

# EMERGING TECHNOLOGIES IN THE ENTERPRISE: A QUALITATIVE REVIEW OF SURVEY FINDINGS

## WiFi, WiMAX, AND RFID TECHNOLOGIES TO HELP COMPANIES GAIN A COMPETITIVE EDGE.

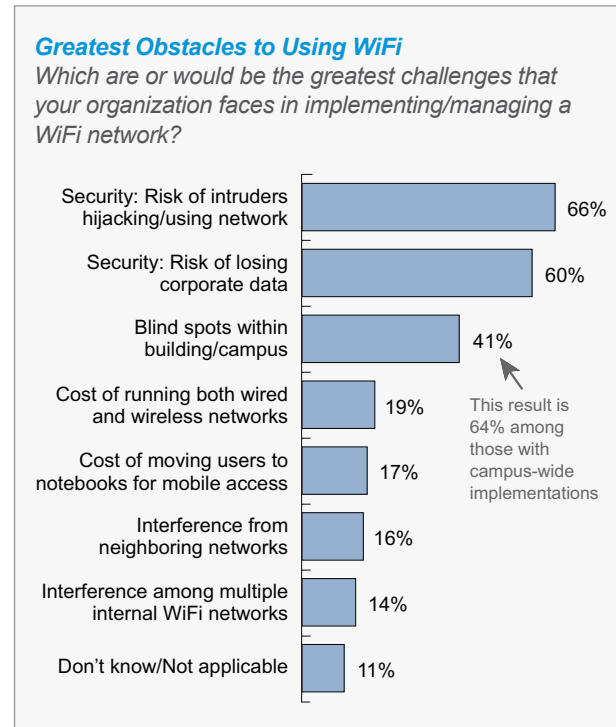
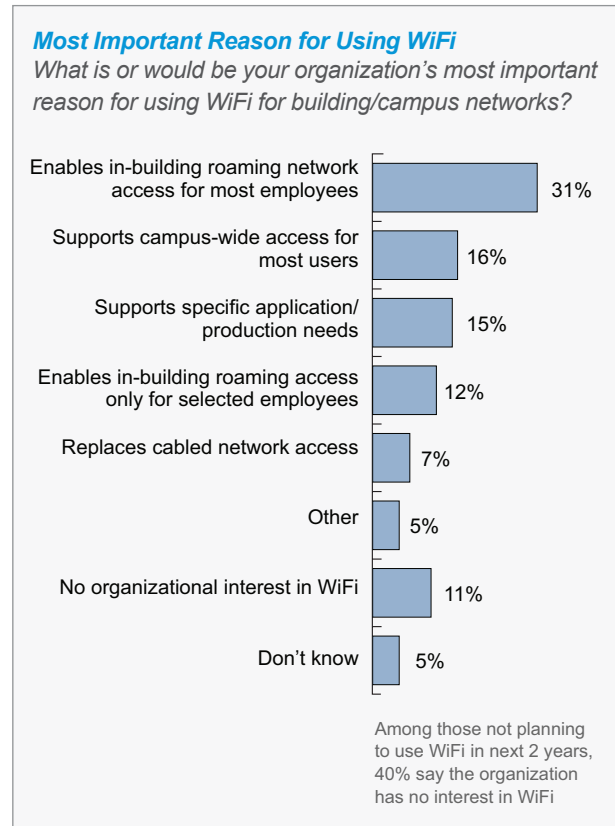
FACED WITH EVER-INCREASING IT and management complexities, rising costs, and fierce competition, enterprises are increasingly relying on emerging technologies such as wireless fidelity (WiFi), citywide wireless service (WiMAX), and radio frequency identification (RFID). These are the findings in a recently conducted Ziff Davis Media survey, sponsored by AT&T, of technology decision-makers in companies of 1,000 or more employees.

### WiFi GAINING MOMENTUM

WiFi technology increasingly is being used among larger companies for a variety of reasons. According to 31% of survey respondents (both users and non-users of WiFi), the number-one business rationale for using WiFi is that it enables in-building roaming network access for most employees. Other important reasons cited for WiFi's use

were that it supports campus-wide access for most users (16%), and supports specific application/production needs (15%).

Among those survey respondents who indicated that their companies are not planning to use WiFi in the next two years, 40% said that their organizations have no interest in using WiFi. Among this group, 12% said that support of a specific application/production need would be the top reason for WiFi's use.



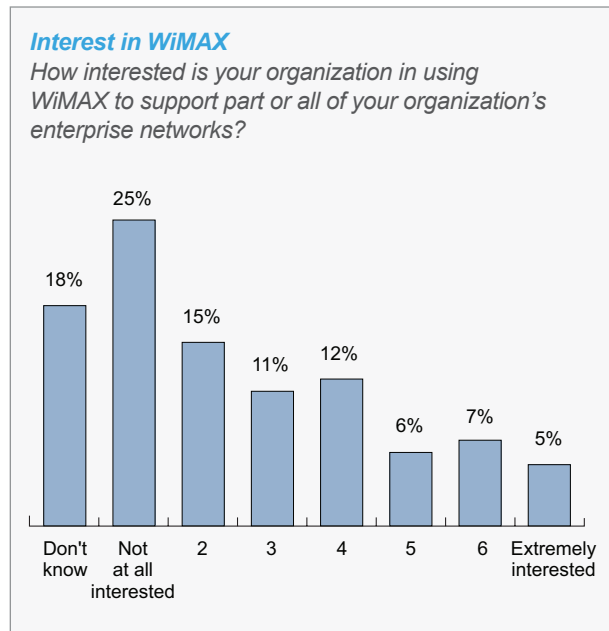
Seventy-four percent of survey respondents said that their organizations either presently use or plan to implement WiFi. Of this group, 60% have already put WiFi in place, while 6% plan to implement it within the next year. Eleven percent said that their organizations plan to evaluate WiFi at some point in the future, while 10% do not plan to evaluate its use at all.

Among those survey respondents whose companies already have implemented WiFi, a total of 46% state that their WiFi networks cover all or most of their organization. Among this group of current WiFi users, 64% said that they expected their companies to expand WiFi use moderately in the future.

According to survey participants (all users and non-users of WiFi), the greatest obstacles to using WiFi are security-related. Sixty-six percent of respondents said that the risk of intruders hijacking or using the WiFi network was the number-one obstacle to its implementation, while 60% cited the risk of losing corporate data through WiFi networks as of paramount concern. Other implementation challenges included blind spots within the building/campus (41%). For those respondents that indicated current campus-wide WiFi implementation, 64% cited blind spots as being a major challenge.

### WIMAX ADOPTION FURTHER OFF

The adoption of WiMAX appears to be further away than WiFi, according to the survey. Roughly 18% of all survey respondents indicated an above-average interest in using WiMAX to support all or part of their organizations' enterprise networks, while 25% said they had no current interest.



Among those survey respondents that did express interest in using WiMAX, the five top reasons for interest included:

- having a very large geographic region to cover (e.g. very-large-scale government sites)

- lower cost for commercial wireless services
- point of access for VPN, telecommuting, and data access
- increased speed and stability
- redundancy.

### INTEREST HIGH IN RFID, BUT SLOW ADOPTION

Although most enterprises see numerous benefits in using RFID technology, relatively few are actually putting it into practice within their organizations as yet. According to 34% of all survey respondents (RFID users and non-users), the most important reason for using RFID is to better manage inventory and track products through the distribution chain.

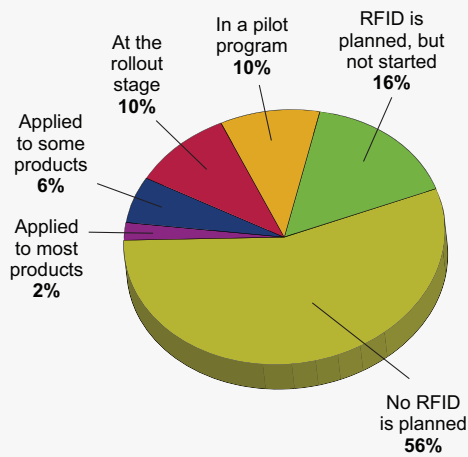


When those that have actually implemented RFID technologies were asked to cite derived benefits, 75% said the top benefit was better inventory management/product tracking, followed by better materials acquisition planning (50%). Respondents also cited better production/manufacturing planning, improvements in sales tracking and trending, and compliance with demands from customers as important benefits.

In terms of usage trends, 44% of all survey respondents said that their companies use or plan to use RFID. Within that group, responses vary: 16% said that RFID implementation is planned but not yet started, while 10% reported that their companies were engaged in RFID pilot programs, and another 10% indicated that their companies were at the roll-out stage. Six percent stated that RFID was applied to some of its companies' products, while just 2% stated that it was applied to most of its products.

### RFID Usage Trends

Which one of the below best describes your organization's current involvement with RFID technology?



Survey respondents that presently use RFID were also asked to report on the integration of RFID with other applications presently running within their organizations, as well as its effect on corporate network traffic. Twenty-five percent reported it was very integrated, half reported it was somewhat integrated, and another 25% said slightly integrated. Meanwhile, 50% said that RFID had moderately increased network traffic, while 13% said it increased sharply and 25% said it neither increased nor decreased.

### SURVEY RATIONALE AND RESPONDENT PROFILE

The survey results presented in this white paper were obtained in a study conducted for Ziff Davis Media in November and December 2006 by InsightExpress LLC, an independent market research company located in Stamford, Conn. An on-line survey was conducted among representative, qualified networking/telco technology decision-makers, and readers of enterprise-related publications published by Ziff Davis who are employed at education, financial services, government, healthcare, IT, media/publishing/advertising, and telecommunications firms with 1,000 or more employees. In total, 110 respondents qualified and completed the survey. Survey estimates are accurate to within +/- 9.2% at the 95% level of confidence.

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