

“What Do Enterprises Want?”

ICT Intuition, LLC set out to uncover the reasons why businesses aren't embracing digital services beyond basic bandwidth and storage. We surveyed 1003 business leaders and decision makers across four global regions and five business sectors to understand what's missing in current digital services offerings and what CSPs need to do to engage business customers and monetize connectivity. Key findings include:

- 72% are considering buying industry-specific applications as a service
- 66% want the platforms and services to be managed by someone else
- 71% would like to bundle connectivity into products they sell
- 95% would partner with a CSP to offer connected products

Results were captured equally from North America, South America/Latin America, Europe/Middle East, and Asia/Pacific. The respondents represent a variety of industries and business functions. With few exceptions, the responses from these business leaders were surprisingly consistent across industries and geographies. Connected digital services will become increasingly popular with enterprises worldwide if – and it's a big if – the providers of those services make them secure, affordable, easy to buy, and easy to use.

C-level executives, senior directors, and department heads were eager to share their opinions and insights on the current market for connected digital services and what they hope to see from providers going forward. Most businesses and governments are quickly reaching the conclusion that they can't do this alone. The opportunities to increase revenues, reduce cost, and better serve customers using connected digital services are real; provided that strategy development, planning, and deployment are done thoughtfully and with an eye toward business outcomes. CSPs are uniquely qualified to help enterprises overcome network and IT complexity by offering connected digital services that work for business.

From our latest report:

“What Do Enterprises Want?” (19 pages)

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1. Introduction

The past few years have been spent trying to figure out how to connect devices, appliances, automobiles, meters, and basically anything with an integrated circuit to the public network. Yet for all the connectivity and electronic intelligence at our fingertips, most businesses have yet to dive into the connected digital services pool for anything beyond basic Internet and carrier Ethernet services. What that reveals is that enabling devices to connect and communicate is easy; monetization of that connectivity by enterprises is not.

Figure: Study demographics

2. Enterprise Scale

Multiple estimates indicate that the number of connected users and devices will continue to grow at a compound rate of 8%-9% per year for the foreseeable future. For enterprise customers, CSPs must not only scale OSS/BSS solutions to manage hundreds of thousands of subscribers but also accommodate hundreds of unique service instantiations of physical and virtual network and service components. Each participating provider, partner, and business will also want to get paid.

a. Not as Easy as It Looks

With all this demand, why wouldn't CSPs take advantage of existing investments in security, data handling, performance management, and customer relationships to put together targeted industry-specific services that appeal to businesses? The answer, for now at least, is that it's difficult.

3. Selling Into the Enterprise

Businesses of all sizes buy infrastructure services. However, the types of connected digital services available to enterprise customers are very limited. Bandwidth, of

course, but bandwidth and computing infrastructure are commodities like water or power. So where are the killer business apps?

a. Time to Go Over the Top

CSPs don't need to build the devices or the applications; they need to build the ecosystems, bundle the applications, protect the users, and broker the data. In short, CSPs need to become over-the-top (OTT) providers.

Figure: Is your company using connected digital services?

Figure: How likely is it that your business would consider buying these applications or functions "as-a-service" for internal use?

Figure: Which type of vendor are you most likely to buy connected digital services from?

4. Integration is Everything

CSPs that are interested in delivering connected digital services to enterprise customers must assume the role of system integrator. Systems integration is the critical missing link for businesses trying to understand how connected digital services will benefit the enterprise. Enterprises don't want an integrated application development environment because they don't want to develop applications.

Figure: What are your top criteria when deciding whether to purchase connected digital services? (Select up to 5) Top and bottom criteria

Figure: In your experience are SLAs with CSPs effective?

5. Bundling Connectivity and Generating Revenue

In addition to the productivity improvements associated with automation, connected employees and operations, there is a large untapped source of revenue that exists for businesses wanting to sell connected products and services. Businesses are aware of this potential and, more than that, they are anxious to start generating

revenue. But they need a partner and the business leaders surveyed for this report overwhelmingly want to partner with CSPs to develop connected digital services.

a. A Matter of Trust

Scaling up operations to support large numbers of independently operating business users, devices, and applications will not work without architectures, processes, and OSS/BSS strategies that are enterprise-specific. While CSPs retain a high level of trust and respect from the business community, there is still room for improvement.

Figure: Are you considering bundling connectivity into products that you sell or resell?

Figure: Would you consider partnering with a CSP to develop such an offering?

Figure: Service model preferences

Figure: Buying preferences

6. Conclusions

Enterprises want to buy connected digital services – that’s it.

They don’t want to build or maintain or modify them.

They want a true service.

For more information or to purchase a copy of the report:

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