

Skype Woes

[PRINT](#)

October 15, 2007

By Matt Brunk

The **Skype outage on August 16th** lasted over 24 hours and this isn't the first and probably not the last outage affecting users. Then, some Skype users suffered an **attack of a malware**.



Just last week- **ebay wrote down \$1.4bn Skype value** because sales and adoption of the Internet phone service failed miserably. The write down according to Richard Waters of Financial Times is nearly 50 percent. This confirmed my fears when I posted **SKIP SKYPE and the Hype** two years ago. ebay's loss signals that even the guy with the most marketing doesn't always win.

For those Skype users- solely dependent upon the internet for their telephone service- what would they do in cases of emergencies? How would authorities contact them? Are hoards of customers abandoning landlines forsaking any concerns about public safety? Do they really want anonymity? Have the IP voice services such as Skype been really well thought out and yet, here they are or where in prime time? Whatever the reason for customers abandonment of traditional wireline telephony service; it seems that more options today than yesterday won't build any customer loyalty. It almost seems as if there is less customer retention with more choices and vendors.

There's a lot of hardware being hawked for businesses wanting to tap into the Skype service and as I've told the distributors of the gear- **"why would I want to impact my customer's network with unwanted bandwidth being absorbed by Skype for other Skype users?"**

In your face telecom seems to be the gig that more than some users want to partake. Marketing is out-stepping itself when users/buyers fail to understand performance. Within performance there's always a measure of safety and at least an understanding of what you are really getting or giving up and compromising as in the case of Skype. Maybe I'm an old woman with a Bell shaped head or then it could be my unwritten card carrying privilege that entitles me to dial tone 24x7; but these prolonged outages, poor security and haphazard service deliveries won't keep customers coming back or entice new ones to venture in.

Seriously, I can see value in VoIP services including Skype. On what seems to be a sliding scale of reliability or functionality- Skype just isn't at the top of my list for day-to-day business communications. Yet VoIP vendors have churned VC money; ebay has set a huge investment and lost more than a stake in Skype; all while the hacks have gotten away with stealing significant scores of voice minutes that would bring tears to any telecom manager's eyes. Outages are not uncommon and of course there are plenty of service and customer service nightmares. Products and services that are not well planned do fail to deliver reliable service.

What's even true today as it was yesterday is anytime a delivery of services and or products fail to meet customer 'expectations' then fallout follows. These attributes don't build customer loyalty and instead pile on the existing perception that telecom is broken. Then, some products and services just aren't secure enough. For users disconnecting their Bell umbilical cords, I can't help but wonder are they snubbing their Telcos for price or for just for the sake of doing so; because they certainly aren't getting performance. The VCs, ebay and many others caught up in over expectations of VoIP technology seem to want more than just a spanking as a reminder that **VoIP technology requires a rightly applied time and place**.

Comment on this Article

[Click here to comment... \(Show/Hide Form\)](#)

Other Visitors Comments

There are no comments currently....

Close Window