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BEST PRACTICES

AWARDS

FROST & SULLIVAN

2020 BEST PRACTICES AWARD



**2020 LATIN AMERICAN
CSP MONETIZATION SERVICES
COMPANY OF THE YEAR AWARD**

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Background and Company Performance

Industry Challenges

Globally, communications service providers (CSP) have witnessed a steady and significant decline in traditional services and a mushrooming of over-the-top (OTT) applications and services; telecommunications providers (telecoms) feel pinched between declining revenues and increasingly commoditized services. Users increasingly demand better performance, user experience, and personalization while at the same time expecting to pay less. Cultivating greater engagement and intimacy with customers has become a high priority for CSPs of all types, as they move to become more consumer-centric and responsive.

Throughout Latin America, traditional telecoms, mobile network operations, and mobile virtual network operators, each in their own way, face a slow-motion crisis and realize they must search for new revenue streams, arrest declining average revenue per users, and optimize their network performance and efficiencies. CSPs are looking for ways to monetize effectively any new investments built to serve fifth-generation (5G) connectivity and the Internet of Things (IoT) networking; fearful of repeating the adoption of fourth-generation networks as over-the-top (OTT) services captured the customer engagement. In consumer-facing tools and back end systems, such as in both operations support systems (OSS) and business support systems (BSS), CSPs desire a path to evolve into a wrap-around digital provider and not simply a telecommunications pipe company.

While some CSPs are farther along than others in planning for the next generation of network technologies (5G, virtualization, network slicing), participants across the ecosystem are still waiting to see what application or type of use case surfaces as the primary driver for new infrastructure investments. What has become clear is the need for systems that support more cloud-native, distributed, and dynamic platforms that can aid CSPs in servicing increasingly diverse endpoints, applications, and networks. These new networks will offer a wider range of possibilities for charging and billing, and even current generation networks can achieve gains with new monetization strategies.¹

Whether implementing full-stack or single function solutions (e.g., new service-based interfaces, dynamic networking, or variable pricing models) CSPs in Latin America are looking for service vendors with exceptionally flexible offerings that can meet unique needs and use cases. The region contains a diverse market landscape of large and small CSPs, yet each needs help deploying new solutions to capture and leverage data and resources to provide relevant insights and efficiencies. Moreover, while Latin American CSPs have not yet made large new investments in infrastructure, they are currently willing to experiment with new models and innovations and need monetization and operations systems to bring novel content and services to the market quickly.²

¹ *5G Monetization—A Critical Need for Next-generation Cellular Networks, 2020: Cloud-native and Microservice-oriented Technologies are Essential for 5G Monetization*, (Frost & Sullivan, June 2020).

² *IoT Ecosystem—Latin American Operator Strategies, 2020: Service Providers Must Go Beyond Connectivity and Develop Ecosystems that Help Support Industry-specific Solutions*, (Frost & Sullivan, June 2020).

CSPs fear losing relevance amongst customers, partners, and ecosystem stakeholders, but as they move to digitize and automate service provisioning, charging, and support they must remember that customer experiences will be the last variable to become commoditized.

Visionary Innovation & Performance and Customer Impact of Amdocs

Amdocs is a recognized global powerhouse in complex business support solutions geared for CSPs of all types and sizes. With significant presence across the Caribbean and Latin America, Amdocs pairs globally generated best practices with local sensitivities to satisfy the unique needs of clients and end-customers. With end-to-end service offerings and deep experience, Amdocs maintains a unique perspective on the current and future of communications services and digital transformation.

With End-to-End Presence Comes Visibility to Recognize What CSPs Want

With deep experience serving CSPs and facilitating digital transformations, Amdocs preserves long-term relationships with clients and helps them adapt to changing market landscapes. Amdocs sits in a rare position with a broad and deep portfolio of solutions granting an exceptional understanding of the frustrations that CSPs demonstrate and the results they want to see. Covering the entire scope of CSP services, from monetization to BSS, OSS, and OTT content services, Amdocs gains a holistic perspective.

The Amdocs customer engagement & experience, data, monetization, and revenue management portfolio, centered around the CES20 customer experience suite, assists CSPs to move to the cloud, transition to microservices-based systems, launch new digital value added services and OTT bundles and prepare for 5G so they can satisfy and retain end-users. Amdocs holistic solution set provides the foundation for CSPs to gain a deeper understanding and closer relationship with end-consumers, to boost that 'sticky' factor that keeps users coming back. Leveraging Amdocs monetization systems, which are already 5G enabled, CSPs can deliver the kind of on-demand interactions, self-service interfaces, and pay-per-use models that end consumers want. With the cloud-native and distributed architecture of the CES20 suite, CSPs are engaging customers in real-time because of the open and modular construction they can adopt and integrate a lean point solution, the entire Amdocs stack or anywhere in between.

A Modular, Cloud-native Architecture Enables Flexibility and Scalability

In recent years Amdocs has updated its portfolio and released new customer experience systems, the CES20 suite including the cloud-native and microservices-based DigitalONE, CatalogONE, and RevenueONE solutions. As a part of CES20 each solution features an open and modular architecture that makes integration simple and buildable for any digital transformation, as well as built for a cloud-agnostic future to fit with any major cloud or multi-cloud deployment.

The architectures enable massive scalability and customization potential, handling massive transitions in billing and charging infrastructure. Amdocs built the solution set on a micro-services architecture with open application program interfaces, meaning CSPs can take the entire end-to-end suite with pre-integrated customer journeys or choose a specific solution for single function (with the capability to mix and match with third-party systems or additional Amdocs solutions at a later time). This adaptability allows CSPs to choose a multi-vendor collection or niche providers, or to ask Amdocs to help customize products to fit a unique need.

Namely, the DigitalONE platform serves customer care, commerce, and order management functions across the customer lifecycle. DigitalONE enables telecoms to reach customers in their chosen digital channel with increased personalized care, billing, and shopping journeys based on data-rich context. Relatedly, CatalogONE supports the digital engagement and helps telecoms build new services, pricing, promotions, and rules and get to market faster. CatalogONE serves a single repository, connected to BSS and OSS systems, where teams across the organization can create new functionalities, bundle packages (OTT, hard goods, communication, or third-party enabled services), and build campaigns. With an intuitive interface, CatalogONE empowers teams (such as marketing, entertainment, network, or product) to create new offerings in minutes, without extensive programming.

Most recently released in October 2019, the RevenueONE solution leverages the business-driven CatalogONE that makes bundling easy and adds in convergent charging function and a real-time billing engine. The convergent charging solution prepares for 5G, with multi-dimensional charging enables charging for network slicing and edge utilization. The RevenueONE charging opens opportunities for new business-to-business-to-(business or customer) models that will become more prevalent with software-defined wide area networking and 5G. With the cloud-native capabilities, the charging system supports a distributed architecture, both as a central charging system but also pushing functionality to the edge and gaining advantages to serve multi-tenant structures, wide geographies, or massive IoT fleets. Concurrently, the real-time billing engine permits operators to bill and calculate transactions immediately, add new offers and individualized options. Users gain the ability to pay per use and with high flexibility (such as through personalized offers or loyalty relationships); operators shorten the time to cash (with a payment gateway included) and gain new ways to monetize dynamically. The billing engine delivers operational benefits for operators as they spread out the typical end of month wave of billing, calculations, and quality assurance.

Empowering CSPs in New Model Services with OTT and Digital Services

After a spate of acquisitions in recent years, Amdocs began to offer the MarketONE platform for telecoms to manage the complete relationship cycle with OTT and third-party digital service providers. In 2016 Amdocs acquired both Brite:Bill, a designer of personalized customer engagement experience for billing, as well as Pontis a contextual digital engagement solution that provided Amdocs with the real-time technology to make touchpoints personalized and relevant. Also in 2016, Amdocs acquired Vindicia, a subscription billing software as a service, and integrated into the billing platform as a less than full-stack option. The addition added capabilities for onboarding and payment processing for OTT, on-demand digital content and entertainment services. Under the Amdocs heading, but still with the name Vindicia, the service allows CSPs to stand up new niche services or products quickly. In Latin America, Amdocs has seen great success partnering with major OTT providers and local and regional sports broadcasters. From UXP Systems (acquired in 2018) Amdocs gained the User Lifecycle Management system that captures much of the customer details previously OTT's claimed exclusively and CSPs can now understand more about end-consumer want and search for, and present a single login at the account and individual levels. In 2018 Amdocs acquired Vubiquity and cemented the convergence of media/entertainment and CSP ecosystem. This aggregated portfolio became Amdocs Media and the driver of the MarketONE solution. With MarketONE telecoms can integrate and resell these services to end-consumers and help network and business services to enhance offerings with dynamic monetization. CSPs can leverage MarketONE to manage these OTT relationships and new business models, and capitalize previously lost data and monetization opportunities.

Global Scale and Local Intimacy

With more than 30 years serving the telecommunications market, Amdocs has achieved a global scale that benefits constituent regions, while the company's presence in Latin America represents a special commitment to cultivating local understanding and experience. With more than 1,000 employees in its development and operations centers in Guadalajara, Mexico and Sao Carlos, Brazil, Amdocs retains a significant presence dedicated to local resources serving local accounts in the language. Meeting and exceeding service level agreements for local account handling, Amdocs has supported many clients to reduce or eliminate entirely out-of-country outsourcing. Across the global footprint, Amdocs ensures expertise is always available 24x7. Further, Amdocs can leverage best practices and use case templates established by early adopters in other regions to benefit CSPs in Latin America when they seek a migration or transition.

Moreover, the COVID-19 induced pandemic and reorganization demonstrates the depth of Amdocs support. The company, that internally had already planned to allow many employees to work from home, actually assisted many of its clients to design business continuity solutions. With Amdocs support, numerous CPS call centers, and the full complement of service representatives, began working from home with cloud-enabled services and systems. Amdocs has been helping clients to compose a range of new options to end-consumer billing and consumption plans, in mere weeks, to create new offers, delay collections, and top-up or initiate prepaid methods. The crisis and business challenges in 2020 serve as a proof point demonstrating again Amdocs agility and ability to support clients as they adapt and reorganize operations.

Conclusion

Communications service providers (CSPs) feel the pinch of falling revenues on traditional services and rising consumer expectations. CSPs hope to adapt through digital transformation and become more than just a commodity provider, yet they need help as they look for avenues to retain customer loyalty and claim revenue on novel services. Amdocs maintains its global reputation as a leading service provider in the space for good reason, with its end-to-end portfolio imparting a holistic perspective that propels innovation and continuously evolving offerings. Amdocs offers the CES20 suite, a cloud-native and microservices-based portfolio of monetization solutions that enable highly scalable and modular deployments. With RevenueONE's omniconvergent charging functions and real-time billing engine, along with modernized catalog building (CatalogONE) and modernizing customer experiences (DigitalONE), Amdocs enables CSPs to modernize and customize monetization opportunities. Further, Amdocs goes beyond business support systems/ operations support systems problems through the MarketONE platform that helps CSPs monetize relationships with over-the-top (OTT) content and other digital services partners to support retention efforts and create new growth opportunities.

Amdocs' recent acquisition of Openet brings additional capabilities to Amdocs' open and dynamic, cloud-native and microservices-based portfolio and positions them as a leading provider of 5G charging, policy, data management and cloud solutions.

With its holistic portfolio, commitment to innovation and local depth, and solution set enabling CSPs to adapt to the digital services landscape, Amdocs earns Frost & Sullivan's 2020 Latin America Company of the Year Award in CSP monetization services.

Significance of Company of the Year

To receive the Company of the Year Award (i.e., to be recognized as a leader not only in your industry, but among non-industry peers) requires a company to demonstrate excellence in growth, innovation, and leadership. This excellence typically translates into superior performance in three key areas—demand generation, brand development, and competitive positioning—that serve as the foundation of a company’s future success and prepare it to deliver on the 2 factors that define the Company of the Year Award: Visionary Innovation and Performance, and Customer Impact).



Understanding Company of the Year

Driving demand, brand strength, and competitive differentiation all play critical roles in delivering unique value to customers. This three-fold focus, however, must ideally be complemented by an equally rigorous focus on Visionary Innovation and Performance to enhance Customer Impact.

Key Benchmarking Criteria

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated each factor according to the criteria identified below.

Visionary Innovation & Performance

Criterion 1: Addressing Unmet Needs

Requirement: Implementing a robust process to continuously unearth customers' unmet or under-served needs, and creating the products or solutions to address them effectively.

Criterion 2: Visionary Scenarios through Mega Trends

Requirement: Incorporating long-range, macro-level scenarios into the innovation strategy, thereby enabling "first-to-market" growth opportunity solutions.

Criterion 3: Implementation of Best Practices

Requirement: Best-in-class strategy implementation characterized by processes, tools, or activities that generate a consistent and repeatable level of success.

Criterion 4: Blue Ocean Strategy

Requirement: Strategic focus on creating a leadership position in a potentially "uncontested" market space, manifested by stiff barriers to entry for competitors.

Criterion 5: Financial Performance

Requirement: Strong overall business performance in terms of revenues, revenue growth, operating margin, and other key financial metrics.

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience

Requirement: Customers feel they are buying the most optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company's product or service and have a positive experience throughout the life of the product or service.

Criterion 4: Customer Service Experience

Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate Award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify Award recipient candidates from around the globe	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies 	Pipeline of candidates who potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> • Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates 	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> • Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> • Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles 	Final prioritization of all eligible candidates and companion best-practice positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> • Share findings • Strengthen cases for candidate eligibility • Prioritize candidates 	Refined list of prioritized Award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	<ul style="list-style-type: none"> • Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates 	Final list of eligible Award candidates, representing success stories worldwide
7 Perform quality check	Develop official Award consideration materials	<ul style="list-style-type: none"> • Perform final performance benchmarking activities • Write nominations • Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best-practice Award recipient	<ul style="list-style-type: none"> • Review analysis with panel • Build consensus • Select winner 	Decision on which company performs best against all best-practice criteria
9 Communicate recognition	Inform Award recipient of Award recognition	<ul style="list-style-type: none"> • Announce Award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance 	Announcement of Award and plan for how recipient can use the Award to enhance the brand
10 Take strategic action	Upon licensing, company able to share Award news with stakeholders and customers	<ul style="list-style-type: none"> • Coordinate media outreach • Design a marketing plan • Assess Award's role in future strategic planning 	Widespread awareness of recipient's Award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation, and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages more than 50 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.