

Beyond Triple Play
From Dumb Pipes to Value Added Services

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WHITE PAPER

Broadband Providers Seek New Revenue Sources

In the last few years, traditional broadband services have become commoditized, resulting in a reduction in revenues for Telcos and Service Providers. As Telcos and Service Providers look to replace lost revenues, industry experts have called on providers to innovate and experiment with “compelling new services” that go beyond “dumb pipes”, triggering new revenues and improving the quality of existing services to enhance customer engagement.

To attract new subscribers, providers are differentiating the type and quality of user experience. Features such as high definition voice quality, converged mobile and fixed services, intuitive troubleshooting, self-maintenance and enhanced support will be the new differentiators in years to come. New services such as home security and control are also attracting the attention of providers.

Converged Mobile and Fixed Telephony

Telcos and Service Providers are looking at ways to converge fixed and mobile telephony into a single communications service. Smartphones have become indispensable devices in our daily lives, yet many of us would still prefer to switch to a fixed line to take advantage of cheaper calls when at home. Converging mobile VoIP with fixed-line telephony enables providers to offer a unique solution that lets subscribers use their mobile device at home but through the home fixed line. Through a mobile VoIP application, which automatically registers to a subscriber’s residential gateway, any mobile calls in the home are redirected through the fixed line. Away from home, users can “take” their fixed-line number with them using their smartphone on any WiFi network.



High Definition Voice and Quality of Experience

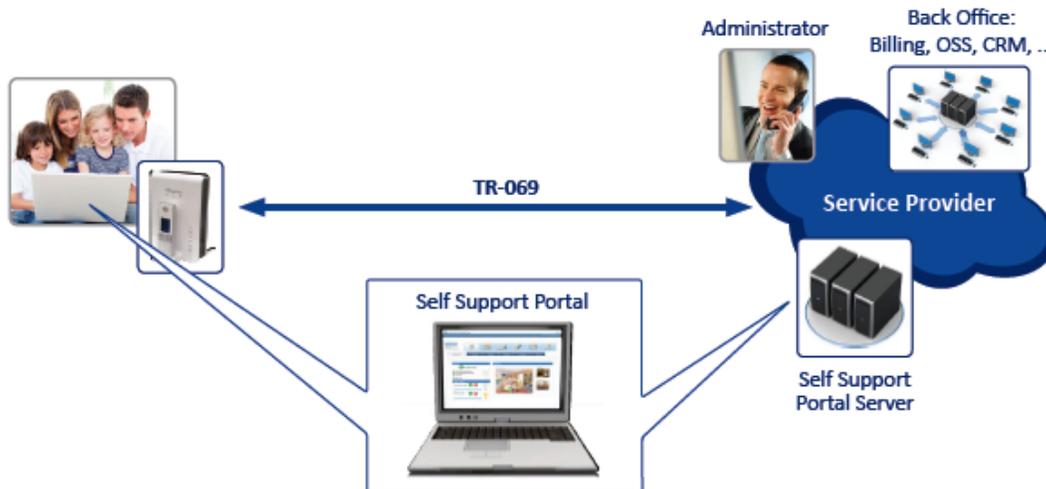
Voice quality is seen as another critical factor in today’s market. Providers are looking at how to deliver a better voice experience, which can make the difference between retaining or losing subscribers. The traditional Public Switch Telephony Network (PSTN) is limited to narrowband voice and lower quality

calls and the introduction of wideband technology in VoIP Communications will provide an enhanced listening experience with heightened clarity. In High Definition VoIP (HDVoIP), wideband telephony transmits voice signals with a higher bandwidth offering “true voice” conversation. Compared to what is available today, wideband gives the impression that you are in the same room as the other person on the phone, projecting a more natural conversation.

Carriers can use HDVoIP as a differentiator to increase call times and network usage, leading to higher Average Revenue per User (ARPU) and lower customer churn. Handling VoIP presents another challenge: that of how to deliver superior voice quality to users over complex data networks. Providers will use a SaaS-based quality monitoring management system to measure, monitor and track network activity to help optimize the Quality of Experience (QoE) of their VoIP services.

Self-Support and Troubleshooting

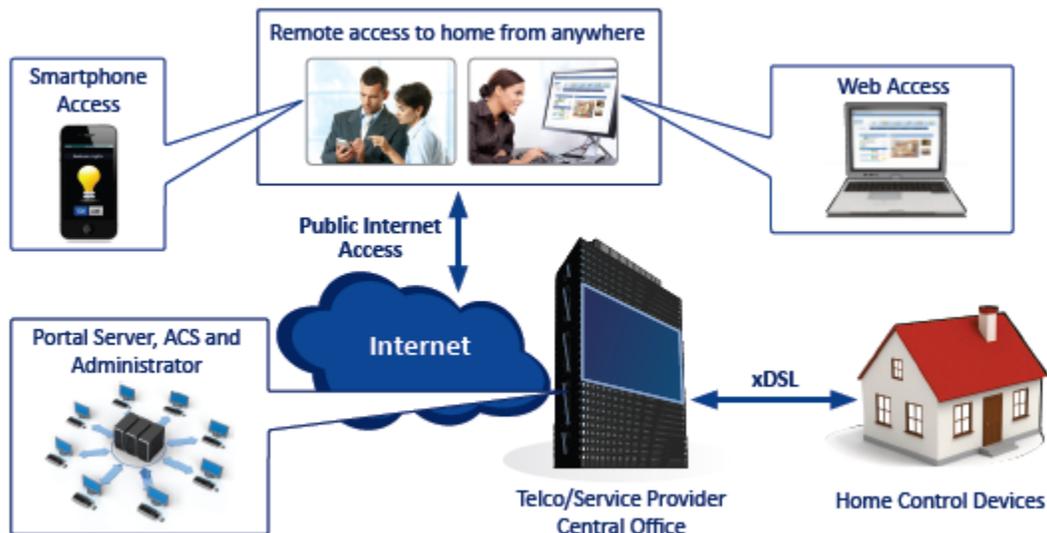
In the last few years, the complexity of the residential gateway has increased with the number of services being supported. Providers have recognized that the majority of residential users are not technical experts and basic problems such as cabling or poor configuration of the gateway have caused immense frustration. The introduction of internal diagnostic and self-support portal tools will ease that pain and significantly reduce the number of calls made into technical support by customers. With these tools, non-technical subscribers can independently diagnose and repair problems related to data, voice and video services rather than calling into a support center or consulting manuals or help files. Users can also use the portal to automatically diagnose problems or, through a series of simple questions, have a solution presented to them for approval. Internal diagnostic and self-healing tools will also evolve to help with common problems while web-based popup screens and telephone voice announcements will notify users of problems and recovery options.



Home Control and Security

Until recently, home automation systems were confined to luxury homes or determined Do It Yourself (DIY) enthusiasts. The home automation market has faced many challenges including a lack of consumer awareness and concerns about cost, need, and complexity. Yet, despite these challenges, ABI Research [Home Automation and Monitoring, Apr 2011], says the market has arrived at an inflection point and will grow tremendously over the next 5 years. It will be driven primarily by a virtuous cycle involving: the availability of robust, standards-based no new wires technologies, such as ZigBee, Z-Wave and DECT, and the development of home control software platforms.

This inflection point reflects an opportunity for providers to start providing home control and security services directly to the consumer. Providers will be able to offer consumers an “aspirational” lifestyle which is affordable and in return increase revenues from a managed service, improve customer retention and up-sell broadband access.



The Residential Broadband Gateway Goes Beyond Triple Play

The next generation of residential broadband gateways will go beyond triple play support. These new devices will be modeled on providing an improved user experience with high definition voice and intuitive maintenance and support features. They will also enable the new lifestyle services such as home control and security.

AudioCodes recently introduced the Connected Home Solution which incorporates home networking, multimedia, converged mobile and fixed high definition telephony together with home control and security.



Based on the field-proven AudioCodes MP-252 Multimedia Home Gateway, the Connected Home Solution provides access and connectivity to a whole new range of services. Home control and security services are provided through a management portal which users can access via a smartphone, web browser or tablet. The management of home devices is enabled through an integrated DECT or ZigBee add-on. The converged mobile and fixed high definition telephony services, available through a bundle that includes the MP-252 Multimedia Home Gateway and the AudioCodes VoIP Mobile Access Solution (VMAS) client, provides high-quality cost-effective Mobile VoIP services. Management back-office services enable the remote administration of home devices, monitoring of the VoIP network and Quality of Experience (QoE) optimizations. The self-support portal with integrated local troubleshooting tools helps end-users to identify and resolve problems and subscribe to, or configure services.

The MP-252 Multimedia Home Gateway is based on AudioCodes' MP-2xx line of Residential Gateways and AudioCodes VoIPerfect software architecture, resulting in a high definition telephony experience with multimedia support. The MP-252 comes with an integrated VDSL2/ADSL2+ modem, 3G access support, 802.11n wireless, LAN connectivity, DECT handsets supporting HD VoIP and Bluetooth interface for connecting cellular phones.

About AudioCodes

AudioCodes Ltd. (NasdaqGS: AUDC) designs, develops and sells advanced Voice over IP (VoIP) and converged VoIP and Data networking products and applications to Service Providers and Enterprises. AudioCodes is a VoIP technology market leader focused on converged VoIP & data communications and its products are deployed globally in Broadband, Mobile, Enterprise networks and Cable. The company provides a range of innovative, cost-effective products including Media Gateways, Multi-Service Business Gateways, Session Border Controllers (SBC), Residential Gateways, IP Phones, Media Servers and Value Added Applications. AudioCodes' underlying technology, VoIPerfectHD™, relies on AudioCodes' leadership in DSP, voice coding and voice processing technologies. AudioCodes High Definition (HD) VoIP technologies and products provide enhanced intelligibility and a better end user communication experience in Voice communications. For more information on AudioCodes, visit [Hhttp://www.audiocodes.com](http://www.audiocodes.com)

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