JDSU: Location Insight Services Worth $11 Billion to Operators by 2016

JDSU

Research by STL Partners urges mobile operators to capture new revenue opportunities by Monetising Location Insight Services

Milpitas, Calif., August 22, 2013 – Research released by JDSU and compiled by STL Partners, a UK-based research firm specializing in business model innovation in telecommunications, media, and technology markets, highlights an $11 billion opportunity for mobile operators by 2016. The opportunity comes from the monetization of a range of solutions it calls “Location Insight Services” (LIS), the use of aggregated and anonymous “trend” data collected from connected consumers’ mobile location data.

To date, the mobile industry has focused heavily on the opportunity presented by real time Location Based Services (LBS) for individual subscribers, a market that is estimated to reach $12.7 billion by 2014, according to Juniper Research. While there has been great success with LBS for apps targeted at consumers, many mobile operators have struggled to realize their share of this opportunity, with most of the revenue going to over-the-top (OTT) content players. The STL Partners research shows that, by contrast, the Location Insight Services segment offers operators a new opportunity to monetize their location data. They have a clear advantage over OTT players by aggregating huge volumes of anonymous location data over time and delivering value either directly to businesses, or via partners such as retail planners and advertising agencies.

Advertising Evaluation (Advertising/Retail) – Determining the Impact of Advertising on Store Visits

“The findings of this report mark a step change in the perceived value of location data and the way in which operators use it,” said Shirin Dehghan, former Arieso CEO, and now head of the location intelligence business unit since its acquisition by JDSU. “For some time, OTT players have led the way in using real-time location data to provide location-centric services to consumers, such as special offers or vouchers. LIS puts the power back in operators’ hands allowing them to monetize the value of their unique asset, mass location intelligence, creating new revenue streams in times where traditional business models remain under extreme pressure.”

JDSU’s GEOinsights application, part of the ariesoGEO product range, enables anonymous and aggregated information to be shared by external systems without the need for complex system integration with data warehouses. These solutions enable operators to quickly establish new revenue streams. GEOinsights directly contributes to Location Insight Services enablement, allowing mobile operators to tap into the $11 billion revenue opportunity highlighted in the STL Partners report.

In the report, STL Partners identifies two business model approaches open to operators to realize the value of LIS, either providing the insights as a standalone offer, or working with partners to provide an integrated service offering.

The report also outlines an eight step guide from recognising the organisation’s unique big data challenge, to ensuring that insight is positioned as a business critical metric to partners and clients.

For more information, visit www.jdsu.com [1].

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