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The BSS Report: Holiday Shopping Tips for BSS Buyers By Ed Finegold

For many of us the New Year signals the kick off of new initiatives and, in many cases, fresh IT budgets. It's to time build new capabilities and decide whether to keep, consolidate or eliminate the old. Often we resolve to do things better and to try harder, forgetting that by mid-February our cynicism will return as we endure endless conference calls on the long road to March Madness. We must, however, embrace the now and allow ourselves a bit of excitement as we seek ways to clean up those nasty architecture diagrams in search of the new BSS solutions that will help separate our market offerings from the industry pack. As we fall in love with new technology and bold ideas, however, let's remember some key shopping tips that ensure our new BSS investments have more staying power than this year's hottest stocking-stuffer fad.



1) Treat every deal like it is Black Friday. For CSP IT departments, the truth is that it's a buyer's market. Most BSS products are complex and costly – that's the nature of the beast. But the market has never been more competitive than it is now. If you're in the market for a BSS solution, make sure to understate your budget, no matter how lean it is, and fight for the most aggressive pricing you can. It's what the CFO, CEO, and Board expect you to do. The business developer wants to make a sale and carving out a clear piece of your architecture is critical to his or her boss' long term strategy. Treat every deal like its Black Friday and you're the only customer in line when the doors open.

- 2) Unlike Santa, mitigate your risks. Santa's not a risk-averse guy. He flies around in an open sleigh, lands on roofs, and slides down chimneys to get his job done. BSS buyers can't be so cavalier. Yet we often see IT departments taking the same risks again and again no matter how often they've been burned in the past. Weigh all the risks, specific and systemic, before making any commitments. With exciting new capabilities like real-time charging, customer analytics, marketing personalization, and deep packet inspection on the radar, we can't forget the underlying risks that always trouble major IT initiatives. Grinches like poor data quality and integrity; complex systems integration requirements; immature code; and disruption of key business processes can spoil Christmas in less than a fortnight. You can't create a viable business case without a complete understanding of the risks any new solution is likely to exacerbate.
- 3) This Christmas, consider take-out. Though it may fly in the face of tradition, it's a good time to examine Software-as-a-Service (SaaS) options when evaluating new BSS solutions. The SaaS model doesn't always make sense, but if SaaS providers aren't on your RFI list then it is past time to rethink you approach. SaaS' cost, risk, and simplicity advantages can be overwhelmingly positive and often can provide the shortest and least perilous path to results. My family loves a home cooked feast on the holidays, but as the chief cook in my home I can tell you that there are times, after all of the long hours and hard work, that it would be nice if someone else did the cooking and cleaning so I can just eat and enjoy the presents. Consider SaaS in the same light there's something to be said for focusing on business needs instead of wrestling with another in-house implementation and integration project.
- **4) Trim the fat.** If any same contractors, partners, suppliers, consultants or even employees are foolish enough to slack off in this economy, then the time to cut them loose is before a new initiative kicks off. I realize this isn't a happy holiday thought, but business is business and there's a lot of unemployed IT talent available. Think of it like trimming the fat off the holiday roast. That's what's best for your family. Trimming the fat out of your IT department and budget is what's best for the company. Responsible managers will set clear goals for their teams and create achievable incentives to keep everyone motivated in the post-holiday slump. But evaluating performance and holding people accountable is critical as executives increase their scrutiny of budgets, business cases, and ROI measurements.
- 5) Don't party like its 1999. '99 was a great year. The dot-com bubble hadn't burst yet. The World Trade Center still stood. And everyone was certain that real estate values would grow forever. Soon reality set in and the telecom industry found itself in what was considered an industry-wide depression. I don't believe we're seeing the same phenomena and market conditions today, but I do see an awful lot of hype flying around the business like we did back then. With all due respect, consultants, analysts, advertising gurus, and columnists like me get paid to tell an exciting and positive story. But the traditional players in our industry, who feed the whole food chain, face real competitive threats from the Internet and entertainment industries. Buying into hype is hubristic it leads to painful downfalls. Now is a time for realism. Buzzwords don't pay the bills. Just because the whole industry is screaming "content," "apps", "data services" and "personalization" doesn't mean that's the

best or most realistic path to success for your company. Focus on core strengths, economies of scale, and doing right by customers. No company can afford to overlook those fundamentals, even if the path to glory is where the hype says it is.



Putting the quips aside, the reality in 2010 is that CSPs face a market that's competitive in ways no one predicted a decade or so ago. We've all done a lot of talking though about where CSPs need to go to compete with threats enabled by the Internet. The good news for people in the BSS realm is that success depends on driving customer loyalty and optimizing billing and payment capabilities. But, if 2010 is just another year of business-as-usual, those threats will overtake the CSP industry. So, enjoy the holidays, celebrate the New Year, and recharge those batteries for a super-competitive 2010.