

Belgian Mobile Operators Collaborate to Launch PlazZza Mobile Search Engine

Type:	Competitive Intelligence Report (Europe)	Current Perspective:	Positive/Neutral
Analyst:	B. Roberts	Vendor Importance:	High
Report Date:	May 04, 2006	Market Impact:	Moderate
Module:	Wireless Services - Europe - BeNeLux		

■ Summary

Event Summary

May 3, 2006 – Mobile network operators in Belgium have collaborated to launch PlazZza, a new mobile search engine for the mobile Internet. PlazZza will be launched on May 15, 2006, and will be available via a link from the mobile portals Vodafone live!, Orange World and i-mode. Users will be able to search for all mobile content services registered on the engine.

Analytical Summary

- **Current Perspective:** Slightly positive on the launch of the PlazZza mobile search engine by all three major operators in Belgium, Proximus (Vodafone live!), Mobistar (Orange World) and BASE (i-mode). The initiative to enable faster, easier and simpler access to off-portal content is promising and already working in France (Gallery). However, emphasis is being made on payment for content across portal platforms via w-HA or M-Pay, but no mention of usability or accessibility of partner sites throws caution into the launch of PlazZza.
- **Vendor Importance:** High to all mobile operators in Belgium, as they realize that off-portal surfing is gaining traction and will become the de facto standard for wireless Internet users. PlazZza is a way in which mobile operators can share content and ensure stronger content sources for new services across the mobile spectrum. This should ring in new revenues for operators and their own portals without selling out to bigger brand names in the mobile search space such as Google.
- **Market Impact:** Moderate on the wireless market, since despite a sporadic increase of wireless Internet use during major sports events, general uptake and use of the wireless Web is limited. By launching PlazZza just before the World Cup, all mobile operators could see benefits with the offer quickly. But this is only if sport services on PlazZza can be searched for, found or pushed to consumers instantly.

Target Markets

Consumers

■ Perspective

Current Perspective **Positive/Neutral**

We are taking a slightly positive stance on the launch of PlazZza in Belgium. The principle of the search engine is sound. Mobile operators want to guarantee the best made-for-mobile search services for users in Belgium and will actively encourage merchandisers to create and develop WAP sites. More importantly, existing mobile content on portal can also be made available to the mass mobile audience in Belgium, bringing in new revenues for all the operators.

However, unlike with the W3C's mobile Web initiative, which aims to launch special standards for the creation of WAP or mobile Internet site, no guidelines will be in place. This could tarnish the PlazZza offer, especially if the user interface of different Web sites is unfamiliar or un-navigational by consumers. In the worst-case scenario, potential new users of PlazZza could be frustrated by a poor user interface the first time they use the service and might not want to use it again, hence replicating the poor WAP experience scenario of the past.

Furthermore, mobile operators are pushing their m-payment services as key to the success and uptake of the PlazZza offer. PlazZza could offer mobile operators a strong new revenue generating stream that will realize the potential of the mobile Web. Indeed, PlazZza is ahead of its time and proves to other operators that a big brand name such as Google is not necessary to drive off-portal traffic and revenues. But are mobile consumers ready for m-payment? Setting up new services, remembering new pin numbers and agreeing to new terms and conditions without any guarantee from the operator of immediate return of money if the content is of a poor quality or unsuitable will limit the appeal of mobile transactions.

This does not mean that PlazZza will fail. But it will take a lot of time for PlazZza to walk on water. It's a good idea and all operators in Europe should look to launch similar search engines. Banking on brand names such as Google for mobile search will mean cannibalization of revenues and identity. Partnering to create one

branded search engine for existing users will slowly (but surely) drive the uptake of the wireless Internet and fuel m-payment services.

■ Positives and Concerns

Competitive Positives

- All mobile operators in Belgium are part of the PlazZza initiative and this means that all mobile consumers will be able to use the new search engine regardless of network carrier. This will bolster uptake due to a combined marketing push and will also assist viral promotion of the services as users can recommend friends to new content.
- Web fans can surf onto PlazZza via their existing mobile portals. This ensures minimal click access to the search engine and no messy URL name inputting.
- PlazZza will be available to any business with a WAP site. This means that it will offer a wealth of content services that can be located instantly and many of which should already be made for mobile. This will increase the speed at which users find services and end frustration for consumers unhappy with searching for content services.
- PlazZza partners can apply for a unique merchandiser code that can be inputted into the search engine or sent via SMS for a direct link to the Web site. This again should encourage users not sure of the cost of using the WAP portal of the ability to locate and use services via SMS for free.

Competitive Concerns

- As yet, there is no mention of an adult content lock being put in place for the PlazZza services. This could be dangerous, especially if young children locate gambling, adult or other inappropriate content.
- PlazZza is available to all WAP site owners. This might be tricky to manage because there is no monitor or accountability if the WAP site is suited for particular devices or services.
- Belgian mobile operators are pushing their won m-commerce mechanisms for PlazZza but in reality, purchasing goods via the phone is not very common. Until more security information is received and new billing services (not always needing a credit card) are in place, uptake will be muted.

■ Recommended Actions

Recommended Vendor Actions

- BASE must pull its socks up. It will implement PlazZza but doesn't have an m-payment system in place or a dedicated mobile search platform to promote the new offer. As the smallest operator, it has the most to gain from PlazZza and the wireless Internet strategy must now take centre stage.
- BASE must continue parent KPN's partnership with InfoGin to make its i-mode content services easy to use via any mobile Internet platform. This will fuel the use of i-mode content services by all consumers in Belgium and will finally create some money from the beleaguered offer.
- BASE should team up with a company such as Fast Search to white label its search offer and launch a BASE branded mobile solution. This will enable the operator to sell WAP content alongside i-mode, and with the help of InfoGin, users will have a strong user experience, regardless of which medium they are using.
- Proximus and Mobistar should use the launch of PlazZza as a chance to re-educate and promote their portal offerings and m-payment services to the Belgian public. This will rejuvenate interest in the wireless Web, just before the World Cup.

Recommended Competitor Actions

- There are no competitor actions at this time since PlazZza is a mobile search engine initiative grounded by all three mobile network operators.

Recommended End User / Customer Actions

- Consumers can now experience a new shopping arcade of services via the mobile Web with the help of PlazZza. The search engine will locate WAP sites to encourage users to discover rather than find new content.

- Consumers must set up restrictions with mobile operators for payment and purchase limits. If not, there could be security issues if the mobile device is lost or stolen.
- Parents must enforce that PlazZza has a content lock for all users under 18. If not, they should ask the operator to simply ban the mobile Internet from their children's devices.

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