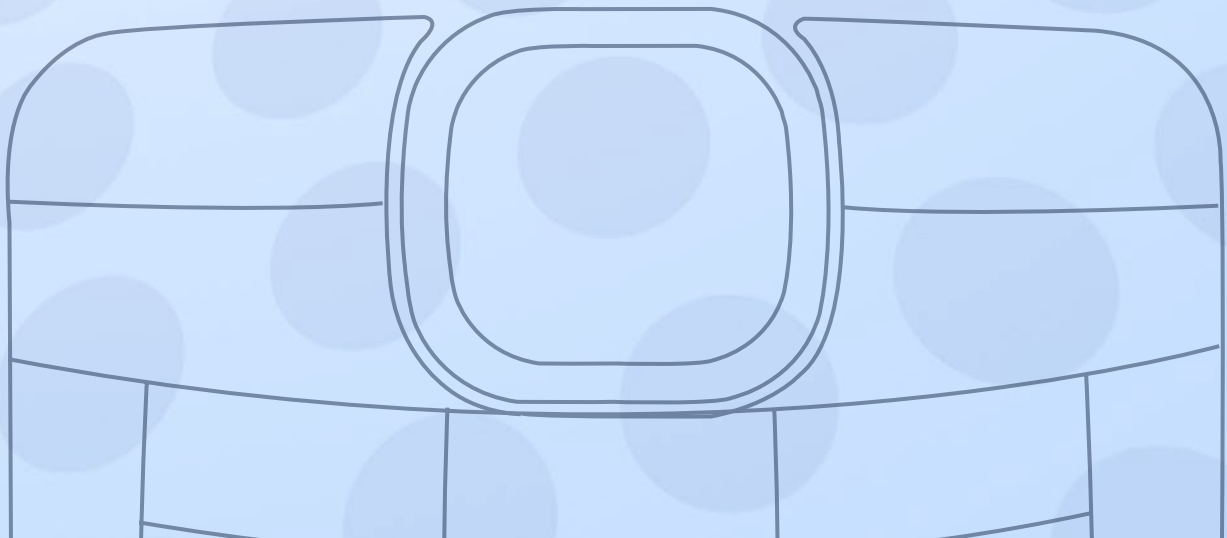


# ON DEVICE PORTALS & MOBILE CONTENT

**The way forward**  
for mobile content presentation,  
delivery and monetisation





# Contents

3	Introduction
5	What is an ODP?
8	Problems with WAP Portals
11	Market opportunities for ODPs
15	Markets enhanced by an ODPs
17	MNOs and Device Manufacturers
20	Challenges and Opportunities
23	Conclusion
24	About the Author / Note from the Author

# Introduction

Today's brand and content owners are actively investigating the mobile channel as a potential new route to market. Huge budgets are being withdrawn from long time favourites like the 30 second television spot and need a new home. The world of marketing is changing and one of the most prominent channels in this new world order is the mobile screen.

For today's active consumer, the mobile phone has evolved into a blend of lifestyle device and vital personal accessory. Next to their keys, it is the one thing they won't leave home without. And as the mobile becomes more tightly integrated into their lives, today's consumers are realizing the mobile phone can be used for a lot more than just making calls and sending text messages. Today consumers want to experience multimedia content on their mobile phone. Whether it is the latest music video, a mobile dating portrait, or video footage of sports and news headlines, if it *has to be now – it has to be on their mobile.*

Consumers responding to the marketing spend by brand and content owners have a growing appetite for mobile content. Content providers are poised and ready to deliver. Brand owners want to reach out and connect with consumers via this anytime, anywhere device.

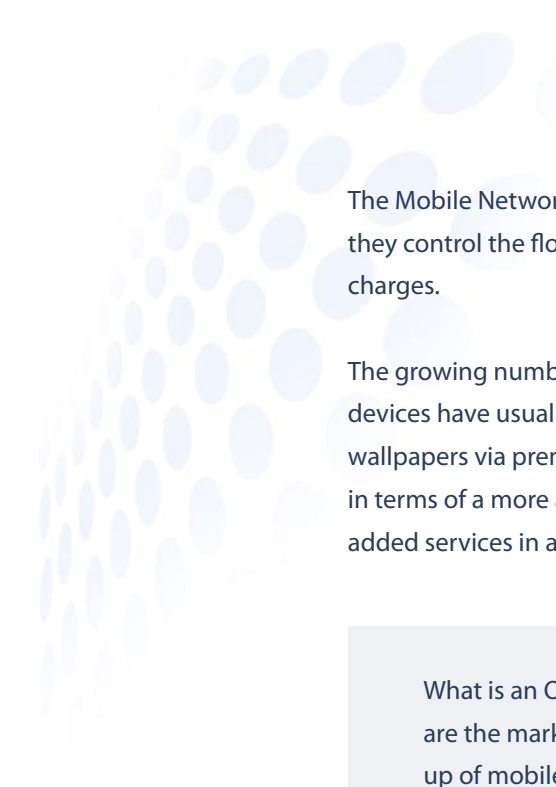
**The question, until now, has been `How?'**

**On Device Portals (ODPs) provide the answer.**

The On Device Portal (ODP); exposes the consumers to branding and delivers rich media content within an engaging, interactive and compelling interface on their mobile device. With an ODP, brand and content owners can create a direct and personal portal of communication with mobile consumers that is both beneficial and profitable.

**In short, the ODP bridges the gap between supply and demand in the mobile content market.**





The Mobile Network Operator (MNO) can also benefit from ODP technology because ultimately they control the flow of information over their network and therefore receive the revenue from data charges.

The growing numbers of mobile consumers who have experienced digital content on their mobile devices have usually done so through WAP (wireless internet) sites or delivery of ring tones and wallpapers via premium SMS services. This experience can be greatly improved by ODP technology in terms of a more attractive, user-friendly interface that is able to present multimedia and value added services in a way that stimulates usage.

What is an ODP? Why shouldn't brand and content owners just use WAP portals? Where are the market opportunities for ODPs? What are the challenges in driving consumer take up of mobile services – what are the solutions to those challenges? And what does the future hold for ODPs? This paper aims to provide some insights and answers to these and other questions.

To provide breadth and depth, the following industry experts, pundits and stake holders have been interviewed to provide market insight and first hand experience on the subject of ODPs and their role in the evolution of mobile content delivery.

- Scott Beaumont, Managing Director - Refresh Mobile
- Jan Obrman, Chairman and Founder - U-turn Media Group
- Russell Buckley - Mobhappy.com
- Elaine Doherty, Strategic Marketing Manager - Surf Kitchen
- Harvey Kaplan, Director of Mobile Operations, Friend Finder, Inc.
- Helen Keegan, Managing Director - Beep Marketing
- Brad Keeling, Founder and Share Holder - Slice Wireless
- Dr. Geoff Kendall, CTO - Next Device
- Geoff McGrath, Managing Director - July Systems, UK
- Ted Wugofski, Former CTO - Action Engine and former Openwave Executive

# 1

## What is an ODP?

So what exactly is an On Device Portal, or ODP? How is it like a portal you might find on your desktop PC and how is it different from that Java game you downloaded onto your mobile phone last week? Here's a basic definition:

***An ODP is a piece of mobile device software whose primary function is to provide a dynamic and engaging experience for browsing and consuming mobile content. ODPs make discovery and consumption of mobile content a simple and intuitive experience. An ODP has the ability to evolve with the user, offering targeted multimedia through a simple to use graphic interface.***

An ODP has the ability to evolve with the user, offering targeted multimedia through a simple to use graphic interface making discovery and consumption of mobile content a simple and intuitive experience.

By leveraging the handset's capabilities to deliver a more compelling user experience, ODPs increase service awareness and streamline content purchasing. The ODP makes use of client application software that is installed into the handset and provides a high level of control over graphical appearance and navigation.

It is important to note that an ODP is not composed solely of the software that resides in the mobile device. It often includes a content management system (CMS) and server solution that provides several key features, including; updating the ODP client, delivering content to the client

that has been optimized for the device, integration with billing and digital rights management systems and an interface for the content owner to make it simple to update, aggregate and refresh the content available to the consumer.

One example is the VIZGO product from U-Turn Media Group. The VIZGO solution is a suite of software applications that manages, encodes and delivers multimedia content to the menu structure of mobile devices. The VIZGO platform is comprised of four main components; a CMS

### “What makes up the DNA of an ODP?”

#### An ODP:

- allows consumers to access content on demand
- provides an easy way to easily sample and preview content
- has the ability to be dynamically updated
- is an access point rather than a stand alone application
- is used to overcome the usability issues associated with WAP network latency
- takes over the entire display to immerse the consumer in the experience
- operates as a thin client application

interface, an automated aggregation tool, a delivery and streaming server solution, and an easy to use handset application.

An ODP is not necessarily 100% stand alone technology, but takes on the characteristics of a portal in presenting information already available from existing solutions. An ODP may provide better access to a basic WAP portal, provide interactivity to streaming video, or provide faster access to data by caching information locally on the device.

The U-Turn VIZGO ODP is more than just a portal for multiple information sources, but also embodies the idea of technology independence when it comes to delivery and presentation of the content. Rather than trying to develop proprietary solutions, U-Turn takes the approach of encompassing existing technology. Whether it is display of an existing WAP page, or using an industry standard Real Player or 3GPP player to display streaming video, the VIZGO solution is a portal that sits on top and provides the consumer with a unified experience. It is this unified seamless experience which defines a successful ODP. Without it the consumer will remain reluctant to engage in premium mobile services.

This principle also gives new media companies and content owners an opportunity to put maybe only a single toe in the water. The first deployment might be a very simple skin around an existing WAP portal – allowing the media owner to maintain any current investment and put them on the path for growth and expansion as they come to better understand the mobile-enabled consumer.

The ODP solves many of the problems associated with lack of standardization within the wireless industry. Differences in handset operating systems, video formats and screen sizes can all be encompassed and supported by an effective ODP.





## Adding interactivity to mobile video

You can't read anything in the trade press today without catching at least a few articles about how mobile television and mobile video has arrived. Whether you're talking about broadcast television over DVB-H or equivalent standards, streaming video, video on demand - video to the mobile phone is where it's at. How can ODPs not only participate in this boom, but actually help to accelerate it?

An ODP could be used as a gateway to mobile video. Consider the ODP to be both your preview channel including a programming guide, as well as your remote control for your set-top box, allowing you to interact with programming in any number of ways from simple voting to active purchasing directly from your mobile device. An ODP further enhances the video stream with interactive features that provides an entirely different experience than just watching TV on your mobile.

"If you use a preview guide to help surf channels on television, then you can think of an ODP as a preview guide for content on your mobile." Explains Harvey Kaplan from Friend Finder, Inc, "You can choose to tune in immediately to a mobile content source, download a video or just keep browsing for content that meets your interest."

And looking ahead to the success of ODPs – what other challenges might come into play? Desktop clutter. That's right – clutter. If every brand, content and media owner, not to mention MNO, has their own ODP with its own icon, the desktop starts to look pretty cluttered pretty fast. Having multiple ODPs for a single device drives the consumer to organise icons in the same way as on their home PC desktop – things get put in a folder. And being in a folder is often a fast-track to being forgotten. The trick will be to convince the consumer to never to put your icon in a folder.

To bring the focus back to the consumer perspective, an ODP is simply a branded icon that appears in their list of applications – it's a 'one click' icon on their mobile desktop. The point being that the less consumers have to be concerned about the underlying technology – and the more familiar the experience - the higher the chances the consumer will engage with the service.

# 2 Problems with WAP Portals

Until the ODP came along, WAP portals were the main choice available to consumers to access rich multi-media content on a mobile phone. But even today WAP portals are not without their problems.

Consumers presented with a WAP portal must navigate a complicated process of locating a WAP site, signing on, potentially trying to bookmark the WAP site and then remembering to go back to it. But as Harvey Kaplan from Friend Finder, Inc points out, "... the ODP stores content locally on the device which gives the consumer a simple and easy way to navigate through the service while the content is automatically refreshed within the application."

One of the biggest barriers to adoption of WAP portals is the cost of mobile data. Mobile Network Operators (MNOs) charge a wide variety of tariffs for mobile data, leaving the consumer confused and concerned. Every page accessed from a WAP portal requires access to the network and thus incurs data charges. With an ODP data charges are minimised.

ODPs have the ability to cache information locally on the device and only need to access the network for new content updates. This results in lower costs to the consumer and faster response times when browsing. On average you can expect 20x performance improvement with 80% fewer keystrokes when comparing an ODP to a traditional WAP portal.

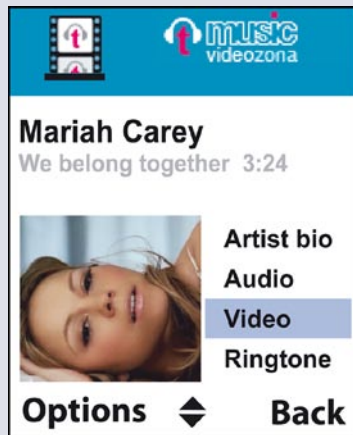
Five years ago WAP was gaining market traction and MNOs were rolling out WAP services and presenting them to the market as the "next big thing" to help them address the declining growth in revenues. After all the marketing and resulting hype in the media, the reality of the WAP experience left a lot to be desired. The consumers had been marketed "the Internet on your mobile phone" – but the experience was significantly inferior to their PC internet experience at home – even before the widespread use of broadband.

Savvy mobile pioneers like Russell Buckley from Mobhappy.com recognized that WAP had strengths that could actually be enhanced by a simple Java application. He presented two of the very early ODPs: a simple offline Java-based browser and a Java application providing telephone banking services. Both applications took advantage of an improved user interface and masked the latency associated with WAP.

Geoff McGrath, Managing Director of July Systems, offers another interesting insight about consumer perception. "An ODP," he says, "gives consumers a feeling they can browse around and look for mobile content at their leisure, where in a WAP experience the consumer may feel hurried or rushed to do things quickly." The consumer will often associate a WAP experience with mobile data charges. Every time they go to a new WAP page they mentally think of it as costing them money.

As such, time and page refreshes may be costing the consumer money. Alternatively, an ODP offers consumers both an online and an offline browsing experience. The psychology of being charged for a WAP experience instils a pressure that is not helpful in a mobile commerce environment. ODPs create an environment where this pressure is significantly less, as the ODP can work both online and offline.

An interesting case that warrants mention at this point is the recently deployed T-Mobile ODP, *t-music videozona* in the Czech Republic.

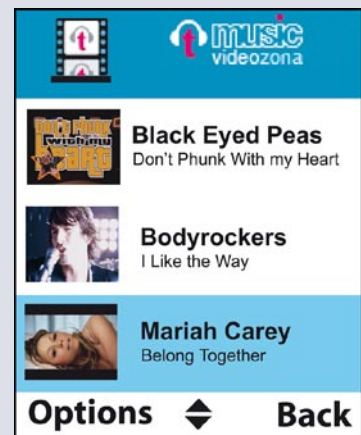


T-Mobile Czech Republic is utilising U-Turn's ODP technology to deliver a mobile music video service that provides access to streaming video and audio content of top 100 hits as well as artist bios and the opportunity to purchase polyphonic ring tones.

This provides an interesting example because here an MNO that is operating a WAP portal (t-zones) has at the same time deployed an ODP.

Time will tell how this strategy will play out, but it could be suggested that this demographic specific and localised ODP model could be 'cut and pasted' into other regions with T-Mobile coverage.

Within the first two months of launching the portal, more than 10,000 streams were delivered and in the third month a further 10,000 streams were viewed. This could only be considered a success story for ODPs.



## Operator WAP Portals

Operators struggle to grow their bottom line as voice and text messaging is becoming largely commoditised. This has resulted in greater attention to mobile data, and the possibility to monetize content delivered to the mobile devices. The first and most obvious place to start was for the MNOs to launch their own WAP portals.

The trend was launched most visibly with the £100million marketing push by Vodafone for the Vodafone Live! in 2002. Although the average consumer wouldn't know them as WAP portals, Vodafone Live!, Orange World, O2 Active and T-Mobile T-Zones are all based on WAP. But the overall experience was still fairly plain, and some might even describe it under the highly technical term, "clunky". So far only 8% of European online consumers have accessed the mobile Internet.<sup>1</sup>

### Fight to be "Top of the deck"

Any media or mobile content owner will recognise the expression "top of the deck". The deck in this case is the first page of a MNO WAP portal and the effort required to be included in this coveted first page is not insignificant. Roughly 0.1% of mobile content owners get to the top of the deck and even fewer manage to keep the position for an extended period of time. MNOs are constantly updating the deck to keep the most appealing content in front of their subscribers.

The consumer experience of an operator's own WAP portal starts with pressing the hot key or menu item for the mobile Internet. After seeing the "connecting" screen, the consumer is presented with a list of menu items from which to choose. These could be broad categories and/or specific content sources. For example, the current Vodafone Live! Screenshot shows the following list of items:



The items that are viewable as soon as the consumer enters the mobile Internet experience are known as the top of the deck. Every time you pick one of these and go to the next menu of choices you are getting further and further away from the top. There have been a number of studies demonstrating the very sheer drop off in subscribers based not just on each level away from the top, but actually on the number of key presses required to access the content. According to Ted Wugofski, former Openwave Systems Executive, WAP portal developers can expect to lose up to 50% of users for each level of menu structure required to access content.

<sup>1</sup> Source: Jupiter Research European Consumer Survey (8/05)

# 3 Market Opportunities for ODP

Content owners, mobile game companies and MNOs are spending huge amounts of money informing the consumer of the availability of mobile content. However, due to the fact that the current solutions for accessing mobile content are complex and not very intuitive, what they are really doing is creating a pent-up demand that can't be realised. The ODP is primarily concerned with providing the best possible experience for the end user in terms of presenting mobile content in a way that fuels consumption. It is the ODP that will satisfy the growing demand for seamless consumption of mobile content.

If the ODP can finally justify the marketing expenditure and provide the tool for realising the grand predictions for mobile content consumption revenue - lets now tackle the question on everyone's lips - 'where's the money?'

## Monetising the mobile channel using an ODP

How can an ODP be used to drive incremental new revenues for brand and media owners, mobile network operators and content owners alike? The ODP environment provides for a wide range of options that can be tailored to suit an individual market and/or an individual community of mobile consumers.

### "Market Opportunities for an ODP"

The problems solved by an ODP are:

- Improved experience when consuming media and content
- Improved ability to purchase and receive new content
- Better brand extension for brands and content owners
- Increased network traffic and revenue share for mobile network operators.

When used as a mobile store front, the ODP environment offers purveyors of screen savers, ring tones and mobile games a user friendly means of presenting their product to the consumer. No longer fighting for the top of the operator WAP portal, the mobile store front allows the consumer to easily navigate a wide range of content in a much more intuitive and media-rich environment. With an ODP, consumers can easily preview and trial content. Possibly more important is the fact that the ODP can be configured to allow the consumer to make single-click purchases without being encumbered by multiple screens of payment authorisation, and without accidentally signing up for premium rate SMS subscription services. July Systems mobile store front offers just such a solution. By selling their solution to the MNO, they are presenting the consumer with a "mobile shopping mall experience", with the MNO deciding which stores are in the mall. In the mobile storefront solution, the ODP application and all the previews can be free to the consumer, with revenues coming from content sales.

As Scott Beaumont from Refresh Mobile points out, "An ODP like the Refresh Mobile Mobizine gives consumers more control over the content feeds and subscriptions they wish to view on their mobile devices." An ODP provides a faster and more intuitive user interface resulting in higher retention rates and thus greater sales of content through the ODP.

For dynamic content presented via an ODP - such as up to date news feeds, sporting content or other live and updated content - a slightly different model might be implemented. Today's consumers are generally cautious about receiving live content streams where they are charged per view and possibly for the data traffic as well. In these cases the better approach could be to offer the content free to consumers until a critical mass of users has been established and the service has a loyal following; at this point introducing a charge service is more likely to be accepted by the consumer. The flexibility of ODPs means that either a 'pay-per-view' or subscription billing mechanism can be utilised.



WISC TV in Madison, Wisconsin is the first local broadcaster in the USA to offer a mobile news portal featuring streaming video. Using a branded version of the U-Turn platform, WISC offers local mobile subscribers access to streaming video clips direct to their mobile phone. To offset the cost of the service, WISC plans to sell advertising, real estate within the portal. This provides WISC with a new channel for their advertisers and allows advertisers to make their first entry into the mobile space.

## ODPs Mobile Marketing and Advertising

In the UK, the Direct Marketing Association has provided consumers with various preference services<sup>2</sup> such as the Telephone Preference Service and the Mail Preference Service. As Helen Keegan from Beep Marketing points out, "Advertising as we know it is dying". And in reading the trade press we are seeing an increased hype in the fact that Mobile Marketing is here to save the day. But as Helen further points out, "Mobile marketing is not a science yet, it's an art".

Today's consumers have more control over how brands are marketed to them than ever before.

*“Mobile marketing is not a science yet, it's an art”*

Helen Keegan,  
Beep Marketing

The ODP provides a highly interactive and media rich environment that is fully customisable. Advertising can be included in the consumer's ODP experience in a wide variety of ways; from simple banner ads, sponsored content, interstitial ads – ads delivered between the display of two other mobile Web pages - to headers and trailers for mobile streaming content. Including advertising within an ODP displaying World Cup video footage for example has significant revenue potential.

In general, brands have been somewhat hesitant to use the mobile channel until they can create a user experience that is as rich, intuitive and as fulfilling as it is on the web or even on TV. ODPs, for the first time, give brands and content owners the chance to create an integrated brand experience that meets their requirements for quality, usability and value in the eyes of their consumers.

<sup>2</sup> DMA for Consumers: <http://www.dma.org.uk/content/csm-Introduction.asp>

## Getting into the minds of the agencies

Mobile is just now becoming recognised as a channel for marketing. In the US even more so than in Europe or Asia, advertising agencies are just starting to see the requests come in from their clients: “How can we add mobile to our marketing mix?” or “How can we include mobile in this campaign?”.

Recent statements from advertising executives give an indication of the future. “Mobile phones will soon become the most important medium for advertisers to reach technology-savvy consumers”, according to Andrew Robertson, CEO of the world’s third largest advertising agency, Omnicom’s BBDO. “We are rapidly getting to the point where the single most important medium that people have is their wireless device,” he said. “It’s with them every single moment of the day. It’s genuinely the convergence box that everyone has been talking about for so many years.” But he realizes the challenges ahead: “You have no way to interrupt because they can choose what they can do,” Robertson said. “The opportunity is if you can create some content that they want to engage with, they can do that all of the time from anywhere...”

Brad Keeling, founder and shareholder of Slice Wireless, predicts that “...by Christmas '07 we'll start to see marketing campaigns embrace mobile in the same way as they use print and TV today. The problem today is that most agency folks don't get it. They don't have devices that are capable of these types of functions and it's really only their kids who are downloading and consuming mobile content. The agency view is, 'How can I recommend this when I can't even do this on my own device.'”

Even so, ODPs have been running in various markets and sectors over the last 2+ years offering solid market proof of their acceptance and the ability of an ODP to directly impact mobile data revenues. ODP vendors work diligently to communicate these values to brands and media owners but sometimes it helps to be just a bit more direct. As Jan Obrman, Chairman and Founder of U-Turn Media Group points out, “We are beyond the point of experimenting and the initial fears of risk in ODPs. It's time to just get on with it.”

“*We are rapidly getting to the point where the single most important medium that people have is their wireless device.*”

Andrew Robertson,  
CEO, BBDO

# 4

## Markets enhanced by an ODP

There is a wide range of stakeholders who can benefit from deploying an ODP, including traditional content owners, media owners, brand owners, MNOs, adult content owners, betting & gaming and information services.

**Content Owners:** Traditional content owners are eager to extend their offering to include mobile as a channel for delivery. With an ODP mobile content can be presented to consumers in a compelling way with a simple and intuitive user interface. Content can be formatted and optimized for the consumer's device; previews can be made available before purchase. The ODP can offer a better user experience when interacting with existing WAP sites and streamlines various billing mechanisms such as premium SMS. In short, an ODP offers traditional content owners a 'one-stop shop' to mobilize their content.


**Media Owners:** There are several ways in which media owners can benefit from an ODP. Brand partnership will allow the media owner to extend distribution of their content in early days to create demand for fully monetized versions. Media owners will have a simpler, more efficient and more engaging method to offer content to the consumer. One further opportunity will be a more direct billing relationship with the consumer, providing a higher profit margin on the content delivered to the device.

The ability to offer interactive features such as voting and competitions further deepens the consumer relationship. In the case of reality shows that rely on SMS voting, ODP functionality

such as U-Turn's voting feature, allows consumers to vote for their favourite star with just 'one click', avoiding the currently cumbersome process of sending an often unrelated keyword to an equally hard to remember designated number.

### The problems solved by an ODP are:

- Improved experience when consuming media and content
- Improved ability to purchase and receive new content
- Better brand extension for brands and content owners
- Increased network traffic and revenue share for mobile network operators.
- Reduce latency when browsing content



**Brand Owners:** Brands are often looking for new and innovative ways to interact with their consumers. An ODP provides a brand owner with a new way to reach mobile enabled consumers. Starting with a fully branded icon appearing on the mobile desktop, to a completely branded user experience where the consumer is immersed in the brand and brand messages. And more than one way communications, an ODP allows the consumer to interact with the brand through something as simple as voting for a favourite product, to capturing and sending a video clip of the consumer engaging with a particular product.

**MNOs:** MNOs like T-Mobile CZ have recognized the advantages of deploying their own ODP to supplement their existing content services (see case study on page 9). An ODP gives the MNO the opportunity to offer a compelling mobile community to their consumers that adds value to their overall service offering.

**Adult Content:** Adult content is one of the fastest-growing areas in the mobile space with a projected value of \$2.34bn by 2010<sup>3</sup>. With an ODP, a number of challenges can be addressed, including age verification, a simplified billing process, content formatting and customizable presentation of content categories. An ODP can enhance streaming video for example, giving the mobile user the ability to interact with live video feeds.

**Betting & Gaming:** Online betting and gaming is another market that is rapidly expanding into the mobile world. Existing WAP portals offer consumers a relatively slow and plain experience compared to that offered by a fully branded and customized ODP. With an ODP the consumer's experience is enhanced by minimising network traffic and latency, as well as by providing a much richer and engaging playing environment.

**Information Services:** ODPs, with their ability to integrate streaming video and user interaction, are opening some exciting new possibilities in the areas of monitoring and surveillance. An ODP allows mobile users to connect directly to remote video sources and actually interact with them via their mobile device. The future may see parents observing their children sleeping soundly via a connection to a live stream from a simple webcam installed in the child's bedroom. The ODP would provide a convenient interface to observe the effectiveness of the nanny or baby sitter.

# 5 MNOs and Device Manufacturers

Many believe that MNOs will eventually open their walled gardens, implement flat rate data charges<sup>3</sup> and reduce their share of premium rate revenues to less than 10%<sup>4</sup> - and that mobile device manufacturers will be pushed to offer extended access to the mobile device desktop. From the perspective of mobile content owners, these are positive trends.

If MNOs and device manufacturers take down the barriers, there will be increased opportunities for growth and expansion as brands, content and media owners bring the full weight of their marketing efforts to bear. One of the key reasons that NTT's i-mode has been so successful in Japan is that the lion's share of the content revenue goes back to the content owners, allowing those content owners who are successful to grow. Implementing a similar content-owner-centric view in the US and European markets has the potential for an equally positive market impact. And by driving mobile data revenues, MNOs also benefit.

## MNOs

Romi Parmar, CEO of Total Brand, the developers behind Vodafone Live!, demonstrated one of the earliest Java midlet applications to one MNO back in 2002. The reaction from the head of marketing was simply, "What is it and how can I stop it?" This was the first reaction to an ODP, and is an understandable reaction from a short-sighted and generally panic-stricken carrier. Why did they respond this way? Simple, the application took over the entire device, and all carriers branding disappeared. Also, the application was so responsive and compelling that it almost made the carrier's application seem redundant.

By offering the consumer a dedicated experience and environment in which to engage with the brand, the brand's relationship with the consumer is not diluted by the MNO. Although some operator's views this direct brand relationship as a potential threat, so long as the operator delivers the experience the consumer relies on the MNO relationship with the consumer is safe.

And if a threat to the consumer relationship wasn't enough, what really scares MNOs in Europe is the prospect of a simple billing interface for content that would not include a split of revenue for the operator. With an ODP, a media or content owner could easily build in a charging mechanism that would allow for 'one click' billing. At the 3GSM World Congress in Barcelona there was considerable activity from people like Visa, MasterCard, Barclaycard and others as attention on mobile content – and the need to charge for that content – grows.

<sup>3</sup> T-Mobile UK currently offers a flat rate data plan.

<sup>4</sup> Payzee indicates that the MNO cost for a transaction processing is roughly 7%

## The value in being a “smart pipe”

Operators and carriers have been wringing their hands over the prospect of having their place in the value chain become reduced to the same point as today's ISP (Internet Service Providers) - to be nothing more than data transport, or a dumb pipe. Operators tend to forget that they have so much extra information that they are really a smart pipe, and that opportunities exist if they can find the right way to monetize this information.

For instance, an ISP running an always-on internet service really has no way of knowing what you are doing, or even if you're actually sitting at your computer. On the other hand, a MNO has the ability to access things like your physical location and even to report your availability. This is often referred to as Presence and Availability Management (PAM). It is something that's coming in the next generation of mobile phones – and the next generation of ODPs will have full access to this information.

Whether or not MNOs can monetize their network intelligence is something that will only become evident over time. Until then, the MNOs are focused on ensuring maximum voice and data traffic across their network – including off portal traffic. Scott Beaumont of Refresh Mobile believes that today's MNOs are already aligning themselves, albeit quietly, with media companies and off-portal content companies to ensure they can drive as much traffic as possible across their networks.

## MNOs are implementing their own ODPs

Not all MNOs are afraid of the trend towards deploying ODPs. According to the recent ARCchart report, MNOs are going to blaze the path for the rest of us until 2009. In a way not dissimilar to how Vodafone Live! has proven to be a showcase for other WAP portals, O2 in the UK is leading the way in its adoption of ODPs, working closely with Surf Kitchen.

Elaine Doherty, Strategic Marketing Director of Surf Kitchen, reports some very exciting results from their commercially deployed ODP products with Orange, O2 and MTC-Vodafone.

- Downloads ('This Weeks Top Five' ringtones) increased by 137% (2.37x more downloads per user)
- “The menu approach has encouraged increased spending by users. One game has seen the number of downloads increase from 70 a week to 800 since the launch of the menu service” Mohammed Alrashidi, MTC-Vodafone Kuwait

MNOs can achieve significant value not only from supporting the launch of other ODPs, but through the deployment of their own ODP. Other MNOs using their own version of an ODP include Orange Downloads, Vodafone Live! Cast, Sprint Nextel On-Demand. T-Mobile t-music videozona is an operator ODP created by a third party service provider, in this case U-Turn Media Group.

Geoff McGrath from July Systems uses the analogy of the MNO as a mall owner, with the brands and content owners making up the shops within the mall. “Operators should concentrate on getting the right brands and content owners into the mall and then providing them with as much support as possible to promote themselves.” It makes a lot more sense for an operator to make 10% of a huge pie than to try and hold on to 30% of a tiny pie.



## Device manufacturers

In many ways device manufacturers like Nokia and Sony Ericsson are just as concerned about an application that takes over the device and obscures not only their branding, but also about the look and feel of a user interface they have invested millions in developing.

The Nokias of the world are also very keen to maintain a solid relationship with the consumer. Until 5 years ago the model in the EU was that the device manufacturer had the power, and the operators were at the will of the device manufacturers. This was in contrast to the Asian model, where the operators had the power, and device manufacturers were largely told exactly how to build the devices and the associated user interfaces. The US was somewhere in the middle.

In defence of the device manufacturers, they are in a tough position. The sheer number of variations of handsets they must produce to satisfy the requirements of even a single MNO is close to mind boggling. If you also consider that the makers of mobile devices *are* their own brands, and have a heavy investment in maintaining their own relationship with the consumer in spite of the heavy operator branding required by today's MNOs, the task is actually quite daunting.

Dr. Geoff Kendall, CTO of Next Device points out that today's device manufacturers are constantly adding new features to their phones - such as cameras with a slightly higher resolution - to try and get the consumer to buy their device over that of their competitor.

Beginning with Symbian and Windows Mobile the device manufacturer is providing greater and greater access to the application developers and focusing their efforts on building a robust, reliable and scalable mobile platform for tomorrow's applications – applications like ODPs.

# 6 Challenges and Opportunities

## Consumer challenges

ODPs have the potential to solve a number of problems for consumers, brands, content owners and MNOs, but the opportunity is not without technical and behavioural challenges. There are three main areas that must be addressed – awareness, experience, and application stickiness.

### User awareness:

The first challenge is how to get the ODP application loaded onto the device so that the consumer can easily find and launch the application. There are a number of solutions to this problem that involve a greater or lesser degree of co-operation from the MNO and device manufacturer. In some cases the application can be requested by the consumer from either a web form or by sending an SMS request.

#### Getting the ODP loaded onto the device

- Carriers can preload their ODP
- Mobile device manufacturers can preload their ODP
- Consumers can download ODPs to their mobile devices as easily as they download games and other content
- ODPs can be preloaded or over-the-air installed onto a SIM card

Once the application has been installed on the device, the challenge becomes one of creating a situation where the consumer wants to access the content again, and will launch the ODP again. Placing the icon for the ODP on the mobile desktop is the best solution as it offers the consumer a regular reminder that the content is available. Some ODPs have branded icons, offering a direct mobile desktop branding experience.

U-Turn Media Group's ODP solution makes use of 'watch-me-now' alerts that send an SMS message to users that have opted in when new content has been uploaded to the ODP. This service drives the customer back to the portal, ultimately increasing the chance of consumption. The alerts can be targeted to specific demographic groups, further increasing the likelihood of consumer engagement.

For Java only phones, the challenges are greater, in that today's mobile desktop is a closed environment with only a limited number of key function icons. In this case the ODP is stored with other Java applications on the phone. For a consumer who regularly launches a Java game or other applet, having the ODP appear in the same list of other Java applications with a clear and meaningful name reflecting the content available through the ODP is key.

## User experience:

Kurt Sillen - Vice President for Ericsson Mobility World says ‘...what we try to do is focus on communities and segments, we ask the question how can we exceed the expectations of these communities and segments...the answer is ease of use...and that is so vital when we enter the market as more of a lifestyle provider as apposed to a voice provider.’

The key is in the user interface and the user experience

When it comes to driving consumer demand for mobile content, the phrase “content is King” seems very applicable. The higher the value of the content, the greater the likelihood of convincing the consumer to re-launch the ODP. Today’s mobile content sources with the highest stickiness factor include sports and adult content. As Harvey Kaplan, Mobile Operations Director for Friend Finder, Inc. points out, “When your content is associated with a basic fundamental need – food, clothing, shelter or sex – then it’s far easier than with less instinct driven content.”

Mr. Sillen further sites an internal check list which has been adopted by Ericsson to identify a perfect user experience, it can be summarised as the **0-1-2-3 principle**.

**Zero** or no required user behavioural changes

**One** log on, one point of entry, one seamless experience across different media

At the most, **two** second response time

At the most only **three** clicks away

## Application stickiness:

Consumers must rediscover the application each time they want to use the ODP Solution:

- Consumers must want to return to the ODP again and again
- Content quality, relevance and value create maximum stickiness
- Integrating the functionality of the ODP into every day tasks

## What makes the experience and the content so compelling?

Simplifying an existing system with a intuitive user interface key. Dr. Geoff Kendall, CTO from Next Device, points out that today's mobile user interface is like a shrunken desktop from a PC – but with a limited view. Today's mobile consumer is task- focused more than application- focused. Geoff offers a great example of this:

“You're stuck in traffic and you're going to be late for a meeting. Your task is to get word to the people in the meeting and let them know you're running behind schedule. Using the mobile phone of today you need to launch your calendar application, look up who else is attending the meeting, make a note of those people, exit the calendar and launch the phonebook application and begin composing messages. In the end you're just as likely to call your PA and have them take care of it – assuming you have a PA. But what if...?”

What if you were running an ODP that was already integrated with your calendar, your address book and your phone's SMS service, and with a single press you could alert all of the attendees to the fact that you were running late? Geoff's experience in presenting this indicates that the consumer is less bothered about the cost when the task is easy to accomplish.

By tying the application to the completion of interrupt driven tasks, the consumer becomes accustomed to using the ODP to complete the task at hand.

## Conclusion

In the words of Jan Obrman, Chairman and Founder of U-Turn: "Every brand and IP owner has to view the mobile device as important as the internet...it is in their interest to make sure they are looking at ODPs as part of their overall strategy to create a direct, long-term and beneficial relationship with consumers."

The future of consumer relationships will absolutely include using mobile as a channel. The mobile phone is the device that is as essential to the consumer as their purse, wallet or keys. Today's savvy mobile content companies are embracing ODPs as the best way to reach mobile consumers in a rich and engaging way.

The time is now for brands and media owners to engage with the mobile enabled consumer. The prospect of a rich and engaging brand and content experience on the mobile phone is real. The consumer finally has an intuitive way to preview, download and pay for mobile content. MNOs can take their existing WAP portals to the next level of rich and engaging consumer experience and populate them with the latest, hottest and sexiest content. And all of this is available today. All of this is possible with an ODP.

*“Every brand and IP owner has to view the mobile device as important as the internet”*

Jan Obrman  
Chairman and Founder,  
U-Turn.



## About the author

Managing Director of Mobile Soul, Troy Norcross is a Senior Telecoms Messaging Consultant, focused on the European market. Previously Troy co-founded Pocket Reach Limited to accelerate mobile marketing by developing products and services including Pocket Choice - the industry's first independent campaign information and consumer opt-in permission management system. Troy previously worked for Openwave Systems and 724 Solutions.

Troy can be contacted by email - [troy.norcross@newmediaedge.co.uk](mailto:troy.norcross@newmediaedge.co.uk)

## A note from the author:

Carriers, MNOs and the English – In North America mobile phone companies are often called carriers – where in most of Europe these same companies are referred to as mobile network operators or MNOs. While this report is written from my London offices, I am very much American. And as I'm often reminded, I read and write American English acceptably well – but I'm still learning the Queen's English. Thus, if in reading the report you are in doubt about the spelling of a word, or the choice of a particular European vs. North American technical term, I leave the choice up to you... please select your favorite (or favourite).

Copyright © 2006 Mobile Soul Limited, All rights reserved.