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Announcer: [00:27] Yeah. This is "Telco in 20," a podcast that helps telco execs achieve a competitive advantage with AI and the public cloud. It is hosted by Danielle Rios, also known as DR. Today we're talking to Ove Wik, executive vice president and chief technology information officer at Tele2.

DR: [00:52] Hi guys, I'm DR. Telcos have a growth problem. In the first half of 2025, data usage grew in 92% of markets. ARPU grew in only 50% of them. Operators are delivering more but earning less. And here's why. At some point, every operator made the same bet, go digital, close the stores, let resellers handle distribution. These moves were logical and efficient, but they also handed their subscriber relationships to other players like Apple and Samsung. You built the pipe, they owned the customer.

[01:30] Tele2 is done with that. The operator of Sweden's original challenger brand literally founded to fight an incumbent monopoly. Now they're going back to the future, back to competing on relationships, not just price, and using AI to finally get to know their subscribers at scale. Today, I'm talking to Ove Wik, executive vice president and chief technology information officer at Tele2. We're going to dig into how they cut six IT stacks down to two, why they're opening physical stores while everyone else is closing them and what Ove calls real transformation. So let's take 20. Ove Wik is executive vice president and CTIO at Tele2. Hi, Ove. Welcome to "Telco in 20."

Ove Wik: [02:17] Thank you, DR. Very nice to be here.

DR: [02:19] I'm super excited to talk to you today about the very cool Tele2. I recently learned that Tele2 was founded as a challenger brand in Sweden built to take on incumbent telcos. And I love that. I love challengers. I love disruptors. And in the latest annual report for Tele2, your CEO, Jean Marc Harion said

the company is back to the future. And so what did he mean by that very provocative statement?

Ove Wik: [02:45] I think that what he actually means with that is Tele2, of course, was founded as a challenger to compete with monopolies of the incumbents. And how do you compete with someone that is established on the market since the last 60, 70 years? Well, you need to be different and you need also to bring a soul culture into the company. But I think that's what actually Jean Marc is meaning with this. We go back to actually being a true challenger, addressing things like how to be customer friendly. Being different is also one part of being a challenger because we tend to be extremely similar between the different operators on the market and we really want to stick out.

DR: [03:31] Yeah.

Ove Wik: [03:32] That's a bit about the challenging.

DR: [03:34] That's super true in any country. Just in my own country in the United States, the three big telcos, Verizon, T-Mobile, and AT&T, if you ask the average consumer, subscriber on the street, they don't know the difference between the networks. They pick one and they usually don't move or they move because the service is bad. And so I think you're exactly right. How do you stand out? How do you differentiate yourself? And one big way is relationship with your subscribers.

Ove Wik: [03:58] Yes.

DR: [03:58] Now, Tele2's gone through a lot of change. You guys have gone from six IT stacks down to two and you called that consolidation as crucial as the 5G rollout itself. And that's a pretty big statement. So a lot of operators try to do things like this and they never get the projects done. They're not successful. What made the difference for Tele2?

Ove Wik: [04:18] Well, in fact, I would like to go for one, but unfortunately there's so much difference between the B2B business and what I call the mass market business. So it has not been possible to actually get all the functionalities and get it working together in an efficient way.

DR: [04:35] Yeah.

Ove Wik: [04:35] We have been successful, especially on the mass market part where Tele2 has a history of mergers and acquisitions and with that comes also these additional stacks in. And you're completely right. It's difficult to remove things and take out legacy, but it's about being very determined and actually understanding that to do these type of things, you need to make much more simplification. People talk about simplification of the products, but it's a lot about simplification of your technology.

[05:09] You need to create your architecture, you need to be true to your architecture, you need to move out of the complex situation. And that has really been the challenge when it comes to get it out because what happens when you have many of these stacks is that you integrate them in complex environments. And we had to take a bit of technology challenge, but also it's about humans because humans gets used to systems and everyone has their favorite and then it's about taking the bold decisions on where to go.

DR: [05:45] Absolutely. And one thing I see with transformations is that people want to keep things the same way. Like you said, people like their systems, they like their processes. And I think to make a successful transformation in anything is making trade-offs. It's an 80/20 rule. I see so many operators unable to make that 80/20 trade off to make a successful transformation. Do you guys see that where you're migrating into other systems where you're just like, "Hey, it's a lot of money to make it 100%. We're just going to make some trade-offs in our business just to get the stacks consolidated and then move on?"

Ove Wik: [06:21] Of course we need to do trade-offs, but it's trade-offs between different parcels. One part is the revenue. Another part is actually what you describe here as the people who are used to one way of working. The most important thing, and that is to actually acknowledge that in the end it's about what the customer sees. It's what the customer experiences, it's what the customer gets. And in all mean, it's not so much about these revenue decisions as it is around other decisions about business rules. It works like this in this part, it works like that in that part. And you need to take the bold decisions about actually consolidating into one way of invoicing, one way of doing credit scoring, one way of doing this. And it doesn't really matter for the customer. It more matters for the people around the systems.

- DR: [07:15] Well, I think that was a really interesting insight that you just had of looking at it from the customer's perspective and if it doesn't really impact the customer's experience, you can consolidate and simplify some of the parts of the way that we used to do it in a new system. So I think that's a really great insight. Something that's very interesting about Sweden is Tele2 shares its radio network with Telenor through a joint venture called NetMobility. You guys did this back in 2009. It does make sense. It's one of the big challenges in Europe with smaller countries and expensive networks and everyone's building their own. You don't have the economies of scale, say, like the United States. So how are you guys making this model work?
- Ove Wik: [07:53] Well, in fact, we have a long history of JVs and it was a forced JV from beginning between Telia and Tele2 because in fact, the incumbent Telia did not get a 3G license, which is very odd also at that time in 2001. And it was actually forced in that case that Telia and Tele2 found a way of corporating using Tele2 license, building a common network and with that formed one of the first JVs of radio networks in the world. And it has become a way of working. We are not such a big country as US, but we are a big country with few people. And that means that we need to be cautious about our investments. And by sharing those investments, we are able to build brilliant and amazing networks despite the fact that we don't have a huge amount of customers and customers are not prepared to pay extreme premium for good networks. They want to pay for a similar service as anyone else and they demand extreme service today for a very affordable price.
- DR: [09:08] Wow. Does it ever get complicated? Do you guys ever fight?
- Ove Wik: [09:14] I think we have a lot of fights, but sometimes very, very good fights because it's also challenging ourselves versus each other. And we get better from those fights, not worser.
- DR: [09:27] Yeah. That's interesting. Well, Tele2 has also told its investors that growth is coming from two extremes, the physical with retail and then AI. And so tell me about what you guys are doing around growth for Tele2.
- Ove Wik: [09:41] I think that we, as every other operator, have been hoping for let's go online with sales with everything and let the customer have a direct relationship with us. But reality is we have become as operator much more of a commodity part and

we have been coming in the hands of resellers but also about manufacturers. So handset manufacturer drives actually the market image and the reseller takes care of the distribution. This has put us in a spot which on long term is not very healthy because it's very expensive parts that we need to finance through our invoicing to customers. And this is where we believe now that we need to become much more in direct contact with customers, even if we need actually to establish much more physical presence.

[10:37] So we are opening up shops despite the fact that a few years ago, most of the operators were closing down shops and now we open it up and AI gives us the opportunity also to understand the behavior among customer, the need from the customer so we can address them in a much better way than we have done before. So we see that the combination of channels where we can have physical stores, we can have our direct sales, but also online in combination and using AI to point customers to the right offers in the right channels.

DR: [11:15] I think that's really smart. So it sounds like you guys have lost contact with the customer, you've lost the closeness and the relationship. So the physical retail is going to reestablish getting to know them. And then using technology, I call this hyperpersonalization. Now with machine learning, certainly with AI, with all the data you have on how customers use your network, who they call, where they call from, you could really create personalized services. And so there's a lot of ways that you can see how people are using your network and come up with amazing ideas to market to them so they're spending more money with your businesses.

Ove Wik: [11:51] Well, at least they spend less money in resellers and we can have a bigger share of the money that we spend.

DR: [11:59] More with you, correct.

Ove Wik: [12:01] Yes.

DR: [12:01] Well, you spent five years at VEON Group running digital enablement across multiple markets. I'm sure you learned a ton there and now you're bringing it over to Tele2. What's one big lesson that you've brought to Tele2?

- Ove Wik: [12:13] I think that my biggest lesson that I learned even a little bit before VEON was it's not about shifting pizza boxes, as I said. Change one system at a time and then believe you do a BSS transformation. When you do BSS transformation, you need to look end to end of your full environment, but in combination also with how to do the changes we talked about earlier, business processes, business rules, you need to take a complete grip of the full business, the full interaction with customer, creating an environment where you actually can do a full transformation both technical, organizational, but also from all the business rules perspective, you have to dare to go all in and that's a bit what I learned in VEON and also learn that it's really possible if you have the guts to do it and you have the right crew around you.
- DR: [13:13] Yeah. People are a big part of transformation success. I think a lot of people think it's just about technology changing from A to B, but you definitely have to bring people along with you because I always say when you're in charge of the change, everything's great. But when change is happening to you against your will or you're not part of the decision, you fight it. You have to repeat the messages of why we're doing it, why this is good, what's in it for them, why they stand to benefit. And usually people get on board with the project and then your project will be pretty successful.
- Ove Wik: [13:46] Yeah. And what I think has been the great success is actually to do technology people at the same time and you should never expect to get all the people positive and onboard from beginning.
- DR: [13:59] Totally.
- Ove Wik: [13:59] But you need to find the crew, as I call them, both technical but also those that drives the change within the operator.
- DR: [14:08] I totally agree with that. And you're right, you have to do it simultaneously, not afterwards. And it's not just one meeting before it's continuous throughout the project. Absolutely. So you have a super interesting hobby, one that I also enjoy, which is renovating houses and that totally makes sense because you are very good at transformation and renovation is a transformation. So what is the renovation project that you are most proud of?

Ove Wik: [14:34] Ooh, that's a big question actually. I think that at the moment I'm mostly proud over the finalization I done for my daughter.

DR: [14:44] Oh, cool.

Ove Wik: [14:45] She bought a house from early '70s, never renovated and that one I have now get up to standard and also she has two houses on that and one of the house, she run a small business where she take care of dogs during days.

DR: [15:01] Doggy daycare.

Ove Wik: [15:02] Exactly. And then she lives in the other house and that one is now in super good shape in a very nice place.

DR: [15:10] Well, in the United States we have a channel that's called the Home and Garden TV, HGTV and they have all these shows where people are renovating houses. And so maybe, Ove, after you're done with telecom, you might be the star of the next HGTV show.

Ove Wik: [15:26] No, I don't want to have a lot of people around me when I renovate. I enjoy actually being quite alone using my brain and my hands to construct.

DR: [15:36] That's awesome. Well, Ove, this was such a great conversation about what's going on at Tele2, all the super great moves you guys are making and simplifying your business and building out a new strong relationship with your subscribers. And so thank you so much for coming onto the podcast.

Ove Wik: [15:50] Thank you, DR. It was a pleasure.

DR: [15:58] Yay. Stick around. We end each podcast with a "Telco in 20" takeaway. I've got two minutes to tell you something you need to know. Ove said something that every operator needs to hear. Most of what makes your systems complex matters to your team, not to the people paying for your service. Your customers don't see it or care about it and focusing on that invisible complexity kills transformation projects. Here's how it happens. Every operator has a core, the 80% of processes that handle the vast majority of customers' revenue and transactions, clean, manageable, migratable, and then there's the other 20%. These are the edge cases, legacy exceptions and business rules that

made sense in 2004 and haven't been touched since. They represent small revenue, a handful of customers and enormous complexity, but operators refuse to let that 20% go. They want 100% fidelity to every aging system that three people in the back office have been using for 15 years.

[17:05] So that last 20% turns a two-year transformation into a decade-long project or worse, one that never gets finished. Tele2 made the trade-off. They asked one question for every rule, process, and exception. Does this affect what the customer sees? If the answer was no, they made a bold decision and moved on. This discipline is how you get from six stacks to two. Not better technology, better decisions. And this is where Totogi changes the calculus. Most operators go into a transformation blind. They think they know which processes matter, but they're guessing. The Totogi Ontology lights the way. It maps your business processes, rules, and customer interactions so they're visible, connected, and all in one place. Now you can actually see the 80% that drives your business and know exactly what it would cost to lose the 20%. No more guessing or fights over systems that don't matter, just clear decisions made with full context.

[18:08] That's how you make trade-offs with confidence and finish a transformation. Want to see what that looks like for your business? DM me on LinkedIn or X @TelcoDR and we'll set up a time to meet. Until then, tune into more "Telco in 20" episodes like and follow and leave us a five-star review. Don't forget to sign up for my no BS email newsletter on TelcoDR.com and check out our awesome YouTube channel and hit that subscribe button. Later, nerds.