

Wireless gadgets like Internet enabled mobile phones, Palms and pocket computers have given a whole new meaning to the concept of mobility. This article explores the current and future innovative business opportunities this new medium is creating. Runs to 1592 words.

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There be Gold in Them There Hills

According to Jerry Della Femina, an American advertising executive, everybody at his agency was sitting around and scratching their heads over how they could most effectively promote Panasonic, the Japanese electronics account. In the end, Della Femina decided he would suggest a line to loosen them up. It was: "From Those Wonderful Folks Who Gave Your Pearl Harbour." Unsurprisingly, this suggestion was followed by complete silence.

Had one of his creatively-challenged sales execs stimulated the marketing juices by suggesting they use m-commerce to plug Panasonic, he may have touched on what might prove to be the next 'gold rush' as regards making money from cyberspace.

M-Commerce or Mobile Commerce, son of E-Commerce, son of Internet, is the new kid on the block - confident, cocky and ready to take on the world in a big way. Just as it's parent opened up whole new money making avenues for businesses and individuals alike, so this young progeny seems similarly bent on making itself the solid bedrock upon which successive layers of opportunity can settle.

With e-Commerce having been there, done that and worn the T-shirt, are we likely to see a second gold digging frenzy with it's descendant? And if we do, what type of exploitable seams down that mobile goldmine is anyone with a big enough pickaxe likely to find?

Advertising could be one of the richer stratum. Agencies who extend their portfolios to include m-commerce are likely to benefit from the looming boom. There certainly seems to be a hungry market out there. According to [Telephia \(www.telephia.com\)](http://www.telephia.com) the opportunity for companies to sell to the wireless population is huge and receptive. Telephia surveyed the mobile commerce community and found that nearly a quarter of those who use their wireless device to access the Internet have purchased some type of product with it. A full 75 percent of the survey respondents said they either use or are considering using their wireless device for such purposes.

The biggest market is likely to be teenagers. Retailers and manufacturers who dismiss the idea of panning for gold in this particular revenue stream, worth US\$153 billion in 1999, do so at their peril. According to a recent survey, 65 percent of adolescents will be wireless by 2005. By targeting this high income, free-spending subculture brought up on mobile technology and exploiting the viral nature of information sharing within this social group, you too could be up there with the wireless big boys the youth market has already catapulted to fame and fortune.

But before the admen start to salivate they should take heed. Subscribers who pay a not insubstantial monthly fee for their mobile service will not take too kindly to blatant, unsolicited sales messages. The key for carriers and ad agencies looking to capitalise on the wireless Internet is to remember that subscribers can easily switch off and defect to competitors' products and services at the slightest hint of unwanted intrusion or abuse.

Specifically targeted, permission based 'adver-tainment' from people like Sony Pictures Digital may well be the wave of the future. They are launching a microsite to promote the release of the new film *Ali* starring Will Smith. The

site includes photographs of Mr Smith as Muhammad Ali and repositories of behind-the-scenes footage about the making of the film. To support the films' release Sony has joined with Upoc, a mobile marketing firm, to create a unique wireless promotion that fans may opt to engage in directly at the site. The Upoc technology will send text messages based on the film to any text-enabled mobile phone, two-way pager or wireless PDA, immersing users in the Ali experience. Visitors can sign up for Ali Mobile Messaging to take part in the promotion's features. But such joint ventures where established behemoths like Sony team up with new net-savvy marketing companies like Upoc to give you an ever-so-subtle buying opportunity, is only the first sparkly nugget when it comes to making money from your mobile. There's a whole plethora of service industries eager to get their hands dirty and dig out the treasure.

Companies like Upoc, born of and dependent on the mobile phenomena, is a typical example of the layers of opportunity created when the fundus of any new industry has been laid and successive stratiforms of exploitative businesses begin to settle 'on top'. Each is a result of the existence of its precursor and all are dependent on the foundation. Without the wireless nadir, Upoc simply would not have existed a few years ago when the mobile Internet was merely the twinkle in a boffin's eye.

Upoc caters to a new and potentially profitable phenomena created by the mobile. Such devices have spawned whole new communities and social networks comprised of mobile users who have shared, and exploitable, interests. Upoc enables marketers to target those users with bespoke tools such as celebrity voicemails, text messages, event reminders and promotions. In other words, Upoc puts its clients into direct contact with mobile consumers who are in direct contact with each other, and they do it using the medium of the user's shared interests.

These fresh, new, young companies headed by eager entrepreneurs will most likely make their money by licensing their specialised content or services to mobile networks. One such outfit is Buzztime Entertainment who will license their trivia games to a mobile content provider in the U.S. The deal will give the provider exclusive distribution of Buzztime content through its Pocket Box Office network. The provider will subsequently distribute the Buzztime trivia channel through its partnerships with America's leading wireless carriers. Buzztime will receive a guaranteed minimum license fee against a share of the revenue derived from subscription and usage fees.

In the future, network providers may be able to make extra money on top of standard subscription fees by charging the user directly for these 'premium' services. Coming up with the technology needed for reliable and accurate usage tracking, revenue collection and customer service management for service 'supplements' may well also prove lucrative for those companies in the US, Europe and Asia currently trying to perfect the infrastructure needed.

If the mobile phone experience here in the UK is anything to go by, it's in this area of providing content and persuading 'bog standard' mobile users to upgrade to something more flashy, that the most money is to be made. With sales of mobiles here flattening out at approximately 40 million out of a population of 60 million, providers really have no choice other than to try to mine the existing market rather than simply sell new devices to neophytes. As Ozgur Aytar, a wireless market analyst with The Strategis Group (<http://www.strategisgroup.com/>) confirms: "We're projecting that handset replacement rates will rebound dramatically in 2002, fuelled by end-users who are increasingly ready to migrate to next-generation devices."

However, if the latest statistics are to be believed, companies like Buzztime may find making money easier in Asia than in the U.S. Why? Pre-existing high expectations by the sixty one percent of Americans who already own a PC and have got comfy with the high quality, large screen experience IE and Netscape affords them, aren't terribly impressed with the still rather basic wireless Internet, and aren't keen on paying for it.

The percentage of Europeans and Asians who have fixed net access, however, is much lower and many are using the Internet for the first time via web-enabled mobiles or hand-helds. Paid wireless content is flourishing in Japan where such 'Cyber Virgins', with no lofty pre-conceived ideas, are willing to hand over their Yen for access. It has also proven viable in Europe because consumers here similarly haven't had the same exposure to the wired Internet as the average American.

And there's another level of business opportunity created by Mr Chong and the new 16-bit colour Internet browser he's got on his HP Jornada Pocket PC. Surfing to www.bustimetable.com may have been great on his capacious MSN Explorer back home, but trying to read it squished into a screen no bigger than his hand when he's late for his meeting and he'd soon be cussing at his keypad. Had you been so bold as to suggest that he ask the bus company to get a web site designer to tailor another version of the site to fit his mobile needs, he might have agreed with you, albeit through gritted teeth. So heads up all you existing web site designers and design agencies or those young businessmen who spot the opportunity to satisfy an increasing need to create new versions of existing sites that will fit snugly into the mini medium.

So it certainly looks like there may be gold in them there hills for those with a pioneering spirit. There are certainly plenty of prospectors willing to put in the backbreaking work now in return for future rewards. Some will strike it rich and others may find only fools gold, but that's the risk you take out there on the wild frontier.

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