



COMMUNITY SERVICE

MOBILE COMMUNITIES ARE A FAVOURITE BUZZWORD IN TODAY'S WIRELESS BUSINESS. IF IT HAS NOT GOT USER GENERATED CONTENT, SOCIAL NETWORKING OR SHARING, WHO WANTS TO KNOW ABOUT IT? BUT ARGUES MARION BLACKTHORNE, IS NOT THAT WHAT THE MOBILE PHONE HAS ALWAYS BEEN ABOUT.

One of the most interesting phenomena of the fixed Internet of recent years has been the emergence of Web 2.0. Now it is becoming the hot topic in mobile circles. Unfortunately there is no hard and fast and universally recognized definition of Web 2.0.

So what would be the Web 2.0 thing to do you do in such cases. Consult Wikipedia, of course.

According to this modern-day Delphic Oracle and allegedly Web 2.0 service, the first time Web 2.0 appears to have been mentioned was by industry commentator Tim O'Reilly in 2004. By his then definition Web 2.0 was a "business revolution in the computer industry caused by the move to the Internet as platform, and an attempt to understand the rules for success on that new platform."

But then Web creator Tim Berners-Lee stepped into the debate questioning whether Web 2.0 had any real meaning at all as much of what it was claimed to describe was not new but present in the Web since its early days.

Another parry in the debate came from IBM social networking analyst, Dario de Giudibus, when he proposed a definition more focused on social interactions and architectural implementation. "Web 2.0," he said, "is a knowledge oriented environment where human interactions generate content that is published, managed and used through network applications in a service-oriented architecture."

Having reviewed the various definitions, the community of Wikipedia's various contributors seem to have reached the conclusion that Web 2.0, despite suggesting a new World Wide Web really refers to changes in the way users and developers see it.

So Wikipedia's own definition of Web 2.0 (as of mid January 2008) ends up coming down to this: "a perceived second generation of web-based communities and hosted services – such as social networking sites, wikis and folksonomies – which aim to facilitate creativity, collaboration, and sharing between users." If that is what it really is, no wonder mobile operators,

and others either already or soon hoping to be involved in the wireless arena, are excited. Its aim is not too distant from that of the mobile phone itself – bringing people together (how does that Nokia slogan go again). And not wanting to be alone is a core human desire – well for most of us anyway.

And as our lives become increasingly virtual the desire for a social life seems to apply to our virtual lives as much as our real ones, assuming there is much of a difference anymore.

"The meteoric rise of such sites as MySpace, Bebo and YouTube shows significant consumer demand for social interaction in the digital space," says Daniel Winterbottom, senior analyst at Informa. "Adding mobility to these services represents a huge opportunity for mobile operators, who will benefit from a reduction in churn levels, as well as significant increases in data traffic."

Informa estimates that the market for mobile communities and user generated content will be worth \$13.1 billion by 2011, with photo and chat based services being the top revenue generators

"Mobile communities which combine user-generated content (UGC), branded content and always on user interaction are a key growth driver for the mobile entertainment industry," says Patrick Parodi, global chair of the Mobile Entertainment Forum (MEF).

"Taking communities mobile combines entertainment and user interactivity on a new level, reinforcing the mobile handset's position as the leading portable entertainment device. We set up the MEF community initiative to focus on understanding the user behaviour and business models which harness these communities and have the potential to create over a billion dollars of value in the next five years."

According to the Informa report, chat services currently represent the largest segment of the market, driven by the fact that they are handset agnostic and can be conducted over the most popular form of mobile data, SMS. However, as increasing numbers of photo and video enabled devices enter the market, the volume of users uploading images or clips is expected to grow significantly. In 2006, some 46 million users

were expected to submit video clips to services such as SeeMeTV or YouTube from their mobile phone, rising to 198 million by 2011.

Mobile communities also potentially offer a boost to other types of mobile content, argues Informa's Winterbottom. "The search and discovery process for mobile content has been poor in many cases," he comments. "Enabling users to rate and recommend content to other members of their community has the potential to drive consumption and create an environment where cross-selling and up-selling is easily achieved."

But there are issues to be addressed if services are to achieve the success predicted, he says. Moderation is vital to protect users and to adhere to industry guidelines, and may also protect against potential legal liability. Pricing is another key consideration.

Mobile community services need to offer value to the consumer and also need to be priced to reflect the target demographic. Prohibitive and confusing data charges can only serve to stifle the growth of this segment, says Winterbottom.

Essentially there are a number of approaches to mobile communities. One is for operators to team up with the big names from the fixed Internet. Hutchison 3 and Vodafone have been leaders in this approach. Yet another is to allow third party mobile communities to exploit the mobile networks. This has had a very mixed reception from operators – some enjoying the extra traffic revenue generated while others putting hurdles in the way of the service providers.

Yet another is for operators to launch their own services by using white labelled products – essentially outsourcing everything but the billing and branding. Companies such as Vancouver based airG and Melbourne based Jumbuck Island, are leaders in the arena. And while not receiving a lot of attention this may be the most significant approach to mobile communities to date.

In fact airG's mobile community alone now has more than

"Maybe it's human nature to think that the grass is greener on the other side, or maybe the volume of press and analyst attention that the Web 2.0 crowd receives has given operator executives and mobile data entrepreneurs some sort of insecurity complex," says Frederick Ghahramani, "but the way I see things, no amount of hype and optimism can replace a solid P&L story."

Ghahramani fears that mobile history may be repeating itself. In 1999, the industry made the mistake of pitching "the internet on your phone" when it launched WAP, he points out. Internet consumers tried it and revolted, he says.

"It turned out that the mobile internet provided value to a different type of consumer, or people interact with the mobile internet differently than they did with the online version," he says.

Similarly, in 2000, his own company (which started out as a mobile games company) assumed that the games that would work on phones are the services that are high end on the playstation and pc/internet platforms. "But as it turns out, the top games today globally are tetris and bowling," he says. Simple casual games that appeal to a different type of customer, soccer moms, taxi drivers, service employee that uses their mobile phone as an 'alt-tab' to their day to day spare time.

"Similarly, over the past six years we've tried countless times to push mobile email to consumers time and time again from hotmail to yahoo to aol. Ultimately consumers use SMS as a mobile email replacement. Again demonstrating that users of mobile data are either a different type of consumer, or consumers interact differently with their mobile than they do with their PC, or more to the point, that a made for mobile solution seems to work better than a service that's been migrated from the web."

And now mobile history seems to be repeating itself yet again, he says.

"Countless online services from YouTube and MySpace and others are pushing to migrate online users to the



20 million unique users worldwide and is interconnected to more than 100 mobile operators in over 40 countries. It may come as a surprise, therefore, to hear the company's founder and CEO warn of over-excitement in the mobile network operator community over mobile communities.

mobile experience... I guess we'll see in a year how consumers respond? I can tell you that after six years, we're seeing mobile social networking is patently different than online," says Ghahramani.