

Channel Live 2019

Championing the channel for another year

Our highlights

The only trade show designed specifically for the IT and telecoms industry, Channel Live provides exhibitors the chance to network and discover newcomers in the industry.

As the largest wholesale provider in the UK, it's a key date in our calendar and allows us to show our full commitment and support to our channel partners.

At the event, we participated in several panels that allowed the audience and our partners not only to discover our opinion on where the industry is heading but what we feel can be done to improve the wider market.

We discussed a lot over the two days and whilst we don't always all share the same vision of where our network is going, it was incredibly beneficial to hear the thoughts of our peers and to clarify the challenges we will collectively face in the coming decade, like the looming ADSL switch off in 2025.

From the panels that members of our team were involved in, we've collated the thoughts and ideas from each, including not only our own but some genuine insights from other panellists as well.





Addressing the skills shortage in telecoms

Panel discussion with Noreen Hallbery

Given the technical knowledge and expertise required to perform in the telecoms industry, it's no wonder that it is becoming harder to hire the right people at the right time. With the allure of high-profile Silicon Valley brands, enticing those that may find success in telecoms, like engineers, researchers and senior management, is increasingly challenging. It is now high time the matter is addressed and resolved, not as an individual business but as a collective industry.

What is the skills gap?

The current skills gap has been driven by the increasing complexity of technology, creating a high cost-of-entry to those interested in the field, that would usually require a degree at minimum. The waning popularity of Science, Technology, Engineering and Mathematics (STEM) subjects in schools is another contributing factor; as is the rock-star-esque popularity of tech brands like Apple or Google, enticing those that may well have moved into telecoms instead. We need to build passion and enthusiasm for our industry, but no matter how attractive we make BT, we're still only one business and we need to come together in order to change misconceptions across the industry.

How does this affect businesses?

This lack of fresh, hungry minds has a significant detrimental effect, not only on telecoms businesses but the wider society.

- Struggles to fill current positions and to pipeline for future make it hard for businesses to perform optimally and plan for the future.
- Inflated salaries are required to attract the available staff. However, they can be lured away easily with a higher salary from a competitor and it requires resources that could be used elsewhere.
- Because of the lack of young minds entering the field, there can be a lack of innovation as the more experienced teams become familiar with their current ways of working.

What can we do to resolve it?

76% graduate retention (4 years on)

Most importantly, we need to support and promote STEM subjects in schools across the country to increase the number of possible applicants and address the gender disparity in these subjects as well. Even if pupils will not be reaching employability in the near future, it is important to counter the widespread belief that STEM subjects are 'too difficult'. Given that our current generation of pupils have worked with technology all their life, especially mobile phones, they are ideally suited for careers in tech and telecoms, in particular!

95% apprentice retention (4 years on)

Apprenticeships are another undervalued and under-promoted route to a career in telecoms that could be used to address the gap in the interim. Demographics including adult learners, victims of redundancy, women and minorities that are already underrepresented, can all be drawn from with immediate effect, to fill in positions that are required for current operations.

With many schools focussed on university entry over work-based qualifications and the rising cost of attending university, it is vital that we promote apprenticeships to attract those that aren't drawn in by the prospect of a university education. Retention rates are higher for apprentices too, representing a better ROI than graduates that may move on after a couple of years. Once qualified, we can use their positive experiences to start promoting the sector in school projects and community outreach, so that we continue to inspire the next generation to move into the field.

Board room conversations that arise out of this panel will start to address the issue and we are already at the forefront of this challenge. By organising school trips to the labs at Adastral Park, we inspire the next generation by allowing them to understand how the communications network is built and allow them to interact with the technology. Ultimately, the industry needs to come together and devise a strategy that makes a career in telecoms exciting. And that is no simple feat.

If you'd like to learn more, [read up on Noreen's LinkedIn blog](#): "How do we get a dynamic mix of leaders in the telecoms sector?"



Building the Network of the Future

Presentation by Gavin Jones

The connectivity market is currently going through a major period of transition and upheaval. The introduction of 5G, switch-off of the ADSL network, rise of platform-based SaaS's are prompting important discussions across the industry. Providers are struggling to effectively roll out the latest generation of connectivity, whilst resellers and providers alike are asking themselves how they can best serve their clients, both in the near-term and further down the line.

8% nationwide
current UK fibre coverage

8% per year
The decline of voice

1.3 SIM
per person and growing!

£2 billion
invested nationwide
in 2018/2019

The future is 5G

5G has been the biggest buzzword of the late 2010s and even though both EE and Vodafone's 5G network are already live, the technology will certainly mature as we move in to the 2020s. The introduction of 5G won't just offer better speeds (up to 1 Gbps) but will enable a whole new range of new use cases.

By the end of 2019, we expect to be live in 16 cities across the UK and will increase to 26 through 2020. This connection offers speeds up to five times the speed compared to the current 4G average.

By 2022, we expect to be starting the roll-out of 'true 5G' using an increasing number of small cells that will connect the public to the network via millimetre waves.

We're in the midst of replacing our backhaul pipes too, increasing their current bandwidth from one to ten Gbps. With the introduction of millimetre wave antennas in the next few years, this renovation will allow us to develop network speeds that are currently unheard of, up to 160 Gbps.

The increased bandwidth and low latency that 5G offers are already benefiting the UK as a whole and as the technology matures, we will soon see more extensive real-world examples of how 5G can vastly improve the lives of everyone across the country. Through the below two examples, you can discover what is coming in the near future as well as a little further down the road.

Remote surgery – surgeons may have steady hands, but not as steady as a robot's. The ultra-low latency that 5G provides will enable a convergence of humans and machines known as the 'Tactile' or 'Haptic' internet. Sensors installed on medical robots will allow surgeons not only to operate remotely, but actually [feel the pressure](#) and sensations, as they would if they were performing the surgery themselves. This ensures that they can perform their tasks to the best of their ability and aren't limited by unsteady hands or minute actions that would require an incredibly high level of dexterity.

Driverless cars – 5G is an essential technology for the introduction of truly driverless cars. Without it, cars would not be able to efficiently pass information between them about location, traffic information etc. In the meantime, we will be able to take advantage of 5G in the coming wave of 5G enabled connected cars that are expected to start hitting the roads in 2022.



It may not look like much but those three grey squares on the right-hand phone booth denote the location of a new 5G small cell.

As the transmission distance of 5G is much smaller than 4G, we expect to install over 720,000 small cells over the coming decade.

Building the Network of the Future continued

Presentation by Gavin Jones

Going analogue to digital

As we switch off the ADSL network that has served us so well over the last half-century, it is time we look to the future and make efficiencies that will enable the transition of exchanges into programmable network nodes.

In order to provide the UK with a faster and more agile network, we are moving from an infrastructure with many different products from multiple vendors to a virtualised network. Network Functional Virtualisation (NFV) will allow us to drastically reduce the number of exchanges from over 700 hundred to around 80 sites nationwide and operate the entire network as an incredibly advanced virtualised system. This will be managed centrally and requires less maintenance and management, thanks to the lack of legacy compatibility and the new network's ability to support two application types, core network functions and customer network applications.

What now?

If 'true 5G' is still several years away, businesses will be asking themselves if there is any benefit of early adoption for resellers. There certainly are some, depending on their clients' use cases, especially when combined with IoT for remote sensors and cameras.

For the time being, many SMEs may be reluctant to adopt so early in the 5G lifespan, but the speeds it offers even now can provide businesses with a high-bandwidth failover network. If that isn't a feasible or appropriate option, then businesses should start to discuss how 5G can influence their organisations and fit in with their wider connectivity needs.

Questions to ask at your next board meeting

How will 5G bolster your portfolio, rather than reduce it?

How will fibre and 5G intertwine?

How do you find out if you can get 5G now?

How does 5G sit in a portfolio, alongside SD WAN?

BT have been first for innovation over the last 170 years, investing approximately £200,000 per hour in our network. Our vision for connectivity in the UK spans further than 5G and in the not-so-distant future, we expect the amalgamation of mobile, fixed and wi-fi networks into one smart network that will enable continued differentiation.

In the meantime, with the introduction of 5G and the transition of analogue to digital exchanges, there is plenty of scope for innovation in the market by finding unique applications of the technology and proactively finding clients that can take advantage of the new generation of connectivity, especially 5G.

If you'd like to see an abridged version of Gavin's slides, you can download them [here](#).



Battle of the BroadSofts

Panel discussion with Dom Martini

With over 17 million PBXs across the UK and only 18 per cent of those utilising hosted voice, there is plenty of scope for wide-spread adoption. However, providers and resellers alike need to present businesses with a reason to make the change. Whilst the change is attractive to resellers, with better margins and less resources required to manage the system, end users need a reason to make the transition.

PBX isn't dead yet

Whilst some providers are sticking to the traditional 'upfront model' for PBX solutions, where suppliers sell the solution and move on to the next customer, successful hosted voice providers use a subscription model which is gaining popularity, especially in SaaS products. However, this model makes it harder to incentivise resellers as the ability to flex the number of seats purchased with hosted voice over PBX can make the calculation of commission, for example, much harder than the tried and tested method.

Whether selling hosted voice or PBX solutions, businesses are asking for a solution to the age-old problem of paying per seat, which can seem wasteful when, of the 100 lines purchased for example, there are maybe only 70 staff with the other lines being installed in personal offices, canteens, boardrooms etc. Finding a way to resolve this issue and provide businesses with better value for money could be a key differentiator in the coming years.

Microsoft Teams

Microsoft have clearly stated that the management of users' networks is not their responsibility. Therefore, businesses will need a go-to contact for troubleshooting any issues that arise from the connectivity of a business and its interaction with Microsoft Teams.

The panel agreed that integrated services like Microsoft Teams can present a differentiator for resellers and providers. By supplying both the connectivity and bundling in Microsoft Teams as a bolt-on, resellers especially can benefit as they can provide an amalgamated support service which ensures end users won't move to another supplier as they find the support received essential to the ongoing success of the business.

As with the replacement of boxed software to a subscription-based model, resellers need to create sticky customers where the services provided are so essential and well performed, at a reasonable monthly or yearly cost, that the clients can't imagine using a different company. Resellers need to find ways to differentiate themselves, whether that's including support for Microsoft Teams or creating a fluid commission model for hosted voice.

Customer service is an incredibly important aspect to customer retention, therefore finding the sticking points and frustrations of your current customer base and finding innovative and proactive solutions will help elevate offerings and set up resellers and providers for success in the coming years.



Connectivity as a commodity

Panel discussion with Paul Beacham

With so many options and providers in the marketplace, it can be overwhelming for businesses looking for connectivity, with the recent race to supply connectivity at the lowest cost seeming to have found the 'bottom'. The fact that high speeds and 99.999 per cent reliability are becoming expectations not differentiators is presenting providers and resellers with a new quandary as to what makes their solutions desirable. From the panel we discussed three ways that providers can differentiate themselves from the competition and find a niche.

Understanding the network

Whilst suppliers and providers may well know their network like the back of their hands, customers will not and not all networks are the same. Therefore, conveying this to customers will become increasingly important. In other words, when every player has 99.999 per cent availability on their core networks, on what basis can customers find value for money?

Some questions that could help find unique selling points for your business include:

- are competitors maximising their utilisation or in danger of stretching their network too far?
- do they limit bandwidth during peak times?
- is the supplied SLA the best in the marketplace and offers a consistent service?

5G

5G may seem like a service worth looking at and investing in once true 5G is available in 2022, but those that start to adopt the technology now will not only make a name for themselves in the market but will be optimally placed to take advantage of increased speeds, once the infrastructure is available.

Even though it is seen as the new generation of connectivity that may well replace many small and medium sized businesses' fixed line connections, fixed line will remain as the infrastructure is still required to connect exchanges up and down the country. If 5G adoption does become popular it may well lead to reductions in price for traditional fixed line connections too.

Installation

One major problem facing the whole of the UK is the deployment of fibre. Even with government-backed schemes like the Gigabit Voucher Scheme and Connect Westminster for example, the adoption of fibre is still much lower than the rest of Europe and players of the industry will need to allocate significant resources in order to accelerate the nationwide installation.

Providers need to collaborate in order to make everyone's life easier and combat the increasing delays in getting fibre physically into the ground. Dealing with local councils and utility providers can create interruptions in the installation process and, if providers work together and use their combined influence and resources, we may be able to hit the government's Full Fibre target of 2033.

The telecoms industry is no longer based around selling connectivity. With the introduction of 5G especially, providers should be focussing on educating their customers, as well as adopting and streamlining the adoption of next-gen connectivity that will expedite the creation of new services. This will enable a new wave of premium products with high margins, but, as far as fibre is concerned, the cooperation of significant voices in the industry is required to enable the speedy installation of fibre connections throughout the UK.

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