

ACCELERATING DEPLOYMENT OF VALUE ADDED SERVICES – KEY TO SURVIVAL



THE BAD NEWS:

The economy continues to falter.

THE GOOD NEWS:

Even in this challenging economic period, opportunities still exist for service providers and mobile content providers to grow revenues. In this difficult climate, the biggest winners will be the providers who not only introduce new value-added services, but those who embrace partnerships that will extend their reach.

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Today, 60 per cent of the world's population has a mobile phone. In developing countries, annual subscriber growth rates continue to soar up to 27 per cent. While the mobile industry as a whole remains rather healthy, mobile operators in mature markets are facing significant challenges as they attempt to grow revenues. As the industry looks for areas to move beyond basic subscriber penetration, the single most promising path has emerged – deploying value-added services.

The introduction of value-added services is certainly not new and has already received plenty of attention. How many times have we heard about ways to use our mobile phone that reaches far beyond the basic voice centric application for which they were originally introduced? Banking, ticketing, advertising, video, instant messaging, location tracking...the list goes on. There's just one small problem. The adoption rate for most of these new applications is frighteningly low.

One of the most important tasks mobile operators and content providers face is to find ways to rapidly increase user adoption of new value-added services. To better understand the opportunities and challenges let's look at some application scenarios:

Many new applications offered by content providers require the mobile subscriber to input detailed information about their phone when opting into a service. For example, some airlines will send customers a boarding pass to their mobile phone in the form of a barcode. Unfortunately, the format of the barcode message is often dependent on the specific mobile device type and capabilities. The problems are obvious – subscribers inputting the wrong information or forgetting to update all their subscription services when replacing their phone. Clearly, relying on the subscriber to provide accurate and current device information is a recipe for failure. The end result is a poor customer experience.

Fortunately, where there are problems, there are solutions. An Interconnection Service solves the issue of delivering incorrectly formatted content by managing and providing important subscriber information used to properly format content. For example, a mobile device registry validated by the mobile operator and managed by a neutral service interconnection provider, enables content providers to optimise and format messages based on a subscriber's specific phone capabilities. Everyone wins: mobile operators can monetise subscriber data, content providers can ensure successful delivery of content

and mobile subscribers can finally benefit from new mobile value-added services.

Another example of a promising application that has yet to take off is location-based advertising. Imagine walking in front of a cafe and receiving a mobile coupon for half off your cappuccino! Sounds pretty amazing. Unfortunately, the service challenges are numerous. How do you protect the privacy of the mobile subscriber? How do you control the number of coupons a subscriber receives from various content providers? How do you access the subscriber's location in a secure fashion? Each one of these questions represents another barrier to adoption and use of new services.

Let's face it. It does not make sense for mobile operators to set up secure connections and relationships with hundreds of content providers who can then offer exciting location-based applications. Alternatively, if mobile operators restrict subscriber location data to only on-portal applications, they will not only miss the opportunity to monetise subscriber data but also limit their opportunities to participate in revenue share programs with their content provider partners. And, content providers don't have the ability to directly access the mobile subscriber information essential to offering personalised mobile content and applications. The power lies in them working together with a trusted, neutral and authoritative interconnection service that can facilitate the secure exchange of critical subscriber data in a large-scale fashion. In the end, the subscriber can enjoy a new value-added service while the mobile operator and content providers can enjoy the revenue stream the new services provide.

There are a lot of uncertainties and unknowns in today's current economic environment. However, one thing we know for sure is the next wave in mobile communication will leverage enhanced device capabilities as well as the accessibility and proximity of mobile users to include advertising, commerce, social networking, ticketing, alerts and a host of new entertainment offerings. But these compelling value-added services will not gain traction if they are only accessible from a single operator, content provider or network. Instead, mobile subscribers will only embrace new value-added services if they can be accessed anywhere, anytime while offering a level of personalisation and user control. This is all good news for mobile operators and content providers. They can now focus on deployment and promoting the benefits of new applications while leveraging a neutral interconnection service to ensure the seamless delivery of mobile content and value added services.