

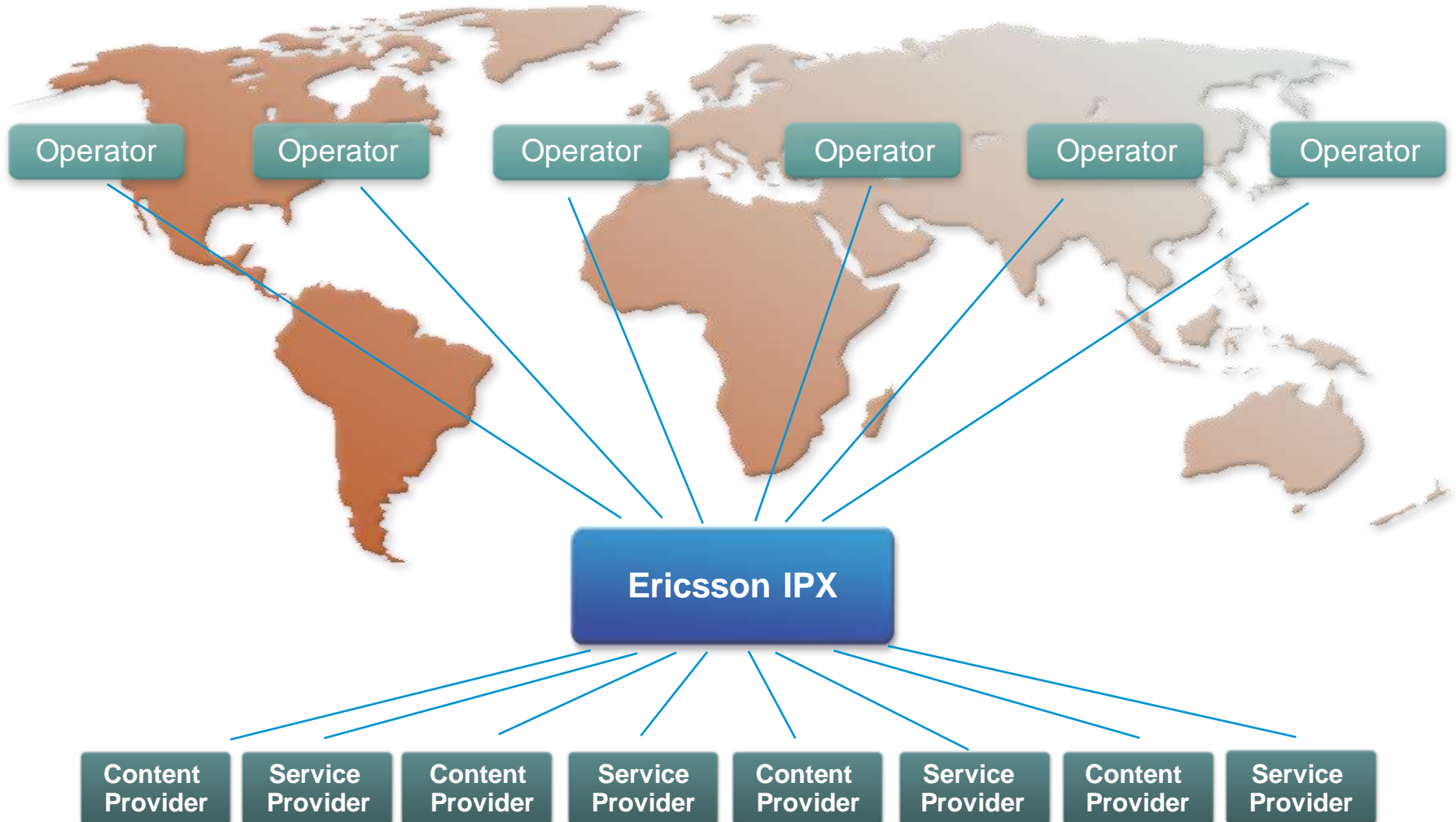
Mobile Payment - Ericsson IPX view



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IPX simplifies business

One stop global connection and collection



Ericsson IPX today



Payment

- Live in 25 countries
- Reaching 2 billion subscribers
- More than 90 operators with direct connections

Messaging

- Connected to 350 operators
- Reaching more than 96% of all mobile phone users worldwide

Operator Payment & Connection Services

- Managing content services for network operators

M-commerce so far

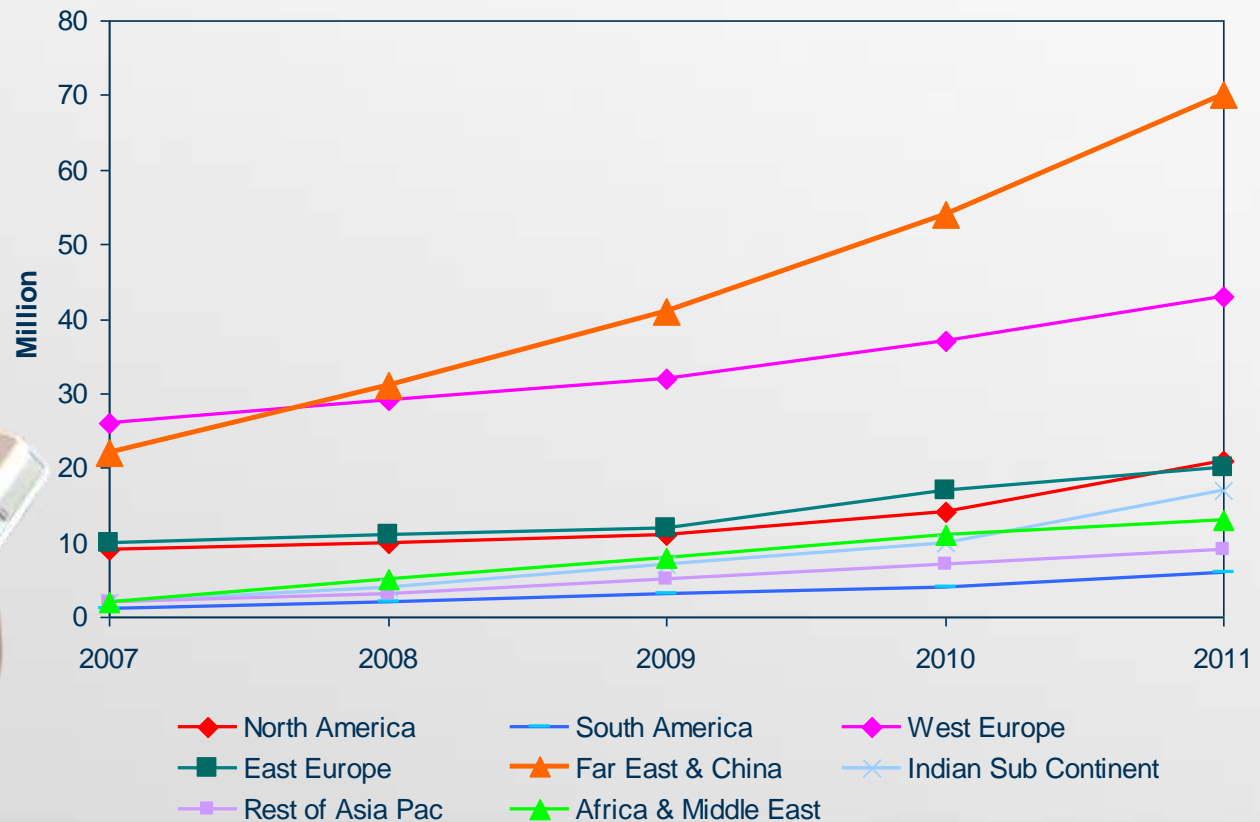
- M-commerce; end user pays with mobile phone and the payment is billed in operator invoice
- So far all mobilization has increased effectiveness

A Few examples:

- Public transport ticket in Helsinki and Stockholm
- Parking in Tallinn
- Vending machines (refreshments, chocolate and range balls)

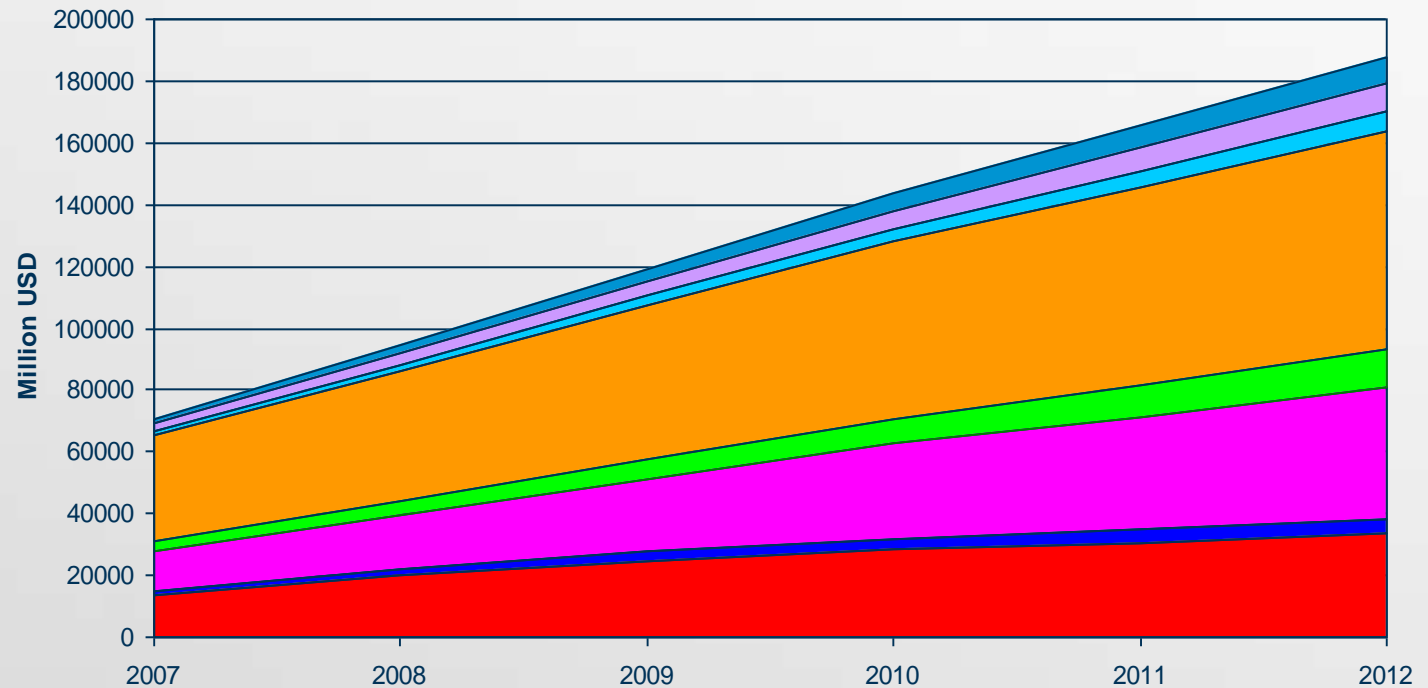
- Mobile IceCream in Sweden (end user price 10 kr more than normal price)
- SavePlanet charity campaign WWF
- Mobile rose 50 kr to Bobbys funeral

Mobile payment users by region



Juniper research: Mobile Payments, Strategies & Markets 2007-2011

Mobile Content Revenues by Region



Juniper research: Business Models for Mobile Content Players, Strategic Options & Scenarios 2007-2012

- North America
- South America
- West Europe
- East Europe
- Far East & China
- Indian Sub Continent
- Rest of Asia Pac
- Africa & Middle East

IPX Customers

Digital Mobile content



Communities/Chat



Directory information

YELLOWPAGES.COM™



Mobile Marketing



Enterprise



Media & Broadcasting



Mobile platforms & solution providers



Mobile Network Operators



IPX references

- Digital mobile content
- Communities/Chat
- Directory information
- Mobile marketing
- Enterprise
- Media & Broadcasting
- Mobile platforms & solution providers



Sony Ericsson



M-payment at the moment

- Practically all content is digital
- No physical objects are sold
- No growth in users and revenue
- Operators have billing possibilities
- Higher price points are not used (fear of bad debt)

Alternative payment methods today and costs for provider

- Credit and debit cards, 1- 3 %
- Cash ~ 1 %
- Pay pal etc 5 %
- Mobile payment 30 – 70 %
- It still seems that operator business models are a hindrance for growing M-commerce

New ways of thinking

- In Sweden the operators have lowered their rev share from 20-25 % to 10-15 %.
- In Finland operators are thinking of offering fixed price for billing concert tickets
- Traditional service providers sell already e-tickets with a cost of 1 €
- Operators fixed price will be 2 €
- Question: Is a mobile ticket worth 1 € in effectiveness, convenience, consumer happiness etc.?

Future of M-payment

- Digital content is different
- When physical goods, cost of payment must be considered
- Operators need new "out of box" thinking, creativity and business models
- Mobile payment might be there some day...

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