

White Paper: Fixed-Mobile Convergence

Making Your Fixed-Mobile Convergence Service a Success



Highlights:

The use of the term convergence means many things to many people. From a service provider standpoint, it means fierce battles for revenue as traditional competitors cross industry boundaries. How can you supercharge and differentiate your Fixed-Mobile Convergence (FMC) investment?

In this article, we explore how to make your FMC product guaranteed for success.

Execution is everything

In this new world of IP and Wi-Fi coverage in the home and office, any service provider can reach the consumer with a compelling service offer. Therefore, the major determinant for success lies with execution. How well and how fast can the operator “go to market” with an FMC product ultimately decides the outcome.

Smart service providers recognize the value of their seasoned delivery teams to manage their pipeline of innovation from concept to cash. To this degree, FMC is similar to the other previous major platform launches.

Each of these new applications requires a well-structured deployment approach, an excellent understanding of underlying technologies, integration with IT systems and assimilating consumer behaviors. Over time, operators will overcome the challenges of implementing FMC products, but will you be in a winning position?

What are the unique aspects of launching an FMC product? Why can't an operator pull out the project plan from its last major product launch? Is FMC a mountain that will bog the company down for several quarters, or just another feature to overlay on existing infrastructure?

To understand these questions, there are six elements of a successful FMC service:

- **Solve a “real” customer need**

FMC is a technology push. There are not too many customers in the mainstream shouting from the rooftops for FMC products. To guarantee that a product resonates with customers and that the operator profits from it, the FMC product must solve a “real” customer need.

Mobile operators are using cellular/Wi-Fi to accelerate fixed-to-mobile substitution. This is not a real customer need, but a service opportunity for the operator. This is a value play for existing services, and needs to be positioned correctly to the subscriber.

In North America, a hybrid mobile/Wi-Fi device can easily address coverage in the home, a big source of cellular customer dissatisfaction. Inadequate suburban coverage affects many customers regardless of what operator you choose.

It becomes far more challenging to identify real customer needs that FMC can solve going beyond home coverage and simple value plays. Operators must identify these customer needs if FMC is going to have a long and profitable future.

- **Make the customer life-cycle works for you**

A customer will discover, learn and experience an FMC product through a series of interactions with the company. Examples of these interactions include the customers initial Internet search, their in-store experience and though to what a customer service

representative says on a support call. At each interaction the service provider has the opportunity to shape how the consumer perceives the product so it's vitally important that the right level of information and support at each touch point during the customer life-cycle is provided.

Too much information and the wrong information could be confusing or worse result in a customer not buying the product.

By mapping and understanding the customer life-cycle for an FMC product, operators can really focus the design of its sales and marketing material and training, operational support capability, IT system requirements, and the "out of box" experience.

Taking a holistic view of the customer life-cycle, operators can increase service adoption and reduce churn, a major accomplishment for a relatively complex FMC product.

- **Optimize the technology, but know its limitations**

FMC technology is still nascent when compared to existing cellular and fixed line technologies. For example, the current generation of Wi-Fi cellular devices today struggle to achieve the same battery consumption performance as regular CMDA or GSM device.

This means that an operator's integration and testing activities must be focused on maximizing the performance of the device and fully understanding the performance envelope without compromising overall ease of use.

Does this mean that FMC is not ready for primetime? FMC is ready and being deployed today, but operators need to fully understand the limitations of the technology and ensure that these limitations are messaged correctly to the customer.

A very compelling product proposition can help overcome the performance limitations of new FMC services over existing simple voice and messaging services.

- **Make cross-functional teams deliver**

The deployment of a FMC product will impact nearly every aspect of an operators business; the size and nature of this impact will vary between different operators depending upon the scope of the product and their existing business.

Regardless a successful FMC product must optimize the needs of different areas of an operators business from network engineering through to sales and marketing. The real challenge is to incorporate input from a broad range of knowledge domains and resolve cross-functional issues quickly. The pace at which these cross functional issues are detected and extinguished is the number one determinant in achieving time to market. Getting the right product/go-to-market team together early in the project is vital to making this happen.

- Product simplicity and clarity is *not optional*

The majority of FMC products to date emphasize utility; subscribers can do all the things they previously did, just better. While that sounds simple, the reality is that it's a lot of work just to mimic the current functionality in a user friendly, integrated, seamless manner across fixed and cellular networks, let alone launch new and compelling product features. Today's emphasis on utility means there is an underlying consumer expectation of "out of box" simplicity. This is not easy to achieve in the real world.

How the customer discovers the product, learns how to install and use it must be clear and straightforward. FMC is different from other products because the consumer must understand and master new concepts and bring together what seem like unrelated concepts, such as broadband, Wi-Fi routers and cellular phones.

Failure to simplify and maximize clarity will result in customer dissatisfaction and potentially commercial failure of the product.

Conclusion

To summarize, FMC is another stepping stone in a long string of innovative communication services that have been successfully delivered to consumers. There are unique complexities of building FMC services, but these are not insurmountable. The operators with innovative and effective product deployment capabilities are likely to enjoy significant economic benefits.

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