

Innovation Services

Smoothing the way for your long-term
growth and success

Overview



WHAT'S IT ALL ABOUT?

Increasing competition and higher end-user expectations with regard to quality-of-service (QoS) and innovation are the current market challenges facing operators in the more mature telecommunications markets. While experiencing cost pressures, they need to identify new ways of real differentiation and unique value proposition. In today's sophisticated markets, the operators' business paradigm is shifting towards a higher degree of specialization.

While complexity is ever-increasing, time-to-market considerations with regard to network roll-out and new service launches are of crucial importance, too. Access to the right skills is therefore mission-critical.

The recently experienced disaggregation of the traditional, integrated telecommunications operator's vertical value chain and the shift towards open interfaces enables the creation of new vertical partnerships, such as out-tasking, outsourcing and managed services, as well as horizontal alliances between operators (e.g. network sharing).

OUR APPROACH

Our innovation services target those industry challenges with the highest degree of uncertainty, but also the highest potential leverage for future growth and long-term business success:

- Business Development – Growth and Transformation
- Mobile Virtual Network Operator (MVNO) and Mobile Virtual Network Enabler (MVNE) Business Models

- Value Added Services (VAS)
- Financial Modelling and Financial Engineering
- Technology Appraisal and Roadmapping
- Network Planning and Migration
- Network Infrastructure Sharing

In our business development consultancy, we depart from strategic considerations, such as the impacts on the current business model, the degree of vertical integration, the relationships between operator and external parties, and we then continue by developing a set of options for our clients, as well as modelling the economic and technical impacts of each of them. Our detailed risk analysis recommends proper courses of threat-mitigating action.

We continuously observe and understand the telecommunications market trends and help our clients in using this insight to their best advantage. We evaluate new business concepts to pinpoint their opportunities and threats and test our assessment against news from early adopters in the marketplace.

New business models, such as the Mobile Virtual Network Operator (MVNO) concept, but also network infrastructure sharing approaches, aim at reducing the necessary investment and allowing the operator to focus on the really critical success factors – strategic and market issues, service innovation – rather than on the basic provision of coverage and capacity. On the other side of the coin, dependency on external parties increases, thus necessitating complex contractual agreements and governance models.

Technology has become so complex, and the decisions related to it so crucial to the long-term success of our

clients, that we put a lot of effort into monitoring and evaluating upcoming new technologies and assisting our clients in establishing long-term roadmaps that ensure consistent, future-proof technology refresh and investment protection on the one hand, and value migration on the other hand.

- **Business Development – Growth and Transformation:**

Business development services support the client in finding new, innovative ways of doing business: growing into new product and services markets by using the latest available technologies, and transforming themselves by adopting new business models, embracing new partnerships and repositioning themselves along the telecommunications value chain.

- **Mobile Virtual Network Operator (MVNO) and Mobile Virtual Network Enabler (MVNE) Business Models:**

MVNO business models allow operators to enter the market with limited investment and without needing a spectrum licence and a lengthy radio network roll-out, thus enabling them to aggressively focus on end-user service development and content, branding, marketing and sales, while not having to deal with many network and network operations topics directed at basic coverage and capacity provision. We advise our clients on the strategic, technical and commercial implications of the MVNO business model and support them in negotiating fair terms and conditions with a host mobile network operator (host MNO). With respect to suppliers, we provide advice on how to successfully implement MVNE business models.

- **Value Added Services (VAS):**

Short time-to-market for new service launches appears to be an essential factor in securing competitiveness. Against this background, the choice of a suitable service delivery platform is business critical. Our Value Added Services (VAS) consultancy covers such strategies and platforms. Individual assignments typically include specific end-user services, e.g. mobile payment.

- **Financial Modelling and Financial Engineering:**

Modelling the financial impacts is ordinarily part of considering innovation projects. We therefore see the finance practice as an integral contributor to most innovation services.

- **Technology Appraisal and Roadmapping:**

We support operators, suppliers and regulators in evaluating new technologies and defining long-term roadmaps while the innovations are still in the development stage, in order to help our clients stay way ahead of the competition and make well-informed decisions when it comes to technology migration.

- **Network Planning and Migration:**

We can compile indicative – or budgetary – network roll-out and migration plans for our clients to support medium-term business planning and investment budgeting, using our network dimensioning know-how and our insights into infrastructure equipment pricing.

- **Network Infrastructure Sharing:**

We take into account new ways of sharing network infrastructure between operators. Passive and active radio access network sharing and core network sharing are new paradigms extending the idea of shared process delivery platforms to the underlying physical assets and posing new challenges of technical implementation, regulatory constraints and contractual arrangements between the participating operators. We are able to help our clients identify suitable technical solutions, strategic and economic impacts, as well as sustainable contractual agreements and governance models with the external parties.

CLIENT BENEFITS

Operators, suppliers and regulators benefit from better insight into the opportunities and threats arising from new technologies.

They receive decision support on whether, when and how to ideally migrate to new business models and embrace new technologies.

We are implementation-oriented and provide detailed, hands-on advice on all strategic, technological, operational, commercial, contractual and financial aspects of recent innovations, such as MVNO, MVNE, VAS service delivery platforms and network infrastructure sharing.

OUR SERVICES

We offer a broad range of advisory services, as presented in our portfolio matrix. We position our individual solutions alongside services practices and service clusters.

	Strategy and Marketing	Corporate Finance and M&A	Operations and Technology Management
Transaction Services	Strategic Investment Management · Feasibility Study Strategic Due Diligence · Management Assessment Licensing and Regulatory Affairs	Commercial and Financial Due Diligence · Business Plan Analysis and Benchmarking · Asset Valuation Investor Business Plan Development Bankable Business Plan Negotiation · Project Finance	Network Infrastructure and Operations Due Diligence Roll Out Plan Review and Benchmarking Operations Plan Review and Benchmarking
Optimization Services	Going-to-Market Strategy · Segmentation · Target Marketing · Product · Pricing · Promotion · Sales Channels · Customer Care Organization Development Partner Selection and Sourcing	Financial Performance Measurement and Benchmarking Forecasting and Budgeting Service and Process Costing	Network and Process Performance Measurement and Benchmarking Business Process Reengineering · Process Audit and Improvement Shared Delivery · Regionalization and Centralization · Outsourcing and Managed Services
Innovation Services	Business Development · Growth and Transformation Mobile Virtual Network Operator · Mobile Virtual Network Enabler Value Added Services	Financial Modelling and Financial Engineering	Technology Appraisal and Roadmapping Network Planning and Migration Network Infrastructure Sharing



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