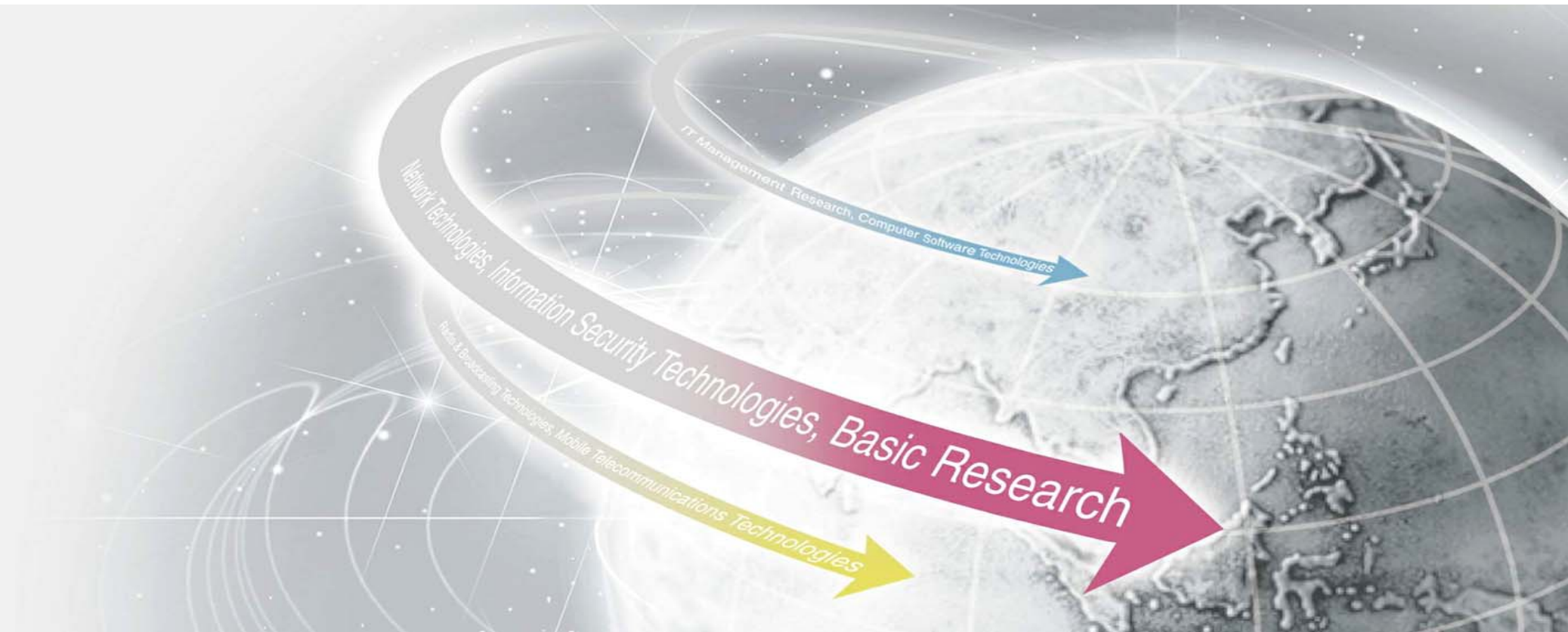


Convergence Service of Fixed and Mobile Network



1. What is convergence?

2. The change of value system

3. Convergence direction analysis

4. What is convergence service in telecommunications?

5. Convergence service types

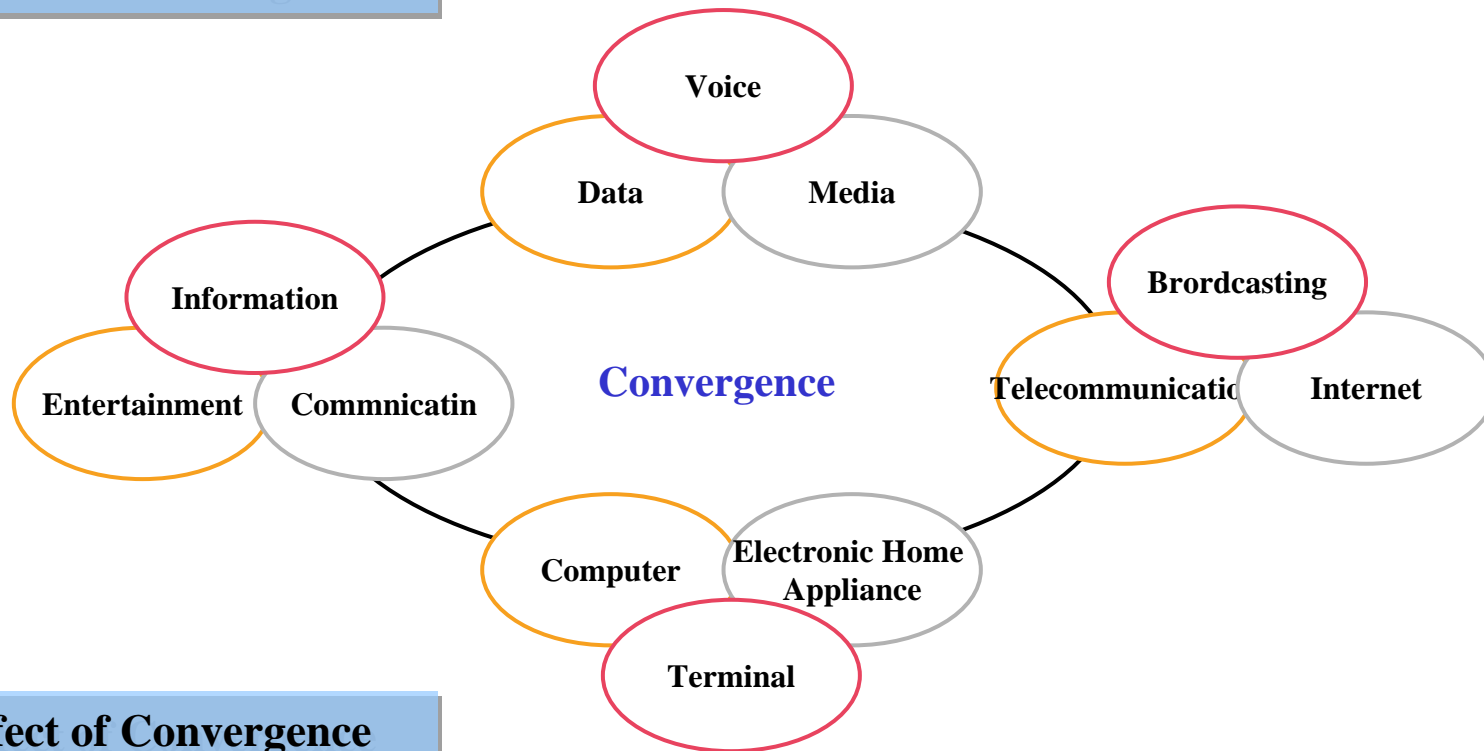
6. Why is Fixed mobile Convergence Services?

7. The market Trend about Convergence service in Korea

8. Further study

1. What is convergence?

Definition of Convergence



The effect of Convergence

Field Collapse of Services

- The change of Value Chain
- The change of Service Value System
- Ambiguity of fixed business

Expansion and deepening of competitive boundary

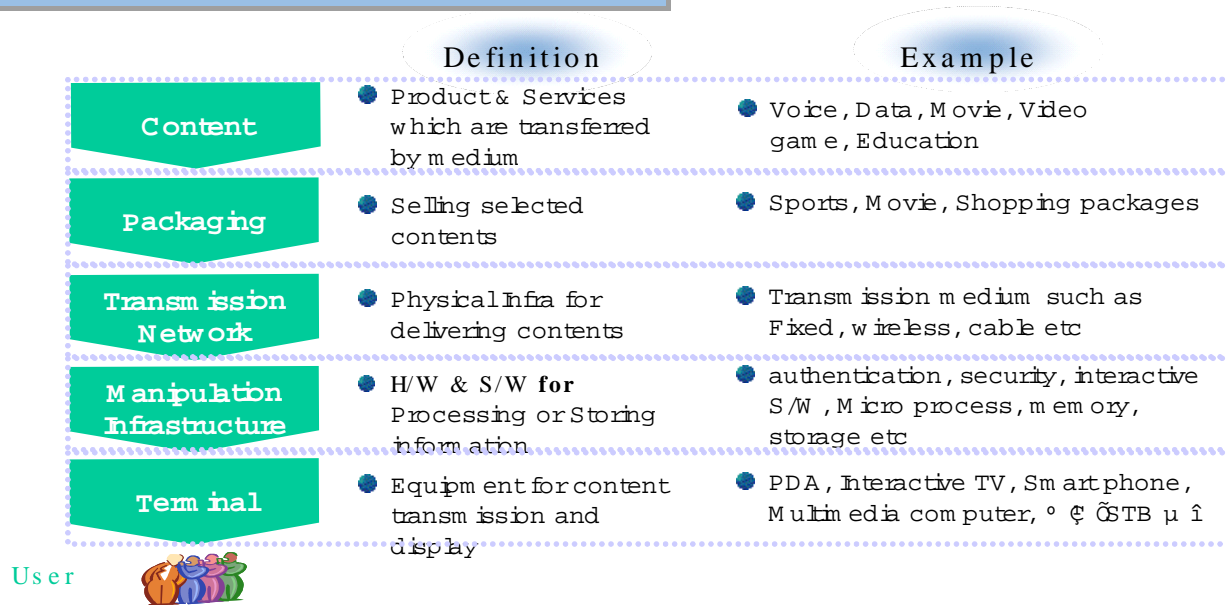
- Competition Expansion In Same industry
- Potent ional competition Among different Indusy
- Strategic Alliance expansion

Change of value-creation element

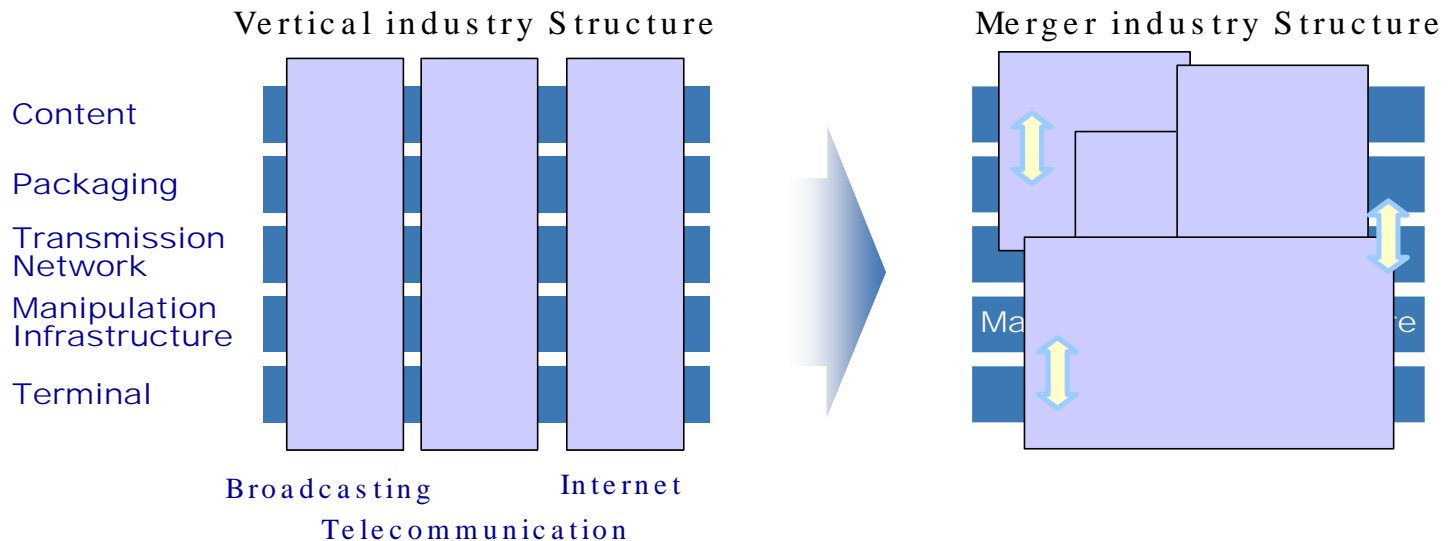
- The diversity of demand such as Entertainment, Communication and Information
- Seamless & Ubiquitous service

2. The change of value system

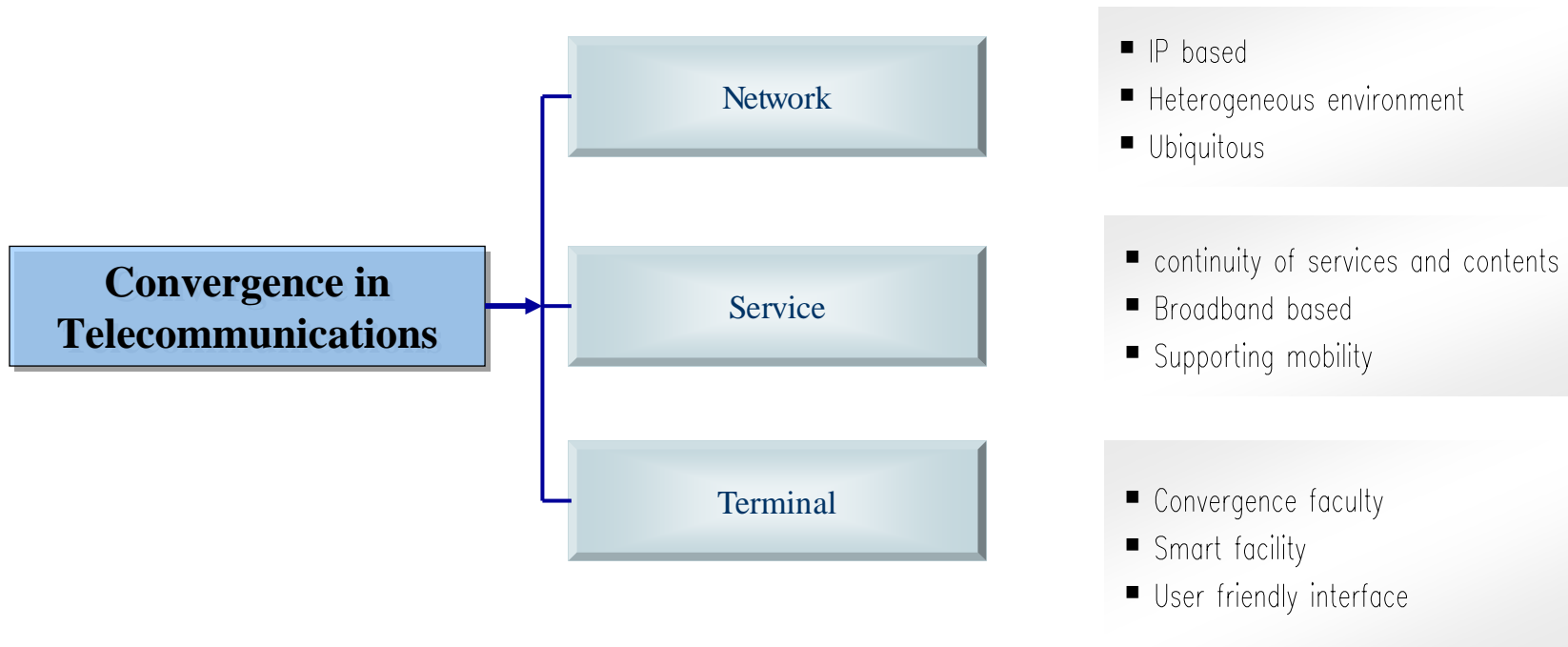
The definition of Service value system



The change of service Value System

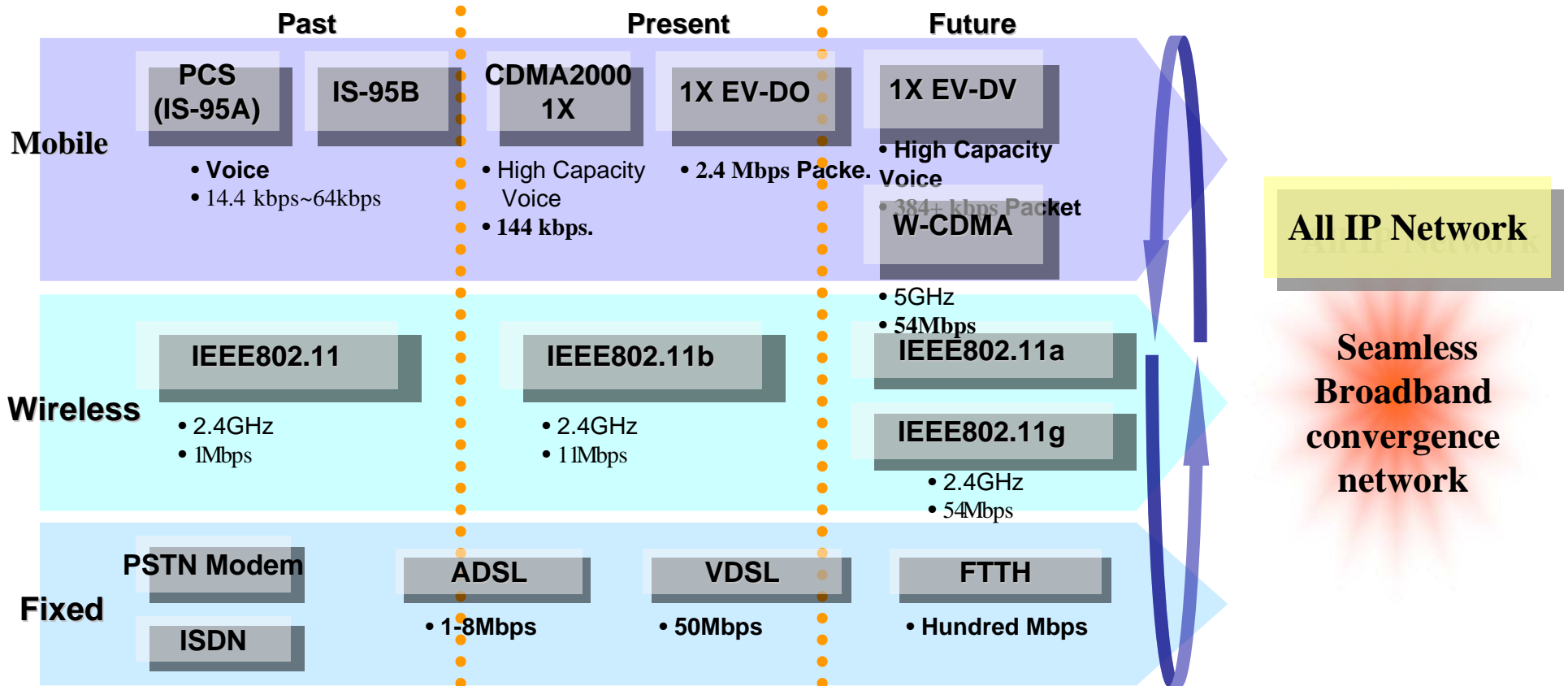


3. Convergence direction analysis



3. Convergence direction analysis

The development of Network



3. Convergence direction analysis

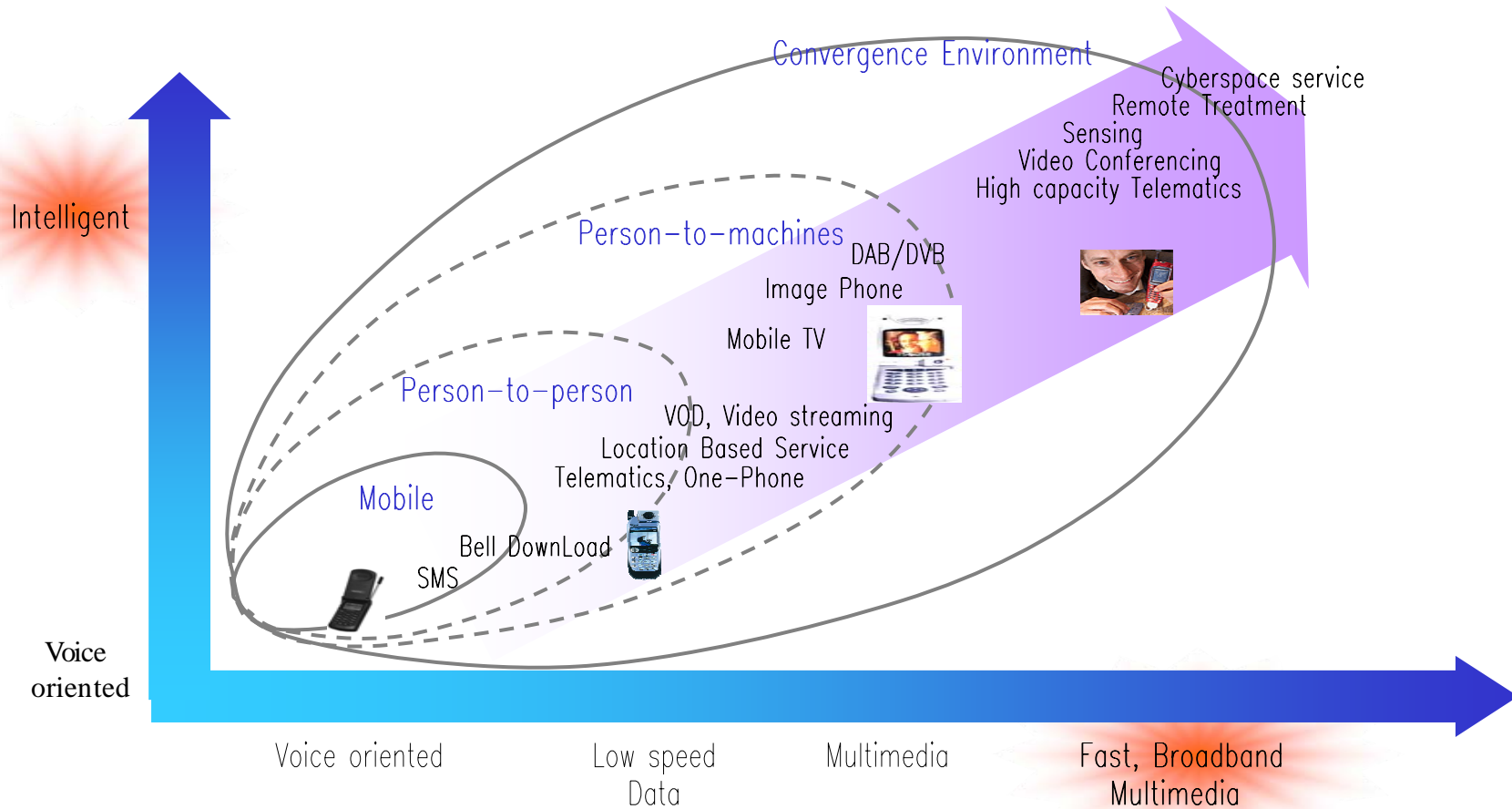
The development of services

General Service

Personalized(Passive)

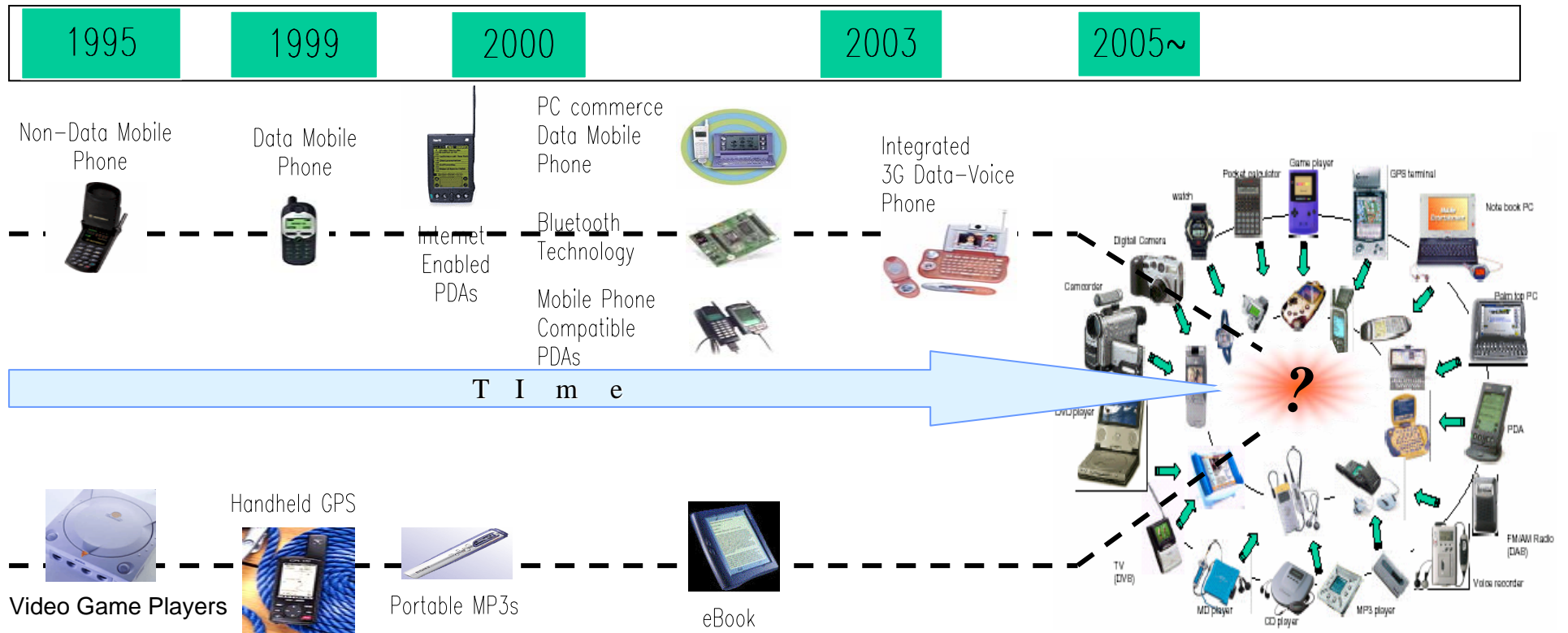
Personalizing(Active)

Intelligent

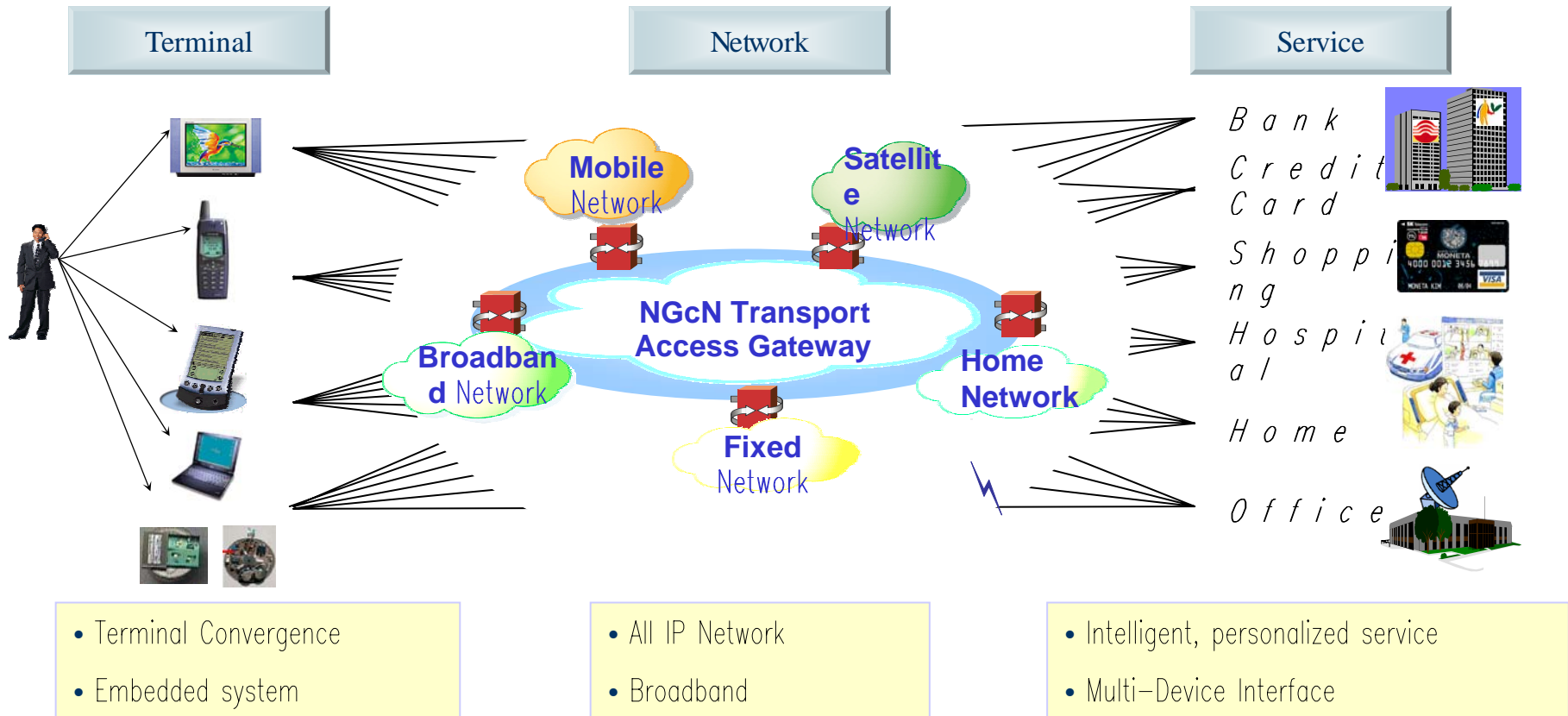


3. Convergence direction analysis

The development of terminal



Organization of Convergence



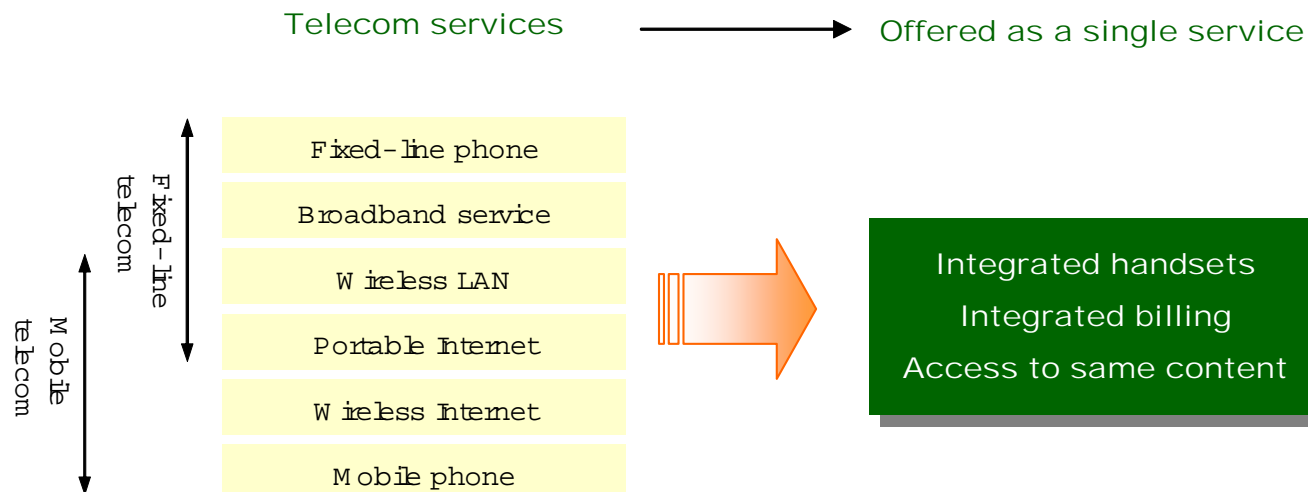
4. What is convergence service in telecommunications?

Current Telecommunications Markets

1. Separation of Operator
 - Currently, the domestic telecom service market is divided between fixed-line and mobile providers. As such, not only networks, but also operators and services are clearly divided into two markets.
2. Inconvenience
 - This is very inconvenient for users, who have to subscribe to different providers, pay two bills, and use two different handsets if they want to utilize both fixed and mobile telecom services.
3. Separate terminal
 - Fixed-line service and wireless service services are offered via separate Terminals

The merits of fixed mobile convergence service

1. both fixed and wireless services at the same time via a single terminal,
2. receive only one bill from a single telecom operator.



5. Convergence service types

Type	Characteristics	Services provided
Value-added service	Create added value based on existing telecom networks	Integrated messaging, service fee bundling, integrated portal
Convergence terminal	Convergence terminal service enabling simultaneous connection to both fixed and wireless networks	OnePhone service, office cordless phone service (used Within a building), wireless LAN + wireless internet, wireless LAN + portable Internet, portable internet + wireless Internet
Convergence network	Physically integrate networks. Possible to access the same content regardless of telecom operator/network, anywhere, anytime	NGcN

6. Why is Fixed mobile Convergence Services?

➤ **The reason of Fixed mobile Convergence services**

- 1.fixed–mobile convergence is essential to the success of multimedia telecom services
 - The three main challenges that must be met if multimedia telecom services are to be successful are increasing speed, lowering service fees, and improving portability
- 2.The introduction of convergence services will drive quality–based telecom market growth.
 - The launch of new services will initially be a major marketing tool, driving fierce market share competition, it will ultimately create opportunities for growth.most new telecom services currently focus on data and multimedia,
3. Fixed–mobile convergence is expected to be an important step forward for telecom services,
 - It will ensure satisfactory levels of speed, service fees, and portability. In the long term, convergence will benefit for operators

➤ **The Outlook of fixed mobile convergence service**

- 1.Now, Only trial convergence services are currently being offered
- 2.the advent of a complete convergence system is evitable as new applications are developed.
- 3.Various advantages are expected for users, including the removal of barriers between fixed and wireless services and fee discounts on bundled packages
- 4.Convergence service will overcome these inconveniences and enable uninterrupted connection to the same voice and data services over fixed or mobile networks.

7. The market Trend about Convergence service in Korea

➤ Services

DU: service makes it possible to use a cellular phone with short-distance wireless communications technology (such as Bluetooth), as a fixed-line phone inside an AP area (or inside a building), and as a cellular phone outside an AP area (or outside a building).

➤ Characteristics

- DU: handsets use the Bluetooth technology of 2.4GHz, which realizes short-distance PTT services, data transmissions between handsets, games, remote control, and MP3. It is also expected to be equipped with a lot more different features according to customer's demands and needs.
- It aims to provide a handset integrated with all the functions of both a cordless land-based phone and a cellular phone, in order to realize both inexpensive voice calls and wireless data services by accessing a wired network and also the Internet from within the home.

➤ Merits

- On the consumer's side: the service will be very likely to boost service efficiency and convenience as well as to make savings in their service charges.
- the service provider's side: They face with the prospect of numerous current hardships within IT businesses, such as market saturation, can put cost savings into effect by developing new services and creating new sources of revenue while using established infrastructures.

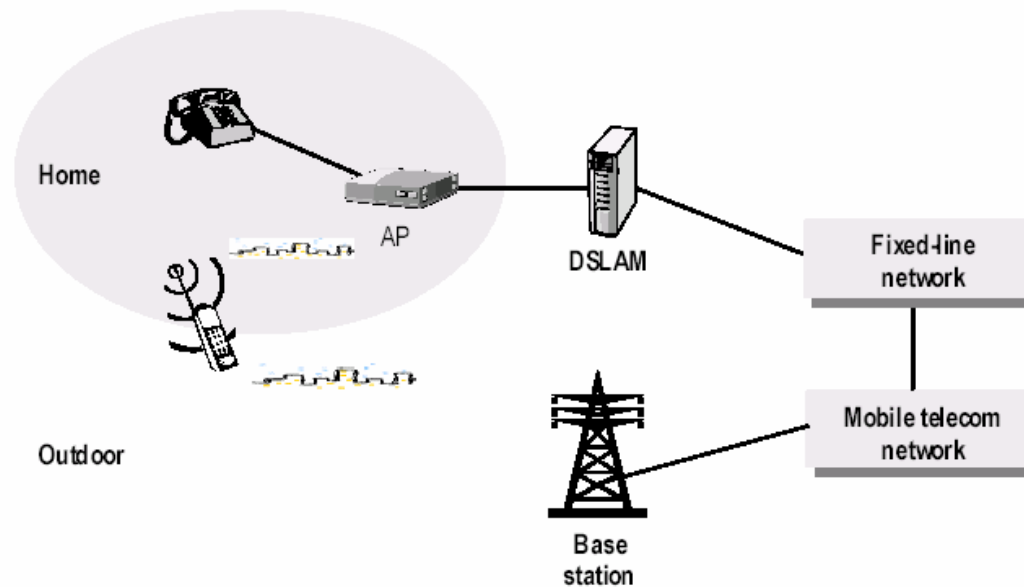
➤ Problems

- **the law to prohibit the sales of the joint products of major telecommunication providers**
- **many other providers demands that the service should be banned by government to avoid any form of unequal competition.**

8. Further study

Further study

1. The response evaluation after customer's use
2. The benefit of services in cost



Source: KT