

# Top bandwidth trends for 2017

 By [Warren Bonheim](#)

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South Africa is in the midst of a very interesting bandwidth era where connectivity entrenches itself firmly as the third utility alongside power and water.



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Prices of business internet are lowering, fueled by the [fibre "landgrab"](#) as well as large network interest in the SME space. The sad reality is that the demand for data far exceeds the supply we have in the country, making data still expensive compared to other continents. The reason data remains more expensive in this country is also due to the distance of the undersea cables from Africa to the 1st world.

In 2017 we are going to enter a very exciting stage for bandwidth as competition heats up, price wars will continue to be fueled by initiatives such as [#Datamustfall](#) and the Government's bandwidth "war room" agenda, the increased growth of fibre availability and the technology race of LTE-A or 5G, as all networks prepare to launch these technologies.

New networks such as the roll-out of Wireless Business Solutions' all data network will disrupt this space with regards to price and offering, which along with [#datamustfall](#) will hopefully drive the large networks to make mobile data affordable. It is interesting to note that a single user's mobile data account is quite often higher than a small company's data spend.

One can't discuss broadband without understanding what's fueling the demand. As businesses increasingly use cloud-based services, intelligent software and communications becomes unified, availability of data will sit centre-stage as a key enabler for productivity and competitive advantage.

In a world that is rapidly churning out connected devices – consumer products, durable goods, cars, sensors, etc. – what is called the 'Internet of Things' is going to transform the way we work, live and play. And connectivity underpins it all: access to connectivity that is consistent, reliable and fast is the fuel that will either propel us forward or hold us back.

## **Fibre race will heat up**

We are already seeing ½ Gbps and 1Gbps becoming increasingly more affordable and more available for SME businesses. The growth and expansion of fibre networks will continue in 2017.

## **LTE-A rolls out**

The roll out of LTE-A means you will get faster speeds on a mobile device, LTE-A is 300 times faster than LTE; we are talking a device like a phone doing 400 Mbps! Mobile phones may be able to do 300Mbps but current model phones cannot handle these speeds, only future models will be 5G enabled.

The challenge will be availability, the cost of data and guaranteed service. We will see consumers and small businesses using LTE-A if they are not a high data usage business. Bigger businesses will not rely on LTE-A because they need guaranteed service and assurance, although they may see it as an interim or backup solution to a solution like fibre. Business will also be able to use fixed mobile modems to take advantage of 5G.

## **Mobile data more affordable**

Mobile data fees are the bane of every person's life, telco providers will be forced to drop their data prices due to pressure from Government and consumers.

## **Upsurge in mobile virtual network operators (MVNO)**

An MVNO is a business that sells mobile services using another company's existing network infrastructure. 2017 will see the emergence of more MVNOs.

## **How IoT affects businesses**

Businesses will need to start thinking about how the emergence of multiple connected things will affect their business as well as their service offerings. The biggest opportunities lie in new products and providing value added services. The biggest threat lies from competitors who embrace IoT.

Think of the baby clothing manufacturer who inserts a chip into a baby grow which will automatically trigger an ambulance should the child's breathing stop. That's a game changer. Or think about how this will change how businesses track and manage their products. Businesses will need to start thinking IoT and how it will revolutionise their business in the future.

## **Cloud**

Everything is becoming software driven and is/will be sitting in cloud – we will become more reliant on software to run our businesses and lives in the cloud. The revolution of the cloud means we have more access to efficiency through the functionality of software to manage mobile devices, CRM, marketing automation, unified messaging...everything in our business is becoming more integrated.

Hosted PBX has been around for years, but is becoming increasingly more popular as connectivity becomes cheaper and more stable. The cloud revolution is driven on the back of connectivity being cheaper and better. The cloud's main benefit is that traditionally most SME or small businesses could not afford to run the large enterprise systems as lots of expensive hardware, servers, IT engineers, software and data room costs were required.

Now these platforms are setup, hosted and managed elsewhere while this system is sold off per usage, thus making all big systems available to everyone. This makes smaller businesses more competitive on the global stage.

## Intelligent software

More software with intelligent features will be made available with businesses and individuals tapping into the intuitive and predictive elements to organise their lives better. For example, intelligent calendars will see that you are driving to Durban, will prompt you to book a service beforehand, will email the service provider to get three dates and it will even make suggested route stops.

## ABOUT WARREN BONHEIM

Warren Bonheim is the founder and COO of Zinia, a highly profitable multi-million rand Internet Service Provider (ISP) and wholesaler. He started Zinia with his business partner Frank Mullen and from the outset ran the company like a big business with tight controls, a strong management team, statistics to inform decision-making and a process methodology that revolves around simplicity and innovation.

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