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Is IMS the Golden Goose?

By Dawn Hill

Is there a golden goose movement on the rise? Veruca Salt in Willy Wonka demanded a goose that laid golden eggs, which kicked off the "I want it now" musical scene in the movie. Lyrics included, "I want it now. I don't care how. I want it now! And if I don't get the things I am after I'm going to scream!" Are today's consumers any different? Are consumers demanding IP Multimedia Subsystem (IMS)? Not by that name or acronym, of course, but today's consumers are demanding the net results/benefits of IMS, which include anytime, anywhere access; instant gratification; individualized experience; and customized offerings.

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Consumer Demands

With portable phones and cell phones, consumers are reachable virtually everywhere, from the backyard and beyond. Data cards and free Wi-Fi connect consumers to data just as easily as voice. The communications industry can learn from Acura on how consumers value anytime, anywhere access. Acura now offers a technology package that includes AcuraLink Real-Time Traffic. This feature helps Acura drivers avoid traffic jams by providing updated traffic information through its real-time navigation system. It even suggests alternative routes based on real-time

traffic conditions.

Patience is a lost virtue and has been on its way out since the advent of email, chat, and instant messaging. The next generation witnessed a startlingly sudden loss of life on 9/11 and has already begun to question the point of planning, anticipating, and developing long-term goals. They don't see the need for patience and instead demand instant gratification. With online shopping, on-demand music and movies, people don't want to wait. Even with the online auction phenomenon of eBay, impatient consumers don't have to wait to see if they've won the item up for bid. They simply "buy it now."

Using WIIFM (What's In It For Me?), a tactic of persuasion and motivation, companies like Yahoo! and New York Times have customized their websites for an individualized experience. Avid gardeners can change the appearance of their Yahoo! homepage to view weather before real estate, sports fans can view college and national sports news before shopping, while teens can move entertainment and music to the top of their viewing window above finance and business news. As the owner of the pipe, service providers have the unique opportunity to provide its customers with a customizable homepage allowing their customers to view web content the way they want it.

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Companies like Amazon.com have moved beyond target marketing, which includes segmenting the market defined by age, gender, geography, socio-economic grouping, or any other combination of demographics. Specifically, Amazon.com uses more than stereotypical demographics and instead uses previous searches, selections, and purchases to offer customized new sales offerings and recommendations. This personal data connects customers to other customers with similar product purchases, which allows Amazon.com to bundle and upsell complementary products. Another example is Dell, who empowers customers to build a custom PC on their website with easy-to-navigate screens and options. Customers don't have to buy a computer off the shelf that has been designed for the masses. The bottom line is that companies like Amazon.com and Dell put the customer in control.

These consumer demands have two major implications for service providers: (1) to provide the digital environment through expertise and resources; and (2) support the digital lifestyle through applications, content, e-commerce, and social networking.

Implications for Service Providers

What percentage of trouble calls are not service related, but actually computer related? Service providers have the unique opportunity to provide technical expertise because customers assume their issue is service-related and reach out to their service provider first. Customers trust that their service provider has the technical expertise to support their technical issues. In addition, service providers have the resources and often have the certifications to provide technical support.

The sum of anytime, anywhere access; instant gratification; individualized experience; and customized offerings equals the digital lifestyle that consumers are demanding. How can service providers respond and support this digital lifestyle while opening a new valve to a new revenue stream?

Service providers can provide applications like online bill pay and web self-care, making it possible for customers to make their own selections and decisions without having to call a customer service representative. Online customer relationship management (CRM) tools streamline processes and provides sales, marketing, and service personnel with better, more complete customer information, allowing service providers to build more profitable customer relationships while decreasing operating costs. Automated provisioning and activation results in immediate customer satisfaction.

Music downloads, movie downloads, and RSS feeds are all forms of very popular web content. As the provider of the pipe that delivers this content to the customer, service providers are seeing huge increases in bandwidth usage and will continue to grow (in some cases 300%). Will the increase of P2P, online video via PC, web, email, gaming, video communications, and VoIP paralyze the internet transmission backbone? Are service providers prepared and ready to handle the demand, availability, and cost?

Online retail in the US continues to perform well despite macroeconomic events. When it comes to shopping, more and more consumers are letting their mice do the walking. With lower prices, research capabilities, increased selection, convenience, time savings, and environmental benefits, it's a no-brainer why eBay, Amazon.com, Dell, Macy's, Best Buy, and many other retailers are delivering products, services, and electronic media online. As the market inevitably matures, retailers will look abroad to find new sources of revenue and customers. Service providers uniquely hold a market of tech-savvy customers, which are potential online shoppers that retailers want to reach.

The likes of Facebook, MySpace, and Bebo have a combined user total of over 400 million people. That is an amazing number of users considering the possibility of someone having an account with each site. It is hard nowadays to find someone without at least one account with a social networking site as the popularity

continues to grow. These sites help people connect with friends, exchange information, ideas, and opportunities. Second Life is a 3-D virtual world that opened to the public in 2003 and has grown explosively. Second Life is inhabited by millions from around the globe offering networking and commerce. The point is that networking has moved beyond lunch with friends, a phone call, email, or instant chat. Social networking sites, online communities, and online gaming have even attracted kids through sites like Webkinz. Service providers can partner with these social networking sites to offer local, topic-specific sites enabling community development online.

IMS Infrastructure Implications

Service providers want to be able to take advantage of new technologies and devices quickly and easily. They want the ability to combine traditional communications (ideally, to enhance them) to get value out of their investment to be more subscriber-focused, without requiring a major overhaul to their entire network and infrastructure. They want to combine traditional products and services with new content and e-commerce technologies and offerings. IMS is the answer. Until now, the feasibility of IMS was a challenge in terms of investment and maintenance for small-to-medium service providers.

With the right infrastructure, IMS is feasible for service providers of any size. Billing, provisioning, inventory, and the service provider's business model play a vital role in IMS. The infrastructure must be always on, always available in direct response to the consumer demand for anytime, anywhere access. It must be configurable for user preferences allowing service providers to provide an individualized experience and offer customizable products, services, and content. Supporting any product at any price with any form of payment is required for e-commerce. The billing system needs to support legacy services in addition to real time, instantaneous transactions that provide a complete transaction at the time of purchase to subscribers.

Delivering products on demand supports the digital lifestyle in which consumers require instant gratification through applications, content, and e-commerce. Network architecture and design must support a container for these services and devices, otherwise provisioning is difficult, if not impossible, to manage. Deployment, maintenance, and management needs to be considered when evaluating IMS as a strategy. Taking the right steps up front to plan, architect, and design will result in quicker deployment, service delivery, and service assurance down the road.

The act of capturing data isn't enough anymore. Systems must interpret and execute data in order to provide intelligent, customized offerings. In addition to offering support, billing, and provisioning for multiples services, marketing, inventory and interoperability are a focus in the IMS infrastructure. Most importantly, service providers must implement an infrastructure that is adaptable to new business models. With the rate of change in the communications industry, service providers must invest in infrastructure that is evolutionary, not revolutionary; enables integration through open architecture; leverages the internet; and is near real time.

The implementation of an IMS strategy allows service providers to establish a marketing capability within their network, drive customers to their websites, fully automate the buying of services, build trial applications allowing subscribers to test and buy, and give consumers instant gratification and control. Service providers need a platform to offer and deliver enhanced services and an individualized experience. IMS provides a framework for doing just that. The concept of IMS applies to all service providers, regardless of size.

Consumers aren't very different from Veruca Salt. They want personalized communications services now. They want voice and data anytime, anywhere. They want an individualized and customized experience. And if they don't get what they want, they are going to scream! Thankfully, IMS is easier to deliver than a golden goose that lays golden eggs.

and interact with the rest of the world and utilize enhanced service offerings, regardless of the type of device that they are using or the networks that they are subscribed to. The IMS infrastructure simplifies the usability and accessibility of these enhanced services, but it is not living up to this promise today.

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