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■ Carriers can become ISPs without the overhead

Cellular One signs on with Quantum Internet program

By Kristen Beckman

Cellular One Group signed an agreement with Quantum Communications Group, Inc. that allows its member carriers to offer Internet access, Website design and hosting services to their customers.

Quantum's **Mir@ge** program allows wireless carriers to become "virtual Internet service providers," said Mike Clough, president and chief executive officer of Eden Prairie, Minn.-based Quantum. Carriers can offer all the services ISPs offer without the investment in equipment and personnel, long-time to market and distraction from core operations, he said.

"We're convinced it isn't a question of whether or not wireless carriers should be in the Internet business," said Clough. "They definitely will. It's just a matter of when."

Quantum, which provides consulting services to wireless carriers, said it decided to pursue an Internet program for wireless carriers due to increasing competition and the benefits of bundling. Clough

said email competes with wireless and wireline telephone service, and most wireline carriers and some wireless carriers already offer Internet services.

"Either you are going to be a part of it this, or you're going to compete with it," said Clough.

In addition to bundling, additional services with wireless increases average revenue per user, increases brand recognition and reduces churn, he said.

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"It's a fertile area to go after," said Richard Lyons, president of Cellular One. "It offers additional revenue, especially when revenue per subscribers is decreasing."

The **Mir@ge** Internet service, interactive Web site and Website programming service all are branded "Internet by Cellular One."

Additional branding mileage is gained through customer email addresses that include the Cellular One brand and a Cellular One screen saver that automatically is installed when the customer installs the software. The **Mir@ge** service uses 500 dial-up points of presence that have been upgraded to 56 kilobits per second and integrated services digital network (ISDN) wherever the local telephone company has made it available.

The **Mir@ge** Web site service opens up a new marketing channel for carriers, said Quantum.

One tool on the service automatically responds to customer information requests and then provides those leads to a sales representative for follow-up. The interactive Web site also allows customers to purchase accessories and activate service on line with a 30-second credit check.

The Web site design and hosting service included in **Mir@ge** allows carriers to reach small and mid-sized businesses that don't have



Web sites of their own. Quantum provides books that include templates for backgrounds and fonts customers can choose from. Web sites can be deployed in less than a week, said the company.

The **Mir@ge** service does not include wireless access to the Internet, although Clough said that is something the company is working on.

"We're always looking to find value-added services our carriers can leverage," said Lyons. "This positions carriers to ride the wave of Internet growth."

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