

5 Steps to CUTTING COSTS and ACHIEVING SUCCESS through BANDWIDTH MANAGEMENT

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Case Study:

	BEFORE (Annual)	AFTER (Annual)
Internet Provider Costs	\$12,000.00	\$8,000.00
IT Costs (outsourced or inhouse)	\$10,000.00	\$0.00
Hardware, SLA,	\$1,000.00	\$4,8000.00
Total Expenses	\$23,000.00	\$12,800.00
Hot Desks	\$0.00	\$2,000.00
Dedicated Bandwidth Slices	\$0.00	\$10,000.00
High Volume Internet Plans	\$0.00	\$7,000.00
Public IPs	\$0.00	\$1,200.00
Low Volume Plans Overage Charges	\$0.00	\$2,400.00
Flat Internet Plan (Grandfathered)	\$39,000.00	\$23,000.00
Total Revenue	\$39,000.00	\$45,600.00
GROSS PROFIT	\$16,000.00	\$32,800.00

SUMMARY:

- 120 Seat Center
- Average Suites = 2 people
- 4 MB Up/4 MB Down of Internet Bandwidth
- No In-house Technical Staff
- Billing Method: \$99 per month per workstation for all user types
- Total Bandwidth Usage & Statistics: Unknown

5 STEPS

STEP 1: DISCOVERY

- How much bandwidth is each tenant using, how they are using the bandwidth, and when they are using the bandwidth?
- At what times are you exceeding or not fully utilizing your total bandwidth capacity?
- How much bandwidth up and down does your internet service provider currently deliver on paper and in reality?
- How much are you paying for internet and what are the terms of your contract?
- What are the current tenant complaints and/or demands regarding internet?

STEP 2: INSTALL A BANDWIDTH MANAGEMENT DEVICE

- Find a device that meets the current requirements:
 - Built specifically for executive suite use.
 - Low start-up and reoccurring costs.
 - Provides data accounting.
 - Device management does not require IT support.
 - Reporting is easy to use and tenant centric.
 - Supports service plans, bandwidth slices, burst limits, & bandwidth shaping.

STEP 3: ANALYZE THE DATA

- Determine the average volume and performance for all users.
- Identify high volume users and total consumption for each user.
 - Review each user's current internet plan and term left on their lease.
- Identify types of users and application use such as voip (ie skype, vonage), vpn & server hosting.

- Identify overall utilization during peak and non-peak times.

STEP 4: MODIFY INTERNET PROVIDER

- Use an ISP broker to research all internet providers within a 30 miles radius including costs, available technologies, and benefits/disadvantages of each provider.
- Consider diversifying your internet provider by bonding internet from both low cost (dsl, cable modem, etc) and high cost ISPS (t1, fiber, etc).
- Consider switching to a variable internet plan based on your usage (ISP bills customer based on total usage. The more you use, the more you should bill).

STEP 5: RE-CONSIDER YOUR INTERNET BILLING STRUCTURE

- Create billing plans to accommodate high volume users.
- Cap total performance and volume usage on specific users who refuse to move to a high volume plan.
- Market to your tenants the ability to provide guaranteed bandwidth slices irrespective of other users consumption.
- Move tenants off their dedicated providers (ex. T1, dsl, cable modem) back to executive suite network.
- Introduce hot desks and begin selling internet time based on hourly plans.
- Track and bill for additional internet requests (ex. public ips, VPN, etc).