Most of us in the telecommunications-related industries are technology-oriented. We see new technologies emerge, and we think in terms of the impact on network infrastructure and service provider operations. We often fail to anticipate how the interaction of this technology with our culture will produce change.

We are increasingly a “me-centric” culture. This is not confined to the U.S., but is a worldwide phenomenon. The driving credo is the four “I want its.” I want it when, where and how I want it … and I want it to be under my control.

Cell phones didn't need traditional call quality to succeed because calling a shirt pocket trumped calling from a desktop. With superior ability to satisfy the “I want its,” cell phones now outnumber traditional phones. Computers, since their escape from the data center, have never paused in their evolution to offer greater mobility and personal control. Today, Wi-Fi hot spots and PDAs are not just for road warriors. Technology enables, but culture shapes usage.

The current triple-play competition to provide bundled voice, data and video has reached the last bastion of traditional service, cable television. We find ourselves focused on tools like IPTV, digital video recorders and TiVos, but history should teach us to expect the big changes to be in how we use the new enablers. A flood of IP-enabled video will enter our homes via broadband Internet links. The business model will change. The next generation will likely find it amusing that millions of us once sat down in front of our television sets on Thursday nights and watched the same episode of “Cheers” on NBC.

One of the hottest new Web sites on the Internet is YouTube, which posts more than 60,000 user-submitted videos and has 70 million views a day. This company may fail as a business and drown in spam, but it has demonstrated a consumer hunger that demands satisfaction. NBC, which at first demanded clips of its programs be removed from YouTube, has reversed direction and now posts promotional clips itself. Warner Brothers intends to distribute its movies and TV shows through the Web site Guba.com. Cable multiple system operators Comcast and Time Warner are not only creating Web-based video but also routing it to the television set. AOL, Google and Yahoo are collecting video material from many sources. Movie studios and sports organizations are sometimes selling their video directly via their own Web sites. These developments could undermine the cable companies' middleman position.
Another challenge is that infrastructure ownership does not always translate into economic reward. My home cable provides transport for three phones, and two ride free — one from Vonage and another from my corporate PBX hosted in another city. Ironically, the phone for which I pay my cable company is TDM, not IP, and is less functional. Cable companies are fighting back and are rapidly migrating to voice over IP. As detailed in our pending study, “Cable Broadband & Telephony Report, 2nd Edition,” cable IP phones surpassed TDM phones in 2005 and will comprise more than 70% of phones by year-end 2006.

The struggle to control and wring revenue from Internet-enabled voice, data and video services may hinge on regulation, rights-protection, marketing and technology, but the mass appeal of the services offered will certainly turn on satisfying the “I want its.”

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