Bringing the social context into mobile voice and messaging services

by Jonathan Medved, co-founder and CEO, Vringo

Jonathan Medved is the co-founder and CEO of Vringo (NYSE-Amex: VRNG), a leading provider of software platforms for mobile social and video applications. Vringo's latest app, Facetones, creates an automated video slideshow using friends' photos from social media websites, which is played each time a user makes or receives a mobile call. Vringo's Facetones™ product has been launched by Verizon in the US, NTT Docomo in Japan, Telefonica in Latin America and Europe, together with the Chinese Handset Manufacturer ZTE.

Before founding Vringo, Mr Medved was a leading venture capitalist who has invested in over 60 technology companies. His companies included Shopping.com (acquired by Ebay), Answers.com (acquired by Summit) and Mobile Access (acquired by Corning). Prior to this, he built several successful technology start-ups including Accent Software (went public on Nasdaq) and MERET Optical Communications (sold to Amoco).

'Communication is going social'. For Generation Y (*Youth*), voice and messaging must involve their social context, as social networking becomes the most important activity of the day. This is true particularly for mobile smartphones in Asia, where time spent on SNS via mobiles is growing fast. This opens up a new opportunity to exploit 'dead time' when users gaze at the screen, waiting for a call to connect or a message response to appear. Young multi-tasking users would enjoy sharing relevant content before-during-after communication, which, due to its social context, enriches the interaction.

Despite the explosion of mobile applications, games and next generation mobile services, voice and messaging services still represent over 70 per cent of mobile operator revenues. While there has been much attention focused on the threat to these revenues from commoditization by IP-based voice and messaging services, there has been little attention to the threat to carrier voice and messaging represented by possible consumer irrelevance if these services stay outside of the critical context of today's social network services (*SNS*). Not only will these SNS offer 'free IP-based alternatives' to the traditional tariffed voice and messaging service, but social network driven voice and messaging alternatives will provide a richer and more relevant communication experience to the consumer. If the mobile operator does not take immediate steps to integrate social context into their traditional voice and messaging offerings, the future will be challenging indeed.

The threat and the promise of social networks

For most consumers, SNS are the primary frame of reference for their social graph. For younger people especially, a large proportion of their social activity revolves around their social network. Even offline socializing often stems from online interactions - ideas are discussed, events are created, contacts are invited, and after the event friends are brought up to speed with updates and photos, which are shared online and commented on. So engaged are Generation Y with Facebook that research shows 48 per cent of people from 18 to 34 years of age check Facebook as they wake up and 28 per cent check their Facebook on their smartphone before getting out of bed[1]. Perhaps of greater concern to the operator is that 57 per cent of users talk to people more online than they do in real life[2]. As the social network becomes the primary communication tool, operators need to address the following question: If young

Hours per week spent on Facebook (by age)

From the 2011 Chadwick Martin Bailey Consumer Pulse
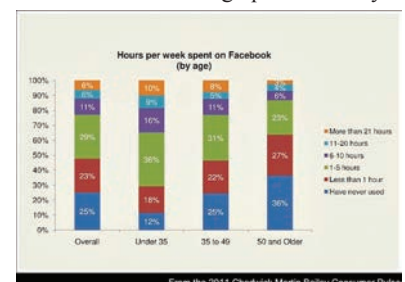
[1] http://www.digitalbuzzblog.com/facebook-statistics-stats-facts-2011/
[2] ibid

people were faced with giving up either their social network or the phone call capability on their phone, which would they choose?

A graph from Consumer Pulse[3] shows that 52 per cent of people under 35 years of age spend from one to ten hours per week on Facebook.

Operators are facing a tremendous challenge to keep voice and messaging services relevant - social networks have already moved to mobile, and in a big way. As of September 2011, Facebook had over 350 million users accessing their site via mobile phones[4]. This represents nearly 50 per cent of their user base socially networking from their handsets. If this growth increases, then it's likely that by 2013/14 Facebook will be described as a mobile company. In fact: "Facebook expects mobile to be the main source of its next billion users as Smartphones become more powerful and the value of adding social tools to devices is realized"[5]. There also seems to be something about the ability to connect to the social networks from handsets which has led to an increase in time spent on the site via mobile users. Research shows that people who engage with the social networking site via mobile devices are twice as active as people who engage via computers.[6]

Communication is going social

The above statistics demonstrate that all communication is going social. This has been highlighted by the recently announced partnership of Skype and Facebook. This partnership represents the future of communications, one in which all communication is socially connected, full of rich content, which is immediate, and more often than not, free. Already more than 50 per cent of Skype calls are video. People still want verbal communication, but this trend shows that they also want to incorporate the social context around those conversations. Communication via voice and messaging within social media sites is a natural function and normal behaviour. The social context after, during, and post the call or messaging session will give the callers or 'texters' a richer experience. With the social network as the enabler of the call or the message, interesting news, pictures, events and anecdotes will not only be shared verbally but enjoyed digitally by each party at the same time. So where does this leave traditional phone calls and SMS?

[3] http://www.socialquickstarter.com/content/103-10_facts_about_consumer_behavior_on_facebook
[4] Mobile Maketing Watch, Sep 2011 (http://www.mobilemarketingwatch.com/facebook-now-claims-350m-mobile-users-says-its-now-working-with-475-mobile-operators-18736/)
[5] Mobile Business Briefing, Nov 16, 2011, "Facebook's next billion users to be driven by mobile", http://www.mobilebusinessbriefing.com/articles/facebooks-next-billion-users-to-be-driven-by-mobile/19477/
[6] Boyd, E.B, "Why is Facebook® Pushing Mobile? Users Are 2 Times More Active Than Desktop-Only Users: CTO, Fast Company, Jan. 25, 2011.

"Today's smartphones are defined by their high-quality, large screens which enable them to display visually rich content, way beyond the traditional display of simple contact details and short messages such as caller ID that is standard in legacy devices."

The solution lies in the ability to bring the social context (the engaging rich experiences from SNS) into the voice and messaging environments. Facilitating this requires integration with the most overlooked and primary social network - the phones' address book. Currently, phone books are not fully synced with existing social network services. Mobile SNS are accessed as applications and not wholly incorporated into traditional phone or messaging clients. The key to success in this space lies in the ability to incorporate the social context within the organic, natural moments of normal phone use - phone calls and messages. Furthermore, there exists a perfect opportunity to do this with today's smartphones, through exploiting a major untapped piece of smartphone real-estate.

Utilize smartphones' 'dead time'

Today's smartphones are defined by their high-quality, large screens which enable them to display visually rich content, way beyond the traditional display of simple contact details and short messages such as caller ID that is standard in legacy devices. Yet for most handsets, the phone call or messaging screens are still 'dead time'. Nothing really happens on the screen during the time you call a friend and wait for them to answer or when they call you, nothing happens on-screen during the call itself and nothing happens following call completion. At most, their name, number, static image and even a 'status' might be displayed when receiving an incoming call. Yet phones keep getting smarter, screens keep getting better, networks keep getting faster and today's users should be able to easily access the social information about friends before, during and after the call. The younger generation is constantly multi-tasking electronically and combining various types of messaging and social interactions within single platforms. They need more stimulation and context to keep their interest in a process, and so the natural next step is to incorporate their social environments within the context of the call or messaging environments.

However, as we mentioned previously, this experience has to be organic, not driven by special diallers or by launching an app before engaging with the phone's call or messaging client. The social context has to be delivered to the user without any effort on their part, because it would be contrary to the ease of use and simplicity required to make the action natural. Everyone knows how to make a phone call or message, and similarly the social context should be provided to the user without the need for any extra steps. Additionally, users need to be able to enjoy their contacts' social information without requiring their contacts to download or install anything on their end. Consumers are already suffering from SNS diversity fatigue and would need the service to be able to bring what's already 'out there' directly to their communication session.

What does a socially connected call or message look like?

We've discussed the reasons and approaches for delivering socially connected, rich, visual information to the call and the benefits that it would bring to both carriers and consumers alike, but what does it look like in practice? Today the first applications are being launched which allow users to enhance conversations with dynamic content (pictures and other media), messages, updated statuses, news feeds, locations, and other socially rich visual content. This turns their phones' 'dead moments' into socially active messaging opportunities. These enhancements will flow to the phone call or SMS session automatically from one's social network posts. The phone should display information from multiple SNS and will enable the user to engage with their contact at the end of the call via a post-call message to any number of social platforms.

In this model, users can also personalize and customize their voice and messaging sessions, by beginning conversations with "Happy birthday - see I didn't forget! Great pics of you at the party!" and finishing off calls with a post to their contacts' 'wall' or a message with the details of the event they discussed. Every call will include the ability for both sides to see what the other has been up to, where they have been, critical news, and other salient social information being shared naturally and seamlessly during both SMS and phone call sessions. This social enhancement will not only transform calls between people but improve the interaction with enterprises where you will soon be engaged visually with news, information and advertisements while waiting on hold or speaking to a company's agent.

Integrating this social context within existing voice and messaging infrastructure will provide consumers with a richer experience, drive more voice and messaging revenue and renew the relevance of the voice and messaging services. ●