

Wireless Java is the missing link to personalised service revenues

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London, 15th May 2002, Wireless Java holds the key to providing a vibrant subscriber experience, and a much needed increase in mobile service provider revenue. But Gavin Freed, chief executive of U.K. mobile data software specialist elata, says service providers must begin adopting these systems now to gain competitive advantage.

Mobile network service providers are at a crossroads. They must minimize their subscriber 'churn', stabilise their revenue streams and improve their margins this year by launching new 2.5G services, and then focusing on 3G.

This means tapping their existing customer base, rather than winning new subscribers, and making new services compelling enough to engage customer loyalty so 3G licence and infrastructure debts can be reduced.

But hardly any of them have the platform in place to deliver new services and manage their vast subscriber base.

Few seem to have taken the crucial first step in differentiating new services by using an integrated delivery and subscriber management platform that supports Java 2 Micro Edition (J2ME) technology. Developments at Sun Microsystems' JavaOne conference in San Francisco in March showed that J2ME is now emerging as the de facto standard for mobile device manufacturers and software developers.

Adoption is happening fast. All mobile handsets will be Java-enabled within four years, according to a report from Arc Group, which says it expects there will be 421 million on the market by this time next year. This figure will rise to one billion by 2006, as subscribers essentially use Java to access custom content and add or upgrade entire new applications – even their device's firmware - long after it has been sold to them.

I predict that 2002/3 will be the year service providers too take advantage of J2ME to roll out colourful, interactive, and most importantly, lucrative new services built on the strengths of a management platform that supports all that the new technology has to offer.

J2ME represents a chance for service providers to restart the market after the well-documented mistakes

of WAP, which illustrated how quickly users can become disillusioned with a technology if they are over-exposed to it. Multimedia Messaging Services (MMS) will soon deliver pictures and video clips along with text messages, and should become extremely popular as companies such as Nokia release mobile handsets with integrated cameras. One of the key drivers for the adoption of MMS will be the rocketing number of J2ME-based handsets and devices.

However, it's vital that mobile service providers develop and manage the new services that will complement the new Java devices. These new 2.5G and 3G services will fall into two main categories: those that either save the subscriber time, or help them pass the time.

Time saving services will include data retrieval applications such as maps, e-mail or messaging, and those that help pass the time will include games or infotainment applications. There will also be location-based services, mobility-aware applications, and carry-anywhere applications, such as personal information management systems.

NTT DoCoMo's business model suggests service providers can make money from Java downloads. Here, the subscriber benefits from having the tools to freely customise their mobile device, upgrade firmware, or download new games and applications, and the service provider gains another sustainable revenue stream.

Attempts to deliver services to many different devices have so far been expensive and inefficient because service providers have been using a number of discreet delivery and management systems to cope with WAP, binary and third party traffic. Each system has its own separate billing and operational support system, unnecessarily increasing operational costs, slowing new service launches and making tracking subscriber usage extremely difficult. This situation has led to narrowing margins and cannot continue indefinitely without some service providers rethinking their business plans.

Over the next few months, I believe service providers must begin implementing the following four point plan to deliver the new services which their subscribers want, those primarily based on J2ME, in tandem with supporting the older ones. elata has pioneered a service delivery and subscriber management platform which allows service providers to rapidly launch and manage new services, greatly assisting them achieve their revenue targets.

Firstly, service discovery presents an opportunity for the service provider to learn what types of service particular subscribers or communities are interested in paying for. The next step, service delivery, upgrades the service choices subscribers have from their Web portal or mobile browser and then sends a selected application or upgrade to a mobile device for download.

The third element, subscriber management, is about keeping the user experience of new services as fresh

as possible. It takes into account the effective management of both 'pull' services - those requested by the user, and 'push' services – those offered proactively by the service provider, to stimulate further revenue. The most important part of this is the adoption of a platform that allows the creation and management of community groups of subscribers or service packages based on clear market segmentation and proposition groups.

Finally, device management uses information about specific user devices to ensure applications and services conform to the capabilities of those devices. This avoids applications being sent for upload to the device in the wrong format, and provides auditing so the service provider always has the most up-to-date information about the device and the applications on it.

At the beginning of a typical service discovery and subscriber management session, users are invited to subscribe to new services through their mobile browser or Web portal. Here, service providers need a platform that can offer the same dynamic service discovery over both a mobile browser and Web portal. These subscribers may be part of a defined user community or group, such as members of Club Nokia for example, or they may be individual customers with individual needs.

Next, the service delivery process authenticates the user and creates a profile that can be used to 'push' new services from an existing portfolio, or for the service provider to develop and showcase entirely new ones. Crucially, the information from the preceding discovery process ensures service providers don't run the risk of encouraging subscriber churn with inappropriate service offerings.

A service proposition must then be transferred into the subscriber management element so that new services can be offered to subscribers in groups already subscribed and recognised, for example, under a 'heavy SMS user' profile, as users in a gaming club, or those who prefer a choice of personal productivity tools.

This entire process comes full circle as metrics on how these services are being used is supplied to the platform for extrapolation into CRM and Customer Care systems. This data could, for example, be a measurement of the popularity of a certain service characterised by device or user profile or the revenue created from a particular service.

This gives service providers the tools to accurately target their next service offering – and maximise their revenue - by providing only services that subscribers have an interest in. This entire service delivery and subscriber management cycle takes place in real time, helping service providers' chances of success when developing new services. Campaigns for new or upgraded services can be devised from the collected information that could be designed to deliver services or upgrades in line with specific user or revenue targets.

The interaction of successful service discovery and subscriber management will not only phenomenally improve the user experience but offer sustainable, compelling personalised services that will help keep subscribers loyal. In fact, users could soon be provisioning their own services, whether through a Web portal or their mobile browser, away from the technology issues that have so far kept new revenue generating data services, from really taking off.

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