

Decarbonization and Net-Zero Regulations Will Define Telecoms' 2022

As the world shifts to a renewable economy, telecom organizations must adapt to greater customer expectations, increasing regulation and an ever-changing environmental landscape. If successful, they'll be more profitable and deliver a brighter future for their communities.

By Steve Tongish / IQGeo

Making predictions for 2022 presents somewhat of a challenge in the telecom sector. How does one capture the vast changes that have taken place in the past year alone, and how will they affect the industry in the years and decades to come? The pandemic brought with it an era of fully remote and hybrid working, increasing the need for reliable, affordable broadband communications. As this has become a “new normal,” the telecom industry remains at the forefront of conversations with businesses continuing to strive for a renewable economy. Telecommunications organizations must be agile in their responses to higher customer expectations, increasing regulation and the ever-changing environmental landscape.

As was true in previous years, technology will play a prominent part in shifting the telecom industry landscape. Those hesitating to adopt the latest technology will fall behind; those leading with innovation will capitalize on the gains of digital transformation.

Hybrid working models are here to stay, and reliable, high-speed communications will be vital to their success. In the wake of the

UN Climate Change Conference, COP26, carbon neutrality targets will also have a strong influence on new business models. Now more than ever, companies require proactive, predictive plans so they can continue to grow and evolve.

With these industry changes in mind, IQGeo has prepared predictions for trends likely to grow in importance in 2022 and beyond.

TREND NO. 1

Net-zero regulations will inform tremendous change.

As the world accelerates toward an economy run on renewable resources and away from fossil fuels, the telecom industry is sure to be a major enabler of this positive change.

Noble environmental, social and governance (ESG) targets have brought the industry a long way. Though commendable, further regulation will bring even greater change. During the coming year, increased government regulation could require greener network operations. A new regulatory framework that includes the threat of fines and business sanctions will effectively mandate change and create new business models with net-zero at their core.

Driven by these new regulations, building and maintaining net-zero networks will fast become non-negotiable. Innovators are already taking big strides, but 2022 is poised to be the psychological and organizational tipping point for greener network operations.

TREND NO. 2

Sector investment will accelerate more than ever.

Though they point organizations in the right direction, ESG initiatives and regulations can take industries only so far without the necessary financial support from organizations, investors and governments.

Agencies around the world are increasing their infrastructure initiatives, and private investors and organizations are well aware of the potential payoff that can be realized through network modernization activities. In the U.S., the Biden administration's infrastructure bill is a clear example of this.

Some network operators are still living with legacy geographic information systems (GIS) that struggle to maintain current network requirements. As they are put under more and more strain, the cracks grow wider. Now is a great time to rethink digital strategies to enable the potential of the new renewable economy.

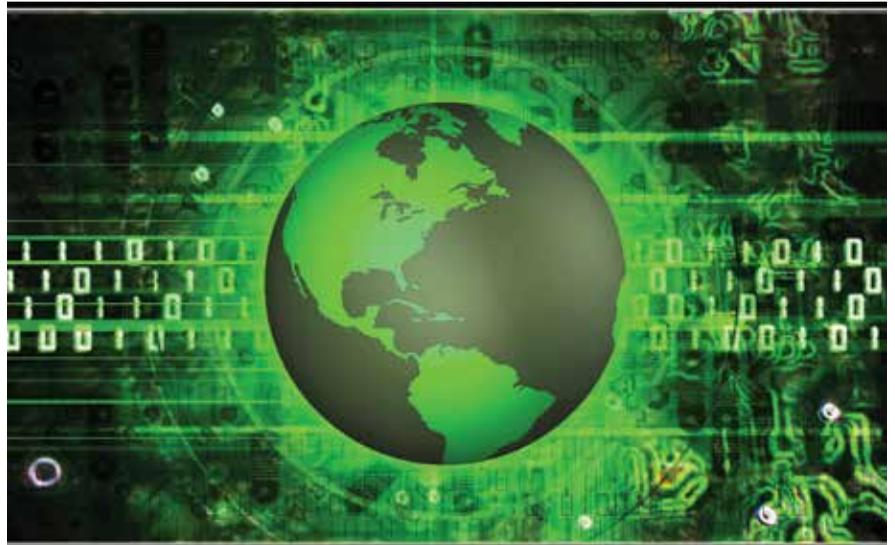
Investing in digital transformation is crucial to next-generation networks by providing an accurate, real-time view of increasingly complex systems. Ultimately, this puts operators in a strong position to take advantage of the increased investment expected in 2022 and deliver compelling ROI.

TREND NO. 3

Technology investments will be smarter.

The momentum building for the deployment of new technology will continue to grow in importance in 2022. This will be the year organizations double down on their technology investment after 24 months of a COVID-19 holding pattern.

Many larger operators have spent years directing their investment



into aging legacy technology and can now see that this is not the best long-term solution technically or financially. The old, centralized systems do not give them the agility and flexibility demanded of complex, distributed networks.

This year, more organizations will change tacks and invest in technologies that give them a competitive advantage, such as IoT, reporting tools, and modern geospatial software solutions. Constant and incremental deployment of the latest technology will deliver better ROI than the old "big bang" approach focused on costly and resource-intensive major upgrades. Carefully identifying areas of improvement and incrementally addressing them is a more sustainable and agile model, and it ensures no stone is left unturned. Telecom companies that create a culture of innovation and approach their investments with incremental gains in mind will find themselves in a more proactive, stronger position at the end of 2022.

TREND NO. 4

Network business models will evolve.

Communications services will become even more valuable to both industrial and consumer customers in 2022. Fiber and 5G rollouts are changing the industry in a big way and

influencing how operators interact with their customers.

Consequently, a new performance-based service model is evolving. Operators that can adapt to this and other industry changes with the support of the right software and technology solutions will be in the best position to thrive.

LOOKING BEYOND 2022

Moving to a renewable economy is not a short-term project, but it will change lives and businesses for the better. In years to come, the landscape of the telecom industry will look very different from how it does today, from business models to business management. With environmental realities, commercial opportunities and regulatory requirements driving innovation, 2022 is just the beginning of the renewable revolution.

Organizations that embrace the transformation and adapt their practices will deliver a brighter future for their communities while capitalizing on stronger revenue streams for their businesses. ❖

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