

Verizon: telecom giant with big ambitions

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Verizon, which agreed Monday to acquire faded internet star Yahoo, grew from its roots as a regional telephone carrier to a top wireless company—with ambitions to be much more.

The name Verizon came about in 2000 with the [merger](#) of Bell Atlantic and another phone group, GTE.

At the same time, Bell Atlantic agreed to combine its wireless operations with Vodafone AirTouch to become Verizon Wireless. In 2014, the US group acquired Vodafone's 45 percent stake.

The origins of Verizon stem from the 1984 antitrust breakup of AT&T into seven regional providers of local phone service known as "Baby Bells."

Before it became Verizon, it was Bell Atlantic, which merged with fellow regional operator NYNEX and later acquired the big long-distance firm MCI.

Today, Verizon has some 141 million wireless retail and wholesale customers, making it the largest US mobile carrier, ahead of AT&T's 130 million, according to Strategy Analytics.

In 2015, it posted a profit of more than \$18 billion on \$131 billion in total revenues, and has 173,000 employees in 150 countries, according to its website.

Over the years, Verizon has expanded into fiber-optic broadband, enabling it to deliver "bundles" of services that include internet, television and phone service.

Yet Verizon seems determined to be more than just a carrier, and its deal for Yahoo and last year's acquisition of another internet pioneer, AOL, showed those ambitions.

Last year, Verizon launched its go90 streaming video service, seeking to create a mobile-based rival to services such as Netflix and Hulu, with content partners including Sony Music and the National Basketball Association.

Absorbing Yahoo, however, will be a formidable task because of the two companies' widely divergent cultures.

Verizon will need to integrate the multiple media assets of Yahoo with

those of AOL, and manage online advertising technology to compete with the likes of industry leaders Google and Facebook.

"It's clearly part of Verizon's vision to move into becoming a media company," said Bob O'Donnell of the consultancy Technalysis Research.

Shar VanBoskirk of Forrester Research said Yahoo fills a key need by providing data on customers that can help contextual advertising.

"The more access to customer data it has (online through Yahoo and AOL, in home via cable boxes, on mobile via smart devices) the more targeted it can be with advertising and sponsored content or product placements across those same devices," VanBoskirk said in a blog post.

"This allows Verizon to create better ad products which is competitive against primarily online giants (Google) and creates a better user experience which is competitive against other cable and telecom providers."

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