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MMA Mobile Messaging Analyst

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MEET OUR ANALYSTS



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Informa Telecoms & Media analysts regularly attend industry conferences, either to deliver presentations, chair a session or simply to research a specific topic. Below we list those events that our analysts are due to attend over the coming months.

Please e-mail the relevant analyst directly if you would like to set up a meeting at or around one of the conferences.

Event	City, Country	Date	Web Site	Analyst
Mobile VAS Forum Latin America	Miami, US	8-10 June	www.mobilevasforum.com	guillermo.escofet@informa.com
Open Mobile Summit	London, UK	10-June	www.openmobilesummit.com	ronan.shields@informa.com guillermo.escofet@informa.com
Global Messaging	London, UK	23-June	www.globalmessagingcongress.com/	pamela.clark-dickson@informa.com
Mobile Internet Summit 2009	Singapore	23-June	www.mobilenetasia.com	ronan.shields@informa.com
MEM 2009	London, UK	23-24 June	www.mem09.com	guillermo.escofet@informa.com ronan.shields@informa.com shailendra.pandey@informa.com jamie.moss@informa.com

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Sybase bucks economic downturn with enterprise mobility and mobile messaging dual-play

Enterprise mobility and mobile messaging were key themes at Sybase's recent analyst event, as executives from CEO John Chen downward continued to champion the vendor's Unwired Enterprise strategy, announced last August.

John Chen, CEO of database-software and -services provider Sybase, told analysts during an informal Q&A session at Sybase's recent analyst event in New York that the company's two mobile businesses, iAnywhere and Sybase 365, should between them generate US\$400-500 million in revenues in 2009, which would comprise just under half of the company's expected total revenue of US\$1.1 billion. This should finally lay to rest any skepticism expressed by those in the IT-software industry about Sybase's decisions to focus part of its business on mobility and to purchase Mobile 365 in 2006. "In a very short time span, we have achieved a lot," Chen said. "We have been able to convince enterprise to use messaging as a platform, and we have been very successful."

Sybase's strong financial performance in the past couple of years would seem to indicate that the company's customers and partners find its approach palatable. The company has consistently exceeded its own guidance for the past nine or 10 quarters, Chen said, adding that in 1Q09 it experienced the strongest first quarter in its 25-year history, with total revenues of US\$267.5 million, including mobile messaging revenues of US\$43.3 million (16.2% of total revenues). Sybase also had an extremely strong cash position at end-March, with US\$708.5 million in reserve. "We like generating cash," Chen said.

He was optimistic about the prospects for Sybase's mobile business, telling analysts that the company's mobile revenues could double within five years and ultimately reach well into the billions. "It is not beyond the realms of possibility that we could be standing here [one day] talking about a US\$10 billion mobile business," he added, though he did not give a time frame for when that scenario might come to fruition.

But managing the growth of its mobile business is going to be a key challenge for the company and one in which Sybase will probably need to invest some of its hard-earned cash. A case in point is a significant contract for Sybase 365's messaging services, which is close to completion, Chen said. "We have to make sure that we have the infrastructure to deliver it," he said. "In this case we are comfortable, and we are going to invest in that, because the deal is pretty much there."

It also seems likely that Sybase's recent run of acquisitions in the mobile sector will continue. In January the company acquired mobile-payments-platform provider Paybox, and in July it bought Cable & Wireless' MMS hubbing business and signed a global partnership deal with Cable & Wireless for its GPRS Roaming Exchange (GRX). Chen told analysts that Sybase should be in acquisition mode, particularly in the areas of mobility and analytics.

Investing in analytics, IPX hub

In the meantime, however, Sybase 365 is already developing a messaging-focused analytics application, Traffic Analytics, based on the Sybase IQ analytics platform and partner MicroStrategy's business-intelligence software. This development is part of Sybase's strategy to enable Sybase 365 to host an array of enterprise applications that would use its messaging infrastructure as a delivery mechanism.

The beta version of Traffic Analytics will be made commercially available to mobile operators as a managed service in 3Q09, said Marty Beard, president of Sybase 365, adding that by end-2009 the service should have one or two operator customers. "Operators have been asking for more slicing and dicing," Beard told Informa Telecoms & Media. "We are not looking to go head-to-head with the traditional business-intelligence players. We want to add value as a messaging provider."

Sybase 365's global messaging-connectivity business comprises five hubs, providing SMS connectivity to about 730 mobile operators and MMS connectivity to 250 mobile operators.

In 2008, Sybase 365 processed 210 billion SMSes across its network. An additional 500 mobile operators also connect with Sybase 365 for GPRS roaming, taking its total addressable subscription base to 3.4 billion in 181 countries.

The division's revenues are split evenly between mobile operators and enterprise customers, with 65% of total revenues generated outside of the US.

Bill Dudley, Sybase 365's group director for product management, told analysts that there is still room for the company to expand its messaging business both in the US and outside it. In the US, the penetration of mobile subscriptions and SMS, at about 88% and 60%, respectively, is still below that of mature markets in Western Europe, where the corresponding figures are about 100% and 75-80%.

Outside of the US, Sybase 365 sees growth opportunities in converting messaging-connectivity routes between mobile operators from bilateral arrangements, between two operators only, to hub-based or one-to-many connections. In addition, mobile operators are continuing to add routes, and international SMS traffic continues to grow. In 2008, global intercarrier SMS traffic totaled 1.4 trillion messages, with about 1.1 trillion of those messages delivered through bilateral agreements between mobile operators and the remaining 321.3 billion carried via hubs (see figs. 1 and 2). That disparity represents an opportunity for companies such as Sybase 365.

Fig. 1: Global, SMS traffic, by type, 2008

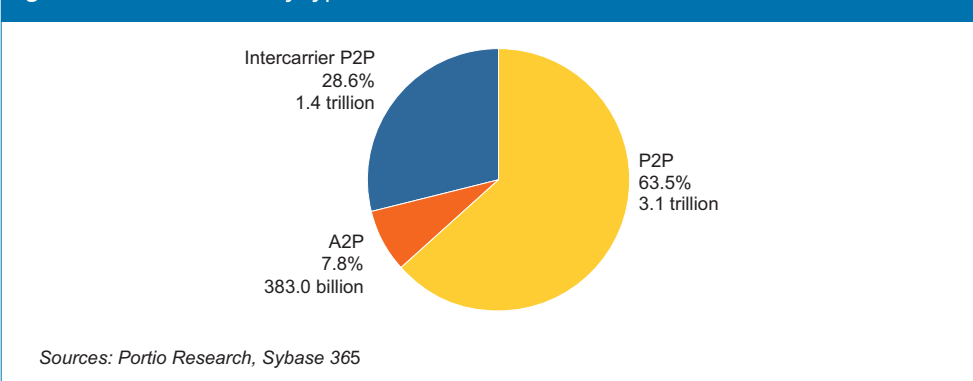
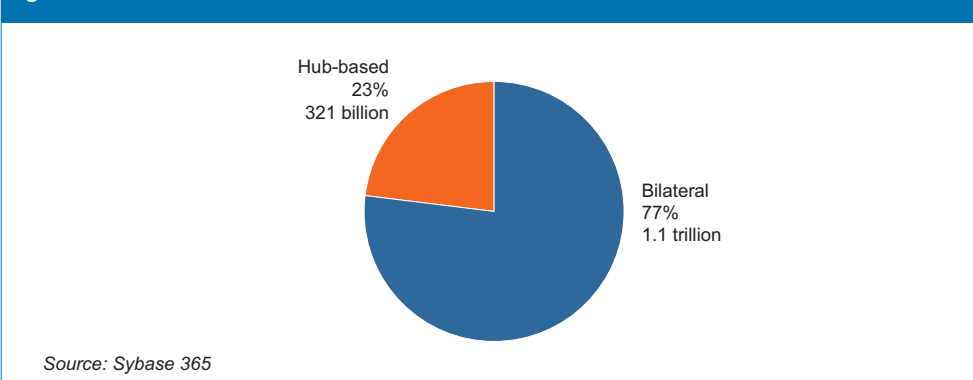


Fig. 2: Global, intercarrier SMS traffic, 2008



There is still no realistic replacement for SMS or even MMS on the horizon, Dudley added. "If you look at instant messaging, e-mail or even social networking, they don't have the ubiquity and the reach to replace messaging," he said.

But mobile operators and companies such as Sybase 365 still need to plan for IP-based communications, including SMS, voice, MMS, e-mail, instant messaging and presence, and social networking. However, using the open Internet to transport messaging and voice traffic over IP is not going to be an option for those operators and enterprise customers that are seeking to enable security and prioritization of messaging, and this is what Sybase 365 hopes to address with its IPX 365 hub, which is scheduled for launch later in 2009.

Dudley describes the IPX 365 hub as pure IP hub and an evolution from the company's GRX infrastructure, which means that it will enable a number of IP-based services, initially including data roaming, MMS, voice-over-IP, SIGTran signaling and some SIP-based services, such as

Rich Communications Suite. Eventually even SMS will be SIP-based, Dudley says. Sybase 365 is also installing a number of new peering points, including hubs in Singapore and the US, which will be instrumental in helping the company to deliver its IPX services.

Enterprise messaging spreads

Meanwhile, an increasing number of enterprises are using mobile messaging to market, sell and better serve their customers, Beard told analysts. Initially, Sybase 365's enterprise customer base was made up of mobile content providers and banks; customers from other industries have since joined the mix, including retailers, equipment manufacturers and social networks.

For example, social network Facebook is the company's largest application-messaging customer in the US, says Beard, with Sybase 365 providing both SMS and MMS connectivity. "[Social networking] is the category that we see as really good potential for us but, like a lot of things in messaging, it is getting more price-competitive," he told Informa.

Handset vendor Nokia is also using Sybase 365's connectivity services to help educate its customers about the features on their devices, across multiple markets and mobile operators. The vendor has found that when mobile users purchase a device, typically they play with the new capabilities on that device in the first few weeks of ownership and then revert to using the features they are familiar with, which are usually voice, SMS and MMS. Nokia now sends these customers a series of messages to try to get them to continue using the new features.

Mobile banking and payments is another area Sybase 365 is focusing on. The company has for some time offered an array of services to enable financial institutions to introduce mobile banking, but last year it won 30 new mobile banking customers, says Beard, most of which are offering messaging-based services. "A lot of banks tried WAP and downloadable clients and realized that at the end of the day it is easier to do by SMS," Beard says. Again, a differentiator for Sybase has been its ability to provide connectivity in multiple countries, with multiple operators, for companies such as Citibank, HSBC and Standard Chartered Bank.

The acquisition of Paybox has also moved Sybase 365 firmly into the mobile payments market, as it works on building its mobile commerce offering. Sybase 365 has eight business models for mobile commerce, around each of which it is running live services for mobile operators and financial institutions in both emerging and more mature markets, says Haridas Nair, the company's vice president of m-commerce products. Mobile banking customers include Compass Bank US, Mexico's IXE and Citi, for which it has instituted a multicountry deployment. Mobile payments customers include German cellcos Vodafone and O2, all of the Austrian mobile operators (under the brand Paybox Austria), MoneyBoxAfrica and the Royal Bank of Canada, while Vodafone Egypt, Celcom Malaysia and Chile's RedFacil are all using Sybase 365 to enable mobile top-ups in their markets.

In Germany, Vodafone and O2 have partnered to launch the mPass mobile payments service, which Sybase 365 is hosting and managing and for which it takes a share of the revenues from the per-transaction fees charged to mPass users. The cellcos' postpaid subscribers can opt in to the service using their mobile phones, and all other subscribers can sign up online. The fees vary from 1% to 8% of the transaction value amount, with typically a minimum charge of €0.10-0.20 (US\$0.14-0.28) per transaction.

About 5,000 merchants in Germany have already signed up to mPass, and mPass and Paybox Austria will eventually link up, says Nair, because about 40% of the Austrian population also shops in Germany.

Mobility wins business globally

Meanwhile, Sybase has also won a number of customers for its enterprise mobility products, which include Afaria (mobile-device-management and -security software), Mobile Office (including e-mail and personal-information management), SQL Anywhere (mobile database access) and the Sybase Unwired Platform (mobile enterprise applications).

For example, the Chinese government recently certified the co-branded E-Secure Anywhere database that Sybase developed in partnership with Chinese technology company East Port, which means that the database can be deployed within those entities with specific security requirements – chiefly government agencies. E-Secure Anywhere will be offered initially to about 350,000 customs and imports agents, said Terry Stepien, president of Sybase iAnywhere.

Harris Corp. and Accenture are using a number of Sybase's enterprise mobility products, including Afaria and SQL Anywhere, to help the US government make its preparations for Census 2010. Stepien told analysts that the project involved the rollout of 140,000 handheld devices and the relevant software to Census agents, who are required to go from door to door to verify residential address details.

Meanwhile, in Germany, Veilig Mobiel and T-Systems have partnered to provide a managed mobility service that includes Sybase's device-management and -security software, and in France, a large oil-and-gas company has deployed Mobile Office to about 1,000 iPhones, which are being used by the firm's executives.

Sybase has also recently cemented partnerships with IT-services provider Samsung SDS and rival database vendor SAP. Samsung SDS has partnered with Sybase to develop its Enterprise Mobile Service, using the Unwired Platform to provide a range of cloud-based mobility services to its enterprise customers. "Smaller companies have a harder time to justify investment for mobilization," said Seung An Park, Samsung SDS' executive vice president for research and business development, speaking to analysts at the Sybase event. "We believe we can solve this problem."

Meanwhile, SAP and Sybase announced in March that they would work together to enable SAP's software to be delivered to mobile devices.

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Analysis ■

Telefonica Spain begins offering Mail Movistar to consumers

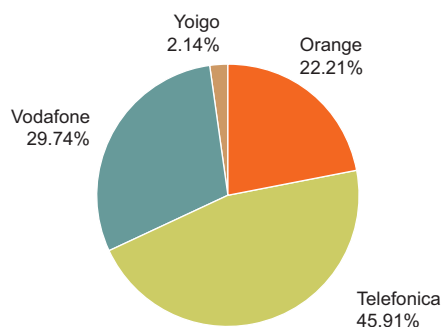
Telefonica Spain has extended its mobile e-mail offerings into the consumer segment, officially launching Mail Movistar as a service that is bundled with three new monthly data plans.

Telefonica Spain is using the mobile e-mail platform of long-time partner Seven to provide mobile e-mail service Mail Movistar to its 17 million residential mobile subscribers, which account for about 72% of its 23.6 million customers. Telefonica is the largest mobile operator in Spain, with 45.9% market share at end-1Q09 (see fig. 1). Seven has already enabled mobile e-mail for Telefonica's 4 million small office/home office and SME customers and 3 million enterprise users under the Mail Movistar brand, says Jamie Gabb, the vendor's vice president and channel manager for EMEA.

Telefonica is offering Mail Movistar free, bundled with its new €6 (US\$8.50), €10 and €15 data plans for residential users. Gabb says that providing mobile users with a data plan that automatically includes e-mail is a business model that has been proven in other countries in Europe and in the US, typically resulting in a lift in sales of data plans for a mobile operator.

"Over this year and next year, there is a big focus for Telefonica around data and sales of

Fig. 1: Spain, mobile operators' market share, end-1Q09



Source: Informa Telecoms & Media

data plans,” Gabb says. “[E-mail] is going to be one of the key applications for them in selling data plans.”

Residential subscribers will be able to use Mail Movistar to access e-mail services including Microsoft Live Hotmail, Gmail, Terra and Telefonica’s own e-mail service. At launch, Mail Movistar will be available on four consumer devices that are new to Telefonica’s portfolio – Samsung’s Loches and Valenzia phones and the Nokia N97 and 5800 handsets – and on a number of devices already in Telefonica’s portfolio. “There is a pipeline of devices we are working on,” Gabb says. It’s likely that the portfolio will eventually include some Android-based phones, since Seven has developed an Android client, but Gabb was unable to confirm this.

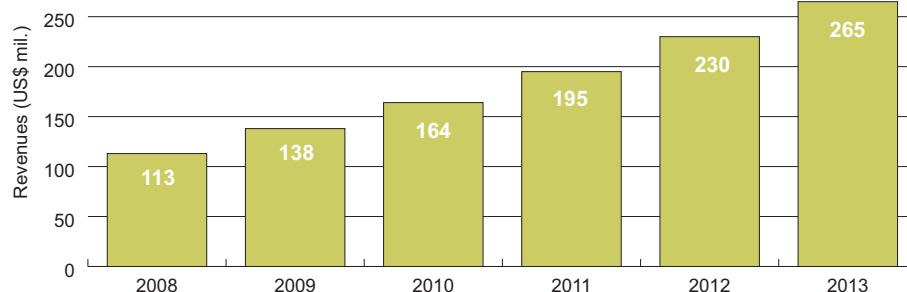
In launching Mail Movistar for consumers, Telefonica is extending the range of white-label services it already offers in the enterprise market, which it sells alongside Research in Motion’s BlackBerry. Having an own-brand mobile e-mail service available to multiple market segments helps reinforce Telefonica’s Movistar brand, Gabb says. It is also an attractive proposition for the operator in light of the current economic climate.

Having seen good take-up of the BlackBerry Enterprise Server among top-tier companies and corporate users, Telefonica has some aggressive growth targets for its own-brand enterprise mobile e-mail service, Gabb says. “They, as a team, see an opportunity to provide a viable alternative [to the BlackBerry],” he adds. In this respect, the cellco intends to push its multidevice mobile e-mail capability into second- and third-tier corporations and enterprise users.

Seven recently signed a framework agreement with another undisclosed Western European mobile operator group, which will shortly roll out enterprise mobile e-mail services in three countries.

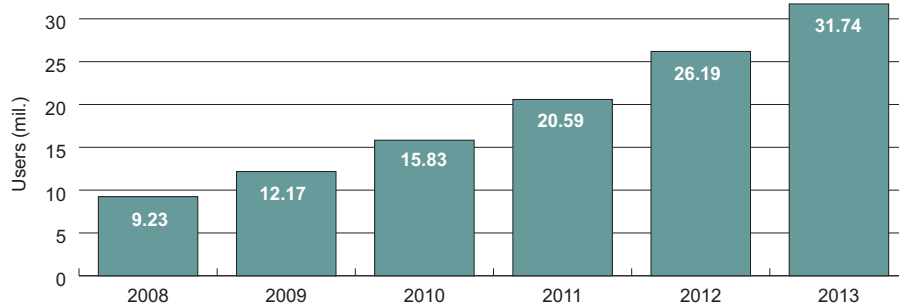
Mobile e-mail revenues will total US\$138 million in Spain this year, rising to US\$265 million by 2013, according to Informa Telecoms & Media’s messaging forecasts, published in its *Mobile Content & Services* report in March (see fig. 2). Informa also predicts that there will be 12.2 million mobile e-mail users this year, generating 1.5 billion events in Spain, rising to 31.7 million users and 4.2 billion events by 2013 (see figs. 3 and 4).

Fig. 2: Spain, mobile e-mail revenues, 2008-2013



Source: Informa Telecoms & Media

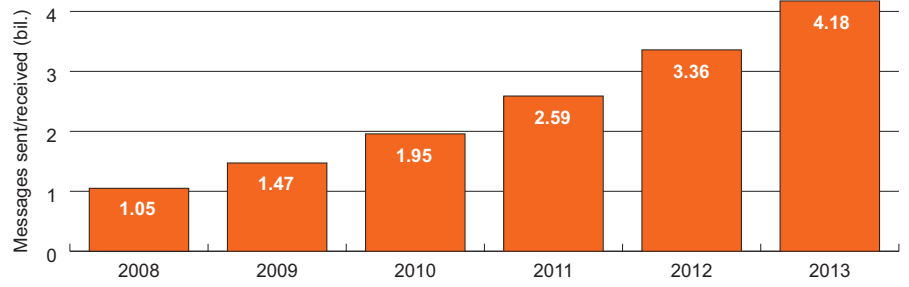
Fig. 3: Spain, mobile e-mail users, 2008-2013



Note: Includes P2P, A2P and P2A mobile e-mail users

Source: Informa Telecoms & Media

Fig. 4: Spain, mobile e-mail traffic, 2008-2013



Source: Informa Telecoms & Media

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Global, mobile-instant-messaging prices, selected operators, 2Q09

Country	Mobile operator	Mobile IM brand	Mobile IM communities enabled	Data included	Price (local currency)	Price (US\$)
Africa						
South Africa	MTN	Noknok	Noknok Messenger	Per megabyte	ZAR1.00	0.10
	Vodacom	Meep	Meep Messenger	5MB-20GB	ZAR9.25-3889.00	0.95-401.83
	Vodacom	Meep	Meep Messenger	90-900 meepots*	ZAR2.70-27.00	0.28-2.78
Asia Pacific						
Australia	3	Instant Messenger	Yahoo Messenger, Windows Live Messenger, Skype, Fast Flirting, Power Chat	Unlimited	A\$5.00	3.44
	Optus	Instant Messenger	Yahoo Messenger, Windows Live Messenger	Unlimited	A\$5.00	3.44
	Telstra	Instant Messenger	Yahoo Messenger, Windows Live Messenger	Unlimited	A\$5.00	3.44
Bangladesh	GrameenPhone	GP chat	GP Chat	Unlimited	BDT400.00	5.94
China	China Mobile	Fetion	QQ, MSN, POPO, ICQ	Unlimited	CNY5.00	0.73
	China Unicom	Chaoxin	QQ, MSN, POPO, ICQ	Unlimited	CNY5.00	0.73
Hong Kong	CSL	Instant Messenger	AOL Instant Messenger (AIM), Yahoo Messenger	Unlimited	HK\$50.00	6.45
	3	Instant Messenger	Windows Live Messenger	Unlimited	HK\$50.00	6.45
India	Airtel	Airtel Messenger	Yahoo Messenger, Windows Live Messenger, ICQ	Per MB	INR1.00	0.02
	BSNL	Instant Messenger	Yahoo Messenger, Windows Live Messenger	Per MB	INR1.00	0.02
	Vodafone	Vodafone Messenger	Yahoo Messenger, Windows Live Messenger	Per SMS	INR2.00	0.04
	Idea Cellular	Idea Messenger	Yahoo Messenger, Windows Live Messenger	Per SMS	INR2.00	0.04
	Reliance Comms	Reliance Messenger	Yahoo Messenger	Per SMS	INR2.00	0.04
Indonesia	Indosat	l-ch@tting	Own-brand Messenger	Per SMS	IDR250.00	0.02
Japan	Softbank	Keitai	Yahoo Messenger	Unlimited	¥315.00	3.47
Malaysia	Celcom	Celcom IM	Yahoo Messenger	Per SMS**	MYR0.30	0.09
	Celcom	Celcom IM	Windows Live Messenger	Per SMS	MYR0.50	0.14
	Celcom	Celcom IM	Windows Live Messenger	Per received message	MYR0.15	0.04
	Digi	Digi Mobile IM	Digi Mobile Messenger, Windows Live Messenger	Unlimited	MYR3.00	0.86
	Maxis	Maxis Messenger	Yahoo Messenger	Per SMS	MYR0.30	0.09
Pakistan	PMCL	Mobilink Messenger	Yahoo Messenger	Per megabyte	PKR15.00	0.19
	PTML	Uchat	Uchat, MSN, Google Talk, AOL Instant Messenger (AIM), Yahoo Messenger	Per megabyte	PKR15.00	0.19
	Telenor	MIG33	MIG33, MSN, Yahoo Messenger	Per megabyte	PKR15.00	0.19
	Warid Telecom	Mobile IM	MSN Messenger, Yahoo Messenger, AOL Instant Messenger (AIM), Google Talk, ICQ	64KB	PKR1.00	0.01
Philippines	Globe	Unlichat	Yahoo Messenger	1 day	PHP25.00	0.53
	Globe	Unlichat	Yahoo Messenger	5 days	PHP100.00	2.12
	Globe	Unlichat	Yahoo Messenger	15 days	PHP200.00	4.24
Thailand	True Move	Mobile Chat	True Move Messenger	Unlimited†	THB0.00	0.00
Central and Eastern Europe						
Czech Rep.	Telefonica O2	Instant Messenger	ICQ	Per SMS	CZK1.00	0.05
	Telefonica O2	Instant Messenger	ICQ	Unlimited	CZK156.00	8.17
	T-Mobile	Instant Messenger	ICQ, Windows Live Messenger, Yahoo, AOL Instant Messenger (AIM)	Per SMS	CZK1.00	0.05
	Vodafone	Instant Messenger	ICQ, Windows Live Messenger, Yahoo	Per SMS	CZK1.00	0.05
Hungary	Pannon	Instant Messenger	ICQ, Windows Live Messenger, Yahoo	Per SMS	HUF33.00	0.17
	T-Mobile	Instant Messenger	Not disclosed	Per SMS	HUF33.00	0.17
	Vodafone	Instant Messenger	Not disclosed	Per SMS	HUF33.00	0.17

Global, mobile-instant-messaging prices, selected operators, 2Q09 (cont.)						
Country	Mobile operator	Mobile IM brand	Mobile IM communities enabled	Data included	Price (local currency)	Price (US\$)
Central and Eastern Europe (cont.)						
Lithuania	Bite	Instant Messenger	Windows Live Messenger, Google Talk	Per SMS	LTL1.00	0.40
Romania	Orange	Instant Messenger	Windows Live Messenger	Unlimited	RONo.40	0.55
Russia	Mobile TeleSystems	Instant Messenger	Windows Live Messenger	Per SMS	RUB1.50	0.05
	VimpelCom	Instant Messenger	Windows Live Messenger	Per SMS	RUB1.50	0.05
Ukraine	Kyivstar	Instant Messenger	Windows Live Messenger	Per SMS	UAH0.33	0.04
Latin America						
Argentina	Claro	Claro Messenger	Windows Live Messenger	Per SMS	AR\$0.29	0.08
	Telefonica Moviles	Chatzone	Windows Live Messenger	Per SMS	AR\$0.29	0.08
Brazil	Telemar PCS (Oi)	Messenger No Oi	Windows Live Messenger	Per SMS	BRL0.31	0.13
	TIM	Mensagens Instantanes	Google Talk, Windows Live Messenger, Yahoo Messenger	Per SMS	BRL0.31	0.13
	Vivo	Vivo Messenger	Windows Live Messenger	Unlimited	BRL8.90	3.80
Chile	Claro	Claro Messenger	Windows Live Messenger, BlackBerry Messenger, Yahoo Messenger	Unlimited	CLP4,990.00	7.93
	Entel PCS Telecoms	Entel PCS Messenger	Windows Live Messenger	Unlimited	CLP2,990.00	4.75
	Telefonica Moviles	Movistar	Windows Live Messenger	Unlimited	CLP3,000.00	4.77
	Colombia	Colombia Movil	Chatzone	Yahoo Messenger, Windows Live Messenger, ICQ	Per SMS	COP25.00
Colombia	Comunicaciones Celulares	Comcel Messenger	Yahoo Messenger, Windows Live Messenger	Per SMS	COP25.00	0.01
	Telefonica Moviles	Movistar Messenger	Yahoo Messenger, Windows Live Messenger	Per SMS	COP58.00	0.03
	Ecuador	Conecel	Porta Messenger	MSN, Yahoo Messenger	Per megabyte	US\$2.00
Ecuador	Telefonica Moviles	Movistar Messenger	MSN, Yahoo Messenger	Per megabyte	US\$2.00	2.00
	Mexico	Radiomovil Dipsa	Telcel chat	Windows Live Messenger	Per megabyte	MXN6.00
Mexico	Telefonica Moviles	Movistar Messenger	Windows Live Messenger	Per megabyte	MXN6.00	0.45
Middle East						
Bahrain	Batelco	Batelco Messenger	Windows Live Messenger	Per SMS	BHD0.05	0.13
Jordan	JMTS	Instant Messenger	ICQ, Windows Live Messenger, Yahoo Messenger	Per SMS	JOD0.08	0.11
Kuwait	Wataniya	WChat	Own-brand Messenger	Per SMS	KWD0.03	0.11
Oman	Nawras	Instant Messenger	ICQ, Windows Live Messenger, Yahoo Messenger	Per SMS	OMR0.10	0.26
Saudi Arabia	Etisalat	Instant Messenger	Etisalat Messenger	Per SMS	SAR0.25	0.07
	Saudi Telecom	Instant Messenger	Aljawal Messenger	Unlimited	SAR9.00	2.40
UAE	Etisalat	Instant Messenger	Etisalat Messenger	Unlimited	AED25.00	6.81
Yemen	Yemen Mobile Phone	Instant Messenger	Windows Live Messenger	Per SMS	YER10.00	0.05
North America						
Canada	Bell Mobility	Instant Messenger	Yahoo Messenger, Windows Live Messenger, ICQ	Unlimited	C\$5.00	4.10
	Rogers Wireless	Instant Messenger	Yahoo Messenger, Windows Live Messenger, ICQ	1000 SMS	C\$10.00	8.21
	Telus	Instant Messenger	Yahoo Messenger, Windows Live Messenger, ICQ	Unlimited	C\$5.00	4.10
US	AT&T Mobility	Instant messaging	AOL Instant Messenger (AIM), Yahoo Messenger, Windows Live Messenger	Per SMS	US\$0.20	0.20
	AT&T Mobility	Instant messaging	AOL Instant Messenger (AIM), Yahoo Messenger, Windows Live Messenger	200	US\$5.00	5.00
	AT&T Mobility	Instant messaging	AOL Instant Messenger (AIM), Yahoo Messenger, Windows Live Messenger	1500	US\$15.00	15.00
	AT&T Mobility	Instant messaging	AOL Instant Messenger (AIM), Yahoo Messenger, Windows Live Messenger	Unlimited	US\$20.00	20.00
	Sprint	Instant messaging	AOL Instant Messenger (AIM), Yahoo Messenger, Windows Live Messenger	Per SMS	US\$0.20	0.20
	T-Mobile	Instant messaging	AOL Instant Messenger (AIM), MSN Messenger, Yahoo Messenger, ICQ	Per SMS	US\$0.20	0.20
	T-Mobile	Instant messaging	AOL Instant Messenger (AIM), MSN Messenger, Yahoo Messenger, ICQ	Per SMS	US\$0.20	0.20

Global, mobile-instant-messaging prices, selected operators, 2Q09 (cont.)						
Country	Mobile operator	Mobile IM brand	Mobile IM communities enabled	Data included	Price (local currency)	Price (US\$)
North America (cont.)						
US (cont.)	T-Mobile	Instant messaging	AOL Instant Messenger (AIM), MSN Messenger, Yahoo Messenger, ICQ	400	US\$4.99	4.99
	T-Mobile	Instant messaging	AOL Instant Messenger (AIM), MSN Messenger, Yahoo Messenger, ICQ	1000	US\$9.99	9.99
	T-Mobile	Instant messaging	AOL Instant Messenger (AIM), MSN Messenger, Yahoo Messenger	Unlimited	US\$14.99	14.99
	Verizon Wireless	Verizon Messaging	AOL Instant Messenger (AIM), MSN Messenger, Yahoo Messenger, ICQ	Per SMS	US\$0.20	0.20
Western Europe						
Austria	Mobilkom	Instant messaging	Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	Per SMS	€0.20	0.28
	3	Instant messaging	Skype, Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	Per SMS	€0.20	0.28
	T-Mobile	Instant messaging	Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	Per SMS	€0.20	0.28
Belgium	Belgacom Mobile	Instant messaging	Windows Live Messenger	Per megabyte	€5.00	6.89
	Mobistar	Instant messaging	Windows Live Messenger	Unlimited	€5.00	6.89
	Mobistar	Instant messaging	Windows Live Messenger	1 day	€1.00	1.38
Denmark	3	Messenger	Skype, Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	Unlimited	DKK39.00	7.22
	Sonofon	Messenger	Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	10MB	DKK29.00	5.37
	TDC	Messenger	Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	10MB	DKK29.00	5.37
	Telia	Messenger	Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	Per megabyte	DKK5.00	0.93
Finland	DNA	Instant messaging	Windows Live Messenger, Yahoo Messenger, Google Talk, AOL Instant Messenger (AIM), ICQ	Per SMS	€0.69	0.95
France	Bouygues	Bouygues Messenger	Windows Live Messenger	Per SMS	€0.12	0.17
	Bouygues	Bouygues Messenger	Windows Live Messenger	30 SMS	€3.00	4.14
	Bouygues	Bouygues Messenger	Windows Live Messenger	50 SMS	€4.50	6.20
	Bouygues	Bouygues Messenger	Windows Live Messenger	Unlimited	€12.00	16.54
	Orange	Orange Messenger	Windows Live Messenger	Unlimited	€10.00	13.79
	SFR	SFR Messenger	Windows Live Messenger	Unlimited	€4.00	5.51
Germany	O2	O2 Messaging	Windows Live Messenger, Yahoo Messenger, ICQ, AOL Instant Messenger (AIM)	Unlimited	€4.95	6.82
	T-Mobile	T-Mobile Messaging	Windows Live Messenger, Yahoo Messenger, ICQ, AOL Instant Messenger (AIM)	30MB	€4.95	6.82
Ireland	O2	O2 Messaging	Windows Live Messenger, Yahoo Messenger, Google Talk	250MB	€6.20	8.55
	Meteor	Meteor Instant Messaging	Windows Live Messenger, Yahoo Messenger, Google Talk	Per SMS	€0.09	0.12
Italy	TIM	Tim Messenger	Windows Live Messenger, Yahoo Messenger	Per SMS	€0.15	0.21
	TIM	Tim Messenger	Windows Live Messenger, Yahoo Messenger	100 SMS	€5.00	6.89
	Vodafone	Vodafone Messenger	Windows Live Messenger, Yahoo Messenger	Per SMS	€0.15	0.21
	Wind	Wind Messenger	Windows Live Messenger, Yahoo Messenger	Per SMS	€0.15	0.21
Netherlands	KPN	KPN Messenger	Windows Live Messenger, Yahoo Messenger	Per SMS	€0.23	0.32
Portugal	Optimus	Optimus Instant Messaging	IM Optimus	Unlimited	€3.08	4.24
	Optimus	Optimus Instant Messaging	IM Optimus	1 day	€1.00	1.38

Global, mobile-instant-messaging prices, selected operators, 2Q09 (cont.)						
Country	Mobile operator	Mobile IM brand	Mobile IM communities enabled	Data included	Price (local currency)	Price (US\$)
Western Europe (cont.)						
Portugal (cont.)	TMN	TMN Messenger	Windows Live Messenger	Per SMS	€0.15	0.21
	Vodafone	Vodafone Messenger	Windows Live Messenger	Per SMS	€0.18	0.25
Spain	Orange	Orange Messenger	Windows Live Messenger, Yahoo Messenger	Per SMS	€0.09	0.12
	Telefonica Moviles	Movistar Messenger	Windows Live Messenger, Yahoo Messenger	Per SMS	€0.20	0.27
	Vodafone	Vodafone Messenger	Windows Live Messenger, Yahoo Messenger	Per SMS	€0.20	0.28
	Vodafone	Vodafone Messenger	Windows Live Messenger, Yahoo Messenger	20 SMS	€2.50	3.45
	Vodafone	Vodafone Messenger	Windows Live Messenger, Yahoo Messenger	50 SMS	€6.00	8.27
	Vodafone	Vodafone Messenger	Windows Live Messenger, Yahoo Messenger	100 SMS	€10.00	13.79
Sweden	3	3 Messenger	3 Messenger, Windows Live Messenger, Yahoo Messenger, Skype	Unlimited	SKK19.00	2.41
	Tele2	Tele2 Messenger	Windows Live Messenger, Yahoo Messenger	Unlimited	SKK27.00	3.43
	Telenor	Telenor Messenger	Windows Live Messenger, Yahoo Messenger	Unlimited	SKK39.00	4.95
	Telia	Telia Messenger	Windows Live Messenger, Yahoo Messenger	Unlimited	SKK30.00	3.81
	Switzerland	Orange	Orange Messenger	Windows Live Messenger, Yahoo Messenger	Unlimited	CHF8.00
	Orange	Orange Messenger	Windows Live Messenger, Yahoo Messenger	1 day	CHF2.00	1.88
	TDC	TDC Messenger	Windows Live Messenger, Yahoo Messenger	Unlimited	CHF8.00	7.50
UK	3	3 Messenger	Skype, Yahoo Messenger, Windows Live Messenger	Unlimited	£4.26	6.32
	O2	O2 Messenger	Yahoo Messenger, Windows Live Messenger, ICQ, AOL Instant Messenger (AIM)	Unlimited	£4.00	5.94
	Orange	Orange Messenger	Yahoo Messenger, Windows Live Messenger, ICQ, AOL Instant Messenger (AIM)	1 day	£1.00	1.48
	Orange	Orange Messenger	Yahoo Messenger, Windows Live Messenger, ICQ, AOL Instant Messenger (AIM)	Unlimited	£4.00	5.94
	T-Mobile	T-Mobile Messaging	Yahoo Messenger, Windows Live Messenger, ICQ, AOL Instant Messenger (AIM)	1 day	£0.75	1.11
	T-Mobile	T-Mobile Messaging	Yahoo Messenger, Windows Live Messenger, ICQ, AOL Instant Messenger (AIM)	Unlimited	£3.00	4.45
	Vodafone	Vodafone Messenger	Yahoo Messenger, Windows Live Messenger, ICQ, AOL Instant Messenger (AIM)	Unlimited	£3.00	4.45
*Meepots is Vodacom's currency for sending instant messages to subscribers outside its network. **Received messages are free. †Data charges apply.						
<i>Source: Informa Telecoms & Media</i>						

Subscribers who sent a text message to another phone, Dec-08–Feb-09

Frequency	Total		3G subscriptions			Non-3G subscriptions		
	Projected subs*	% of subs**	Projected subs*	% of subs**	Benchmark†	Projected subs*	% of subs**	Benchmark†
France								
Once or more in a month	36,850,971	78.4	9,988,246	84.8	8	26,862,725	76.3	-3
Germany								
Once or more in a month	39,610,532	79.2	12,802,394	86.3	9	26,808,138	76.2	-4
Italy								
Once or more in a month	36,113,280	76.8	15,095,703	78.6	2	21,017,578	75.6	-2
Spain								
Once or more in a month	28,561,014	82.8	12,252,183	86.3	4	16,308,831	80.3	-3
UK								
Once or more in a month	41,241,738	85.9	13,501,133	90.5	5	27,740,605	83.9	-2
US								
Once or more in a month	136,503,378	58.8	56,663,549	72.6	23	79,839,829	51.9	-12

Notes: Monthly average for the three months ending Feb-09. *Projections based on sample results. **The percentage of all mobile users likely to use the service based on sample results and ComScore M-Metrics calculations. †The likelihood that a particular segment of subscribers will use a service compared with the whole of the market. Bases: 13,011 (France), 15,557 (Germany), 12,740 (Italy), 13,042 (Spain), 17,065 (UK), 39,428 (US)

Source: ComScore M-Metrics

Subscribers who sent a photo to another phone, Dec-08–Feb-09

Frequency	Total		3G subscriptions			Non-3G subscriptions		
	Projected subs*	% of subs**	Projected subs*	% of subs**	Benchmark†	Projected subs*	% of subs**	Benchmark†
France								
Once or more in a month	12,095,145	25.7	4,597,668	39.0	52	7,497,477	21.3	-17
Germany								
Once or more in a month	10,585,328	21.2	4,849,221	32.7	54	5,736,107	16.3	-23
Italy								
Once or more in a month	12,668,224	27.0	7,102,702	37.0	37	5,565,522	20.0	-26
Spain								
Once or more in a month	10,354,048	30.0	5,560,684	39.2	30	4,793,364	23.6	-21
UK								
Once or more in a month	14,668,227	30.6	6,542,668	43.8	43	8,125,559	24.6	-20
US								
Once or more in a month	67,906,980	29.3	35,905,138	46.0	57	32,001,842	20.8	-29

Notes: Monthly average for the three months ending Feb-09. *Projections based on sample results. **The percentage of all mobile users likely to use the service based on sample results and ComScore M-Metrics calculations. †The likelihood of a particular segment of subscribers to use a service compared with the whole of the market. Bases: 13,011 (France), 15,557 (Germany), 12,740 (Italy), 13,042 (Spain), 17,065 (UK), 39,428 (US)

Source: ComScore M-Metrics

Subscribers who sent a video to another phone, Dec-08–Feb-09

Frequency	Total		3G subscribers			Non-3G subscribers		
	Projected subs*	% of subs**	Projected subs*	% of subs**	Benchmark†	Projected subs*	% of subs**	Benchmark†
France								
Once or more in a month	4,216,289	9.0	1,692,200	14.4	60	2,524,089	7.2	-20
Germany								
Once or more in a month	3,938,105	7.9	1,822,830	12.3	56	2,115,275	6.0	-24
Italy								
Once or more in a month	5,839,651	12.4	3,531,259	18.4	48	2,308,391	8.3	-33
Spain								
Once or more in a month	3,618,104	10.5	2,070,731	14.6	39	1,547,373	7.6	-27
UK								
Once or more in a month	5,752,229	12.0	2,706,128	18.1	51	3,046,102	9.2	-23
US								
Once or more in a month	27,354,847	11.8	16,277,313	20.9	77	11,077,534	7.2	-39

Notes: Monthly average for the three months ending Feb-09. *Projections based on sample results. **The percentage of all mobile users likely to use the service based on sample results and ComScore M-Metrics calculations. †The likelihood that a particular segment of subscribers will use a service compared with the whole of the market. Bases: 13,011 (France), 15,557 (Germany), 12,740 (Italy), 13,042 (Spain), 17,065 (UK), 39,428 (US)

Source: ComScore M-Metrics

Subscribers who used e-mail (work or personal) on their phone, Dec-08–Feb-09

Frequency	Total		3G subscriptions			Non-3G subscriptions		
	Projected subs*	% of subs**	Projected subs*	% of subs**	Benchmark†	Projected subs*	% of subs**	Benchmark†
France								
Once or more in a month	5,594,107	11.9	2,493,863	21.2	78	3,100,244	8.8	-26
Germany								
Once or more in a month	4,852,531	9.7	2,321,610	15.6	61	2,530,920	7.2	-26
Italy								
Once or more in a month	6,596,692	14.0	3,703,978	19.3	37	2,892,714	10.4	-26
Spain								
Once or more in a month	3,653,068	10.6	1,799,580	12.7	20	1,853,488	9.1	-14
UK								
Once or more in a month	6,426,702	13.4	3,200,100	21.4	60	3,226,602	9.8	-27
US								
Once or more in a month	41,084,418	17.7	20,759,532	26.6	50	20,324,886	13.2	-25

Notes: Monthly average for the three months ending Feb-09. *Projections based on sample results. **The percentage of all mobile users likely to use the service based on sample results and ComScore M-Metrics calculations. †The likelihood that a particular segment of subscribers will use a service compared with the entire market. Bases: 13,011 (France), 15,557 (Germany), 12,740 (Italy), 13,042 (Spain), 17,065 (UK), 39,428 (US)

Source: ComScore M-Metrics

Subscribers who used a major instant-messaging service on their phone, Dec-08–Feb-09

Frequency	Total		3G subscriptions			Non-3G subscriptions		
	Projected subs*	% of subs**	Projected subs*	% of subs**	Benchmark†	Projected subs*	% of subs**	Benchmark†
France								
Once or more in a month	4,145,455	8.8	1,827,365	15.5	76	2,318,090	6.6	-25
Germany								
Once or more in a month	2,755,407	5.5	1,171,786	7.9	43	1,583,621	4.5	-18
Italy								
Once or more in a month	4,967,035	10.6	2,774,504	14.4	37	2,192,532	7.9	-25
Spain								
Once or more in a month	3,458,306	10.0	1,582,409	11.1	11	1,875,896	9.2	-8
UK								
Once or more in a month	4,692,511	9.8	2,317,481	15.5	59	2,375,030	7.2	-27
US								
Once or more in a month	32,397,518	14.0	15,018,260	19.2	38	17,379,259	11.3	-19

Notes: Monthly average for the three months ending Feb-09. *Projections based on sample results. **The percentage of all mobile users likely to use the service based on sample results and ComScore M-Metrics calculations. †The likelihood that a particular segment of subscribers will use a service compared with the whole of the market. Bases: 13,011 (France), 15,557 (Germany), 12,740 (Italy), 13,042 (Spain), 17,065 (UK), 39,428 (US)

Source: ComScore M-Metrics

Global, messaging announcements, 20-May 09–2-Jun 09			
Date	Operator/company	Territory	Announcement
20-May	3	Hong Kong	3 Hong Kong launches a visual-voice-mail service, using Comverse's Voice Hub.
21-May	O2	UK	Critical Path announces that O2 UK is using its Memova platform to provide the O2 Calendar service on the recently launched Joggler device and other devices.
22-May	Movistar	Peru	Movistar Peru partners with credit-card company Visanet to launch the Pago Movil mobile payment service, which will be available to prepaid and postpaid users.
26-May	Telefonica, O2	Germany	Telefonica O2 begins offering a client-based ICQ mobile IM service to its 14.7 million subscribers using NeuStar's Next Generation Messaging platform, after a trial of the platform in 2008. ICQ has 42 million subscribers worldwide. The client will initially be available for devices from Nokia, Sony Ericsson and Samsung.
26-May	Dialog Telekom	Sri Lanka	Dialog Telekom signs up for the GSMA's PathFinder service.
26-May	TeliaSonera	Sweden	TeliaSonera signs an agreement with Ericsson that will see the operator deploy the vendor's Personal Pod Advertising service later this year. The service will enable brands and advertisers to send personalized text, video and radio advertising to mobile devices. Advertisers will also pay for customers to share the information with friends and family.
26-May	Egyptair	Middle East, Europe, North America	Egyptair signs an agreement with OnAir for the deployment of Mobile OnAir and Internet OnAir in-flight communications services on its fleet of Airbus 330-300 aircraft, starting in August 2010. Passengers will be able to use voice, SMS, e-mail and the Internet using their mobile devices and laptops.
28-May	Elisa	Finland	Elisa consumer brand Saunalahti will begin offering Nokia Messaging to its subscribers in June. The service will cost €4.95 (US\$6.90) a month and will include a 4GB mailbox and unlimited e-mail data within Finland.
31-May	Etisalat	United Arab Emirates	Etisalat launches the Etisalat Messenger mobile-instant-messaging service. The service is priced at AED25 (US\$6.80) a month, or AED2 for a 15-minute session.
1-Jun	Telefonica	Spain	Telefonica Spain expands its Mail Movistar service into the consumer market, using the mobile e-mail platform of partner Seven.
2-Jun	Altea	Global	Telematics-service provider Altea partners with telematics-network provider Jasper Wireless to expand into new markets.

Source: Informa Telecoms & Media

Market update, mobile-instant-messaging prices, 2Q09

Mobile operators in South Africa, the US, France and Spain have some of the highest mobile-instant-messaging prices, according to Informa Telecoms & Media, which tracked 106 operators in seven regions. Among them, the operators are offering 130 price plans for mobile IM.

Of course, some of these operators' packages offer better value than others. For example, Vodacom in South Africa does not have an IM-specific data plan. Instead, the operator offers a range of data plans, charging from US\$0.95 for 5MB to US\$401.83 for 20GB (see fig. 1).

Fig. 1: Global, mobile-instant-messaging prices, selected operators, by most expensive price plan, 2Q09

Country	Mobile operator	Mobile IM brand	Data included	Price (local currency)	Price (US\$)
South Africa	Vodacom	Meep	5MB-1GB	ZAR3,899.00	401.83
US	AT&T Mobility	Instant messaging	Unlimited	US\$20.00	20.00
France	Bouygues	Bouygues Messenger	Unlimited	€12.00	16.54
US	AT&T Mobility	Instant messaging	1,500 messages	US\$15.00	15.00
US	T-Mobile	Instant messaging	Unlimited	US\$14.99	14.99
France	Orange	Orange Messenger	Unlimited	€10.00	13.79
Spain	Vodafone	Vodafone Messenger	100 SMSes	€10.00	13.79
US	T-Mobile	Instant messaging	1,000 messages	US\$9.99	9.99
Ireland	O2	O2 Messaging	250MB	€6.20	8.55
Spain	Vodafone	Vodafone Messenger	50 SMSes	€6.00	8.27
Canada	Rogers Wireless	Instant Messenger	1,000 SMSes	C\$10.00	8.21
Czech Republic	Telefonica O2	Instant Messenger	Unlimited	156.00	8.17
Chile	Claro	Claro Messenger	Unlimited	CLP4,990.00	7.93
Switzerland	Orange	Orange Messenger	Unlimited	CHF8.00	7.50
Switzerland	TDC	TDC Messenger	Unlimited	CHF8.00	7.50
Denmark	3	Messenger	Unlimited	DKK39.00	7.22
Belgium	Belgacom Mobile	Instant messaging	Per megabyte	€5.00	6.89
Belgium	Mobistar	Instant messaging	Unlimited	€5.00	6.89
Italy	TIM	Tim Messenger	100 SMSes	€5.00	6.89

Source: Informa Telecoms & Media

US operator AT&T also has a range of data plans with which mobile subscribers can use IM, with the most expensive being US\$20 for unlimited messages. However, it also charges mobile IM users US\$15 for 1,500 messages, which equates to US\$0.01 per IM.

Vodafone Spain is probably the least economical of all operators, charging its mobile IM users €10 (US\$13.80) for a package of 100 SMSes. That's a pretty steep price of €0.10 per SMS. The prices are even higher for those subscribers who want to use mobile IM on a casual basis, with Vodafone Spain and rival Telefonica both charging €0.20 per SMS. Such high prices are unlikely to encourage subscriber adoption of mobile IM services in Spain and indicate that either the operators are trying to protect their SMS revenues from being cannibalized or that they want to encourage their mobile IM customers to purchase data plans.

However, the per-SMS pricing model seems to be the most popular approach for mobile operators, with 49 of the 106 cellcos canvassed by Informa offering 50 per-SMS prices for mobile IM (see fig. 2).

Most of the mobile operators that are offering per-SMS tariffs for mobile IM appear to be charging their subscribers a premium (see fig. 3), with DNA Finland charging its mobile IM

Fig. 2: Global, type of mobile-instant-messaging price plans, 2Q09

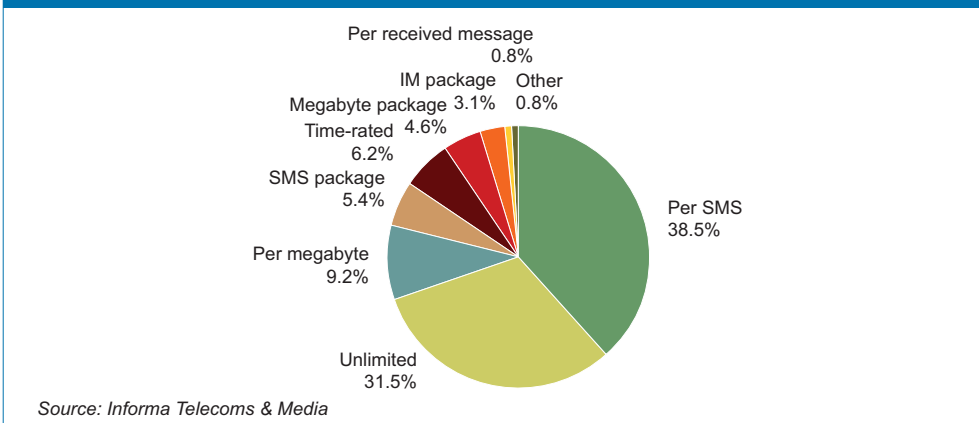


Fig. 3: Global, price comparison, per-SMS IM and per-SMS, selected operators, by per-SMS IM price, 4Qo8 and 2Q09

Country	Operator	Mobile IM brand	SMS prices, 4Qo8		Per-SMS IM prices, 2Q09		Price difference (%)
			Local	US\$	Local	US\$	
Finland	DNA	Instant messaging	0.11	0.15	0.69	0.95	527.3
Lithuania	Bite	Instant Messenger	0.15	0.06	1.00	0.40	565.6
Netherlands	KPN	KPN Messenger	0.13	0.18	0.23	0.32	76.9
Austria	Mobilkom	Instant messaging	0.25	0.34	0.20	0.28	-20.0
Austria	3	Instant messaging	0.25	0.34	0.20	0.28	-20.0
Austria	T-Mobile	Instant messaging	0.25	0.34	0.20	0.28	-20.0
Spain	Vodafone	Vodafone Messenger	0.15	0.21	0.20	0.28	33.3
Spain	Telefonica Moviles	Movistar Messenger	0.15	0.21	0.20	0.27	30.0
Oman	Nawras	Instant Messenger	0.01	0.03	0.10	0.26	900.0
Portugal	Vodafone	Vodafone Messenger	0.11	0.15	0.18	0.25	66.7
Italy	TIM	Tim Messenger	0.15	0.21	0.15	0.21	0.0
Italy	Vodafone	Vodafone Messenger	0.15	0.21	0.15	0.21	0.0
Italy	Wind	Wind Messenger	0.12	0.17	0.15	0.21	25.0
Portugal	TMN	TMN Messenger	0.15	0.21	0.15	0.21	-0.7
US	AT&T Mobility	Instant messaging	0.20	0.20	0.20	0.20	0.0
US	T-Mobile	Instant messaging	0.20	0.20	0.20	0.20	0.0
US	Verizon Wireless	Verizon Messaging	0.20	0.20	0.20	0.20	0.0
Hungary	Pannon	Instant Messenger	39.00	0.20	33.00	0.17	-15.4
Hungary	T-Mobile	Instant Messenger	30.00	0.16	33.00	0.17	10.0
Hungary	Vodafone	Instant Messenger	30.00	0.16	33.00	0.17	10.0
France	Bouygues	Bouygues Messenger	0.12	0.17	0.12	0.17	0.0
Malaysia	Celcom	Celcom IM	0.12	0.03	0.50	0.14	316.7
Bahrain	Batelco	Batelco Messenger	0.03	0.07	0.05	0.13	78.6
Brazil	TIM	Mensagens Instantanes	0.39	0.17	0.31	0.13	-20.5
Spain	Orange	Movistar Messenger	0.15	0.21	0.09	0.12	-40.0
Jordan	JMTS	Instant Messenger	0.03	0.04	0.08	0.11	166.7
Kuwait	Wataniya	WChat	0.02	0.07	0.03	0.11	50.0
Malaysia	Celcom	Celcom IM	0.12	0.03	0.30	0.09	150.0
Malaysia	Maxis	Maxis Messenger	0.15	0.04	0.30	0.09	100.0
Argentina	Claro	Claro Messenger	0.15	0.04	0.29	0.08	93.3

Fig. 3: Global, price comparison, per-SMS IM and per-SMS, selected operators, by per-SMS IM price, 4Qo8 and 2Qo9 (cont.)

Country	Operator	Mobile IM brand	SMS prices, 4Qo8		Per-SMS IM prices, 2Qo9		Price difference (%)
			Local	US\$	Local	US\$	
Argentina	Telefonica Moviles	Chatzone	0.15	0.04	0.29	0.08	93.3
Saudi Arabia	Etisalat	Instant Messenger	0.25	0.07	0.25	0.07	0.0
Russia	Mobile TeleSystems	Instant Messenger	1.50	0.05	1.50	0.05	0.0
Czech Republic	Telefonica O2	Instant Messenger	3.20	0.17	1.00	0.05	-68.8
Czech Republic	T-Mobile	Instant Messenger	1.70	0.09	1.00	0.05	-41.2
Czech Republic	Vodafone	Instant Messenger	1.19	0.06	1.00	0.05	-16.0
Yemen	Yemen Mobile Phone	Instant Messenger	5.00	0.03	10.00	0.05	100.0
Ukraine	Kyivstar	Instant Messenger	0.25	0.03	0.33	0.04	32.0
India	Vodafone	Vodafone Messenger	1.00	0.02	2.00	0.04	100.0
India	Idea Cellular	Idea Messenger	1.00	0.02	2.00	0.04	100.0
India	Reliance Comms	Reliance Messenger	2.00	0.04	2.00	0.04	0.0
Indonesia	Indosat	I-chatting	149.00	0.01	250.00	0.02	67.8
Colombia	Colombia Movil	Chatzone	179.00	0.08	25.00	0.01	-86.0
Colombia	Comunicaciones Celulares	Comcel Messenger	137.00	0.06	25.00	0.01	-81.8

Source: Informa Telecoms & Media

users €0.69 per SMS and Lithuania's Bite charging LTL1 (US\$0.40) per SMS. Casual SMS rates for DNA and Bite are €0.11 and LTL0.15, which means that both operators are marking up their per-SMS prices for IM more than 500%.

Even though DNA Finland and Bite are charging the highest per-SMS rates for mobile IM, Oman's Nawras is charging the highest premium, with each SMS-to-IM message costing OMR0.10 (US\$0.26), which is 900% higher than its usual per-SMS price of OMR0.01.

Interestingly, Celcom Malaysia is charging a higher per-SMS price to access Windows Live Messenger, at MYR0.50 (US\$0.14) per message, than to access Yahoo Messenger, at MYR0.30 per message. These rates are also at premiums of 316.7% and 150%, respectively.

A dozen mobile operators have slashed their per-SMS prices for mobile IM, with Colombian operators Colombia Movil and Comunicaciones Celulares instituting reductions of more than 80%. Nine others have decided not to differentiate their SMS pricing at all.

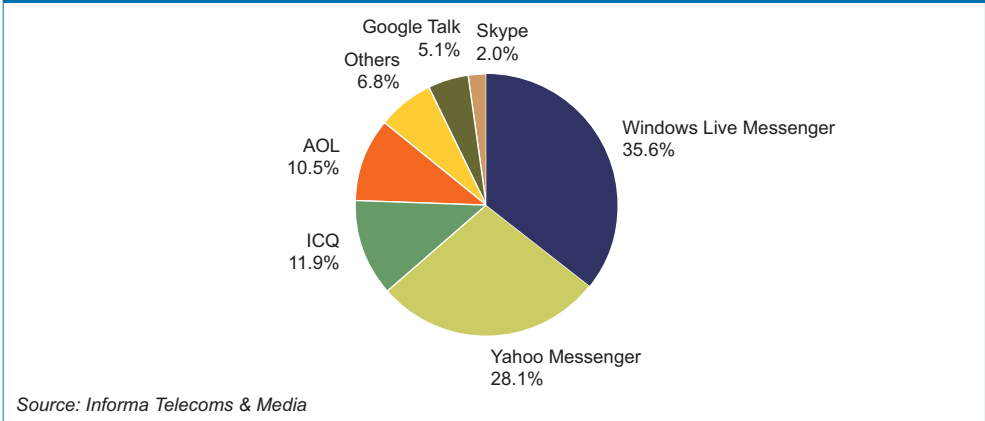
The next-most-common pricing model for mobile IM is the unlimited-data plan, with 49 operators each offering one unlimited monthly data plan for mobile IM. They vary greatly in price, ranging from the CNY5 (US\$0.75) plans offered by China Mobile and China Fetion to the US\$20 plan offered by AT&T Mobility.

Mobile operators are also experimenting with other types of metered tariffs for mobile IM, including packages of IM and text messages and data, as well as time-limited plans, such as daily rates or rates for five or 15 days. Globe Philippines, for example, is offering mobile IM rates for one, five and 15 days, while UK cellcos Orange and T-Mobile offer daily rates.

More than 60% of the mobile IM services on offer from the 106 cellcos are branded by the operator; the rest are generically branded as "instant messenger" or "instant messaging." That indicates that mobile operators do have a strong desire to associate their brand with mobile IM, probably because many of their services provide access to the established Internet IM brands, including Microsoft's Windows Live Messenger, Yahoo Messenger, Google Talk, AOL and ICQ.

The most-deployed IM community is Windows Live Messenger, which is available with 105 of the 130 price plans for mobile IM, followed by Yahoo Messenger, which is available with 83 of the plans (see fig. 4). In 28 instances, a mobile operator is offering only Windows Live Messenger. By comparison, Yahoo Messenger is the only service available with just eight price plans. Surprisingly, ICQ outranks AOL among the mobile operators canvassed by Informa, being available on 35 price points, compared with AOL, which is available on 31.

Fig. 4: Global, mobile IM community deployments, selected operators, 2Q09



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Idle screen

Movistar Argentina deploys idle-screen following successful trial

Movistar Argentina will deploy Celtick's LiveScreen Media idle-screen platform, following a six-month trial of idle-screen messaging services among 5,000 subscribers in Mar del Plata, which resulted in 82% of the participants using the services. Marcelo Mitroga, Movistar's content and mobile marketing manager, said that idle screen technology offers advertisers a great opportunity since it enables the profiling of, and the ability to interact with, mobile subscribers. The LiveScreen Media platform broadcasts an array of content on the home screen of the mobile device, taking into account the user's location, handset type and interests. Information about the mobile subscriber's interests is derived from their response to idle screen messages. Content includes news, sports, business, entertainment and lifestyle teasers, with operators generating revenues from content downloads, subscriptions and advertising.

Messaging

AT&T Idol fans double SMS traffic in 2009, but controversy brews

AT&T, the only US mobile operator that provides text messaging for voting on the popular TV show *American Idol*, finds itself embroiled in a scandal amid charges that some of its employees may have helped skew the voting that determined this season's winner. AT&T representatives provided free text messaging over demo phones at two parties in Arkansas that supported local favorite Kris Allen, the show's eventual winner. Further, company representatives also instructed partygoers on how to power text, or generate 10 or more text messages with the press of one button. Both the use of free texting and power texting appear to violate *American Idol's* voting rules, leading fans of Adam Lambert, who placed second to Allen, to cry foul. AT&T's mobile subscribers generated 178 million SMSes that were directly related to this year's show. The total text messaging traffic, which was 128% higher than the 78 million messages generated by AT&T subscribers during *American Idol 2008*, comprised multiple SMS-related activities, including voting, voting reminders, a weekly trivia quiz and a sweepstakes competition. The cellco claims that the number of AT&T customers that played Idol Trivia this year was more than double the number of players in 2008, while 70% more subscribers opted-in to receive voting number reminders. Those subscribers who opted in for the reminders then generated on average more than twice the number of text votes than the overall voting population, says AT&T.

VeriSign doubles messaging traffic in 1Q09

VeriSign's mobile messaging infrastructure carried about 84 billion messages for the company's 700 mobile operator customers in 1Q09, a 95% increase on the 43 billion messages it delivered for about 500 cellco customers in 1Q08. The 1Q09 traffic comprised 82.3 billion peer-to-peer (P2P) and 1.6 billion application-to-peer (A2P) messages, including 1.1 billion MMSes, and equated to about US\$2.95 billion in revenues for the cellcos. Average daily traffic grew 96% over 1Q08, to 932 million messages a day, and traffic peaked on Valentine's Day, when VeriSign's network carried 1.06 billion messages. By comparison, VeriSign delivered 224 billion messages across its network for the whole of 2008. VeriSign says it experienced strong growth in its A2P traffic in 1Q09, with messaging volumes through its Mobile Enterprise Services increasing 88% year-on-year. The application messaging growth was driven largely by a 63% increase in messaging traffic from its banking and financial institution customers, which include Western Union, U.S. Bank, Fifth Third Bank and Huntington National. VeriSign also saw a 27% increase in the volumes of premium rate SMS traffic it delivered through its Mobile Delivery Gateway product.

E-mail

Good pushes further into social networking with Intercasting acquisition

Good Technology, the mobile e-mail platform provider formerly known as Visto, is continuing on the acquisition trail, purchasing the US-based social networking connectivity provider

Intercasting Corporation for an undisclosed amount. Visto had been working on a social networking strategy prior to its acquisition of Good and subsequent rebrand; the purchase of Intercasting will likely accelerate its ambitions in this space. Intercasting has several major mobile operator customers for its flagship product, the Anthem platform, including the US cellcos AT&T, Sprint, T-Mobile and Verizon, as well as 3, CSL Mobile Hong Kong and Mexico's Iusacell. In addition to aggregating social networks, Anthem also enables mobile subscribers to access multiple e-mail services and instant messaging communities, among others, from a single UI on their device.

Tariffs

3 UK offers prepaid perks

3 UK has launched a new prepaid offer that provides free texts and Internet usage with every top-up. Subscribers will receive a data allowance of 150MB each time they top up, as well as "unlimited" on-net and Skype-to-Skype calls and free Windows Live Messenger. Customers will also gain a bundle of free texts, with the volume depending on the value of top-up. They can additionally double their free texts by topping up online.

Banking and payments

Monitise adds 100,000 customers in May

Mobile banking and payments service provider Monitise claims that 100,000 new customers registered for its services in May, following on from its mid-May news that 25,000 people had signed up in the first week of the month. The company is aiming for one million subscribers by end-2009. Services are primarily available in the UK and North America, though Monitise is also expanding into Africa via a partnership with the Tanzanian-based mobile wallet provider E-Fulusi.

Devices

INQ Mobile to launch Twitter phone

Hutchison Whampoa's INQ Mobile plans to introduce a mobile handset installed with a client that will enable users to send Twitter messages by year-end. The device, which is expected to retail for less than US\$140, according to reports, will send messages via IP rather than SMS technology.

Healthcare market an appealing prospect for mobile operators, but is not without its obstacles, says Philippa Hobbs

Innovation in mobile healthcare technology is burgeoning but implementation is hampered by the very industry this technology exists to support. The relationship between healthcare systems and health technology can be tortuous, though mutual benefits to levels of patient care and to the bottom line will, if only slowly, drive the sector forward.

As operators look for new opportunities to drive revenue in a stricken market, mobile healthcare is gaining significant traction. Delivering tailored mobile services to healthcare providers may seem a niche business, as healthcare is only one of a number of enterprise verticals and in the UK public market, at least, not exactly known for being a cash-rich or tech-savvy industry. Yet the healthcare vertical offers what operators most desire in the face of a struggling economy – loyal, long-life customers in need of specialist solutions across a large, mobile work force, and a captive future audience for new revenue-generating innovations such as machine-to-machine communications.

Healthcare as an enterprise presents complicated demands to any supplier – it is fragmented and diverse, spread across a variety of clinical environments, with workforces both in the field and on site, varied end users and wholly variable management depending on how care provision is funded. It is a market with specialist needs, requiring robust and reliable telecommunications for health-critical, as well as business-critical decision-making.

The definition of mobile healthcare, according to the various industry players, is a grey area, spanning, it seems, everything from general enterprise services for doctors' surgeries – secure e-mail, mobile access to clinical files, business messaging to patients – to mobile technology that plays a direct role in the provision of care – remote monitoring of a patient's glucose levels or heart rate. The wide range of possible services is largely a reflection of the innovation gap between different healthcare providers such as publicly-funded systems (the UK's National Health Service, for example) and private systems. While customers toward the "laggard" end of the spectrum must adopt basic services before they can roll out advanced applications, it is a gap that is likely to narrow over time as general enterprise services become commonplace. At this point, m-health will be understood in its obvious sense – mobile technology to directly support the provision of care, which is where the most exciting activity is happening.

Short-term barriers must be overcome before this point is reached, of course – the UK's National Health Service market presents significant challenges to deployment of advanced mobile healthcare services by its slow, bureaucratic and wide-ranging nature. There must be adjusted supporting mechanisms for new systems such as clinician training and remuneration for non face-to-face monitoring and treatment, which will drive usage of services at the grassroots and influence buying decisions long term. Prospects for innovation look promising thanks to increased investment in research at EU level, as long as this continues. Private sector healthcare, as a growing market, may prove to be a better prospect for telecoms investors in the short term.

Looking to the US' private health system, this seems to be the case. Healthcare providers have long been corporate customers to mobile network operators, and cross-sector collaborations for new product strategy are emerging more and more. Dedicated industry bodies such as the Continua Alliance and the mHealth Initiative are driving both sectors to engage on issues surrounding standards, device interoperability, component cost reduction and quick routes to market for the benefit of all parties.

Although the market for m-health applications is young, the level of innovation – not just in the US but globally – suggests that it is one that will grow. There is an identifiable need for mobile applications in a number of key areas of healthcare, which a myriad of application vendors are attempting to meet.

It is also encouraging for the m-health market that government bodies are researching, and investing in, remote monitoring technologies to support aging and chronically ill popu-

lations – a key driver of activity by all players.

With significant short term barriers, and the niche nature of the healthcare industry, the m-health market may not drive substantial service revenues for mobile network operators immediately. However, with remote monitoring trends growing in response to health trends, future data demands may well present the a greater long-term opportunity for revenue capture by network operators, realizable when high volumes of handsets capable of collecting and transmitting data are shipped, networks have desired capacity and there is wider deployment of connected monitoring devices.

If measured by the number of people requiring long-term monitoring – those with chronic illness such as diabetes – the addressable market for monitoring devices, connected wirelessly to mobile handsets or embedded on “converged” handsets, is already significant and growing. Eight hundred million people – the majority of which are likely to be existing mobile subscribers – are likely candidates for monitoring and may, with feature-rich handsets becoming mainstream, bring volume to the mobile healthcare device market.

But fragmentation in innovation and services on offer is a barrier to the m-health market. For the market to grow, players must collaborate and synergize their business models in order that applications can be bundled and implemented on a wide scale according to the healthcare end user need. This would reduce capex for healthcare organizations and increase scalability for application vendors.

And, bringing the right products to market requires not only collaboration between chip and device manufacturers and operators but also collaboration at all levels with the healthcare sector. The medical sector, medical device companies and telecoms players must continue to work together to achieve interoperability for scalable deployment.

Two highly specialist industries with niche technical expertise should be able to merge their efforts effectively. But, not only because the healthcare sector is traditionally a late adopter, but because applications must be accepted as clinically sound (technically and ethically) by the industry to be adopted long term, the process may well be a slow one.

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