

The Internet on a mobile phone

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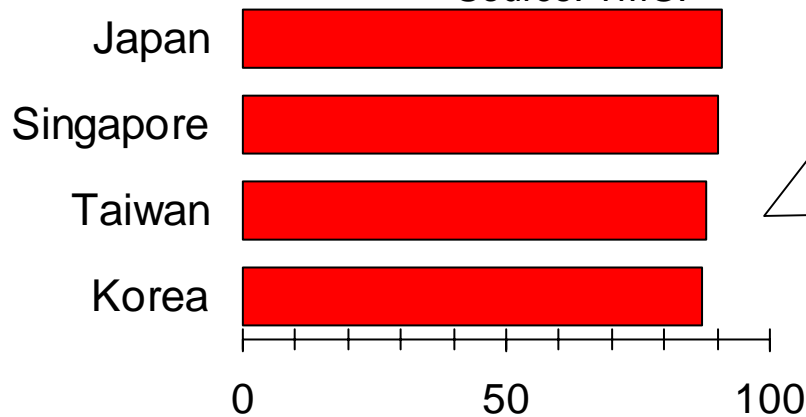
- High-speed mobile market evolution
- Factors impacting take-up
- Conclusion

Mobile = ubiquitous

“computer in your pocket”

% households with mobile phone, '03

Source: TMG.

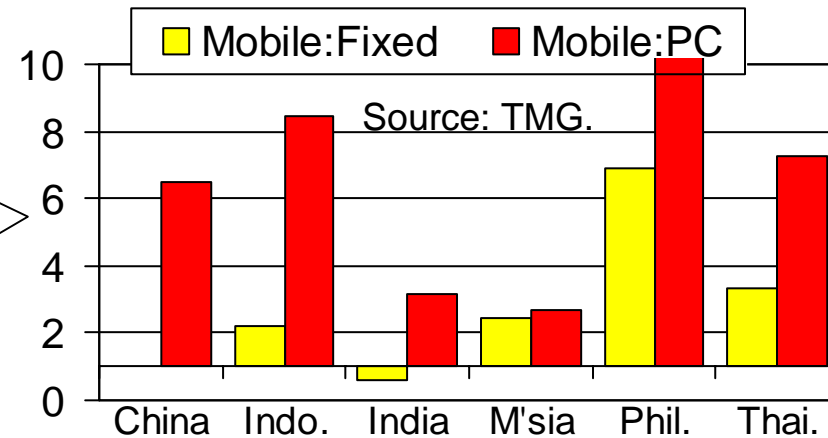


Source: SKTelecom.

“The latest ... handsets can offer practically the same performance as a computer did 5 years ago.”
— NTT DoCoMo

“In the coming years, the mobile handset will be the hub of all other devices, enabling people to access information and technology anywhere at any time....” —Samsung

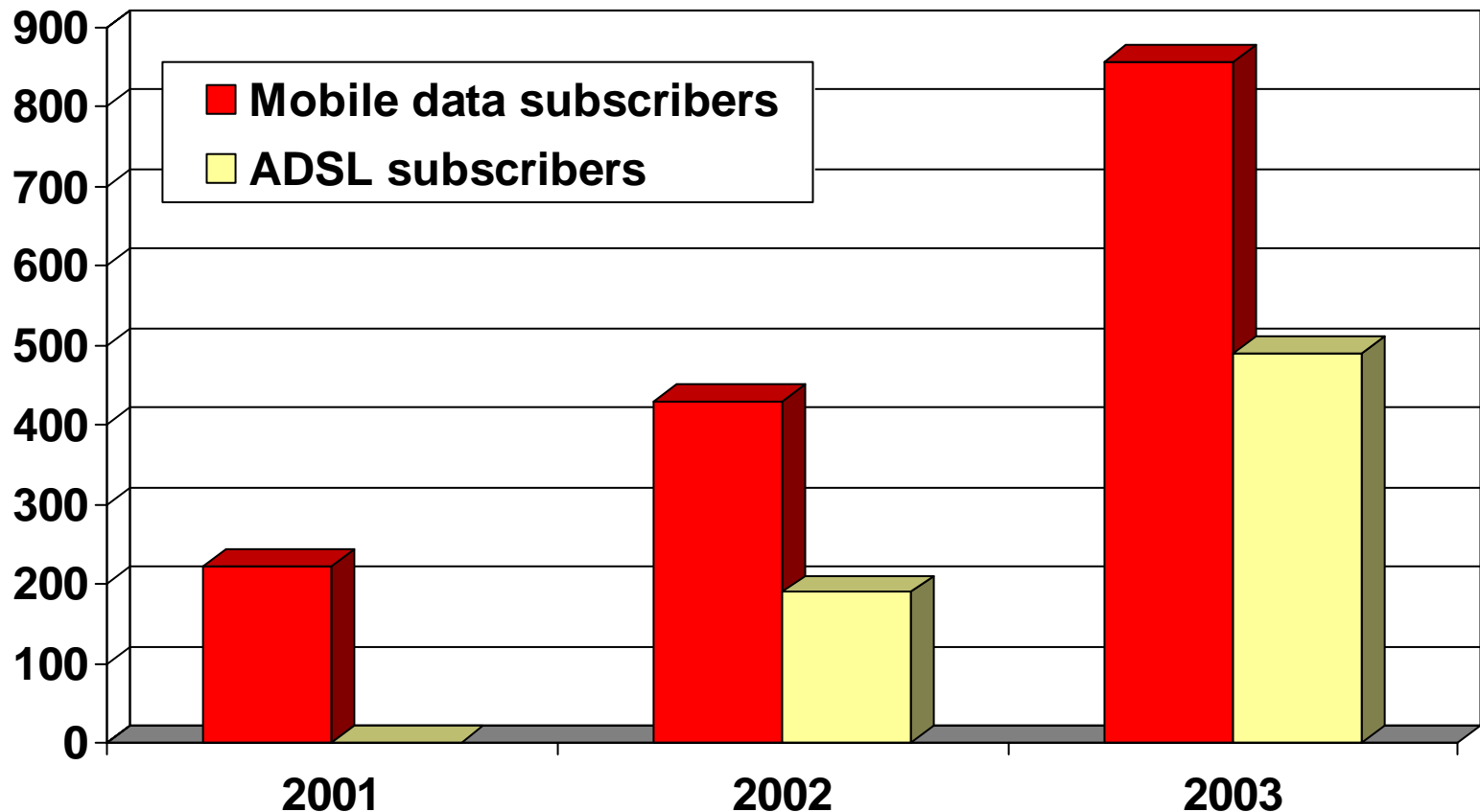
“...it is relatively small, you don't need a desk, you don't need to be in a particular place. And you don't have to be literate to use them or speak English. These are all constraints when it comes to operating a computer.” — Intel ethnographer Genevieve Bell



Source: TMG.

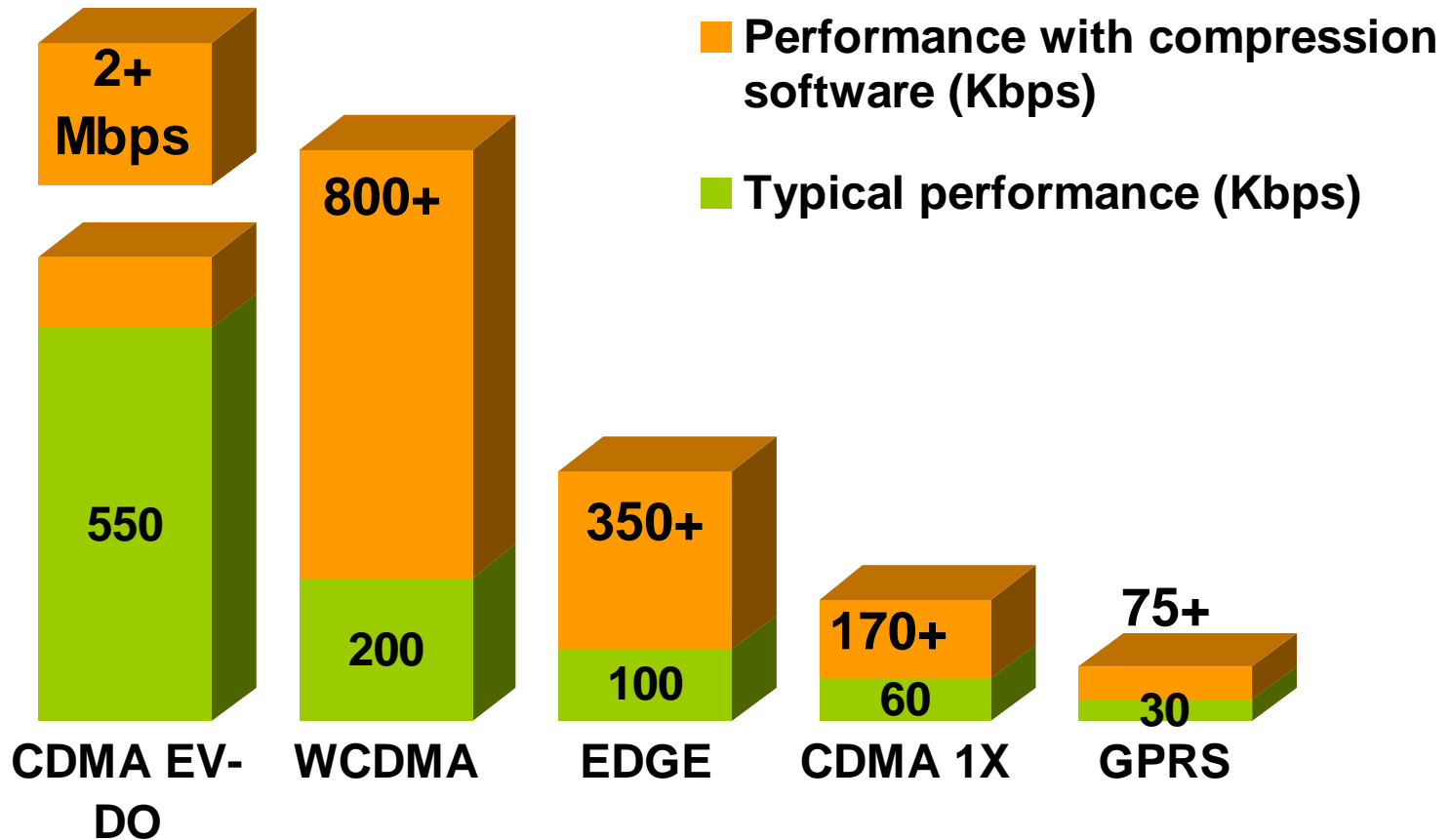
Even at slow speeds, mobile used for Internet access

“Non” dial-up Internet subscribers in the Maldives



Source: TMG adapted from Dhiraagu data.

High-speed mobile networks



Source: Venturi Networks.

It really works!



Express Network (1XRTT)

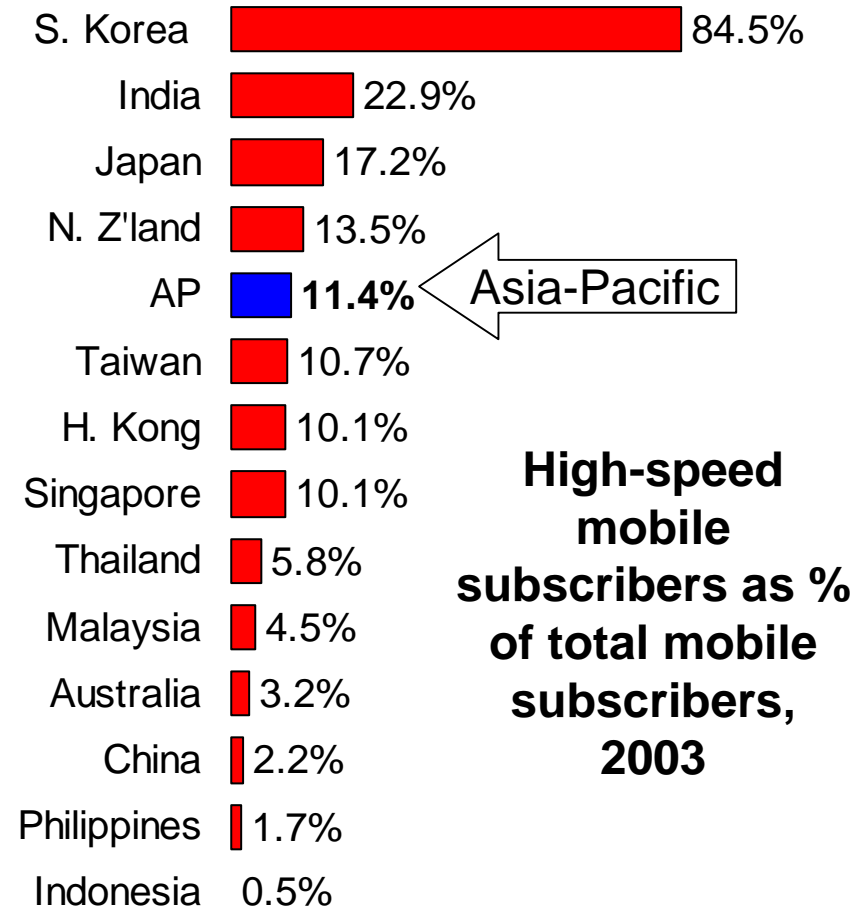
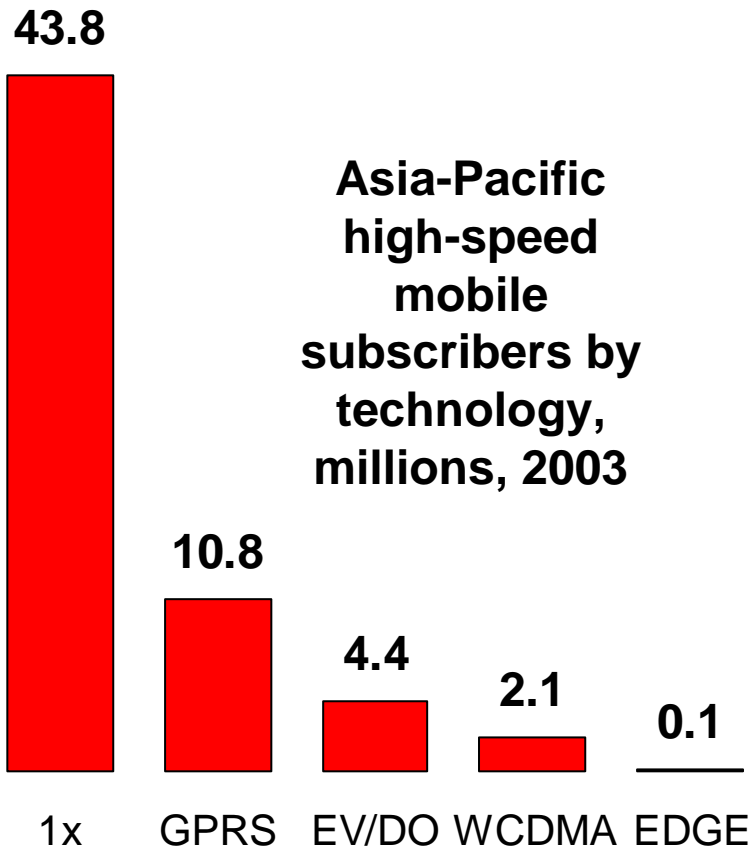


Speed: 230.4 Kbps



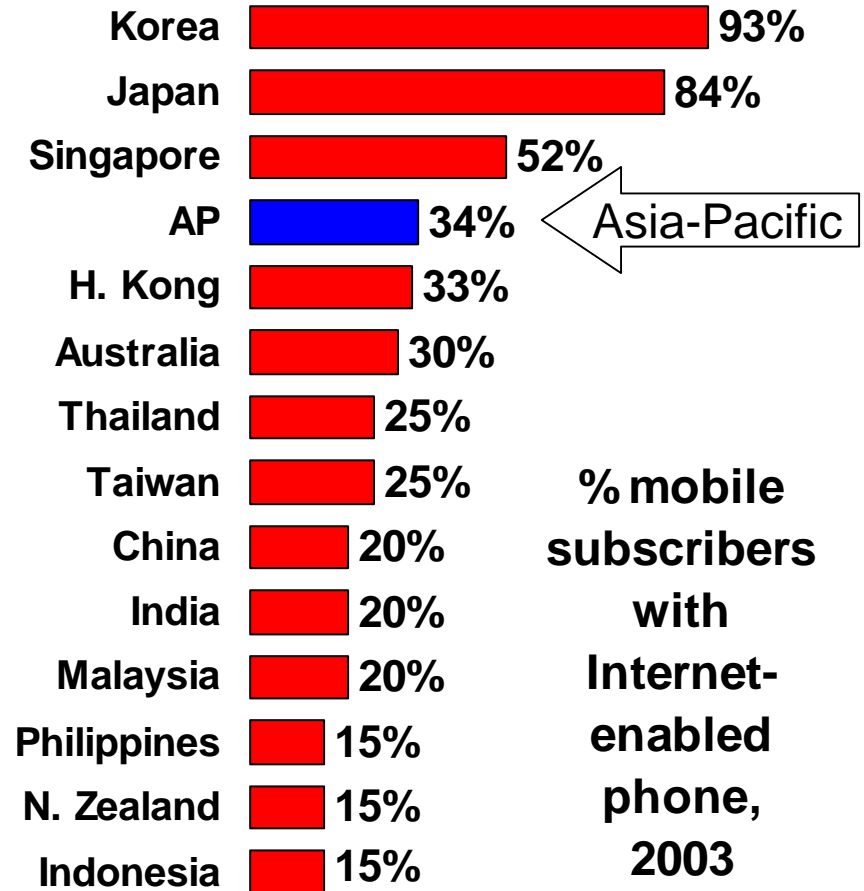
Verizon Wireless VZACCESS with Venturi software

Status of high-speed mobile networks, Asia-Pacific, 2003



Handsets

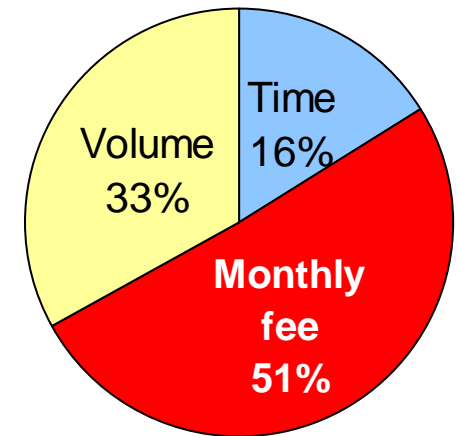
- Appropriate handset essential for high-speed use
- Higher cost of Internet-enabled handsets
- Large used market in developing nations is barrier



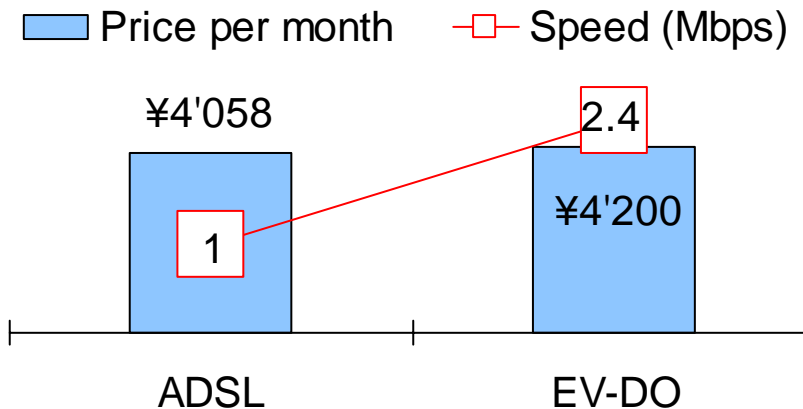
Pricing

- With high-speed mobile, introduction of volume-based pricing
- Consumers prefer flat rate
- Now shifting to unlimited usage tariff in some markets
- In some cases, competitive with fixed broadband

Pricing preference of mobile Internet users, Taiwan, 2003



Source: III-ACI-



Flat rate broadband Internet & DSL prices, Japan, 2004

Conclusions

PLUS	MINUS
Ubiquitous -mobile widely available relative to other ICT devices	Pricing -although price structures are becoming more attractive in some economies, tariffs are still high (relative to other options)
High-speed -now available	Coverage -high-speed is not yet widespread in most developing nations and sometimes limited to post-paid
Solutions: <ol style="list-style-type: none">1. Regulators encourage take-up of high speed networks (e.g., max licenses for available frequency, write high-speed requirements into licenses, enact MNP, provide incentives to mobile network operators to meet national broadband goals, etc.)2. Operators adopt attractive pricing and encourage attractive content3. Manufacturers develop affordable Internet-enabled phones/PC cards	

Thank you!

This presentation is based on:

Asia-Pacific Mobile Multimedia Outlook 2004

Featuring an overview of mobile multimedia trends in 13 key Asia-Pacific markets covering 98% of subscribers in the region.

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ASIA-PACIFIC MOBILE MULTIMEDIA OUTLOOK



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