Telco and ERP in the Experience Economy
Key Business Drivers in Telco

$650 billion invested by industry to accelerate development of fast Telco pipes and enable digital transformation.

90% of industry growth is captured by companies that offer engaging experiences.

>50% of organizations will rely on AI to drive supply chain transformation.

STRATEGIC PRIORITIES

Customer First
- Enable fine-grain personalization
- Maximize customer experience

Operational Excellence
- Real-time intelligence insights
- Connect seamlessly with ecosystem partners

Revenue Stream Diversification
- Monetization of data
- Innovative partnerships
- Efficient order fulfillment and delivery

Intelligent Connectivity
- Digitization extends revenue streams beyond connectivity, requiring deep management monitoring and maintenance of assets and infrastructure

"Quickly adapting to change – foreseen and otherwise – is the critical, central capability for every organization. Systems and technology must be an enabler to this change, not an impediment."

Simon Ellis, Program Vice President, IDC
Telco Companies Are Driving **New Business Models**

Telco companies are at the forefront of enabling digitalization on an unparalleled scale with 5G infrastructure and new networks leading to the **emergence of new business models**. They aim to take advantage of opportunities for sustained, value-added relationships with consumers seeking “outcomes” rather than just “products.” This builds long-term relationships with consumers based on a deep, frequently real-time understanding of their evolving wants and needs.

**From ...**
- Selling products
- Maintenance by calendar
- Reactive, push-based marketing
- Limited analytical capabilities

**To ...**
- Delivering outcomes
- Highly monitored and optimal maintenance
- Value-added recommendations
- Real- and full-time analytics
Traditional Processes Are No Longer Good Enough
Example: Asset Maintenance
Challenges:
- Time-based scheduling, manual condition inspection required, unknown real-time risk profile
- Manually assign inspection resource to physically review asset, disconnected finance, asset management, and HR systems
- Inspection report filed in batches / end of day, service tasks assigned based on asset engineering plan or individual inspector knowledge
- Manual resource assignment, multiple documentation sources per asset, no optimization of cost, risk, and performance

Outcomes:
- Declining asset performance
- Difficulty executing inspections on time
- Delays in mitigating critical risks identified
- Higher cost and risk, lower performing assets
Enabling Better Customer Experiences in Telco
Example: Intelligent Operations and Asset Performance
Frequent MRP runs throughout the day quickly identify material shortages.

Demand-driven replenishment.

Intelligent material exception reporting.

Stock-in-transit arrival and delay prediction.

Integrated maintenance planning and execution reduces costs and optimizes asset performance.

25% increase in first-time fix rates.

Just-in-time triggering of maintenance orders.

Intelligent resource identification and assignment.

Real-time analysis of asset health.

28% higher return on assets.

Just-in-time scheduling increases resource utilization.

Integrated maintenance planning and execution reduces costs and optimizes asset performance.

44% reduction in unplanned downtime.

Real-time monitoring of sensor data.

Predictive analysis from SAP Predictive Maintenance and Service.

Failure prediction and impact simulation.

SAP S/4HANA customer achieve.

Key capabilities delivered.

Asset health monitoring.

Maintenance scheduling.

Maintenance execution.

Intelligent technology outcomes.

Real-time monitoring and prediction reduces unplanned downtime.

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What Industry Leaders Are Doing Today
Examples
What Industry Leaders Are Doing Today

Verizon

Challenges
Verizon has historically been defined by a series of acquisitions with multiple ERP solutions. In 2018, Verizon promised $10 billion in shareholder value over the next several years. Key to achieving this is harnessing the power of a single digital platform across the enterprise, supported by SAP S/4HANA.

SAP S/4HANA Innovations
Verizon implemented SAP S/4HANA for a business unit as a finance-first cornerstone of the transformation journey that includes general ledger, fixed assets subledger, and accounts payable and accounts receivable reporting at the level of the general ledger. In parallel, the corporate central finance foundation was taken live, centralizing the general ledger across six ERP systems.

Benefits
• One robust system to complete the full financial close, including booking of all journal entries
• Ability to generate both consolidated and legal entity reporting (balance sheet and P&L) out of SAP S/4HANA
• Implementation of global standards for chart of accounts and rationalized general ledger accounts
• Consistent use of accounts, reducing data processing and reconciliation issues
• Elimination of various manual journal entries into siloed source systems
• 20% lower total cost of ownership
• Shortened close process by 1.5 business days
Challenges
From Parnidis Düne to Medininkai Castle, people across Lithuania count on telecommunications, IT, and television services from Telia Lietuva AB. To continue meeting quickly changing market demands and customer expectations, the company was looking to simplify and consolidate its business-to-business (B2B) and business-to-consumer (B2C) product and service portfolio. It also wanted to streamline billing and improve customer engagement overall.

SAP S/4HANA Innovations
To streamline business transactions and improve customer service, Telia Lietuva deployed SAP S/4HANA, SAP Billing and Revenue Innovation Management, and SAP Commerce in-house. This way, the company was able to automate processing for key business transactions — including customer creation, billing, and order creation, updating, and cancellation — reducing errors and streamlining business execution.

Benefits
• 10 configurable product portfolio offerings — reduced from 1,000
• 50% in ramp-up time for new hires
• 50% faster run time for billing
• 75-80% reduced processing time for business transactions

“With SAP S/4HANA, SAP Billing and Revenue Innovation Management, and SAP Commerce, we are really transforming the business. Everything is easier for our people and for our customers.”

Gintare Stundyte, Head of Customer Experience, Telia Lietuva AB
“Converting from SAP ERP to SAP S/4HANA is a major milestone in our IT strategy. It aligns with our growth plans and is expected to play a key role in our overall success.”

Ajay Srivastava, Head of Information Technology, Himachal Futuristic Communications Ltd. (HFCL)