

# MWC 2022: announcements about advanced services for consumers failed to live up to the hype

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The key consumer trends that were highlighted at Mobile World Congress (MWC 2022) were the metaverse and advanced 5G services. However, few exhibitors showcased services that have obvious widespread appeal, let alone revenue-generating potential.

## The metaverse was prominent at MWC 2022, but only a few concrete consumer use cases were presented at the event

The metaverse was the key consumer service at the show, and several exhibitors demonstrated related products.

- **SK Telecom** used the event to promote its metaverse offering, Ifland. The service, which was launched in 2021, makes use of virtual reality (VR) and augmented reality (AR) to enable consumers to socialise and play in virtual worlds. The operator plans to expand Ifland to 80 countries in 2022 through partnerships with other operators.
- **Meta** announced an alliance with **Telefónica** to create the Metaverse Innovation Hub in Madrid. Meta is also exploring a range of metaverse opportunities with **Verizon**.
- **Telefónica** also announced the Open2metaverse initiative to nurture and support start-ups that will develop technologies and produce content for the metaverse.
- **HTC Vive** introduced its metaverse concept Viverse, which combines AR/VR and blockchain applications as a potential component of the metaverse.
- **Coarsoft**, a South Korean software company, demonstrated a re-creation of the Louvre Museum, in which attendees could tour the art gallery and interact with each other virtually.

Despite the number of announcements at the show, mass-market metaverse offerings still feel a way off. The services do not have wide appeal. For example, the adoption of AR/VR devices, such as Meta's Oculus Quest 2, is relatively low. Meta had sold 10 million Oculus Quest 2 headsets worldwide, as of November 2021.

In addition, most networks are not ready to provide the high bandwidth and low latency that are needed for many metaverse concepts. Indeed, Meta's CEO, Mark Zuckerberg said in his keynote presentation that "we're at the start of the next transition as we build for the metaverse. But creating a true sense of presence in virtual worlds delivered to smart glasses and VR headsets will require massive advances in connectivity." He then emphasised the need "to create connectivity infrastructure that can evolve as fast as technology does."

## Few 5G announcements focused on consumer applications

Consumer use cases that take advantage of 5G's capabilities have been slow to emerge, and operators demonstrated only a few in Barcelona.

- **Orange** demonstrated a VR tour of Notre-Dame Cathedral and remote-controlled model car racing using 5G connections.
- **Telefónica** hosted a competition to demonstrate the use of 5G networks for mobile gaming use cases. The operator also demonstrated a 5G-operated robotic bartender.

The limited number of consumer 5G demonstrations at MWC 2022 illustrates that operators are still looking for ways to offer compelling propositions to monetise their networks for more than high-speed connectivity. By contrast, operators at MWC 2022 made many announcements that were related to business services 5G offerings such as private networks.

## Vendors focused on consumer smart devices rather than handsets

MWC 2022 featured fewer launches of smartphones than in previous years. Many vendors had expanded their consumer device portfolios beyond smartphones to include new laptops, smart watches, smart speakers, tablets and customer-premises equipment (CPE).

- **Huawei** updated its Matebook laptop series by announcing the Matebook X Pro, which is designed to compete with the Apple's MacBook Pro. Huawei also launched its MatePad Paper tablet, an e-ink tablet that is designed to compete with e-book readers, such as the Amazon Kindle.
- **Lenovo** announced its ThinkPad X13s Gen 1, which was developed with Microsoft and Qualcomm to be the first device to use Qualcomm's Snapdragon 8cx Gen 3 Compute Platform.
- **Honor** updated its smart watches with the release of the Honor Watch GS 3 and announced the release of its Earbuds 3 Pro wireless earbuds, which have smart features, such as automatic noise cancellation and body temperature monitoring.
- **TCL** launched the Tab 10S 5G, a low-cost 5G-enabled tablet and three CPE models, including the 5G-enabled LinkHub 5G.

Notable handset-related announcements came from small Chinese handset manufacturers such as Oppo, Realme and TCL. They are increasing their international expansion plans by complementing their low-to-medium priced/specification handsets with high-end devices (including 5G smartphones and modems) in the hope of challenging Samsung's dominance in this segment of the Android market.

- **Honor** launched the Magic 4 smartphone, which uses Qualcomm's flagship Snapdragon 8 Gen 1 chipset, has rapid 100W charging capabilities and is targeted towards high-spending consumers.
- **Oppo** launched the Find X5 Pro, its high-end smartphone, which includes an updated camera and rapid charging functions.

- **Realme** announced that it would make the GT 2 Pro available to international consumers, after its initial launch in China. Realme's GT 2 Pro is its premium flagship offering and is targeted at high-spend consumers. It has a high-quality camera and makes use of the Snapdragon 8 Gen 1 chipset.
- **TCL** demonstrated a prototype foldable smartphone that can fold inwards and outwards.

These brands have been historically active in low- and middle-income countries, and are looking to expand into high-income countries where Apple and Samsung dominate. The challenger brands may struggle to break into the premium handset segment in markets such as Europe, due to the lack of brand recognition and limited understanding of the consumer market. However, they may be more successful in targeting the mid-tier price-sensitive segment and by offering flagship handsets to consumers at a lower price point than other premium brands do.

MWC 2022 saw some interesting announcements relating to consumer services, but exhibitors were disproportionately focused on other areas. Given that consumers generate most of the revenue in the telecoms space, it is surprising that operators and vendors targeted so few of their announcements towards the consumer segment. Instead, exhibitors demonstrated futuristic concepts such as the metaverse and 5G, without announcing commercial consumer use cases. It will take more time for these technologies to become viable for the mass market, and they will therefore probably continue to be key themes at future MWC events.