

Hansenet saves six months on its expansion strategy

This German regional operator planned to extend coverage nationwide. Our solution helped get new residential and business

services to market fast while holding capital and operating expenditures to a minimum.



Die schönste Verbindung.



Hansenet Telekommunikation GmbH is a German telecommunication carrier with origins in Hamburg and now operating Germany-wide. Its Hamburg headquarters are supported by call centers in Rostock, Duisburg and Saarbrücken. The company has since 2004 been owned by Telecom Italia Group.

Hansenet's major trading brands are "Alice" (residential) and "Alice Business". The Alice brand offers

mainly residential dual play – voice and High Speed Internet – with pay per view TV and Video on Demand (VoD) services as optional extras. Key marketing points are quality, price, cost effectiveness and flexibility, with zero registration fees, versatile service packages and commitment-free registration.

Alice Business delivers voice and High Speed Internet (HSI) connectivity, plus Virtual Private Network (VPN)

services to all sizes of business. For the small office/home office (SoHo) market, the main offerings are telephony services at preferred rates and HSI access over Digital Subscriber Line (DSL). For larger enterprises they include telephony, DSL, in-office Local Area Network (LAN) connectivity, VPN, outsourced server hosting/housing, and network planning and maintenance.

Small operator, big plans
When Telecom Italia acquired Hansenet in 2004, coverage was limited to parts of Hamburg only and nothing beyond. Following the acquisition, however, the company defined a strategic goal of covering much wider areas of the country, starting with the cities of Berlin, Frankfurt, Munich and Stuttgart. Given these ambitions, Hansenet now required additional resources to implement and manage such extended capacity. A new company such as this one needs to penetrate new markets rapidly in order to gain first-mover advantage and avoid losing potential customers to its competitors. At the same time, it is equally important to provide a high-quality service; any deficiencies can be another serious source of lost business.

"Although we began as a relatively small player, we have big ambitions. Nokia Siemens Networks offered us a huge choice of integrated services, so we could get into new markets without delay. And with its comprehensive geographical presence throughout the country, the company was there to support us every step of the way."

Frank Hinz - General Affairs,
Hansenet Telekommunikation GmbH

Customized solution cuts costs
Nokia Siemens Network is not in the business of “one size fits all” solutions – an approach that can often result in expensive, over-specified provision. Instead, we take a careful in-depth look at what each of our customers actually needs to grow their operation, minimize CAPEX and boost profits.

After intensive analysis of Hansenet’s network and network traffic, our Solutioneers were able to propose a single all-Ethernet architecture from the access to the metro to deliver the company’s strategic plans for new residential and business services. This solution uses no routing in the aggregation area, avoiding any changes to the IP layer and, of course, optimizing costs.

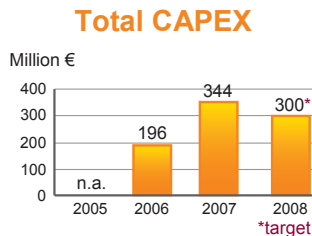
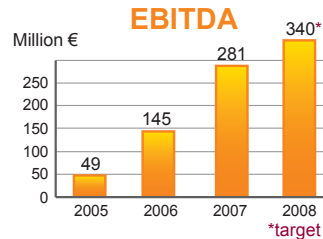
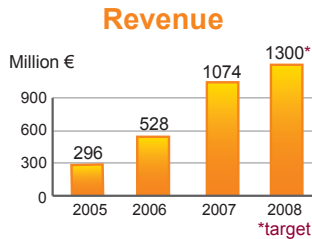
At the same time, service quality is maintained; Virtual LAN (VLAN) tagging distinguishes between different residential and business services, to which different 802.1p Quality of Service (QoS) parameters are assigned. The effect is to give higher priority to delay-sensitive services such as voice and broadcast TV, compared to less delay-sensitive services including High Speed Internet.

Employing a single all-Ethernet architecture in this way, Hansenet can now provide high quality, scalable triple play of voice, high speed data, TV broadcasting and video on demand to residential customers. The same infrastructure also delivers quality VPN services – both Point-2-Point and MultiPoint-2-MultiPoint – to tens of thousands of SoHos and larger enterprises.

Faster to market

Nokia Siemens Networks delivered two major benefits to Hansenet. First, our huge portfolio enabled the company to bring services to market exceptionally fast, thanks to there being no need for integration. As a result, some six months were saved in bringing services to market.

Key financial figures



Highlights

- HanseNet faces competitive price pressure
- CAPEX / Revenue Ratio ca. 26% (2007)
- 2.300 employees

Secondly, while Hansenet had no physical presence outside its base city of Hamburg, we have a long-established network of locations throughout Germany. We were therefore able to offer invaluable on-the-ground support for the operator’s plans in many other cities, quite apart from supplying equipment.

These benefits can be quantified. Hansenet’s customer base in November 2004 stood at some 70,000. On acquisition, its goal was to raise this number to 400,000 by the end of 2005 – and that target was achieved. With its subsequent successful expansion, the operator now enjoys some 2.5 million customers across the country.

Revenue has shown continuous improvements despite strong price competition in the German market.

“Although we began as a relatively small player, we have big ambitions”, says Frank Hinz - General Affairs of Hansenet. “Nokia Siemens Networks offered us a huge choice of integrated services, so we could get into new markets without delay. And with its comprehensive geographical presence throughout the country, the company was there to support us every step of the way.”

Challenges

- Hansenet required additional resources to implement and manage the larger network its strategy aimed at
- Strategic planning called for a range of new residential and business services
- Rapid time-to-market was essential to gain first-mover advantage

Solutions

- All-Ethernet architecture from the first mile to the metro optimized costs while assigning appropriate network QoS to different classes of service
- Wide portfolio of integrated services available
- Extensive Nokia Siemens Networks physical presence in Germany supported Hansenet expansion

Business Benefits

- Six months saved in bringing services to market
- High-quality triple play (voice, HSI, TV, VoD) and quality business services delivered to residential and business customers by a single all-Ethernet architecture from the access to the metro
- Customer base rose from 70,000 in November 2004 to some 2.5 million customers in 2008, while CAPEX and OPEX remain low