

## CDMA VS. GSM

CDMA VS GSM As the nation's major wireless carriers carry on with their plans to sunset their 2G networks, dealerships and lenders find themselves facing a choice: Which GPS vehicle tracking systems to invest in now.

Obviously, 2G systems are no longer the smart investment, since 2G networks are being re-farmed for 3G, 4G and 4G LTE. If you choose to stick with 2G, chances are very high that you'll experience service degradation over the next few years.

So the question becomes: if not 2G, then what? CDMA or GSM wireless technology? Chances are vendors who offer one or the other have approached you. To help you make the best decision for the future of your vehicle tracking and collateral management systems, let's take a closer look at CDMA VS. GSM.

GSM (Global System for Mobiles) is the most common mobile communication standard used throughout the world, making it a popular choice for businesses that need to track fleets and assets across borders — into Mexico, for example. GSM assigns a specific frequency or channel for each user and delivers data via that channel intact.

But GSM also comes with some serious disadvantages that impact your ability to stay connected to your vehicles. The biggest downside is that 2G GSM devices will be the first to be phased out. And 3G GSM devices will also need to be replaced once 4G and 4G LTE becomes prevalent, since they don't operate with those newer networks.

Now let's take a closer look at CDMA (Code Division Multiple Access). CDMA is adopted by five of the seven top carriers in the U.S. CDMA uses a spread spectrum technique developed by the military to enhance security. So the data captured by the GPS device is encrypted and encoded before it's transmitted via multiple different channels over the CDMA network, then recombined into its original form before it's served up to you.

Compared to GSM, CDMA provides greater coverage in the U.S. and Canada, higher security, more reliability, better quality of services and more precise location accuracy. Pricing on CDMA service plans can also mean greater savings over time, for a lower total cost of ownership. CDMA additionally has lower power requirements resulting in longer battery life.

What's more, GPS tracking devices that run on CDMA will migrate to 3G, 4G and 4G LTE networks seamlessly, making CDMA a future-proof investment and smart choice for dealerships and lenders looking for a long-term GPS collateral management system.