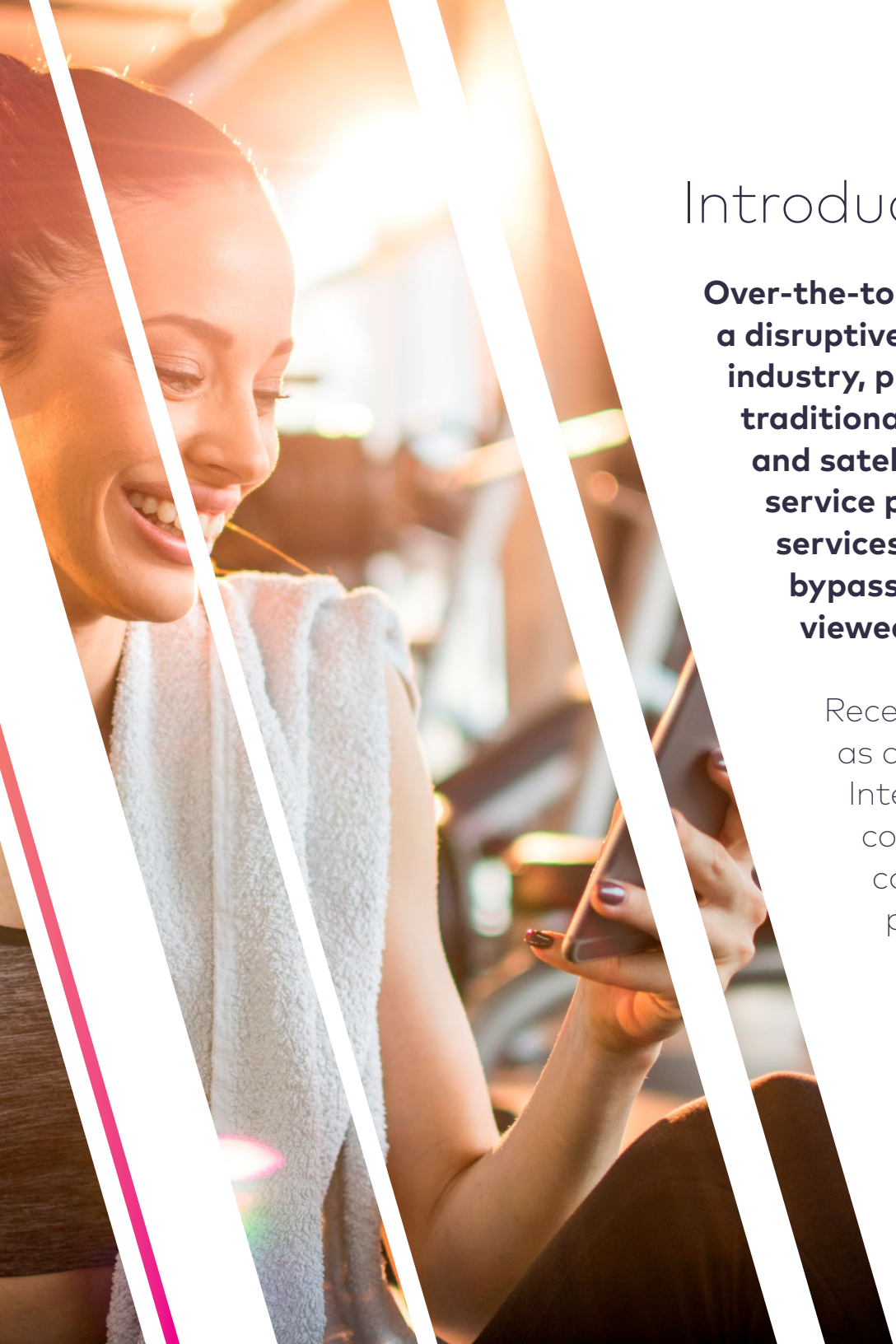




6 largest OTT integration barriers for CSPs

and how to address them

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Introduction

Over-the-top (OTT) platforms have been a disruptive force in the consumer telecom industry, providing a growing alternative to traditional media services like IPTV, cable and satellite services from communications service providers (CSPs). As OTT content services can be delivered to users while bypassing CSPs, they have generally been viewed as a threat.

Recently, though, they are being viewed as an opportunity for all parties involved. Integrating OTT services with traditional communications and content services can be a win-win for CSPs and OTT providers. In 2020 alone, several high-profile partnerships have gone live between companies like T-Mobile US and Quibi and Sky and Disney+ to deliver more content to CSP customers.

CSPs, including wireless-centric ones, can increase customer retention and stickiness by creating a comprehensive content delivery platform that packages video, music, gaming and other subscriptions together. That's music to the ears of consumers, 70% of whom would pay a single provider to **deliver all of their digital content in one bundle**. More than one-third of mobile subscribers say they would feel a greater sense of loyalty to service providers that **offered comprehensive digital content bundles**.

Forming partnerships with OTT providers is a mutually beneficial relationship. OTTs are able to expand their reach into new markets by tapping into CSP user bases, creating a better user experience for the customer.

The benefits are clear, but logistical challenges often deter service providers

from integrating OTT platforms with their own systems. By removing these integration barriers, CSPs and OTT providers can create a more seamless customer experience with customizable bundled offerings and flexible payment options.

Read on as we address six OTT integration barriers to successfully monetize OTT services within your business.



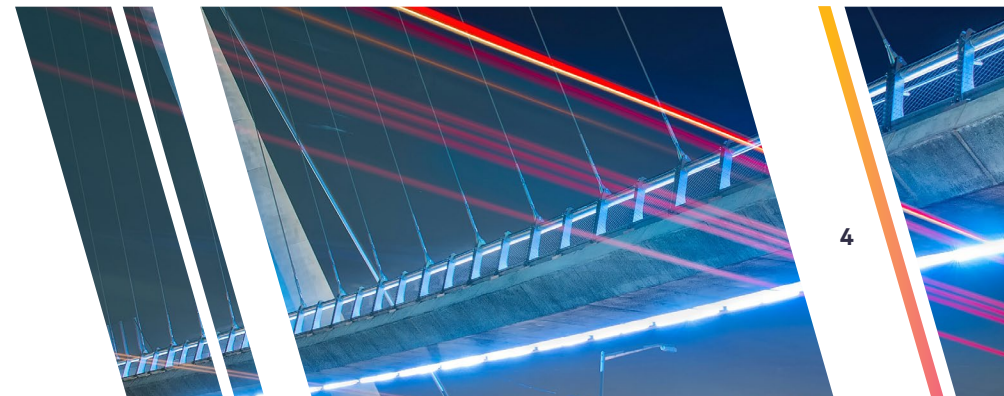
Barrier #1: User Onboarding

With two separate and distinct user onboarding processes, CSPs and OTT providers often struggle to find an approach that works for all parties. Many OTTs insist on maintaining a separate user interface, which requires new customers to start the onboarding process with their service provider and then complete it within the OTT app.

Under that arrangement, users are required to manage multiple login credentials for OTT and CSP platforms, which can be frustrating. Customer experience becomes an even greater concern for CSPs that partner with multiple OTTs, since users will need to remember their account credentials for each of those services.

Deeper integration addresses those customer experience issues, but it places the responsibility for user authorization solely on the shoulders of telecom and cable operators. To adequately manage user authorization tasks, CSPs and OTTs will also need to integrate their subscriber management, user ID and authorization processes, and systems. Again, these tasks become more complicated and onerous when CSPs partner with multiple OTTs offering different services delivered through their own platforms.

Running OTT partnerships through a single platform streamlines and simplifies onboarding processes for both partners and users, allowing for a more seamless customer experience.



Barrier #2: Bundling Subscriptions

Subscription management is another logistical obstacle facing CSPs and OTTs. In particular, operators need to find a way to properly monetize OTT services, but there are several challenges in the way:



Dynamic monetization models: Bundling multiple OTT services adds significant value for customers who want to get all of their digital content in one place. However, legacy billing systems are often overly complex and rigid, making such innovation difficult to achieve.



Hybrid billing capabilities: CSPs need to support a wide range of payment mechanisms to provide a better customer experience, including, but not limited to, 'pay-on-bill'. Consumers demand greater flexibility in the way they buy and pay for their services, leading to more payment options that need to be accounted for.



Passive churn: A significant number of monthly digital subscriptions are lost due to instances of passive churn, such as a failed payment or attempting to charge an expired credit card. Legacy systems often do not have the capabilities to proactively identify and prevent passive churn, which can have a sizeable negative impact on service monetization.



Direct-carrier billing (DCB), which is a very common approach to OTT partnerships, poses challenges for OTT integration as well. This point solution lacks wider user and subscription lifecycle functions – like identity-based personalization and advanced monetization – for a differentiated experience.

As such, multiple third-party solutions and custom components may be necessary to create a complete, end-to-end solution. Such a complex setup may result in frictions in the user experience, longer

time to market and higher TCO due to integration challenges.

In addition, DCB is a rigid approach that only allows for one payment option, preventing CSPs, OTTs and customers from determining for themselves how subscriptions are paid.



Barrier #3: Data Capture

Customer data is a valuable commodity for both CSPs and OTTs, but access to that information is rarely equitable. In many cases, operators lose visibility into user activity and customer preferences when partnering with OTTs because those providers are hesitant to share subscriber data.

CSPs need insights to increase the ROI of OTT partnerships by creating more targeted advertising, personalizing subscription curation and improving other customer outreach activities. As it stands, they may only receive data usage reports that detail account, or household activity rather than specific user behavior and preferences.

CSPs need access to more user activity insights for these partnerships to be mutually beneficial and deliver value. Collecting data and insights on subscription pricing, bundling, purchases, access and consumption can help CSPs better monetize their partnership approach and ensure long-lasting relationships.

Deeper integration through a shared third-party platform can help ease these pain points as well. It makes user and subscription data more readily available, enabling both parties to better understand how customers benefit from their platforms and the kind of OTT services they find appealing.



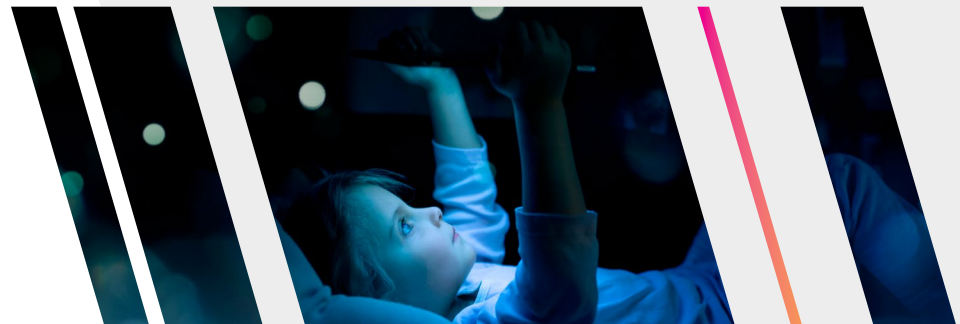
Barrier #4: Scale of integration

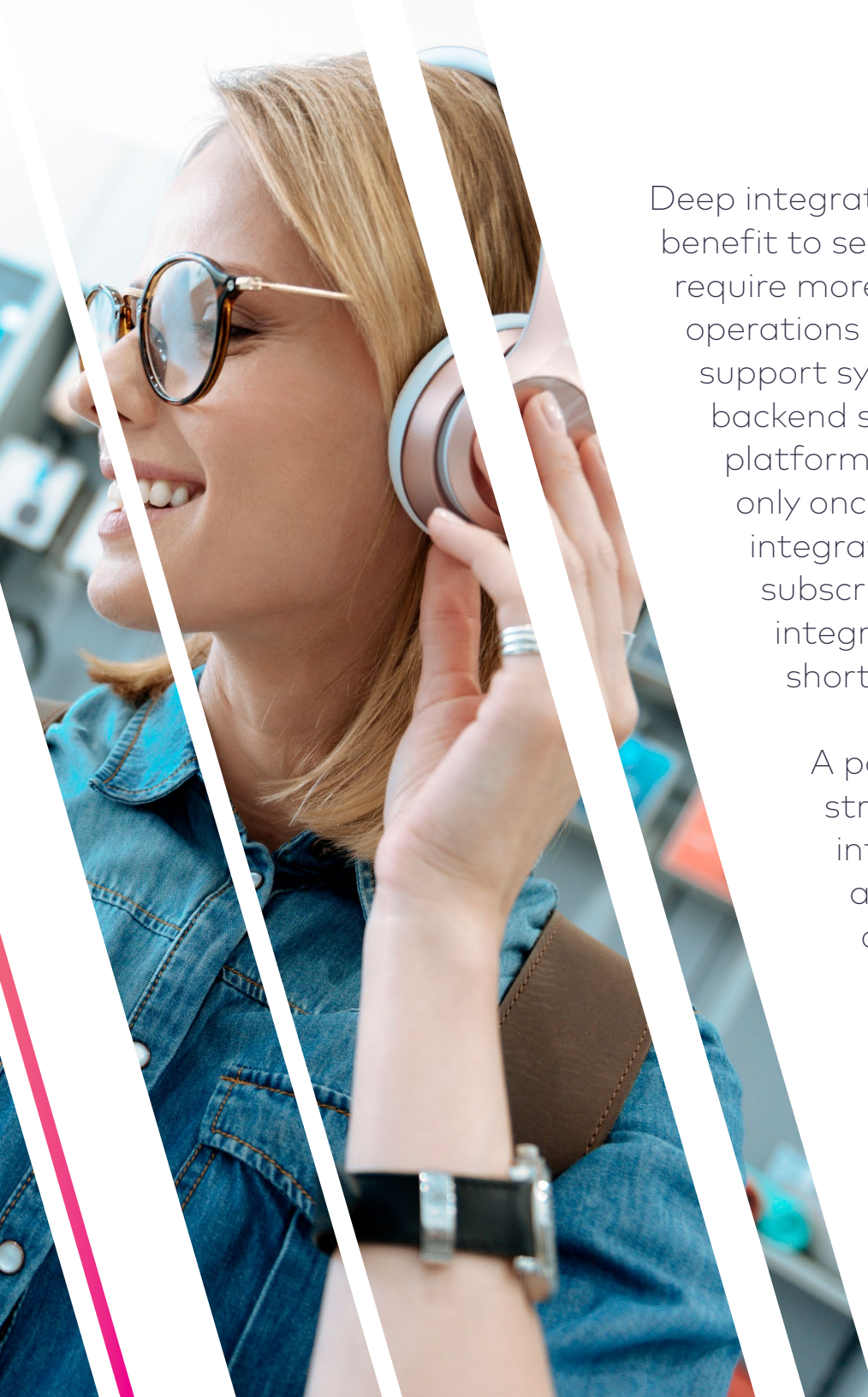
Depending on the needs and goals of CSPs and OTTs, integrations can range in terms of scale and complexity. That means the associated challenges can vary significantly. Generally, there are three levels of integration to consider:

Lite integrations establish bare-bones connections between the parties. It's a relatively straightforward process with few logistical or technical obstacles. However, that surface-level integration means CSPs and OTTs are unable to coordinate user onboarding, billing, bundling, data capture and other tasks.

Intermediate integrations link specific processes and platforms, most notably those related to billing. They do not support more extensive integration that would enable seamless coordination between data capture and onboarding processes and systems.

Deep or "full fat" integrations sync the two parties across numerous platforms and processes, effectively bridging their IT environments. This approach allows for a smooth user onboarding workflow and gives operators greater access to valuable subscriber data.





Deep integrations provide the most benefit to service providers, but they require more backend work to integrate operations support systems and business support systems (OSS/BSS) with other backend systems. Using an intermediary platform that enables them to integrate only once, and then have access to pre-integrated OTT partners, user journeys and subscription billing capabilities can simplify integration, reduce related costs and shorten time to market.

A partner management system can streamline every step of the OTT integration process, including onboarding and provisioning new platforms. CSPs can manage all OTT partnerships through a single integration solution, handling settlements and generating reports and insights with ease.

Barrier #5: Content Service Delivery

Pay-TV providers that deliver content through a single platform – such as a set-top box – have an additional problem: Their customers had grown accustomed to expecting all of their content concentrated in one place.

But CSPs also need to be mindful about this issue, as some delivery models remove them from the financial equation. Customers can sometimes access OTT apps via their set-top box but can't sign-up and purchase the service on their CSP bill. As such, the CSP receives no compensation for this service.

CSPs need to implement a solution to allow customers to obtain access to third-

party OTT apps while being billed for those OTT services through the CSP. To make this arrangement work for both CSPs and OTTs, the CSP can potentially recoup a finder's fee for every customer who signs up for an OTT subscription as well as and receive an ongoing share of that revenue.

No one wants to leave money on the table, but creating a seamless experience across both CSPs' video services and OTT content will benefit both sides. Working together, CSPs and OTTs can provide a frictionless user journey with self-service enrollment capabilities.



Barrier #6: Compounding Factors That Complicate Integration

In addition to the challenges listed above, there are other compounding factors that can influence integration projects. One of the most important variables to consider is the state and age of existing IT systems. Legacy billing systems, for instance, may not be able to support the kind of flexible subscription billing processes that both CSPs and OTTs need today. An outdated system could be more difficult to integrate with external platforms than one designed with the logistics of the subscription industry in mind.

Another consideration is how many devices need to be supported. Consumers have more options than ever to view digital

content, including mobile devices, web-based apps, traditional set-top boxes and smart TVs.

CSPs and OTT providers also need to determine which party is going to be responsible for ongoing platform management tasks. They need to be absolutely clear who is in charge of the day-to-day upkeep of their partnerships, billing, onboarding and data platforms.

Finally, the logistics of integration can vary depending on if an in-house team is spearheading the project or if it's being outsourced to an external development partner. In-house teams will be more familiar with the organization's existing platforms, but a third-party specialist will have more experience building complex integrations and supporting scalability.

MarketONE removes CSP barriers to OTT integration

Deeper integrations provide the most value to service providers, OTTs and end users, but the logistical obstacles may deter operators from going that route. Leveraging a third-party integration platform removes the most pressing OTT integration barriers, creating a seamless end-to-end experience from onboarding to billing.

Amdocs Media's MarketONE enables CSPs to add value to their OTT partner offerings and effectively monetize those services, while giving customers a one-stop shop for their digital content needs.

Rather than manage each partnership separately – and thereby increase complexity – MarketONE offers a single platform to handle all phases of OTT/CSP integration.

It effectively centralizes all OTT integrations for service providers, creating a single interface to manage relationships, systems and processes.

MarketONE supports end-to-end partner, user and subscription lifecycle management, including tasks such as OTT partner onboarding and integrations, carrier billing and subscriptions, and user journey management. Everything runs through one cloud-based, SaaS platform, dramatically reducing the complexity of OTT partnerships and integrations for CSPs.

With MarketONE, CSPs can monetize OTT services, bring a wide variety of digital services together under their own branded platform and go to market quicker than ever before. Meanwhile, OTT partners can expand their customer base and market footprint.

The biggest winner of all is the customer, who can subscribe to a wide variety of digital content through their CSP relationship. Everyone benefits with MarketONE.

Visit our [website](#) or [contact us](#) to book a demo.



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