

Wireless Mobility Expense Management: Enterprise WiFi and Dual Mode Wireless Services

Alan J Weissberger

alan@viodi.com

In today's fast pace, multi-tasking environment, enterprises must support "on the go" workers that are running multiple applications (e.g. email, contacts, calendar scheduling, CRM, ERP), creating financial reports and accessing sensitive corporate data on their wireless devices. Escalating spending with common carriers and increased costs to support mobile devices are putting pressure on IT departments to manage wireless expenses. In an industry white paper entitled, **Mobile Wireless Communications Management and Enterprise Telecommunications Management**, Rivermine Software states: *The costs and risks associated with mobile wireless communications are in an unrestrained spiral.*" We would certainly agree with that!

Aberdeen Group's research¹ found that 73% of enterprises surveyed are implementing programs to manage wireless expenses. Ninety percent of survey respondents plan for increases in smart devices, which will allow workers to conduct business anywhere (through wireless access to the corporate network). Aberdeen found that "Best-in-Class" organizations spend two times less to support their mobile workers compared to all others despite the fact that they have 21% more devices. They do this, in part, by controlling the mix of smart devices and cell phones.

Uncontrolled wireless expenses, escalating operational costs for device fulfillment and bill processing, and pressures for costly support provide rich opportunities for enterprises to streamline inefficient processes and cut unnecessary costs. Aberdeen's benchmark on **The Real Cost of Enterprise Wireless Mobility** found that it **costs nearly 10 times more to manage wireless services and devices compared to wire line services and equipment.**

Cisco responds in their white paper, **How Cisco Mobility Solutions Can Reduce Costs**. It describes a promising new mobility solution, which takes dual-mode (cellular and WLAN) smart phones and allows users to do many things with them. In particular, users can make and receive calls, send and receive messages, and gain high-speed access to data applications with a wireless connection anywhere, while on or off the corporate campus. Such solutions allow employees to be more responsive to internal and external customers from wherever they work. Dual-mode-enabled mobility solutions also allow enterprises to decrease corporate cell phone usage and support productivity-enhancing applications.

¹ Aberdeen's study, **Wireless Mobility Expense Optimization** (June 2007), benchmarks strategies and technology that impact cost- performance. Aberdeen Group analyzed data from 221 enterprises for this study.

This white paper presents a model enterprise deployment to illustrate how dual-mode mobility solutions based on voice over wireless LAN (VoWLAN) can reduce costs and increase productivity.

For further information, please refer to:

http://www.cisco.com/en/US/netsol/ns340/ns394/ns348/networking_solutions_white_paper0900aecd804dc5b3.shtml

We find Cisco's white paper particularly relevant now that **T-Mobile USA has introduced a dual mode wireless service** that some say is the first real Fixed Mobile Convergence (FMC) commercial offering. T-Mobile launched its **HotSpot@Home** service in late June. The service lets customers connect via the firm's cellular network and its 8,500 WiFi hotspot locations across the country. T-Mobile offers two HotSpot-compatible handsets--the Samsung t409 and the Nokia 6086. Each phone costs \$49.99 with a two-year contract. To provide an incentive to users to sign up for the plan, T-Mobile is letting existing customers add the service for \$9.99 per month for a single line and \$19.99 per month for up to five lines for customers on a family plan.

Cincinnati Bell is also making a similar service available in its region. The **CB Home Run** service lets subscribers make wireless calls via the firm's cellular network and via WiFi in their homes and offices and at the company's more than 300 WiFi hotspots. Cincinnati Bell is charging \$60 for the Nokia 6086 UMA-based handset with a \$15 rebate, and existing customers can add the CB Home Run service for just \$10 per month.

Our take: We are encouraged by the embryonic industry initiatives to make dual mode service a commercial reality. However, we would like to see these services support multiple handsets. We believe that doing so would offer users more choice, which would encourage better acceptance and result in higher growth rates for the service.