

service, how it planned to export its success around the world, and its vision for the 3G era. Obuchi describes the experience as "leading the broadband revolution." With a look at DoCoMo's unique corporate culture, the book also includes insights from its senior management on how the operator became the world's largest mobile carrier, and its efforts to secure foothold in world markets through strategic alliances.

In *The Mobile Internet: How Japan Dialed up and the West Disconnected*, Jeffrey L. Funk, an associate professor of business at Kobe University's Research Institute for Economics and business, seeks to demonstrate how the mobile Internet became phenomenally successful in Japan, and a dismal failure in the United States and Europe. Comparing the US and Japanese approaches to the mobile Internet, Funk explains how the different approaches have led to very different market responses. The reason for the mobile Internet's success in Japan, he argues, was the early focus of the service providers on appropriate content, phones, business models, portal/search engines, services, and users (the critical factors). These early drivers evolved quickly and suggested that the mobile Internet was different from and an important complement to the fixed-line Internet. At first, the users of the mobile Internet in Japan were young, and the services, phones, content, portals, and content provider business models were simple. Over time, each item evolved from simple to complex, while users diversified. The author urges US and European firms to rethink their strategic postures regarding the mobile Internet, focusing first on the appropriate early drivers.

The Mobile Internet is a sequel to Funk's *Global Competition Between and Within Standards: The Case of Mobile Phones*. In that volume he challenged both traditional regulatory and classic free-market policies to setting standards. Relying on a hybrid model that used both market and committee mechanisms, he explored standard setting and firm competition in the mobile communications industry. This model, he argued, explained why certain mobile communication standards like GSM have become global standards,

and how the Finnish Nokia became the leading handset producer and the Swedish Ericsson the leading producer of mobile infrastructure.

"In Japan, DoCoMo's wireless Web phones are all the rage," reported *Fortune* in September 2000. The story focused on the efforts of the mobile operator to take its cutting-edge technology global:

It is hardly an exaggeration to say that DoCoMo's i-mode phones have the potential to become the biggest consumer phenomenon to emerge from Japan since Sony's Walkman in the early 1980s. The world will soon find out whether that prediction is true: DoCoMo is set to bring its cutting-edge mobile Web technology to the US and Europe. And the phone company's huge success in Japan should give it a technological and marketing edge over global competitors like AT&T and Vodafone. Small wonder that the industry considers DoCoMo the most important company to watch in the coming huge battle for the mobile Internet market (Rohwer, 2000).

Despite the provocative title, NTT DoCoMo has not yet succeeded globally. In effect, the bust of the telecom boom phase has revealed cracks in the operator's armor that were concealed during the intense growth years in the late 1990s (see Dan Steinbock *Wireless Horizon*, New York: Amacom Books, 2002, Chapter 6). Except for a few insightful journalistic pieces, many of these cracks have been downplayed in the excitement over NTT DoCoMo's service innovation.

Increasing tension between DoCoMo and its corporate parent, NTT, which owns 64 percent of the mobile operator, has complicated the execution of effective business strategies. In contrast to the United States, where subscribers first adopted the fixed-line Internet, mobile penetration grew first in Japan, which was bound to exaggerate the strength of NTT DoCoMo penetration strategies in the early 3G transition. In contrast to the most advanced mobile markets in the United States and western Europe, the Japanese market was dominated by NTT DoCoMo. With its almost 60 per cent market share, this mobile operator enjoyed extraordinary bargaining power in the industry value chain, from services to equipment manufacturing. Although this *de facto* market lock ensured virtual monopoly power in Japan, it translated to a troublesome

barrier against internationalization, not to speak of global strategies. NTT DoCoMo excelled in service innovation in Japan, but has not been as successful in exporting its popular i-mode to foreign markets.

The peculiar history of Japanese public policies, innovation, and market insularity may explain much of NTT DoCoMo's recent success and the difficulties in translating this triumph to successful penetration strategies internationally. Moreover, it is debatable whether NTT DoCoMo's service innovation is sustainable because much of it may well be competed and imitated away.

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Fortune, 18 September.

Beyond Mobile: People, Communications and Marketing in a Mobilized World

Mats Lindgren, Jorgen Jedbratt and
Erika Svensson
Palgrave Global Publishing
New York
2002
288pp.
\$65.00

Marketing without Wires: Targeting Promotions and Advertising to Mobile Device Users

Kim M. Bayne
John Wiley & Sons, Inc.
New York
2002
304pp.
\$34.99

M-Business: The Race to Mobility

Ravi Kalakota
McGraw-Hill
New York
2002
302pp.
\$24.95

Conquering the Wireless World: The Age of M-Commerce

Douglas Lamont
Capstone
Oxford
2001
299pp.
\$29.95

The Freedom Economy: Gaining the mCommerce edge in the Era of the Wireless Internet

Peter G.W. Keen and Ron Mackintosh
Osborne/McGraw-Hill
New York
2001
259pp.
\$29.99

Wireless Rules: New Marketing Strategies for Customer Relationship Management Anytime, Anywhere

Frederick Newell and Katherine Lemon
McGraw-Hill
New York
2001
330pp.
\$29.95

Wireless Marketing

Robert A. Steuarnagel
John Wiley & Sons
New York
1999
162pp.
\$105.00

In 1995, Nicholas Negroponte, the legendary founding director of the MIT Media Lab, published *Being Digital* (New York: Random House). Nowhere in that wonderful little manifesto of the digital revolution is mobile or wireless mentioned. In the United States, being digital, for years now, has been synonymous with a fixed line. Bits are bits, as Negroponte declares, but some bits are stationary and others travel. Markets want both.

For years, Microsoft's corporate credo was reflected in its mission statement: "A computer on every desk and in every home." In the era of IBM

mainframes, that was visionary and bold. Today it is passé. Several years ago, Jorma Ollila, CEO and chairman of Nokia, popularized the new credo "A computer in every pocket." A few years thereafter, Microsoft amended its statement to "empower people through great software, anytime, any place on any device." Being digital is out, being mobile is in. On November 21, 2002, when *The Economist* released its story on "Computing's new shape," the cover page featured a Nokia phone, not a Microsoft pocket PC.

As the struggle for the mobile marketplace is now entering a new stage with the confrontation of the mobile leaders and IT giants, the IT players, such as Microsoft and Intel, have had to adjust their mission to the mobile, not the other way around. In this struggle to build and develop new customers and client relationships, the marketers are playing the central role.

In the not-so-distant past, one of the few available and useful introductions to marketing and wireless communications was Robert Steuarnagel's *Wireless Marketing*. Whether the reader was in marketing and sales or a service engineer, working for cellular carriers or other wireless phone services, he or she obtained fairly practical, non-technical advice on the rapidly expanding mobile market. Of course, the book was priced accordingly.

Fast forward to the boom years of the "mobile Internet," the "Wireless Web," the "3G World" – in brief, the presumed post-Internet El Dorado – and a new cottage industry evolved. In hindsight, these books filled the shelves at precisely the wrong time. As they bespoke of manna from heaven, the dotcom and mobcom valuations busted, the industry stumbled with 3G license auctions, and the wireless revolution crashed accordingly. Perhaps today, as the ethos of the "twin drivers" of mobility and the Internet are taken with a grain of salt, it is possible to take a more realistic look at what these works offer for marketing professionals, including industry practitioners, academic researchers and general readers.

Frederick Newell and Katherine Newell Lemon were among the first to outline the changing rules

of personalized customer relationship management in the digital age. In *Wireless Rules*, they seek to offer the first comprehensive guide to the new mobile world. Their mission is to outline a state-of-the-art, customer-centric approach to wireless marketing for both B2B and B2C enterprise. Focusing on the customer relationship inherent in wireless marketing, the authors present wireless methods to develop customer loyalty, case studies of permission marketing and data mining tools, and tips for creating individualized, real-time marketing messages. Their book is on customer relationship management (CRM) gone mobile.

In *The Freedom Economy*, Peter G.W. Keen and Ron Mackintosh portray the "mCommerce edge in the Era of the Wireless Internet." Just as personal computers and the Internet have changed the landscape of ecommerce, the authors argue, mCommerce will continue to extend the way organizations conduct business, while changing the relationships between companies, customers, suppliers, and partners. To them, mobility means freedom, which creates choice and, thereby, value. With case studies and hands-on advice, the book outlines the key areas for expanding value through mCommerce: customer relationships, logistics, and knowledge mobilization, or intellectual capital. The foreword is written by Mikko Heikkonen, Executive VP of Nokia Networks, who presents the book as a study of the "demand side" of the emerging mobile business.

Conquering the Wireless World is sold with Philip Kotler's promise, "Doug Lamont deserves credit for writing the best book that I have seen about the trillion dollar m-commerce wager." Perhaps the traditional marketing approach accounts for the marketing guru's excitement. Subtitled *The Age of M-Commerce*, Lamont's guide is predicated on value creation and delivery. With value creation, he focuses on marketing, promoting, and pricing wireless products and services. With value delivery, he explains how to segment international markets and target national markets, as well as position local goods and services. Lamont starts by determining the

customer needs that are driving m-commerce and explores in depth some marketing strategies. His key target groups comprise early adopters, including teenagers (or Net Gen), young adults (Gen X), and their parents, the younger baby boomers.

According to Ravi Kalakota and Marcia Robinson, the mobile Internet is transforming employee, supply chain, and customer interaction, and providing new innovation, cost-reduction, and revenue opportunities. Their *M-Business* shows how to reposition and develop business processes and enterprise applications to take full advantage of the mobile business wave that is portrayed as compelling and complex, even if its value is needlessly inflated ("and overtaking your organization even as you read these words"). The gurus of IT-driven e-commerce business guides explore wireless revolution from a business perspective. They introduce strategies that can be exploited to adapt from tethered, PC-centric models to mobile, person-centric techniques and strategies. Claiming to focus on the bottom line, the authors explain how senior and financial managers can plan for and differentiate m-business investments.

In *Marketing without Wires*, digital marketing expert Kim Bayne offers practical advice and observations about creating a well-executed wireless marketing program. Drawing the line between the major differences and similarities with wired and wireless marketing tools, she explains how to leverage them for optimum advantage. The examples are detailed with case studies. In particular, Bayne shows how to develop strategies for delivering wireless content that will appeal to mobile customers; research and create a surefire wireless marketing program; link offline and online programs to create a comprehensive integrated marketing presence; and uncover new advancements and strategic initiatives to attract tech-savvy consumers. A companion Web site features helpful resources, articles, and case study updates on new developments in wireless marketing.

In *Beyond Mobile*, a trio of Kairos Futures' consultants (Mats Lindgren, Jörgen Jedbratt, and

Erika Svensson) take the mobilization of many businesses and organizations as a given. They focus on the human aspects of mobile technology, exploring the ways that people will work and communicate in the mobile marketplace. Their bold future scenarios extend to the year 2007.

In the United States, marketers have now spent almost a decade trying to incorporate a digital Internet-driven mindset into their organizational capabilities. In a recent effort to tailor a truly new approach, Philip Kotler and his colleagues have argued that as markets are changing more rapidly than marketing:

the classic marketing model needs to be future-fitted. Marketing must be deconstructed, redefined, and stretched. Marketing is not going to work if its only charge is to pump up the sales of existing goods, i.e. traditional make-and-sell marketing. Marketers need to get more involved in deciding what goods to pump out. Smart firms are adopting a sense-and-respond marketing mind-set (Kotler *et al.*, 2002, pp. ix-xi).

By looking at the cutting-edge experiences of the mobcom pioneers and their early-adopter clients, marketers might avoid the fate of yesterday's Net investors. However, they must find ways to combine traditional marketing approaches with rapid-response marketing relationships. In fact, the long march has barely begun. Wireless pioneers and trade association founders are only now completing the rules of the game in the mobile marketplace. In other words, they may well be where Internet marketers were sometime after the mid-1990s.

Interestingly enough, US-based marketers, the creators of mass marketing and brand building, may well prove to be laggards in this effort. As digital convergence is driving both Europe-based mobile leaders and US-based IT leaders, mobility-driven marketing models are being pioneered in Nordic cities, such as Helsinki, Oulu, Stockholm, and Copenhagen, as well as in NTT DoCoMo's Japanese empire (not in the United States (see Steinbock, 2001; 2002).

For the first time in the US dominated technology sector, an entire new infrastructure has been innovated outside the United States.

Unsurprisingly, the pioneering diffusion, too, is first taking off in the core clusters of Finland and Sweden, as well as Japan, Korea, and China, and only later coming to the United States.

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Regulation and Entry into Telecommunications Markets

Paul de Bijl and Martin Peitz
Cambridge University Press
Cambridge, UK
2002
272 pp.
\$70.00

This is a careful theoretical study of the economic characteristics of entry into telecommunications markets. The authors build on an extensive set of theoretical insights into network industries in general and telecommunications markets in particular. They most directly utilize Laffont and Tirole (2000) and Laffont *et al.* (1998a,b), but incorporate results developed by a wide variety of authors.

The innovation of de Bijl and Peitz is to use a computational approach to explore more specific cases than previous theoretical examinations. While most economic theory seeks a model amenable to mathematical derivation of qualitative results, de Bijl and Peitz make their models more specific and explore the effect of changing various parameters and assumptions by computing alternative numerical equilibria. The parameters of the model and the various cases are determined by current telecommunication controversies and empirical facts, but there is no attempt to