

# #2

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## S'pore, Malaysia to probe roaming rates

Singapore and Malaysia have begun a review of roaming rates, aiming to cut the price of roaming calls between the two countries by up to 30%.

The communications ministers of the two countries, Singapore's Lui Tuck Yew and Malaysia's Rais Yatim, said they hoped to "progressively reduce" rates paid by mobile roaming customers.

"This reflects the close relationship between the two countries and recognizes the growing

importance of mobile roaming service for mobile users," they said in a statement on Tuesday.

"In recent years, high retail roaming rates have been an area of concern for many countries," said the statement, issued by the Infocomm Development Authority of Singapore (IDA) and the Malaysian Communications and Multimedia Commission (MCMC).

The two regulators are consulting with operators on a pro-

posal to progressively cut both wholesale and retail charges.

They are seeking to reduce roaming voice prices by up to 30% and SMS prices by up to 50%, the statement said.

Success of the plan "will be contingent on both countries following through the agreement."

An IDA spokesperson said the inquiry would not cover data roaming charges. He declined to give any examples of rates that the governments considered too high,

but said a progress report would be made in the third quarter.

A SingTel roaming customer in Malaysia pays S\$0.70 per minute for an incoming call and S\$0.50 for an outgoing local call, according to the operator's website.

Text messages cost S\$0.61 to send, while data downloads cost S\$22 per MB.

Mobile operator M1 said it would work closely with IDA and the other operators on the issue.\*

## Skype calls up the mobile video future

by John C. Tanner

Skype CEO Josh Silverman fronted the telecom industry yesterday and told them his firm would succeed where they had failed in making a business out of mobile video calls.

Kicking off the CommunicAsia Summit, Silverman said that video telephony – a concept promised by telcos since the 1960s – has become a reality via desktop PCs running Skype's free VoIP client, with video calls accounting for 34% of Skype-to-Skype in 2009.

"That means that if you look at figures from TeleGeography showing that 12% of all international voice calls in 2009 were Skype calls, that means that 4% of international calls included video," Silverman said.

The next frontier is mobile, and Skype is already exploring that space with Skype Mobile Video for the Nokia N900, which enables Skype video calls to other N900 devices or to PCs, and later to flatscreen TVs with embedded Skype clients.

"It will be good to learn from this and find out what our customers' expectations are from mobile video – how they use it, how that's different from the way they use desktop video and how we can make sure they get the experience they want," Silverman said.

GigaOm Pro says the video call volume will grow from 600 million calls in 2008 to almost

Continued page 17...



**BLACKBERRY INSPECTION:** Lui Tuck Yew, Acting Minister for Information, Communications and the Arts, checks out a BlackBerry – and a giant BlackBerry checks him out – as he tours the booths after opening imbX 2010 yesterday.

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## SingTel opens Asia's first 3D playout center

by Bill Mumford

SingTel has opened Asia's first 3D-enabled broadcast playout center.

The multi-million dollar facility at the Bukit Timah Satellite Earth Station will allow local TV providers to play out 3D content through their broadcast platforms, SingTel said.

The facility also works as a media exchange and 3D content distribution center, connecting Singapore to major media hubs worldwide via satellite or IP-VPN.

SingTel vice-president of satellite, Titus Yong, said the new center demonstrated SingTel's transformation into a multimedia company.

"With our cutting-edge solutions, we are proud to be catalysts for the development of high quality 3D TV content and services that will usher in an ex-

citing new era for the broadcast and multimedia industry."

SingTel also offers produc-

tion tools for media companies in 3D, HD and SD formats. \*

Hall 6-Outdoor SingTel



**THIS IS 3D:** SingTel booth models Adeline Kong and Jasmine Li vouch for SingTel's 3D chops.

## Cellcos not going far enough on site sharing

by John C. Tanner

Cellcos are increasingly interested in base station site sharing but not in sharing the actual RF equipment, even though the technology exists to enable it.

Site sharing is becoming "more of a reality" as cellcos evolve their networks and the real estate on towers gets more and more scarce, says Ben Cardwell, senior VP for global wireless sales at CommScope-owned Andrew.

"If you look at India, for example, there's towers with loads of antennas on them," Cardwell told the *Show Daily*. "The towers were designed for one or two operators, and now they're hosting four or five. They can't take anymore load and it's expensive to put new ones up."

Cost savings is a top incentive for cellcos looking to share BTS sites rather than acquire new ones. A recent Analysys Mason report says cellcos who jointly roll out a new-build LTE network of 2,500 sites in a developed market can achieve 30% in capex savings accumulated over five years, as well as a 15% reduction in opex per year by year five.

But how much cellcos save depends on how much infrastruc-

ture they're willing to share – and for the moment, says Cardwell, they're mostly sticking to sharing physical elements like shelters, towers and power systems.

"They're not really sharing the RF infrastructure. They're putting in multiple antennas and cables and things for their own use, and if they need to add a new band or technology, they try to reuse what's already there instead of putting up a new antenna," Cardwell says.

One reason is that cellcos remain overly protective of their network assets, especially when it comes to the competition. "Carriers still see the network as their competitive advantage, and they want control over their network and their RF," Cardwell explains, adding that is doubly true for cellcos that outsource network operations.

Ironically, many of the RF elements in new BTS sites – which are designed to support multiple frequency bands and different technologies, from legacy 2G to upcoming 4G – are capable of supporting multiple operators.

Third-party site sharing companies like Indus in India see that as "the next logical step", says

Cardwell. \*

Booth: 4J2-07

## ...OVERNIGHT WIRE...

### ITC to probe Apple patent via claims

The US International Trade Commission has revealed it will investigate HTC's allegations that Apple devices like the iPhone violate HTC's patents. The ITC is already investigating the reverse complaint that HTC devices infringe on Apple patents. In a brief statement, the ITC said it would at HTC's behest investigate "devices that utilize certain power management methods and may incorporate hardware and software for telephone directories within mobile telephone systems."

### APAC smart metering market exploding

The APAC smart electricity metering market will grow at a staggering 91% CAGR between 2009 and 2015, Berg Insight has predicted. The installed base is expected to reach 116.5 million by the end of 2015, representing a penetration of 25%. The region's more advanced economies will grow to nearly 100% penetration by 2020.

### Android catching up to iPhone

The iPhone still dominates mobile browsing traffic, but Android smartphones are catching up quickly, according to analysis from mobile marketing company Quantcast. Apple's share of consumption fell 4.7% during the quarter ending in May, slumping to 58.8%. Android's share by contrast grew 4.6% to hit 19.9%. And the recent launch HTC Android handsets by major US carriers Verizon and Sprint is only likely to increase Android's share further.

### Air NZ deploys in-flight messaging platform

Airline Air New Zealand is deploying an in-flight mobile platform using technology provided by Panasonic and Aeromobile. The eXPhone system will allow travelers on the airline's fleet of Boeing 777-300ER aircraft to use GSM/GRPS devices for text messaging or the sending of emails during the cruising stage of flight. The first of the new fleet are expected to commence service in November.

### WLAN growth driven by enterprise sector

The global WLAN market grew by a healthy 20% year on year in Q1, Dell'Oro research has revealed. This growth was driven by the continued strength of the enterprise sector, which grew at twice the rate of the overall market. At this rate, the overall market will surpass \$5 billion this year, beating the previous record from 2008.

### Qtel selects Ericsson's media platform

Qatari operator Qtel has contracted Ericsson to supply its new multimedia and personalization platform across the operator's networks in the Middle East, North Africa and Southeast Asia. Ericsson's Service Delivery Platform allows for the introduction and ongoing management of multimedia services such as social networking and music.

### Reliance puts tower arm on block

Debt-stricken Reliance Communications (RCom) is in advanced talks with several domestic and international investors to sell its tower arm Reliance Infratel. The boards of RCom and Reliance Infratel agreed in-principle on June 14 to spin off the tower firm through a "demerger and/or other suitable value-creating options."

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# Brand loyalty is weak, or survey methodology?

by Joseph Waring

In a market where the top five handset makers account for 75% of global sales, with well over 200 million units sold in the first quarter (the iPhone is not even in that equation), two recent research reports on consumer purchasing decisions seem to defy logic.

Research by WDSGlobal found that 49% of consumers cite price as the most important factor in buying a mobile phone. No surprise there. But the firm claims its research shows only 7% of consumers base their purchase on the phone brand and just 10% chose a phone based on its design.

It went on to explain the phenomena. "A combination of operator subsidies and the homogenization of device design is having a negative impact on the role of the OEM brand."

Meanwhile, a survey by TNS Global found that "look and feel is the predominant deciding factor" for 32% of consumers in Hong Kong purchasing a mobile device while brand was the single most important for 19% of consumers.

## How important?

Those numbers are three times higher than the WDSGlobal percentages. So one is left to ponder the real importance of brand and design in today's handset market, where the two factors appear to be driving the market buzz and creating excitement for higher-end smartphones.

While the TNS Global numbers may be more plausible (partly because price surprisingly wasn't included as a factor), its report went on to say that the lifecycle of mobile phones in Hong Kong has decreased from 34 months last year to 31 months this year.

Sorry, but even with the global downturn extending the replacement cycle by as much 10.7 months last year, according to iSuppli (Informa Telecoms & Media put the increase at just six to eight months), that number is far too high. Even in the hard-hit Spanish market, the handset renewing cycle increased to just 24 months from 18 months in 2009.

Before the recession, the replacement cycle in most developed Asian markets (as well as mainland China) was in the range of 12 to 18 months – with Hong Kong and Singapore on the lower end of the range. Personally, I don't know anyone waiting 2-1/2 years to replace his or her handset.

Some 19% of the respondents to the TNS survey said content and applications were the most import factor in their next handset purchase (equal to brand). It's interesting that just 7% indicated the

operating system as a key factor (still early days for that, but certainly one to rise in the coming months and years).

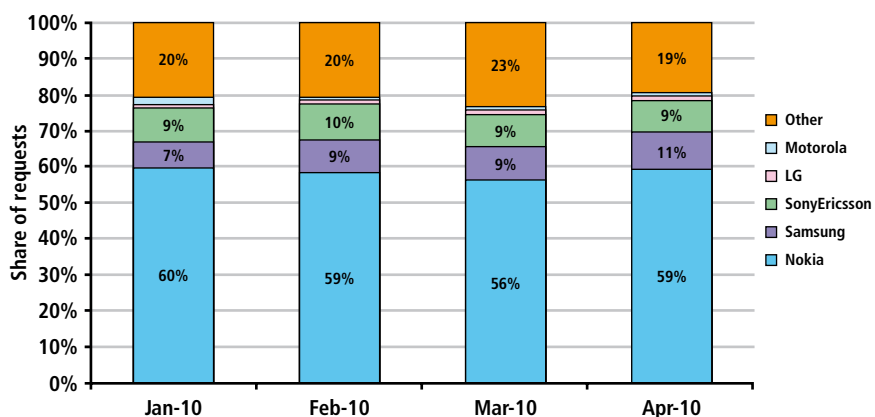
The stark contrast in conclusions of the two reports – "brand loyalty is weak" vs. "content and applications equally important as brand" – shows how anyone, as Andrew Lang once said, can "use statistics as a drunken man uses lampposts – for support rather than illumination".

In the case of WDSGlobal, the low importance of brand supports its business line of helping telecom players improve their customers' experience. Not surprisingly it recommends makers to focus on non-hardware services, which will help raise brand equity. But for TNS, there is little explanation – the survey of 561 consumers had a sampling error of +/- 4.14% at a 95% confidence level.

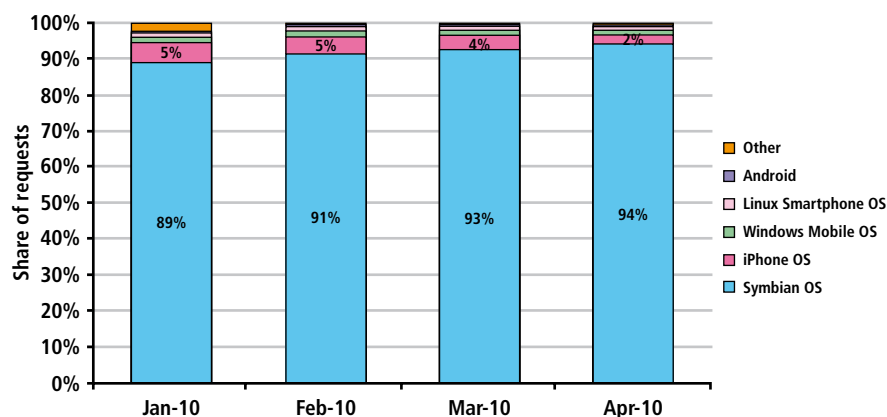
No doubt methodology issues at play. \*

## MOBILE ADS STAT SNAP

India ad requests by device manufacturer



India ad requests by OS (smartphones)



Source: AdMob Mobile Metrics Report, April 2010

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# Mass-market mobile broadband 'coming soon'

The *Show Daily* caught up with ZTE Corp's Cui Yi, president of Asia Pacific, who shares his views on the gap between investment and revenue in mobile broadband and what to expect in the near future.

**Show Daily:** Mobile broadband has been extremely hot for the past 18 months. Despite their significant investments, operator revenue has increased only marginally. How can operators survive in this environment?

**Cui Yi:** From past experience in the telecom industry, new services need time to be mature and generate huge revenue. There are two important issues, one is the maturity of the technology, the other is maturity of the market. The second factor is more important, which means customers are getting used to the new service, and the number of customers continue to grow. So that is the answer. The operators should let the customers get used to the mobile broadband service and later he can't live without it. I am quite confident that this is coming soon.

**Governments in Asia are pushing broadband networks as a means to fuel economic growth. How is ZTE benefiting from this trend?**

Now governments in Asia are mainly focusing on pushing fixed-line broad-

band networks. They are giving subsidies to the operators to speed up the construction of the broadband network. ZTE has the most advanced solutions for our customers, so that is why ZTE is chosen by many operators to build their network.

**What technologies are in highest demand?**

For fixed-line broadband, FTTx is in the highest demand. For mobile broadband, obviously, HSPA+ and LTE are the hottest technologies.

**How important is Asia to ZTE's overall growth this year?**

Asia is the fastest growing market in the world, so it will always play the most important role for ZTE's global market push in the future. The key markets are China, India, Indonesia and Vietnam.

**With the growth of wireless broadband, there has been a huge focus on the radio access. Why has there been so little attention on backhaul networks?**

I think the radio access side and the backhaul side are both important. In the past five years, the technology of radio access developed very much faster, such as UMTS, HSDPA, HSUPA, HSPA+ and LTE.

Every year you can see a new breakthrough. That is why it attracted the eyes of people. But the broadband network can not work efficiently without the development of backhaul side. Now some new technologies are becoming popular and will be widely used for the backhaul, such as xPON and PTN.

**What will be the hot trends this year at CommunicAsia2010?**

This year we can see that broadband technology and services are becoming mature. Because the customer base of the broadband service is growing significantly and will become huge in the near future, we may say that the market demand for bandwidth will grow faster and never stop.

Booth: 5B2-01 \*



ZTE's Cui Yi

# TM to boost global position with Ethernet



Telekom Malaysia (TM), positioning itself to be a regional market leader through its global business division, TM Global, added to its broad product offer-

ings with the launch of its Global Ethernet Services (GES).

Mohamad Rozaimy Abdul Rahman, executive vice president for TM Global, explains the significance of the launch in meeting the increasingly sophisticated demands from global carriers and enterprise customers.

**Show Daily:** Tell us more about the newly launched GES.

**Mohamad Rozaimy:** GES is an integrated networking solution offered by TM that provides reliable and secured point-to-point connection via an extensive global network. The service, which consists of Private Global Internet Protocol / Multi Protocol Label Switching (MPLS) and Ethernet over Synchronous Digital Hierarchy (EoSDH) networks, is designed to deliver high bandwidth capacity and provide flexible bandwidth connections ranging from 1 Mbps to 1 Gbps.

**How does GES help to improve your customers' efficiencies?**

Utilizing TM's next-generation network technology, GES enables customers to establish private and secure connectivity over international links, which allow them to communicate more effectively with their clients located around the globe. Its class of services features the ability to prioritize traffic, which will also help to improve customers' business performance by maximizing bandwidth efficiency.

**What are the benefits that customers can enjoy with GES?**

True to TM's commitment of enhancing our customer experience, GES comes with various benefits, including:

- Rapid service delivery that allows the bandwidth capacity to change dynamically as business requirements

and customers can avoid costly investments,

- Technical consultancy, which covers design, installation and maintenance of equipment to meet customers' technical requirement,
- 24/7 customer service operation manned by TM's experienced service engineers and technicians.

Reaping these benefits, our customers can put more focus on their business operations and enhance their performance.

**Who should subscribe to GES?**

Our GES solution, readily available in the market, meets the connectivity requirements of organizations, enterprises as well as multinational companies across multiple sectors, including government, financial, manufacturing, medical and services.

Booth: 3G2-07 \*