

HOT TELECOM INSIGHT



Is wholetail the new
wholesale?

THE FACE OF TODAY'S CUSTOMER IS SMOOTH DIGITAL AND SEAMLESS “”

Is wholetail the new wholesale?

There is no doubt about it, the wholesale industry is going through a complete transformation which was triggered by our society's rapid digitization, particularly after the immense changes in work and home life resulting from the pandemic. Many segments of the telecom industry had to implement changes that would have taken several years to normally introduce, and this is only the beginning of the necessary evolution.

This prompted our industry's verticalization, forcing it to move away from a one-size-fits all generic offering towards tailored solutions that resemble what is found in the retail sector. In some ways converging the wholesale and retail business model to create what I like to call wholetail.

In our view, the progression from wholesale towards wholetail is a direct result of 3 key trends.

Firstly, as the gap is closing between wholesale and enterprise customers, when it comes to the types of solutions, business models and customer experience they expect, enterprises are becoming a new fast-

growing segment for wholesalers, if they can address it properly.

Secondly, mobile operators are themselves increasingly tackling a broader range of enterprises' requirements and the introduction of 5G is accelerating this trend. So, if wholesalers want to remain relevant partners of mobile operators globally, they must be able to help them successfully address the enterprise segment opportunity.

Finally, the third driver is the fact that wholesale customers' own expectations are increasingly mirroring those of the broader retail customers. Gone are the days when one-size-fits-all services with complex and lengthy provisioning processes supported by involved contracts were good enough.

Now wholesale customers are demanding to be given access to multiple fluid options with transparency of pricing and self-managed online control. But going a step further, they also expect all this at a click of a button.

All of which contributes to the blurring of the lines between wholesale and retail. This is therefore forcing wholesalers to rethink their business from top to bottom. No longer will their shareholders be happy with incremental cost reductions from year to year. Instead, most companies are looking for a complete rethink of their entire business model and a reinvention into an operation with higher margins and a clearer focus on future profitability.

As a result, they need to not only simplify the service offerings, but also deliver them in a customizable way, on demand and with zero human touch. The telecom company of the future needs to match the innovative and cost-effective approaches of the digital native companies that are rapidly moving into their space.

For some, this means focusing with a digital emphasis on their original core business. Others, are moving up the value chain towards cloud, IoT, content and security solutions. And those with this wholetail focus are rapidly moving forward with the provisioning of Communication Platform as a Service (CPaaS) solutions to both enterprises and operators, embracing cloudification, automation and virtualization to foster agility, efficiency and resilience.



The gap is closing between wholesale and **enterprise customers**



MNOs are tackling a broader range of **enterprise requirements**



Wholesale customer requirements are mirroring **retail requirements**

The wholetail game plan

To achieve this and to transform into true wholetailers, carriers must implement a new game plan when it comes to their services, delivery and organization.

It starts with the evolution of the services towards tailored solutions by vertical, which is underpinned by enhanced support, analytics and information in real-time. These solutions should then be delivered using platforms that are available to telecom customers to resell under their own name to their customers, but also be directly available and applicable to the enterprise customers of the wholesalers.

Many existing IT solutions operated by wholesalers are just incapable of achieving this fluidity. In most cases the only real path forward is to develop new solutions from scratch, using today's technology and approaches or to work with best of breed partners who can offer platform enablement capabilities, either via shared cloud-based environments or on-premise.

Here wholetailers have the challenge of reducing costs significantly, on the one hand, while employing the best talent available so they can rapidly introduce new solutions and provide the necessary strategic support to the new breed of customers they are targeting.

Of course, everything is about people and that must start at the top. So the leaders of today should be digital and enterprise savvy and able to create ecosystems equipped to deliver these tailored and complex solutions. To make this happen, carriers will have to foster and develop or acquire expertise by vertical with skilled and specialized sales and delivery teams.

But the key here is speed, speed, speed. This transformation and the implementation of a new wholetail game plan must happen now, not tomorrow and definitely not in 5 years-time. Therefore, to achieve this rapidly, wholetailers will have to find the right partners who will enable them to transform and offer these new services almost at the speed of light!

The ultimate wholetail partner

There is no single winning recipe. Each wholetailer must carefully develop its own strategy for the future, clearly identifying what they will offer and to which customer groups and geographies in two or three years' time. Then, using a future-back approach, they should identify all the steps they must take to achieve that vision.

Rather than incrementally changing from today's model, they must put in place the steps and the integrated partners to transform themselves over a very short period of time, almost as if they were creating themselves as a start-up would.

The partners needed are then the ones that can fill gaps in the required products and services. For some this could mean a full evolution to providing global messaging delivery on top of current voice offerings. For others with an existing messaging service, it could be more advanced network firewall capabilities and solutions to offer to partner mobile operators to help them manage spam and deceptive messages destined for their end users.

Extending beyond this with a focus on enterprises, partners can also provide solutions for advanced messaging capabilities aimed at that customer base with omnichannel communications destined to serve their own users and customers.

Wholetailers will almost certainly want a combination of services that they can deliver directly to their own enterprise customers, while also being able to white label them to their carrier customers under a reseller model.

They will find the necessary additional components to achieve a full voice and messaging enterprise portfolio, from partners such as **enabld**, who provide a one-stop-shop Communications Platform so they can build their own-branded CPaaS solutions and provide omnichannel communications services through one single interface.

These types of innovative experts and developers will bring the latest software and AI enabled development tools to build very flexible and cost-effective services that can exist in the cloud or can be integrated into current offerings, natively or via a white label package to other carriers.

With features such as messaging campaign automation, conversational management, RCS, spam detection and control, a wholetailer can be up and running with these services in far less time than any internal development can provide. If some features already are available, then choosing just the missing attributes is an equally rapid path to market.

In 2020 and 2021, the industry showed that it could "turn on a dime" to meet the new needs driven by the pandemic. Now a similar and equally critical transformation is needed to sustain the business for long term success and innovative partners are a critical part of that transformation!

To thrive in the digital future, wholesalers will therefore have to learn to capitalize on their current core capabilities, which are the network, it's support environment and relationships with carrier partners around the world. While at the same time being able to seamlessly integrate new service offerings and capabilities from multiple best of breed partners. The face to the customer will be smooth, digital, and seamless, but behind the scenes, the delivery will be an intricately woven series of automated partnerships.

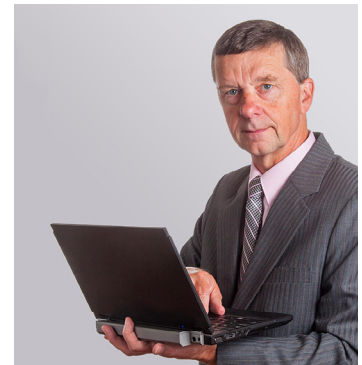
It is now the time for wholesalers to dance to a different beat and embark on the wholesale to wholetail transformation wave.

the authors

Steve has a lifetime of experience in designing, engineering and operating networks, both domestic and international.

With leadership experience in small technology start-ups through to global service providers, he has deep experience in a wide range of products, technologies and geographies.

He has the rare skill of being able to explain complex technical issues in easily understood concepts and uses that extensively in his consulting work with HOT TELECOM.



Steve Heap
CTO, HOT TELECOM



Isabelle Paradis
President, HOT TELECOM

Isabelle has worked for 29 years in the telecoms industry. Her personal expertise ranges from Int'l Wholesale through to Business Strategy, and Marketing, along with extensive research and global consulting experience.

She has been working with many of the world's telecom service providers to help them define their transformation strategy and has written multiple articles and speaks at conferences on this topic.

She is also passionate about encouraging the involvement of your people and women in technology and science and conducts multiple panels and interviews with leading women and your rising stars globally.

about **enabl**d

Enabl d bridges IT & software development with the CSP industry to deliver cutting-edge future communication solutions. Our CPaaS enablement platform empowers you to provide true Omnichannel & Unified communications solutions.

To achieve this, we transform communication providers into all-digital attackers with:

New revenue streams

We help CSPs expand their service portfolio and monetize telco assets towards B2B and B2C customers under their own future communications brand.

New digital propositions

We support CSPs' evolution towards new digital-first companies so they can provide a wider range of services to an increasingly digital-savvy customer base.

Cost-effectiveness

We offer an affordable entry-level and pay-as-you-grow business model, starting with a few hundred EUROS a month, instead of a couple of millions.

If you want to talk about CPaaS to help you power your business., contact us at: **contact@enabl d.tech**

or visit **www.enabl d.tech**