

Ovum Decision Matrix: Selecting a CRM Solution for Telecoms, 2016–17

Publication Date: 05 Aug 2016 | Product code: IT0012-000176

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Summary

Catalyst

CSPs (communications service providers) have a pressing need to transform their operating and business models to meet the demands of the digital world and to remain competitive against Internet cloud providers (ICPs), or over-the-top (OTT) players. One area where this need for change is felt most keenly is in their customer relationship management systems and technology (CRM). CSPs will need to define different customer engagement journeys and service delivery systems to support and monetize their digital services. They will need to replicate, maintain, and update customer information and engagement activities across multiple channels in real time, enhancing each process with analytics tools to maximize the opportunities to personalize proactive care, marketing, and sales, and to improve the efficiency of the associated business processes.

Consequently, CSPs will favor those CRM solutions that are attuned to the requirements for digital service support (e.g. agile, scalable, omnichannel) and that can be deployed on-premise or in the cloud. This Ovum Decision Matrix is essential reading for CSP executives looking to invest in a CRM solution over the next 12–18 months to meet these challenges.

Ovum view

CSPs' customer-facing or business support systems (BSS) are low hanging fruits in terms of areas where CSPs can transform relatively quickly, maximize revenue recognition, and improve customer satisfaction scores. Choosing the right customer management technology, customer engagement processes, and vendor partner is therefore especially important if CSPs want to see immediate business benefits. Typically, CSPs give a high rating to vendors with deep telecoms expertise – for example, Amdocs, AsialInfo, and Netcracker. However, the digital world blurs some of the boundaries between verticals, and enterprises can take on a number of personas (e.g. retailer, financial services, infotainment provider). Consequently, we have noted CSPs' increased interest in horizontal offers provided by large independent software vendors, such as Oracle, Salesforce, and SAP, and the (horizontal) best practice models that have delivered tangible business benefits to other enterprises.

This Ovum Decision Matrix examines the competitive dynamics for CRM in the telecoms market, and provides CSPs with analysis to inform the selection process based on a product's strengths, and ability to support CSPs' omnichannel strategies in the digital environment. Competition is intense and the quality of all solutions is extremely high. In this assessment, it was important that vendors supported as many functionalities and channels as possible for sales, marketing, and customer service operations across key channels for the digital age. Solutions also need to be cloud ready. Vendors' ability to offer these functionalities directly (rather than through partners) also received more positive consideration.

Key findings

- Amdocs, Oracle, Netcracker, and Salesforce provide the most sophisticated and advanced CRM functionalities to support CSPs' omnichannel strategies and future digital services. These vendors are the market leaders of CRM for telecoms, providing a strong breadth of

functionality, mobile and social CRM, automation and analytics for industry-specific applications, and well-designed user interfaces.

- AsiaInfo and SAP offer compelling solutions that CSPs should consider, particularly when factoring in their unique needs or contexts that may not be met by the leading vendors.
- Oracle remains the overall leader with the highest scores in all three assessment categories – technology, execution, and market impact. Salesforce came in a strong second in all three assessment categories.
- Oracle, Salesforce, and Netcracker are leaders in the technology assessment category. Oracle is the leader in the execution assessment category, closely followed by Salesforce and Amdocs. Oracle, Salesforce, and SAP have the highest scores in the market impact categories.
- Given their current digital transformation needs, CSPs will favor those CRM solutions that are attuned to the requirements for digital service support solutions (e.g., agile, scalable, omnichannel) that can be deployed on-premise or in the cloud.

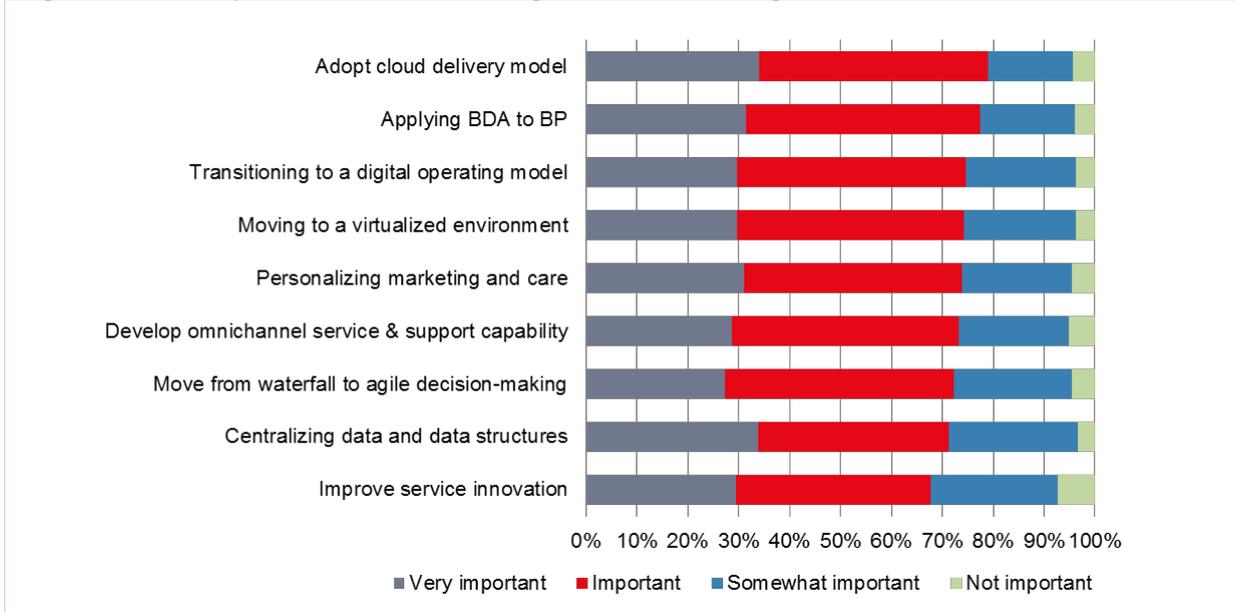
Market drivers and developments

CSPs will invest in omnichannel, and personalized marketing and care as part of their digital transformation

CSPs need an integrated view of their customers so they can keep pace with their activities in the physical and digital domains as they discover, purchase, and use the CSPs' services. Consequently, obtaining an omnichannel view of customers via a combination of on-premise and cloud-based systems – which include mobile and social CRM capabilities – are priority areas for CSP investment.

Figure 1 shows the results of Ovum's ICT Enterprise Insights, 2015–16 with more than 500 telecoms CIOs – 70% of CSPs identified "developing omnichannel service and support capability" and "personalizing marketing and care" as "very important" or "important" business challenges in the next 12–18 months. Nearly 80% of the same group identified "adopting a cloud delivery model" and 75% identified "transitioning to a digital operating model" as "very important" or "important" business challenges.

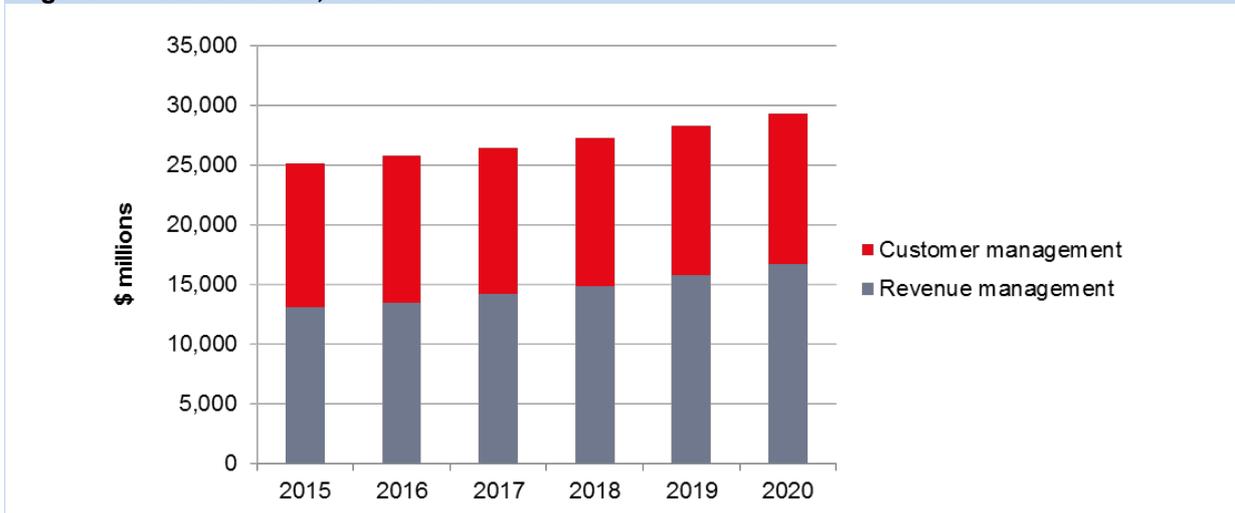
Figure 1: How important are the following business challenges to telco CIOs?



Source: Ovum ICT Enterprise Insights, 2015–16

CSPs' investments are focused on their digital transformation, and will impact three areas: their operating model and structure for service delivery; how they manage and use their data; and how they define their digital customer journey. Each of these changes needs to be addressed in the CSPs' customer management technology and systems. As a result, these requirements will drive sustained opportunities for vendors in this sector over the next five years. According to Ovum, by 2020, CSPs will be spending around \$12.6bn on CRM technology (see Figure 2).

Figure 2: BSS revenues, 2015–20



Source: Ovum, OSS & BSS Revenue Forecasts: 2015–20

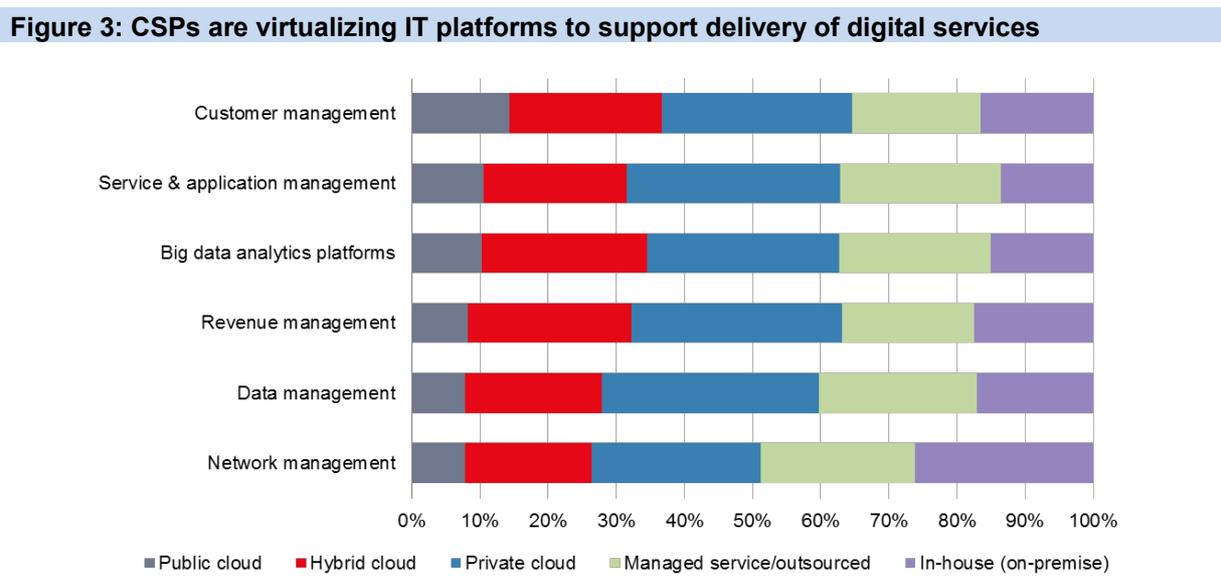
The priority investment activities will be to create seamless workflows and business processes that integrate data from various touchpoints across existing traditional channels and multimodal options within the digital channels (e.g. chat, portal, self-service applications).

To meet these demands, vendors need to offer products and strategies that

- provide omnichannel options to their customers
- allow CSPs to adjust their channel mix to customers' communication preferences
- offer enough automation to improve the efficiency and response to customer interactions, without removing the human interaction completely.

Functionalities such as social CRM applications enable telcos to analyze social media interactions to generate leads, resolve service tickets, provide information, and map overall sentiment toward the brand. In addition, most vendors have an opt-in model in which customers can provide their social media identities, such as their Facebook and Twitter accounts, to telcos so that they can map the social profile to the telco's smart agent desktop and customer database. Mobility for CRM has increased dramatically over the past few years and has to be a core part of the vendors' and CSPs' offers. Amdocs and Salesforce are among the strongest vendors in this regard, but others too offer mobile apps for all smart devices.

Without doubt, the direction of travel for CSPs' CRM is toward cloud-based implementations. As shown in Figure 3, many are already migrating customer management systems to private and hybrid cloud environments, and most requests for information (RFIs) issued by CSPs require either cloud-ready solutions, or private and hybrid cloud solutions as well as on-premise options. Salesforce's customer list is testament to the fact that larger CSPs are considering this route in order to gain the levels of flexibility, agility, and scale that are critical to support digital services, where scaling at speed will be required.



Source: Ovum ICT Enterprise Insights, 2015–16

Integration with other systems remains an important feature

To deliver business as usual with speed, consistency, and efficiency, CSPs must ensure their sales and marketing, order management, and care processes and systems are integrated and optimized across assisted and self-care channels, as well as traditional and new digital channels. CSPs require holistic, robust, and agile CRM systems that fully integrate with their business systems, such as billing systems, because a high percentage of inbound calls relate to billing inquiries. Having the potential to integrate billing data and policy engines with CRM systems, across the entire customer lifecycle, is therefore an important consideration.

As the amount of data relating to customer activities increases, so does the need to obtain actionable insights that can personalize care, marketing, and sales. CSPs need big data analytics integrated into their core CRM platforms. These analytics functions provide further insights into customer behavior throughout the customers' lifecycle and help to determine customers' preferences so that care, marketing, and sales efforts can be proactive and also valued by the customer.

Vendor solution selection

Inclusion criteria

A broad range of solutions fit under the "CRM in telecoms" umbrella, and each vendor defines the space slightly differently. To identify appropriate solutions, we have defined three criteria for a vendor solution to be included:

- The vendor must have significant mid-to-large tier-1 CRM CSP customers.
- The vendor's CRM products must possess significant brand awareness with CSPs in multiple geographies.
- The vendor solution must be able to provide a 360-degree customer view across multiple customer support channels.

Ovum's Decision Matrix, vendor assessment, and overall positioning are based on information and data shared by the vendors through the completion of an RFI spreadsheet, demo, and briefing discussions, as well as Ovum's ongoing research in the BSS domains.

Exclusion criteria

It is not feasible to compare all CRM solutions that target CSPs, so some strong contenders had to be excluded. We did not include vendors that

- solely provide point solutions – solutions known for their strength in a major area, such as customer service or case management, rather than their full suite
- offer only solutions with a significant portion of functionality delivered through third-party products
- show growth in maintenance revenue only
- did not respond to our request for information.

Methodology

Technology

In this assessment dimension, Ovum analysts developed a series of features and functionalities that would provide differentiation among the leading solutions in the marketplace. The criteria groups identified for CRM for telecoms are as follows:

- **Sales automation:** Assesses the CRM platform's ability to support core telco sales operations such as sales forecasting, partner sales management, and proposal quote generation. In addition, the ability to support sales operations across multiple channels was also examined.

- **Marketing:** Evaluates the CRM platform's ability to support multiple marketing functions across multiple channels. Support for campaign management functionalities was also considered.
- **Customer service & case management:** Assesses the extent of the CRM platform's support for telecoms customer service operations. It determines how sophisticated the platform is in delivering functions such as product recommendation.
- **Analytics & reporting:** Evaluates the platform's support for analytics capabilities such as predictive analytics, customer segmentation, and cross-channel analytics. Further analysis was also carried out to determine the platform's ability to perform real-time analytics using data from other systems such as OSS and billing systems.
- **Social CRM:** Reviews the extent, clarity, and evidence of the vendor's strategy for analyzing and responding to social media interactions, and integrating them into the customer profile.
- **Mobile CRM:** Considers the extent and evidence of CRM-related operations that are delivered to and accessed from a mobile environment.
- **Omnichannel:** Identifies the strategies adopted by each vendor in developing their capabilities across retail, contact center, online portals, apps, mobile, and social.
- **Integration:** Examines the level of integration that exists across all customer interaction channels. We also examined the level of integration that exists between the CRM platform and other telco systems such as billing, product catalog, and order orchestration.
- **Interoperability:** Interoperability across the suite or platform and ease of integration with back-office enterprise resource planning (ERP) systems and third-party productivity tools were some of the criteria assessed here.
- **Automation:** Identifies the extent to which processes are supported by the vendor's CRM platform and are automated.
- **Telco frameworks adopted:** We used this criterion to further determine the level to which the vendor supports telco-focused operations. Each vendor had to identify the types of telco frameworks its platform was designed to follow.

Execution

In this dimension, Ovum analysts review the capability of the solution around the following key areas:

- **Maturity:** We have assessed the length of time both the vendor and its CRM platform have been present within the telecoms market, and the clarity of the vendor's future roadmap for telecoms.
- **Interoperability:** Assesses the strategy adopted by each vendor for integrating the CRM platform with a telco's organizational operations.
- **Innovation:** Reviews how the vendor introduces new capabilities to the CRM platform.
- **Scalability:** Points of information are provided to show the scalability of the solution across different scenarios.
- **Deployment:** This category includes a review of deployment options, time for deployment given different scenarios, and the types of tools provided for deployment.
- **Partner ecosystem :** The vendor's partner ecosystem is assessed, taking into account the number and strength of technology partners as well as reseller partners.

- **Delivery of professional services:** The vendor's portfolio of professional services such as solution implementation, consulting, systems integration, training, and managed services provided to telco customers are examined under this criterion.
- **Enterprise fit:** The alignment of the solution is assessed in this dimension, and the potential ROI period identified.

Market impact

The global market impact of a solution is assessed in this dimension. Market impact is measured across five categories, each of which has a maximum score of 10.

- **Total company revenues:** This score is obtained based on the company's total revenues for the last fiscal year and calculated as a percentage of the market leader's total company revenues. The percentage is then multiplied by 10 and rounded to the nearest integer.
- **Revenue growth:** This score is determined based on each vendor's revenue growth for the last fiscal year and is calculated as a percentage of the growth rate of the fastest-growing company in the market. The percentage is then multiplied by 10 and rounded to the nearest integer.
- **CRM revenues:** Each vendor's global CRM revenues score is calculated as a percentage of the market leader's total CRM revenue. This percentage is then multiplied by 10.
- **CRM revenues from telecoms:** We estimate each vendor's revenues in the CRM space from the telecoms industry. This score is then calculated as a percentage of the highest telecoms revenues reported, multiplied by 10, and then rounded to the nearest integer value.
- **Direct local presence:** Ovum determines the number of countries in which the vendor has a presence. This number is calculated as a percentage of the market leader's geographic reach, multiplied by 10, and then rounded to the nearest integer value.

Ovum ratings

- **Market leader:** This category represents the leading solutions that we believe are worthy of a place on most technology selection shortlists. The vendor has established a commanding market position with a product that is widely accepted as best of breed.
- **Market challenger:** The solutions in this category have a good market positioning and are sold and marketed well. The products offer competitive functionality and a good price-performance proposition, and should be considered as part of the technology selection.

In many of our Decision Matrices we also include a market follower category for solutions aimed at meeting the requirements of a particular kind of customer. However, given the maturity and sophistication of all the solutions we assessed here, it was not appropriate to include a market follower category for this particular assessment.

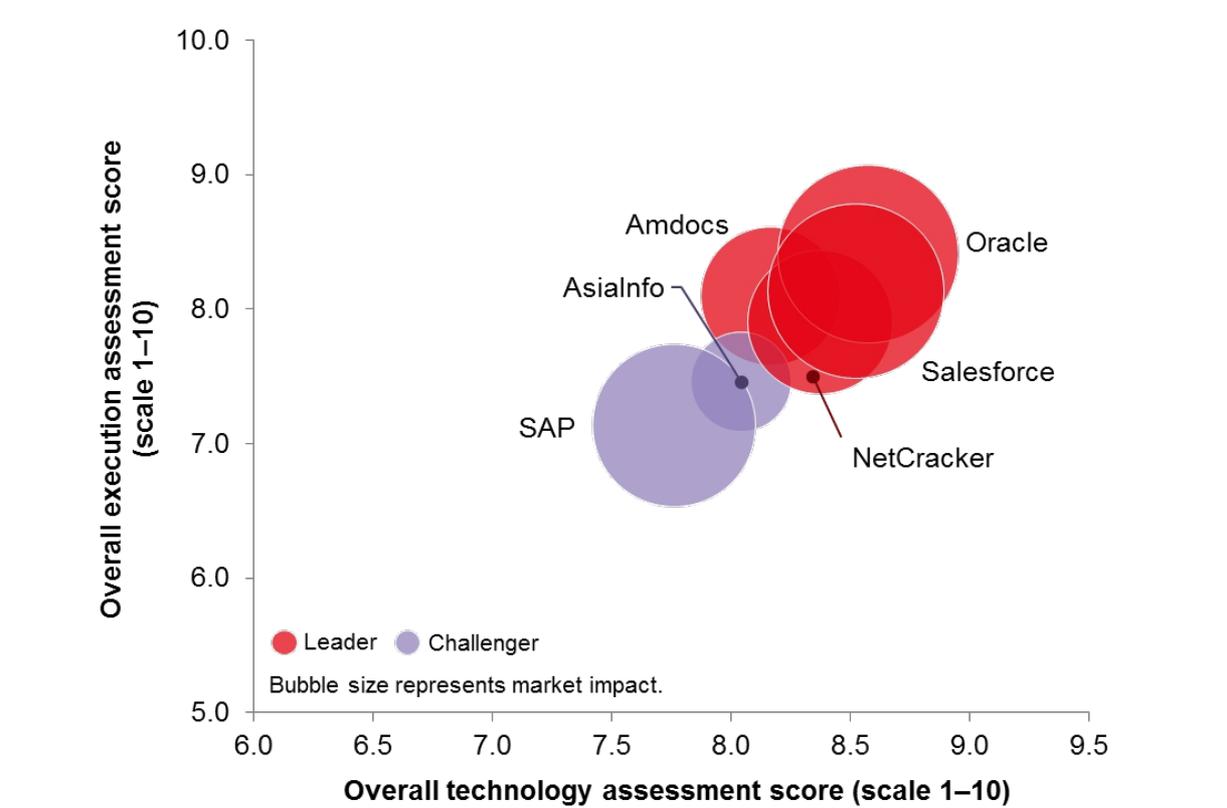
Market and solution analysis

Ovum Decision Matrix: CRM for Telecoms, 2016–17

As shown in Figure 4, Oracle achieved the highest combined score in this ODM, just ahead of Salesforce, Netcracker, and Amdocs. Overall, the score between the leaders and challengers was

extremely close – an indication of the depth and breadth of choice currently available to CSPs as they make their digital transformation journey.

Figure 4: Expanded view of Ovum Decision Matrix: CRM for Telecoms, 2016–17



Source: Ovum

Table 1: Ovum Decision Matrix: CRM for Telecoms, 2016–17

Market leaders	Market challengers
Amdocs	AsialInfo
Oracle	SAP
Netcracker	
Salesforce	

Source: Ovum

Market leaders: vendor solutions

The market leaders in CRM for telecoms are Amdocs, Oracle, Netcracker, and Salesforce. These vendors deliver technically robust, scalable, end-to-end solutions, with omnichannel capabilities and strengths in mobile and social CRM, which are an important focus for CSPs undergoing digital transformations. These leaders obtained high scores for the technology assessment, execution, and market impact. Ovum recommends that CSPs shortlist these vendors when selecting a CRM solution to accommodate digital services.

Oracle received the highest score in each of the three categories. Its CRM solution is available on-premise and as a cloud solution; its product/solution roadmap is comprehensive and its solutions address all customer segments – B2B, B2C, and B2B2X. While Oracle offers an end-to-end solution

and single point of contact to its CSP customers, its solution offerings are backed by strong partner ecosystems. The vendor also has strong brand awareness in the CRM space across all geographical regions and for a variety of customer segments.

Salesforce has a dominant role in the CRM space across industries, and increasingly in telecoms. It offers functionalities for customer service, marketing, and order management, as well as other CRM platform capabilities such as analytics, social, and mobility. It continues to invest in deep relationships with AppExchange partners such as Aria for billing and Vlocity for enterprise product catalog and order management; its sales automation, customer services and case management, and analytics and reporting tools are suited also to CSPs' omnichannel needs.

Netcracker received its highest scores for customer service, omnichannel, and integration capabilities. Its unified desktop interface for customer service agents is a one-stop shop for all forms of customer information, ranging from billing, to service usage, to interactions across traditional and digital channels. Big data analytics also plays a critical role within the vendor's solution to give CSPs a 360-degree view of the customer, personalize interactions, and unify customer interaction strategy across all customer touchpoints.

The Amdocs CRM solution is a core component of the vendor's Customer Experience Solution (CES) portfolio. Its CRM solution has strong sales and customer service capabilities, and is well recognized in the contact center, retail store, and mobile space. CSPs investing in its solution will benefit from its strength and capabilities in the traditional channel space. As Amdocs extends its capabilities into the digital space with its recent product releases, existing and prospective clients can be assured of improved experience being delivered to their customers.

Market challengers: vendor solutions

AsialInfo's Veris CRM portfolio can be delivered on-premise or in the cloud and includes a suite of built-in capabilities for customer management, order management, customer service, campaign management, loyalty management, and multichannel access. There are other optional modules which deliver supporting capabilities to Veris CRM and these include Veris O2P (Open Operational Platform), Veris RTI (Real-Time Intelligence), and Veris UPC (Unified Product Catalog). The Veris O2P platform allows for collaboration between CSPs and OTT providers for the creation and offer of digital services. AsialInfo counts three Chinese operators and Telenor among its customers.

SAP's CRM solution, known as SAP Hybris for Customer Engagement and Commerce, is managed by SAP Hybris. It includes products delivered via its two main CRM offerings: SAP CRM, which is SAP's traditional on-premise product, and SAP Cloud for Customer, the vendor's cloud solution. This solution provides marketing, sales, commerce, and customer service functionalities delivered via traditional and digital channels. Its highest scores in the technical assessment dimension were for its omnichannel, analytics and reporting, and integration capabilities. By combining the capabilities provided by its on-premise and cloud offerings, SAP is able to support CSPs with their omnichannel strategies.

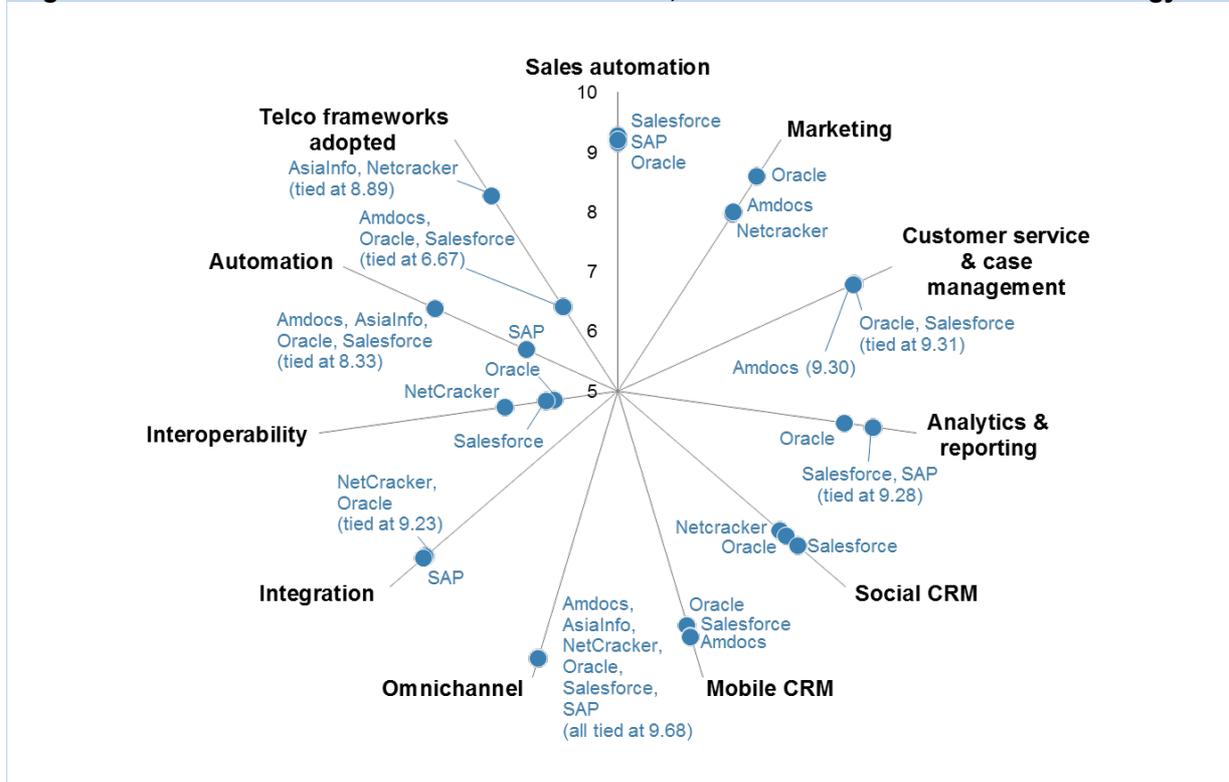
Market leaders

Vendors analyzed in this report vary in focus and strengths. This section looks at the underlying patterns in the market by comparing the top vendors in each of the criteria that contribute to the

technology, execution, and market impact assessment ratings. CSPs must consider the context and comment behind the scores to determine the product that best suits their individual needs.

Market leaders: technology

Figure 5: Ovum Decision Matrix: CRM for Telecoms, 2016–17 – Market leaders – technology



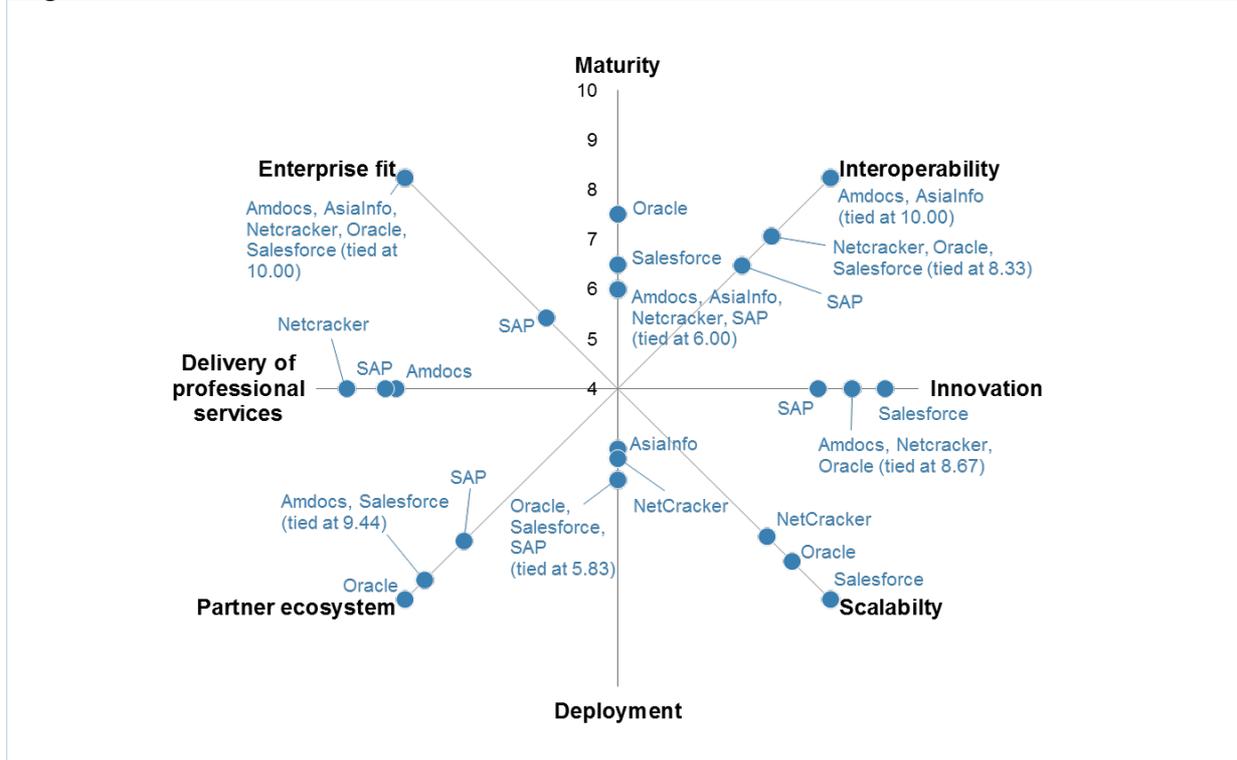
Source: Ovum

Oracle, Salesforce, Netcracker, and Amdocs gained the highest average technical scores, but the range between the highest and lowest average score for all six vendors across the 11 criteria was less than one. This demonstrates a high level of sophistication across all the offers we assessed. All vendors gained a similar score for their omnichannel capabilities, which covered 10 criteria including integration of all sales, marketing, and customer service operations and use of consistent and persistent customer data information across all channels.

Oracle and Salesforce obtained similar high scores for customer services and case management and automation, while Netcracker scored well on integration and adoption of telecoms-specific frameworks. SAP returned high scores for sales automation and analytics and reporting, and Amdocs and AsialInfo scored well on integration and adoption of telecoms-specific frameworks. However, it is the combination of high scores for sales automation, marketing, mobile, and social CRM that lifted Oracle, Salesforce, Netcracker, and Amdocs ahead of their peers.

Market leaders: execution

Figure 6: Ovum Decision Matrix: CRM for Telecoms, 2016–17– Market leaders – execution

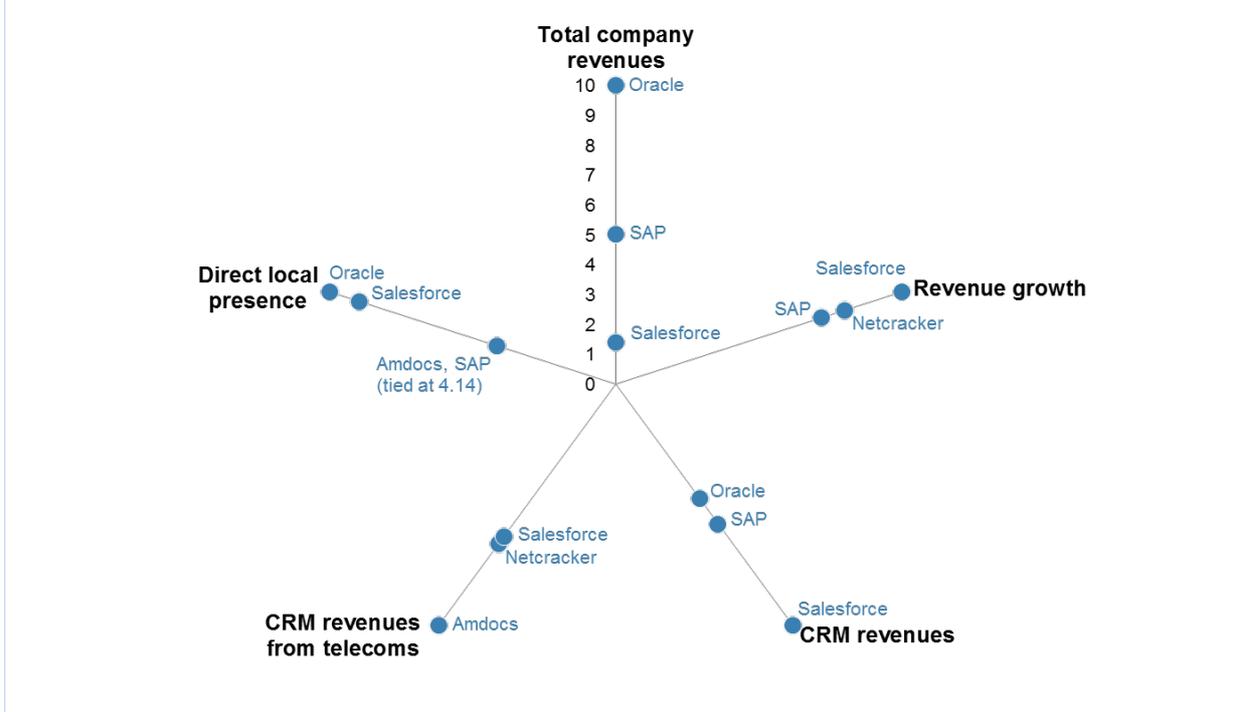


Source: Ovum

The overall market leaders for execution are Oracle, Salesforce, and Amdocs, with Oracle and Salesforce gaining the highest possible scores for partner ecosystem and scalability, respectively. Amdocs and AsialInfo score perfect tens for interoperability, and obtained high scores for delivery of professional services along with Netcracker and SAP.

Market leaders: market impact

Figure 7: Ovum Decision Matrix: CRM for Telecoms, 2016–17 – Market leaders – market impact



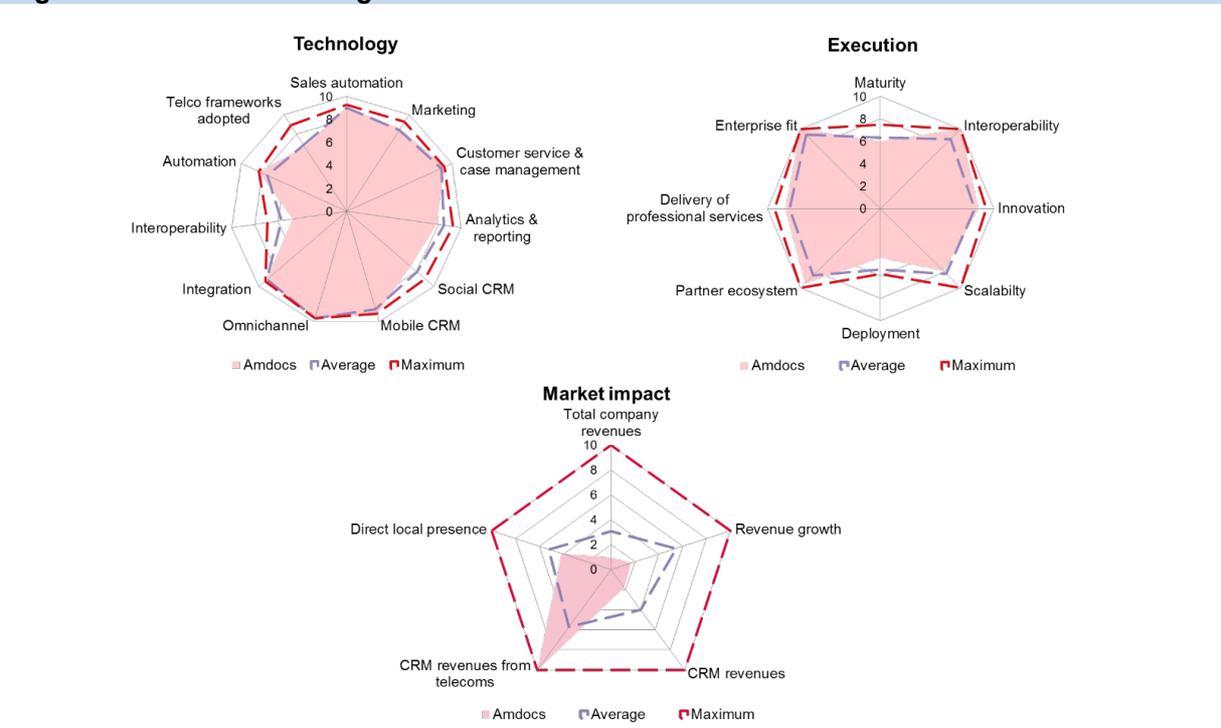
Source: Ovum

In terms of market impact, Oracle, Salesforce, and SAP were market leaders based on a combination of overall company revenues, revenue growth rates, revenues from CRM technology, revenues from telecoms CRM specifically, and direct local presence. Oracle is the largest company in our assessment in terms of revenue, followed by SAP. Oracle also offers the largest local presence; Salesforce has the highest revenue growth rate and level of CRM revenues, while Amdocs, AsialInfo, and Netcracker fare better with CRM revenues from telecoms.

Vendor analysis

Amdocs

Figure 8: Amdocs radar diagrams



Source: Ovum

Ovum assessment

Amdocs is a telecom software provider with focus in BSS/OSS as well as the network control space. The Amdocs CRM unit is part of the Amdocs Revenue and Customer Management (RCM) business unit – one of several business units within the Amdocs Product business group. The Amdocs CRM product is a core component of the vendor's Customer Experience Solution (CES) portfolio, which comprises the Amdocs Master Enterprise Catalog, Amdocs Sales (its sales engine), Amdocs Ordering (an order-capture layer), and Amdocs CPQ. Amdocs CRM addresses contact center and retail channel management, and operations such as sales, ordering, customer service, and self-service.

To enhance its CRM solution and deliver the omnichannel experience, Amdocs has released the Amdocs Omnichannel Platform which includes a set of widgets that incorporates the user interface, business logic, and connections to back-end systems. These widgets are grouped into libraries and sorted by functionality, such as billing, care, and support, and can help integrate customer interactions at the call center, retail store, and from web/mobile self-service.

The omnichannel platform is a technology layer that is independent of the Amdocs CRM platform but can be delivered pre-integrated to Amdocs CRM. As an independent platform, it can serve as an agnostic component that can work with CRM platforms from other vendors.

From a technology perspective, the Amdocs CRM solution has strong sales and customer service capabilities and has above-average scores in seven categories, with its highest scores in omnichannel, mobile CRM, and customer services and case management. The vendor's solution is

well recognized in the contact center, retail store, and mobile space. The Amdocs Process Manager is embedded in the Amdocs CRM to enable the definition of automated business workflows to support order processes such as order capture, delivery, notifications, and control of functions in other Amdocs products. The vendor has recently partnered with leading marketing firms Adobe and Frog to further strengthen its marketing capabilities. The vendor's capabilities in the social space are less advanced than some of its peers and need to be further developed to support more social media channels beyond Facebook and Twitter.

With respect to the assessment of its strategy execution, the vendor received the third highest average score, and received its highest scores for interoperability, partner ecosystem, innovation, and professional services capabilities. Amdocs is recognized as a leader in the services space and the vendor continues to strengthen its services capability. It has also invested in expanding its partner ecosystem, adding partners for implementation and innovation, as well as strategic and incubation partners. Its technology partner ecosystem is active and the vendor is strengthening its messaging about its activities with technology partners. The recent announcement of its partnership with Adobe is a good example. Ovum will continue to follow Amdocs' partnership activities, as we expect more announcements to follow.

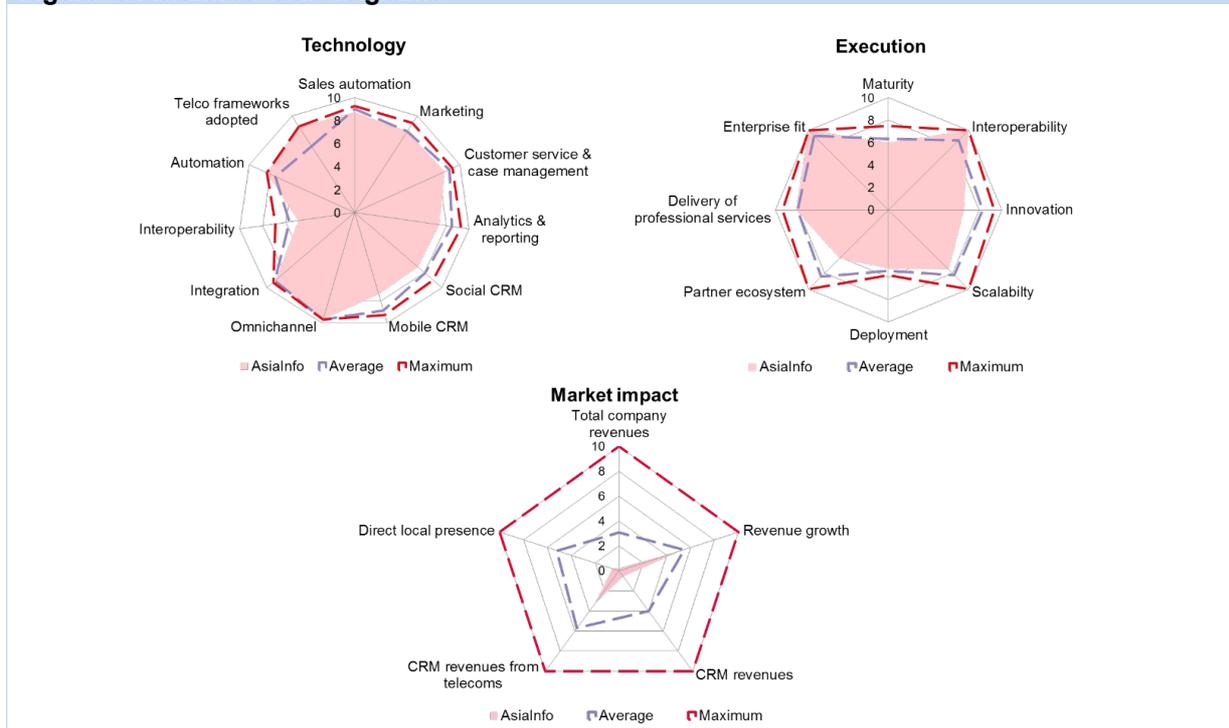
The vendor's market impact scores were lower compared to some of the market leaders in terms of total revenues and total revenue growth, but all of its CRM revenues are derived from telecoms only. The company reports that its revenue for telecoms CRM is increasing at a faster rate than the industry average and it continues to extend its direct local presence through acquisitions.

Recommendation: Market leader

Amdocs delivers a strong telco CRM solution that meets telco requirements in the sales and customer service domains, and has some clear strengths to offer CSPs, especially in terms of integration of its CRM with network-facing systems. Telcos investing in its solution will benefit from its strength and capabilities in the traditional channel space. As Amdocs extends its capabilities into the digital space with its recent product releases, existing and prospective clients can be assured of improved experience being delivered to their customers. The vendor could extend its market presence by working with partners to resell its products, but otherwise represents a good offer, especially when combined with its end-to-end revenue management portfolio.

AsialInfo

Figure 9: AsialInfo radar diagrams



Source: Ovum

Ovum assessment

AsialInfo is a BSS provider with headquarters in China and a growing presence in other parts of Asia-Pacific and Europe. The company's Telecoms Software & Services business unit manages the development of its Veris CRM portfolio. Veris CRM includes a suite of built-in capabilities which include customer management, order management, customer service, campaign management, loyalty management, and multichannel access. These capabilities can be delivered on-premise or in the cloud. Other optional modules deliver supporting capabilities to Veris CRM. These include Veris O2P (Open Operational Platform), Veris RTI (Real-Time Intelligence), and Veris UPC (Unified Product Catalog). The Veris O2P platform allows for collaboration between CSPs and OTT providers for the creation and offer of digital services; the Veris RTI streaming analytics solution enables operators to gain a holistic view on customer activity and service usage, and engage with customers in real time across any relevant channel. The Veris UPC provides a single, centralized platform for the control logic that defines what products and services can be accessed across specific channels. Current telco clients include the top three telco operators in China, the Telenor Group, and Nepal Telecom.

AsialInfo separates and centralizes business logic across all channels to ensure uniformity of customer interactions and business processes. This eliminates the siloed approach adopted by CSPs when expanding into new channels. This approach also allows information provided in one channel to be exposed to other channels; the information is presented in a format (using its content management system) that is suitable for each channel interface. Telcos looking to engage with OTT vendors can also enjoy the benefit of accessing the same customer information and product catalog used across all channels. AsialInfo supports the concept of "any channel," which spans the CSPs' omnichannel strategy and other commercial and social channels (from partners or joint ventures). Customers can

channel-switch while engaging with the operator and maintain context, and the CSP can also act on the customers' behalf while they are engaged within a channel.

AsialInfo's CRM solution delivers strong sales, marketing, and customer service functionalities. In Ovum's technology assessment, AsialInfo's social and mobile CRM capabilities recorded modest scores. In terms of social networks, Twitter and WeChat are supported as standard, and other social networks can be plugged in as requested by the customer. Its RTSS app is offered as standard and this enables advanced customer self-service including package negotiation, trouble tickets, and profile management.

In line with the performance of the other two telco-focused CRM software providers (Amdocs and Netcracker), AsialInfo received strong scores for interoperability and delivery of professional services within the strategy execution assessment. The vendor provides full integration with open source and best-of-breed solutions. This capability is essential in supporting the omnichannel functionality required to deliver improved customer experience to telco customers. The vendor also recorded high scores for enterprise fit because its product roadmap aligns with the needs of the telecoms industry. Relative to other vendors it received a lower score for its partner ecosystem, deployment, and scalability. It is looking to build out additional partner engagements; its move into the European market (which commenced in 2013) and the cloud space (with its recent launch of the Veris Cloud platform) forces the vendor to collaborate with other key players in the industry, with a view to influence the market and increase its mindshare within Europe.

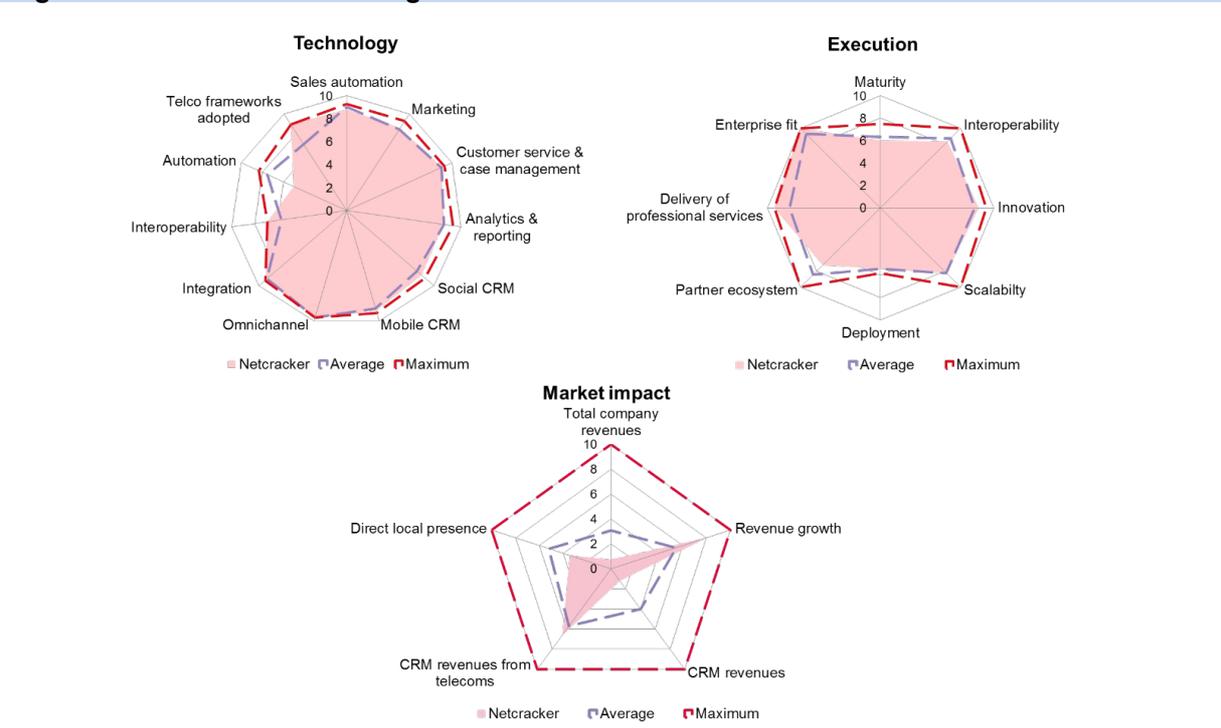
Its current focus within the Asian and European markets limits its reach compared to its peers who have a broader presence around the world. AsialInfo could benefit from opening up its reseller partner ecosystem to other smaller service providers with deep regional and in-country relationships to ensure an extended market reach. Its current Veris Cloud offering should enable the vendor to achieve this.

Recommendation: Market challenger

AsialInfo has established itself in the CRM market within specific geographic markets; furthermore, its cloud offering will enable CSPs to accelerate their digital transformation journeys. To improve its positioning, the vendor must extend its geographical reach and local market presence.

Netcracker

Figure 10: Netcracker radar diagrams



Source: Ovum

Ovum assessment

The Netcracker CRM solution includes several products: customer management, partner management, customer channel management, product management, and marketing and sales management. Big data analytics plays a critical role within the vendor's solution to give CSPs a 360-degree view of the customer and personalize interactions, and enables them to unify customer interaction across all customer touchpoints.

Netcracker's omnichannel solution includes its customer experience management (CEM) solution, a centralized enterprise product catalog (EPC), and a content management system (CMS). The EPC acts as a central point where product and service information and related offers made available on each channel are defined. To ensure the consistency of information delivered across all channels, the CMS is driven by the centralized EPC. The interaction between the CRM system as a store for customer information, the EPC, and the CMS enables telcos to deliver a consistent and personalized customer experience across channels.

Netcracker received a high score for the technology assessment and execution. For its technology assessment, the vendor received its highest scores for mobile CRM, customer service, omnichannel, and integration capabilities. Netcracker's unified desktop interface for customer service agents is a one-stop shop for all forms of customer information, ranging from billing, to service usage, to interactions across traditional and digital channels. The vendor leverages its big data capabilities to generate an overall view of the customer and all interactions with the customer across all channels. The Netcracker solution then uses this information and the analytics engine to determine the next-best action or next-best offer that is relevant to the customer. Use cases delivered include upsell and cross-sell of products, and proactive customer care.

The vendor scored its highest points for execution in the areas of innovation, delivery of professional services, and enterprise fit. Given its focus in the telecoms market, Netcracker has been able to deliver on projects that require extensive integrations. These integrations have been delivered by its in-house services professionals.

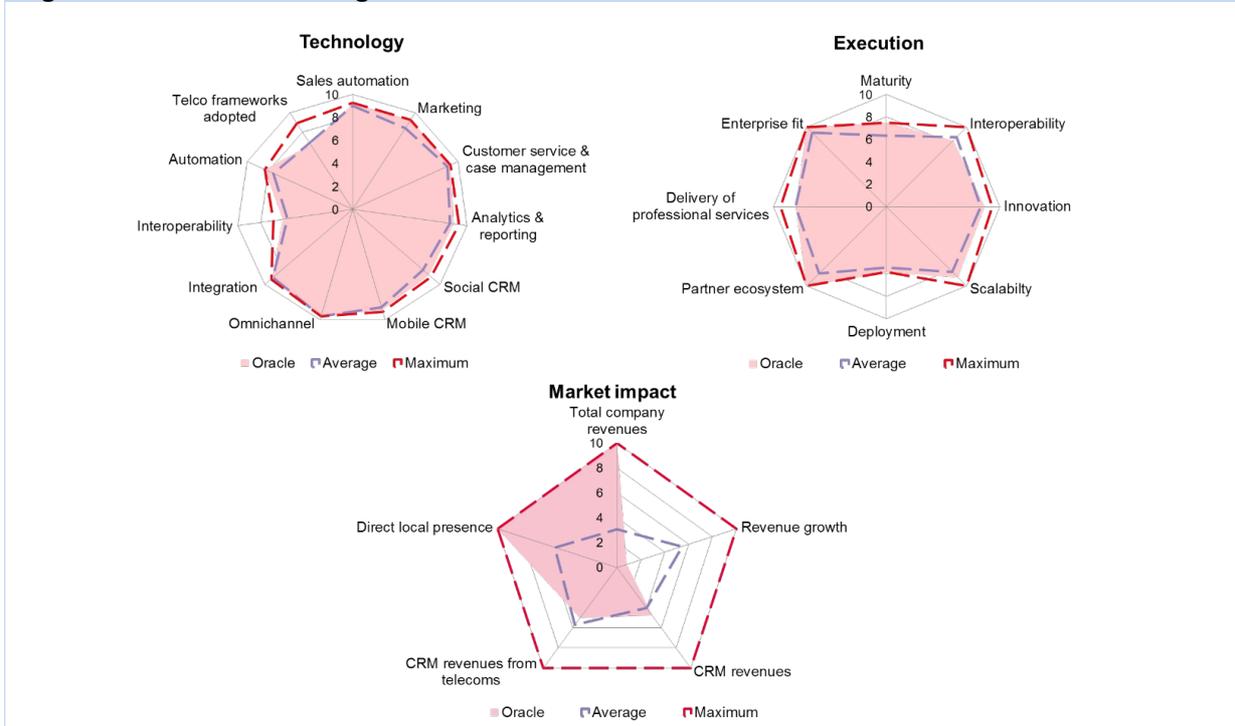
Netcracker's overall market impact score was around the average. The vendor had the second highest revenue growth rates among its peers and its CRM revenues from telecoms was strong. North America remains the largest market for the vendor and its acquisition by the Japanese firm NEC further strengthens its positioning in the Asia-Pacific market. The vendor needs to strengthen its local presence and awareness as a telco CRM solution provider in the European market, but overall, Netcracker has a solid and growing market presence.

Recommendation: Market leader

Netcracker's CRM solution should be considered by telcos embarking on their digital transformation journeys because it provides strong interoperability and integration capabilities. The vendor's ability to pull information from several data stores, analyze the information for next-best action, and present it on a single desktop to the customer agents ensures that agents are armed with the information they need to support customer inquiries. Netcracker is also one of the market leaders for social CRM, an increasingly important feature for telcos. While Netcracker is perhaps less known than some of its peers for CRM, its geographical reach, technical and execution capabilities, and telecoms focus make it a leading contender in this field.

Oracle

Figure 11: Oracle radar diagrams



Source: Ovum

Ovum assessment

Oracle remains a key player in the CRM space across all industry verticals, telecoms inclusive. Its CRM solution is available on-premise and as a cloud solution. Its on-premise solution includes Oracle Siebel CRM, Oracle Billing Insight, Oracle Commerce, Oracle Knowledge Management, and Oracle Business Intelligence Enterprise Edition (OBIEE). The Oracle CX Cloud Suite includes Sales Cloud, Service Cloud, Commerce Cloud, Marketing Cloud, CPQ Cloud, and Social Cloud, and applications. The Oracle CX Cloud Suite is underpinned by the Unified CX Platform and common technology that supports: data management; analytics and data visualization; application development; content and collaboration; process and integration, and security.

Oracle's telecoms customers have invested in the on-premise Oracle Siebel CRM platform, and some are investing in the cloud applications. Oi Brazil, for example, wanted to standardize its multiple CRM applications and selected the Oracle cloud solutions. For telcos investing in Oracle's CX solution, this is an opportunity to extend the capabilities of their existing Siebel CRM capabilities by integrating the functionalities made available over the cloud, instead of a complete swap-out of pre-existing solutions. Telcos can deploy on-premise or in the cloud separately, but they can also deploy both together, as is the case with KPN.

In Ovum's assessment, Oracle is the technology market leader for CRM for telecoms. Oracle's CX Cloud Suite comprises three layers – Unified CX Platform, CX Cloud Apps, and CX Industry Solutions. The Unified CX Platform provides the technologies, common functions, and content to power the CX Cloud Apps and CX Industry Solutions. Customers and partners can use the Unified CX Platform to extend the CX Cloud Suite with custom applications, while the CX Cloud Apps comprise a number of business processes used across the different channels. The shared processes are available both on-premise and in the cloud solution. CX Industry Solutions includes industry-specific UIs, business objects and processes, schemas, and integrations.

The Oracle CX Cloud Suite provides a suite of functionalities, including the three core CRM functionalities: marketing; sales and service; and social, mobile, and analytics. As a result, the vendor recorded impressive scores for technology assessment, obtaining above-average scores for nine of the 11 features assessed. The vendor's solution is robust and feature rich, providing complementary products and solutions that have pre-integrations with the Oracle CX solution. Examples of these complementary products/solutions are Oracle Communications Data Model, Oracle Communications Billing and Revenue Management, and Oracle Communications Order and Service Management.

Ovum assessed the Oracle CX solution strategy as strong. The product/solution roadmap is comprehensive and its solutions address all customer segments: B2B, B2C, and B2B2X. While Oracle sees its one-company, one-solution, and one-point-of-contact approach as a benefit for CSPs, its solution offerings are backed by strong partner ecosystems with capabilities to ensure that telco customers receive the best from their investments. Its global system-integrator partners have created labs around the Oracle CX for Communications solution, and smaller partners are focusing on specific regions or providing specialized boutique services. Innovations are backed by constant interactions between Oracle's Consulting practice and customers, to ensure that functionalities developed are in line with the needs of telco clients. Recent acquisitions have also enabled Oracle to accelerate the development of its digital capabilities, ensuring that the technology gaps are filled as quickly as possible. On the one hand, these acquisitions enrich the portfolio; on the other, they take time to integrate. Given the maturity of the on-premise Siebel CRM product, the vendor has enjoyed strong brand awareness in the CRM space. The vendor does not provide guidance on its telecoms revenue

performance, but does provide CSP customer references for CRM and integrated order management in many geographical regions around the world and in different customer segments. Consequently, market impact scores were strong, providing Oracle with the highest overall score in this dimension.

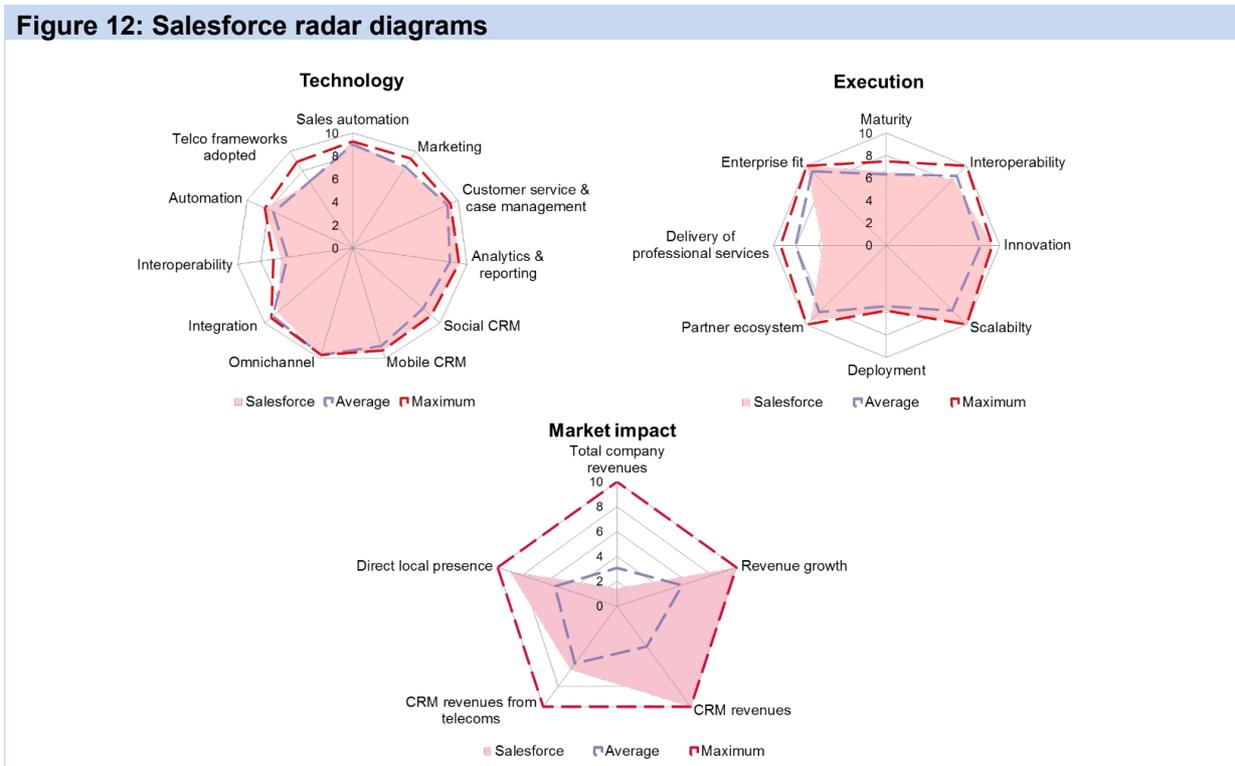
Recommendation: Market leader

Oracle's CX solution provides a broad set of functionalities tailored for the telecoms industry that can be deployed separately on-premise or in the cloud, or deployed together. More importantly, its CRM technology includes pre-integrated service order management, as well as easy integration into its billing and revenue management (BRM) stack if required.

Oracle offers an end-to-end cloud offering that allows customers to move their applications gradually toward a full, public cloud for the omnichannel environment. Telcos are able to purchase what they need and have the service, or sales and marketing, cloud provisioned swiftly, in a "pay as you go" approach. This means that the CX solution is cost-effective, easily configured, and can be integrated within weeks, giving Oracle a strong position in the CRM for telecoms market.

Salesforce

Figure 12: Salesforce radar diagrams



Source: Ovum

Ovum assessment

SaaS service provider Salesforce plays a dominant role in the CRM space across industries, telecoms inclusive. Commencing operations in the sales automation space, the vendor has now extended functionalities to include customer service, marketing, order management, and other CRM platform capabilities such as analytics, social, and mobility.

The Salesforce CRM solution includes the Salesforce CRM Platform and seven key products and solutions: Marketing Cloud, Sales Cloud, Service Cloud, Analytics Cloud, IoT Cloud, and App Cloud,

and its Communications Industry Solutions, such as Connected Customer, Subscriber Ordering, Subscriber Service, Business Customer Lead to Order, IoT Value Chain Management, and OTT Subscriber Management. App Cloud allows customers to create their own apps on top of Salesforce using the resources in the Salesforce platform. While these apps can extend the CRM functions, they do not need to be related to CRM. For example, Time Warner Cable (TWC) has built several apps in the order management space using the Salesforce CRM platform. These functionalities have been developed via acquisitions and partnerships. Acquisitions include ExactTarget for email marketing, (June 2013), RelateIQ for relationship intelligence (July 2014), Edgespring for analytics (June 2013), and Buddy Media for social publishing (May 2012).

Salesforce obtained one of the highest scores for technology assessment, and recorded high scores for sales automation, customer services and case management, and analytics and reporting tools. All seven core products are based on a single platform, which includes a single data model and a single set of administration capabilities. This single platform includes call center, retail store, online, social, and mobile apps. These channels are fully integrated, and so enable the easy transfer of interactions from one channel to the other in real time. Consequently, telcos that have invested in the Salesforce CRM have the opportunity to move very swiftly to delivering omnichannel experience. To further extend its functions and the operational efficiency delivered by the Salesforce CRM platform, the vendor engages with telco software providers like CloudSense, Sigma Systems, and Vlocity to deliver telco-specific capabilities such as configure, price, quote (CPQ). These capabilities use the same resources generated from the Salesforce platform, which are also used by the core Salesforce products. This approach allows for easy integration of all products.

In our execution assessment, the vendor recorded high scores in the areas of scalability, innovation, and partner ecosystem. The vendor is in constant communication with clients to understand their requirements and solicits their input in developing new features. The outcomes of these interactions are included in releases, which are rolled out three times a year. Its partner ecosystem, AppExchange, is a broad ecosystem of software providers creating capabilities that can be developed either directly on the Salesforce CRM platform, as with Vlocity and CloudSense, or outside the platform, as with Comptel and Sigma Systems. In either case, these capabilities can be integrated seamlessly with the Salesforce CRM platform using the Salesforce Communications Industry Framework. Given this approach, telco clients buying into the Salesforce CRM gain access to not just the capabilities provided by Salesforce, but also to the applications developed by other software providers. Nonetheless, this approach could result in a solution that is more expensive compared to other solutions where all functionalities are delivered by one vendor.

Given the maturity of the Salesforce CRM product and the intent of telcos to adopt cloud-based offerings, Salesforce is well positioned to capitalize on opportunities in this vertical. While the vendor does not provide guidance on its telecoms revenue performance, telecoms is among its six focus verticals. Salesforce does, however, need to prove its capabilities to support not just B2B customer segments but the B2C space as well. However, it has growing momentum in B2C with customers including Virgin Media, Telus, Sky Italia, and DirecTV. Core to its business roadmap for 2016 is to increase market awareness of its capabilities in the B2C space with a view to generating new customer references that would then be used to drive new customer wins.

Recommendation: Market leader

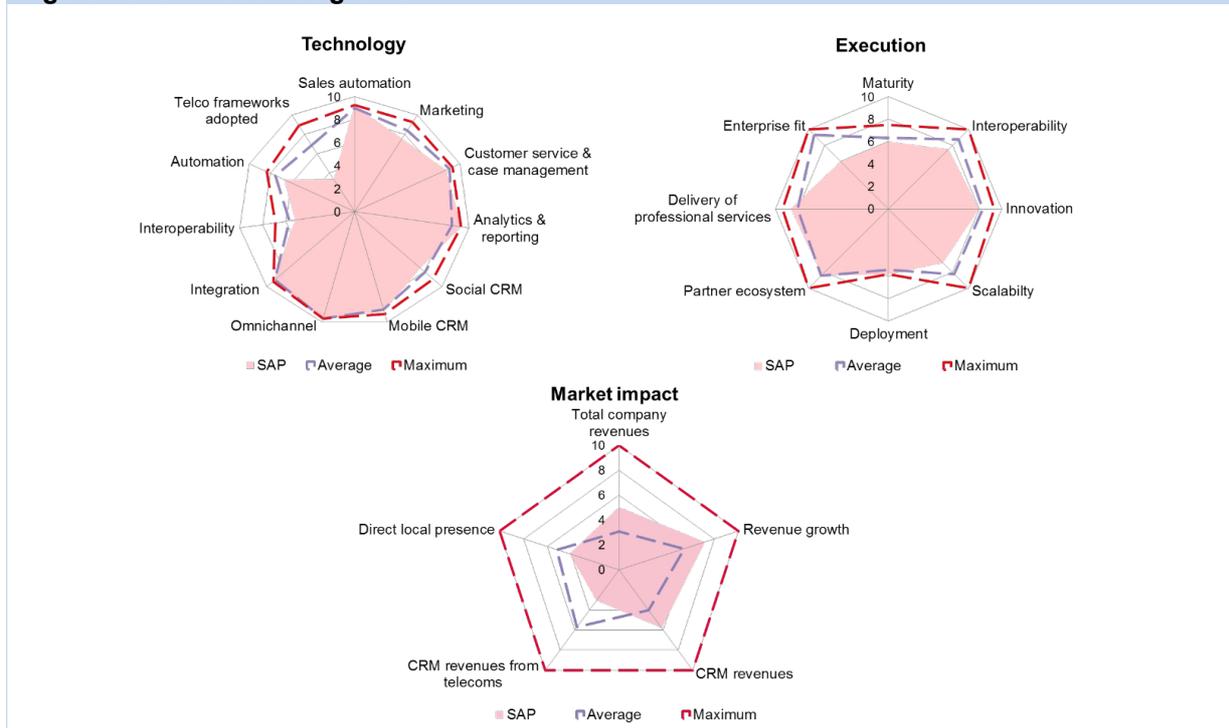
Salesforce's success in the CRM space proves the benefit that cloud-based offerings can bring to the telecoms space. CSPs looking to deliver a unified omnichannel customer experience, with strong

functionality for social and mobile channels and the ability to extend the partner ecosystem, must consider the Salesforce CRM solution.

Salesforce does not aspire to offer charging and billing and other network-facing systems; however, it is continuing to invest in deep relationships with AppExchange partners such as Aria for billing and Vlocity for enterprise product catalog and order management, to mitigate the perceived shortcomings of not offering its own integrated revenue and billing management platform. Its sales automation, customer services and case management, and analytics and reporting tools, however, are well suited to CSPs' digital transformation needs of agility and flexibility in an omnichannel environment.

SAP

Figure 13: SAP radar diagrams



Source: Ovum

Ovum assessment

SAP has established itself as a strong player in the telco CRM space and the vendor's client base includes telcos that cut across tiers and locations. SAP's CRM solution, known as SAP Hybris for Customer Engagement & Commerce, is managed by SAP Hybris. It includes products delivered via its two main CRM offerings: SAP CRM, which is SAP's traditional on-premise product, and SAP Cloud for Customer, which is the vendor's cloud solution. This solution provides marketing, sales, commerce, and customer service functionalities delivered via traditional and digital channels. The commerce and marketing functions are delivered using the on-premise offering, while the sales and service capabilities are delivered using the cloud offering.

The vendor obtained a slightly below-average score in our technology assessment. Its highest scores in the technology dimension were for its omnichannel, analytics and reporting, and integration capabilities. By combining the capabilities provided by its on-premise and cloud offerings, SAP is able to support CSPs with their omnichannel strategies. Furthermore, SAP's acquisitions of Hybris

Software in June 2013 and KXEN in October 2013 have added advanced capabilities to SAP's CRM offering. Hybris offers a complete omnichannel commerce platform that incorporates digital channels such as web, mobile, call center, and social solutions. KXEN strengthened the vendor's capability in the analytics space. Other acquisitions that have supported the development of SAP's CRM solution include SuccessFactors (acquired in 2011) and Sybase (in 2010). One of the vendor's lowest scores was for its interoperability capability as the vendor provides the fewest number of adaptors (among companies in this evaluation) to integrate pre-existing systems; it also adheres to fewer telecoms frameworks than its peers.

For execution, SAP delivered a modest performance. Innovation, partner ecosystem, and professional services accounted for the vendor's highest scores. The vendor has been able to innovate in the telecoms sector via its strong partner relationships with providers of telco-specific software and CSPs, for example, DigitalRoute. The vendor also engages with key telco operators to co-innovate solutions that meet telco requirements for CRM, for example, China Telecom.

For market impact, the vendor obtained a slightly above-average score, receiving its highest scores for its revenue growth and CRM revenues.

Recommendation: Market challenger

SAP is well recognized for its customer engagement and commerce capabilities in the telecoms industry. The introduction of its cloud products, digital capabilities, and the integration of these products with pre-existing on-premise solutions enables existing telco clients to make the most of their on-premise investments. However, further development will be required to enhance its marketing functions. For example, the vendor's marketing capabilities on social media platforms need to be upgraded to support interactions across these platforms.

Appendix

Methodology

Vendor positioning is based on the analysis of a number of subcriteria for each of three primary criteria: technology, execution, and market impact. A breakdown of each vendor's scores across each dimension is provided within each vendor profile. Based on the combined scoring, Ovum evaluates the top vendors that CSPs should shortlist, consider, or explore in a CRM solution-selection process.

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