



**15. konference Telekomunikacije**

# (R)Evolution in the Telco & Media Sector

Future challenges - Extract  
November 2014

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# Agenda

- A constantly changing world
- Key trends worth watching
- What's next for Telecoms?

# A constantly changing world

Business and technology change seems already fast mid-term, but it is mind blowing over a longer period of time

1999-2029 Communication developments

Non-Exhaustive

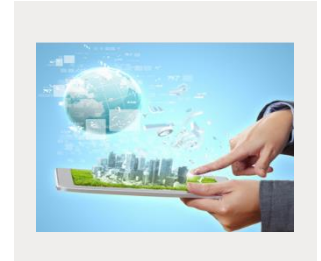
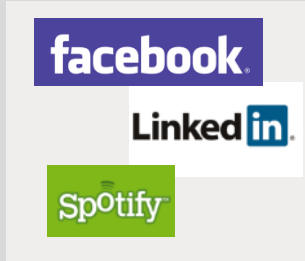
“Internet becomes popular”

“Strong data growth and demand for speed”

“It is all about the services”

“Intelligence in the networks”

“Connectivity & full personalization”



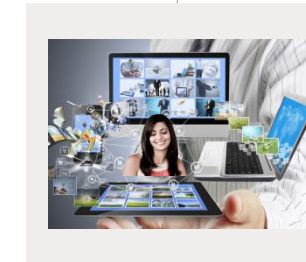
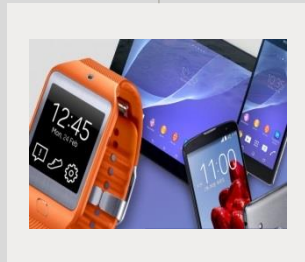
1999

2009

2014

2019

2029



First phones with WAP

Smartphones & OS battle commences

Multiple Smart devices to play with

Personalization

Autonomous systems

## Key trends worth watching

# The world will be more connected, personalised, network centric, intelligently and autonomously supported than today

## Summary

### Connected

1. **Mobile data growth** – with 85% of cellular traffic expected to be indoor
2. **Multi-layer network site explosion** – needed to fulfill exploding data demand
3. **Connected devices everywhere** – wearables are the new frontier

### Network centric

4. **Shift to cloud** – with QoS charges will create a balance b/w cloud and device
5. **In-Building localization** – key information for many use cases
6. **Mobile payment break-through** – driving the adoption of mobile-ready PoS terminals

### Personalized

7. **No-linear shift of TV consumption** – linear TV is here to stay, but VoD and Catch-up TV take their share and the second screen is on the rise
8. **Personalized advertising** – on smart devices, out-of-home as well as on TV

### Intelligent & Autonomous

9. **The Internet of Things** – changes the current model of connectivity
10. **Evolution of the smart home** – with entertainment and security leading the way
11. **Evolution of Intelligent Networks** – in distributed sectors to better manage the limited resources using IoT technologies
12. **Rise of autonomous systems** – the next frontier – self-driving cars, robots, ...requiring connectivity, location and data

# What's next for Telecoms?



# Change in business model pressures margins, but profitable pockets of growth are yet to be successfully tackled in SEE



## The Base – Customer

Providing a **superior customer experience** and easily spotting **changing customer needs** will position operators at the center of customer priorities



## The Core – Connectivity

Telecom **core business is under threat** – traditional voice revenues are eroding and operators still face challenges in **monetizing data**



## The Growth – New Opportunities

**Telcos pursuing opportunities** in adjacent business space -- IT, Banking, Utilities, Media – but **profitably growing to new areas** is still a challenge



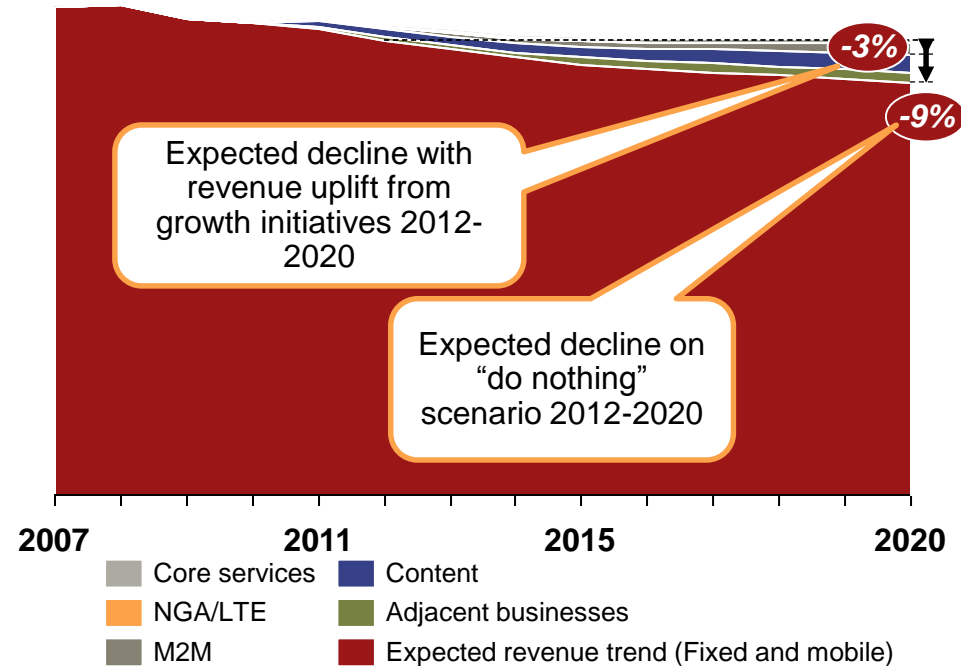
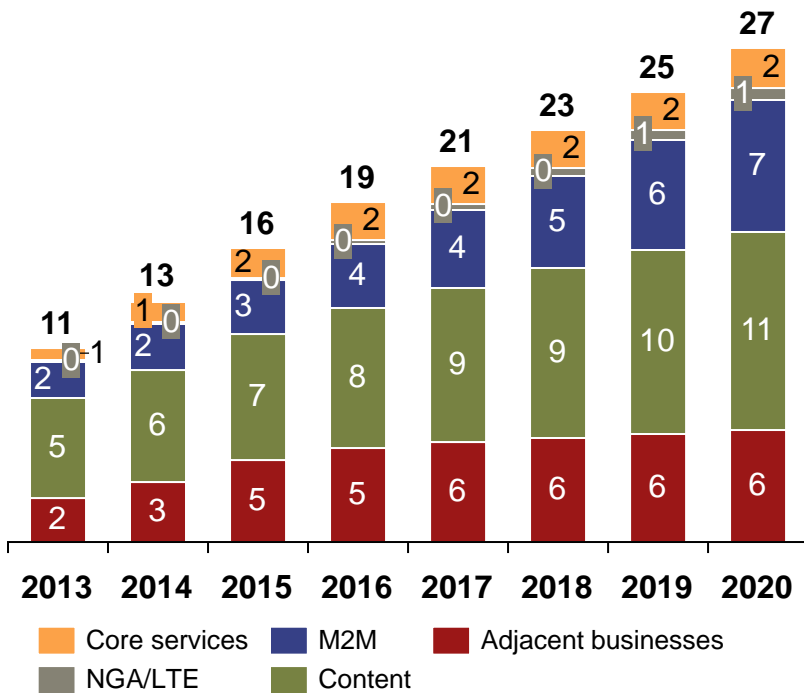
## The Value – Operating Model

**Operational efficiency** becomes central to sustain profitability, ensure shareholder value and fund new ventures/ partnerships

The highest future revenues for telecoms are expected to come from content services, followed by M2M and cloud computing

Potential revenue from growth initiatives (bn EUR)

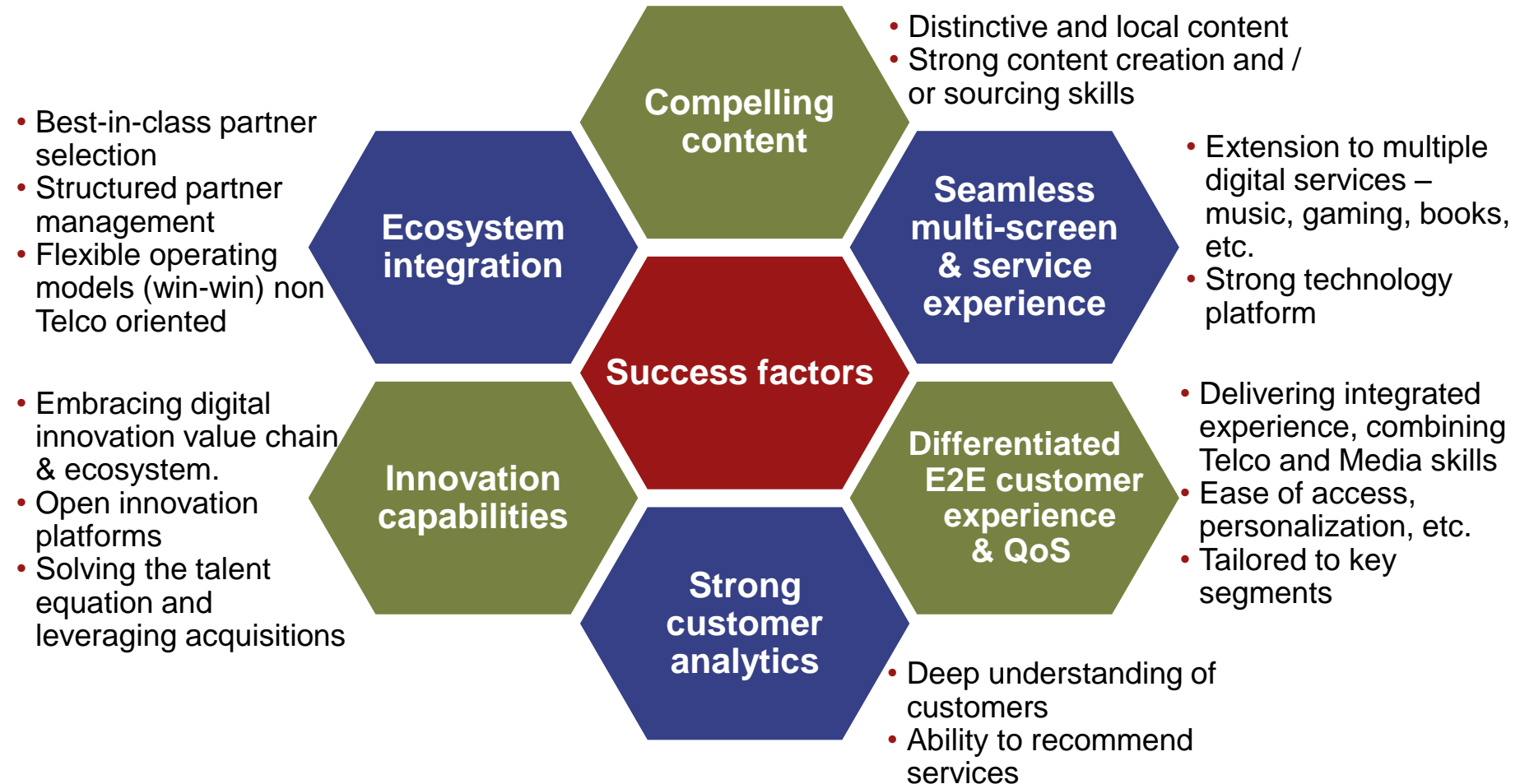
Possible scenario



**At an industry level, the incremental growth from these areas could offset the expected decline**

# Telecoms to become successful with new services, must manage 6 success factors

## Important success factors



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