



Mobile telecommunications 2004 – Customer related Approaches instead of technical Killer Applications

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The target groups of this report

This report is directed to companies that are conscious of the great importance mobile services have for their business, and want to integrate those into their marketing activities. It also contains valuable information for companies seeking analysis of the current situation with respect to the development of mobile communications.

The contents of the report are not only relevant for companies in the telecommunications industry, but also for representatives of the media industry (cinema, TV, music, print media, information services and entertainment), consumer goods companies and trading companies and the examples discussed come from both the telecommunications and above-mentioned industries.

Abstract

Because of the increase in the size of the installed base of colour and camera handsets, there has been a perceptible improvement in the market for mobile telecommuni-

cations in the last few months. Because of this improvement, the market potential for mobile multimedia services is definitely growing, and also provides real hope for the upcoming market launch of UMTS networks later this year and next. After the great success in SMS services the past few years, the whole industry has been expecting an equivalent success in MMS services in the coming years. As a result of this expectation, companies in the telecommunications and other industries have tried to focus their attention in pursuing those applications that appear to have the best chance of success.

However, the problems that occurred during the market introduction of WAP, demonstrate that often the key for success of mobile services utilising technical innovation usually stems from a customer-related marketing and communication approach instead of a technical approach.

The new technological developments that are propelling the improvement in the telecommunications industry are more powerful devices, the adoption of standards regarding faster data transmission and the introduction of new multimedia services. And, the domination of wireless network operators in the market will soon be challenged by new players seeking to exploit these new technological developments. Companies from the media industry, consumer goods companies and trading companies, are discovering the mobile phone as a new distribution channel, and as a medium enabling direct communication with their target customers. While wireless network operators often

regard the entrance of these new industries as an attack on their control over the end user, exactly those industries bring the most attractive multimedia contents that take advantage of the before-mentioned technological improvements and are also able to develop new, more user-accessible distribution channels for the mass market.

Taking this brewing conflict into account, this report, using seven practical examples, develops the idea that mobile services utilising contents from the media or consumer goods industries that take a customer-oriented approach and are distributed using mass distribution channels, have the greatest potential for success.

The contents

Chapter 1

The report begins with a summary of the current state of the mobile telecommunications industry in Western Europe, giving a review of the most important market data. This is followed by a detailed analysis of the most important future market trends including an analysis of current and future devices, data transmission standards and current and future mobile messaging services. With 19 data tables and a rich statistical background, this chapter provides a concise yet thorough coverage of the current and future of mobile telecommunications in Western Europe.

Chapter 2

The second chapter focuses on the results of two comprehensive MMS-related studies that ISI and conVISUAL carried out in autumn 2003. The results of these two studies provide valuable insight into the mobile habits of teen mobile users, including where they go to find mobile services, where they read about mobile services and their perceptions concerning famous consumer brands.

Chapter 3

The third chapter discusses the state of mobile telecommunications technology and describes some selected technical applications. The chapter first discusses "Visual-TXT", an application that automatically generates rich multimedia messages from SMS text. Next, it emphasizes the convergence of the two media – TV and mobile telecommunications. "MMS TV Chat" and "Avatar Chat" are presented as two examples of this convergence. They enable users to present themselves and their messages directly within the applicable television programme. Finally, the chapter describes currently available video monitoring services, which allow mobile users to access cameras which are installed at certain interesting places. In addition to providing information about traffic or weather conditions, such services can also provide "real-time" video access to concerts or live events. Several colour photos of these applications are provided.

Chapter 4

The fourth chapter using seven practical examples develops the idea that mobile service concepts utilising contents from the media or consumer goods industries that take a customer-oriented approach and are distributed using mass distribution channels, have the greatest potential for success. The seven examples out of different branches demonstrate how to embed mobile services in the context of strong brands and media that provide an access to the mass market:

- Branded companies
- Music industry
- Top sports clubs
- Fashion & youth media
- TV stations
- Wireless network operators & film Industry
- Information services

These examples practically demonstrate how to integrate mobile services into the marketing activities of the respective company and

can be used as recipe or guide for other companies within the respective industries described who want to successfully deploy mobile services.

Chapter 5

Chapter 5 of the report discusses the need for systematic innovation management, including the management of internal interface problems and continuous feedback of future users as important challenges. In this chapter, the report ends with the description of a battle-proved four-stage process for developing and integrating new mobile services and products.

Chapter 6

Chapter 6 consists of a summary which repeats and clarifies the most important conclusions of the report.



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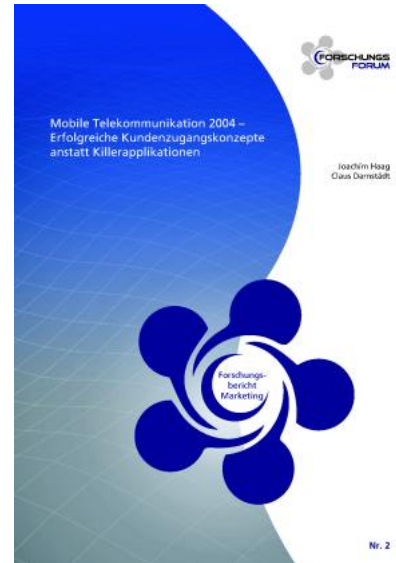
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