

The Tide is Turning for Mobile Operators in 2020

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The year 2020 has a ring to it. Those stuck in bumper-to-bumper traffic jams will laugh to learn that past future gazers [predicted that by 2020](#) people would have flying cars and even telepathy! Turns out most people would just be delighted to have a hassle-free journey. And while waiting on delayed trains, planes and automobiles, they would rather have seamless access to their favorite content.

It is always amusing to look back at predictions that haven't quite materialized. For instance, Gilbert Rhode, a product designer in 1939, predicted that [hats would have antennas](#) by 2020 for "snatching radio out of the ether."

While the prediction about antenna hats is not too far off from wearables, the prediction was spot on about the fundamental importance of wireless, which is in the ether all around us. It impacts economies, lifestyles and our society, and it's set to play an even bigger role in 2020.

In 2019, after all the hype, 5G finally started to show up. And arguably, two of the most significant developments in 2019 — [the launch of Disney +](#) and [Google's cloud gaming debut with Stadia](#) — could have [profound implications](#) for the next decade.

So, with a tip of the virtual hat to dreamers like Gilbert Rhode, here are three predictions that could impact both mobile operators and subscribers.

When operators entered 2019, they were trying to figure out the future of mobile content. The surge of traffic generated by a slew of streaming services such as Netflix, Amazon Prime and Hulu was disruptive to both the capacity and their business fundamentals. The streaming genie is out of the bottle, and there is no way to put it back in.

I chuckle when I see the same people who said the industry would never use up the capacity of 3G when 4G was launched are now “questioning” the viability of streaming services, given the limited number of hours in a day. [Businesses](#) were quick to leverage 4G's bandwidth capacity. I am sure entertainment and streaming companies will innovate new technologies and content that maximize 5G's capabilities to feed people's insatiable appetite for video.

After all, 2019 saw the addition of even more new streaming channels, including Apple TV+ and AT&T TV, and then came the giant of entertainment, Mickey Mouse, to the wireless stage in the form of Disney+.

Launched in November, our live data showed that the Disney+ service quickly reached No. 1 in Canada within days and is already rising rapidly in the U.S. According to [industry sources](#), Disney could reach its 60-90 million subscribers much earlier than its 2024 goal. This result will have profound competitive implications for mobile operators and a host of new streaming protocols planning their future.

Operators must formulate a strategy to mitigate the increasing costs that come with managing their saturated networks that streaming services create — or risk subscriber ire when quality of experience (QoE) fails.

Prediction 2: It will be ‘game on’ for cloud gaming

Cloud gaming services have already kicked off, with Google Stadia and PlayStation Now getting into the action.

5G networks will eventually empower cloud gaming services, and gamers will demand low-latency, high-definition, immersive experiences. Today's buffering, stalling and latency levels don't work for gaming and will be a market inflection opportunity to attract a premium consumer segment to your service if you solve for those issues and deliver an authentic gamer experience.

There are numerous independent test houses that have apps that rate mobile networks for performance (i.e., Tutela, RootMetrics, OpenSignal, etc.), and their influence, together with the key media awards that are based on these results, will grow dramatically in importance.

For 2020 and beyond, 5G alone is not enough. Operators will need to deploy a mix of software technologies to build networks that support up to four times more bandwidth than what currently exists on today's networks — or it could be game over for their subscribers.

Prediction 3: The need for a unified 5G data management layer will become obvious — quickly

As operators experience the first two predictions, they will quickly recognize that the 5G data management business requirements are drastically different from what they have done to date.

Data is to business as air is to life. The ability to act quickly based on data can convert costs into revenue and profits. Just look at Amazon and Google, which have turned data-driven decision-making into an art form.

Mobile carriers have access to reams of data. There is tremendous potential to convert that into securing new revenue streams. For mobile carriers, this means not only embedding mobility in everything you do, but also utilizing artificial intelligence (AI) and machine learning (ML) to achieve that. This AI/ML requirement should connect to every partner you choose to work with.

A number of mission-critical applications will run on 5G and require resiliency and uptime. Operators will need to process that data on the cloud at lightning-fast speeds.

Operators will need to build a common data layer to replicate data quickly and cost-effectively. As 5G networks become mature over 2020, operators will turn to these data layers to deliver new revenue by extending their capability.

The 2020 Step Forward

I believe 2020 will provide a giant leap forward in terms of what is *possible*, and that, in turn, will open the doors for what is *practical*. The industry will see more new streaming services, immersive games and disruptive applications.

On one hand, 2020 holds the promise of significant new revenue opportunities for mobile carriers. At the same time, it holds the threat that they will be left with the “check” for their networks with little incremental revenue for their investment.

In closing, my final prediction for 2020 is that the commute home will be much more entertaining and pleasurable than it has ever been in human history. Oh, and telepathy is still on the drawing board!

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