

BRESAT



Summary of Work Package 2 'Learning From Past Experiences'

D2.1.1, D2.2.1 and D2.4.1

April 2013



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POINT topic



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AGENDA

- 1. WHAT WORKED WELL IN CASE STUDIES**
- 2. WHAT DIDN'T WORK WELL IN CASE STUDIES**
- 3. OTHER FINDINGS**
- 4. NEEDS OF REGIONS**
- 5. NON TECHNICAL ROADBLOCKS**
- 6. EVOLUTION OF SATELLITE BROADBAND CAPABILITIES**
- 7. ACTION**





What Worked Well in Case Studies

- Aggregation schemes which bring down the monthly subscription costs through economies of scale because consumers are very price sensitive. ADSL broadband is very cheap and this sets customer expectation. (AVA)
- Removing up-front costs to the consumer through subsidy to remove the disincentives to take-up (HUG).
- Offering a simple broadband package but allowing upgrades to higher packages for consumers who need more usage allowance or higher speeds (HUG & AVA).
- Good regional level engagement with decision makers - very important (BRE).
- Moving consumers on to new satellite broadband technologies and speeds when they become available (e.g. Ka band) to retain consumers (AVA).





What Worked Well in Case Studies

Very targeted local marketing by the regional government or the operator for the aggregation scheme using TV, radio and press adverts (HUG & AVA).

Identifying the “Not Spots” down to post code and individual households to provide a full customer list to the operator in advance of the aggregation scheme (AVA).

Local champions educating & motivating other end-users’ take-up. Local cabinet street parties to get the message out to some local communities (AVA).

Using good local resellers who know the community (HUG).

Immediate deployment of satellite broadband to consumers from the very start of projects without any need for network build (All).





What Didn't Work Well in Case Studies

Poor market awareness of satellite broadband amongst consumers and decision makers and a general expectation that broadband means fibre (All).

Technology neutral schemes tend to be fibre orientated. Such aggregation schemes which focus on fibre delay (sometimes by years) the most rural households or miss them completely. Such has been the case with some schemes in England (AVA).

It can be challenging to get decision makers involved and to get allocation of budget within-region for the most rural (i.e. satellite) aggregation schemes (ANDA).

There is generally no accurate knowledge within regions about which homes cannot get broadband (All).

Aggregation schemes are fragmented and inconsistent (technically and commercially) and there is little or no commonality in approach. A common approach could help satellite broadband schemes.





Other Findings

- In Naxos, the subsidy scheme makes services completely free. Other schemes subsidise the cost of installation (Scotland) or satellite operator capital investment (US) or provide a lower monthly cost through economies of scale through the aggregation (Scotland)
- The aggregation approach drives the behaviour of both consumers and operators so needs to be designed to promote the desired behaviour (AVA).
- In Australia, the technology choice for the consumer is actually prescribed by NBNCO, the state-owned operator! (GIL).
- The set up costs might be able to be reduced by self-installation or by good scheduling of installers - although this might not suit some markets, or elderly users. (GIL)





Needs of Regions

- Satellite broadband aggregation schemes must support the Digital objectives of regions and their regional variations of the Digital Agenda (All).
- Regions' needs vary and aggregation schemes could be focussed on consumers (Scotland), SMEs or public sector buildings (Greece).
- Schemes typically should be technology neutral (CYP). Regions will only buy satellite broadband where it is cheaper than alternatives or where alternatives to satellite are not available (CYP).
- However satellite is the only way to meet the EC Digital Agenda 2013 target for many – for example 50% of homes in Andalucía have satellite broadband (ANDA).





Needs of Regions

- Accurate data for each region showing non-availability of broadband is needed! Can Point Topic help? (All)
- Regional politicians like to see infrastructure for their investment so regional satellite gateways/hubs are sometimes needed (BRE).
- There may be budgetary limitations on any regional scheme such as a limit on the once-off cost or on the total budget for any scheme. (ANDA/BUL) Generally a subsidy on the once-off cost is preferred.





Non Technical Roadblocks

- Incumbent telecoms companies generally do not provide information about which households can't get broadband - it isn't in their interests to do so. Consequently the 'Not-Spot' households are not generally known by regions themselves (PT).
- The last 2-5% of households (the most rural and those dependent on satellite) isn't as high a priority as the rest of the population so these households are typically left to the end or are still not addressed. This has happened in England (AVA).
- EC Framework 7 funded projects target the project owner to spend money quickly (in under 5 years). This seems to favour fibre rollouts. The satellite industry needs to identify how to do this better so as not to be left to the end. Can an economic benefit for a faster satellite deployment be demonstrated ? (GIL)





Evolution of Satellite Broadband Capabilities

- Ka band satellite broadband services are currently available across the whole EU (TAS)
- 10 & 20 Mbit/s speeds are typical with a 10GB usage allowance per month (TAS)
- Such services typically cost €30 per month plus once-off charges of about €400 but increase for higher download allowances (TAS)
- Larger higher performance satellites and advancements in customer premises equipment are expected over the next 5 years (TAS).
- Speeds of between 30-100Mbit/s are expected to be achievable by 2020 (TAS).
- Satellite broadband is therefore an option for the (2013) basic broadband service and for at least the 30Mbit/s (2020) objective of the Digital Agenda (TAS)





Action

- Because satellite users are typically the last few percent of households in most European countries, we should investigate whether it is possible to develop a satellite broadband scheme on a pan European basis for the most rural of households. (All)





Thank You

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