University of Cincinnati: Providing students the wireless communications they need, and more

Overview

- ***Business Challenge***
  The University of Cincinnati (UC) wanted to empower students with enhanced wireless communications and replace underutilized land lines in its dorms.
- ***Solution***
  Working with IBM and a local cellular service provider, the university developed a multifaceted wireless solution that provided UC with branded cellular service at highly competitive rates, coverage throughout the campus and unique value-added services targeted to the needs of students and faculty.
- ***Why IBM?***
  IBM's infrastructure and architecture planning services and industry-specific expertise played a key part in this project. IBM was also instrumental in formulating the underlying business model.
- ***Key Benefit***
  By competing effectively against major cellular carriers on price, surpassing them on functionality and coverage, and tapping into a built-in subscriber base, the UC Mobile program positions the university as a preferred cellular brand for the university. In addition, the university's unique service offerings are consistent with its role as an innovator.

Connecting to the student body

A defining characteristic of today's society – particularly among the college-age demographic – is wireless connectivity. Nearly every student who goes to college today already has a cell phone, and most prefer using it to conventional land lines. The popularity of cellular services has made some traditional university offerings – such as telephones in dorm rooms – superfluous, leading many institutions to seek ways to eliminate them in order to reduce costs.

The pervasiveness of cell phones presents both opportunity and challenge. With every student and faculty member carrying a cell phone, the university can potentially reach all of them – with critical information in time of emergency, with academic content and more. But with literally thousands of community members carrying myriad devices connected to different services, how can the university reach everyone?

An obvious answer is for the university itself to provide cellular service. This raises business-related issues. First and foremost, universities are not in the business of telecommunications. Beyond this, there are competitive concerns. How can a university lure students away from their existing carriers?

University of Cincinnati professor, vice-president and CIO Fred Siff expresses the case eloquently. "We've got 35,000 students. Every one has a cell phone, and none of them are ours. That's a bad business model. It's a bad connectivity model. At the same time, we're providing land lines that none of our students want or need. So it only makes sense for us to offer the students cell phone service in some way."

The University of Cincinnati, moving ahead of the curve

The University of Cincinnati recognized early on the ramifications of the shift towards wireless communications. Working with IBM Global Business Services, UC developed a sustainable business model that would position it as a "virtual" cellular provider: By leveraging relationships with technology partners such as a local cellular service provider, the university would be able to offer students UC-branded cell phone service without having to get into the business of network operations. To clearly link the offering to UC, it would be called "Bearcat" after the university's mascot.

To formulate the model, IBM applied best practice methodologies to examine the relative advantages of adaptive, transformational and breakthrough technologies and the business models that support them. The model chosen was adaptive, meaning that it offered tangible business value without being disruptive to the university's operations or requiring UC to actually start up an entirely new business unit. The model was validated with local cellular carriers to check its sustainability, and adjusted accordingly.

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>
> – Fred Siff, professor, vice-president and CIO, University of Cincinnati

Once the business model had been finalized, the university took advantage of IBM's telecommunications expertise to make it a reality. IBM helped the university define the solution architecture and craft an RFP to attract a cellular operator. IBM also helped to design and deploy the on-campus infrastructure, acting as consultant, integrator and project manager.

A clear understanding of needs… and wants

"You can't look at this kind of service in isolation," says Siff. "We can make our cell phone offering mandatory, but that's missing the point. Not only do all the students already have cell phones when they arrive, they're probably locked into a contract. Chances are good that they're on their parents' plan and have features that they already like. So even though we want all our students to have a UC Mobile Bearcat phone, we ought not force them to adopt it."

Siff clearly understands what it takes to make the university's student communications initiative work. The key, he says, is to compete directly with commercial carriers. "If we can't offer a financial advantage, we should not be in the business. We have to do better than the market by offering both better price and better capability."

> *"What we do want to do is create and sell what makes UC Mobile unique, and that's value-added services."*
>
> – Fred Siff

Innovative services and superior quality are a central part of the UC Mobile offering package. With the ability to provide its own on-campus infrastructure, the university has been able to provide coverage throughout the campus, even underground and within structures. No other carrier can match that capability.

UC Mobile's service offerings are truly compelling. Security is an essential core service: Every Bearcat phone can call campus police directly at the press of a button. Combined with universal coverage on campus, this makes the Bearcat phone the only option for students who need help anytime, anywhere.

The Bearcat phone is also a powerful academic tool. By linking the phones directly to the university's Blackboard academic application suite, faculty can provide students with important course updates via text message.

Another popular service now available on the Bearcat phone is one that allows students to see the estimated time of arrival for campus shuttles, based not on pre-published schedules but the actual location of the GPS-equipped shuttle buses. This service has really caught the attention of the community.

The most recent service added to the package is the use of the Bearcat phone as a way to pay for goods. Money is deposited into an account that the phone can access, and it's used in much the same way as a debit card. The first partner in this program is the Kroger supermarket chain (headquartered in Cincinnati), and scores of other local merchants have signed up as well.

The Bearcat phone also allows graduating seniors the ability to keep their phone numbers and voice mailboxes after they graduate, enabling them to stay in touch.

Building a business case

Siff knew that a winning marketplace offering was only part of the equation. "A lot of universities lost their collective shirts on long distance," he says. "We did not want to get into the phone business per se. A sound business plan was vital to getting the UC administration to support the plan, and IBM helped us put together a business model that puts the day-to-day operational burden on our cellular partner and allows us to focus efforts elsewhere."

Business benefit

The University of Cincinnati has been able to not only provide innovative cellular-based communications services to its student and faculty community, it has done so by implementing an innovative, robust and sustainable business model. UC has leveraged its strengths – a built-in subscriber base numbering in the tens of thousands, the foresight to create unique service offerings that are highly relevant to (and desired by) students and a clear understanding of the need to be truly competitive with commercial cellular providers – to position itself as a preferred cellular brand within the university community.

Value-added services, however, are another matter. “What we do want to do is create and sell what makes UC Mobile unique, and that’s value-added services,” Siff says. “It also positions UC as an innovation incubator, which fits into our mission as a research university.”

The initial rollout of the plan, to an incoming freshman class, was highly successful. UC has expanded the service, providing all residential students with a Bearcat phone and incorporating basic UC Mobile service fees into its housing costs. Just as with commercial carriers, students have the ability to upgrade their service level and phone for an additional fee.

The business model that UC and IBM came up with is a win-win-win for all concerned. Students get competitive rates and superior services, Cincinnati Bell gets a guaranteed subscriber base in exchange for favorable rates, and UC gets reduced risk, a new revenue stream and a way to better serve the university community.

Why a university should be a cellular provider

While the thought of a higher education institution offering cell phone services might seem strange, Siff raises a good philosophical point. “We have to ask ourselves what our responsibility to the students really is. Part of it is to become a relevant part of their lives in a changing world. Students are the most mobile of workers. They’re constantly on the move, and constantly using their phones wherever they are, to communicate and access information. We should be taking advantage of that fact. We should be providing those phones and those services to help enable them to do what they came here to do.”

For more information

To learn more about how IBM can help transform your business and help you innovate, please contact your IBM representative or IBM Business Partner.

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