Octave Project
- Business Strategy and Services -

Mar. 2005

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Technology Strategy Team
New Business Planning Group

Octave Services

◆ **Application Services as next generation mass revenue generator**

- Octave service and device to the home with broadband access

- Reaching up to the next octave level : service revenue comparable to current broadband Internet revenue

Red Service
Entertainment

Green Service
Communication

Blue Service
Education

Yellow Service
Secure Home

KT Octave Device

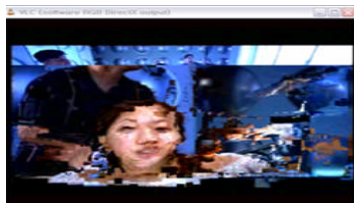**Managed Broadband Network (Octave Infrastructure)**

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Differentiation Strategy

◆ **QoS & Security**

- Systematic traffic management for QoS
- Control all communication stage for security

End-to-End QoS service without date loss & delay by systematic traffic management	Secure application free from bad traffic by Control of all communication stage
General Networks / **QoS Enabled Network** • Bad Quality at the Peak Time due to Burst Traffic •Service differentiation for the High Quality	encryption, Policy, Service Request, Identify, Octave Service, Health Care, Disconnect, Service Request (illegal), disconnect
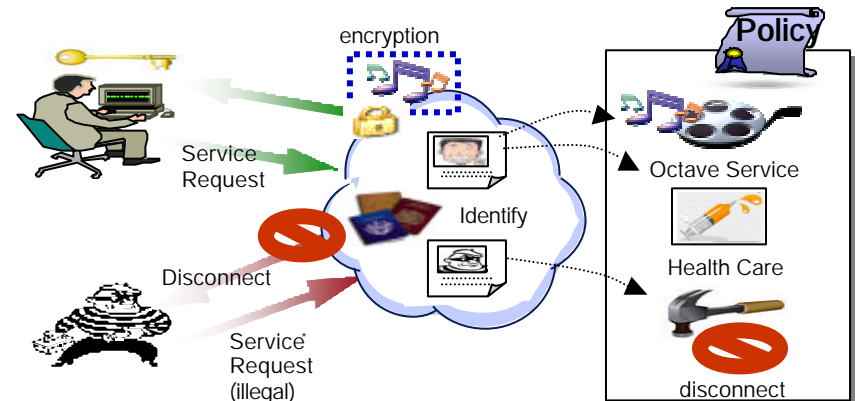
⬤ **The Side effect of Quality differentiation**

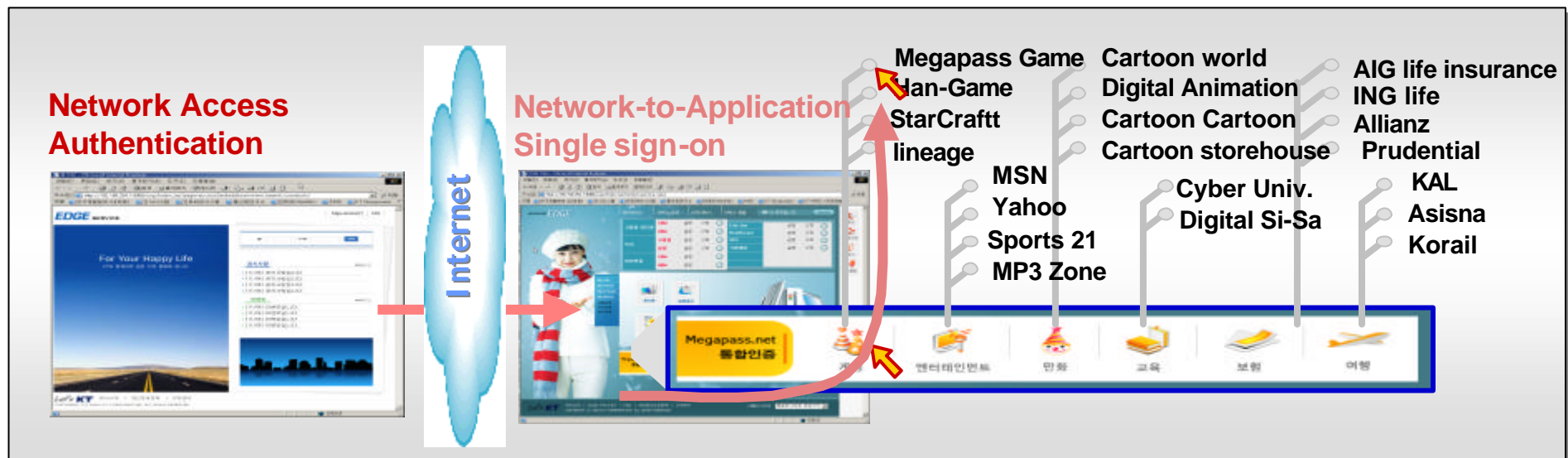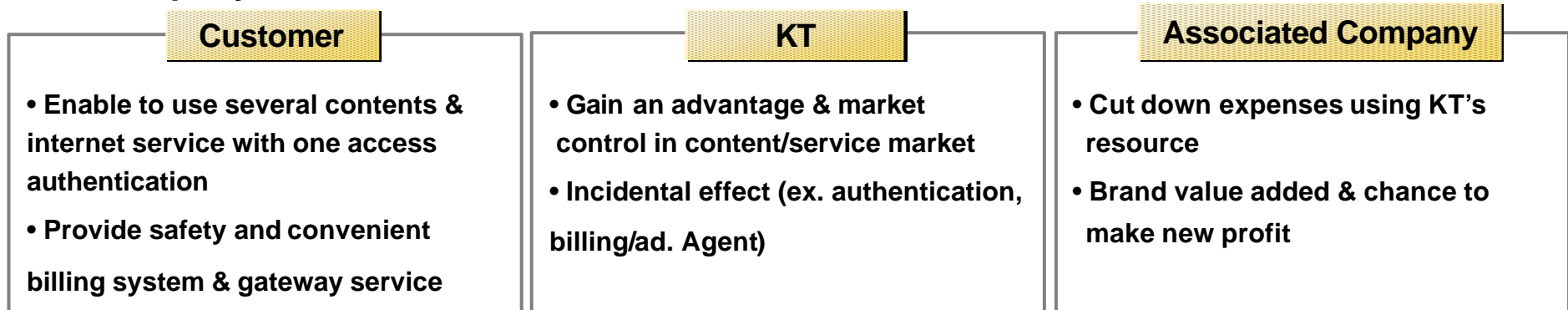| Churn-in/ Lock-in	In PCCW/Cox case, the rate of termination service declines 50% & subscribe increase 41,602 monthly
New Revenue	QoS enabled service like Turbo Button, BoD(Bandwidth on Demand) make new revenue

OCTAVE

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Differentiation Strategy

◈ SSO(Single Sign On) System

- **Integrated authentication systems provide new value to customer and associate company**

Customer	KT	Associated Company
• Enable to use several contents & internet service with one access authentication • Provide safety and convenient billing system & gateway service	• Gain an advantage & market control in content/service market • Incidental effect (ex. authentication, billing/ad. Agent)	• Cut down expenses using KT's resource • Brand value added & chance to make new profit

Network Access Authentication

Internet

Network-to-Application Single sign-on

Megapass Game
Han-Game
StarCraftt
lineage
MSN
Yahoo
Sports 21
MP3 Zone

Cartoon world
Digital Animation
Cartoon Cartoon
Cartoon storehouse
Cyber Univ.
Digital Si-Sa

AIG life insurance
ING life
Allianz
Prudential
KAL
Asisna
Korail

Megapass.net
통합인증

Differentiation Strategy

◆ **Personalized Service**

- **Provide Customized service with Personalized web page using personal ID**
- **Not only increasing revenue from network-based product & application service,**

   but also providing another profit resource from new communication tools
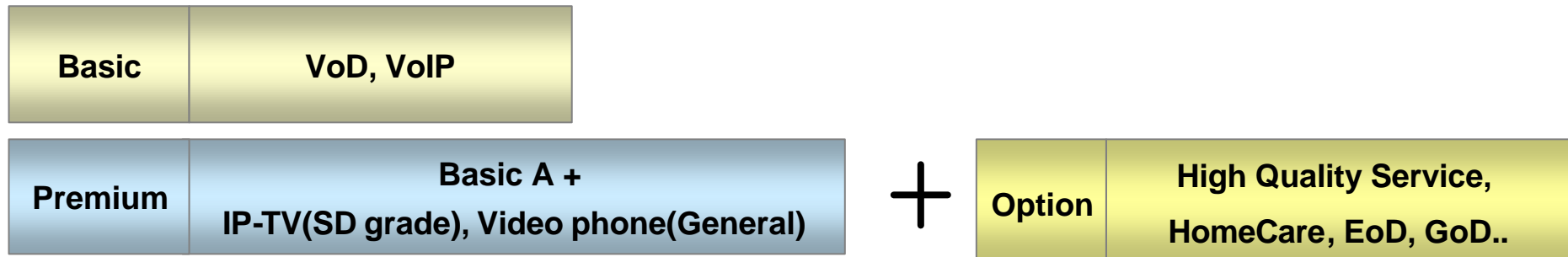
Subscriber classify

Personalized Screen

Analysis customer's Data

Customized Screen
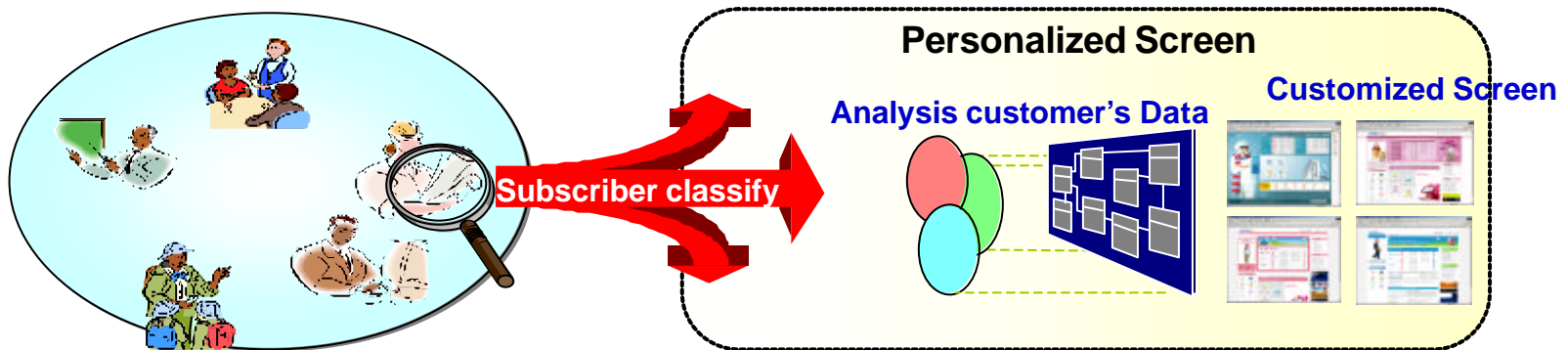
Personalized Serv.	AS-IS	TO-BE
Business Model	Access service model based on subscriber	Profit based on personality
ID Management	ID Management classified by Service	Various ID Management
Single Sign On	N/A	SSO
incidental service	Not uniform structure (ex. Megapass: offer, Nespot: not offer)	Uniform Structure

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Differentiation Strategy

◆ Service Packaging

- Two service package : Basic & Premium service package
- Basic service package : VoD, VoIP
- Premium service package : Basic service package + IP-TV/Video Phone

Basic	VoD, VoIP

Premium	Basic A + IP-TV(SD grade), Video phone(General)

+

Option	High Quality Service, HomeCare, EoD, GoD..

- High Quality Service(HD grade VoD, IP-TV, Video Phone) served with additional service charge

- It is suitable that Home Care Service is served as optional type because of

  ? Additional expense is high due to camera, perception sensor, and so on
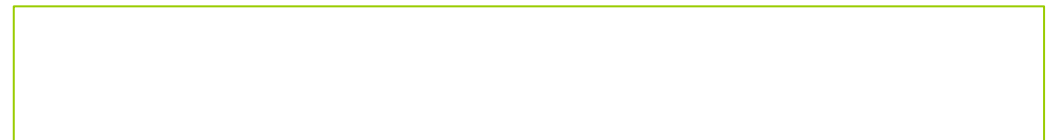
  ? Like and unlike user groups are divided definitely

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4 Color Service

◆ **Various Application based TV & Mobile Devices**

◆ **Niche → Mass : Application Market like Media, Communication, Home Care etc..**

Application

based PC

Differentiation

High Quality Application

based TV & Mobile Devices

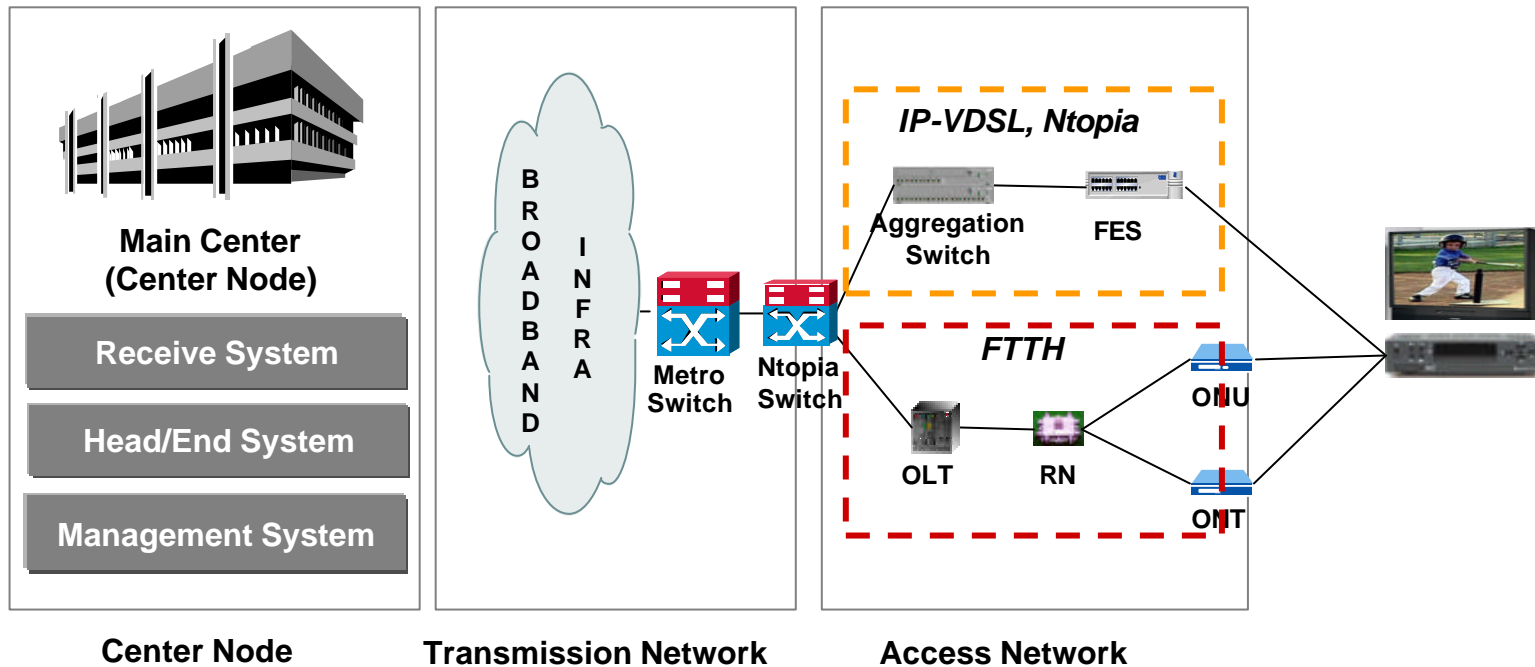|		
Red Service **Entertainment**	**XoD** **IP-TV**	
Blue Service **Education**		
Green Service **Communication**		
Yellow Service **Secure Home**	**Home Care**	• **Make Home Secure**

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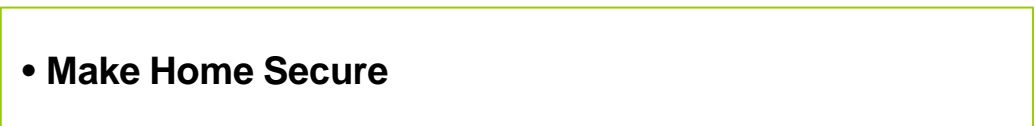
Octave Red

◆ IP TV

- **Service Concept**

  ; **VoD(AoD), Realtime & Interactive Broadcasting and Communication Service over IP Infra**

- **Service Structure**

| Center Node | Transmission Network | Access Network |

Main Center (Center Node): Receive System, Head/End System, Management System

BROADBAND INFRA — Metro Switch, Ntopia Switch

IP-VDSL, Ntopia: Aggregation Switch, FES

FTTH: OLT, RN, ONU, ONT

Octave Green

◈ **Video Telephony**

- ● **Service Concept**

  ; High Quality Video & Multimedia Communication Service over
  QoS Enabled IP Infra

- ● **Service Standard**

  - ◆ High Quality Voice : 64Kbps / 128Kbps
  - ◆ High Quality Video : over 2Mbps, 30fps
  - ◆ Display : 8 ~ 10″ TFT LCD
  - → Providing New & High Quality Service : MMS, Video 700, Video Phone Banking etc.
  - → Personalization : From Living room ? To Private room   (Individual Number & Address)
  - → Mobility : Using Anywhere and Anytime with User ID
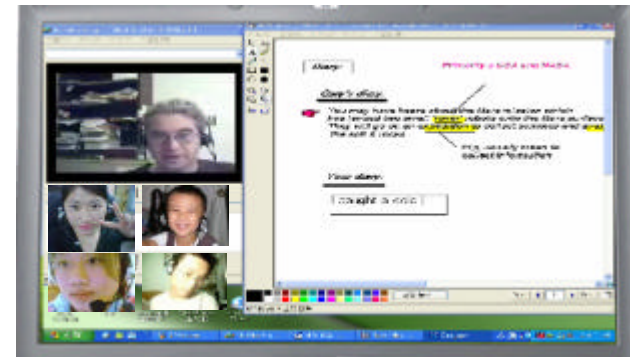 - → Affordable Price : Similar to Cellular Phone or lower

Octave Blue

◆ **E-learning Service**

● **Service Concept**

; Servicing High Quality Educational Contents on Anywhere, at Anytime, through Any-Device, with Interactive Communication.

✤ **Example View of Octave Blue Service**

● **How to Provide Service**

✤ **High Quality Contents**

✤ ➔ **Aggregation, Syndication or Production**

✤ **Convenient User Interface (Remote-Control, Web Design, etc.)**

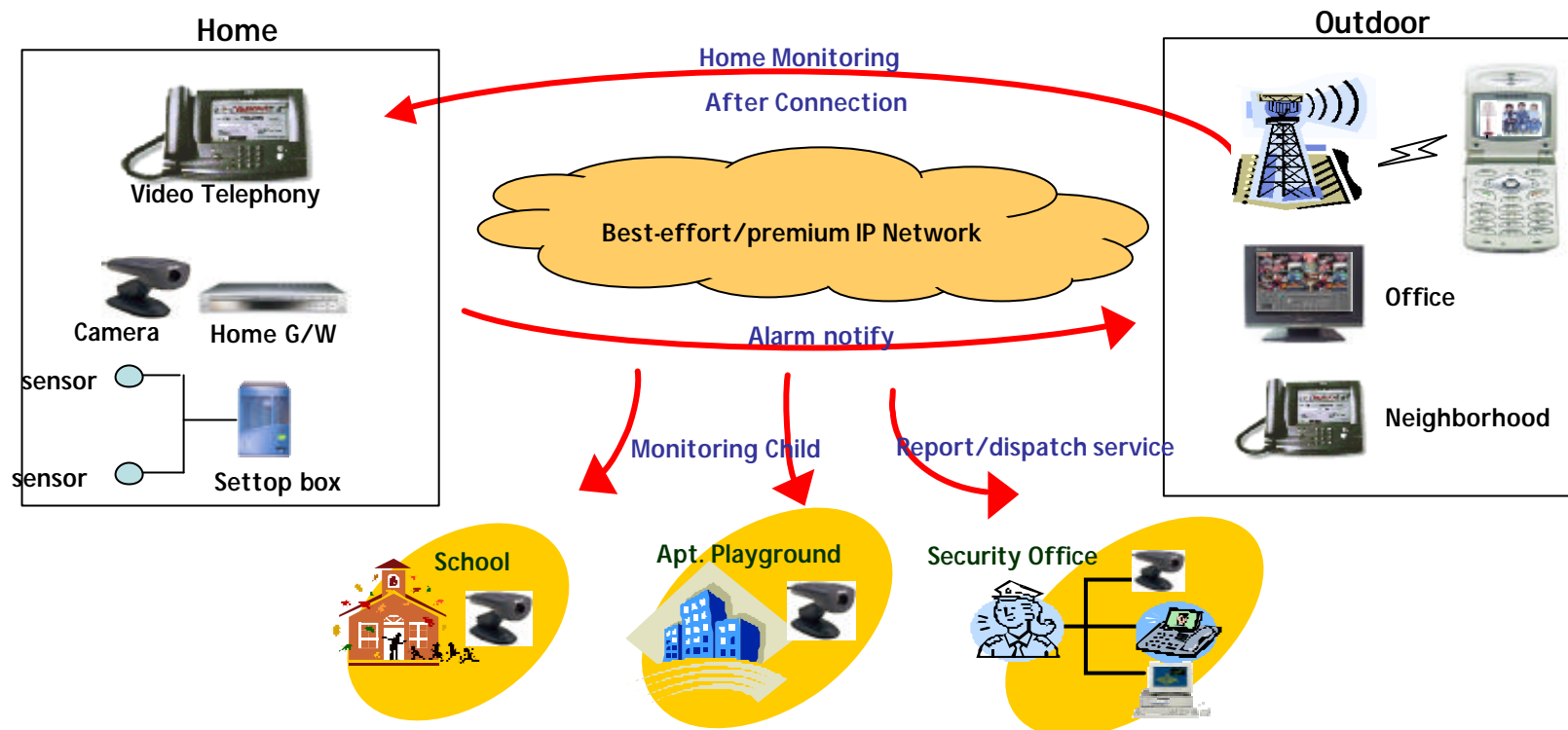✤ **Embedded Interactive Communication**

✤ **SSMD(Single Source Multi Device: Notebook, PDA, WebPad, etc.)**

✤ **Personalized Educational Management**

Octave Yellow

◆ Home Care Service

- KT will provide value-added services such as security, control and healthcare, AMR, sense services.
- Service Structure

Home

Video Telephony

Camera   Home G/W

sensor

sensor   Settop box

Best-effort/premium IP Network

Home Monitoring

After Connection

Alarm notify

Monitoring Child

Report/dispatch service

Outdoor

Office

Neighborhood

School

Apt. Playground

Security Office

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Challenge for One Octave Higher

- **Octave** is the Vision for Next Generation Network and Services of KT

- **Octave Infra** aims One Network for Multiple Services
  (triple play services, broadband wireless services, etc)

- **Octave Service** will integrate various broadband services and provide them to customers homogeneously

Octave Project will give **One Octave Higher**

in Broadband Service Revenue

Thank You

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