COVER YOUR ASSETS
Leave No Asset Behind

neustar®
OVERVIEW

Stranded Assets. It’s known by many names – “dead equipment” and “revenue leakage,” to name a few – and it’s costing Communications Service Providers (CSPs) tens of millions of dollars every year.

These assets can include:

- Ones that are connected and being used by customers, but aren’t being billed.
- Customer Premise Equipment (CPE) that isn’t operational or is under-utilized.
- Network assets that require refurbishment or replacement to improve traffic and efficiency.

Cable and wireline CSPs feel the impact in ways low-tech companies don’t. They’re engaged in a technological arms race to keep pace with (or leap ahead of) competitors while, at the same time, dealing with increased customer demands – and shrinking profit margins. It’s the cry heard ’round the world: Do more with less.
Finding Stranded Assets

Controlling and identifying stranded assets is a challenge that requires a company-wide solution.

Finance teams comb balance sheets to find ways to either reduce bad debt or identify missed revenue opportunities. Network and operational teams look for ways to optimize network and asset performance in the field.

Unfortunately, many CSPs lack an integrated view across the entire asset lifecycle to make informed, holistic decisions. While all stakeholders agree upon the importance of an asset assurance solution, they often lack the resources or expertise required to put one in place. And so it gets pushed to the back burner or lost in the process altogether.
REAL-TIME NETWORK INTELLIGENCE

Real-time network intelligence can deliver valuable insights on how your assets are actually performing.

Day to day, CSPs make decisions on which products to launch, equipment to use, and routes to send traffic to.

If you’re not constantly keeping an eye on your day-to-day operations, it’s easy to make assumptions that all is well – which can open the door for vulnerabilities.

Today’s telecom work is complex. Not keeping on top of those complexities can hinder your results.
Developing an asset assurance program requires collaborative analysis across multiple departments. Finding the time and resources to undertake such a venture can be a daunting task, especially at a time when organizations run lean.

But what is the cost of doing nothing?

In a recent focus group, CSP participants estimated the cost of having “stranded assets” in the field at $15–30 million per year (per provider) – and growing at a rate of up to 5% per year. With new plans to expand networks and evolve technologies on the horizon, CSPs are under even more pressure to address the problem now before it reaches a tipping point.

As CSPs struggle to maintain margins and grow revenues, it becomes imperative that they maintain the profitability of existing assets.
BENEFITS

The benefits of an integrated asset assurance solution are compelling and can offer value across the entire organization, including:

- **Smarter financial decisions.** Gaining insights into the time from when an asset is purchased to when it begins generating revenue to when it’s ready to be retired, enables CFOs to make more informed short- and long-term financial decisions.

- **Opportunity and risk mapping.** Increasing visibility into your organization’s capabilities empowers you to both mitigate existing risks, as well as identify new revenue opportunities.

- **Optimized network performance.** Removing assets that are under-performing enables CFOs to maximize network efficiency and reduce drag on the network.

- **Increased revenues.** Uncovering assets (such as CPEs) that are under-utilized or under-billed will result in an immediate ROI of an asset assurance solution.

- **Better regulatory compliance.** With increased scrutiny over stockholder and public reporting, an asset management solution offers concrete data for CSPs to “prove their numbers.”
THE “FOUR Rs”
OF ASSET MANAGEMENT

Transparency across the entire lifecycle empowers organizations to do more than just address present-case scenarios, but also make predictive decisions that will lead to increased efficiency and profitability in the future as well.

An integrated asset assurance solution offers CSPs the insights needed to make sound business decisions on whether to recover, retire, replace or refurbish an asset.
RECOVER

CSPs should perform an inventory of assets that are being utilized internally or by customers.

Knowing what the asset is worth and assigning a value to it can determine whether the equipment is worth recovering and installing somewhere else, or just retiring.

If it’s of value, it’s worth moving the equipment to a place where it can be of use and generate the most revenue.

Recovery starts with a good inventory database. Knowing what assets you have and which of them are in use will help maintain equipment and revenues.
RETIRE/REPLACE/REFURBISH

Tracking the full life cycle of equipment, from key event to key event, provides valuable information about whether to retire, replace or refurbish an asset.

- From when it’s purchased to when it’s put in place
- From once it’s in place to when it’s producing revenue
- When it’s no longer performing

CFOs can make informed decisions about purchasing new assets by ensuring that existing assets have ended their useful life and are either refurbished, re-sold or re-used in another part of the company.

Armed with this information, CSPs can manage assets financially day to day as well as ensure those same assets are operating more efficiently in a ways that maximize their overall value to the organization.
BEST PRACTICES

Keeping track of your assets by implementing a revenue assurance solution is not easy and can be a daunting task. Some helpful tips include:

- **Identify all platforms for integration** – billing records, inventory systems and network assets; be clear on what assets you need to track, and which systems are required to do it

- **Assess internal resources and expertise** – including procurement, provisioning, etc.; ensure that the right SMEs are in place to advise and implement – and augment the group with external experts that can hit the ground running

- **Assemble cross-functional task forces** – with stakeholders from IT, billing, operations, networking, product development, product management and marketing; perhaps even consider relocating key personnel to shared offices to foster real-time communication

- **Create a centralized dashboard** – one that tracks assets across the entire customer lifecycle, and offers the flexibility to examine the information from multiple viewpoints
KNOWLEDGE IS POWER – AND PROFITABILITY

Why should you keep on top of your assets?

The number one reason should be increased customer satisfaction. The fruit of all of these efforts will ultimately manifest in happier customers that enjoy better network performance, accurate billing, and even an awareness of previously under-utilized solutions that enhance their user experience.

(Not to mention the improved internal resource and implementation efficiencies.)

CSPs can shift from doing data collection to data analysis – and then leverage these insights to make high-impact, end-to-end improvements across the entire organization.
WHAT SHOULD I DO NOW?

It’s important to make sure that you have a system in place that monitors and reviews all of your assets, preferably on a daily basis.

- Take a critical look at that system. Make sure it’s current.
- See who else it includes across your organization. Make sure everyone who needs to be is included in the process.
- And find out when the last audit was done – or conduct one if necessary.

*If recent, you know you’re doing the right thing. Leave no asset behind.*
INTRODUCING
NEUSTAR COMMUNICATIONS ANALYTICS

Neustar provides expert insight and analytics that allow businesses to take their data and create valuable information assets that can be specifically used to improve business efficiency, minimize risk and drive revenues.

Neustar’s Communications Analytics Services are a completely managed business assurance solution that looks across your entire organization to identify problems and implement results. Our experts can do the work for you, lightening your work load and saving you money in the process that can pay for the solution itself in months.

The full service suite includes: Revenue Assurance, Risk Management, Margin Management and Sales Performance Management. All in a completely managed service offering.

Let us help you find the right combination of solutions for your business.
NEUSTAR
COMMUNICATION ANALYTICS

For more information, visit us on the web at:
www.neustar.biz/carrier-services/networking-solutions/leverage-data-assets