

## THE GAME IS CHANGING

### *UC Applications in the Service Provider World*

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Unified Communications is not a new technology or even a new business solution. In its many forms, it has been around for years. Today all types of devices have an element of a UC applications built into them. It used to be text messaging was the best way to send messages. Today you can choose between them from Facebook, Face time to Whatapp, often using all of them to communicate with different people at different times. The list goes on and on. It is not even a question of quality of the experience as this issue has been addressed by the high availability of bandwidth and the latest codec capabilities to support low bandwidth networks and reduce the errors that affect the delivery of a great experience for the users.

Using these applications for voice calling, or even real time video works are now normal for everyone. It is not the same as the early days of VOIP where you could only understand every other word. Today theses applications often perform just as good as the legacy voice networks.

With today's high availability of data bandwidth from either private networks or the public internet these new applications do not even touch the legacy service providers networks but use technology that sends the communications "Over the Top" thus pushing the service providers to the lowest value in the solution that of bit carrier with little value add to the overall solution.



However over the last few years, UC has been moving from islands of technology in mainly an enterprise network to UC solutions that cover global enterprise applications, that inter work with many business processes and also span boundaries. Even the deployment methods have changed to both private and public cloud methods. This change has a dramatic effect on legacy telco networks as traditional voice revenues continue to decrease as this traffic moves to the data network or goes over the top through the public Internet.

To offset this loss in revenue service providers need to focus on new revenue streams in adding value in this new echo system. The ability to deliver end to end QOS, security services and authentication now become key elements in these solutions. Linking these network based solutions to an IOT strategy will add significant value to global enterprise solutions and new revenue streams.







## ***The Work Place Changed - Did the Service Provider***

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Service providers need to clearly outline where they fit in this new world and which elements of the value stack they will play in.

A great example is a need for persistent workspaces and communications where Slack has entered the marketplace with a good level of adoption. Another tool which the large players Cisco and Microsoft are trying to deliver similar functionality. Is the real value even in this phase? Every service provider is looking for application stickiness. Is the prize in the UC&C race finding ways to integrate into customer business applications and workflow of the future? The service provider that helps customers get their first should be able to capture more wallet share, and integrate/optimize the network as part of the service architecture – a strategy to offset the commoditization of the network and turning service providers into bit movers.

## ***Why important to service providers***

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- Strategy to move up the value proposition stack with customers to pull through network business (while trying to maintain margins)
- Lead with UC&C and application story, instead of network centric – need a shift in mindset. UC&C application – less revenue (higher margins) relative to a network but carries a lot of weight in customer value proposition.
- Capture more wallet share
- Competitive advantage – customer stickiness – keep the application and keep the network
- The entry point into the future where applications and user experience will be the center of discussion, not networks.