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***Voice Report***

**Critical Steps to Successful  
Mobile Expense Management**

### Introduction:

There was a time, not so long ago, when the process of telecom expense management (TEM) for larger organizations was relatively straightforward. Success could be assured if telecom executives simply managed the inventory and conducted audits in the right way and at the right time.

Today, the environment is altogether different. The service provider environment has fragmented to create a far more complex array of choices and relationships that need to be managed. Moreover, the explosion of mobile devices in the enterprise has flipped the old TEM paradigm on its ear, injecting new complexity into the management process.

In this brave new world of mobility management, the first big change is in the type of device being managed. Mobility no longer means traditional cellphones – they're now applications-grade devices that can enable employees to be just as productive at home or on the road as they are at the workstation on their desks.

Further complicating the mobile expense management (MEM) challenge is the fact that the enterprise now must manage costs for devices it does not own. Employees already have smartphones. But now, tablets are on the increase and employees are expecting to be able to use their own devices for personal and work use. That means organizations are tasked with managing a unique mix of corporate and employee-liable environments.

"I would say that many organizations have come to us and said this has turned out to be a far more difficult task than they originally expected," points out Dave Snow, Chief Marketing Officer of Xigo, in a recent webinar on mobile expense management produced by CCMI and *Voice Report* and moderated by *BizTechReports*. In fact, 58 percent of the webinar attendees reported that managing the elements of mobility in their enterprise was more complicated than they expected.

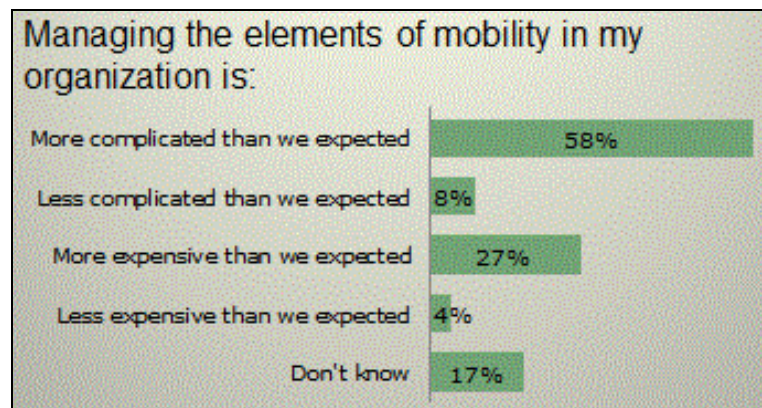


Figure 1

Snow notes that when it comes to effective mobile expense management, there are three key challenges companies are grappling with today:

1. A high rate of growth in mobile usage within the enterprise and rapidly changing device types, plans, rates, etc.
2. A growing awareness within the enterprise of the costs associated with mobile devices and tools.
3. And the prevailing assumption that mobile expense management is the same thing as traditional TEM – which is clearly not the case.

“Since the devices are now in the hands of just about every end user and employee, it’s no longer just a simple expense in the budget,” explains Mark Pownell, vice president of user experience at Xigo.

“You’ve got every individual from an executive all the way down to somebody essentially in a warehouse that is using a mobile device. As a result, executives are dealing with a new enterprise-wide line item on their budgets for which they need a comprehensive strategy to address,” says Pownell.

This shift dramatically affects the enterprise’s ability to track costs and maximize the return on investment for those technologies.

“In the traditional TEM world, it’s all about looking at inventory with respect to contracts and bills,” Snow explained. “In the rapidly growing mobile environment, it’s much more about devices and about the plans – and usage costs – that are associated with different devices purchased by a wide variety of employees on multiple networks,” he says.

Although inventory and devices in wireline and wireless environments might seem similar, enterprises must look at the components differently. In mobility, the key to success revolves around active and constant optimization of devices and services.

“It is an ongoing dynamic activity,” says Snow. “Traditional TEM operations are more of a periodic effort that centers on billing, contractual or audit events. Effective mobile expense management must be attended to virtually every day,” he adds.

Consumerization of devices also is a key issue since employees want to bring their shiny new devices into work – and use those devices to access the corporate network to do their jobs.

“There’s a customer satisfaction imperative presented by end users. People don’t want to deal with two devices,” Pownell says. “They want one device. They want their iPhone and they want to bring it to work and use corporate email. So obviously that brings a challenge to the enterprise.”

### Impact Analysis of SaaS in Mobility Management

Because of the persistent challenges of mobile expense management, enterprises need solutions that are robust, flexible, affordable and real-time. Increasingly, Software-as-a-Service (SaaS) solutions are gaining traction in the space because they address these requirements.

“There is a growing recognition among executives [that SaaS] usually lowers the cost of ownership and certainly lowers capital expense and lowers barriers to entry in terms of deploying new applications of any type,” Snow says.

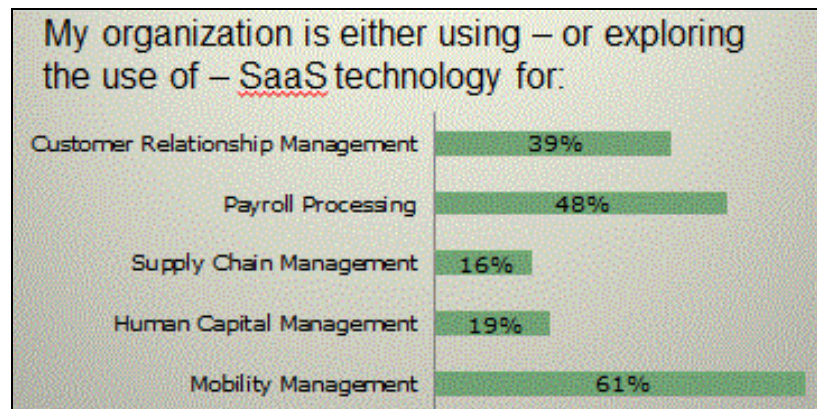


Figure 2

But beyond the generic benefits of a SaaS solution, there are specific benefits SaaS brings to the mobile expense management space. For instance, as organizations deal with a mix of corporate- and employee liable assets, enterprises must maintain security, privacy and integrity while at the same time ensuring availability in a highly geographically and organizationally distributed business environment.

SaaS provides a way to quickly deploy an enterprise-wide solution that is available to far-flung offices and employees. Moreover, since SaaS solutions typically consist of web-based applications, they are easy to use, and present a familiar interface to non-technical employees who manage MEM.

The SaaS value proposition differs considerably from a premise-based service model because it enables users to lower their barrier to entry for mobile expense management and implement a solution quickly. In this respect, SaaS democratizes the MEM. It is no longer a discipline that needs to be restricted to large organizations with thousands of devices and services which need to be managed. Smaller organizations can begin to optimize their mobile device and service expenses.

SaaS is also an application environment that can be brought into the organization very quickly. There is no need to purchase, install, configure and manage complex applications.

“Instead of having the long procurement followed by the long

implementation, SaaS solutions literally enable users to implement a solution in minutes,” Snow says.

A SaaS model also frees the enterprise from dependence on a vendor’s professional services by instituting a self-service model.

“The ability not only gives a rapid implementation, but to do it in a completely self-serve environment without the overhead of costly consultants is very, very important for our users,” he says.

A SaaS model also makes the mobile expense management solution more accessible to smaller organizations. “SaaS lowers the barrier for entry for all organizations,” Snow says.

“SaaS solutions can serve organizations with 50 to a thousand devices, reaching into a market that has been largely underserved by traditional TEM vendors. But it also is valuable for enterprises with 20,000 or more devices that want to begin the process of invoice analysis optimization in a completely self-serve environment over a weekend,” he says.

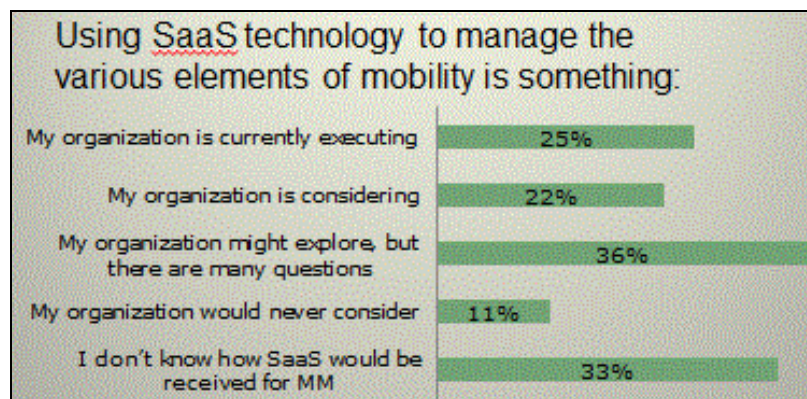


Figure 3

### Adopting Best Practices, Avoiding Pitfalls

Since MEM clearly is a key issue for organizations large and small, what are some of the best practices that companies should be mindful of?

To address this question, Xigo has created a set of business rules that in essence triangulate the key elements of MEM – the usage plan, device and inventory data detail – and present the information back to the user in a meaningful format for a rational analysis.

That analysis is broken down into seven areas:

1. Messaging usage
2. Devices without any usage
3. Purchases
4. Missing business plan discounts
5. Voice overage, long distance or roaming

6. Data overage or roaming; and
7. Equipment protection/insurance.

“Within any one of those categories we have developed numerous automated business rules that trigger flags for managers to consider,” Pownell explained. “It provides a framework that allows organizations to better categorize the data from a high level and make it easy to discover areas of saving and areas that you have high interest.”

Based on Xigo’s decade-long experience managing mobility, the solution can actually identify high priorities that can make a big difference in costs. For instance, one straightforward way of using Xigo’s business rules to reduce costs revolves around managing text message usage.

“We have seen cases in which a particular user used 827 text messages during a single month – and the user was not on a text-messaging plan.

“By having a business rule that correlates text message usage with a contractual line-item that identifies plans, managers can immediately identify opportunities to engage with service providers to get the right people the right plans. You can see significant savings accrue to an organization by ensuring that a text-messaging plan is attached to this particular user’s account,” Pownell explains.

### **The Future of Mobility from Xigo’s Perspective**

Xigo believes it is in a uniquely qualified position to help large enterprises -- and even small businesses – bridge the gap between the old TEM world and the new challenges of mobile expense management.

Xigo, formerly known as Invoice Insight, emerged in the late 1990s telecom boom when large enterprises with lots of fixed and mobile phone lines needed TEM to find carrier billing errors and recover that money.

But time marches on and so does technology. Carriers’ billing systems have improved and in many cases are now more straightforward than they were a decade ago. But mobile devices have become increasingly more complex and intelligent.

These days, the edge of the corporate data network is the center of business. Carriers’ new source of revenue is increasingly driven by the growth in application-driven data. Consequently, enterprises are seeing the cost and complexity of those data plans skyrocket.

As of late June, Xigo was approximately 10 weeks into the launch of its SaaS-driven self-service products, Xigo Now and Xigo Pro. In that time, the company had brought on more new customers than they did in the prior two years.

“The SaaS delivery model for MEM is being rapidly embraced by a fair number of end users. Many are upgrading from our premium offering Xigo Now to Xigo Pro,” Snow says.

“We also see a fairly large number of what you might call mobile service providers or mobile consultants who are using the Xigo products as part of their service delivery. So it becomes a tool that is generating the same effect for their own customers – they get a rapid start, with rapid results, and a very, very early payoff. So it tends to short circuit what has otherwise been a very long cycle for users as they looked at traditional TEM products.”

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### **About *Voice Report* and CCMI**

CCMI is the industry's leading provider of telecom rate and data solutions and information. We are dedicated to delivering relevant, highly specialized and strategically focused content. CCMI publishes *Voice Report*, the leading independent source of telecom news, analysis and award-winning guidance on communications technology services and equipment for the enterprise. For analysis and guidance on the latest telecom happenings, visit [www.TheVoiceReport.com](http://www.TheVoiceReport.com), and sign up to receive email updates. Explore white paper and webinar resources at <http://whitepapers.thevoicereport.com>.

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### **About Xigo**

Xigo instantly reduces and controls mobile, fixed and global telecommunications costs for organizations of all sizes. The company provides the first and only solution that uploads wireless bills and automatically generates immediate cost and timesaving results -- in minutes, not months. Xigo's single, cloud-based platform accommodates company growth without adding complexity and satisfies the full range of enterprise communications expense management requirements. Xigo's success is attributed to customer-centric innovations and industry firsts with more than a decade of expertise spanning wireless and wire line communications. For more information visit [www.xigo.com](http://www.xigo.com) or email [info@xigo.com](mailto:info@xigo.com).