

What to Expect at MWC 2014 — Consumer Applications

Mobile World Congress (MWC) 2014, is approaching and most major phone hardware companies are expected to descend on Barcelona, Spain (24 to 27 February) to exhibit their new flagship models for the following spring/summer contract renewal market. Jessica Ekholm, research director at Gartner, provided her thoughts on what to expect from 4G devices and how different the user's experience will be when using 4G apps.

Q: A number of mobile devices are already running on 4G, and we expect more 4G devices to be announced at this year's MWC, but how different will the customer's experience be when using 4G apps? What does it take for mobile operators to retain their customers and grow their business?

A: Consumers' perceptions of their mobile experience map directly to the performance of apps on their device. 4G networks provide faster response times, and also much faster upload speeds — a clear difference with the more limited capabilities of 3G networks. App performance is measured by the video image quality and playback smoothness, speed of Web page download and the responsiveness of the app — for example, how quickly Google Maps renders map images.

4G communications service providers (CSPs) have seen consumers shift their behaviour in terms of the apps they are using on 4G networks compared with 3G networks — consumers are using more data on social media and streaming more videos than they did over 3G networks. It is not just video that is a popular 4G pastime; streaming audio apps usage on Pandora and Spotify, for example, are also benefiting from 4G due to the increased speed and lower latency that 4G provides. In addition, some CSPs have seen an increase in the usage of banking and retail apps, because of the extra reliability 4G affords.

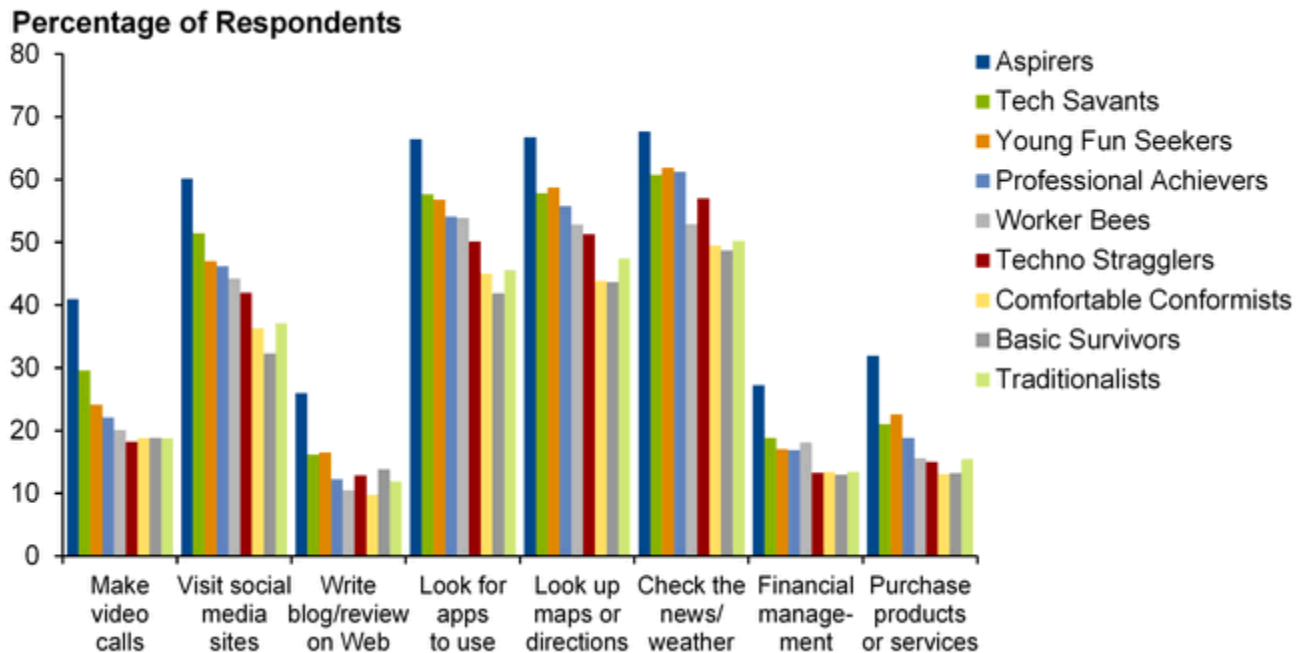
Q: The popularity of tablets is increasing the number of videos being watched on mobile devices, and Gartner predicts that mobile video will account for about half of mobile traffic in the next five years. CSPs are facing the challenge of improving the user's quality of experience. What do they need to do to get it right?

A: According to Gartner's 2013 consumer survey, which sampled more than 21,500 consumers in eight countries, 12 per cent of all respondents were watching video and TV on a daily basis on their smartphones and, despite the apparent low number, it is worth pointing out that video currently makes up over 40 per cent of all data traffic in mobile networks (see Figure 1).

It is through 4G that video will come alive on mobile networks, and we expect to see rapid and strong growth in video uptake among consumers. Gartner predicts that by 2017, 100 per cent of "early adopters" will watch at least two minutes of streaming video on their mobile devices daily.

However, as 4G penetration levels grow, 4G networks will become more congested — leading to a deteriorating network experience. This will put pressure on CSPs to focus on mobile video optimisation in order to keep quality of experience at its peak. CSPs should consider using an integrated mobile video optimisation solution that encompasses reporting and analytics, traffic management, policy control and charging, and video caching and optimisation.

Figure 1. Typical Daily Activities Performed on a Smartphone



Early Adopters: Aspirers and Tech Savants

Mainstream Adopters: Young Fun Seekers, Professional Achievers, Techno Stragglers, Worker Bees and Comfortable Conformists

Late Adopters: Basic Survivors and Traditionalists

Source: Gartner (January 2014)

Q: Consumers are using an increasing amount of digital content on a huge variety of hardware, including wearable and connected home devices. Users unsatisfied with apps that don't provide the features they need will find others that do. What "cool" or innovative apps do you expect to be announced at MWC 2014 that will grab consumers' attention and enhance their experience?

A: First, with more than one million apps on the Apple app store alone, it is tricky for consumers to find the coolest apps. Likewise, with the increasing number of apps on app stores it is really tough for app developers to stand out in a crowded market. App developers are encouraged to look at utilising mobile app marketing solutions and mobile app analytics, because using these helps developers to better target their consumers and consumers to get more personalised app recommendations.

We can expect to see a continuation of the trend of IM chat apps such as WhatsApp and WeChat. Additionally, we are likely to see an increasing number of IM chat apps becoming more like platforms for shopping, browsing and sharing content rather than just for chatting. With currently over 270 million WeChat users and over 300 million WhatsApp users in the world, there seems to be no sign of consumers getting bored of IM chat apps.

We are also likely to see an increase in apps that act as virtual assistants — apps that help consumers organise their lives "smarter" and more efficiently via their mobile device — such as Emu and Tempo. In addition, we can expect to see an influx of apps that will orchestrate home automation — such as SmartThings and Revolv. Finally, similar to CES 2014, I expect MWC will have a focus on the Internet of Things (IoT) and, in particular, on IoT-related apps that help consumers track their health and make their everyday life better.