

## ***WLAN – a success in private but still to be proven in public***

**STOCKHOLM – January 30, 2003 - Wireless LAN (WLAN) is a clear success in homes and offices around the world with a substantial increase in WLAN equipment sales last year. Convincing users to do in public, what they now are doing in the privacy of their homes and offices, is however something completely different. In a new report leading wireless advisor Northstream studies the opportunities and obstacles for public WLAN businesses.**

The global WLAN equipment market grew around 70% last year with revenues reaching \$2.1 billions. An increasing fraction of companies in North America, Asia and Europe are using it as an integral part of their office IT infrastructure. There is however an important difference between the success of WLAN in offices and homes compared to the business opportunities presented by public WLAN in cafés, airports, hotels and other hotspots.

- The size and value of the target market, the mobile corporate users, is uncertain and the instability of the market structure indicates a high probability for low profitability, says Tommy Ljunggren, senior advisor at Northstream. The main reasons for this are the unknown demand by the target users in combination with immature usability of the service.

Public WLAN usage requires dedication, knowledge of where you have coverage as well as an available device. The user must: find a suitable seating at the hotspot, boot the device, edit the network settings in some instances and finally (in most cases) purchase the temporary credentials that enable access. This process is too cumbersome in most usage-locations to be worth the effort. This means that public WLAN can take off where business people stay for longer periods; in hotels, conference centres and transportation hubs. It has less chance in cafés and most other "public places".

- In our studies for different operators we have found that, despite the obstacles and uncertainties, public WLAN services has a potential strategic value especially for Mobile Network Operators, says Tommy Ljunggren:

- The total usage of mobile Internet and wireless services could rise altogether if complementary services such as public WLAN is offered together with GPRS and 3G services.
- The GPRS and 3G service offering can be more attractive with a public WLAN as a value-added service.
- Not having public WLAN while the competitors do may be a dangerous decision.

*The White Paper on Public WLAN Services can be downloaded from [www.northstream.se](http://www.northstream.se)*

*Meet us in Cannes at the **3GSM World Congress**, 17th-21st February 2003, Hall 2 stand F57 and Hospitality suite 301 or follow the event through live updates at [www.northstream.se](http://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 is established in Stockholm (Sweden), Sophia Antipolis (France) and Henley on Thames (UK).

### **For more information please contact:**

Tommy Ljunggren, Public Relations Manager  
Tel: + 46 705 91 00 64, [tommy.ljunggren@northstream.se](mailto:tommy.ljunggren@northstream.se)