

Monetizing Convergent Fixed and Mobile Portfolios

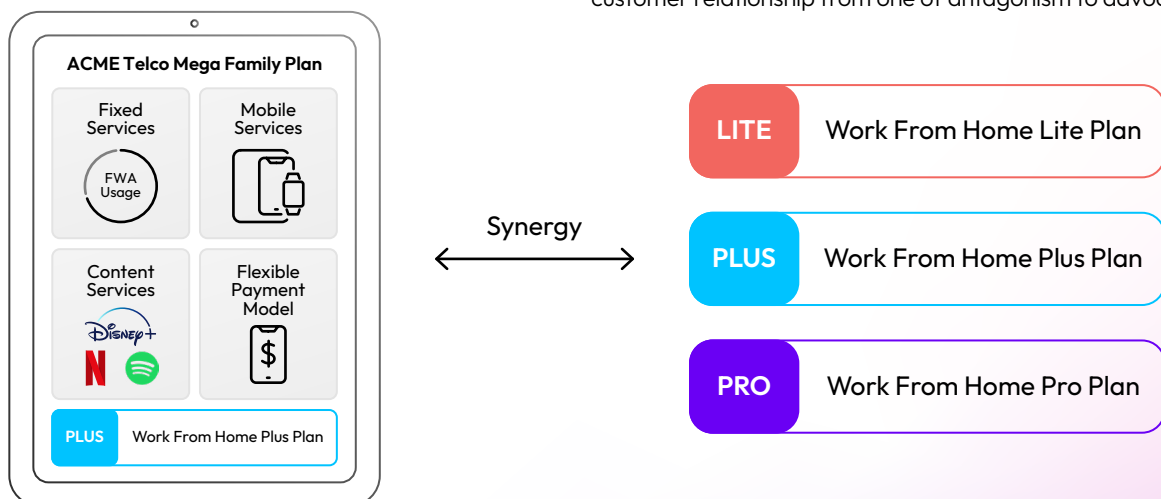


The telco opportunity to serve consumer households is one that communications service providers (CSPs) must rise to meet in order to achieve sustainable growth. The digital consumer services market is expected to reach \$513Bn by 2027¹. Viewed in closer relief, the average household in developed markets will spend around \$180 per month on average in communications services². Many CSPs lack a breakthrough strategy to captivate and capture this market.

The advent of 5G, the rise in working from home, and the tsunami of digital experiences are critical change agents in the consumer market. What CSPs need is a creative portfolio and service delivery mix to entice consumers to pay CSPs to deliver these experiences.

Historically, CSPs have approached broad portfolio positioning opportunities, especially across fixed and mobile services, through the lens of bundling. While, on the surface, bundling might appear to satisfy both revenue growth and customer stickiness, in reality it is a discount-centric strategy that often leads to margin attrition and weakens the customer relationship. Margin attrition stems from the fact that one or more items in a bundle often requires heavy discounting to achieve an attractive overall price. The weakened customer relationship results when customers view discounted pricing as the foundation for the relationship and leverage it accordingly. Add the fact that many portfolio bundles lack inherent differentiation, and it's clear that bundling leads inevitably to a commercial race to the bottom.

So, if bundling isn't the solution, what is? CSPs need to evolve from a discount-centric strategy to a value centric approach that puts digital engagement and the holistic household opportunity front and center in their thinking. This is key to sustaining both revenue and margin growth and will effectively shift the customer relationship from one of antagonism to advocacy.



Real-Time Digital Portfolio Integration

Enhanced Work From Home Portfolio

Figure 1: Digital portfolio integration and work from home offers

1. "Fast-growing digital services consumer markets worth \$513bn by 2027 according to Omdia research," Omdia, April 11, 2023.
2. Amdocs internal research, 2025.

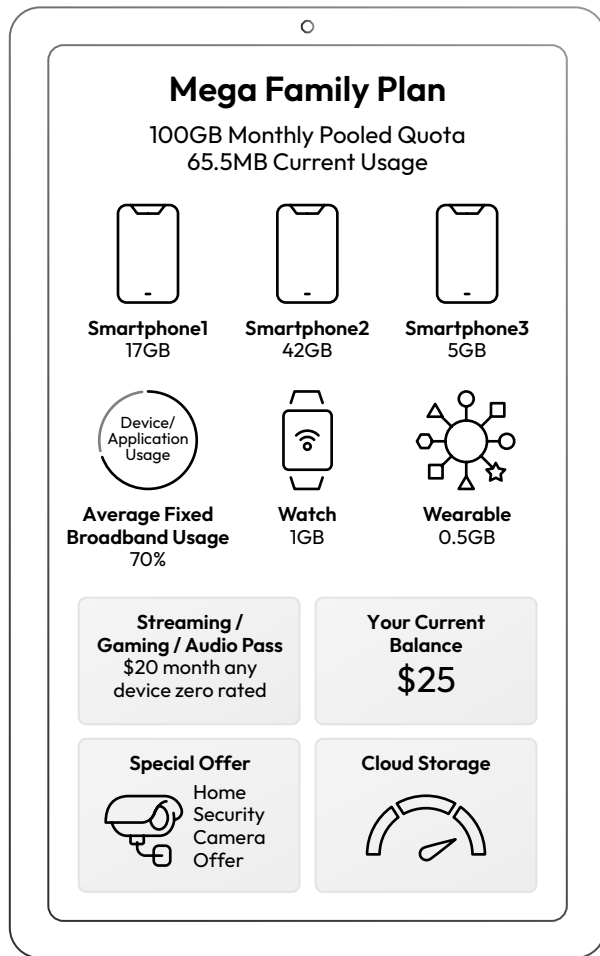


Figure 2: A “mega family” approach to digital portfolio integration

Digital Portfolio Integration

By integrating their digital portfolio, CSPs can establish real-time engagement across their entire consumer portfolio, whether mobile, fixed, application, cloud, or commerce. All services are made accessible through a customer-facing application that allows the consumer to easily view an accurate, real-time picture of their current utilization and spend; in effect, a single pane of glass into their entire engagement with the CSP. When viewed in the context of a mega family approach that covers all household users and use cases, CSPs have an opportunity to take a significant share of the overall household communications spend.

Portfolio uptake in this model is DIY driven in that customers control and select which services they take, incentivized by value-added prompts rather than portfolio discounts. These services might, for example, take the shape of additional monthly mobile data capacity for every new portfolio service or additional device added to the “Mega Family” plan.

While the idea of telecommunications applications isn't a new one, these applications have historically been “window dressing,” a digital veneer on top of dated and legacy processes. This underwhelming approach misses the point that the digital engagement channel should put the consumer in control of their complete experience. If CSPs give consumers control, transparency, accuracy, ownership, and flexible payment terms, they'll be rewarded with increased consumer spend and advocacy.

Digital portfolio integration acts as a value multiplier by moving the commercial offer away from one based on simple bundling to one of portfolio value creation. Migrating from digital veneering and adopting a strategy based on full end-to-end digital paths and processes is crucial if CSPs expect to fully capitalize on the opportunity.

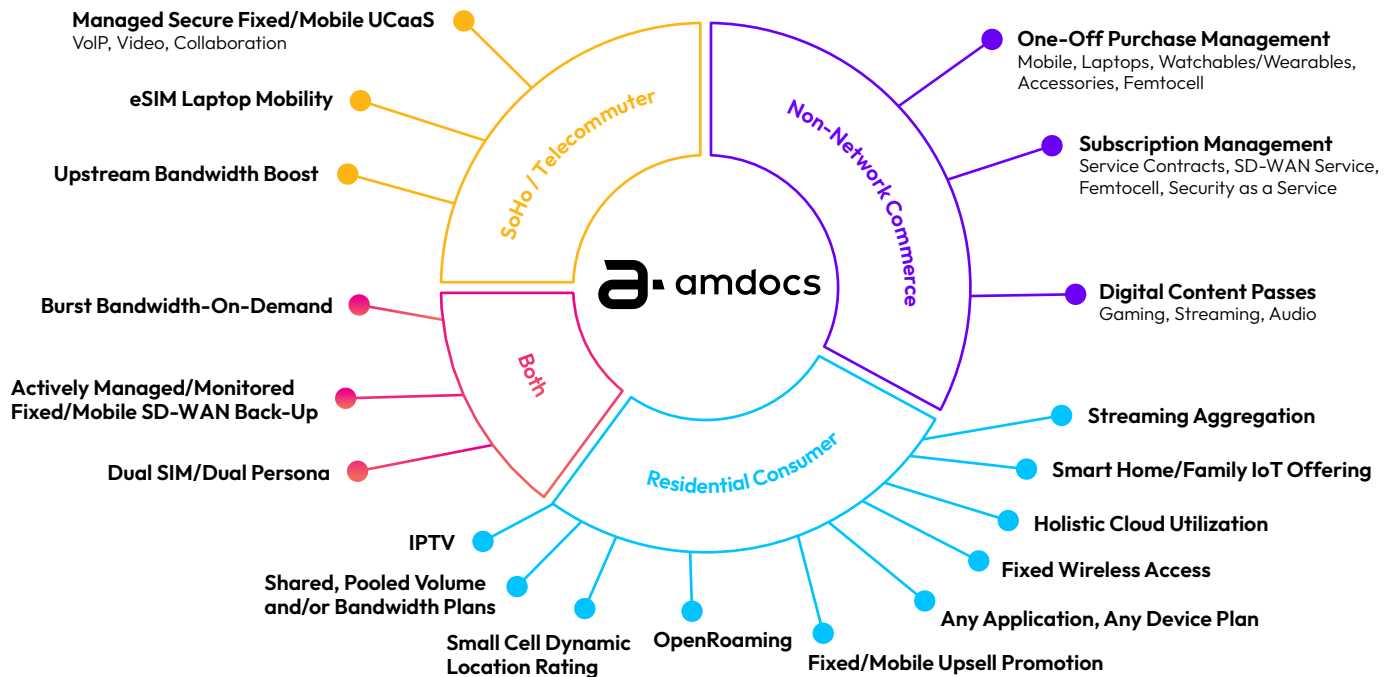


Figure 3: Fixed/mobile consumer use cases

The success of fixed/mobile digital portfolio integration initiatives will be founded on a combination of building a strategic “customer-in” platform driven by choice and control and a rich mix of portfolio services for consumers. Figure 3 outlines a rich mix of use case and service concepts that covers both the residential consumer and home worker/telecommuter demographics.

Home-based services such as streaming video aggregation (outlined in Figure 4) bring together the best of household targeting and digital portfolio integration. In this example, a CSP-brokered streaming service disrupts the tyranny of multiple video streaming subscriptions by replacing it with a single service delivered by the CSP. With the CSP’s offer, consumers would have one subscription, one price, and access to all streaming services, delivered via the mega family streaming video application as part of an integrated portfolio.

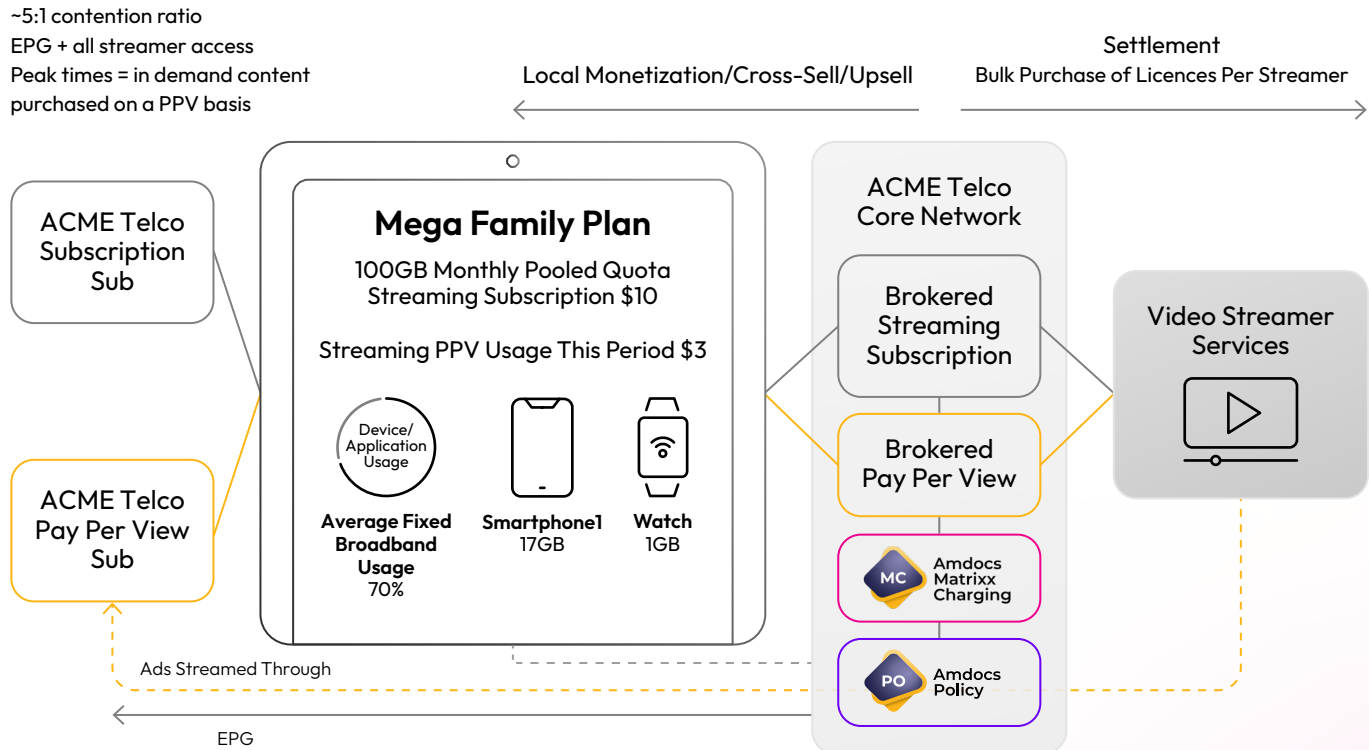


Figure 4: Streaming video aggregation use case

Work From Home/Telecommuting

Social and economic shifts over the past several years have caused CSPs to pay greater attention to telecommuting and working from home (WFH) when creating service offers, recognizing the importances of this segment. Home-based workers are marked for increased investment from enterprise IT budgets, which CSPs can target with the right offers. Relevant use cases include consistent application performance, service resilience, convergent mobile/fixed delivery, and enhanced mobile coverage plans.

Working From Home Needs	Technology Requirements	Benefits and Outcomes
Consistent fixed and mobile portfolio offering	"Single pane of glass" supporting all services	Fixed, mobile and application services presented in one digital app
Consistent application performance	Consistent QoS treatment on fixed/mobile links, consumer SD-WAN	Application policy, routing, visibility and quota all actively managed
Resilience	Mobile back-up/overflow/burst coverage of fixed link	Multiple use cases for integrating fixed and mobile to deliver superior service levels
Mobile device and service coverage	Femtocells	Keeps traffic "all mobile," opportunity for better coverage and geolocation rate plans
Symmetrical traffic flows	Mobile supplementing limited, fixed upstream bandwidth	Overcomes restrictions of ADSL, cable and GPON when traffic is mostly symmetrical
One-off and subscription purchases	Single wallet strategy as part of "single pane of glass" app	One-off and subscription purchases all delivered from single commerce source

Figure 5: Key Work From Home/Telecommuter requirements

Bringing together fixed, mobile, and application assets and utilizing technologies such as consumer SD-WAN and femtocells will allow CSPs to service the fundamental needs of the work from home segment and tap into their increased budget.

The key to unlocking and sustaining opportunities in the integrated digital portfolio and WFH/telecommuter opportunity space is a real-time digital commerce hub. This hub must have the agility and adaptability to support broad portfolio use cases and deliver them through an integrated digital channel.

Amdocs supports the monetization of a complete fixed/mobile/cloud and application-centric consumer portfolio. Managing all real-time activity through a single point of commercial truth creates consistency and accuracy and puts the user in control of their total online experience. Flexible payment terms, allowing for accelerated cash collection, and an end to rigid demarcation models such as postpaid or prepaid add further value and differentiation to the offer.

Amdocs Charging and monetization enables CSPs to uplift their household relationships from a revenue collection basis, constrained to the end of each billing cycle, to a revenue generating basis with upsell and cross-sell opportunities that deliver greater value every minute of every day.