

Tieto and Nokia team up to bring NFC to market

Although technology enthusiasts have been beating the drum for NFC for the past few years, few practical products have made it to market. But thanks to the collaborative efforts of organizations such as Tieto and Nokia, this innovative technology is now being transformed into sound business propositions.

The two firms got together to develop an NFC-based social location app which integrates Nokia's Proof of Presence (PoP) NFC solution with the Foursquare platform, the location-based social networking service for mobile devices.

Loyalty for the 21st century

Ville Sointu, director, Technology, Tieto US, says: "One of the main areas of interest in retail NFC services is loyalty. We wanted to go beyond having a loyalty card in the mobile wallet and deliver a better answer to merchants' core needs for loyalty without them having to invest in complex secure mobile wallet ecosystems."

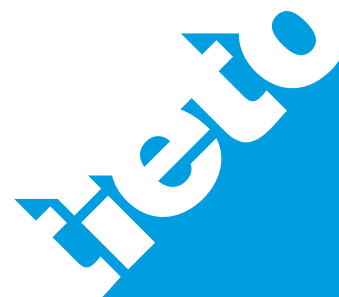
Damien Balsan, director, head of NFC Business Developments, Nokia agrees: "There's also a need to measure the success of loyalty campaigns. Currently, this is difficult and merchants get zero return from the majority of customers who do not buy anything. Using mobile location-based services like Foursquare to enhance the transparency of these campaigns makes sense, but so far it's been hard to prove whether or not people actually respond to them. We've now created something that can be used every day by tens of millions of people – and it's a solution that Foursquare recognizes solves the real problem of ensuring that the right person is responding to the campaign."

NFC rocks

The Tieto/Nokia PoP solution provides the answer, as Sointu explains: "We provide non-clonable NFC tags from Verayo and a supporting platform to anchor customer interaction at a specific place in a campaign. This enables merchants to offer higher-value discounts and gifts to the people who actually respond to a campaign. They also get a wealth of meaningful data about their customers, while respecting their privacy."

The PoP solution was developed by Nokia and Verayo together with Tieto's US North America team based in the Silicon Valley, California. "Tieto has been extraordinary in this," Balsan says. "It recognized the value of the work and the team as an outsource partner and decided to invest in it. This highlights Tieto's commitment to the technology and shows it understands its potential and how important it will be – and how experience of designing and supporting these apps is key."

Importantly, Nokia has also patented IPR for secure tag-based location solutions based on this project. "Foursquare or other social location service providers could see the value of Nokia's IPR in this area as it will enable indoor, location-based, high-value offers, which are currently not possible with existing platforms," Sointu says.





He adds: “We wanted to enhance the Foursquare special offer mechanism with NFC’s ability to accurately map user interactions to certain locations. With PoP we wanted to exploit the existing NFC phone base to develop a cross-platform solution that would benefit customers and retailers without the need to introduce complex secure NFC that involves payment-grade security. Although we developed this solution using Nokia platforms, as it’s standards based it will eventually work on other mobile operating systems that support NFC as well. The PoP solution is also extendable to other location based commerce platforms like Groupon or Gowalla that could benefit from verified NFC check ins.”

Top supplier

The project builds on a long-standing relationship between Tieto and Nokia, with Tieto consistently ranked among the telecoms giant’s top suppliers of R&D outsourcing services.

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The company

Nokia is the world leader in mobile solutions, driving the transformation and growth of the converging internet and communications industries. It is a pioneer of NFC technology and keen to maintain its reputation for innovation.

Silicon Valley-based Verayo is a silicon biometric company. It has received Tier 1 investment including venture capitalist funding from Vinod Khosla.

The challenge

Nokia wanted to integrate its Proof of Presence (PoP) technology with the Foursquare platform using standard APIs. It had two key aims:

- to enhance the Foursquare special offer mechanism with NFC’s ability to accurately map user interactions to certain locations;:-
- to exploit the existing NFC phone base to develop a cross-platform solution that would benefit customers and retailers without introducing complex secure NFC that involves payment grade security.

The solution

Nokia provided the project management, business development and marketing expertise; Tieto developed server and client side assets for the demo, and handled Nokia N9 MeeGo client development and the system integration needed for future commercial deployments.

Tieto also provided the supporting platform that allows merchants to offer higher value discounts and gifts to the people who actually respond to a campaign. This enables consumers to access instant rewards and discounts, while offering merchants the ability to collect a wealth of meaningful data on their customers.

“I’ve been impressed by the Tieto team’s professionalism. They stepped in and took a strong leadership role in the project. Nothing would have been possible if

they hadn’t said that they wanted to help us and make it happen,” Balsan says. “The key was to deliver it on time within a very short time frame.”

