

Spotlight

## Strippers and Handsets in the name of Convergence at CTIA

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Another spring, another CTIA Wireless show; but this time the venue has changed to Las Vegas in more than a cursory nod to how the wireless market – and related show – has changed over the past few years. The CTIA Wireless show used to be primarily a show about infrastructure, with a smattering of handsets thrown in the address the needs of the end user market. After all, the core product that everyone used – voice communication – is somewhat difficult to display in a show booth. But now, finally, the wireless market is evolving beyond just the foundation of voice; wireless data – and more importantly the content that leveraging this capability – is becoming the star of the show. And what more fitting place to show off your data content than Vegas, a city that provides a 24/7 sensory overload of content, be it in the form of gambling, show business, shopping or strippers.



All of the above will show up on a mobile device near you soon, limited no longer by technology, but rather by the prurient nature – or not – of the carrier in question. While the major wireless carriers may pace themselves before stepping into the adult content foray, young upstart MVNOs will have less hesitation, viewing this as an untapped market “niche” full of promise and revenue. Amp’d Mobile, for example, has already signed up both Maxim and Playboy for the Amp’d service; perfect content fodder for the 20-something male market that is usually more willing to spend their cash on additional high-tech features.

By no coincidence, the number of carriers exhibiting at CTIA has increased as mobile content has become a more important factor in the market, and all of the big four carriers are now proudly exhibiting their latest wares. CTIA has become the U.S. event to show off the latest and greatest visual content, and this year will be little different. Indeed, the stakes are increasing as most of the carriers evolve towards ubiquitous high speed networks that can support content restricted only by the development community’s imagination and the limitations of the handsets, which in turn are evolving to meet carrier demand. Sprint, Cingular and Verizon Wireless will spend most of their booths showing off the latest and greatest video content, as all three are now the proud parents of both video and music services in one form or another. Expect to see a high degree

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of oneupsmanship in terms of who has what content available with a heavy emphasis on cable programming, music video, sports and the very occasional smattering of original content. Beyond the mobile video boasting, Sprint should use CTIA Wireless to weld a more appealing story between content and technology, making good on its earlier promises of providing mobile DVR access that is supposed to be one of the first products to spawn from the joint venture with cable companies Time Warner, Cox, Comcast and Advance/Newcast. This will be a key product launch as it moves the content story beyond short clips from shows to the promise of full-streaming access to a consumers own personal show selection, already pre-determined via the “big screen” in the home.

Only T-Mobile will have to sit the mobile video show out, as it has dragged its heels in terms of high-speed network, and has yet to launch video content. Whether this is a negative for the carrier (except in terms of not having a solution to show off next week) remains to be seen as few, if any, of the current services have yet to make a major impact in the consumer space. So, a question for any carrier at the show (if you are feeling mean) is to determine how much money – or paid usage – they are enjoying with each part of this video service (discount any free trials).

So this leaves T-Mobile as the dark horse in terms of what it will show. It's a safe bet that Catherine Zeta-Jones will be a no-show and, as already mentioned, voice service – the bread and butter of T-Mobile's success – is somewhat hard to show off in a compelling manner. Instead, T-Mobile will have to resort to the usual mix of cool handsets and messaging services. However, there is the potential for T-Mobile to take a sideways step, avoiding the content craze, and instead focus on home calling solutions. T-Mobile has previously announced its intention to launch a converged home solution that leverages the home's broadband pipe, thus allowing for unlimited calls for a low price and thus allowing many consumers to dispense with the landline phone. T-Mobile International has already launched the Mobile@Home service (in Germany) earlier this year in January, and CTIA would be an excellent opportunity for the U.S. contingent of T-Mobile to take the lead in this space. After all, while mobile content is visually stimulating (the degree of stimulation depending upon the type of content), talk is still the revenue king.

Another service provider to watch will be the latest MVNO entrant, Disney, which plans to use the CTIA show as the official unveiling of its new service. Few details are known about the new Disney service, but it's a safe bet to assume that it is based on Sprint's network (following Mobile ESPN's lead) and will focus on family plans. There's a high likelihood that the plans will include Push To Talk (PTT) functionality, but no word on whether the standard PTT chirp will be replaced by Mickey giggling. Let's hope not.

Of course, the show will not be dominated by the carriers alone. The handset manufacturers will all be highlighting their latest and greatest devices, including many that are still a long way from seeing a store shelf. One relatively new entrant to the show will be Pantech, which has quickly moved from an unknown low-end handset manufacturer (at least in the U.S. market) to being the key device provider for the much talked about Helio, the soon-to-be-launched MVNO that promises Korean high-tech devices on Korean time (i.e., two years before they would usually reach the U.S. shores). But the regular array of handset manufacturers will not be out-shone. After the RAZR, the SLVR and the PEBL, one always has to wonder what Motorola will come out with next, as well as how the competition will begin to defend against these status symbol devices. Two things that are certain for the handsets manufacturers showing off their wares: thin is in, and “convergence” is the buzz word du jour (again).