



## Business Cases for Public Internet Infrastructure Investments

*Fourteen business cases describing public Internet access investments are presented in this document. The calculation for the time to payback and first year profit is shown for each case.*



### Hotel solution business cases

- Complete resort solution
- Economical motel solution
- Hotel room upgrade for wireless
- Hotel conference room WiFi
- Hotel Internet login page upgrade
- Hotel business center deployment

### Non-hotel segment business cases

- Trade show wireless network
- RV park wireless
- Marina wireless
- Golf club wireless
- Bar and restaurant wireless
- Airport wireless
- Temporary event network
- Large outdoor event wireless

### Business case procedure:

The estimate of Internet coverage and preparation of the site design proposal determines the biggest components of the investment cost: equipment, software, configuration and installation services.

Where doubts exist about the rate of return, scaling back the area of coverage will reduce the investment budget. After implementation, analyze the investment performance before new investments are made.

#### Calculate the number of potential customers of the Internet service

Estimate customer charge (daily, weekly, etc.), estimate banner advertising sales

- Sales via access codes, scratch cards, credit card payments

#### Estimate Internet coverage required (wired, wireless)

- Indicate on plan of site; design engineers will estimate equipment required

#### Calculate investment costs

- Equipment, software, configuration and installation services
- Sales staff training, support staff training

#### Calculate annual operating costs

- Support staff, Internet circuits (T1/T2), maintenance

Time to payback (weeks) = (investment cost + annual operating cost)/annual sales x 52

First year profit = annual sales – investment cost – annual operating cost

## Business Case: Comprehensive Internet Services for Resort Guests

Solutions requested by resorts include the following:

- Wired and wireless Internet for guest rooms**
- Wired and wireless Internet for staff rooms**
- Wireless Internet for pool, restaurant, theater areas**
- Long range wireless Internet for beaches**
- Business center and kiosks for guests**
- Billing via guest account, scratch cards for non-guests**
- Custom login page integrated to the resort web site**
- Use of login page banners to promote resort specials**



Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.

### Business case example:

Provide wireless Internet access for a full service resort: 4 miles of beaches, 2 pools, 3 restaurants, 4 bars, 1 theater, business center, indoor public games area, outdoor public games area, reception area, guest apartments (wired), staff apartments (wired).

**Total investment: equipment, services, installation and staff training is \$38,500 (equipment cost is approximately \$10,000). Annual operating costs: support, maintenance is \$48,000**

**Guests who want the service are charged \$50/week, visitors are charged \$10 per day via scratch cards, annual sales are \$240,000, from 400 users /month**

**Time to payback = 19 weeks Profit 1st year = \$153,500**

## Business Case: Economical Motel Guest Internet Service

Solutions requested by motels include the following:

- Wired and wireless Internet for guest rooms**
- Business center and kiosks for guests**
- Billing via guest account, scratch cards**
- Custom login page integrated to the motel web site**
- Login page banners advertising**

A basic motel guest Internet solution is a low-cost wireless router located in the lobby that has a login page installed. The unit is connected to the DSL circuit. This will allow guests to access email.

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.

### Business case example:

Provide Internet access services for motel guests. The service includes wireless Internet in all guest rooms, wireless Internet in the lobby area and a small business center accessible via the lobby.

**Total investment: equipment, services, installation and staff training is \$4,500. Annual operating costs: support, maintenance is \$4,000**

**Guests who want the service are charged \$10 per day via scratch cards, annual sales are \$18,000, from 150 users/month. Banner advertising sales are \$500/month**

**Time to payback = 18 weeks Profit 1st year = \$15,500**



## Business Case: Hotel Room Upgrade for Wireless Internet

Solutions requested by hotels include the following:

**Wireless Internet for guest rooms that have Ethernet wiring**

**Billing via guest account and scratch cards**

**Custom login page integrated to the hotel web site**

**Login page banners to promote specials and sell ad space**

Login page banner advertising space is sold to local businesses that wish to advertise to the hotel guests.

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

Upgrade 75 wired rooms to wireless, table top equipment. Prepare custom login page with banner advertising.

No charge is made for the wireless Internet, however banner advertising is sold to local businesses.

**Total investment: equipment, services, installation and staff training is \$11,500. Annual operating costs: support, maintenance is \$3,000**

**Guests are provided with a free Internet service, they need an access code to login however. Banner advertisements are sold to local businesses, 12 per month at \$200 each, total annual banner sales of \$28,800.**

**Time to payback = 26 weeks Profit 1st year = \$14,300**

## Business Case: Hotel Conference Area Wireless Internet

Solutions requested by hotels include the following:

**Wireless Internet for conference rooms**

**Billing via guest account, scratch cards for non-guests**

**Custom login page integrated to the hotel web site**

**Use of login page banners to promote hotel specials**

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

The hotel averages approximately 100 visitors (non-guests) per day for business conferences hosted at the hotel. Guests have free access but visitors are charged \$10 per day to access the wireless Internet.

Approximately 50 visitors per day will have laptops and want to access email.

**Total investment: equipment, services, custom login page, installation and staff training is \$9,500.**

**Annual operating costs: support, maintenance is \$8,600.**

**An average of 50 visitors per day, Monday to Friday, will want Internet access.**

**The hotel charges \$10 per visitor per day for Internet access using scratch cards.**

**Total annual sales = \$130,000.**

**Time to payback = 7 weeks Profit 1st year = \$111,900**



## Business Case: Hotel Guest Internet Service Custom Login Page Upgrade

Solutions requested by hotels include the following:

**Custom login page integrated to the hotel web site**

**Login page banner advertising for local businesses**

**Billing via guest account, scratch cards for non-guests**

The hotel network is upgraded to include a custom login page with banner advertising by installing a router product.

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

Hotels are surrounded by small businesses that cater their services to hotel guests. These include: fast food, diners, restaurants, dry cleaners, travel agencies, taxi firms, and car rental firms. A hotel offered local businesses advertising space on their Internet login page. 12 banners were available and the charge was \$250 per month per banner.

**Initial investment cost (router, installation, login page, banner creation) = \$4,800.**

**Annual operating cost (banner management) = \$3,000**

**The hotel charges a monthly fee to neighboring businesses for advertisements: and the banner management was outsourced as the hotel wanted 'hands off'**

**The hotel Internet login page has 12 banners and charges \$250 per banner per month.**

**The hotel has annual banner sales of \$36,000**

**Time to payback = 11 weeks Profit 1st year = \$28,200**

## Business Case: Hotel Business Center Deployment

Solutions requested by hotels include the following:

**Business center and kiosks for guests**

**Billing via guest account, scratch cards for non-guests**

**Custom login page integrated to the hotel web site**

**Use of login page banners to promote resort specials**

The business center configuration requires computers, printers, fax machine and copier. Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

A hotel installed a business center where guests could access email, print and scan documents, copy documents and also send faxes. Guests get access to the business center computers and to the Internet by purchasing scratch cards that give 1 day of access. All computers are connected to our router / gateway. A custom login page was developed for the business center.

**A hotel has an average of approximately 25 guests per day Monday to Friday who want to use the business center.**

**Initial investment: equipment, configuration and installation costs = \$16,000**

**Annual operating cost (scratch cards, Internet access) = \$8,000**

**The hotel charges \$15 per day for a scratch card that gives access to the business center computers and the Internet.**

**Annual sales for business center = \$97,500.**

**Time to payback = 13 weeks Profit 1st year = \$73,500**

## Business Case: Trade Show Internet Access for Exhibitors and Visitors

Solutions requested by trade shows include the following:

**Wired and wireless Internet for booths**

**Wireless Internet for visitors**

**Long range wireless Internet for large areas**

**Business center and kiosks for guests**

**Billing via scratch cards and credit cards**

**Custom login page integrated to the trade show web site**

**Use of login page banners to promote show specials**

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

A trade show is installed in two large buildings and in a large tent erected for the event. Approximately 500 booths are rented by the organizer. The booth space includes a charge of \$100 for wireless Internet access during the event. The event organizer also expects to sell 750 scratch cards to some of the approximately 35,000 visitors to the show.

**Total investment for equipment, configuration, installation and custom login page is \$5,900.**

**Cost of four DSL lines and scratch cards is \$2,750**

**Each booth receives an access code for wireless and visitors can buy 1-day scratch cards**

**Wireless Internet income from 490 booths is \$49,000**

**Sales of Internet access scratch cards is \$7,500**

**Cost as % of income = 15%    Internet service profit from the event = \$47,850**

## Business Case: RV Park Wireless Internet for Guests

Solutions requested by RV parks include the following:

**Wireless Internet for visitors at each campsite**

**Wireless Internet for public areas**

**Long range wireless Internet to cover whole site**

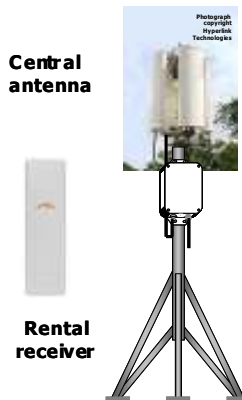
**Internet kiosks for guests**

**Billing via scratch cards and credit cards**

**Custom login page integrated to the park web site**

**Login page banners to promote specials and sell advertising**

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

RV park owners can increase profits by offering Internet access at all parking spots with good site coverage and range, offering flexible payment methods, selling login page advertising, and rental of long-range wireless units for temporary installation on RV's.

**Total investment for central long range wireless equipment and wireless range extended units for rental is \$16,800. This cost also include a customer login page with banner advertising.**

**Annual operating costs: support, scratch cards, DSL/T1 is \$6,000**

**Annual sales from the sale of Internet access, equipment rentals and banner advertising is approximately \$87,000**

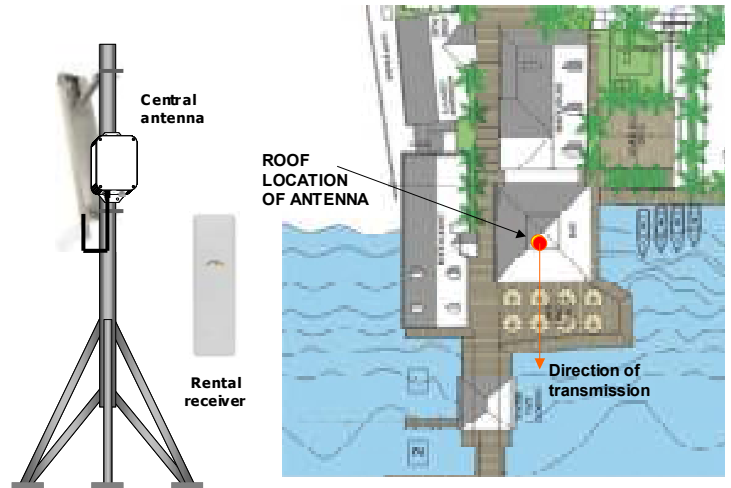
**Time to payback = 14 weeks    Profit 1st year = \$64,200**

## Business Case: Marina Wireless Internet for Boat Owners

Solutions requested by marinas include the following:

- Wireless Internet for boat slips**
- Wireless Internet for restaurant, store areas**
- Long range wireless Internet for boats moored outside the marina**
- Rental of receivers for visitors**
- Business center and kiosks for guests**
- Billing via scratch cards and credit cards**
- Custom login page integrated to the marina web site**
- Login page banners to promote resort specials**

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

Many marinas have wireless Internet access with service provided by a third party which installs the wireless equipment paying the marina a modest rental fee for the antenna. Marina can take control of the income derived from access charges, receiver rentals and banner advertising sales.

- Total investment for equipment, configuration, login page, banners is \$8,400**
- Annual operating costs: scratch cards, DSL/T1 is \$4,300**
- Annual income from users who buy scratch cards or pay with credit cards is \$40,800**
- Annual income from login page advertising to businesses around the site is \$14,000**
- Annual income from wireless units for access below deck is \$2,300**
- Total annual sales is \$57,100**
- Time to payback = 12 weeks Profit 1st year = \$44,400**

## Business Case: Golf Club Internet Access Services

Solutions requested by golf clubs include the following:

- Wireless Internet for the club house**
- Long range wireless Internet for the course**
- Smart golf carts with Internet access**
- Business center for guests**
- Billing via scratch cards and credit cards**
- Custom login page integrated to the resort web site**
- Login page banners to promote specials and sell to businesses**

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

A golf club provides wireless Internet in the clubhouse for guests. Guests purchase scratch cards for Internet access or pay online using a credit card.

The club also provides some golf carts with computers that have GPS receivers and Internet access.

- Total investment: equipment, services, installation and staff training is \$10,500**
- Annual operating costs: DSL circuit, support, maintenance is \$6,000**
- Guests who want the service are charged \$10/day, golf cart Internet is charged at \$20**
- Annual sales from Internet access is \$60,000, from 300 users per month clubhouse and 100 users per month using cart Internet.**
- Time to payback = 14 weeks Profit 1st year = \$43,500**



## Business Case: Bar and Restaurant Wireless Internet

Solutions requested by bars and restaurants include the following:

### Wireless Internet for guests

### Billing via scratch cards and credit cards

### Custom login page integrated to the business web site

### Login page banners to promote specials and the sale of advertising

Access to the Internet can improve lunch business in commercial/business areas. Free (time limited) Internet can be an added incentive for lunch guests. Additional income can be generated via banner advertising sales.

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.

### Business case example:

Well known coffee bar chains established a trend of charging for Internet access. In this case however, the business advertised free wireless Internet access, and designed a login page with banner advertising linked to the business web site to encourage customers to use the website: a powerful customer loyalty tool.

**Total investment for equipment, configuration and installation is \$900**

**Annual operating costs: scratch cards, DSL circuit is \$1,800**

**Provide free wireless Internet access**

**Prepare a custom login page linked to the business web site with banner advertising**

**Banner space is sold for \$80 per month, 12 banners are available**

**Total annual banner sales is \$11,520**

**Time to payback = 12 weeks Profit 1st year = \$8,820**



Corner antenna



## Business Case: Airport Wireless Internet for Travelers

Solutions requested by airports include the following:

### Wireless Internet for travelers over all concourses

### Business center and kiosks for travelers

### Billing via sale of scratch cards and online credit card charge

### Custom login page integrated to the airport web site

### Login page banner advertising space sold to stores

The airport wireless system has to cover very large areas and support many thousands of users per day. A high volume data circuit (T3) or fiber circuit is required.

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.

### Business case example:

Airport Internet services can be very profitable because many travelers require Internet access. However, a large number of wireless access points are required resulting in a higher initial investment. The investment can be recovered quickly because of customer volume and higher prices charged.

**Total investment: equipment, services, installation, configuration and staff training is \$280,000.**

**Annual operating costs: support, maintenance is \$78,000**

**Travelers who want the Internet service are charged \$10/hour, via the purchase of 1-hour scratch cards, or purchase on line using a credit card.**

**Annual sales are \$600,000, from approximately 5000 users / month**

**Time to payback = 31 weeks Profit 1st year = \$242,000**



Concourse antenna

Internet kiosk



## Business Case: Public Internet for Temporary Outdoor Events

Solutions requested by event managers include the following:

**Wireless Internet over the whole site**

**Fast install and take down**

**Long range wireless Internet for outdoor areas**

**Internet kiosks for visitors**

**Billing via scratch cards and credit cards**

**Custom login page integrated to the event web site**

**Use of login page banners to promote event specials**

We provide portable antenna stands that can be erected in minutes and operational in a few hours. Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

Portable equipment is provided for temporary networks. The equipment can optionally have a wireless trunk connection (repeater) to eliminate data wiring to access points. Equipment rental is possible; please consult our sales staff.

**Total investment: equipment, services, installation and configuration is \$6,500.**

**Operating costs during the event: data circuit, support, maintenance is \$2,000**

**Users who want the service are charged \$10 per day via credit cards**

**Sales are \$12,000, from 1200 total users**

**Cost as % of income = 70%      Internet service profit from the event = \$3,500**

## Business Case: Wireless Internet for Large Outdoor Events

Solutions requested by event managers include the following:

**Long range wireless Internet coverage for a very large area**

**Wireless Internet throughput required for 1000's users/day**

**Communications center for management**

**Billing via credit card payment**

**Custom login page integrated to the event web site**

**Use of login page banners to promote event specials plus sale of advertising banners**

Please provide the information requested below so that we can estimate the time to payback and first year profit for your investment.



### Business case example:

High power long-range wireless equipment is required. The equipment must be mounted on a tower or on top of the stage structure. Calculate 100 concurrent users per antenna. Equipment rental is possible; please consult our sales staff.

**Total investment: equipment, services, installation and configuration is \$56,000.**

**Operating costs during the event: data circuit, support, maintenance is \$18,000**

**Users who want the service are charged \$10per day via credit cards**

**Sales are \$320,000, from 32000 total users**

**Cost as % of income = 23%      Internet service profit from the event = \$246,000**



Network Products for Public Internet Access

Fire4 Systems Inc, Unit C-12, 6073 NW 167 St., Miami, FL 33015, USA

Tel: 305 558 8773

www.fire4.Com

8