

1. Mainly on course work.
Clear the deadlines...

2. Re-read paper "ISP Uplink Pricing in a Competitive Market" carefully.

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summary

Given the current assumptions in this model, it can be easily proved that the co-existence outcome will never happen. For the other two outcomes, we can intuitionally know that two main factors p (the original flat-rate price) and β will decide the outcome. If p is very low, but high enough to guarantee the profit is positive, the profit of ISP2 is too slow since he demands a low price while the P2P traffic cost is relative heavy. ISP2 will adopt the uplink pricing immediately to revert the market back to a symmetric one, which will bring the ISP2 a profit of P_0 (Profit-neutral stance). On the other hand, if p is high enough, it causes the P2P traffic cost accounting for a small proportion, less dominant. The more P2P users, the better ISP2 is, because it can attract more users and get more prices. The extreme condition is that p is rather high and P2P users occupies 50 percent, where both ISPs get equal user population, and their profit is almost the same, P_0 .

Critiques

(1) The author categorizes the users into regular ones and P2P ones by evaluating their uplink traffic with a threshold. But ISPs should deploy statistical modules on the access network for an accounting work to identify the specific users, which contributes a lot to the total cost under high line speed. In addition, users will frequently transit between the two kinds, and the pricing policy should be based on a reasonable time interval.

(2) The pricing between ISPs on cross-ISP traffic is too complicated, and case-dependent. In this model, author assumes ISPs will only accounts on the outbound external traffic. The model is not very practical when applied to real-life ISP market.

(3) As for the elasticity α , indicating the percent of population who will lower down its uplink traffic when applied to a uplink pricing policy, should be dependent on the original flat-rate price p and q , the charge per volume of traffic. The simplest relationship is $\alpha \sim q/p$.

(4) When considering about the economies of scale, the cost of ISP will decreased a lot, since peers within the same ISP can feed one another. The q is inappropriate for a fixed value, otherwise the unfair charging plan will make the ISP loose its P2P customers.