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Reimagining telecom industry pt.5 - Growth with Nik Willetts, TM Forum

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[00:00:00] We start then a lot. Uh, you say a lot of not recording in a podcast, I must say, you know, that the idea of a podcast is that we actually record it. Is that a threat? Esmee? I mean, that's, no, just we start, let's start. Um, we usually like to have Esmee open up this by putting our guests on the back foot.

Welcome to Cloud Realities, an original podcast from Capgemini. And this week, the final part of our telecoms miniseries, and we are gonna look at growth in the industry. I'm Dave Chapman, I'm Esmee van de Giessen and I'm Rob Kernahan.

And I'm delighted to see that joining us as normal for these miniseries episodes is Praveen Shankar. Praveen. How you doing? You well. Awesome mate. Good to see you. Good to see you. [00:01:00] And joining us for a conversation on growth, I'm delighted to say, is Nik Willetts, who's the chief exec of the TM Forum. Nik, how are you today?

I. I'm really well, thanks Dave. Great to see you. Great to see you too. And I'm very glad you could join us. Uh, Rob, Esmee how are you guys? You good? Oh, continuing to live the dream, David. It's sad though 'cause we're coming to the end of the miniseries. It's been a fun miniseries. It's taken us to interesting places.

We've had great discussion and now it's a bit like good one to end on, obviously with the big, the biggest challenge that telcos face. But yeah, still a sort of bittersweet moment. It is, it's sleeping us to be quite curious, right? Where, where, you know, for the coming months, um, where's it gonna take us?

Well, well for me the miniseries has been interesting. Yes. It's been focused on very deeply on one specific vertical. But there's read across challenges, right? Oh yeah. Hmm. You know, the, the, the issues like dealing with legacy, dealing with growth in a changing world, dealing with regulation. These are not unique to the sector, but they [00:02:00] are specifically deep in the sector.

Hmm. Yeah. I think it's, uh, it's been very interesting, but what, what I enjoy about them personally is you learn a lot. Through the, uh, just being part of the conversations. You meet lots of interesting people as well, so yeah, it's been fun. It's the final episode of the, of the five episode miniseries Praveen, reminders of the framework and set today for us. Yeah, so thanks Dave. Let's take a moment to recap. You know, a few months ago when we launched this podcast series, reimagined the telecom industry to [00:03:00] deep dive into the profound challenges and exciting opportunities shaping the sector today so far, we have explored the key themes like simplification.

Network transformation data and AI and regulation. In this episode, we are turning our focus to the topic that comes time and time again, and that's growth. But whenever I speak to the telco CEOs across the world and I ask them about their biggest challenge, the answer is almost always the same. Growth and that's why I'm absolutely thrilled to welcome Nik, the CEO of TM Forum.

Nik, I remember you made waves in the industry, I think a couple of years ago when you boldly declared code red for the telecom sector, which was a powerful wake call and yours, the industry to confront its structural, strategic and mindset challenges and issues. Issues such as sta. Massive investment in technology, lagging [00:04:00] innovation, and urgent need, and the courage to transform.

Nik, it's fantastic to have you here and I can't wait to hear your insights on the growth imperative of today. Great to see you Praveen, and uh, once again, we always have fascinating conversations. So really looking forward to this one. Nik, for those listeners that.

Uh, have maybe not heard of TM Forum and how it fits into the world of, uh, of the telecoms industry.

Do you just wanna sort of paint a picture for us? What, what's the main purpose? Thanks, Dave. Well, the TM Forum's a, a global collaboration platform for the telecoms industry. We've been doing this for over 35 years, and basically we bring together the whole ecosystem of suppliers, service providers, consultants, uh, increasing numbers of startups, and actually companies and adjacencies to work together.

On the key challenges for the industry. Um, we do that in loads of different ways. We do that through, uh, structured, mission-driven collaboration projects. Sometimes the result of that is [00:05:00] standards. Uh, but it all starts for us with co-innovation, bringing together the best minds in the industry to say, how can we solve a problem we've all got and move the industry forward.

In the process, we'll come back to the challenges and potentially how those challenges can connect to growth shortly. But before we move off the role of. The TM Forum. Tell us a little bit about DTW, which I know is is coming up in the next few weeks. So we run events all around the world and our flagship conference is DTW Ignite.

That happens in Copenhagen, week of June 16th this year. Uh, this is a pretty unusual event. Uh, it's not just a conference, not just a trade show. It's really a summit for the industry to come together. So we'll bring together delegates from well over a hundred companies, sorry, countries, over 600 different companies worldwide, over 4,000 delegates.

Doing everything from engineering level innovation, up to very senior level discussion and debate on what needs to happen in the industry. And what I love about DTW is how the industry takes a [00:06:00] moment to take a breath, come together and say Where are we? What needs to change next? So very, very different to the sort of mega trade shows is an opportunity.

For our members to come together and really steer the industry forward and take stock of what we've done in the last year. So when you, when you step back and you've been thinking about DTW for, for 2025, what are the big threads going into it for you? So the big theme for this year is all about growth pathways to growth.

Uh, much as there's been, rightfully a lot of focus on consolidation m and a cost cutting in the last few years. You can't cut your way to growth. And in the TM forum, we believe there's three key ingredients where we can really make a difference to this. And they're the, the key themes of DTW this year.

The first is composable it and ecosystems. How do we build the software that Lexus experiment deliver new customer experiences and new partnerships with others to unlock new paths to growth. The second is autonomous networks. So much of our cost base caught up in the network. But also [00:07:00] when we think about, uh, themes like open gateway, I know you've explored in the podcast before.

Mm-hmm. The ability to turn that into reality on a dime for customers. Turn it up, turn it down, deliver them a new service, all rests on an incredibly efficient network that can understand customer intent. And thirdly, the theme of. This year and, and probably last year as well, all around AI and data. But this year it's all about doing that at scale.

We're moving past what is now considered the norm to use ai. When in customer facing services, how do we really build that into every aspect of the company and its operations? We think that means quite a different approach to the operating model. So all three themes,

uh, pathways within the event. Adding up to this question of where's the growth gonna come from and what's the future purpose of the telecom industry?

Uh, uh, there's a nice, there's a nice thread in there as you read them out. They're all capability focused to achieve an outcome. Which actually shows a lot of focus around the, what we're gonna talk about, how we're gonna get together, how do we actually get to where we need to be. I think when you go to [00:08:00] these types of things, there's a, there's a lack of focus sometimes on, um, the actual capability that's going to achieve the result that you all, I.

No on one. So it's quite a nice, um, connection between all of those to say we're going to become better at what we do and therefore you're going to get this. Yeah. That, that's really in the DNA of the forum and our members as an industry body is this sense of we're not really satisfied until we're really making a difference or doing something really practical.

So. Dtw is a great showcase for that. And it's this, this moment in time where we get to say where are we and what do we need to do next? And uh, I think those three themes we see, particularly this year, autonomous networks is, is the really hot one. Everybody's very, very interested in what this means for both operating cost, speed, agility, velocity, and those new customer experiences we can deliver.

Nik, I have a very fundamental question. What is stopping the telcos? Um, you know, despite huge investment in technology [00:09:00] growth has been elusive. What is stopping them? I think Praveen, I mean, first of all, it's, it's the, the trillion dollar question, right? This is a big industry that's grappling with where it's going next.

For me, it starts with our mindset, and it's actually exactly what you just said. We as an industry start with technology. You go back 30, 40 years in the history of mobile, it's all been about sunken costs, uh, debt fueled business. Build it and they will come. Logic. And as that has tapped out and hyper competition has driven down the cost, we can charge for those services quite rightly.

Uh, we've stayed with the same logic of we invent another generation of technology and we expect people to show up and, and pay more for it. 5G has proven that model is fundamentally broken, and there's a risk as an industry that we're falling behind what customers actually want. Mm-hmm. We sit very low, if not at the bottom, in NPS, uh, compared to other industries.

So we know the experience isn't up there. I. [00:10:00] And what the customer cares about is the experience, not the technology. Mm-hmm. So I think if you look outside in at the industry, it starts with our mindset, which when we talk, as I know, we've done Praveen with customers of telecom providers. Mm-hmm. In enterprise space, in SME and consumer, they want reliable connectivity.

They can control, they want to be able to turn that up and down. They want it just to work. Uh, and the telecom industry has for the last few years. Uh, and throughout its history, shown up with Gs, with gigabits, with throughput, with latency, all of which are important, but don't add up to that solution the customer's looking for.

So it's a big mental shift for us to go through and that works through into how we go to market, how we market our products, how we brand them, all the way through to the actual true technology to make that that happen. That's the big shift we're going through. We're starting to see it happening, arguably a bit late, but I think if we can make that leap, there's a lot of growth opportunity.

How did you do that, Nik? How do you get, how do you turn that attention [00:11:00] to more user focused? 'cause it, it sounds easy, like, and, and maybe duh, but how do you do that? It's incredibly hard when you are dealing with organizations that are, first of all, very big. And secondly, you've got a fair number of people within them who've been in those businesses for a long time, and many of them are derived from government.

Organizations. So many of these were, you know, take here in the uk. This was the post office owned by the government before it became a company like bt. So making that shift has happened already over decades. Um, but it's only really in the last 10 years that this shift with the rise of cloud computing.

Uh, we've seen the shift in the customer's mindset from having to understand the technology, having to know what you're buying in detail, having to really care about what's inside it, to thinking about what you actually are trying to turn up or down. So cloud computing for me is a really good parallel where if you go back pre-cloud computing, so 10, 15 years ago.

Your [00:12:00] CTO in a any kind of enterprise would've really understood the kind of service they needed. They would've spent a lot of time and money on their own physical infrastructure. Today they think about throughput and cost and quality of service, and, uh, SLAs with a company like AWS and Microsoft or Google, um, telco needs to make that same shift to not show up.

Talking about. Look at this great technology that's like Amazon turning up, talking about, Hey, we've got this great processor in our servers. When the customer cares about, okay, how quickly can it service my AI workload? There's other adjacencies there that Telco is starting to tap into. You think about security, I mean, a a week doesn't pass right now with another cybersecurity incident.

All of those good and bad actors flow through our pipes as a telco, and it's one of the fastest growing opportunities for Telco right now is around cybersecurity protection. And as we think about more and more concerns over sovereignty, use of ai, yeah, greater value flowing through our pipes, there's a lot of [00:13:00] opportunity for us to add value to that as well.

May, maybe if we can just go one level deeper on that sovereignty question, because I think the, when we were MWC. Uh, what was, what was clear was that there was a palpable frisson in the air, like an excitement around the potential of, it's a big word for you, Dave Frass. Say, say it again. I'm impressed. S you know what I did, you know, yesterday I also used the phrase du jour.

Oh my word. I know truly you are a bin. Well, someone else used it in the meeting and I'm like, I'm taking a bit of that Good. So that I, I might pop that in before the end of the session. You never know. I think we should increase the level of French in this podcast. Generally. I think that, you know, I think that adds an air of sophistication, which is sorely lacking from our capability today.

It is entirely right, entirely right. Going back though, um, to the frisson of, um, of excitement in, in MWC Nik. Um, what seemed to be palpable was the Telco really [00:14:00] recognizing that they have got a strategic space to start to occupy. Are you guys seeing that the same and, and what's your take on it? Uh, sovereignty's a big, big topic, and it's a big topic right now, as you say.

I think the risk is that we are looking at it as an industry in a bit of a siloed way. Okay. You want your workloads to run in, in country. So we're gonna have regulation or, uh, preference

for it to run in a certain location and therefore I as a telco will put in place GPU as a service or put in place my physical infrastructure for that.

Uh, although on paper that stacks up. 'cause you say, well, I've got the right physical locations for that to happen. They're close to the customer. I'm a regulated business, as we saw with cloud. It's not that hard for the hyperscale companies in the room to say, well, we'll build a data center there, whatever.

And we can do that typically at scale better. So to me it's a, it's a little too siloed when the, the conversation narrows to [00:15:00] sovereign GPU. There's some interest there. There's potentially in certain locations where that'll work. I think we have to think about sovereignty as. A, a protection conversation.

You know, why? Why is it that governments rightly are concerned about where that data's flowing, who they're dependent on for parts of the economy to run? And what's the role of telco in solving that? And that spans from. A level of control over where data goes to, to stay within new regulations that will appear through to being able to offer customers, uh, to take away what will become a huge overhead and the headache about sovereignty to make sure that data is, is showing up in the right places.

That doesn't mean doing it all yourself. That doesn't mean being the sole provider. That, to me is the old telco mindset of, well, we'll, we'll provide this all as a package. Right, right. It comes down to partnering and recognizing that. As a telco industry, we are great at building dependable, resilient networks.

Mm-hmm. Uh, when it comes to everything you need [00:16:00] to run a business on ai, if we are talking about that around sovereignty. Uh, you're gonna need partnerships with others ranging from the hardware providers through to those who can make those services really run as well. So I think it's, the partnership piece to me is, is coming.

Um, but I still hear some of these sovereignty discussions being a little too simplistic. They sound awfully like edge and some of the early days of cloud to me. For sovereignty, it's convenient for a lot of people to try and simplify the conversation, but you've got legal control, operational control, data control.

You've got the skills and the ecosystem that you're gonna use to deliver it. It is just a, a, a nuanced conversation, and depending on your role and what you do, sovereignty can mean a different thing as well. Yeah. So for certain organizations, sovereignty means something a lot simpler than compared to others, but the supply chain.

Is used to deliver those services is rising in sharp focus now and where capability comes from. And then people are [00:17:00] starting to realize that the globalization, especially in the technology field, 'cause it's an easy thing to globalize, has meant that. You know, your supply chain permeates everywhere and you have some tough choices to make, and I think that ecosystem is gonna take decades to rewire itself.

But what I see is a lot of people starting to move to rewire them. So the energy and the political will and the very large organizations are starting to embrace it and be keen to get your view on the sort of timeframe you see where we might get to a position where it's. Proper sovereignty as opposed to pseudo sovereignty, which I think is some of the stuff you've started to allude to.

That's a great, great point, Rob. I think there's, as you said, different flavor have to happen sooner or later. Rob, it's happened once. I was a guest that said it as well. I mean, that's me done. That's gonna come right there. Yeah, you can kick back now. Rob. We've done the work

today. Um, I, I think, look, there's different flavors of sovereignty.

I think what's within that is, this is gonna be complicated. So every different sector, [00:18:00] different regulations, different. Uh, re regulatory regimes in different parts of the world. Um, and it will probably not be static either, because if there's anything we're learning in this era of ai, it's constantly moving.

So even the way we regulate things is gonna have to change. That's why I actually wouldn't start from regulation or sort of try to predict that. I would start from what does the company care about in its risk profile that's trying to achieve some sort of sovereignty? And that's where. As a, as a telecom industry, we need to be saying all, how can we service that?

Because as you just said, there's a lot to play in terms of telecom favorite, it's. It's regulated in my local market. It's a brand I trust. It typically has deep links into government and, and trusted sources. Uh, and it's gonna be there, uh, for forever, right? It's not gonna be something that we suddenly disappears as a company or an entity.

It's going to have some level of, of protection. So for the telco to be seen as a very trusted partner, I think is true. And in sovereignty [00:19:00] context, we have to think about. How far does Telco go and what's it bring into that? When you get into all of the supply chain, I think there's a very delicate balance to, to achieve here, which is where we know that global standards and the global approach works well.

Telecom is as an industry proof of that, the takeoff in mobile, the success in terms of, uh, much as we all. Cast dispersions over the commercial success of 5G. It was very successful in delivering a single global standard, which has taken a lot of cost out of the supply chain as well. So there's a delicate balance that we don't overindex on this sovereignty topic and go for everybody doing their own thing, which ultimately slow.

The global economy down and find ways to build in, uh, the right level of protections. I think there's a lot baked into the lessons of cloud compute and existing regulation, which are making their way very quickly into conversations around ai, which help with that. To disconnect back to P'S point earlier I see is that [00:20:00] Telco is still seeing that as.

Uh, an all encompassing solution rather than saying actually we are part of a ecosystem here and building that local ecosystem and doing the things only we can do well, uh, which take away headaches for our. Our small, medium, or large enterprise clients is, is the opportunity. So we've talked about a few areas of growth there.

We've talked about like actually leveraging the network, so connections and obviously things like the, um, the open framework and things are gonna be, I. Material in that space. You talked, you touched on cyber and the the role that you guys could have in cyber and then we've just gone on to like unlocking a little bit new services and new revenues with things like sovereign.

Any other things that are occurring to you when you think about like new ground that Telco should be thinking about when to think about growth? I think if you zoom out a bit further, Dave, you can think about. AI as a whole and say if, if I as an enterprise and moving to a world where [00:21:00] my business is truly AI native, as an AI does the majority of key operational tasks and human beings are able to focus on the things that, that human beings are brilliant at.

Um, that business runs fundamentally differently from what we know today. And it puts new requirements on connectivity or, or telco providers that starts with. The network goes from being what would be seen as critical today to mission critical infrastructure. If, if my business

literally can't make a decision through Angen workflow, uh, with certain partners I'm working with without the infrastructure, or I've got new vulnerabilities coming in, the value of what's flowing over those pipes goes up.

So the resilience of the infrastructure we provide becomes even more important. So. Our core proposition as an industry to connect changes but also creates new requirements. There's gonna be times of day or night. I suddenly need a lot of bandwidth or a new quality of service for a period of time. And telco's traditionally worked [00:22:00] on a fixed logic.

How big a pipe do you want? And I'll put one in for you rather than, I'm gonna turn this up or down to your needs. So the, the real needs of connectivity themselves need to be. Rethought in this AI era. Mm mm Then as we touched on just now, the need to protect and preserve and make sure that that the data that's flowing through there may even be a role for telco in making sure that.

The relevant AI algorithms. If using AI at scale, how do I make sure that they're all sitting within my guardrails? There may be roles for telco in there in addition to more classical cybersecurity. And then there's capabilities that telco's really good at in terms of, uh, both the natural. Knowledge and workforce and skills in a local market through to competencies around the way we build subscribers, the way that we understand our subscribers.

Uh, lots of knowledge on what's flowing through our networks. It's also got value in creating value for others as well. So I, I think this is more than a silver [00:23:00] bullet kind of conversation of, well, there's a new thing we can do there. This is more of a. Let's reimagine how our customer's business is gonna work in the, uh, era.

And then what do we need to do? What solutions are they gonna have? We just touched on sovereignty. To me, that's a headache. You've gotta, we can, we can take away. Mm-hmm. At the other end of the spectrum, there's gonna be things we could do to help them grow their businesses. And until we get in that mindset, we're still stuck in a.

Would you like a bigger pipe logic? Right? So you might touch on this a little bit earlier, um, with ER's question, but maybe let's just return to the challenges then within that context. And, you know, perhaps what you're gonna do at DTW is try to try and unpack that. Uh, as a bit of an industry, if you look inside out, what are you gonna change as an industry to get you into that growth field?

And you look outside in, which is like, what are you listening to that's actually helping you understand the space that you might occupy? Does that make more sense? Yeah, no, that, that's really clear. That's really clear. [00:24:00] So, uh, uh, DTW what we try and do is exactly that, is to anchor what we're. Talking about in terms of what does this mean ultimately for the customer?

What's the experience? Can we create? What new services, what new capabilities do we have? Mm-hmm. Because we are not just talking at a surface strategic level, but really getting down to the nuts and bolts and the technology that runs telco businesses today and talking about what needs to change. You do also need to think a little bit inside out and say, as I transform, for example, to an era of truly composable software.

Rather than this brittle, pre-integrated, very expensive to operate in most telcos, you find software that's 20 or 30 years old running four parts of the business. Mm-hmm. What does that actually allow me to do? And we'll boil that down at DTW to, well, one of the key things that lets you do is experiment.

So today, if you are a, a, a, an inspirational product owner in a telco or you're in marketing,

you've gotta typically find a business [00:25:00] case to make changes or go play with things or experiment, uh, because it's so expensive and so risky to change some of that technology with the work the TM Forum is doing around things like open digital architecture.

We're getting to a world where it's incredibly easy to go try something. That might be you've got a customer who has a new need, you wanna explore something that might over time go into a brilliant new revenue stream for you. Or it might just keep one customer happy all the way through to the unlocking that some of the human ingenuity that exists in spades in the telco businesses to say, let's go try that.

Let's, let's see if that works. Let's learn from that experiment. But it's the technology foundations that get in the way of our ability to do that. 'cause it's just too expensive and too risky to change some of that today. So whether it's in IT or networks or through to use of ai, we are able to, through events like DTW Showcase, but through organizations like TM four and say, here's a different way of doing it.

And then in our Catalyst program, which is our, our proof of concept program that brings together. [00:26:00] Over 200 companies who are collaborating together on how this can be done. We can actually play with that at an industry scale as well. And that allows us to anchor in an outside in view, this is what the customer wants, and an inside out view look at what the new tech can do.

One of the things that, um, is very useful when you. Do that test, fail, learn loop that you're talking about, being able to experiment a different way is simulation. Mm-hmm. And I know telcos have played with the concept of simulation, you know, you know, we do it everywhere. Simulate a building, simulate an aircraft, et cetera.

How sophisticated is their, their ability to simulate the world and test it in a digital environment before they go and maybe roll it out to a network that would have an impact? Is that a thing that they're actively pursuing and getting more? Um. More weight behind, or is it still nascent in the industry?

From a telecom perspective, it's growing very, very quickly. So it's a core concept in our autonomous network's mission is around digital twins and the ability to build a true digital twin of the telecom [00:27:00] network and then simulate what happens in all kinds of different scenarios. So. There is an element of the network that will always be fixed.

You've got fixed physical infrastructure in places. Be able to look at everything from a disaster recovery scenario. What happens in a earthquake pro prone part of the world, uh, to the network in this scenario through to. Uh, a heavy demand when you have, say, a major football game or sports match and you're putting a lot of load on the network in a certain location through to some of the experimentation I'm talking about.

Let, let's think about, uh, what happens when we introduce that new service? What's the impact on the network? So digital twins we see as a really important. Capability for, for telecom providers. We see a lot happening there very quickly actually, to build up that capability. Some really impressive and sophisticated models starting to come out, um, which then can be used with customers as well.

So maybe that's bring a few threads together by way of closing. And I, I just wonder if you had an [00:28:00] example. Over the last 18 months, couple of years where you've seen a particular provider, which you can name or not, um, your, your call where they've done something particularly innovative that's opened up growth and you've gone Hmm.

Didn't see that coming. You know, that's interesting. There's, there's loads of examples.

Actually. The industry likes to have this narrative, I think particularly here in Europe, that, you know, there's no growth and there's no hope almost. I feel completely differently about that now. I have the privilege of working with companies all around the world, so I, I perhaps have a different viewpoint, but I, I've seen in the last year.

Significant growth. In some markets where there's really innovative new add-ons and loyalty programs and new services being delivered at the consumer end of the spectrum, companies really start to take the SME opportunity, small medium enterprise opportunity. Seriously, that's a big growth engine If telcos choose to seize it.

And then some really encouraging progress around large enterprise as well. So I wouldn't call it [00:29:00] any specific company, but we've got examples out there. We have a number of them on our stages at DTW, and then what we see happening in our innovation engine in the forum gives you a pretty good lens on what's gonna happen in the next two to three years as well.

So. Despite all the, the doom and gloom sometimes in the industry, I'm actually pretty optimistic about where this is going. And, uh, I think if we continue to focus on actually driving real change and changing some of the, the mindset in the industry, we can see this industry have even greater purpose impact.

Ez, where's your head at? It's at collaboration in the ecosystem. 'cause we've been talking about this throughout the entire telco. Podcast miniseries. But I think obviously in all conversations that we're having in the past year or even longer than that, collaboration in the ecosystem helps to decrease risk aversion within an [00:30:00] organization.

Replacing a, what do I stand to lose attitude with a, what do I stand to learn? Outlook notes a recent article for from IMD, and I think that, you know, in the pursuit of innovation through partnerships, which we've been talking about, huh, organizations may inadvertently compromise. In the competitive edge, leading to potential conflicts and maybe even a dilution of their own unique value propositions.

And I was wondering how, what do you see happening in that telco partnership space? Like on the one hand, you see organizations say, no, we, we work together with our partners and, you know, we're really tight and close. And on the other hand, you still have your, you know, your numbers to crack and, and you still wanna gain profit.

What, what do you see happening there? That's a really great question, Esme. So as long as I've been CEO of the TM Forum, this has been a theme that comes up and it's, it is a constant tension. And rightly, I would say, uh, the telecom industry is actually among the best in the world at really, I. Actually executing on [00:31:00] collaboration, you won't find any industry.

That doesn't say it's not important, but telecom partly because of its unique structure and partly because of its history, has been really good at collaboration and that's why organizations like, like the TM Forum exist and, and have so many members. Participating because there is an understanding at the right level that ultimately these are all quite similar businesses with similar challenges.

And that the diversity of thought and the ability to shift how the supply chain works and shift how partnerships are structured, uh, works better when we work together. And we've proven that time and time and time again. There's, this is countless examples for the industry's, uh, commercial and operational success on that foundation.

It's always going to be, at times in that journey, you butt up against commercial sensitivity. So AI has been a really interesting test for us. Uh, is that new AI algorithm, what's gonna win you

that little bit more market share? Is it gonna allow you to service your [00:32:00] customers, improve free cash flows, make you look better than the competitor in the market?

Or is it something that actually we should co-develop and own and then we all. Or profit, the, the mood and telecoms shifted, probably just coming out of COVID. So two to three years ago. From that being an active question to at the top of the house, a recognition that we need to collaborate as an industry, we're facing some common challenges.

Actually. It's not really competition within the industry. That's the issue. It's alive and well. Uh, many would claim it's holding the industry back, but it's a fact of life. The actual competition is where we sit in the value chain and that to improve that position, our industry needs to work together, and that's why we've seen in the last few years huge growth in.

The innovation engine in the TM forum, which is where people are really CC uh, starting to collaborate on, uh, more of the use cases and what kind of services they could offer. So things you might think of as quite competitive, uh, and collaborating on deeper topics like how the network's run, which has always [00:33:00] been a little bit of the secret source for telco as well.

So I'd say the appetite in the telecom industry for collaboration right now is higher than ever and only increasing Nik. I think that's, so I completely agree. Within the sector, telecom industry is one of the best in collaboration. What are your views around across the industry collaboration? Because we discussed a lot of topics on growth, where telecom industry needs to work with other sectors, other companies.

Are you seeing that also shifting towards more collaboration? I am, but far too slowly proving, I mean, glacial speed would be generous. So I'd say so there's pockets of very ambitious telcos out there who, who are getting this right. But they, they really are just a handful. Uh, the majority. Are still talking about it.

There's a theoretical logic there, and what I think it comes down to is [00:34:00] what we touched on a bit earlier, which is how well do you really understand your customer? How well when are you showing up? And really sitting with them and seeing the, the challenges in their business, the challenges they have, and thinking about how you can serve those.

And then have you got the ability to experiment within your business to service those, um, that requires. It's pretty much everything about how you sell and service customers to shift, uh, from the majority of cases where telco services are sold into a procurement department, to having a more of a consultative conversation, uh, like your organization would have every day, different set of skills, sales skills, through to the ability of the service teams and the technology to flex, to meet that need, through to then doing the at scale.

Uh, at the right margin point in a way that works for everybody. These are new muscles and new skills that need to be added and new capabilities to that need to be added to the business for it to work. And you've gotta have the right tech foundation and where we [00:35:00] see telco service providers getting that right, it's, it's proving our theory out the hypothesis works, um, but many are still lost in that journey or, or transforming in silos.

And that's what we've gotta get past as an industry to really see this move forward. Very good. Very good. Thank you very much indeed for that, Nik, and the insights into growth across the industry. It was great talking to you today. Absolutely. My pleasure. This has been great fun. Brilliant. Well, look, we end every episode of this podcast by asking our guests what they're excited about doing next.

And that could be, you've got a great restaurant booked at the weekend, or it could be

something in your professional life or a little bit of both. Um, Nik, what you excited about doing next? I. Well, I'm super excited about DTW, of course. Uh, this is for me and my team, an amazing moment in the year. We get to see so much great work coming together and the energy in the industry is just remarkable.

So really looking forward to that. Uh, beyond that, looking forward to, uh, hopefully a nice summer and, uh, bit of traveling. [00:36:00] Are you, have you got anywhere plotted out yet? Uh, Italy, hopefully. Oh, lovely. Love Italy. Hopefully. Uh, the northern part of Italy. So Dolomites, Tuscany, those bit, the tuscany's. Always nice, isn't it?

Umbr and Tuscany. Great wine. Terrific wine. Wine, Rob. So Rob is a secret wine snob. He doesn't tell this to everybody, but like he's, he doesn't understand it. He's extremely judgy. When you, like, if you, if you make the mistake of like ordering wine with Rob at the table, you get like a, oh, really? That one?

Okay. He will remember it right Choice. Dave. That's a brave choice. So Rob, what's your favorite wines? It's from the, the country we're talking about, right? Yeah, it's Brunello. Brunello. Okay. Brunello is amazing. It is amazing. It's the best Italian wine. Lovely brown aged one underpinned by subtlety. What, what's not to like?

There are many Italian wines that are great though, but that for me probably, um, is peak right? I have to heat you up some vineyard recommendations, Rob. [00:37:00] No, absolutely. My parents dragged me around vineyards throughout my formative years, so I have this weird experience where I hated it at the time, and now this knowledge has popped out the other end, which is quite, I like the way it just comes out randomly as well.

And it's, and it's, it, you'll get more detail on your bargaining for Nik. That's what I'm, you may not wanna start that conversation. Yes. Now what, what's your biggest dislike trade in wine? Rob, I think I know the answer for this. I what you mean, Dave? Wine. Wine is what you like. I thought you Oh, yeah, sorry.

Yeah. The, uh, overly sweet, the ca Oh, I have to say this, sorry. If you're from California or you're like California and wine, but opening a bottle of wine and it just being overly sweet is not a good trait. Look at that. Sorry, I've, I've exposed myself there. Uh, but yes. Yeah. Overly sweet wines. Just, just do not, you have no idea how much he was.

Holding himself back there. Yeah, go on the rant in the, uh, in the restaurant yet again. Yes. Brilliant. Nik, thanks again, mate. Good to see you. Thanks so much. [00:38:00] Thank you. If you would like to discuss any of the issues on this week's show and how they might impact you and your business, please get in touch with us at Cloudrealities@capgemini.com.

We're all on LinkedIn. We'd love to hear from you, so feel free to connect in DM if you have any questions for the show to tackle. And of course, please read and subscribe to our podcast. It really helps us improve the show. A huge thanks to Nik. Our guest host Praveen, our sound editing wizard, Ben and Louis are producer, Marcel, and of course to all our listeners.

See you in another reality next [00:39:00] week.

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