

Pricing key to success within MMS

How operators can combine satisfied customers with revenues from MMS – new report from Northstream

Stockholm, July 10 2002 – Following the unexpected success of SMS the expectations facing its successor MMS are enormous. Crucial to the future success of MMS is the ability of operators to set the "optimal" price – logical and affordable for the customer as well as profitable for the operator. This is the conclusion of "MMS Pricing Challenge", a new report from Northstream, leading wireless advisor.

MMS combines SMS's hugely popular text-only message service with the transfer of images and sound offering the user an unprecedented array of wireless communication options.

"Despite the high hopes for MMS, it still has a lot to prove," says Anders Lindqvist at Northstream. "Operators as well as other players within the wireless market must keep expectation on the right level in order to avoid the hype the industry is so famous for."

In order for MMS to become the success that operators and the wireless industry as a whole are in dire need of, the subscribers have to be convinced of its usefulness, that it is worth their while to pay a considerably higher price for mobile communication. So far, there are about a dozen wireless operators around the world offering MMS services. The pricing varies sharply and is usually difficult to get a clear understanding of. In order for the use of MMS to take off there has to be a simple and logical pricing structure in place.

In the report Northstream studies the existing pricing strategies that have been created for those few MMS services that are available in today's market.

Essential to pricing, according to the study, are:

- The need for national and international pricing principles
- The technical limitations of existing billing platforms
- The ability to offer different pricing schemes for different services.
- The ability of operators to offer their customers services that are both efficient and cost-effective along with a logical and simple pricing structure

The report "MMS Pricing Challenges" can be downloaded in PDF format from the Northstream website www.northstream.se.

About Northstream

Northstream provides strategic technology and business advice to the global wireless industry. Northstream has assembled a multinational team with some of the world's best experts and analysts on wireless communication business and technology. Northstream works for several of the world's leading operators and system suppliers, e.g. Vodafone, AT&T, NTT DoCoMo, Mitsubishi, Ericsson, Nokia and Siemens. Northstream also works for other consultancies such as Accenture and some of the leading investment banks and financial institutions. Northstream is established in Stockholm (Sweden), Sophia Antipolis (France), Tokyo (Japan), Hong Kong (HK) and Henley on Thames (UK).

For more information please contact:

Tommy Ljunggren, Public Relations Manager
Tel: + 46 705910064, tommy.ljunggren@northstream.se
press@northstream.se, www.northstream.se