



IMPACT REPORT

MATRIXX extends digital services stack with help from Vlocity, Salesforce

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If communications service providers (CSPs) are to become digital service providers (DSPs), they need a digital services stack. That's MATRIXX Software's core proposition (/report-short?entityId=85578). While the company has traditionally focused on back-end processes like charging and policy control, it recently partnered with Vlocity to build a more complete – and pre-integrated – services stack that adds important front-end capabilities such as a configurable product catalog and omni-channel CRM functions. Vlocity in turn leverages Salesforce's cloud infrastructure and communications industry data model.

The goal is clear: to enable carriers to quickly (in three to six months, MATRIXX claims) deploy a stack to support the latest service offerings and in some cases entirely new digital brands. MATRIXX announced its Go Digital stack in January and showed it off at Mobile World Congress in February. Trials and tire-kicking are currently underway at several operators, with broader commercial availability due by midyear.

The 451 Take

The path from CSP to DSP isn't an easy one for mobile operators. In particular, the model of launching a years-long 'transformation project' makes little sense when competing with more nimble digital competitors that churn out new services daily. That makes turning to a smaller player like MATRIXX very appealing. Yet at the same time, delivering complex digital services requires a true end-to-end platform – a billing-centric service misses crucial front-end offer processes, while a CRM/analytics-only platform can't close the deal and book the revenue.

That's why Go Digital is so important to MATRIXX. The vendor has long been able to handle the massive real-time transaction processing that characterizes digital commerce. But now those back-end capabilities are more seamlessly integrated with product catalog and CRM functions required to deliver a full service. The Salesforce connection adds credibility. But standing out from the crowd won't be easy. Digital service enablement is all the

rage, which means competition is rising. But so is operator interest, so there are plenty of business to go around. MATRIXX has started to land notable operator customers. Execution of those in-pocket accounts while simultaneously landing new ones is critical for the company to rise above the fray.

Context

Go Digital is best understood by what it contains (and to some extent, by what it doesn't) and enables. At the highest level, Go Digital offers operators a platform for digital customer engagement and commerce – akin to traditional business support system (BSS) functionality, but slimmed down, cloud-based and focused on newer-style digital/mobile customer needs. MATRIXX supplies the real-time commerce functionality that it is best known for: real-time charging and policy, payment gateway, balance management and network session management.

In the layers above that, Vlocity adds its capabilities: a configurable product catalog, guided selling/order configuration, and a full slate of CRM functions from account and lead management to guided customer service and self-care. All of Vlocity's capabilities support omni-channel customer interactions (e.g. mobile, web, contact center, retail, social, etc) are based on Vlocity's communications industry data model, and are built on Salesforce's multi-tenant cloud platform. While operators can and likely will integrate the stack with some elements of their existing IT infrastructure, this is not required. Go Digital is designed to support the latest services and even entirely new operator brands in stand-alone fashion and via rapid development and deployment.

The offering is well-suited to the type of more transactional- and offer-driven services that operators need to deliver to move beyond their current business models. It includes built-in support for customer self-service models, including simpler service onboarding and greater customer control of their service experience. For operators, the platform makes it easier to do assisted, guided selling – whether through a CSR or Web interface – as well as more rapid product development and data-driven, real-time offer upsells and cross-sells across more touchpoints in the current digital customer lifecycle versus traditional models. Those sorts of capabilities are necessary as operators move beyond selling relatively simple subscriptions and bundles and begin to supply digital services such as video or music streaming; more flexible and personalized data plans and usage tracking; and just-in-time services like on-the-fly roaming, data plan top-ups and location- and contextual-based services.

Since we last wrote about MATRIXX last year, the vendor has made more reference customers available. While they are not all on the Go Digital platform yet, the services they have created – including real-time data alerts by Telstra, improved data roaming by Swisscom and a new digital MVNO sub-brand from Carphone Warehouse – demonstrate the type of digital offerings that MATRIXX wants to enable.

Competition

Supporting the latest digital services – and business models – is becoming a core capability in all BSS and CRM platforms, both new and old. Long-standing players such as Oracle or Amdocs have both advantages and hurdles to

overcome – their systems already run crucial acquisition-to-cash processes and can increasingly be upgraded to support the latest digital services or businesses. But at the same time, they can be inflexible and overly complex, making development costly and time-consuming. That said, new digital platforms are steadily appearing from such veteran vendors. For example, Ericsson has begun touting its recently launched, more flexible Revenue Manager and firms such as Amdocs and NetCracker unveiled features and programs to support digital service creation at Mobile World Congress.

SWOT Analysis

Strengths

MATRIXX's Go Digital platform offers the end-to-end stack that operators need to rapidly deploy the latest digital services – or entirely new sub-brands. Gaining traction with high-profile reference customers adds to its credibility.

Weaknesses

While Salesforce has served many communications providers for more than a decade now with B2B CRM apps – and Vlocity has a strong pedigree of former seasoned Siebel executives to boot – the challenge MATRIXX Go Digital faces is the same as any relatively new, best-of-breed application: winning the trust of large customers that often find it difficult to justify a move away from large, legacy vendors often already embedded in the business.

Opportunities

Operators need to move quickly. MATRIXX's biggest opportunity is to win such rapid deployment projects with a quickly deployed, end-to-end platform that can support new services as soon as possible.

Threats

Fellow digital service specialists like ItsOn will pitch a similar digital upstart story while much larger players like Ericsson, Huawei and Amdocs have both an installed customer base and new cloud and virtualization capabilities that make them look as 'best of breed' as their smaller rivals.

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M&A ACTIVITY BY SECTOR

Carrier infrastructure / Wireless infrastructure / Other (18) (https://makb.the451group.com/results?basic_selected_sectors=746)

M&A ACTIVITY BY ACQUIRER

Amdocs Limited (18) (https://makb.the451group.com/results?basic_acquirers=Amdocs+Limited)

Apple/EMC/Ericsson/Microsoft/Research In Motion/Sony (55) (https://makb.the451group.com/results?basic_acquirers=Apple/EMC/Ericsson/Microsoft/Research+In+Motion/Sony)

Carphone Warehouse Group PLC (4) (https://makb.the451group.com/results?basic_acquirers=Carphone+Warehouse+Group+PLC)

Hospitality Services Plus SA (27) (https://makb.the451group.com/results?basic_acquirers=Hospitality+Services+Plus+SA)

Huawei Technologies Co. Ltd. (5) (https://makb.the451group.com/results?basic_acquirers=Huawei+Technologies+Co.+Ltd.)

NetCracker Technology Corp. (2) (https://makb.the451group.com/results?basic_acquirers=NetCracker+Technology+Corp.)

Oracle Corporation (115) (https://makb.the451group.com/results?basic_acquirers=Oracle+Corporation)

Telstra Corporation Limited (15) (https://makb.the451group.com/results?basic_acquirers=Telstra+Corporation+Limited)

salesforce.com Inc. [dba Salesforce] (40) ([https://makb.the451group.com/results?basic_acquirers=salesforce.com+Inc. \[dba Salesforce\]](https://makb.the451group.com/results?basic_acquirers=salesforce.com+Inc.+[dba+Salesforce]))

Figures shown indicate number of transactions

COMPANY MENTIONS (PRIMARY)

[MATRIXX Software \(/search?company=MATRIXX+Software\)](/search?company=MATRIXX+Software)

COMPANY MENTIONS (OTHER)

Amdocs, Carphone Warehouse, Ericsson, Huawei, ItsOn, NetCracker Technology, Oracle, Salesforce, Swisscom, Telstra, Vlocity
(</search?company=Vlocity>)

CHANNELS

[Mobile Telecom \(/dashboard?view=channel&channel=14\)](/dashboard?view=channel&channel=14)

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