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Seeker Wireless

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Consumer Services

At 3GSM in Barcelona, there were many companies offering various solutions for reducing call charges from the home - ranging from converged solutions such as UMA and VCC, to home base stations such as femtocells, as well as so-called home zones. Some operators with fixed and mobile operations have opted for dual-mode solutions, whereas mobile-only operators have targeted services at fixed-mobile substitution, especially location-based offers that include lower call charges when the user is in the home zone. These services have been offered for several years and are potentially an effective weapon against fixed-mobile converged solutions. Both types of solutions offer essentially the same thing - lower-priced call charges from the mobile handset when the user is at home.

However, most of the existing services are based on cell ID to determine the home zone location. This means that the geographic area that constitutes the cell can be very large, with a radius of two kilometers. While great for the user, this can lead to significant revenue leakage for many operators. The revenue that is derived from calls made from the home is affected; in addition, so is the revenue that comes from usage when the subscriber is in the vicinity close to home - such as at school, at a friend's or neighbor's house, on trips to the convenient store, and so on. There are no exact figures available for how much revenue could be leaking, but estimates are in the double-digit figures.

Seeker Wireless has come up with a way of reducing the size of the home location so that it spans some 20 to 40 meters. Contrary to the cell-ID-based solutions, Seeker's solution relies on the SIM, so that it is the device that recognizes when it's "at home." The solution is rather neat - not only does it reduce the revenue leakage, but also it could provide an opportunity to differentiate on pricing the various zones that a user may subscribe to, or a bundle. For the operator, a more granular location ability such as these could potentially pave the way for further services, such as location-based mobile advertising. We think that Seeker is addressing what should be a real concern to operators offering these services, as well as those who are considering these services. We will be tracking Seeker's progress.