Netcracker Cloud BSS

John Abraham and Oliver Bruff

Netcracker Cloud BSS: strategy overview

Netcracker is an NEC subsidiary and a leading provider of software solutions and professional services to over 250 clients in multiple verticals (particularly CSPs). The company is expanding its BSS portfolio by investing in a cloud-based solution that will complement its primary BSS offerings.

Netcracker offers a broad portfolio of BSS and OSS products that have been deployed worldwide across CSPs of all tiers. Netcracker ported its BSS solution to a cloud platform in 2017, and since then, it has prioritised the development of a cloud-ready portfolio that supports 5G and new enterprise-focused business models.

Medium-sized and large CSPs, who use Netcracker's primary product portfolio of BSS and OSS products, account for the majority of the vendor's revenue. However, Netcracker Cloud BSS comprises modules for marketing, commerce, sales, customer service and revenue management and is focused primarily on the needs of smaller service providers. Netcracker aims to use the Cloud BSS solution to help CSPs to reduce the time to market and accelerate returns on investment. The solution is compliant with DevOps frameworks and can be delivered using a SaaS model, though service providers favour traditional licensing models in many cases. The company also offers professional services capabilities to support the Cloud BSS solution.

Figure 1: Key data

Company details	▪ Founded in 1993 ▪ Acquired by the NEC corporation in 2008 ▪ Headquartered in Waltham, MA, USA
Revenue	NEC reported a total revenue of USD28.79 billion in FY2020 (ending 31 March 2020).
Key customers (communications)	BT, Cox, du, Liberty Global, O2 UK, Rakuten, Singtel, T-Mobile, Telefónica, Verizon, Vodafone, Vodafone Oman and Zain Saudi Arabia
Partnerships	Altiostar, Amazon Web Services, Google Cloud, Juniper Networks, Microsoft, Red Hat and VMware
Professional services, products and solutions	▪ Netcracker offers digital, cloud-based BSS, OSS and customer engagement products that automate business operations and B2C processes ▪ Netcracker also offers business consulting, security, system support and programme delivery services

Source: Analysys Mason

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Netcracker Cloud BSS: analysis

Netcracker Cloud BSS addresses the need for 5G-ready, simplified solutions for smaller CSPs who are less inclined to invest in a large, end-to-end portfolio. Netcracker is also responding to industry trends towards standardised, modular BSS platforms that allow for greater flexibility and interoperability.

The monetisation of 5G use cases is a key focus of Netcracker's overall strategy and it has made significant investments in this direction. The company is now using its expertise and capabilities in this area to develop its Cloud BSS solution. This solution includes a 5G converged charging system (CCS) and is designed to support multiple deployment models and different types of applications.

The Cloud BSS solution only account for a small proportion of Netcracker's BSS revenue (due to its target audience of small CSPs), and this is unlikely to change in the medium term. Netcracker Cloud BSS can be deployed on any public cloud, but most CSP customers still favour private cloud deployments. Over time, the capability and breadth of Netcracker's cloud BSS portfolio will expand, especially as SaaS becomes more mainstream.

Figure 2: Key strengths and weaknesses

Strength	Description
Portfolio coverage and expertise	Netcracker is recognised for its broad BSS portfolio that has been deployed worldwide across CSPs of all sizes.
Focus on key themes	The company has positioned its solution around the key themes of customer engagement and 5G monetisation.
Multi-cloud support	Netcracker supports the deployment of its cloud BSS solutions across multiple types of public cloud infrastructure.

| Weakness	Description
Not known as a SaaS provider	The company is perceived as a provider of traditional BSS systems; it has limited experience in providing pure SaaS solutions.
Emphasis on professional services	Netcracker has a fully fledged professional services division that is capable of supporting large and complex transformations. This may limit its appetite for smaller cloud BSS opportunities.

Source: Analysys Mason

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Overview of Netcracker Cloud BSS

Figure 3: Overview of Netcracker Cloud BSS
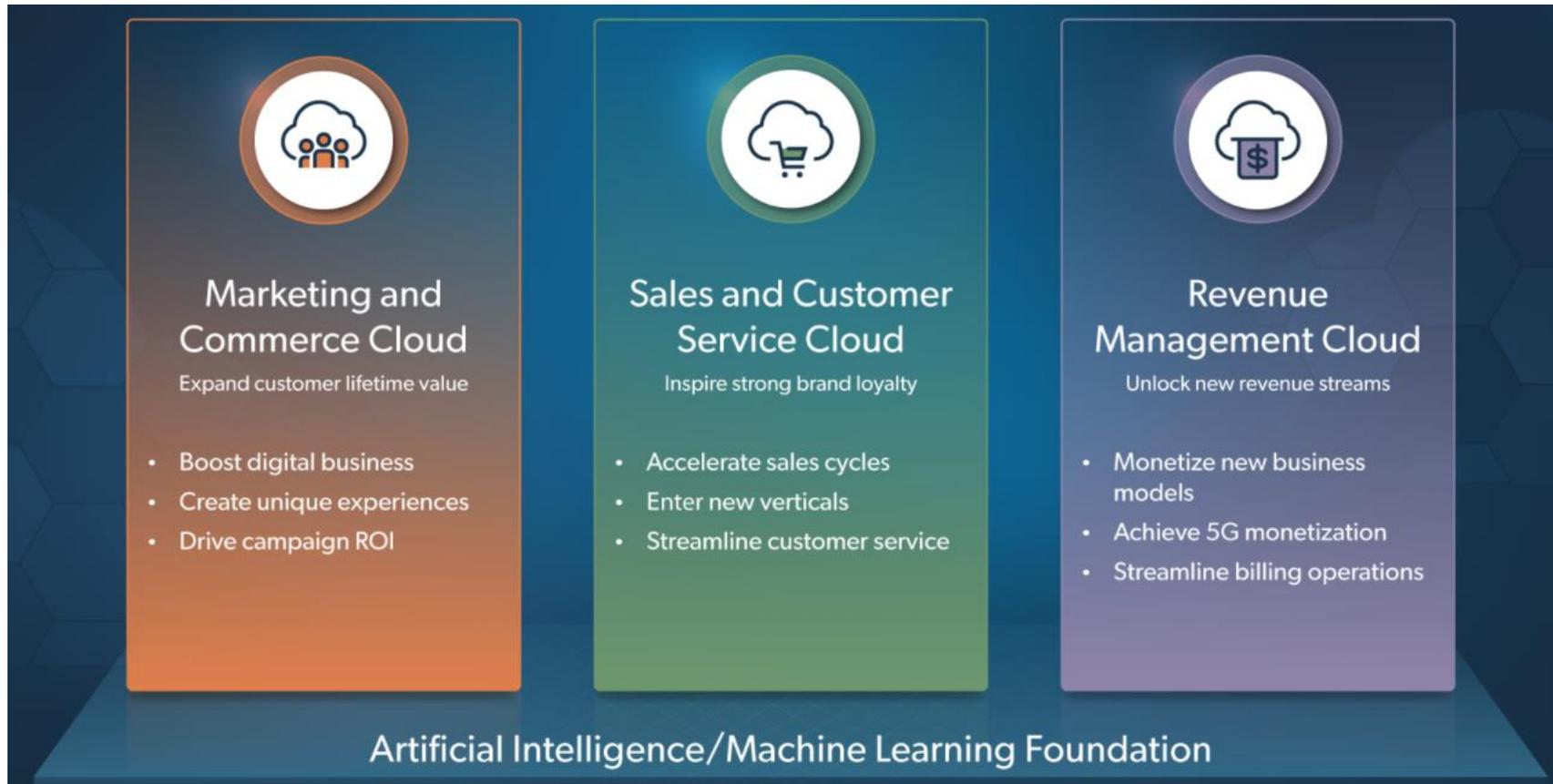
Source: Netcracker

About the authors

John Abraham (Principal Analyst) leads our digital transformation research, including three research programmes: *Customer Engagement, Monetisation Platforms* and *Digital Experience*. His areas of focus include customer journeys and experience, the impact of 5G on BSS systems, telecoms enterprise opportunities, cost transformation, ecosystems and value chains, and micro-services-based architecture models. John has over a decade of experience in the telecoms industry. At Analysys Mason, he has worked on a range of telecoms projects for operators in Africa, Europe, India and the Middle East. Before joining Analysys Mason, he worked for Subex, a BSS vendor, and before that for Dell in India. John holds a bachelor's degree in computer science from Anna University (India) and an MBA from Bradford University School of Management (UK).

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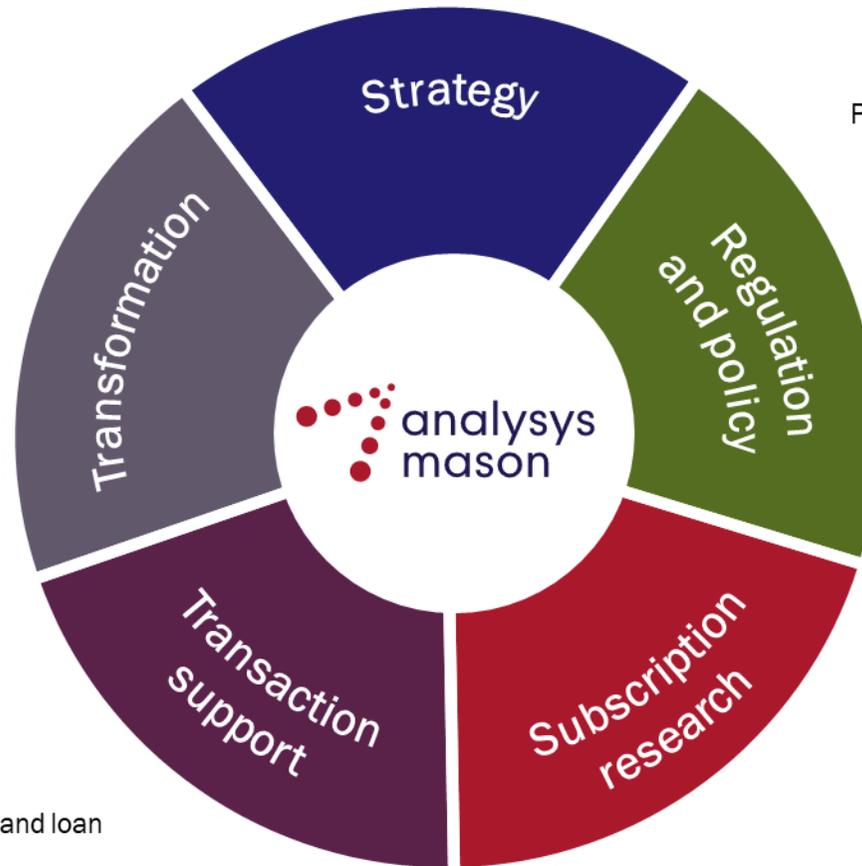
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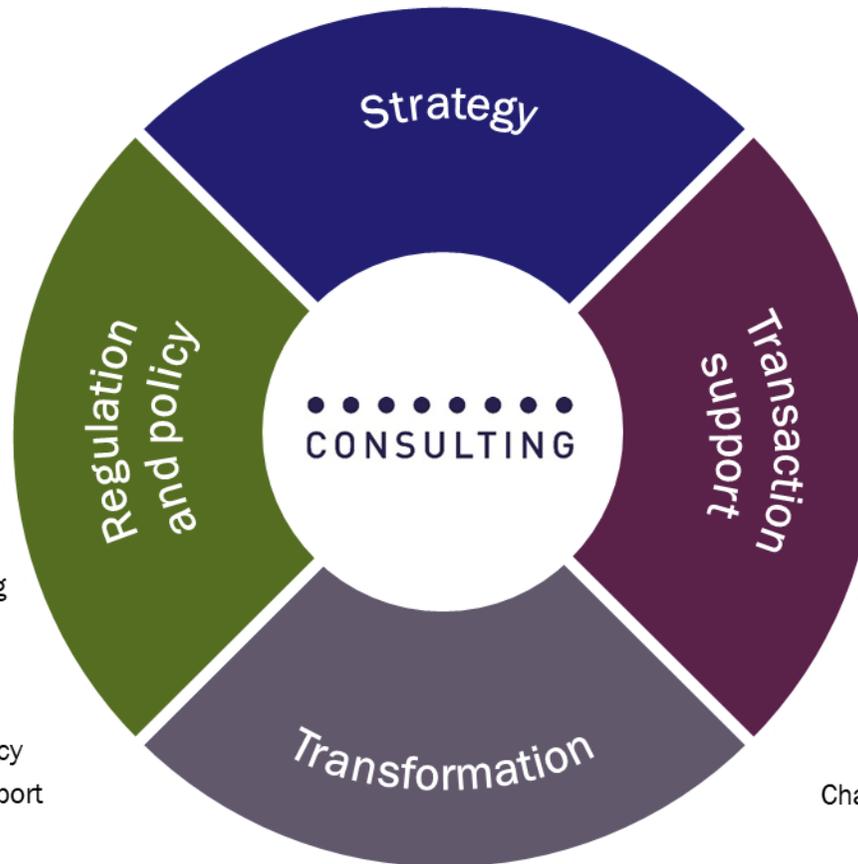
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