

Want to receive the latest news? Subscribe to IT-Online for free and receive an up to date newsletter in your inbox everyday!



14 October 2008








THE WORLDS LARGEST TECHNOLOGY DISTRIBUTOR

search...

[Advertising](#) | [White Papers](#) | [More News Today](#) | [Press Offices](#)

[EMAIL](#)



Home
Subscribe
Computer Faire
Channelwise
brought to you by

Regular Columns
Company News
Archives
Contact Us

INDUSTRY AREAS

IT in Government and Parastatals
brought to you by 

IT in Financial Services
IT in Health
IT in Manufacturing
IT in Mining
IT in Retail
IT in Sport

TECHNOLOGY AREAS

Compliance
brought to you by


Contact Centres
brought to you by


CRM
brought to you by


Document Management
brought to you by


E-Commerce
brought to you by


Enterprise Networking
brought to you by


Gaming
brought to you by


Telecoms competition good for consumers

Monday, 13 October 2008, 09:33

Customers should soon see the benefits of increased competition in the mobile telecommunications space as Telkom prepares to take the major players head on. This is as a result of the announcement that Telkom will be selling its stake in Vodacom.

According to news reports, Telkom is also already in the process of building its own wireless and mobile broadband network.

"I believe this increase in competition is going to shake up the market and provide customers with greater freedom of choice," says Anton Potgieter, CEO of the Huge Group. "From a consumer perspective we will see the major players soon having to provide true value added services, rather than just access to telephony - and down the line it could even lead to a reduction in prices."

Other recent movements in the industry, such as the Altech court ruling, all point toward a liberalised telecommunications industry for South Africa. "I would however caution customers to remain patient as these changes unfold - the benefits will come, but as usual it will not happen overnight," he says.

According to Potgieter the changes in the industry will have two major effects. "Firstly, it will lead to increased competition, and secondly, companies will now have to deal with a significant increase in the number of routing options available to them, which means it will become a lot more complex to determine the most cost-effective option for their organisation," he says.

As the playing field becomes more complex, Potgieter believes more companies will turn to managed telecommunications companies to ensure that they run their telecommunications in the most efficient way.

"For a company to spend their time determining which route would be the most cost-effective just doesn't make sense," says Potgieter. "While it is an important element to ensuring success, it is not income generating and should therefore rather be outsourced to companies who specialise in this."

According to Potgieter, in managed telecommunications there are a number of variables that come into play when determining the most effective routing of calls, including time of day routing and on-net versus cross-net calls.

"The definition of an on-net call is when the call is initiated and terminated on the same network," says Potgieter.

A cross-net call is when the call moves from one network to another, resulting in interconnect fees, and thereby making the call more expensive. "It also doesn't make sense for companies to just stick to one infrastructure and/or service provider - where it is cheaper to route via another network, this should be taken advantage of," he says. It is also critical that routing decisions can be made and managed in real time. Potgieter believes that by working smartly, organisations can capitalise on the changes that lie ahead.

"By putting the right tools in place companies have the opportunity to get the best of both worlds," he says. "We have seen proven results time and time again, where organisations have been able to save tremendous amounts of money on their telecoms bill through effective least cost routing and proper managed telecoms."

He also says that the increased competition will definitely be to the benefit of the end-user.

"Effectively each of the players will be competing for new market-share, which means they will have to be competitive in their pricing," says Potgieter. "This, in conjunction with an effective managed telecoms solution, will put organisations in the best position ever to save on their telecommunications costs and to themselves become more competitive," he says.

Comments **Add New** **Search** **RSS**

Write comment

Name:

Title:



altiris
a wise man does not migrate alone



Click here for HP's Outcomes magazine



Choose your IT Distributor to provide the right fit with experience & expertise