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# Mobile roaming

## Who cares?

By Dale Vile, July 2007

If there is one topic that is guaranteed to raise the blood pressure of the average corporate telecoms manager, it's mobile roaming charges. The level of the fees imposed by mobile operators on customers making or receiving calls when travelling internationally has been a bone of contention for many years.

When talking about emotive topics like this, however, it is always difficult to ascertain exactly how many organisations are affected. Is it just a case of there being a noisy minority who despite the attention they attract are not that representative, or is there a wider level of concern within the broader business community as a whole? After all, there must be many organisations that are largely operating in just one country, for which it is not such a big deal having to pay a bit more for communications on the odd foreign trip.

We generated some insight into which business segments care the most about roaming in a recent online research study\*, during which we gathered feedback from over 1,100 respondents from around the world. One of the questions related to the importance of operators offering "Manageable roaming charges for international use", inviting responses on a scale of 1 to 5, where 5 equated to "Highly important/desirable" and 1 indicated that roaming was not relevant.

If we assume that those giving a response of 4 or 5 on the above scale care significantly about roaming, the results tell us that on average, continental Europeans care the most (63%), closely followed by Brits (56%), then Americans (39%). This big difference between Americans and Europeans undoubtedly highlights the fact that many businesses in the US have such a large home market that there really is little incentive to look elsewhere and hence travelling internationally on business is not something they do very often.

Drilling into the data a bit more, though, we actually see that large American companies with greater than 5,000 employees are not that different to Europeans, with 54% of them caring about roaming compared to just 32% for smaller US organisations falling below that size threshold. So, our hypothesis that American businesses are able to survive adequately by serving their home market only, and therefore don't care too much about communications while abroad, doesn't really apply in the American large enterprise sector.

Tellingly, the difference between larger and smaller businesses we see in the US is much less evident in Europe, where the percentages of those who care about roaming are 61% and 55% respectively for corporates versus smaller businesses. This is consistent with smaller home markets driving a greater level of international business mobility, which is in turn enabled by the relatively low cost of international travel within Europe – whether by planes, trains or automobiles. This finding also blows the theory that international roaming is mostly a large enterprise requirement completely out of the water, in Europe at least, meaning European operators should really be paying as much attention to the roaming element in small business service propositions as they do in the enterprise space.

Thankfully, most of the mobile operators seem to be making efforts with regard to roaming, which has led to the emergence of a number of different schemes and packages that take at least some of the pain away. It's not yet perfect, by any means, but with the occasional nudge from the EU, the situation within Europe, for example, is moving from "extortionate and totally unpredictable" to "expensive but manageable".

As a word of caution, however, there are two aspects to roaming that can easily catch you out. The first is travelling between the US and Europe, as the deals and relationships between operators across the pond are generally not as advanced as those within Europe, so it is important to check out this angle if transatlantic travel is something that's important to you. If this is the case, operators with a direct footprint in both Europe and the US can sometimes offer advantages.

The second potential gotcha is roaming charges in relation to mobile data access. Arrangements between operators here are even less advanced than in the voice arena. Again, it is important to pay particular attention to the transatlantic situation as some UK operators, for example, will charge up to £10 per megabyte, which can lead to some nasty surprises if you have not understood the way roaming charges work. One way of dealing with this for notebook PC users is to look for services that bundle cellular and WiFi access, and again there may be advantages in looking at service providers that have a direct international WiFi footprint or solid favourable arrangements in place with WiFi network operators.

The fast-moving nature of the service provider market in this area means that it is not possible to recommend one provider over another as deals and contracts on offer change so rapidly over time. At a more general level, however, if you are in the market for a new contract, we suggest you figure out the level of roaming that takes place within your workforce if you haven't done so already, distinguishing between transatlantic travel and travel within Europe for the reasons we mentioned earlier. Also make sure you consider the data element as well as voice. You will then be able to ask specific questions of operators in relation to the roaming scenarios that occur most frequently within your business, which will allow you to evaluate options much more objectively.

For those whose users' only roam internationally on an occasional basis, we still recommend making sure you understand the charges that will be incurred for different types of access, and recognise that these will vary from country to country.

In any event, it is worth considering issuing guidance to your international travellers to ensure that costs are kept to a minimum. Such guidelines may relate to things like ensuring they don't inadvertently roam onto a non-preferred network (i.e. one that your local provider does not have a deal with), use equipment like data cards irresponsibly, or incur unnecessary voice mail costs associated with messages being relayed back and forth at international rates.

The bottom line is that while things are getting better, it is still easy to get caught out. On the other hand, it is also true that excessive charges can be avoided in many cases through a combination of understanding how it all works within your contract and putting the necessary usage policies in place.

\* The usual caveats apply with regard to the self selecting nature of online research samples.

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