Q&A HIGHLIGHTS

2023 is a Tough Year for Investing.... And Yet the 5G Show must go on

Andrew Colby, Vice President, VIA AIOps, Vitria Charlotte Patrick, Telecom Analyst



Listen Now

QUESTION AND ANSWER

Podcast: 2023 is a Tough Year for Investing.... And Yet the 5G Show must go on



Listen Now

Charlotte Patrick, Telecoms Analyst interviews Andrew Colby, Vice President, VIA AlOps, Vitria

HOW TO DELIVER VALUE WITH AN AI IMPLEMENTATION

2023 is tough because of "near-recessionary conditions" in a lot of western markets and certainly in the UK there have been a lot of depressing announcements—BT (55,000 jobs going by the end of the decade some of those because it's just coming to the end of the fiber roll out, but others, because of the bigger macroeconomic conditions and 1B Euro cost savings from Vodafone) is this translating into what you seeing in the US market?

What I see and what we see in the AIOps and the operations space is a move towards efficiency. There is definitely a slowdown with the government programs that are increasing interest rates and trying to bring inflation down. And technology companies, enterprises, and service providers are all making moves to make their business more efficient. We see this as a tremendous opportunity for AIOps and our VIA technology as that is one of the capabilities we deliver--*a move towards efficiency, towards machine intelligence to augment and supplement the human operations and improve what the network operations teams are doing in terms of taking them out of the drudgery of repetitive actions that they need to do in a lot of these networks and bringing them up level to really add value to their business*.

I am assuming that most of the telcos are following a classic corporate action plan in these times. With a focus on the business plan with a smaller number of initiatives. They are looking at investments to

generate revenue during a recovery, assuming reduced debt levels where possible. Have you seen any delay in getting new capital projects signed off?

I wouldn't say that we have seen a delay in new capital projects, but what we have seen is a really significant focus on business value. And I think this really serves us very well because within Vitria VIA AIOps that is really one of the areas that we focused on --How the technology, the AIOps capabilities, actually deliver business value, quantifiable, measurable improvements against specific business objectives. We have been doing that with our customers to date and we see that as an opportunity moving forwards.

There is a long term need for good performance on new networks: Even though there has been quite a lot of negative industry discussion this year about 5G – e.g. it is proving expensive, and ROI is difficult. However, it will be the main driver of growth for telcos into the short and mid-term and it has got to provide a good, reliable experience as a baseline requirement for adding new products on top. Additionally, automation is progressing very slowly – alongside the addition of intelligence – but both are key to providing good experience at the low costs which telcos are going to have to achieve. Well, 5G is clearly the future for delivery of wireless and even whether it's mobile or fixed wireless network services, it adds a lot of complexity in the delivery because of the virtualization inherent in the architecture. While it also adds a great deal of flexibility and holds a lot of future promise for the services that will be delivered. What I can tell you is from an operational perspective, augmented intelligence, machine intelligence, and AlOps, are all going to be necessary in order to be able to service and operate 5G at scale.

We know how to do the operations, the debugging, and the troubleshooting from a manual perspective. But when you think about how it's going to scale up to the diversity of services that the enterprise and diverse customers for 5G are going to value, it seems impossible that you are going to be able to manage this and understand it at a manual rate. To understand what is going on when devices are not getting the level of service that they need or require, that there is no human behind them to report a problem, that is all going to have to be inferred and interpreted from the machine data. It certainly can be done, but when you think about what it would take for an engineer or a team of engineers to do it on a single problem, you could be talking hours for just one problem and this has to scale up. That is really where AIOps comes in, to be able to do this massive real-time ingestion, enrichment, correlation, and insight generation. That's what we're able to provide.

Now with respect to the automation, I see kind of the same thing you do, which is there is a lot of promise for automation, but when working with customers, they're kind of in a crawl, walk, run mode. They are still in the process of building trust for the technology and the capabilities. Some of them, many of them, have a vision for where they want to get to, but we need to get there a step at a time where we prove that there's value and correctness and that we can trust the insights being generated and then turn on the automation and let it do its thing.

We were talking offline about some of the issues that telcos have around being successful with their AIOps and you were discussing the difficulties that can arise if the NOC team is working in isolation. Can you talk to us about your approach in achieving alignment with the various teams and processes across functions?

One of the things we see in our service provider customers is a little bit over a third of issues encountered by the network operations team are related to planned changes. From my legacy days of circuit switch world, we refer to that as hands in the plant, are causing a lot of these issues. And in a lot of companies, a lot of service providers, the change management and care operations team, they're really not first-class participants in operation of the network. When you think about it, being able to understand the impact of change as its happening or shortly after its happening is super valuable. One of our customers is able to do that as the change completes before the overnight shift that's performing most of the changes actually goes off shift. The analytics that we provide are sensitive enough where the operations team can actually see the impact of changes when it has a negative impact while the change team is still on shift and send the issue back to them. You don't have to bring in someone new to understand what's going on, to figure it out, debug it and figure out if there's just a fix or a rollback that's needed.

Another dimension to that is where it's very difficult to see the impact of change. Now we have customers that roll out changes across their network that are distributed to devices throughout the network. It doesn't impact one natural segment of the network, one geography or topology at a time. It's very difficult for them to see what the impact is. By being able to measure it with analytics, not only can they identify when the change has a negative impact and slow it down, but they can definitively identify when the change has a positive or neutral impact, and this actually has enabled them to accelerate it. They might normally have a process to roll out a change to a hundred subscribers and then a thousand, and then 10,000 and 50,000. Well, if you know that the change is... I mean you're putting it out there because it's addressing a problem or fixing a bug. If you know that the change is actually working and having a positive or neutral impact, you can push it out faster. Maybe you can skip one of the steps, maybe you can push it out nationwide, whatever you need to do to get it out there. It really does have a profound impact on the business to be able to do this analytics at scale across the network.



Can you share some of the Value Delivered by VIA AIOps in production?

It's interesting because different service providers have taken different approaches. They're interested in different metrics and different measures. We have one customer who's very focused on identifying technician visits that have been scheduled and are unnecessary or identified as unnecessary because the problem that was identified for the subscriber turns out to be a network issue. Either a different technician or a different fix is needed. That customer has been using VIA AIOps for a number of years. Last year, they were able to cancel 120,000 scheduled technician visits. Those are between 80 and a hundred dollars each. They have an impact on staffing and scheduling and with each of those technician visits is typically also one or more interactions with care, a phone call or interaction with my account application. And those can run \$7 to \$10 each. So there's real dollar and soft dollar savings as well as the improvement in customer experience that's available and delivered by identifying the real root issue of the problem being a network issue and solving it before a technician gets out to a subscriber's premises.

Another customer is very interested in identifying service outages before the customer experiences it and before the customer calls. They had over 200 people in staffing a service NOC for monitoring, video programming delivery. That entire operation has been able to be automated, eliminating the need for those 200 people to be eyes on glass monitoring those services where the analytics can 100% identify when there are issues, where the issues are encountered and where the impact is. Is it regional? Is it nationwide? Is it one or a small number of channels? Is it an entire channel group or an entire set of frequencies? And identify the issue and immediately issue the necessary fix ticket to the right fix agent. So not only do you eliminate the staffing and the NOC, but you reduce time very significantly by getting the problem identified and to the right fix agent directly.

Field services is an expensive old game to be in. Could I possibly turn towards the future and just ask you what you are expecting of AI Ops, how it fits into the future? Anything you might tell us about where you are expecting the market to go would be interesting to hear.

I think we're right on the cusp of an explosion for AIOps. I think it's for two reasons. I think the technology has matured to the point where this massive scale is able to be delivered reliably and effectively. I think not just the industry awareness of AI, but the entire world awareness of AI with what's come out in AI in the Large Language Model (LLM) space has made it really obvious the value and insights that AI can provide and much more acceptable for a business to rely on algorithms to provide the insights and to deliver these capabilities.

<u>Click here if you'd like to listen to the full audio interview</u> with Charlotte Patrick and Andrew Colby



Want to look under the hood? Watch the technical demo here

About VIA AlOps

VIA AIOps delivers the process automation capabilities to shorten the incident lifecycle and improve the overall service experience. VIA's total ecosystem observability, internetscale noise reduction, machine learning based anomaly detection, and cross silo correlation transforms and optimizes operational practices. The result is lower costs, superior customer experience, and augmented intelligence to support a more efficient and effective operational staff.

