

France-IX reseller programme

*Challenges and evolution
after 4 years*

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What is France-IX?

- Federative **membership-based IXP** in France
- **11 people** in the team – aim to double in 2017
- Two distinct IXPs, growing:
 - In Paris since 2010 – **321** interconnected ASNs
 - In Marseille since 2012 – **29** interconnected ASNs



Reseller programme

- Launched in **2012**
- Two options:
 - mutualized 10 G ports or
 - dedicated 1G or 10 G port per member
- 11 resellers in Paris, 1 in Marseille
 - ⇒ **4 new resellers** signed in 2016 – more to come
- Different scopes but no exclusivity granted



The objectives

- Accelerate our growth & get additional revenues
 - 18% of the current membership connected through this channel
 - 7,5% of revenue in 2015
- Connect networks from **PoPs/cities/countries** where we are not present
- Provide our partners with an additional source of revenue
 - => We are not a carrier !

Upsides for the members connected via resellers (1/3)



- Rapid set-up

Reseller ready to connect the network quickly

Single supplier – simple order

Upsides for the members connected via resellers (2/3)



- Cost optimisation:
 - No Capex
 - Better pricing

Upsides for the members connected via resellers (3/3)



- Same rights (and duties!) as a directly connected network:

Vote at the GM

24/7 NOC support

Downsides for the members

- No control over the pipe
 - Ex: online shop refuses this solution because an outage can represent a significant loss of revenue
- Latency/performance

False assumptions we had

- *'This will bring only small traffic members'*
⇒ True fact: majority of 100 Mbps but good diversity of traffics
- *'As the network grows, it will want to migrate to a direct connection'*
⇒ True fact: no record of migration to direct connection

Challenges for our IXP (1/3)

The channel doesn't manage itself!

You need an internal person to manage the programme (follow-up, communication, lead-generation).

Otherwise you risk having non-performing partners:

- ⇒ peering is just another service in the portfolio – often forgotten
- ⇒ You won't show up in the commercial proposals
- ⇒ No follow-up within the reselling company: multiple account managers, change of people, information get lost...

Challenges for our IXP (2/3)

- Pricing competition
 - between France-IX and its resellers, specifically on the 100Mbps segment
 - Between the resellers

Challenges for our IXP (3/3)

Evolution of the market:

- Commercial shift to Cloud accesses
- Elastic bandwidth
- API for orders
- Rise of resellers/IXP owner and IXP/carriers

In a nutshell

- Important programme to increase the membership
- Needs constant management and improved promotion
- BUT

The reseller programme is one way of growing, not the only one
Marketplace & involving partners to resell their services on our IXP is
the second major focus to maintain growth and loyalty

Questions?



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