

MobilSense Acquires MobilePhire to Manage the Perfect Storm of Mobile Data



Industry: Technology Expense Management
Date: May 2018

Executive Summary

Key Stakeholders: CIO, CFO, Chief Digital Officer, Chief Technology Officer, Chief Mobility Officer, Mobility Directors and Managers, Procurement Directors and Managers, Accounting Directors and Managers

Why It Matters: Cost, usage, and strategic concerns are coming together in a perfect storm of mobility usage challenges that require app-specific mobile data visibility. MobilSense’s acquisition of MobilePhire provides a Mobile Data Management (MoDM) solution that can support and validate strategic mobility investments.

Top Takeaway: Chief Strategy, Digital, and Technology Officers making the business case for optimizing and improving enterprise mobility investments must consider MobilSense for real-time app-specific usage combined with a variety of options for managing and optimizing the cost basis of enterprise mobility

MobilSense Acquires MobilePhire

On March 22, 2018, MobilSense Technologies announced the acquisition of MobilePhire, a mobile data management company focused on supporting policy controls and usage metrics for mobile users. MobilePhire’s usage management solution is designed to control employee data usage and access based on the needs of corporate, industry, and governmental policies. Based on its integrations with carriers and lack of dependence on mobile agents and apps, the MobilePhire capability provides MobilSense with deep visibility into mobile data management.

This acquisition and pairing of expense management and real-time usage management comes at an opportune time for enterprise mobility departments as a combination of video and app usage trends, demand for digital transformation, and employee demand for increased ease-of-use are all coming together into a perfect storm of need to track real-time usage at an app-specific level. This report provides guidance on the capabilities of MobilSense and MobilePhire as well as key recommendations for CIOs, CFO’s and Chief Digital and Mobility Officers seeking guidance on how to optimize their mobile environments from strategic, financial, and technological perspectives.

Who is MobilSense?

MobilSense is an independent Wireless Expense Management solution to manage the costs of mobile devices, including smartphones, tablets, pagers, and other enterprise devices. Founded in 2001 and headquartered in Los



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Angeles, MobilSense solves enterprise challenges for mobile budget visibility and control. Through its MobilSentry platform, MobilSense manages wireless expenses for large enterprises. The firm's focus on mobility has also led to developing innovative telemetry, usage policy, and usage threshold solutions.

MobilSense also provides a Mobile Data Usage Assessment, which can be conducted directly by MobilSense or provided on a more limited basis to businesses on a self-service and Do-it-yourself basis. This assessment opens up MobilSentry capabilities to the mid-market by providing nuanced, enterprise-grade usage and rate plan optimization with a guaranteed and profitable Return on Investment.

Who is MobilePhire?

MobilePhire provides a cloud-based platform to manage real-time mobile network usage. Founded in 2015, this firm used its strong AT&T carrier background managing mobile network activity, mobile application development, Internet of Things, and mobile strategy to help enterprises track and categorize mobile network usage.

MobilePhire's Mobile Intelligence Platform provides a central viewpoint for monitoring employee usage, identifying anomalous bandwidth usage, and provide analytic guidance based on direct integration with wireless carrier networks. One of MobilePhire's key differentiators is that the solution works in real-time without requiring a mobile application or agent to exist on the device, itself. This deep integration with carrier data provides both ease of adoption and rapid visibility to a company's mobile data.

Why This Acquisition Matters And What Does This Really Mean?

In enterprise mobility environments, mobile data management is typically handled at the application level by Enterprise Mobility Management solutions focused on restricting application installations onto mobile devices or wiping devices that are noncompliant. However, this brute force approach only prevents enterprise users from using specific applications rather than understanding how enterprise mobile devices are being used. In addition, the need for a mobile agent or device management app leads to the typical wars between headstrong employees seeking technological freedom and centralized IT in trying to govern and lock down corporate devices.

In addition, there is a secular trend in enterprise mobility that is leading to the fundamental need for increased real-time mobile usage. For the last couple of years, mobile usage has averaged less than 2 GB per month per enterprise user. This meant that enterprises could simply set their data pools to this standard and cut costs. This simplified wireless expense management greatly. However, this cap fought against the inexorable employee demand for using more apps and more video. Over time, the increased demand for bandwidth has come closer to this 2 GB limit for optimizing corporate spend. Amalgam expects that 2018 will be a year where many large enterprises run into this limit, leading to an unexpected skyrocketing of mobility bills and the need for granular data management.

In this context, MobilSense's acquisition of MobilePhire provides enterprises with a fundamental opportunity to understand the nature of its mobile usage. This opportunity should not simply be seen as another way to cut data costs and shut down non-compliant data usage. The true opportunity is much greater as enterprise mobility managers using this combined capability now can conduct more granular analysis on how mobility drives true enterprise value. These managers can potentially conduct studies such as:

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- Seeing how top sales, service, and operations employees use mobility compared to all other employees
- Finding out which new apps are gaining virality within the enterprise or, conversely, if large enterprise investments are failing to gain traction
- Aligning enterprise training activity to mobile usage of new tools, workflows, or policies.

There are a number of enterprises that have already invested in Wireless Expense Management, either as a standalone investment or as part of a larger Telecom Expense Management or IT Expense Management solution. And there are also companies that have invested in Mobile Usage Management as part of a Mobile Device Management, Enterprise Mobility Management, or Real-Time Expense solution requiring an agent or app. This acquisition leads to the opportunity for enterprises to simultaneously perform expense management and app-specific usage management.

As of publication, MobilSense has developed a working integration for MobilePhire real-time data to be reported within MobilSense's MobilSentry platform. This integration allows MobilSense customers to display real-time data by category and to drill down to specific site detail. MobilSense can display the unbilled real-time data when a device is registered within MobilePhire as standalone data, which is then integrated into a billing cycle once the appropriate billing cycle invoice is loaded. The data can be presented on a per-day or per-hour basis (Figure 1 and 2). Amalgam considers this level of real-time data visibility to be a Best-in-Class capability that will provide strategic mobility advantages for organizations that adopt MobilePhire-augmented expense management on MobilSense.

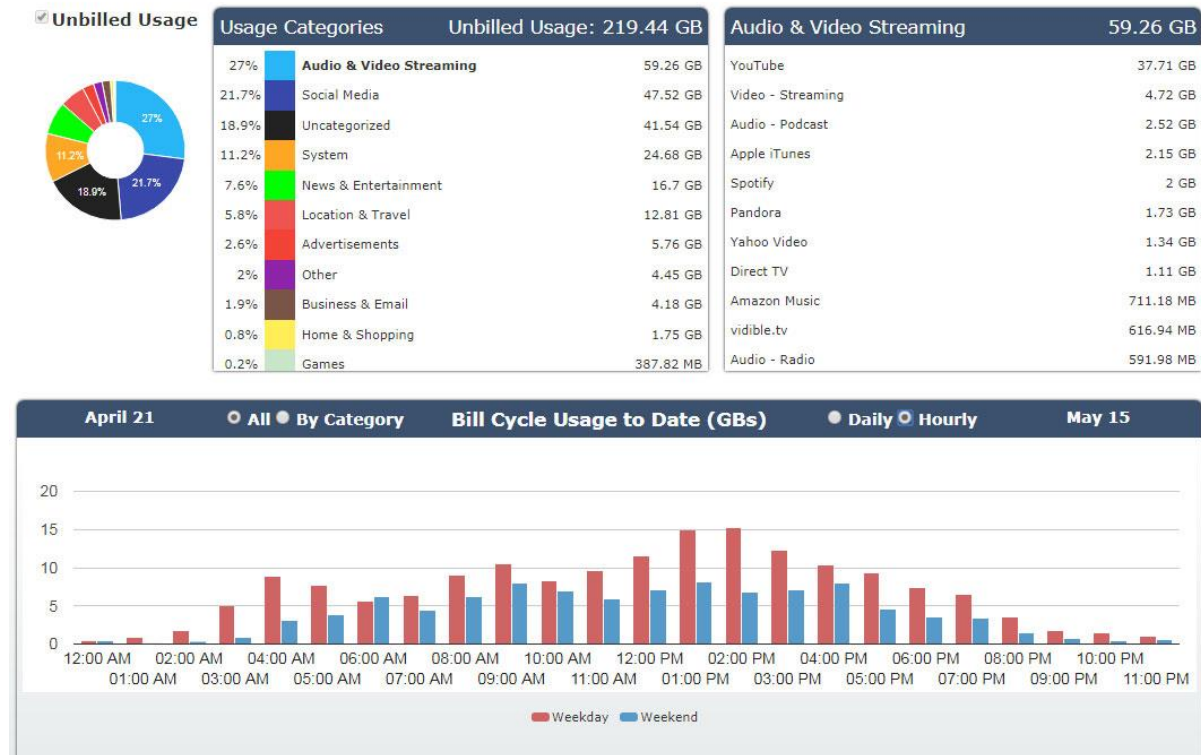
Figure 1: Daily Data Breakouts within MobilSense



Source: MobilSense, 2018

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Figure 2: Hourly Data Breakouts within MobilSense



Source: MobilSense, 2018

Recommendations for Potential Customers and Partners

Based on the upcoming mobile wave of enterprise mobility data, the need for enterprise mobility visibility, and the demand for analyzing strategic enterprise mobility usage, Amalgam Insights provides the following recommendations for enterprise organizations in evaluating their mobile environments in light of MobilSense and MobilePhire capabilities.

Categorize mobile data accurately to reduce costs and elevate appropriate mobile usage. The majority of enterprise mobile costs now come from the cost of streaming cellular data, making data the most important aspect of mobility to control. The ability to identify mobile data categories will allow enterprises to better enforce mobile policies by defining whether usage is being driven by apps like YouTube or by video-driven corporate learning solutions or file sync solutions such as OneDrive or Box.

Rather than simply take a heavy-handed approach based on traditional enterprise mobility management solutions, **enterprises should strategically analyze how enterprise data is being used on a per-user, per-device, and per-app basis.** Enterprise mobility exists to support business productivity. For instance, if your top sales person consistently watches YouTube before a key call or presentation, this may be an opportunity to improve on-demand training to all of your sales people. On the other hand, if the vast majority of data costs come from streaming videos through Netflix, Hulu, and Amazon Prime on the weekends, this may be an opportunity to start enforcing video

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streaming through Wi-Fi rather than through cellular connectivity. To avoid the potentially considerable risks of compliance without destroying productivity, mobility should be treated as a nuanced technology that should be governed and managed at the app level rather than the user or device level. The combination of MobilSense and MobilePhire provides enterprises with an opportunity to combine financial demand, technical support, and business usage into a single view.

Share cost-based and usage-based findings with strategic and financial managers tasked with defining and discovering new digital advantages in their organization, including strategic CFOs, Chief Technology Officers, Chief Strategy Officers, and Chief Digital Officers. With these insights, mobility managers can discover Eureka moments where mobile usage can drive additional productivity or revenue. And by providing these insights, mobility managers can also elevate their own roles from inventory or security management to a more strategic role of technology enablement and business alignment.

Recommendations for Current Customers

MobilSense customers have already had access to MobilePhire in the past, but **should expect increased integration post-acquisition.** With this acquisition, MobilSense can guide MobilePhire's ongoing development. The result could make MobilSense a truly differentiated wireless expense and wireless strategy solution to support the strategic business case for mobility. But for MobilSense customers, this change should be fairly seamless given that MobilSense was already working with MobilePhire for mobile insights.

MobilePhire customers need to decide how to partner with MobilSense going forward. MobilePhire customers come both from enterprises using MobilePhire as a usage platform and from other expense and mobility management solutions that have been using these real-time data visibility and categorization capabilities. Enterprises using MobilePhire as a standalone product should consider adopting MobilSense for expense management. In the short term, Amalgam Insights expects MobilSense to support current agreements with MobilePhire's partners.

Don't be surprised if this acquisition also makes MobilSense a renewed target for private acquisition. In light of ServiceNow's recent acquisition of VendorHawk and Flexera's acquisition of Meta SaaS, the race for SaaS and app-based usage, expense, and inventory management is starting in earnest. MobilSense's combination of invoice optimization and carrier data information makes it an extremely strong vendor for mobile guidance.

Conclusion

MobilSense's acquisition of MobilePhire combines deep mobile data visibility with the ability to optimize the cost basis of mobility on a per-user, per-device, per-gigabyte, and per-app basis. With this combination, enterprises now have no excuse for building a nuanced financial business case for enterprise mobility investments, expansions, and value-added use cases. Amalgam expects this combination of usage and financial visibility to become the "new normal" for enterprises seeking to analytically improve and quantify enterprise mobility as a strategic advantage.

Hyoun Park
Principal Analyst and CEO
May 17, 2018

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About Us

HYOUN PARK FOUNDER AND PRINCIPAL ANALYST



Hyoun is the Founder and CEO of Amalgam Insights. He focuses on Technology Consumption Management challenges of procurement and utilization based on 20+ years of vendor, enterprise IT, and

industry analyst experience.

Prior to Amalgam Insights, Hyoun:

- Led IT analyst practices at the Aberdeen Group and Blue Hill Research with over 300 research documents across analytics, mobility, finance, and collaboration.
- Ran an enterprise social media consultancy, DataHive Consulting.
- Managed multi-million dollar technology budgets at Bose and Teradyne.
- Managed billing data operations for two resale telecom CLECs.
- Built prediction models for the first Fantasy Baseball website, mosey.com

ABOUT AMALGAM INSIGHTS



Is a leading research and advisory firm focused on the strategy,

collaboration, and scientific approach needed to optimize Technology Consumption.

Our focus on the management, utilization, and adoption of technology bridges key strategic gaps in maximizing the value of enterprise technology.

Tactically, AI focuses on the following practices as part of the Technology Consumption Management umbrella:

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- Accounting and Audit Automation
- DevOps and Security
- Enterprise Collaboration
- The Science of Learning and Development



Phone: +1 415 754-9686

Website: www.amalgaminsights.com

Twitter: @AmalgamInsights

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