

# DragonWave: Greg Friesen's 2015 Trends

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In 2015, we expect to see five major mobile backhaul trends in emerging markets.

We also foresee network investments being very business case driven, with a focus on near-term payback and improved profitability. The five key trends that have been identified are:

1. Reducing backhaul spectrum costs – With high spectrum costs in emerging markets, annual spectrum leases can represent over 50% of the total backhaul cost of ownership. To address this, we expect operators to increase deployments of microwave systems with optimized spectral efficiency. This will increase the focus on higher order modulations, MIMO and traffic compression.
2. Reducing tower costs – The second highest element of the backhaul total cost of ownership is the tower lease costs associated with microwave antennas. In 2015, by adopting higher power systems, adaptive modulation, and compression, operators will work to increase their system gain in order to minimize antenna sizes, and associated tower costs.
3. Adoption of E-Band for high capacity connections - Most emerging markets have now opened up the usage of E-Band spectrum in the 70/80 GHz band. In 2015, operators will start to deploy E-Band broadly to provide connections delivering up to 2.5 Gbps. This will provide

operators with a strong alternative to fiber for high capacity connections, with a significantly lower total cost.

4. Deployment of Small Cell networks – 2015 will be the year that initial emerging markets start to deploy outdoor small cell networks. Wireless backhaul will be a key deployment tool, especially in markets with limited fiber. Operators will use 60-80GHz systems with small antennas for high capacity connections where line of sight is available. Where there is no line of sight, operators will deploy sub-6 GHz systems to enable connectivity but at lower capacity.
5. SDN architecture development – In an effort to increase deployment agility, and service availability, while reducing network costs, operators will spend 2015 evaluating and defining their SDN strategies. These strategies will focus primarily in the core and aggregation layers of the network, but will demand more configurability and automation throughout the backhaul network.

These five key mobile backhaul trends point to 2015 being a year with a focus on profitability that will primarily come through the areas of network efficiency and cost reduction. Increased revenue through small cells will also be important, but it will only be achieved when operators can see a viable business case. To this end, we expect there to be many changes on the operator front, with the sharing of small cell networks and strategic partnerships being established with street furniture owners.

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