

Mobilizing the GPS

Brian Subirana

e-business Center PwC&IESE

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Mobile telephone manufacturers are confident that introducing a GPS function in new phones will give a boost to the cell-phone market during this year and the next. There is also the hope that such new applications will slow the fall of prices that is inherent to electronic consumer products. However, the benefits of a cell phone with a GPS function will stem mainly from the services based on localization (LBS). One such service, which has been talked about for quite some time but which has never quite taken off, is promotional messages sent to mobile telephones depending on the user's location at that time.

For example, potential clients might receive a list of restaurants for the area they are in at that time. While this type of service is being consolidated, the industry is also working to come up with even more innovative applications. One example is something known as "Increased reality" by Nokia.

This function allows the user to point at an object with the camera of his or her mobile phone and receive information on the cell phone screen about the objective, such as a person or a building. The client could point at a restaurant and receive the menu, or scan a stadium with the telephone camera to find a friend attending the same event. This people-finding function is particularly interesting to the industry.

Some US companies such as Helio or SK Telecom, already offer these types of services, which, when applied to social networks, suggest that cell phones will be the new realm of Web 2.0 (despite the fact that many of us might not really know exactly what Web 2.0 is). The combination of cell phones with GPS and the characteristics of Web 2.0 open up other possibilities as well. For example, a telephone with GPS, Internet connection and camera could directly publish photos on sites like Flickr. Internet surfers will be able to see the photograph and find its exact location thanks to the coordinates provided by the GPS. Likewise, people travelling could publish blog entries from their cell phones which automatically tag the entry with the geographic coordinates from which the entry was written. These applications are not strictly necessary when the locations have exact addresses, such as a street and building address, but that changes when we are talking about spaces such as beaches, mountains or stretches of road. It is not only a question of recreational use. The inclusion of GPS in cell phones can turn these into search devices for persons or vehicles.

The north American company Wherify Wireless commercializes mobile functions specially designed to locate children or elderly

Highlights

1 ABI Research claims that the total number of LBS subscribers, which last year totaled 12 million worldwide, will jump up to 315 million by the year 2011.

2 The current shortage of subscribers is due to the low penetration rate of GPS-ready cell phones. However, Market Research says this scenario is about to change: by 2010, one fourth of all mobile phones will come with GPS.

3 In 2010, revenues generated by location-based services will reach €22 million, which amounts to 1.8% of non voice-related mobile services, according to estimations by Berg Insight.

4 The study by ABI Research indicates that North America and Western Europe will be the first regions in the world to have widespread availability of LBS services.

people. There is even speculation that the authorities could require drivers to have their GPS on at all times in order to monitor speed. But for this kind of application to take off, cell phones that include geographical location devices must become generalized. The progressive miniaturization of these chips will help, making it easier to include the chips and avoid sharp rises in the price of the telephone. Thus, in the same way that main video sales now belong to a cell phone manufacturer, it is to be expected that the inclusion of GPS in cell phones will finally popularize applications based on location technology. Not too long ago, few people thought that 15% of the population would own a cell phone, so predicting the future is always risky. Nevertheless, it seems very probable that in the near future most phones will include a GPS, and that applications very different from those we are used to will be developed, based on the GPS technology.