

ITAnalysis - Sell something simple

By Rob Bamforth, Principal Analyst, Quocirca Ltd

Why is it that so many companies with great ideas, groundbreaking technologies and solid patents struggle? One reason can be summed up in the question "can we make money out of this idea", which is perhaps more scientifically expressed in the equation 'is DSC greater or less than CMO at any moment in time?' (Where DSC = Deliverable Solution Complexity and CMO = Convertible Market Opportunity). DSC can be greater than CMO for a period of time – venture capital and investors willing – if the ensuing burn rate results in a better solution that can address an even bigger market, but too many technology led companies spend too long on this path.

The alternative is to keep the technology as simple as possible to address the commercial needs of a bigger opportunity. An example of this can be seen in the largest revenue generating mobile phone application/brand in the UK. It's not packed with fancy technology and although the logo is embossed in public locations all over the country, you may not have really noticed it. You may or may not have used the application, but you're pretty likely to have used the service it takes its revenue from – pay and display car parking.

Paying for parking via a mobile phone is not a new application, having been around in the UK for over four years. Although there are different systems from various providers, Basingstoke based RingGo is now used by over 32 local authorities and railway companies as well as car park operators. As a result the application is available in over a thousand car parks, and has close to a million parking users. It should come as no surprise that this is the biggest mobile payment application system in the UK.

In the case of RingGo, the 'pay' is via the mobile phone and the 'display' is via a database of valid cars that can be checked visually by a warden with a simple mobile phone, or more automatically using cameras. Unusually for a mobile application, it works on all phones because the user interaction is voice and IVR (interactive voice response). The company has

explored both downloadable applications and SMS-based systems, but found the simplicity of a voice call is currently sufficient, and both bespoke mobile applications and SMS would create more technical complexity. (DSC greater than CMO).

Payment is via credit card, registered to the user and their car, or cars. Once the details have been submitted by an initial call, they can be subsequently triggered by a short call when parking, using the unique code for each car park.

The parking information is stored in a database for checking parking validity. Parking operators can decide how to handle overstay or no payment in the usual way – paper tickets – or electronically, or show mercy perhaps if the driver's parking history warrants it. But that is a commercial policy decision not restricted by the technology.

The simple and ubiquitous front end is a demonstration of how to achieve flexible support for multiple deployment models as the backend can then offer different payment tariffs. The parking and vehicle information can also be captured and subsequently used for more sophisticated applications. Richmond Council for example announced plans to roll out 'carbon' based parking tariffs – higher emission vehicles pay more.

However the intelligence could also be used to the advantage of drivers by offering alternative parking places when regularly used car parks are full, loyalty and cross promotional marketing – such as parking here free if you shop/eat out etc – and other carrots rather than sticks.

All in all, this application could be much more complex, and perhaps with advances in mobile devices, a more sophisticated system will at some time be warranted, but in the meantime this seems like a mobile application that hits all the right notes. Keep it simple for the mobile user, offer something of specific mobile value

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and make the impact minimal and cost clear to stimulate use.

Technology can only generate large changes in behaviour if it fulfils a need or eliminates something we would rather not have to do, and so delivers a convertible market opportunity. Such a shame that too many mobile application developers build in too much deliverable solution complexity by thinking technology is more important than meeting customer needs.

About Quocirca

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

Quocirca works with global and local providers of ITC products and services to help them deliver on the promise that ITC holds for business. Quocirca's clients include Oracle, Microsoft, IBM, O2, T-Mobile, HP, Xerox, EMC, Symantec and Cisco, along with other large and medium sized vendors, service providers and more specialist firms.

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