With increased competition in today's mobile communications industry, many wireless operators face the dual challenge of increasing their subscriber growth and maintaining or growing their Average Revenue Per User (ARPU). Operators rolling out 3G networks worldwide now have the capabilities needed in their infrastructure to introduce new, advanced data services to their customers. With the right marketing plan and the right partners, operators can make the most of their new network investment by delivering compelling features and applications to users and reaping the benefits of increased ARPU.

Ericsson is one infrastructure supplier offering a CDMA2000™ solution that was developed with the operator in mind. The company's CDMA2000 network supports an always-on environment and high-speed packet data services for end users. Multimedia Messaging Service (MMS) takes advantage of these two features, enhancing personal connectivity and productivity through more immediate exchange of rich content, such as still images, animation, text, sound and video clips.

Industry research indicates that a majority of today's mobile subscribers are enthusiastic about MMS-type services. Also, according to the analyst firm IDC, the market opportunity in Western Europe alone, with MMS, will grow from a revenue level of 30.3 million USD in 2002 to over 3.2 billion USD by 2005. For an operator who wants a share in this growth trend – in any part of the world – it's important to understand the key factors that will drive the uptake of MMS and propel it to worldwide success.

First and foremost is that content must be appealing and valuable to the end-user. Although operators and third-party application developers will offer different types of content, in each case it needs to address the interests, needs and demands of the end-user. One way that Ericsson supports this issue is through Ericsson Mobility World, an initiative to bring together content and application developers with operators – ensuring that applications are developed and tested on real 3G networks and will address...
end-user needs. Perhaps even more important is the end-user's ability to create his or her own personalized content, such as personal pictures, video taken with a built-in camera or content downloaded from the Web via a micro browser. Ericsson works closely with other vendors to ensure that handsets, accessories and PDAs are compatible with Ericsson’s products and services and will support customized MMS content.

Another important success factor is the standardization and interoperability of MMS between technologies, carriers and devices. Already MMS has been standardized by 3GPP and is currently in the process of being standardized by 3GPP2 for CDMA2000. Ericsson is bringing their long history of technology leadership and standards development to the table in this arena by working actively with the standards body to promote MMS interoperability and a common MMS standard across the different technologies.

A third critical success factor is the ease of subscription and use from an end-user perspective. A great example of this issue working at its best is the phenomenal success of Short Messaging Services (SMS). One of the primary reasons behind the rapid uptake of SMS has been the combination of low price per SMS and the fact that there is no need for a special subscription and no complicated set up required for the handsets. To facilitate this issue for MMS, Ericsson offers a fully-integrated, end-to-end MMS solution, from content and application development to end-user devices.

A final success factor for MMS is pricing. MMS will be most successful if operators are able to introduce new services at a mass-market pricing level. Different pricing models – either the quantity of messages, the message type or the message size – are being evaluated by operators right now. A cost-effective infrastructure solution that includes a comprehensive MMS solution and provides flexible billing, like Ericsson’s CDMA2000 solution, will be key in helping operators to introduce innovative pricing schemes.

Ericsson’s MMS solution is comprised of five different components: the Multimedia Messaging Center (MMC), the Multimedia Client Proxy (MMCP), the Multimedia Processor (MMP), the Multimedia Library (MML) and the Push Notification mechanism on the Service Network. In addition to these components, the Ericsson MMS solution includes close cooperation on the content and applications side from the world’s leading developers and content providers and close alignment with Sony Ericsson and other vendors for handsets, handset accessories and PDAs.

Ericsson has designed their MMS products for CDMA2000 and GSM/GPRS/WCDMA to deliver to operators a high-performance, well-integrated, end-to-end MMS solution that results in a fast time-to-market and a swift return on investments. Also, because Ericsson’s MMS products are scalable to enable gradual or rapid expansion, operators are able to match the pace of their investments with the pace of market demand and business growth.

With a comprehensive solution offered across all major technologies, more than 60 commercial MMS agreements and more than 110 trials, Ericsson is the leader in MMS. Additionally, with the industry’s-first demonstration of cross-technology MMS over CDMA2000 and GPRS at the 3G World Congress in Hong Kong in June 2002, Ericsson has once again proven their competence in technology leadership and a commitment to CDMA.

Ericsson is leveraging its global leadership to support operators around the globe in their 3G launches and specifically their MMS offering. Ericsson offers a common MMS solution for both its CDMA2000 and GSM/GPRS/WCDMA product lines. Ericsson’s MMS solution is commercially available today and has been proven worldwide with more than 50 percent of the world’s MMS subscribers running on Ericsson’s MMS solution. Ericsson offers a comprehensive, industry-leading CDMA2000 solution, encompassing infrastructure, services, applications and devices. Most of all, the company is committed to partnering with operators to drive new traffic on their networks, to generate new income and to increase ARPU in today’s competitive wireless environment.