

## VENDOR PROFILE

### Orange Forges Ahead with Global Mobility Strategy

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#### IDC OPINION

Orange Business Services is expanding its global portfolio to better address the growing mobility requirements of its enterprise customers. Its more recent mobility-related offers complement an already extensive portfolio and are designed to facilitate multinational corporation (MNC) integration of wireless technologies into their existing communications network. Key to Orange's mobile strategy is that the services are available in multiple countries, allowing MNCs to purchase global wireless solutions from a single source. Key IDC findings are as follows:

- ☒ Orange is well positioned among multinational corporations, benefiting from a strong reputation in international connectivity for data networking services built by Equant. Furthermore, it has extensive experience in developing tools and offering professional services to meet the needs of IT managers.
- ☒ The challenge Orange will face in the mobility space is that wireless coverage is often perceived of as a national offering. However, numerous MNCs are requesting global solutions to help them better manage the complexity of working with multiple domestic providers.
- ☒ Though Orange's strategy is to pursue clients with international connectivity needs, it may want to consider that its global client base may have large numbers of employees that do not travel internationally — impacting adoption of higher-end mobility-related service packages.
- ☒ Wireless security and managed wireless services (including device management) are two areas where Orange plans to expand. Though they are smaller in size than many of the other markets Orange pursues, these are rapidly growing areas — particularly for Orange's large MNC client base. Furthermore, these types of services are intricately tied to a company's existing fixed network and applications, making Orange a logical partner in better management of access solutions.

#### IN THIS VENDOR PROFILE

This IDC Vendor Profile analyzes Orange's global mobility strategy. It outlines the service provider's global mobile product portfolio, target customer base, and international mobile strategy.

## SITUATION OVERVIEW

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### **Company Overview**

Orange Business Services offers mobile and fixed voice and data networking services to MNCs worldwide. The company's value proposition includes the combined breadth and experience of the leading global data networking provider formerly named Equant and the extensive European wireless presence and knowledge base of Orange.

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### **Company Strategy**

Orange Business Services is expanding its global portfolio to better address the growing mobility requirements of its enterprise customers. The company is leveraging Orange's wireless footprint and international relationships to create a suite of global mobility solutions for customers with wireless communication needs in multiple countries.

Orange already has an extensive suite of fixed-line networking solutions available worldwide that includes voice capabilities, data networking services, IP communications, security solutions, managed services, hosting, and professional services. Its more recent mobility-related offers (like Mobile Mail, a global push mail solution) complement an already extensive portfolio and are designed to facilitate MNC integration of wireless technologies into their existing communications network. Key to Orange's mobile strategy is that the services are available in multiple countries, allowing MNCs to purchase global wireless solutions from a single source.

Orange's tag line for its vision is "Business Everywhere," meaning the carrier facilitates secure access, using multiple access technology options, to a corporate VPN and the Internet.

### ***Product Strategy***

Orange's mobile product strategy is based on delivering services that improve remote access to the corporate network, offering more sophisticated mobile solutions, and meeting the demand for emerging applications. Its portfolio currently includes the following products:

- ☒ **Mobile Mail.** Mobile Mail was launched in October 2006. The service offers push email and personal information management (PIM) for a range of devices using Windows Mobile, Palm, and Symbian operating systems. In addition to mail capabilities, in early 2007 the service will include device management features from Nokia (Intellisync platform), such as OTA configuration and installation of software, device inventory, and back-up and restoration services. The service offer is priced per user, per month, but does not include connectivity charges or the device.
  
- ☒ **Mobile SSL.** Mobile SSL will be launched in December 2006. It allows for VPN connectivity using SSL instead of traditional IPSec. Access to select applications can be according to predetermined user profiles, also for unmanaged and noncorporate devices. The service is priced on a per gateway, per month basis.

- ☒ **Business Everywhere.** Business Everywhere includes WiFi remote access in 60 countries via 38,000 hotspots. Access is available via 15,000 hotspots in the United States. 3G is supported anywhere via a "bring your own" model, and 3G connectivity bundling is available in France and the United Kingdom. Orange plans to expand coverage of 3G remote access bundles to 17 countries. By mid-2007, it plans to include Switzerland, Belgium, Spain, and China. Pricing is per user, per month. Bundles include unlimited dial and WiFi access (includes ethernet connectivity) and can be expanded to include unlimited 3G roaming for high-profile users in select markets. WiFi and dial usage is included in the global customer care reporting tool.
  
- ☒ **Mobile End User Help Desk.** In addition to supporting IT managers, Orange now offers end-user help desk support for mobile services. Support services are priced per user, per month.

### ***Business Strategy***

#### **Target Markets**

Orange targets global multinational corporations — specifically Fortune 2000 companies — looking for connectivity in multiple countries. For its mobility offers, Orange targets a broader audience and will work with select regional companies and even domestic companies focused on convergence or mobility.

Currently, Orange boasts over 3,750 MNC customers, including two-thirds of top global 100 companies and 50% of Fortune 100 companies in Europe. Key U.S. customers include DuPont, MasterCard, Bearing Point, Mary Kay, and Dresser.

#### **Geographic Coverage**

In addition to its international fixed network, Orange operates a wholly owned mobile network in 23 countries. Availability of mobile offerings varies by country, but coverage is continually expanding.

Globally, the company has 29,000 employees in 220 countries. It offers local support in over 160 countries and territories and operates global customer services centers in London and Sydney. Additional major service centers are located in Rio, Cairo, and Delhi.

In North America, Orange has 1,500 employees in 20 locations. North America represents approximately 35% of Orange Business Services international revenue (excludes France).

#### **Partners**

Partners include Avaya, Cisco, IBM, HP, Accenture, WiPro, BearingPoint, Packeteer, and Microsoft.

## FUTURE OUTLOOK

Orange has an aggressive road map in place for additional product rollouts in 2007:

- ☒ **Security.** Orange will be launching a suite of security services for mobile devices that builds upon the current personal firewall offering available to email customers. Additional security options will include antivirus software, patch management, and spyware.
- ☒ **Device management.** Orange will offer businesses managed wireless services capabilities based on the Nokia/Intellisync platform. This service will be managed by Orange Business Services and will enable customers to centrally configure and manage their devices over the life cycle of the device. Key features include:
  - ☐ Security policy management, security policy/password enforcement
  - ☐ Theft-loss protection, device lock-out, device wipe of specific content/files
  - ☐ Device/client settings and settings enforcement
  - ☐ Application management
  - ☐ Asset management and reporting, hardware and software inventory, predeployment planning, license compliance
- ☒ **Fixed mobile integration.** As a first step, companies subscribing to both fixed voice and mobile voice services from Orange will receive price discounts. At a later point, Orange will offer a product that extends PBX-like capabilities to the mobile device.
- ☒ **Fleet management.** Orange is planning to expand its offering of fleet management solutions to other countries in 2007. The service is currently available in France.
- ☒ **Business Together.** Business Together unifies onto a single interface all the necessary tools for a company to optimize its teams' working environments — this includes telephony, collaboration, instant messaging, and multimedia communications. The interface is accessible from a computer, an IP phone, or a mobile smartphone. Coverage is currently available in France and will be expanded in March 2007.
- ☒ **Voice for Business Everywhere.** For customers that have already deployed an IP telephony solution with Orange (from Cisco, Avaya, or Alcatel), this service expands existing IP telephony capabilities to any mobile employee.

## ESSENTIAL GUIDANCE

Mobility is becoming a rapidly growing part of total telecommunications spend by large multinational corporations. As such, numerous IT managers are looking at how to better integrate wireless connectivity, particularly wireless email and remote PC connectivity into their telecommunications infrastructure. For companies that operate on a centralized level for data networking services, dealing with the complexities of managing numerous country level wireless relationships can be cumbersome. Therefore, solutions that can facilitate one-stop shopping, single billing, and one point of contact for customer support are valuable offerings that can smooth the mobility expansion process.

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### Advice for Orange

Orange is well positioned among multinational corporations, benefiting from a strong reputation in international connectivity for data networking services built by Equant. Not only is the company known for global coverage, it is perceived by IT managers as a reliable carrier that understands business data networking needs. Hence, Orange has a strong foundation onto which to build its mobility-related offers, particularly in the areas of security and convergence. Furthermore, domestic wireless carriers are often faulted for not having the infrastructure, support, billing, and reporting systems in place to effectively meet the needs of high-end customers. Orange, on the other hand, has extensive experience in developing tools and offering professional services to meet the needs of IT managers.

Among MNCs looking for a single point of contact for wireless solutions, Orange is well positioned. The company has the relationships, experience, product portfolio, and wireless experience to serve such customers. Nonetheless, the challenge Orange will face in the mobility space is that wireless coverage is often perceived of as a national offering. Wireless spectrum is obtained on a domestic basis, making it difficult to offer consistent services across borders. Orange's mobility services will likely have greater traction among customers headquartered or with a large employee base in markets where Orange offers wireless services — namely Europe.

When considering the needs of United States-based MNCs and employees, Orange should keep in mind that the two applications driving the bulk of business wireless data revenue and growth in the United States at present are wireless email and PC cellular connectivity. The ability to offer a range of email options, including RIM/BlackBerry services, is imperative in the United States. Though Orange's strategy is to pursue clients with international connectivity needs, it may want to consider that its global client base may have large numbers of employees that do not travel internationally. Hence, these employees will need remote access to the corporate network and will be increasingly demanding 3G access in addition to WiFi and Ethernet service. Currently, Orange's Business Everywhere service offers only a high-end 3G package that includes international roaming. While the business model for domestic PC cellular data services may not prove as lucrative for Orange, potential remote access customers will likely go to their local carrier if Orange cannot

offer reasonably priced national PC cellular remote access options for the bulk of its employee base.

Another growth area, and one where the ability to work with multiple domestic wireless carriers is critical, is wireless security and managed wireless — two areas on Orange's roadmap. Though smaller in size than many of the other markets Orange pursues, these are rapidly growing areas — particularly for Orange's large MNC client base. Furthermore, these types of services are intricately tied to a company's existing fixed network and applications, making Orange a logical partner in better management of access solutions. Orange will face stiff competition in this space from systems integrators — who target a similar client base and look to address the same types of customer challenges.

## LEARN MORE

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### Related Research

- ☒ *France Telecom Announces Major Rebranding Move With Orange* (IDC #HP58N, June 2006)

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