

True value through convergence



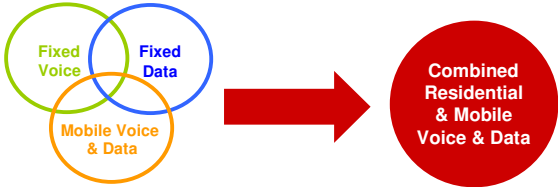
Mobility Solutions

Colin Horton
Marketing Manager Europe and Africa



Residential telecoms issues Either no coverage or.....

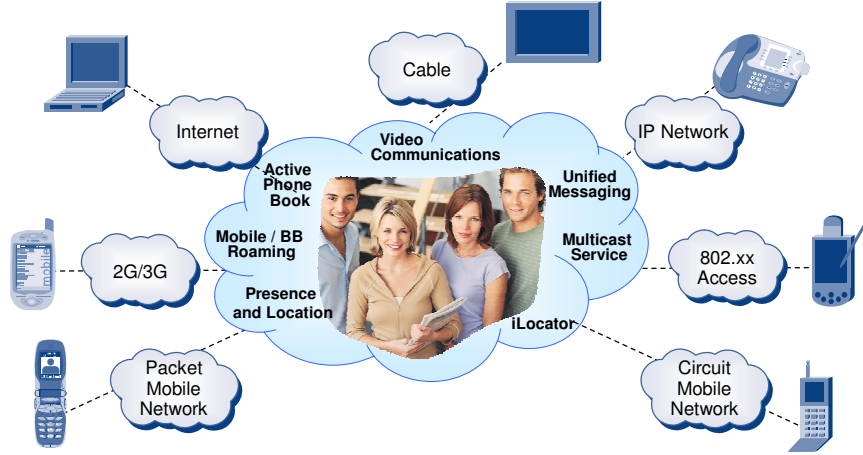
- Multiple providers & multiple technologies, creating...
- Multiple bills (voice & data, mobile & fixed)
- Multiple numbers
- Multiple devices
- Multiple end-user experiences
- Multiple customer care contacts



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Market Trends – Seamless Communications!

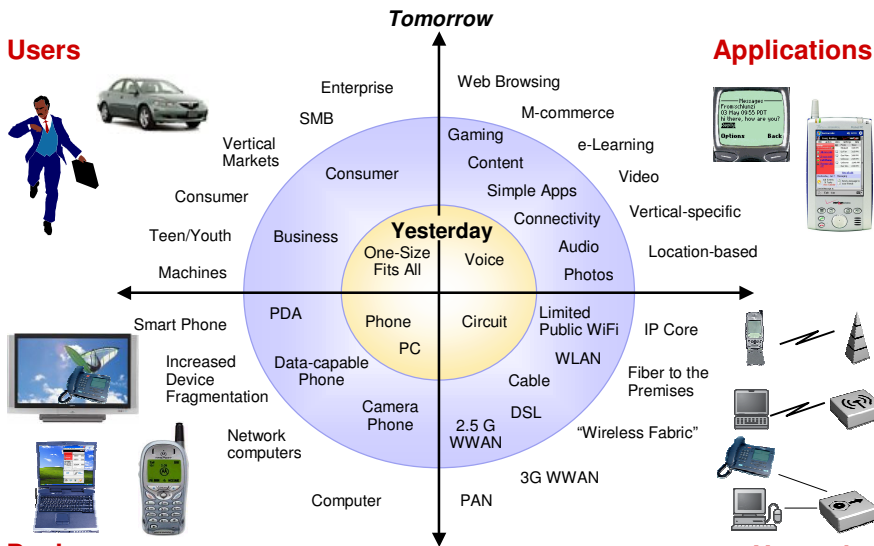


People simply want services that fit their lifestyle and are available anywhere, anytime.

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Global Market Trends



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Roadmap to NG "Lifestyle" Enhanced Services

**2007
And beyond**

**'05-'06
Current Focus**

Expand Into Next Generation Lifestyle Services

- Multimedia content services and messaging
- Video telephony / conferencing
- Interactive gaming
- Intelligent agent services
- Real-time video communication
- Entertainment video on Mobiles

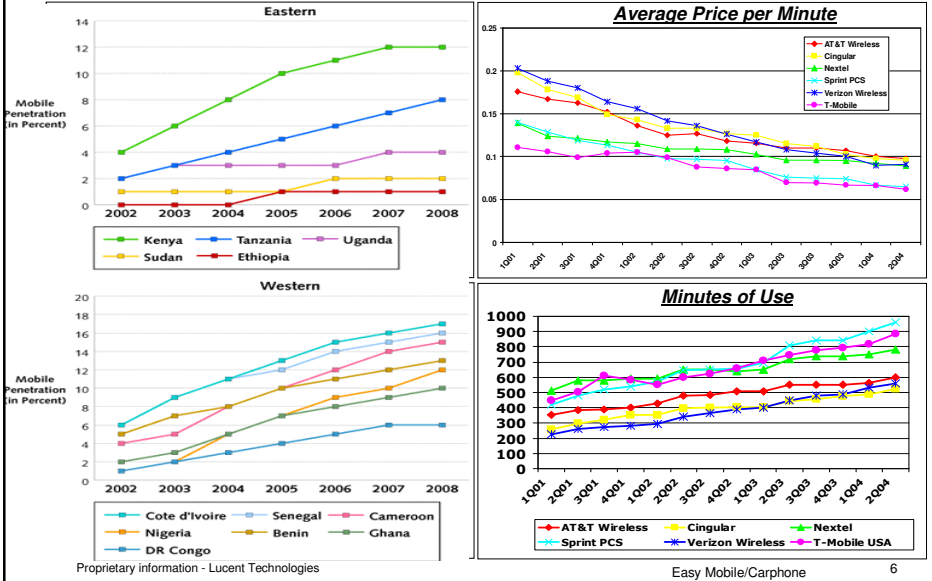
Converge Communication Services

- Converge wireline/wireless telephony services 802.11/cellular
- Mobile HSD (HSDPA)
- Blended text and voice services
- Presence enabled services. E.g. PTT Wireless/Wireline
- VoIP over wireless & wireline
- User profiles spanning multiple CPE devices
- Unified portal service access

Migrate Existing Voice Service to VoIP

• IP communication services span text, voice and video services
 • A unified services architecture enables converged services

Mobile Market Reality Today



Operator Drivers

Leveraging Opportunity to Retain Sub Ownership

- **Retain ownership of the home subscriber**
 - Better quality, more integrated services than competition.
- **Differentiate services through compelling Mass Market offers**
 - Easy to use, custom service bundles aligned to target market segments
 - Consistent branding and common user experience
- **Take share of telecom wallet through transparent, access agnostic services**
 - Wireless, broadband (WiFi DSL & cable),
 - Includes seamless handover
- **Accelerate new service introduction**
 - Home control and application centralization simplify service deployment and consistency
 - Leverage common applications infrastructure to reduce costs

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Market Drivers : End User Perspective

Service Bundling



One device – all my services, regardless of location.



- **Integrated (wireless/Fixed), single provider voice and data service**
 - gives equivalent capabilities to existing office communications systems, whether in the office or traveling on the road.
- **Enhanced by a more visual user interface**
 - real time menu choices on handling calls and specifying importance
- **Integration of multi-media messaging and calling**
 - allows users to choose voice, text, image, files, or video to most efficiently express their concepts and collaborate remotely.
- **View accessibility and status of other work group members**
 - graphical presence icons that can initiate communications.

Key End User Features :

- ✓ Seamless handover between access domains
- ✓ Common service look and feel across domain
- ✓ Common “Buddy Lists” across services
- ✓ One-Stop Billing and Customer Care support

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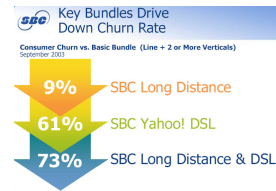
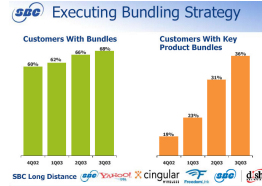
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What's Driving the Change.....

Regulatory Changes
Local Number Portability
IP Voice Telephony
IP Data Services
Spectrum



Maturity of Key Technologies
3G Spread Spectrum
xDSL
DOCSIS
WiFi
VoIP (QoS)
IP Multimedia Subsystem Standards
Softswitch & Packet Core
Converged Devices
MIMO/BLAST



Source: SBC's 2003 Analyst Conference 11/14/03

Reduced Barriers to Entry

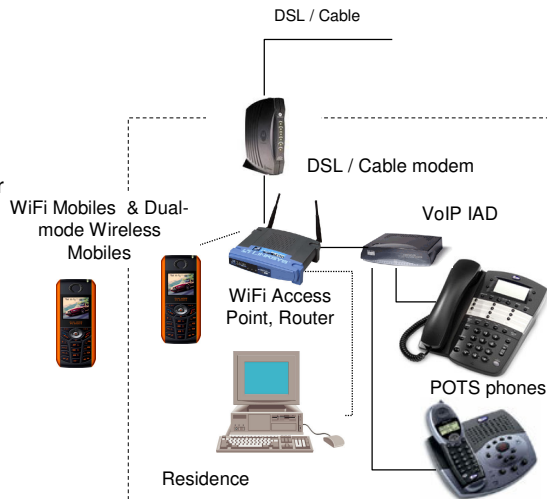
**Trend Services Bundling – “Grand Slam”
Voice, Data, Video/Entertainment, Mobility**

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Consumer Voice Convergence

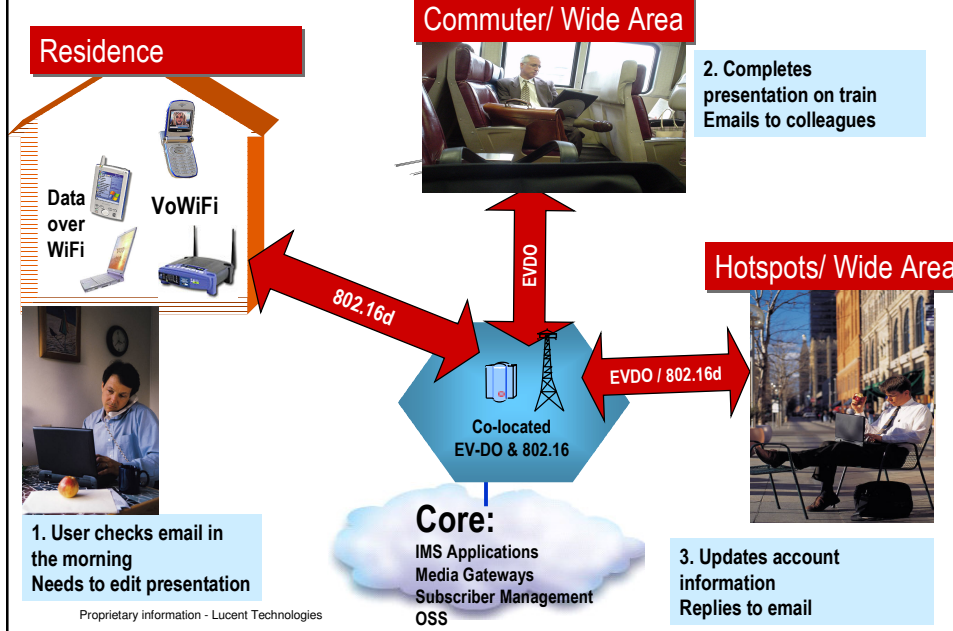
- DSL/Cable broadband used for backhaul to network convergence gateway
- Move POTS phones to VoIP adaptor
- Add WiFi access point/router for indoor mobiles and Internet access
- Dual-mode Mobile phones can use either outdoor network or indoor WiFi



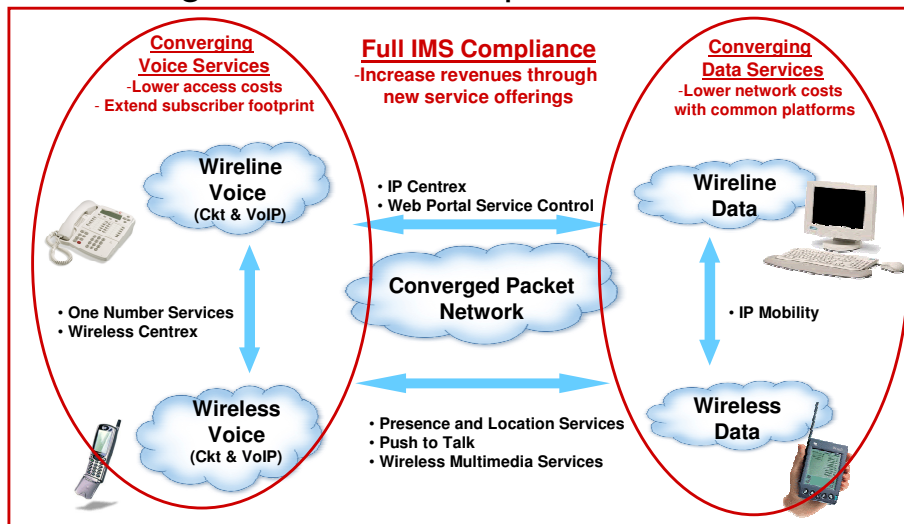
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Convergence In Action: Mobile Professional



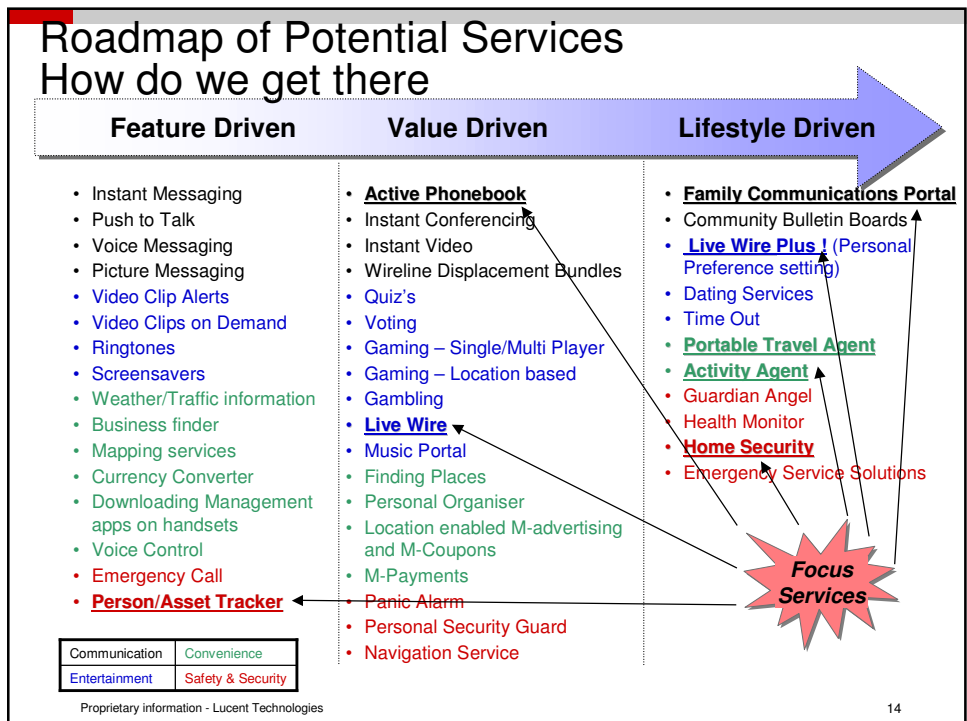
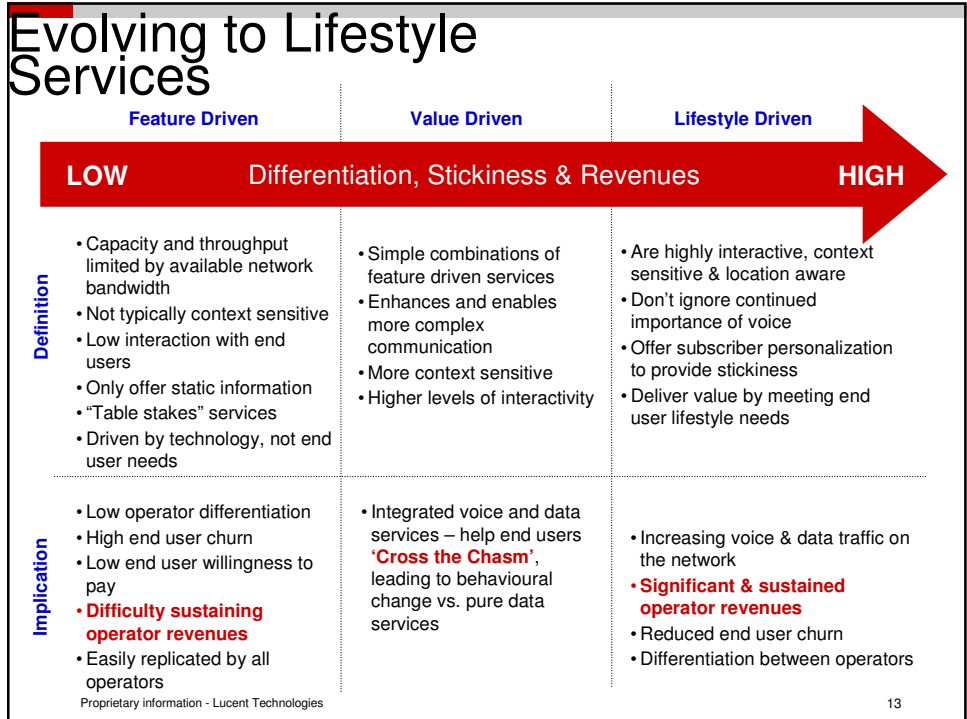
Converged Network Scope



- Network convergence enables new hybrid services
- Services should be consistent across multiple networks

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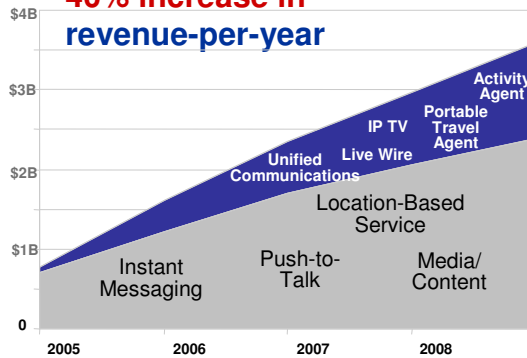
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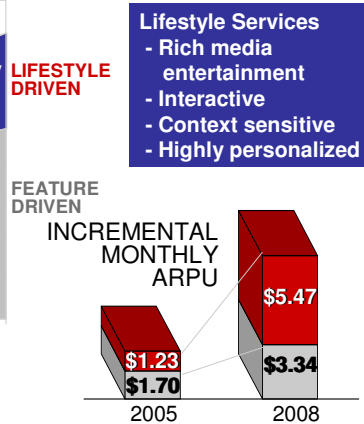
Where's the new revenue coming from?

The Consumer

40% increase in revenue-per-year



Source: Lucent Primary Market Research and Modeling, 2004



- LIFESTYLE DRIVEN**
- Rich media entertainment
 - Interactive
 - Context sensitive
 - Highly personalized

FEATURE DRIVEN

INCREMENTAL MONTHLY ARPU

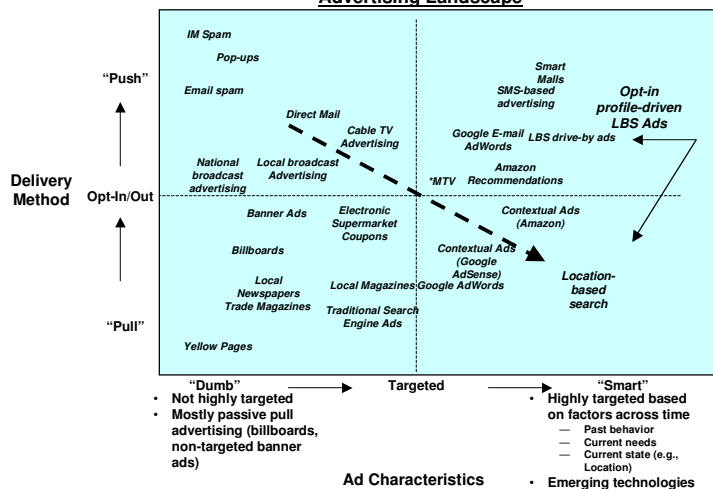
Lifestyle services help the operator maintain relationships with subscribers, regardless of how they access services

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Emerging Advertising Models Offer Opportunity

Advertising Landscape



- Area of high privacy concern
- Acceptance contingent on consumer opt-in and high degree of personalization in push advertisements

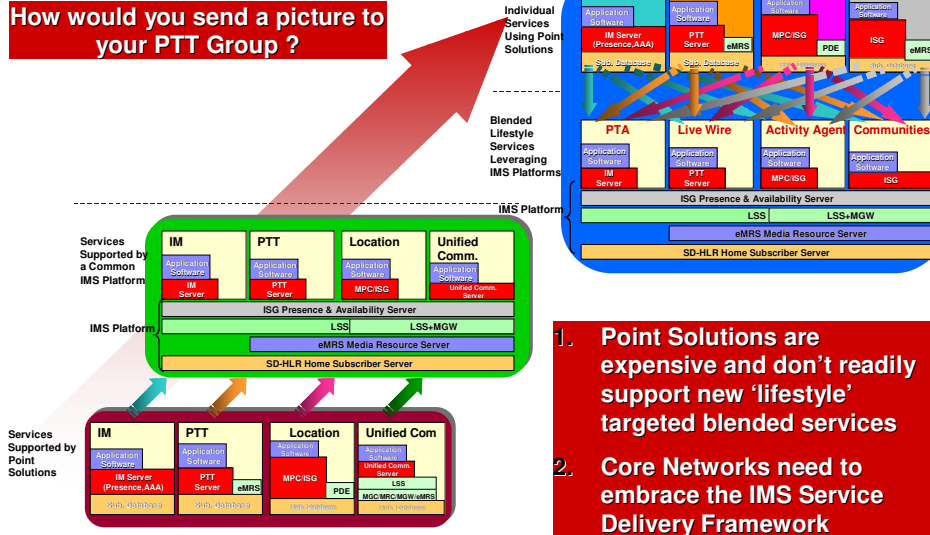
Advertising models are changing in both delivery method and modality, creating an opportunity to leverage networks in new ways

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To Deliver Lifestyle Services, the Approach to Service Delivery Needs to Change

How would you send a picture to your PTT Group ?



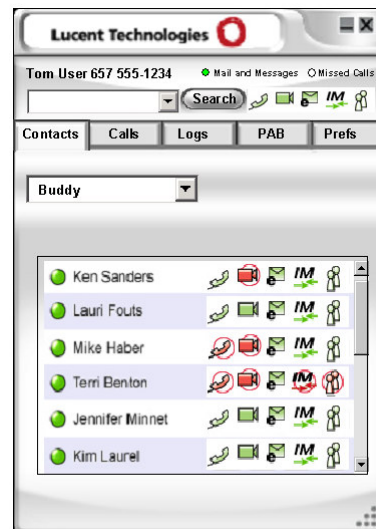
IMS: IP Multimedia Subsystem

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Active Phone Book

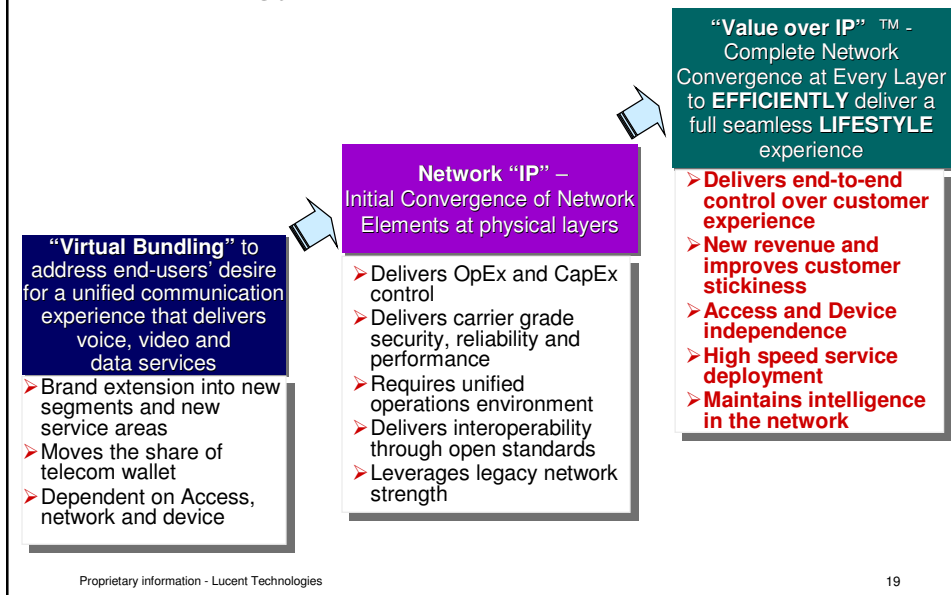
- A key building block for Blended Services
- Simple interface to unify all communications across fixed and mobile end points for
 - Contact management
 - Media management (Voice, Video, Email, IM, Collaboration etc.)
- Common directories and addressing across applications
- Presence, Availability, Location and Policy Sharing across applications
- Improved interface and context sensitivity driving usage and **ARPU increase**
 - Communication services
 - Enhanced content



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The Convergence Trend – The Move From Technology Centric to a User Centric Model



Summary

- **Different stages and steps for convergence.**
- **Convergence allows a better experience for the end user and new opportunities.**
- **Increased revenue for Operator and reduced Churn. Architecture advantages.**
- **IMS is the basis of fixed/mobile convergence**

IMS puts the Value in IP

Accelerate™



Thank you
