing systems, applications, and infrastructure. Compatibility with legacy systems and the ability to handle diverse data sources are critical considerations.
- **Evaluate Cutting Edge Technological Capabilities:** Ensure vendors offer robust AI/GenAI, machine learning, capabilities essential for predictive analytics, automation, and enhancing customer engagement. Assess whether the vendor provides cloud-native platforms that leverage public, private, and hybrid cloud environments to ensure scalability, flexibility, and cost-effectiveness.
- **Assess Customer Experience Capabilities:** CSPs should seek vendors that offer tools for analyzing customer data to provide personalized services and recommendations, significantly enhancing customer satisfaction and loyalty. Verify that the vendor provides AI-driven chatbots and virtual assistants for efficient and immediate customer support to improve overall service quality.

## Rated Competitors

Product Name	Amdocs CES24
Current Perspective	<p>Amdocs launched CES24, the 2024 version of its CES software suite. It is enhanced with GenAI to revolutionize business and operations across the telecom sector, including BSS, OSS, and network domains. At the heart of CES24 is Amdocs amAIz, enabling CSPs to utilize GenAI capabilities for diverse business and operational needs. CES Copilot, Amdocs' AI-powered assistants embedded in Amdocs products, aim to augment human capabilities in customer service, network operations, distinguishing CES24 from solutions focused solely on automation. While competitors may offer AI tools in specific areas, Amdocs stands out with its suite of 'AI agents' across multiple domains, which are deployable on any OSS/BSS/NW ecosystem, providing GenAI capabilities fine-tuned to telco workflows.</p> <p>The customer engagement platform within CES24 integrates with Microsoft Dynamics 365, verticalized for telecoms by Amdocs, and Microsoft Azure, providing a unified, AI-driven omnichannel customer journey experience for both B2C and B2B. The introduction of Amdocs CPQ Pro as part of the platform includes pre-integrated, telco-specific capabilities to streamline the B2B lead-to-cash process. Built on a cloud-native foundation, CES24 promises agility and scalability, with an emphasis on ease of integration as a significant advantage. The success of CES24 hinges on a balance of effective execution, customer adoption, and the transformation of AI within the telecom sector. Currently, CES24 shows great potential to reshape telecom software offerings, but achieving its full potential requires careful attention to challenges and a commitment to responsible AI development and deployment.</p>
Buying Criteria Rating	<p><b>Capabilities &amp; Expertise</b> Leader</p> <p><b>Delivery &amp; Commercial Flexibility</b> Leader</p> <p><b>Portfolio Breadth</b> Leader</p> <p><b>Stability &amp; Momentum</b> Very Strong</p> <p><b>Tools &amp; Methodologies</b> Leader</p>
Product Scores	Leader

<b>Strengths</b>	<ul style="list-style-type: none"><li>• CES24 harnesses GenAI to elevate customer interactions by offering personalized recommendations, accelerating issue resolution, and boosting overall satisfaction.</li><li>• With end-to-end service orchestration capabilities, CES24 streamlines intricate, intent-driven, service delivery and autonomous operations across 5G, software-defined networking, network functions virtualization, edge computing, and any other network domain, ensuring that the CSP's customers experience seamless connectivity.</li><li>• The customer engagement platform integrates B2C and B2B interactions, offering a consolidated view of customer journeys and facilitating targeted marketing and support.</li><li>• Amdocs Monetization Suite, as part of CES24, simplifies the billing engagement and experience through the support of multiple monetization models as well as advanced, GenAI-driven, bill-presentment capabilities.</li></ul>
<b>Limitations</b>	<ul style="list-style-type: none"><li>• CES Copilot, a GenAI assistant, may need user training and acceptance. Some users could be reluctant to depend on AI for important tasks.</li><li>• Microsoft Azure and AWS are cloud giants and don't directly compete with full suites of telecoms software, but their cloud offerings could be seen as alternatives to Amdocs' cloud-native CES24 platform, especially for smaller players.</li><li>• The growing number of startups specializing in AI solutions for various industries could pose a threat if they manage to develop telco-specific offerings that compete directly with CES24's functionalities.</li></ul>

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