THE BILL POLICE ®
PROTECTING YOUR WIRELESS RIGHTS

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How to Make the Most of Limited Data Plans and Still Save Money

The days of unlimited data have almost entirely disappeared. All major carriers except Sprint are now playing the game of limited data plans. Fie on those limited plans, you say? Well we can agree; but if you aren't using your full capacity of data, there is a good chance you may actually be able **to save some dollars by managing your limited data plans**. The Bill Police give you the inside scoop on what you need to know about limited data plans and how it affects your business.*

Part I: The Core Process

Pop Quiz! How much data revenue was billed 10 years ago according to the CTIA, the International Association for the Wireless Telecommunications Industry? HA! Trick question: data NOT AVAILABLE.   Translation: none.

Okay, let's try this one: how much data revenue was realized for 2010? Right! $50.1 Billion (yes, with a "B"). Is it even necessary to say that's a big increase? See below.

Wireless Quick Facts

Year End Figures

Topic	Dec-10	Dec-05	Dec-00	Dec-95
Wireless Subscriber Connections	302.9M	207.9M	109.5M	33.8M
Wireless Penetration equals # of active units divided by the total U.S. and territorial population (Puerto Rico, Guam and the USVI)	96%	69%	38%	13%
Wireless-Only Households[1] % of U.S. Households	26.6%	8.4%	N/A	N/A
Direct Carrier Jobs	250,393	233,000	184,000	68,000
Wireless Carrier Payroll[2] Direct Carrier Wages	$13.2B	$12.2B	$1.8B	$1.7B
Annualized Total Wireless Revenues	$159.9B	$113.5B	$45.3B	$19B
Annualized Wireless Data Revenues	$50.1B	$8.5B	$211.2M	N/A
Annualized Incremental Capital Investment	$24.9B	$25.2B	$18.4B	$5.1B
Minutes of Use	2.2T	1.5T	258.8B	37.8B
Monthly Text Messages	187.7B	9.8B	14.4M	N/A
Annualized Yearly Text Messages	2.1T	81B	N/A	N/A
Cell Sites	253,086	183,689	104,288	22,663
E-911 Calls[3] Per Day	>296K	260K	139K	55K

Figure 1. Wow, have data revenues increased. They went from nothing in less than 10 years to almost $50 Billion per year. Keep in mind that just DATA

Our Core Process is based on 5 distinct strategies:

1. **Monitor your data usage and identify patterns**

2. **Create a Baseline**

3. **Pick a plan that best fits your organization's Baseline**

4. **Audit and adjust the Baseline**

5. **Rinse and repeat!**

1. MONITOR USAGE AND IDENTIFY PATTERNS

This is key with the new limited data plans. It is very easy to use a bunch of KB without even realizing it is stacking up. We just recently saw **one enterprise user rack up a bill for one phone in the organization for over $10,000**. Yikes! (*This user did NOT, however, pay $10,000, see the first tab in "Accoutrements" below for how we avoided the $10,000 in cost for this user*)

This is easier to do now that the carriers are helping a bit.   Each carrier can give you an estimate for data usage with their calculators at the below links**. Each carrier's portal will give you your KB usage for each user; this will help you to identify your needs for the organization. Please note, however, that we find the most valuable way to estimate data usage is by your trended history.

This is also available on your carrier website albeit not readily. The one problem is that you may have to sift through several screens of data to get exactly what you need. If you are one of the smart organizations who understand WEM (Wireless Expense Management) and use a WEM provider, you should be lucky to not only have this data, but have it managed on your behalf.

**Carrier Data Calculators:
Sprint data calculator - https://boeing-il.bluefishwireless.net/il/pages/data-calculator?inline=true
Verizon data calculator - http://www.verizonwireless.com/splash_includes/datacalculator.html
ATT data calculator - http://www.att.com/standalone/data-calculator/
TMobile Data calculator - http://www.t-mobile.com/Tools/MBCalculator.aspx

How Much Data Do I Get?
You can do a lot with 200MB and 2GB of data. Here are just a few examples.

Monthly Activity	200 MB	2 GB	4 GB
Sending/receiving a one-page text email	1,000 emails	10,000 emails	20,000 emails
Sending/receiving a one-page text email with document attached	150 emails	1,500 emails	3,000 emails
Web browsing	400 pages	4,000 pages	8,000 pages
Downloading/uploading a photo to social media site like Facebook®	50 uploads	500 uploads	1,000 uploads
Stream a one-minute YouTube video (standard quality)	20 minutes	200 minutes	400 minutes

Usage examples are estimates. Individual results will vary based on customer's Internet usage patterns among other factors.

Figure 2. Here is a helpful chart to give to your employee users so they realize exactly what data charges they will incur based on individual usage habits.

Consumer polls on technology blogs such as Phonedog.com and DailyTech.com show data usage figures. 33% of the 2,700 DailyTech readers polled used less than 200MB, while 20% used between 200MB to 500MB, 12% used between 500MB and 1GB of data, 8% used between 1GB and 2GB, whilst 26% of smart phone users polled used more than 2GB of data per month.

9.1% of the 1,044 PhoneDog.com readers polled used less than 50MB, 5.5% used less than 100MB, 8.1% used less than 200MB, 10.7% used less than 500MB, 14.3% used less than 1GB, 12.7% used less than 2GB, 15.3% used less than 5GB and 24.2% used in excess of 5GB.

The average Android device owner leads all other American smart phone users, consuming 582 MB of data each month; iPhone owners are next at 492 MB.

You can read more about these consumer polls by visiting Fierce Mobile Content:
http://www.fiercemobilecontent.com/signup?sourceform=Viral-Tynt-FierceMobileContent-FierceMobileContent

2. CREATING A BASELINE

The Baseline is a metric that benchmarks the best fit (or the "optimized") data plan for each user and for the total enterprise. Once this is established, you can measure to it and continue to improve upon it each month. This baseline is the typical trended usage fitted with the optimal plan to fit the need of the user and of the account as a whole.
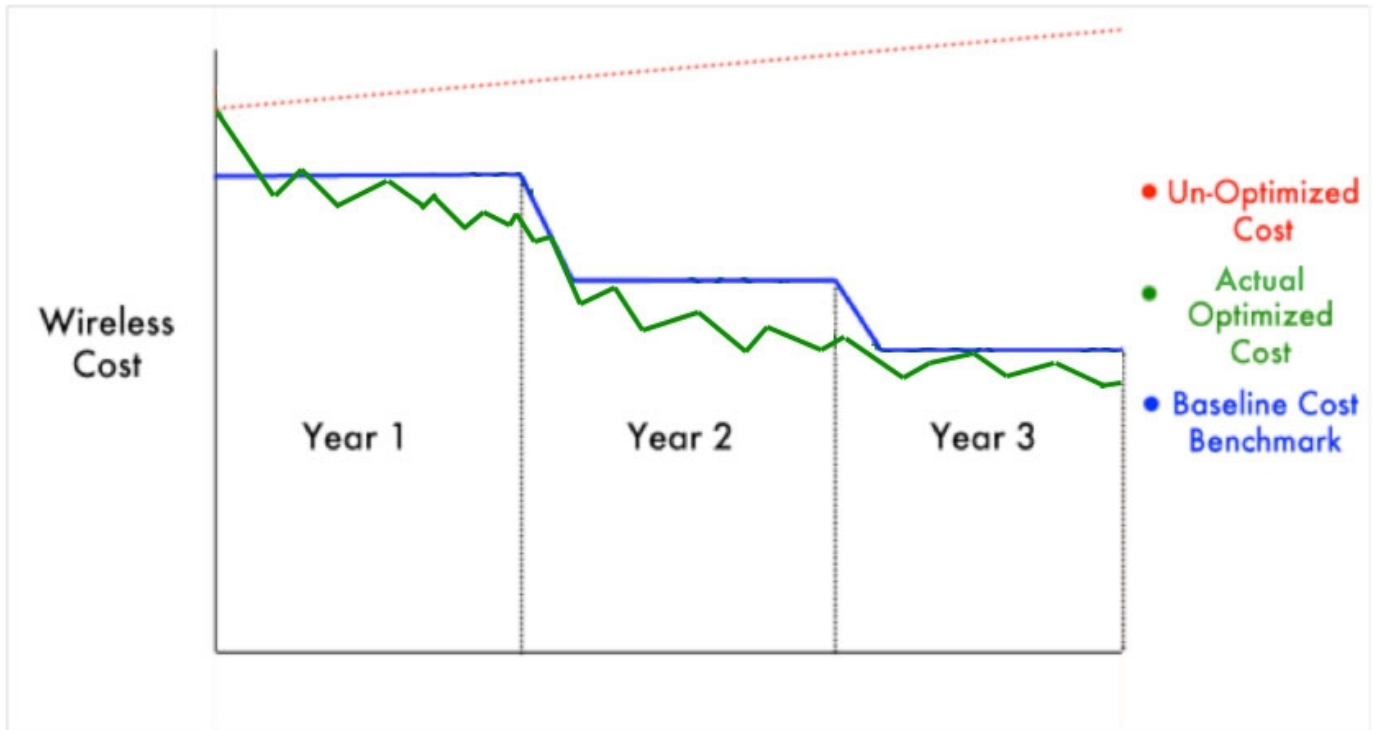

Figure 3. We've created this graphic to help you visualize exactly how the Baseline metric works as an effective benchmarking tool.

3. PICK A PLAN THAT BEST FITS THE BASELINE

In a perfect world, if you use 100KB per month, then you would use a plan that matches 100KB. Of course in reality, that does not happen, but here at The Bill Police, we'll keep acting like it should. We've historically maintained about a 5-10% buffer rate (which is excellent considering industry averages). However, we still recommend that you make sure you have a cushion or the ability to manage your user group carefully if you don't.

Here are some useful hints to consider when selecting a data plan:

a) <u>Hang on to your grandfathered unlimited data plans.</u> These plans will give you a great ROI while using lots of data. Of course, this means you would be sticking with 3G service (at least for now).

b) <u>Find creative ways to match the plan to the usage.</u> Take advantage of things like free WIFI when you have the choice. Encourage employees to sync with both work and home wireless networks to avoid these totally unnecessary data costs.

c) <u>Continue to stay on top of Carrier rate plans.</u> This is so incredibly important! Often carriers will sneak in unpublished specials and/or limited time offers. This can be difficult to accomplish if you do not have a good relationship with your carrier. This is yet another area where partnering with an experienced WEM provider can pay off in spades. (You know who you are)

4. AUDIT AND ADJUST THE BASELINE

Because of the dynamic nature of wireless, your organization must continue to audit AND update the baseline to its most optimal plan each billing cycle. For example, be sure to add international data packages or roaming features to those devices traveling or calling internationally as needed each billing period. Some carriers have offered unpublished unlimited international data plans for very reasonable prices, so ASK. For those of you who know who currently work with a WEM provider, you probably already are well aware of this.

5. LATHER, RINSE & REPEAT

Optimizing your data expenses is a dirty process and needs constant attention. Don't be led to believe, like TEM (Telecom Expense Management) a one-time model is enough. While TEM is perfectly suitable for managing **landline** expenses and usage, it is not and **will never be a successful model** in WEM.
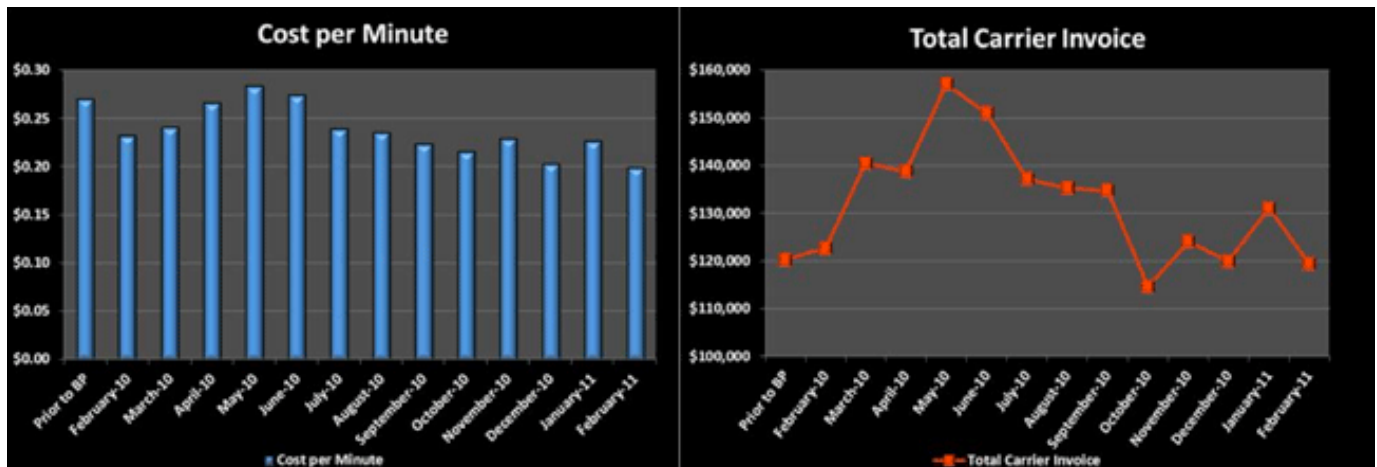

Figure 4. Here you can see how this same principle can also work on voice, as well as have a dramatic effect on an organizations total wireless costs. Please note: this customer increased their number of devices by 300% during this period. *Can you spot where?*

PART 2: The Accoutrements

After the core process there is still a significant amount of work to complete! Besides the Core Process (Part 1), a high quality WEM provider or program should include but not be limited to the following insights as they relate to your business:

- Look at changing your data plan mid-billing cycle if you believe your data usage is changing during a current billing period. Sometimes you can work with the carrier to waive fees or change rates in lieu of overage charges. See your WEM provider for additional details (You know who you are!).
- Limit your streaming video to your unlimited data rate devices (****Note: broadband cards are not unlimited!**)
- Ask carriers for creative discounts based on your organization's unique usage. They can do this and usually will but you will need to know what to ask and what you might need to give up to get it (additional contract commitment etc.)
- Make the best use of deciding whether to Tether or use Wi-Fi. Wi-Fi can be cheaper because in many cases it is free; however, there are security issues. Tethering does not require you to purchase another device, but it can become costly. Also be sure to compare the rates of the tethering vs. Wi-Fi plan options.
- Take advantage of carrier-specific programs. If your organization can benefit from unlimited data or text messages, you may consider moving your plans to new improved carrier options.
- Be sure to investigate Group Purchasing Organizations (GPOs) and additional programs for discounts. Many carriers have several GPOs with which they work and those closest to your organization's fit (healthcare, government) may have your best discount options.

PART 3: Usage Habits are a Big Deal

In part 1 and 2 we discussed strategies that take place on the administrative side of things. While we, The Bill Police, have perfected the trend and data analysis of wireless costs, there is still one HUGE variable: the people who use the devices. Therefore, we find that after coaching clients on usage habits, we see another substantial decrease in costs – **especially when talking about data.** To help explain how easily people can use up their data allowance, Clicker.com ran their own video streaming tests. According to their calculations users could **watch around 17 hours of YouTube content,** 13.65 hours of programming on Netflix, or 10.24 hours of programming on ABC's iPad app before **using up their entire bandwidth for the month**.

According to US network provider AT&T, 200 megabytes (MB) of data should be enough for you to, "…send/receive 1,000 emails (no attachments), plus send/receive 150 emails with attachments, plus view 400 Web pages, plus post 50 photos on social media sites, plus watch 20 minutes of streaming video" every month via a 3G connection. With 2GB of data you should be able to, "…send/receive 10,000 emails (no attachments), plus send/receive 1,500 emails with attachments, plus view 4,000 Web pages, plus post 500 photos to social media sites, plus watch 200 minutes of streaming video" per month. Here's how long it would take for a user with a typically slower AT&T 3G to max out that 200MB limit while using an iPhone 3GS:

	Hours until 200MB	Minutes per day for a month
Reading news websites	2:25 hours	4.77 min/day
Email (checking every 30 sec)	78:59 hours	155.89 min/day
Streaming Pandora music	4:55 hours	9.7 min/day
Making Skype calls	9:25 hours	18.6 min/day
Browsing Facebook app	18:20 hours	36.2 min/day
Streaming YouTube videos	2:40 hours	5.3 min/day

Figure 5. For more stats on wireless data usage, check out this great post on Fierce

THE BOTTOM LINE: RIGHT PLAN.   RIGHT PRICE.   RIGHT RESULT.

Stop getting robbed by your wireless bills! Put these tactics to work and you could avoid expensive and unnecessary data costs. There are many areas where you yourself can make significant changes to your billing without sacrificing your rights. However, for larger companies Phillip Redmon from Gartner suggests bringing on (wireless) telecom expense management services.

After successfully lowering scores of Fortune 100 and 500 companies' wireless costs, we're now offering our services to any enterprise level client that currently subscribe to 750 or more devices within their organization.

⚠️ Looking to Learn More about Optimizing Data Costs?

Join us for our next free webinar: **"Combating KB Overload: Strategies for Savings Success"**

Click Here to Reserve Your Seat

Seats are limited, register today