

OSS/BSS in the Cloud? Hosted Services

By Tim Young, Editor-in-Chief

What's in a name?

This issue of Pipeline is dedicated to the “cloud”, a term with which I’m not wholly enamored. Like its puffy white namesake, the cloud of the computing realm is nebulous, lacks definite substance, and tends to expand or contract according to the prevailing winds of buzz and jargon.

But that’s just a name. Call it what you will. The “as-a-service” model fits pretty well. SaaS. IaaS. Or, if you want to get really inclusive, you can call upon the reliable variable and deem it XaaS. Or you can drop the innuendo and call it the hosted services model.

“Leading OSS/BSS providers are doing some very interesting things in the realm of cloud enablement.”



But, again, what's in a name?

The cloud represents a real opportunity for service providers looking to help enterprise customers (especially) take advantage of the model to become more productive and better meet the needs of their end users. Within this issue of Pipeline, and elsewhere within the industry, a great deal of virtual ink has been spilled on how CSPs can increase their revenue and their general relevance by enabling cloud services for enterprise customers. In addition, the extent to which OSS/BSS providers can aid in this increase in cloud focus has been widely commented on.

There's a great deal of substance here, and leading

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OSS/BSS providers are doing some very interesting things in the realm of cloud enablement.

But there's another side to the cloud.

The Right Fit

For OSS/BSS providers, the cloud represents a delivery model for support systems that is truly attractive for small and medium service providers. This, naturally, isn't the side of the cloud that gets the lion's share of the attention, but the fact is that communications service providers aren't just enablers of the cloud, but are increasingly consumers of the cloud.

The clear first targets for cloud-based OSS/BSS are the small and rural CSPs. Take the United States, for example. Name a few service providers. AT&T? Verizon? Qwest? They're probably the first companies I'd name, too.

However, if you take a look at the NTCA (National Telecommunications Cooperative Association), an organization that represents small and rural telecom operators in the US, you'll find some 570 members. That's 570 companies that may not have the financial and technical wherewithal or the enormous customer bases that the RBOCs have, but who could benefit

"There are 570 small telcos in the U.S. that could benefit from OSS/BSS services hosted on the cloud."

from a wide array of OSS/BSS solutions that allow their customers the same level of service that the big guys offer.

How do they get that? It's clear that the resource gap, with regard to personnel and spend on systems, is vast between the small carrier and the massive RBOC, and while the scale of deployment is generally much smaller, the baseline complexity is still essentially the same.

For providers like small and rural carriers, headcount is small, so system monitoring, billing, charging, provisioning, and other complex and ongoing services work best if they are largely automated and require very little increase in staff.

In addition, the traditional, license-based software distribution model is expensive enough for a major carrier with millions of subs. For rural providers with



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Vendors Taking the Plunge

It is in this context that we see the appeal of the cloud. We saw one big development on this front last year when Subex rolled out its ROCcloud solution, which gives small and medium telcos a lot of the same functionality they'd find in Subex's license-based product suite without the massive upfront cost.

It's an appealing proposition for the smaller CSP, and Subex isn't alone in heading down that road. cVidya has pushed its revenue assurance solutions into the cloud, as well, launching an SaaS version of its fraud management/revenue assurance offerings last fall. The new solution, dubbed cVidyaCloud, is also aimed at the smaller service providers looking to compete directly against larger players.

In both cases, support system providers are identifying the cloud as a pathway to the group of service providers for whom their traditional solutions are out of reach or simply not a priority. And these vendors aren't alone. There are others who have begun to reach through the cloud to touch CSPs that would have been beyond their grasp, traditionally.

And while this group of service providers includes

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rural carriers, the list doesn't end there.

Comarch, another BSS provider that has gotten into the cloud game, seems to be using the cloud as a method for reaching out to non-traditional service providers who, like their small conventional counterparts, seek a different model for support system delivery.

Late in January, Comarch announced that it had supplied its cloud-based billing solutions to fring, the mobile video call and live chat provider. As a result, fring has been able to push its fringOut external calling service, which allows voice calls to be made between fring devices and external lines for about a penny a minute.

This is a particularly interesting development, as fring used a SaaS billing platform from Comarch, and the project also included a partnership with

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non-traditional-payment-maven PayPal for a sort of trifecta of communications business model paradigm shifts.

In fring we have an example of another type of service provider for which the cloud model of support system delivery is ideal. The service is virtual. The payment systems are virtual. Why use a license-based billing system?

This is a trend we don't see abating. Sure, the rhetoric around the cloud will cool, as all marketing blitzes do. However, after the shouting is over, the really interesting stuff will start to happen. In the coming months, expect to see the number of service

providers who are drinking their own champagne (or eating their own dog food, depending on how positively you want to view the cloud trend) grow, and to see more vendors meeting this growing demand for cloud-based OSS/BSS solutions with lite versions of their own solutions designed for the service provider that has decided, for whatever reason, to run lean.

Whether we opt to call these hosted OSS/BSS support systems cloud or something-as-a-service or anything else, they may be just the ticket for small and non-traditional service providers.