

BH Telecom

Starting from scratch



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BH Telecom is the leading telco in Bosnia and Herzegovina, and the first to provide GSM, 3G, and IPTV and a slew of other domestic services. BH Telecom CTO Tarik Carsimamovic discusses the company's aim to bridge the digital divide in the post-conflict nation.

By Linda Xu

Challenging but optimistic

WinWin: What difficulties did BH Telecom face during reconstruction?

Tarik Carsimamovic: There were many, but we saw the challenges as opportunities. Before the war, we had a fixed voice network and a data network based on X.25 technology, though our network and service technologies were already obsolete. So, we tried to rebuild our network from scratch. Our technical staff remained innovative during the war, and actively participated in reconstruction after the war, deploying various technologies such as ATM, FR, DWDM, IP/MPLS network technologies, and 2G and 3G mobile networks. We also introduced service platforms like IPTV, mobile payment systems, and intelligent network systems, and invested heavily in our OSS and BSS. Now, we're very proud of our IT landscape and systems.

Because we built the network from scratch right after the war, we're not lagging too far behind the rest of the world. The only unfortunate thing is

that when we were reconstructing our fixed access network, optical system technologies weren't fully mature and so we didn't launch our optical access network at the beginning. Now, we're suffering bandwidth problems with the access networks in some regions, a problem that we're fully committed to solving.

WinWin: The UN considers broadband a basic right. How far is BH Telecom from realizing this vision? And how can regulators, operators and vendors strive to achieve it?

Carsimamovic: Human rights are the top priority for every digital company, because equal access to communication for all is essential. That's why we've always treated our customers equally, not differentiating between universal service obligations and our service portfolio – all customers have equal and full access to our service offerings.

As technologies evolve, our customers' needs also grow. Right now, we provide around 330,000

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– Tarik Carsimamovic, BH Telecom CTO

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households, of which about 90 percent get coverage speeds of 15-to-20 megabits per second. That's considerable coverage. We also offer more than 70,000 households 50 megabits per second, and 40,000 households 100 megabits per second. Our plan is to raise speeds by 20 percent each year. At the moment, there isn't really any application that requires speeds of 30 to 35 megabits per second, and in the context of basic rights, we already provide adequate broadband capacity for our customers. Of course, we'll spread coverage and raise the speed of our network to continually improve conditions for our customers. Our mobile networks offer the 3G HSPDA service, which theoretically provides download speeds of 42 megabits per second. Because of the shared media in mobiles, any one of our customers using a 3G network experiences an average speed of 5 megabits per second.

Digital transformation on the go

WinWin: How does BH Telecom set itself apart

from its competitors with future-proof networks and seamless user experience?

Carsimamovic: People generally react in the same way to the same situation. The telecoms market is full of competition and it's globalized, and that's why everyone will try to transform into the new environment as fast as they can. The key phrase is digital transformation – the only differences are the method and speed of transformation. Three years ago, BH Telecom started its own transformation from three directions: network architecture, business, and customer experience. In network transformation, we implemented our Master Plan directive, which stipulates three layers of network architecture transformation covering the infrastructure, control, and application layers. The Master Plan sets out principles for system consolidation, which all investments – whether in new systems or upgrading existing systems – must adhere to.

There are two parts to our business transformation: First, we see and treat our customers and vendors

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LTE has failed to generate new revenue streams or a new customer base. Why? Probably because there are no killer applications yet.

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as partners, and re-engineer our business models in this context. Second, we've executed organizational changes by creating two main pillars: the executive directorate for business development, the main responsibilities of which are product development and customer relations, and the executive directorate for technologies and service development, which is organized into three directorates: infrastructure, core network, and services.

So, these organizational changes implement our proposed network architecture. Business transformation acts as a bond between network transformation and customer experience transformation. With customer experience transformation, we're focusing on the processes that help us understand customers' needs and the level of their satisfaction as quickly as possible.

WinWin: BH Telecom plans to launch BH's first LTE service soon. What unique value does it contribute to your overall business strategy and operations?

Carsimamovic: The feedback I have from neighboring countries is that LTE has failed to generate new revenue streams or a new customer

base. Why? Probably because there are no killer applications yet, so bandwidth consumption and the latency requests of average customers are still in the range of the 3G network possibilities. But, new applications, like a 360-degree view and real IoT systems, are emerging. If we're unprepared for those demands, we'll lose customers.

We're also facing huge competition, so we have to remain at the forefront of the market and outpace our competitors, otherwise we'll be resigned to losing more customers.

We're thus implementing LTE to support network architecture transformation. At the same time, we plan to optimize and consolidate our core and access networks. After implementation, we'll try to acquire new customers and additional revenue by offering quad-play services in regions where we don't yet have fixed network access. They'll experience huge improvements with such capabilities, and I believe they'll be satisfied.

Inside out

WinWin: How will BH Telecom synergize its fixed and mobile networks?



We believe that the full commercial benefit of IoT will come with the automation of vertical industries.



Carsimamovic: As a convergent operator, BH Telecom has always offered fixed and mobile network services. The same financial, legal, IT, investment, marketing and sales departments support both segments of network operations – mobile and fixed. We aim to synergize our business operations to support network operations as much as we can and as soon as we can.

We were also the first operator in the region to offer a convergent fixed-mobile voice VPN service. We offer triple-play and quad-play products, and have provided a unified offering and ordering system for more than seven years. We could say that synergy has been the focal point of our business philosophy for a long time.

But, after our organizational changes, we extended the level of synergy between fixed and mobile networks and no longer have organizational silos in network operations. We have infrastructure departments, core network departments and service departments, which are common for any service regardless of whether the origin is fixed or mobile. Our intention is to consolidate all our platforms – ICT as well as OSS and BSS. We think that'll be much more cost-effective, flexible, and efficient after we've

finished our consolidation plans.

WinWin: What do you see as the major global trends in the telecom market? What best practices can you apply to BH?

Carsimamovic: We believe that the full commercial benefit of IoT will come with the automation of vertical industries, and we're focusing on IoT to facilitate automation. For such IoT applications, network transferability, bandwidth, and latency are initial preconditions. Network technologies such as 4.5G and 5G can offer those features. The second precondition for successfully implementing IoT is the convergence of ICT solutions and robotics. Our focus is to integrate ICT solutions for SMEs, prepare for new technologies, partner with enterprises and advise on how they should automate their processes, and use IoT as a system.

The other prediction is that linear television is approaching the end of its expansion. To prepare ourselves for a new era of content delivery, we plan to upgrade our TV platform to interactive multimedia content, because we see that most services used now are video-oriented. [www](#)