

# The glittering allure of the mobile society

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When it comes to mobile telecommunications, it is often said that what works in one country, does not work in another. I wholeheartedly refute that argument. Human beings are more alike than we care to admit. We are programmed to be a “we species”—a social networking species with an innate need to connect and communicate. I often muse on the reason why SMS is ubiquitous as a communication mechanism. It is because we as a species do, in fact, constantly communicate via short messages, a behaviour that we learnt millennia ago.

That is why we are inevitably moving towards the Mobile Society, where our mobile devices become the remote control for our daily lives. Because any technology that allows us to better connect, communicate, share knowledge and information, and get stuff done will be widely adopted.

The Mobile Society is completely different to the industrial society. It requires a new logic and a new way of thinking of how to create business, civil governance, health care, and education. The mobile society is seen as both an opportunity and a threat because it signifies a reordering of business models, new flows of communication, and the appearance of new gate keepers in the information distribution wars. Resistance is a natural response when society changes structurally. As a consequence, there are differing points of view on what exactly the Mobile Society can deliver, depending on who you are.

Carlotta Perez in *Technological Revolutions and Financial Capital*.<sup>1</sup> writes

*With the emergence of the next technological revolution, society is still strongly wedded to the old paradigm and its institutional framework, the old habits and regulations become obstacles, the old services and infrastructures are found wanting, the old organisations and institutions inadequate.*

The way forward is to better understand how the Mobile Society can benefit us all, the business of commerce being but only one piece of this complex jigsaw. I have come to the conclusion that we have separated commerce from community; we have lost sight of the fact that the society of consumers is in fact us—people who need more than shopping to give us richer lives.

The Mobile Society promises that richer life in the same way that Gutenberg's 42 Line Bible freed information from the confines of the church and redistributed it to a wider society, which subsequently brought us the Reformation<sup>2</sup>, and the possibility that man and woman for the first time could make their own way in the world. The Mobile Society will bring unprecedented flows of communication and these flows of information and communication are the engines of innovation and commerce.

For example, 95% Korean teenagers are members of the virtual world of Cyworld; MyNuMo is a prosumer, revenue-sharing mobile content platform; the Japanese Camera Dictionary provides access to information otherwise impossible to translate; music downloads on mobile are a bigger industry than on the fixed Internet; mobile technologies are contributing to the economic and social health of Africa and Bangladesh; the 3G Doctor provides for personalised delivery of connected healthcare through mobile.

These compelling stories tell us why mobile, described as the 7<sup>th</sup> Mass Media,<sup>3</sup> is so critical to understanding the Mobile Society, because new technologies do not come out of nowhere. As both William Powers and Carlota Perez argue, they are indeed human creations in the first place and they succeed to the extent that they meet human needs. In other words, as much as communications media influence the way people of a particular time and place live, the reverse is also true: People have tremendous influence over how technologies evolve.

Perez points out that at a certain point in a technology life cycle, we take that technology and direct it towards very specific goals and purposes, like the tools of Web 2.0 and its social media. Marshall McLuhan argues in the *Gutenberg Galaxy*<sup>4</sup> that technologies are not simply inventions that people employ but are the means by which people are reinvented. It does not matter what industry you are in, the story of the Mobile Society and mobile as the 7<sup>th</sup> Mass Media affects us all.

### **What Shape Is Our Digital Universe?**

The comedian Bill Bailey describes reading Stephen Hawking's *A Brief History of Time*. In it Hawking suggests the universe could be three possible shapes:

- Long and thin like a piece of *tagliatelle*
- Round like a marble
- Saddle-shaped

Bailey finds it hard to deal with the notion that our universe could be saddle-shaped. The point is that our once familiar analogue world, which we understood so well and so comprehensively, no longer exists in our digital universe. As Bailey observed, in the days pre-Christopher Columbus it was much easier to buy a "To the edge and back ticket." We don't really know what shape our new digital universe is, so we have to learn to navigate and describe it.

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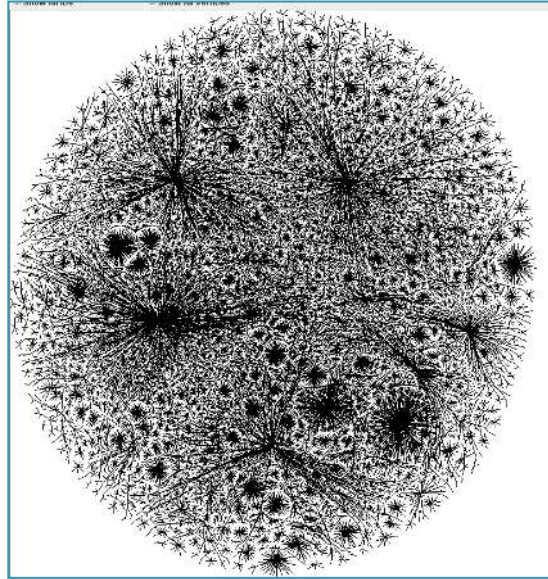
<sup>1</sup> <http://www.carlotaperez.org/Articulos/TRFC-TOCeng.htm>

<sup>2</sup> [http://en.wikipedia.org/wiki/The\\_Reformation](http://en.wikipedia.org/wiki/The_Reformation)

<sup>3</sup> Mobile as the 7<sup>th</sup> Mass Media was a term first described by Tomi Ahonen

<sup>4</sup> [http://en.wikipedia.org/wiki/The\\_Gutenberg\\_Galaxy](http://en.wikipedia.org/wiki/The_Gutenberg_Galaxy)

The cartography on this page illustrates the billions of social interactions and social transactions created by individuals, every day. We are rapidly moving to a world where everyone can be connected, and, by 2015, five billion people<sup>5</sup> will be connected via a mobile device. That is a 100-fold increase in networked traffic. Couple that statistic with this one: in 2006, 161 billion gigabytes of data were generated, and by 2010, 988 billion gigabytes of data will be produced<sup>6</sup>.



These are almost unimaginable flows of raw material. But it's not just the scale of the data flows that is impressive. It is the combination of social and social media networks that are forming the all-embracing infrastructure of contemporary society. So these data flows, pinpoint accurate, are the traces, shadows, and trails of human interaction. They allow for the first time the ability to completely overhaul the metrics of communication, which in turn provides the means to rewrite the methodology and accepted practices of commercial marketing and communication. This development is not only enabling, it is defining.

In its short, eight-year life as a mass media, mobile has already cannibalised over one fourth of all music sold, as well as one in six dollars spent by video gaming, whilst paid content on mobile is already 20% greater than all paid content on the Internet. TV, movies, newspapers, and even books are migrating to mobile.

The first paid content was downloaded onto a mobile phone as recently as 1998, yet today, at \$31.3 billion, content revenues on mobile have grown to be larger worldwide than Hollywood movies, video-gaming software, or global music industry revenues.

### **The History of Mass Media**

Access to knowledge has been a defining story of civil society. Information technologies have historically redistributed access to knowledge and information from controlling institutions to the masses. We are witnesses to another period of profound change, and it's not just knowledge that is being redistributed, but, in fact, the possibility of economic production. Which means that those once privileged institutions are no longer able to dominate markets by exercising control over them. We are getting used to living in a connected age where we naturally and increasingly draw on our participation in various networks for assistance, information, and support. This is the story of the Mobile Society and the 7<sup>th</sup> Mass Media. Historically, there were six forms of mass media that preceded mobile: print, recordings, cinema, radio, television, and the Internet.

### **[1] And in the beginning was the word: Print, the 1<sup>st</sup> Mass Media**

Printing technologies from the late 1400s opened the floodgates for information and knowledge to be shared through pamphlets, books, newspapers, music scores, and magazines. Printing technologies were a significant contributor to the demise of the feudal system and the hegemony of the church over large swathes of Northern European populations. Imagine going in a few short years from a world of no information and illiteracy to a world where, in the first 15 years after the invention of moveable type, between 8 and 24 million separate titles were published. As printing spread and publishing developed, technological innovation created new market structures. Soon publishers became the controlling institutions, wishing to exercise their control and hence domination of that market space. The first ever copyright act was the Statute of Anne 1709, enforced in the U.K. from 1710.

<sup>5</sup> Influentials are toast? <http://communities-dominate.blogspot.com/brands/2008/02/influentials-ar.html>

<sup>6</sup> IDC: The Expanding Digital Universe—2007.

Marshall McLuhan tells us that it was the U.K. newspaper industry in the 18<sup>th</sup> century that brought pressure to bear to build hard surface roads in England—the first since Roman times. The post roads were, in fact, mainly financed by the newspaper industry.

**Lessons from the First Mass Media:** A new media will introduce new industry, new professions, and new business models.

### [2] Rockin' all over the world: Recordings, the 2<sup>nd</sup> Mass Media

Recordings brought culture and entertainment to the masses. This capability meant you did not have to be wealthy to go to the opera, or own your own instruments to be able to enjoy music. Like publishing, recordings fostered a controlled economy and distribution system.

**Lessons from the Second Mass Media:** A new mass media can cannibalise from older media, but also provide new opportunities. A new media can create formats that were not viable before it. In addition to creative and technical talent, there can be performing talent in media. Even when requiring that an expensive media player be purchased by users, a media can flourish.

### [3] Easy riders, raging bulls: Cinema, the 3<sup>rd</sup> Mass Media

Around 1910, cinema became the third iteration in the mass media story. This introduced yet another distinct form of enjoying media. Cinema became an audience media, mostly enjoyed in the movie theatre with hundreds of other members of the public.

#### **Gone with the Wind**

Cinema was thought of threatening books as a viable media. The exact opposite happened. Good books spawned movies, and successful movies that were not based on books were turned into printed books. Hollywood ruthlessly sought the topmost talent and content from print and recordings and attempted to turn them into movie blockbusters. Some succeeded, like Ian Fleming's James Bond series of books and the blockbuster movie *Jaws*.

**Lessons from the Third Mass Media:** Audio-visual content is more compelling than written words or just sounds. People are willing to pay per view. And a media that does not require the audience to go buy new equipment has the ability to bypass older media in adoption speed.

### [4] Radio romance: Radio, the 4<sup>th</sup> Mass Media

The 1920s witnessed the birth of radio, the broadcast schedule, and the appointment, in this instance, to listen. Radio brought a new diversity of news, information, debate, and music to the people. And it brought a new channel for commercial communications.

Radio was the engine that started to drive mass consumption. Content became the glue for commercial communications. And that is an interesting and important point to consider. Radio brought us the soap opera: continuing storyline radio plays that were sponsored by the consumer detergents and soaps giant Procter & Gamble, featuring their main brands such as Palmolive, Colgate, and Pepsodent.

Radio also enabled something that never before was possible—the rapid dissemination of breaking news and information, experienced live as it happened. It complemented the long-form, more in-depth analysis of newspapers and specialist magazines.

**Lessons from the Fourth Mass Media:** Media broadcast can be tied to a schedule, *appointment-*to becomes immensely valuable to media owners, who understand the new economics of attracting and aggregating large audiences to sell “advertising spots” to drive mass consumption. A new media typically will not kill off an older media, rather it can be complementary. This is an example of where a new technology turned out to be a vehicle for transporting the other (recordings) to the masses. Interestingly, it could help only audio spread, rather than movies, which may have been more attractive. Radio may have given an advantage to audio because it made it more accessible than movies.

Even if two mass media use similar content, the newer one will still spawn new professions and a new industry. It's possible for two media to form a symbiotic and complementary relationship.

## [5] The cultural hearth of the home: Television, the 5<sup>th</sup> Mass Media

The 1950s brought us the mass introduction of television. Television's economic and cultural impact was simply seismic. It was the first mass media to physically and metaphorically replace the fireplace as the cultural hearth of the home.

More than just a media, TV soon dominated all other media economies. By the 1970s TV attracted the largest audiences and became the engine for driving mass consumption via TV advertising. For example, Morecombe and Wise, a British comedic duo, got the highest recorded TV audience in Britain, with 29.5 million viewers, almost half of the U.K. population watching their Christmas special. Can you imagine, half the entire U.K. population physically sitting down, all at the same time, to watch the same programme? It was the U.K.'s mass media Belle Époque, because today in the U.K. a mass broadcast audience is defined as between 6-8 million. And commerce follows where audiences exist. TV also changed previous media concepts. A good example is music. After TV innovated with the music video (MTV), suddenly TV became the determining factor in a recording artist's chances of climbing the music charts. Radio, once the sole arbiter of the audience's taste in music, was superseded.

### From Scarcity to Plenty

From cable and satellite TV and now digital TV, various multichannel TV systems have given TV audiences ever more choice. They have also caused severe fragmentation of the advertising audience. P&G Chief Marketing Officer Jim Stengel says that in 1965, 80% of adults in the U.S. could be reached with three 60-second spots. However, in 2002, it required 117 advertisements to achieve the same result.

Last autumn I was attending an event at MediaTech in London. Representatives from the broadcasters, Channel 4, ITV, and Five were discussing their strategies of attracting mass audiences. A question from the floor succinctly highlighted the struggle traditional broadcasting faces:

*I would be very interested to hear your thoughts on Kate Modern, the soap that is on Bebo. It cost £60,000 to make and has a global audience of 20 million people.*

**Lessons from the Fifth Mass Media:** Even a very expensive media player is not an obstacle to adoption if the format is right. A new media rival with an absolute advantage, such as TV over radio, will still not kill its predecessor. But nothing lasts forever.

## [6] A brief history of the future: Internet, the 6<sup>th</sup> Mass Media and the first interactive media

The 1990s brought us the 6th Mass Media, the anarchic Internet. But, of all instances of a new media appearing, the Internet was the first time that a new media could do everything that the earlier five mass media could do. Furthermore, the Internet added two unique benefits never possible on the previous five: interactivity and search. And search is not just keyword-based search, but also search through browsing. This, of course, is the transition from the "push" by the media owners and producers through radio and more sophisticated media like TV, to the "pull" by the consumer, where the consumer has a choice to engage with selected material, when they want and find convenient. It means we start to navigate through our lives in completely different ways. Remember McLuhan's observation that technologies are not simply inventions which people employ, but are the means by which people are reinvented.

Think about the telephone, an important invention that transformed people's ability to communicate. How many times would we wait by the telephone or even by the public pay phone? How many people do that today? The Internet is defining because of its enabling group communication, as opposed to a single individual, point-to-point. We need to bear that in mind as we see what the Internet 1.0 unleashed upon the world. Information is about to live a very social life.

### From Cold War to Hot Media

The networked and interactive nature of the Internet enabled us to get back to what makes us what we truly are—a collaborative and networking species. Exemplified by the invention of Web 2.0 technologies, these low-cost tools at their very core support the fundamental need for human connection. The blogs, Wikis, mashups, open APIs are enabling peer production and the harnessing of collective intelligence to create such social networking platforms as YouTube, Skype, eBay, Current TV, Threadless, Facebook, MySpace, Cyworld, citizen journalism, and Wikipedia. Even the BBC has opened up the back end of its Web site,

allowing those that are so inclined to mash up its content. All content becomes plastic and malleable.

And by 2012, 25% of all media will be created by us<sup>7</sup>. YouTube uploads seven hours of audio-visual content every 60 seconds of every day of the year. The 8 to 24 million books first published in the 15 years after the invention of moveable type pale in comparison. So, we are witnessing the shift from individualised and personalised media consumption and creation towards consumption and co-creation as a networked practice.

This structurally changes the relationship between media content creation and media content consumption. Industrialisation and the mass media have conveniently forgotten that we are a “we species,” and they really don’t like being reminded of the fact that we want to be part of creation, of storytelling, and of communities. And that connection is a fundamental need of every society on this planet, no matter whether we live in forests or cities.

The Internet, in providing low-cost production tools and unprecedented connectivity, demonstrates an audience can directly participate, and, indeed, demands the possibility for direct participation in media creation and consumption. A medium of communication is not merely a passive conduit for the transmission of information, but rather an active force in creating new social patterns, writes Robert Logan in *The Alphabet Effect*<sup>8</sup>. We can think of the first five mass media as “cold” mass media, consumed passively. By contrast, the Internet was the first “hot,” bidirectional communication mass media, which allowed users to create, rate, participate in, and propagate information and content. And doing so under their own free will, and with shared common goals. *Business Week* explained of the relevance of social networking in its June 2006 cover story:

*This is the biggest change to business since the Industrial Revolution.*

#### **Napster and the Gales of Creative Destruction**

Napster was perhaps the earliest example of the destructive power of this particular cycle of technological evolution<sup>9</sup>. Napster demonstrated how rapidly bidirectional communication capability changes consumer behaviour. Not over decades as with previous mass media, but in years, months even, and the result—a decline of over 10% of global music sales and a reordering of the music industry. By the time it shut down, 57 million people were using Napster’s people-powered music-swapping site. Were all those people criminals? Or does this say something fundamental about the shift in the relationship between mass media, consumption, and the audience? That relationship being based upon the fundamental human desire to connect and collaborate.

There is something really rather spectacular about connecting with people across the globe, around passions, interests, and desires, writes Alex Ross in *All The Rest Is Noise*<sup>10</sup>. We have gone from being spectators to fully engaged actors in this participatory culture.

**Lessons from the Sixth Mass Media:** Connectivity and interactivity provide fertile ground for the growth and development of digital community and move media from a push paradigm to a pull one. A hot media is inherently preferred over any cold media and will cannibalise older media at unprecedented speeds.

For all of the major Internet services, companies, and media formats, their glittering future is still ahead of them. Only while the Internet has just started its path towards the second billion users, the youngest media, mobile, is already past its third billion users.

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<sup>7</sup> <http://www.nokia.com/A4136001?newsid=1172517>

<sup>8</sup> [http://en.wikipedia.org/wiki/Alphabet\\_Effect](http://en.wikipedia.org/wiki/Alphabet_Effect)

<sup>9</sup> [http://en.wikipedia.org/wiki/Capitalism,\\_Socialism\\_and\\_Democracy](http://en.wikipedia.org/wiki/Capitalism,_Socialism_and_Democracy)

<sup>10</sup> <http://communities-dominate.blogspot.com/brands/2008/01/classical-music.html>

# Part II—The building blocks of the mobile society

## **Today, Gutenberg would be a moblogger: Mobile, the 7<sup>th</sup> Mass Media**

In the early 2000s, the 7<sup>th</sup> Mass Media and the second interactive media, the mobile, entered into our daily lives. The consumption of news, the playing of music, watching TV, listening to radio, even viewing movies are all possible on a mobile device<sup>11</sup>. And the Internet's two unique capabilities, interactivity and search, are also possible on the mobile platform.

Whilst only eight years old as a media, mobile is growing and acquiring business revenues and content from its older media siblings. So mobile can replicate all the capabilities of the other six mass media. But mobile actually has six unique benefits<sup>12</sup>.

1. The first personal mass media
2. The first always carried media
3. The first always on media
4. The first media with a built-in payment mechanism
5. The first media always present at the point of creative impulse
6. The first media where the audience can be accurately identified

**The six unique benefits of mobile are described below.**

### **[1] Personal: My Media**

It's a fact that people today are more wedded to their mobile phones than to their wallets. And the mobile is rapidly cannibalising our wallet too. A Unisys survey revealed that if we lose our wallet, on average we report it in 26 hours. But if we lose our mobile phone, on average we report it in 68 minutes. Meanwhile, a 2006 survey by *Wired* found that 60% of married mobile phone owners will not share their phone with their spouses. A Carphone Warehouse survey found that 68% of teenagers won't let their parents see what is on their phones. It is that personal.

### **[2] Always Carried: The City in My Pocket**

It is no longer surprising that we will not leave home without our phone. A global survey by BDDO in 2005 found that six out of 10 people sleep with the mobile phone physically in bed with them. A worldwide Nokia survey in 2006 found that 72% of the population use the mobile phone as their alarm clock. The phone is taken to the restroom and it was quoted at Forum Oxford that the bathroom is one of the common places to access both the mobile Internet and mobile TV. No other mass media has this intimate a relationship with the audience.

### **[3] Always On**

Some early opinions by newspaper publishers were that maybe the Internet could offer a rival experience to the printed newspaper, but the mobile phone screen had so little real estate that it could not fulfil this need. This is also being proven to be untrue. Mobile offers an active screen, which can be far superior to the static printed paper view of a newspaper or magazine. It just took a while for the mobile content industry to develop its formats to capitalize on the power of mobile.

For example, Japanese mobile operator NTT DoCoMo has introduced iChannel, a news ticker feed that uses the idle screen mode of the mobile phone. Whenever the phone is placed on the desk or table, for example, it will scroll breaking news like the CNN news ticker on the bottom of the TV screen. Users can select whether they want sports news, world news, financial news, celebrity gossip news, and so forth, in any combination. When the phone

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<sup>11</sup> It is possible. But in most of the world (Eastern Europe, Africa, South America, India) phones are still utility focused, rather than media consumption.

<sup>12</sup> The six benefits of mobile—Tomi Ahonen

owner clicks on the current news, it goes to more of the story with text, pictures, and video. The service costs two dollars per month and in 18 months from launch, 8 million Japanese were paying for this service, which amounts to a 16% adoption rate and a massive \$192 million per year in Japan alone. Considering all subscription news services online on the Internet, Japan's NTT DoCoMo has more paying subscribers on one mobile news service than all online newspapers worldwide combined. DoCoMo announced that subscribers to their iChannel news service surpassed 15 million on January 3, 2008. The achievement came nine months after surpassing 10 million subscribers.<sup>13</sup>

If we assume that the same rate of adoption happens around the world—and there is no reason to doubt it—this one mobile news service alone, if used by 16% of the 3 billion mobile phone users, could generate over \$11 billion of revenues worldwide. Can a mobile news service threaten a newspaper? It already does: the same service was recently launched in Portugal by Vodafone. Coming soon to an idle phone screen near you.

#### **[4] Built-in Payment**

In Helsinki, Finland 57% of public transport single tickets are paid by mobile. In Croatia over half of all parking is paid by mobile. In South Africa you can have your paycheck paid directly to the mobile phone account linked to your mobile banking account. In Soweto a barbershop has more than half of its customers paying by mobile. 20% of London's congestion charge is paid by mobile. In Slovenia every vending machine, every McDonald's restaurant, and every taxicab accepts payment by mobile phone. In Kenya the maximum limit of mobile-to-mobile money payments is set to 1 million U.S. dollars per single transaction. And in South Korea, all credit card companies enable their credit cards to the owners' mobile phones by default, offering to send an optional old-fashioned plastic credit card to the customer's home address for free.

#### **[5] At Point of Creative Impulse: Convergence of User and Creator**

In the context of mobile and the Web, the mobile Web is focused on the user as the creator and consumer of content, as *Mobile Web 2.0* author Tony Fish says, "at the point of inspiration." It is *prosumption* (production and consumption). We are using the mobile platform to share information with a trusted network; we are collaborating; we are using our mobile as a media production tool. Witness the use of mobile technologies in the London July 7th bombings, where the first image to emerge from the event was one that was moblogged to Moblog.net;<sup>14</sup> and the use of Smart Mobs<sup>15</sup> to bring down the government of Joseph Estrada of the Philippines; and the use of moblogging at Moblog, which has recently been incorporated into a project with U.K. commercial TV broadcaster, Channel 4, called *The Big Art Mob*. This project aims to create a dynamic document of all the public art in the United Kingdom by asking citizens to send images of public art they discover from their mobile devices. MyNuMo allows people to create mobile content, and, if they can sell it, they get a revenue share. Al Gore's Current TV is noted as being a leader in the use of user-generated mobile content.

#### **[6] Recounting the Audience: The Holy Grail of Marketing**

The Holy Grail for mass media is to clearly identify an interested audience. We know that what gets measured gets made, and so the more accurately we know who the audience is, the more precisely we can target advertising and marketing. With magazines and newspapers, those who subscribe can be identified, usually by name and address. But we don't know exactly how many in the given household actually read that publication. And for those issues bought at the newsstand, we have no idea. With radio and TV, we can only measure audiences by Nielsen ratings, a sampling of one thousand families telling us what millions watch. With cinema we know even less about the actual viewing audience.

AFM Ventures illustrated the degree of accuracy in 2007. On TV, only about 1% of audience data is captured. On the Internet, this is about 10%. But on mobile, about 90% of audience data is captured. This is totally unprecedented accuracy in any mass media ever. And that has aroused the interest of brands and advertisers as they see the effectiveness of traditional marketing communications as a pale shadow of its old self.

<sup>13</sup> <http://wirelesswatch.jp/2008/01/07/i-channel-subscribers-exceed-15-million/>

<sup>14</sup> <http://moblog.net/view/77571/>

<sup>15</sup> <http://www.smartmobs.com/2006/08/22/wikipedia-on-sms-political-impacts/>



## The Black Gold of the 21<sup>st</sup> Century: Refined Data

As media became more fragmented, as the number of consumer touch-points increased, and as our economies became more mature, the pressure on marketing to become more accountable has increased and with that, the demand for measurement.

Recently, there is an emphasis not on awareness but on results metrics. One receives a piece of communication and then what? What happens next? In the SMLXL white paper on measurement, “What Gets Measured Gets Made” (2003),<sup>16</sup> the observation was made that media and marketing practitioners today have a fantastic opportunity to place themselves right at the heart of the communications business. Whether they take it will depend to a large extent on the success that they have in understanding not just generic audience data, but in going beyond these everyday metrics to examine every piece of relevant data and information available. Jan Van Dijk in *The Networked Society*<sup>17</sup> writes about the how digitalisation supports the communication capacities of accuracy, selectivity, and stimuli richness of the new media. That its uniform language makes content more accurate with fewer faults and less replication of mistakes and more opportunities for exact processing and calculation.

As a recent IBM report on the future of the advertising<sup>18</sup> noted:

*As fragmentation becomes a permanent fixture within media and entertainment, advertisers will be forced to move to more efficient and dynamic platforms capable of managing inventory, planning, delivering, tracking and measuring effectiveness of advertising across multiple channels and in real time.*

Change the way you count and you change the way the ad revenues flow, and the only way this is achieved is with refined, automated, and dynamic data flows that deliver on specific communication and marketing needs. In this networked world, the metrics of survey data are dead. What companies will be creating, using, and selling in the near future is what is described as *Social Marketing Intelligence*<sup>19</sup>. The more refined the intelligence extracted from the raw material of multiple data flows, the more valuable that intelligence becomes. Unique and valuable intelligence = revenue.

Social Marketing Intelligence is the method of extrapolating valuable information from social network interactions (beyond behavioural targeting) and combining those with other forms of data such as communication activity, behaviour, survey, demographic, or other forms of third-party data. This is described as a three-dimensional (3-D) profile that can enable companies, for example, to launch new products and services into the marketplace at greater speed and at significantly lower cost.

So it is of no surprise that the traditional media infrastructure is being rebuilt to understand and measure this evolving social media ecosystem. A social media ecosystem built by an interactive and participatory audience living in a participatory culture.

### Marketing: Offensive and Defensive

Whilst there has been an almost obscene amount written about advertising in the form of delivering conventional advertising furniture in the digital age such as targeted ads, there has been little written about how data is going to completely revolutionise the business of business, the business of marketing, and, indeed, the business of getting stuff done. Companies are daily involved in a complex process of playing offensive and defensive roles. These are protecting existing revenues (*defensive*), and increasing revenues and acquiring new customers (*offensive*).

Yet the dots are not joined up: marketing, media, and data need to be symbiotically connected to each other, so that precious company resources can be deployed intelligently at the right place and at the right time. The decision on how much to spend and where to allocate marketing resources will evolve as the once-siloed data warehouses, those dusty museums of

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<sup>16</sup> SMLXL: What get measured gets made. Jacobs and Moore (2003)  
<http://smlxtralarge.com/wp-content/uploads/2008/03/what-gets-measured-gets-m.pdf>

<sup>17</sup> <http://www.gw.utwente.nl/vandijk/>

<sup>18</sup> IBM: The End of Advertising as We Know It: 2008

<sup>19</sup> Wikipedia: [http://en.wikipedia.org/wiki/Social\\_marketing\\_intelligence](http://en.wikipedia.org/wiki/Social_marketing_intelligence)

customer records and other nefarious bits and bobs of data, become the living, breathing hubs that will enable those decisions to be made on a daily basis.

The effort and attention focused on only one aspect of marketing (serving ads) is one-dimensional, when one begins to realise how a data-driven approach to marketing can be transformational by offering an opportunity to remove organisational silos that truly hinder progress. This is beyond the serving ads advertising model. It was John Grant in his book *After Image*<sup>20</sup> who wrote that *image (display) advertising was the junk mail of the 21<sup>st</sup> century* and one has to ask the question, when we live in a world of search, of pull and not push,<sup>21</sup> is not display advertising and mass media communications, well, irrelevant? Do we want six feet of junk mail? (A woman collected all the junk mail she received in one year and it measured 6 feet in height, that's 2 meters) Or do we want a 30% response rate?<sup>22</sup> More of that later.

### **Dumb Display vs. Social Marketing Intelligence**

Already companies using *Social Marketing Intelligence* have witnessed dramatic increases in their offensive and defensive marketing results both in terms of an offensive and defensive play. The *Social Marketing Intelligence* company Xtract<sup>23</sup> has delivered results for its clients across a variety of industries.

For example, a magazine publication in Finland and one of the country's most popular Web sites for teenagers used Xtract tools to [1] get to know and understand the people using the Web site, [2] bring more subscribers of the magazine on site, [3] add new magazine subscribers from the online subscriber and visitor base and, [4] make the Web site profitable by utilising online information for marketing to advertisers. The solution was constructed in two phases. Phase 1 identified the most influencing users of the site, the *Hubs*, using advanced social network analytics. These made up 2% of the whole online subscriber base. In Phase 2 the community was analysed, which identified nine Web communities based on online and demographic data of the magazine subscribers. Specific profiles of the whole subscriber base were created. In doing so there was a 3.8 times increase in revenues when Hubs participated in viral commercial communication activity.

The MVNO Blyk in the U.K. also uses Xtract's 3-D profiling tools and, as a consequence, they get an average response rate to commercial messages of 29%+. Response rates normally on mobile are 3-6%.

Other results of Social Marketing Intelligence are:

- An **82 % increase** of the average ad income (from 11 cents to 20 cents).
- A higher premium for recognised valuable audiences in Internet community. Which creates the opportunity for personalised commercial communications and user engagement strategies.
- A **90% increase** in sales by using Social Marketing Intelligence.
- Estimated annual gain of €40m for a telecoms company. A **21% better accuracy** in predicting churn.
- New customer acquisition **grew by 25%** compared to 4% when using previous marketing methods.
- A **30% better response** than previous similar mobile campaigns. (Mobile response rates are normally 3-6%.)

<sup>20</sup> John Grant, *After Image*, Profile Books (October 2004)

<sup>21</sup> "When Push Comes to Pull: The New Economy and Culture of Networking Technology." Aspen Institute (2006) <http://www.aspeninstitute.org/atf/cf/%7BDEB6F227-659B-4EC8-8F84-8DF23CA704F5%7D/2005InfoTechText.pdf>

<sup>22</sup> 6 feet of junk mail or a 29% response rate?

<http://communities-dominate.blogs.com/brands/2008/02/6-feet-of-junk.html>

<sup>23</sup> <http://xtract.com>

### **Customer Lifecycle—Customer Relationship Management (CRM)**

The smart CMO and CIO will start to understand that by deploying a data-driven approach to marketing as a core strategy, he or she can begin to enable his or her company to be more agile, more flexible, more accurate, even more accountable, and at speeds that currently seem light years away. The CMO and CIO will realise that one can now take a holistic approach to the entire customer lifecycle, where the emphasis is no longer on the word “management.”

The above statistics demonstrate that there is no reason why this will not happen. Of course, data mining and data warehousing proponents will make the claim they do this already. Yet they do not integrate refined data into marketing and media tools, and systems dynamically, nor do they include a key element that enables the massive uplift in marketing effectiveness—the overlay of refined intelligence from social data flows.

### **The Basics of Social Marketing Intelligence**

Data has always been used in marketing, but it has been on a path of evolution. And there are three key stages that can be broadly identified

#### **1. Demographics**

Age, gender, postal code, occupation

#### **2. Context sensitive**

Web or WAP page, search, time, location

#### **3. Social Marketing Intelligence**

*Social Marketing Intelligence* is the combination of market segmentation and context, combined with customer behaviour and social network profiles.

The evolution of profiling is based on the data used at any given time:

- Demographics or static data
- Behaviour transactions data
- Social interactions data

Each of the three data dimensions roughly doubles the efficiency of marketing and advertising. When one combines all three dimensions together, one creates what is described as a 3-D customer profile. This has been proven to deliver 8<sup>24</sup> times more efficient marketing communications.

### **Segmentation, Marketing, and Social Network Theory**

The one single point to be made here is that the mass media and mass media channels cannot support a networked approach. Segmenting audiences around demographics, and therefore media selection (TV, print, billboards, Internet), is not appropriate in a networked world. Simply within the context of social networks we are all playing different roles as hubs, bridges, and connectors.<sup>25</sup>

The need to understand this simple fact underpins all that is associated with how we begin to understand how Social Marketing Intelligence is different to other forms of data analytics.

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<sup>24</sup> Research conducted by Dr. Juha Vensanto—Xtract <http://www.xtract.com>

<sup>25</sup> [http://en.wikipedia.org/wiki/Social\\_network](http://en.wikipedia.org/wiki/Social_network)

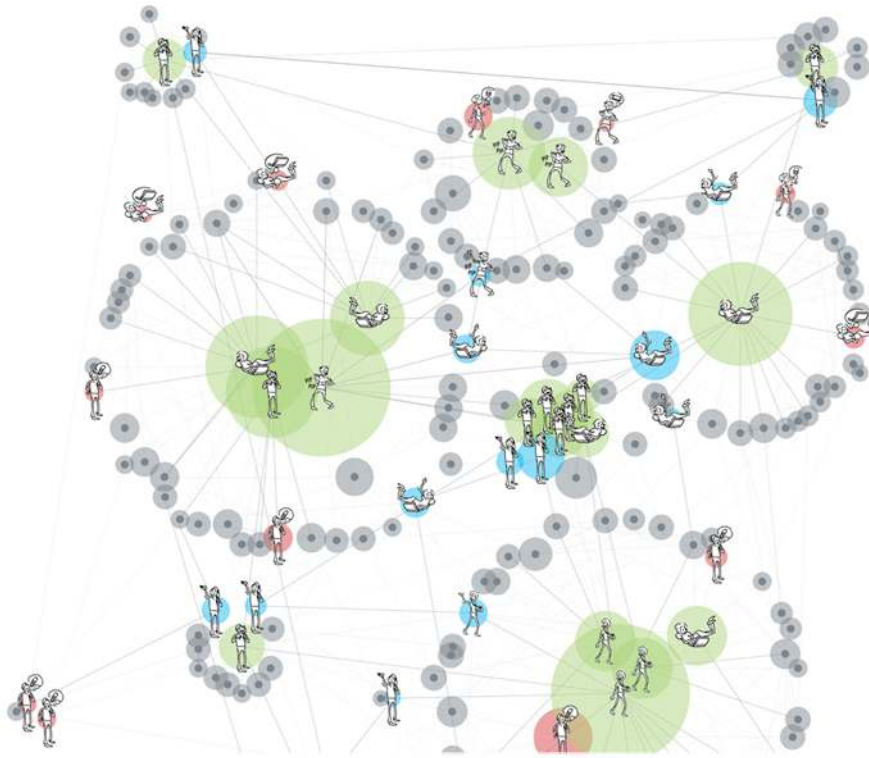


Figure 1: An example of how social networks operate and what roles we play in social networks. Courtesy Xtract Corporation.

### Social Marketing Intelligence: Systems, Tools, and Capability

What I have personally witnessed are developments towards the capability to aggregate large and multiple data flows, to refine those data flows, and to create outputs that relate to specific marketing functions. Generally these being:

- Customer acquisition
- Customer retention

Data is therefore turned from being potentially valuable to being a key driver of marketing, communications planning, and decision-making. For example, multiple data flows are combined within an analytics engine with outputs constructed around key drivers (examples only): new car acquirers, repeat purchasers, and purchasers of pre-owned cars vs. new purchasers. These systems, tools, and capabilities are integrated and at certain points automated. For example, company A's data warehouse is connected via a third-party platform to the outside world. It tracks all interactions that in some way or another are specific to it as a company. And these data flows are dynamic. Company A's marketing and media capability is also integrated into this ecosystem and outputs are generated against specific marketing functions. The marketing team from Company A can begin to observe the dynamics of the marketplace, as people look for new products or services, or are thinking of leaving to a competitor.

Because the UI is also connected into all media platforms, the self-learning system enables the marketing and media team to begin to look at how it takes advantage of this unique intelligence. Company A can see that on Monday, two thousand people have researched their products and services. The output builds profiles and makes suggestions of what the appropriate response mechanisms and media allocation should be to maximise sales.

However, as one delves further into marketing needs and functions, we see other needs that Social Marketing Intelligence can deliver upon:

- Deliver highly targeted commercial communications across the three screens.
- Increase the (value) cost of ads delivered to digital platforms.

- Reduce churn.
- Increase customer loyalty.
- Launch new products and services into the marketplace at greater speed and lower cost.
- Enable highly effective virality within social networks.
- Effectively monetize digital communities.
- Significantly reduce marketing costs.

### **The Migration from CPM to Cost Per Relevant Audience (CPRA)<sup>26</sup>**

All media is bought and sold, measured, and quantified by the model of Cost Per Thousand (CPM, where M is the Roman numeral for thousand), Gross Rating Points for TV (GRPs) and latterly, Cost Per Click (CPC). CPM was the only way that audiences could be quantified and measured remotely accurately. But in a world where the traces, shadows, and trails of human interaction are littered across the digital universe, which can be harnessed, refined and profiled, and then combined with other data sources, one can begin to recount the audience.

We move into an era in which captured dynamic data becomes the key ingredient in deciding who is the specific audience that one wants to communicate with. That audience becomes more valuable, when we are no longer trying to reach an anonymised audience, a mass media audience, if you will, only described by their demographics. In the new era, we employ a more complex and complete form of profiling utilising multiple data flows.

Cost per relevant audience (CPRA) is constructed from 3-D profiling. These 3-D profiles include a ranking of ones role within a social network (weak-link, hub etc.), which is linked to dynamic data flows. An audience is indentified that is most likely to be the best receivers, adopters, and disseminators of a particular commercial message. This is the cost per relevant audience. CPRA provides the ability to decide upon the most appropriate marketing collateral and media channels to be utilised.

### **Automated and Self-Learning**

*Social Marketing Intelligence*, by the very nature of its ability to process massive data flows dynamically, is also a self-learning system. By building automated self-learning systems to perform specific marketing tasks, CPRA becomes defining as the black gold of the 21<sup>st</sup> century. Raw data has no value, but refined and applied data to specific marketing functions does.

### **Your Destiny with Data**

Ad Age's Bob Garfield recently wrote about "your data with your destiny" when he made his case for how data will transform marketing and media. Though curiously his focus seemed only about the fixed Internet<sup>27</sup>. At least people are starting to think about data and marketing. But I love the title because mobile marketing can be hugely effective if it is built on refined data that includes analytics of peoples' roles in social networks, is self-learning, predictive as a system, and has a compelling UI that allows comprehensive manipulation of massive and multiple data flows to better inform mobile marketing campaigns. Mobile marketing also needs to deliver truly useful information and services that are timely, relevant, and contextual. This is not the old furniture of advertising. We are way beyond behavioural targeting at this point.

### **New Advertising Inventory Made Possible by the Black Gold of Refined Intelligence**

People need brands. Products and services and businesses need people to buy them. In today's world we can begin to think about how we might go about delivering more value to those people seeking products and services via a higher form of intelligence.

John Hagel writing in "Shift Happens—The Future of Advertising"<sup>28</sup> points out that:

In the advertising world, multiple shifts are piling on top of each other and it is often hard to keep track of them, much less understand their implications.

<sup>26</sup> CPRA is a study and set of metrics currently being developed by SMLXL

<sup>27</sup> <http://smlxtralarge.com/2008/09/30/the-black-gold-of-the-21st-century-refined-data/>

<sup>28</sup> [http://edgeperspectives.typepad.com/edge\\_perspectives/2008/03/shift-happens-t.html](http://edgeperspectives.typepad.com/edge_perspectives/2008/03/shift-happens-t.html)

Let's look at just some that are reshaping the advertising world:

- Shifts from advertising placed in digital content to ads placed in social networks and applications
- Shifts from digital advertisements delivered through conventional PCs to a growing array of mobile devices with an increasing ability to target messages based on the physical location of the person
- Shifts in the behaviour of digital users in their responsiveness to advertisements online
- Shifts in the way that companies connect with and build relationships with stakeholders (for example, blurring boundaries between customers, partners, and suppliers)
- Shifts in the revenue models for businesses, as online businesses in particular become more and more dependent on advertising as a key revenue source (for example, is there any Web 2.0 start-up that doesn't blithely answer "advertising" when asked about their revenue model?)

Hagel's message to businesses, whoever they may be, is that they should be able to genuinely and authentically engage<sup>29</sup> people around their products and services. And to do so in such a compelling way that people seek them out and keep coming back because they have received so much value.

The long trajectory that will shape marketing and business is the move from random interception to targeting intention to seeking attention and ultimately to attracting attention.

### **Mobile as an Advertising Platform**

Will mobile be an advertising and commercial communications platform? Of course it will, it already is. In Japan 54% of all mobile phone owners have opted to receive ads on their phones, and the Japanese mobile advertising industry has been so creative that today 44% of Japanese mobile phone owners actively click on ads they have received on their phones. In various countries from India to Spain to South Africa to Finland, mobile marketing and mobile advertising innovations are becoming elements of the advertising mix.

Will mobile be part of redefining what commercial communications is? The answer to that is absolutely. The rules have changed.

Before you say, "But I would not want intrusive ads on my phone," consider this finding from a survey of 1500 under 20-year-olds in the U.K. by Q Research in 2007. If asked simply would they be willing to receive ads on the phone, 68% said no. But if the question is changed to offer "relevant commercial communication," the response jumps to 71% willing to accept. If the proposition involves coupons and discounts, 76% say yes. And if given the chance to top-up their phone accounts through mobile ads or mobile marketing, 82% of British youth are willing to accept.

### **What is Advertising in the 21<sup>st</sup> Century?**

In my presentations I ask people if they use a search engine. A 99% showing of hands is not uncommon. Then I ask people to imagine that they cannot use a search engine for, say, a couple of weeks. Can they do their jobs? One typically gets a ripple of embarrassed laughter. So I say, can we all agree then that we no longer live in a world of passive consumption, but in a world of search and discovery, a pull economy, if you will, and, if that is the case, why on earth are we still using the old furniture of interruptive communications in all media?

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<sup>29</sup> [http://en.wikipedia.org/wiki/Engagement\\_marketing](http://en.wikipedia.org/wiki/Engagement_marketing)

According to Lawrence Cosh-Ishii, co-founder of Wireless Watch Japan,

*While we are starting to see the adoption of 2D bar codes in markets overseas, the original wave of QR Codes—the iconic call-to-action in Japan since 2004—is steadily giving way to ad campaigns using a standard search box embedded with a few unique keywords. Considering web usage is based on location with access by PC vs. mobile device running about even in Japan, combined with easy to remember—anytime & anywhere—characters displayed in their native language, the approach could be rapidly deployed in other non-English locations such as Russia, China, India and Arabic speaking countries. As an obvious evolution, which requires no special hardware or software, this simple strategy—most importantly—works very well across all traditional media channels.*

What actually is advertising? And “How close to zero do you need to get before someone works out click-throughs don’t work?” someone asked me recently. People buy services, and advertising, all \$1 trillion of it, needs to become useful. That means the perceived currency of advertising needs to change. Jonathan MacDonald, a specialist in mobile marketing, believes that brand spend on mobile advertising will eventually eclipse all other media, and that what we currently class as mobile and what we currently perceive as advertising will be fundamentally redefined.

MacDonald argues:

*The thing is, every other media prior to mobile could work within the standard techniques of advertising. This is because each media was essentially yet another channel for broadcasting messages. Print, radio, recordings, cinema and television are all surfaces upon which to display commercial information. Although we used several of these media as a means of communication, the advertising methodology did not relate to our communicative usage per se.*

MacDonald’s thesis is worth persevering with, because it shapes and helps define the argument for the Mobile Society within a commercial context. With the maturity of the World Wide Web, the opportunity to use the interactive mechanisms of user touch and click were realised. Now, the primary metrics of success in Web advertising are “who has clicked on what,” added to how many display images have been served, all of which hopefully lead to a sale—or at worst—increased brand recognition. Enter a device purely made for communication, not broadcast: the mobile phone. Is the mobile phone therefore simply another channel to access Web content? There have indeed been expressions that all the advertising industry needs to do is apply the same logic to mobile as it has done to Web content—the same CPM pricing and the same display-based material, repurposed or specially made.

At the time of writing, standards bodies such as the Mobile Marketing Association (MMA) and the Open Mobile Alliance (OMA), along with the mobile operator trade association (GSMA) are standardizing XHTML banner formats as a priority. Their reasoning is twofold: Banners are the easiest channel for media agencies to understand, and these banner ads display well on the more limited mobile device browsers. However, banner ads rarely exploit the bidirectional, communicative nature of mobile.

MacDonald predicts that the vast majority of mobile marketing will be messaging-based in the future. Also that user opt-in will be a global standard. The primary justification of this prediction is that consumers will increasingly demand the right to invite advertisers in to their conversations. Added to this, advertisers will see the positive effect of invitation and therefore seek out environments where this is in place.

So what does that look like as a best practice? Based in Japan, Girlswalker is a mobile fashion retailing business that has over 7 million readers. The site is treated like a magazine and gets over 1.4 billion page views per month. Each mini-magazine links back to the mobile home page, and users are encouraged not only to subscribe but also to publish their own writing via a simple mobile format.

Now this quote from CEO and president, Fumitaro Ohama, is worth dwelling upon, because Fumitaro was speaking in 2003...

*Two years ago, everybody laughed at us when we went looking for partners for Girls Walker they said there was no way consumers would buy goods over the keitai (mobile).*

Xavel, the company that owns Girlswalker, has a return shopping rate of 45%. Girlswalker is the No. 1 Japanese mobile portal site, and they've done it all by word of mouth. Girlswalker fills stadiums of 40,000 girls, and Fumitaro Ohama is part of the Lear Jet owners club. Why? Because Girlswalker is based upon relevancy, participation, and commercial application.

Christopher Billich of Infinita, an authority on the Japanese mobile industry, writes:

*Mobile commerce is a very big business in Japan, with the value of physical goods sold via mobile online shopping alone totalling JPY258 billion in 2006. The most popular mobile shopping sites are operator-independent ones like those operated by Xavel or online retail giant Rakuten, which already generates 25% of its turnover through mobile sales.*

*For the carriers, there is good money to be made from the increased data traffic on their networks, and since teenagers access the Internet from their phones much more than from PCs these days, for fashion retailers a mobile presence is absolutely vital to staying competitive. By far the most active group of mobile shoppers are young women, which results in fashion items being the most popular category. More than half of mobile shoppers in Japan bought clothes or accessories via their handset last year.*

The commercial challenge, therefore, is to create stuff that inspires people, that they want to be part of, and share with their friends. It's dead simple, but it seems there is a lot of catching up to do.

### **Advertising as a Service**

Let's take local advertising as a service. The classified market broadly breaks down into:

- Cars
- Property
- Renting
- Jobs

Why not create a service called "**First in the Queue.**" I sign up to a mobile service and I register that I am specifically interested in this car, property with this spec, and this budget. The local newspaper that runs the service aggregates this information, and sends it to me and maybe to a small network of friends—we might be flat hunting.

Or let's say, for example, a person walks into the Carphone Warehouse. The person says, "Hello Mr Salesman, I am a blue person." What the salesperson understands from this is that this person wants an unfettered device, without constraints, and they will sort out all the IT problems themselves. If they download something, they will sort it. Whereas,

Mr. Red only wants to do online and mobile banking.

Ms. Purple wants the walled garden.

Ms. Beige wants voice and text.

Mr. Pink wants mobile TV and music.

Here customers are differentiated based on their trust in the device, the sales person, and their provider of the service. What this points to is a very different type of commerce, and how customers and vendors interact with each other in what one might describe as contextual, interactive, permission-based advertiser packages. I present the argument that customer centricity is the key component of tomorrow's multi-access network.



Indeed, the language that describes customer centricity could well look like this...

1. Search/discovery/instruction/find
2. Proximity/location/local/awareness/context
3. Recommendation/bridge or bonded and the strength of connections/who/
4. Links/
5. Barter/trade/exchange

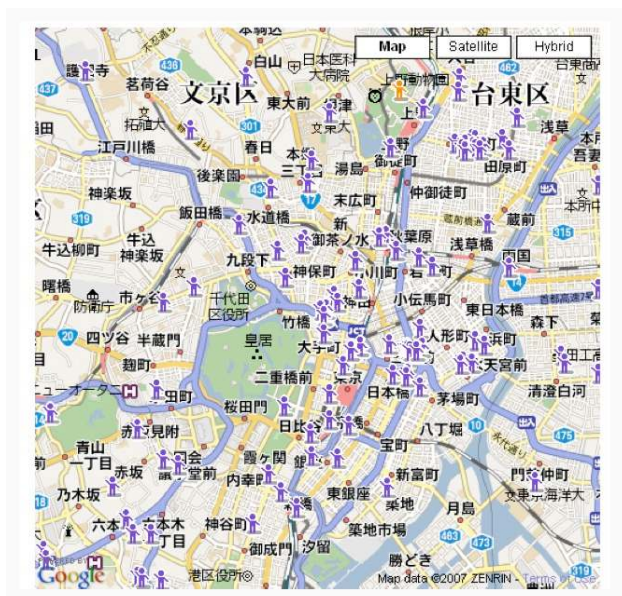
Again, one has to understand that these key words also describe bidirectional communication. So, if companies want to truly succeed in the Mobile Society using the 7<sup>th</sup> Mass Media, they have to make the essential next step towards providing what are truly personalised services, by building a consolidated, dynamic, and real-time picture of their subscribers and customers that acts as the catalyst for rapid service creation, deployment, and delivery. For the service provider this delivers a leap forward in terms of customer centricity, time to market for new services, and operating cost reduction. Customer Care and Marketing will gain the insight they need to better target their offers and achieve ambitious sales, retention, and profit targets.

The goal must be the creation of, and access to, a database that contains rich customer information that could be used for serving better end-user service experiences and to create new revenue streams.

These might be constructed around Contextual Identity Management, consisting of:

- Profiles, policies
- Authentication, authorization
- Location, presence
- Payment and billing
- Personalization, via profiling and recommendations

If you use SMS parking, or pay the London congestion charge, or purchase a Helsinki tram ticket by mobile, there is a black gold opportunity in building customer profiles, and serving (non-media) industries from transport to, say, insurance, healthcare, and education.



### Otetsudai Networks, “help networks”

In Japan, there is a service that allows the buying and selling of temporary labour: babysitting, moving boxes, short order cooking. People can connect via their mobile to view a particular area of a city that shows where people are who want to buy a few hours of someone’s time.

This service has proven to be very successful and is another example of data being turned into unique intelligence that is then turned into cash. It’s a form of the socialisation of search and commerce and also, one might argue, is truly dynamic segmentation. Amazon’s recommendation service, (you bought this, so you might be also interested in this music and these books, etc.) is designed around shifting stuff, but it is

done in such a way that it is seen as a useful service that is created around my own personal behaviour, which is valuable intelligence.

### **More Life Enabling, Life Simplifying, Navigational Service Propositions**

Or how about the just-in-time-dentist where a dentist fills cancelled inventory via SMS, or the library service that informs you when your books are in, reminds you that they need renewing, and allows you to do that via your mobile. Or recommendation engines suggesting restaurants, places to go and see based upon your profile, location, and proximity. In South Korea all credit card companies use mobile phones by default, offering to send an optional old-fashioned plastic credit card to the customer's home address for free. Think of all the services that could fall out of that.

### **Android**

Although the topic of convergence comes along a little later, it is important at this juncture to point to the developments of Android. Android is a software platform that comprises an operating system (Linux), a development environment (Dalvik), and a Web browser (webkit), among other things<sup>30</sup>. Key to Android and specifically mobile is that which applies to context.

Ajit Joakar<sup>31</sup> writes that mobile context is a noble thing but the problem is that the ecosystem is fragmented and there is no easy way to acquire that context. Android addresses the problem of context in one dimension. Specifically, it unifies the device stack. Consider that a lot of metadata and contextual data is generated by the act of navigating various aspects of the phone such as the address book, messaging etc. At the moment, all this activity is not captured because the phone stack is fragmented. Which means we often have Java running on top of Symbian and often the user running applications on Opera Mini. These are not unified and hence there is no single contextual view of the user's activity. Android unifies the device stack for the first time. By doing so, it treats every element of the phone as a Web 2.0 component, that is, a creator of metadata. All this metadata can be captured by Google or targeted advertising. Hence, Android is very significant. Gmail offers a precedent here, because we see the same targeted advertising in Gmail and it is very successful. So, Android offers a superior product (in software terms), solves a problem (fragmented stack), and provides context (for advertising). Android's revenue model also reflects this. Developers will get 70% of Android revenues and carriers will get the remaining 30%<sup>32</sup>. This number is significant, because it is this incentive model that drives a grass roots explosion of commercial creativity. Google gets no revenue from downloadable apps, but gets revenue from commercial messaging. And there are already paid apps in the Android marketplace.<sup>33</sup>

TechCrunch has a list of their Top 10 Android Launch Apps:

**[1] imeem Mobile:** It's a jukebox in your pocket, and the progressive download means that your song doesn't skip when you go into an elevator.

**[2] ShopSavvy:** From Big in Japan, this turns your phone into a barcode scanner and then gives you price comparisons both online and in nearby retail stores. In my tests, the product database is good for household items, but can stumble with obscure products. But this is a killer app after the product database becomes more comprehensive. (Also try CompareEverywhere, which does the same thing).

**[3] Pacman:** The original arcade game from Namco. Free on the Android. (It costs \$7.99 on the iPhone). The rollerball is an excellent joystick.

**[4] BreadCrumbz:** You can leave photo and voice marker breadcrumbz along any route that others can then follow later on. Ties into the phone's GPS, maps, camera, and microphone.

**[5] Wikitude:** A travel guide that pulls up information from Wikipedia about nearby locations and puts them on a map along with photos from Panoramio. Really useful geo-mashup.

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<sup>30</sup> [http://en.wikipedia.org/wiki/Google\\_Android](http://en.wikipedia.org/wiki/Google_Android)

<sup>31</sup> <http://opengardensblog.futuretext.com/>

<sup>32</sup> <http://android-developers.blogspot.com/2008/10/android-market-now-available-for-users.html>

<sup>33</sup> <http://geek-news.net/2008/10/android-market-launches.html>

[6] **Shazam:** Put the phone up to a radio or speaker playing a song and Shazam will tell you the name and the artist, just like the iPhone app.

[7] **SplashPlay:** Teaches you how to play the guitar by playing music and showing a fret board that you can play on the screen in sync with the music. The app is marketing for a similar tutorial device you can buy for your guitar, but it really teaches you how to play.

[8] **iSkoot for Skype:** Lets you use your Skype account to IM your contacts, make Skype calls over the Internet, and uses the phone for SkypeOut calls. (This is one of the apps that was taken down, but should go up again. Update: It's available now.)

[9] **MyCloset:** This one's a very nicely done app. You take a picture of every article of clothes in your closet, categorize them (top, bottom, shoes, accessories, etc.), select months when they can be worn, and then you can mix and match to plan out your outfits. The only thing it needs is some way to note whether a piece of clothing is clean or not.

[10] **Cab4Me Light:** A simple app that gives you phone numbers of cab companies based on where you are.

### **The Minority Report**

Collected aggregated personal data gives people the willies. Fears of invasion of privacy and regulation are relevant and necessary. However, I think it's a question of framework. The entire ethos of marketing communication is built upon mass media thinking and practice. But push advertising and the metrics of the mass media are simply irrelevant in a world where we can identify the most relevant audience for the most relevant message or those people that can identify themselves for particular bundles of information. It is time for an intelligent upgrade. The industry has to understand that yes, we don't want constant interruption on our mobiles, but we might want valuable information and services.

Also people themselves can use data, and, by presenting more information about themselves within a specific context, could benefit by accessing the most relevant information to them at that time. Signalling to third parties that they are now in the market for, say, a new car.

There is a belief that user opt-in will become a global standard. The primary justification of this prediction is that consumers will increasingly demand the right to invite advertisers in to their conversations. Added to this, advertisers will see the positive effect of invitation and therefore seek out environments where this is in place.

Privacy, permission, and preference will be the main focal points moving forward. This is also described as Vendor Relationship Management (VRM)<sup>34</sup>. VRM is the reciprocal of Customer Relationship Management (CRM). VRM describes a set of tools, technologies, and services that help individuals go to market and manage relationships with vendors. In turn, vendors who align themselves to these tools, technologies, and services will have the opportunity to build better relationships with their customers.

The goal of VRM is to improve the relationship between the demand-side and the supply-side of markets by providing new and better ways for the former to relate to the latter. In a larger sense, VRM has the potential to improve markets and their mechanisms by equipping customers to be independent leaders and not just captive followers in their relationships with vendors and other parties on the supply side of the marketplace. And we therefore have to ask these questions:

Who has my information?

Who will I allow to access my information?

What commercial content do I want to receive?

Fundamentally, whose data is it anyway? asks Jonathan MacDonald. It's collected and paid for by my phone operator, my ISP, my bank, my local police force, my tax office, my employer, Google, Amazon, eBay, and dozens of others. It's kept in silos, unable to be shared between silos even if I give my permission due to data protection legislation that's supposed to work

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<sup>34</sup> [http://en.wikipedia.org/wiki/Vendor\\_Relationship\\_Management](http://en.wikipedia.org/wiki/Vendor_Relationship_Management)

on my behalf. People need brands and brands need people. It's just that in the 21<sup>st</sup> century, we can help those people and those brands when they need each other the most. All mobile marketing and services will succeed to the extent that they meet human needs.

To anchor our thinking, it is perhaps insightful to study Aristotle's three principles of persuasion: Ethos, Pathos, and Logos. In communication, the most effective interpersonal methods are a blend of all three. Ethos, which is the ethical value of character and reputation, provides what James Borg writes as "source credibility." This is based on trust. Trust is based on a common understanding and agreement, not toleration. Pathos relates to the emotions felt by the audience. Aristotle wrote that "Persuasion may come through the hearers when the speech stirs their emotions." Empathy is needed—you need to know how they feel. Logos is the logical element. The actual words chosen, based on tangible truth. Credibility is critical.

We are discussing the personal communication space. Mobile devices are our chosen personal communication tools. The science that we need to apply now is not the same as it has been for the last 100 years of advertising. We cannot just simply apply the techniques we have mastered with the six prior mass media. The 7th is unique—not just as a device, but as what it means in peoples lives.

## Media Content and Mobile

### Music on Mobile

In 2001 Apple was the architect of a new market space into what many thought was a diminishing market, owned by Sony Walkman on the portable music player side, and in terminal decline due to Napster on the content side. Apple revolutionised the music industry, now having sold 100 million iPods in six years and creating a billion-dollar revenue stream for the music recording industry out of legitimate music sales through iTunes. Record quarterly sales of 22.1 million iPods helped Apple tally \$9.6 billion in revenue and a \$1.5-billion profit for its fiscal first quarter<sup>35</sup>.

What most media executives outside of music do not know is that the mobile music industry is actually dramatically larger. The same is true of the music content side. Although iTunes delivered about a billion dollars of music sales revenues in 2006, mobile music was worth over \$8.8 billion worldwide. Three classes of mobile music, ringing tones, ringback tones, and full-track MP3 songs, each outsell total iTunes sales on a worldwide basis. In South Korea 45% of all music sold is sold straight to music phones; in America less than 10% of all music sold is to iTunes.

### Artists First

Artists First is a U.K.-based firm of musicians turned technicians that enables artists to create, package, and sell their content directly to mobile users and collect payment via reverse SMS. After launching in March, the service is live in over 25 countries. The company is also working on a peer-to-peer application and developing a range of content-creation tools that will allow artists to rip a part of their content and deliver it as a ringtone. The CEO Mark Bjornsgaard says:

*It's all about empowering artists to communicate directly with their mobile audiences, limiting the role of the middleman who could get in the way of that exchange and generating revenue streams from a whole range of income streams over and above the music.*

### More Social

As with the Internet, interactivity is built into mobile. SMS text messaging is used by twice as many people worldwide as e-mail, and through SMS text messaging you can reach three times as many people as through any messaging platforms on the Internet. Because of Metcalfe's Law<sup>36</sup> (the utility of a communication network grows by the square of the number of network users) and Reed's Law<sup>37</sup> (a collaborative network derives even greater benefits than a

<sup>35</sup> <http://www.macworld.com/article/131874/2008/01/ipodsales.html>

<sup>36</sup> [http://en.wikipedia.org/wiki/Metcalfe's\\_Law](http://en.wikipedia.org/wiki/Metcalfe's_Law)

<sup>37</sup> [http://en.wikipedia.org/wiki/Reed's\\_Law](http://en.wikipedia.org/wiki/Reed's_Law)

communication network), mobile has already become a bigger social networking platform than the Internet. And in a very young mobile content category, the first mobile social networking service went commercial in 2003 when Cyworld Mobile launched in South Korea. But in only three years, by 2006, mobile social networking had shot past Internet social networking in revenues, reaching a massive \$3.45 billion worldwide, according to Informa. This is a world record in how rapidly a new billion-dollar industry has been formed.

### **The Mobile Book**

The first books published for mobile phone consumption were released in Japan in 2002. New authors publish shorter novels to mobile before they have received deals to publish traditional books. Those authors who do well get their works released in book form. The publisher has mitigated the risk of printing thousands of books of a title that won't sell, then having to resell them at a loss.

Booksellers don't have to struggle with stocks of obscure titles. But because of the payment channel inherent in mobile, low-cost delivery is possible for content, which is not heavy in data-load. Moving text on the cellular network is not nearly as expensive as moving images or sounds. Future authors get more easily published, and publishers can test (with only modest costs) the ability for a given author to find an audience. In five years mobile books have turned into an \$82 million industry in Japan. Across the whole mobile phone user base, the average Japanese phone user spends 90 cents per year consuming books on mobile. When this catches on worldwide, it is another multibillion dollar content industry where mobile has cannibalised an older mass media content format.

### **After Cyworld Opened, I Hardly Touched MySpace**

MySpace is the well known social networking site with over 100 million users worldwide. Users post personal profiles, comments, assign indications of who are their online friends, exchange digital photos, rate music, etc. Cyworld is a similar social networking site from South Korea but older than MySpace, and built in the country with the world's highest penetration of broadband Internet and 3G mobile phones. Cyworld has evolved to become the more advanced social networking site, and fully integrated onto both broadband Internet and 3G mobile. Cyworld combines all the innovations of MySpace with the avatars of Second Life, the personal virtual rooms of Habbo Hotel, the music store of iTunes, the online store of eBay, the video sharing of YouTube, and the full blogging experience (blogs, web logs, personal diaries, and personal publishing online).

By every measure, adjusted for South Korea's population size of 50 million inhabitants, Cyworld leads the world. 42% of the total South Korean population is active inside Cyworld. Over 90% of all pictures shared in South Korea go through Cyworld and for all the immense power of videos shared on YouTube, from less than a fourth the size in absolute user numbers, Cyworld actually generates more video uploading today than YouTube.

### **Eating the Big Fish**

Japan became the first industrialised country where more than half of all Internet access was from mobile in 2005. By 2006 South Korea had joined this club, and in 2006 the Internet user migration to mobile of European countries such as Italy, Germany, Spain, and Austria was in the 30% range. 19% of American Internet users already use mobile to access the Web. Technically impossible until this decade, mobile access to Web content is rapidly becoming the preferred choice.

That is why Google CEO Eric Schmidt keeps repeating his mantra on the future of Google, "Mobile, mobile, mobile!" Eric Schmidt says that they are planning for the day when Google makes more money from mobile than from computers.

### **The iPhone Era: Before iPhone and After iPhone (Bi and Ai)**

A TV executive once said that Mobile TV was a bit like sex in the open air. It always seems like a good idea, but it's not always practical. This was said in a world before the iPhone otherwise known as "Bi," but we now are entering a new era called "Ai," for after iPhone. The iPhone is not technically a breakthrough device. Faster mobile networking technologies already exist, as do larger mobile phone screens and better resolution cameras. What the iPhone seems to be, at least judging by the interest around its launch, is a plausible pocket media device. Pocket TV has existed since the 1980s and frustrating pocket Internet devices since the 1990s, but the sleek, elegant, sexy iPhone suggests that the pocket Internet is totally viable today.

Silicon Valley reports that officially two thousand companies are now creating apps for the iPhone, and unofficially it is three thousand plus. The key point here is ecology. The i-Mode in Japan was built from the ground up as an ecology. The mobile society is an ecology. The mobile as the 7<sup>th</sup> mass media is equally an ecology, constructed from infrastructure, services, refined data flows, and the ability to use those to meet personal, social, and commercial needs on devices that provide a compelling user experience.

### **Come Together as One**

The pocket Internet is where this all ends up, and it is the free flow of information, the social life of information, if you will, that makes the mobile society so tantalising. Brian Levy, CTO of Media and Entertainment at HP, challenged me on the theory of Mobile as the 7<sup>th</sup> Mass Media. In his opinion, eventually the 6<sup>th</sup> and the 7<sup>th</sup> mass media come together as one. And I think he is right. Let me give you but one example.

Qik is a video streaming service. Qik launched into private alpha around Christmas 2007 and went live into public alpha on July 21, 2008. Qik say that they have a large user base in more than 100 countries. Splits by country are not available. Qik's live video streaming comes with a chat overlay, so that users watching on the Web can type in their questions, comments, and feedback as they view. Those remarks show up on the producer's mobile screen. Users (individuals and media houses) have employed the chat feature around videos.

Qik streams live to the Web, so users can also watch archived videos from their mobile phone via Qik's mobile site or the standard podcasting clients that come on smartphones. Qik has several popular integrations. Users can set up their accounts so that all videos they stream also push directly to their YouTube account after the stream has terminated, so no separate upload is necessary. They also offer the option of alerting Twitter and Pownce followers when you are live, with a direct link to the live stream within the tweet. Qik also offers SMS and e-mail notifications. Mogulus has also been a partner for Qik, so Qik users who have their live, 24/7 online TV channel there can integrate the Qik experience from their mobile phones into their Mogulus channel. They have a similar integration with Justin.tv as well as with Seismic.

Interestingly, there is no optimal length for video. Users can stream live from Qik as long as the handset has the power to keep going. Qik does not throttle usage in any way. And Qik has no specific device integration.

In Qik, groups are a way to stream and share with specific individuals, or to create micro-communities around common affinities, associations, or interests. Qik has groups based on a number of areas from family-exclusive groups to departments within larger organizations using groups to aggregate and experience Qik videos. This social technology is now cascading throughout our wider society. The implications are structural and therefore profound.

### **Up, Up, and Away in the Clouds**

But convergence and its possibilities are now opening a completely different view of ubiquitous computing. It is called *the cloud*.

*Put it in the cloud! It is much cheaper! That is the new model. That transition is going to happen independent of Google. It is the time: The networks are fast enough, the computers are fast enough.*

Eric Schmidt again.<sup>38</sup>In terms of convergence, cloud computing<sup>39</sup> could do some very interesting things for a converged world. In fact, former Oracle executive Timothy Chou urged businesses to plan for the coming of the cloud. As carriers and phone makers build smarter devices and faster networks with no data restrictions, application developers inside companies should start to think about that steady growth as they design new corporate applications. Before too long, those apps will need to interact with the cloud, and they'll need to be usable on a small device in the view of Chou<sup>40</sup>.

Ajit Joakar informs us that with cloud computing, the browser is becoming a platform to run Web apps. By Web apps, his position is an application that runs mainly on the Web. However,

<sup>38</sup> <http://blogoscoped.com/archive/2008-05-27-n21.html>

<sup>39</sup> [http://en.wikipedia.org/wiki/Cloud\\_computing](http://en.wikipedia.org/wiki/Cloud_computing)

<sup>40</sup> [http://news.cnet.com/8301-13579\\_3-9925528-37.html](http://news.cnet.com/8301-13579_3-9925528-37.html)

the browser was never meant to take that role: The browser has evolved into this role overtime and by chance. The browser has had many cosmetic features (dials, UI, etc.) and the UI has been the emphasis of browser vendors. But increasingly, UI alone is not enough when the browser can run Web apps. The browser needs some key elements of the operating system to be a true (ground-up) platform that runs Web apps.

In a mobile context, he sees the possibility of a smart card Web server-based SIM that includes in its full implementation at least the following:

- A complete Web server
- Up to 1 GB of memory
- A full browser standards-based application development environment
- Capability to run offline Web applications
- Access to device APIs
- A trusted ecosystem.

In other words, it has all the elements to potentially be the client for the cloud from an Operator standpoint. There is one key advantage for the Operator: although roadmaps for devices and browsers may deviate from Operators, a roadmap for SCWS SIM is much more aligned by Operator (because the Operator controls the SIM).

So, the Operator vision could look like this:

- SCWS SIM becomes the client for the cloud.
- Operator adds value because it is a single point of contact for many cloud services (a place to store logins) managed through SCWS technology.
- Includes security, the JavaScript engine, etc., all of which are compatible with SCWS SIM (the JavaScript engine runs in the browser but the Java scripts and pages are stored in the SIM).
- Mirrors a wider strategy of the Web.
- Client-side processing is enabled by faster, local, secure execution, and it is still standards-based.

One could write an entire paper on mobile and Web cloud computing. We cannot do it here, but I think it is important to acknowledge.

# The wider mobile Society

## Politics

Kenya provides a recent and inspiring example of the intimate relationship between technology and collective action. Kenyan citizen journalists and activists were actively using Web 2.0 tools and applications such as wikis, blogs, Facebook, Flickr, Twitter, and mashups to organise and share news and information about the recent post-election crisis, chronicling violence, sharing crisis photos, and raising funds to help the needy.

A leading Kenyan blogger, Ory Okolloh<sup>41</sup>, wrote a post on her blog asking for volunteers to create a mashup using Google Maps to document post-election violence and destruction for the future reconciliation process. This idea was adopted by Kenyans inside the country and abroad. Rapidly, a tool was developed called “Ushahidi” (Swahili for testimony) for people who witness acts of violence in Kenya to report the incidents on a map-based view for others to see.

Ushahidi has an SMS functionality that allows for people without Internet access to send information from their mobile phones, thus enabling flows of communication that are transformational. Stewart Brand<sup>42</sup> famously said all information wants to be free, and Richard Stallman<sup>43</sup> refined that thought:

*I believe that all generally useful information should be free. By 'free' I am not referring to price, but rather to the freedom to copy the information and to adapt it to one's own uses... When information is generally useful, redistributing it makes humanity wealthier no matter who is distributing and no matter who is receiving.*

## Poverty and Wealth

Currently, the largest telephone company in Bangladesh with nearly sixteen million subscribers is Grameenphone, which provides telephone access to more than 100 million rural people living in 60,000 villages and generates revenues close to \$1 billion annually. With infrastructure investments of more than \$1 billion, Grameenphone is providing cellular coverage throughout Bangladesh.

Kevin Kelly, writing about Grameenphone, points out that in 1993 Bangladesh had one of the lowest penetrations of telephones on the planet, represented by only one phone for every 500 people. The Grameenphone project distributed 25 million phones. Today there are 100 times as many phones, or one per five people. This decentralized connectivity has increased productivity. With mobile connectivity, farmers maximize their profits by getting real-time prices at distant markets; shepherds can call a vet or order medicine. One study concluded that the total lifetime cost of an additional phone (including the cell tower and switching gear) was about \$2,000, but that each phone enabled \$50,000 of increased productivity. And the poorer the country, the greater the increase in wealth from mobile connectivity.

## Literacy

Poor literacy remains a decisive barrier to the economic empowerment of many people in the developing world, is the view of a program running at the University of California, Berkeley<sup>44</sup>. On its Web site the Berkeley initiative argues that, although technology cannot replace learning through interactions with proficient language users, it can nevertheless provide learners, especially those who are disadvantaged and lack access to other educational avenues, with the foundation for further growth in listening, reading, writing, and conversational skills. And whilst the desktop computer is currently the platform of choice in practically any grassroots literacy program, mobile devices offer significantly more convenience due to inadequate building infrastructure and irregular electricity in rural areas. There is a more fundamental social argument: Because a substantial fraction of children in developing regions have limited time to attend school regularly when they need to work for the family in the home or agricultural fields, learning in the out-of-school settings made

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<sup>41</sup> <http://www.kenyanpundit.com/>

<sup>42</sup> [http://en.wikipedia.org/wiki/Information\\_wants\\_to\\_be\\_free](http://en.wikipedia.org/wiki/Information_wants_to_be_free)

<sup>43</sup> [http://en.wikipedia.org/wiki/Richard\\_Stallman](http://en.wikipedia.org/wiki/Richard_Stallman)

<sup>44</sup> <http://bigideas.berkeley.edu/node/101>



possible by mobile technologies can potentially increase access to literacy by at least an order of magnitude. Informed by educational theories on language acquisition, Berkeley students are designing a suite of mobile-learning applications that target conversational skills, listening comprehension, phonetic decoding, and sight reading. These applications will run on mobile phones, the fastest growing technology platform in emerging economies.

Berkeley is using rural India as testing ground. In India, the number of people using cell phones has risen from 10 million in 2002 to more than 140 million at the end of November 2006. By 2010, the government of India expects half a billion citizens to be using mobile phones. Again, when information flows, when it is relevant, timely, and contextual, we see the glittering allure of the mobile society coming into full focus.

### **Mobile Health**

Today's advancement of eHealth products and applications and their wider level of implementation among several countries across the globe have made policy makers and other stakeholders to assess carefully future developments, taking into account the need to build seamless information exchange networks across regions and countries. We need eHealth developments that are improving the right of access to quality healthcare regardless of personal condition and geographical location, allowing the selection of the appropriate health resource from anywhere at any time.

So what might be the benefits of using a mobile device for health services?

- Completely personal device
- Facilitates highly personal health services
- Can help to ensure fidelity of patient

Always turned on and carried or within arms reach:

- Facilitates wireless body area networks.
- Facilitates the gathering of contextual information.
- Ensures it's there in unexpected emergency scenarios.
- Provides assurance that care is at hand.
- Facilitates push services as well as pull.

Built-in micropayment means it:

- Enables lower costs to deliver services.
- Supports low-cost, pay-as-you-use health services.

For example, a service called 3G Doctor allows you to create and maintain your medical history on your phone. All the allergies, current medications, past treatments, and names of doctors and hospitals are now in one place. For those with complicated medical histories, this could be simply a life-saving service. Nokia has a wellness diary that has 150,000 downloads per month. Which enables the collection, storage, and analysis of wellness-related data, collected from everyday life.

Remote diagnostics and patient management technologies in telemedicine have been highlighted as being one of the key components of healthcare for the 21st century. So, as we can see, mobile health becomes as fundamental to the mobile society as commerce.

### **Harnessing Collective Intelligence**

"No matter who you are, most of the smartest people work for someone else," said Bill Joy, co-founder of Sun Microsystems. And Linus Torvald believed that in a connected world where many people applied their collective intelligence in solving open source software development, all bugs are shallow. My own little aphorism is that nobody is as clever as everybody.

One of the key principles in my 2005 book, *Communities Dominate Brands*, was the 4 Cs: commerce, culture, community, and connectivity. It is this vital interplay that delivers compelling business and marketing propositions in a social media and mobile ecology. As a

consequence, labour, argues Jeff Howe in his book *Crowdsourcing*, can often be organized more efficiently in the context of community than it can in the context of a corporation. Indeed, today there is an entire industry and publishing built around the principles of cooperation, co-creation, and prosumption. And mobile is no different.

Mob4Hire, Inc. was created to help mobile application developers in the endless task of testing mobile games and mobile applications. By harnessing collective intelligence, the process will allow real people to test mobile applications in real field conditions. Mob4hire reduces the pain of testing for mobile developers.

Mob4hire is a bidding system for mobile application testing. Testers will bid on various projects specific to their handsets. Developers will choose the testers that they require, and will deploy test plans for the mobile application they are developing. The mobile application tester will test the application and will report back to the developer. On completion of the test, the mobile tester will get paid for the work. Mobile testing could not be easier. It does not matter if you have an Apple iPhone, Motorola, Nokia, Panasonic, Blackberry, Samsung, Audiovox, LG, Palm, Kyocera, BenQ, Sony Ericsson, Sagem, LG, HTC, Sanyo, Palm, ETEN, MiTAC, Sharp, Siemens, Casio, NEC, UTStarcom, or Pantech handset. Or even a new brand that is just coming out.

Any type of programming language is possible: Symbian, J2ME, BREW, Flash, Windows Mobile, or new ones that are just being introduced. And this is not unlike the principles applied by InnoCentric, YourEncore, Lego, and P&G. Alvin Toffler, the futurist, wrote that:

*People don't want to consume passively, they'd rather participate in the development and creation of products meaningful to them.*

### **The Commercial and Creative Challenge**

Bill Bailey is a comedian, and he was once asked how he comes up with his jokes. Bill replied:

*I start with a laugh and work backwards. What do I need to do to create that amount of merriment and laughter?*

So creativity is what we need, putting the user experience before the technology, something that technologists struggle with and that is why the iPhone is creating so much interest.

Put another way—customer centricity is the key component in tomorrow's multi-access network. And for want of repeating myself, technology succeeds to the extent that it meets fundamental human needs.

Telecoms and mobile telecoms have been caught in the transition from an industrial analogue world with its own logic and business models to the networked society—it's not your fault. An industrial and mass-consumer society is built upon mass production and mass consumption, and the mobile telecoms industry has built itself behaving in the same way. And it is not utilising one of its most precious assets and resources: raw communication data. But that is changing.

What if the mobile and social computing industries were to think about a subscriber base as a network of networks that are distributed either hyper-locally or super-globally? And rather than trying to second guess how you might make money from your 30 million subscribers, why not provide the right tools, tools for collaboration generating, commerce, entertainment, and knowledge and information exchange? Allowing people to create what they truly need and watching a new ecology evolve as a consequence—that is how real markets thrive. And reap the benefits of being the facilitators as...

- Life enablers
- Life simplifiers
- Life navigators

# Summary

If Gutenberg were alive today, he would be taking pictures and shooting videos with his mobile, he would be blogging and vlogging via his mobile, paying for his car parking spaces via his mobile, getting his library books renewed via SMS, dating on Flirtomatic, and getting his health care from the 3G Doctor. When technology becomes successful, it becomes invisible.

From a practical perspective, I have argued that customer centricity becomes the key in a multi-access media ecology. Segmentation and self-segmentation, how people will buy services, becomes of vital importance. Markets will have to compete on service, convenience, and other factors unrelated to price, believes John Battelle.<sup>45</sup> Why? Because the following six points are now the primary factors that will influence business, commerce, and society: [1] Search [2] Proximity [3] Recommendation [4] Links (point to) [5] Discovery [6] Currency of information. So for every information-mediated company, from retail to banking to entertainment, these six key points become the new interface of commerce. So the questions we have to ask are:

Which retailers have the skills to close complex transactions?

Which services, retailers, and brands does the mass market trust for what?

How will the consumer be educated to ask for and purchase the correct service?

As David Weinberger wrote, everything becomes miscellaneous<sup>46</sup>. The outcome of this change will be what Tony Fish describes as the “Rainbow of Engagement,” which is the move from selling technology to selling a spectrum of meaningful services. The service is, of course, differentiation based on trust. In this case a person will walk into shop (retail or on-line) and will want to purchase a service. Soshana Zuboff in her book, *The Support Economy*,<sup>47</sup> provides credence to Tony Fish’s observation.

*People want something that modern organisations can't give them: tangible support in leading the lives they choose. They want to be freed from the time consuming stress, rage, injustice, and personal defeat that accompany so many commercial exchanges. Despite the centrality of consumption for an advanced economy and the fact that everyone is a consumer, people have come to accept that their consumption experiences will be largely adversarial.*

Indeed, the opportunities for service innovation are endless, if only we shift the focus away from technology, and towards life enabling, life simplifying, and navigational services that meet a fundamental human need at an everyday level. In some cases the issue will be price, some will be service, and some consumers will be willing to trade their digital data for value.

In this paper I hope I have taken you on a journey to understand how profoundly different our world could and will be. The mobile is part of a narrative that dates back to Gutenberg. The Mobile Society will define us. As Jonathan MacDonald argues, the mobile device is designed as a two-way communication platform. As a consequence, what we think as commercial communication will be rethought. Girlswalker is testimony to that. Data will play an increasingly important role both for businesses and for individuals, where permission, trust, and information-based bundles of communication will replace the irksome and irrelevant furniture of interruptive advertising. Because what is in short supply today is attention, what Herbert Simon described as Attention Economics:<sup>48</sup>

*In an information-rich world, the wealth of information means a dearth of something else: a scarcity of whatever it is that information consumes. What information consumes is rather obvious: it consumes the attention of its recipients. Hence a wealth of information creates a poverty*

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<sup>45</sup> *The Search: How Google and its Rivals Rewrote the Rules of Business and Transformed Our Culture.* John Battelle, Nicholas Brealey (2005)

<sup>46</sup> <http://www.everythingismiscellaneous.com/>

<sup>47</sup> <http://www.amazon.com/Support-Economy-Corporations-Individuals-Capitalism/dp/0670887366>

<sup>48</sup> [http://en.wikipedia.org/wiki/Attention\\_economy](http://en.wikipedia.org/wiki/Attention_economy)

*of attention and a need to allocate that attention efficiently among the overabundance of information sources that might consume it.*

But beyond that we see how health care can be revolutionised, and how the very mechanics of democracy can be redefined via projects like Ushahidi. We witness the early stages of real convergence across platforms, flowability with technologies like Qik. And we see the ability to take the principles of collective intelligence and apply them to a mobile context via Mob4hire. Cloud computing will also play a crucial role, too, I believe. This then is the glittering allure of the mobile society.

Finally, we must all ask ourselves this question—What can we do to build a mobile society that can significantly contribute to and enable flows of information and communication at all levels of society that contribute to better society? As JFK famously said in June 1963...

*So, let us not be blind to our differences—but let us direct our attention to our common interests and to means by which those differences can be resolved. And if we cannot end our differences now, at least we can help make the world safe for diversity. For in the final analysis, our most basic common link is that we all inhabit this planet. We all breathe the same air. We all cherish our children's future. And, we are all mortal.*

#### **Endnote and thank you**

In February of this year I found myself on a cold and rainy day in Evian, at the behest of Microsoft at an international summit for CIO's to give the final keynote presentation.

As a consequence of that presentation Microsoft in the US asked me if I would write a paper on the future of the mobile society. This paper is the result of that endeavor, and so I thank Microsoft for giving me the opportunity to research, think and write on this topic. It has been immensely stimulating for me.

## About the author



Alan Moore is the co-author of *Communities Dominate Brands: Business and Marketing Challenges for the 21st Century*. The founder of the communication consultancy SMLXL, Alan is the originator of the term, philosophy, and principles of Engagement Marketing and Communications. His writing and work has provided an international platform for him to address radio, television, conference, and digital audiences globally.

He is an executive director of Mass Niche Media, a board director of the Social Marketing Intelligence Company Xtract (<http://xtract.com>), and sits on the advisory board of the IPR and patent company CVON. He has taught mobile commerce and communications at the Oxford University for Continuing Education.

SMLXL has extensive knowledge and experience in how to engage and inspire people with the possibilities of Engagement Marketing. SMLXL enables companies and brands to better engage with each other. For example, Alan has been credited with having a significant influence on how Nokia has evolved its practice of marketing towards a more engaged approach. Alan's unique experience enables him to provide inspiration and strategies for how businesses can prepare themselves for the challenges ahead, driven by the evolution of media, technology, communications, and commerce.

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