

Business users can keep their favourite smartphones and stay with their existing mobile operator, and will happily pay for mobile email, writes Scott Stonham

Operators can earn revenue from mobile email from small and medium business users

Scott Stonham: operators need a completely fresh approach to selling mobile email to small and medium business



Mobile operators benefit from offering BlackBerry services to their customers: they see significant revenues from such services.

But many customers do not want a BlackBerry device. At the same time some mobile operators and mobile virtual network operators do not want to incur the cost of setting up the necessary relationships with Research In Motion, the company that makes BlackBerry and provides email services on these smartphones.

BlackBerrys do not have a monopoly and their market share is being threatened by popular devices such as Apple's iPhone and Google's Android. Though BlackBerrys are common in large corporations, they are rare in small and medium enterprises — yet people in those organisations need reliable mobile email just as much.

They can have it. The growth of smartphones means that 80% of the phones sold in the last 18 months have the right software and mobile operators — with CommuniGate Systems' knowhow — can offer their own branded mobile email to their small business customers with relative ease.

Some mobile operators take a product aimed at large corporations and try to scale it down. The operators we are speaking with find that this paring-down approach just simply does not work for companies with fewer than 50 employees — companies that account for more than 80% of the European workforce.

It is also a matter of customer choice. Many customers like smartphones and they like what they can do, but they do not want BlackBerrys.

In CommuniGate Systems we see that many people, particularly in the creative and professional industries — such as advertising, media, architectural and medical — have a clear and positive preference for other devices, and mobile operators can benefit by providing advanced services to them.

Executives may already have a range of devices — iPhones and phones operating on Android, Windows Mobile or Symbian. They choose the device that matches their requirements, not those of an IT manager.

CommuniGate Systems uses applications that are on most devices already — such as the AirSync protocol, a piece of software that allows phones to synchronise with email, calendars and contacts. AirSync was originally developed by Microsoft as a proprietary system under the name ActiveSync to synchronise mobile devices with PCs, but is now licensed for use on many different devices.

CommuniGate Systems puts together this software and other elements to create a BlackBerry-style mobile office service that operators can provide for their business users. That means they have a choice which includes Android phones, Apple iPhones and iPads — many of the phones that business users consciously prefer.

The system is massively scalable too: one of our biggest customers provides service to hundreds of thousands of individual companies, each with two to 20 employees on average. The multi-tenant platform is super efficient, and with an unbeatable uptime record. Quite simply it doesn't fail: it scales.

Cost is a significant benefit: this system is at least one-fifth the cost of the RIM platform and licence, and with super efficient software, the network hardware requirements are between one-third to one-eighth the cost of other solutions.

Of course, one of the key questions for operators is how to sell this service to customers: not through their existing enterprise channels. Small and medium business users will typically arrive through High Street stores, and staff there need to be trained not just to say to anyone who asks: "You need a BlackBerry."

The solution must be able to be sold through retail stores by stereotypical 17-year-old part-time sales assistants. Since the CommuniGate Systems solution does not require any new mobile software, it is simple to manage at the point of sale and can easily be sold within minutes.

Customers will be delighted to learn that they can continue to use their existing smartphones — indeed, most customers are keen to get more value out of their phones — and operators will be happy to learn that they do not have to provide an extra subsidy.

It does mean that operators need to take a look at their sales incentives for staff in stores: many are rewarded for selling new phones, even if they incur a heavy subsidy, not for providing software-as-a-service that will please and keep a customer who wants to retain their existing smartphone. Staff at an operator's retail outlet will need to be able to give confident advice to business customers.

But the rewards are considerable. An operator offering this service will be providing valued business customers with an essential email solution — something that they will continue to rely on and pay for monthly. ■

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