The Changing Landscape of BSS/OSS Managed Services

EXECUTIVE SUMMARY

In today's communications climate, service providers are grappling with copious amounts of data while trying to provide innovative products and services that will help retain customers and increase revenue. One way communications service providers are looking to deal with next-gen services and infrastructure is to turn to a managed services model to reduce cost, by outsourcing the solutions themselves as well as resources such as staff and maintenance, and increase efficiency by delegating skilled tasks to those with expertise.

As managed services traditionally have roots in the network, more and more service providers are considering a managed services model for business support system (BSS) and operations support system (OSS) needs. The outsourcing of billing and customer care is not necessarily new, but the notion of service providers outsourcing OSS systems has historically been met with hesitation, as it is considered so mission-critical to the network. But service providers are now finding that either hampered legacy systems or slow in-house transformation is leaving them with no choice. Service providers may also be building more confidence in outsourcers that have been handling components such as billing and customer care over time, and they may now feel comfortable delegating OSS to that vendor as well.

However, the key for service providers to relinquish these lines of business in a successful way to a managed services provider will be to align with a vendor that is able to fully understand and accommodate their needs (including any transformation) and be able to create cost savings, increase efficiency and ultimately satisfy end users. To meet service providers' needs, vendors will have to make sure they do not overpromise and make sure that they maintain ongoing communication, expected level of expertise, maintenance and support through the ongoing lifecycle of the managed services contract.

As some five- to seven-year managed services contracts come to an end, vendors are aware of this increased demand and are answering with an increased emphasis on their expertise and end-to-end managed services that keep the service provider's customer satisfaction in mind. Many vendors in this space are rolling out customer experience management (CEM)-type solutions as part of the race to win these managed services customers and are well aware that service providers are preparing and anticipating machine-to-machine (M2M) communications needs. Winners and losers in the BSS/OSS managed services space will be determined by which vendor can best understand service providers' needs and provide the most consistent support.

The Changing Landscape of BSS/OSS Managed Services examines the leading drivers for BSS/OSS managed services, relying on recent Heavy Reading surveys of managed services vendors and service providers. The report also discusses the key challenges service providers
and vendors must overcome to be successful in a managed services model and offers specific recommendations for how they can do so.

The report analyzes 17 leading vendors that can help service providers with their BSS/OSS managed service needs. For a full list of companies analyzed in this report, click here.

In researching for this report, Heavy Reading asked managed services vendors what they felt would be the major drivers for communications service providers to outsource their BSS/OSS needs in 2013. 100 percent of respondents said M2M, followed by CEM, cloud, data monetization and service assurance. Based on the feedback from these vendors, these are the current and upcoming products and services that are pressuring service providers to make their operations more agile and thus turn to outsourcing.

**Excerpt 1: Products or Services That Will Drive BSS/OSS Outsourcing in 2013**

<table>
<thead>
<tr>
<th>Product/Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>M2M</td>
<td>100%</td>
</tr>
<tr>
<td>CEM</td>
<td>86%</td>
</tr>
<tr>
<td>Cloud</td>
<td>80%</td>
</tr>
<tr>
<td>Data Monetization</td>
<td>76%</td>
</tr>
<tr>
<td>Service Assurance</td>
<td>40%</td>
</tr>
</tbody>
</table>

*Source: Heavy Reading*

**Report Scope & Structure**

The Changing Landscape of BSS/OSS Managed Services is structured as follows:

**Section I** includes a full executive summary and report key findings.

**Section II** reviews the drivers for BSS/OSS managed services, relying on recent Heavy Reading surveys of managed services vendors and service providers.

**Section III** discusses the key challenges that service providers and vendors must overcome to be successful in a managed services model.

**Section IV** analyzes 17 leading vendors that can help service providers with their BSS/OSS managed service needs.

**Section V** summarizes our conclusions in this paper and provides a set of recommendations for service providers looking to outsource BSS/OSS functions in a managed services model.

The Changing Landscape of BSS/OSS Managed Services is published in PDF format.