

How telecom operators can grow in the business-to-business market

GCC telecom operators can achieve significant growth in the business-to-business market. That business-to-business opportunity is appealing given the broader challenges facing telecom operators, such as the ongoing commoditization of their core services, intense competition, and rigid business models. To achieve this growth, telecom operators should collaborate with their business customers to deploy advanced digital solutions tailored to their industries and sectors. That means becoming trusted advisors, problem-solvers, and essential partners in their business customers' digital journeys. Telecom operators thereby can diversify revenues, protect earnings from connectivity, and become leaders in the region's information and communication technology industry.

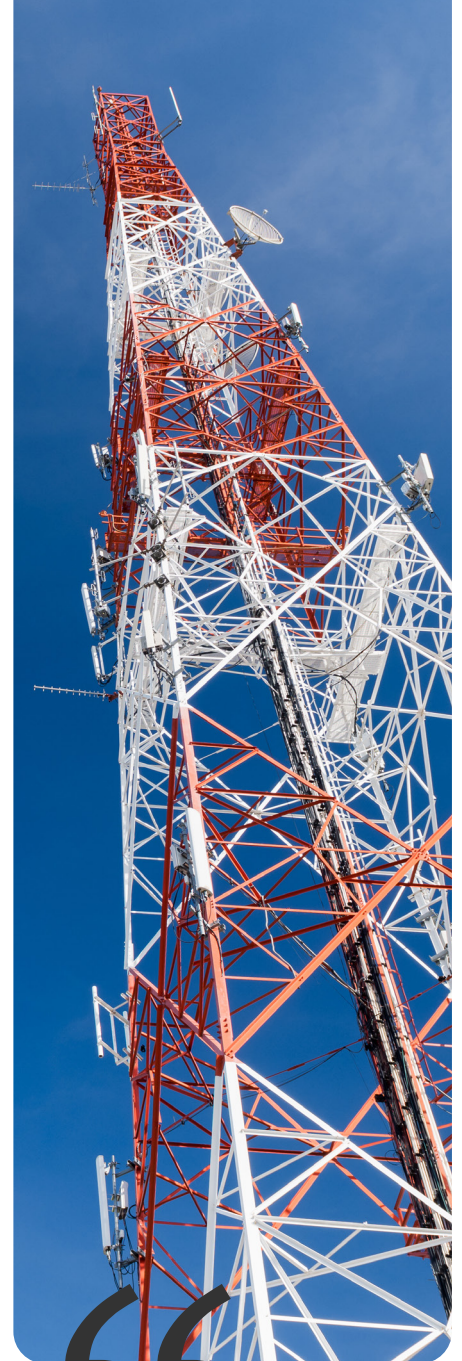
The market for advanced digital solutions, which combine technologies to transform businesses and deliver exceptional value, is substantial and growing fast. **Mordor Intelligence estimates that this market will rise by 24.3% CAGR in the Middle East from 2025 to 2030, reaching \$149 billion.** Combined with the demand created by artificial intelligence (AI) and the GCC governments' ambitious digital agendas, that presents an inviting opportunity for regional telecom operators.

Better yet, GCC telecom operators are uniquely positioned to succeed. They have nationwide infrastructures, serve a broad base of mobile and fixed subscribers, possess unrivalled market knowledge, and have demonstrated a long-term commitment to localization and GCC countries' sovereignty priorities.

To put these advantages to work, telecom operators should become solution visionaries. That means going beyond selling connectivity along with other discrete products and services.

Instead, telecom operators should act as consultants, developing a deep understanding of their clients' aspirations, strategic goals, and pain points; and collaborating with them to formulate digital strategies. Telecom operators can assist their business clients to transform and modernize how they operate. A telecom operator could assist a port management company to devise a strategy that defines the purpose of port digitization, sets short- and long-term goals, and provides a comprehensive implementation plan.

Part of being a solution visionary is creating comprehensive solutions that integrate multiple products and services. Telecom operators can play a vital role in the region's plans for advanced industrial projects. A telecom operator working with a manufacturer could enable the design of a smart factory. This concept would integrate connectivity, cloud computing, data centers, cybersecurity, internet of things (network of connected devices) sensors, industrial platforms, robotic process automation tools, business process automation tools, and system integration.



Advanced digital solutions are the next frontier for GCC telecom operators, an opportunity to create uniquely valuable partnerships with their business customers.

Solution visionaries illustrate and visualize solutions, enabling clients to experience the outcomes, understand value created, and fine tune design. For instance, a telecom operator might simulate an AI-enabled healthcare system to help a government health provider or authority visualize experiences and outcomes for patients, providers and the community.

Being a solution visionary means cultivating long-term relationships with clients. Telecom operators could thereby identify strategic opportunities and find ways to unlock value creation, such as through public-private partnerships. A telecom operator might envision, and propose, an overarching digital value proposition for a major exposition. That could include digital twins (such as virtual representations of the exhibitions), connectivity, ticketing systems, and the other elements needed to stage a successful event.

Such relationships are about building innovative business models. Telecom operators could offer clients such options as joint ventures and build-operate-transfer agreements, thereby participating in clients' ventures and lowering clients' capital investment costs. A telecom operator might, for example, provide smart signage and parking solutions to a stadium operator in return for a share of the resulting revenues.

While telecom operators already possess some necessary advantages for success in advanced digital solutions, they may need to develop the capabilities of solution visionaries, and the internal structure to support them.

First, telecom operators should build their product and service portfolios to offer comprehensive digital solutions. For instance, a solution visionary to the logistics industry may require partnering with, or acquiring, other companies so the telecom operator has more offerings in tracking and monitoring, warehouse automation, and smart logistics.

Second, telecom operators should create a dedicated, highly entrepreneurial unit. There should be incentive and performance management systems for the staff to be solution visionaries. The telecom operator should empower the unit's leaders to make fast decisions. The unit's structure should support a multi-sector focus emphasizing emerging technologies and a team-based format for selling. As its capabilities mature, all sales teams can adopt a solution visionaries approach, while the unit remains a center of excellence.

Third, telecom operators need a talent strategy to develop solution visionaries. That means hiring, developing, and retaining people possessing a strong understanding of technology and business. These people should be capable of a consultative approach to identify opportunities, conceptualize complex solutions, and drive them to the proposal stage. Handling such opportunities typically requires combined expertise of sector and technology experts, business analysts, solution architects, and deal structuring experts.

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