

WHITE PAPER

Managed Services: EMEA

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Driven by constant first-hand contact with the industry our 90 analysts and researchers produce a range of intelligence services including news and analytical products, in-depth market reports and datasets focused on technology, strategy and content.

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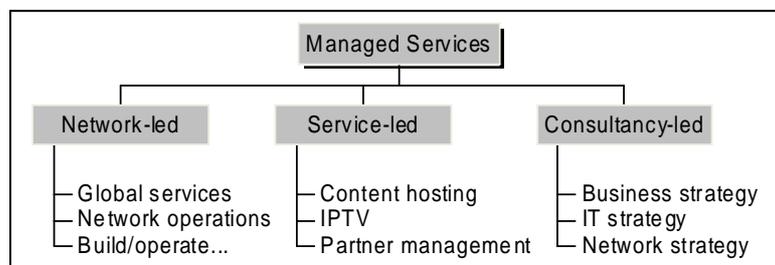
1. Introduction

In the telecoms industry, outsourcing is usually referred to as ‘managed services’ and includes the transfer of more technical processes such as network operations and management, along with the hosting of services by third parties. Until recently, the network itself was seen as core business, and this view is still widely held, but increased competition from new players such as media owners, cable companies and internet service providers has meant that the term ‘managed services’ now covers a wider range of possibilities than in the past.

Managed services can be grouped into three main categories:

- **Network-led:** these services focus primarily on creating greater efficiency in managing the network, whether in terms of third-party maintenance or of actually building and operating the network on an outsourced basis
- **Service-led:** these functions typically include content hosting and can cover new services such as VOIP or ones which are seen as potentially risky such as mobile TV. Third party services can also include new enablers such as payment and partner management systems which allow fixed, mobile and convergent telecoms players to deliver competitive offerings in a cost-effective way
- **Consultancy-led:** these are newer services which respond to the need for business transformation amongst the telecoms community, and which include a higher degree of strategic involvement on the part of the service provider. Traditionally consulting has not formed part of the network specialists’ offering, but as the specialists come more into competition with the management consultancies and IT service providers, this option is increasingly coming into play.

Figure 1: Managed services overview



Source: Informa Telecoms & Media

While these definitions can be used to indicate the main trends in the managed services market, it is important to bear in mind that the nature of services projects, especially the larger and more complex ones, is that a combination of resources will be deployed across a number of fields in order to meet a client’s objectives. This is particularly the case with consultancy-led projects, which typically begin with an assessment of the challenges and opportunities and proceed through several stages of implementation at the operational level.

Managed Services Survey

Results presented in this white paper are based on the Managed Services Survey which was conducted online at Informa Telecoms & Media’s website during September 2008. Participants were encouraged to respond via a link to an e-mail sent to a sample of

industry professionals from Europe, the Middle East and Africa extracted from Informa Telecoms & Media's database.

The survey questionnaire (see Appendix - page 18) was prepared with the input of experts from the managed services industry, and data was collected using web-based survey software running on Informa's website, enabling respondents to enter their answers anonymously and quickly before data was transferred to the software package for collection.

2. Executive summary

One of the main changes in telecoms management's view of the future has been in the area of new business models. Whether this means partnering with media brand owners or content providers, looking to new sources of revenue such as advertising, or transforming business processes in a more radical way, new business models are seen as important sources of added value in the next five years.

In the managed services survey, around half of respondents across EMEA said that they were already outsourcing services to third parties, with another 12% planning to do so within the next year. These proportions were significantly higher in Africa, with 56% of respondents already outsourcing and a further 26% planning to do so within a year. This underlines the growth potential of the African market, which was noted by several operators, with Central and West Africa emerging as areas of particularly high growth.

While managing operational costs is the top reason for outsourcing across EMEA, focus on core business issues is the next most important concern, especially in Africa. And although only cited by a quarter of respondents on average, the need to introduce new services quickly, and the need to access professional expertise are significant factors which are likely to increase in importance in the future. Flexibility is a further contributing factor to the concern about managing costs, with operators potentially needing to downsize as well as expand their business over the coming months and years.

Mobile TV is seen as the technology which is most likely to be outsourced, due to its technical complexity and the potentially risky nature of commercial launches. Other technologies showed more variation however, with 2G messaging much more likely to be outsourced in Europe, where services such as online voting are more commonplace, and give rise to unpredictable spikes in network demand. More advanced technologies such as 3G, WiMAX and IPTV are more likely to be outsourced in the Middle East and Africa, where concerns about managing the transition to new networks are important, and where more complex value chains demand specialist technical and business support. In Africa especially, low ARPU means that overheads need to be kept low as well.

In the EMEA region, just under 30% of operators have already implemented network sharing with a similar proportion planning to do so. The slightly higher levels in the Middle East are partly due to regulatory influences, which are a factor in some of the Gulf States, such as UAE and Saudi Arabia.

Overall in EMEA, control of business strategy remains with the operator (over 70% of respondents said that the operator had control of this area). The proportion was particularly high in Europe with 80% of respondents saying the operator has complete or majority control.

In line with the trend towards outsourcing non-core business functions, responsibility for technical and operational planning and management is more shared between the operator and the managed service provider, and this also the case for business support services.

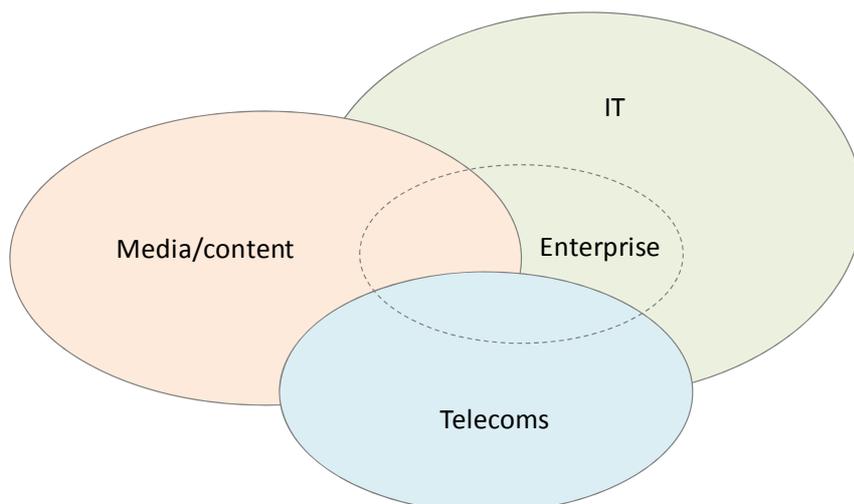
When asked which managed services player is best positioned to offer a given service, such as business strategy advice, a pattern of responses emerged which illustrates the relative positions of the various players in the value chain. Overall, technical strategy was seen as the strong point of the network equipment vendors, while technical and operational planning were more evenly divided between the vendors and the managed services providers (covering a range of roles from generalists to more specialised players).

As suppliers move up the value chain, their involvement with the operator's business processes begins to increase. One trend which is already emerging is the move to the build-operate-run model for new networks or for greenfield situations. Equally, as operators move into new markets, they are confronting a number of key issues which require strategic or operational decisions, or a mix of the two. In both the mature and emerging markets, there is a requirement for a type of managed service which not only provides a solution to an immediate problem but which offers guidance in setting strategic objectives, and in achieving them operationally.

3. Market drivers

As the telecoms, media and IT industries converge, the potential market for outsourced services is expanding, offering additional opportunities and challenges for both suppliers and industry players. Media and content brand owners are increasingly looking to extend their reach to the mobile world, while companies with strengths in the IT and systems integration area are moving into more direct competition with the telecoms network vendors. In terms of opportunities, the demand for always-on available-anywhere content allows operators to move into new media such as IPTV and mobile broadband, as well as integrated fixed-mobile services for private sector enterprises and public sector organisations. These new opportunities are also demanding new approaches to service delivery.

Figure 2: Market convergence



Source: Informa Telecoms & Media

One of the main changes in telecoms management's view of the future has been in the area of new business models. Whether this means partnering with media brand owners or

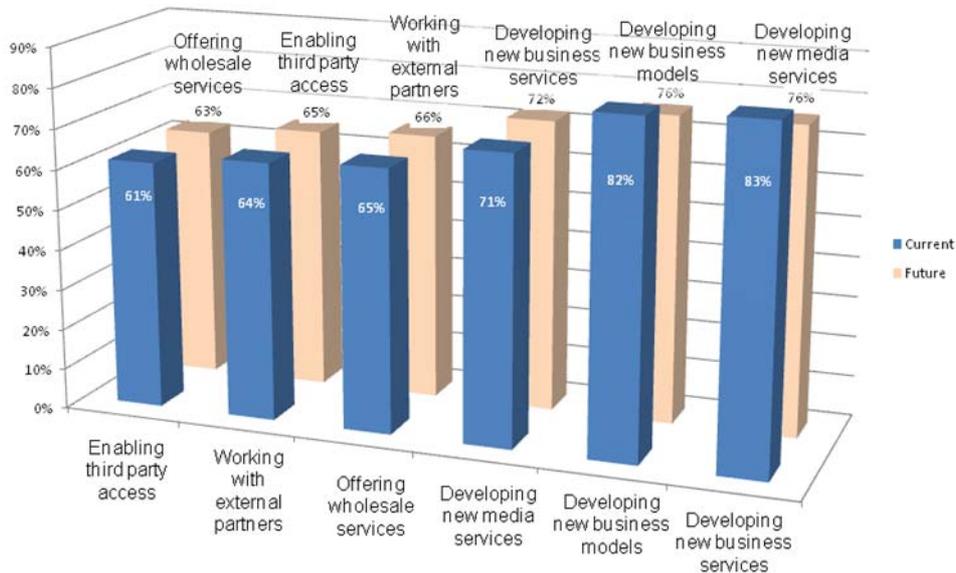
content providers, looking to new sources of revenue such as advertising, or transforming business processes in more radical way, new business models are seen as important sources of added value in the next five years.

As the popularity of the mobile phone and mobile communications has grown, so companies from outside the mobile sector have targeted mobile as an important area for expansion. But it has not always been as straightforward as they would like to imply. Many of these companies are leading brands in either the consumer or enterprise (business services) markets. Mobile operators have tended to jealously guard their multiple roles in the mobile value chains; their concern about losing ‘ownership’ of customers to these brands has tended to slow the emergence of new brands in the mobile space.

However, the last three to four years has seen mobile operators taking a more open, collaborative approach to third party brands in media, music and entertainment for example. Their growing maturity stems from a recognition that by working with these brands they can either grow their revenues or reduce their costs. Looking ahead, the question is whether the third party brands will, in the medium- to long term, start to gain the upper hand in their relationships with mobile operators whose negotiating power and revenue shares will come under pressure.

The top three current market drivers in the survey as shown in Figure 3 are developing new services for business end-users, developing new business models and developing new media services. New media services moves to number one future driver however, with new business models remaining in second place while business services drops to number three.

Figure 3: Current and future market drivers (Total EMEA)



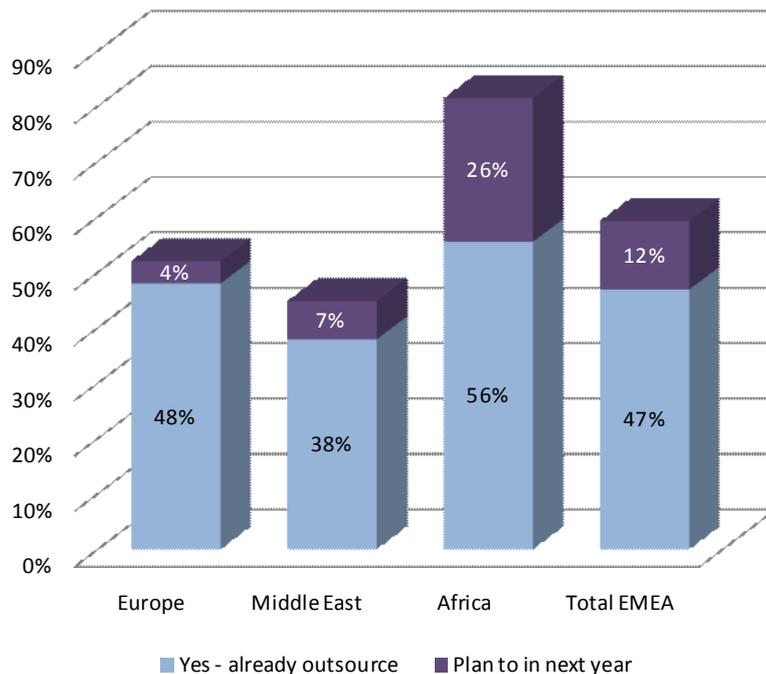
Market drivers - current	Europe	Middle East	Africa	Total EMEA
<i>Developing services for business customers</i>	80%	84%	85%	83%
<i>Developing new business models</i>	96%	77%	74%	82%
<i>Developing new media/entertainment services</i>	60%	74%	78%	71%
<i>Offering wholesale telecoms services</i>	76%	61%	59%	65%
<i>Working more closely with external partners</i>	72%	58%	63%	64%
<i>Enabling third party access to services</i>	76%	52%	59%	61%
Market drivers - future	Europe	Middle East	Africa	Total EMEA
<i>Developing new media/entertainment services</i>	80%	68%	81%	76%
<i>Developing new business models</i>	64%	77%	85%	76%
<i>Developing services for business customers</i>	64%	71%	81%	72%
<i>Working more closely with external partners</i>	64%	61%	81%	66%
<i>Enabling third party access to services</i>	56%	55%	78%	65%
<i>Offering wholesale telecoms services</i>	64%	61%	63%	63%

Source: Informa Telecoms & Media

4. Outsourcing plans

Across the EMEA region as a whole, around half of respondents in the survey said that they were already outsourcing services to third parties, with another 12% planning to do so within the next year. These proportions were significantly higher in Africa, with 56% of respondents already outsourcing and a further 26% planning to do so within a year. This underlines the growth potential of the African market, which was noted by several operators, with Central and West Africa emerging as areas of particularly high growth.

Figure 4: Outsourcing plans



Outsourcing plans	Europe	Middle East	Africa	Total EMEA
<i>Yes - already outsource</i>	48%	38%	56%	47%
<i>Plan to in next year</i>	4%	7%	26%	12%
<i>Plan to within three years</i>	4%	21%	4%	10%
<i>No plans</i>	44%	34%	15%	31%
<i>Total</i>	100%	100%	100%	100%

Source: Informa Telecoms & Media

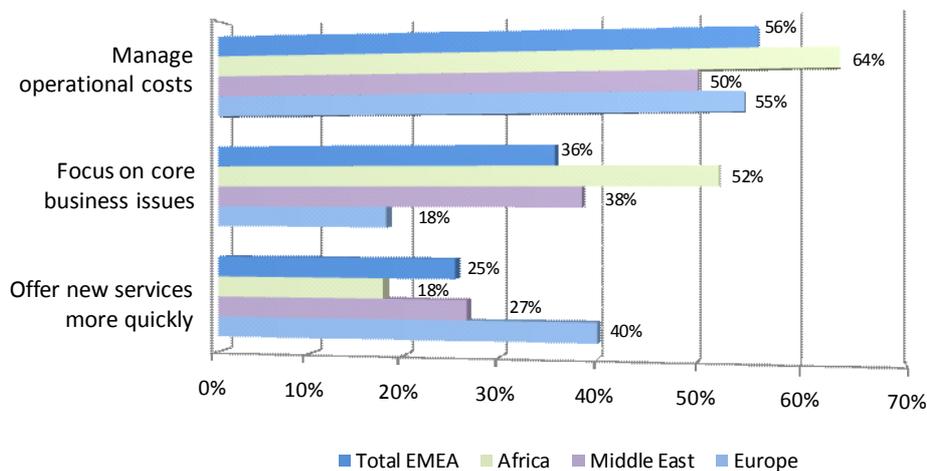
5. Reasons for outsourcing

EMEA

Across the EMEA region as a whole, focus on core business issues is the most important concern after managing operational costs, especially in Africa. Although only cited by a quarter of respondents on average, the need to introduce new services quickly and the need to access professional expertise are significant factors which are likely to increase in importance in the future.

Figure 5 below summarises the top three reasons for outsourcing across the region, showing the key differences between Europe, Middle East and Africa, while Figures 6 – 8 show the detail of each area.

Figure 5: EMEA: Reasons for outsourcing



Reasons for outsourcing		Total EMEA
1	<i>Manage operational costs</i>	56%
2	<i>Focus on core business issues</i>	36%
3	<i>Offer new services more quickly</i>	25%
4	<i>Reduce the time to market for new technology</i>	22%
5	<i>Access to new professional expertise</i>	22%

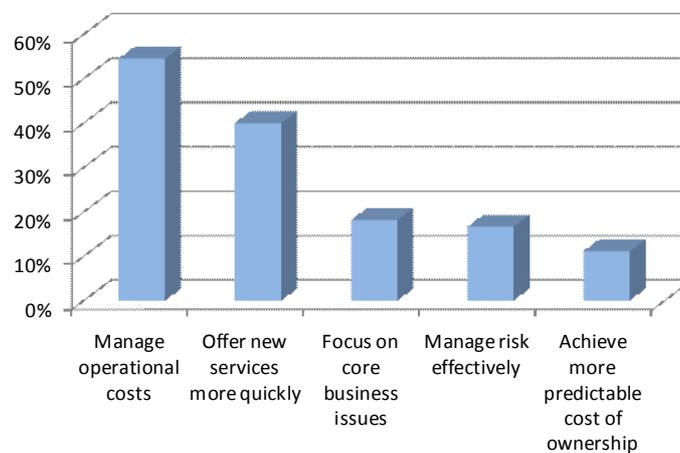
Source: Informa Telecoms & Media

Europe

“In Western Europe, Tier 1 operators are using managed services to manage multiple vendors - this helps them to reduce complexity and roll out new equipment” (European service provider)

Amongst European operators, the main reason for outsourcing was the need to offer new services more quickly, against a market background of strong competition and with the need to differentiate product ranges effectively. The emergence of new players offering combinations of telecoms and internet services (the triple play and quad play strategies) is contributing to this strongly competitive market background. As with other regions, the need to manage operational costs in Europe was a key factor.

Figure 6: Europe: Reasons for outsourcing



Reasons for outsourcing		Total Europe
1	Manage operational costs	55%
2	Offer new services more quickly	40%
3	Focus on core business issues	18%
4	Manage risk effectively	17%
5	Achieve more predictable cost of ownership	11%

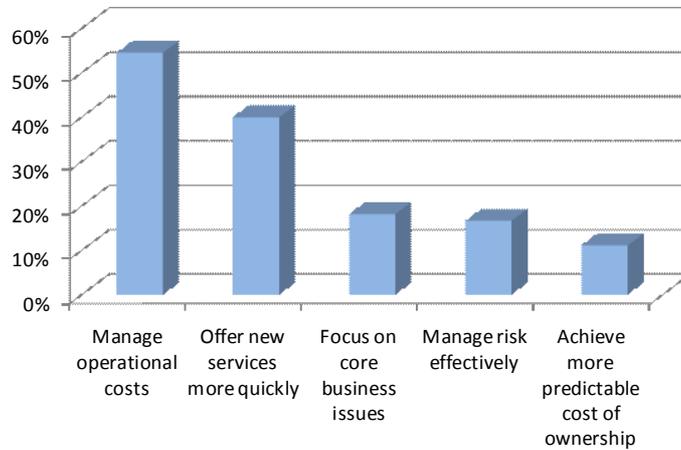
Source: Informa Telecoms & Media

Middle East

“Business focus is key for a managed service provider - the bottom line is that the service to the end-user is profitable” (Middle East mobile operator)

As a rapidly developing market for telecoms services, the Middle East is keen to focus on core business issues and managing network capacity as new infrastructure is rolled out and new technology is introduced. Alongside this, there is a need for new professional expertise with new mobile operators investing in start-up operations and looking for external talent and expertise. Existing operators are also expanding into new areas of technology such as 3G and WiMAX, and require new staff and technical skills to support these initiatives.

Figure 7: Middle East: Reasons for outsourcing



Reasons for outsourcing		Middle East
1	Manage operational costs	50%
2	Focus on core business issues	38%
3	Manage network capacity	33%
4	Access to new professional expertise	33%
5	Reduce the time to market for new technology	27%

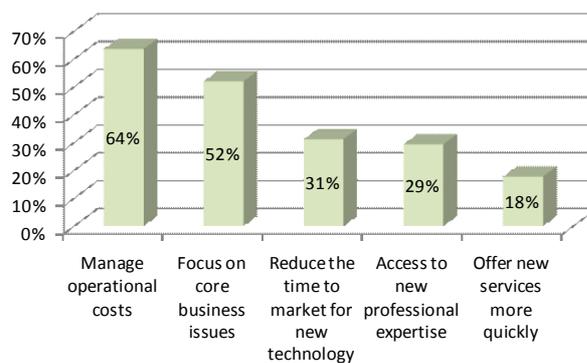
Source: Informa Telecoms & Media

Africa

“Originally our policy was to keep everything in-house, but because of the need to compete, our non-core services are now outsourced” (African mobile operator)

In Africa, focusing on core business issues is a key concern, both in the developed market of South Africa and the emerging West and Central regions. For the majority of markets in Africa, the need to reduce time to market for new technology and access to new professional expertise are significant reasons for outsourcing, with many operators working in a predominantly 2G environment, and facing quality of service challenges.

Figure 8: Africa: Reasons for outsourcing



Reasons for outsourcing		Africa
1	Manage operational costs	64%
2	Focus on core business issues	52%
3	Reduce the time to market for new technology	31%
4	Access to new professional expertise	29%
5	Offer new services more quickly	18%

Source: Informa Telecoms & Media

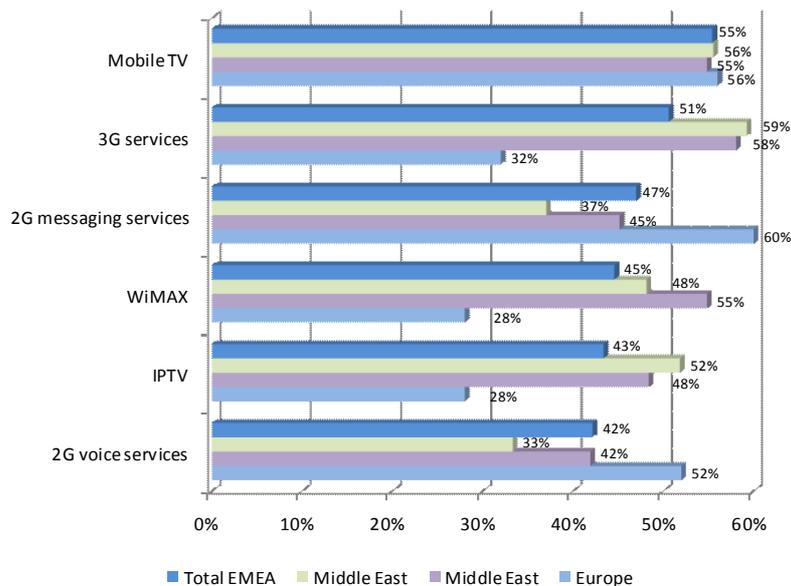
6. Technology outsourced

“New technologies like WiMAX need to be more affordable - shared services and a TCO approach can provide this” (Middle East operator)

Mobile TV is seen as the technology which is most likely to be outsourced, due to its technical complexity and the potentially risky nature of commercial launches. Other technologies showed more variation however, with 2G messaging much more likely to be outsourced in Europe, where services such as online voting are more commonplace, and give rise to unpredictable spikes in network demand.

More advanced technologies such as 3G, WiMAX and IPTV are more likely to be outsourced in the Middle East and Africa, where concerns about managing the transition to new networks are important, and where more complex value chains demand specialist technical and business support. In Africa especially low ARPU means that overheads need to be kept low as well.

Figure 9: Types of technology outsourced



Technology outsourced	Europe	Middle East	Africa	Total EMEA
Mobile TV	56%	55%	56%	55%
3G services	32%	58%	59%	51%
2G messaging services	60%	45%	37%	47%
WiMAX	28%	55%	48%	45%
IPTV	28%	48%	52%	43%
2G voice services	52%	42%	33%	42%

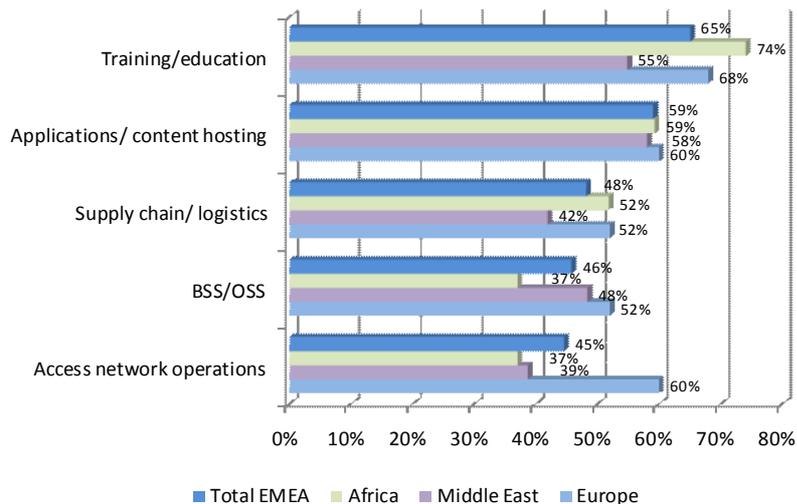
Source: Informa Telecoms & Media

7. Business functions outsourced

One of the main differences between the European and the emerging markets is the willingness to outsource their access networks, with mobile telecoms services approaching commodity status in some Western European countries and competition centring on innovative end-user services and attractive pricing.

Across the EMEA region, however support functions such as training and education, supply chain and logistics services, as well as BSS/OSS are most likely to be outsourced, while marketing and customer service functions are most likely to be retained in-house as key differentiators. Applications and content hosting is a new and growing area, as operators increasingly move to offer a broader range of media and entertainment services. Support services such as mobile payments are also a growth area, particularly in the emerging markets of Africa.

Figure 10: Business functions outsourced



Business functions outsourced	Europe	Middle East	Africa	Total EMEA
<i>Training/education</i>	68%	55%	74%	65%
<i>Applications/ content hosting</i>	60%	58%	59%	59%
<i>Supply chain/ logistics</i>	52%	42%	52%	48%
<i>BSS/OSS</i>	52%	48%	37%	46%
<i>Access network operations</i>	60%	39%	37%	45%
<i>Transmission network operations</i>	52%	48%	33%	45%
<i>IP network operations</i>	48%	45%	33%	42%
<i>Partner management</i>	36%	32%	48%	39%
<i>Customer services</i>	12%	48%	44%	36%
<i>Core network operations</i>	36%	35%	26%	33%

Source: Informa Telecoms & Media

8. Network sharing

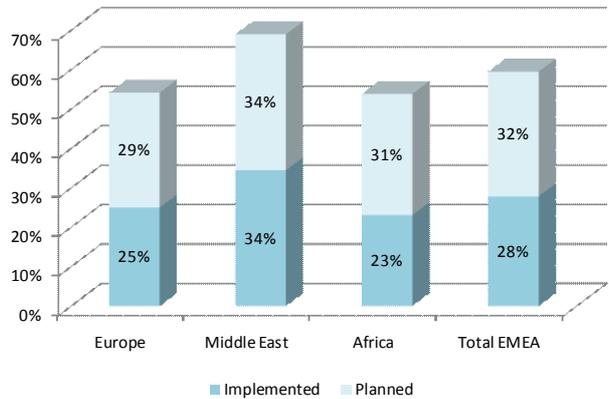
“In our region, low ARPU means keeping overheads low as well”

(African mobile operator)

There are a number of different levels of network sharing. The most basic form of network sharing involves the use of common sites or towers - this occurs in most, if not all, mobile markets. At the other extreme, full network sharing involves the building of a single network from which two or more operators lease capacity. Most network-sharing agreements involve the radio access network. Typically, two or more mobile operators agree to jointly build and own access networks in rural areas where there is insufficient traffic and revenues to justify several competing networks. The approach is common in emerging markets where mobile operators need to reach out to new low-ARPU segments to keep expanding their businesses.

In EMEA as a whole, just under 30% of operators have already implemented network sharing with a similar proportion planning to do so. The slightly higher levels in the Middle East are partly due to regulatory influences, which are a factor in some of the Gulf States.

Figure 11: Network sharing



Network Sharing	Europe	Middle East	Africa	Total EMEA
Implemented	25%	34%	23%	28%
Planned	29%	34%	31%	32%
No network sharing implemented or planned	46%	31%	46%	41%
Total	100%	100%	100%	100%

Figure 12: Reasons for network sharing

Network Sharing - reasons	Europe	Middle East	Africa	Total EMEA
Capex savings	40%	50%	65%	48%
Opex savings	60%	50%	35%	52%
Total	100%	100%	100%	100%

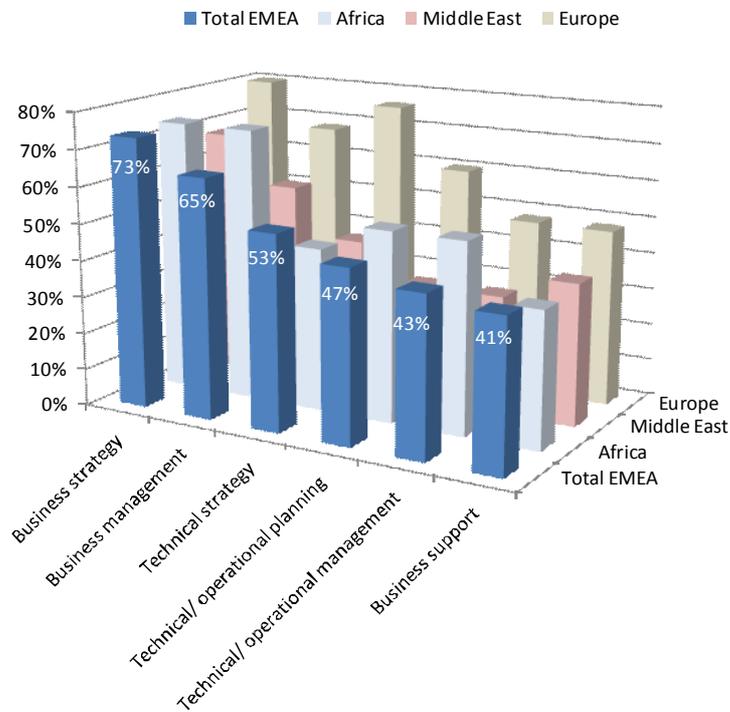
Source: Informa Telecoms & Media

9. Control of projects

“In emerging markets, SLAs need to be rigorously defined - no loopholes!”

(Middle East mobile operator)

Figure 13: Operator responsibility for control of projects



Note: based on Q16 combined responses to '1 – Operator only' and '2'

Operator Responsibility for Control	Europe	Middle East	Africa	Total EMEA
<i>Business strategy</i>	80%	68%	74%	73%
<i>Business management</i>	68%	55%	74%	65%
<i>Technical strategy</i>	76%	42%	44%	53%
<i>Technical/ operational planning</i>	60%	32%	52%	47%
<i>Technical/ operational management</i>	48%	32%	52%	43%
<i>Business support</i>	48%	39%	37%	41%

Source: Informa Telecoms & Media

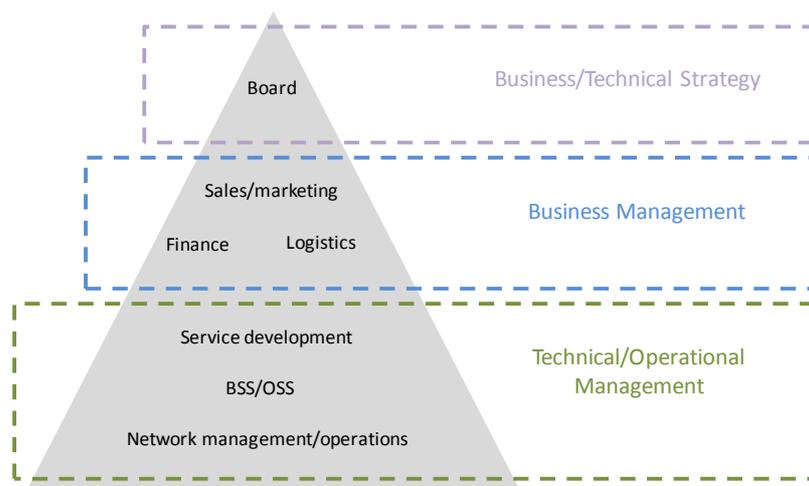
Overall in the EMEA region, control of business strategy remains with the operator (over 70% of respondents said that the operator had control of this area). The proportion was particularly high in Europe with 80% of respondents saying the operator has complete or majority control.

In line with the trend towards outsourcing non-core business functions, responsibility for technical and operational planning and management is more shared between the operator and the managed service provider, and this also the case for business support services.

Business and technical services can be split into two main types:

- **Strategic** - this is board-level advice, often on a global scale, and deals with major decisions affecting company policy and direction
- **Operational** - this type of service is concerned with solutions and systems rather than individual products. Business support is provided to business units such as sales or marketing departments, finance and administration and logistics functions. Technical services address areas such as content or service development and delivery, the integration of BSS/OSS systems into end-to-end solutions, and specialist network management issues.

Figure 14: Business and technical services

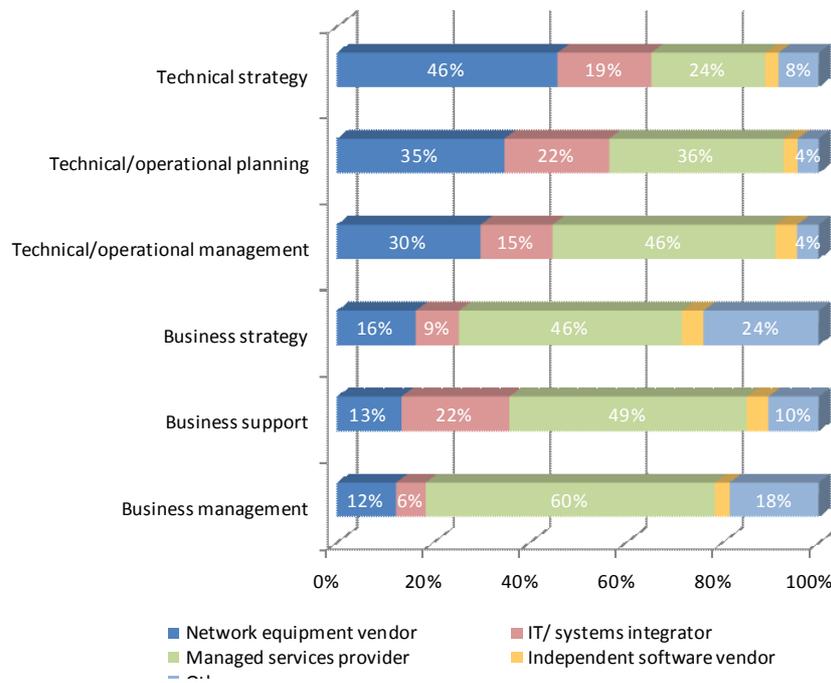


Source: Informa Telecoms & Media

When asked which managed services player is best positioned to offer a given service, such as business strategy advice, a pattern of responses emerged which illustrates the

relative positions of the various players in the value chain. Overall, technical strategy was seen as the strong point of the network equipment vendors, while technical and operational planning were more evenly divided between the vendors and the managed services providers (covering a range of roles from generalists to more specialised players).

Figure 15: Player best positioned

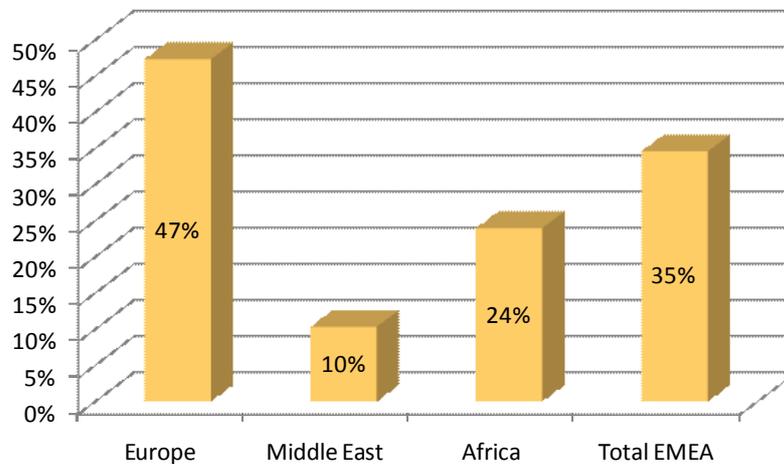


Player best positioned	Network equipment vendor	IT/ systems integrator	Managed services provider	Independent software vendor	Other	Total
<i>Business strategy</i>	16%	9%	46%	4%	24%	100%
<i>Technical strategy</i>	46%	19%	24%	3%	8%	100%
<i>Technical/operational planning</i>	35%	22%	36%	3%	4%	100%
<i>Technical/operational management</i>	30%	15%	46%	4%	4%	100%
<i>Business management</i>	12%	6%	60%	3%	18%	100%
<i>Business support</i>	13%	22%	49%	4%	10%	100%

Source: Informa Telecoms & Media

Operators using the total cost of ownership approach to managed services are more prevalent in Europe than in the emerging markets, largely due to the fact that in a mature market the cost of a project over a period of time is more important, as is the need to balance initial capital expenditure with ongoing support costs. In emerging markets such as the Middle East on the other hand the need to bring new services to market quickly is more vital, and trust in the supplier’s credibility and ability to deliver is more important.

Figure 16: TCO approach to managed services



Note: based on Q15 combined responses to '5 – TCO basis only' and '4'

Source: Informa Telecoms & Media

10. Future trends

"A future managed services provider needs to be an enabler, offering a complete package to network providers" (European operator)

Both suppliers and operators are facing new opportunities and challenges as the communications market changes, both in terms of business models and of the constantly increasing influence of the internet.

Supplier strategies

Strategy options for suppliers include:

- Market positioning in terms of technical expertise and value-add
- Level of involvement in operators' business operations
- Global capability versus local delivery
- Specialisation versus generalisation.

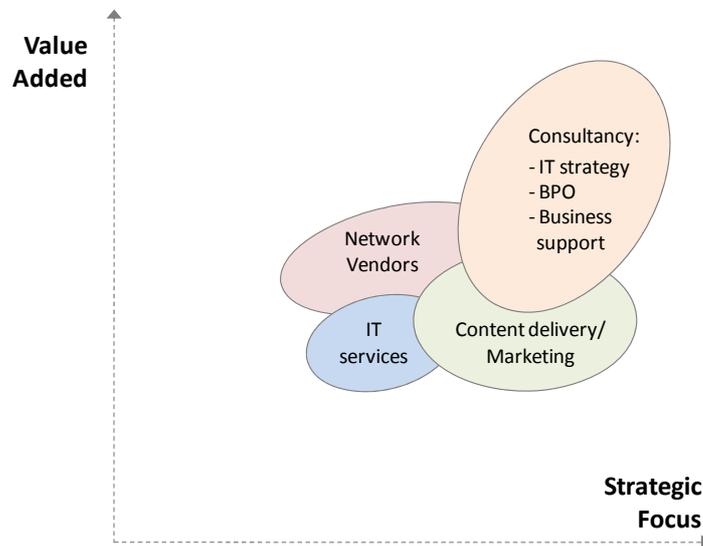
As suppliers move up the value chain, their involvement with the operator's business processes begins to increase. One trend which is already emerging is the move to the build-operate-run model for new networks or for greenfield situations. This assumes that the supplier will continue to run the network once it is installed and deployed, freeing the operator from the logistics associated with spare parts provision, and the day to day management of the technical operation of the network. A similar logic applies to new technologies such as VOIP or push to talk, where the risk of investment and market launch is taken by the supplier rather than the operator.

More recently, the adoption of a more open access model of content delivery has meant that suppliers need to offer expertise in sourcing, provisioning and managing diverse types of media and content, including mobile TV, games and music. In these areas the operator may well prefer to concentrate management time and effort on differentiating the service

through marketing and customer support rather than focusing on operational factors which do not deliver a competitive difference in such a direct way.

As operators move into new markets, they are confronting a number of key issues which require strategic or operational decisions, or a mix of the two. In both the mature and emerging markets, there is a requirement for a type of managed service which not only provides a solution to an immediate problem but which offers guidance in setting strategic objectives, and in achieving them operationally. Since most processes in the organisation are now supported by IT, the firms which specialise in this area have often been the ones which are well-placed to extend IT strategic consulting into high level business consulting. These firms are increasingly coming into competition with the specialist network vendors, which are themselves responding by adding consultancy to their range of expertise.

Figure 17: Managed services supplier positioning



Source: Informa Telecoms & Media

Operator strategies

Operator strategies are centred on the extent to which the network can be regarded as core business, and to what extent business models derived from the internet can or should be extended into mobile and fixed communications. These options include:

- Network sharing
- Wholesaling
- Partnering
- New business models (with costs funded by advertising for example).

Operators are now moving into a market which is changing in three different, but related ways:

- Network and connection services are being complemented by new media, content and applications
- Fixed and mobile communications are converging, and

- Disruptive business models are changing the established pattern.

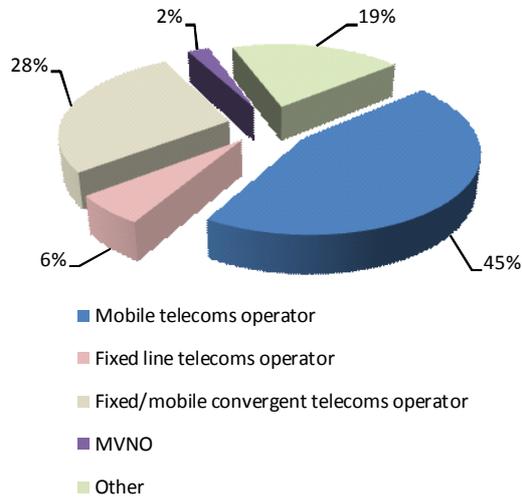
Internet service providers are one example of both new media and disruptive business model, because they are moving into competition with fixed and mobile operators with a radically different approach to pricing and delivery of services. Equally, virtual network operators are challenging other players in the media and communications marketplace by creating new organisation structures which may be more responsive to consumer needs and changes in fashion.

For mobile operators, the challenge is to exploit the potential of the emerging mobile internet, and they can do this in a number of different ways:

- By making applications available on their network, charging for access to them and building a wholesale revenue stream
- By making applications available free on their network as a general branding exercise
- By building their own communities which they may choose to monetise through advertising sales.
- By partnering with existing online social networking sites and other Internet portals to create mobile 'extensions' of their services.

Appendix – Managed services sample details

Company type



<i>Mobile telecoms operator</i>	45%
<i>Fixed line telecoms operator</i>	6%
<i>Fixed/mobile convergent telecoms operator</i>	28%
<i>MVNO</i>	2%
<i>Other</i>	19%
<i>Total</i>	100%

Region

<i>Europe</i>	30%
<i>Middle East</i>	37%
<i>Africa</i>	33%
<i>Total</i>	100%

Job Title

<i>Board member (CEO etc)</i>	9%
<i>Executive, professional, management</i>	35%
<i>Business development, sales & marketing</i>	20%
<i>Services management (e.g. network operations)</i>	12%
<i>Technical, R&D, engineering</i>	19%
<i>Other</i>	6%
<i>Total</i>	100%

Managed Services Survey

Q1 What is your company type? (Please select one answer)

- Mobile telecoms operator
- Fixed line telecoms operator
- Fixed/mobile convergent telecoms operator
- MVNO
- Service provider/MVNE
- Application developer
- Content developer
- Software vendor
- Other (please specify) _____

Q2 Where are you (personally) based? (Please select one answer)

- Western Europe
- Eastern Europe
- Middle East
- Africa
- Other (please specify) _____

Q3 What is your area of work? (Please select one answer)

- Board member (CEO etc)
- Executive, professional, management
- Business development, sales & marketing
- Services management (e.g network operations)
- Technical, R&D, engineering
- Other (please specify) _____

Q4 What is your level of knowledge of managed services? (Please select one answer)

- 1 - very knowledgeable
- 2
- 3
- 4 - understand the issues but do not follow the market closely

Q5 Does your company currently outsource any of its network operations? (Please select one answer)

- Yes
- Not currently, but plans to in the next year
- Not currently, but plans to in the next two years
- Not currently, but plans to in the next three years
- No, and does not plan to do so

Q6 How important do you think the following are AT PRESENT for telecoms operators (1 very important, 5 not at all important)? (Please select one answer on each row)

	1	2	3	4	5
Developing new media/entertainment services	<input type="checkbox"/>				

Developing telecoms/ IT services for business customers	<input type="checkbox"/>				
Enabling third party access to services (voice, SMS, etc)	<input type="checkbox"/>				
Offering wholesale telecoms services	<input type="checkbox"/>				
Working more closely with external partners	<input type="checkbox"/>				
Developing new business models (advertising funded etc)	<input type="checkbox"/>				

Q7 How important do you think the following will be IN THE FUTURE for telecoms operators (1 very important, 5 not at all important)? (Please select one answer on each row)

	1	2	3	4	5
Developing new media/entertainment services	<input type="checkbox"/>				
Developing telecoms/ IT services for business customers	<input type="checkbox"/>				
Enabling third party access to services (voice, SMS etc)	<input type="checkbox"/>				
Offering wholesale telecoms services	<input type="checkbox"/>				
Working more closely with external partners	<input type="checkbox"/>				
Developing new business models (advertising funded etc)	<input type="checkbox"/>				

Q8 Please rank what you consider the top five reasons for using a managed services provider currently in order of importance. (Please put numbers 1 to 5 in the appropriate boxes below)

Manage operational costs	<input type="checkbox"/>
Reduce headcount	<input type="checkbox"/>
Manage risk effectively	<input type="checkbox"/>
Manage network capacity	<input type="checkbox"/>
Manage network complexity	<input type="checkbox"/>
Manage multiple suppliers	<input type="checkbox"/>
Maximise geographic coverage	<input type="checkbox"/>
Reduce time to market for new technologies	<input type="checkbox"/>
Achieve more predictable cost of ownership	<input type="checkbox"/>
Offer new services quickly	<input type="checkbox"/>

Managed Services Survey

- Access to new professional expertise
- Need to partner with third party
- Focus on core business issues
- Other (please rank & specify)

- IP network operations
- BSS/OSS
- Applications/content hosting
- Partner management
- Customer services
- Supply chain/logistics
- Training/education

Q9 Thinking specifically about types of technology, how likely are the areas in the list below to be outsourced currently in terms of network operations, management or maintenance? (Please select one answer on each row)

	Very likely - 1	2	3	4	Very unlikely - 5
2G voice services	<input type="checkbox"/>				
2G messaging services	<input type="checkbox"/>				
3G services	<input type="checkbox"/>				
IPTV	<input type="checkbox"/>				
Mobile TV	<input type="checkbox"/>				
WiMAX	<input type="checkbox"/>				
Femtocell	<input type="checkbox"/>				
Other (please specify below)	<input type="checkbox"/>				
Description of other	_____				

Q12 In terms specifically of network operations, how likely are the following areas to be outsourced currently? (Please select one answer on each row)

	Very likely - 1	2	3	4	Very unlikely - 5	No plans
Network security	<input type="checkbox"/>					
Network performance/optimisation	<input type="checkbox"/>					
Asset/spares management	<input type="checkbox"/>					
Capacity management	<input type="checkbox"/>					
Site acquisition/management	<input type="checkbox"/>					
Site sharing	<input type="checkbox"/>					
Revenue assurance	<input type="checkbox"/>					

Q10 How likely are the following areas of an operator's business to be outsourced currently? (Please select one answer on each row)

	Very likely - 1	2	3	4	Very unlikely - 5	No plans
Access network operations	<input type="checkbox"/>					
Transmission network operations	<input type="checkbox"/>					
Core network operations	<input type="checkbox"/>					
IP network operations	<input type="checkbox"/>					
BSS/OSS	<input type="checkbox"/>					
Applications/content hosting	<input type="checkbox"/>					
Partner management	<input type="checkbox"/>					
Customer services	<input type="checkbox"/>					
Supply chain/logistics	<input type="checkbox"/>					
Training/education	<input type="checkbox"/>					

Q13 Is network sharing being planned or implemented by your company? (Please select one answer)

- Implemented
- Planned
- No network sharing implemented or planned

Q14 What is the main reason for implemented or planned network sharing?

- Capex savings
- Opex savings
- Other (please specify) _____

Q11 How likely are the following areas of an operator's business to be outsourced in three years' time? (Please select one answer on each row)

	Very likely - 1	2	3	4	Very unlikely - 5	No plans
Access network operations	<input type="checkbox"/>					
Transmission network operations	<input type="checkbox"/>					
Core network operations	<input type="checkbox"/>					

Managed Services Survey

Q15 Using the two statements below, can you describe which best describes your company's overall approach to outsourced or managed services:

a - we buy services on a transaction basis (for example a network security project, or network optimisation) with specific objectives for each set of outsourced tasks.

b - we buy services on a total cost of ownership (TCO) basis, with responsibility for outsourced capacity management linked to a service level agreement.

Please select the box which best describes your company's approach, based on statements a and b. For example, if you buy purely on a transaction basis tick 1, if you buy purely on a TCO basis tick 5.

Transaction basis only - 1	2	Mix of the two - 3	4	TCO basis only - 5
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q16 Please indicate for each of the following types of managed service where the main responsibility for control lies. (Please select one answer on each row – e.g if you think responsibility is shared select box 3)

	Operat or only - 1	2	Shared respon sibility	4	Manag ed service provide r only - 5
Business strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical/ operational planning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical/ operational management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business support	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q17 Which player do you believe is best positioned to deliver each type of service?

(Please select one answer on each row)

	Networ k equipm ent vendor	IT/ system integrat or	Manag ed service provide r	Indepe ndent softwar e vendor	Other (please describ e below
Business strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical/operatio nal planning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technical/operatio nal management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business support	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Description of other
players and service
best positioned to
deliver
