"Changing role of managed services"

Interview with Mahindra Comviva's Anurag Srivastava

Over the years, the managed services model has become an important part of operators' growth strategies. Handing over the management of specific services to specialised players is helping them ensure efficient operations and boost revenues. Mahindra Comviva is a leading player in the managed services domain, serving operators through evolving business solutions. Anurag Srivastava, senior vice-president, managed services, Mahindra Comviva, talks about changing user needs and the outlook for the managed services segment. Excerpts.…

How have operator needs for managed services changed over time? Has there been a change in the way managed services contracts are structured?

The era of managed services began some 15 years ago and the segment has evolved over time. In the early years, it focused purely on outsourcing. But it has now become a business that focuses on offering consultation services and support to operators. Earlier, a key customer requirement was to have all technical nodes or telecom platforms up and running all the time. Now, this is a given and operators are focusing more on measuring and enhancing the customer experience to ensure loyalty. As a result, earlier managed services providers were measuring only the performance of the nodes; now they are measuring the performance of end-users as well. Moreover, the industry is talking about the segmentation of various subscribers, such as youth and elderly, professionals and housewives, as every segment has different usage patterns and preferences. Thus, with changing market dynamics, the requirements and expectations of operators have also changed, which in turn has changed the role of the managed services industry as well as the business model on which it is based.

What are the key products and solutions that Mahindra Comviva offers in this space?

Our managed services portfolio is a highly diversified one. We have a full-fledged managed services delivery model, which ensures that operators focus on their key areas while we handle the identification of technical issues and the management of their key services. The managed services business model helps operators manage their networks efficiently, which in turn increases subscriber loyalty.

Pure outsourcing is one of the key features of the managed services model. The other feature is providing consultative services to operators. The third feature, which we call managed experience services, is where the customer experience is measured, monitored and then monetised. We also have a division that manages various delivery tools. We have developed a new tool called Rapid Auto Detection and Advanced Reporting (RADAR), which is very dynamic in nature and is used to measure, control and clear faults through a cognitive learning approach. Our key clients are large operators like Bharti Airtel, Vodafone India and Idea Cellular. We manage services on a fixed price basis or on a per subscriber basis. In terms of pricing, we charge as per the client's growth or as per the usage. So, a whole range of financial models is offered to operators.

What is the contribution of managed services to Mahindra Comviva's overall revenue?

The company's business is dynamic in nature. The contribution of managed services in Mahindra Comviva's overall revenue is around 15 per cent.

What products or solutions is the company currently working on?

Our portfolio includes plain vanilla managed services, cloud-based managed services and go-green managed services, which focus on reducing the carbon footprint, the number of servers required and power supply. We also have products specific to managing the customer experience.

Our recently launched product, RADAR, is a dynamic tool that can measure the complete flow of services and the user experience. For instance, it can measure the time taken by a phone to open a website as well as seek other details, such as whether you could see the site completely or only half of it and what was the user's experience. It is an auto-learning, auto-corrective and rapidly performing tool that will bring considerable change in the market. Operators are showing a lot of interest in the product and the services around it. However, we don't sell it as a product; we sell it as a service. This tool will help customers identify faults and correct them. It is a cognitive tool with some artificial intelligence built into it. We believe that it will be a good and innovative offering, which will fill the gap in the traditional managed services market.

What opportunities do you foresee in the managed services market and what is the outlook for the segment?

The market presents phenomenal opportunities. The traditional way of working is no longer relevant for operators. Service penetration is increasing, competition is getting fierce and prices are going down. Together, these are creating a lot of pressure on operators' bottom lines and top lines. Therefore, they are exploring new ways to capture more customers, generate more revenues and grow their business. The managed services model, which has now become a complementary model rather than an outsourcing model, will help them address these challenges. Managed services providers have the expertise to assist operators in launching a service, managing it, and ensuring that it is fully up and running, and that the customer experience is world class. ▲