

Tips for Telecom Cost Optimization

TIP #1

Carriers want your minutes, not your devices, and are willing to provide you much better rate plans if you free them from being a hardware middleman.

Remove Carrier Mobile Device Subsidies

What's the price of having your device costs baked in with your monthly plan? As much

Reasons to take action

as \$25 per month, per line, per device. For enterprises with thousands of mobile devices, that's a hefty convenience fee.

Avoid wasting thousands of dollars paying

monthly service fees for devices no longer

rate plan and unlock savings up to

six and seven figures Remove carrier device subsidies

Uncouple device rentals from your

Actions to take

Implement "end of life plan"

Monitor monthly service plans

Keep close track of the

device pay-off dates

End Up Paying:

Large

Enterprises

Implement "End of Life" Mobile Device Plans

of life device subsidies. Large enterprises frequently pay more than \$2,000 for \$599 smartphones because the carrier does not stop billing for the subsidy after fully paid.

Many enterprises continue to lose thousands of dollars paying monthly service fees for devices

no longer in use. But that's not all - you will need to watch the monthly service plan, too for end

Actions to take Reasons to take action

TIP #3

in use or fully paid off.

In 2022 this same contribution rate is up to 33% ... a 400% increase! Telecom regulatory fees and taxes such as the USF fee, property tax, cost recovery fees and administrative expense fees should all be audited frequently to

Watch the Telecom Regulatory Fees

In the year 2000 the Universal Service Fee was only 5% of applicable spend.

identify savings opportunities. Reasons to take action

Use a "Top Expensive Users" Report

A top 10 most expensive user list will increase awareness of how mobile usage affects budget.

2000 2022

Universal Service Fee (Percentage of Applicable Spend)



or in some cases eliminate your

company's tax and fee burden

Review accuracy and applicability

of USF, recovery fees, property

taxes, and tax exemptions

Actions to take

Expenses Committed to

40%

On average enterprises commit over

40% of all telecom expenses to taxes,

fees, and surcharges. This presents

incredible savings opportunities!

Taxes, Fees, And Surcharges

TIP #4

TIP #5

Use a Mobile Expense

Reasons to take action

and opportunity costs. If you leverage

the carrier systems only it will limit your

ability to pool data effectively; waste time

by duplicating processes across carriers;

and require manual, time consuming

carrier system updates.

Management System Other

Reasons to take action

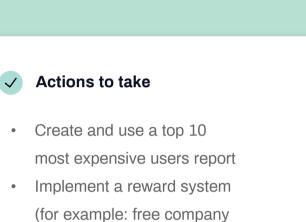
Increase awareness of how mobile usage

affects the budget. End users will not want

to show up on this list and will change

behavior to avoid appearing on it.

Actions to take



t-shirt for lowest cost user)

Than the Carrier Portals

Don't depend on your carriers' systems. Accurately allocating mobile expenses across a large enterprise is a big challenge and the temptation to "let the carrier do it" is understandable. However, it is wasteful both in terms of manpower

TIP #6 Tie Your Mobile Inventory to Your HR System There should be two-way integration between your HR system and your mobility inventory. When someone leaves the company, this will ensure that HR has accurate information as to what assets they have, so that devices can be collected and services can be suspended or terminated. Zero-use

Ensure HR has accurate information as

to what IT assets they have, so devices

can be collected and services can

Reasons to take action

By integrating with a travel platform, your

managed service provider knows which

devices to put onto international roaming

so that the plan can be changed after the

trip has concluded. Extra bonus points if

plans as well as the trip start and end dates

un-billed usage and MDM can be leveraged

to provide ancillary sources of information

regarding international roaming.

Reasons to take action

Late fees are 100% profit for vendors

who have been increasingly aggressive

in applying and sustaining late payment

fees. The resources required to dispute

and recover these fees are substantial

be suspended or terminated.

Leverage a Mobile Expense Management platform with carrier and enterprise system (HR, ITSM, ERP) integrations Ensure a thoughtful implementation to maximize automation and spend visibility Regularly review the data to throughly optimize the environment for cost takeout Setup end user campaigns for spend awareness and zero use device suspensions

Reasons to take action

TIP #7 **Use Travel Platforms to Reduce**

International Roaming Charges

service lines are a considerable source of waste within most mobile environments; Why wait until

several months have elapsed to determine that the line is no longer in use?

Pay Your Invoices On Time

and significant. **TIP #9**

Actions to take Integrate your mobility platform with a travel platform

Leverage un-billed usage and

MDM data to provide ancillary

international roaming

sources of information regarding

- **Actions to take**
- in invoice processing and payment Obtain supply chain financing, if available from your payment vendor, to extend working capital

Negotiate longer terms for

payment or a late fee waiver

and pay bills on time

Ensure your payment process

Utilize a third-party vendor specializing

is flexible and efficient

- **Actions to take** Maintain an accurate and

Regularly quote services

Obtain third party benchmarking

data during sourcing events

during ordering

Keep track of your contract renewal dates

Reasons to take action Ensure you are not paying over market rates by regularly engaging in

a benchmarking exercise. Too often a

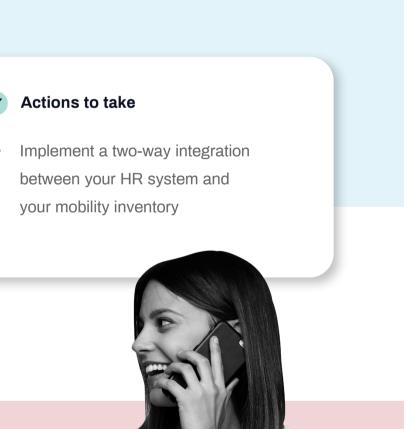
vendor will offer a reduction at renewal

that appears to be both attractive and

rewarding but it may not be as low as the

market has already driven the prices. TIP #10

- Avoid the Tariff Trap Pre-Negotiate a Gap Credit
 - **Actions to take**
 - If you do move to tariff, reach out to your vendors immediately and negotiate a gap credit
- **Meet the Integrated Platform to Manage**



TIP #8

Care About What Others in Your Industry Are Paying

reliable inventory of services Ensure availability of the data for sourcing and quoting events Access third party toolsets such as FiberLocators

previous contract.

Start Your Demo

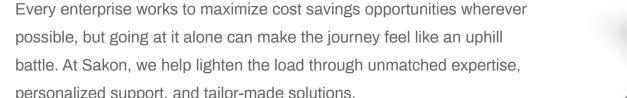
Reasons to take action If a vendor does not approach you in a timely manner for renewal, or you simply start negotiations too late to avoid having Set system to remind you well in advance of renewals so you rates revert to tariff, obtain buy-in from the vendor that they will provide a credit are not rushed in negotiations back to the expiration date of the











personalized support, and tailor-made solutions. For more information on how Sakon can help your enterprise reduce

All Your Communications Services





sakon