

Over half of European businesses worried about soaring costs of mobile communications

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Over half of European companies are concerned about the escalating costs of mobile communications according to a survey commissioned by BT. Coupled with the fact that over 90 per cent of European companies recognise that mobile working is set to increase greatly over the coming years, this finding highlights the growing concern around the cost implications of increased mobile communications. The countries most apprehensive about the costs involved in the use of mobile phones were found to be Germany and the UK. Overall, more than three quarters of companies are anxious to quickly control these soaring costs.

The survey carried out by Coleman Parkes Research, a leading business-to-business marketing research company,(1) across the UK, France, Belgium, Netherlands, Germany and the Nordics, identifies that the majority (54 per cent) of European businesses believe mobile bills will increase by up to 25 per cent by 2007.

Despite their concerns, European businesses do acknowledge the vast productivity and business benefits attached to mobile communications. Around three quarters of all companies agree that the benefits of mobile working will justify the costs. This sentiment is most strongly expressed by the French companies surveyed (84 per cent). Similarly, the large majority of companies, including 90 per cent of Belgian companies and 88 per cent of UK companies, believe that mobile working will allow employees to become more productive.

Harvey Deaton, general manager mobility propositions, BT Global Services commented, "In today's digital networked economy, businesses are increasingly dependent on mobile communications. This survey highlights the very real concerns European companies have about the rapidly rising costs of mobility and the need to control these costs. One of the reasons that mobile costs continue to escalate could be due to the continued use of multiple network providers. Twenty three per cent of European companies surveyed were found to be using multiple providers locally within their own country while 26 per cent were found to be using more than one provider across Europe. Through effective management and supervision of an enterprise's use of mobile devices and services, BT is pleased to be helping companies control the burgeoning costs and management challenges of rolling out mobility solutions."

BT currently offers fully managed mobility services to international organisations, helping them reduce costs through end-to-end solutions. BT has recently signed deals to provide such services to Superfos, one of Europe's largest packaging business and Intenia, a global enterprise solutions provider.

(1) The research was commissioned by BT Global Services and carried out by independent consultants Coleman Parkes Research between December 2004 and April 2005. 250 large corporations were interviewed across UK, France, Germany, Belgium, Netherlands and the Nordic regions.

Further key findings from the research:

-Proportion of the workforce classed as mobile in 2005: Across Europe, 58 per cent of companies classed their mobile workforce as currently being less than 10 per cent of their employee base, while 20 per cent of companies classed their mobile workforce as making up between 11-25 per cent of their workforce. 14 per cent of companies classed their mobile workforce as representing between 26-50 per cent of their workforce.

-Proportion of the workforce classed as mobile in 2007: Across Europe, 46 per cent of companies envisage their mobile workforce to be less than 10 per cent of their whole workforce by 2007. 27 per cent predict their mobile workforce will make up between 11-25 per cent of the workforce, 16 per cent expect their mobile workforce to be between 26-50 per cent of their whole workforce and 8 per cent predict to class their workforce as being made up of over 51 per cent of their total workforce.

-Productivity: In total, 81 per cent of all European companies agreed that mobile working would allow employees to become more productive. This compared to 88 per cent of companies in Germany, 74 per cent of companies in France, 90 per cent of companies in Belgium and 62 per cent of companies in the Netherlands.

-Percentage of companies giving high importance to factors in improving admin and cost of running a mobile workforce: Centralising purchasing through a single service provider: 16 per cent Consolidating the bills across countries/regions: 26 per cent Outsourcing mobile telephone administration: 41 per cent