



Putting the *sparkle* into wholesale

TI Sparkle's CEO
Elisabetta Ripa is bringing
a fresh focus on customer
care to wholesale. **Alex
Hawkes** discovers how.

1990	Joins Telecom Italia
1995	Head of strategic planning, TIM
1997	Head of TIM foreign affiliates
2003	Head of international business development, M&A department
2006	Head of strategic marketing, Telecom Italia
2009	IR officer for Telecom Italia
2010	Head of mobile consumer business unit, TIM
2013	CEO of TI Sparkle

significant inroads this year when it enhanced its cloud solutions offering in the Mediterranean through its data centres in Athens and Istanbul.

Its scalable IaaS cloud solutions target SMEs and the corporate segment at large, the company is now said to be carefully evaluating other adjacent markets, where it can further leverage its experience in cloud service management. "Cloud services are a great example of how to compensate for the decline in the core wholesale market. There is some quite intensive competition in this area, but there is plenty of opportunity."

While the exploration of cloud and LTE services might represent a conventional path for carriers looking to offset the decline to their traditional business, there is a third opportunity being explored by TI Sparkle which is anything but.

Ripa has highlighted the strong potential of the company's network application programming interface (API) as a way to establish new relationships with OTT players. Although unable to disclose the name of its partner, Ripa exclusively confirmed with *Capacity* that TI Sparkle is working with a major social network to deliver a unique SMS solution.

The development is interesting on two levels. Firstly, it reaffirms that both carriers and OTT players have much to gain should the former open up their network API to the latter, in order for services to be delivered to end-users according to their bandwidth requirements. Although there have been question marks in the past over whether there are revenue opportunities to be found in network APIs, TI Sparkle clearly has faith in the concept and a customer base to justify it.

Secondly, it demonstrates that there is innovation to be found in even the most unlikely corners of the telecoms ecosystem. "Even if smartphone penetration is improving, there are still areas where additional solutions are required. That's where SMS can still be a very interesting opportunity – as it is reliable and still reaches a high volume of customers."

2014 and beyond

It's been a busy start to her new career in wholesale and 2014 appears to be only getting busier for Ripa. A mother to two teenage sons, she also has her hands full away from the office. On the rare occasion that she does get a moment to herself, Ripa likes to engage in her love for French cinema.

She appears genuinely touched by the warm reception given to her by the wholesale community to date, comparing them to a "very large family".

"Relationships are essential in this business, so you have to develop a very strong relationship with your customers. I have travelled a lot, and dedicated all my

time and resources to understanding both the business and our customers."

Ripa is optimistic about the year ahead, not just for TI Sparkle but for the carrier community in general. "I think 2014 is the year we will experience an economic rebound. The global economic situation is improving and so I expect to see a lot of activity in wholesale."

Given her financial background, she has watched the large volume of M&A deals in the market with great interest, and expects to see more in the future. "It relates to the fact that we all need scale and efficiency. Everyone is looking to develop a leaner organisation. We are not in a position to invest across all service areas, so consolidation is a natural and key driver in the industry."

Ripa has highlighted Latin America and Africa as two key regions for the company in the year ahead.

Through its hub in Sicily, TI Sparkle has direct access to north Africa, and it demonstrated its competitive advantage in this region last year when it became one of

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Elisabetta Ripa, CEO, TI Sparkle

In March 2013, TI Sparkle appointed Elisabetta Ripa as its new CEO. After a period of change at the very top of the Italian incumbent's wholesale division, Elisabetta arrived at TI Sparkle with a broad and impressive career from within the parent organisation to manage a business that is strongly positioned to capture new service opportunities in the market.

Joining from the group's mobile consumer business unit, Ripa also served as head of the international business development and M&A department. Unusually, she therefore brings a blend of finance and operations expertise to her new role within wholesale.

"There are some very useful lessons from the mobile and retail business [for wholesale], particularly on how to be more proactive on customer needs and performance. We have to import from the retail side the ability to innovate in order to research and develop new service areas," Ripa says.

"I also come from a financial background and have worked on M&A activities. That is another area we can leverage in wholesale, as this is very much a partnership-based business."

'Cloud, pipes and toys'

Ripa's fierce focus on customer needs was apparent from day one at her new job.

Shortly after her arrival, she orchestrated an extensive customer survey dedicated to understanding their specific needs. Involving 200 TI Sparkle customers, the results of the survey enabled her team to identify a number of initiatives aimed at improving customer care and experience. "The results were very interesting," she says. "Based on this information, for example, we were able to adopt a segmented approach to post-sales that became more specific to the different needs of our customers. It gave us a better indication of our strengths and weaknesses in terms of customer care and provisioning."

It's a philosophy she feels that could be better applied by the carrier community as a whole: "Wholesalers are commercial entities and sometimes they are too focussed on network infrastructure, capabilities and competencies. We should be equally focussed on customers and their needs. It's important to have scale with your sales force in order to tap into that."

Although she has not been in wholesale long, Ripa has a clear grasp of the

challenges facing the segment. She recognises that while traditional voice and data services remain key competencies for carriers, the discovery of new value-added services and products is vital for growth.

She draws upon the industry's latest buzz-phrase to exemplify this shift in the market: "cloud, pipes and toys".

With "cloud" representing the new virtualised distribution model, "pipes" representing the vital infrastructure needed to provide smarter connectivity beyond dumb transport and "toys" representing the end-user devices that are shaping customer demand and requirements, carriers are required to become smarter and expand their portfolios with value-added solutions.

Identifying growth opportunities

As well as conducting a thorough assessment of TI Sparkle's customers, Ripa has also spent her first few months in the role analysing new market opportunities.

The good news for carriers, she says, is that the market is demonstrating signs of growth. While traditional voice and data services will experience low single-digit

value in the next four years, TI Sparkle estimates that mobile data will grow by approximately 16% and cloud and CDN services will grow by 30%.

TI Sparkle is acting accordingly. The company has already made strides to enhance its LTE and cloud offerings in 2013 and has earmarked further expansion for next year.

Last October, the company laid claims to establishing the first LTE roaming service between Latin America and Europe. Part of its LTE Diameter Signaling service, it enables 4G roaming for TIM Brazil and TIM LTE customers when travelling between Italy and Brazil. The service has just recently been made available to customers, in perfect time for the start of the World Cup in Brazil.

Last June, TI Sparkle also established the industry's first LTE roaming peering agreement. The move further illustrates TI Sparkle's fierce focus on LTE: "There is a new wave of business in LTE and TI Sparkle needs to be in the mobile arena to tap into this growth and deliver value-added services from within the remit of wholesale," she says. "Definitely mobile is an area TI Sparkle will be focussed more on in the future."

In the cloud space, the company made

the first international operators to re-enter the Libyan market.

Through an international services agreement with alternate Libyan operator Gateway, TI Sparkle is able to serve the needs of corporate customers in the market. "Libya is a very effective example of how we are moving in those types of markets," she says. "We are offering a full set of services to both multinational organisations and carriers."

Through the parent group's Brazilian subsidiary, TIM Brazil, TI Sparkle is also one of the few European carriers with a strong foothold in the Latin American market. The company is said to be presently expanding its network in terms of reach and capacity across the region: "Data and IP are showing good growth for us in this area of the market," she says.

After a period of analysis of its customers and the market as a whole, Ripa very much sees 2014 as vital for reinforcing TI Sparkle's position in the market.

"We are among the top ten players in the world for voice and IP. We remain very much focussed on expanding our IP footprint and delivering LTE opportunities," she says. 