

COVID-19: Impact on telco priorities & future scenarios

Webinar #2

05/05/2020

COVID-19: Impact on telco priorities & future scenarios



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60 minute webinar: Tuesday 5th May 2020 15.00-16.00 UK time

Agenda

1. How telcos priorities are changing in response to COVID-19
2. Some long term scenarios for 2025
3. Q&A session

COVID-19: Context

- First report published in March 2020
- Webinar Wednesday 1st April 2020
- We are now conducting follow up research on telco priorities



Executive Briefing Service

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Executive Briefing

COVID-19: NOW, NEXT AND AFTER

What measures are telcos taking now to help their customers, and how should they start to re-think and re-plan future strategies in the course and aftermath of the Coronavirus pandemic? We look at impacts across the business and outline four longer-term scenarios for the industry.

Andrew Collinson, Research Director | Dean Bublely, Senior Associate | contact@stlpartners.com | March 2020

Our view: It is a long term disruption



The COVID-19 pandemic is not a short-term disruption



Telcos are doing good things



The crisis will accelerate Coordination Age trends



But 5G spending may be more cautious



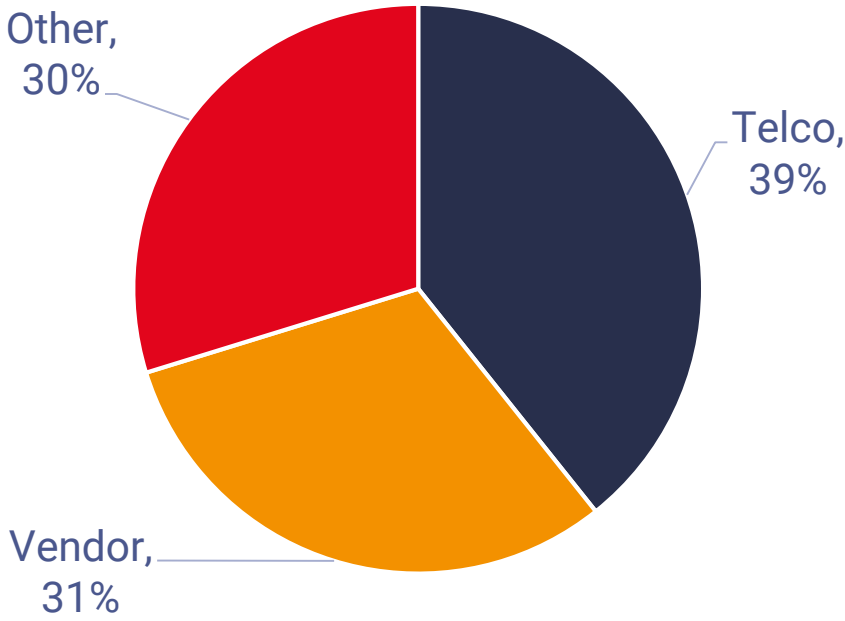
Telecoms should enhance its focus on new customer needs...



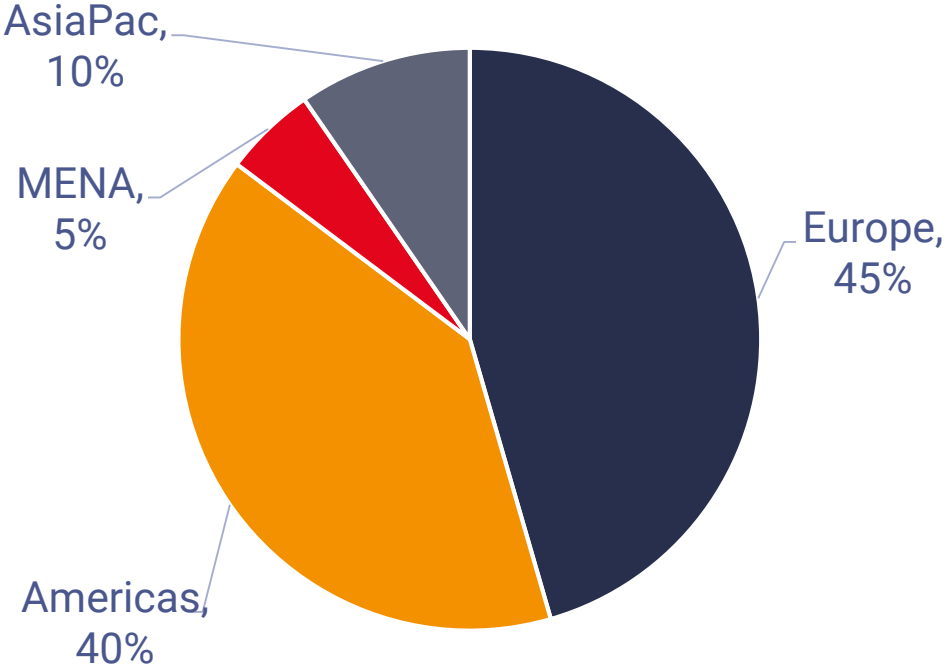
...and make it an opportunity to accelerate and embody positive changes

Background to the survey

Respondents by company type



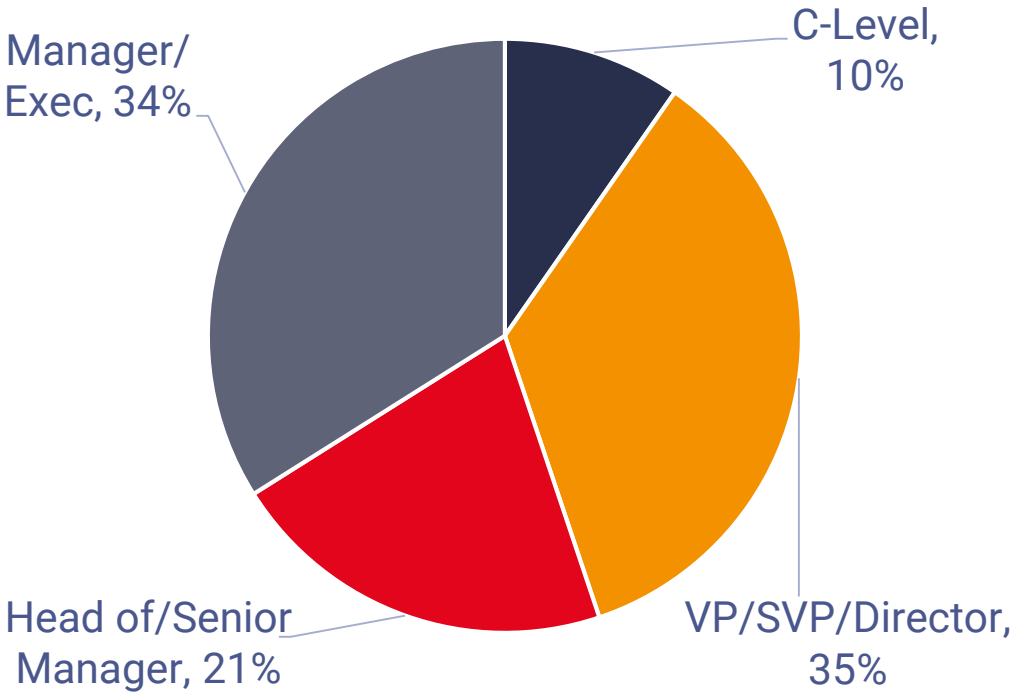
Respondents by market area



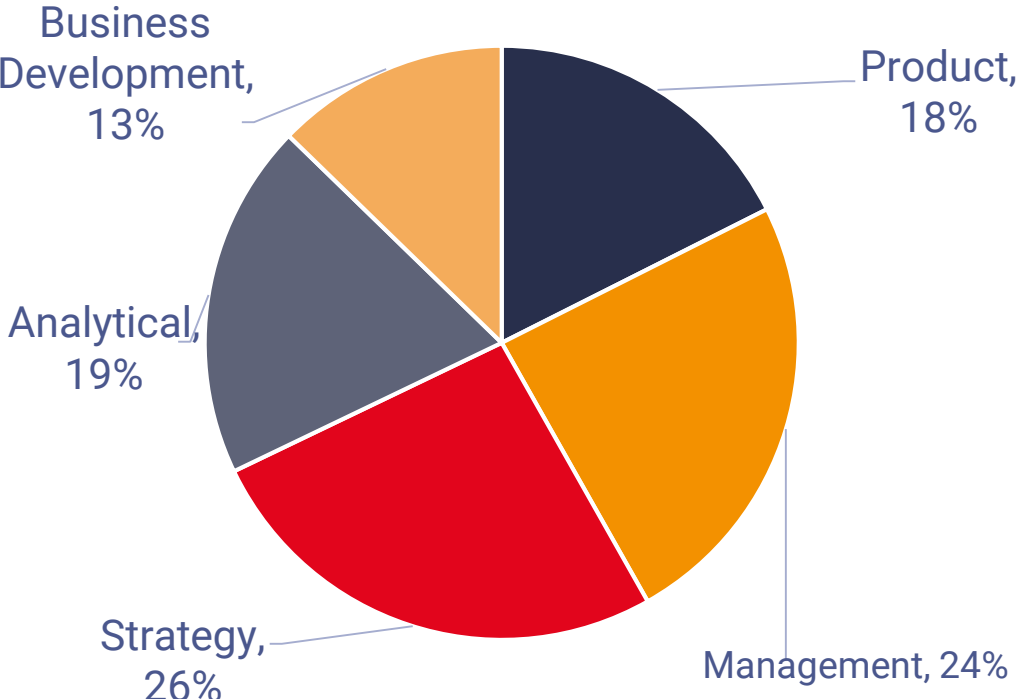
These results include 167 people's input up to 1pm UK time, 5th May 2020.

Background to the survey

Respondents by level



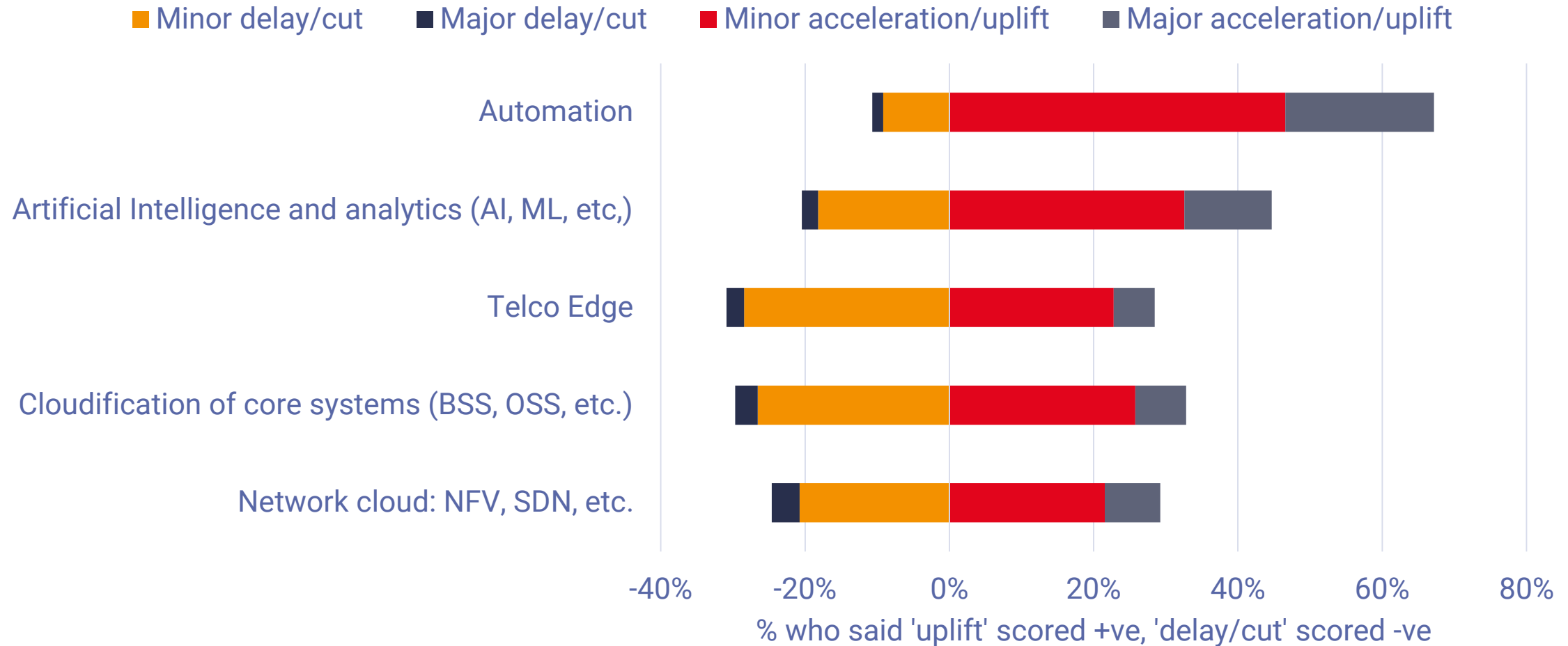
Respondents by function



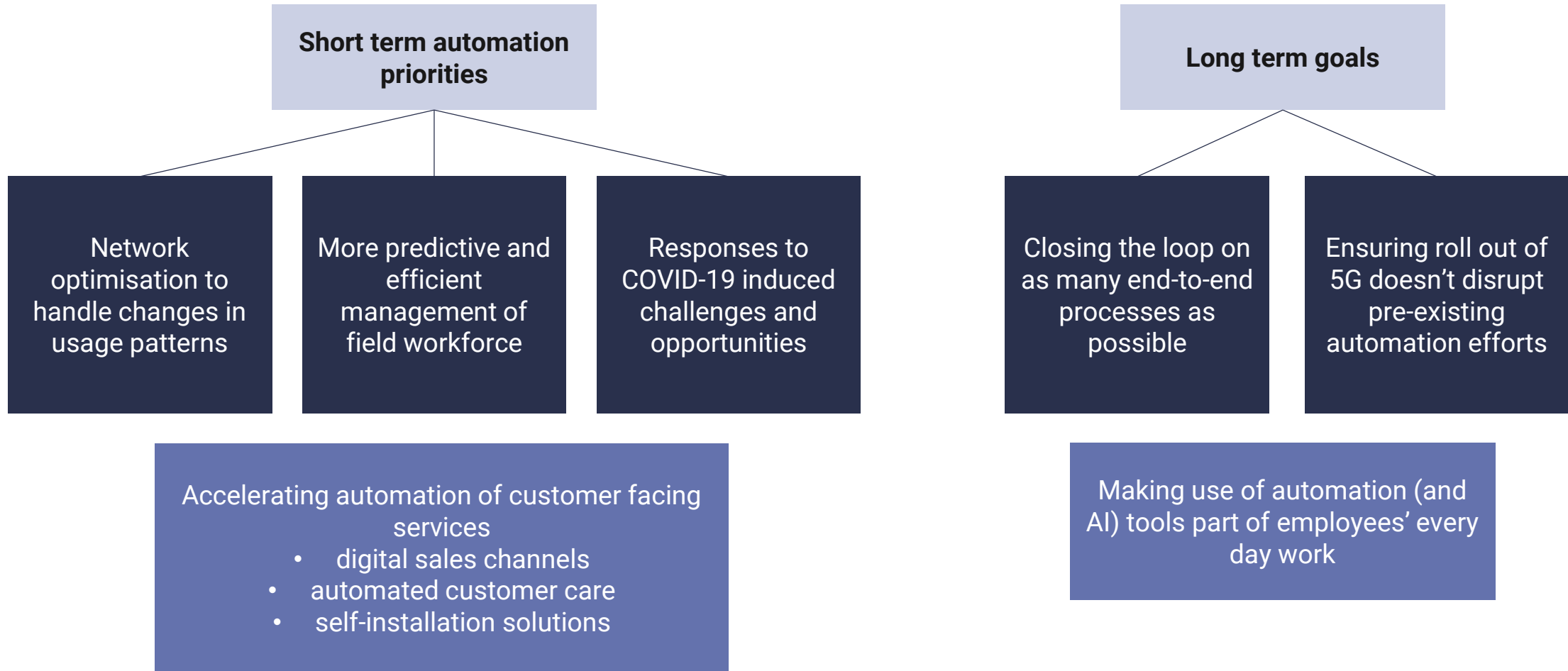
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Automation is a clear priority

Technology expectations - distribution



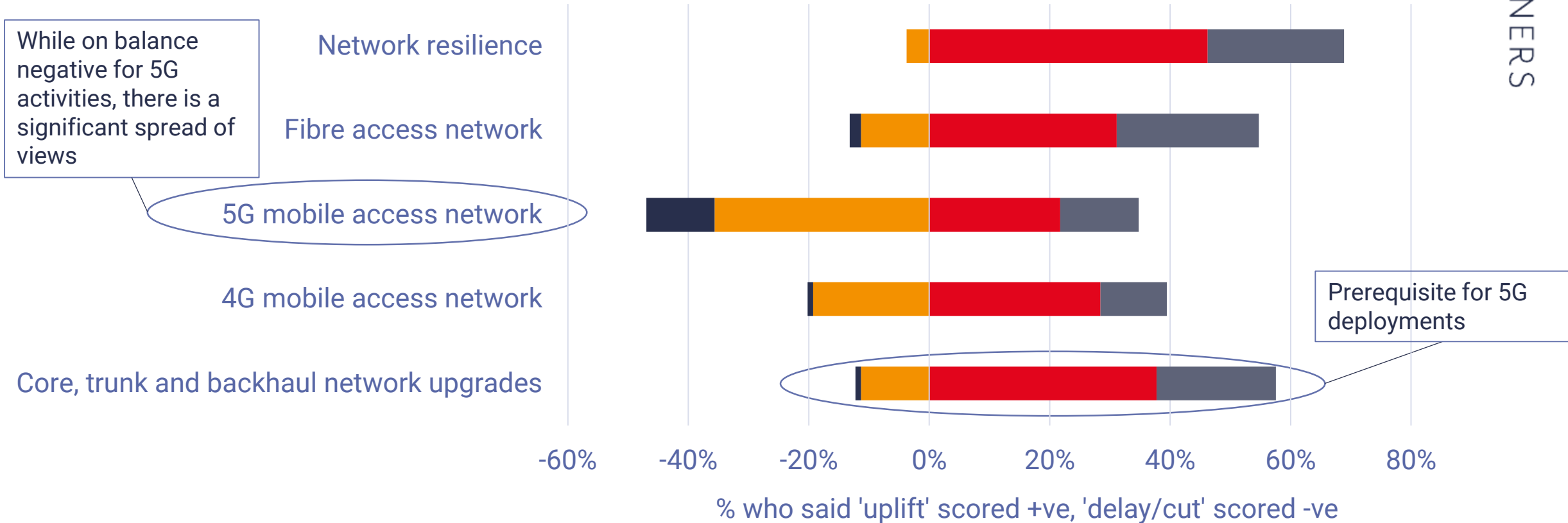
COVID-19 adds urgency to operators' automation priorities



Network development: Polarised views on 5G

Network development - distribution of views on likely near-term changes

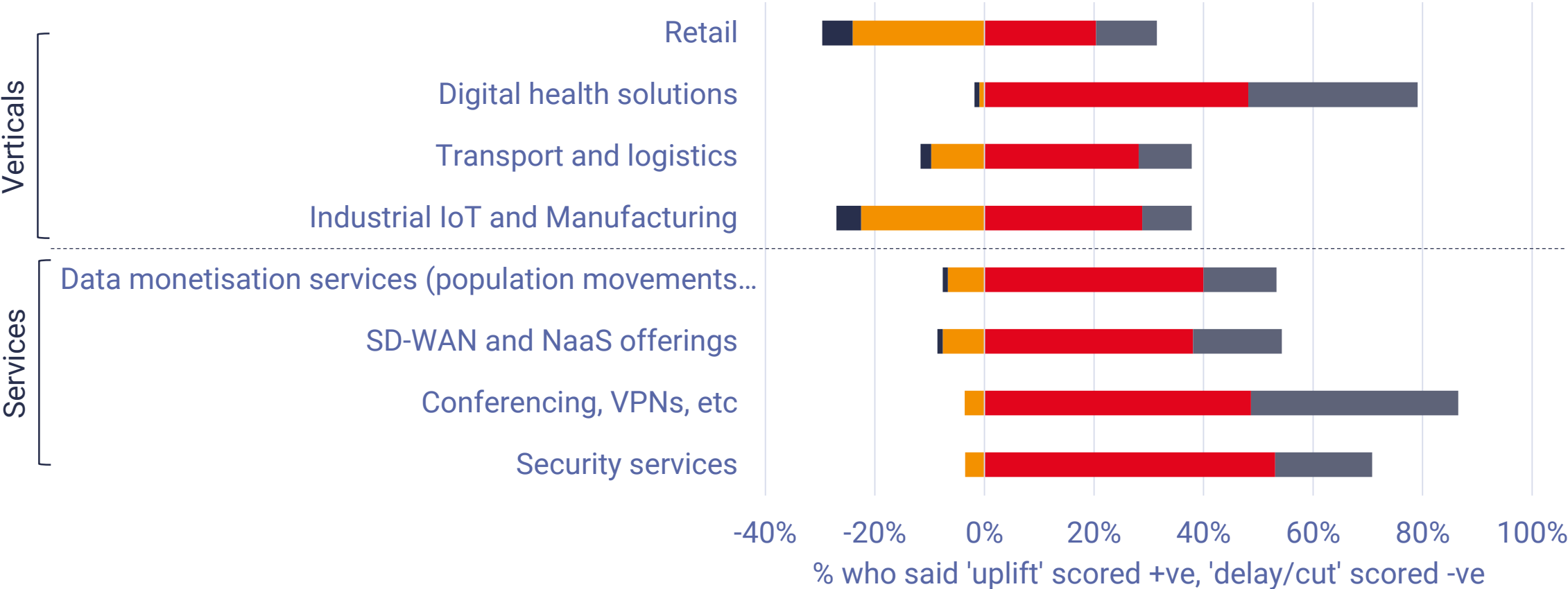
■ Minor delay/cut
 ■ Major delay/cut
 ■ Minor acceleration/uplift
 ■ Major acceleration/uplift



Healthcare, security and conferencing services lead the priorities in the business arena

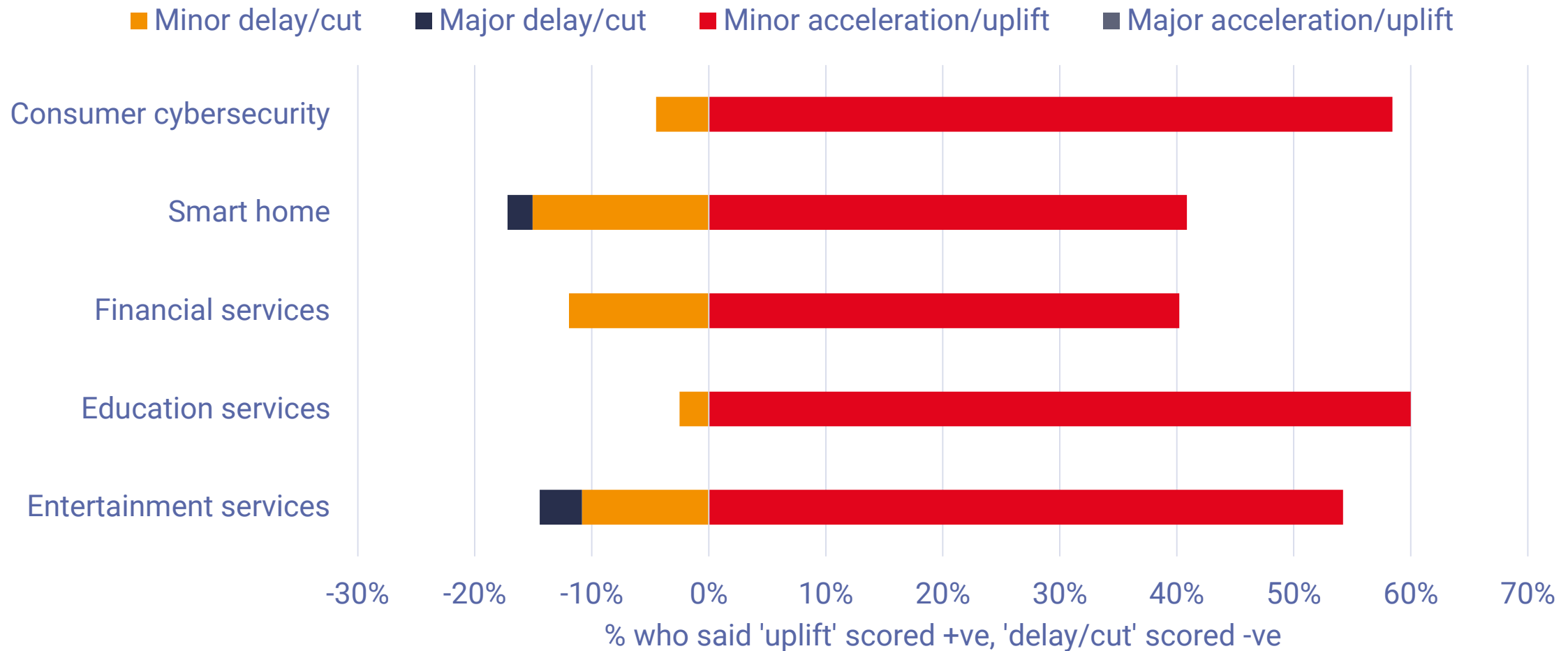
B2B expectations - distribution

■ Minor delay/cut
 ■ Major delay/cut
 ■ Minor acceleration/uplift
 ■ Major acceleration/uplift



Security, entertainment and education lead consumer services priorities

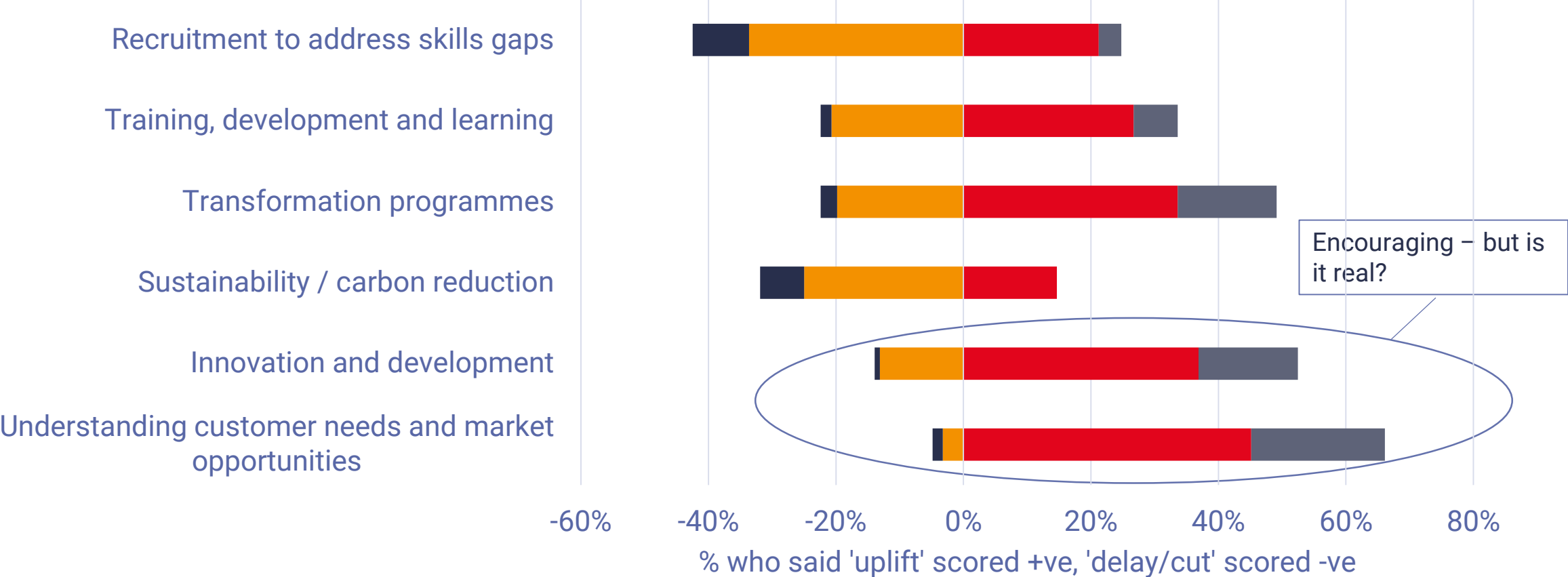
Consumer services expectations - distribution



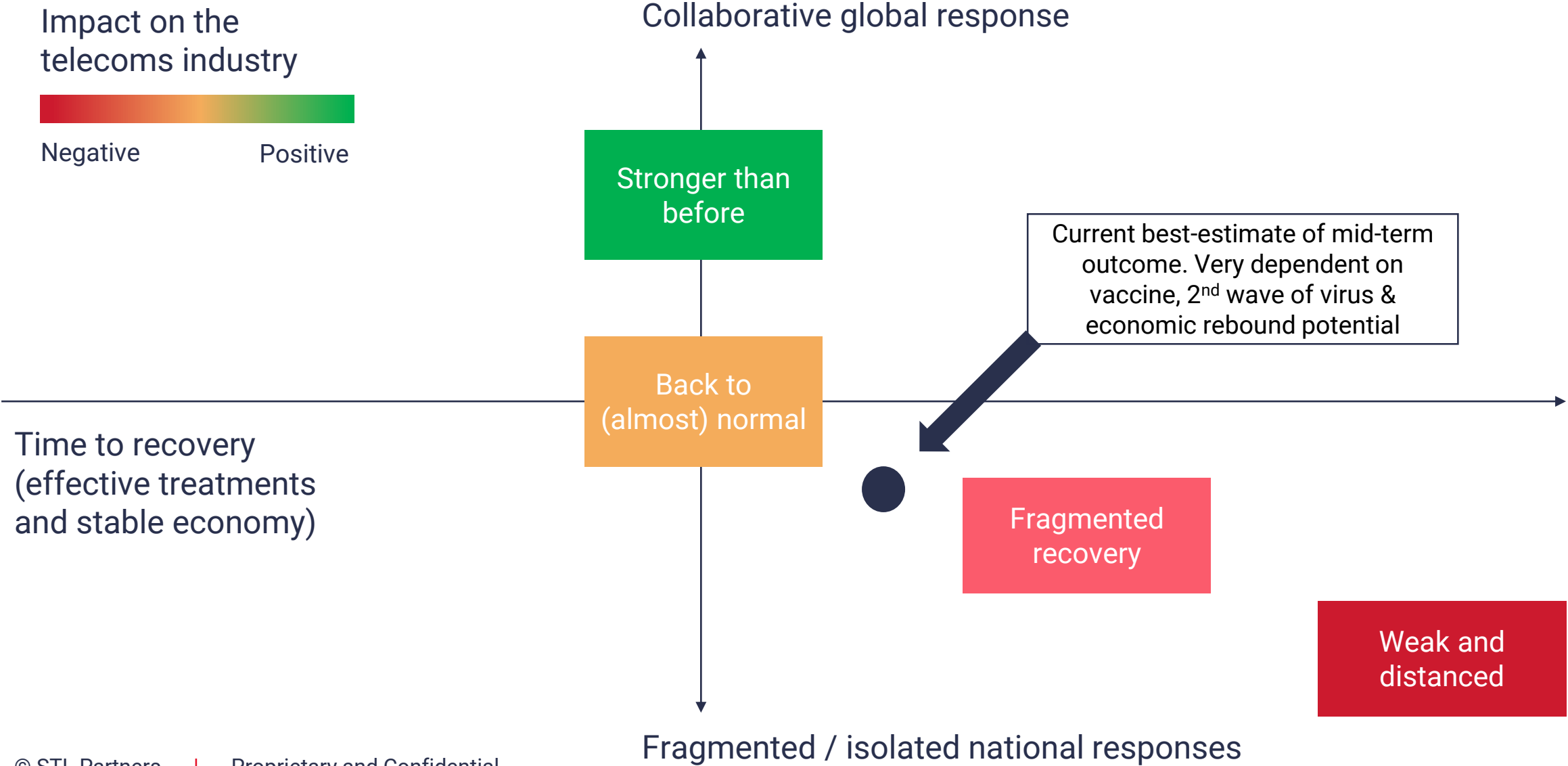
Drives for innovation and market understanding appear to be boosted

Leadership - change expectations

■ Minor delay/cut
 ■ Major delay/cut
 ■ Minor acceleration/uplift
 ■ Major acceleration/uplift



Longer term: 2025 scenarios for post-CV19 telecoms



Each scenario will impact the telecoms industry differently

Market area	Back to (almost) normal	Fragmented recovery	Weak and distanced	Stronger than before
5G				
Fixed networks				
Finance and ownership				
Consumer services and content				
Enterprise and verticals				
Regulatory focus				
Internet / cloud services				
IoT				
Other tech and services				
The Coordination Age				

Legend	Improved outlook for telcos	Similar outlook for telcos
	Somewhat improved outlook for telcos	Somewhat worse outlook for telcos
		Worse outlook for telcos

Key signals & indicators for telecoms scenarios

	Negative signs	Positive signs
Medical / healthcare	Winter / seasonal waves Healthcare failures High/fast reinfection rates	Immunity proved Proven treatments / vaccines Widespread testing / tracing
Population & society	Lockdowns reimposed Logistics challenged/fail Slow behavioural shifts	Lockdowns lifted Flights resume Next-gen WFH & remote education
International relations	More geopolitical tension	Borders & flights open Collaboration on healthcare and trade
Economic situation	Q3 GDP & employment falls Financial / debt concerns	Signs of V/U-shaped recovery Consumer spending rebound
Government + telecom	Delayed spectrum releases Inflexible regs / competition rules Privacy abuse / authoritarianism Technology islands & divergence	Relaxed planning laws Smart City acceleration Action on Internet equal-access IoT (eg pandemic-proof building codes)
Business	Stagnation & conservatism Lower productivity / higher costs	Renewed transformation / automation New sectors / unicorns emerge

Thank you!

To discuss any of this content in more detail please get in touch:

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