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INTERNET USAGE AND SERVICES

No longer a novelty, the Internet has changed the way many people function.

From boffins to mainstream

The early internet was designed to provide a way for individuals to keep in touch and to provide a resilient, distributed network with no single point of failure. At its start, the idea of linking many low powered computers so that text based messages could be exchanged, was pushing the boundaries of innovation and imagination. Today, those early ambitions seem limited and mundane.

In 2008, many of Australia's Generations X and Y have grown up familiar with computers, both in the home and at school and have now entered the workforce with an inbuilt assumption that 'everybody has a computer and everything is on-line'. These individuals are not intimidated by the huge range and complexity of devices common in the community and easily turn their hand to new models and applications.

Manufacturers are now engaged in an arms-race to supply every individual on the planet with access to portable devices, extended personal networks and ever growing storage capabilities. These are the building blocks served and exploited by applications that are ever more intuitive and human friendly.

The internet provides the ability to tie them all together, in ways never before seen.

New demographics

The rise of these technologies and the ability to interconnect on an any-to-any basis, together with the growing availability of high bandwidth services, both fixed and wireless, is significantly altering the way that many enjoy life, education and work.

Whilst, at one time, electricity was observed and remarked upon, today's users of electricity don't even think about it. They don't say to themselves, "I must find a place supplied with electricity so that I can buy a coffee" they simply think about enjoying the coffee.

It is the same with internet access for the New Economic Order (or NEO) demographic. They don't think - "I must find somewhere with internet access so that I can check on what movies are playing", they just reach into their pockets and pull out their phone. The idea of connectivity and access to the 'net' is so far from their conscious thought, that it is not considered at all. Their focus is on seeing a movie, not on the wonder of the technological tangle we call the net.

A downside of this subconscious assumption of connectivity is becoming obvious. Just as power blackouts can be disruptive to societies depending upon electricity, so too, the loss of personal connectivity can be disabling when not available. The loss of a mobile telephone, connection to their emails or to material on their hard disc drive, is as distressing to some as the loss of a pet or valuables.

This NEO demographic is so integrated with the technologies that they will absorb innovations and enhancements as natural and expected. When GPS functionality was recently integrated into mobile telephones, it was greeted as "It's about time," rather than "Wow! That's amazing". Multi-gigabit portable storage on USB sticks isn't seen as a marvel, it's "Not big enough".

Not everyone is in this position, nor does everyone react in this way, but it is clear that many will not only embrace continuous technological change, but are impatient with the pace, which they can perceive as too slow.

From our perspective in the internet industry, this demographic is not only interesting, but becomes a useful tool. NEOs incline towards early adoption, so can provide valuable feedback on product innovation and service development. They can provide pointers to future requirements and consumer needs by the way in which they use the services in their lives. They are not, however, seen as 'bleeding edge' consumers or geeky types who want to pull stuff apart to see how it works. NEOs appreciate a 'cool factor', but only inasmuch as it impacts on their lifestyle and the pursuit of their 'real' interests which are not specifically the technology itself.

The other important aspect we appreciate in connection with NEOs is that they are often the person in their circle of family and friends, to whom many will defer on questions of technological innovation. NEOs are asked "Any suggestions as to which phone/computer/PVR/TV/internet deal I should select?" or "Who do you like for ...this, that or the other?" They are seen by others as the person who knows best, because they are obviously so familiar, comfortable or knowledgeable about the huge range of technological options and choices presented by suppliers today.

Fiction or Future

The rise of newer, more powerful devices in smaller and smaller packages, the pace of change and greater personalisation of services points, inevitably, in one direction - Increasing convergence.

Just as personal mobile telephones seem set to replace the fixed line telephone previously shared by those in each home, internet access devices will be incorporated into multifunctional personal devices.

Whether these will achieve the biological integration imagined in fiction remains to be seen, but just as the mobile phone of today outperforms the Dick Tracy watch of the forties, integrated devices with ubiquitous network access will outperform (at many levels) the common desktop or laptop, tomorrow.

Given always-on connectivity to a global network with unlimited storage and search capability, it's easy to imagine that education, employment and entertainment will change dramatically.

Working and personal lives have already been affected dramatically by services delivered by the internet. Industries have been created by the availability of internet, that were not even imagined twenty years ago; and the generations in school today, will be employed in careers that haven't been invented yet.

New Business Models

Much has been written about internet business models. Many of these are dependent on large numbers of low value services attracting minor payments, previously seen to be uneconomic. Some exploit virtual opportunities previously non-existent and some others exploit the rich communications capabilities possible with the net.

The music industry is adjusting to the notion that customers effect transactions to buy single music tracks, purchased and delivered in seconds over the net for mere cents, rather than having to travel to a music store to acquire a packaged bundle of (often unwanted) music tracks at ten times the price. This model was initially touted for printed material, but has found a much more receptive market for audio visual content.

In another example, online gamers participating in simulated environments are putting their skills to work generating digital assets and then trading these assets, both within the simulation and in the external (real?) economy. There are gamers around the world working either as employees, or individually making a living in this way.

Advertisers and vendors have exploited social networking websites which spring up overnight, displaying all the attributes of fashionable cafes, bars or restaurants. At one moment, a site may be place where one "must be seen" and the next, dropping off the cool list in place a newer, different location. Some of these encourage anonymous participation and outrageously imaginative alter-egos, whilst others encourage the most detailed exposé of personal details and interests.

In any event, advertising and direct marketing interests enjoy new sources of qualified customers across global markets.

Changing Boundaries and Jurisdictions

The ubiquity of the internet and its anarchic network development takes little notice of geo-political boundaries. This 'boundary-less' feature creates difficulties for legislators and policy makers alike. Questions arise over jurisdiction and the applicability of the laws of one country over a service provider operating out of another.

If apple pies are illegal in country 'A', but not in country 'B', how does country 'A' deal with its citizens accessing information on apple pies from a website in country 'B'? If formal Standards or Compliances are required to conduct a business in Country 'A', but not in country 'B', can country 'A' limit an internet based service provider operating out of country 'B' from trading with the citizenry of 'A'?

These questions are being tackled by jurisdictions around the planet, with varied levels of collaboration. Free Trade Agreements are under negotiation continuously and a growing complexity seems inevitable as nations and corporations come to grips with cross-boundary markets and mobile populations.

New crimes

Any new thing offers opportunities for exploitation. This opportunity can be for the benefit of mankind or, as our law enforcement agencies will attest, to its detriment. Many internet users will smile at the notion of the almost limitless "Nigerian" heirs to countless fortunes, however law enforcement agencies still release reports of embarrassed victims. Unbelievably, many have handed over their bank account details to complete strangers in the hope of gaining access to the estate of an unfortunate government functionary, who just happens to have \$32,000,000.00 crying out for a bank account to land in.

'Russian brides' e-mail their plaintive cries, in broken English to Australian men, promising eternal love and affection in return for nothing more than an invitation to immigrate to a new life. Obviously, for those not without love and affection, it is difficult to understand how a person may effectively sign over half their worldly goods to an e-mail address that is a string of nonsensical numbers and letters. Apparently, there are many new broken (and poorer) hearts that indicate this scam has proven effective.

Television programmes also carry stories of devious credit card pirates, who plunder the digital seas, looting and pillaging the treasure released by stolen credit card numbers, scammed by dishonest traders and shipped around the world. Corporations providing services to customers who pay by credit or direct debit, face the challenge of securing the legitimately held card details from unauthorised access by digital pirates.

There is nothing permanent except change.

As Heraclitus is reported to have said, “The only constant is change”.

The Internet continues to change and evolve and, as it does, those that interact with it also change, it has changed the way many Australian people function, from their earliest lives at home; to their schooling and in their workplaces; in their private lives, both in the real and imaginary worlds that they inhabit or visit.

In its, roughly, twenty year existence, we have seen only the very earliest patterns of internet usage and service development, who can imagine what possibilities may present in the next twenty years?



Steve joined iiNet Ltd in 2003 and has over 35 years experience in the Telecommunications industry.

Steve's responsibilities, as Chief Regulatory Officer for iiNet, include the management of the company's relationships with various regulatory authorities and in formal arbitrations and disputes with other carriers. His Corporate Affairs duties include government and media relations and he manages iiNet's Corporate Social Responsibility program and Environmental Management compliance as well as Quality Assurance.

He is the CEO of Chime Communications Pty Ltd, iiNet's carrier subsidiary.

He has been a board member of the Telecommunications Industry Ombudsman since late 2006 and is currently a member of the Terria steering committee.

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