Success, I-Mode Style

If you pay any attention to that wireless-data mecca otherwise known as Japan, you know that content and content providers are kings. According to Takeshi Natsuno, executive director of gateway business & i-mode project leader, NTT DoCoMo (www.nttdocomo.com) currently has 828 application alliance-partner companies, and 40,518 voluntary i-mode Internet sites, including 116 search engines. And how about this for content: DoCoMo offers a library of 50,000 song titles for i-mode subscribers to download as ring tones.

Natsuno told a rapt audience at Wireless 2001 the simple reason for i-mode’s continuing success: It has a total value chain and offers a total package. The key is the value of the package that every player provides, especially content providers.

“We selected technology to stimulate content providers,” Natsuno said. “We have to stimulate content providers’ interest because the quality of content goes up with subscribers. Without content providers, there are no subscribers, and without subscribers, there are no content providers.”

Average i-mode usage is increasing because more content is available for users to share with friends, he said. There are more than 21 million i-mode subscribers today, and tens of thousands are signing up for the service each day. And as the number of i-mode subscribers climbs, so does the active-user ratio.

Reaching subscriber critical mass is hard, “but once you do, you can sit back and collect the revenue,” Natsuno said.

Don’t bet on many U.S. carriers sitting back any time soon. Not when AT&T Wireless (www.attws.com) could introduce i-mode services into the United States later this year. Thomas Trinnee, vice president of portal development, said AT&T Wireless and DoCoMo are jointly adopting a global standard and moving toward WAP-NG (another name for WAP 2.0), which will allow them to deliver content regardless of device. The carriers’ migration toward common standards remains to be seen. Trinnee said going forward, packet-network-based content and applications will be tuned to user experience and devices. AT&T will deploy a GSM/GPRS overlay beginning this year, following with EDGE deployment beginning in 2002 and UMTS in 2003 (provided the infrastructure and devices are available).

For those of you who still wondering whether i-mode’s success will translate in the United States, Natsuno offered a definitive answer.

“Japanese people are not a different species,” he said.

— By Nikki Swartz, Assistant Data Editor

Quoteworthy

(The Japanese symbol, above, represents success.)