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Netcracker 2020 Sharpens Focus on 5G and Flexibility

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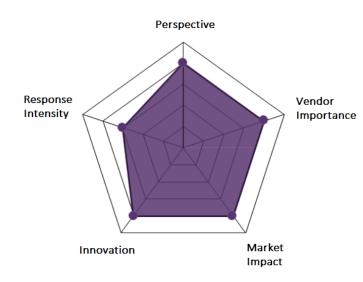Telecom Technology & Software

INTELLIGENCE ALERT

REPORT SUMMARY

Netcracker 2020 represents a strong enhancement and simplification of the company's formidable BSS and OSS assets. The new portfolio culminates Netcracker's years of investment in cloud-native credentials and, increasingly, public cloud prowess.
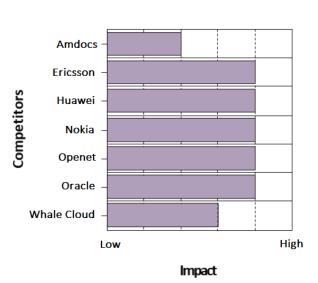
QUICK TAKE

EVENT RATING

COMPETITIVE IMPACT

COMPETITIVE POSITIVES

- Netcracker 2020 represents an intelligent and well-timed redesign of Netcracker's OSS and BSS assets based on previous work with individual clients and surrounded by a new and improved wrapper of professional services designed to maximize the platform's utility.

- Netcracker has expanded its orchestration scope significantly by extending its domain orchestrator concept into areas that are growing in importance in 5G, including vRAN, SD-WAN, MEC, and 5G core.

- Netcracker 2020 significantly enhances Netcracker's ability to help CSPs embrace new outcome-based and "as-a-service" revenue models, and to support monetization across a host of ecosystem alliances yet to be built.

- Netcracker has wisely embraced comprehensive, hardened telco security as a selling point more aggressively than it has previously.

- Netcracker 2020's support for multiple vertical markets will appeal to operators eager to mine opportunities in other markets, including finance, utilities, and healthcare. Netcracker is already managing Rakuten's cross-industry loyalty program.

COMPETITIVE CONCERNS

- Although it touts new capabilities in mobile-native UX design, "digital lifestyle," and omnichannel management, Netcracker has historically been perceived as a stronger competitor for B2B projects than B2C work. That perception is shifting; however, it should mine its Rakuten experience and other projects to demonstrate its prowess in BSS/customer-facing realms for mobile and converged operators.

- Netcracker has clearly gotten religion on embracing public cloud adoption across all the major platforms, including AWS, Microsoft Azure, and Google Cloud, but should more aggressively evangelize the consultative role it plays in helping CSPs adopt robust, multi-cloud adoption plans.

- Netcracker will need to continue to clarify its unique focus on security and privacy to establish that Netcracker 2020 is truly differentiated on this important feature.

- While Netcracker says that it has improved its ability to perform the prime system integrator role, it faces worthy competition from SIs like Accenture or Tech Mahindra, as well as rival Amdocs in this area.

EVENT SUMMARY

June 3, 2020- Netcracker introduced Netcracker 2020, its updated suite of digital OSS/BSS software products and professional services, redesigned to embrace the 5G era. The platform features support for multiple public and private clouds, an enhanced security framework, and new levels of support for partner management. Netcracker utilizes a new operational model to remove manual tasks and drive greater levels of automation across multiple network domains.

ANALYTICAL SUMMARY

PERSPECTIVE

★★★★☆

Positive on the introduction of the Netcracker 2020 platform, because it addresses multiple priorities faced by CSPs, all of which are at some point in either adopting or contemplating a lengthy digital transformation journey, and facing common challenges on that journey. Moving to cloud-native development methodologies brings the promise of more rapid onboarding of new services and dramatic declines in development costs, but requires new hiring and re-skilling. 5G introduces tremendous revenue generation capabilities, but relies on seamless network slicing capabilities and the ability to easily integrate ecosystem partners and build new value-based revenue models. And operators increasingly need professional and managed services to tune and automate their software assets to enable maximum flexibility and ROI.

VENDOR IMPORTANCE

★★★★☆

High to Netcracker, because it redesigns what was a comprehensive but arguably unwieldy platform to focus on the most compelling operator priorities. Netcracker 2020 significantly fills in Netcracker's "cloud-native" approach with active multi-cloud support and an "out-of-the-box" mindset across BSS and OSS assets, combined with professional services that should help operators address digital transformation in a series of progressive, manageable improvements. The expanded portfolio also features much more enthusiastic support for public cloud deployments, and an enhanced focus on system-wide security and privacy protections. Netcracker is strengthening its claim to prime systems integrator capabilities and multivendor expertise.

MARKET IMPACT

★★★★☆

High on the OSS and BSS platform vendor market, because the 2020 platform should position Netcracker to compete more effectively with a platform that is more tightly focused on key operator pain points, at a time when many CSPs are struggling with how to monetize their investments in 5G. To be regarded as a leading competitor in the BSS/OSS space, a vendor must have broad expertise from the network to customer-facing functions, must have substantially adopted cloud-native architecture and agile methodologies, and must consistently gain new customers and transformation products. Of Netcracker's main competitors, only Amdocs fully satisfies all three conditions, although other competitors are close behind.