

When in ROAM

Why wireless executives still don't get it.

By Chris Willis

Filed at The Industry Standard's ROAM conference
Tucson, AZ | April, 2001

CINGULAR'S CEO, Stephen Carter, summed up the wireless conundrum with an anecdote about a child eagerly sketching away with her crayons in class.

"What are you drawing," the teacher asks.

"I'm drawing God," she replies.

"But, dear, no one knows what God looks like," says the teacher.

"I know," she says, "That's why I'm drawing."

When it comes to sketching out the wireless future, many executives are coming up blank. In Europe, carriers have spent \$180 billion on 3G spectrum licenses and will likely spend that much more on infrastructure.

The collective mind of many wireless executives at the ROAM conference was one of great uncertainty. As a result many carriers and 3rd party providers have sought solace in the one thing that won't save them — technology.

Debates at the conference sounded like an alphabet soup of solutions — GPRS, 3G, SMS and WAP. But about whether WML is better than cHTML is akin to artists taking sides about which paint, acrylic or oil, will produce the more valuable painting. Unfortunately, this techno-myopia has blurred the real understanding to success. Namely, we should be, as Mr. Carter pointed out, in the business to provide the "means to fulfill the fundamental human need to communicate."

Mr. Carter seemed to be one of the few executive who did get it. He knows customers don't care about technology. What they want are more meaningful tools that enable self-expression. Tools that can also inform and entertain. Therefore applications and devices need to be designed not only for usability but marketed in an understandable way. When was the last time your grandmother talked to you about "surfing the wireless web" or WAP phones?



Enter Wireless Buddha

In the midst of this swirling uncertainty there is another sign of hope. Takeshi Natsuno, creator of NTT DoCoMo's wildly successful i-mode service, descended on the conference like a wireless Buddha. To him and 23 million other Japanese cell phone subscribers, the vision of the wireless future is clear and, more important, it's working.

Mr. Natsuno was cheerful, which immediately set him apart from the crowd. On stage, he squashed rampant talk that the mythical "killer app" — like e-mail or short messaging service — might save them.

"There are no 'killer apps' only 'killer environments,'" he said. I-mode, he continued, is not a technology it's a business model that enables content and applications to happen.

I-mode phones have an "always-on" connection to the Web and allow subscribers to e-mail, share cartoon characters, instant message and even download java applets. Subscribers are charged a small amount for each packet of data they download — not by the minute like the rest of the world does. DoCoMo then takes a 9 percent cut of revenues the sites generate. In contrast, some European carriers take more than 90%, which suffocates any business model. In the two years since the launch (Feb. 1999), DoCoMo has gained more than 22 million subscribers and is on track to become the world's largest ISP (AOL has 29M).

Despite the raging success, many executives said "it's a cultural thing, we're not a cartoon culture." Mr. Natsuno was quick to counter such talk as merely an excuse. "The Japanese are not a different species," he said.

He explained that i-mode's success was not guaranteed at the beginning. He had difficulty selling the idea to his bosses and had to convince them to step outside their conventional thinking. "Phone companies are too conservative, non-creative and bureaucratic. That doesn't make for great content."

I-mode has gained users by focusing on the content providers. DoCoMo selects the best business model and technology for content creators, which includes a giant data warehouse of user data. Then they stay out of the way.



Some lessons the wireless carriers:

- Create killer environments that enable new content and applications to flourish.
- Focus on business models that have user goals in mind and encourage content providers
- Follow an evolutionary development. Ask, What works today? And build on that.
- Use understandable marketing. Avoid “wireless internet” or “WAP phone” buzz.

In the end, the only winning strategy is one of evolution. As Mr. Natsuno put it, the phenomenal success that follows will look like a revolution.



About Hypergene

Hypergene's consultants have more than 40 years combined experience in storytelling in a variety of media: web sites, magazines, newspapers, books and television. Award-winning editors and designers, they specialize in creating and displaying content that has one goal: to connect with the reader.

They have edited and art directed at major daily newspapers including *The Dallas Morning News*, *The Los Angeles Times* and *The Detroit News*. As well, they have consulted for companies including Procter & Gamble, Nestlé, Honda and Harrah's. All three have launched successful magazines, and have consulted for magazine publishers including Smithsonian and Hearst.

Previously, they were a strategic development team at Belo Interactive, a subsidiary of Belo Corp, the nation's 9th largest media company. They developed product standards for Belo's web sites and electronic initiatives, which deliver 40 million page views every month.

Our Team members:

Shayne Bowman has worked as a graphic artist, designer and art director for *The Los Angeles Times* and *The Detroit News*. He received more than 50 awards from The Society of News Design (SND), including "Top 10 Best Designed Newspapers in the World." Bowman and Willis co-founded and art directed the city magazine, *Hour Detroit*. *Hour* was cited by *Folio* as the country's top regional magazine.

Ellen Kampinsky is a senior editor at *Talk* magazine. She has created some of the most-copied and successful newspaper feature sections in the U.S. while at *The Dallas Morning News*. Later, she co-founded an award-winning parenting magazine, *Dallas Family*, and produced its TV show. Kampinsky has been editor-at-large for *D*, the city magazine of Dallas, and developed several direct-marketing magazines.

Chris Willis has been an editorial cartoonist, illustrator, infographics editor, designer and art director. He has received more than 75 design, graphics and illustration awards from the Society of Newspaper Design including "Top 10 Best Designed Newspapers in the World." In 1995, he was awarded the prestigious SPX award from the Society of Professional Journalists. Willis, most recently, was a usability consultant for Ericsson's Mobile Internet division.

