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## AN APPOINTMENT WITH CVIDYA

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## REVENUE ASSURANCE

**Alon Aginsky**

Alon leads cVidya Networks with over 15 years of management and marketing experience in the telecommunications, software development and network management industries.

Prior to joining Cvidya, he served as Vice President of Business Development and Business Alliances at C. Mer Industries, responsible for new ventures in Telco Customer Care and Billing and Network Management Solutions.

Alon holds a BA in Business Administration from New York Technology University.

**cVidya Networks provide comprehensive and innovative Revenue Assurance solutions for current and next generation services, enabling communication service providers to realise and reclaim lost revenues while minimising operational costs.**

**cVidya's MoneyMap product bridges the gap between the network, OSS and BSS and uses advanced techniques to facilitate a complete cycle of detection, correction and revenue leakage prevention.**

**ITP Europe met with Alon Aginsky to discuss the importance of comprehensive RA strategies for mobile carriers and how such systems can not only assure revenue collection, but maintain network integrity.**

**ITP Europe: How common is the problem of lost revenue within the mobile communications industry?**

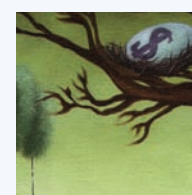
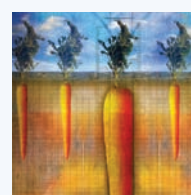
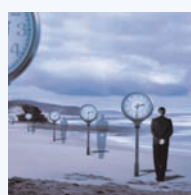
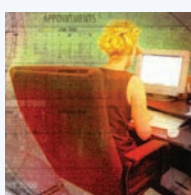
**Alon Aginsky:** Based upon the projects that cVidya has undertaken with a variety of mobile carriers it is evident that the problem of lost revenue exists with almost every carrier.

The magnitude of the problem varies between carriers, but the primary influence is the maturity and complexity of the business environment and history. The diversity of the operational environment (network, OSS, BSS) and operational processes are major contributors to the complexity of the mobile operator environment and therefore on revenue loss. A merger of two operators inherently creates higher levels of operational process diversity.

INTERVIEW



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The offerings of new services, which reside on top and aside the voice services, involve new network entities and processes performed by operational systems. This is especially true when examining the processes and networks involved in the 3G networks as well as next generation spectrums. The situation is further complicated by the relationships the mobile carrier market maintains with its customers (residential and business) and partners (interconnect, roaming, MVNO's, content and application partners). This is a major contribution to operational complexity and a significant factor in the increased risk of revenue loss. The evolving complexity takes its toll by causing unsynchronised processes and systems as well as a higher error rate.

**ITP Europe: What are the challenges facing operators with the introduction of Triple Play services?**

**Alon Aginsky:** Triple play services are all about capturing consumers by offering them a complete set of services and features that address their information, entertainment and communications needs. In order to do that operators need to implement new technologies and efficiently

package offers of video, voice and data.

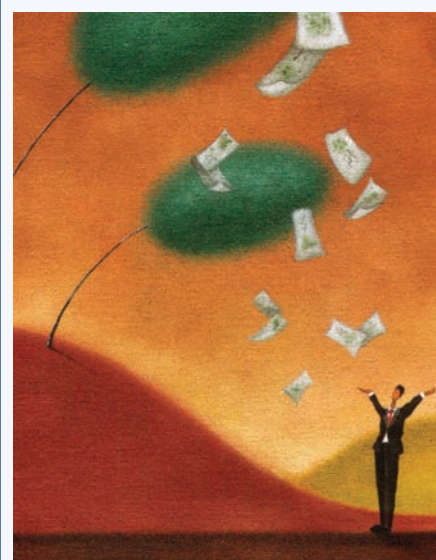
Therefore, from an RA perspective, the solution should be multi-layered, so customers receive connectivity as a service (access), but also as a platform to other services such as voice, broadcast TV, VoD, gaming and other content/media services. The combination of technologies and business models presents several revenue assurance challenges for carriers.

Each service has its own set of systems and information elements that represent the services provided and products bought. In order to assure the correct billing and provisioning of products, it is important that a revenue assurance platform is flexible enough to represent those services and analyse them.

Bundling of services (including cross product discounts, promotions and pricing schemes) presents a major challenge for billing systems. With the high demand and huge variety of possible offers available to customers, RA platforms will have to be flexible enough to meet these challenges.

The amount of usage data is expected to grow significantly and a revenue assurance platform must be able to handle larger amounts of usage data down to a single event level. Statistical methods are

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not enough because to avoid additional leakages (for example, cross product discounts based on wrong usage data) and reclaim lost revenues, the RA platform must have the ability to examine and correct each event.

New types of business relationships are evolving. Originally supplying just connectivity, carriers will now supply additional services (such as TV broadcasting, VoD and content) that have different relationships between the owners of the content, the carrier and the customers. This will require changes and adaptation in both the operational and billing systems. The revenue assurance platform needs to have the ability to represent these relationships and the complex charging and payment systems involved.

#### **ITP Europe: What are the most common areas for revenue to be gauged inaccurately or lost?**

**Alon Aginsky:** The main usage of the carriers' service is still voice calls and it is likely that it will stay this way for the next few years. The tracking of the voice-call usage (CDR) path is pretty much covered in comparison with other services once basic assurance measures and practices are implemented. The revenue loss can be

kept under control with the exception of some problematic areas such as interconnect/partner payments and roaming in the mobile environment – this requires a more sophisticated solution.

More problematic areas are the revenue chains related to leased lines and circuits (for voice and data) and the fulfilment of wholesale and unbundling agreements in which the amount of un-billed or mis-billed circuits can cause significant revenue leakage. These services require more sophisticated analysis, monitoring the accuracy of the 'static' configuration data.

As the information is maintained and represented in completely different ways, answering a simple question such as 'which customer has which network circuits or products?' involves a clear understanding of how customers and services are represented within various systems and the correlation between the business and technical information.

For next generation services, the picture is more complex. Many services which are flat priced do not generate usage records and are monitored only for network operational purposes, causing high amounts of revenue leakage. Once a customer is incorrectly provisioned the chances are that the problem will never be found since no information is passing from the network and OSS systems to the BSS systems after the provisioning process has concluded. The billing is therefore unaffected or influenced by any feedback from actual network consumption.

Flat rate services are not the only offerings to suffer revenue leakages. Volume priced access and content services cause revenue leakages due to the complexity and diversity of systems involved. Multiplicity, change and the addition of systems and equipment creates on-going changes in format, attributes and flow of information – these changes raise the risk of misinterpretation of information and as a result cause discrepancies that lead to revenue leakage.

#### **ITP Europe: As a developer, how closely do you work with operators and the billing industry to improve networks?**

**Alon Aginsky:** Network improvement is usually out of the scope of revenue assurance organisations. Having said that, many carriers see the advantages of good RA solutions to facilitate controls and monitoring points as well as analyse and correlate large amounts of data across systems and processes. It is a good way to implement metrics, that can be used to improve a network.

As an example, when the RA identified calls for which CDRs were not generated (either in SS7 or in VoIP Soft switches signalling environment), valuable information about the network itself was provided. The monitoring of discrepancies within processes and systems can also indicate problematic systems which damage the service provided by the carrier beyond revenue leakage.

The identification of these abnormalities provides information that can be used by the network and operations to fix and improve the service and systems.

#### **ITP Europe: Can you give a specific example where a cVidya product has increased revenue collection and given a significant ROI?**

**Alon Aginsky:** Quick returns are essential and Revenue Assurance departments expect to see 'real' and useful results within a matter of weeks. There are several examples where an implementation of a product provided the customer with clear and quick ROI.

One example is Telecom Italia, where cVidya's MoneyMap product was implemented across several services. The initial implementation was aimed at finding and correcting the unexplained gaps between forecasted and actual revenue generated from its usage based Broadband services. The initial study identified several problems in the way the usage based

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information was delivered in both the network and usage collection systems. By implementing cVidya's MoneyMap product, the customer created a set of controls monitoring the synchronisation between various systems that participated in the fulfillment and billing process. MoneyMap discovered the problems within the fulfillment process and corrected them, restoring revenues by generating usage traffic information – all in only several months.

Another example is Cable & Wireless UK, who evaluated the MoneyMap product as a platform for their internal revenue assurance team to run independently of any third party involvement. The initial assessment dealt with 'static' data, for example configuration data from the OSS and BSS systems in order to find mis-billed and un-billed customers. As the proof of concept phase involved building the relevant controls and monitoring 'live' data from the systems, in a matter of weeks the product identified problematic areas and demonstrated an immediate return on investment. The ability to rapidly deploy the product and immediately see quantifiable results was a key reason for Cable & Wireless UK implementing MoneyMap.

**ITP Europe: How important is the concept of flexibility within your products?**

**Alon Aginsky:** We believe that product flexibility is a key feature for customers in today's market. Flexibility enables a carrier to maintain their systems without the need to invest in coding and customisations. Since it is not practical to implement a full RA solution in one step, the RA framework is usually rolled out over time. In other words, the carrier gradually introduces additional control points and more process monitoring mechanisms without the need to wait for the vendor to implement changes.

Another important aspect is the ability of the products to cope with new services. If the product is flexible enough, it can accommodate new data structures, event

types and comparison/monitoring methods which best fit those services.

The bottom line is that flexibility translates into low TCO – RA departments are not 'flooded' with budgets or a need to leverage their investments with products into short term ROI.

**ITP Europe: What developments can we expect to see in the future of revenue assurance?**

**Alon Aginsky:** Working closely with carrier's Revenue Assurance groups, as well as participating and leading in several industry groups (such as the TMF RA modelling team) cVidya hear the requirements of the market directly from the industry. We believe that the market will continue its current direction of implementing product based solutions, flexible enough to accommodate new business models and technologies.

The introduction of content services, IPTV, VoIP and other IP based services by both fixed and mobile carriers, as well as new revenue chains and billing models, all drive the need for products that will be able to 'understand' the complexity of the technology (how the services are being implemented within the network) and are flexible enough to accommodate any rapid changes or business models that involve new pricing schemes. Solutions must have the ability to trace services through the whole order to cash cycle.

According to revenue assurance experts, the ability to automatically assist in the identification of problems and play a more proactive role in preventing revenue leakages at an earlier stage is becoming increasingly significant. From our experience, when a customer is presented with such capabilities, it soon becomes an important part of their RA strategy. Such features will become a mandatory requirement as part of the services presented to product vendors by revenue assurance groups. ■

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