

# Telenor

## Connecting customers to what matters most

Telenor Group is one of the world's major mobile operators. Alongside its Scandinavian operations, the Norwegian telco runs five business units in Asia, covering Myanmar, Bangladesh, Pakistan, Thailand, and Malaysia. Telenor exists to connect its 172 million customers to what matters most and is always striving to empower societies in the markets that it's present. While each country has its own specific market characteristics, Telenor Group's Senior Vice President Kim Krogh Andersen shared the telco's overarching strategy.

By Gary Maidment





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**inWin:** Your strategy is “connecting customers to what matters most.” Can you tell us how you will

achieve that?

**Andersen:** We believe that it’s fundamental to personalize customer experience based on their needs and preferences, and to do that we need deep customer insights, tools, and capabilities. Internet Access is our foundation and that’s the product that we build our personalized experience around. When we combine artificial intelligence and machine learning capabilities with our insights from Network NPS, we have a good understanding of what matters most to our customers. We ask our customers about their loyalty once or twice every year on average and what matters most differs from market to market.

With all these insights, we’re presented with many more choices. This means that we need to prioritize where we need to invest. Should we aim to have the fastest network? Best

video experience? Most available network? Best voice or data experience? Best indoor coverage? Best coverage in rural areas? Best coverage in tourist areas? Best coverage in the subway system? When we look at customer feedback from all markets, there’s one thing that recurs: consistency. The network needs to work at all times. We also see that our ability to communicate and be transparent about what our customers can expect from us is super important. Our shared aim is clear: We want to have a customer-centric operation that can be predictable and proactive towards our customers, while providing them with a personalized experience.

**WinWin:** Can you give one or two examples of how Telenor is approaching personalization?

**Andersen:** The foundation of personalization is data and data management. It’s very important to have control of our first-hand data, data from our BSS system and OSS tools, and data from all over the company. And we must utilize

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that data in a structured way. It's also important that we get insights directly from customers and third parties to maximize relevance.

Based on this data, we can design personalized, relevant offers for customers, improve customer care, and provide a better experience. In the future, we will personalize the experience around Internet access products. We've also set up a Network NPS to get direct feedback from our customers every day in all of our markets. This combined with the data we have from the network really gives us the opportunity to do what matters most for customers.

**WinWin: What strategies does Telenor have for growth in Asia?**

**Andersen:** We hold the key belief that Internet access is our core. All our markets still have much potential. Emerging markets like Myanmar, Pakistan, and Bangladesh have much potential to grow in the area of mobile business. We've launched LTE in all these markets and the penetration and affordability of handsets will increase in the future. We believe that we can take part in that journey and provide Telenor with

growth from these markets.

If you look at developed Asia, which we define as Thailand and Malaysia, these countries are some of the most digital in the world, with users spending the most time on mobile devices. So, mobile infrastructure will grow a lot moving forward. We need to be innovative and engage in the ecosystems in these markets to be part of the growth that's connected to this digital development

There are also very interesting technologies coming with 5G. For example, we have fixed wireless access as one way to provide a similar solution to FTTH. We're already partnering with Huawei on a pilot in Myanmar that potentially can be scaled across all our markets. There are also solutions like video, IoT, and VR that will give us growth potential if we do it right. Telenor is a big B2B player in Scandinavia and we firmly believe that we can expand that to Asia and take a position in that segment, and at the same time prepare for new business models within the 5G domain.

**WinWin: Telenor has done well at improving efficiency. How will you sustain this momentum?**

**Andersen:** We'll drive efficiency with simplification and automation through machine learning and AI to create predictive capabilities and ensure we're as efficient as possible in our internal processes and operations. We've started the journey to become an automated and customer-centric operation, and we can see how the use of data and machine learning is helping us in areas like alarm predictions, traffic forecasting, hotspot predictions, network planning, churn prediction, NPS prediction, predictive hardware failures, predictive maintenance, running performance and optimization analytics.

We've also talked about efficiency in the way we design our towers. Here, active and intelligent design is important to cut costs and improve availability, because power is an issue, especially in emerging markets. If the power supply is unstable, we won't have availability and we cannot connect to what matters most. It's very important for us strategy-wise, and at the same time, to be environmentally sustainable.

On the CAPEX side, we need new technologies like massive MIMO to extract the maximum capacity from the spectrum we have. For new innovative equipment and solutions, our partners like Huawei are key. We have a common challenge to bring the newest solutions to the markets in a fast and agile way to stay ready for capacity needs. Massive MIMO and other solutions introduced with 5G will help us not only with efficiency but also with growth.

Structural changes like infrastructure sharing will also going forward be fundamental to keep costs down going forward. With 5G and the need for site densification this will be even more

important.

**WinWin:** WowPlay video app was launched in April 2018, with Huawei providing the platform and content. It already has 115,000 users. In terms of partnerships, what do you expect from Huawei?

**Andersen:** After one day in Shanghai and now here in Shenzhen, seeing the R&D capacity and resources that Huawei has put behind innovation, I'm impressed. With this kind of innovation focus and capacity, it's super important that we improve our ability to utilize this as a growth engine and not only as a way to improve Internet access quality and cost.

WowPlay is a very good example of moving from a transaction model to a model where we go for innovation together and see if we can provide a service that attracts customers and achieves growth that benefits both companies. Hopefully, this is just one of many examples of joint innovation. Telenor and Huawei have also cooperated for many years in a joint innovation center to try out new services and technologies that improve the way we deliver Internet access.

**WinWin:** Operators want to be the first to deploy 5G. But scaling 5G is crucial. Where and when do you see the first large-scale deployment of 5G?

**Andersen:** I think there are some trigger points. The handsets need to be ready, and they'll probably be coming soon. Then there's spectrum, which needs to be available. And then we need to look at the market conditions and where different use cases fit.

“With Huawei’s solution in place, we’ve achieved a major breakthrough in the diversity of DC network products, laying a solid foundation for private cloud transformation in the future.”

There’s a lot of hype about 5G and there are definitely countries, operators, vendors, and partners that are really pushing for early launch. The pilot we have in Norway and the EU project 5G-VINNI has given Telenor a good foundation to embark on the 5G journey. The pilot in Norway and general 5G readiness are only possible with innovative and forward-leaning partners like Huawei.

**WinWin: What will be the driver for 5G? New growth or per-bit cost?**

**Andersen:** First I think the commercial part of being first or in the first wave is important to gain some brand equity. After that I believe use cases like fixed wireless access and IoT will be drivers – even though we can deploy that with 4G technology – quality will increase with 5G. So, those are some use cases that are important. In time we will see capacity demands, especially in the super big, dense cities we have in Asia, like Bangkok, Kuala Lumpur, Karachi, and Dhaka where 5G will be necessary to deliver the expected experience and demand for capacity in an efficient way.

**WinWin: Going forward, what major**

**challenges do you think operators need to overcome?**

**Andersen:** There’s a lot of potential in Internet access as a core product to both extract value and ensure that we’re part of the value chain. We really need to both change as a company – change the way we collaborate with our partners – and utilize data and insights. I think AI and customer insights are key to connecting our customers to what matters most to them. To do that, we need to have control of our data and use customer insights in an intelligent way. Then we can achieve our growth ambitions. But it’s hard work and we need good partners.

We have a good and long-term relationship with Huawei, and a partnership like that needs to follow the strategy of development for both parties. I see a lot of potential going forward, not only for equipment, but also in services and use cases like video and fixed wireless access in Myanmar.

Hopefully we can expand our collaboration to not only be our equipment vendor, but also utilize the enormous innovation power of Huawei to help us grow into the future. 