



# Netcracker Digital BSS

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**John Byrne**

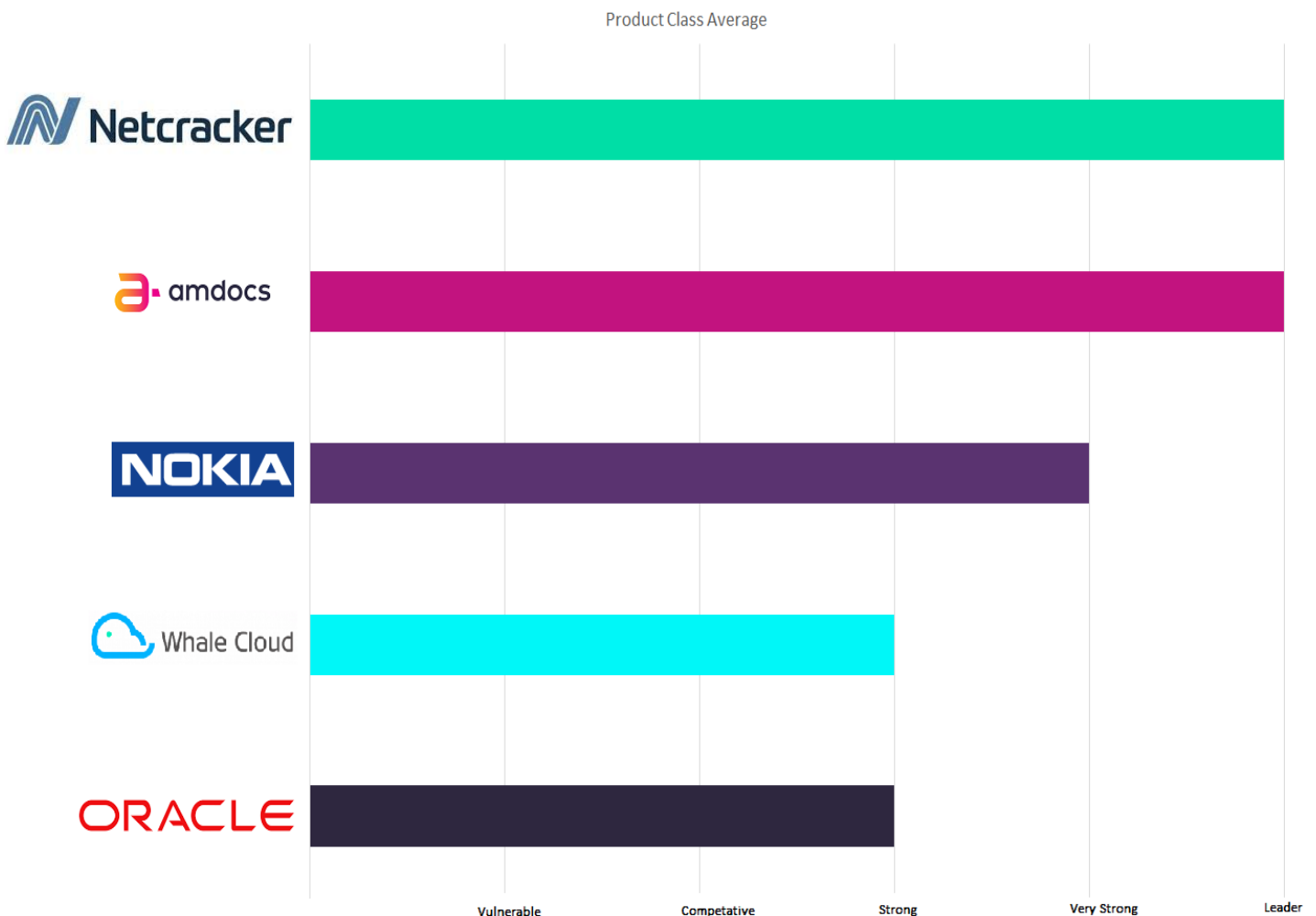
Service Director, Global Telecom Technology & Software

## PRODUCT ASSESSMENT REPORT – REVENUE MANAGEMENT

### REPORT SUMMARY

The Netcracker Digital BSS product suite advances Netcracker’s revenue management offering with cloud administration, advanced analytics capabilities, and expanded digital business capabilities, but boosting Netcracker Business Cloud engagements is essential.

### SUMMARY



## MARKET OVERVIEW

### Product Class

Revenue Management

### Market Definition

The revenue management market consists of business support system (BSS) offerings primarily related to mediation, converged rating and charging, online charging systems (OCS), customer billing management, partner billing management, collections management, bill presentment, voucher management, policy and control charging, and monetization.

Revenue management solutions increasingly support digital operator business models including real-time pricing and consumption, as well as overall network and business agility. The accelerated deployment of cloud-native revenue management systems has expanded as operators look to build personalized digital interactivity, customer self-assist portals, analytics-driven proactive care, precision marketing, and real-time convergent charging. Revenue management vendors are streamlining service and plan creation as well as customer-driven personalization with a unified and orchestrated billing framework that supports catalog, rating, and policy logic in real-time.

The revenue management vendor landscape includes the top-tier OSS/BSS suppliers as well as specialized vendors like Nexign, CSG, Hansen, Cerillion, Openet, and Alepo, which may focus more on prepackaged, standardized, cloud-delivered solutions.

### Rated Competitors

- Amdocs
- Netcracker
- Nokia
- Oracle
- Whale Cloud

### What's New

- **January 2020:** New Zealand operator Chorus selected Netcracker's Digital OSS solution, including Workforce Management, Schedule Management, and Business Activity Monitoring, extending a longstanding partnership.
- **December 2019:** Chilean operator Grupo Gtd announced it will deploy Netcracker's support services for SLA management, problem lifecycle management and resolution, quality assurance, and testing. In May, Grupo went live with Netcracker's full-stack BSS/OSS suite across its business lines.
- **October 2019:** Brazilian operator Vivo (Telefónica) completed a major milestone in a multiphase digital transformation initiative, migrating to Netcracker's Digital BSS solution, enabling Vivo to decommission multiple legacy systems, reducing cost and increasing automation.
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- **September 2019:** U.S. cable/broadband provider Schurz Communications expanded its billing relationship with Netcracker, migrating multiple legacy platforms onto a single Netcracker Revenue Management platform.
- **July 2019:** Netcracker announced that U.S. fixed line operator Consolidated Communications will expand its relationship with Netcracker, adding digital BSS solutions for customer engagement and order management/processing. Netcracker already provides its OSS solution to Consolidated.
- **February 2019:** Telefonica UK and Netcracker signed an agreement to implement Netcracker's end-to-end BSS/OSS suite that includes Revenue Management, Customer Management, and Operations Management solutions.
- **February 2019:** Netcracker announced a partnership with Japanese Internet brand Rakuten, as well as its newly launched MVNO brand, for which Netcracker provides an end-to-end BSS solution.

## PRODUCT OVERVIEW

<b>Product Name</b>	Netcracker Digital BSS
<b>Description</b>	<p>Netcracker provides revenue management capabilities as part of its catalog-centric, configuration-driven Netcracker 2019.3 end-to-end OSS, BSS, and Virtualization product suite. For service billing applications the most relevant Netcracker product domain is Digital BSS, which includes the company's Revenue Management products. Netcracker Digital BSS also includes additional service billing-related functions, such as cloud administration, digital operations enablement, and advanced analytics. It emphasizes out-of-the-box functionality and regular introduction of new features under a CI/CD model.</p> <p>Netcracker's investment priorities are: 1) Cloudifying all functions, and moving the platform onto lower-cost, open-source components; 2) Digital engagement and monetization; 3) Building a cross-industry platform</p>
<b>Components</b>	<ul style="list-style-type: none"> <li>• Digital BSS - Revenue Management:</li> <li>• Active Mediation</li> <li>• Converged Charging and Billing</li> <li>• Customer Billing Management</li> <li>• Collections Management</li> <li>• Voucher Management</li> <li>• Online Charging System</li> <li>• Partner Billing Management</li> <li>• Bill Presentment</li> <li>• Cloud Administration</li> <li>• Digital Operations Enablement</li> <li>• Digital Business Management</li> </ul>

**Key Customers**

- Altice
- Andorra Telecom
- Blue Stream (U.S.)
- Bouygues Telecom (France)
- BT
- CableSouth Media 3 (U.S.)
- Charter (U.S.)
- Consolidated Communications (U.S.)
- C Spire (U.S.)
- Dialog (Sri Lanka)
- DHL
- Etisalat (UAE)
- GCI (U.S.)
- Grande Communications (U.S.)
- Midco (U.S.)
- Netia (France)
- O2 (UK)
- Plusnet (UK)
- Rakuten Mobile (Japan)
- Robi Axiata (Bangladesh)
- RCN (U.S.)
- Schurz Communications (U.S.)
- SKY Television (New Zealand)
- Wave Broadband (U.S.)
- Slovak Telecom
- SmarTone (Hong Kong/China)
- Sri Lanka Telecom
- Suddenlink (U.S.)
- Taiwan Star Telecom
- Tele Columbus (Germany)
- Telefonica
- Telefonica Deutschland
- Telenet (Belgium)
- T-Mobile Netherlands
- T-Mobile U.S.
- TOT (Thailand)
- Vast Broadband (U.S.)
- Verizon
- Videotron(Canada)
- Virgin Media
- VIVACOM (Bulgaria)
- Vivo (Brazil)

## ESSENTIAL ANALYSIS

### Strengths

- **Cloud Credibility:** Netcracker's value proposition centers on its unified cloud platform and a strong microservices approach designed to support operators looking to embrace the role of "digital service provider." The emphasis on scaling micro-transactions and improving response times enables Netcracker to address operators' time-to-market requirements.
- **SaaS Ecosystem Model:** Netcracker Business Cloud combines all of Netcracker's virtualized capabilities, including BSS, with a partner ecosystem to enable operators to provide cloud-based services while minimizing infrastructure investments.
- **Cable Focus:** Netcracker Digital BSS unified cloud platform is a strong option for cable operators looking to consolidate BSS and revenue management across multiple systems and deliver dynamically-priced B2C and B2B services. The ability to provide a path towards both cost reduction through product rationalization, and new revenue streams from enabling new digital services, is an important double selling point.

### Limitations

- **Show 5G Momentum:** Having established a strong 5G monetization focus, Netcracker must now demonstrate true traction in helping operators build new revenue models and generate real, measurable results for early 5G adopters using its real-time charging and billing capabilities.
- **WiFi and VoLTE Monetization Needed:** Netcracker arguably underemphasizes use cases related to emerging operator investment in WiFi/VoWiFi and VoLTE apps, giving some rivals latitude to assert time-to-market advantages in monetizing such services. The company should provide use cases- such as ITRI in Taiwan- that can demonstrate its capabilities in this area.
- **CI/CD Readiness:** Shifting to a CI/CD model enables constant upgrades to Netcracker's cloud platform, but requires that operators be staffed and trained internally in order to make best use of the tools at their disposal. Some operators will require considerable training and advisory/consulting services in order to adapt to a fully cloud-native environment.

## CURRENT PERSPECTIVE

### LEADER

Netcracker is a leader in the revenue management market. The company has focused on establishing its platform as the optimal choice for 5G and IoT monetization and is positioning its real-time charging to embrace 5G network slicing opportunities as they emerge. Netcracker has a global customer footprint of over 250 operators including 15+ digital BSS transformation projects and a growing multitude of end-to-end BSS projects.

Netcracker's revenue management portfolio upgrades and innovations such as cloud-based storefronts with customer and product management for XaaS offerings and pre-integrated cloud administration and advanced analytics capabilities are designed to drive revenue management transformation while the carrier grows its customer footprint. The company's Netcracker Business Cloud solution complements Netcracker's Revenue Management platform by removing key organizational and operations barriers faced by operators in offering business to business (B2B) services. Netcracker Business Cloud combines revenue management, MANO, and service orchestration, with an "as-a-service" engagement model to provide everything needed to deliver cloud-based services.

Netcracker has been particularly strong in its support of open API adoption, both internally and through its active support of the TM Forum's Open API program. The company has an opportunity to burnish its "trusted advisor" role with operators by beefing up its advisory/consultative approach to help operators address both the technical and cultural challenges that come with digital transformations.

## COMPETITIVE RECOMMENDATIONS

### PROVIDER

- **Push Software Pricing Innovations:** By promoting operator adoption of its license management and pricing model initiatives at both the TM Forum and ETSI (e.g., NFV licensing management standardization), Netcracker would take a significant step in strengthening the outbound marketing of its service billing competitive position.
- **Expand Services Marketing:** Netcracker needs to raise market awareness of the build-out of its professional services capabilities, especially highlighting consulting-driven go-to-market and business case development and solution blueprint services, including increasing investment and using digital business enablement capabilities like revenue management to drive BSS transformation.
- **Play Up e-Commerce Support:** Netcracker's experience with Rakuten and other Japanese engagements has provided it experience in integrating with large e-commerce ecosystems. As a result, it has built out its capabilities in areas like loyalty programs, ecosystem-wide identifiers, and dynamic promotions.

### COMPETITORS

- **VoLTE/VoWiFi Limitations:** Service billing rivals can point to Netcracker's limited track record compared to some competitors in delivering and scaling VoLTE and VoWiFi services.
- **Tout Analytics Use Cases:** Rivals like Amdocs and Nokia should identify- and quantify- specific revenue management use cases in which analytics are driving specific cost changes or revenue growth.
- **Emphasize Prime Integrator Capabilities:** Netcracker does not take on prime integrator responsibilities unless it is responsible for at least 80% of a transformation engagement. Since not every SP wants to procure on a best-of-suite basis, SIs as well as companies like Amdocs should emphasize their prime integrator capabilities.

### BUYERS

- **Confirm TCO and Loyalty Claims:** Operators need to validate Netcracker's claims of its ability to drive revenue growth, reduce total cost of ownership (TCO) and boost customer loyalty and retention. Operators should press Netcracker to provide a variety of use cases and quantifiable metrics that show how Netcracker is uniquely positioned to deliver promised outcomes.
- **Investigate Business Cloud:** Operators pursuing cloud-based service offerings to enterprises and consumers must consider the breadth and comprehensiveness of Netcracker's Business Cloud against offerings from Amdocs, Ericsson, Huawei, Alibaba/Whale Cloud, Oracle, Ericsson, and Nokia. Their orchestration, analytics, and OSS/BSS products are of particular importance in accelerating and easing the integration and scaling of the 5G, IoT, and cloud aspects of digital commerce models.
- **Explore 5G Monetization Flexibility:** Operators and enterprises need to consider the comprehensiveness of Netcracker's 5G-IoT monetization solution, as the demands of the digital billing require more integrated revenue management solutions that lower operations costs, while phasing in new capabilities such as intricate bundling and single billing platform as well as multi-party settlement and data reconciliation capabilities.