

Smart network operators should learn a lesson from Salesforce.com and offer software services to small and medium enterprises, says Jon Doyle

Make a profitable service from unified communications

I still have to get my head around and smile when I hear the term “SaaS” — software as a service — versus the old term ASP — application service provider. But nevertheless the trends are strongly validating this concept.

It’s many years since ISPs began to offer messaging and other technologies as an outsourced “pay as you go” model. This became increasingly popular as technologies became more complex, and smaller businesses wanted access to technologies that only large corporations could traditionally afford.

One of the rising stars of the SaaS model in the last couple years is certainly Salesforce.com and it amazes me as I travel around to see the international scope of its user base. Salesforce.com also gains from the fact that business users are much more mobile today, and they access corporate services a lot more from outside the office.

Thus, web 2.0 delivery is king, and the VPN is like a bad hangover from the past.

As was the case with powerful CRM systems, many small to medium enterprises are trying to get their hands around the idea of moving to unified communications. Many of these companies have not really come to terms with messaging or other internet services.

Critical mass

Ever ask your doctor or lawyer what they are doing about a website, or IM and VoIP? Many highly educated and highly profitable companies simply do not have the right critical mass to digest the forklifts of complex UC solutions from big vendors that want to send armies of services personnel and hardware to some non-existent loading dock.

Many of the larger companies I have spoken to over the last 24 months see huge advantages in using the technologies that are on the market to disseminate corporate info across the workforce.

British Airways and many others are similar to an ISP with a centralised data centre and employees all over the world. Users often find themselves on various networks, and they need to get to the UC backbone — web 2.0 delivery is the key to unleash the power of mobility.

I see a big trend in thinking about the user and their usage model, rather than making the users adapt to some technology.

The gains for the SME market certainly mirror many of the benefits a large corporation would seek, but the real sizzle is gaining access to technology that

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simply is far more complex than the small IT department might be able to digest.

The network operator seeking out new areas of value added services certainly needs to pay attention to UC SaaS for the SME market. The sheer volumes of businesses of this size make it a quite impressive area for growth as the operators lose revenues from “access models” for their broadband and telephone business lines.

I have never seen such a pent up urgency in the market as I find today in the operators I speak with in Europe, the Middle East and in the US to get new value added services on their network.

Many product managers tell me about their planned reaction to Google and other free services on the internet by conceiving plans to copy these services.

Dead wrong

I think that is dead wrong: what will they gain if they do lure away some massive group to use their free applications? Will they gain revenues from advertising like Google? Will they bait and switch users to paid models?

I see the really strong opportunity is not consumer services but in business subscribers, who are willing to pay for a service that is reliable and has powerful features.

Network operators have a great opportunity to build out a multi-tenant UC service for SME customers. With the diverse landscape of business subscribers, using anything from an iPhone to a web browser in the car infotainment system, the provider must adapt, and bring the economies of scale to bear on the market.

For the user, the market will bring a welcome change of flat-rated access to fixed and mobile broadband services with new web delivered applications, including unified communications. The smart network operators will see this change as an opportunity and not a threat. ■