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Business Without Limits.

July 18 | Sandton Convention Centre, Johannesburg

Re-imagine the future of Telecommunications

Rob van den Dam

18 July 2013

https://www.facebook.com/IBMSouthAfrica/events

#IBMBC2013

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The IBM Institute for Business Value creates fact based thought leadership that help clients realize business value

Future Agendas

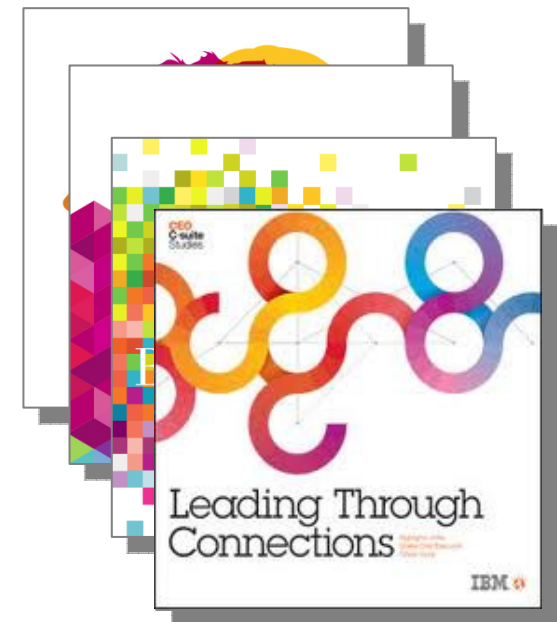3 to 10 year industry outlook with action oriented next steps

Value Realization Studies

In-depth assessment of today's critical issues, opportunities, etc.

CXO Surveys

Chief Officers studies – CEO, CIO, CMO, CFO, CHRO, etc.

What will be CSP's role in the new world?

The 'mega' market and technological trends are creating a very new world for consumers, businesses and markets as a whole.
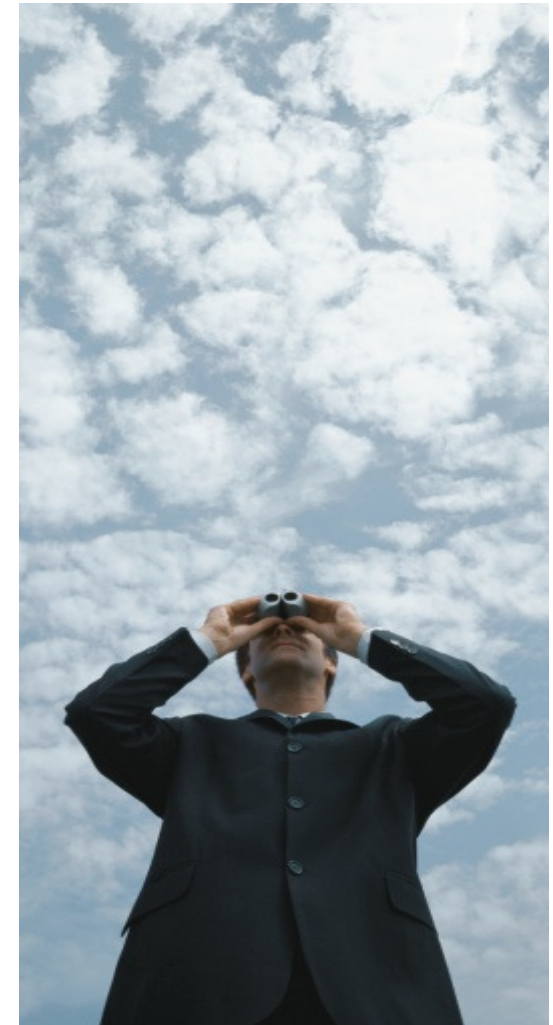
In this new world, CSP's strategic positioning and response relies on major growth plays

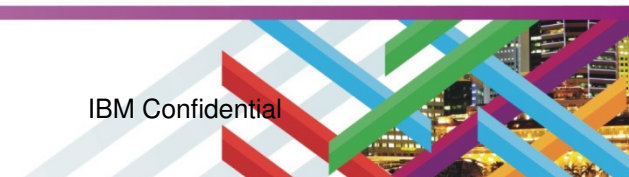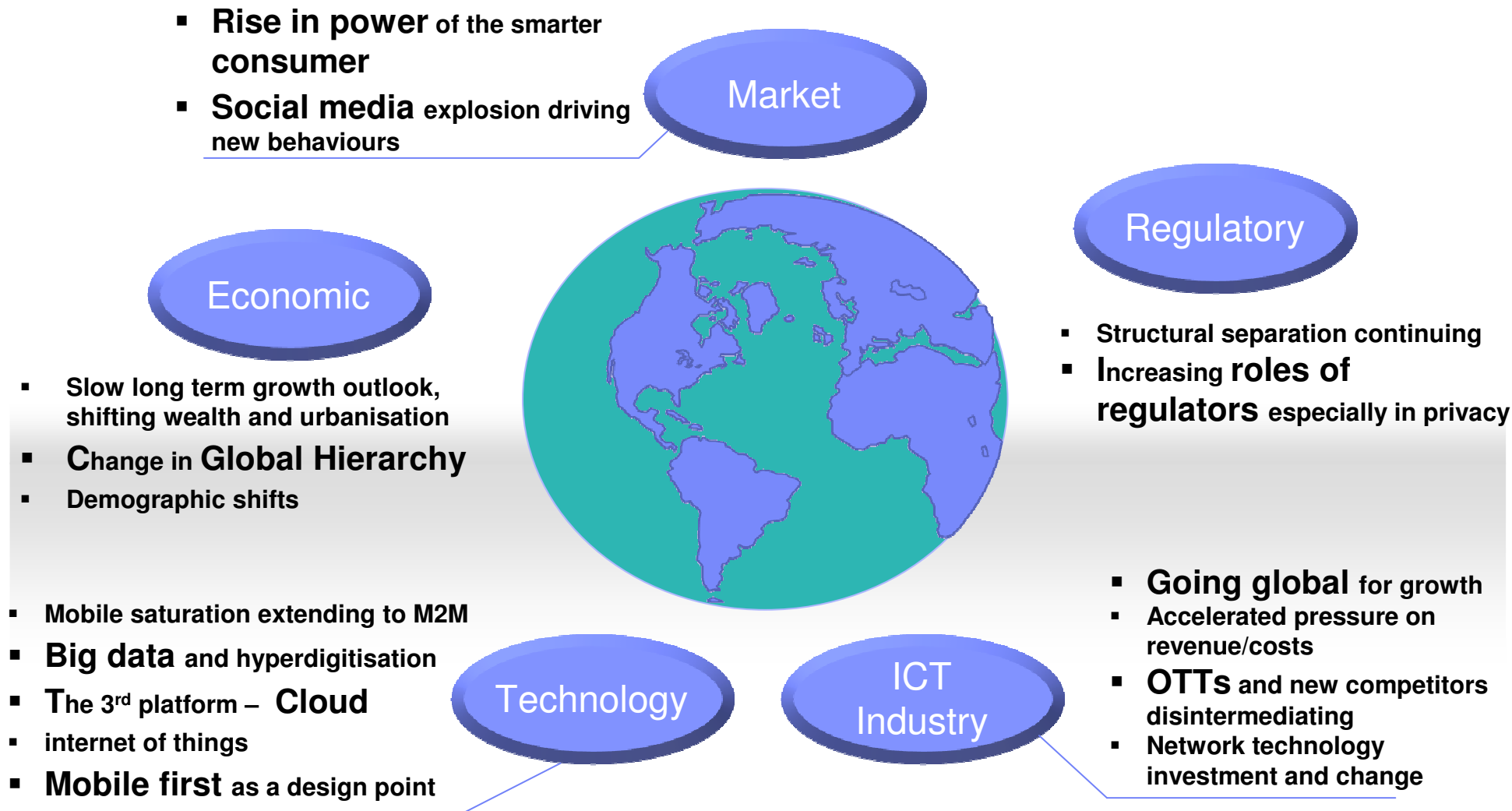*Prediction is very difficult, especially if it's about the future.*
— Niels Bohr

Your theory is crazy, but it's not crazy enough to be true.
— Niels Bohr

Trends evident today are driving re-evaluation of business strategy

IBM.

- **Rise in power** of the smarter **consumer**
- **Social media** explosion driving new behaviours

Market

Regulatory

Economic

- **Slow long term growth outlook,** shifting wealth and urbanisation
- **Change in Global Hierarchy**
- **Demographic shifts**

- **Structural separation continuing**
- **Increasing roles of regulators** especially in privacy

- **Mobile saturation extending to M2M**
- **Big data** and hyperdigitisation
- **T**he 3rd platform – **Cloud**
- **internet of things**
- **Mobile first** as a design point

Technology

ICT Industry

- **Going global** for growth
- **Accelerated pressure on** revenue/costs
- **OTTs** and new competitors disintermediating
- **Network technology investment and change**

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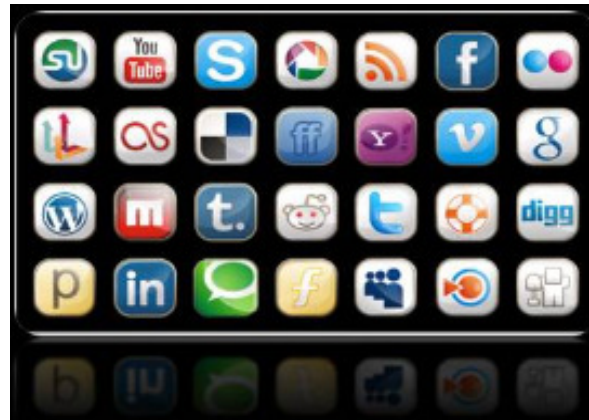Business Without Limits.

Agenda

- Increasing power of the consumer

- Change in the Global Hierarchy

- Big Data

- Cloud

- CSP's Future Role

Internet, the mobile and social media has led to an amazing consumer revolution as profound as any seen before

Increasing power of the consumer/Social Media

The number of Internet users in South Africa is expected to more than double by 2016 to 29.8 Mio, from 12.6 Mio users in 2012

Source: PWC Entertainment and Media Outlook

3 out of 4 South African Internet users are signed up for one or more social networks

Source: The New Wave: South African Network Society project

Mobile broadband users account for ± 3/4th of South African Internet users

Source: PWC Entertainment and Media Outlook

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Under 25s in South Africa communicate more using social networking than all other forms of communication

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UNDER 25s

ABOVE 25s

Daily Usage

#	Category	%
1	Social Networking	90%
2	Mobile Telephony	87%
3	Email/IM/Chat	83%
4	Video Streaming	42%
5	Fixed Voice	42%
6	VoIP	24%

#	Category	%
1	Mobile Telephony	91%
2	Email/IM/Chat	89%
3	Social Networking	80%
4	Fixed Voice	65%
5	Video Streaming	32%
6	VoIP	25%

2011 Global Telecom Consumer Survey Country Data for **South Africa**

Communications spending priorities, perceptions, expectations, and attitudes of today's smarter consumer

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90% of **under 25s** use **social networks daily**

42% of **under 25s with Internet stream or download video daily**

Source: 2011 IBM Global Telecom Consumer Survey, South Africa N=1000

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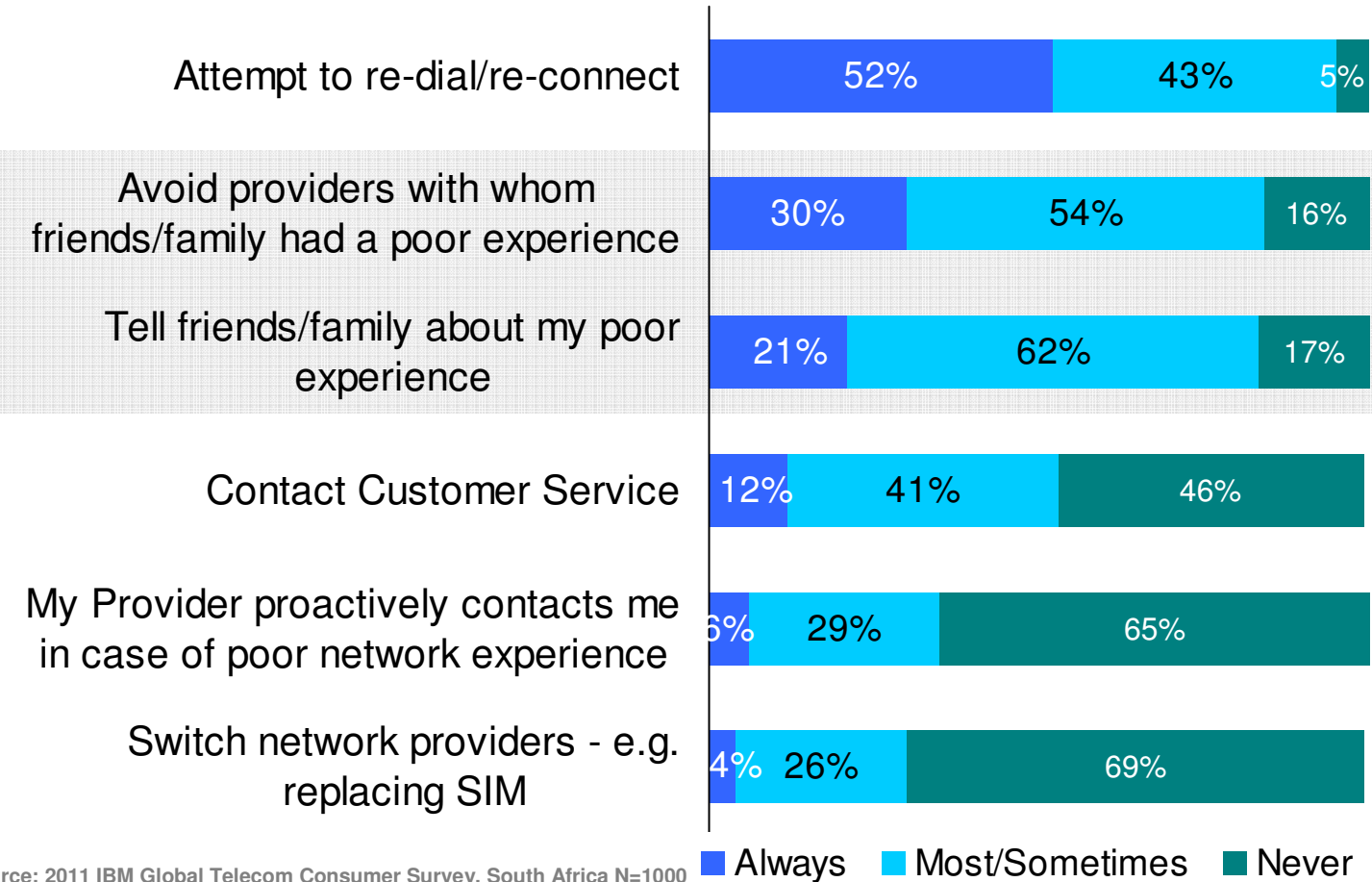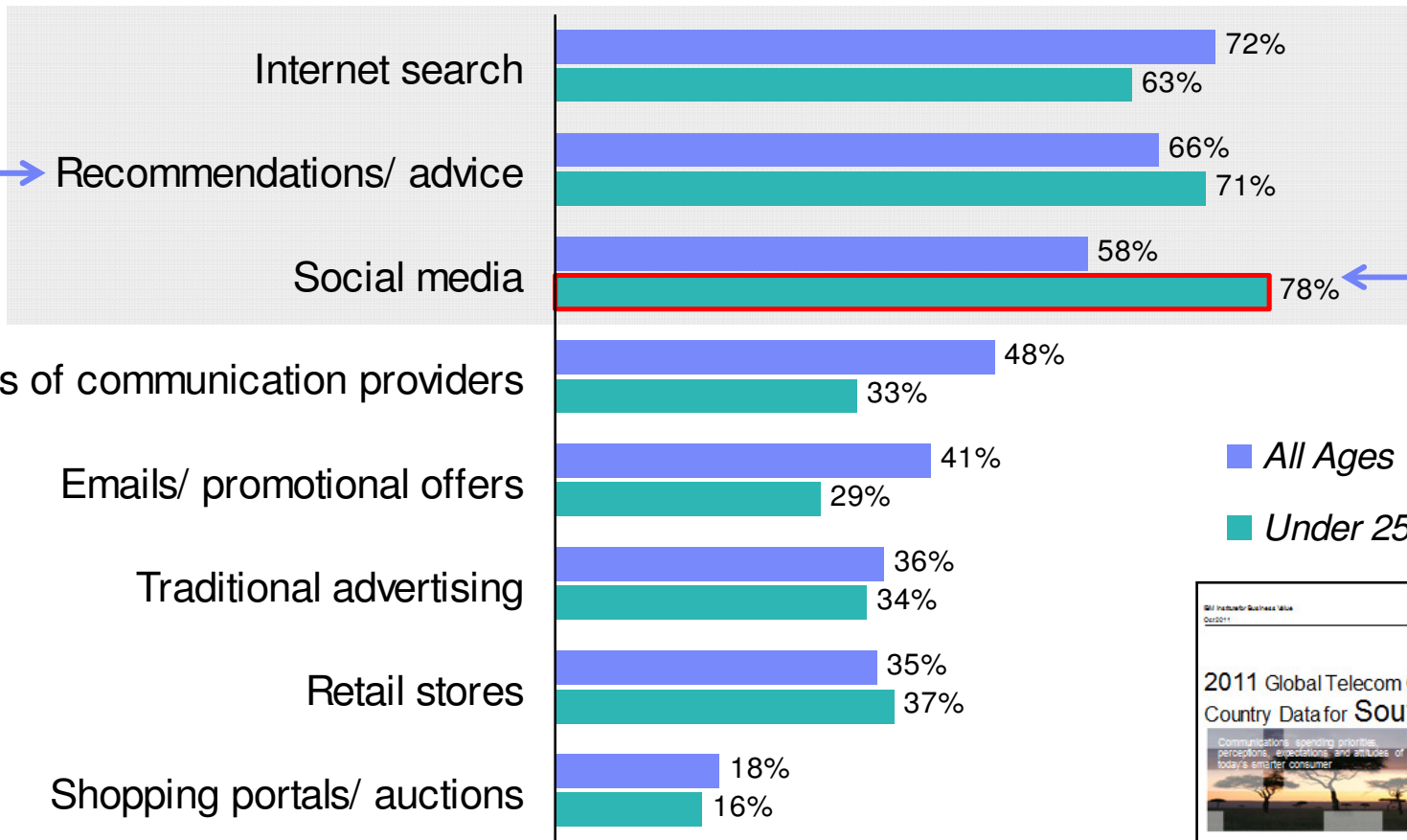
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Like in many other countries, people connect – and share poor experiences - with friends and family

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Increasing power of the consumer/Social Media

What happens when being disconnected?

	Always	Most/Sometimes	Never
Attempt to re-dial/re-connect	52%	43%	5%
Avoid providers with whom friends/family had a poor experience	30%	54%	16%
Tell friends/family about my poor experience	21%	62%	17%
Contact Customer Service	12%	41%	46%
My Provider proactively contacts me in case of poor network experience	6%	29%	65%
Switch network providers - e.g. replacing SIM	4%	26%	69%

84% avoid Providers with poor experience

83% Tell friends/family about their poor experience

- ■ Always
- ■ Most/Sometimes
- ■ Never

Source: 2011 IBM Global Telecom Consumer Survey, South Africa N=1000

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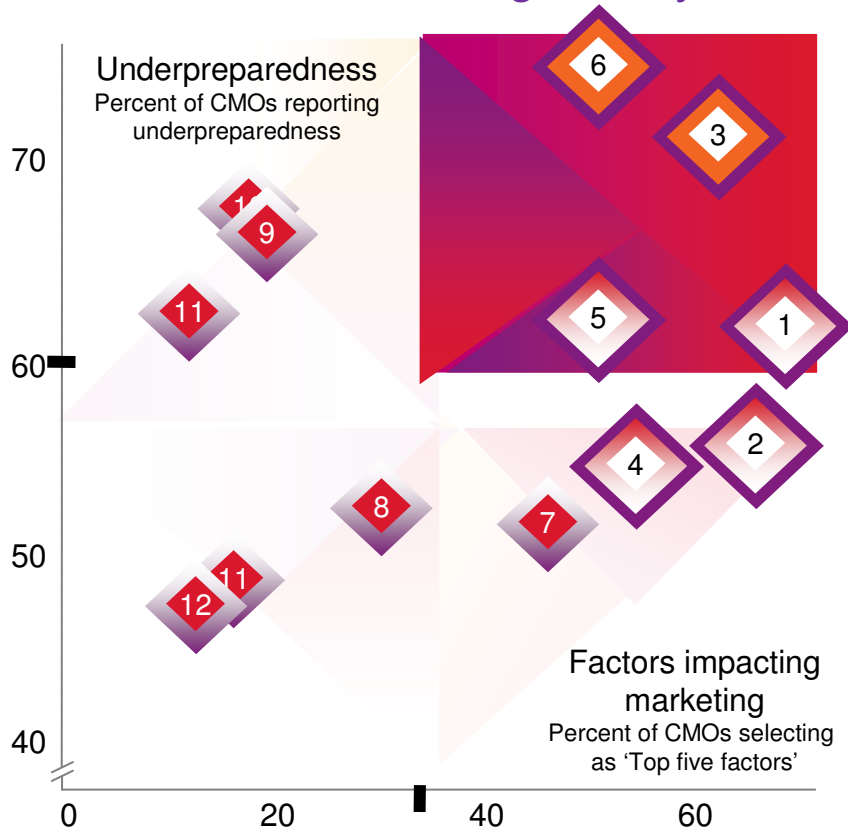Business Without Limits.

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Social Media has become the preferred source of information for the new generation in South Africa

What are you preferred sources of information?

Source	All Ages	Under 25s
Internet search	72%	63%
Recommendations/ advice	66%	71%
Social media	58%	78%
Websites of communication providers	48%	33%
Emails/ promotional offers	41%	29%
Traditional advertising	36%	34%
Retail stores	35%	37%
Shopping portals/ auctions	18%	16%

Increasing power of the consumer/Social Media

■ *All Ages*
■ *Under 25s*

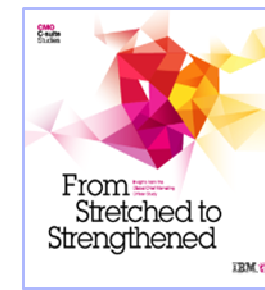Source: 2011 IBM Global Telecom Consumer Survey, South Africa N=1000
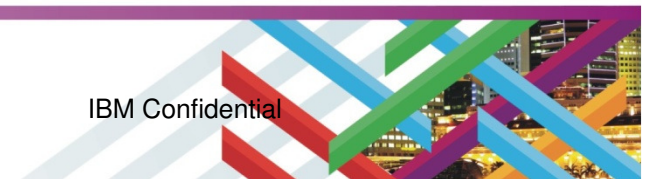
Despite CSPs are at the center of all this – they carry all this traffic – they have not kept pace with all of the changes in today's environment

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Global CSP Marketing Priority Matrix

Increasing power of the consumer/Social Media

Underpreparedness
Percent of CMOs reporting underpreparedness

Factors impacting marketing
Percent of CMOs selecting as 'Top five factors'

	Factor
1	**Customer collaboration and influence**
2	Growth of channel and device choices
3	**Social media**
4	Data explosion
5	**Decreasing brand loyalty**
6	**Shifting consumer demographics**
7	ROI accountability
8	Regulatory considerations
9	Emerging market opportunities
10	Financial constraints
11	Privacy considerations
12	Corporate transparency
13	Global outsourcing
▬	Mean

From Stretched to Strengthened

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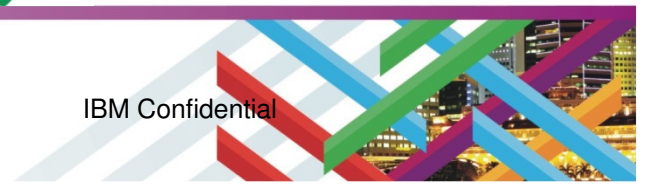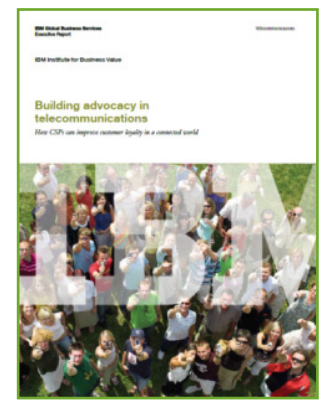
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And as consumers encounter new products, services and experiences on virtually a daily basis, they fell less loyalty towards CSP brands IBM®

Increasing power of the consumer/Social Media
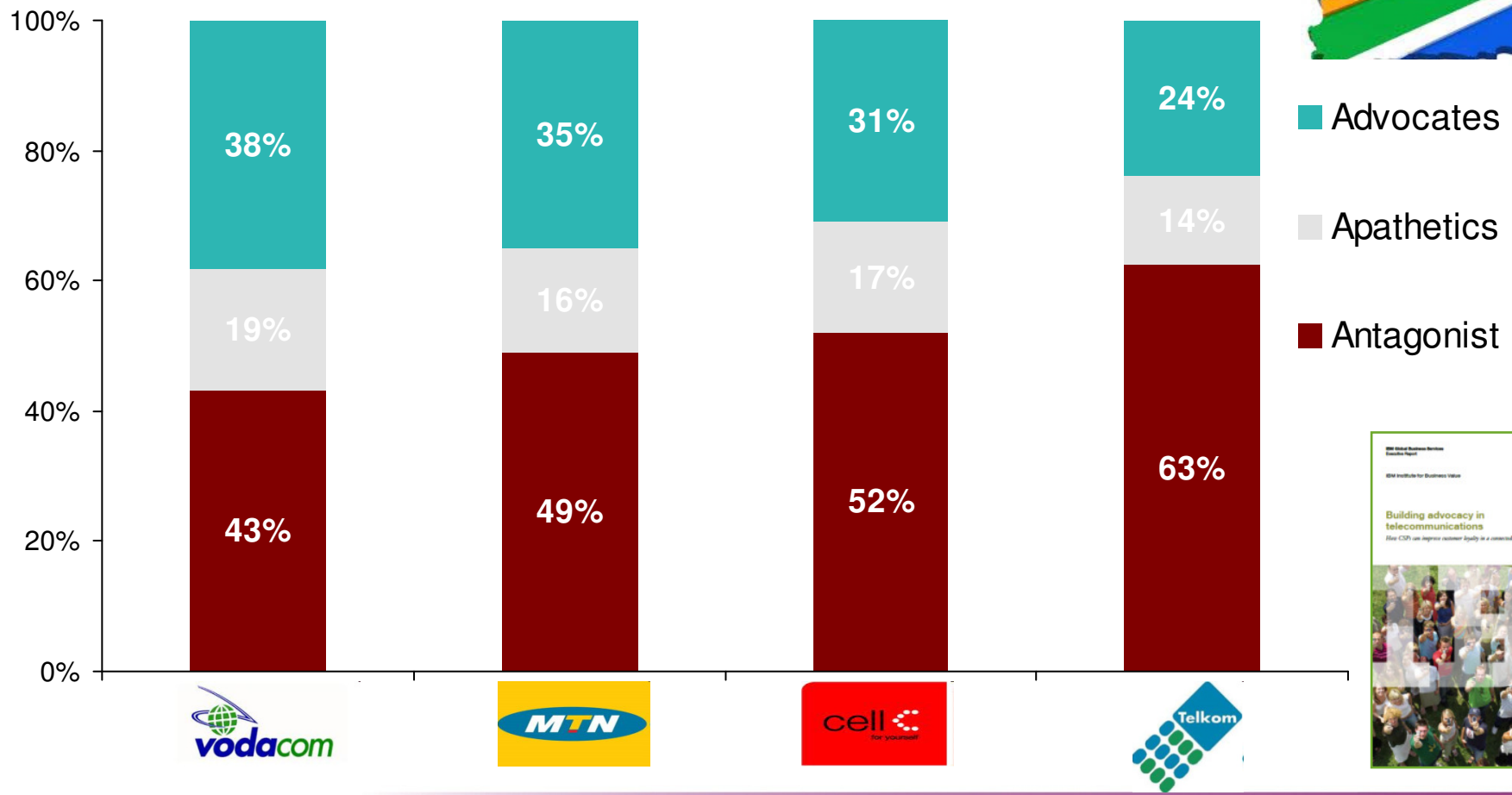
- Advocates
- Apathetics
- Antagonist

	Vodacom	MTN	cell	Telkom
Advocates	38%	35%	31%	24%
Apathetics	19%	16%	17%	14%
Antagonist	43%	49%	52%	63%

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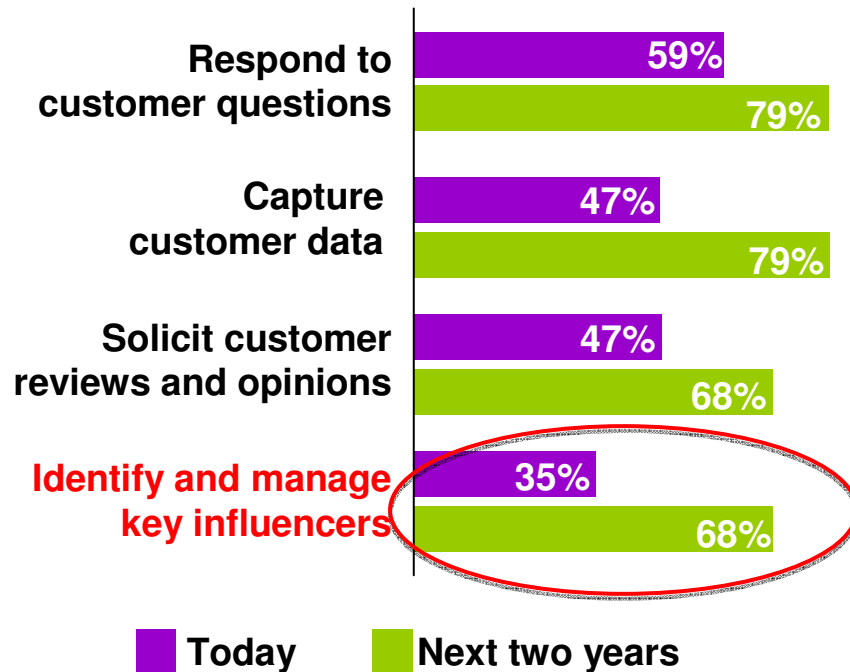
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The good news is that an increasing number of CSPs have started using social media to 'listen & engage' with customers
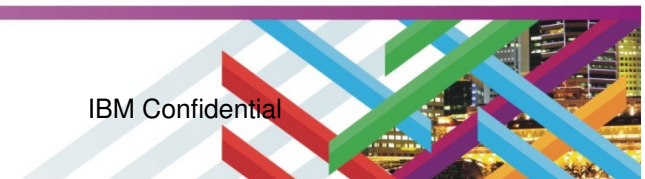
Increasing power of the consumer/Social Media

Applying social approaches to listen & engage customers

Respond to customer questions
- 59%
- 79%

Capture customer data
- 47%
- 79%

Solicit customer reviews and opinions
- 47%
- 68%

Identify and manage key influencers
- 35%
- 68%

■ Today ■ Next two years

	Reactive	Proactive
Groups	Mine Conversations	Crowdsource Insights
Individuals	Provide Answers	**Influence Influencers**

Source: Institute for Business Value, 2012 Business of Social Business Study (% CSPs with customer-related social business activities)

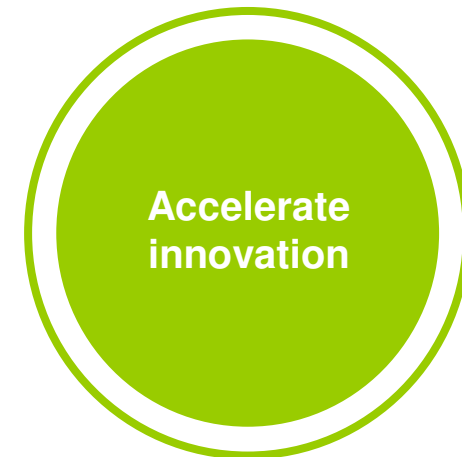**IBM Business Connect**

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And many are planning to use social business to connect to customers, employees and partners, and to spur innovation

A *Social Business* uses collaborative tools, social media platforms and supporting practices to engage Customers, Employees, Business partners and other stakeholders in an ongoing dialogue.
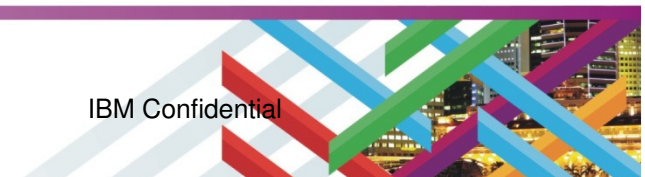
Create valued customer experiences

Drive workforce productivity and effectiveness

Accelerate innovation

Source: Institute for Business Value, 2012 Business of Social Business Study
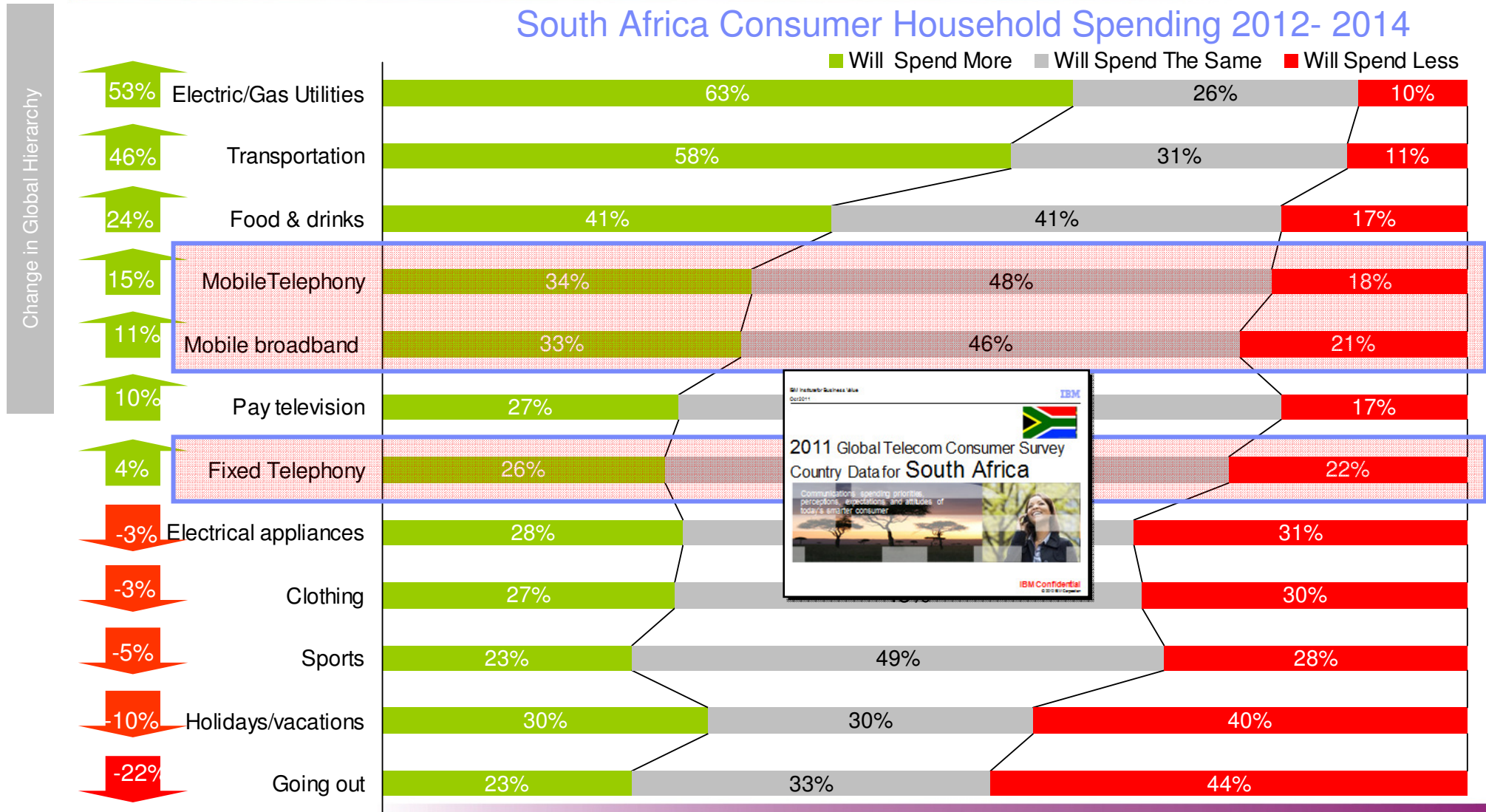
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South African consumers expect to spend more on communications services

IBM
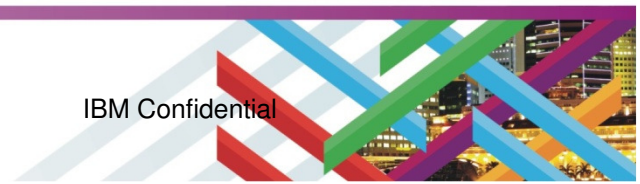
South Africa Consumer Household Spending 2012- 2014

Legend: 🟩 Will Spend More ⬜ Will Spend The Same 🟥 Will Spend Less

Change in Global Hierarchy

Change	Category	Will Spend More	Will Spend The Same	Will Spend Less
53%	Electric/Gas Utilities	63%	26%	10%
46%	Transportation	58%	31%	11%
24%	Food & drinks	41%	41%	17%
15%	MobileTelephony	34%	48%	18%
11%	Mobile broadband	33%	46%	21%
10%	Pay television	27%		17%
4%	Fixed Telephony	26%		22%
-3%	Electrical appliances	28%		31%
-3%	Clothing	27%		30%
-5%	Sports	23%	49%	28%
-10%	Holidays/vacations	30%	30%	40%
-22%	Going out	23%	33%	44%

IBM Institute for Business Value
Oct 2011

2011 Global Telecom Consumer Survey
Country Data for **South Africa**

Communications spending priorities, perceptions, expectations, and attitudes of today's smarter consumer

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Consumer sentiment on future spending in South Africa exceeds Mature Markets by 25%

South Africa — Net Increase/Decrease

Category	Value
Utilities	53%
Transportation	46%
Food & drinks	24%
Mobile Telephony	15%
Mobile Broadband	11%
Pay television	10%
Fixed Telephony	4%
Elect. Appliances	-3%
Clothing	-3%
Sports	-5%
Holidays	-10%
Going out	-22%

+10% average

Mature — Net Increase/Decrease

Category	Value
Utilities	4%
Food & drinks	-3%
Transportation	-6%
Mobile Broadband	-10%
Mobile Telephony	-14%
Pay television	-16%
Sports	-18%
Fixed Telephony	-19%
Clothing	-19%
Holidays	-23%
Elect. Appliances	-24%
Going out	-32%

-15% average

Change in Global Hierarchy

As in many other emerging markets, South Africans expect net increase in mobile broadband spending

Change in Global Hierarchy

Net Increase / Decrease Consumer spending
MOBILE Broadband
(2011 – 2014)

2011 Global Telecom Consumer Survey
Country Data for South Africa

Emerging Markets

Country	Value
Greece	-43%
Portugal	-32%
Italy	-25%
Czech R.	-20%
Spain	-16%
Cyprus	-15%
UK	-13%
USA	-12%
France	-10%
Belgium	-9%
Japan	-7%
Germany	-7%
Canada.	-6%
Netherlands	-6%
Sweden	-3%
Australia	-2%
UAE	5%
Poland	6%
Mexico	8%
South Africa	12%
Russia	15%
Brazil	15%
India	31%
China	35%
Korea	45%
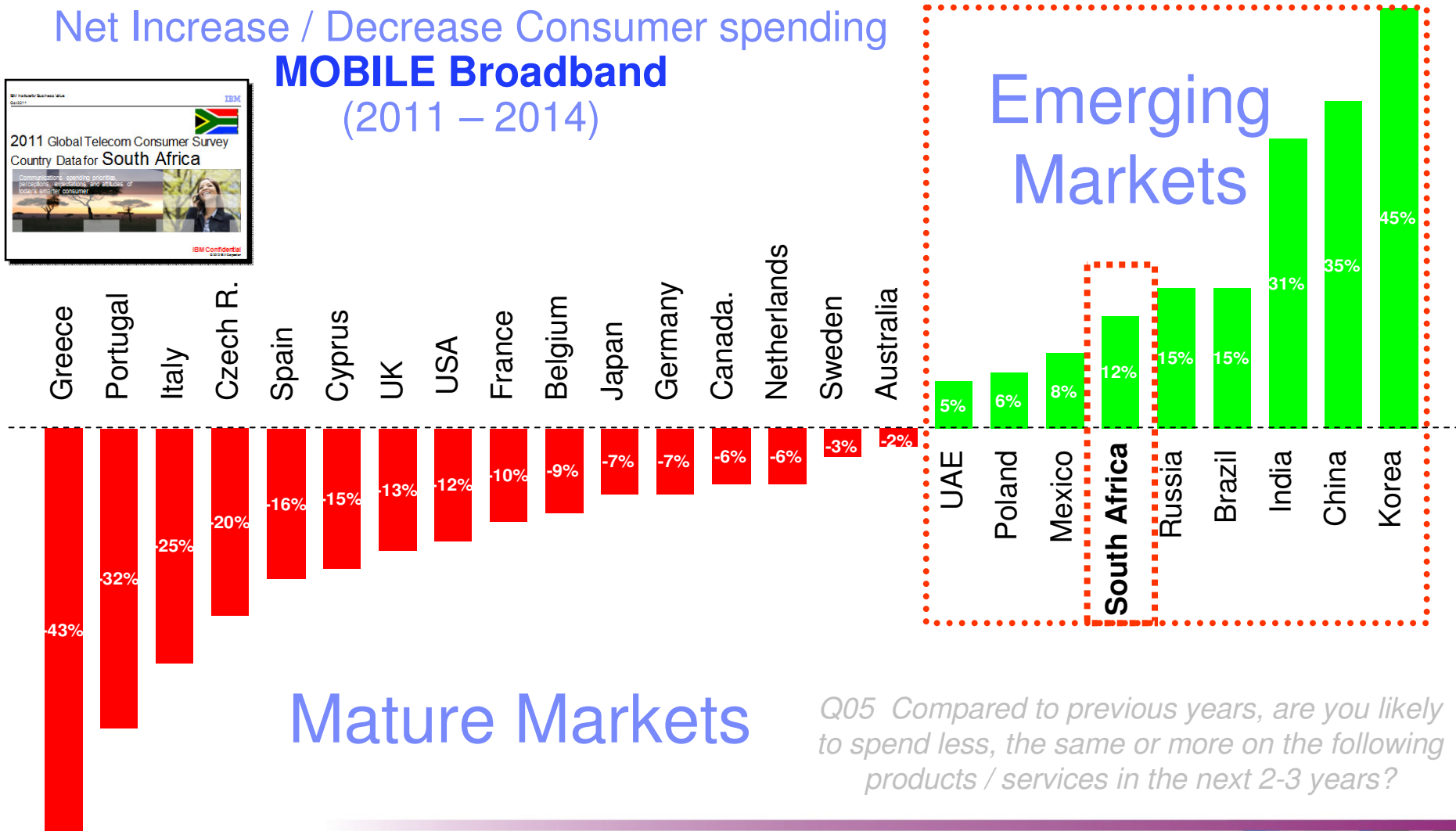
Mature Markets

Q05 Compared to previous years, are you likely to spend less, the same or more on the following products / services in the next 2-3 years?

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CSPs are at the heart of their customers' digital universe, that includes social media and transactions in adjacent industries

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Telco Data

Product/Service
- Subscriptions
- Rate Plans
- Media Type
- Category/Classification
- Price

Customer
- Segment
- Social Network
- Demographics
- Sex, Age Group, etc
- Tenure
- Rate plan
- Credit Rating, ARPU Group

Starts, Stops
Success Rates
Errors

Throughput
Setup Time
Connection Time
Usage

Network
- Availability
- Throughput/Speed
- Latency
- Location
- Facilities

Interface
- Discovery
- Navigation
- Recommendations

Transactions
- Voice, SMS, MMS
- Data & Web Sessions
- Click Streams
- Purchases
- Downloads
- Signaling, Authentication
- Probe/DPI

Device
- Class
- Manufacturer
- Model
- OS
- Media Capability
- Keyboard Type

Recency
Frequency
Monetary
Latency

Cross Industry Data

Travel & Transport

Banking/ payments

Social Media Data

skype
facebook
twitter
LinkedIn
Pinterest
You Tube

Other Industries

Retail/ shopping

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Relative to other providers, Telecom Providers score good on trust to manage consumer identity and private/personal information

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Q26 Who do you trust to manage your identity and private/personal information, including medical data, transactions and social relationships and retain your privacy?

Big Data

Source: 2011 IBM Global Telecom Consumer Survey, South Africa N=1000

	Most trusted	Moderately trusted	Least trusted
Banks	60%	34%	7%
Healthcare organizations	32%	52%	16%
Insurance companies	29%	51%	20%
Telecom providers	18%	62%	20%
Retail Stores (e.g. Woolworth, Wal-mart)	20%	59%	22%
Government, local authorities	16%	47%	38%
Online stores	11%	46%	43%
Social Networking Sites (e.g. Facebook)	11%	43%	47%
Internet Information Providers (e.g. Google, Yahoo)	14%	38%	49%

■ Most trusted
■ Moderately trusted
■ Least trusted

2011 Global Telecom Consumer Survey Country Data for **South Africa**
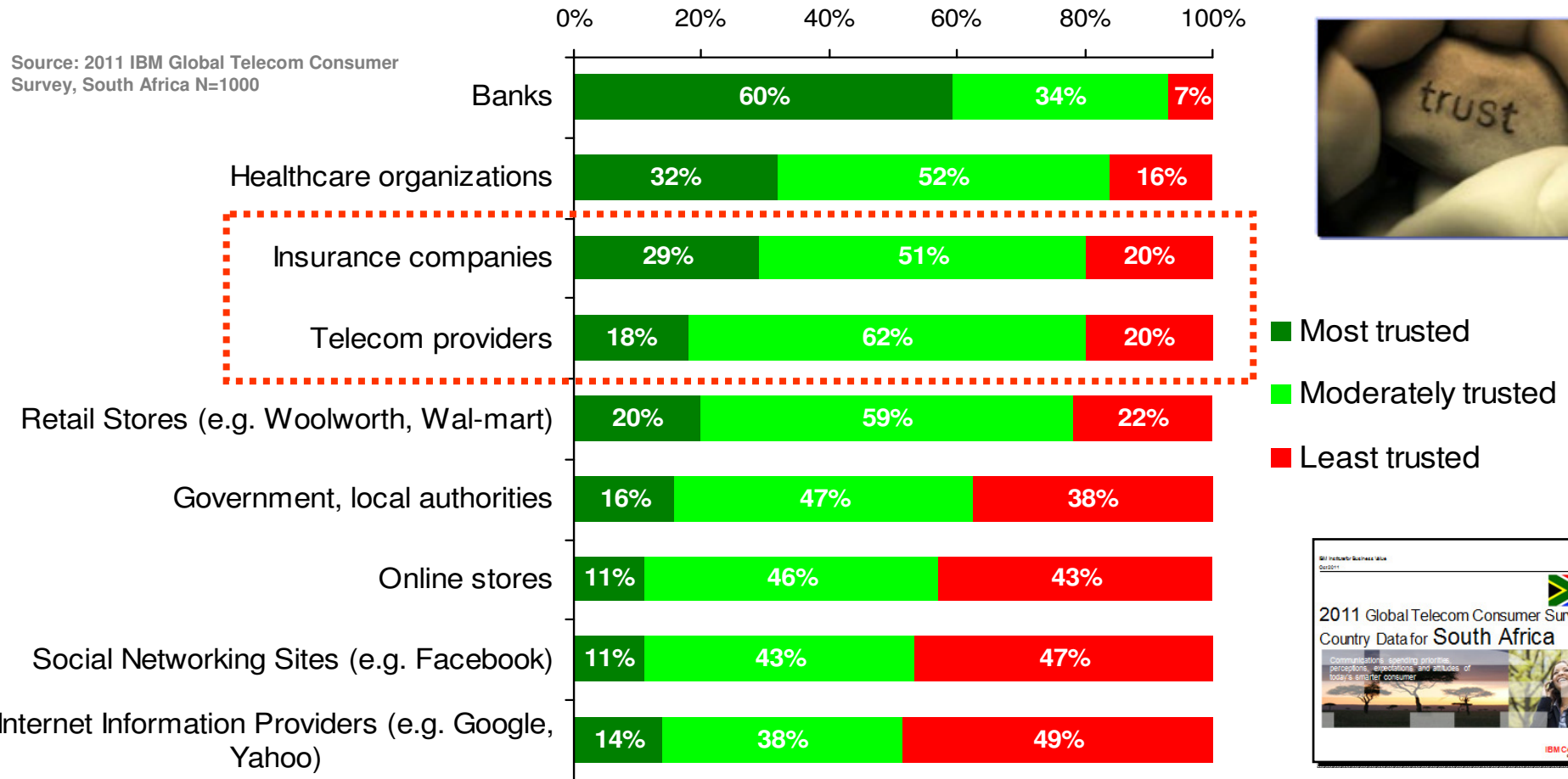
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Big data has emerged as a key topic for CSPs to improve drawing insight from information to better understand customers

Drawing insight from information
– Areas of improvement

Category	Percentage
Customers	83%
Sales	67%
Operations	55%
Markets and competitors	47%
Supply chain	40%
Human resources	39%
Risk management	32%
Financials	25%
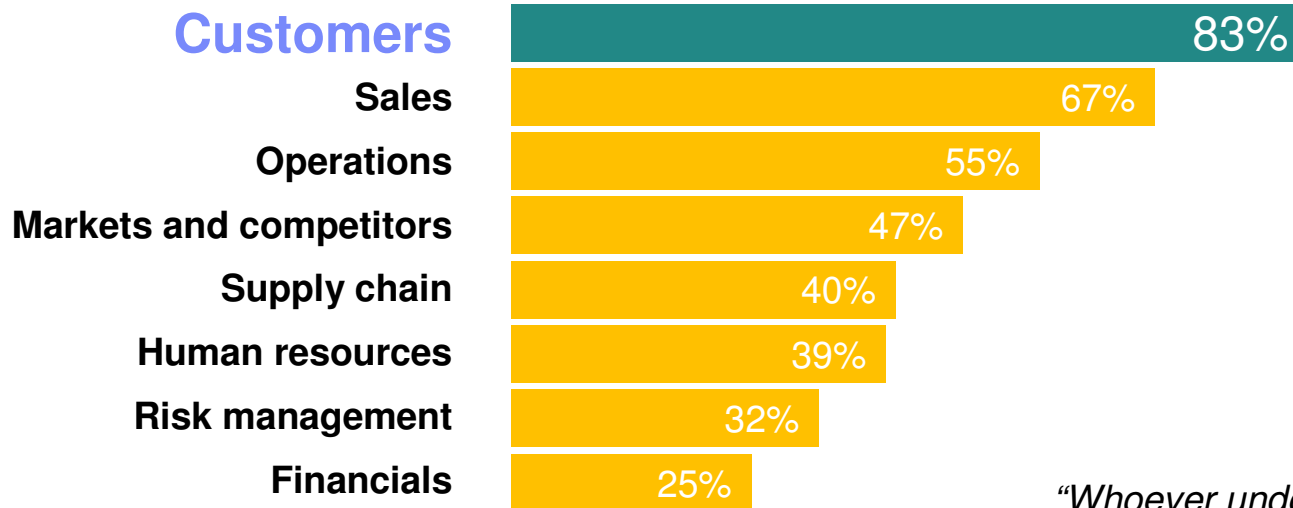
"Whoever understands the customer better and provide the products & services to fulfill it will be able to keep the customers."

Telecom President, Malaysia

Source: Global CEO study 2012 "In which areas do you plan to improve your ability to draw meaningful and executable insights from available information?"
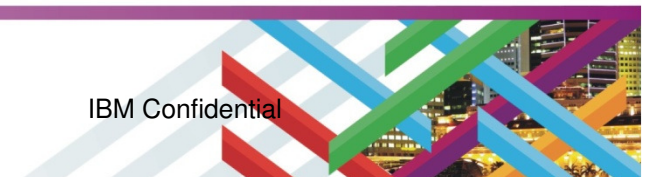
An increasing number of CSPs are starting to see the enormous potential that big data can offer

Big Data

Airtel Creates 5000 Campaigns A Day Using Big Data
Telecom vertical has been among the frontrunners in the adoption of Big Data.
Amrita Gangotra, Director-IT & CIO-India & South Asia, Bharti Airtel delves into Airtel's tryst with Big Data.

15th May, 2012| in On Cue With IT Leaders

http://biztech2.in.com/videos/business-intelligence/airtel-creates-5000-campaigns-a-day-using-big-data/133952

BT adds big data analytics to its toolkit telecoms.com
December 4, 2012 Written by Jamie Beach

Big Data to help Airtel, Vodafone and Reliance to improve revenue streams Nov 12,2012 TELECOM LEAD

Telefonica and Verizon dial into big data
October 9, 2012
OVUM
Telefonica and Verizon have unveiled plans to explore

http://www.youtube.com/watch?v=Li4_L8FOjy0

Christine Twiford
Manager of Technology
T-Mobile
Learn More About IBM
PureData System

Telstra, Optus and Suncorp eye geospatial data
Caution needed to avert breaches of privacy, says Telstra official.
Adam Bender (Computerworld) | 28 November, 2012 10:56 | Comments | Like 1 | +1 1
COMPUTERWORLD
THE VOICE OF IT MANAGEMENT

T-Mobile Adopts PureData for Analytics to Manage Big Data

15th Feb, 2013

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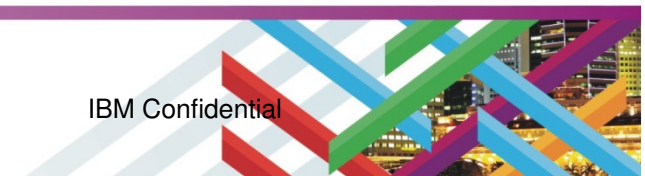
A number of CSPs are even thinking about exploiting customer information commercially, i.e. generating revenues from selling data

"I think the future of Telefónica is as an information company. The network layer is a commodity...It's the layer above that, how you capture data and put sensors into the network. That's where the gold is."

Chris Parsons, VP Innovation and New Business Development
Telefónica Europe

http://www.totaltele.com/view.aspx?ID=476702

Telefónica

Precision Market Insights From Verizon To Help Brands Better Understand And Engage With Customers
New Initiative Leverages Insights from Nation's Largest Wireless Network
October 1, 2012

Know your audience more precisely.

Drive your business more effectively.

PRECISION MARKET INSIGHTS FROM VERIZON

Von McConnell
Executive Director of the Innovation & Advanced Labs
Sprint

0:14 / 2:27

Telcos can survive on big data alone - Sprint
Wednesday 17 October 2012   http://www.totaltele.com/view.aspx?ID=477094

"If telcos became nothing more than a dumb pipe, we could make a living just out of analytics, " said Von McConnell, director of technology development and strategy at Sprint

Sprint

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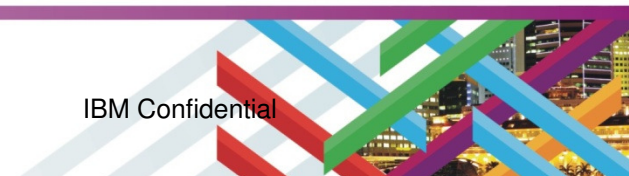
There are many possibilities how CSPs can partner with other parties

Smarter cities

New technologies like big data, sensors, mobile, smart grids are changing the way cities operate. Big data can help finding parking spaces, avoid traffic jams, get instant help when emergencies happen. Megacity Rio de Janeiro is already using this technology by participating with IBM and Brazilian CSP Oi, among others.

Smarter cars

Tomorrow's motor vehicles will communicate with each other, with their drivers, their manufacturers, their surroundings, and with a variety of service providers. Data volumes related to vehicle usage are skyrocketing. Several German automakers have teamed up with Deutsche Telekom to find a solution in big data analytics.

Smarter traffic

French CSP Orange recently participated in Traffic Zen with highway operator Autoroutes du Sud de la France to create traffic forecasts. Orange brings the quality and robustness of its mobile network to inform citizens and decision-makers, enhance information broadcasts, reduce CO2 emissions, and more.

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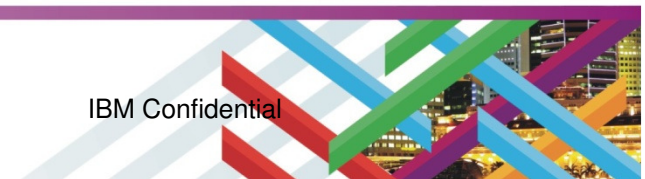
Much more than any other industry, CSPs define big data by the capabilities needed to do analytics on information *real-time*

IBM

Real-time information streaming
- Digital feeds from smart devices, sensors, social and syndicated data
- Instant awareness and accelerated decision making

For CSPs the *real time* aspect is extremely important as location-based services, smarter network operations, intelligent marketing campaigns, next best actions, and fraud detection require a more **contextual real-time view** of information.

Defining big data

Category	CSP respondents	All-Industry respondents
Real-time information	40%	15%
Non-traditional sources of information	21%	13%
A greater scope of information	11%	18%
The latest buzzword	11%	8%
New kinds of data and analysis	9%	16%
Data influx from new technologies	8%	13%
Large volumes of data	0%	8%

■ CSP respondents ■ All-Industry respondents

IBM Global Business Services
Business Analytics and Optimization
Executive Report

IBM Institute for Business Value

Analytics: Real-world use of big data in telecommunications
How innovative communications service providers are extracting value from uncertain data

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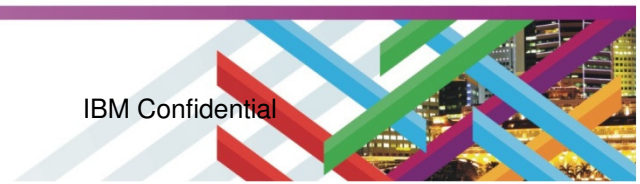
Two-thirds of CSP respondents identified customer-centric objectives as their organization's top priority

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Customer-centric outcomes

Understanding behavior patterns and preferences provides organizations with new ways to engage customers

Providing a greater customer experience, every time, is vital for limiting churn, building loyalty, and **for competing against over-the-top players**, including Google, Apple, Facebook, WhatsApp and Skype, companies that have proven adept at dreaming up compelling online experiences for consumers.

Big data objectives

Objective	CSP respondents	All-Industry respondents
Customer-centric objectives	66%	49%
New Business Models	15%	14%
Risk/Financial management	11%	15%
Operational optimization	8%	18%
Employee collaboration	0%	4%

■ CSP respondents
■ All-Industry respondents
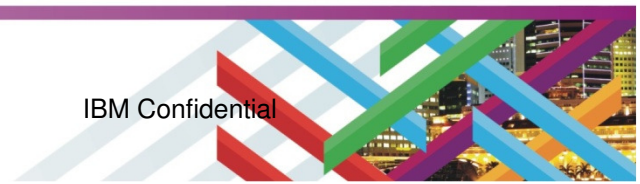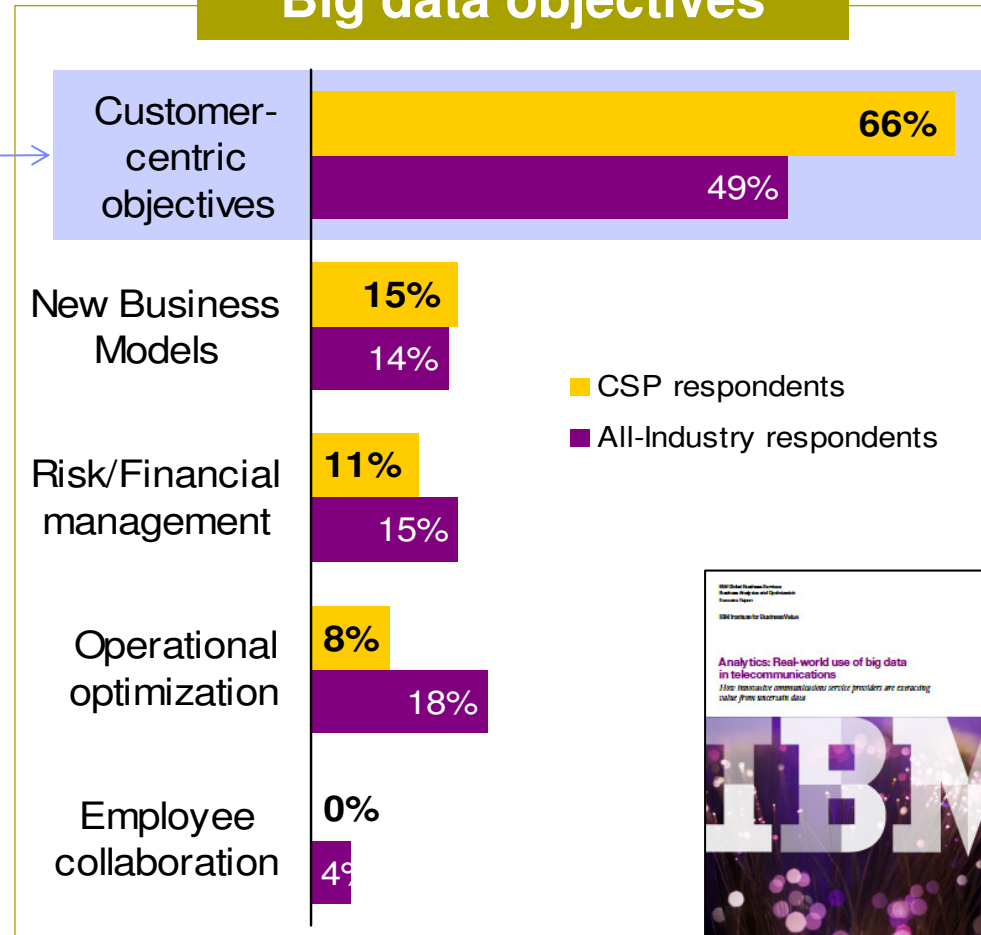
In today's world, competitive advantage take a distinctive customer experience that goes beyond satisfaction

E X A M P L E S

Monitoring network performance to improve customer experience

As an example, if high value smartphone customers are experiencing pour thru put performance, big data analytics enables the CSP to know that immediately and distribute it to the most appropriate stakeholders in the organization so they can take the necessary steps to alleviate the issue and ensure customer experience is not affected, or at least acknowledged

Intelligent market campaigns to offer promotions useful for customers

He'd like to get his roof fixed   She needs a new set of car tyres

As an example, the subscriber's phone usage could be automatically analyzed to determine what free add-on offer they are most likely to value. The provider could then instruct a customer service representative to call the subscriber and offer them the free add-on. The goal would be to improve customer satisfaction by demonstrating that the provider values the customer's business.

The ability to respond to customers with next best action

As an example, automatically authorizing a call center representative, who is speaking to a customer known to be having problems with their service, to present the customer with an offer that compensates them for their trouble and helps retain them as a customer.
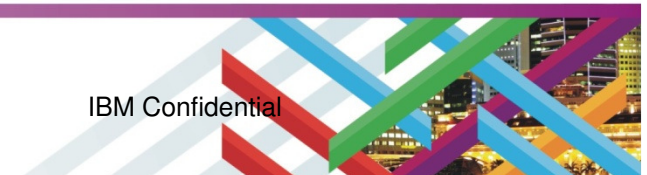
Big data also creates the need to analyze multiple data types, including location data, social media, sensor data and natural language text

Natural language recognition to understand the original customer questions and answers

Voice Recognition to allow a non text interface

Ability to provide **"reasoning"** when feeding back recommendations

Optimized workload to allow massively parallel searches to be handled quickly & efficiently

Free text Analysis of structured and unstructured data to aggregate the available social media and review sites

Location services to narrow down customer feedback to like customer segments

Machine learning to continuously improve the accuracy and relevance of recommendations from customer to customer

Social Media Analytics and semantic frameworks to extract the meaningful reviews and feedback from the vast arrays of available information

Celcom Axiata Berhad uses cognitive technology to transform customer care experience

Big Data

Celcom, part of the Axiata group of companies, the oldest mobile telecommunications company in Malaysia. Throughout the evolution of their business, the company has adapted to changing technologies and standards. It's Celcom's top priority to use outstanding customer service as a differentiating factor in its drive to market leadership.

Challenges

- Resolve customer issues during their first contact with customer care, in this way reducing churn
- Support customer agents in responding to queries on Smartphones as well as in recommending data plans, given the complexity and frequent device refresh cycles.

Digitization

- Cognitive technology to help contact center representatives provide faster, accurate, and consistent responses to customer questions and requests.
- Eventually give customers direct access to the system for text-based chats whereever and whenever from their smartphones, tablets or computers. For trouble-shooting and support through business processes like account opening, review, or changing plan features.
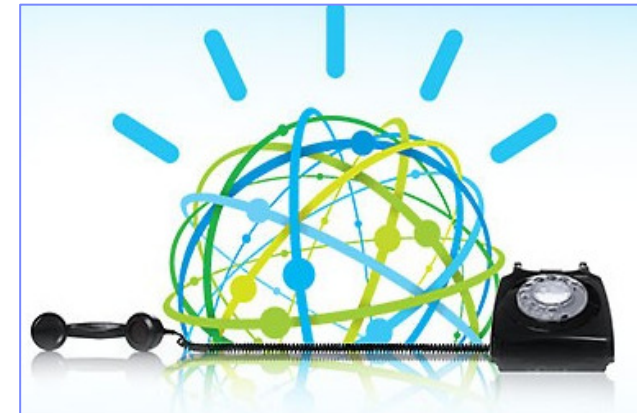
Celcom's aim is to provide consistent, high-quality support to customers across channels and agents to deliver richer customer experiences across all touch points

Source: Forbes, May 2013   X

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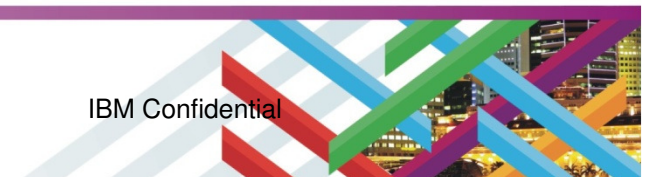
Mobile & Cloud are impacting business competitiveness, yet 82% of enterprises are underprepared

IBM

Cloud

Technology Trends Most Impacting
Competitiveness

Organizations
Underprepared
for Technology Trends
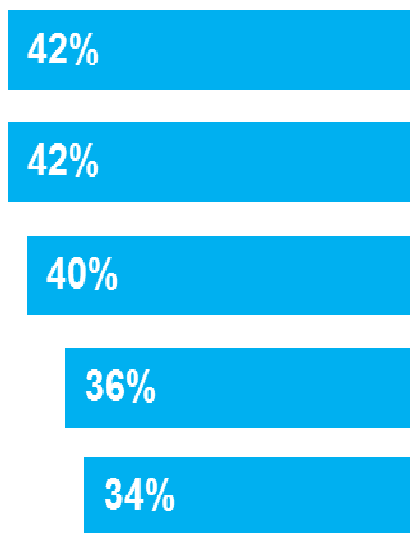
42%	Mobile device proliferation	82%
42%	Collaboration across the ecosystem	73%
40%	Explosion of unstructured data	78%
36%	Cloud platforms and solutions	82%
34%	Intelligent–connected systems	79%
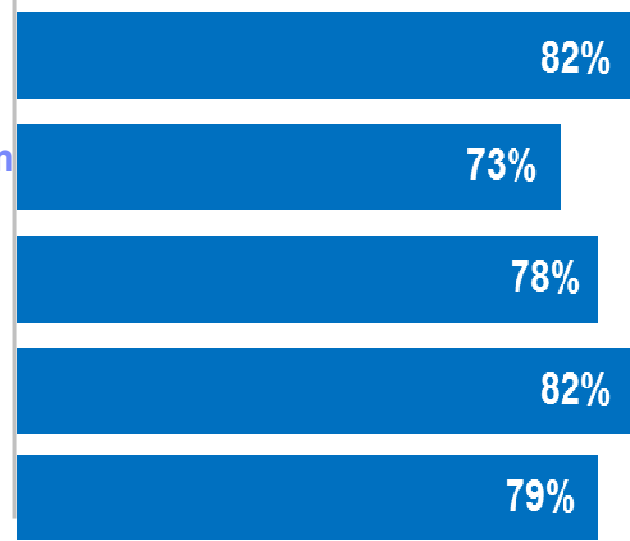
www.ibm.com/MobileFirst

Source: The IBM Institute for Business Value study: The Software Edge, 2013. Survey respondents were allowed up to three selections

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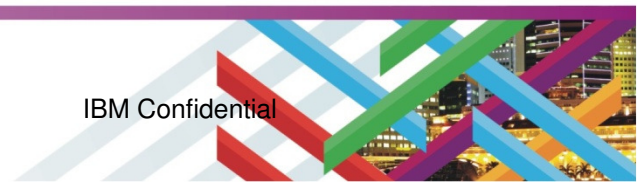
Cloud Business Value can be created in three main areas
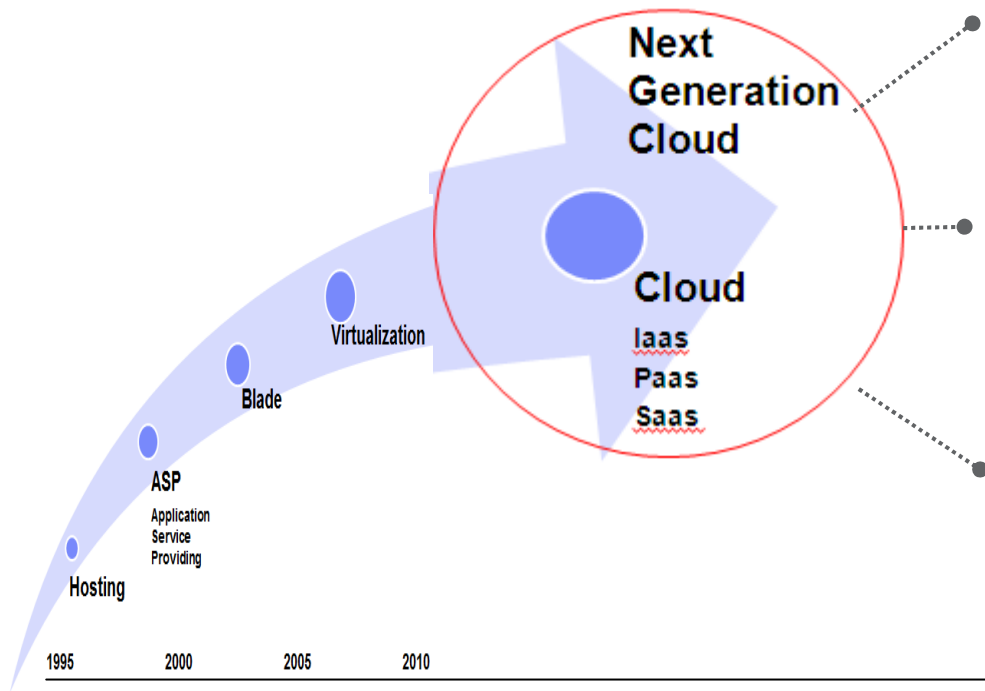
Business Value can be created in **3** main areas:
↓

Performing *current business* more efficiently and effectively

Creating *new business models* for delivery of *current services*

Creating *entirely new businesses*

Next Generation Cloud

Cloud
Iaas
Paas
Saas

Virtualization

Blade

ASP
Application Service Providing

Hosting

1995   2000   2005   2010   2015

Cloud is widely recognized by CSPs as an important opportunity

Cloud

What is Your Organization's Level of Cloud Adoption?
(% of Telecom Respondents)

77%

38%

28%

+46%

11%

+273%

Today

94%

12%   **Piloting**

41%   **Adopting**

41%   **Substantially
Implemented**

3 yrs

Source: The IBM Institute for Business Value study: The natural fit of Cloud with Telecommunications, 2012 Survey selections
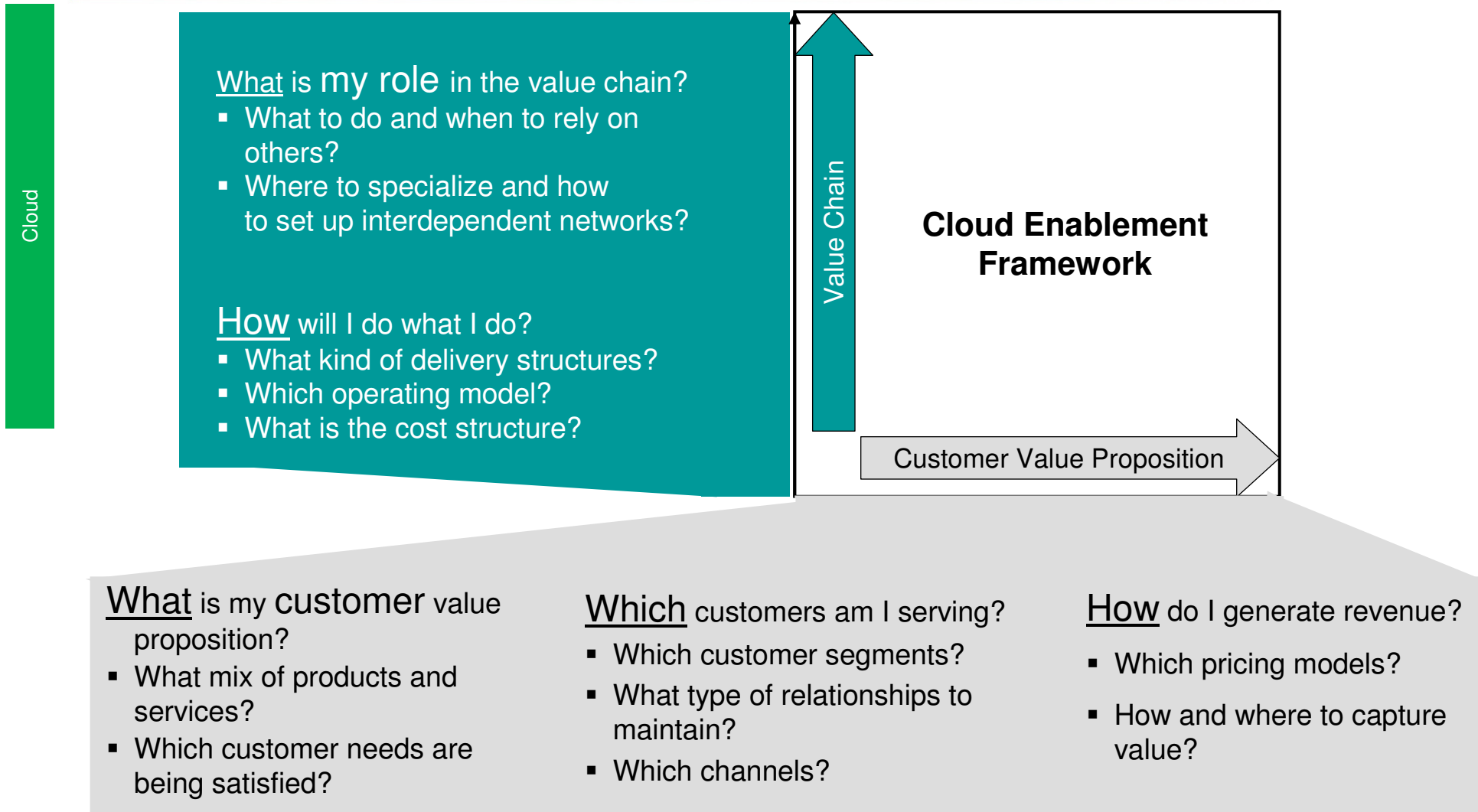
CSPs clearly intend for Cloud to improve their business capabilities, in addition to enhancing internal efficiencies

IBM.

Cloud

How Important are the Following Objectives for Adopting Cloud?
(% of Telecom Respondents)

Objective	Very Important	Important	Neutral to not important
New/Enhanced Revenue streams	52%	19%	29%
Competitive/cost advantages thru vertical integration	34%	39%	27%
New delivery channels/markets	31%	35%	34%
Competitive differentiation thru specialization	27%	35%	38%
Increased collaboration with external partners	26%	38%	36%
Flexible pricing models	25%	32%	43%
Rebalanced mix of products/services	22%	44%	34%

Business Capabilities   Internal Efficiencies

■ Very Important ■ Important ■ Neutral to not important

Source: The IBM Institute for Business Value study: The natural fit of Cloud with Telecommunications, 2012 Survey selections

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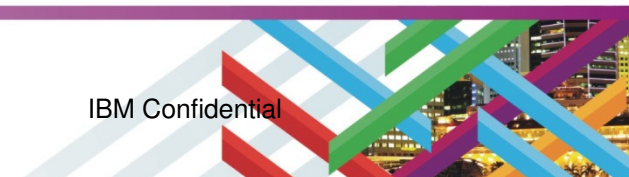
CSPs are already driving innovation across industry value chains and customer value propositions

Cloud

__What__ is __my role__ in the value chain?
- What to do and when to rely on others?
- Where to specialize and how to set up interdependent networks?

__How__ will I do what I do?
- What kind of delivery structures?
- Which operating model?
- What is the cost structure?

Value Chain

Cloud Enablement Framework

Customer Value Proposition

__What__ is my __customer__ value proposition?
- What mix of products and services?
- Which customer needs are being satisfied?

__Which__ customers am I serving?
- Which customer segments?
- What type of relationships to maintain?
- Which channels?

__How__ do I generate revenue?
- Which pricing models?
- How and where to capture value?

We classify CSPs according to the extent to which their use of Cloud impacts value chains and value propositions

Cloud

Value Chain

Create / Transform / Improve

Disruptors

Innovators

Optimizers

Enhance — Extend — Invent

Customer Value Proposition
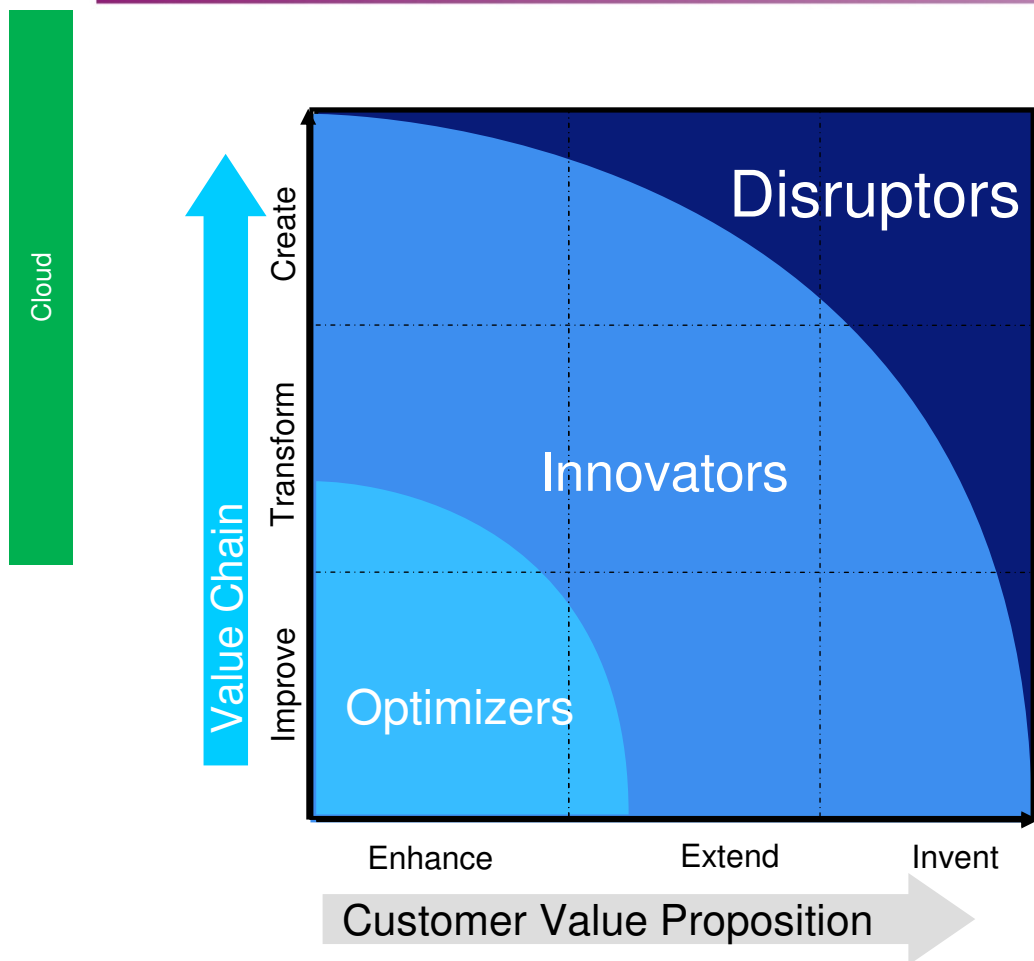
Disruptors rely on Cloud to develop *radically different value propositions*, as well as to generate new customer needs and segments, by enhancing the end-customer experience and in this way creating entirely new business.

Innovators use Cloud to *significantly* improve customer value through leveraging CSP's distinctive assets in the delivery of current services, resulting in new revenue streams based on *new business models*

Optimizers use Cloud to perform *current business* more efficiently and effectively, in this way *incrementally* enhancing their customer value proposition

Cloud Enablement Framework ⚫⚫➤ | *CSPs should determine how and to what degree Cloud can be used to enable their business model*
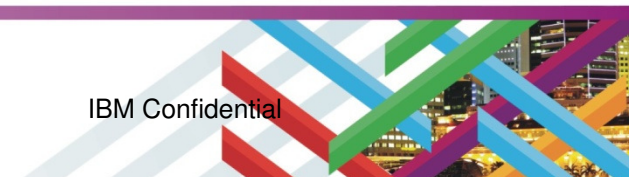
CSPs can help cities use cloud to integrate data across city operations enabling delivery of citizen services

Cloud

IBM Smarter City Solutions on Cloud

Get started quickly to deliver exceptional service to your citizens

Intelligent Operations Center

Rio de Janeiro Cloud-based data solutions **emergency response system planning.**

ibm-takes-smarter-cities-concept-to-rio-de-janeiro
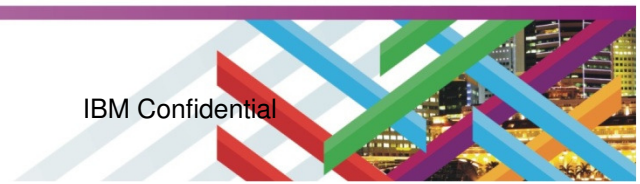
CSPs can spur the development of 'smart home' appliances using Cloud technology

Cloud

Vodafone and IBM team up on 'smarter home' initiative
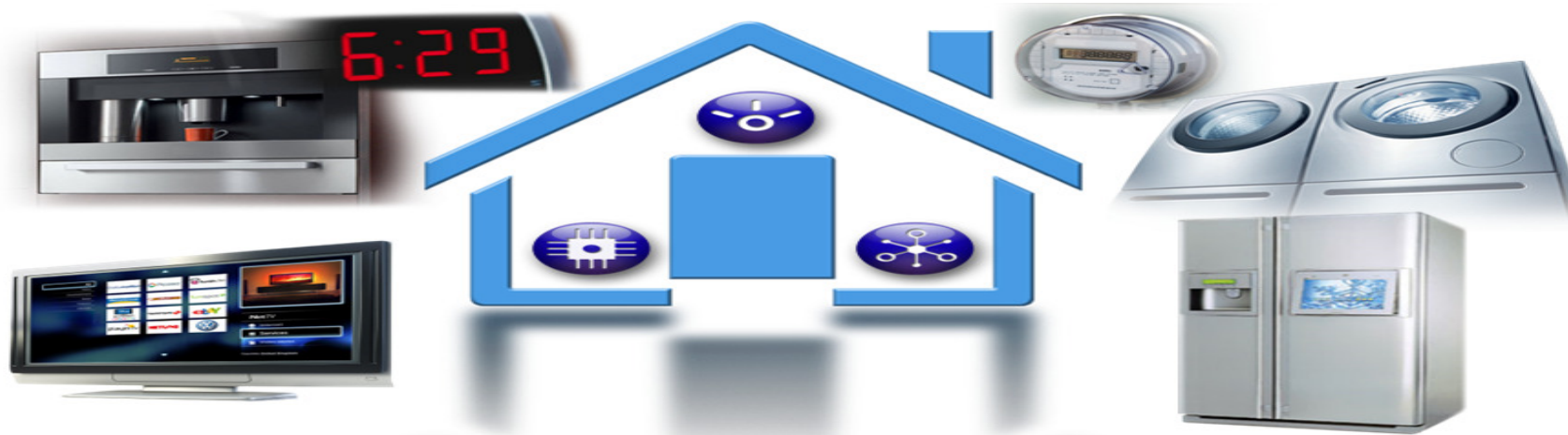
Enabling *consumers* to use their smartphones in a variety of remote activities including viewing their home's utility consumption; controlling security, heating and lighting systems; and activating home appliances.

Enables *manufacturers* and service providers to collect data fro appliances for product development and maintenance, and to rapidly introduce related new consumer services.

IBM and Vodafone Advance Smarter Home Initiative

CSPs can help Connecting Healthcare in the Cloud

Cloud

AT&T' set up its ForHealth business unit in 2010, with a vision to "accelerate the delivery of innovative wireless, networked and Cloud solutions specifically for the healthcare industry," organized around their Cloud-based solutions.
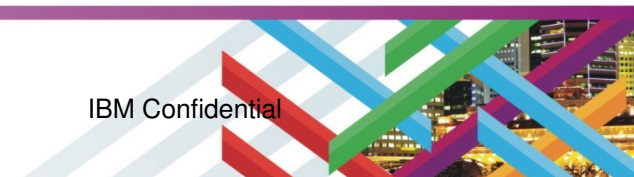
Indeed, CSPs' Cloud activities are accelerating

AT&T and IBM collaborates of offering a highly secure first-of-a-kind "networked enabled cloud service to enterprises who require security, availability, reliability, and scalability for their mission-critical environments.
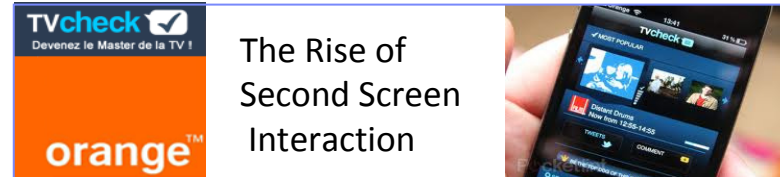
The Rise of Second Screen Interaction

Orange launched TVCheck allowing users to point their smartphone's camera at the TV, which then identifies a show via *cloud-based* signal processing to synchronize the screens and to enable interactivity.
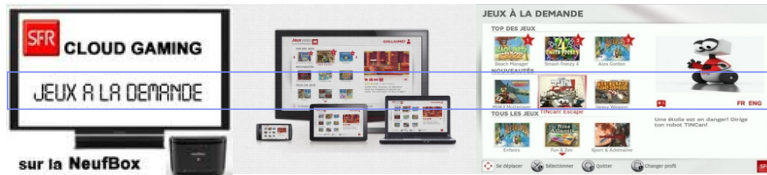
French service provider SFR has launched a Cloud-based gaming-on-demand service. Games are available via a games-on-demand icon or via channel 70 on Neufbox TV.

Technology Incubation Public Cloud: an environment for business partners and ISVs can develop applications quickly and launch on the SKT network to subscribers.

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CSPs can be a key enabler of the new economy, but must embrace the digital opportunity or risk becoming utility providers of bandwidth

Social
Social media, social business – all the time, respond, solicit, collaborate

Contextual
New contextual services to improve lives

Perfect experience
All the time – know, connect, serve

Everything Connected
Internet of Things, Multiple devices controlling multiple devices (TV, heating, car kids, etc.)

The New World

Alternative me
Extensive use of avatars, concierge services, virtual interfaces

Personalized
Create own service portfolio according to their own needs, from many, many providers

Behavioral profiling
Continuously providing insights and recommendation to the consumer to improve their lives, experiences and well being

Continued virtualization
Functions, services, enterprises

Big Data, Social, Mobility ánd Cloud are key elements in this new world

Communications Service Providers (CSPs) have a key opportunity to play a central role in the new world

IBM

Natural Resources

Government

Healthcare

Telecom?

CPG

Transportation

Retail

Finance

Cities

IT

Education

Energy
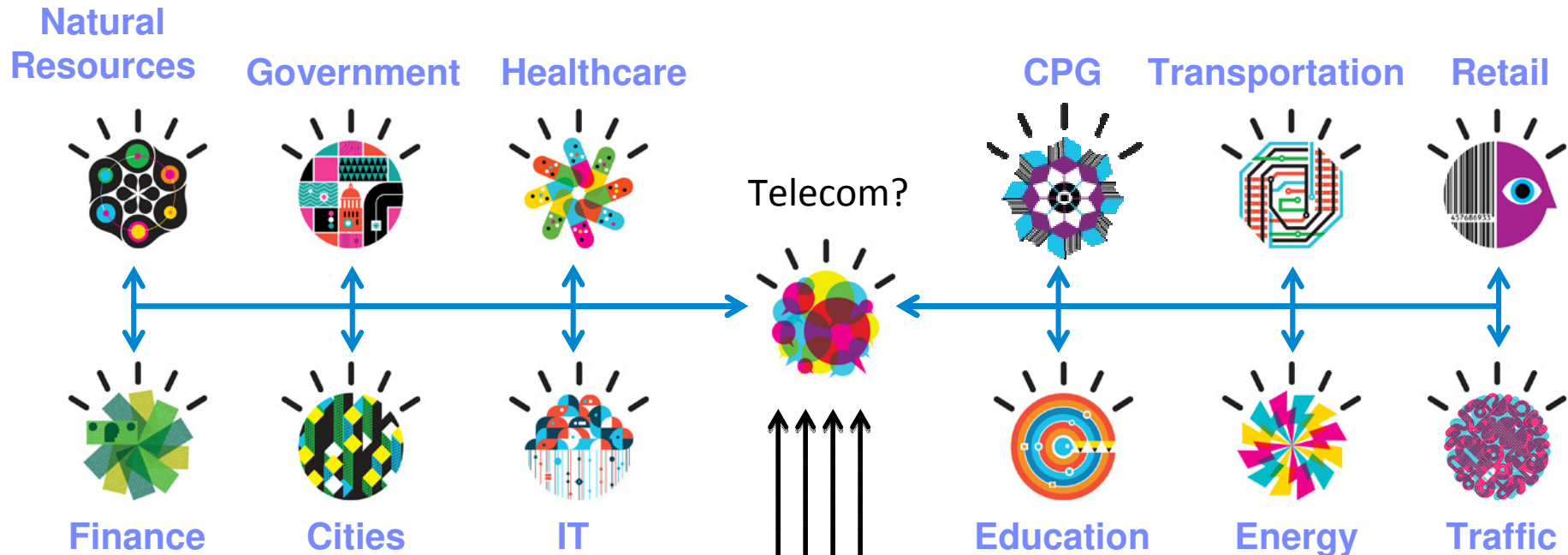
Traffic

The DATA CSPs own enables them to add context and meaning to the data they deliver

CSPs carry all the SOCIAL traffic

As providers of connecting networks, CSPs are uniquely positioned in the CLOUD marketplace

CSPs owns the MOBILE networks

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IBV leading edge industry & market research allows for quick response to shifting market dynamics

- The Institute for Business Value (IBV) aims to help IBM Global Business Services (GBS) become the trusted business and technology advisor to the world's leading organizations
- Used to focus clients on trends correlated with outperformance
- A dedicated team of IBV professionals focused on telecom and related industries

IBV Research Projects

- Future agendas: Three- to 10-year industry and/or functional area outlooks with key business trends, imperatives, and competitive implications, all providing the foundation for action-oriented roadmaps.

- Value realization studies: In-depth assessments of today's critical issues, opportunities and value potential with strategic and tactical recommendations for next steps.

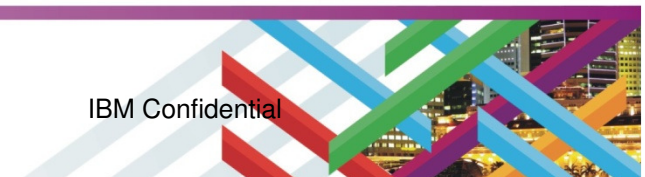- CXO surveys: Chief Officer studies-including CEO, CIO, CSCO, CFO and CHRO.
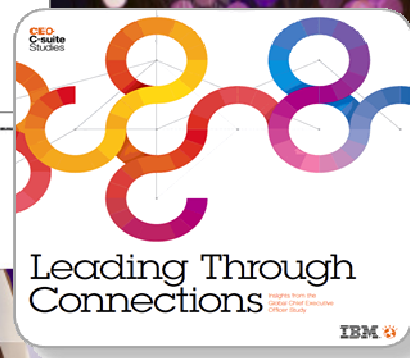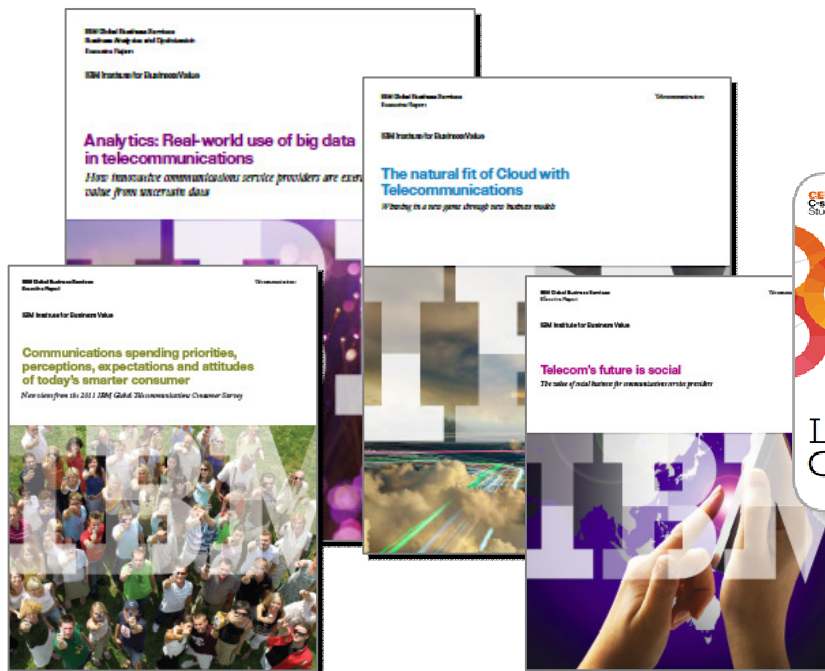
This insight allows IBM to tailor our design to the opportunities and challenges associated with the industry as well as the broader marketplace

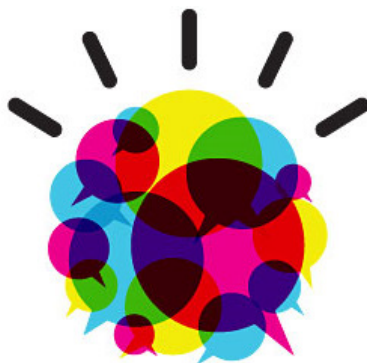**IBM Business Connect**

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Thank you

www.ibm.com/iibv

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