

# Communications BU Introduction

Oracle Industry Day for Business Partners

Vincent Bie  
CGBU Alliances

Communications Global Business Unit  
October 16, 2014

# Safe Harbor Statement

The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, and timing of any features or functionality described for Oracle's products remains at the sole discretion of Oracle.



# What's Driving the Digital Economy?

Internet saturation  
growing at 8%  
annually



**Globalization**

4300% data  
generation increase  
by 2020



**Data Explosion**

Smartphone  
shipments to top 1B  
annually by 2016



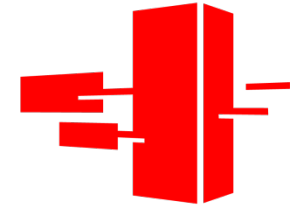
**Rise of Mobility**

13+ million  
business pages on  
Facebook



**Social Is Business**

Productivity costs  
up 70-75% w/ legacy  
within 7 years



**Modernize To Survive**

Sources: United Nations / International Telecommunications Union, internetworldstats.com  
IDC/EMC 2011 Digital Universe Study, 2010 Digital Universe Decade Study, Data Evolution Sept 2011, CSC's Leading Edge Forum  
Portio Research Mobile Factbook 2012

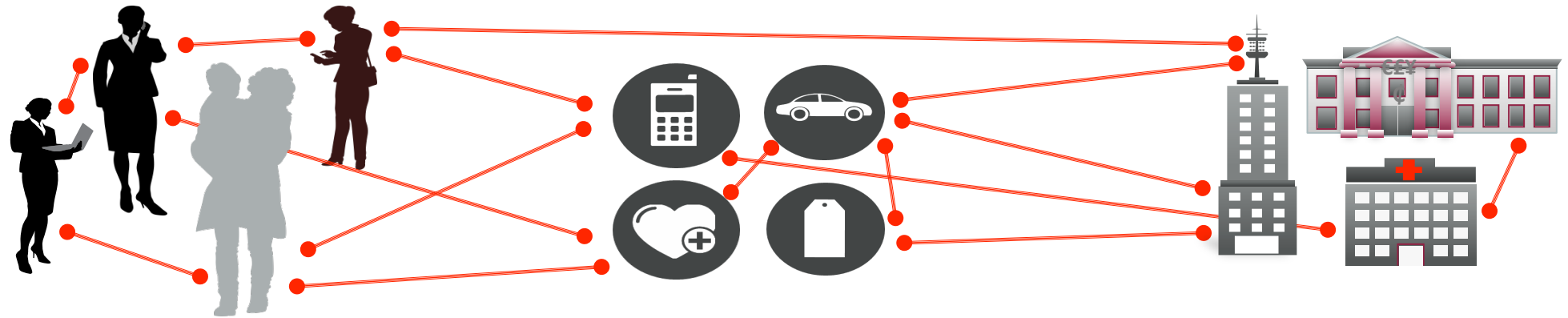
Facebook Director of Global SMB Markets Dan Levy, BIA/Kelsey's Interactive Local Media West Conference  
IDC: "Time for Change: Optimizing Datacenter Infrastructure with Technology Refresh"



# An Interconnected World

## From Connectivity to Value

Bring the power of your IT and Network Together  
For your business and your customers alike



### People

Instant, Contextual,  
Control, Relevance

### Things

Build and Align Capabilities for the Digital  
Economy

Service Agility, Time to Market,  
Top Line Growth

### Businesses

# Built on Leading Communications Products



- CRM for Communications
- Billing for Communications
- Provisioning for Communications
- Telecoms Application Server
- NEBs Certified Hardware
- Session Delivery Networks
- Network Signaling

**SIEBEL**

**PORTAL**

 **METASOLV**  
SOFTWARE

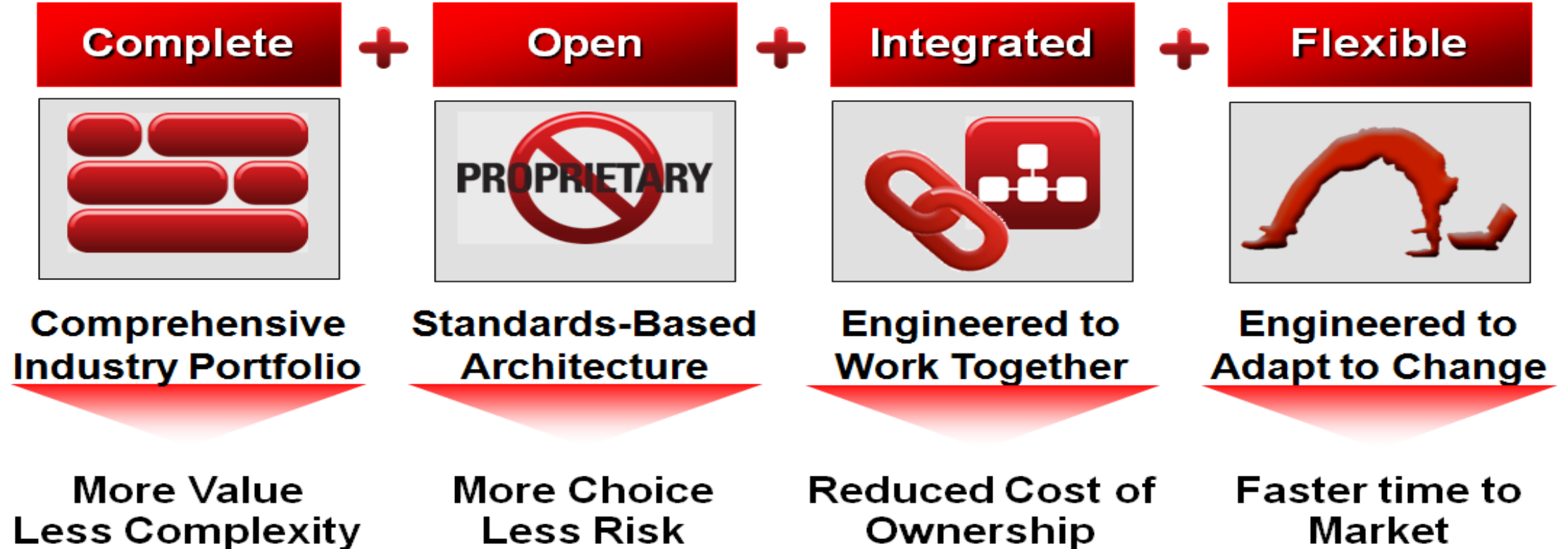
 **bea**

 **Sun**  
microsystems

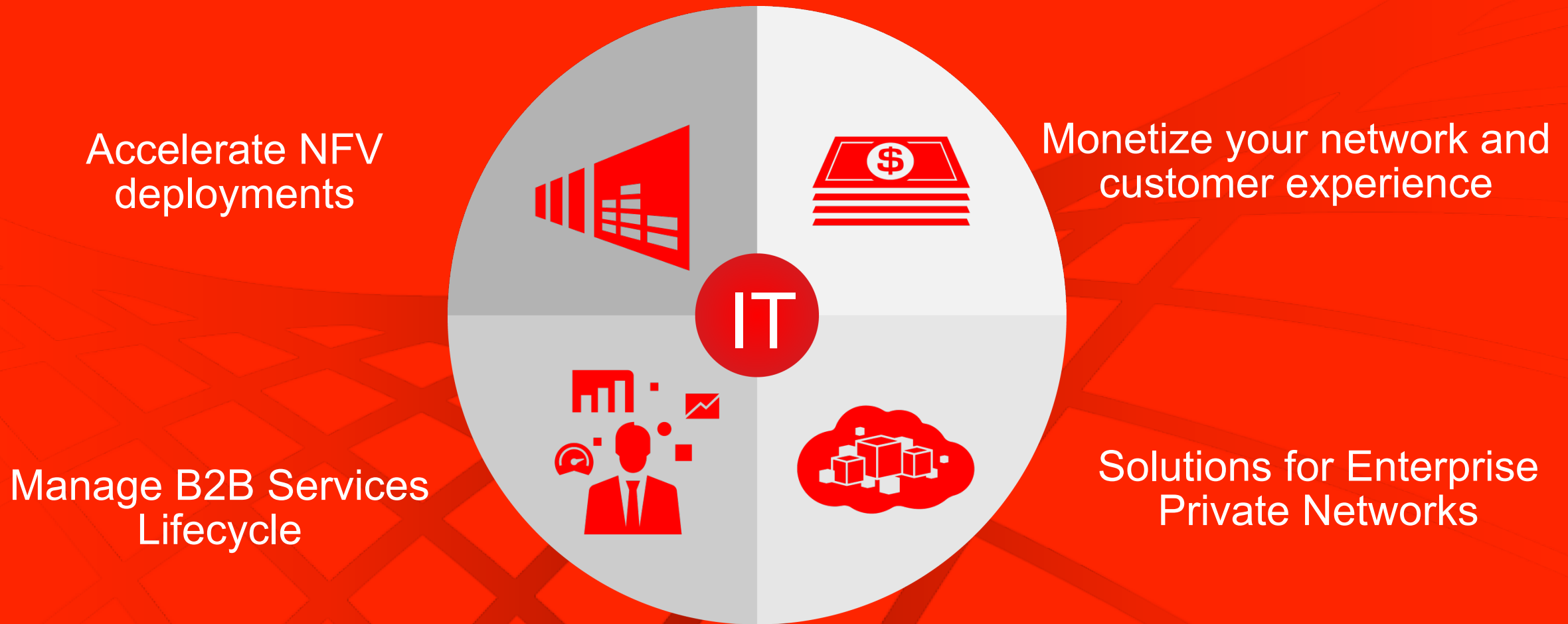
*acme*  *packet*

 **Tekelec**

# Oracle Communications Product Strategy



# Bringing the Power of IT to Your Network





# Bringing the Power of IT to Your Network

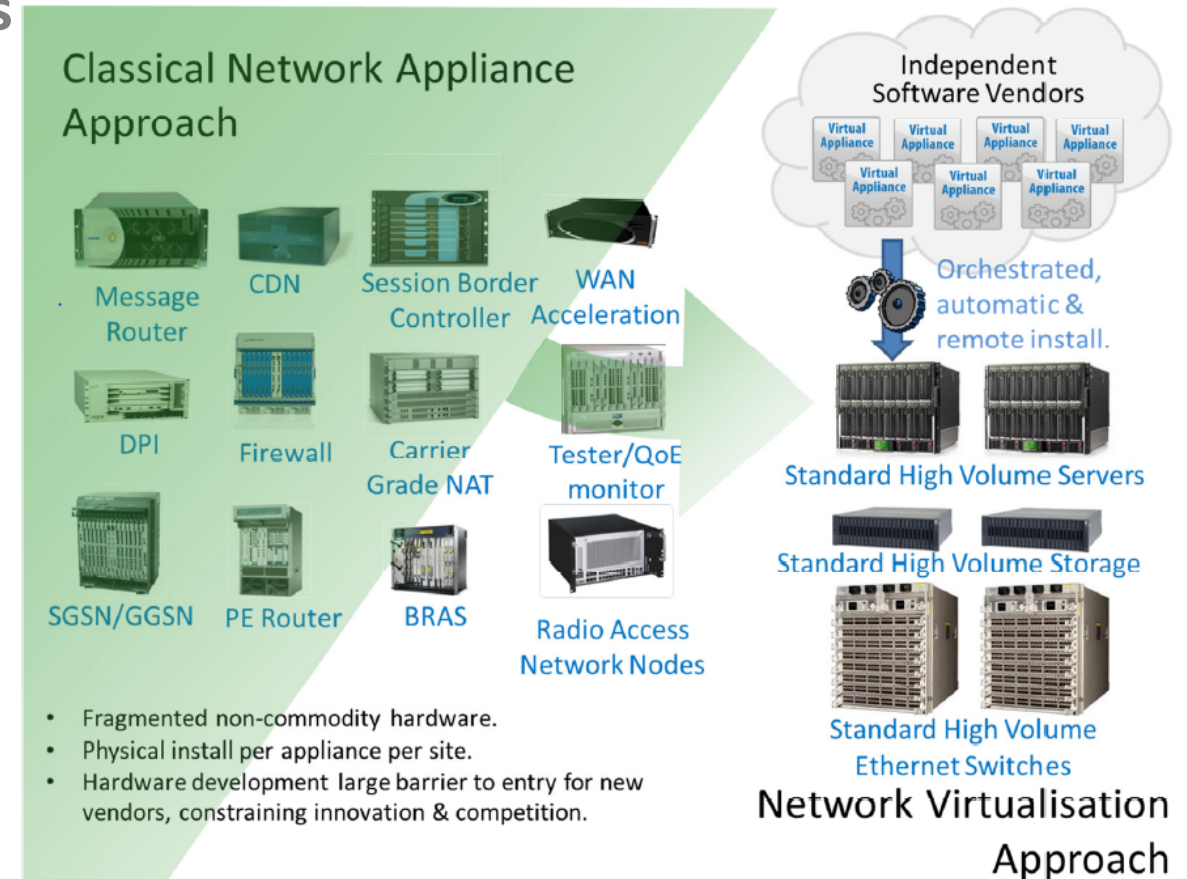


## Accelerate NFV deployments

# What is Network Function Virtualization (NFV)?

## Private Cloud Infrastructure for CSP Networks

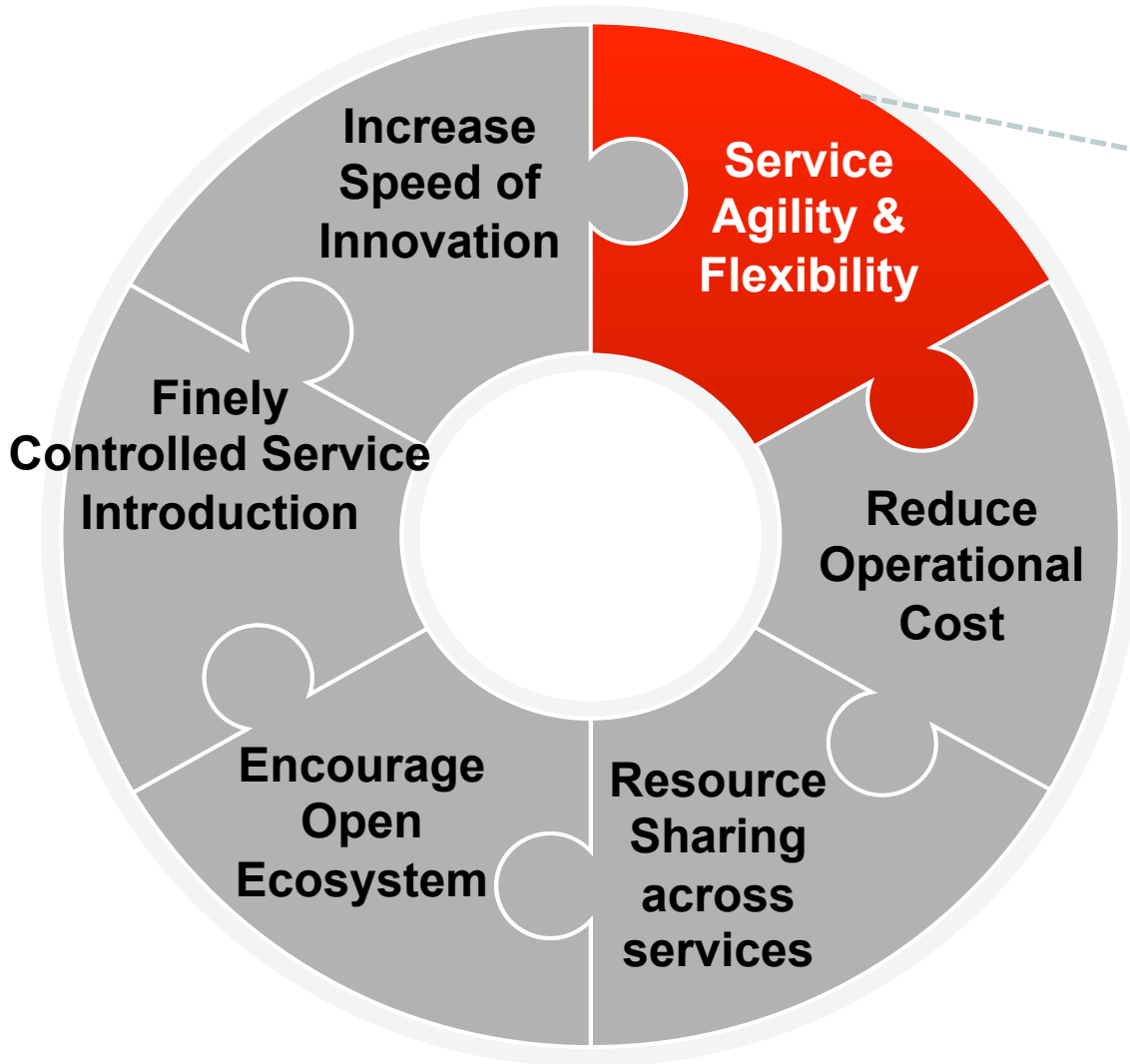
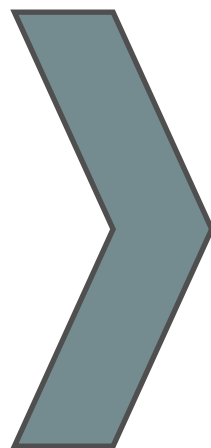
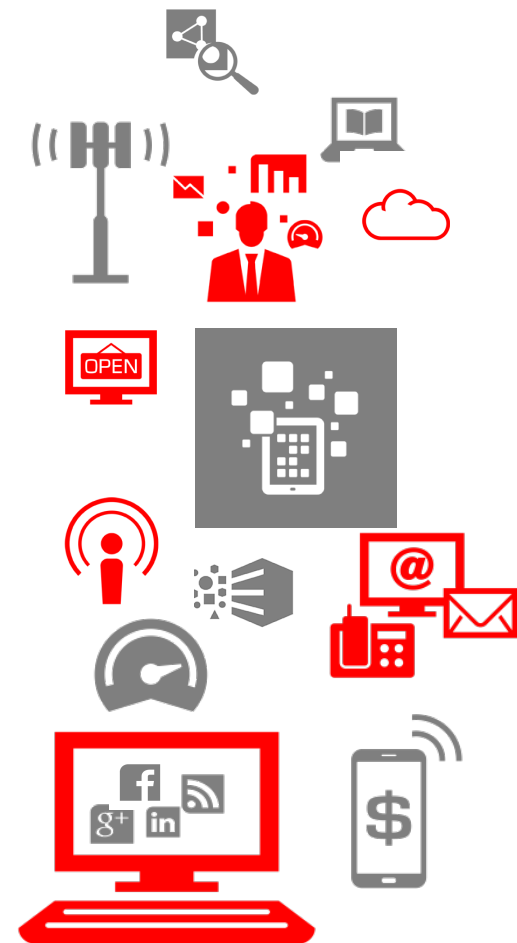
- Software-based implementation of network functions leveraging industry standard virtualization technologies
- Elastic capacity utilizing consolidated and shared pools of standard, high-volume COTS hardware platforms
- Platform for accelerated innovation



**Figure 1: Vision for Network Functions Virtualisation**

Reference: [http://portal.etsi.org/NFV/NFV\\_White\\_Paper.pdf](http://portal.etsi.org/NFV/NFV_White_Paper.pdf)

# Key NFV Drivers

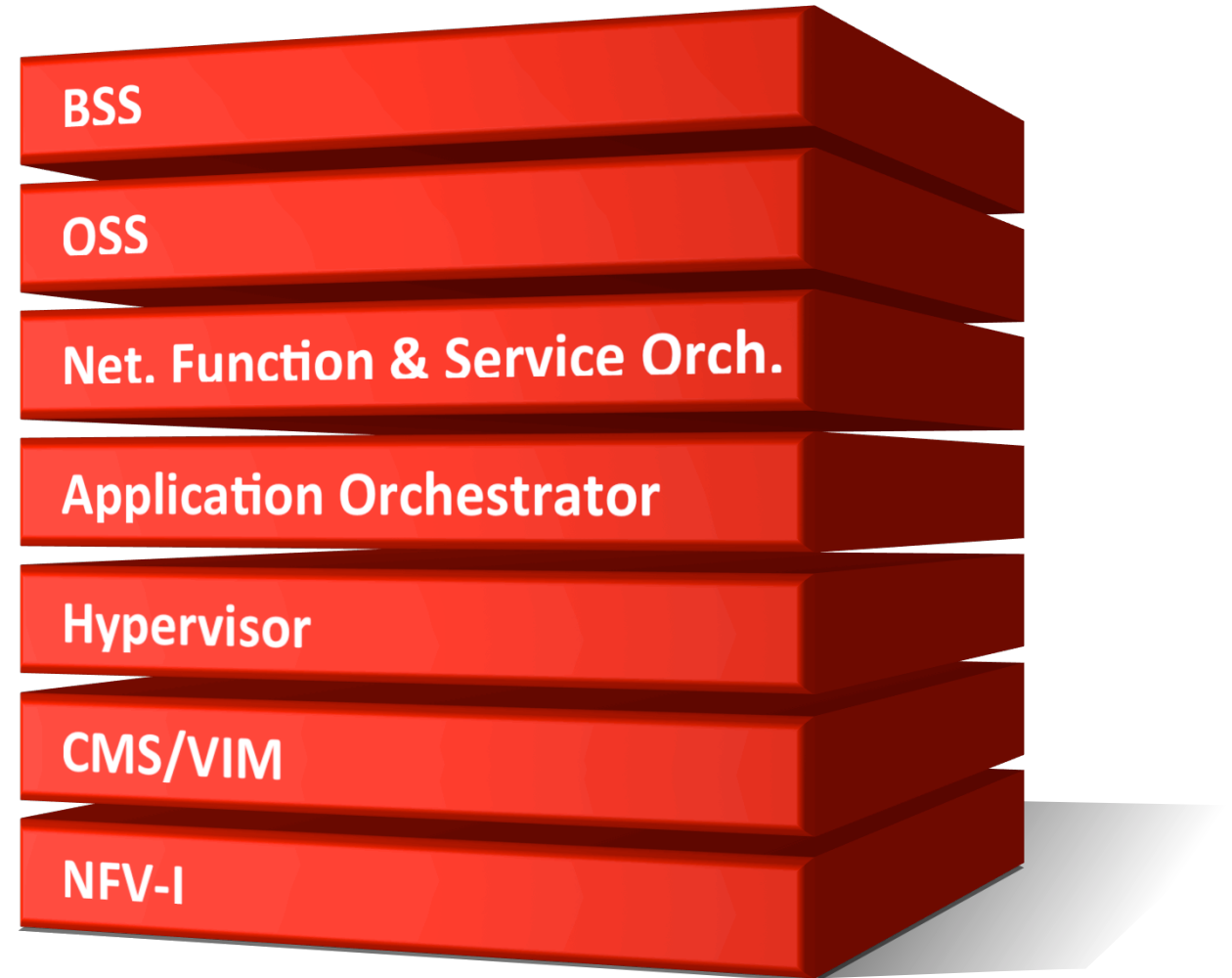


Considered as the **main driver** by **51%** of Operators\*

*\*HEAVY READING'S  
NFV OPERATOR  
SURVEY, January 2014*

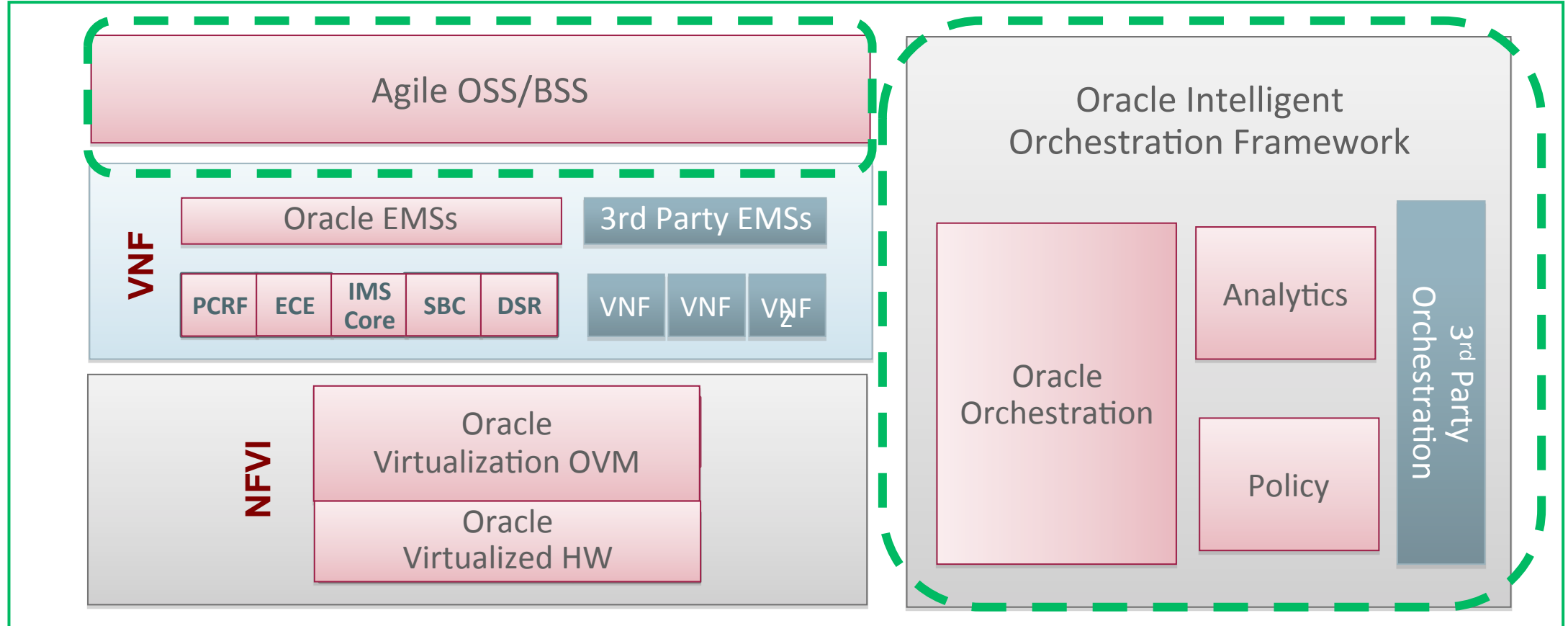
# NFV on Oracle

- Open, standards-based components
- Pre-integrated for faster time to value
- End-to-end support
- 'Red Stack' optimization
- On-premise or hosted solution





# Oracle NFV Architecture



# Partners Are Critical to Oracle's Success

**MORE THAN 40%**  
OF ORACLE  
REVENUE  
WORLDWIDE  
**IS THROUGH  
PARTNERS**

**MORE THAN 80%**  
OF ORACLE  
TRANSACTIONS  
WORLDWIDE  
**ARE THROUGH  
PARTNERS**



# OPN Go-to-Market Structure

## *Knowledge Zones\* (KZ) for Partner Specialization and Focus*



- ✓ Structured by product to align to the way in which Oracle and partners go-to-market
- ✓ One-stop-shop for all partner sales, marketing and development tools and resources
- ✓ New KZs available for Acme Packet and Tekelec partners:
  - Network Infrastructure for Session Delivery (Acme Packet and Tekelec)
  - Enterprise Communications (Acme Packet only)
- ✓ Join one or both of these KZs once you have completed your OPN membership to access your benefits and tools!

**Resell Criteria ♦ Pricing/Discounting ♦ Sales Playbooks ♦ Training/Certification ♦ Marketing Kits ♦ Demo Resources and much more!**

*\*KZs available to OPN Gold, Platinum, Diamond Partners only*



# Digital Lifestyle Monetisation

Oracle Industry Day for Business Partners

Adriano Acciaroli  
Communications Industry Solution Advisor

Communications Global Business Unit  
October 16, 2014



# Digital Is Affecting Our Lives, Everywhere ...



## St. Peter's Square, Rome

# Welcome to the Digital Lifestyle

## Personal usage



# Connected Everything



Connected Home  
Connected Car  
Connected Me  
Connected.....

## Devices are Evolving



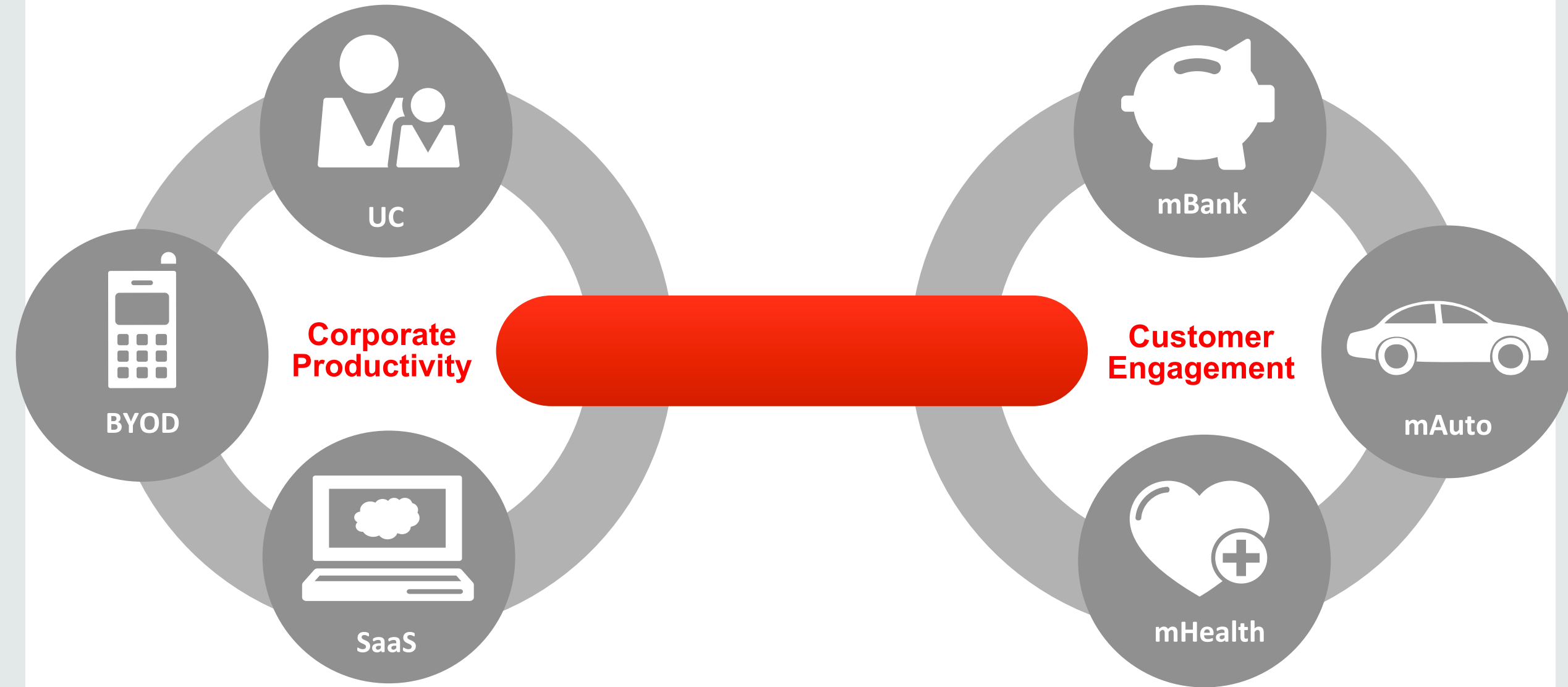
## What I want

# When want

## How I want

## Where I want

# Enterprises are 'Consumerising' Their Business



# New Digital Driven Services

Nest Labs acquired by Google for \$3.2B

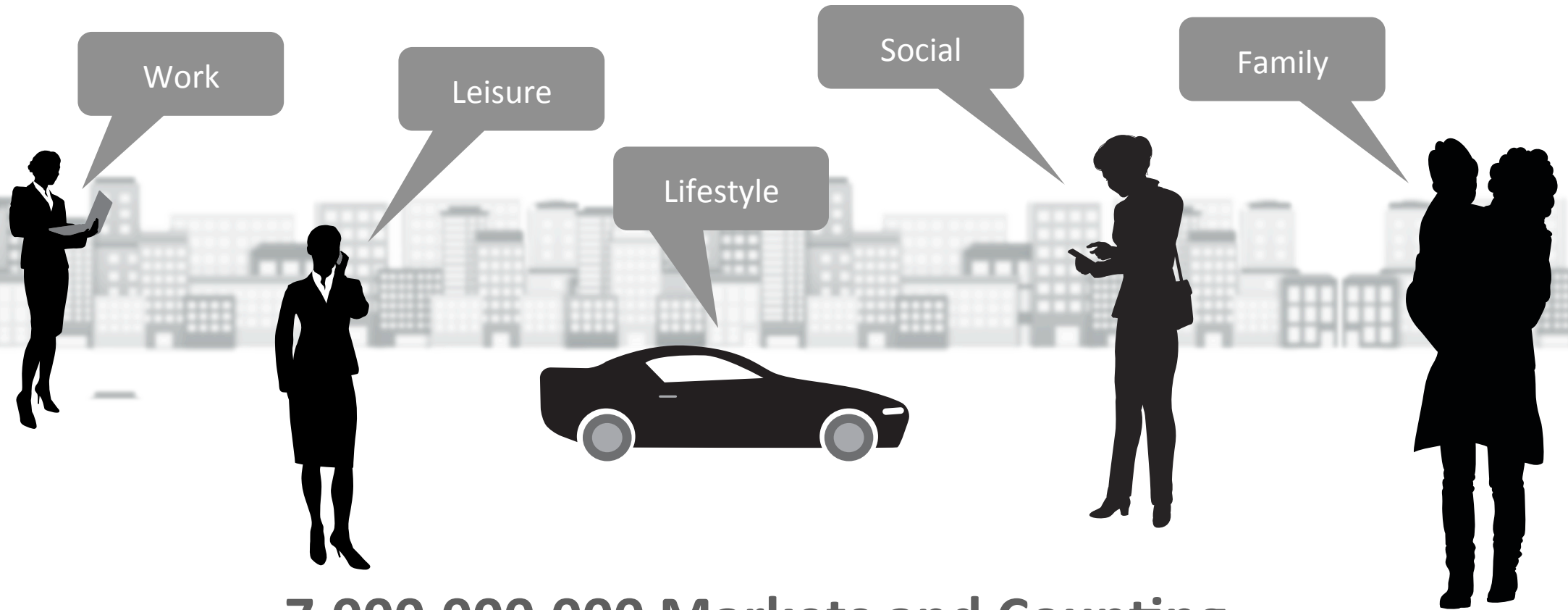




# Monetizing the Network and Customer Experience

## A New Paradigm

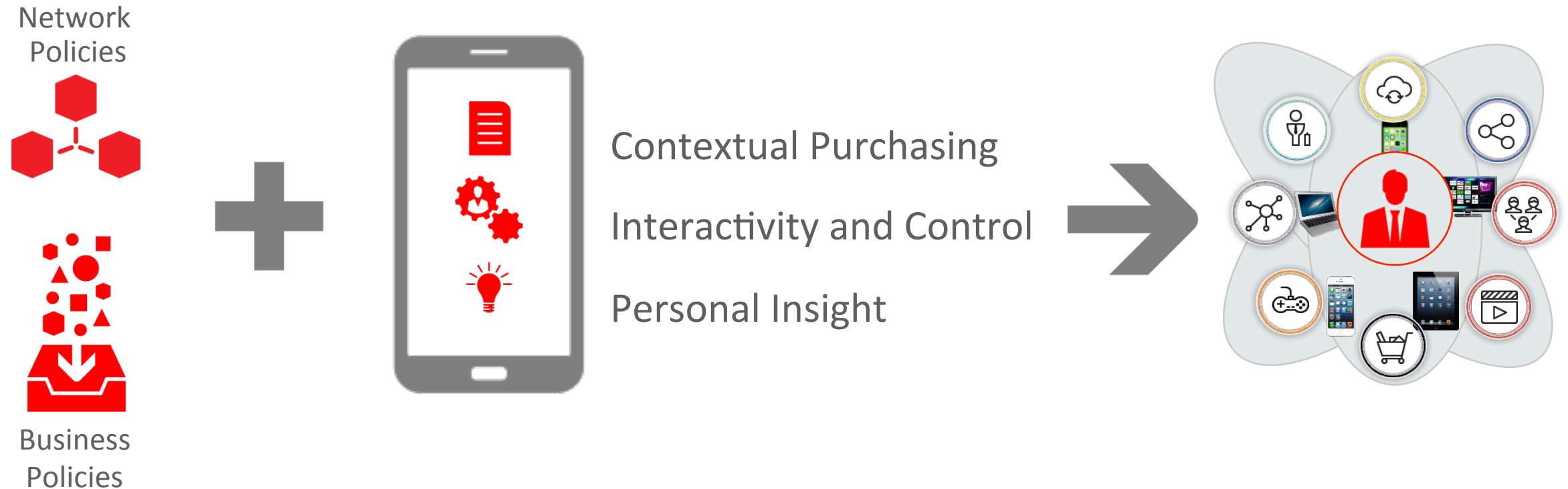
### A Market of One



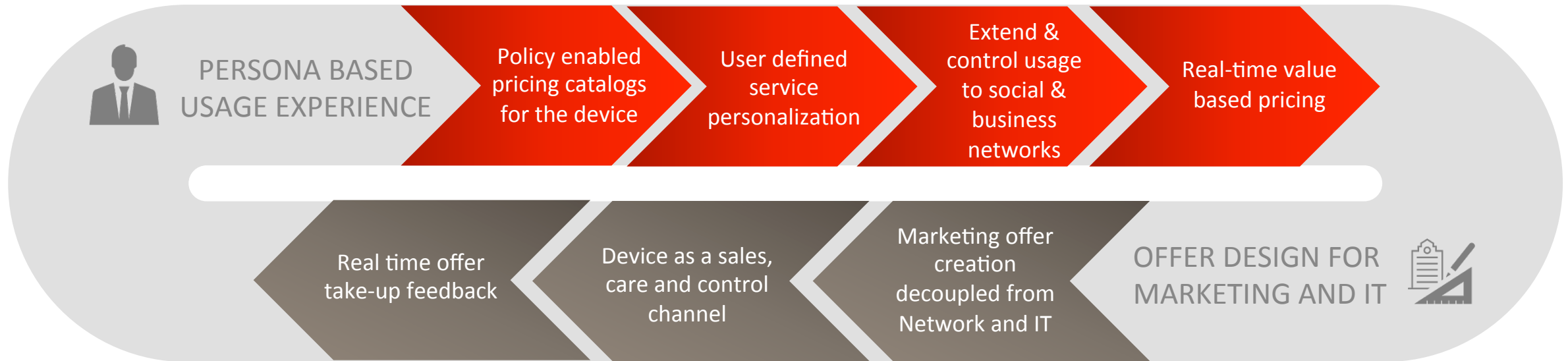
7,000,000,000 Markets and Counting

# A New Way Forward to Network Monetization

## Device as a Sales and Customer Care Channel



# Revolutionizing the Customer Engagement



Empowering the user to  
**Personalize, Control & Influence** their experience

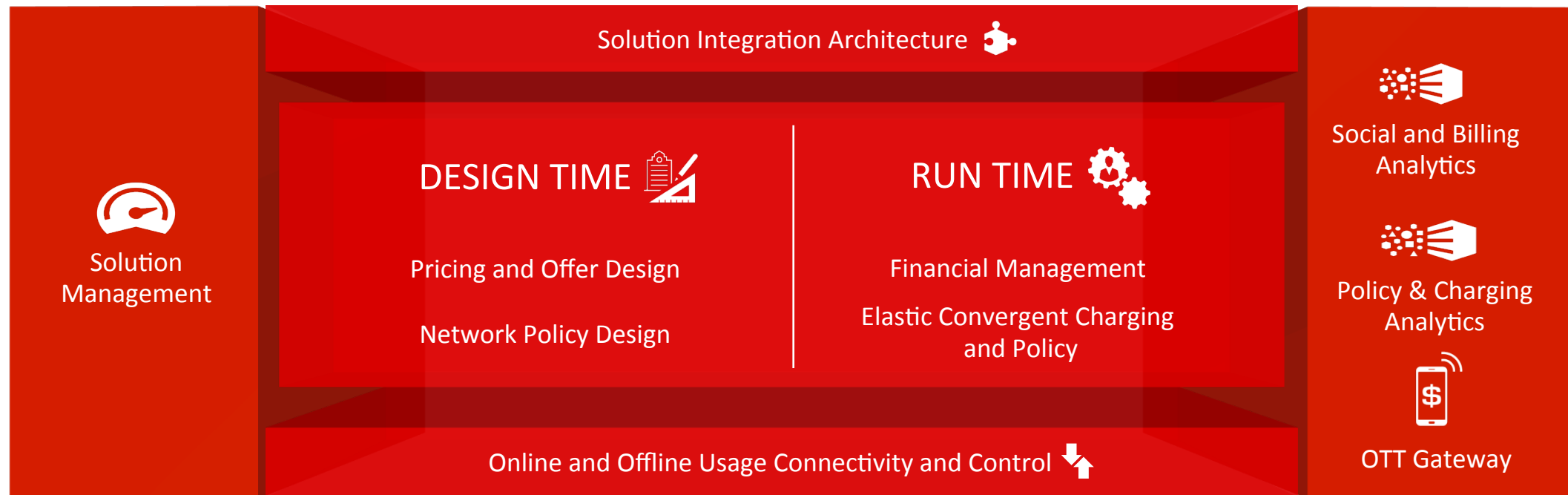


# Monetizing the Network

## Convergent Charging and Policy



Commercial Catalog | CRM | Order Management | Care | Unified Communications







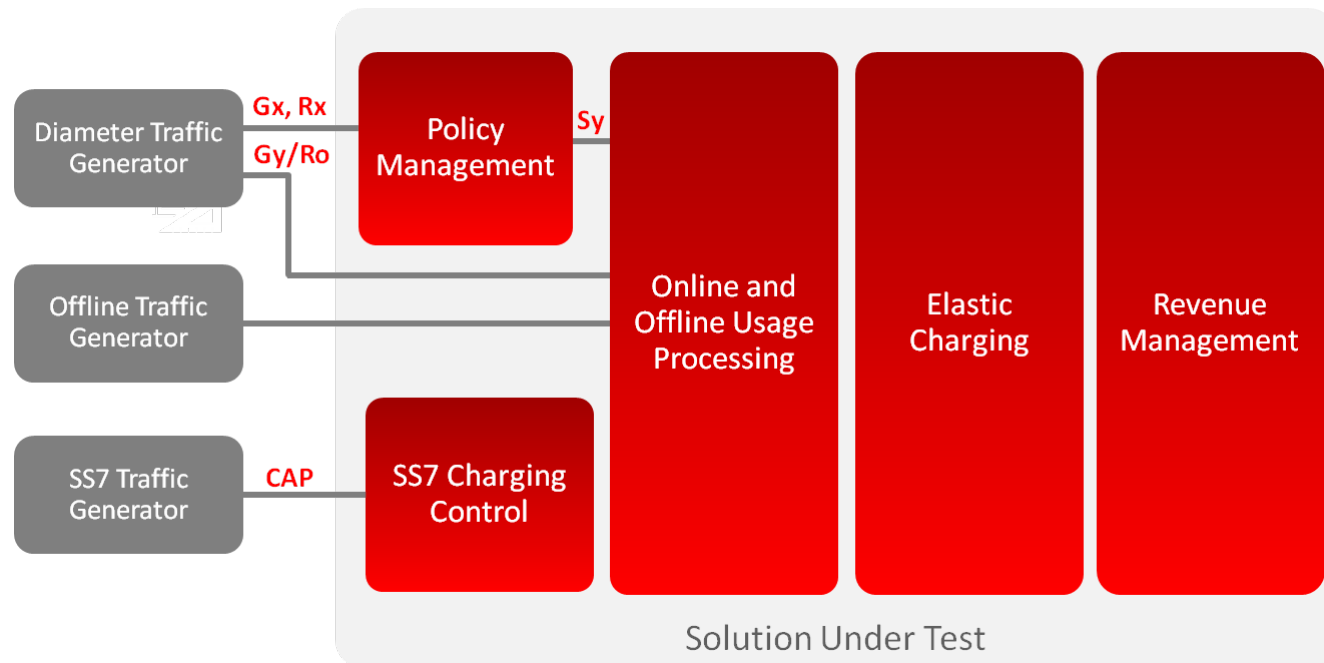
4G LTE | UMTS | Fixed Broadband | Cable | Telematics | XaaS | Enterprise



# Designed and Tested for High Performance Charging and Policy for VoLTE, Data, SS7 voice, Messaging

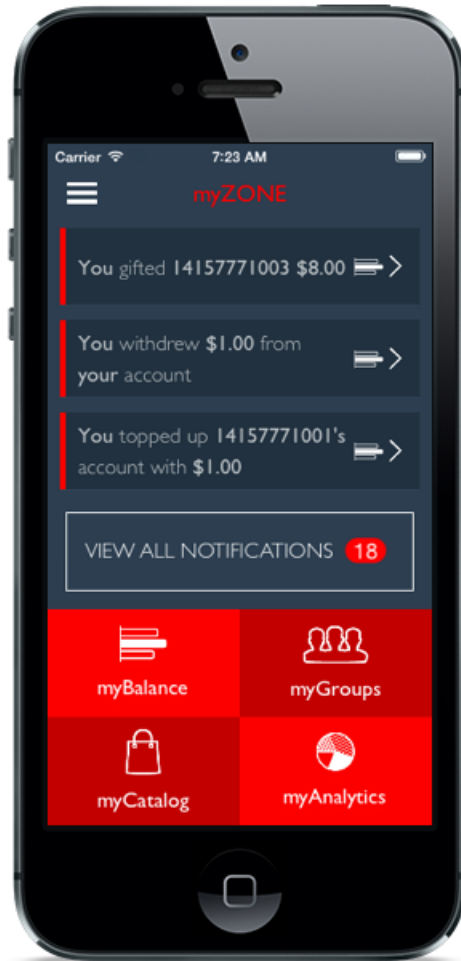
10 million subscribers, 10 ms average **end to end** data charging latency

-  High traffic profiles
-  Long data sessions
-  Group resource sharing
-  Full invoicing and billing

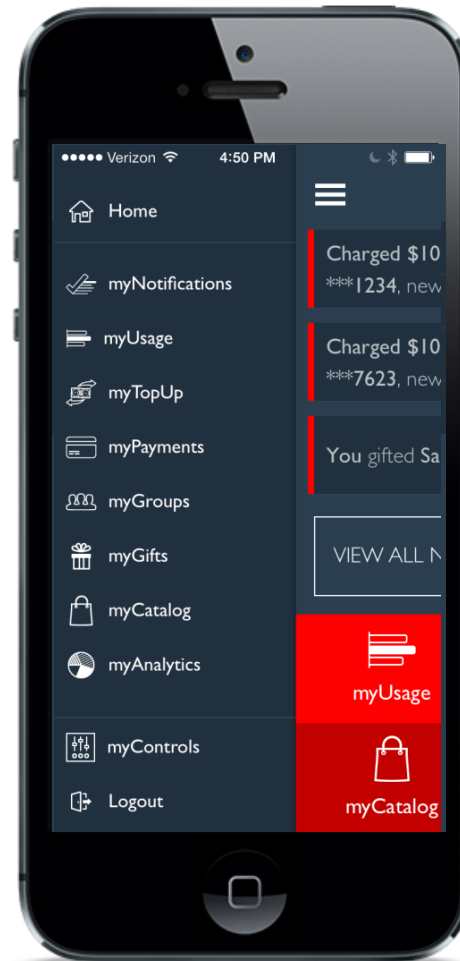


- Online and offline mediation, charging and revenue management in a half rack pair of Exalogic and Exadata
- PCRF virtualized on OVM
- Detailed benchmark report to be published

# Personalization and Control on the Device



Contextual Purchasing



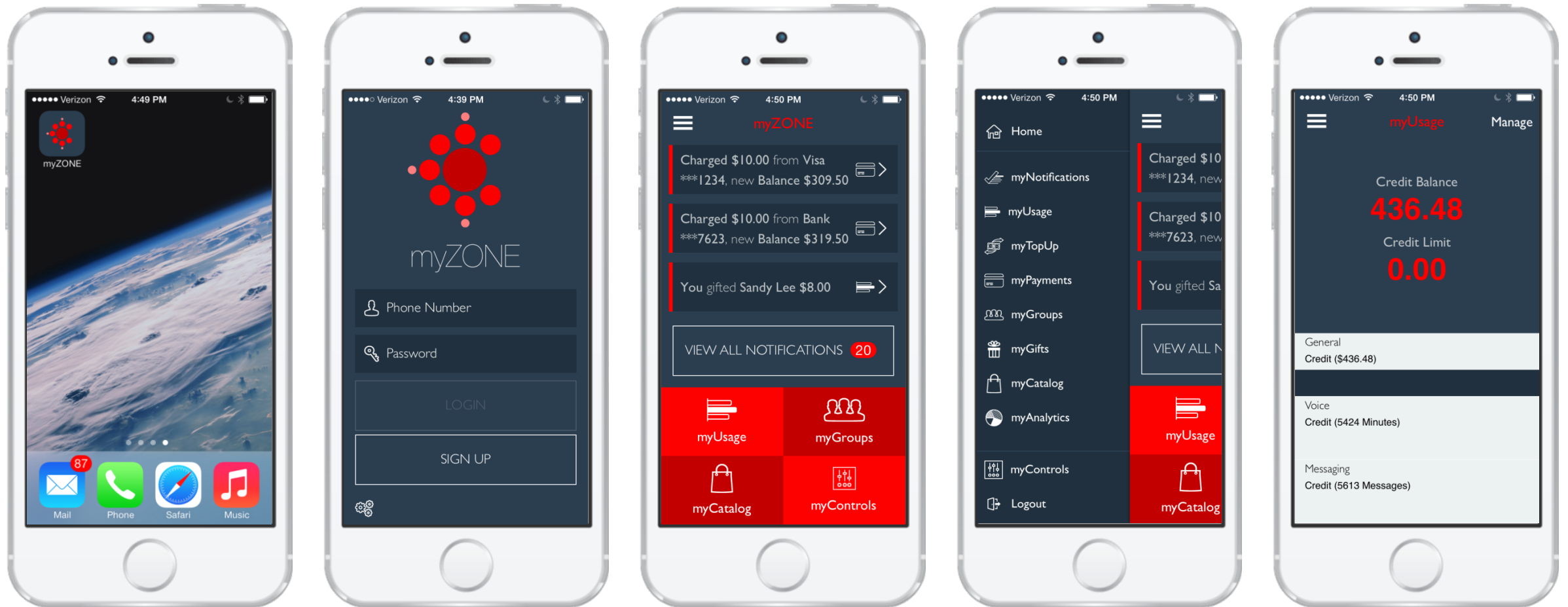
Interactivity and Control



Personal Insight



# myZONE for the iPhone



# Order & Revenue Lifecycle Management for Business Services

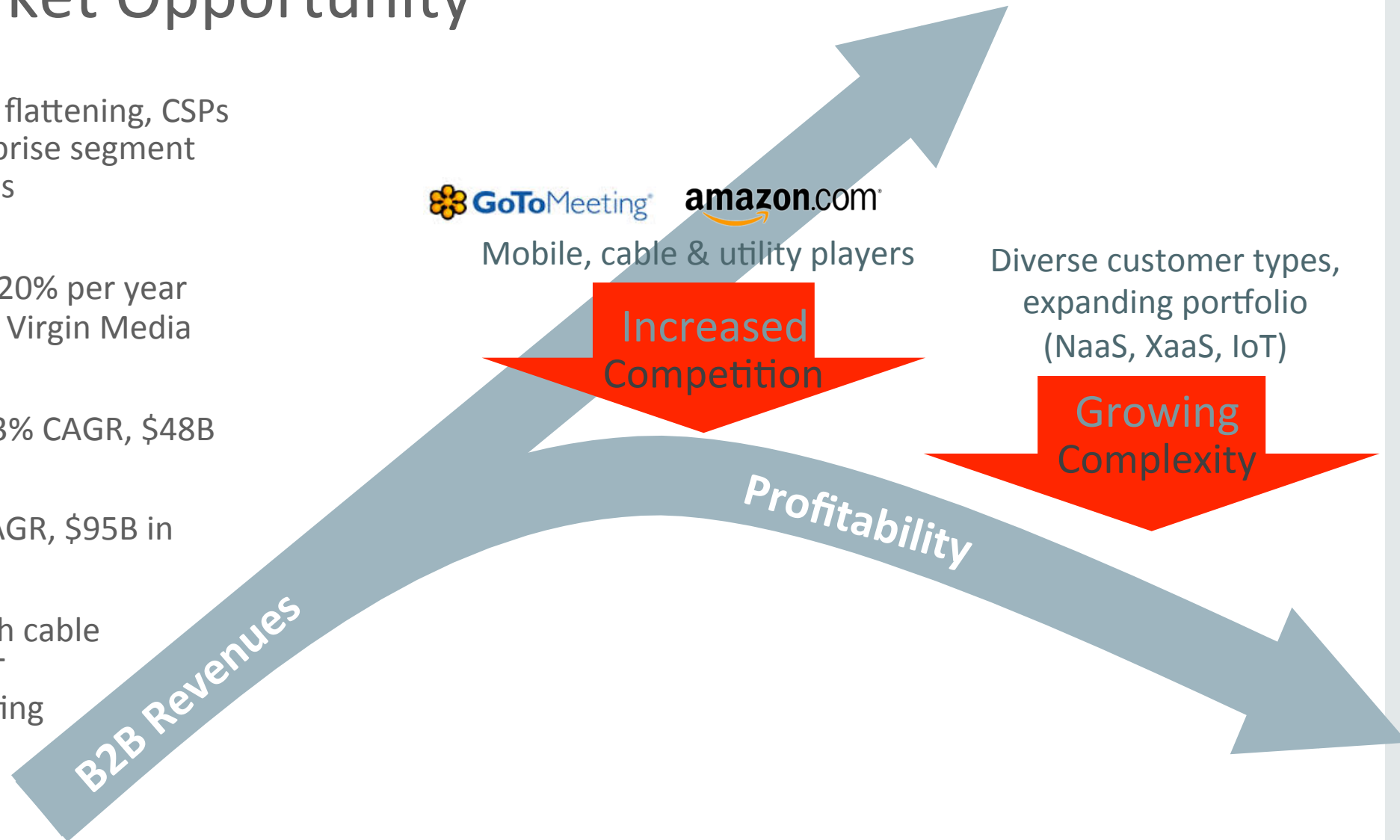
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John Mason  
Master Principal Sales Consultant

Communications Global Business Unit  
October 16, 2014

# Huge B2B Market Opportunity

- “With consumer revenues flattening, CSPs are focusing on the enterprise segment to accelerate their business growth.” (Frost & Sullivan)
- B2B revenues growing 10-20% per year (Charter Communications, Virgin Media Business)
- Carrier Ethernet growth 13% CAGR, \$48B market by 2016 (Ovum)
- Cloud SMB growth 28% CAGR, \$95B in 2015 (Parrallels)
- Increased competition with cable and mobile operators, OTT players aggressively targeting B2B segment



# The business services landscape is complex & varied!



## Operating Challenges

- Shrinking Margins
- Multiple IT Silos (Consumer, Enterprise, Cloud)
- Long Sales Cycles
- Long Lived Orders with ongoing updates
- Complex Error Prone Delivery
- Poor Customer Experience

# The Current Approach – Focus on the Front Office



Customer Care & Order Handling



Sales Force Automation



Training & Collaboration



Project Management



# But the back office is exposed!



## Sales



## Delivery



## Support

### Commonly Held Beliefs

- Sales must coordinate back office operations across quote, order capture & delivery
- Existing approach to creating bids and pricing is reasonably effective
- Business customers require custom, one off services
- B2B Service Delivery is too complex to automate
- Ad-hoc order revisions can only be addressed through manual workarounds
- Revenue can only be realized after order completion
- Billing and usage visibility is best provided through the Call Center

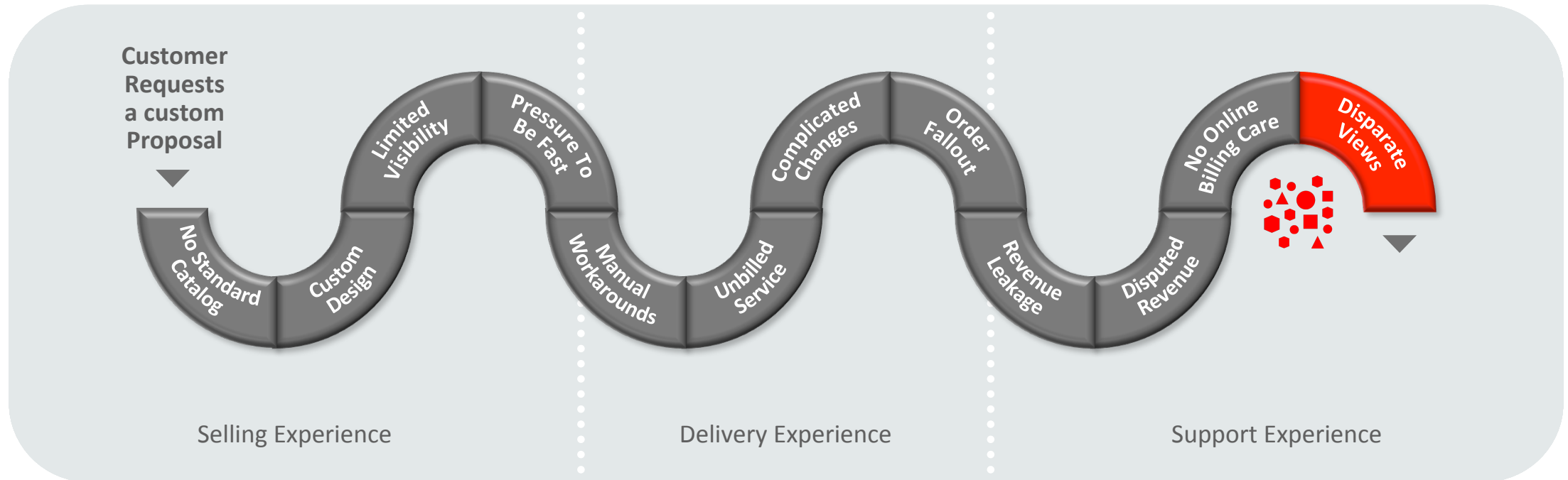


### Unrecognized Impact

- Lost Sales Productivity
- Uncompetitive & Unprofitable bids
- Elevated Costs and process complexity
- Lengthy, manual, error prone delivery
- Increased change cost & order fallout
- Revenue Loss
- High average call handling times



# Fulfilling B2B Services is Inefficient and Costly



Disparate views of customer and billing information results in long call handling times.



Sales



Net Ops

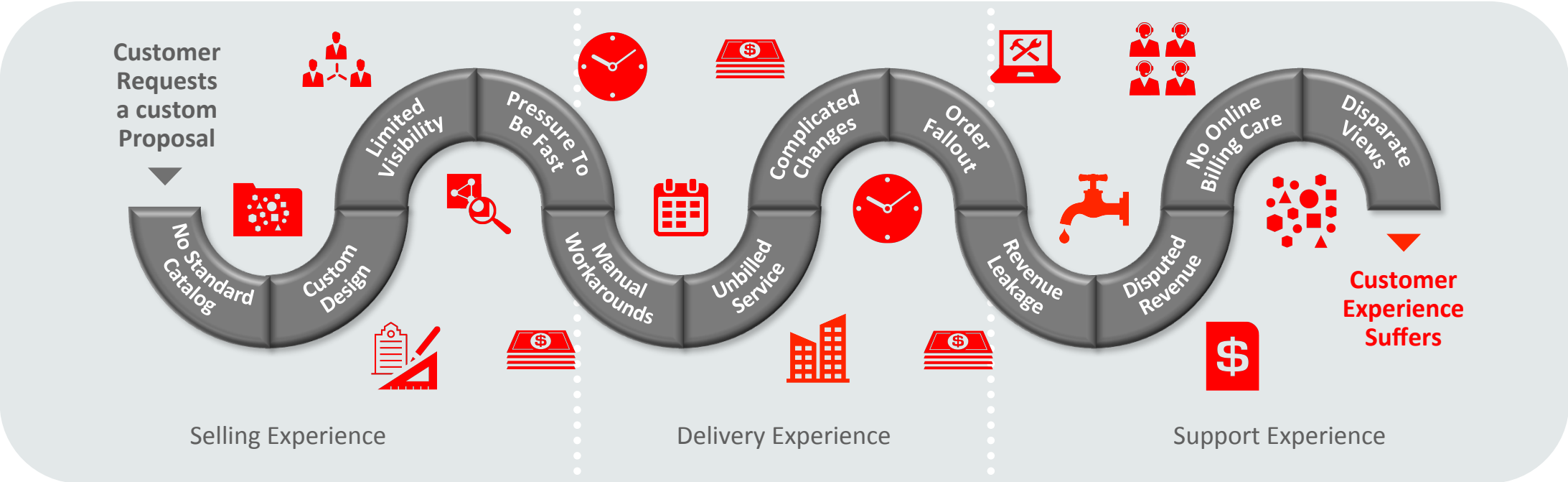


Finance



Support

# Fulfilling B2B Services is Inefficient and Costly



Sales



Net Ops



Finance



Support

# The real consequences are...

## Lost Sales Productivity

**50%**



Amount of time spent by sales reps following up on ongoing proposals for a Telco in Europe

**65000**



Number of network design variations offered by a Telco in Asia

## High Cost of Delivery

**95%**



Percentage of Orders captured and fulfilled manually for business clients

**60%**



Order fallout due to B2B process & product complexity

## Revenue Loss & Poor Experience

**\$4<sub>m</sub>**



Lost revenue due to disputed payments and incorrect billing for an EMEA operator

**42mins**



Average time taken by call center agents to deal with B2B customer requests

# Solving the challenge – The Way Out!

- Self service ordering by using a componentized product design
- Complex Quote & Proposal generation with productized TSQ
- Synchronized service design across IT systems for an optimized bill of materials

- Complete lifecycle visibility for sales, operations & customer service
- Productized order change & revision management
- Asset Based Ordering for Up-sell & cross-sell

- Optimized revenue realization through multi-phased billing
- Revenue recognition & analysis at any level of the corporate hierarchy
- Unified billing views across sales, customer service & self care

# The Old Way

- Network-centric service model
- Multiple B2B segment silos
- One-off, customized products hard-coded for differentiation
- Adhoc quote-to-cash processes
- Limited B2B self-care ordering and automation of MACDs
- Fragmented order status & billing views
- Manual processes
- High revenue leakage for large, complex orders/services

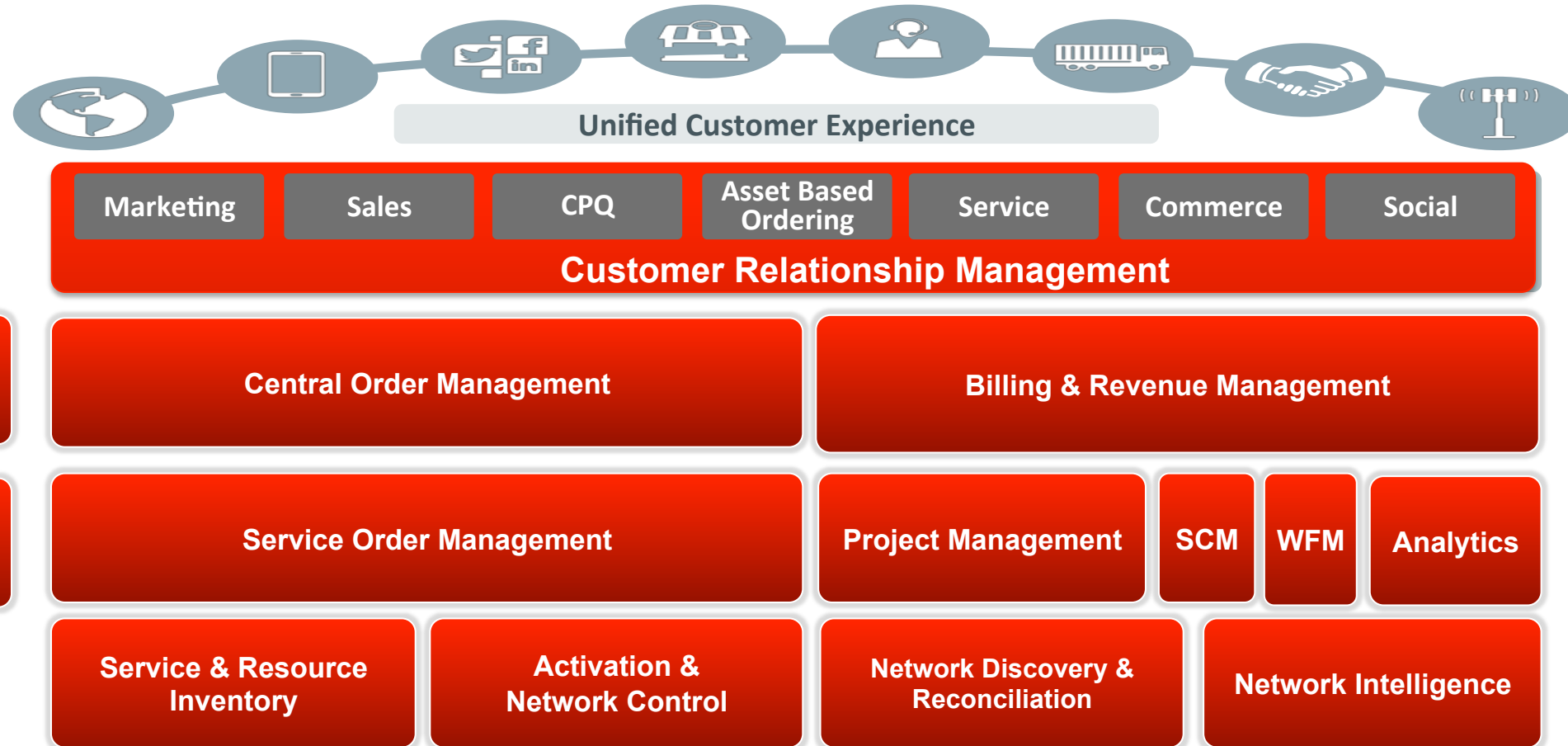
# The New Way

- Cloud-centric service model
- Standardized approach for all segments
- Products created through re-usable components with flexible feature variations
- Managed quote-to-cash lifecycle
- Asset-based ordering for self-care and MACD automation
- Holistic order status & billing views
- Automation for NaaS and scale
- Minimal revenue leakage with phased billing and data synchronization



# Oracle e2e Solution for Business Services

## Flexible Front Office Deployment Options



# Order and Revenue Lifecycle Management Solution

## Process Enablers for Business Services

### Concept to Launch

- Flexible, componentized product model
- Unified service design across network, IT and partner services
- Decoupling of commercial products from technical implementation
- Flexible pricing/discounting options for evolving XaaS offers



### Quote to Order

- Self-service ordering for NaaS and XaaS bundles
- MACD asset-based ordering for network, IT and partner bundles
- Integrated quote-to-order process with complete SFA, CPQ and order management solution
- Flexible fulfillment modes for more automated and accurate bid feasibility, cost and delivery time assessments



### Order to Activate

- Decomposition and orchestration execution of large, complex orders
- In-flight change management processing of revisions and compensation plans
- Advanced order management logic including: future-dated and follow-on orders; suspend, resume, cancellations and rollbacks; fall-out management
- Workstreams and intelligent order entry for enriching more complex order requirements
- Project management coordination



### Revenue Management & Customer Service

- E2e order status visibility for complex orders across all channels
- Real-time view of billing, customer and collection information in CRM and Service Cloud
- Complex account hierarchy billing and settlements
- Reduced revenue leakage and billing disputes with
  - Data synchronization between IT systems
  - Integrated multi-phase fulfillment
- G/L integration



# Key Solution Value – Rapid Assembly & Delivery of Differentiated Services Using Componentized Product Design

Rapid Assembly & Delivery of 'Custom' B2B services

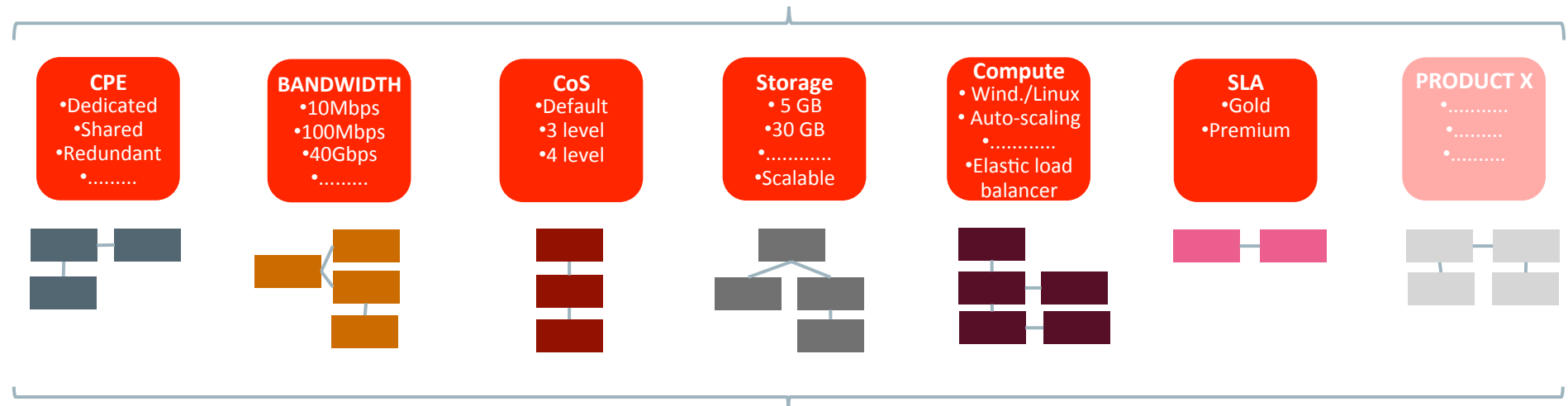
- Synchronized Offer Design
- Dynamic Decomposition & Orchestration
- Commercial Products decoupled from technical implementation

Standardized Product Components

- Flexible Feature Variations
- Re-usable Fulfillment Patterns



**PRODUCT COMPONENTIZATION ENABLES EFFICIENT DIFFERENTIATION ACROSS DIVERSE SEGMENTS**

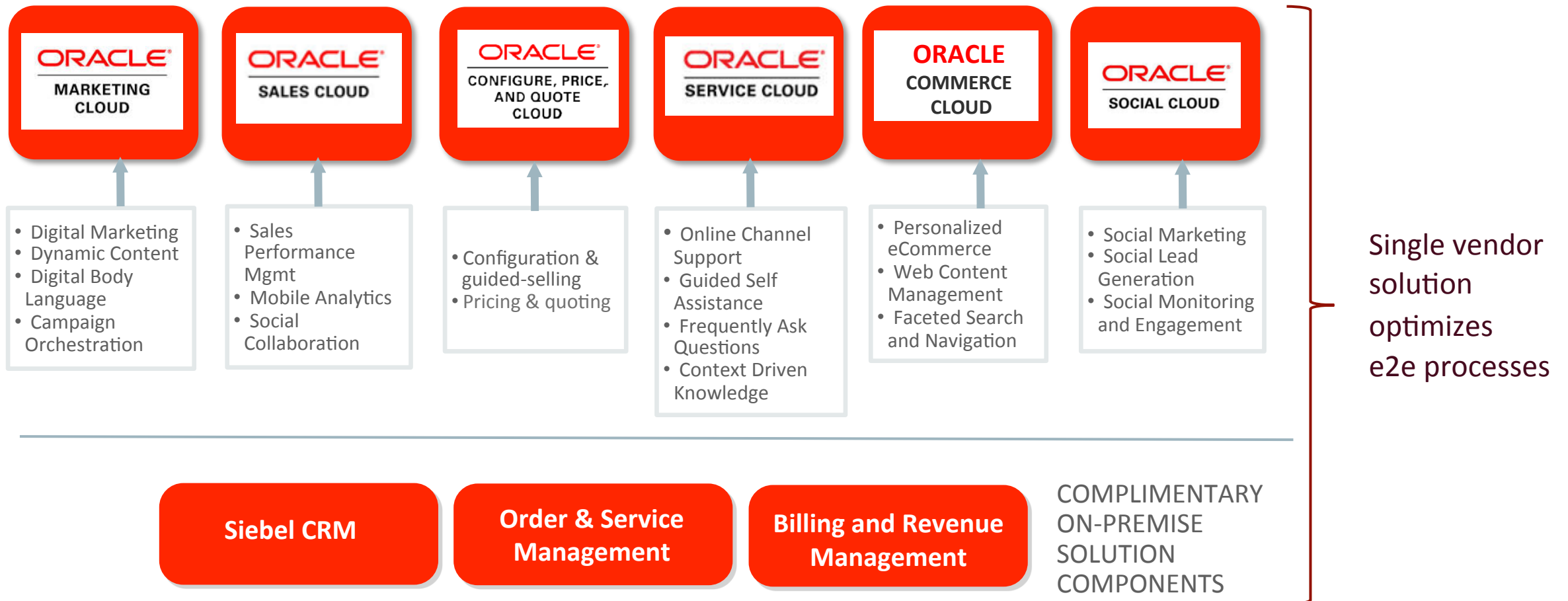


**PRODUCT COMPONENTIZATION DRIVES PROCESS SIMPLIFICATION AND OPTIMIZATION**



# Flexible Deployment Options

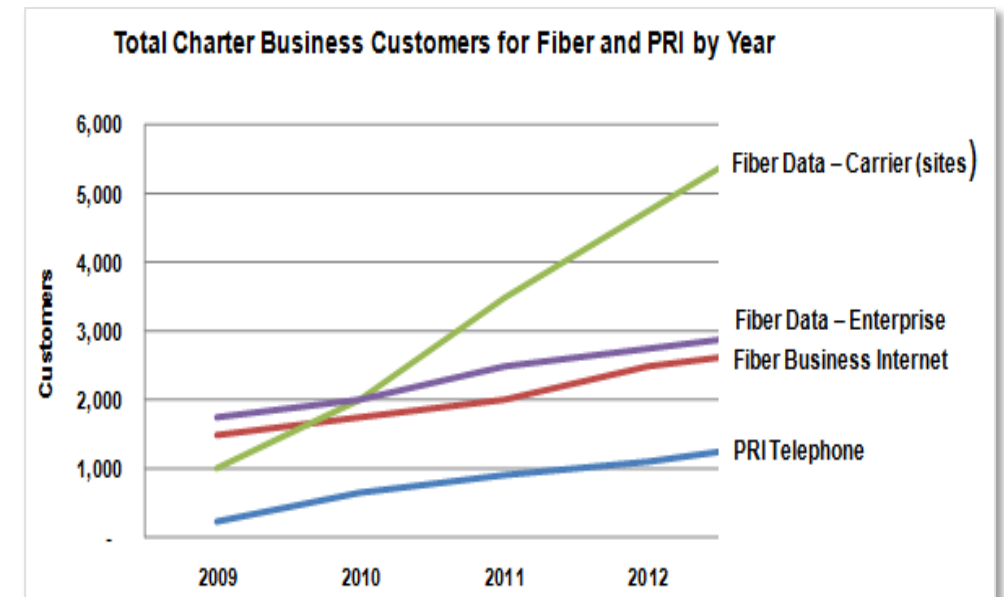
Modular Cloud Solutions, Complementary On-Premise Back Office Solution



# Charter Communications IT Transformation Required to Capitalize on B2B Opportunity



- 4<sup>th</sup> largest cable operator in US, B2B revenues growing 20% annually (\$8.5B opportunity)
- Key challenges
  - Manual processes can't scale to support growth
  - Inflexible billing and provisioning systems can't support medium/large enterprise and wholesale requirements
  - Limited self-care & bundling for enterprise services
  - High OPEX and IT costs
- Require next-gen IT architecture to modernize operations, deliver superior customer experience
- Leverage industry best practices with TM Forum Frameworx certified solution





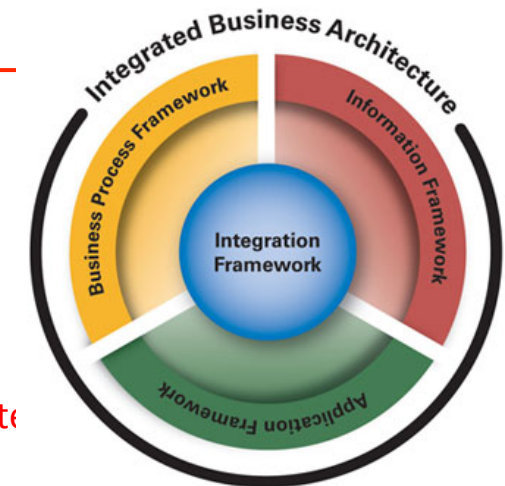
# Charter Communications – Pre-Integrated Platform Enables Scalability and Carrier-Grade Service Delivery



- Live on Siebel, OSM, BRM for carrier fiber/call backhaul supporting 159 customers
- Phased implementation
  - Few services at a time (Carrier fiber/cell backhaul → residential multi-play provisioning → PRI, B2B voice)
  - Roll-in additional components over time → Oracle Real-Time Scheduler → UIM for → IPSA

- ✓ Flow-through processes between CRM, billing and order management
- ✓ Standardized tools and processes across groups
- ✓ Full order visibility for complex orders, more accurate commitments to customers
- ✓ Data integrity reducing revenue leakage
- ✓ More cost-effective to introduce new products faster through re-use of existing fulfillment paths

tmforum Frameworx



# Oracle Customer Successes

## Optimized Quote-to-Order-to-Cash Processes for B2B



- Flow-Through Processes Delivers Significant KPI Improvements for Carrier Ethernet, IP VPN Services



- Integrated Platform and Productized Best Practices Enables Mobile Operator Launching B2B Fixed Services to Leapfrog Incumbents



- Componentized Approach for Network and IT Services Optimizes Quote-to-Cash Processes and Efficiently Enables Custom Bundles



- Pre-Integrated CRM, Billing and Order Management Solution Enables Scalability and Carrier-Grade Service Delivery



- Self-Care Ordering Showing Commercial Impact for Real-time CoS and Bandwidth Service Updates for iVPN



# Enterprise Private Networks

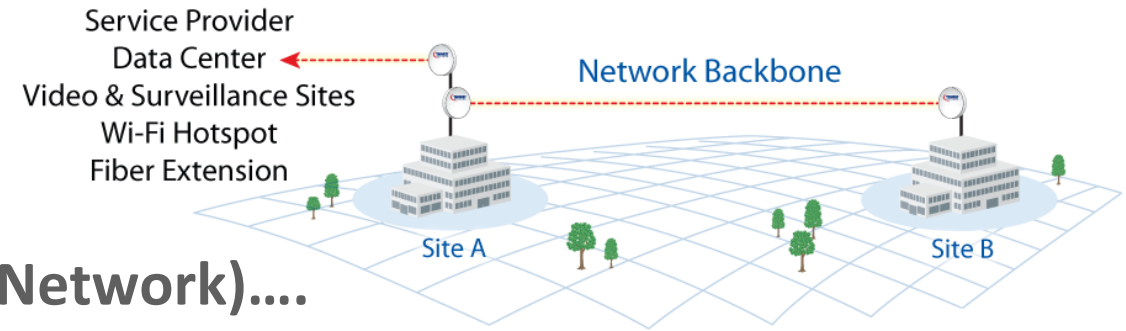
## Oracle Industry Day for Business Partners

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# Are you a Network Provider?

## Some indicators - IT (and the Enterprise Private Network)....



Support distributed assets across multiple locations/BUs/xLOBs

Support mobile workforce

Support high-speed connectivity, rich content, unified communications .

Support critical apps & services on the network ex VOIP, IP-VPNs, data centers...

Support diverse multi-vendor network technology and equipment

Support network policy and quality rules

Support orchestration for network configuration & service fulfillment

Support corporate business processes, ITIL requirements

Support growth & contraction with minimal manual intervention/ repetitive effort

Operate with high levels of reliability & scalability





# Networks critical to Business Success

## Not just for Communication Service Providers

### Utilities



SOUTHERN CALIFORNIA  
EDISON



### Public Sector



شركة الإستثمارات الرائدة  
Rayadah Investment Company

### Financial Services

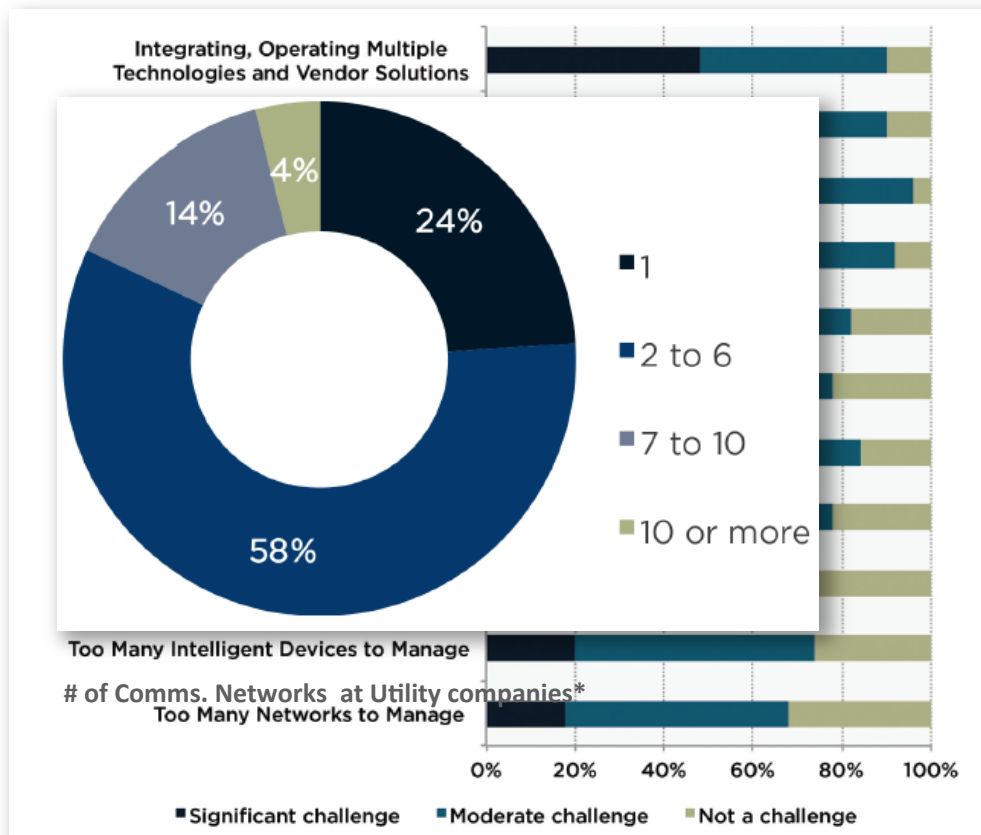


# COMING SOON



# Utilities Landscape

Renewables exacerbate aging , complex network challenges



Top Communication Networks Concerns for Utilities

- **Between 2011 and 2012**, the **profit pool** in this [conventional generation] segment **fell by nearly 10%**,” reports Eurelectric, “from an aggregate EBIT [earnings before interest and taxes] of €62 billion to €55 billion, and it may fall to less than €50 billion in 2020.”
- Between 2010 and 2015 the International Energy Agency estimates total EU **energy demand** is **expected to decline by 2 per cent compared with a 10 per cent rise globally** over the same period.

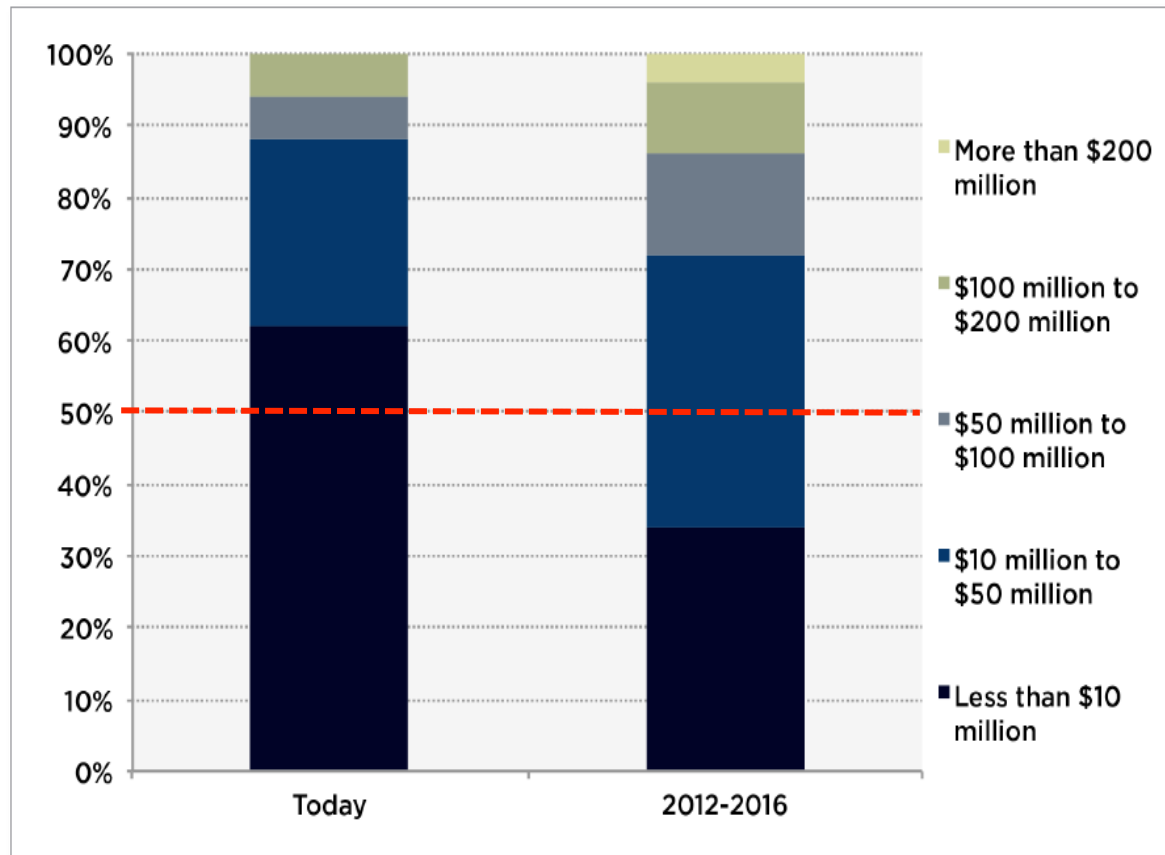
\* GTM Research

# Utilities Opportunity

**Investments** drive Profitability thru Efficiency & New Business Models



**73%**  
see big scope for  
improvement  
in asset performance  
management.



- **38%** of utilities plan to spend **\$10 million to \$50 million** over the next five years
- **14%** are planning **\$50 million to \$100 million**
- **10%** plan to spend **\$100 million to \$200 million**
- **4%** of utilities expect to spend more than **\$200 million**

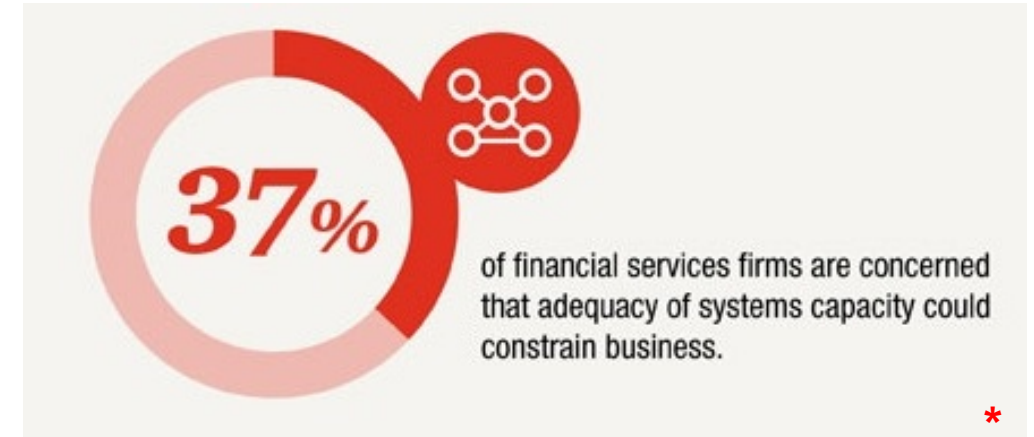
\* GTM Research

# Banking & Financial Services Landscape

Improving economy only adds to CIO's challenges



Business volumes improved during the three months to June 2014.



50%  
of CIOs say business users pull in technology without consideration for IT standards & architecture #

\* Price Waterhouse Coopers  
# CIO Insight



# Banking & Financial Services Opportunity

Balancing innovation investments, providing customer value, placating regulators

As the recovery beds down, priorities are shifting.

## Financial Services



85%

of financial services firms are investing to increase efficiency/speed, and

47%

of financial services firms have said that they would invest to acquire new customers.

- Overall **IT Spend** in financial services will exceed **\$430 Billion** in **2014** and will exceed \$0.5 Trillion by 2020;

- Core transformation projects will create opportunities for **banks to out-innovate their peers**

- Modernization and improvement initiatives** will succeed as they leverage the trio of **technology**, **people**, and **processes**, as they **elevate** the importance of the **IT Organization**.

\* Price Waterhouse Coopers  
# CIO Insight

# Networks Matters, Quite a Bit!

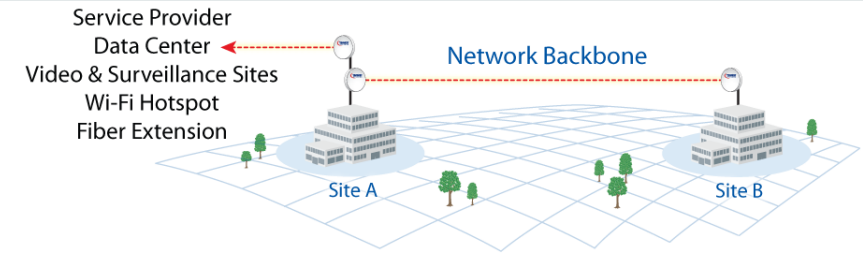
# 80%

of outages through 2015 impacting mission critical services will be caused by people and process issues.

# 3.6%

# Annual revenue loss

due to network outages and degradation



## CIOs Need Better Tools to Meet Expectations

### What's Needed to Achieve Operational Excellence

Better measurement and analysis tools: **40%**

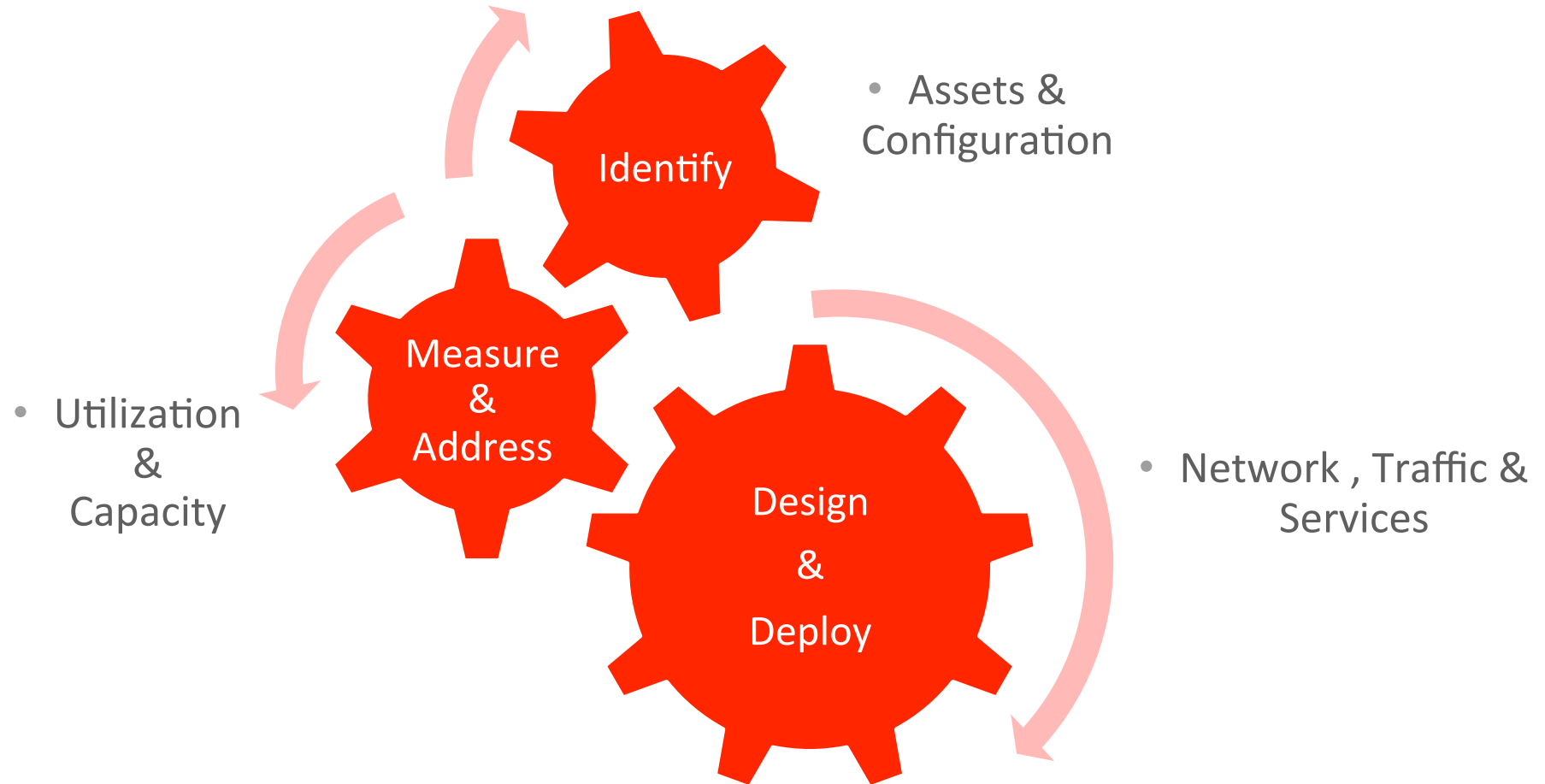
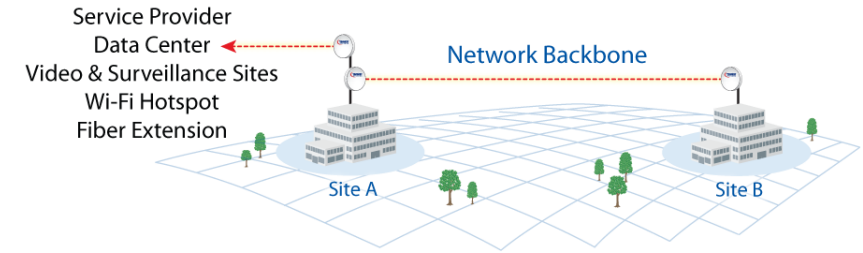
Tools to detect cross-domain IT configuration issues: **22%**

Tools to enforce IT best practices: **19%**

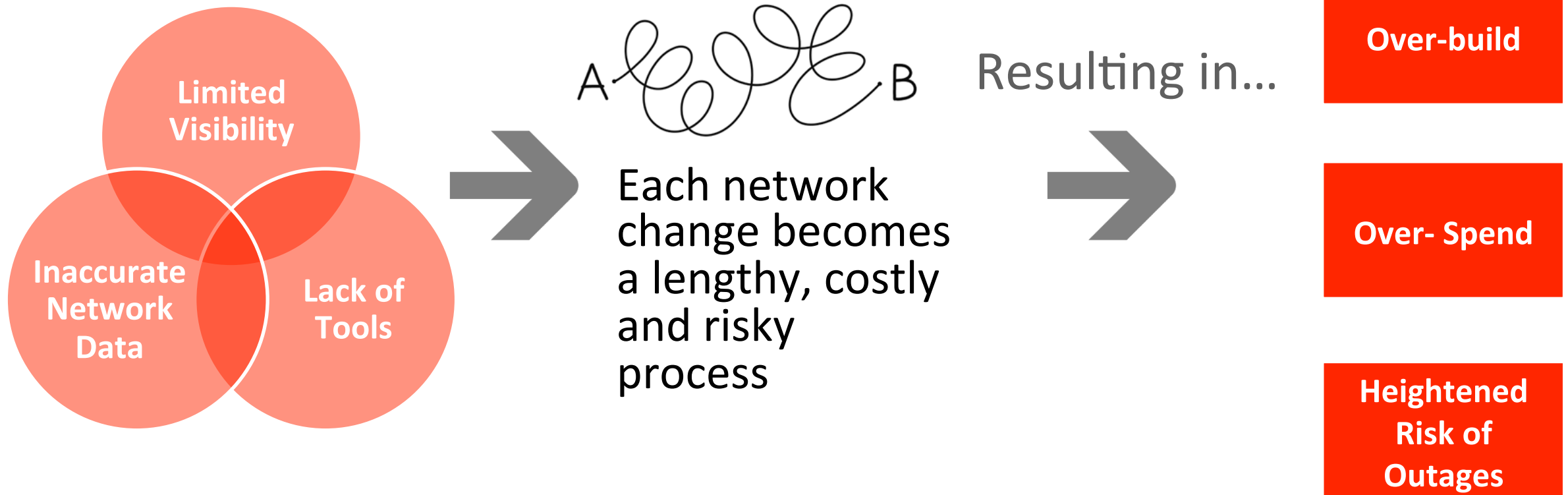
**CIO INSIGHT**



# Could you share what you do today?



# In Reality, You Are Constrained By Multiple Operational Factors ...



# This Increases your Network Costs and Risk

## Over-build



**200%**

TCO Over 5 years = Initial CAPEX + OPEX

## Over- Spend



**18%**

Of T1 leased lines are billed but unrecognized and unproductive

## Heightened Risk of Outages



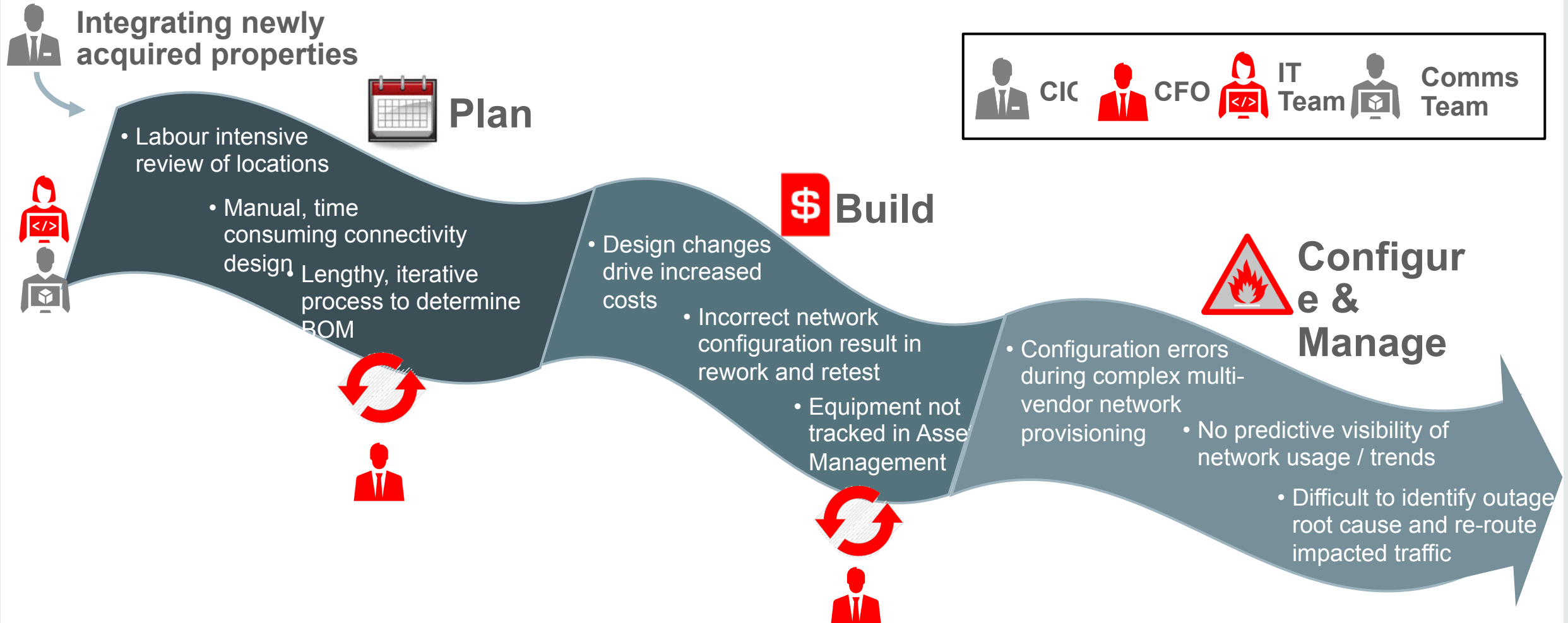
Of enterprises take a reactive approach to network problem solving

**\$6M**

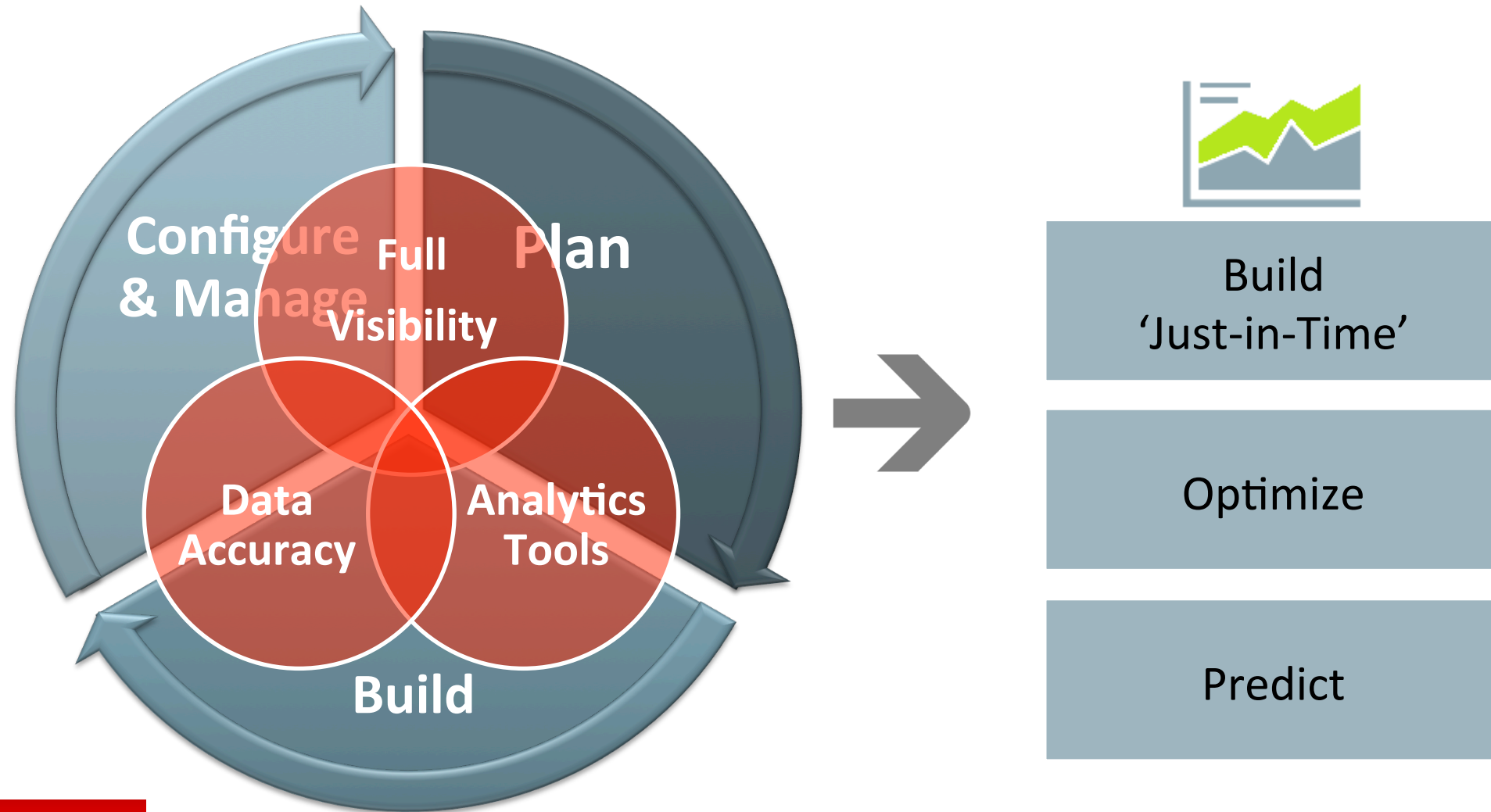


- Average large enterprise experiences 87 hrs of network downtime a year.
- The cost of downtime is from \$1 million to \$6 million per hour for online brokerage firm

# Changing The Network Is A Lengthy, Costly and Risky Process



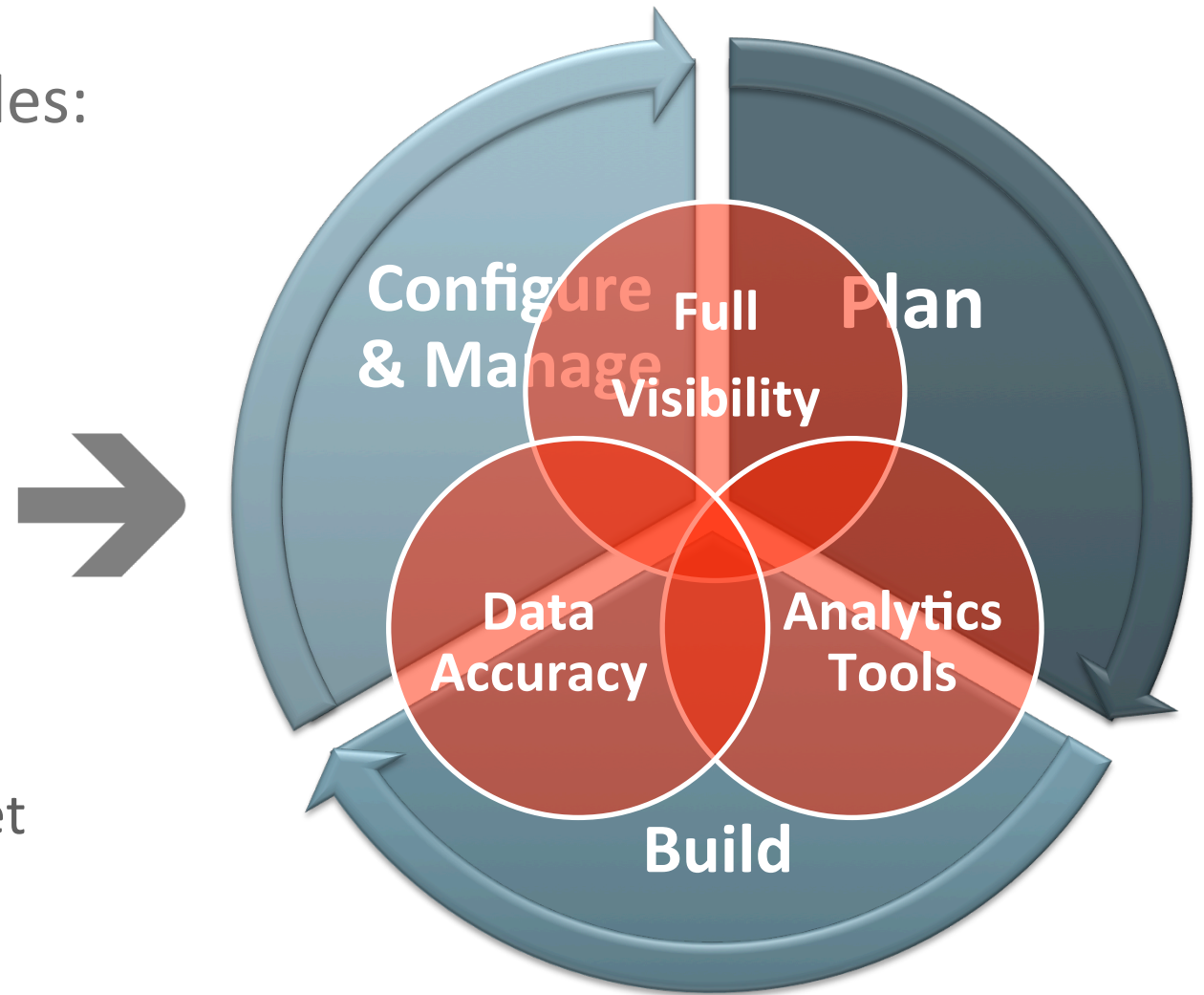
# Key Solution Requirements to Enable a New Approach



# Oracle Communications Solutions for Enterprise Private Network

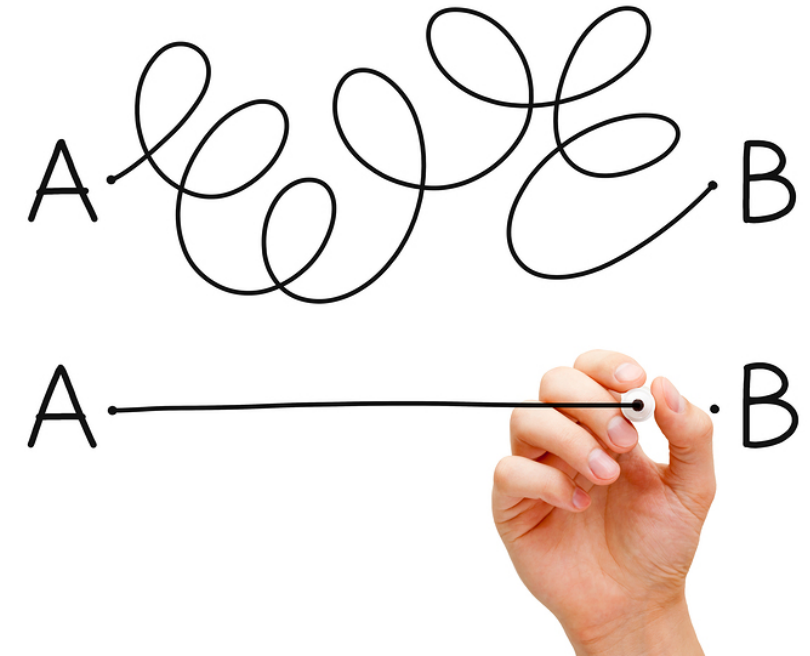
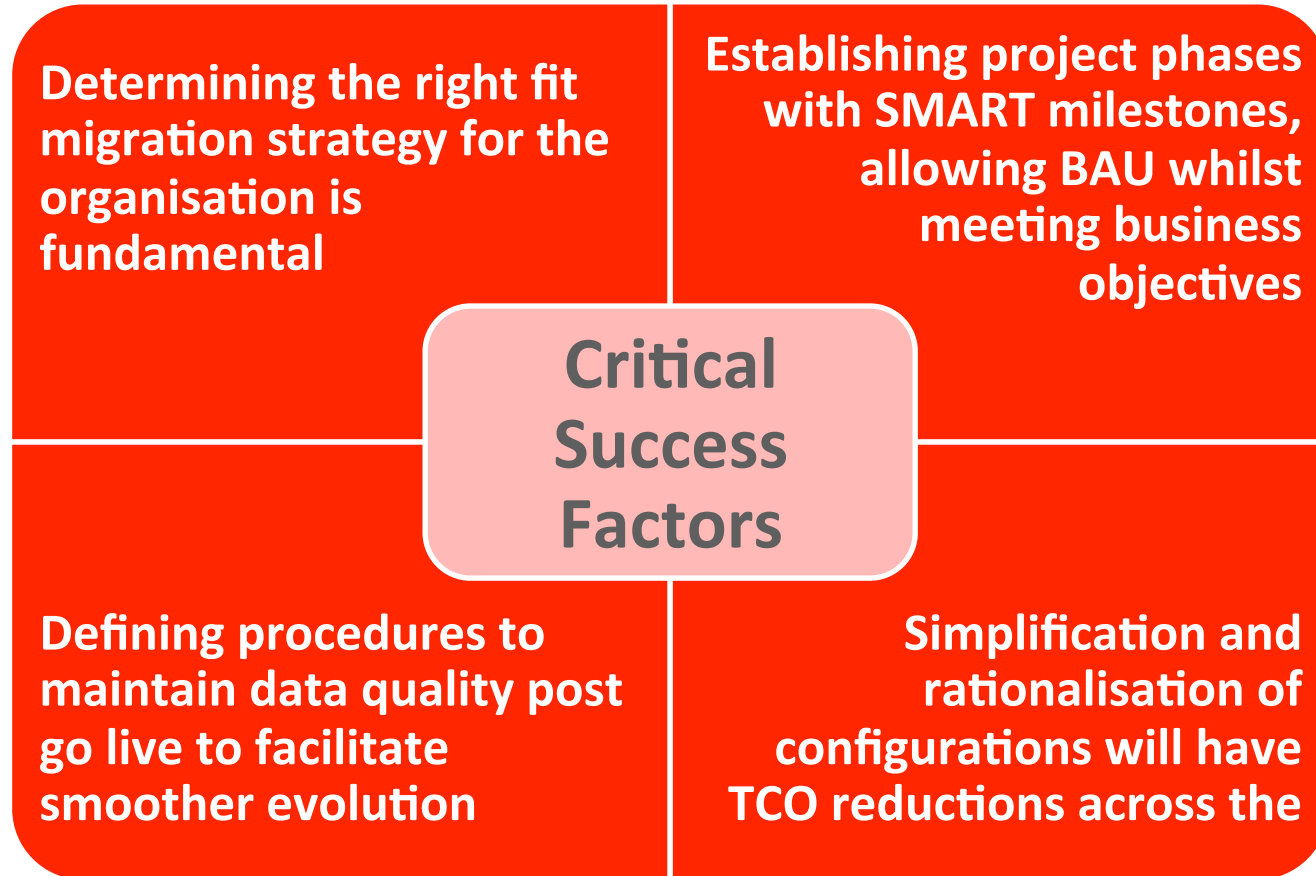
A pre-integrated solution that provides:

- Network data accuracy
- End-to-end visibility of network configuration
- 'Just in Time' network plan and build
- Predictive capacity management
- Automating network configuration and maintenance
- Integration with ERP for full network asset lifecycle management





# Our Experience Shows...



## Summary

- Simplification is key to realising benefits.
- We must tailor the language we speak to suit the industry that we are targeting.

# Our Solution – Customer Highlights

## Public Sector



The US Army is facing the same pressures as commercial telecommunication service providers to efficiently and cost-effectively manage increasingly complex communication networks

## Utilities



Created a new Telco business unit to generate new revenue from enterprise services and other CSPs

Managing their backbone network to support utilities

## Financial Services



Increased network visibility and utilization.

Implemented an integrated provisioning solution to grow the business line over 50% annually and take market share from its key competitors

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