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Next Generation Mobile

"Interactivity & Advertising"

Arthur Leijtens

Founder Ericsson / NOB Alliance

Email: arthur.leijtens@etm.ericsson.se
arthur.leijtens@nob.nl

MOBILE ADVERTISING

Threat ?

Opportunity ?

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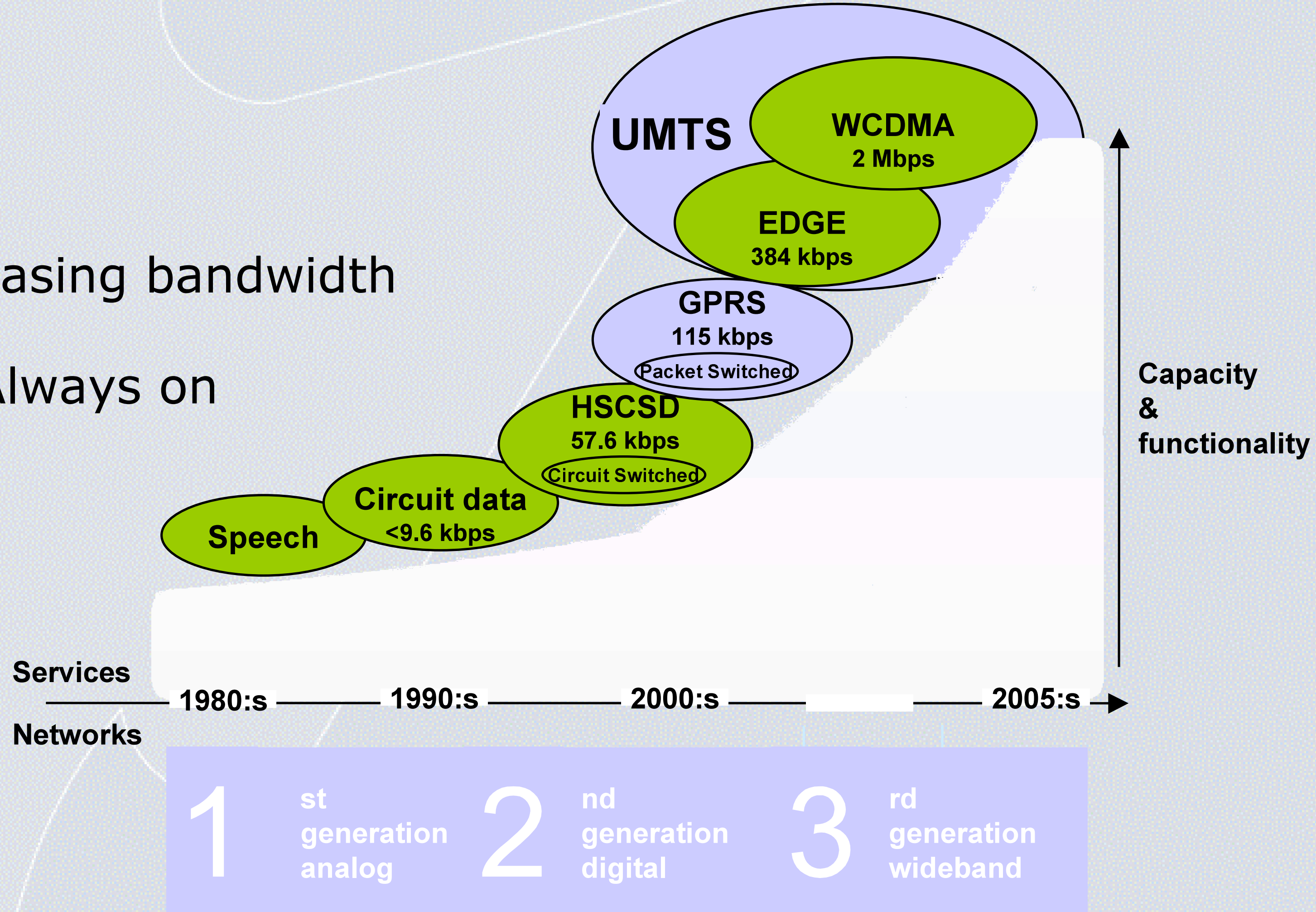
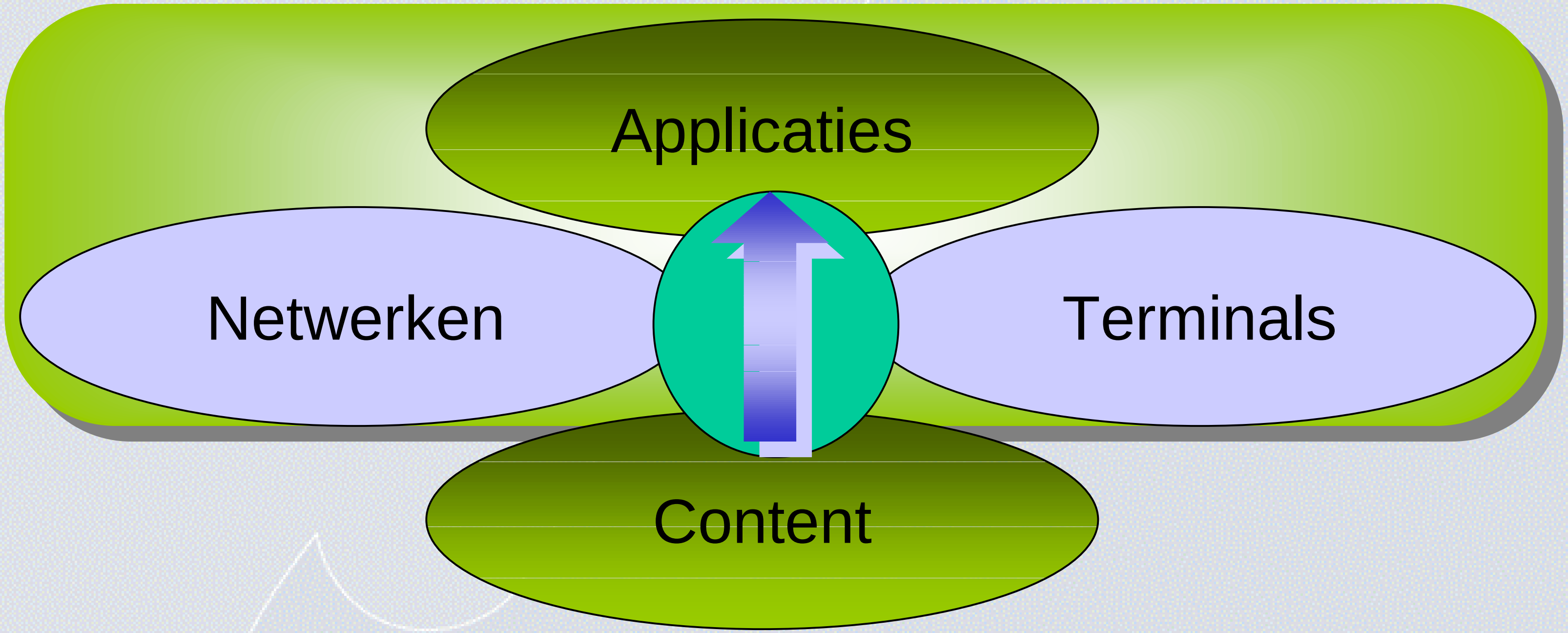
Network evolution

Increasing bandwidth

Always on



Business drivers



Large investments for Operators

- License Winners

A:	TIW	GBP 4.4 bn	USD 119/pop
B:	Vodafone	GBP 5.9 bn	USD 159/pop
C:	BT3G	GBP 4.0 bn	USD 107/pop
D:	ONE2ONE	GBP 4.0 bn	USD 107/pop
E:	Orange	GBP 4.1 bn	USD 110/pop

- Drop Outs

NTL Mobile	GBP 3.9 bn	USD 105/pop
Telefonica	GBP 3.7 bn	USD 100/pop
Worldcom	GBP 3.2 bn	USD 86/pop
One.Tel	GBP 2.2 bn	USD 59/pop
Spectrum	GBP 2.1 bn	USD 56/pop
Epsilon	GBP 2.1 bn	USD 56/pop
3GUK	GBP 2.0 bn	USD 54/pop
Crescent	GBP 1.8 bn	USD 49/pop

Source: The Radiocommunications Agency

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New sources of revenue for operators

APPLICATIONS

Pricing Scheme / REVENUE MODEL	Personal communication	Information pull	Virtual Networks	Audio Visual Service	Information push	Payments services	E-Shopping
VOICE MODEL	• Per minute • Bundled minutes	• Per minute • Bundled minutes	• Per minute • Bundled minutes	• Per minute • Bundled minutes			
DATA TRANSFER MODEL	• Per byte • Per message • Bundles	• Per byte • Per page • Per message • Bundles	• Per byte • Bundles	• Per byte • Per film/album • Bundles	• Per byte • Per page • Per message • Bundles		
SUBSCRIPTION MODEL	• Annual/Monthly subscription	• Annual/Monthly subscription	• Annual/Monthly subscription	• Annual/Monthly subscription		• Annual/monthly Annual/Monthly subscription	
CUSTOMER ACCESS MODEL				• Per eyeball	• Per eyeball • Per referral	• Per user	• Per eyeball • Per referral
E-COMMERCE MODEL		• % revenues • Per purchase		• % revenues • Per purchase		• % revenues • Per purchase	• % revenues • Per purchase

VOICE

The potential portfolio options for operators become significantly more diverse and more complex in a UMTS world.

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VOICE

DATA & MEDIA

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How will operators generate traffic ?

Game Portal:
Per Minute Charge
“Flipper Charge”

M-commerce:
Commission
Charge

E-mail:
Per message charge

Advertisement:
Advertisement
charge

Mobile Bank Account:
Prepaid services
Savings Interest

Video & Music Portal:
Hosting Charge

Information service:
Per Request Charge

Telephone call:
Prepaid or per minute
charge

A concrete glance at UMTS applications

The impact of next generation mobility

on

advertisement

Opportunities

- Personalization
    - Segmented customer groups
    - Push and Pull

- Position based

- Extra channel
    - from text to streaming commercials
    - Interactive formats
      (response on commercials)

Threats

- Shift of budget between channels
- Operators selling advertisements
- Global market with more players

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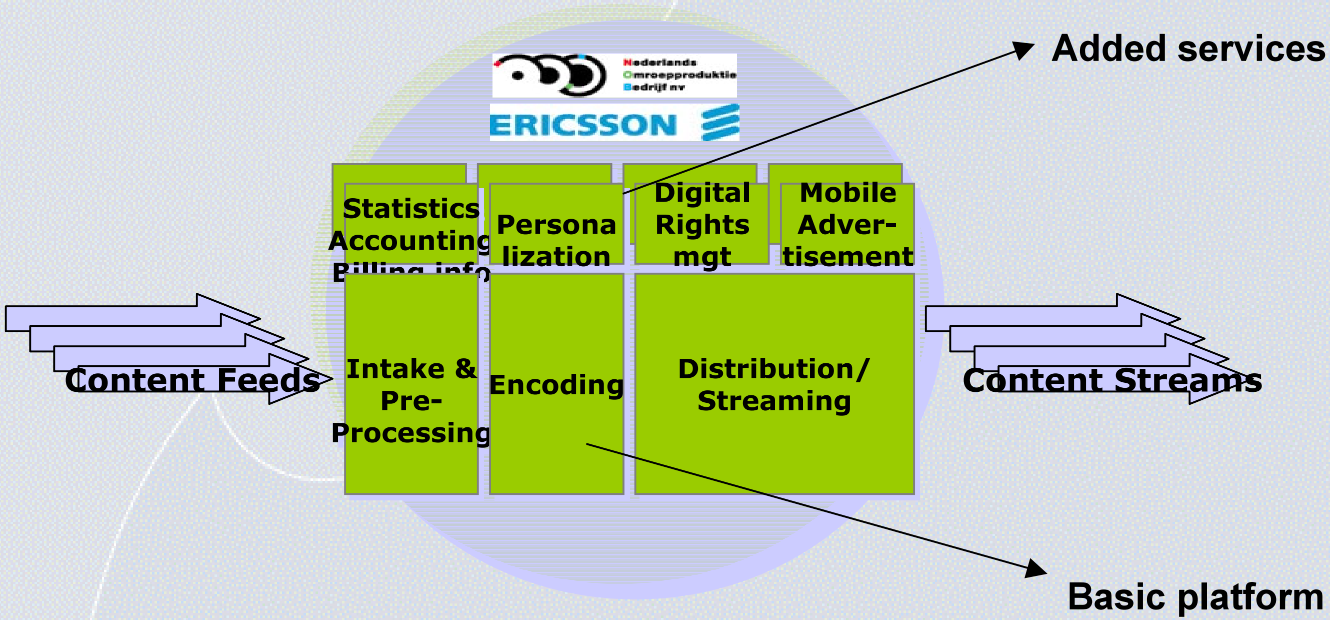
Mobile advertising is a major opportunity

- AVAXION as bridge between content providers and mobile access providers
- AVAXION will enable mobile advertisement as business solution



Advertisement demo