The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russia's Rostelecom to Challenge Google's App Store

By The Moscow Times

October 02, 2014



Russian state telecoms operator Rostelecom is Google and Apple's latest opponent in the battle for the mobile software market, Vedomosti reported Thursday.

Rostelecom's president, Sergey Kalugin, said that communication infrastructure giant will model its third-party application store on Google and Apple's pioneering work. Technology research company Gartner estimated in January that the mobile apps market will hit $77 billion by 2017.

In May, it was reported that Rostelecom was penciled in for possible privatization in 2014, but in September the director of the Federal State Property Management Service, Olga Dergunova, said privatization would not take place before 2015.

Meanwhile, Rostelecom is looking to transform itself from an operator of infrastructure to the curator of a so-called "ecosystem" of mobile applications similar to the Apple App

store, company spokesperson Kira Kiryukhina told Vedomosti.

The plan is to open an app store that will serve as a clearinghouse for services and apps created by Rostelecom partners, Kiryukhina said.

Rostelecom hopes to entice software developers with its unique access to Russian government information resources and data.

One Rostelecom manager told Vedomosti that such a service could be attractive to insurance companies. For instance, insurance firms might lower insurance premiums for customers monitoring their home's fire alarms on their smartphone via sensors linked into the Rostelecom network. The manager, though, admitted such a concept was still under review.

At the moment, it is not yet clear how Rostelecom will attract customers to the proposed app store. The success of Apple and Google's platforms have been largely based on liberating smartphone devises from poorly designed proprietary apps pushed by network operators.

Original url:
https://www.themoscowtimes.com/2014/10/02/russias-rostelecom-to-challenge-googles-app-store-a40029