



Evolving role of mobile service intermediary: Is the I-mode business model becoming extinct?

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Introduction

- NTT DoCoMo a role model for successful mobile internet services.
- Analysis of the i-mode service by using the Bummat model revealed that DoCoMo had managed to create a true win-win business model, being the first true service intermediary (Saarinen et al. 2002).
- However, due to technical evolution and changing regulatory environment in Europe, the role of a service intermediary is changing.
- A new conceptual model called The Service Mediator Model of Mobile Services (SM³S) developed in order to analyze the changes.

The Bummat model and i-mode

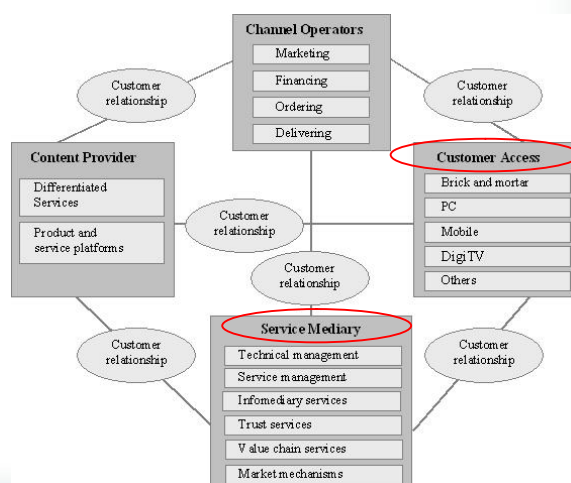


- Analysis of NTT DoCoMo's i-mode service (Saarinen et al. 2002).
- The Bummat model
 - describes the key roles, and the main functions and activities for managing business in the multi-channel world.
 - "The Bummat model describes the structure of a networked economy where the goal is to provide efficient and flexible services in a multi-channel environment." (2002, p. 71)
 - The focus is in finding efficient ways of managing customer relationships and service delivery.

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The Bummat model (Kallio et al. 1999)



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Customer access perspective



- **Customer access** perspective focuses on (Saarinen et al. 2002)
 - managing the *interaction with various customer types*
 - identifying *customer requirements*
 - understanding the *demand and potential* of different services
 - managing the *context of use* for various technologies and services
 - the execution of *marketing and advertising* in various channels.

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Service mediary perspective

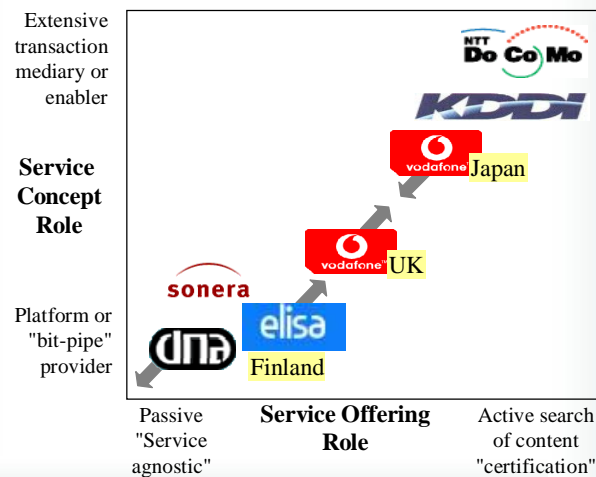


- **Service mediary role** focuses on developing service concepts, and on key functions or tasks such as (Saarinen et al. 2002)
 - *customer relationship management* (e.g., gathering, analysing and delivering customer data)
 - *service management* (e.g., roadmaps for new services, or new versions of existing services)
 - *technical management* (e.g. identifying the type of access device used, managing back-end connections)
 - *trust-enhancing services*
 - etc.

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Different kinds of operator roles



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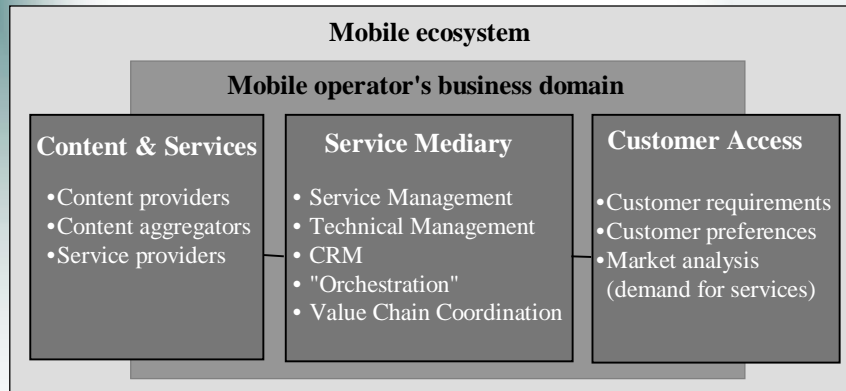
The SM³S Framework

- Key drivers
 - "all-IP" development in core and access networks
 - The emergence of enabling solutions such as the IP Multimedia Subsystem (IMS).
- Traditionally integrated mobile operator role will transform into a network of multiple **specialized players**
 - **Content providers** (own the rights of interesting content and services)
 - **Service mediary** (owns and manages service delivery platforms)
 - **Customer access role** (handled by operators, MVNOs, "the Brands")

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The SM³S Framework



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The changing role: from technical management to service management

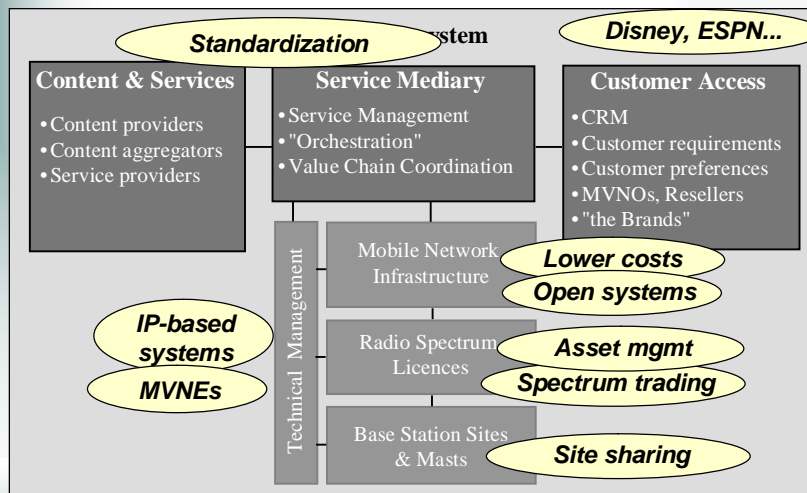


- New developments in the field of technology and telecom regulation will transform the mobile services business landscape:
 - Convergence of IT and telecommunication ("all-IP")
 - **New regulatory framework** for telecommunications market in the EU (e.g. the plan to introduce spectrum markets by 2010).
- **Spectrum trading**
 - buying and selling the right to use a frequency band, which could help to determine the "market value" of spectrum
 - the allocation and assignment of radio frequencies (choice of technology and who uses it) would be based on market situation.

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Evolution of the Service Mediator Role



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Discussion and conclusion



- The role of services mediaries will change in the coming years, due to the **changing technological and regulatory landscape** - particularly in Europe.
- The focus of service mediator activities will be increasingly in **service management** and the **orchestration of business networks**, or ecosystem.
- The role of technical management diminishes as **ICT infrastructure** and **network management** become **increasingly standardized**.

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