

CAUTIOUS OPTIMISM MARKS THE ADOPTION OF AI AT PROXIMUS

I Dominique Leroy, CEO and Member of the Board, Proximus, in conversation with Rajesh Krishnamurthy, President and Head of Energy, Utilities, Telecommunications, and Services, Infosys.



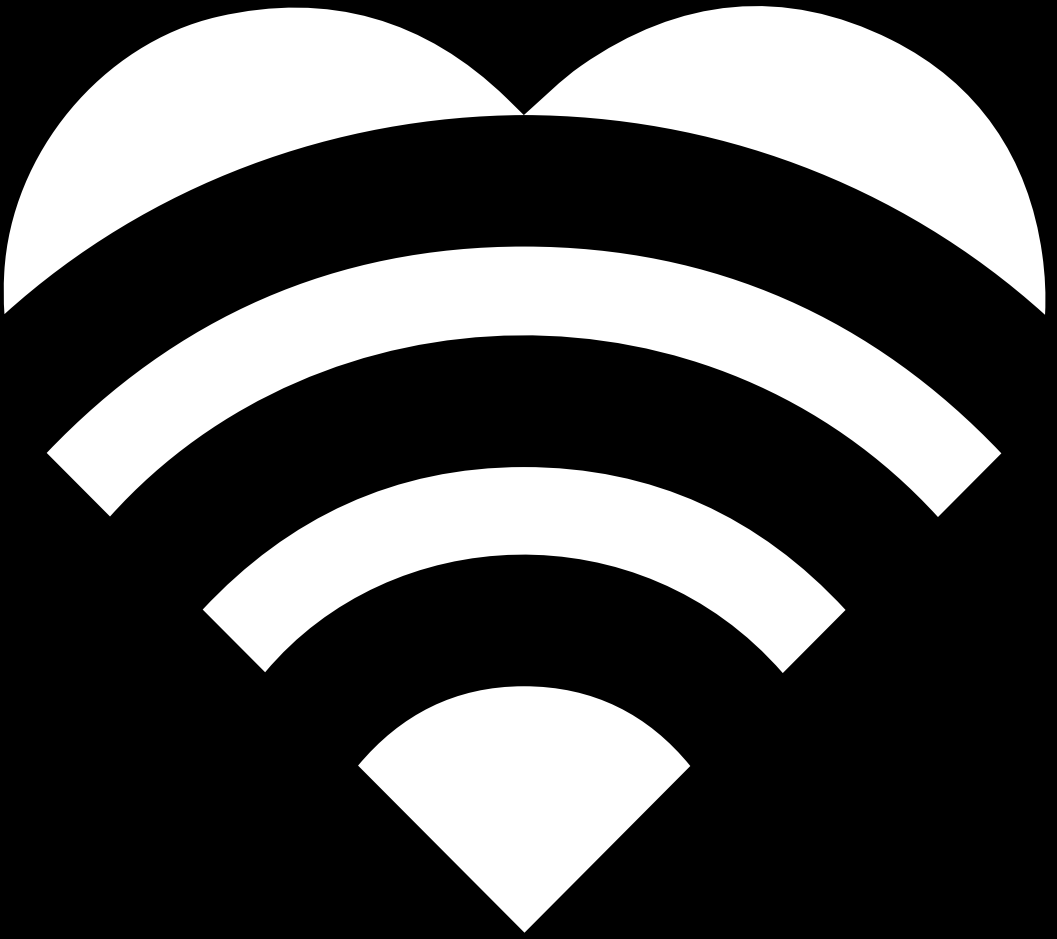
Q: *Automation and artificial intelligence are seen as the next game-changers for organizations. They are already reshaping industries such as manufacturing, healthcare, and transportation, among others. How do you envision AI transforming telecom – an industry that is already in the midst of transformation?*

A: Automation, both of processes and decision-making, has always been a way to optimize our operations. Whether we are talking about the correlation of incident-tickets to detect general outages, the automation of our provisioning flow, or the

zero-touch configuration of a modem at the moment it is connected to our network.

So automation is not a new topic. However, we see today that the ecosystem enabling artificial intelligence is evolving rapidly based on the availability of cheap and massive computing power, IoT gathering massive amounts of data, often real-time, and new possibilities in analytics.

Like with all new technologies, it is important to keep the objective in mind. We don't



Being More Human.

AI-driven experiences will pivot on building strong emotional connects with consumers.

have the ambition to implement artificial intelligence in all of our processes, just for the sake of doing so. Nonetheless, I'm convinced that we will need the capabilities of automation and AI to further increase our efficiency and agility, as well as to offer a very high degree of personalized customer interaction. Next to that, AI will need to help us deal with the growing complexity coming from exactly the transformations you mentioned.

So, I look at technological innovation in general as an opportunity. The telecommunications industry should embrace the future, and by being early, we could play an important role. Proximus is well placed to be a key enabler of AI itself for other industries as well – offering virtualized infrastructure with our LoRa IoT network, and anonymized data sets through our brokering platform, EnCo (Enabling Company).

Automation is not just for repetitive tasks but for customer-facing roles too, like sales and customer service.

Q: *Accuracy, speed, process and cost efficiencies, and scalability are some of the immediate benefits of AI (automation, RPA, machine learning techniques) that industries are beginning to experience. What are the new kinds of AI-driven services in telecom that you see emerging?*

A: There are three major application areas where we believe artificial intelligence could play a beneficial role.

First, AI can help solve business challenges by reducing complexity and giving people better information and insights to take better decisions faster. We see a lot of opportunities on internal optimization and operational efficiency, like you mention. This concerns the maintenance and optimization of our networks and platforms or IT help desk automation. In our customer operations division, we're evaluating ML and prescriptive analytics for field interventions with a 'First Time Right' objective.

Secondly, we also look at AI as an enabler of a better and more personalized customer experience. Concepts like voice-driven IVR and virtual customer assistants are being

analyzed for simple customer interactions. It's essential here that AI is fully integrated into enterprise systems, such as CRM tools, knowledge management, and billing and ordering systems, in order to offer a single customer experience through all channels.

And finally, we look at AI as an enabler for new revenue streams. As said before, we want to build on our assets, such as our EnCo platform, to support our corporate customers in their own transformation and to leverage new business.

Q: *One principle of Proximus' Fit for Growth (Good to Gold) strategy is "simplifying at all levels." What has been the role of automation and AI in this organizational renewal?*

A: One of the pillars of our Fit for Growth strategy is to become a fitter organization and bring down our operating costs while increasing customer and employee satisfaction. To this end, we

are driving simplification and efficiency at all levels in the organization. We have been simplifying our network and platforms through virtualization; our product offerings for our customers and our internal processes. AI can support us in all these domains.

Typically we have been automating simple, repetitive tasks, freeing up time for people to invest in more value-added interactions. We will certainly continue to do so, now that AI expands the scope of what is 'simple' for a computer.

This is not only done in the typical domain of operations or back-offices, but also in other customer-facing departments such as sales, marketing, customer services, and supporting functions where we are investigating various use-cases.

Besides reviewing our existing processes, we will also introduce new processes, technologies, or infrastructure. We must then consider automation and AI from the start. For example, making sure that the architecture allows the extraction of the needed data, as well as challenging the

needed human intervention present in new processes versus the cost of automation.

But simplification through AI is certainly not a given, as the technology behind AI is quite advanced. We must be cautious that AI does not become a complexity layer on top of all the other ongoing technology evolutions. There is a careful trade-off to be made – on the one hand, we want to remove complexity facing our employees by means of AI, but on the other hand, we want to remain in control and not blindly depend on a chain of black boxes. This trade-off will vary depending on the application, and we will have to learn the optimal balance on the go.

Q: *Proximus is looking to transform itself into a 'digital services provider'. AI will be obviously playing a significant role in every phase of this journey. Could you share some developments, insights, and even learning around this?*

A: The journey of becoming a Digital Service Provider is threefold.

First, it is about digitizing our current business and delivering a superior digital-first customer experience. Secondly, we are transforming our core networks and IT systems to deliver more and more services from the cloud through

virtual network functions and automating what can be. Lastly, we will develop new digital services, for both our residential and professional customers. In particular, for our enterprise customers, we want to create a new digital ecosystem, open to partnerships and collaboration with new emerging players, and offer our customers new application-led and service-oriented solutions, like a smart home, smart cities, smart mobility, new ways of working, and smart retail.

This transformation to become a digital services provider brings about a number of challenges. I'd like to highlight just two major ones.

At the technological level, we are investing in strict data-architecture and governance throughout the company in order to become a data-driven organization. But the biggest challenge is adoption. Adoption of new digital tools by our customers, where it is our job to ensure superior customer experience through intuitive design, as well as adoption by our employees – they must be convinced about the capabilities of AI and how it will improve the quality of their work.

We should definitely not underestimate the change management journey, involving



We want to create a new digital ecosystem, open to partnerships and collaboration.

changes in our ways of working, thinking, and doing. The success of becoming a data-driven company will depend on change managers just as much as it will on data scientists.

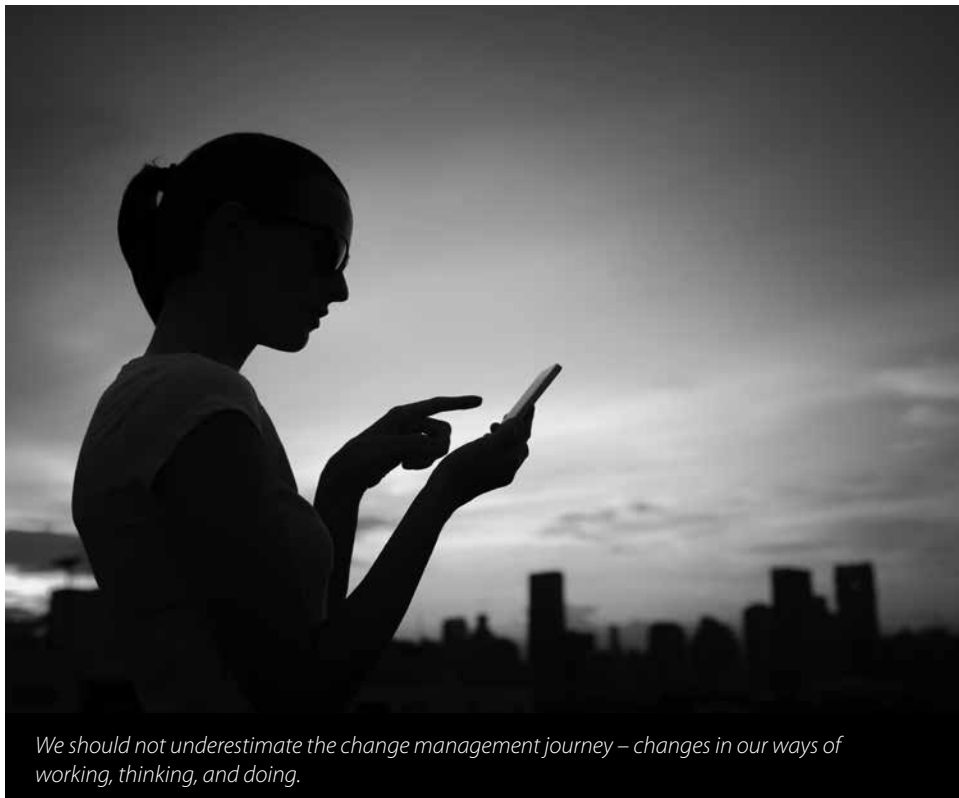
Q: *There is widespread angst about loss of jobs due to automation. Adoption of robotics and AI itself will create new kinds of roles, especially in the area of robotic maintenance. On the other hand, with resources freed up from mundane jobs, there will be opportunities to enhance human talent, to improve services. What is your view on repurposing talent through retraining and upskilling vis-à-vis the telecom industry?*

A: Automation and AI will mainly impact people that today do repetitive jobs that are typically prone to automation. Just remember that a little more than 20 years ago, most of our revenues came from fixed voice. In a sector that is evolving so fast, retraining and upskilling is a constant.

On the other hand, AI will augment what humans are doing. Machines excel in speed, cost, and consistency. But humans have capabilities that machines do not have: to handle complex tasks in a very broad area, and superior social ability. Embracing the full capabilities of working with AI will certainly bring a competitive advantage as it will allow all our employees to focus on human interactions.

I strongly believe that human-to-human interactions are key in our lives and it will remain so – and no robot or machine can compete with human creativity, social ability, and empathy. This means we need to keep building strong emotional links with our customers – enabling great human interactions that bring value to them – if we want Proximus to remain a strong and relevant brand in people's lives.

Rajesh Krishnamurthy: *Thank you, Dominique, for your insights. Automation and AI are reshaping the telecommunications industry, as organizations look to achieve greater efficiency, even as they deliver new services. It is also helping companies like Proximus lead the way with innovative, insights-driven offerings, and personalized experiences.*



We should not underestimate the change management journey – changes in our ways of working, thinking, and doing.

About the Participants



Dominique Leroy

CEO and Member of the Board, Proximus

Dominique Leroy has been CEO of Proximus since January 2014. She joined Proximus (formerly Belgacom) as Vice President of Sales for the Consumer Business Unit in 2011 and was appointed Executive Vice President of the Consumer Business Unit in 2012.

Prior to Proximus, Dominique worked for 24 years at Unilever. She was Managing Director of Unilever Belux and member of Unilever's Benelux Management Committee.

She is also Chairwoman of the Boards of BICS and Be-Mobile, Chairwoman of the International Advisory Board of the Solvay Business School, and an independent board member at Lotus Bakeries and Ahold Delhaize.



Rajesh Krishnamurthy

President, Head – Energy, Utilities, Telecommunications, and Services, Head – Infosys Consulting, Head – Infosys Europe

Rajesh Krishnamurthy is responsible for the global Energy, Utilities, Telecommunications, and Services business unit, and also works with Infosys Consulting, the global advisory division. He also leads the Infosys operations in Europe, and in a career spanning more than 24 years with the company, he has held senior leadership positions across the business and in all major markets. He is also the Global SAP Practice leader for Infosys across industry groups spanning 20,000+ employees.

Previously, Rajesh was the Head of the Financial Services and Insurance business in Europe. He managed the global Consulting & Systems Integration (C&SI) Practice for the Retail, CPG, and Life Sciences (RCL) industry group, spanning management consulting services, packaged application services (SAP, Oracle), and advanced technologies. He is based in Paris.

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