

Operators will move to open access

In view of broadband demands, operators are expected to jump from HSPA to LTE, moving to "open access".

► **BEFORE THE** mobile operators start deploying long-term evolution (LTE), they will seek to maximize high-speed packet access (HSPA) deployments. But as HSPA does not offer any

great opportunities when compared to LTE, many operators are expected to jump from HSPA to 3G LTE, states a report from research firm Frost & Sullivan. Six to 14 times more

mobile data is being used on mobile broadband networks today than in 2008 because of high-speed mobile broadband availability and flat-rate pricing. "Next generation wireless technologies such as 3G LTE and Mobile WiMAX will eventually lead operators to move

to an 'open' access, any client device connected, internet model, with the advent of consumer electronic devices being embedded with 3G LTE technology," says Frost & Sullivan Program Manager Luke Thomas. "This in turn will lead to higher service stickiness and reduced churn." ●

Mobile broadband to hit USD 137 billion by 2014

► **RESEARCH FIRM** Ovum's newly released mobile broadband forecasts show that users accessing the internet via mobile broadband enabled laptops and handsets will generate revenues of USD 137 billion globally in 2014, an increase of more than 450 percent compared with 2008.

However, operators will need to content themselves with the fact that user growth will be far faster than revenue growth, meaning more users and more data traffic but declining ARPU. ●

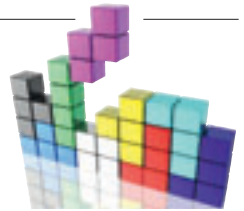
"Machines get shared, people use multiple browsers, and, increasingly, web users are savvy about being **able to block ads**, regardless of how targeted they may claim to be."

FAST COMPANY FUTURIST JAMAIS CASCIO ABOUT THAT PEOPLE OFTEN DON'T USE THE WEB THE WAY ADVERTISERS EXPECT.

iPhone apps last 10 minutes

► **ACCORDING TO** mobile advertising network Greystripe's Consumer Insights Report, ad-supported iPhone applications have a limited lifespan although usage can be intense.

- **TIME SPENT** per iPhone app session: an average of 9.6 minutes.
- **TOTAL NUMBER** of times applications are accessed: 19.9 times before consumers stop using them.
- **USERS WITH** household incomes above USD 165,000: 15 percent.
- **GENDER BREAKDOWN:** 52 percent male and 48 percent female.



Most popular games on cell phones...

1. Tetris (20%)
2. Bejeweled (18%)
3. Solitaire (17%)

Most popular genres of mobile games...

1. Puzzle (66%) and Card/Casino (51%)
2. Board games (15%)
3. Action/Adventure (11%)

SOURCE Survey conducted by Information Solutions Group among AT&T wireless customers

Cable bandwidth booming

► **THE LONG-HAUL** bandwidth business is undergoing its biggest boom since the go-go years of the tech bubble, according to research firm TeleGeography.

More than 60 percent of US network operators surveyed by TeleGeography plan to light new fiber on their networks in 2009.

International capacity usage last year grew 64 percent, while 16 new subsea cables are being planned, exceeding the number of cables laid in 2001, the peak of the submarine cable investment bubble, according to TeleGeography. ●

Historic decline in handset sales

► **THE FIRST** quarter of 2009 saw the fastest-ever decline in annual shipment growth since the modern cell phone industry began in 1983, according to research group Strategy Analytics.

The consensus is that the industry hasn't hit bottom yet. The top 10 handset vendors reported combined sales of between 213 million and 258 million devices in the first quarter of 2009, depending on which company is making the projection.

This represents an 11 to 17 percent quarterly decline and a more than 15 percent year-over-year fall. ●

Mobile terminal sales to end users in 1Q09 (Worldwide, thousands of units)

Company	1Q09 Sales	Source: Gartner (May 2009)	1Q09 Market Share (%)
Nokia	97,398.2		36.2
Samsung	51,385.4		19.1
LG	26,546.9		9.9
Motorola	16,587.3		6.2
Sony Ericsson	14,470.3		5.4
Others	62,732.0		23.4
TOTAL	269,120.1		100.0

Data will kick-start LTE

▶ **IT TOOK SIX** years for UMTS networks to attract 100 million subscribers, but it will only take four years for long-term evolution to do the same, according to a new study from Pyramid Research.

"The majority of LTE subscriptions in the early stage will come in developed markets, where most of the first LTE deployments will occur – with the US and Japan leading," Pyramid analyst Dan Locke said in a research note. "However, LTE will grow 30 percent faster in emerging markets than developed ones."

The initial subscriptions in LTE will be driven purely by data. Pyramid expects the first USB dongles to be available in mid-2010, at the earliest. ●

Alcatel-Lucent uses coupons in mobile advertising

▶ **WITH A** service that will let mobile operators offer their customers tailored ad-alerts, Alcatel-Lucent is entering the market for mobile advertising.

The new service identifies users within a specified distance of an advertiser's nearest outlet and notifies them of the address and phone number.

The ad can also include a link to a coupon or other promotion. Subscribers must sign up for the service and can specify when and how frequently they want to receive ads, and from which vendors. ●

"There is a 3G **mobile tidal wave** coming. In the next five years, we could see 30 times to 70 times the demand we see today. Much of that will be driven by HSPA and HSPA+ networks."

JONATHAN MORGAN, MOBILE CORE VENDOR STARENT NETWORKS' SENIOR DIRECTOR OF PRODUCT MARKETING TO TELEPHONYONLINE

Bright future for "in-between" phone

▶ **MOBILE PHONES** that have full keyboards and allow some data use but are cheaper than smartphones will play an increasingly important role in AT&T's handset

lineup, according to David Christopher, marketing chief for its wireless unit: "Quick-messaging devices are going to usurp the feature phone. Think of them as the net-

books of the cellphone market, and like those cheaper, smaller laptops they're on the rise as consumers cut costs. Feature phones, which don't have data capabili-

ties, are really waning."

Nearly a third of AT&T's postpaid subscribers use smartphones or quick-messaging phones, a category it calls integrated devices. ●

Utilities test Google's smart meters

▶ **A HANDFUL** of electric utilities in the US are rolling out software made by Google as part of their "smart-meter" programs. "Google PowerMeter" reads information coming from a smart meter, and displays it in real-time on a web site.

One utility estimates its smart meters, with the PowerMeter application, could help customers cut their use by 5 to 10 percent. ●

What does it cost to dry your hair? Smart meters aim at giving consumers detailed energy usage information.



It could have been worse

▶ **DESPITE GLOBAL** economic recession, telecoms companies still closed 2008 with a robust performance, according to a report by research firm Ovum.

The telcos' strong showing towards the tail end of 2008 was due to the reduction in operating and capital expenditures as telcos cut costs to stifle the impact of recession. But the report, which analyzed 130 providers across 4 world regions, said revenues grew by only 1.8 percent year-over-year to USD 377.6 billion, far slower than the previous year's 19 percent year-over-year growth. ●

Mobile music streams on

▶ **REVENUES FROM** streamed mobile music services and full-track downloads are expected to show strong growth over the next five years, according to Juniper Research. The combined revenues from these services are **expected to increase** from USD2.5 billion in 2009 to nearly USD5.5 billion in 2013. However, ad-funded music services face a potential shortfall in revenue following a global reduction in advertising budgets: in the worst case, ad spend could reach just half of earlier estimates.

