

Telenor: Engage more with the customer to monetize 5G

Telcos must ensure they understand customer needs to find opportunities for 5G monetization, said Telenor's Terje Jensen during a Network X panel.



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Heavy Reading's Gabriel Brown, Telenor's Terje Jensen and Tarifica's Soichi Nakajima at Network X.
(SOURCE TEREZA KRÁSOVÁ/LIGHT READING)

Monetization of 5G remains a difficult task for telcos. At last week's Network X conference in Paris, a panel led by Gabriel Brown, senior principal analyst at Light Reading's sister company Heavy Reading, discussed how they can better address this challenge.

The path to monetization is particularly rocky in the consumer segment, with many operators offering 5G as part of their basic packages.

Soichi Nakajima, vice president of data and analysis at [Tarifica](#), a company focusing on telecom plan and pricing data, noted that in countries like Denmark and New Zealand, customers cannot get a plan without 5G. Moreover, markets including Spain, Japan and the US are now also moving in that direction.

Elsewhere, consumers need to pay – on average – 50% more to get 5G but receive about twice the amount of data. Nakajima cited the example of a customer paying €10 (US\$10.6) for 5 gigabytes, who will receive 10 gigabytes for €15 (\$15.9) after updating.

Asked about the best path to monetization, Terje Jensen, Telenor's head of network and cloud technology strategy, said there are three possible avenues. The first is offering more services to consumers through bundling and charging more.

More is more

Asian operators have been going down this route by bundling communications with services such as gaming or augmented reality, said Nakajima.

Guillaume van Gaver, co-CEO of Wi-Fi company Airties, told Light Reading that some operators also use their services as a way to offer higher-value broadband bundles to customers. Vodafone UK has been able to sell more premium subscriptions this way, he said.

Another monetization option, according to Jensen, is offering services available in-house to customers outside the organization. Cybersecurity could be one such in-house capability, he reckons.

Jensen's third route toward monetization involves partnering with other businesses to make the bucket bigger by offering services such as cloud or device management. Customers want to be offered services that increase safety, efficiency and connectivity, he said.

The key to success, he thinks, is focusing on concrete use cases rather than entering into many high-level frameworks and agreements.

To each their own

Asked by Brown what the trick is to expanding into adjacent areas, Jensen stressed the importance of engaging with customers, pointing to Telenor's experience in the healthcare industry.

The company worked on a project that allowed a hospital to be autonomous and disconnected from the public network after it deployed a private 5G network. Telenor sought to offer a similar solution to other hospitals.

It found out, however, that different sites had different priorities, with some prioritizing remote patient care. This requires all patient monitoring to be integrated with hospital systems so that an alarm can be triggered if necessary.

In Norway, meanwhile, it turned out the sector's most urgent need was around connected ambulances. With so many rural areas, patients in road accidents often need treatment in the ambulance. Data transfers between ambulances and hospitals have to be completed in under five seconds.

Driving growth

Ultimately, finding out what the customer needs is an important challenge across a number of industries. Brown pointed to connected cars as an emerging opportunity. He cited data from Ward Auto – another sister company to Light Reading – which predicts that, by 2034, 1 billion connected cars will be on the road, up from 10 million now.

Both the vehicles themselves and the telemetry they will require present a significant opportunity. There are, however, some big obstacles facing telcos.

"You have, on the one side, the car companies. They sort of know what they want but not quite. And the telcos who sort of know how to serve it but not quite," Brown said, concluding that the market is "not quite meshed yet."

At the same time, there are other roadblocks to industrial applications for 5G, with the chip shortage contributing to a lack of compatible devices. Those devices still come with a price premium, said Jensen. And as semiconductor supply issue fades, that presents a bigger problem than a lack of devices.