The Telco Tipping Point

Why CSPs must generate tomorrow's signature customer experiences

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SIGNATURE CUSTOMER EXPERIENCE

Adapt or Fall Behind:
The Need to Transform Customer Engagement Now

Communication Service Providers (CSPs) once again stand at a major inflection point. Driven by Generative AI, the pressure is on to reimagine how CSPs engage with customers and deliver more than just amazing experiences. Customers want their own **wow moments**–personal experiences that feel crafted just for them and delivered right when they need it. And the stakes for getting it right could not be higher. Delivering signature experiences is no longer optional but a necessity for survival.

Yet many CSPs rely on an outdated stack of platforms, apps, and tools that fall short in addressing current and future customer engagement expectations and challenges. If these tools are cumbersome, outdated, or fail to meet expectations, they lead directly to negative impacts such as high churn rates, poor brand sentiment, and a loss of competitive differentiation.

According to McKinsey & Company, **"It is becoming extremely difficult for operators to differentiate, leading to the commoditization of connectivity, fierce competition, and eroding margins. Against this backdrop, customer experience (CX) is emerging as the primary competitive differentiator."**[1] The consequences of inaction are clear: declining market position, eroded customer trust, and lower revenues.

The opportunity to act is now

CSPs must embrace a Generative AI-enabled approach to create signature customer experiences. GenAI not only offers unprecedented capabilities like personalized, context-aware recommendations, streamlined B2B and B2C sales processes, and AI-powered customer service, it heightens the urgency for change. CSPs that delay adopting GenAI risk falling further behind competitors.

With 60% of executives believing that GenAI will significantly impact their business in the next one to two years, the time to adapt and innovate has never been more critical.[2]

The bottom-line impact of customer experiences is real[3]

31% **average churn** rate in the telecommunications industry.

42% **of consumers** are likely to switch CSPs for a superior digital experience.

64% **of people** are willing to pay more for simpler experiences.

Challenges Ahead

The telecommunications industry is one of the most complex and demanding industries when it comes to customer engagement and experiences. CSPs require solutions that are specialized to handle the unique intricacies, workflows, data models, and use cases inherent to telecom operations.

Old and in the way

Many CSPs rely on fragmented and legacy systems, siloed operations, and outdated architectures that result in disconnected data sets and experiences. This makes it difficult for organizations to gain a unified view of their customers and deliver consistent service across multiple touchpoints. The situation is exacerbated using horizontal, off-the-shelf solutions that, while best-in-class for general industries, fail to meet the specialized needs of telecoms.

Can I have your account number?

Customers want to engage through their channel of choice: chat, social media, web, email, SMS, voice, and more. When siloed, these systems lead to disconnected and inefficient engagements like agents asking for the same information twice, long response times, and inefficient resolution, ultimately leading to poor customer satisfaction.

Agents feel the pain too

The employee and business ramifications are equally real, including longer handling times and time-to-resolution, higher operational costs, and extensive, ongoing agent training requirements. Limited visibility into customer data means agents cannot respond to inquiries with the speed and personalization customers expect.

The Time to Modernize is Now

A staggering 49% of CSPs are struggling to compete with leaner, more agile entrants to the market on both price and operational efficiency. Furthermore, two out of the top three IT priorities for telecom companies focus on **automating operations** and **simplifying IT systems.**[4] These priorities underscore the growing importance of innovating with better customer experiences to stay competitive.

A study by 451 Research / S&P Global Market Intelligence reveals that **86% of CSPs find it extremely challenging to update their current customer and/or digital experience platforms,** while 82% of respondents in communications and media organizations are focused on lowering service complexity and driving operational improvements.[5] As CSPs move to address these challenges, it becomes clear that only a purpose-built for telco and GenAI-enabled solution can deliver the agility, efficiency, and innovation required to modernize operations and elevate customer experiences to the next level.

The Payoff of Modernizing Customer Experiences

The opportunity to modernize customer engagement platforms isn't just a response to the challenges of today—it's an investment in a future that enhances agility, drives revenue, and strengthens customer loyalty. In fact, **93% of CSP executives view standardized and flexible digital platforms as critical for enabling business capabilities and driving value.**[6] 451 Research / S&P Global Market Intelligence also revealed that 98% are creating a single source of truth of customer data to know their customers better, improving personalization and service delivery across every touchpoint.[7] Modernizing your customer engagement platform offers the potential to unlock significant business advantages, from improving customer satisfaction (CSAT) to driving operational efficiencies.

Global CSPs are Seeing Major Results

In today's dynamic telecom landscape, modernization isn't just an option—it's the key to unlocking your full potential. The most successful CSPs are those who aggressively embrace change and innovation.[9] **Don't wait for disruption to happen; be the disruptor.**

vodafone

*"TOBi conversational assistant has driven **66% of contacts to be automated."***

AT&T

*"…we think this technology will make [our employees] **more effective, more efficient, and more creative** at their jobs."*

T

*"**90% of employees** saved time and increased effectiveness, resulting in 20% less follow-up contact."*

The impact of customer engagement modernization[8]

50%+ boost in CSAT scores when issues are resolved on the first contact.

80%+ increase in Net Promoter Score (NPS) that creates stronger customer advocacy and retention.

180% market share growth by delivering exceptional customer experiences

$7B in incremental revenue by ensuring that customer issues are addressed swiftly and effectively.

What CSPs Need in a Modern Customer Engagement Platform

To succeed, CSPs need a customer engagement platform that goes beyond horizontal solutions. It must be tailored to the unique requirements of the telecom industry, capable of integrating across diverse systems and delivering exceptional experiences across all touchpoints.

For example, industry-specific Customer Relationship Management (CRM) systems take the foundation of best-in-class horizontal CRM solutions and add customized workflows, experiences, data models, and extensions. A 2024 Forrester Landscape Report explains how industry-specific CRM solutions provide a faster path to value because they, "codify industry-specific workflows, data and AI models, user experiences, and integrations to core systems" and how "industry CRM will become a preferred choice and extend its remit to industry clouds."[10]

Furthermore, in the 2024 IT Enterprise Insights in Customer Engagement Report, Omdia emphasizes the importance of **end-to-end platforms, workforce engagement and collaboration,** and **advanced AI** as three critical factors in evolving and personalizing customer experiences.[11]

CSPs must apply this same thinking and look for these characteristics when considering customer engagement modernization:

End-to-end, industry-specific design
The platform should be built specifically for telecoms and designed to handle both **B2C and B2B customers,** while supporting the needs of **employees, agents,** and **end customers.** This includes having workflows, experiences, and data models unique to telecom.

Integration across all engagement channels
A modern platform must seamlessly integrate across key engagement channels such as **chat, SMS, social media, voice, email,** and more. With diverse customer preferences for interaction, the ability to offer a consistent experience across all touchpoints is critical.

Full customer lifecycle support
The platform must support the **entire customer lifecycle,** from initial interaction to post-sale service. This includes capabilities for catalog, subscriptions, and bundle management, as well as marketing, commerce, and Configure, Price, Quote (CPQ). It should also provide robust tools for sales, order fulfillment, and customer care/service.

AI-enabled with telecom-specific capabilities
The platform should be **AI-powered** with telecom-specific capabilities like **GenAI, Agentic AI,** customer LLMs, **Copilots,** and agent assistance to enhance service quality and operational efficiency. It should provide **personalized, context-aware** interactions and insights and automate marketing, sales, customer service, and order fulfillment workflows.

Low-code, no-code innovation
The platform should follow low-code/no-code principles, allowing business teams to innovate and create novel solutions quickly **without coding expertise.** This flexibility accelerates time-to-market for new features and allows CSPs to rapidly adapt to changing customer needs, market conditions, or operational goals.

Modular and adaptive
The solution must be modular and adaptive, enabling CSPs to **scale and evolve** as their business needs grow. It should provide the flexibility to expand capabilities and integrate new services over time, adapting to future challenges and customer demands.

These characteristics ensure that CSPs can implement a customer engagement platform that not only meets the unique demands of the telecom industry but also provides the flexibility, scalability, and innovation needed to stay competitive and deliver signature customer experiences.

Amdocs and Microsoft: Partnering to Revolutionize Customer Engagement for CSPs

Amdocs and Microsoft are driving a new era of customer engagement for CSPs through their strategic partnership and co-development focused on GenAI-enabled customer engagement. By combining Amdocs' deep telecom expertise with Microsoft's cloud and AI capabilities, we are enabling CSPs to transform their customer engagement. **"The enhanced strategic partnership between Microsoft and Amdocs marks a significant advancement in bringing state-of-the-art generative AI capabilities to the forefront of the telecommunications sector,"** said Anthony Goonetilleke, Group President of Technology and Head of Strategy, Amdocs.[12]

Together, we are empowering CSPs to offer personalized, signature customer experiences that exceed expectations. Our integrated research & development efforts and engineering teams are focused on using GenAI Copilots and domain agents to enhance customer interactions, proactively resolve issues, improve agent assistance, and optimize workflows. This shift will significantly enhance operational efficiencies, reduce costs, and create opportunities for new revenue streams, while also elevating customer satisfaction.

A key component of our collaboration is the **Customer Engagement Platform,** a purpose-built platform co-developed for telcos that uses advanced AI to address the unique needs of CSPs. From automating service delivery to providing valuable insights into customer behavior, our joint solution is built to seamlessly integrate into CSP operations, ensuring a more cohesive and streamlined experience for both customers and agents.

"By using Amdocs' telco solutions and deep industry expertise, along with the trusted, enterprise-class Microsoft Azure OpenAI Service, we can help drive business transformation for CSPs worldwide while also bringing innovative use cases to market for both consumer and enterprise customers."[13]

– Silvia Candiani,
Vice President, Telecommunications and Media
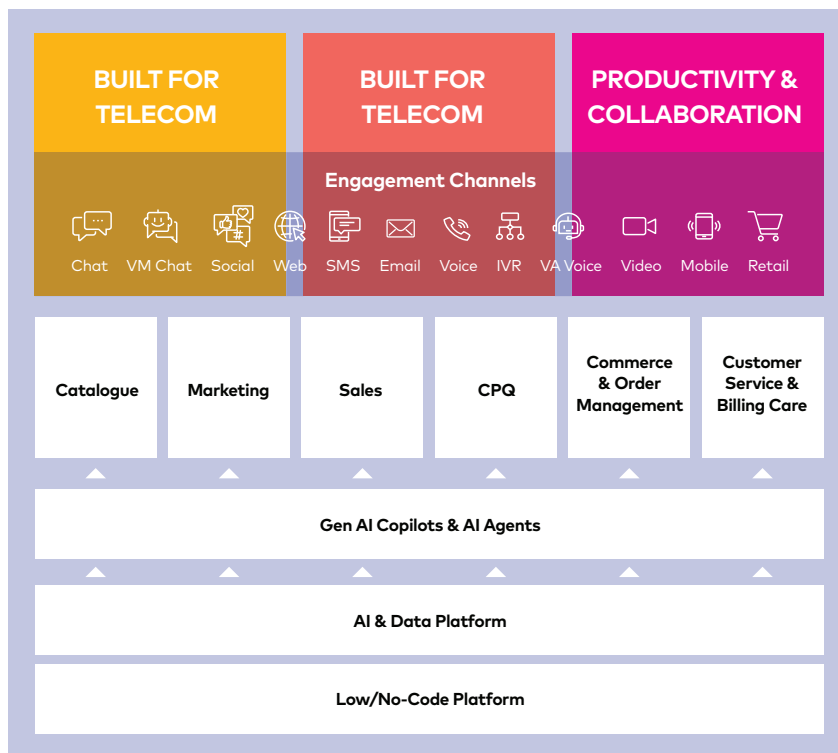
Microsoft

"This partnership has the potential to accelerate innovation in the telecom industry, aligning closely with industry requirements to drive transformative customer experiences."[14]

– Sheryl Kingstone,
Research Director, Customer Experience and Commerce

451 Research

S&P Global
Market Intelligence

Customer Engagement Platform–Purpose Built for CSPs

BUILT FOR TELECOM

BUILT FOR TELECOM

PRODUCTIVITY & COLLABORATION

Engagement Channels

Chat | VM Chat | Social | Web | SMS | Email | Voice | IVR | VA Voice | Video | Mobile | Retail

Catalogue | Marketing | Sales | CPQ | Commerce & Order Management | Customer Service & Billing Care

Gen AI Copilots & AI Agents

AI & Data Platform

Low/No-Code Platform

The **Customer Engagement Platform** is a powerful, AI-driven solution specifically designed for telecom CSPs to generate tomorrow's signature customer experiences. The cloud-native platform is a unified, end-to-end solution for marketing, sales, commerce, and customer care across both B2C and B2B sectors.

The **Customer Engagement Platform** boosts customer and agent experiences through AI-driven automation, enhanced collaboration, and improved productivity across key telecom functions. With built-in **GenAI Copilots, autonomous AI agents,** and a **Low/No Code** design, it empowers CSPs to innovate quickly and efficiently. Built on a robust **AI and Data Platform,** it ensures scalability and adaptability for evolving business needs.

Benefits of the customer engagement platform

- **AI-powered marketing, sales, commerce, and customer service:** Automate and optimize customer journeys with contextual, real-time insights, proactive issue resolution, and autonomous decision making using a powerful combination of GenAI, Copilots, and Agentic AI that works across all channels.
- **Built for telco:** Combines Amdocs and Microsoft's strengths to simplify complex telecom processes and serve both consumer and enterprise needs.
- **A complete solution:** Supports the full sales cycle, from lead to post-purchase, for both consumer and enterprise customers.
- **Frictionless experience:** Seamless interactions for both customers and employees, enhancing satisfaction and efficiency.
- **Business agility:** Open APIs, low-code/no-code design, and AI enhance flexibility, fast time to market, and automation.
- **Supercharged productivity and collaboration:** Connected applications improve efficiency, drive sales, and resolve issues faster.

Customer Engagement Platform Services the Entire Customer Lifecyle on a Single Platform

From first touch through to ongoing customer care, the Customer Engagement Platform seamlessly supports every phase of the customer journey. It uses GenAI Copilots and domain agents to deliver predictive, personalized engagement, ensuring a seamless experience for both B2C and B2B customers. By linking marketing, sales, order management, and customer care into one unified system, CSPs benefit from autonomous decision-making, proactive issue resolution, enhanced operational efficiency, and improved customer satisfaction throughout the entire lifecycle.

Catalog

- Offer and bundle management
- Unified commerce, charging, and policy catalog
- Promotion and incentive management

Marketing

- Unified customer profiles
- Real-time insights and recommendations
- Contextual journey management
- Proactive marketing campaigns

Commerce

- Personalized offers
- Advanced commerce actions and changes
- Omnichannel carts

Sales

- Insights
- Opportunity management
- Lead management
- Lead scoring
- Forecasting

CPQ

- Commercial order management
- Contract management
- Proposal and agreement management

Order fulfillment

- Order orchestration
- In-flight order amendments
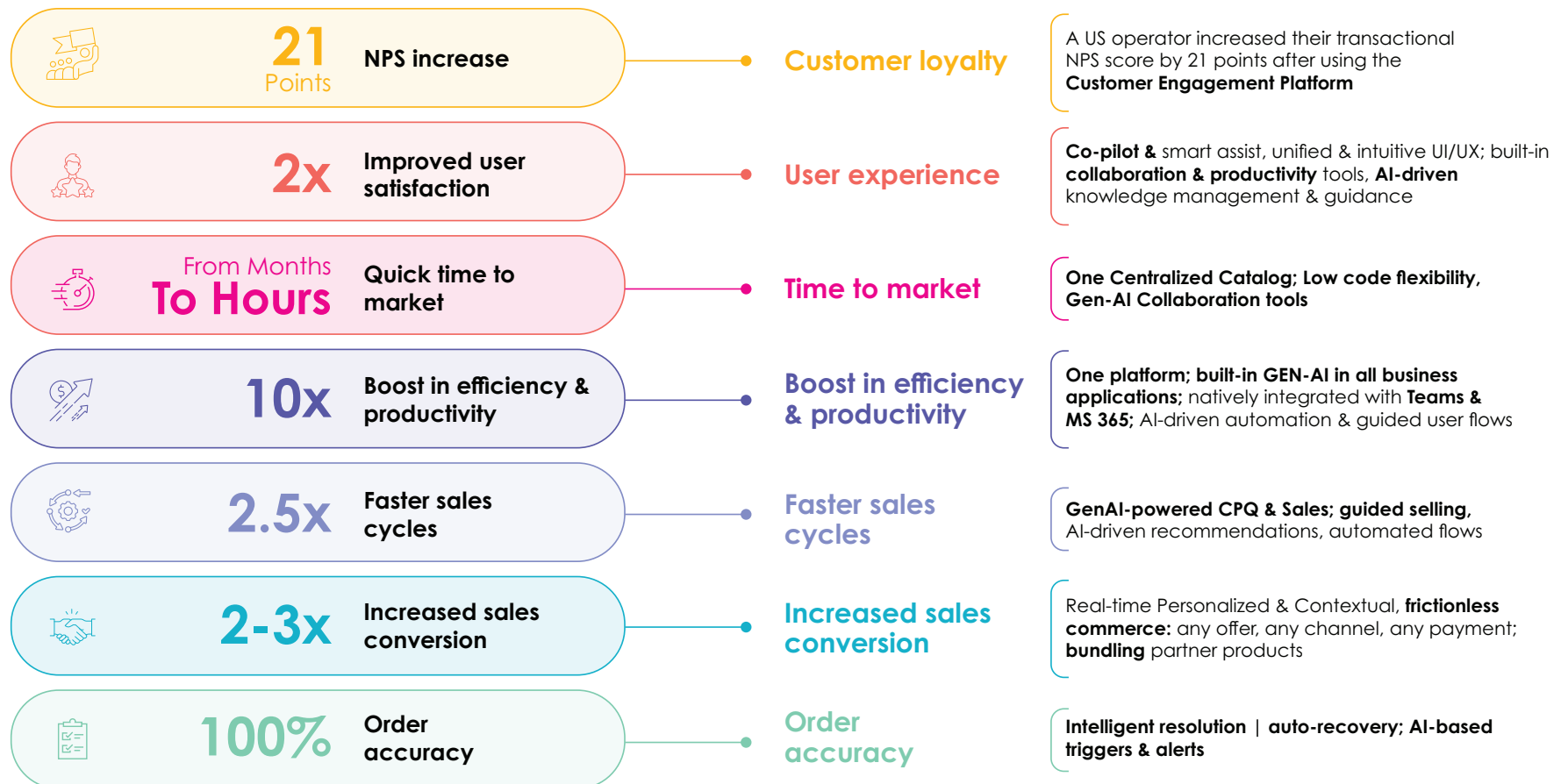- High volume ordering
- Self-healing recovery

Customer care

- Digital contact centers and self-service
- Personalized insights and recommendations
- Contextual experiences
- Customer and case management
- Billing care
- Unified routing

Customer
Engagement
Platform

Create Significant Customer Experience and Bottom-Line Gains with Customer Engagement Platform

From boosting customer satisfaction to converting more sales, CSPs that harness the power of the Customer Engagement Platform gain significant improvements across the entire customer lifecycle, all from a single unified platform built for telcos.

21 Points — NPS increase	**Customer loyalty**	A US operator increased their transactional NPS score by 21 points after using the **Customer Engagement Platform**
2x Improved user satisfaction	**User experience**	**Co-pilot &** smart assist, unified & intuitive UI/UX; built-in **collaboration & productivity** tools, **AI-driven** knowledge management & guidance
From Months **To Hours** Quick time to market	**Time to market**	**One Centralized Catalog; Low code flexibility, Gen-AI Collaboration tools**
10x Boost in efficiency & productivity	**Boost in efficiency & productivity**	**One platform; built-in GEN-AI in all business applications;** natively integrated with **Teams & MS 365;** AI-driven automation & guided user flows
2.5x Faster sales cycles	**Faster sales cycles**	**GenAI-powered CPQ & Sales; guided selling,** AI-driven recommendations, automated flows
2-3x Increased sales conversion	**Increased sales conversion**	Real-time Personalized & Contextual, **frictionless commerce:** any offer, any channel, any payment; **bundling** partner products
100% Order accuracy	**Order accuracy**	**Intelligent resolution	auto-recovery; AI-based triggers & alerts**

We Empower CSPs to Generate Tomorrow's Signature Customer Experiences, Making it Amazing

The telecommunications industry is at a critical juncture where CSPs must reimagine customer engagement to deliver exceptional experiences. Outdated platforms and tools hinder your ability to meet evolving customer expectations, leading to high churn rates and poor brand sentiment. To thrive, CSPs require a customer engagement platform tailored to telecom industry needs that integrates diverse channels, departments, and workflows into one platform that delivers exceptional experiences across all touchpoints–for customers and employees.

We address these challenges through innovative, AI-driven solutions specifically designed for telecom CSPs. The Customer Engagement Platform is a powerful, cloud-native platform that unifies marketing, sales, commerce, and customer care across B2C and B2B sectors.

Together, we are driving a new era of customer engagement for CSPs by combining Amdocs' telecom expertise with Microsoft's cloud and AI capabilities.

Learn how to make it amazing and generate tomorrow's signature customer experiences at amdocs.com/products-services/customer-engagement-platform.

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Amdocs helps those who build the future to make it amazing. With our market-leading portfolio of software products and services, we unlock our customers' innovative potential, empowering them to provide next-generation experiences for both the individual end user and enterprise customers. Our employees around the globe are here to accelerate financial institutions' migration to the cloud, enable them to differentiate in the digital era, and automate their operations. Listed on the NASDAQ Global Select Market, Amdocs had revenue of $5.00 billion in fiscal 2024. For more information, visit Amdocs at **www.amdocs.com**

Microsoft

Microsoft (Nasdaq "MSFT" @microsoft) creates platforms and tools powered by AI to deliver innovative solutions that meet the evolving needs of our customers. The technology company is committed to making AI available broadly and doing so responsibly, with a mission to empower every person and every organization on the planet to achieve more. For more information, visit Microsoft at **www.microsoft.com**

Sources

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