

MOBILE INDUSTRY WILL PUT GROWTH OF SMARTPHONE EMAIL AT RISK UNLESS USERS GET BETTER SUPPORT, SURVEY SHOWS

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~ Conventional help-desk support methods prove inadequate ~

Tuesday 2nd December 2003: Smartphone users are eager to use their devices for email whilst on the move but many are not receiving enough of the right support from network operators, device manufacturers and retail outlets in order to do so. This is the conclusion of a survey of UK Smartphone users conducted on behalf of Intuwave, the mobile software specialist, by independent market researchers Taylor Nelson Sofres. The survey was conducted against the background of a dramatic increase in the number of Smartphone devices in the market.

The users surveyed cited email as the top application – with 44 per cent currently using their Smartphones for email. Another 19 per cent of users are keen to use email on their Smartphones but do not currently do so. The continued growth in mobile email usage is also confirmed by evidence from a previous Intuwave survey conducted in March 2003* that revealed that 31 per cent of consumers chose Smartphones as their preferred device for email on the move, against 30 per cent for laptops.

According to a recent report from Ovum, shipments of Symbian handsets will reach 130 million phones worldwide in 2007, with a predicted 22 million shipments for Microsoft Smartphone OS. This combination of growth in the number of devices on the market, and the desire to use Smartphones for email, means that user difficulties with email is the number one problem for mobile network operators' support staff at the current time. A simple calculation of the cost of supporting and selling Smartphone applications and services for a sample operator drives home the point – with 500,000 Smartphones, with an example of two calls per year at 15 minutes per call, and a cost of £2 a minute in fully-weighted staff costs, the operator's service and support is costing £30 million. Bearing the Ovum forecast in mind, and estimating that there will be 150 million Smartphones expected in 2007, customer support could cost operators a potential £9 billion in the future.

Andrew Wyatt, vice president of strategic marketing at Intuwave, says, "Taking the Sony Ericsson P800 Smartphone as an example, there are over 12 parameters to set for the email function to work on this device. Even if the user knows how to set parameters there is a likelihood they will get at least one wrong, thus resulting in non-functioning email and a frustrated user. User expectations of Smartphones are based in the experience of voice on the mobile phone, which means 'dialtone' levels of reliability and simplicity. Despite the best efforts of point-of-sale staff or device manufacturers it will be primarily the mobile service provider that gets the support call when customers start to explore and use the capabilities of their new devices and encounter difficulty."

He continues, "Email on mobile phones is fairly basic in today's terms, but as the survey shows, people do want to use their phones and Smartphones for email. The question remains, if email is such a big problem today, how can we expect other functionalities of Smartphones to be used? For operators to rollout more complex and business-critical applications, users need assurance that a customer services representative will be able to fix problems in a quick and easy way."

With the growth in Smartphone sales, network operators face the prospect of a disastrous 'triple whammy' of rising user support costs, user frustration and lost revenues unless they are able to manage users' devices much more effectively and proactively. Intuwave advises the mobile industry to be more proactive in supporting Smartphone users in their desire to utilise the advanced functionality of their devices, which in turn will increase average revenue per user (ARPU) and drive further adoption.

~Ends~

Notes To Editor

The "consumer Smartphone user" survey was conducted for Intuwave by Taylor Nelson Sofres, in September and October 2003. The survey results were based on 95 telephone interviews with 16+ adults in Great Britain who were identified as being owners of Smartphones. The survey was carried out in three waves (26th – 28th September, 3rd – 4th October and 10th – 12th October) to ensure a large sample size of Smartphone users.

*Survey was conducted on Intuwave's behalf by research specialists Taylor Nelson Sofres who interviewed 501 adults in March, 2003.

About Intuwave – Making Smartphones Make Sense

Intuwave is a software specialist with a single vision – to help both organisations and individuals realise the potential of Smartphones.

We provide customers - handset manufacturers, mobile network operators, enterprises, system integrators, enterprise application developers and independent software vendors – with a series of innovative products that fully leverage the mobile data value chain.

Our products and services, built on the m-Network® platform, are specifically designed for the wireless Smartphone environment. They deliver rapid return on investment through enabling increased market share, margin and operational savings. www.intuwave.com

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