



## MTS SIMPLIFIES OPERATIONS TO ACCELERATE THE DELIVERY OF HIGH VALUE DIGITAL SERVICES



### CUSTOMER

MTS

### WEB SITE

[WWW.EN.MTS.RU/C](http://WWW.EN.MTS.RU/C)

### INDUSTRY

TELECOMMUNICATIONS

### LOCATION

MOSCOW, RUSSIA

### KEY CHALLENGES

- Reduce IT and network infrastructure costs and increase operational efficiency
- Faster to market with new services
- Establish platform for agile deployment (and scaling) of new services

### SOLUTION

Deployed VMware vCloud® NFV™ so services can be developed at a fraction of the cost and time.

### IMPACT

- Access to VMware expertise clarifies technology roadmap and reduces IT investment risk
- Creates new ways of engaging with customers
- Creates a standard service delivery platform capable of evolving, avoiding risk of vendor lock-in

MTS is Russia's leading telecommunications operator. To maintain its leadership position, and be first to market with new digital services, it wants to create a software and data-driven, programmable and automated service delivery platform. By adopting VMware vCloud® NFV™, MTS is now faster to market, faster to revenue, and more efficient across its IT function.

MTS is Russia's leading telco provider. The company provides mobile, fixed, broadband and pay-TV services throughout the country. MTS operates internationally in Ukraine, Armenia and Belarus. Across all services it has more than 100 million active subscribers. In 2017 MTS demonstrated greater efficiency by raising profit by 16% with only a 2% increase in revenue.

### Challenge

It is somewhat of an understatement to describe MTS as a mobile telecoms business. Its core business remains mobile, but the company has a huge number of other interests, from broadband internet to pay-TV to financial services. More recently it has expanded into cloud services, Big Data, eSports and cybersecurity.

Digital lies at the heart of this. MTS wants to be faster to market with new services, particularly digital. To do so it wants to transform its IT and network infrastructure, creating a unified, software- and data-driven, programmable and automated service delivery platform. Once complete, this will provide economies of scale, innovation and operational flexibility.

More than this, MTS wants to incorporate digital technologies across its operations. This will include building a new generation of its IT environment, changing customer interaction processes, and developing a flexible and proactive corporate culture.

"We're talking about IT as a global infrastructure," says Farid Veliev, Service Orchestration Manager, MTS. "Unified and universal."

In Europe's largest telco market, and with operations spanning Ukraine, Armenia and Belarus, this is a huge undertaking. MTS wants its IT infrastructure to be at a high state of readiness, should an opportunity present itself - scalable, efficient and easily replicable in the regions. If a new service doesn't generate a decent margin, says Veliev, it is terminated.

"This has two effects. It reduces the total cost of ownership (TCO) of the infrastructure and improves our time to market."

“Time to market is critical. Who provides their services fastest, across the whole of Russia, wins. If it wasn’t for NFV from VMware, it would take an age to implement a new service on a traditional infrastructure.”

FARID VELIEV  
SERVICE ORCHESTRATION MANAGER  
MTS

#### VMWARE FOOTPRINT

- VMware vCloud® NFV™
- VMware vCloud Director®

The challenge is not so much creating such an infrastructure but managing it effectively. “Speed of implementation and flexibility are important, but it is how we orchestrate these different levels today, and in the future, that counts,” explains Veliev. “We want increased automation.”

#### Action

VMware vCloud NFV is a fully integrated, modular, multi-tenant Network Functions Virtualization (NFV) platform. It provides MTS with compute, storage, networking, management and operations capabilities. vCloud NFV helps the business accelerate time to revenue, automate service lifecycle and simplify operations management – all while reducing network infrastructure costs.

“Our relationship with VMware goes back to 2006 and the start of our virtualization journey,” says Veliev. “We no longer see VMware as a supplier, rather as a partner. The use of vCloud NFV comes from a strategic review alongside the VMware professional services team examining our entire approach to consuming IT-as-a-service.”

The NFV project, he continues, involved all areas of the business, from IT to procurement to finance: “Our approach is split into layers; our hardware platform is unified and different suppliers offer an application-level logic software.

“There was no resistance from different user groups because we made our worldview known to everyone. We ensured the project was set out in a language that all departments could understand; for finance staff, we provided financial indicators, while technical architects had technical indicators.”

#### Impact

Leveraging the world’s most deployed, proven and best understood virtualization and cloud technology from VMware, MTS has access to the largest pool of skilled virtualization technicians and proven NFV infrastructure designs. Combined, these deliver the fastest time to revenue, lowest cost of ownership and lowest deployment-risk of any NFV solution on the market, with the largest ecosystem of application and hardware vendors to maintain absolute choice.

Veliev says there were three objectives with the project: reduce implementation time for new services; reduce infrastructure cost and increase operational efficiency; and achieve a high level of readiness for prototyping and the implementation of new subscriber services.

“We managed to achieve them all with vCloud NFV and vCloud Director® for NFV,” he says.

This is more than theoretical, it is delivering a real, competitive advantage. “Time to market is critical in a highly competitive telco market. Who provides their services fastest, across the whole of Russia, wins. If it wasn’t for NFV it would take an age to implement a new service on traditional infrastructure.”

It is also more efficient to manage and orchestrate. vCloud NFV delivers a single pane of glass with 360-degree visibility and monitoring of the MTS platform along with predictive analytics and logging insights to give greater control of the network. With policy-based automation, Veliev and his team can streamline key network processes and allocate and provision VM resources to rapidly provision and deploy NFVs.

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FARID VELIEV  
SERVICE ORCHESTRATION MANAGER  
MTS

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### Looking Ahead

As MTS pursues its ‘3D’ strategy (data, digital and dividends) Veliev is confident the engagement with VMware will deepen: “We’ll continue to collaborate with VMware as partners. I expect we’ll be drawing up a thorough ecosystem of VMware products within MTS. Our focus is reducing the time to market.”