

A Hidden Market

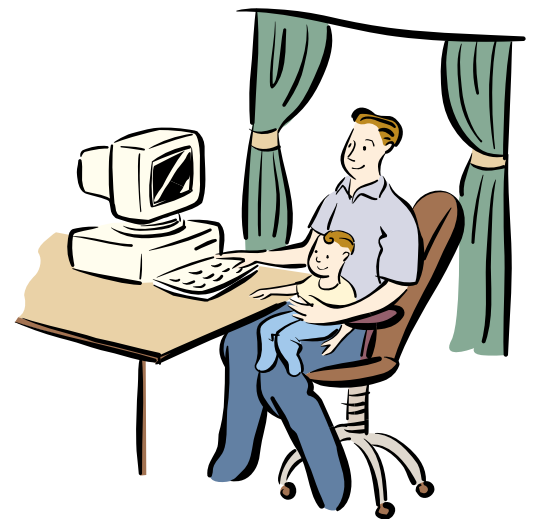
No-frills email services get Telstra attention and catalyzes real Internet email services aimed entirely at computing newcomers.

By James Robinson

Only cave dwellers and infants may be unaware of the Internet these days. Yet, despite absolutely phenomenal and unparalleled growth in the Internet and use of electronic mail, there remain significant numbers of people who want email services to be both easier to install and use before they'll go online and become customers. This was the assertion of Telstra researchers just two years ago, and it spurred the company's development and introduction of Easymail all in a matter of a few months – far faster than any other previous product development cycle.

Electronic mail (e-mail) has clearly transformed business communications for years. For most people in the workforce it's now a critical part of their daily profession and practice. As such, email services became the fastest growth area of the Internet, with the market currently expanding by 150% per year. Yet, the full potential of e-mail as a simple, inexpensive, and primary means of communication for the general, non-business oriented public is still a long way from reality.

Sure, there are the so-called Internet cafes crammed with backpackers sending messages to friends and relatives. Most libraries, too, offer Internet access for casual, walk-in users. But for many in the residential market, e-mail remains a mystery; an attribute of the Internet they regard as a toy for computer-savvy teenagers. Few of these people see e-mail for its considerable advantages: sheer convenience, timeliness, and lower cost compared to faxes, mail, telegrams and phone calls.



Innovations in Easymail were entirely focused on pleasing its users – the free application downloads by itself, then it provides intuitive point-and-click steps for creating and sending email without entangling service contracts and regular monthly fees.

A New Melody

Users singing a new tune of email usability

Typically, e-mail has been bundled with Internet services. Internet Service Providers (ISPs) have been slow to see it as a commodity in its own right, despite the fact that it generally becomes the most used component of any typical Internet-subscription. Sensing the pull of e-mail, many ISPs are now changing their tune, providing "free" e-mail services as an entre to Internet services, rather than the other way around. However, e-mail is still rarely treated as a separate commodity. Little has been done to educate the un-tapped residential market about what is essentially an extraordinarily easy means of communication.

Telstra, began to analyze this potential market. The company was initially interested in the significant number of people who try, and then reject e-mail services, but soon launched a closer look at the usage patterns of new Internet starters in general. Company research showed clearly that the single largest obstacle to the acceptance of e-mail services in the residential market was the overwhelming "tech-speak" associated with commonly associated with bundled e-mail services. This

was a considerable hurdle for Internet first-timers. Telstra's Internet services group learned that e-mail newcomers are frequently confused by complicated downloading procedures. More significantly, newcomers are put-off by sites that offer "free" email services then bombard them with thinly-veiled advertising, and which overwhelm them with sophisticated features such as on-line news previews, access to search engines, links to on-line retailers and so on.

Almost half of all households in Australia now have PCs, yet e-mail remains largely in the domain of the computer literate and business users. Furthermore, Telstra's research showed that new starters want a convenient, friendly to email communication, with none of the bells-and-whistles or value-added features of the genre of so-called 'free' sites. Clearly, potential users objected to paying monthly service or connect time fees for a regular Internet email account when their actual usage was irregular or infrequent.



Until Telstra's innovation with Easymail, the problem with the Internet and email was seen by many as a litany of excesses, i.e., the way e-mail services have traditionally been promoted, packaged, accessorized, installed and operated.

In-tune with Users' Requirements

Telstra, HP, and Oracle take the confusion out of email

Armed with this information, the Internet Messaging Products group developed a product plan to accommodate people who wanted an electronic mail in a much more personal, less technical way. "It was Telstra's view that if they could move email services out of its current technical domain, even remove its association with the Internet, then the company would be accomplishing something of an enormous value and benefit for the public," observed Phil Mulley, HP's Account Manager to Telstra. "Judging from the usage of Easymail, Telstra's product innovation was just the right thing at the right time."

Among the product requirements the Internet Messaging Products group addressed was simplification of the downloading process for users, followed and complimented by the simplest possible environment for new starters to send and receive messages. The group also looked at completely new ways to promote e-mail and appeal to the needs of a residential market.

Application design and development of the Easymail service commenced in early in 1999. Developing a product,

however simple it appeared to customers, was no easy task. Traditional development processes would normally have extended to 12 to 16 months. Yet, according to company market analysis, Easymail had to be constructed from the ground up – developed, tested, and rolled out to the customer world – in a mere 8 months.

One way to reliably accomplish all this was to involve outside development assistance. In this respect, the key first step was engaging Hewlett Packard's professional services group to develop and deploy a whole end-to-end solution that met Telstra's vision for Easymail. The product was to be rolled out on HP-UX, which meant that HP could help Telstra fully exploit the benefits of open architecture to design, develop and deploy the mail client and infrastructure. The selection of HP also ensured the largest degree of system reliability for Telstra while centralizing support for the computing servers, and even included product support from both Netscape and Cisco.

This has proved a critical aspect over time because of the large number of computing servers involved that support the application, mail services, network processes and backup services. For example, the Internet Messaging Products group manages eight HP 9000 D280 servers to support the Master Directory and data replication services. Four HP 9000 Model K380 server support inbound and outbound mail protocol transmission services. More than a half dozen other HP servers are also involved.

Traditional software development is a serial process. In this case, however, the group conducted concept designing and construction in parallel. The move ensured development was closely timed to Easymail's debut and launch promotions. Development teams from all three companies focused on different components of the Easymail application. These components included networking elements, hardware engines with software to support the data transaction processes (as well as important network management

applications), mail service software, and Oracle database technology.



Easymail's Features Win-over Users

The combined effort of vendors and the Internet Messaging Products group also enabled the Easymail application to be entirely self-loading, for example, and for software updates to the PC clients to be handled transparently for customers. This last feature means that Easymail's users aren't bothered with application versions and updates. As such, users find Easymail is highly intuitive. It's also very inexpensive and an easy-to-manage Email service.

Users can send messages by simply dialing in to the Easymail service and following simple point and click commands. They can use equally simple point and click processes to receive messages, and a folder screen gives them an easy way to store and retrieve messages. A good way for customers to save money with Easymail is to store up to 10 different Emails and send these together for the cost of one local call. Further, each of the ten messages can be sent to twenty different addresses, meaning that a grand total of two hundred messages can be sent for just 25 cents! The pennies-per-call cost is a great advantage for casual users in this market niche.

Because the target market is still largely uneducated about e-mail, Telstra is taking an innovative approach to promoting the service. Advertising in popular women's magazines, for example, inserts a disk into the magazine and puts Easymail right at the fingertips of many prospects.

Headlines such as "Have you heard about e-mail?" that introduce advertisements with completely non-technical descriptions of the principles of e-mail are attuned to prospects' interests and need to learn. For example, the advertisements explain that "Email" is just computer-speak for electronic mail. Continuing, the advertisements explain that just as one uses an envelope and postage stamp to send a letter to friends and family, PC users can do the same thing – send long letters or just a quick hello – faster and with far fewer steps. Other advertisements combine modem offers and a chance to win a computer.



Long letters or just a quick hello as the inspiration strikes – email newcomers and Easymail users find these things are much more convenient and involve far fewer steps than regular mail.