Operators are picking network API platforms but will progress with developers be evident at MWC 2024?

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At MWC 2024, Analysys Mason expects the excitement over network APIs to be at full throttle as operators demonstrate their Open Gateway API implementations and as network API platform vendors announce new operator deals. Network APIs have caught operators' attention at a far more senior level than they did a decade ago, when GSMA's Wholesale Application Community (WAC) announced its ill-fated OneAPI initiative. The failure of OneAPI led to the growth of the over-the-top (OTT) communications-platform as a service (CPaaS) market and operators are determined not to lose out on the revenue-generating potential of their networks again. Market moves such as DT's announcement of a dedicated Magenta API Capability Exposure (MACE) business unit and Singtel's sale of its API-driven network slicing platform, Paragon, to MÁSMÓVIL suggest that there is senior leadership support for network API exposure at the highest levels. However, there are still a number of concerning similarities with the market of 2013, when OneAPI was announced. The telecoms industry has the platforms. It also has the APIs. But where are the developers and the applications?

Operators are messaging about APIs not apps

MWC 2022 saw the post-COVID launch of CAMARA; and MWC 2023 heralded the announcement of Open Gateway. At MWC 2024, we hope to see more than the implementations of a handful of Open Gateway APIs. Network APIs will be successful when the APIs disappear from sight, embedded into – and used so ubiquitously by – enterprise applications so that no one remembers they are there. Operators that have announced implementations of Open Gateway APIs (such as Telefônica Brasil) have yet to provide details of, for example, fraud applications or services that are using these APIs. Operators need to provide evidence of developer demand rather than notching up the number of APIs that they are making available, to show that CAMARA/Open Gateway initiatives can live up to their promise.

The focus on APIs and not apps has echoes of the telecoms API initiatives a decade ago. The encouraging difference today is that network API platforms are emerging with business models that are more operator-friendly.[1] It appears that competition in this space is dominated by Ericsson's Vonage, (which has publicly announced Telefónica, Orange, Deutsche Telekom, Vodafone and most recently, Verizon, as customers) and Nokia's Network as Code (NaC) platform (which has signed up BT, DISH Network (Dish) and Telia).

However, the market's over-focus on which operator is joining what platform seems to be driven by a 'let's build it and the developers will come' mentality. Most operators will eventually expose their network APIs to as many platforms as possible to get access to the broadest community of developers. Some, such as Deutsche Telekom, already work with both Ericsson and Nokia. The question is not which platform can attract the most operators, but which can attract most developers, and here the outcome remains uncertain. Vonage can boast a CPaaS developer ecosystem but Vonage's traditional developers do not necessarily have much use for advanced network– as opposed to communications – APIs. In fact, the early-moving operators signing up with Vonage are

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[1] These platforms have more operator-friendly business models than traditional CPaaS platforms. For example, they support revenue sharing arrangements and operators can maintain direct relationships with their customers as opposed to the platform provider acting as an aggregator and disintermediating the operator-customer relationship.

those that believe they can build application developer communities for themselves. Nokia's strategy of recruiting systems integrator (SI) partners to its NaC platform (such as Kyndryl and Innova) looks more promising. Nokia has learned from its successful private wireless business that SIs are the gatekeepers for industrial applications with specific connectivity needs that companies are prepared to pay for, so SI developers are likely to be key users of network APIs.

Oracle is taking a more-radical stance to network APIs, pointing the way to the future for connectivity-enabled applications

Oracle has not announced a network API platform yet, although the company possesses the assets to allow it to do so. Instead, it will be formally announcing at MWC its cloud-hosted Enterprise Communications Platform (ECP) through which Oracle's enterprise application customers can access operator-agnostic network capabilities to support industry-specific processes. Oracle cites as an early use case the real-time connectivity features that ECP can provide to its public safety application that runs in, for example police command centres. Today, the public safety application uses operator APIs to relay data transmissions from body cameras and to set up privileged connectivity to edge locations, such as police vehicles. In future, Oracle envisages being able to spin up public safety-related artificial intelligence/machine learning (AI/ML) workloads in an operator's mobile edge and to control smart assets, such as traffic lights, through an operator's network to create a faster, safer route for emergency service vehicles through a city.

Oracle needed to build a common API platform for its own developers and has integrated ECP with the proprietary APIs of two operators so far. However, the company would like to see cross-operator API standards emerge to make application integration easier. It is concerning, though, that one of the world's most-prominent developers of enterprise applications finds that the network APIs that Open Gateway operators are working on first are not those that Oracle says it needs. It is also a symptom of the gap that remains between operators and developers, which 10 years ago sunk OneAPI. Nokia, which is trying to learn from its SI partners rather than from a theoretical GSMA playbook, has also questioned whether operators are prioritising the right APIs for exposure.

Operators need to move faster to avoid enterprise apps going over the top

Oracle's ECP shows that there is an exciting opportunity for network APIs if the market is application-led. Since Oracle has some of the world's most-deployed applications to experiment with and connectivity-enabled, it could become the market-maker that network APIs need. Operators and network API platform providers should be actively engaging with enterprise and industrial software companies (such as ABB, Dassault Systèmes, SAP and Siemens) to understand their network API needs and to help them connectivity-enable their applications as Oracle and, to its credit, Deutsche Telekom are doing. Deutsche Telekom's MACE will be showcasing demos with SAP and Siemens at MWC24. Otherwise, operators risk these companies turning to over-the-top means of providing their software with the advanced API-driven connectivity that they require for digital industrial transformation.