



The Impact of 5G in Telecom Powering Future-Ready CX

With 5G becoming an everyday reality, it is proving to be the catalyst for the next generation of CX, revolutionizing customer journeys with enhanced connectivity and redefining customer engagement strategies.



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Introduction

The 5G technology has certainly managed to create quite an uproar ever since its introduction despite its limited circulation in the modern technology-driven world. With widespread utilization, 5G is expected to completely transform how people go about their daily lives, whether at home, work, or other places. The technology's highlighting feature lies in its ability to offer much faster network speeds (by at least 10 times) and handle more connected devices than what the existing 4G networks can offer.

This massive advancement has already begun to revolutionize the telecom sector, with the increased reliability, efficiency, and performance of the 5G technology proliferating over other associated technologies. These include Artificial Intelligence, Augmented & Virtual Reality, Internet of Things (IoT), Big Data, Cloud Computing, etc. This intertwining of multiple technologies has created room for superior CX deliveries by overcoming the current challenges posed by the limitations of the 4G networks. Hence, telecom businesses must be flexible enough to adapt, support, and manage the excruciating demands and the ever-rising customer expectations to thrive and maintain a competitive advantage, especially as more and more Communications Service Providers (CSPs) make their way into the global marketplace.

This whitepaper aims to understand how 5G can counter the current challenges and complexities of 5G-enabled customer engagements. We will also discuss how 5G will determine CX strategies and influence industry trends in the near future, serving as the foundation for next-generation CX deliveries through emerging technologies and enabled by hyper-personalization, automation, and frictionless experiences.

The evolution of CX in the Telecom Industry

In 2021, the United States alone had over 300 million wireless carrier subscribers. The industry churn rate for the year was at a whopping 22 percent, meaning that over 95 million frustrated customers had changed providers and taken their interests — and wallets — elsewhere. Now, these are numbers for the US only. One can only imagine how extensive the numbers could look if the global telecom industry were to be taken into consideration.

Today, one of the largest risks faced by telecom companies is their inability to adjudge the value of customers to the business. So, how did we get to this point? For decades, the primary focus of telecom companies had been on building large and powerful networks so they could charge customers for service bundles via long-term, binding agreements. These telecom companies generated much (if not all) of their revenues from voice traffic and long-distance calls. As a result, too many telcos benefited from bad profits, mostly through unfair or deceptive pricing (e.g., roaming charges). Even with international data roaming subscriptions, mobile customers were often shocked with huge phone bills upon returning from abroad.

The telecom industry has, for far too long, underperformed in delivering satisfactory or superior CX, with B2B and B2C clients alike being at the receiving end of poor experiences with their choice of service providers. As customer frustrations continued to escalate, the industry experienced multiple disruptions. These disruptions posed a significant threat as they continued their dominance in the marketplace, and telcos were forced to catch up with rising customer demands and address the pitfalls in their CX practices. In order to survive, telcos had to come up with alternative solutions and improve CX deliveries through innovation and personalization of their service deliveries.

Current CX challenges in the Telecom industry

According to research done by Temkin and Forrester (Centriam, n.d.), the telecommunications industry has been ranked as one of the worst-performing ones with regard to customer service and experience management. This research has corroborated the findings of the American Customer Satisfaction Index (ACSI) report, 2018, which mentioned that customer experience deliveries in the Telecom sector have only been getting worse with time. Despite the ever-growing customer expectations, Telecom brands have failed to develop customer-centricity as a part of their business models.

Hence, it is high time telcos identify the primary challenges that have limited their ability to deliver superior customer experiences. It could help them gain a massive advantage in a highly competitive sector.

Some of the most prominent CX challenges faced by telcos include:

Inadequate access to product information

The current digital age has witnessed the birth of a research-&-evaluation culture, especially with constantly evolving customer expectations. The modern consumer desires seamless access to product information, only proceeding to purchase after evaluating and comparing multiple products and services. Tedious processes of acquiring product information (long waiting periods to acquire product information from sales or support teams) will make consumers less likely to bite.

And even when product information is available, consumers are often left to navigate the complex processes alone. Even the biggest CSPs have often shied away from adopting CX-enabling digital advancements that help consumers enjoy personalized products/services and experiences.

Inability to determine customer expectations & needs

Most telecom brands have the benefit of massive volumes of customer data (primarily due to the multiple data acquisition avenues). However, only a select few are able to leverage this data to its full potential, with many telcos often lacking the technology infrastructure to process and analyze this data. As a result, they fail to obtain useful insights and actionable analytics into customer behavior that can help them improve customer engagement through personalized solutions.

And even when telcos manage to determine accurate customer expectations and needs, they mostly fail to personalize customer interactions with customer-centric solutions, resulting in poor customer engagement and CX deliveries. This leads to reduced customer satisfaction, higher service costs, increased customer acquisition expenses, lower lifetime value of customers, and higher churn.

Limitations & restrictions of legacy infrastructure

While new technological infrastructure and advanced innovations can prove arduous for telecom brands, it is often costly to set up and maintain updated versions.

Hence, many telcos often continue to deliver customer service using aging legacy infrastructure, limiting their ability to offer personalized and customer-centric solutions. Additionally, integrating new and advanced CX platforms with a combination of old and new technologies also tends to inflate implementation expenses.

And even when telcos spend large sums of money on new and advanced infrastructure, they find it challenging to incorporate these technologies into their current customer engagement practices. Support representatives often take time to get accustomed to the new technologies and practices, and customer expectations continue to go unmet in the meantime, severely impacting CX deliveries.

Departmental silos & the limitations of customer tracking

Telcom brands often find it challenging to effectively and constructively track customer engagements. With different departments handling multiple aspects of service deliveries, inadequate information sharing between departments and customer service channels creates departmental silos that serve as the precursor to some of the most prevalent CX-related issues. This miscommunication results in poor customer engagement and leads to inefficiencies and incompetencies in operational outcomes.

And even when telcos manage to overcome the limitations of departmental silos, they are often ineffective due to inconsistencies in their multichannel customer engagement practices. As a result, it becomes incredibly challenging to track customer experiences across departments, communication channels, etc., hindering the ability of the telecom brand to manage CX deliveries effectively.

Delivering Enhanced CX Journeys by Integrating 5G-enabled Solutions

Luckily, the telecom industry, as a whole, has realized its shortcomings and is collectively stepping toward curbing these challenges, focusing on delivering more humanized customer experiences. The increased emphasis on CX in the current dynamic environment (and the subsequent challenges they pose for telcos) can be easily addressed.

There are multiple solutions that can efficiently streamline CX undertakings, alleviating the challenges discussed above. The faster speeds and superior connectivity of the 5G networks can help with implementation and produce superior outcomes, ensuring frictionless operations. Simultaneously, these solutions will turn customer engagement practices into a competitive service advantage for CSPs.

The key for telecom brands here is implementing modern CX solutions that can easily integrate with existing legacy systems and infrastructure while simultaneously incorporating newer innovations. Implementing a minimalistic approach to the digital revamping process can help create a low-code platform, enabling employees to accommodate newer technologies with existing infrastructure seamlessly.

Additionally, CSPs must also integrate competent data analysis and maintain a strong CX framework to overcome the challenges of departmental silos. Customer information must be shared seamlessly across multiple departments and communication channels to eliminate data redundancies for consumers, facilitating centralized customer views and ensuring concise data consolidations. This can be easily achieved by ensuring open communication between multiple departments and sub-departments, creating room for efficient and compliant data-sharing.

Furthermore, CSPs must eliminate customer confusion through centralized communication platforms that facilitate uniform conversations across different departments and mediums. This will boost consistency in customer engagement activities while also reducing the volume of incoming customer communications and general wait times across mediums.

Key trends shaping Telecom CX in 2023 – What's happening in Telecom CX management

Over the past few years, almost all major Telecom brands have made significant investments in CX management tools, remodeling their growth plans. This has allowed consumers to choose customer-centric brands for long-term commitments. After all, consumers prefer service providers that can provide them with superior experiences. And nowhere is the long-term potential quite as evident as it is in the telecom industry.

Hence, telecom brands must stay on top of the latest industry trends, implementing the right CX strategies to overcome prevalent challenges in the sector, arrest growing churn rates, and improve customer retention and revenue generation. With that in mind, let's explore some of the major industry trends for 2023.

Automation, AI & ML-enabled solutions

Advanced mobile networks have paved the way for increased data utilization to deliver personalized CX through process automation and AI & ML-empowered solutions. Customer engagement solutions like IVR (interactive voice response) systems and chatbots have empowered self-assistance and provided swifter resolutions. However, their most important contribution has been to delivering proactive solutions, mitigating service downtimes, and improving customer satisfaction by predictive analysis of customer issues.

In the near future, we will likely witness increased use of conversational-AI technology to provide a more natural language flow and improved human-like responses, ensuring more personalized CX deliveries. Robust CX management tools (powered by automation, AI, and ML) will lighten the support professionals' workload and lower operational expenses.

Move to independent 5G infrastructure

Most telecom companies have continued to utilize their current 4G infrastructure to deliver 5G services to consumers, essentially restricting the capabilities of their infrastructure and the network alike. In 2023 and 2024, more and more telecom brands will upgrade their network infrastructure to accommodate the capabilities of the 5G spectrum and allow customers to enjoy their full potential. Increased investment in "stand-alone" 5G infrastructures will improve stability and security in telecommunication networks, offering consumers exciting new digital solutions and applications.

Additionally, independent 5G networks will invariably improve a network's ability to deliver consistent connectivity, even in the face of increased "device density". This will mitigate prevalent issues with reliability and latency and allow consumers to enjoy seamless and hassle-free access to the exciting possibilities of the digital web.

Increased focus on network security

Modern telecom brands can access massive amounts of consumer data, allowing them to personalize customer services for superior CX. However, most telecom companies still prefer to host their data storage facilities and IT infrastructure in-house or on the cloud.

Now, while there are multiple benefits to cloud computing and in-house data storage, they are also highly susceptible to cyber-attacks. The 5G network has empowered high-speed data access worldwide, but it has also created unlimited possibilities for malpractices and fraudulent activities globally.

Hence, stricter cyber-security measures are necessary for the IT infrastructure of CSPs, with continual improvement to adapt to constantly evolving cyber-attacks. Additionally, CSPs must explore blockchain adoption combined with AI as a line of defense against cyber-attacks, ensuring swifter identification and response.

Looking ahead – What these trends mean for the future of Telecom

Delivering superior-quality CX in the telecom sector is more critical than ever before, impacting customer retention and acquisition, reducing churn, and driving brand loyalty and reputation. With ever-increasing customer expectations, the struggles of omnichannel operations, and the challenges of reducing operational expenses, telecom brands develop new ways of unifying everything from one source. This can only be achieved by implementing the right CX management tool, but it will certainly go a long way in improving operational outcomes and consumer experiences.

The implementation of process automation, AI & ML, stand-alone 5G infrastructure, and increased network security will massively impact consumer experiences in the telecom sector. They will unify workflows and make it simple and effective to collaborate between individual departments to analyze consumer data for actionable insights.

Winning in Telecom CX – Delivering Next-gen Customer Engagement through 5G

Most industry experts expect the 5G technology to improve customer engagement to meet consumers' real-time and personalized demands and requirements, paving the way for frictionless CX management.

With efficient network deployment, maintenance, and service fulfillment through competent customer engagement activities, CSPs can thrive in this “real-time, right-time” future, using robotics, conversational AI, data integration & democratization, and end-to-end automation to evaluate, optimize, and automate their operations.

As CSPs continue to invest billions of dollars toward modernizing and upgrading their networks to 5G, they are also presented with an opportunity to reposition themselves as industry leaders - not only in terms of network speeds but also in terms of delivering enhanced CX.

The introduction and widespread implementation of 5G is creating a paradigm shift for CSPs, prompting them to view customer engagement differently. As a result, CSPs must develop new ways of interacting with consumers, leveraging the advantages of the 5G technology to enhance relationships, improve loyalty, and increase monetization.

In the journey to optimize customer engagement, CSPs must undergo a radical change to meet customer expectations better and deliver to their digital needs. CSPs can stay relevant in the current marketplace by leveraging AI-enabled real-time insights to determine their consumers accurately and understand their behaviors and preferences. This will empower CSPs to engage with consumers in personalized ways at the right time, right place, and through their preferred communication channels or medium. CSPs can also maximize operations by automating routine interactions through relevant channels to preserve time and valuable resources, ensuring superior outcomes and frictionless CX deliveries.

Fusion – Leveraging 5G Technology to Curate Superior CX Strategies & Conquer the Marketplace

CX plays an important role in modern telecom operations, helping telcos with every aspect of customer acquisition, retention, and revenue generation. Maintaining a competitive advantage in today's economy means that telecom businesses must be flexible enough to adapt to market conditions – reducing costs while increasing productivity, as well as making sure they have access to cost-effective, highly skilled resources.

At Fusion, we implement efficient & cost-effective customer engagement processes to drive superior experiences in a volatile environment through standardization, competent risk management, consolidation, and scalability.

We prioritize CX orchestration and engagement technologies for customer-facing operations to help telecom brands dynamically leverage 5G architecture, enhancing CX deliveries with real-time personalization for enhanced functional support. With 5G network integration, we help telcos understand customer expectations and deliver hyper-personalized and customer-centric solutions.

Given the growing reliance of telecom brands on web and mobile-based applications, we deliver solutions to further improve the optimization of omnichannel performance on an ongoing basis. Through an ongoing evaluation and analysis process, we determine areas in your customer engagement practices that can be optimized and improved with the superior capabilities of the 5G network. With competent data analytics and actionable insights, we will help your core operations address the growing complexities of the marketplace, allowing you to monetize your infrastructure by offering multiple service tiers at different prices. This will also reduce the strain on your in-house departments, allowing them to focus more on core, revenue-generating functions.

At Fusion, we understand that CX management in telecom is precise and requires an extensive view of the entire enterprise for superior CX deliveries. We recently helped the #1 telecom service provider in the United States embrace digital transformation in their customer support operations by using automated AI-based technologies for premium CX management systematically. We reduced their AHT by 20%, increased FCR by 75%+, and reduced operational expenses by at least 32%. You can Download the case study

[\[https://www.fusionbposervices.com/improving-cx-while-incorporating-ai-powered-technologies/#wpcf7-f9989-p14802-o1\]](https://www.fusionbposervices.com/improving-cx-while-incorporating-ai-powered-technologies/#wpcf7-f9989-p14802-o1)

to understand how we achieved this. Our CX management platform can make that happen for your company too, delivering exceptional CX that will entice consumers to do business with your brand time and time again!