

# 4 PITFALLS IN OPERATIONALISING SATELLITE NETWORKS

and how managed services help the energy industry overcome them

#### THE ENERGY INDUSTRY

relies on digital technologies to increase efficiency and lower hefty operational costs. Thanks to the adoption of digital technologies, mining companies have improved their efficiency by 40%, while the oil and gas sector has reduced capital expenditure by up to 20% (McKinsey). That's why, when expanding your energy business to new markets and tapping larger revenue streams, you need access to reliable data services for improved efficiencies.



But operationalising satellite networks to reach offshore or remote locations comes with operational risks, such as investing in infrastructure and expertise and overcoming unforeseen obstacles. For energy, that comes with the added complications and high risk of setting up reliable infrastructure in hard-to-access regions and difficult terrain.

But these potential pitfalls should not hold you back from creating new revenue opportunities. Managed services will help you overcome these key operational risks, and get to market faster.

## **1. RISK TO YOUR CAPITAL INVESTMENT**

Venturing into a new market isn't cheap. You're looking at significant capital investment, while recurring operational expenses alone can add up to over 50% of your entire cost. This expenditure can be hard to justify - especially if you want to deploy in underserved areas where it takes time to generate revenue.

#### **YOUR CAPITAL EXPENSES INCLUDE:**

- Meeting regulatory requirements
- Procuring hardware and software licences,
- Purchasing satellite capacity,
- Acquiring space and security,
- Obtaining equipment from vendors,
- Securing adequate resources for deployment.

#### YOUR OPERATING EXPENSES INCLUDE:

- Monthly payments for satellite bandwidth,
- Operation, maintenance, monitoring and optimisation,
- Repairs and warranties,
- Maintaining power on remote site.

By using a managed service you can eliminate an extensive first investment. If that includes end-to-end lifecycle services, you can also significantly reduce recurring operational costs. You should choose a partner with the infrastructure and resources necessary to expand, operate and maintain your network.

### 2. LACK OF NECESSARY RESOURCES AND EXPERTISE

To operationalise new networks, you'll need experts: satellite specialists to deploy and maintain your service, localised experts who are aware of the specific nuances of the market you're breaking into, and subject matter experts who understand the unique requirements of your sector. This will ensure you get a solution that works for you.

A managed services partner acts as an extension of your team. You won't have to become a satellite player if you're working with a collaborative end-to-end partner who can seamlessly integrate your connectivity into your greater value chain. It's also a great way to get subject matter experts on your team to design and deploy a service that's right for you.

#### **MANAGED SERVICES RELIEVE YOUR TEAM OF:**

- Implementation: You'll reduce risk, save time and costs when an expert manages the site survey, installation and management.
- Management: Your service will be proactively monitored and managed by experts.
- Maintenance: You'll have a safety net for service problems from system restoration during outages to warranties and repairs.

## **3. LACK OF FUTURE-PROOF TECHNOLOGY INVESTMENTS**

Like other businesses, the energy sector is also becoming reliant on cloud computing. You want reliable access to cloud applications and services at all times. Many energy businesses are expanding the reach of the cloud across their organisation.

The satellite solution you invest in should be future-proof and ready for a global transition to the cloud. This can be difficult to achieve with traditional satellite services. Luckily, reliable, low-latency connectivity to the cloud already exists. Choosing the right service provider can ensure you expand immediately and are ready to ride the wave of a rapidly changing cloud ecosystem.

### **4. UNFORESEEN ROADBLOCKS**

When operationalising satellite networks in new markets, despite detailed research, assessment and planning, you'll inevitably come up against unexpected roadblocks. This could range from delays in receiving equipment from vendors through to repair work.

These time-consuming and costly challenges can hinder your progress and impact your timeline . A managed services provider will have the capability, flexibility, and coverage to help you stay on schedule and on budget so you can turn revenue into profit sooner.

You'll get:

- Reliable connectivity with wide beam coverage to all areas.
- Access to cloud applications through back-up high-performance connectivity,
- Prompt restoration of equipment or software.

Also, with streamlined installation that is accurate from the get-go, you'll get first-time right results without incurring expenses like learning costs and return site visits.



Although there are challenges to deployment, a managed services provider can help you overcome operational risks, effectively getting you to market faster, optimising your network resources, and strengthening your existing services. That means you can tap into opportunities in new markets using digital technologies to optimise your processes and improve your efficiency.

## REACH NEW ENERGY MARKETS EFFICIENTLY

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