

Telco edge compute: which business models and how to execute them

Dalia Adib


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dalia.adib@stlpartners.com

[@realdaliaadib](https://twitter.com/realdaliaadib)

Through our consulting practice, STL Partners has gained a strong understanding of the edge compute landscape

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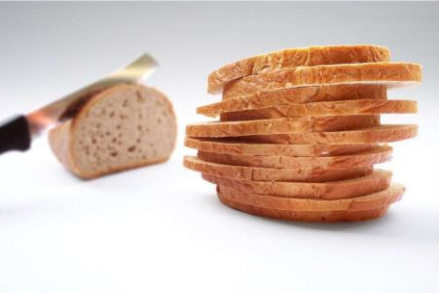
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NETWORK SLICING: THE GREATEST THING SINCE SLICED BREAD?


Network slicing could be important to enable service provider business model innovation in the future. However, where are the opportunities, what do they look like, and how likely are we to see them realised?



Dalia Adib | dalia.adib@stlpartners.com | March 2017

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EDGE COMPUTING: 5 VIABLE TELCO BUSINESS MODELS

Multi-access edge computing (MEC) has thus far focused on technology-driven use cases, but how could telcos create business opportunities in this quickly evolving ecosystem?



Jonas Strobel, Senior Consultant | jonas.strobel@stlpartners.com | November 2017

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Telco Cloud

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TELCO EDGE COMPUTING: TURNING VISION INTO PRACTICE

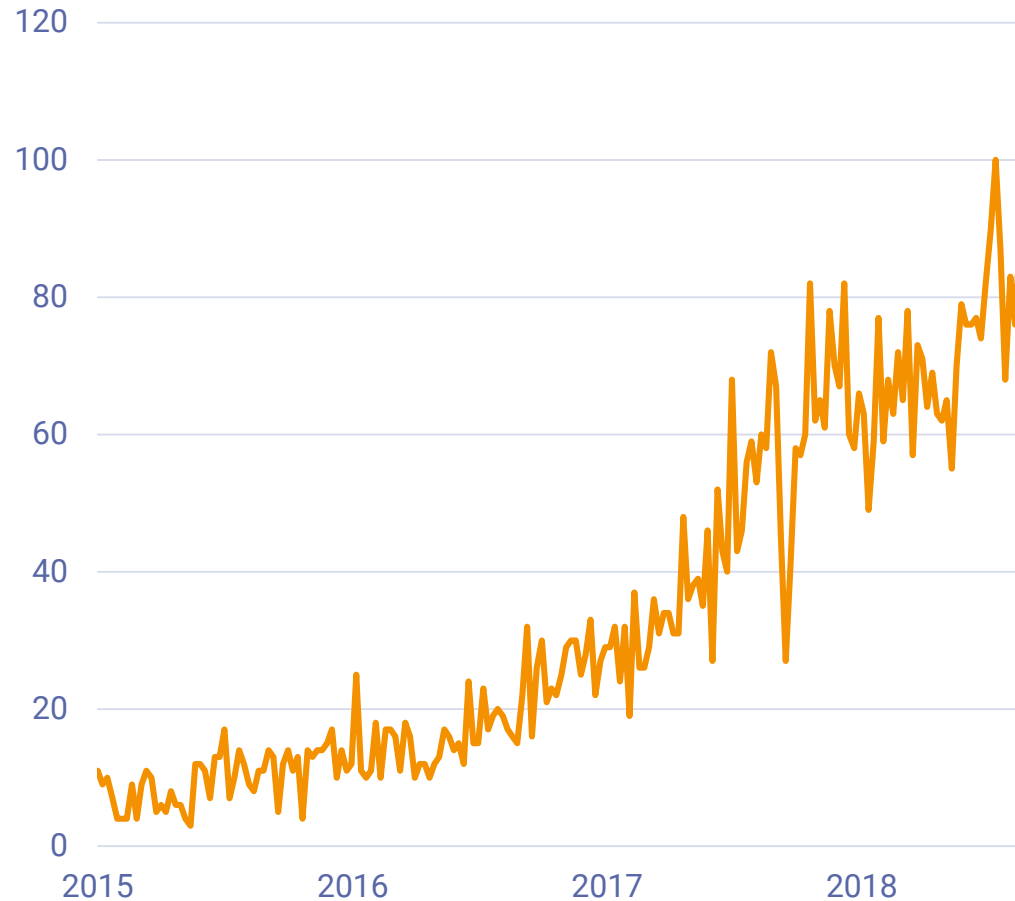
Telcos are well-placed to take advantage of the edge computing opportunity. In this report, we dive into the questions and challenges they face and how they can overcome these to succeed.



Philip Laidler, Consulting Director | Philip.laidler@stlpartners.com | August 2018

There is clearly a big opportunity in edge computing

Worldwide edge computing interest over time



Source: Google Trends

Vapor IO to build 100 edge computing locations for wireless carriers by 2019

by Mike Dano | Mar 30, 2018 12:33pm

HPE plans to invest \$4 billion to develop edge computing

The investment will cover R&D, products and consumption models for edge computing--an area that will combine 5G, IoT, cloud and analytics.

By Larry Dignan for Between the Lines | June 19, 2018 -- 23:42 GMT (07:42 GMT-08:00) | Topic: Internet of Things

SK Telecom Plans to Invest in DT's Edge Computing Firm MobileEdgeX

1 month ago | Ray Sharma | (0 votes)

Font Size | Print | Email | Comment

Microsoft joins Open Edge Computing Initiative, donates Azure resources to Carnegie Mellon

KYLE WIGGERS | @KYLE_L_WIGGERS | NOVEMBER 14, 2018 6:00 AM

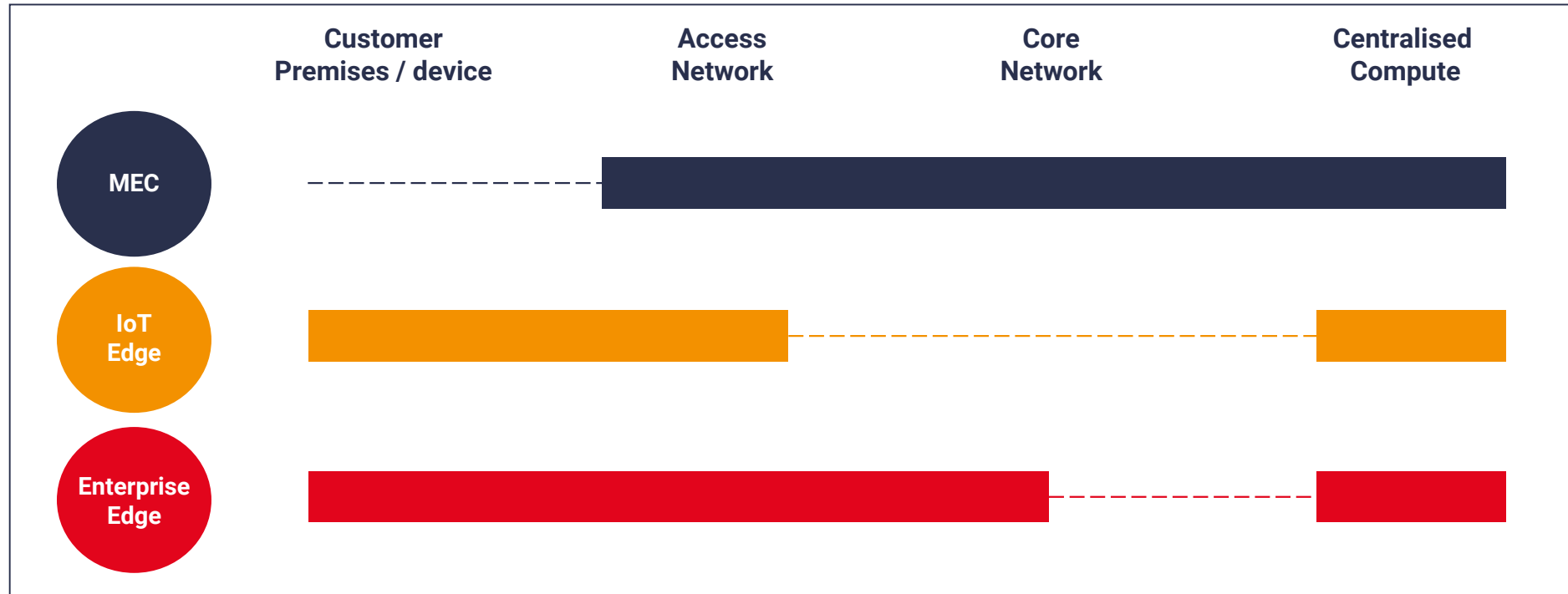
AWS is bringing the cloud on prem with Outposts

Ron Miller | @ron_miller | 5 days ago

What is the edge?

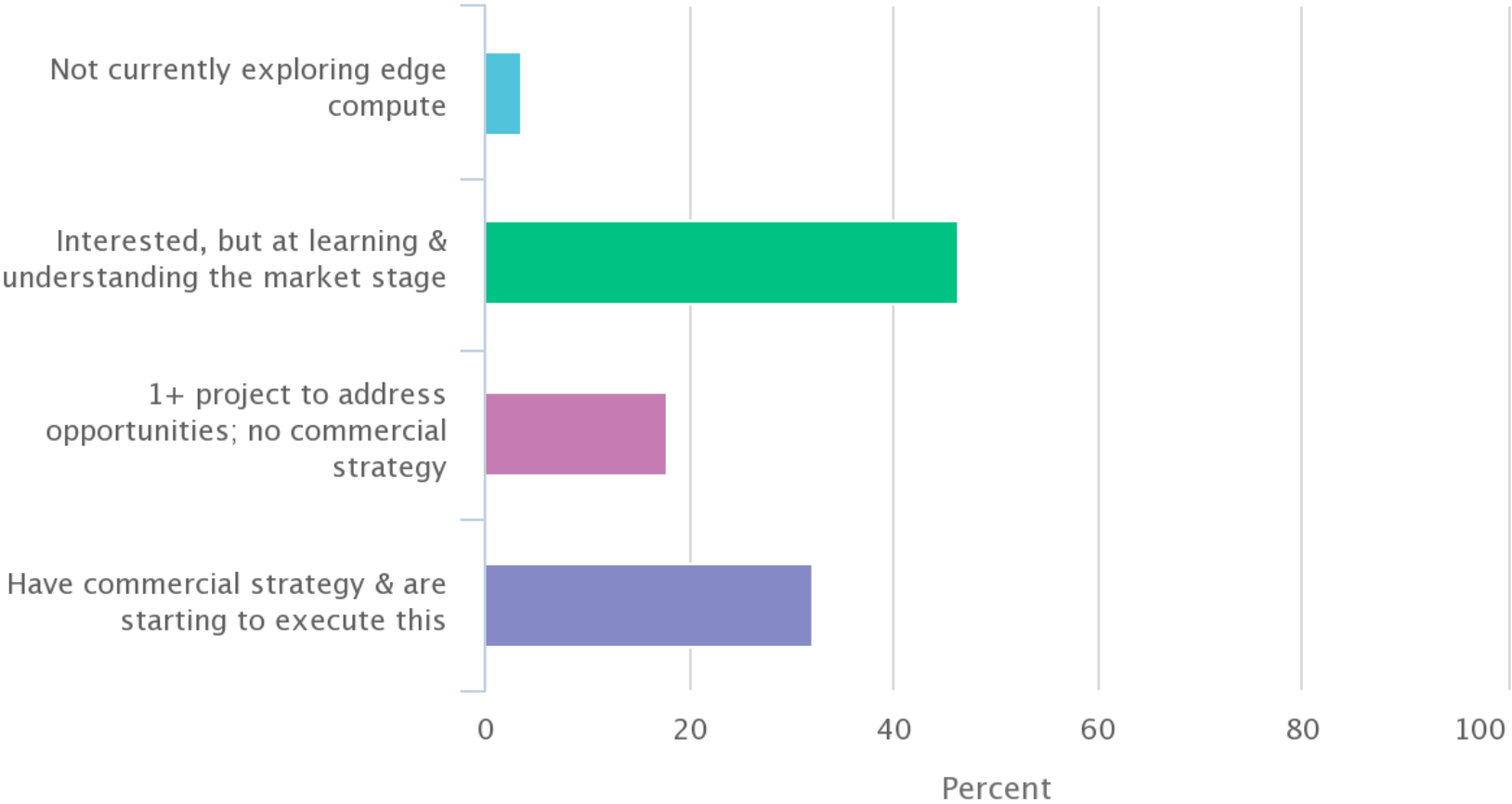
MEC, IoT & enterprise edge are all relevant

Telco Distributed Computing Domains

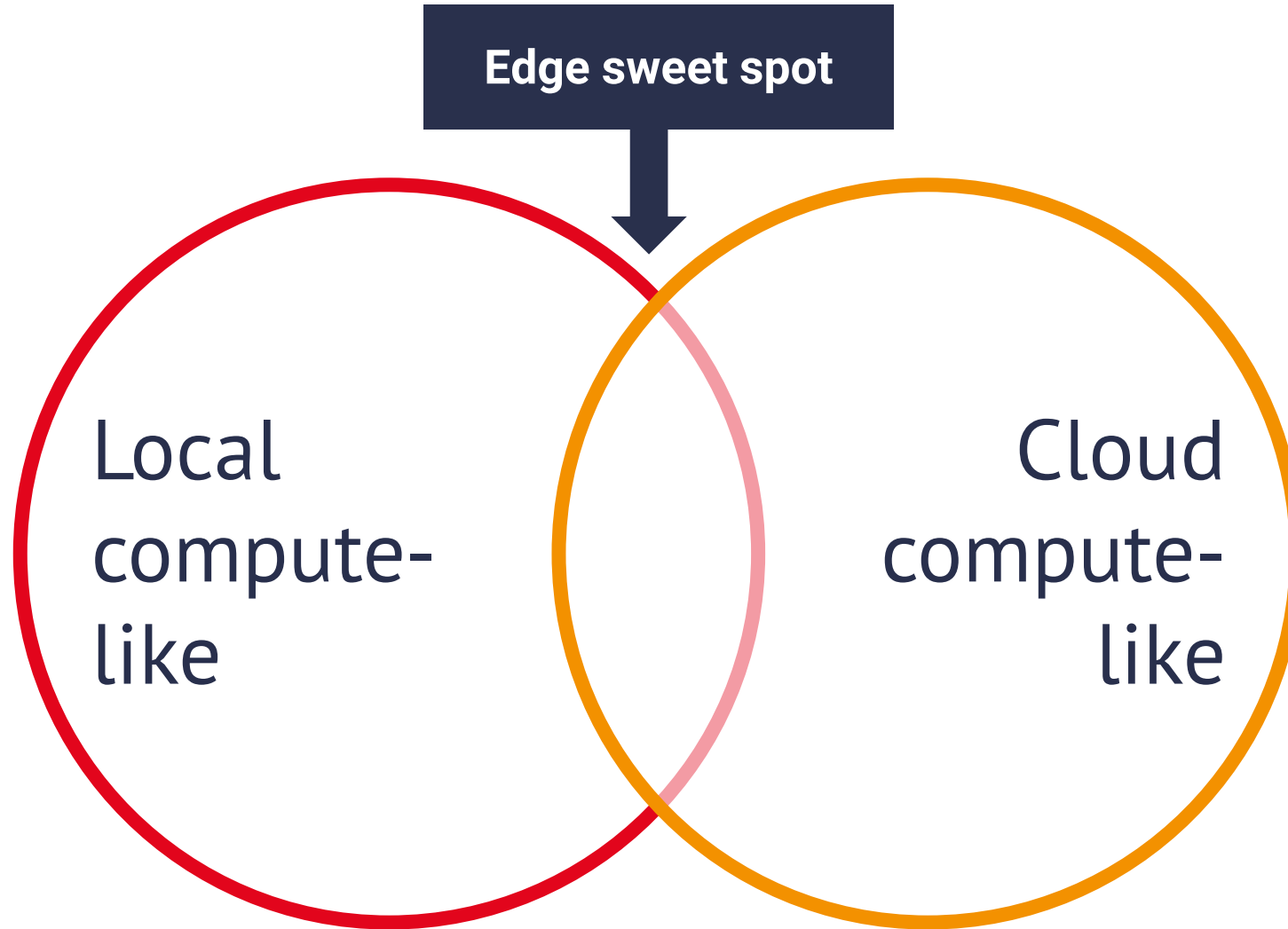


Poll 1 – How is your organisation considering edge compute currently?

1 How is your organisation considering edge compute currently?



Demand for MEC is driven by use cases in the “edge sweet spot”



The value proposition: MEC for application users delivers more than just latency

“Local compute-like”

Low Latency

- Human experiential
- M2M critical applications
- Noticeable computational slowdown

Reduced Backhaul

- Processing at edge
- Trickle-back edge ingest
- Caching

Data Localisation

- Data sovereignty
- Security and privacy
- Resilience

“Cloud-like”

Scalability

- Temporary peak usage (location)
- Temporary peak usage (time)
- Moveable workload up/down


Light Device

- Lightweight device
- Reduced device heating up
- Improved battery life – compute intensity or time
- Legacy devices
- Unsuitable environment / human access


Mobility

- Travelling device
- Spin-up anywhere (access)


Different business models for a wide range of applications and use cases available for telcos



**Co-lo/
dedicated
edge hosting**



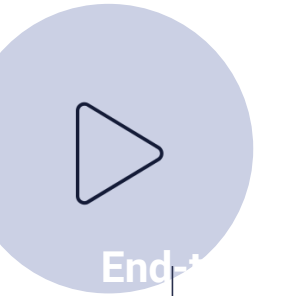
**Edge IaaS/
PaaS/ NaaS**



**Systems
integration**



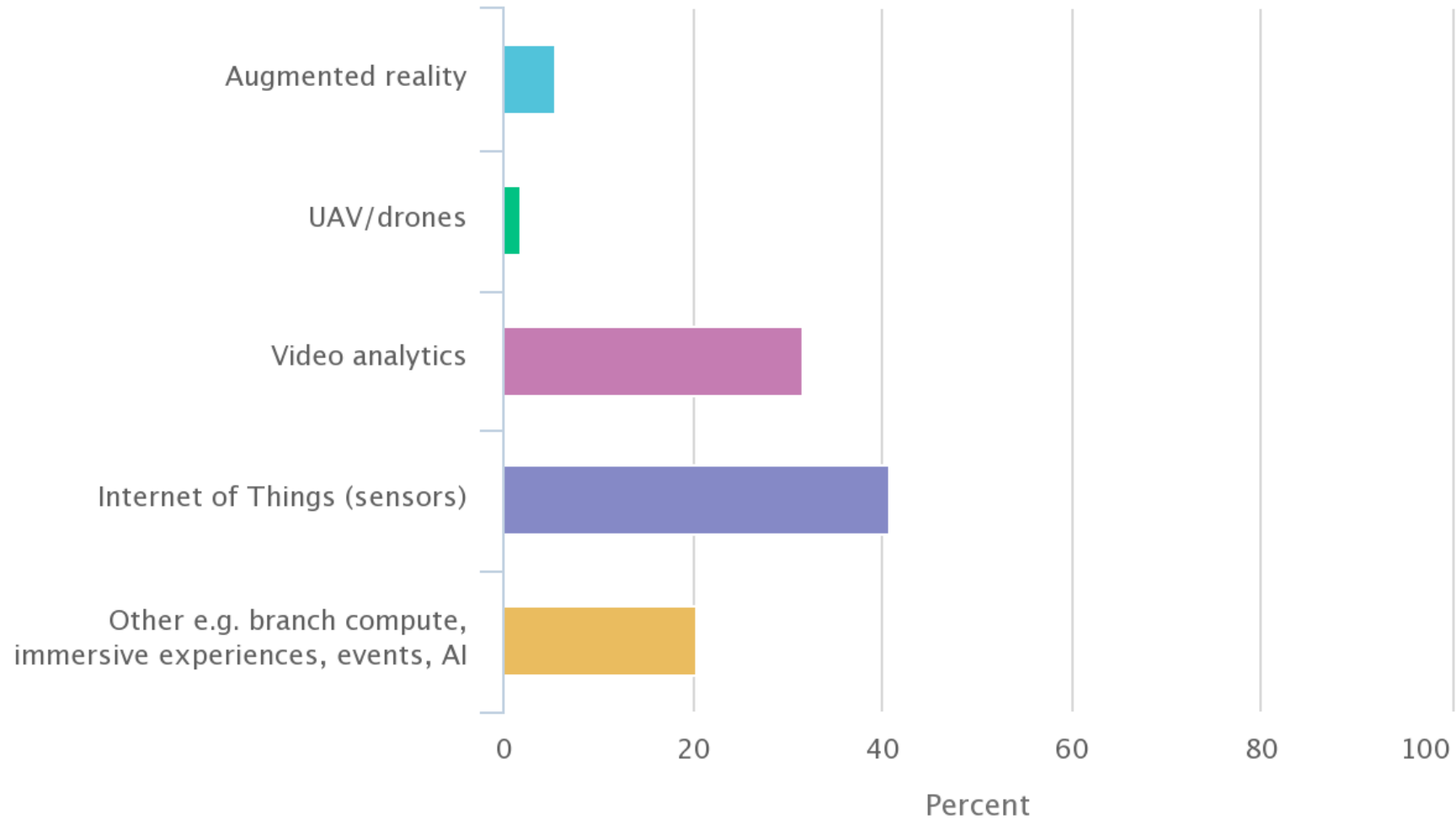
**B2B2x
solutions**



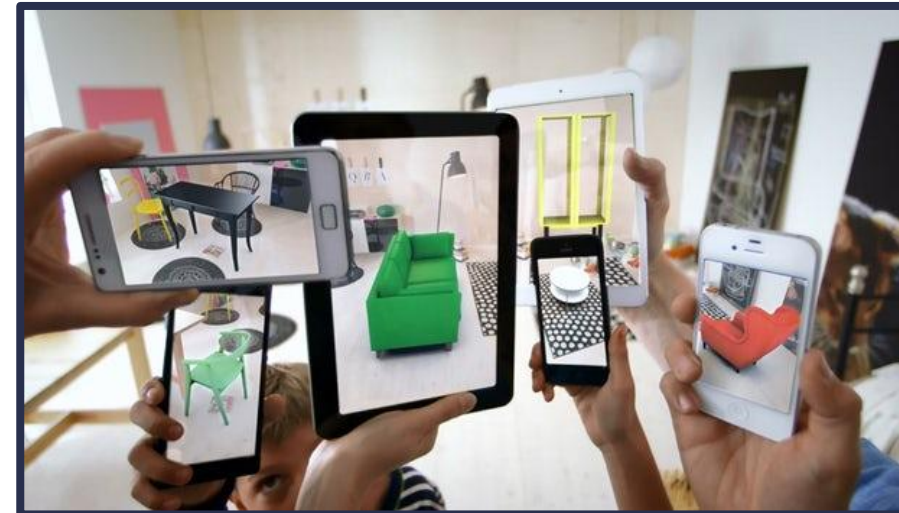
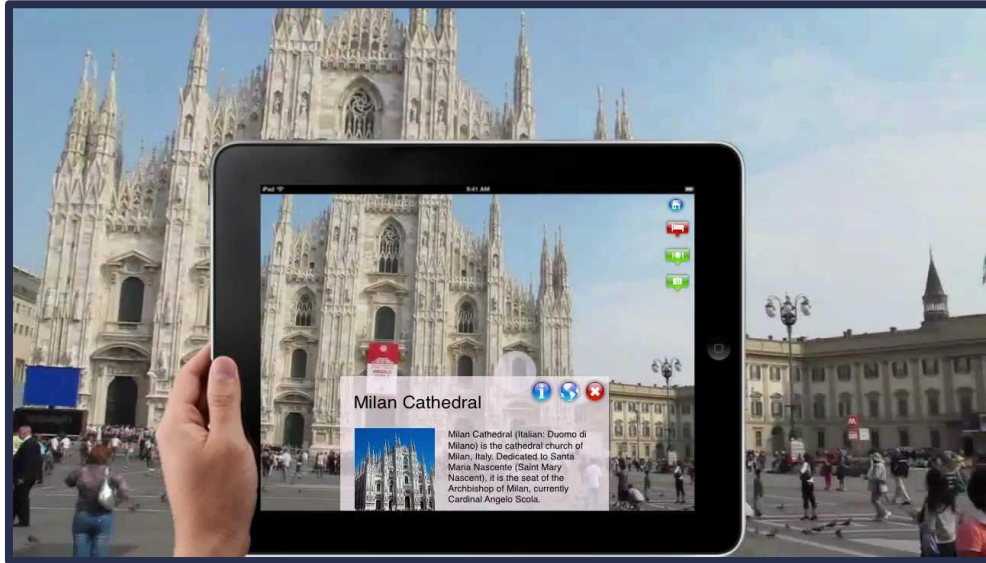
**End-to-end
consumer
applications**

Poll 2 – which use case will benefit most from edge computing?

2 Which use case will benefit most from edge computing?



Augmented Reality: example applications



How do AR applications benefit from edge computing?



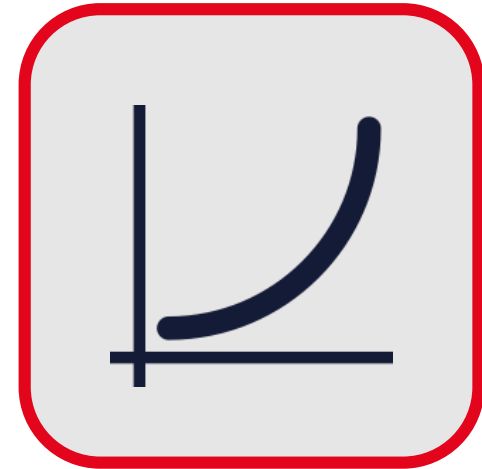
AR: challenges adopting edge



Headsets are not on the cellular network



Distributed cloud application developer platforms are nascent



The market is still at an early stage

Summary

- Edge cloud is not standalone but part of a wider distributed cloud
- It is a fast-moving, competitive landscape
- Telcos need to consider which business model is right for their organisation
- Use cases, like augmented reality, will benefit from edge computing, but challenges need to be overcome

Thank you