

KPN uses Parallels Automation and APS-certified cloud services to create new revenue streams for its wholesale operation

Parallels Automation and the Application Packaging Standard (APS) are enabling KPN Wholesale to become the leading white-label cloud services broker in the Netherlands.

Business and Partner Summary

KPN is the leading telecommunications and IT service provider in The Netherlands, offering wireline and wireless telephony, internet and TV to consumers. KPN offers business customers complete telecommunications and IT solutions. KPN Corporate Market (previously known as Getronics) offers global IT services and is the Benelux market leader in the area of infrastructure and network related IT solutions. In Germany and Belgium, KPN pursues a multi-brand strategy in its mobile operations and holds number three market positions through E-Plus and BASE. In 2004, KPN selected Parallels Operations Automation to help improve the functionality of its consumer Web hosting control panel. In 2007, it extended the platform to KPN Business Market. And most recently, KPN has implemented Parallels Business Automation to create a complete Parallels Automation solution for its wholesale operations. The platform is enabling KPN Wholesale to leverage APS (apsstandard.org) for delivering applications, supporting its leading position as a provider of white-label cloud services for distributors, resellers and service providers in its home market.

Business Situation

Like all incumbent telecom operators whose markets have been opened up to competition, KPN is always looking for new revenue streams to help it stay competitive. This is just as important in the wholesale market as it is in retail, especially when it comes to cloud computing, with new cloud services providers entering the market all the time. KPN needed a platform to help it enable its network distributors, resellers and service providers to take advantage of the new business opportunities provided by cloud-based applications.

KPN already had a long and successful relationship with Parallels, having implemented the Parallels Automation platform for its consumer Web hosting services in 2004, and for its business customer operations in 2007. Implementing a complete Parallels Automation solution for its wholesale operations was therefore a logical step for KPN.

Solution

KPN selected Parallels Operations Automation and Parallels Business Automation as its preferred platform for automating its wholesale Web-hosting and cloud services offering. The system features an application marketplace function that enables KPN's distributors and resellers to provide private label cloud applications as a service, in addition to their own hosting services and KPN Wholesale's telephony and Internet access services. This is a big step forward for KPN, enabling it to build new revenue streams quickly and easily, and to differentiate its offering in an increasingly competitive market.

An important element of the infrastructure is the Application Packaging Standard (APS), that defines a standard for packaging and automating the delivery of Software-as-a-Service (SaaS) applications via platforms that contain an APS controller such as Parallels Automation. As a result, new apps and services can be delivered very quickly and cost effectively.

KPN is also leveraging a new module within Parallels Automation to support the syndication of Microsoft Office 365. This enables the operator to offer the Office 365 productivity suite, while maintaining control of the billing and provisioning of accounts and mailboxes via Parallels Automation. In other words, it can offer world-class business



Business Situation Summary

Partner Size

Customers – 4 million wireline, 36.6 million mobile, 2.5 million Internet, 1.4 million TV
Annual revenues – €13.2 billion
(all figures correct as of 31.12.2011).

Partner Profile

KPN provides retail and wholesale telephone, Internet, television, mobile, data and application services to residential, business and channel customers in The Netherlands and Western Europe.

Problem Statement Summary

KPN Wholesale needed a platform to support the generation of new revenue streams by enabling its distributors and VARs to offer cloud-based application services quickly and easily.

Solution Summary

KPN Wholesale chose Parallels Automation to help it achieve full operational and commercial service automation that is allowing it to build new revenue streams through its Wholesale customers. The Application Packaging Standard, jointly developed by Parallels, is empowering ISVs to get their software into the cloud, and enables distributors and resellers to add new applications to their portfolio quickly and cost-effectively.

Benefits Summary

Parallels Automation is helping KPN:

- Generate new revenue streams for its wholesale business
- Leverage the Application Packaging Standard to enable fast, cost-effective application delivery
- Tailor application offerings to individual distributor, reseller and market requirements

Parallels Products Used

- Parallels Automation

applications as a service, without needing to manage the underlying application infrastructure. As Norbert Van der Knaap, Manager Hosted Applications at KPN Wholesale comments, "We're already seeing a lot of success with Office 365 in our business customer operations, so making it available for Wholesale partners is critical for us."

Benefits

Exciting new applications, available quickly

Initially, KPN Wholesale used the new system to empower distributors, resellers and service providers to offer domain registration, Web hosting, Virtual Private Server hosting and Microsoft Office 365. But APS is enabling the operator to add new applications to its portfolio quickly and regularly. As Van der Knaap comments, "This is a huge advantage when compared with other systems that require resellers to make big investments and wait much longer for new applications. So, using the APS standard was really a no-brainer for us, and it gives us a real competitive advantage." Some examples of solutions recently added to the platform include Hosted Voice, Hosted Infrastructure and several Hosted Applications: goMobi, a mobile website builder; IASO, an online backup system; Minoto, a video-hosting service; and SpamExperts, a server spam protection solution.

Enabling tailored solutions

Importantly, KPN Wholesale is also focused on ensuring that distributors, VARs and service providers can offer a portfolio of applications tailored to their markets, rather than taking a one-size-fits-all approach. Norbert Van der Knaap confirms this, saying, "It's very important that we listen to our partners and get them to tell us the applications they want, and then tailor the platform to their requirements, rather than not giving them a choice with a fixed offering. It makes the whole offering more attractive."

To support their efforts, KPN Wholesale has created a 'road to success' for distributors, VARs and service providers, which explains in three steps how to launch a new cloud services business in just eight weeks. These steps include:

- Contracting, negotiation and agreement
- Commercial and technical on-boarding
- Acceleration, go-to-market strategy and tactics

KPN is also one of the five Parallels Automation partners working together to encourage software vendors to adopt the APS standard and help expand the portfolio of SaaS products available to be sold through the channel. In addition, the operator is planning to host regular monthly get-togethers between distributors, VARs, service providers and ISVs. The intention is that these events will help create a cloud services ecosystem, the members of which can then generate profitable new business relationships and support each other with knowledge sharing.

The future looks bright

KPN Wholesale is making a long-term commitment to offering cloud services to its distributors, VARs and service providers. It will be stepping up its marketing and PR activities in Autumn 2012 in order to help it achieve its ambitious growth targets for 2015. Once the business case has been proven in the Netherlands, it will also look to replicate the model in its other key markets including Germany and Belgium. The ability to use the Parallels Automation platform to tailor its applications portfolio to local market requirements will be key. And that's just one of the ways in which Parallels Automation is enabling KPN Wholesale to meet its ambitious business goals.

"Parallels Automation and the Application Packaging Standard are hugely advantageous for us and crucial to the future of our business."

— Norbert Van der Knaap,
Manager Hosted Applications, KPN
Wholesale

For More Information

Application Packaging Standard

To learn more about the APS standard
www.apsstandard.org

Contact KPN

For more information about KPN, visit
www.kpn.com

For more information about KPN
Wholesale, visit
www.kpn-wholesale.com

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