Jon Doyle, executive vice president of European operations and corporate development at CommuniGate Systems, is on a mission to bring richer, enterprise-grade applications to the small business market. Such an approach, he tells Global Telecoms Business, will enable operators to compete with web companies and VoIP providers and monetise their new network investments effectively

Branded button enables operators to compete with web companies

Jon Doyle: Operators must develop their branded buttons and put them in as many places as their subscribers go

Doyle, who is based in Nice, France, proudly claims that his company has 'no customers, just partners' and truly believes that it is the operator brands that can be successful when it comes to providing high-quality, richly featured, secure services. Commodity propositions, like Skype or Google Voice, don't provide the quality of support or experience business users want and users fear their personal data will be misused by such providers. It's time for operators to return to their core strengths of quality, reliability and security while simultaneously bringing a raft of innovative, rich services to the masses.

GTB: mVoIP and VoLTE are getting more visibility recently, how do you view this market? Is the opportunity for mobile, cable, fixed line or all operators?

Jon Doyle: For at least the next 24 months very significant amounts of investment are being made in 4G/LTE. That's not just for the sake of transport, it's all about applications and types of media content such as video calling. Users can't do this at scale now because you don't have low latency high bandwidth cellular networks that can deal with the sheer volume. The iPhone4, for example, is still on Wifi for facetime. At CommuniGate Systems, we deliver rich groupware for business subscribers so, as 4G networks are now on the market, we finally have a super-high-quality backbone available enabling HD voice and other rich media services. That presents a huge opportunity to uplift subscribers, the highest value ones — businesses — into a new technology.

VoIP, especially in the mobile world, has often been actively discouraged or viewed as too disruptive, since it is seen as a cannibalisation risk for the operators. What has changed, if anything? What are you hearing from your partners and customers?

VoIP itself has matured to a point where the average person doesn't refer to it as VoIP. Users view it as Skype or whatever service they use, they don't view it as a technology. Cannibalisation is a fear because VoIP allows you to access the network from any device you can connect to it. It expands services out to all kinds of new devices and lifestyles — we all have business and personal lifestyles.

In the EU the opportunity is when we travel beyond the "Livebox" or the home. Today we have the Skype button with us, not an operator branded button to access services on a rate plan from them. That's the massive opportunity, those rate plans generate three to five times the revenue that we would pay at home, but if operators won't give users the chance to use their service, they'll use Skype instead. It's a wake up call…for the branded button.

In terms of the US market, compared to the European market, what are some of the key differentials that are an advantage here in the EU for operators?

Europe, as I mentioned earlier, has a unique advantage in one area — the travelling subscriber. While, in the US the market has been flat rate nationwide for 15 years, in Europe people are moving across borders making international calls and that's the area that Skype and Google Voice are attacking the most. However, if I had my operator button on my laptop I'd click it because it consolidates my usage onto one plan, one contact list, one number and a single bill. I don't have to find a provider that I haven't heard of, tap in my credit card details for Wifi access and then use Skype for calling. We provide that opportunity for operators to provide a single branded button.

As an American technology executive living in France and travelling extensively, do you think you have a privileged view of the challenges the telecoms market faces?

I certainly think so. I picked France as a place to live because I like the culture and the lifestyle and it has wonderful infrastructure for power, internet connectivity and travel. Access to other parts of Europe is excellent from here and my children are well settled at school. However, you're right, I still maintain a San Francisco residence and I am a Los Angeles native, having worked extensively in the US technology sector for 20 years.

Can you describe what your job entails?

I go out, normally post sales, and work with our partners — we don't have customers. Got your attention now? Yes, operators using our technology are not the user or customer, they work with us to provide the offering as a partner. I talk to our partners about how they are going to deliver our technologies to the customer. The Middle East is especially busy right now for us. It's one of our key emerging markets and I spend 30 to 40% of my time there. It is one of the world's highest growth areas for mobile communications and top executives are coming to our annual event in Bodrum, Turkey on October 2-4, 2010. I'm really looking forward to that event. It will bring many of our partners together, including our recently announced partners at Deutsche Telekom ICSS and Smartworld in the UAE.

What about better quality services, aren't those also the operator's advantage?

When people start a free internet VoIP call they often say: "Can you hear me?" but when they start a telecoms call they just say: "Hello". That's a powerful point, particularly for business users. In my view the technology making a difference is HD Voice. The experience is phenomenal, especially for international, mutli-person conference calls and enabling integration into other applications. All our products were enabled for HD voice this spring. For smaller businesses, we're working with operators so they can get the same functionality as a hosted SaaS proposition, that large enterprises deploy with big IT. Small businesses can now get the same technology quality, without the capex or headaches.

Some operators have partnered with Skype, do you see this as being an advantage to 'get into' the Skype network?

Partnering with Skype is a definite knee-jerk reaction to try and plug the holes in a sinking boat. The reason why that move is so problematic long-term for operators is that they are losing their brand [to somebody's VoIP services] and it is the greatest asset they have. The best option is to build a higher quality technology than Skype, with better support and better security, using my, or other suppliers' products, under your own brand.

Operators haven't had much success in creating their own communities or app stores and have often failed when compared against established internet communities. What's wrong and how can operators compete with and succeed in this new market where services seem to come from the internet and not from the network provider?

Carriers have obviously tried many things and those haven't all been a complete failure. For instance, our partner in Slovakia provides the largest social community in the country, we have many other examples in ethnic and culture-oriented brands driven by the local operator. Maybe there are some examples of failures, being Californian, we tend to get up, learn, and move forward, dwelling on the failed attempt is a waste, its learning from it that has value. I think it needs to be understood better early on what the market is about and how the operator brand is viewed by the user. Then build on that value. How often does your home phone go down for reboots or upgrades on patch Tuesday? Whether its RIM or Google or others, users are concerned about security and have the fear that their data is being indexed, sold or even lost by these companies we thought we could trust. The operator, therefore, has the opportunity to go back to the principles of reliability, trust and security and play to its strengths.

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Google Voice has got a lot of attention in the US, but should carriers be worried?

A lot of Google services do start in the US as a test bed, but operators in general need to evaluate what they are going to do to deliver unified communications to their business subscriber customers in a way that is more compelling. Those that don't might be used for access services only and premium services might be overtaken by Google applications or Skype telecommunications. That's the whole point, operators must develop their branded button and put it in as many places as the subscribers goes in both personal and business lifestyles.

Where in the market do you see the greatest excitement building? How will devices change?

When I was a child, my dream was to think of a videophone you could wear on your wrist. Today those dreams are very real, so now I'm interested in media delivery and the production of media; outside Hollywood and traditional syndication. You'll definitely see a merger of the devices we use for telecoms and for accessing media. Appliances in the home will play an increasingly important role, TVs are already jacked into the ADSL box here in France. Soon there will be no box. The new form factor of devices gives us a richer choice and there won't be one device to rule all. There will be more devices, in our home and car and office, and the technical aspects will become less important. The operating system won't matter very soon; screens will be our tools to access content and telecommunications. ■