Chapter XIII
Innovative Marketing Strategies for Wireless Broadband Services in the Sri Lankan Context

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ABSTRACT

This chapter describes marketing strategies in concept for wireless broadband services in the Sri Lankan market. It also emphasizes different technologies offering fixed and mobile broadband services. Wi-Fi services which are mentioned here has been on offer for few years but actual marketing of such services are not actively done in Sri Lanka. Various marketing strategies that could be used to market this technology are also analyzed to gain an insight to all readers. In addition, a grid is provided to help readers to choose between different available technologies.

INTRODUCTION

This chapter describes innovative approaches of marketing Internet broadband services delivered by the wireless access technologies. The high speed broadband connectivity, through the Internet has resulted in a truly global market place, where people can find products and services they desire at one location. World Wide Web has become a global library and an information repository that is unprecedented in the history of mankind. The Internet is almost a representative of a doctor, lawyer, banker, government official – providing the users with a direct channel to government authorities, health services and local communities. Furthermore, the Internet is also becoming the entertainment channel of choice, offering the users an unparalleled selection of music, TV, video and news at our fingertips. The Internet will continue to

develop as the place for information, communication, interaction and media consumption.

Broadband wireless sits at the confluence of two of the most remarkable growth stories of the telecommunications industry in recent years. Both wireless and broadband have enjoyed rapid mass-market adoption on their own right.

Wireless mobile services grew from 11 million subscribers worldwide in 1990 to more than two billion in 2006. During the same period, the Internet grew from being a curious academic tool to having about a billion users *(ITU. Telecommunications indicators, 2004).*This exponential growth of the Internet is driving demand for higher-speed Internet-access services, leading to a parallel growth in broadband adoption. In less than a decade, broadband subscription worldwide has grown from virtually zero to over 250 million (*In-stat Report. Paxton. 2006*).

However, to enjoy the complete benefits of the Internet, there is a need for high speed broadband connectivity. As a result, Internet broadband connectivity has become one of the most widespread communication developments ever and the growth in demand for high-speed Internet connections is said to continue. Today there are over 250 million broadband users: by 2012 this figure is forecast to grow to over 1.8 billion (*Strategy Analytics & Internal Ericsson*).

Most people today experience broadband via a PC connected over a fixed line. However, for many of the broadband users expected to get online over the next few years, a fixed line is unlikely to be the choice. As per the Ovum report, wireless networks will be the primary broadband access method for the upcoming user categories (www.store.ovum.com).

Furthermore, once the users start depending on their broadband Internet connection that they want it wherever they may be. This means broadband cannot be limited only to a fixed connection at a physical address. People prefer a broadband that connects them to their services all of the time, whatever their device type or wherever their location. Figure 1 below compares the broadband markets of the world by region.

As per Figure 1, we can analyze Internet subscribers, based on their type of Internet connectivity.

Figure 2 depicts different connection types available for broadband access.

As per ITU statistics, Asia pacific region, having the highest number of internet subscribes as a region has a subscriber base in which almost twice the size of the internet subscribers in the American region. In Asia, substantial economic growth is common in every country. Thus, a huge potential in increase of demand for broadband internet connectivity exists and expected in the future as well. However, Asian nations do not have fully deployed copper networks across their cities and villages. Therefore, in order to fulfill the demand for broadband connectivity, service providers have to identify alternative solutions rather than laying copper or fiber networks across the countries which is expensive as well as time consuming. As a result, service providers in Asia are looking for a speedy way to provide broadband connectivity without a huge capital outlay on network infrastructure. Wireless broadband technologies have proven that, they can play an immense role when providing broadband connectivity to regions which have no fully fledge copper networks (*ITU, Telecommunications indicators, 2004*).

Wireless Broadband Technologies

Broadband wireless is about bringing the broadband experience to a wireless context, which offers users unique benefits and convenience. Benefits in the form of better coverage, higher speeds, more security and reliability are few of them. There are two fundamentally different types of broadband wireless services. The first type attempts to provide a set of services similar to that of the traditional fixed-line broadband but using wireless as the medium of transmission. This type, called *fixed wireless broadband,* can be thought of as a competitive alternative to DSL or cable modem. The second type of broadband wireless, called *mobile broadband,* offers the additional functionality of portability and mobility. Mobile broadband attempts to bring broadband applications to new user experience scenarios and hence can offer the end user a very different value proposition. Figure 3 predict the forecast of broadband growth.

According to Fgure 3, the future users projected would prefer to have the accessibility to the internet even while traveling. Thus to provide fully fledged mobile broadband connectivity, requires a massive improvements in mobile networks. Consequently when compared with fixed broadband solutions, mobile broadband solutions are costlier due to additional dimension of mobility. However, for domestic uses, people are more concerned about speed and the affordability rather than mobility, thus fixed solutions are more fitting for domestic users. Also fixed technology products are more mature than the mobile products that are in the market today.