Operators keen to harness CPE with intelligent services and applications for future growth

Smarter Customer Premises Equipment (CPE) that drives an "à la carte" and differentiated service offering at the touch of a button will be essential for operators to secure new revenue opportunities and reverse declining ARPU, according to Broadband Forum Managing Director Ken Ko.

With traditional revenue streams, such as fixed voice and IPTV, decreasing, Ko called for service providers to invest in devices with application intelligence built in to create an app-store-like experience for consumers. This will allow the industry to cater to multiple markets segments, such as teleworkers, e-health, security, home automation, and Augmented Reality / Virtual Reality, while maintaining fewer product SKUs in their deployments.

"Operators know they need to move from simply being connectivity providers, but how they do that has, until now, remained elusive," said Ko. "As consumer demand for network quality and innovative services continues to grow, it is now clear that if operators are to grow their revenue streams, their focus should be on delivering more choices and an enhanced user experience. An app-enabled services gateway will achieve this, giving the capability to cater for individual bandwidth, application-aware latency, and service requests at the touch of a button."

Without application-intelligent devices as a key enabler in the broadband services ecosystem, Ko continued, operators risk having to regularly upgrade existing deployed devices and become utility providers that compete only on speed and price. To maximize return on investment, they must look past these two selling points to offer differentiated, high-value services.

Michael Philpott, Research Director of Digital Consumer Services at Omdia, agrees that operators have a tremendous opportunity.

"With the rapid growth of connected media and IoT devices inside the home, demand heightens from consumers for the latest next-generation applications, and the industry is nicely positioned to utilize the Home Gateway as a platform for growth," said Philpott. "It's key that subscribers have the flexibility to be able to pay for what they want as they go."

Regarding timing and when the technology and architecture to deliver network-intelligent devices is due, Ko had good news for operators. Open industry standards that are jointly developed by Broadband Forum and prpl Foundation will drive a common software-based multi-vendor architecture for service providers and application providers alike to utilize within the residential and business subscriber premise.

Broadband Forum's Technical Report TR-492 'Software-Based Architecture for the App-Enabled Services Gateway - Design Principles' provides the reference architecture for smart CPE that utilize the open standard User Services Platform (USP/TR-369) which allows subscribers to use and install applications and services dynamically within secure and trusted software containers. Thanks to TR-492, service providers can offer applications such as parental controls, Wi-Fi analytics, streaming services, security solutions, and trusted third-

party apps on CPE. This game-changing specification will benefit CPE vendors, operators, application providers and OTT wholesalers.

"The development of this project is progressing well, and the first groundbreaking standard, TR-492 is on track to be published this year," said Ko. "Operators, technology vendors, and application developers still have time to get involved and influence this important work which will support operators rightly shifting their focus towards services led broadband. With this specification, operators will truly have the opportunity to transform and scale their business models to ensure they are catering to each subscriber and the demanding applications they use."

To download a copy of the 'The Rise of the App-Enabled Services Gateway' whitepaper, visit: https://www.broadband-forum.org/projects/connected-home.

– ENDS –

About the Broadband Forum

Broadband Forum is the communications industry's leading open standards development organization focused on accelerating broadband innovation, standards, and ecosystem development. Our members' passion – delivering on the promise of broadband by enabling smarter and faster broadband networks and a thriving broadband ecosystem.

Broadband Forum is an open, non-profit industry organization composed of the industry's leading broadband operators, vendors, thought leaders who are shaping the future of broadband, and observers who closely track our progress. Its work to date has been the foundation for broadband's global proliferation and innovation. For example, the Forum's flagship TR-069 CPE WAN Management Protocol has 1 billion+ installations worldwide.

Broadband Forum's projects span across 5G, Connected Home, Cloud, and Access. Its working groups collaborate to define best practices for global networks, enable new revenue-generating service and content delivery, establish technology migration strategies, and engineer critical device, service & development management tools in the home and business IP networking infrastructure. We develop multi-service broadband packet networking specifications addressing architecture, device and service management, software data models, interoperability and certification in the broadband market.

Our free technical reports and white papers can be found at https://www.broadband-forum.org/.

Follow us on Twitter @Broadband_Forum and LinkedIn.