

Security:

The Role of Telcos in a Post Covid-19 Era

twimbit



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KEY TAKEAWAYS

Security is a powerful long term opportunity for telco's. The role of a provider of trust in a digital environment

- In the long term we can have an attach rate of atleast 1 for every consumer
- SME is the untapped immediate near term opportunity
- Covid19 drives a demand for a B2B2C offering



Educating customers at the key touch points is critical to ensure scale and higher adoption rate



Selling security has to be get embedded into the DNA for it to become a success, it has to be educated and sold at every step of the customer journey



Education and awareness continue to be the big issue



Seamless and frictionless purchasing and consumption is a critical enabler of success



Covid-19 impact on Security

300% increase of registration of domain names on COVID-19 and many of registration increases are to do phishing attacks

Malaysia for example has seen 82.5 rise in cybersecurity cases

- 18% are attacks on companies
- 82% are targeted at home users

Hackers using the weak home network setup as a gateway to potentially pivot into the enterprise network setup

Increase in sophistication of targeted phishing attacks well masked to fool even alert users

How Axiata is adapting to the New Normal re security?

Immediate

- Supporting the organisation to securely transition from working in office to work from home
- Establishing the right response structures and executing business continuity plans
- Drive awareness and training with employees and our customers
- Established protocols and behaviours to ensure secure remote working

Medium to Longer term

- Taking extra precaution to ensure safety and security of employees
- Managing tech for new era – ensure resilience of supply chain IT, telecommunication network, and cyber security
- Sharpening focus on investments and capital allocation around digitization to realise the vision of being a digital champion

*Source: The Star Media





How can Telcos support consumers?

Users are more exposed now as they are working from home, hence a deeper, more accelerated penetration of products and services needed

Telcos need to play the role of guiding and managing consumers to feel secure in their digital environment

Education and awareness are key for the consumer segment, ensure consumers have interaction with security at every step



Telco Challenges

B2B is a value rather than the volume game

The challenge for B2B is the high entry barrier point, due to the need for ecosystem integration

Most of the time, B2B are brought on through some sort of system or integration of projects, Security capabilities are add on and have the ability to broadly integrate with other integration points in the system

From a B2C perspective, there is also low penetration of high-end devices, mobile smartphones and some of the markets in Asia

Bridging the gap between Telcos and consumers

Security is a complex topic, most of the people don't have much experience with it, which is a key challenge

There is a growing interest for security in the home environment for fixed connectivity

Instead of selling a full fledge security solution, it's better to slice the topic into a simple product. This is proven to be successful as security is the best partnering product

Bundling ensures security products are always embedded into every corporate product

Pre-selected security products into the bundles, this has helped conversion rates as high as 70% with smartphones

Whilst we bundle and provide solutions, the consumer should not left to managing security

Embedding security into products will provide a peace of mind to the consumer that their information is safe

Have different ways of communicating to the customer. One example with trigger-based campaigning, customers decide when the right time is to contact them and what the right channel is. It's fully optimised and digitalized. Triggered based campaigning helped approach customers and increase the conversion rate



Cultural Context

In Asia, ARPUs are low majority of customers have mid to low end spend

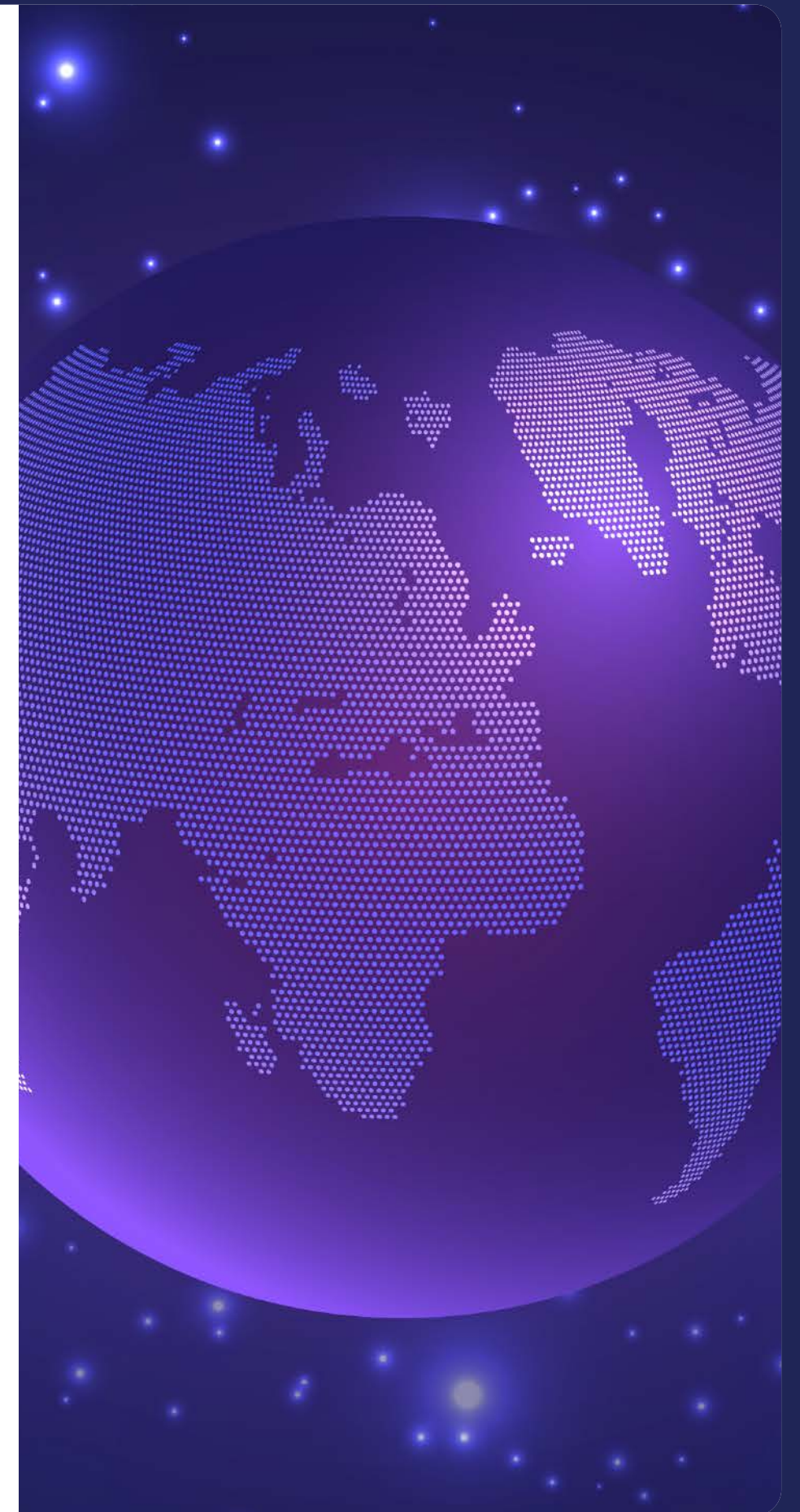
The demographic in Asia, any additional cost to security may not be something that is prioritised. In the European markets, they're willing to pay a little bit extra, and get peace of mind. However, certain parts of the market in Asia are extremely small

When offering products and services, be mindful of the fact that the demographics might be a little bit smaller than your high-end target customers with high output

Customers need to know how much value security brings to them

Contextualise and integrate the product such as selling privacy security in a cheaper bundle product

Using content marketing, use social media to communicate continuous security propositions and security topics. Shift the focus from products to security issues such as cybercrime and build up awareness and confidence so that customers will demand for the products



Human Factor

Launching products is important, but at the same time raising awareness is key. A security product will not 100% protect the user from any threats out there. Users need to practice caution when they open up emails and click on links and not rely completely on the security product protecting them, but as an individual they have to be careful not to fall into any trap



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“The key learning from different markets from around the globe is don't throw security products at your customers.”

Marcus Cserna
CTO cyan Digital Security



“Customers want to see how you can customise and adapt to their organisation's need.”

Abid Adam
Group Chief Information Security Officer of Axiata



“Selling security is not a one-time shot. It's something you have to get into your DNA.”

Michael Rochel
SVP – Consumer Magenta Telekom Austria



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Growth Opportunities for Telcos

- Educating the consumer and enabling a frictionless service which makes consumption easy
- Embedding security seamlessly into enterprise services
- Funding and operating 24/7 is not feasible for SMEs, this creates an incredible opportunity for telcos
- From the B2C perspective, there is opportunity in creating and securing the smart phone ecosystem as there are high smart phone adoption rates
- It is about the customer journey, onboard the customer from start-up SMEs to enterprise, and also look at partnering with the leading organisation in accelerating the adoption
- As more businesses come on IoT there is going to be a need for a platform to integrate the physical world to cyber world, and telcos are well positioned to provide products and solutions

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“Telecom companies have high engagement and interaction with the consumer. This is the envy of every industry. This is a key asset we need to monetize”

Abid Adam

Group Chief Information Security Officer of Axiata



“Maybe in 2-3 years we will be able to sell to every customer at least one security product.”

Michael Rochel

SVP – Consumer Magenta Telekom Austria



“Today we are in a crisis, and in a crisis is a chance to kick off new businesses.”

Marcus Cserna

CTO cyan Digital Security



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