

# Improving TCO through Partnership: Best Practices for Cost-Effective Service Delivery

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Customer White Paper





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## 1. EXECUTIVE SUMMARY

Within today's challenging economic context services providers must continue investing to satisfy the current demands of business customers, while preparing for changing market condition, emerging services, and new customer needs. To be successful within today's tough business environment requires selective investments, with a continued focus on managing the associated cost base.

Through a dedicated study we conducted on the cost reduction practices of service providers across Europe, we identified several distinct challenges holding them back when trying to measure and manage the total cost of ownership – the sum of all direct and indirect lifetime costs – related to delivering their business communication services.

These challenges, arising from the *quantification process* or through *organizational realities*, have pushed most service providers to refocus their practical efforts to identify, analyze and manage *discrete costs areas* related to only certain parts of their service delivery chain.

Driven by market pressures, internal capabilities and resources, the service providers interviewed selectively use a range of cost management measures dealing with specific cost areas related to their commercial, organizational, operational, and customer experience-related domains.

OneAccess supports service providers by enabling the delivery of profitable business communications services meeting today's customer demands, while preparing for the future. The combination of our Cost-effective CPE architecture and our product customization services offers service providers a dedicated platform for a closer and more flexible partnership to create the right products for their market to meet current and future demands, while improving the underlying service delivery costs.

## 2. IN TODAY'S ECONOMY SERVICE PROVIDERS MUST STILL INVEST TO SATISFY CUSTOMERS, WHILE MANAGING THEIR COST BASE

### 2.1 The uncertain economy has placed more pressure on the communication services sector

We are still feeling the effects of the global economic crisis that began in 2008. According to an *Economist/FT* survey of 1500 senior executives<sup>i</sup> conducted in May 2012, though the global business sentiment improved from -28 pt. to -5 pt., for those expecting the world economy to recover versus those expecting things to worsen, perspectives still remain slightly downbeat.

From a consumer standpoint, after several years of slow wage growth combined with depressed equity prices in various markets, many have become more cost-conscious than ever. As a result, many consumers still hesitate when buying many products and services.

These sentiments have created uncertainty for the growth prospects of companies across most sectors, in turn pushing them to be more price and cost sensitive, and to demand more from their own suppliers. The market for business communication services is no exception, as reflected by the *Bloomberg Europe 500 telecom index*, a financial index comprising some of the largest European service providers, which has fallen by -9.9% since mid-2011<sup>ii</sup>.

At the same time, to stay in the game, communication service providers need to continue satisfying the existing demands of their customers with quality services offering tangible value, at the right price. This requires selective investment, with a continued focus on managing the underlying costs base.

### 2.2 To stay competitive, service providers must continue investing, while managing costs

In today's market, businesses of all sizes increasingly demand communication services to facilitate and enhance their daily working environments. This includes high performance networking, as well as collaborative and productivity enhancing business applications, all delivered at a competitive price.

For these business customers the choices have never been greater. They can choose from a variety of service providers – both traditional network providers and new SaaS<sup>1</sup> providers, each one vying to win their business.

To remain competitive services providers need to continue delivering offers that satisfy their business customers' current needs and requirements in terms of capabilities, quality and price, while preparing for evolving market conditions, emerging services and new customer demands.

For service providers within today's cautious business climate this means selectively leveraging the right

investments, in line with their competitive strategy, as they continue transitioning to IP technology from the core to the edge of their networks.

OneAccess, in partnership with *Merkado Services*, a technology go-to-market services firm, recently conducted a study examining the service provider practices for managing the *total cost of ownership* (TCO) related to their business services.

We performed a set of in-depth interviews with operations and business managers<sup>2</sup> representing 6 service providers in 5 distinct markets - Belgium, France, Germany, Greece and Poland – to get their views on TCO, and gain further insights into the measures currently taken within their companies to assess, manage and reduce it.

The first thing we found is that despite the interest and importance placed on TCO, there was no clear consensus on what it encompasses.

<sup>1</sup> SaaS: Software-as-a-Service

<sup>2</sup> Our sample included 2 Purchasing Managers, 2 Project Managers, 2 Technical Product Managers, 1 B2B Marketing Manager, 1 Head of Access Dept., 1 Release Manager

### 3. “ARE WE MANAGING TCO OR COSTS?”

#### 3.2 What is Total Cost of Ownership?

During our study on Service Provider TCO management practices, we asked a range of operations and business managers what TCO meant to them. Though all recognized the term, there was no single, consistent definition offered by the respondents, reflecting the diversity of their backgrounds and of their business setting.

In general respondents mentioned that the term TCO implied an understanding of all the cost components related to a services device, as well as the interactions between those components. Most also saw it as an ideal concept, rather than a well-established cost management practice within their organization.

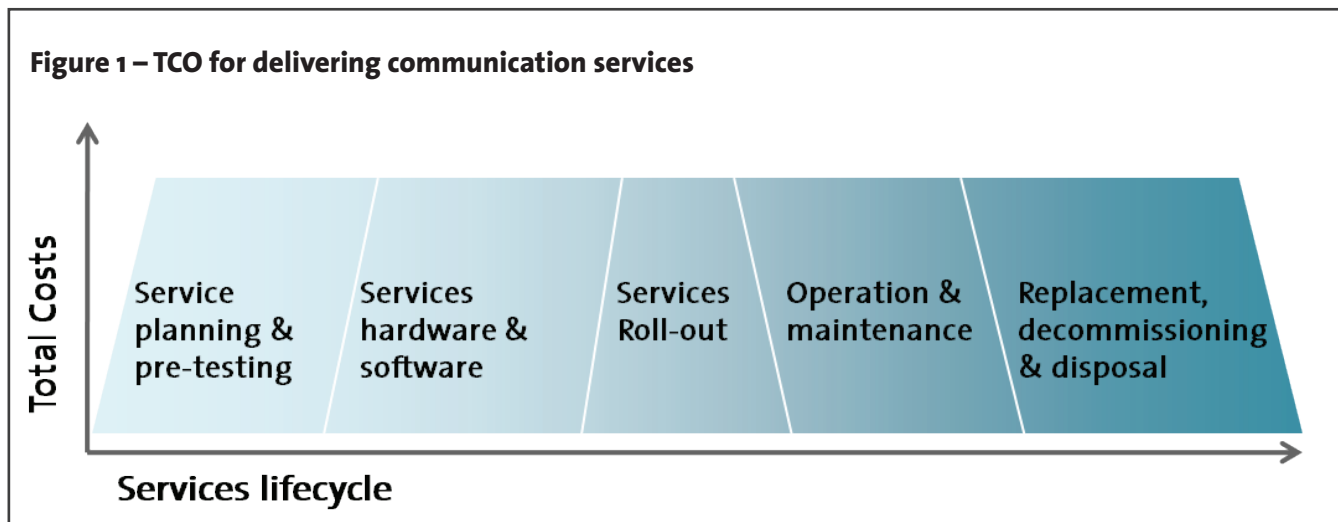
“ «Real TCO requires taking all cost components, seeing the impact that they have on one another to make the best decision» - CPE Purchasing Manager, France

Building on these ideas, we have formulated the following definition of TCO:

#### Total Cost of Ownership:

The sum of all lifetime costs – direct and indirect – related to owning and operating a device or system, from planning, to device acquisition, through its operation to its decommissioning and disposal.

Applied to the ICT<sup>3</sup> technology used to deliver business communication services, and as shown in figure 1, TCO includes the following costs<sup>iii</sup> :



<sup>3</sup> ICT: Information and communication technology

- ➔ **Service planning and pre-testing costs** – Project planning, and initial service, network and device testing costs.
- ➔ **Hardware and software costs** - The purchase cost of devices and service equipment, as well as cost of upgrades, spares and related financing.
- ➔ **Service rollout costs** – The cost of device pre-installation and integration, configuration, onsite deployment, service activation costs, and related staff training and labour.
- ➔ **Operations and maintenance costs** – Includes costs of common system operation and maintenance tasks, staff training, service-related labour, related licensing, physical infrastructure and power, and security assurance.
- ➔ **Hardware / software replacement, decommissioning and disposal costs** – The costs of replacing worn HW and SW, and removing and discarding any obsolete systems.

Based on this definition, we can see that the TCO related to the delivery of communication services arises directly and indirectly from many distinct groups within the service provider organization.

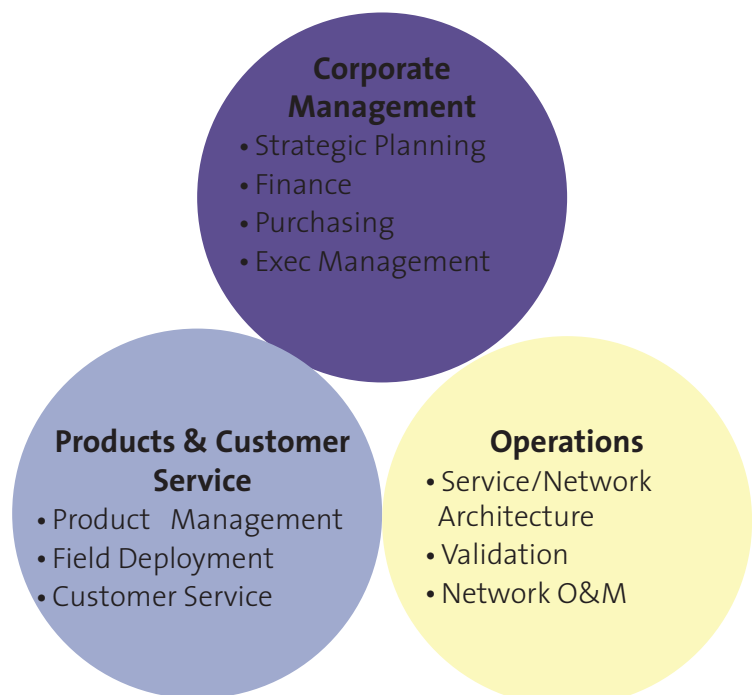
### 3.3 Effectively tackling TCO is an organizational-wide effort

Given the far-reaching nature of the total cost for delivering communication services, it quickly becomes apparent that there are many different service provider functions with a significant stake in TCO (Figure 2).

Service provider TCO stakeholders include *finance and strategic planning* that are involved in the overall company management; *service network architecture* and *system validation* teams handling operational issues; and *product management* and *customer service* groups that deal with service and customer-related issues.

Each group has a different relationship and set of direct or indirect responsibilities when it comes to the TCO for service delivery. These groups, along with their relation to service delivery TCO are shown in table 1.

Figure 2 - TCO stakeholders



**Table 1 – Overview of TCO stakeholders and their cost responsibilities**

Group	Role Description (including service TCO impact)
<b>Corporate Management</b>	
Strategic Planning	<ul style="list-style-type: none"> <li>- Leads company towards new strategic initiatives to facilitate growth and sales across market segments, and customer offers.</li> <li>- Draws out a clear path linking plans with the current strategy and resources.</li> </ul>
Finance	<ul style="list-style-type: none"> <li>- Provides overall financial advice and guidance, while supporting users of working capital.</li> <li>- Establishes guidelines and reporting of the organization’s financial position and operations.</li> </ul>
Purchasing	<ul style="list-style-type: none"> <li>- In charge of supplier relations for purchasing goods and services.</li> <li>- Leads contract negotiations and partnership agreements, setting final purchase prices, commercial conditions and monitoring contracts through to cessation and disposal of assets</li> </ul>
Executive Management	<ul style="list-style-type: none"> <li>- Maintains overall, administrative responsibility for the company’s corporate and financial performance.</li> <li>- Oversees all corporate functions: strategy, planning, operations, marketing, etc.</li> </ul>
<b>Operations</b>	
Service / Network Architecture	<ul style="list-style-type: none"> <li>- Responsible for designing service-enabling networks, including the specification of HW and SW components, and the associated service rating and billing structures used.</li> </ul>
Validation Engineering	<ul style="list-style-type: none"> <li>- Carries out testing of early service prototypes to ensure that systems perform according to business objectives.</li> <li>- Helps identify and correct issues with an impact on resources, prior to large-scale service development and rollout.</li> </ul>
Network Operation & Maintenance	<ul style="list-style-type: none"> <li>- Ensures that service networks operate smoothly. Involved in the configuration of network resources to allow new customers to receive services.</li> <li>- Performs network-side repairs and upgrades, including preventative measures to assure optimal network and service performance.</li> </ul>
<b>Products &amp; Customer Service</b>	
Product Management	<ul style="list-style-type: none"> <li>- Leads planning, forecasting and marketing of commercial products and services, through all lifecycle stages.</li> <li>- Direct responsibility for overall margin or profitability of products and service.</li> </ul>
Field Deployment	<ul style="list-style-type: none"> <li>- Assures deployment of customer premise equipment.</li> <li>- Often performs service set-up and offers 2nd line, on-site, after-sales customer support.</li> </ul>
Customer Service	<ul style="list-style-type: none"> <li>- Provides first line of contact to assist buyers and end-users in making cost-effective and correct use of services.</li> <li>- Often provides 1st line, remote, after-sales customer support.</li> </ul>

Each of the service provider groups mentioned has a direct or indirect influence on TCO for service delivery, and therefore has a distinct yet important role to play in the successful and profitable implementation of business communication services.

Given the number of different stakeholders and people involved, as well as the ever-changing nature of the business and the complexity of the underlying technology, it is not difficult to see that there are substantial challenges involved in consistently and precisely measuring the total costs incurred for delivering business communication services.

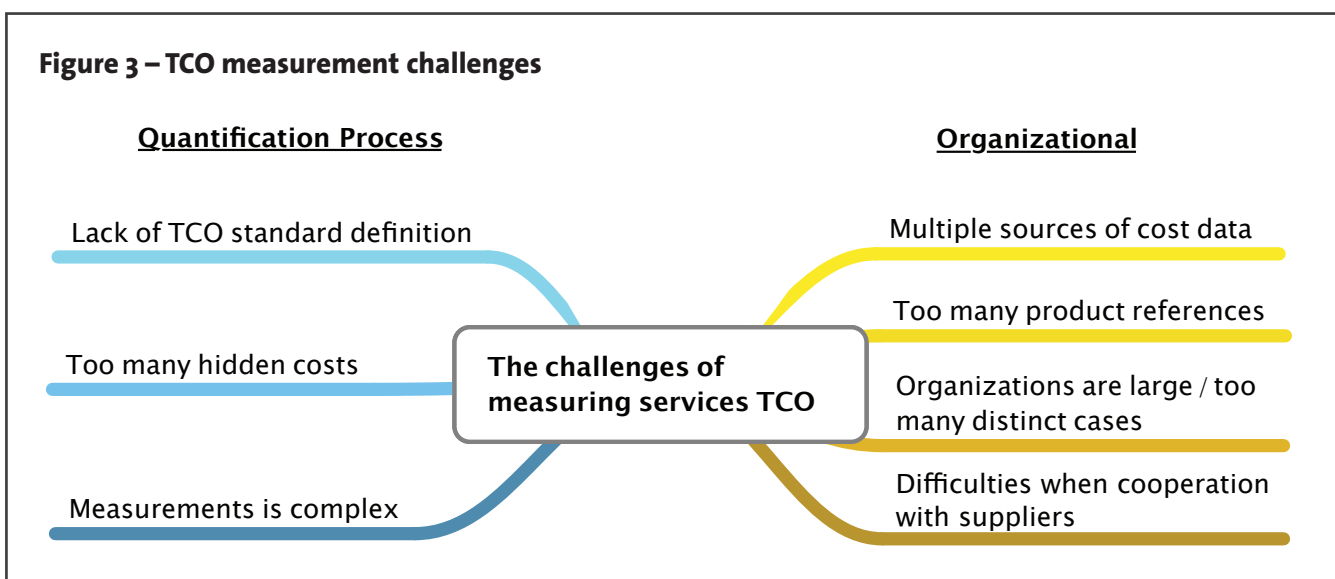


### 3.4 There are several practical challenges for measuring and reducing TCO

While TCO is a useful concept to consider, measuring it in order to better control it is a much more difficult task. This requires a high degree of organizational sophistication and rigour, which is usually difficult to implement.

Over the course of our study we identified several practical barriers that hold back many of today's service providers when it comes to effectively measuring and managing the TCO of their business services (Figure 3).

These challenges can be roughly divided into two types: *quantification process challenges* and *organizational challenges*.



#### - Quantification Process Challenges

- ➔ **Lack of TCO standards or definition** – While implicit in the services business case, there is usually no single, standard method or definition for assessing services TCO.

“ «Guidelines should come from Finance, but it's not yet the case»  
- Head of Access Dept, Greece



- ➔ **Too many hidden costs** – The service delivery chain includes many hidden costs that are hard to identify, and harder still to quantify. This ranges from ad-hoc interoperability testing, to IS integration to bug fixes.
- ➔ **Measurement is complex, requiring deep cost analysis** – There are numerous internal processes and interactions needed to deliver services, including customer service activation, performing repairs and providing dedicated customer support. Combined with the technology and the number of people involved, these processes can be complex to map and their interactions hard to model, making it difficult to quantify the related costs.

- Organizational Challenges

- ➔ **Multiple sources of cost data** – Managing TCO requires collecting cost data from multiple sources across the service provider organization. The lack of standards combined with organizational complexity makes it difficult to consistently gather all of the precise data needed to assess services TCO.
- ➔ **Too many distinct product references** – Compared to the consumer portfolio, business services can have 100s of distinct varieties, depending on the particular services delivered, the speeds and devices used, not to mention any client-specific offers. This makes it very onerous and time-consuming to try to calculate TCO for each product reference.



«We have 200+ references in our B2B offers...In our consumer business we only have 4 'box' models, so we focus our main TCO efforts there» - CPE Purchasing Manager, France

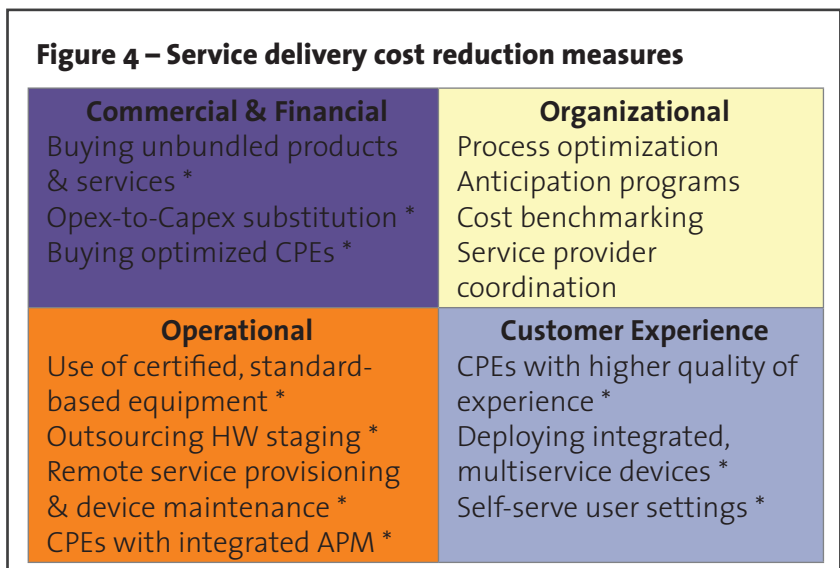
- ➔ **Organizations are large and there are many distinct situations** – Even with strong management commitment, most services providers lack the long-term, multi-disciplinary, cross-company approach needed to assess the net costs for delivering services for all the cases encountered.
- ➔ **Difficulties in achieving cooperation with suppliers** – Equipment and service suppliers are sometimes unable or unwilling, given often-competing interests, to offer the transparency required to measure and anticipate the cost impact from their changing offers.

With such real barriers holding back effective TCO management, most service providers choose therefore to refocus their practical efforts on identifying, analyzing and managing the discrete costs areas related to the more easily identifiable parts of their service delivery chain.

4. SERVICE PROVIDERS USE DIVERSE MEASURES TO MANAGE COSTS

During our discussions with the business and operations managers they told us about the various practical measures currently used within their organizations to help manage and reduce many of the discrete costs areas involved in the delivery of business services.

The cost management practices used (Figure 4) deal with diverse aspects within their *commercial, organizational, operational, and customer experience-related* domains.



#### 4.1 Commercial and financial measures

- ➔ **Buying unbundled products & services** – Faced with a range of suppliers and offers, service provider decision-making and purchasing teams are becoming more adept at unbundling commercial offers and selecting parts in order to build the best solution to their needs, at the right cost. For example they might choose a range of different CPE products and device maintenance contracts, but each one from a separate vendor.
- ➔ **Opex-to-Capex substitution** – In certain instances operating expenses like device maintenance contracts can be substituted by additional capital investment, such as CPEs for use as spares. Decisions like this are based on a consideration of the comparable cost over the long term and assessing the time and cost savings benefit.
- ➔ **Buying optimized CPEs** – To the extent that it is possible, product buyers look for CPEs and other devices offering the set of ‘just-right’ features to meet client needs for the foreseeable future. This helps to avoid paying more for common, premium devices that often include capabilities that are not required for a particular market.

“Our product team looks for features to be used now and in 2-3 years time if known. For example FTTH or VDSL» - B2B Marketing Manager, Poland

#### 4.2 Organizational measures

- ➔ **Process optimization** – By analyzing selected organizational processes and their dependencies, service providers try to further optimize costs. For example by better managing CPE stocks, a service provider’s logistic team can reduce the associated warehouse space, staff and the required cash flow. This also might mean selectively choosing standard or express shipping services for additional CPE orders according to the urgency of a given situation.
- ➔ **Anticipation programs** – Strategic planning groups at some service providers have established internal programs to monitor industry and supplier trends in order to anticipate the operational and cost effects of changes to components, systems and suppliers. Ideally, suppliers also work closely with the service provider to notify them of upcoming portfolio changes, such as an updated chipset design or new CPE operating system, thus minimizing any potential disruptive effects and additional related costs.
- ➔ **Cost benchmarking** – Many service providers departments (e.g. purchasing, customer service) analyze and track selected cost indicators in order to identify and measure areas for cost improvement. Such metrics include the cost per client of service activation, or the per client customer support costs. In addition to tracking KPIs and measuring performance, this practice provides guidance for business planning, and can help compare different modes of operations, leading to better decisions on what to build internally, what to buy or when to partner. Cost benchmarking is especially useful for multi-national service providers and associations wishing to compare the cost structures of their different operating companies in order to cost-optimize operations across divisions or countries.

“*«We have a centralized program to track operating and business KPIs using an IT system. We run cost estimates to ensure successful services»* - Sr. Product Manager, Germany

- ➔ **Coordination among service providers** – By associating with other service providers, a service provider can benefit from increased clout and economies of scale. They can negotiate better commercial terms from common suppliers to drive down costs. They can also cooperate in selected activities offering mutual benefits like pooling and sharing a joint stock of CPEs, or sharing selected cost metrics and operational best practices.

### 4.3 Operational measures

- ➔ **Use of certified, standards-based equipment** – Network operations teams at most service providers look for certified, industry-standard network and customer premise equipment in order to reduce the time and effort needed for interoperability testing and to facilitate system integration and management activities. For example, the use of standards-based CPEs with well-known operating systems and common interfaces helps to reduce the need for additional field staff training while minimizing the time and costs of device installation, operation and support.
- ➔ **Remote service provisioning and device maintenance** – To service new customers, network and service operation teams usually try to substitute common manual processes with remote, automated tools and processes. This helps reduce the number and the frequency of on-site staff interventions and the related costs. It can also help enhance customer satisfaction by accelerating the time to service activation and simplifying the maintenance and upgrades of deployed CPEs.

“*We do remote provisioning, but it requires custom development on service activation»* - Project Manager, Belgium

- ➔ **Hardware staging** – Prior to any customer deployment the CPEs need to be configured according to each type of client. To speed up this process some service provider operations teams outsource this preparation work to CPE vendors or VARs<sup>4</sup>. Outsourcing CPE staging activities, such as the loading of software and/or hardware options (e.g. corporate VPN; ISDN, xDSL, or Fibre access interfaces), enabling and configuring customer parameters, and CPE pre-testing, helps eliminate further staff training expenses, while delivering a flexible cost that varies according to changing deployment demands. Finally it reduces the total time and effort needed to deploy customer-ready CPEs.

<sup>4</sup> VAR: Value-added reseller

- ➔ **CPEs with integrated application performance measurement** – By deploying CPE platforms with integrated application performance measurement (APM) capabilities, service diagnostic and troubleshooting tasks can be swiftly undertaken. Any problems, particularly those residing inside the customer’s network, but which might otherwise be blamed on ‘network performance issues’ at the service provider’s side, can quickly be highlighted to the responsible parties. With a clearer, diagnostic view of any application performance issues encountered, service providers can take appropriate measures to help re-establish service according to expectations and contractual agreements, while offering further support if required. This helps deliver more effective troubleshooting support for all parties, lowering associated mid to long-term customer support costs for the service provider and leading to increased satisfaction for customers.

#### 4.4 Customer experience-related measures

- ➔ **CPE with higher quality of experience** – While purchasing groups at some service providers may be tempted to save money by investing in lower-cost, lower-quality CPEs, those with a more customer-centric view usually favour better-designed CPEs that help deliver a higher quality of experience<sup>5</sup> (QoE) to end customers. While QoE as a measure may be somewhat subjective, in the case of communication services customers value CPEs that are easy to use and that securely deliver services with high quality and performance versus the other available options. CPEs with higher QoE tend to be more robust and breakdown less, while delivering more reliable QoS for voice and data, thus offering a more consistent and satisfactory customer experience. Using a device that is easy to use and that exhibits fewer faults or problems generates less customer complaints. This in turn requires fewer interventions by customer service and field technicians, generating less equipment maintenance, repair or replacement costs, while helping to reduce the required investment in CPE stock.



<sup>5</sup> Quality of experience: A measure of the overall level of satisfaction a customer has with a vendor. Applied to ICT products and services there are many factors influencing QoE, including cost, reliability, efficiency, privacy, security, interface user-friendliness and user confidence.

- ➔ **Deploying integrated, multi-service devices** – Where a mix of voice and data services are required, rather than using a separate CPE for each service delivered, many service provider operations and product management teams prefer to use multi-service devices capable of handling a range of voice and data services (e.g. Virtual PBX, Layer 2/3) and including other added-value capabilities demanded by today’s businesses (e.g. VPN, firewall, WiFi access). Using a single, high-quality, multi-service device meeting customers’ needs costs less to acquire than the set of multiple devices needed to deliver the comparable services. It also reduces deployment and operations costs by avoiding the need for different device management and provisioning systems. Finally, it offers end-customers the set of services they desire in a much simpler manner.
- ➔ **Self-serve user settings** – More and more, product management and customer service groups look for customer-side devices that offer their business customers and end-users more ease, flexibility and freedom for configuring and managing the service settings of each individual user. Assuming an intuitive and easy-to-use Web-based service profile, end-users can gain quicker control and greater customization over their voice and data communication services, offering quicker gratification and increased satisfaction. This in-turn helps service providers significantly reduce the cost of end-user service administration, and lowers related customer support costs.

#### 4.5 Further considerations for determining the right cost management measures

The cost reduction measures discussed in this white paper represent those used by the services providers we talked to. While some organizations had more experience in cost management than others, there was no single provider that sought to apply all of the methods described. Ultimately, the cost management measures selected by each service provider were determined by the market pressures faced and taking into account their internal capabilities and resources.

To determine the cost management measures to be used, there are several questions that service provider cost stakeholders should consider:

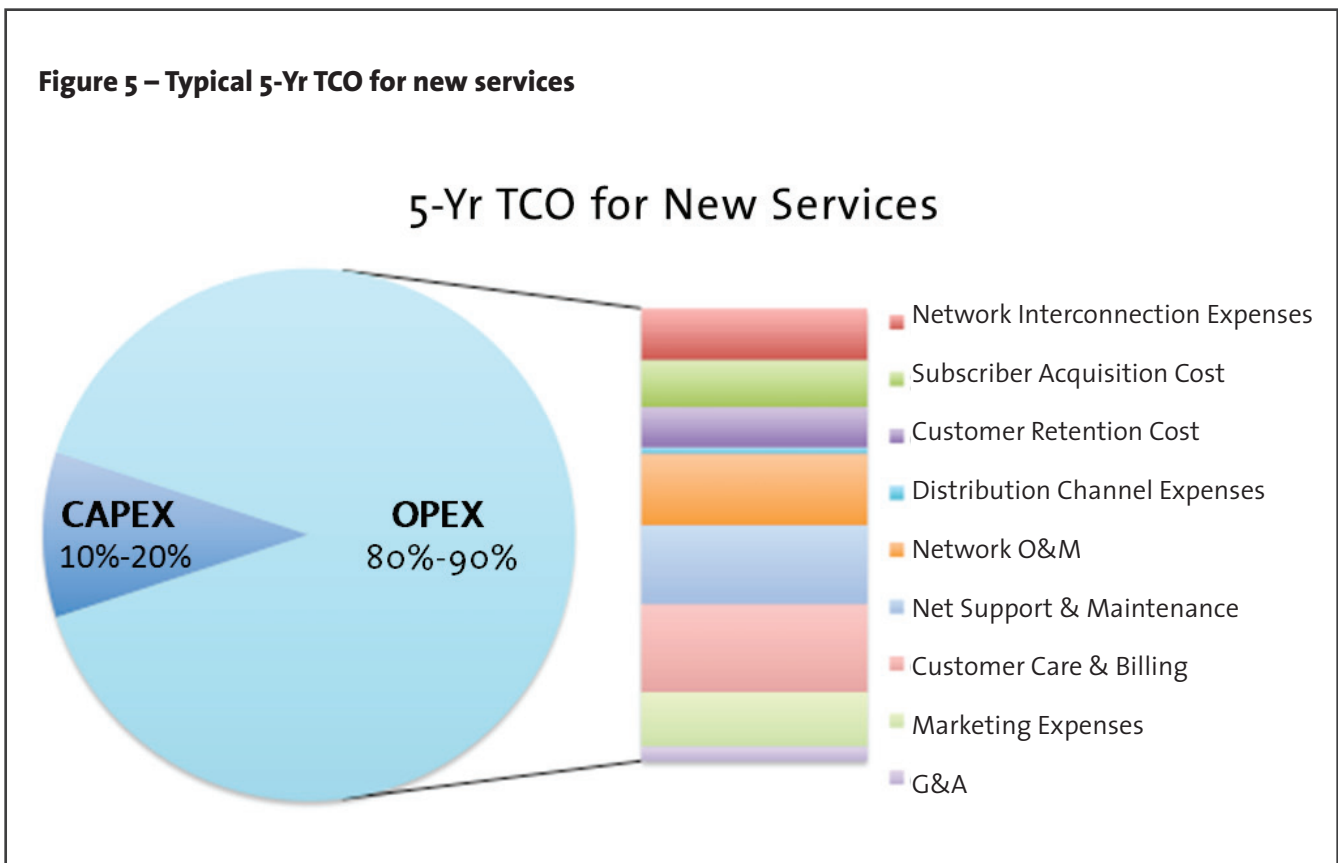
<p><b>1) What is the current view of cost/TCO management within the organization?</b></p> <ul style="list-style-type: none"> <li>• Is there a common TCO standard? If so, who’s responsible for it?</li> <li>• Is there a long-term, high-level commitment to improved cost / TCO management?</li> <li>• Are there programs in place for systematically analyzing and controlling the various cost components of the service delivery chain?</li> </ul>	<p><b>2) How does the company strategy drive the cost management measures that can/should be used?</b></p> <ul style="list-style-type: none"> <li>• What is the company’s strategic direction and what are its implications on cost management</li> <li>• Is cost reduction a worthwhile objective when innovation and differentiation requires investment, and certain intangible factors (ex. brand value, customer experience) are hard to evaluate?</li> <li>• Will reducing service costs decrease the quality of the services or negatively affect the business? If so how?</li> </ul>
<p><b>3) What level of control does the organization have over the service delivery chain?</b></p> <ul style="list-style-type: none"> <li>• Does the organization have direct access to relevant cost data and control of the cost components related to service delivery?</li> <li>• Is the organization easily able to make decisions and changes to the service delivery chain?</li> <li>• What cost factors are outside of its control?</li> </ul>	<p><b>4) What is the position of vendor partners on cost management issues?</b></p> <ul style="list-style-type: none"> <li>• What is the basis of the relationships with existing vendors? How flexible or transparent are they to cost?</li> <li>• Which vendors are open to closer collaboration on cost-related issue? To what extent?</li> <li>• What is the expected ROI of closer cost-related collaboration with a given vendor?</li> </ul>

With a clearer understanding of the cost-driven strategic and operational issues, service provider cost stakeholders will be better equipped to determine the right types of measures that can and should be implemented to improve the overall cost management of their communication services delivery chain.

## 5. ONEACCESS HELPS SERVICE PROVIDERS REDUCE THEIR SERVICE DELIVERY COSTS

As we have seen throughout this white paper, *cost management* is a broad and complex topic that affects the complete communication services delivery chain. Moreover, at OneAccess we realize that every service provider operates in a distinct environment, each with its own unique set of characteristics, resources and constraints.

Furthermore, while the up-front capital expenditure (Capex) needed to introduce new services can be substantial, when viewed over the mid to long-term, the associated operational expenses (Opex), which includes service and network operations, maintenance and customer-related costs, will far outweigh it by a factor of 5 to 1 or more (see figure 5).



In order to assist service providers in delivering profitable business communication services, while addressing many of their cost concerns, we offer a full range of carrier-class, multi-service business routers and Ethernet devices with cost reduction built-in, along with dedicated, product customization services. This allows us to offer a range of tangible cost benefits addressing both Capex and Opex reduction, helping service providers better control their services TCO.

### 5.1 OneAccess cost benefits for service providers

By including OneAccess’s integrated, multi-service CPE family into their service portfolio, service providers gain from several real cost advantages. In particular, service providers benefit in the following ways:

#### OneAccess Cost Benefits for Service Providers

	Service Provider Benefit	Cost Impact	CAPEX Saving	OPEX Saving
<b>1 - Competitive, carrier-class business CPE solutions</b>	- Save up to 20% on CPEs Capex vs. Cisco.	- Save up to 20% on CPEs Capex vs. Cisco.	Yes	-
<b>2 - Integrated, multi-service design</b>	- All-in-one device offers lower operating costs vs. using several devices.	- Reduce CPE investment by 20% or more vs. several devices. - Lower cost scale for staging, deployment, network management, maintenance and spares.	Yes	Yes
<b>3 - Carrier-grade reliability</b>	- CPEs deliver performance SLA via end-to-end QoS monitoring. - CPEs devices deliver a useful lifetime of 10-20 yrs.	- Lower per-client customer care by 5% or more. - Reduce customer lifetime HW replacement costs by 15%-30%.	Yes	Yes
<b>4 - Flexible CPE production with integrated device staging</b>	- Customized CPE configuration incl. staging services: SW loading, services activation and configuration, pre-rollout testing.	- Lower staging costs by up to 90%. - Accelerate client fulfillment by up to 1 week.	-	Yes
<b>5 - Standards-based devices with certified interoperability</b>	- Certified, factory-tested interoperability w. leading voice and/or data vendors (eg. ALU, Avaya, Broadcom, Cisco, Nortel, etc.) reducing testing & deployment costs.	- Reduce interoperability testing and integration costs by 15%-35%.	-	Yes
<b>6 - Single OS across CPE portfolio</b>	- Use of a single OS across CPEs reduces integration, testing and support costs.	- Lower CPE-OSS integration & testing cost by 10%-25%.	-	Yes
<b>7 - Remote service provisioning, maintenance &amp; upgrades</b>	- Software-based customer service activation, maintenance (MSAR only) and feature upgrades delivered remotely; no on-site intervention needed.	- Save €50-€150/client on on-site interventions.	-	Yes
<b>8 - Industry standard CLI</b>	- Use of industry standard (i.e. Cisco-staff) CLI eliminates need for additional training (MSARs).	- Reduces need for additional field staff training for new equipment by 1-2 days/staff.	-	Yes



Finally, while certain service providers have strategically chosen to deploy their business services using a single vendor, a recent publication from Gartner<sup>iv</sup> shows that introducing a second network equipment vendor will actually have no long-term negative impact on the operation costs for service provider organizations that follow best practices. Moreover, Gartner also found that organizations currently using an *all-Cisco network* would particularly benefit from a second vendor by not only reducing their network complexity, but also reducing the equipment cost premium paid and thus lowering their service TCO by “at least 15%-25% over a 5-year time frame”.

By using our full set of carrier-grade multi-service routers and Ethernet devices, built using our cost-effective architecture and product customization services, services providers are able to deploy adapted business solutions to meet their current and future market demands, while benefiting from tangible savings in their capital and operational expenditures.

## 6. CONCLUSION

Given the challenges faced by service providers when trying to manage the cost of their business communication services, as a leading, provider of integrated, multi-service business router platforms, OneAccess’s aim is to support the profitable delivery of today’s customer-driven communication services by providing greater control over the underlying cost of service delivery.

OneAccess offers a full set of carrier-grade, multi-service routers and Ethernet devices, with significant cost reduction benefits built-in along with dedicated product customization services. This enables service providers the right solutions to deploy profitable business services to meet their current and future demands, while measurably reducing the Capex and Opex of service delivery.

To see how OneAccess can assist you in achieving your company’s business and cost management objectives, contact us via our website at: [oneaccess-net.com](http://oneaccess-net.com)

<sup>i</sup> “Global business barometer”, May 17, 2012, The Economist Online

<sup>ii</sup> “Bloomberg Europe 500 Telecom Services Index”, June 27, 2012; <http://www.bloomberg.com/quote/BETELES:IND>

<sup>iii</sup> “The Impact of a Total Cost of Ownership Model” Sept. 2009, IDC

<sup>iv</sup> “Debunking the myth of the single-vendor network”, Nov 17, 2010, Gartner



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NETWORKS

ONE ACCESS



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# ONEA ACCESS NETWORKS



## **ABOUT us**

Incorporated in 2001, OneAccess is a leading manufacturer of multi-service routers and carrier Ethernet access devices enabling major telecoms service providers to deliver business-grade managed services profitably. OneAccess supplies routers to over 140 communications service providers including 4 of the top 5 largest telecoms operators in Europe. By using mass customization techniques OneAccess CPE solutions can be precisely tailored to meet the stringent demands of the business managed services market enabling superior performance, management, reliability and services innovation.

*Smart Enterprise Access Solutions for Service Providers*

For more information visit [www.oneaccess-net.com](http://www.oneaccess-net.com)

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