

research

It is time to cash in on convergence

Mobile operators must provide the technology that allows users to benefit from converging telephony, writes **Keith Humphreys**

Simply expressed fixed mobile convergence (FMC) is a term used to describe linking the wireless and wireline worlds. It becomes more complicated as it moves from being a consumer-focused solution to the enterprise. Early consumer examples were BT BluePhone and RIM's BlackBerry, although BT did not support Wi-Fi until it morphed into BTFusion and the BlackBerry did not support voice.

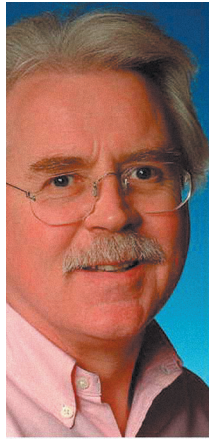
EuroLAN has just moved into this exciting world with the standardisation on the latest Samsung – the i600 – running Windows Mobile and even Skype. It supports Bluetooth, 3G and Wi-Fi which should allow us to significantly reduce our mobile calling costs, especially when travelling.

Controlling mobile calling costs is enterprise's main gain from the adoption of FMC. We assumed the mobile operators had so much headroom in terms of pricing, they could undermine any attempt by wireline providers to use FMC to attack them. That is until the EU capped the wholesale roaming rates at €0.30 per minute – reducing two cents every year over the next three years.

While the fixed-line telecoms costs have reduced drastically – dropping to zero in some cases – the enterprise has experienced the opposite with cellular call charges spiralling, especially for firms with staff who roam internationally.

The convenience of a mobile handset's features (in the case of the i600 it is the contacts, call register, calendar, SMS, camera and ability to review email attachments on the road) means a growing number of cellular calls are placed from within the building, often when the employee is within reach of a fixed-line phone. As a result, the enterprise ends up with an under-used, although economical, fixed-telephony system, and an over-used but expensive mobile service.

This means paying more for both the owned telephony system and handsets (capex) and the connectivity services (opex). Combining the



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two systems makes huge economic sense, especially if the business can also exploit its other owned network assets, such as its data network and WLAN infrastructure. The FMC approach enables mobile users to have a single device and lower costs and still benefit from the enterprise fixed-telephony system.

Mobile carriers are resisting dual-mode solutions with Orange, for example, disabling the ability to make calls over the internet and making much of the seamless hand-off, which is currently missing. We think too much is being made of this feature. Even in the enterprise dropping a call initiated over Wi-Fi or cellular when moving to the other is nice to have, but not a show-stopper.

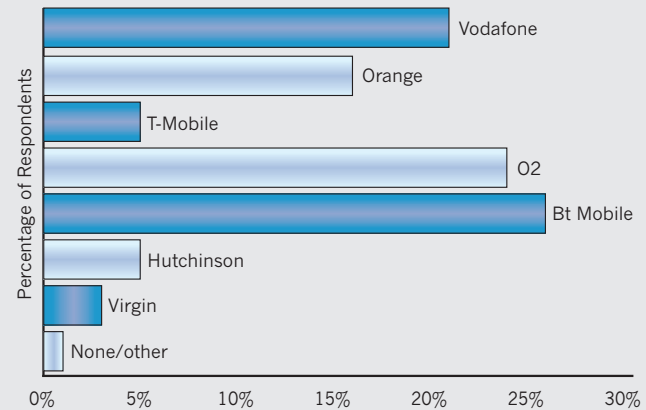
The enterprise would prefer to experience a better customer service. This year's *CMA communications in business* survey highlights the fact that customer satisfaction has fallen over the past three years with the only winner being ntl Telewest, which has now rebranded as Virgin Mobile.

There is a great opportunity for the channel to perform a cost-savings analysis for its enterprise customers. Unfortunately, there is no off-the-shelf FMC solution to sell.

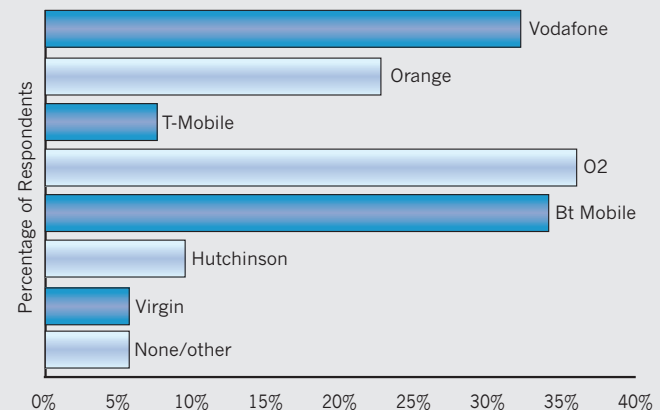
However, networking and systems integrators are in danger of losing that integration skill if they remain as just the networking plumber. Fixed-to-mobile convergence, along with its close cousin unified communications, allows integrators to reinvent those skills.

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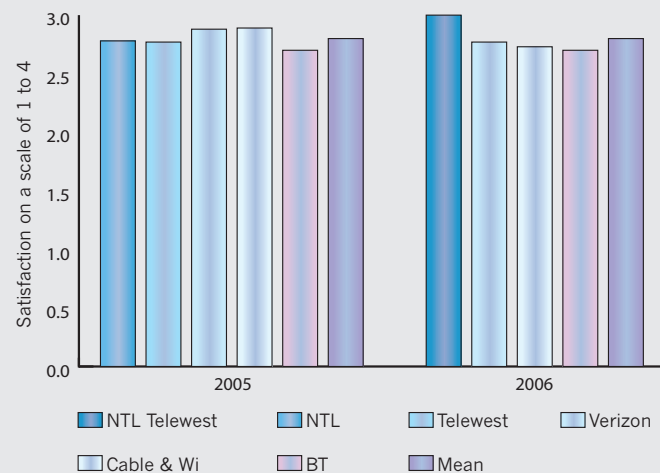
1 Corporate communications firms chosen as primary voice carrier



2 Corporate communications firms chosen as primary or secondary voice carrier



3 Satisfaction of communication companies of their customer experience



Source: euroLAN