How Optus is Using IoT to Disrupt the Retail Industry in Australia

Creating and Connecting Digitalized Retail Shopping Centers in a Highly-Traditional Retail Market.

Executive Summary

Optus Business Group, a telecommunication provider in Australia, is aiming to reduce costs, gain a higher ROI and derive business value for over 100 retail shopping centers across Australia using Axonize's IoT platform.

The Company

Optus is the 2nd largest telecommunication provider in Australia, servicing more than 10 million customers in the consumer side of the business. They also service corporate clients through their Optus Business group, focusing more on government and private sectors.

Most of their work targets cyber security, software development, and more recently, around digitized infostructure – turning static buildings into dynamic buildings, using IoT and AI technologies.

The Challenges

Optus has recently taken on a large-scale IoT project, partnering with over 100 retail shopping centers across Australia. They've implemented converged networking across and rolled out a wifi solution for public access throughout the shopping centers, using the Axonize IoT platform as a springboard for digitizing the entire building.

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Charlie Sukkar,
Director of Emerging Technologies,
Optus Business/Singtel

But due to the "Amazon effect" of shopping, physical stores are finding it extremely difficult to compete with online e-commerce in this fiercely competitive market.

Essentially, Optus identified 3 main problems to solve in order to derive business value from the physical asset and gain a higher yield or ROI to remain competitive:

Operating costs of the shopping centers. The operating costs of shopping centers come at an enormous price, especially within maintenance and energy fields. Optus wants to break down costs using automation, making the assets leaner and able to derive better yields.

Skills/Talent gap in managing the technology that goes into each shopping center. There's a huge gap between the people who historically managed these areas (electricians, plumbers etc.) and the ones who run it today, due to technological influences. The problem they are facing is how to use the operational technologies to drive the level of automation and close the skills gap required in managing the physical aspect sensors of these buildings (automatic doors and windows opening and closing etc.).

Property portfolio of assets are geographically dispersed around the entire continent of Australia. Optus wants to build a network to connect all the assets and run process stabilization. As a result, running

one sector will essentially be the same as running all sectors. This will lead to operating efficiencies, reduced costs and a more industrialized way of running these assets.

The Solution

Optus partnered with Axonize to provide one solution for all of their problems: an IoT platform that will scale quickly across multiple shopping centers. They began to connect into the heating and cooling systems, lighting, lifts and other physical sensors and started pulling and centralizing data, running machine algorithms and deriving insights in order to automate the way the assets are managed. Ultimately, the final goal will be scaling and rolling out the solution to multiple shopping centers, resulting in driving down costs.

"We're embarking on unchartered territories. There's no textbook on this. We're building new business models by disrupting very traditional ones in an industry that has not changed in over 30 years."

By utilizing Axonize's IoT technology, they can digitally connect all the assets, collect all the data, centralize management and automate the buildings to reduce costs and generate business value.

Why Axonize?

Optus was looking for an Israeli-based company that could come in from the outside, disrupt and keep pushing the envelope. They needed a company that not only met all their IoT needs, but are also innovation leaders, possess disruptive technology, push the boundaries and are business model innovators. They wanted a company that looks at traditional ways of doing things and turns them upside-down.

"Finding a company that always challenges the status-quo, is bold, courageous and has a strong appetite to create change was really important to us. We strongly believe in partnering with a startup with the right value set, and our decision to partner with Axonize was based on all these qualities and more…"

  - Charlie Sukkar, Director of Emerging Technologies, Optus Business/Singtel

After a rigorous selection process, Axonize was chosen to partner together with Optus/Singtel to begin scaling, lowering costs and generating value. After incorporating the Axonize IoT platform, Optus already has 3 MVP's in place and will begin scaling, connecting more devices throughout the entire group of assets and accelerating.