

# COVID-19's Effect On Mobile Connectivity and Device Management

**5** Mobile Myths Exposed that Impact Your Business  
(BYOD, Contract Negotiation, Mobile Security, 5G and More)



# Uncover the Truth Around Mobility Management

We are living through the COVID-19 pandemic like experiencing a bad movie. We watched in disbelief as it abruptly propelled an unprecedented number of people around the world to make their office their home and adjust daily routines to a new way of living.

We have had no choice but to form new digital behaviors to stay connected; newly honoring the critical role of communications service providers, as they support and insure flawless digital communication that has become our lifeline. Today, more than ever, we recognize that connectivity is imperative to support the way we work, study, and socialize online. We have experienced endless flavors of video chat, virtual tradeshow (less the hangovers), noisy social media (endless friend requests from strangers) and non-stop video games for the young and old. But as we look forward optimistically, yearning for post-pandemic life, what have we experienced and learned specific to our usage of mobile devices?

## Don't Let the Myths Fool You

### Are you ready for the truth as to how your organization can take control of your mobile expenses and assets?

Many companies have slanted narratives and spewed myths toward the uncertainty of our quarantine, along with the vulnerability of our remote workforce, but what is the truth around COVID's effect on mobile data usage, mobile asset management, mobile security, and the trajectory of 5G?

In this document we will hit these topics head-on and demystify concerns that will translate into simple, yet impactful, telecom costs savings and security for your company.

The brutal fact is, pandemic or not, **90%+ of companies in the US are overpaying for mobile connectivity to the tune of 30-40%**, as the system has been set up to tip the scales in favor of carriers and aggregators. Further mobile data security cannot be understated. **Over the last 10 years, 41% of all data breaches have been linked to a lost device such as a laptop, tablet, or smartphone** (Source: Forbes).



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30 - 40%

# 5 Mobile Myths Exposed That Impact Your Business

## 1. The State of Mobile Data Usage

### MYTH #1

**The pandemic-driven remote workforce and social distancing measures have caused an increase in mobile data usage.**

### TRUTH

**Mobile data usage in the US have remained the same.** According to a global study conducted by OpenSignal (Oct 2020), there has been little to no variation the average user's mobile data consumption or download speed experience for the United States, as well as other developed economies like Australia, Germany, and Switzerland. In fact, smartphone users in the U.S., on average, consume about the same amount of mobile data throughout the weeks in the analysis period. With office workers tethered to their desks, it is fair to say that a decline in mobile usage in favor of WiFi connection, was a logical behavioral change. Whereas those with non-office, laborer jobs, may have increased mobile usage, and thus canceled each other out.

### TAKEAWAY

**Your organization needs to get a pulse on your mobile data plan usage as well as the accuracy of your telecom expenses, regardless of the pandemic.**

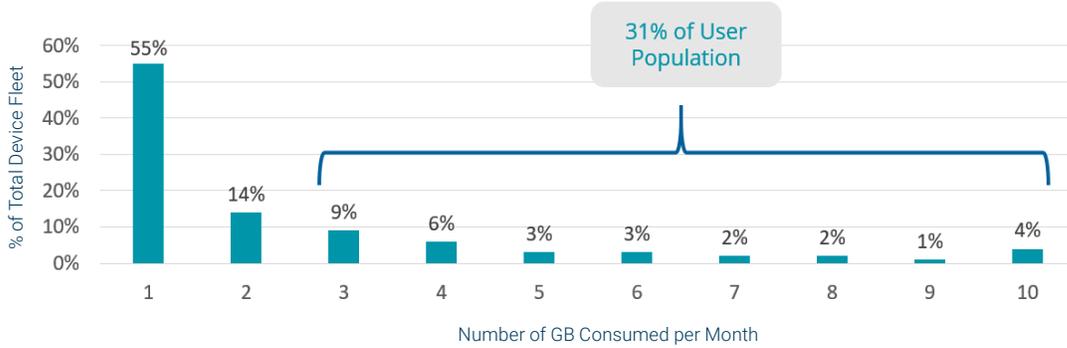
Telecom expenses account for 38% of IT budgets yet IT leaders have no consistent visibility into their environment. Additionally, roughly 22% of carrier invoices have billing errors each month that are the result of disjointed accounting processes that aren't setup for audit and verifications.

Per the chart on the next page, on average, **30% of heavy mobile users are responsible for 60% of the overall wireless data expenses.** If that is the case, unlimited data plans for the majority of your employees are rarely the answer. In fact, the **average enterprise typically oversubscribes telecom services by as much as 40%.** With the right visibility to the data usage and the behaviors of our employees, you can make educated choices as to what data plans are best for your organization.

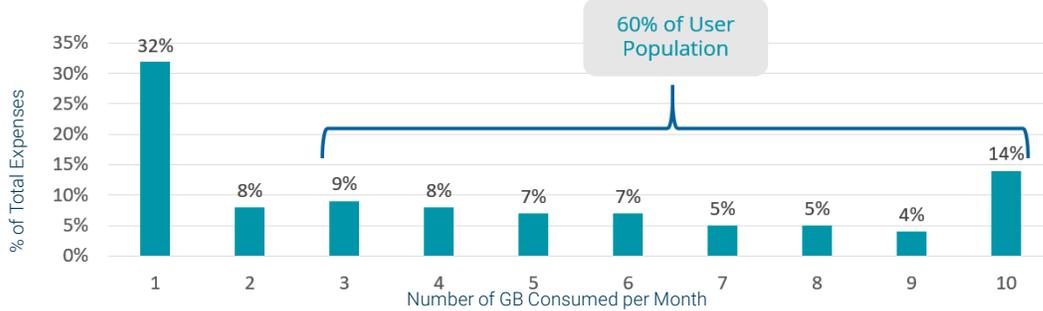


# 30% of Heavy Users are Responsible for 60% of the Overall Wireless Data Expenses

Mobile **Data Consumption** Distribution - Monthly



Mobile **Data Expense** Distribution - Monthly



The average enterprise typically oversubscribes telecom services by as much as

40%

## 2. The State of Contract Management

### MYTH #2

**Despite employees laid off or furloughed, your company is stuck in current contracts and premiums.**

### TRUTH

**Contracts can be renegotiated, and devices suspended.** Unemployment has been unavoidable in many industries as result of the quarantine's effect on business and supply chain. Whether employees are furloughed, or permanently laid off, many businesses are recognizing that there is a need to inventory mobile devices that are no longer in use or explore the possibility of suspending them with hope of reducing short-term costs. The challenge is that without leverage and expertise, fees and penalties will apply to escape carrier contracts.

### TAKEAWAY

**Consider using a Managed Mobility Services (MMS) Provider, not an aggregator, that specializes in contract audit and negotiation.** With national buying power from their customer base, they can use their leverage on your behalf. Often aggregators are incented by their preferred carriers and do not have the geographic reach to recommend the best carrier per location. A good MMS provider can find ways to keep your volume incentives with creative strategies such as suspending your accounts verses deactivating them. And their buying power with the carriers can often cancel out penalties.

# Case Study: Global Facilities Maintenance Company

Before partnering with One Source as their Managed Mobility Services (MMS) Provider, this multi-billion dollar facilities maintenance company was grossly overspending on mobile data usage and device inventory. After auditing and eliminating inefficiencies, One Source used their national buying power with several carrier relationships **lowering their already low monthly fee per device from \$43 to \$35 a month, yielding a savings upwards of 18 million dollars over only a few years time.** Later in 2020, their business found itself greatly affected by the COVID-19 pandemic with a 30% decline in revenue from a large segment of their business. One Source used their negotiating power to suspend the mobile devices of furloughed employees in order to be able to easily reactivate them as business recovered. Having the buying power from other One Source clients with nationwide carriers, allowed One Source to get out contracts and renegotiate for this customer to suspend devices without any financial penalty.

## Device Savings Before COVID-19

Company lowered their fleet-wide mobile expense, saving upwards of **\$18M over a few years.**

\$43 per month



\$35 per month

## Device Suspension During COVID-19

Due to the effects of the pandemic, they saw their revenue segment decline by



Their large, in-contract mobile fleet was costly, but they needed to be ready to redeploy on short notice so fleet disconnections were not ideal



One Source negotiated with the company's carriers to dramatically reshape the economics of device suspension resulting in **ZERO suspension fees.**

### CARRIER 1

90 day suspension



365 day suspension

### CARRIER 2

\$10 per month suspension fee



\$0 per month suspension fee



### 3. The State of Mobile Device Inventory

#### MYTH #3

**You should refresh your mobile fleet during the COVID pandemic.**

#### TRUTH

**The pandemic has changed device usage making the cost of replacement greatly unnecessary.**

Mobile phone replacements are usually issued for two reasons. Either an employee has an accident with the phone such as when it is dropped on the ground, pool, toilet, or, more commonly, the battery life has started to decline. Today's pandemic-driven remote workforce isn't utilizing cellphones as they sit connected from their home offices, so these issues with battery life and damage aren't occurring at the same rate. The only other reason to refresh your mobile fleet might be a generational refresh to the latest model. However, with 5G still limited in distribution and leveraging 4G infrastructure, there is still little urgency for upgrade.

#### TAKEAWAY

**Hold onto your phones!** During the pandemic don't feel compelled to spend money to refresh your mobile fleet. Instead, recognize the true shelf life of your devices.

#### MOBILE DEVICE LONGEVITY



Manufacturer Support

4 - 5 Years



Battery Life

2 - 2.5 Years



Average Useful Life of  
Smart Device

4 - 4.5 Years

## CALCULATING YOUR SAVINGS

Don't forget to calculate and communicate your telecom costs savings this year that delaying mobile device upgrades will afford you.

# of Mobile Devices	Cost per Device	Annual Savings
1000	\$40/month/per device*	\$480,000
1000	\$60/month/per device	\$720,000
1000	\$80/month/per device	\$960,000

\*One Source customers are paying \$40/month per device on average. However, it is fair to say that your organization is probably paying closer to \$60-\$100 month. See what you could be saving!

**Bottom line...don't refresh your fleet, but instead, focus on serviceability!**

## 4. The State of BYOD (Bring Your Own Device)

### MYTH #4

**BYOD is a secure and cost-effective choice for your business.**

### TRUTH

**BYOD is easily 25-40% more expensive and a much greater security risk.**

With cost pressure mounting, don't be fooled to think that dusting off this old concept will work despite its history. In the past BYOD made financial sense, as devices were expensive, and companies didn't want to subsidize them. The predominant phone was a Blackberry... and there weren't many apps for download. Today this is a very costly and risky burden to an organization and the expense of mobile ownership lies in data usage, as the cost of the devices themselves have declined. With BYOD, most individuals are on much more costly individual data plans because they aren't leveraging collective buying power. Companies are offering stipends anywhere from \$60-\$100. The reality is that **you could be paying as low as \$40/device/employee** if you outsourced the logistics, procurement, kitting and delivery to a Managed Mobility Services (MMS) Provider that has the infrastructure, security expertise and buying power.

Sadly, the pandemic forced many companies in a knee-jerk reaction, feeling no choice but to allow their employees to use their own personal mobile devices to the companies' detriment. In fact, Gartner predicts the market for BYOD solutions is expected to grow at 15% a year through 2025, despite the fact that 75% of IT directors worry about costs and security concerns as millions of new devices flood their networks.

Mobile security is basically impossible to control when apps are installed. In a recent study by T-mobile **1 in 36 mobile devices had high-risk apps downloaded. In addition, over half of all businesses (55%) say mobile devices are the most vulnerable points in their systems.** The reality is that with today's pandemic, your business is more vulnerable than ever of cyberattack.



**BYOD is**  
**25%-40%**  
**more expensive than**  
**corporate paid devices.**

## TAKEAWAY

**BYOD is not the right answer for your budget or data security.** Just because it's the easier choice, and your company can't handle the logistics of a corporately-owned mobile device program internally, doesn't make it the right decision. Consider talking to a Managed Mobility Services (MMS) Provider with a specialization in end-point security that can help you organize a program that doesn't burden your staff. It easily pays for itself through carrier negotiation, contract management, invoice auditing, dispute and consolidation, mobile security and even mobile device procurement, kitting and shipping to your remote workforce. Security is nothing to joke around about. **91% of cybercrime begins with a user clicking a malicious link in an email—something they're three times more likely to do on a mobile device** (Source: Deloitte-Lookout). Further, with employees that may be laid off or furloughed, do you really want to run the risk that your corporate data is in their hands... especially those who may have left on bad terms.

91%

of cybercrime begins with a user clicking a malicious link.



3x

Users are more likely to click a malicious link on a mobile device.

## 5. The State of 5G

### MYTH #5

**You should urgently upgrade your mobile fleet to accommodate 5G and transform your business strategy.**

### TRUTH

**Don't let 5G distract you.** If you are relying on public, carrier-led 5G infrastructure, you might need to be patient. You are easily looking at 3-5 years before any significant adoption or value is recognized. For right now many of the benefits of 5G percolate down to 4G so it is okay to sit still. 5G enables high data throughput but at a very short coverage disadvantage. For many, especially rural areas, the economics just aren't there unless they have the support of their local municipalities and chamber of commerce organizations. There is some movement within downtown areas where local government has made 5G investments to attract high tech companies to take residence, but this is highly localized.

In addition, it is also fair to say, that the benefits of 5G are available today if you are a private enterprise willing to make your own investments. If you are a large and dense manufacturing or technology campus, it may make sense for your business to invest in private 5G. There is much discussion about how increased data throughput enabled by 5G will lend to impactful sustainability initiatives, track inventory and supply chain in real-time. As well as numerous AI and IoT applications that will create significant employment opportunities. Until 5G is "really here" will we start to recognize the true value of these visions.

## TAKEAWAY

**Sit tight and don't waste resources.** The fact of the matter is that you shouldn't drive your mobile device procurement strategy off of 5G right now until greater infrastructure is in place .... Nor should you let it dictate major business strategies unless your business is ready to foot the bill for your own campus. Many carriers tout that 5G will be eight times faster than current LTE in just a few years and 15 times faster speeds in the next six years. Organizations should continue to innovate in areas of IoT, sustainability etc knowing that eventually they will be able to leverage better data throughput. With 5G right now, however, patience is a virtue.

## Mobile Truth Takeways

- **Significant cost reduction exists by proactively managing mobile assets and data usage.**
- **Stop oversubscribing data usage. Unlimited plans are rarely the answer for your employees.**
- **Gain control of your mobile inventory and suspend devices as needed.**
- **Delay upgrading your mobile fleet. Focus on serviceability.**
- **BYOD might be the easy choice, but not the safest or cost effective choice.**
- **Don't sit around waiting for 5G. It isn't a reason to buy new phones or change business strategy.**
- **Leverage a MMS Provider to audit your Telecom expenses and review your mobile security strategy.**

## About One Source

One Source's strategic customer engagements have driven our company to view mobile assets not as simply a "wireless telephone", but as a significant expansion of IT and security infrastructure - beyond the four walls of an office building. Customers' needs have reached well beyond Wireless Expense Management (WEM), which narrowly focuses invoice management (audits/disputes/bill consolidation) to a lifecycle approach to Managed Mobility Services (MMS) which spans their enterprise architecture, contract management, inventory management, procurement, kitting, distribution, help desk and data security. It is true that a highly visible outcome of this approach is cost reduction, but it is not the sole driving force. This approach dictates a long-term, accountable, and strategic partnership with our customers, which is the center of our culture and is reflected in our 98% retention rate and average customer tenure of 13 years.

At One Source, we merge technology, industry knowledge and dedicated team members. We are a unique business in that we are completely carrier agnostic and always make decisions that are in the best interest of our customers. Today, One Source serves more than 30,000 business locations, and a few million assets worldwide.

**Find us online at [OneSource.net](https://www.onsource.net), or connect with us on [Facebook](#), [Twitter](#), or [LinkedIn](#).**



**It's time to take control of your mobile device expenses and security. [Contact us](#) to learn more.**

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