



# Service design and orchestration: worldwide forecast 2022–2027



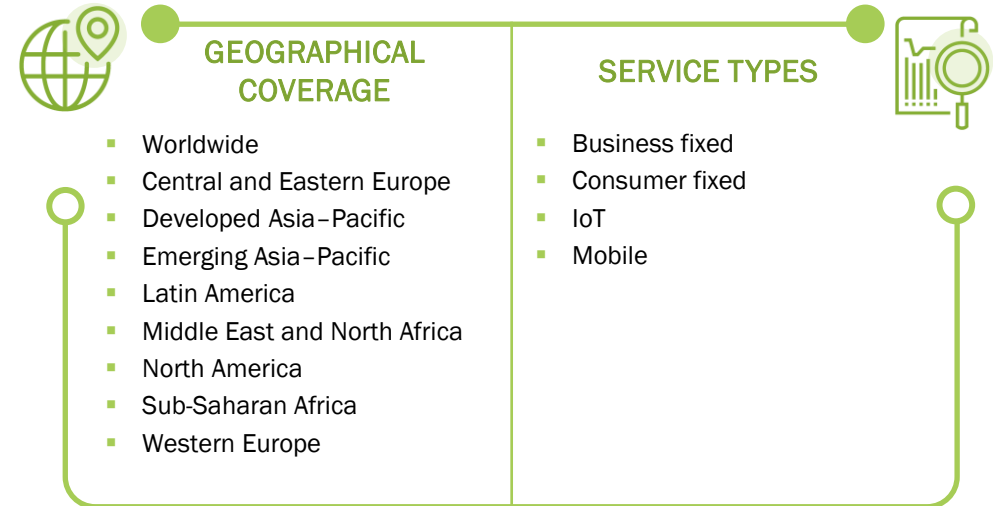
Alex Bilyi and Justin van der Lande

## About this report

This report provides forecasts for communications service provider (CSP) spending on service design and orchestration (SDO) and related services for 2022–2027. It provides details on spending by delivery model, service type and region, as well as the major drivers, including 5G. The report also provides recommendations for vendors and CSPs.

The report is based on several sources, including:

- Analysys Mason’s research from the past year
- interviews with CSPs and vendors worldwide.



### KEY QUESTIONS ANSWERED IN THIS REPORT

- What are the key trends and factors that will affect the service design and orchestration market during 2022–2027?
- What are the regional factors that will drive growth?
- What should vendors do to exploit new business opportunities?
- How will professional services for service design and orchestration perform during the forecast period?

### WHO SHOULD READ THIS REPORT

- Vendor strategy teams that need to understand where growth is slowing and where it is increasing.
- Product management teams that are responsible for feature functionality and geographical focus, and product marketing teams that are responsible for market-share growth.
- CSPs that are planning network function virtualisation (NFV)/software-defined networking (SDN) and digital transformation journeys.

## Three key drivers of spending expected for this segment during 2022–2027

**1**

**5G-related SDO spending will reach USD7.3 billion worldwide by 2027 and will account for 59% of all SDO spending**

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CSPs will strive for significant levels of operational automation as they begin their transitions to 5G SA. SDO systems will need to be revised with full, end-to-end automation capabilities to support network slicing and associated services. CSPs will invest in inventory management systems that can enable real-time inventory and service model changes for 5G and edge networks.

**2**

**Spending on end-to-end SDO-related initiatives will reach USD6.3 billion worldwide in 2027**

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Spending on end-to-end SDO initiatives is expected to increase rapidly as CSPs invest in intent-based networking solutions that combine AI and ML to help to automate the end-to-end configuration of multiple domains such as slicing, RAN and MEC. CSPs are likely to consider network digital twins to be the logical outcome of their end-to-end service and network orchestration strategies.

**3**

**Digital-experience-related SDO revenue will reach USD4.1 billion worldwide in 2027 as the demand for cloud-like digital experience increases**

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New online order management and orchestration systems will drive the digital experience market. CSPs will be able to distinguish themselves by offering next-generation enterprise services that provide cloud-like real-time digital experiences. These services should be available on-demand, similar to how businesses use cloud-based solutions-as-a-service.



Executive summary and recommendations

Forecast

Overall telecoms market context

Market definition

**About the authors and Analysys Mason**

## About the authors



**Alex Bilyi** (Research Analyst) is a member of Analysys Mason's research team in London. He holds a BEng in Chemical Engineering and an MSc in Engineering Business Management from the University of Bath, where he was part of the practice track team responsible for researching and developing new XR products for an engineering and technology consultancy.



**Justin van der Lande** (Research Director) leads the Applications practice, which is part of Analysys Mason's Telecoms Software and Networks research stream. He specialises in business intelligence and analytics tools, which are used in all telecoms business processes and systems. In addition, Justin provides technical expertise for Analysys Mason in consultancy and bespoke large-scale custom research projects. He has more than 20 years' experience in the communications industry in software development, marketing and research. He has held senior positions at NCR/AT&T, Micromuse (IBM), Granite Systems (Telcordia) and at the TM Forum. Justin holds a BSc in Management Science and Computer Studies from the University of Wales.

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  - Wireless Infrastructure Strategies
  - Fibre Infrastructure Strategies
  - Operator Investment Strategies
  - Telecoms Strategy and Forecast
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  - Customer Engagement
  - Monetisation Platforms
  - Digital Experience
  - Automated Assurance
  - Service Design and Orchestration
  - Telecoms Software Market Shares
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  - Edge and Media Platforms



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# Our areas of expertise



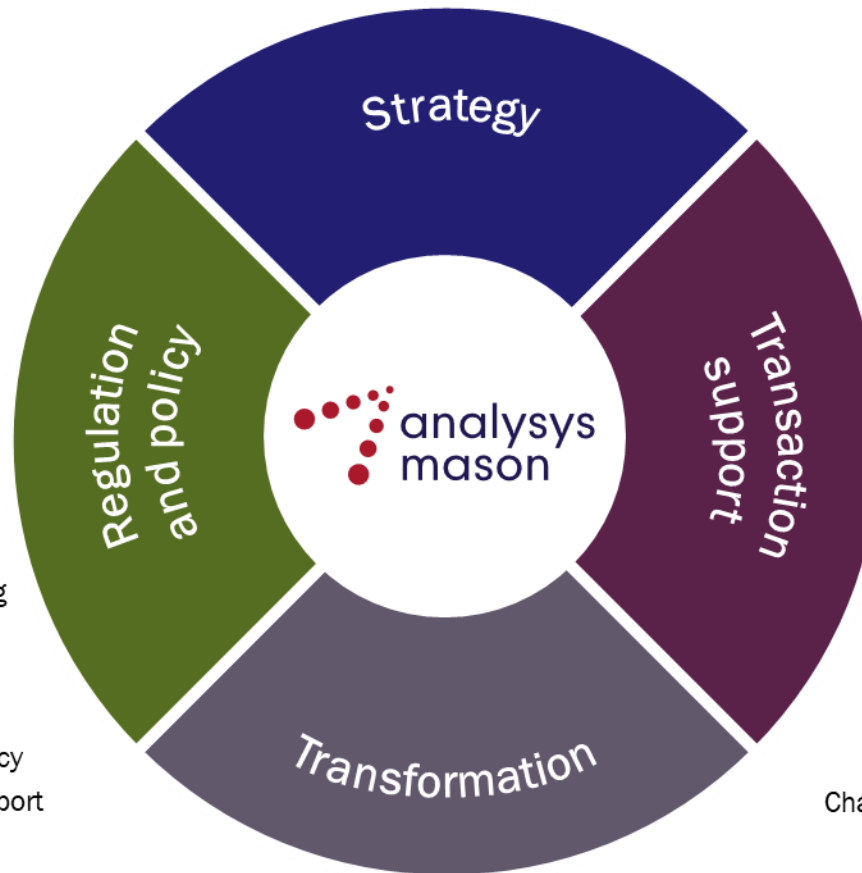
## Strategy

- Corporate growth strategy
- Business unit strategy
- Infrastructure strategy



## Regulation and policy

- Network and platform
- Public sector broadband intervention
- Accelerating digital transformation of society
- Price controls and cost modelling
- Regulatory accounting
- Regulatory benchmarking and analysis
- Spectrum management and policy
- Expert witness and litigation support
- Postal regulation and policy



## Transaction support



- Commercial due diligence and market review
- Technical due diligence
- Post-merger integration
- Periodical business monitoring and loan technical advisory
- Opportunity scouting and pre-deal support



## Transformation

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- Operational excellence
- Data, BI, steering and insights
- Change and programme management
- Sustainability

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