## How "open" is the telecoms industry?

constituents - communication service providers (CSPs). Adoption of open principles has helped other industries usher innovation and attain higher levels of performance; similarly, CSPs stand to benefit from the same while potentially carving out a coveted differentiator in a competitive landscape. Openness in the telecoms industry can be defined as not relying solely on your own internal

The concept of openness, while not new, is still relatively nascent in the telecoms industry and for its

knowledge, sources and resources but rather leveraging many external sources to drive innovation. It often is comprised of four dimensions, including: Open forums (including open standards, open source and architecture)

- Open interfaces (including data exposure and open API's) Open ecosystems (including collaboration, co-creation and joint innovation)
- Open culture (including inner source and openness mindset)
- Pulse surveyed 100 CSP leaders to gauge if open principles are critical to their current or future operations.

Openness is critical to the future of the

Somewhat agree

14%

7%

No

Unsure

Data collected from July 6 - August 30, 2021

Respondents: 100 CSP decision-makers

68%

79%

Yes

## While 96% of respondents agree that openness is critical to the future of the telecoms industry, most (88%) only somewhat agree with this statement.

To what extent do you agree that openness (i.e. open forums, interfaces, ecosystems, and culture) is critical

telecoms industry

to the future of the telecoms industry? 88%

Somewhat disagree 8% 0% Strongly agree Strongly disagree

Decision-makers see the strategic importance of openness to their business, with 68% naming strategic positioning as one of the main drivers for leveraging openness principles. Meanwhile, less than a third of respondents (30%) tie ecosystem development to the need to leverage openness principles.

> What do you see as the main 3 drivers for leveraging openness principles?

positioning Technology 56% innovation 50% Cost savings

Strategic

**Driving new** 50% revenue streams Service 48% innovation Ecosystem 30% development Almost 4 out of 5 respondents (79%) believe they are an "open company" while 14% are "not sure" and 7% are decidedly not open. Do you believe you are an "open company," whereby you embrace open principles within your business?

The majority of respondents rate each of the four dimensions of openness 3 or 4 out of 5 in terms of importance to their business. However, respondents believe that having open interfaces is slightly more important to their businesses than any other openness dimension. 64% rate the "open interface" dimension at least 4 out of 5. Adoption of an "open culture" is seen as slightly less important - with 51% of respondents rating "open culture" at or below 3 out of 5. On a scale of 1 to 5, with 1 being low and 5 being high, how would you rank each dimension of openness in terms of

importance to your business? Rating scale

Open ecosystems (incl. collaboration, co-

40%

46%

41%

Open culture (incl. inner source and openness mindset)

12%

8%

creation and joint innovation)

33%

Open forums (incl. open standards, open

Open interfaces (incl. data exposure and open API's)

51%

48%

fully incorporated open interfaces into their business.

ln

source and architecture)

35%

29%

Open interfaces regarded as the most important

dimension of openness

Given the importance of open interfaces to respondents' businesses, it is unsurprising that this dimension of openness is the most mature in terms of active incorporation - 21% say they have

Open culture is the least mature dimension, with 14% of respondents only in the planning phase

To what extent are you actively incorporating each dimension of openness into your business? Rating scale

50%

of incorporation. Open ecosystems is a dimension that is gaining traction, with 47% of respondents stating they are beginning to incorporate this into their business plans.

16%

**Fully** No plans Started to planning incorporated incorporated yet incorporate Open forums Open ecosystems 31% 53% 8% **1**% 5% 47% 43%

Open interfaces Open culture 24% 21% 45% 1% 14% 31% 51%

CSPs are selecting vendors and partners based

on their open interfaces and ecosystems

embrace openness principles. Only 2% feel this is highly important to their evaluation process.

75% of respondents believe it is moderately important that their partners and vendors

When evaluating whether to work with an equipment vendor or partner, how important is it to you that they embrace openness principles? 23% 2% 75% Somewhat Moderately Highly important important important

Most CSP leaders (55%) covet vendors who are actively opening their APIs and interfaces to them. Less than one-third of respondents (29%) see open ecosystems as the most critical

Which dimension of openness is most critical to

dimension of openness when it comes to working with vendors and partners.

29%

Open ecosystems

0%

Not important

55%

Open interfaces

your decision to work with an equipment vendor or partner?

Open forums

Open culture

0% Not open

Documentation

Go-to-market challenges

30%

11% Joining ecosystem / developer communities

Expose

customer data

data through

4%

3%

0% Strongly disagree

Somewhat disagree

APAC 4%

5,001 - 10,000

45%

employees

**Exposing** customer data through open interfaces

open interfaces

challenges

8%

Although most respondents highly regard openness in the telecoms industry and view themselves as "open," CSPs recognize there are still steps to take on their openness journey. Just 2% consider themselves as highly open whereas 83% perceive themselves as moderately open when it comes to opening their services and business up to enterprise customers and partners. Highly open How would you rate yourself in 83% terms of opening your services Moderately open and business up to enterprise customers or partners? 15% Somewhat open

Security (69%) is a significant challenge for CSPs. Further, about half of the respondents cite technical issues (55%), business model issues (53%) and maintenance and support (53%) as

> What are the main challenges your organization is facing in opening your business to enterprise customers or partners?

> > 53%

Maintenance

and support

36%

Charging

& billing

challenges

53%

**Business** 

model

challenges

key challenges to opening up their business.

55%

Technical

challenges

59%

Providing open

API's for

service

provisioning

69%

Security

challenges

76%

Co-creation of new business models

Security and technical challenges still need to be addressed

to leverage the full power of openness for CSPs

When asked how CSPs are currently opening up their business to enterprise customers and partners, the main focus is on the co-creation of new business models (76%), as well as providing open APIs for service provisioning (59%) and service control (47%).

> In which of the following ways are you opening your business to enterprise customers or partners?

> > 47%

Providing

open API's

for service

control

47%

network

data

42%

of new

services

business models

by leveraging

open ecosystems

34%

**Exposing** 

service data

**Exposing Co-creation** 

Many leaders are not fully convinced that openness will lead to revenue growth right away 80% of the respondents believe that co-creating new services through open ecosystems is one of the most relevant aspects of openness to growing topline revenues. 68% believe that service provisioning through open APIs and exposing network data through open interfaces are also highly relevant to future monetization. In which of the following ways are you opening your business to enterprise customers or partners? 80% 68% 24% 68% 57% Exposing Co-creating new Opening API's to Co-creating new Exposing service services by network data

through

open

interfaces

Still, CSP decision-makers remain skeptical about the important link between being open and

To what extent do you agree that openness is critical to your ability to grow revenues and develop new business models?

growing their topline. Just 5% strongly agree that openness is critical to developing new business models and revenue growth. The majority of respondents (92%) somewhat agree

partners and

developers for service

provisioning and/or for

service control

with this statement and require further convincing.

leveraging open

ecosystems

Strongly agree

92%

Somewhat agree

North America 62%

**TITLE** 

VP

20%

C-Suite

20%

Director 60%



**COMPANY SIZE** 

Respondent Breakdown REGION

**EMEA 32%** 

10,001+ employees

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