

TELECOMMUNICATIONS

What's a Phone For?

In Asia, probably a lot more than you can imagine

By MICHELLE TSAI

FOR CENTURIES, devotees of the Hindu god Ganesh have walked barefoot from their homes to pray at Mumbai's Siddhivinayak Temple. Depicted with an elephant head and a pot-belly, Ganesh is believed to destroy obstacles that could keep people from, say, buying a house or launching a business. On Tuesdays, considered the god's day, visitors wait as long as five hours to enter the temple.

But technology is making it easier for worshippers to pray to Ganesh these days. Every Wednesday, two attendants at the temple print out text messages sent to the god—some 70,000 per week—from cellphone users across India. Each message is then neatly folded and placed in a box by the temple's gold and vermilion idol.

"Normally we do go to the temple, but we can't find time all the time," says Pushkar Rege, a 25-year-old who lives in Vasai, a city 30 miles north of Mumbai. Mr. Rege sends two to three messages each month, recently praying for a smooth path for his brother who just graduated from college.

While U.S. consumers still mostly use their cellphones to simply talk—or perhaps send text messages to their friends—their Asian counterparts are increasingly using mobile phones to help manage their spiritual, social and everyday needs. A host of companies are cropping up offering services for cellphones like the text-messaged prayers to Ganesh, ways to track praying schedules and even dating

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Beyond the Call

A sampling of cellphone services available in Asia

CHINA

- Karaoke ring tones
- Members of a social-networking Web site can call each other without revealing their phone numbers
- Coupons redeemable at McDonald's restaurants can be received by phone

Source: WSJ reporting

INDIA

- Payments can be made with a phone at many stores
- Text messages can be sent to the temple of a Hindu god
- Hindu worshippers can keep track of how many times they have prayed to any of 18 gods

JAPAN

- Phones can be used to pay for purchases at many stores

PHILIPPINES

- Money can be sent abroad with a phone

SINGAPORE

- Road tolls and parking tickets can be paid with a phone

SOUTH KOREA

- Subscribers to an online dating service can receive alerts when they are near a potential match and send a text message

services. Some cellphones also contain technology that allows them to double as debit and credit cards.

Facilitating these advances is the fact that Asia is outpacing the U.S. in terms of wireless technology. But it also helps that Asian consumers are much more receptive to incorporating mobile services into the everyday functions of their lives.

"There are lots of different technology adoption patterns—some reflect culture, others gender or age," says Genevieve Bell, a Hillsboro, Ore.-based anthropologist at U.S. chip maker Intel Corp. who researches how people use technology. "A mobile phone in the U.S. might be primarily a communication tool. In Korea, it might be a way of fostering social networks, and in Malaysia, it could be a tool for spiritual devotion."

Wireless Devotion

Religion on the go is fast becoming common in Asia, thanks to companies

like **People Infocom Pvt.**, which created the text-messaging service to Ganesh.

Wireless carriers charge four cents per message and share the revenue with People Infocom and the temple. Arun Gupta, the company's 34-year-old co-founder, says that while the service, launched in 2003, isn't a big money maker, it helps the company advertise other products like ring tones, games and wallpaper for cellphones—which bring in most of the revenue.

People Infocom also started selling in January a service for Muslim worshippers called *qibla*, which means direction in Arabic. For a one-time fee of \$1.27, users download an application that enables a cellphone to display in which direction Mecca, Islam's holiest site, lies as well as send an alert for the five daily calls to prayer. Mr. Gupta says the service is expected to generate \$100,000 in revenue for the fiscal year ending March 31, 2007.

Nazara Technologies Pvt. has created a subscription service in India for cell-

phones that allows users to keep count of how many times they chant a mantra, or a hymn to one of 18 Hindu gods.

Nitish Mittersain, the 26-year-old founder of the Mumbai-based company, says 100,000 users, so far, have paid \$2.16 each for unlimited use of the service, while an additional 30,000 pay a monthly fee of 66 cents. He says yearly revenue from the subscriptions totals about \$238,000. Total company revenue was \$2.5 million in 2005, mainly from ring tones and games.

Love Connections

For some Asian consumers, the cellphone is helping them make a love connection, rather than a spiritual one.

Subscribers of South Korean wireless carrier SK Telecom Co. can sign up for a service from mobile entertainment company Psynet Co. that sends "alerts" when a subscriber is near another subscriber who matches their profile on Psynet's dating service. Using data from satellites and nearby base stations, SK Telecom deciphers each mobile phone's location to a range of about half a mile.

One out of four alerts results in someone sending a text message, and chats last six to 12 messages, says Scott Hotes, chief technology officer at WaveMarket Inc., the Emeryville, Calif., start-up whose technology SK Telecom uses to match profiles.

Mobile romance is big business for Psynet, which generated revenue of \$6 million last year—55% of its total revenue—from its dating service, which includes the alerts. Psynet Chief Executive Kim Kwang Muk says customers spend an average of \$2 per day on the service, which attracts 250,000 unique users each month. Psynet offers the alerts on other wireless carriers as well.

In China, meanwhile, singles also flirt anonymously over the phone, but they skip the text messages and go straight to voice calls.

People who are part of an online social network run by eFriendsNet Entertainment Corp. can call each other without having to disclose their actual phone numbers. Users place calls through a special phone service using an identification

code. The service, launched in late 2004, costs about two cents per minute—half the cost of a regular mobile call in China. Calls can be turned on and off and users can be blocked. Marine Ma, the company's 30-year-old CEO, says the service brings in \$125,000 in monthly revenue.

Li Ang, a 26-year-old Beijinger who uses the mobile service, says that just like at a party, catching someone's attention requires a bit of persistence. But become a nuisance—or worse, a stalker—he says, and someone can block your calls.

Another Beijing firm is trying to capitalize on the growing use of individualized cellphone ring tones by marrying them with the national pastime of karaoke.

Colorme (Beijing) Information Technology Co. gives customers free software to record their own versions of pop songs and charges about 62 cents to set each song as a ring tone or ring-back tone—where a caller hears a tune instead of a ring.

"Young people like to show their personalities—'It's my song, I'm the star,'" says Chief Executive Leon Lee, who can be heard belting out a ballad on his own ring-back tone.

Meeting Material Needs

Of course, Asian companies haven't forgotten about consumers' more material needs—such as shopping.

In Japan, the FeliCa chip from Sony Corp. allows cellphones to work like debit or credit cards. Consumers simply wave their phones in front of electronic readers to pay for purchases. Some phones can even access doors.

In April, Japanese wireless carrier NTT DoCoMo Inc. launched DCMX mini, a credit-card service for phones with the chip. The service has a \$90 spending limit and charges are tacked onto a monthly phone bill. The phone can be reloaded with money at various locations, including cash machines. The company says it has already approved 150,000 applicants. In late May, DoCoMo also rolled out a service with an \$1,800 minimum credit line.

In India, wireless carrier Bharti Airtel Ltd. joined with ICICI Bank in 2005 to offer smart chips that eliminate the need

for wallets and cash registers. Merchants send consumers a text message with the purchase amount and consumers enter a personal identification number to authorize deduction of the sale amount from their bank accounts.

Since the number of merchants in India who have cellphones is more than 10 times the number who have point-of-sale terminals that process credit or debit cards, this application means stores can do more business, says a Bharti Airtel spokesman.

Catching Up

So why aren't U.S. consumers lining up to take their cellphones to these levels?

One reason is that U.S. carriers operate on two separate technological standards, making it difficult to develop applications for mass adoption. Also, older phone networks and cheap voice services are keeping more consumers from using text messaging and data services.

But U.S. wireless carriers have been taking notes on the services their Asian counterparts have rolled out. Paul Reddick, Sprint Nextel Corp.'s vice president of product-development innovation, says in the next two years U.S. carriers will introduce ways to find new music, make purchases on phones, watch videos created for mobile viewing, and integrate entertainment from the PC and TV with a mobile phone.

"We're in the early stages of the carriers really understanding their customers and letting them take control of the experience," says Linda Barrabee, an analyst with Yankee Group, a market research firm based in Boston.

Already, AT&T Inc.'s Cingular Wireless LLC and Deutsche Telekom AG's T-Mobile USA Inc. offer a package of daily Christian scriptures, videos and audio content from Los Angeles-based Good News Holdings LLC for \$5.99 a month.

Location-based tools also have hit the U.S. Sprint, using WaveMarket technology, introduced a service in April that lets family members know each other's whereabouts through global positioning technology.

"There's little that's happening in Asia that shouldn't happen to an equal degree in the U.S." says Mr. Reddick. ■