

Combined voice and data solution supports Orange's ongoing success in the UK business market

Executive Summary

CUSTOMER NAME

- Orange

INDUSTRY

- Telecommunications

CHALLENGE

- To increase its presence in the UK business market, Orange proposed to develop a radical new converged voice and data solution. A partner was needed to ensure the solution was delivered quickly and successfully

SOLUTION

- By working with Cisco Internet Business Solution Group consultants on the business proposition and Cisco technical experts on the network architecture, Orange and Cisco jointly developed Orange Link Voice and Data (OLVD). Launched over two years ago, it is an intelligent direct connection from a company to the Orange network that enables secure voice, data and text communications between mobile workers and their corporate office. Today, the companies are enhancing the OLVD solution to ensure the solution remains a step ahead of the market

BUSINESS VALUE

- The solution was the first of its type to be launched in the UK and has attracted more than 100 corporate customers, contributing to a significant increase in Orange's UK business market share. One customer, Taylor Woodrow, is achieving an average £9,000 a month reduction in voice costs, as well as increased mobile workforce productivity and improved customer service

By working with Cisco as its partner, Orange has developed a forward-looking integrated voice and data service delivery platform for corporate customers that is attracting new business and helping to increase its UK market share. Now firmly established as a credible business market player, Orange is building on its success and aiming to broaden the solution's appeal, once again in partnership with Cisco.

CHALLENGE

Orange, a subsidiary of France Telecom, is one of the world's largest mobile communications companies providing voice and data services to over 54 million customers in 16 countries across Europe and beyond.

Since its launch in 1994, Orange has aimed to be among the most innovative companies in the wireless communications industry, providing customers with cost-effective products and services that anticipate their changing demands. It is a strategy that has delivered results: in terms of customer numbers, Orange is now market leader in both France and the UK.

Four years ago, Orange decided to apply the same strategy specifically to the UK business market where it had ambitions to significantly increase its customer base and keep ahead of the competition. Its far-reaching idea was to develop a combined voice and data solution, initially for large businesses but with the flexibility to be extended in the future.

Until this time, Orange had focused more on voice than complex data products and, although mobile phone use among businesses was increasing rapidly, mobile data services were still in their infancy. Successful delivery of



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Internet Business Solutions Group

the new solution would require major changes not only to Orange's network but also to its sales and marketing approach. More expertise was needed to undertake these changes and implement them quickly, ahead of other mobile operators.

SOLUTION

Orange searched for a partner but quickly realised there was only one that met all of its selection criteria, having knowledge of data networking – and specifically converged voice and data networking – enterprise customers and go-to-market strategy development. That company was Cisco Systems which in the past had also supplied Orange with many of its networking products, including routers and gateways.

Orange asked Cisco to provide Internet Business Solutions Group (IBSG) consultancy services as well as technical experts in mobile communications. Work started in 2002 with a joint IBSG and Orange team examining the business case for a combined voice and data solution, looking at the cost implications and the revenue potential for Orange, Cisco and any resellers or integrators that might be involved. The team then assessed the functionality that the solution and any associated services would need to deliver to appeal to large enterprises.

“CISCO WAS INVOLVED FROM THE CONCEPT TO THE DELIVERY OF THIS LEADING EDGE SOLUTION, FROM DEFINING CUSTOMER REQUIREMENTS AND DEVELOPING A SALES AND MARKETING PLAN TO PROVIDING IN-DEPTH TECHNICAL SUPPORT. BY WORKING TOGETHER, WE WERE ABLE TO MEET OUR OBJECTIVES FOR MORE EFFICIENT SERVICE DELIVERY AND OUR CUSTOMERS' GOALS FOR A BETTER VALUE PROPOSITION.”

Neil Laidler, Business Customer Development Director, Orange Business Solutions UK

In parallel, an architecture team from Cisco was working with Orange to address the hardware and software issues involved in integrating a data solution into Orange's network and then delivering a flexible and intelligent voice and data link between Orange's network and customers' corporate offices. Orange was determined that the technology had to match IT managers' demands for more cost efficient use of network assets.

“Cisco was involved from the concept to the delivery of this leading edge solution, from defining customer requirements and developing a sales and marketing plan to providing in-depth technical support,” says Neil Laidler, Business Customer Development Director, Orange Business Solutions UK. “By working together, we were able to meet our objectives for more efficient service delivery and our customers' goals for a better value proposition.”

The solution, called Orange Link Voice and Data (OLVD), was launched over two years ago in the UK and provides a direct link from the enterprise to the Orange network for all voice, data and text communications. It is aimed at companies with at least 500 employees and uses a leased line to meet their requirements for dedicated capacity, which is important for voice traffic, and dedicated security, which is crucial for large corporations that do not wish to route sensitive business traffic over the Internet.

Once the link is established, Orange is able to offer customers a range of business services, including:

- Orange Wirefree Extension which integrates a company's mobile phones into the office Private Branch Exchange (PBX), giving every phone a short dialling code
- Business LAN which provides remote workers with direct and secure access (via Orange's GPRS or 3G network) to email and office business systems
- Orange Business Text Messaging which enables organisations to send thousands of text messages simultaneously to their mobile teams or even their suppliers and customers

Orange calculates that OLVD combined with Wirefree Extension and one other service is saving some customers up to 30 per cent on their telecommunications spend. This is achieved by having one rather than two connections for voice and data traffic, and by Orange offering reduced rates for voice calls that remain on the Orange network, regardless of whether they originate from a company's fixed or mobile phones. Orange also charges a negotiated flat monthly fee for its services, irrespective of the number of users, the number of calls or the amount of data downloaded.

Another important benefit of OLVD is the intelligence of the link, which automatically and dynamically allocates the required bandwidth to each service so that businesses' changing needs are met. This Class and Quality of Service is enabled by a Cisco router at the Orange network edge.

"OLVD IS PLAYING AN IMPORTANT ROLE IN ORANGE'S SUCCESS IN THE UK BUSINESS MARKET AND HAS ALREADY HELPED US TO ATTRACT SIGNIFICANT NEW CUSTOMERS. OUR STRATEGY GOING FORWARD IS TO FURTHER ENHANCE THE SOLUTION – WITH CISCO AS OUR PARTNER – WITH THE ULTIMATE GOAL OF PROVIDING A BUSINESS GATEWAY TO EVERY COMPANY WE DO BUSINESS WITH."

Jason Ellis, Head of Voice Product Management, Orange Business Solutions UK

OLVD is sold directly by Orange. The mobile operator preferred to use its direct sales force rather than resellers – despite the considerable investment needed to train them in the intricacies of OLVD – in order to retain tight control of its branding and service levels to its most important customers. OLVD is also sold as a fully managed solution. Orange installs and configures the customer premises equipment (CPE) – a Cisco router – connects it to the company's Private Branch Exchange (PBX) and Local Area Network (LAN), and provides a leased line via a third party. The link is monitored by Orange 24-hours-a-day and is covered by service level agreements that ensure any fault is rectified within five hours.

Orange chose Cisco as its hardware supplier for the CPE for two main reasons: the quality of its products and the reputation of the Cisco brand, especially in the enterprise market. The routers are also flexible so that if, for any reason, a customer wants data only services the voice module can be omitted, providing a cheaper offering.

BUSINESS VALUE

Orange Link Voice and Data was the first solution of its kind on the UK market when it was launched in 2003 and, although similar products have since been introduced by other mobile operators, Orange's remains the most advanced and easily scalable to take advantage of new services and networks including 3G. This is testimony to Orange and Cisco's teamwork in reading enterprise business requirements, in developing a technical solution to meet those requirements and in getting it to market – all in less than 12 months.

“OLVD is playing an important role in Orange's success in the UK business market and has already helped us to attract significant new customers,” says Jason Ellis, Head of Voice Product Management, Orange Business Solutions UK. “Our strategy going forward is to further enhance the solution – with Cisco as our partner – with the ultimate goal of providing a business gateway to every company we do business with.”

“THE IMPLEMENTATION OF ORANGE LINK VOICE AND DATA HAS BROUGHT NUMEROUS BENEFITS BEYOND THAT OF THE STANDARD VOICE SERVICE. THESE INCLUDE US BEING ABLE TO EFFICIENTLY MOBILISE OUR FACILITIES MANAGEMENT WORKFORCE, WHICH IN TURN HAS LED TO SIGNIFICANT BUSINESS PRODUCTIVITY ENHANCEMENT.”

Gareth Kirby, IT Development Analyst, Taylor Woodrow

More than 100 major organisations are already using OLVD in the UK, including Taylor Woodrow, Canon and RAC. All of them are of strategic importance to Orange and rank among its top 200 enterprise customers. Homebuilder Taylor Woodrow, which has been an Orange customer since 2001, is using OLVD to improve the customer service offered by its mobile repair technicians.

By equipping the technicians with Orange personal digital assistants (PDAs) and using OLVD to connect the PDAs to Taylor Woodrow's data centre, voice and data communications are much more cost effective. Voice calls are no longer routed over the PSTN while work orders and other data are sent to technicians in real-time rather than, as before, being issued to technicians' home-based laptops at the start of the day.

Results include savings of £9,000 a month on average on voice calls, 100 per cent accuracy on issuing and administering work orders compared with 40 per cent previously, faster response times to customers and greater staff productivity.

Explaining the strategic significance of OLVD, Gareth Kirby, IT Development Analyst at Taylor Woodrow, says: “The implementation of Orange Link Voice and Data has brought numerous benefits beyond that of the standard voice service. These include us being able to efficiently mobilise our Facilities Management workforce, which in turn has led to significant business productivity enhancement.” These benefits have led Taylor Woodrow to seek to extend its contract with Orange to March 2007.

The OLVD solution is also successfully attracting new customers. Of the 100 plus OLVD subscribers, 33% have converted to Orange from other mobile operators, having been impressed by Orange's future-looking and future-proof voice and data strategy that recognises IP as the way ahead.

Orange's goal, now that it has created a stable business service delivery platform, is to build on it and remain one step ahead of the competition. Once again it is relying on its partnership with Cisco to develop the new solutions and deliver them to the market using the most appropriate approach. The joint projects that are currently underway will scale up the OLVD solution for data-hungry corporate customers and scale it down to produce a solution for small and medium sized enterprises (SMEs).

"ORANGE AND CISCO HAVE DEVELOPED A STRONG PARTNERSHIP OVER THE PAST THREE YEARS THAT HAS LED TO US WORKING TOGETHER ON A VARIETY OF PROJECTS, OLVD BEING ONE. WE'VE FOUND CISCO TO BE SENSITIVE TO OUR STRATEGIES AS A SERVICE PROVIDER, WILLING TO SHARE ITS IDEAS AND READY TO HELP US DELIVER INNOVATIVE SERVICES TO OUR CUSTOMERS."

Neil Laidler, Business Customer Development Director, Orange Business Solutions UK

The first project, expected to be launched before the end of 2005, will upgrade the capacity of the leased line from 2Mbps up to 100Mbps to handle the surge in business data traffic that is occurring since Orange launched its 3G service last year. With 3G, mobile data users will have access to much faster data download speeds than with GPRS. The second project is assessing how to make OLVD attractive and cost effective for small and medium enterprises.

"Orange and Cisco have developed a strong partnership over the past three years that has led to us working together on a variety of projects, OLVD being one," says Neil Laidler, Business Customer Development Director, Orange Business Solutions UK. "We've found Cisco to be sensitive to our strategies as a service provider, willing to share its ideas and ready to help us deliver innovative services to our customers."

TECHNOLOGY BLUEPRINT

OLVD is a flexible and secure direct connection between an enterprise and the Orange network that enables two-way communications between mobile workers and their enterprise office. Authorised users can send and receive voice calls, emails and text messages, as well as access business systems using a variety of devices (that must also be authorised for use with the solution), including mobile phones, personal digital assistants and laptops.

The solution is based on a standard Cisco 2651 Modular Access Router at the customer premises that is connected to the customer's data network and its PBX which must support DPNSS (Digital Private Network Signalling System). A 2Mbps fibre optic leased line that is provided by Orange as part of its fully managed offering links the customer to the Orange network.

At present, the leased line is a BT MegaStream circuit but the rapid adoption of 3G, introduced by Orange last year, which gives much faster downloads for mobile users at speeds of 384Kbps is

creating a demand for more data capacity. Orange is responding by scaling up the leased line to BT's 100Mbps MegaStream Ethernet service.

Leased line bandwidth is allocated according to customers' voice and data traffic priorities and the deployment of a Cisco 7206 Router at the Orange network edge adds intelligence to the link, enabling the different volumes of traffic flowing through the network to be measured, and automatically allocating the minimal amount of bandwidth needed to match requirements. This ensures efficient bandwidth use, as any spare capacity can be directed to other applications, and means that no service is starved of bandwidth.

The Cisco 7206 Router is fully resilient and dual provisioning at Orange's two main switching centres helps to ensure service continuity. Cisco 3745 routers are also used in the Orange network edge to connect to the PSTN.

MORE INFORMATION

For further information on Internet business solutions, visit <http://www.cisco.com/go/ibsg>



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