

Du's Bandwidth on Demand

Burstable Bandwidth Managed Service



EXECUTIVE SUMMARY

COMPANY OVERVIEW

- **Customer Name:** du
- **Industry:** Telecommunications
- **Location:** UAE

BUSINESS CHALLENGE/OPPORTUNITY

- Deliver a pay-as-you-use managed service that allows a hospitality business (and other verticals) to turn bandwidth up or down on-the-fly as needed.

NETWORK SOLUTION

- Du's technology allows businesses automatic "bursting" to satisfy increased demand for unique guest and employee needs, special events and conferences—as and when required.

BUSINESS RESULTS

- Cases show that just 20% of paying guests generate enough revenue to pay for the burstable bandwidth solution.
- Demonstrable cost benefits with premium rate service charge options for the ISP thus gaining additional revenue, and ensuring customer satisfaction. The business customers can monetize the bandwidth, with supply priced at a premium.

Overview

Guests (and employees) are using increasing volumes of more video-intense bandwidth and hotels and other organizations are faced with solving the problem of too much or too little bandwidth at any given time. Du solved this problem by creating and delivering a pay-as-you-use managed service that allows a hospitality business (and other verticals) to turn bandwidth up or down on-the-fly as needed.

Service Innovation

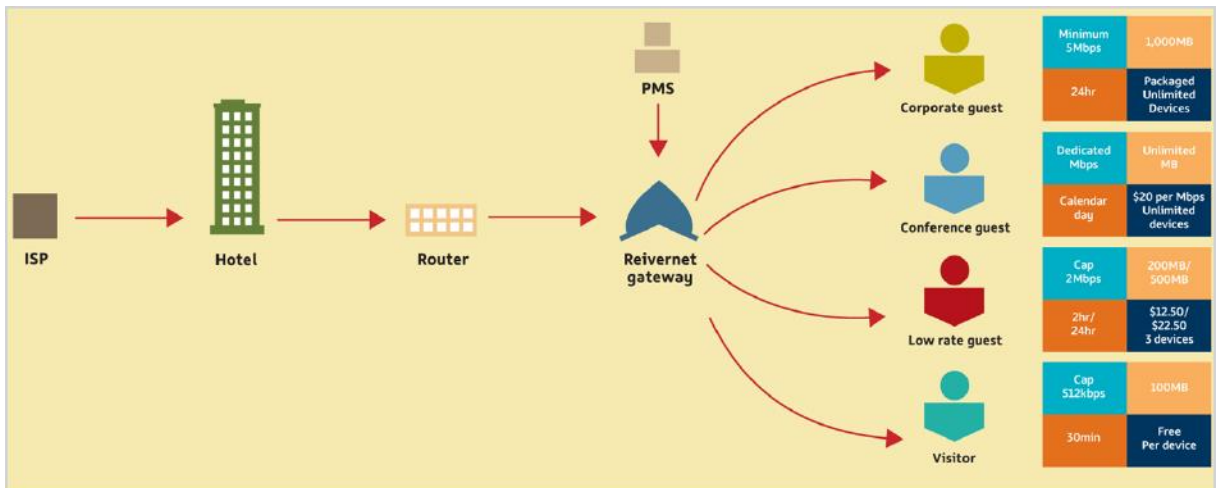
With du's solution, businesses can use automatic bursting to satisfy increased demand for unique employee or guest needs, special events, and conferences. For example, UAE hotels can pay for 18 Mbps minimum monthly commitment and provision 2 Mbps to hotel visitors, allocate 4 Mbps services to hotel administration employees and 12 Mbps to guests, and then burst up to a maximum of 100 Mbps in real time as needed. This means that businesses will only ever pay for the bandwidth they need, providing a better value service to their customers, while avoiding over-provisioning bandwidth.

For du's Bandwidth on Demand (BoD) hospitality customers, guests can buy a premium in-room service that gives them access on a pay-as-you-go basis to a dedicated 10 MB service. An unlimited number of devices per room is allowed access, giving guests a real choice (and flexibility). Other guests are happy to share access to a 50 MB service or to free in-lobby Wi-Fi access. When hotels choose to charge guests or guest groups for Internet access, all revenues are retained by the hotel, opening new revenue opportunities.

The BoD proposition is simple: bandwidth plus du management gateway equals burstable bandwidth. An on-premise bandwidth management module supports multiple ISP inputs and has the ability to partition the available bandwidth to enable dedicated, capped and minimum bandwidth experiences within predefined bandwidth pools. By supporting multiple ISP inputs, the service can load-balance the traffic for venue cost savings and to meet guest performance requirements.

Du offers strategic benefits with a flexible service. A hotel's guest experience can be constrained by fixed bandwidth broadband provision. With du's BoD, it is possible to provision a fixed baseline service on top of which the hotel can take extra bandwidth capacity on demand to suit seasonal peaks, occupancy rates, and in-hotel special events (see Figure 1).

Figure 1. Du's Service Overview



Opportunities

- The hospitality sector is struggling to keep up with their guests' demand for network/Internet access and resources. The hospitality sector is booming in the UAE as it builds its tourism footprint and becomes a major aviation hub for travellers. Poor hotel internet connection speed is deemed the biggest travel problem for 40 percent of business travellers. Cisco® research has revealed most hotel chains are seriously under provisioned. Hotel chains need to find a way to balance the commercial aspects of broadband provisioning with the five-star experience guests expect.
- Guests (and employees) of hotels and other organizations are using increasing volumes of more video-intensive bandwidth.

- Many hotels and resorts offer the same service to all guests. The reality is that different users require different service offerings. Hotels with traditional Internet solutions face the problem of bandwidth overload, which leads to slower connection speeds—and disgruntled customers. A solution initially designed as “one size fits all” needs adjustment.

“Online polls show that 40 per cent of hotel guests see Wi-Fi availability as a deal-breaker when choosing which hotel to stay in.”

— Farid Faraidooni, Chief Commercial Officer, du

Challenges

- With new hotels opening on a weekly basis, demand for bandwidth in the hospitality sector is forecast to continue to grow by as much as 4.4 percent a month for the next few years.
- In the Middle East, the ability to provide enough bandwidth is becoming a critical issue for service providers across the region. The answer is to be able to meet this demand in a cost-effective manner while being more innovative with their limited capacity.

“Being able to provide our guests with the seamless managed connectivity experience that they expect is pivotal to our success as a brand. By implementing the managed hospitality solution from du, we have been able to deliver above and beyond our guests’ expectations, which has earned us recognition on an international scale, as the award from Hotel Technology Next Generation (HTNG) and Ecole hôtelière de Lausanne (EHL) is testament to.”

— Prasanna Rupasinghe, Director of Information Technology, Kempinski Mall of the Emirates Hotel, UAE

Strategic Alliances and Partnerships

Reivernet is the platform partner for the du bandwidth-on-demand (BoD) service. The Reivernet solution, which is white labeled by du, has a billing module that allows hospitality businesses to offer prepaid or post-paid services, or to charge by dedicated speed, data packs, device, or time, or a combination of all four. The solution extends du’s Managed Guest Internet Services portfolio, adding managed bandwidth to its existing high-speed Internet access (HSIA), IPTV, IP Telephony, managed video, managed Wi-Fi services.

Du’s solution provides hospitality customers with flexible billing which allows per-minute billing and measures individual guest data usage. Hoteliers can also change the pricing, data allocation, time, and speed of access with the property management system database.

Figure 2. Bandwidth on Demand



Monetization

Demonstrable Costs Benefits with Premium Rate Service Charge Options

Bandwidth is normally provisioned and charged for by the ISP according to tiered offers and priced on a cost-per-megabit-per-second-per-day basis. Any change in service demand is managed through the usual service request process, which can take multiple business days to provision. Some ISPs may not allow changes to an agreed service until month end. This is workable until a hotel unexpectedly needs extra bandwidth or needs to cater to fluctuating demand, in which case the delivered service may not be able to cope, or alternatively, not all the available bandwidth is consumed.

BoD offers burstable capacity delivered as a managed service on demand. For the ISP the burstable bandwidth is charged out at a premium rate, maximizing the revenue potential for the service provider. The hotelier is able to ensure peak guest experience and can monetize bandwidth with guests willing to pay a premium for super-fast broadband or in service fees charged to the conference organizer, or both. Thus, the service provider gains additional revenue and ensures customer satisfaction. The hotels can monetize the bandwidth, with supply priced at a premium.

“We always seek to bring the right set of solutions to our enterprise customers to meet their needs and to help solve their challenges, especially in the Internet access experience category where we excel.”

— Farid Faraidooni, Chief Commercial Officer, du

For More Information

To find out more about du, go to www.du.ae.



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Printed in USA

FLGD 12225 06/15