

European Location-Based Services & Infrastructure Analyser 2003

Fully Customisable



Concise Insight is a London-based dedicated technology consulting and advisory firm focused on the wireless communications sector.

Our analysts and consultants undertake engagements on behalf of our clients as well as research innovative wireless technology and service trends for our own portfolio of reports and databases.

The **European Location-Based Services & Infrastructure Analyser** is a complementary analytical tool to our *European Location-Based Services* report. The interactive capabilities of the MS Excel-based Analyser empowers the user to assess a wide range of financial and operational location-based infrastructure and service deployment scenarios:

- ◆ Analyse Concise Insight's anticipated expenditure scenarios for EOTD, TDOA, A-GPS and Cell-ID location technologies
- ◆ Adjust the customizable settings for different subscriber, value-added mobile data start-up dates and base-station location-enabled scenarios
- ◆ Gain logistical & operational quantitative insight into the deployment of a PDE solution
- ◆ Analyse scenarios on a country by country basis or on an operator by operator basis
- ◆ The complete range of location-based services (including vehicular anti-theft and E112 emergency response) have been incorporated into the analytical engine
- ◆ Detailed user guide covering instructions and underlying assumptions

*Thorough analysis,
thorough insight*

Concise

Insight

Concise Insight Solidifies Location-Based Services & Infrastructure Expertise

London, 03-Apr-03: As a follow-up to its recently released “*European Location-Based Services 2003*” report, Concise Insight announced the arrival of its interactive, MS Excel-based “*European Location-Based Services & Infrastructure Analyser*”.

“As our report shows, LBS are starting to make their presence felt in the market-place”, said Jamie Moss, Senior Consultant. *“No less than 133 individual LBS were up and running at the end of 2003. However, there is still considerable uncertainty over the logistical and operational parameters for deployment, capital expenditure, the amount of location transactions generated and the potential service revenue opportunities. The Analyser has been designed to clarify all that”.*

The Analyser would prove invaluable to manufacturers, operators, applications developers and financial analysts/consultants responsible for developing, implementing or tracking location-based services and solutions. “It makes an evaluation of location-based services and technology options more meaningful and tangible”, said Jake Saunders, Partner. “It permits the end-user to run a series of ‘what-if’ scenarios with a very high degree of customization”. In addition to being able to analyse whole markets, the Analyser can be tailored to analyse specific operator scenarios. For example:

- ◆ If a French operator were to deploy A-GPS in 2004, the expected capital expenditure over five years would be US\$ 100.6 million (assuming 15% subsidization and 25% A-GPS handset migration rate), annual location-enabled transactions could reach 622.4 million by 2008, resulting in annual location-related service revenue of US\$ 213.1 million.
- ◆ If a German operator were to rely on enhanced Cell ID installed in 2001, the expected capital expenditure over five years would be US\$ 36.4 million, annual location-enabled transactions could reach 215.4 million by 2005, resulting in annual location-related service revenue of US\$ 52.1 million.
- ◆ If an Italian operator were to deploy EOTD (no LMUs option) in 2004, the expected capital expenditure over five years would be US\$ 60 million, annual location-enabled transactions could reach 734.8 million by 2008, resulting in annual location-related service revenue of US\$ 251.5 million.
- ◆ If a UK operator were to deploy TDOA in 2004, the expected capital expenditure over five years would be US\$ 81.6 million, annual location-enabled transactions could reach 852 million by 2008, resulting in annual location-related service revenue of US\$ 291.5 million.

Through the Analyser and its associated User Guide, the end-user is brought up to speed on not only financial considerations but also technological and logistical issues that must be taken into account in any location-based cost-benefit analysis. Concise Insight can also be engaged to tailor the Analyser to a client’s requirements.

Screen captures from the Analyser can be found on the Website (go to Media > Press Releases)

Description of European Location-Based Services & Infrastructure Analyser

Analysers Options

◆ Standard Version

The end-user receives the MS Excel Analyser as well as an Adobe PDF User Guide. The MS Excel Analyser consists of an Input page where the end-user finalises assumption settings, and series of Output pages where the data is pre-formatted. The output can be cut and pasted into as many applications as the end-user wishes (e.g. MS Powerpoint presentation, additional MS Excel analyses). The *Location-Based Analytical Engine*, however, is encrypted. **Price: US\$ 3,500**

◆ Enhanced Version

In the Enhanced Version, the end-user gets all the features of the Standard Version but also acquires open access to the *Location-Based Analytical Engine* as well as two hours of analyst support time. If the client wishes for additional support to further refine or customise the Analyser, contact Concise Insight. **Price: US\$ 10,000**

◆ Country Query Version

In the third version, the client can simply liaise with Concise Insight, define the input assumption settings for each of the country's cellular operators, we then run the scenario, and compile the output data into a MS Excel file. All background research for the analysis is carried out by Concise Insight. A brief explanatory commentary is also provided in Adobe PDF. **Price: US\$ 400 per Country**

◆ Bespoke Consulting

Why not speak to Concise Insight about refining or expanding the abilities of the Analyser to make sure it completely fits your needs? Due to our in-depth knowledge of the LBS space and the Analyser's capabilities, we could competitively and effectively development your own bespoke solution for analytical or marketing purposes.

Questions Answered

- ◆ Given the current projected growth in subscribers, base-stations, start-up dates for value-added mobile data and vehicular services, what is the anticipated capital expenditure on location-enabled equipment to be? For Operator X? And for the market as a whole?
- ◆ For a given subscriber and average revenue per user scenario, how will the amount of location-enabled transactions evolve?
- ◆ For a given number of subscribers, mobile data usage profile and location-enablistation rate, what will the location-related service revenues be?
- ◆ What will the expenditure be for mobile location centres? Upgrade of existing network components? Positioning determining equipment PCFs? Location measurement units? And licensing fees?
- ◆ How will the technology expenditure scenarios for EOTD, TDOA, A-GPS and Cell ID evolve?
- ◆ For a given country and start-up assumptions, how many GMLCs, SMLCs and location-enabled base-stations/handsets will a particular PDE technology platform need?
- ◆ What is the anticipated location-enabled service and associated technology spend for cellular operator X in Spain versus operator X in Germany? Or total spend and revenue for the UK compare with France, given these assumptions?
- ◆ What if we run the scenario once more but with the start dates delayed 2 years, location-enablistation

List of Input Assumptions & Output Exhibits

European Location-Based Services & Infrastructure Analyser

Adjustable Input Settings

- ◆ Basic Network Input Data
 - Select start date
 - Select analysis period
 - No. of base-stations
 - Select Country of Analysis
 - No. of subscribers
 - Single operator or whole market analysis?
- ◆ Service Deployment Data
 - Start-up for Service Types (e.g. SMS Messaging, Information Browsing, Wireless Advertising, Assistance Services (asset tracking, emergency & breakdown, E112 calls))
- ◆ Advanced Network Input Data
 - Year of PDE deployment
 - Deploy Dedicated PDE of type... (TDOA/EOTD/A-GPS)
 - A-GPS Handset Subsidisation issues (wholesale price, %age subsidisation or profit, %age operator sales channels)
 - Deploy Fixed LMUs?

Client researched assumptions can be used to 'over-ride' Concise Insight embedded assumptions such as the location traffic enablement rate, cost of service and frequency of usage, traffic augmentation rate, allocation of traffic originating from different technology platforms, licensing fees, basic base-station assumptions

Output Tables & Exhibits

Table Annual No. Location Transactions, By Service Category
Table Annual Revenue Generated, By Service Category
Table Expenditure on Upgrade of Existing Network Components
Table Mobile Location Centre Expenditure
Table Expenditure on Position Determining Equipment PCFs
Table Expenditure on A-GPS Handsets
Table Transaction-Based PDE Licensing Fees Payable
Table Grand Total LBS Solution Build-Out Costs
Table No. LBS Transactions Per GSM Subscription
Table Location Based Service Revenue Per GSM Subscription
Table Annual No. of Operational MLC Servers Introduced
Total MLC Capacity (Transactions Per Second)
Table Annual No, TRXs Upgraded
Table Annual No. TDOA/EOTD/A-GPS PCFs Introduced
Table Annual No. TDOA/EOTD/A-GPS LMUs Introduced
Table Annual No. A-GPS Handsets Sold

Exhibit Annual No. Location Transactions, By Service Category
Exhibit Market Share of Total No. Transactions, By Service Category
Exhibit Total Location Transactions Throughout Forecast Period
Exhibit Annual Revenue Generated, By Service Category
Exhibit Total Revenue, Market Share By Service Category
Exhibit Total LBS Revenue, Throughout Forecast Period
Exhibit Expenditure on Upgrade of Existing Network Components
Exhibit Mobile Location Centre Expenditure
Exhibit Expenditure on Position Determining Equipment PCFs
Exhibit Expenditure on A-GPS Handsets
Exhibit Transaction-Based PDE Licensing Fees Payable
Exhibit Grand Total LBS Solution Build-Out Costs
Exhibit Total Expenditure, By Component Costs
Exhibit Total Expenditure Vs Total Revenue Generated, Throughout Forecast Period

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Standard Version:

- Analytical engine encrypted
- End-user can adjust Concise Insight settings
- US\$ 3,500

Enhanced Version:

- All the features of the locked version but also open access to analytical engine + 2hr support
- US\$ 10,000

Country Query Version:

- Access only to output results for a given country. All background research carried out.
- Results presented in MS Excel/ Adobe PDF
- US\$ 400 per country

Note: Local tax may apply

Note! The European Location-Based Services 2003 report is also available.

Joint purchase discounts apply

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*Thorough analysis,
thorough insight*

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Additional Facts about the Analyser

- ◆ MS Excel Analyser is compiled from 800 lines of calculations and 223 integral assumptions
- ◆ The Standard Version has 42 adjustable settings, 40 charts & tables
- ◆ Based on 20 industry interviews with technology vendors, applications developers and cellular operators
- ◆ Ten year forecasts between 1998 and 2015 can be generated
- ◆ This analyser is based on more than three years worth of research and three report editions of *European Location-Based Services*

About the Authors

◆ Jake Saunders - Partner

Jake is the lead partner at Concise Insight where he covers a variety of economic and technological issues in the mobile communications, fixed wireless and satellite market-place in Europe. Prior to Concise Insight, Jake Saunders worked for The Strategis Group for more than six years, two of which were spent as its European Director. He has also made 40 guest appearances on CNN on telecom matters. A MSc in Technology Management was gained from Manchester University.

◆ Jamie Moss - Senior Consultant

Jamie holds a Bachelors degree in History from the University of East Anglia, UK. Jamie used to be the lead analyst for The Strategis Group Europe's Wireless Location & Telematics studies. The first of these studies was published in March 2000. He is also responsible for the continual tracking of the European Wireless Location Services market, has established a strong rapport with many of the leading executives within the wireless location sector.

If you wish to find out more about this Analyser:

- ◆ Visit our web-site, go to the *Media > Press Release* page and read the journalist press release
- ◆ Download the slide & audio presentation
- ◆ Ask to speak to one of the report Authors. We would more than willing to answer any questions you may have

If you wish to purchase the report:

- ◆ Call Concise Insight and ask to speak to Sales
- ◆ Go to the web-site, > *Research* page and download the *Purchase Order Form* and fax it back to Concise Insight.
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