

“Mobile Operators Gain Service Efficiency with Smart Phones”

Imagine being able to contact your mobile service operator with a single phone call and resolve handset programming snafus on the fly. Perhaps the SIM card became corrupted or you simply switched service providers that afternoon. In either case, intelligence is literally just a ‘flash’ away with the integration of new technology that enables the operator to apply new software to the handset without crying the usual technical support blues. And this translates to not only less headaches for the service subscriber but real OPEX (operational expenditure) dollars being conserved to support firmware conflicts.

At the heart of the matter, though, is the fact that mobile carriers have struggled to deploy new generation handset technology without a surefire plan in place to handle their sophisticated nuances. Phones that run Symbian, Microsoft Smartphone, and Java operating systems require increasingly more effort to apply patches, service architecture parameters, and device protocols to ensure network harmony. But while these handsets boast the latest in revenue-generating features, it comes at a steep price of technical support that can often outstrip the ARPU gains typically produced by subscriber spending propensity. This means that a carrier can actually lose money at the bottom-line if support infrastructure doesn’t conform to a higher factor of automation with customer care.

Laguna Niguel, California-based Bitfone Corporation (www.bitfone.com) announced this week the acquisition of Mobile Diagnostix Corporation along with their SmartCare diagnostic product suite. The acquisition presumably allows Bitfone to offer not only their OTA (over the air) flash upgrade capability that was pioneered with the company’s mProve solution but also an edge in the diagnostic front-end to conflict management. Having both the identification and repair tools in one bag is certainly a coup for operators working aggressively to deploy new handsets over their networks while keeping tabs on the customer care concerns. Company officials at Bitfone had previously announced partnerships and implementation trials with most of the major manufacturers and several of the dominant wireless carriers in Asia, Europe, and the United States.

While the ARPU dollars are lucrative and the technology has a certain fad-like appeal, the truth is that device complexity is rising and so are the numbers of early to midstream adopters. To maintain long-run economic profitability, carriers need to look inside their operations to find ways to improve the handling of subscriber management conflicts and tap the efficiency of automation in managing network behavior. The leakage of resources allocated to the support cause can prove to be a heady barrier toward customer satisfaction and supply-side profits. And what matters most is connecting the dots between satisfied customers and profitable ones at that.

Expect to see more commotion later this year as several of the device manufacturers have recently hinted at new features that adapt well to exploit the capabilities of 3G networks but may very well impair those carriers in the midst of a transition. As the ball keeps rolling, so does the customer care circuit. And hopefully it is not a function of pushing the ball uphill.