



DIAL ONE: A Platform to Explore Technology and Telecom

THE B2B2X PLAYBOOK

Transcript: Episode 2

Upendra Dharmadhikary (Host)

0:02

I am glad to introduce you to the Chief Technology and Enterprise Officer, Malik from Telefonica, Germany, who has LED this transformation. And he's going to share with us how to orchestrate the ecosystem and really deliver Industry 4 dot 0 and beyond and bring network and enterprise closer to deliver value creation.

To do the discussion, I invite Mohit Joshi to facilitate. He has been unlocking the power of and creating value from a technology to network to business across all verticals.

Let's hear from our fireside chat panelists to take this discussion forward. Over to you, Mohit.

Mohit Joshi (Moderator)

0:57

Thank you, UD.

Thank you, Malik. Thank you again. Thank you again for making time for us today.

And really as UD said, it's a privilege to have you over here with this very broad based transformation that you've driven at Telefonica Germany. But today we're not going to talk about the broader transformation that you've done, but specifically about the opportunity that we see because of, you know, the whole transformation of manufacturing. How do you see the role of telecom players moving from, you know, transport to becoming really truly system orchestrators and driving this whole vision of the hyper connected, hyper automated industry of the future?

Mallikarjun Rao (Guest)

1:41

Absolutely. My pleasure to come over here and again meet you guys at Tech Mahendra.

Look, I think as I'm of course from technology, when I look at the enterprise business side of it, what what is changing in the last say two to three years versus what is happening, what is going to happen in next one to two years.

Few things which are significantly changing. Number one, I think everybody realizes that connectivity is at heart of everything, right. That is I mean monetizing the connectivity is one challenge which we face, but at least from an industry perspective across different whether it is robotics or whether it is you know manufacturing or everywhere you see



connectivity is at the heart of it. So the discussion is no more do can I use a Wi-Fi, can I use something else? But the discussion is how am I going to leverage the managed spectrum connectivity in the industry. So that is one change which I see.

The second one, what I see is connecting the dots, connecting the dots, of course, AI brings in a significant challenge or opportunity because people think that AI is, is going to solve all the problems. But industrializing AI into a different use cases, which is, which is generating an outcome is 1 significant say opportunity and challenge.

So as we move towards the, you know, 5G advanced and possibly in in 20-30 onwards 6G, it is becoming more and more critical how do you use managed spectrum? How do you use managed connectivity and how can you really because lot of people appreciate on the quality of service, right? And at the same time quality of experience.

So these are the few Nuggets which are now coming more and more and it is being appreciated by everybody in the industry, not necessarily in telecom alone. It is across the industry.

Mohit Joshi (Moderator)

3:47

I think that is very well put Malik, because it is also, you know if German industry for instance the European industry has to compete with the Chinese, there's a significant transmission that is really required on the factory floor itself.

If architectural and operational changes or shifts do you think will need to be made by telcos to really work in this new more ecosystem driven world rather than one where the telcos pretty much owned everything?

Mallikarjun Rao (Guest)

4:15

Yeah, absolutely. I think telcos on one side, telcos are really good in orchestrating and working with lot of industry players. When that is that inherently it comes in because if you take any telco or any service delivery in a telco industry, none of us can deliver anything on standalone, right.

We work with companies like you right, from an entire IT stack perspective on network, of course you work with lot of partners. So I think that way as a industry we are really good at stitching everything together.

The question is what, what is the value? Can we together make money or can we make a business case when you're talking to the customer that is still for example, when I'm when we're running the entire, let's say one of the retail retailer with 35,000 locations in seven different countries, we don't have a presence in all the countries.



So we have to work with the partners, right? And that is where we come in and that's where the demand is coming as security trust and even hyperscalers to be honest with sovereignty discussion coming in. So there is a lot of play which we can expand our businesses.

But what is your sense of the AI opportunity for telcos, right? Because at the end of the day, there's obviously the productivity that you can drive within the telco in terms of customer operations or in terms of internal operations or in terms of the technology work.

But AI will also bring a huge opportunity because there's a demand for a lot more intelligence at the edge, right? But as more and more of the intelligence shifts to the edge, the network demands on telcos also will increase significantly, right?

In last, in last just 12 months, we see telcos, of course, significant downlink capacity, what we were delivering just in last 12 months, we see three fold increase in the uplink, right? And that's going to be transforming the telcos because telcos we never had, when we had of course people were uploading the videos, the traffic intensity was not very high, but now threefold increase.

If I look at the inference going into the rooftop. I mean, today if I take the edge infrastructure, I don't think any infrastructure provider in the world can be as close as a telco to a customer. So every rooftop can become an edge compute, every rooftop can go to inference, but that provide that that demands a lot of uplink capacity, right?

Then the symmetrical telco is basically you have one is to 100 right, one uplink and 100 down-link. But that's going to change. So that paradigm change will happen because of the AI.

Mohit Joshi (Moderator)

6:53

I fully agree that I think that's a gigantic opportunity. And unlike cloud, for instance, which really should have been a telco opportunity, but was a missed opportunity, this looks a lot more real because nobody else can replicate that infrastructure in short order.

But like how will you monetize this, right? I mean, what is your thought?

Mallikarjun Rao (Guest)

7:10

I think with 5G Advanced and 6G, you have a seat at the table today. I think with 6G 5G Advanced, we are not disintermediated. So you are a part of the ecosystem. That is where we think that we can deliver a value, for example, AI inference.

AI inference cannot happen without us being in, in the in the on the table, right? We can't be disintermediated there because you need that quality of service to be



delivered. That is where I think the monetization opportunity as you're sitting on the table, you can extract the value.

Mohit Joshi (Moderator)

7:46

But you think you'll be able to price for that, right.

For instance, you spoke about the huge uplink volume that you guys are seeing. Yeah.

Are you able to, you know, do a differential level of pricing based on consumption for instance?

Mallikarjun Rao (Guest)

7:57

I think we will. We will have to get away from the consumption mindset.

Now you have to get into what is the value, what is the service are you delivering.

Mohit Joshi (Moderator)

8:05

And as you said, a lot of it will depend on, you know, telcos providing that combination of solutions, the connectivity and the safety. How do you see that partnership evolving with the auto business of the aerospace business?

Mallikarjun Rao (Guest)

8:20

If I go to a retail, if I go to logistics, the moment I'm able to provide a quality of service and assure the quality of service because 5G Advanced gives us that opportunity was in a general 4G mean any consumer network, it's difficult for us to differentiate.

The moment you go into a slicing, then you are able to assure the end to end value cycle.

Mohit Joshi (Moderator)

8:39

But because you also mentioned 6G, you know 6G is still some way away. What do you think will be the killer app for 6G? I think one of the things that we were lacking with 5G is sort of a killer app. What is the killer use case for 6G?

Mallikarjun Rao (Guest)

8:55

It is a transitioning towards a sensing of networks. That is your network will become sensors. Because today if you take example mean if you take today, you have three things right.



You have a network intelligence which is provided by us, then you have a physical intelligence.

The number of sensors which are now slowly coming in right as you integrate all the, I mean whether it is Autobahn or whether it is traffic light everywhere there is a physical sensing which is happening.

So you have a physical intelligence, network intelligence and artificial intelligence. So these three vectors would be the kind of where you start the, you know, sweet spot for 6G.

Mohit Joshi (Moderator)

9:34

If you were to look ahead, you know, 3 or 4 years down the future Malik with everything that is happening, you know in AI, everything that is happening with the evolution of telco networks, everything that is happening in the telco is really rethinking their own mandate beyond connectivity and solutions and into security as well.

How would you see the industry being in 2030?

Mallikarjun Rao (Guest)

9:57

Yeah, I think this is first time I see. I mean we have been using 2G, 3G, 4G, 5G, I think this is this is AI mean we have been telcos have been adopting technology faster than anybody in the industry.

Number one, I think AI is one thing which is coming, it cannot be afterthought. But AI is one thing which says it has to change at an operating level, the OS has to change. And that is where I feel like telcos can be. Or maybe as an industry we will be able to disrupt ourselves. That is that's a big opportunity.

Mohit Joshi (Moderator)

10:29

No, I think that's that's very well. On that very thoughtful note.

I don't know if anybody in the audience had any questions, but really appreciate your time.

Mallikarjun Rao (Guest)

10:39

Perfect pleasure. Pleasure, mate.

Thank you very much guys.