

# Wireless World: Carriers losing focus?

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Wireless carriers have lost their focus and are concentrating on the wrong priorities, like trying to recruit as many new subscribers as possible, rather than properly serving those customers they have already contracted with, experts tell United Press International's Wireless World.

Mobile-phone-network operators are under competing pressures this year. New technologies are coming to market, like 3G cellular networks, next-generation network Internet Protocol multimedia subsystems -- so called NGN/IMS technologies.

"All of these factors are defocusing for operators, and distract them from their core business of rolling out services, combating churn (turnover) and ensuring that they can attract high paying subscribers," said Lance Wilson, director of wireless research at Oyster Bay, N.Y.-based ABI Research.

A report released this week by ABI Research entitled "Managed Services for Mobile Wireless Networks" indicates that carriers can refocus on their core mission by providing what are called "managed services." Managed services are pacts through which an outside organization is contracted to manage and operate all or part of a wireless carrier's network.

These services sometimes encompass a number of functions and can often include the complete array of network hosting and content-management operations.

"Managed services vendors are primarily the major wireless infrastructure equipment vendors," said Wilson.

This is primarily because they already have close relationships with service operators, and many have the financial resources needed to succeed in the industry, he said. What is more, many have already "offered some services relating to their own equipment installation and maintenance," said Wilson. "Finally, they enjoy economies of scale, because they may offer the same service to many different operators."

A recent example of this kind of projects was reached by Ericsson, which is now managing the company 3's networks in Europe, said Wilson.

Another example is the company called Fast Search & Transfer, a developer that provides search solutions to an array of the world's largest mobile carriers, like Vodaphone, SingTel, Telstra of Australia, Turkcell of Turkey and several Japanese carriers. By outsourcing the technology to a third party, a spokesman said, the company can drive revenues through local mobile search. "The revenue potential that search brings to mobile devices is massive," said the spokesman, based in Burlington, Mass.

Some other experts agree with ABI's take on telecom trends. Experts at Comverse, a provider of software and systems that enable network-based multimedia communications, indicate that these third-party developers have expertise in the new technologies, like 3G and IMS. The technologies are being used to deliver services like instant messaging, video and text messaging over mobile networks.

If the wireless carriers focus on improving their customer service and outsource the technology development and implementation to experts, it could reduce costs and maximize profits, said ABI.

Most interestingly, experts tell *Wireless World*, most of the new technology being used on wireless networks is not here in the United States. "U.S. mobile networks are not using the latest in technology," said Mike Neumeier, a spokesman for Glenayre Messaging, a developer of next-generation messaging solutions. Neumeier said that about 80 percent of Glenayre's revenues come from outside of the United States today.

New technology and content are, however, creating other problems that carriers have to deal with from a customer-service perspective, experts said.

"Some other new trends to consider for 2006," said a spokesman for Comverse, based in New York City. "Billing -- how are carriers providing more flexibility as they implement new systems?"

With the introduction of new platforms, for example, wireless carriers can offer new content. This includes personalization, with new features, like "Avatars," or virtual personalities to represent you online, plus specialized ringtones.

"But how do you charge for the content?" asked the spokesman.

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