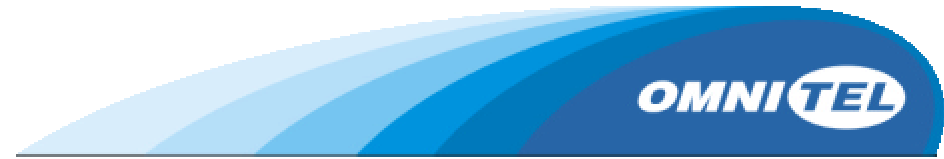


Mobile communications – more than just voice and data

Dr. Daiva Vitkute-Adžgauskiene
Head of Product Management Division,
Omnitel, Lithuania





About OMNITEL



How OMNITEL was founded

The OMNITEL logo is located in the top right corner of the slide. It consists of the word "OMNITEL" in a bold, white, sans-serif font, enclosed within a white oval. This oval is set against a dark blue background that is part of a larger graphic element consisting of several overlapping, curved bands of varying shades of blue, extending from the top right towards the center of the slide.

"Independent communications is the basis of the democratic society."

dr. Juozas Kazickas

- In 1991, after Lithuania regained its independence, Lithuanian emigrant from USA dr. J. Kazickas founded the Company.
- The idea behind this was to establish independent communications with the rest of the world.
- The first private telecommunications company in Eastern Europe.
- Currently – 90% of shares belong to TeliaSonera, 10% to private persons

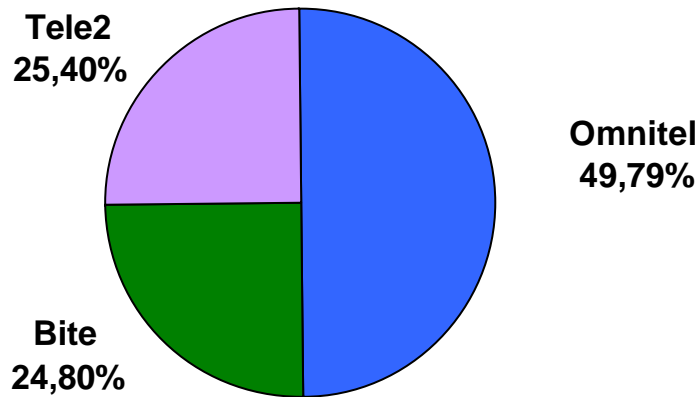
Firm initial steps helped to lay down the foundations for successful activities of Omnitel.

A decorative graphic element at the bottom left of the slide, consisting of several overlapping, curved bands of varying shades of blue, mirroring the design of the OMNITEL logo.

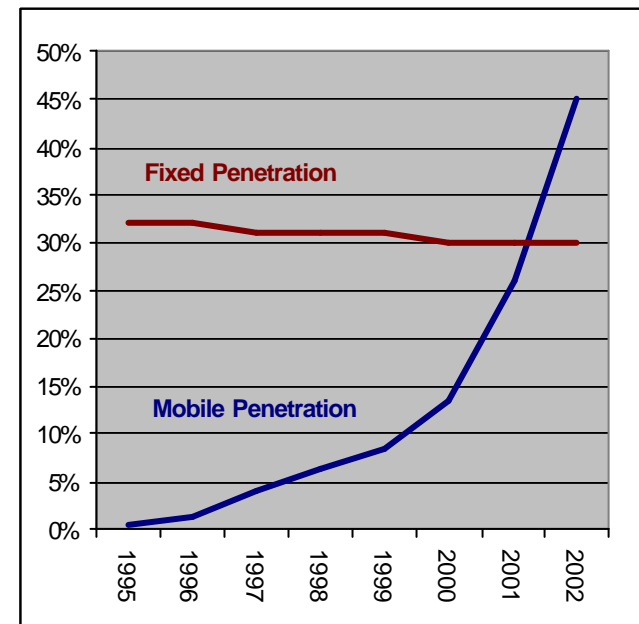
OMNITEL – leading force of Lithuanian telecommunication evolution



- One of the five largest investors in Lithuania
- The largest national mobile telecommunications company in the Baltics in terms of the number of customers: Omnitel has over 1 000 000 subscribers by December 2003
- Mobile Market Leader in Lithuania



The Lithuanian mobile telecommunications market end of H1, 2003



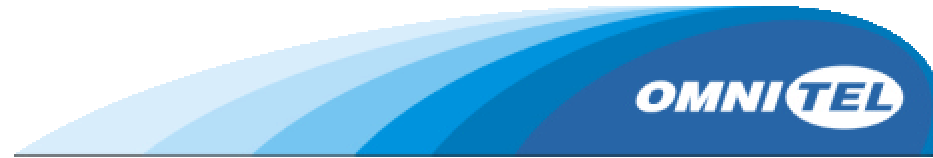
OMNITEL – ahead in modern technologies



- ✍ First in Lithuania to introduce GSM (1995)
- ✍ First commercial Internet provider (1995)
- ✍ First in Lithuania to introduce WAP (1999)
- ✍ One of the first in Europe to introduce GPRS (2001)
- ✍ The first in the world to launch and operate Motorola's latest base stations Horizon II (2003)
- ✍ The 7th operator in the world to have implemented on its network the latest GPRS technology CS3/CS4 (2003). GPRS data transfer rates are increased up to 70%



Secret of Success - Sustainable Strategy



- **POSITIONING**

From the very beginning Omnitel acts as universal telecommunications operator providing high quality services. Omnitel Brand has sustainable leading position in Lithuanian telecommunications market and is persistently ranked as No. 1 overall brand in the country.

- **360° PRODUCT LINE**

From the very beginning Omnitel provides not only mobile but also fixed data and internet as well as wide variety of value added services, providing integrated fixed and mobile digital communication.

- **PARTNERSHIP**

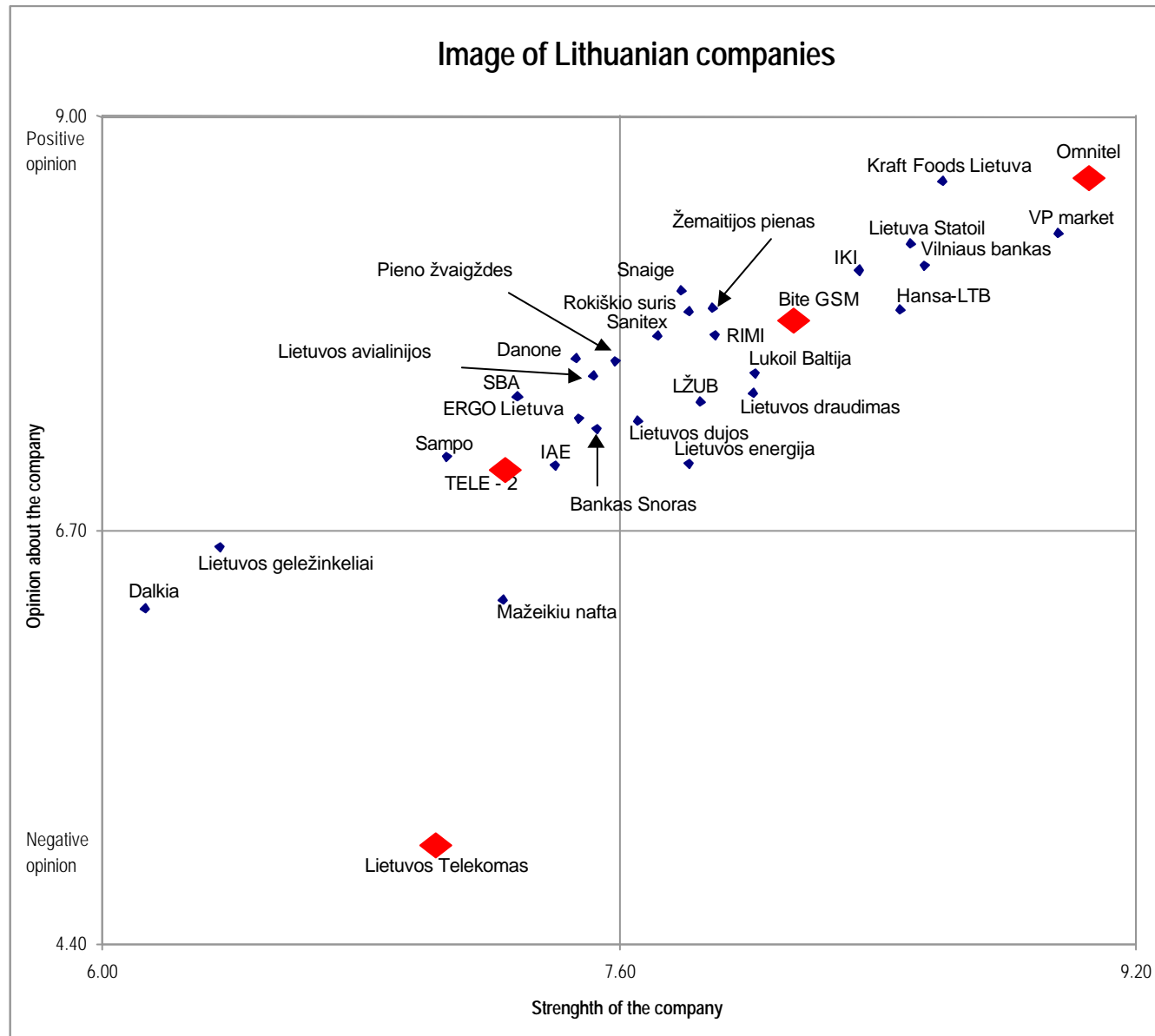
Omnitel established strong network of partnerships with major banks, retail channels, system integrators and solution providers. Major business clients are also acting as partners and helping to develop solutions.



Strong Brand



No. 1 Brand in the Country

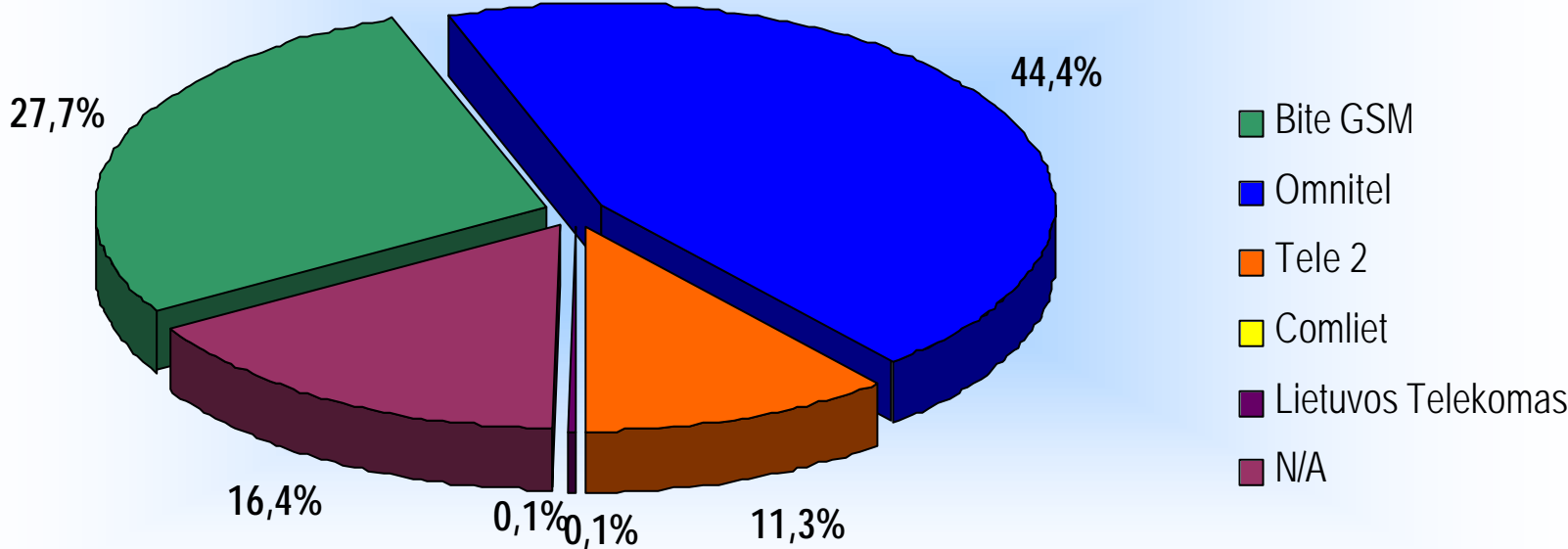


Source : SIC Gallup market research

Top of Mind Leader



Spontaneous top-of-mind awareness

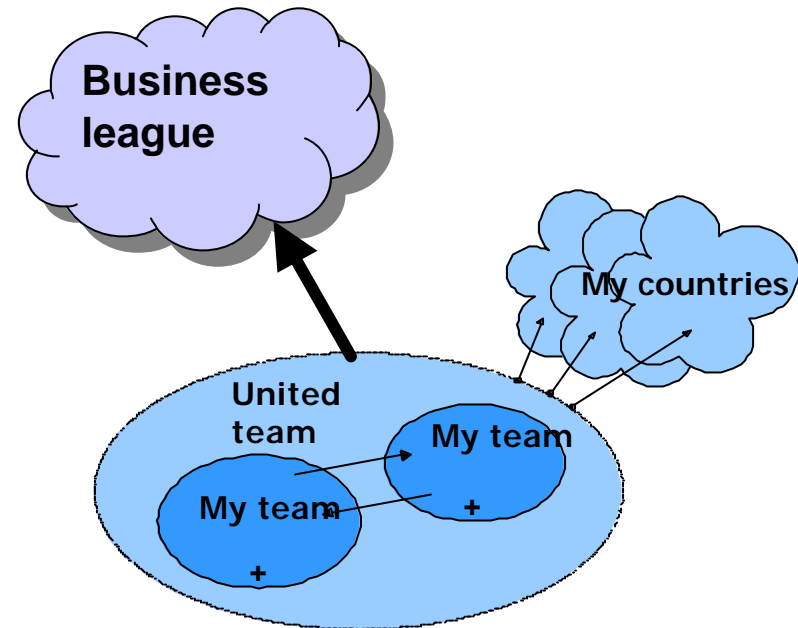
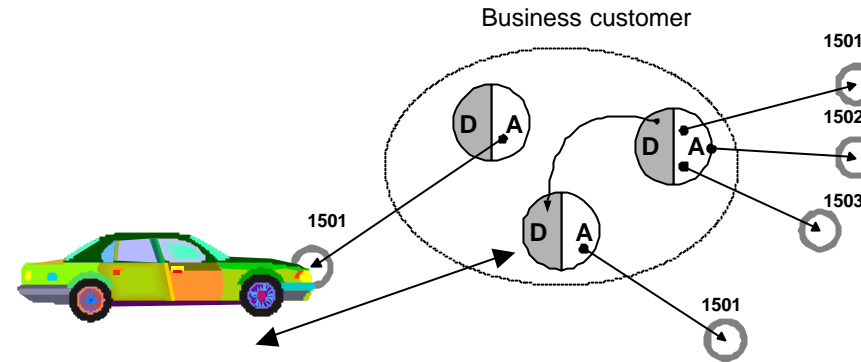


Source : SIC Gallup market research

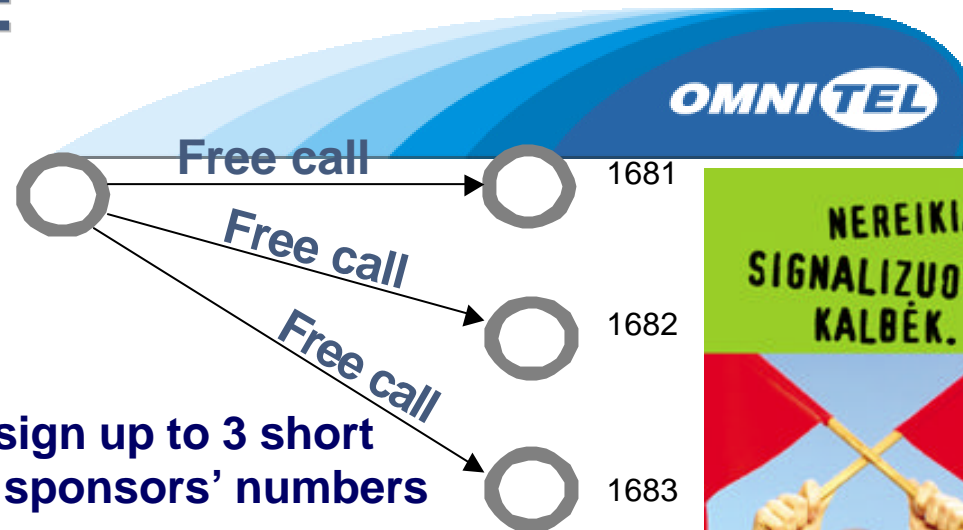
Innovative solutions: forming virtual networks



- Closed user groups “My Team”, “United team”, “Work & Leisure”, “The chosen”, “Business league”, “Intellectual call forwarding”
- Special tarriffing schemes for the groups
- Short numbering



Innovative solutions: S.O.S. calls



- Each prepaid subscriber can assign up to 3 short numbers (1681, 1682, 1683) to his sponsors' numbers (post-paid subscribers).
- Calls to these short numbers are free, and the called party pays for the calls. Children-parent relationship.
- A pre-paid account can call his/her sponsors even when his/her account is empty
- A sponsor can top up pre-paid account transferring money from post-paid to pre-paid account by sending SMS.



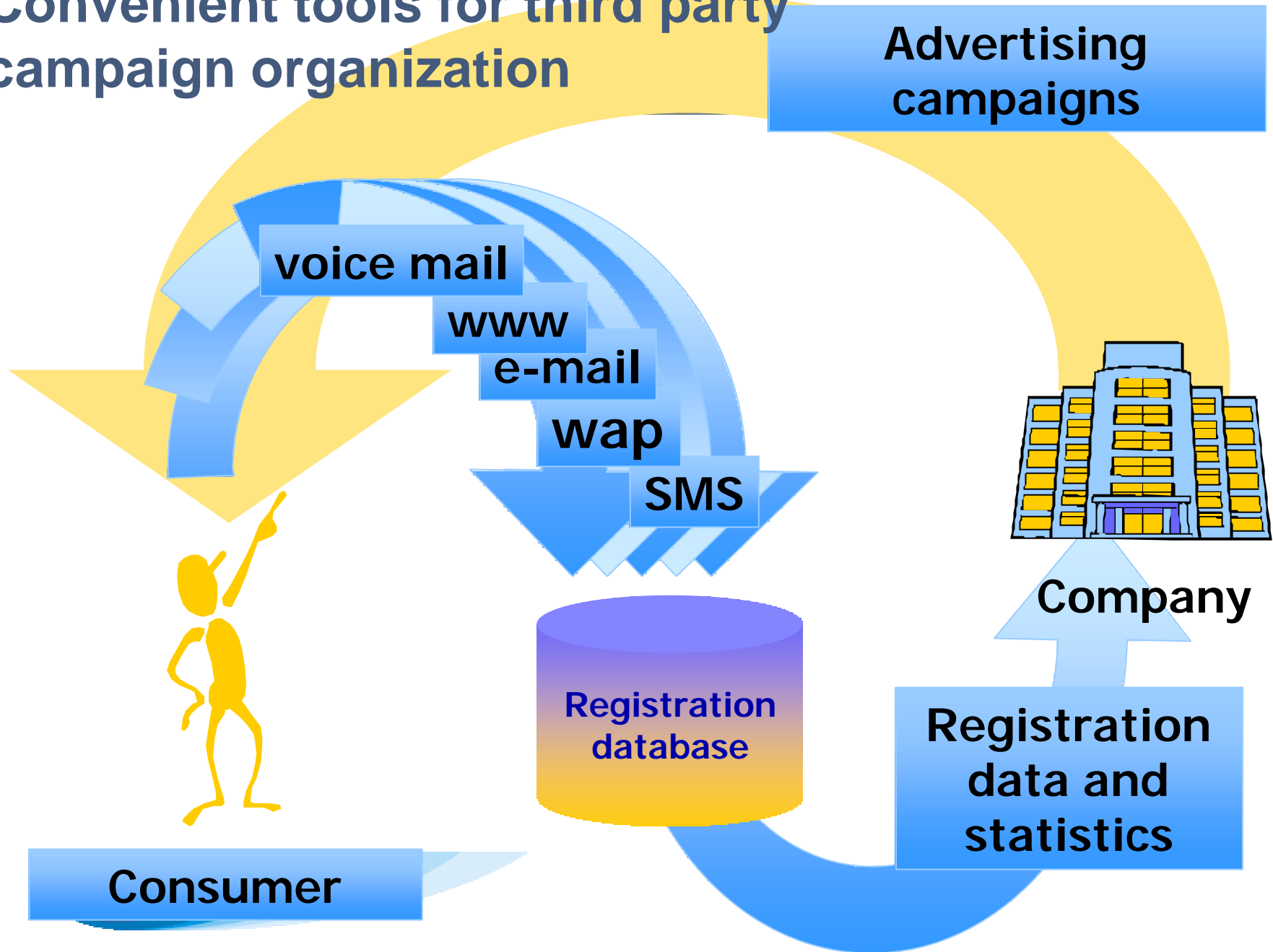
Easy-to-use applications

Mobile parking - no need to look for coins, easy to extend parking time – just send an SMS from where you are!

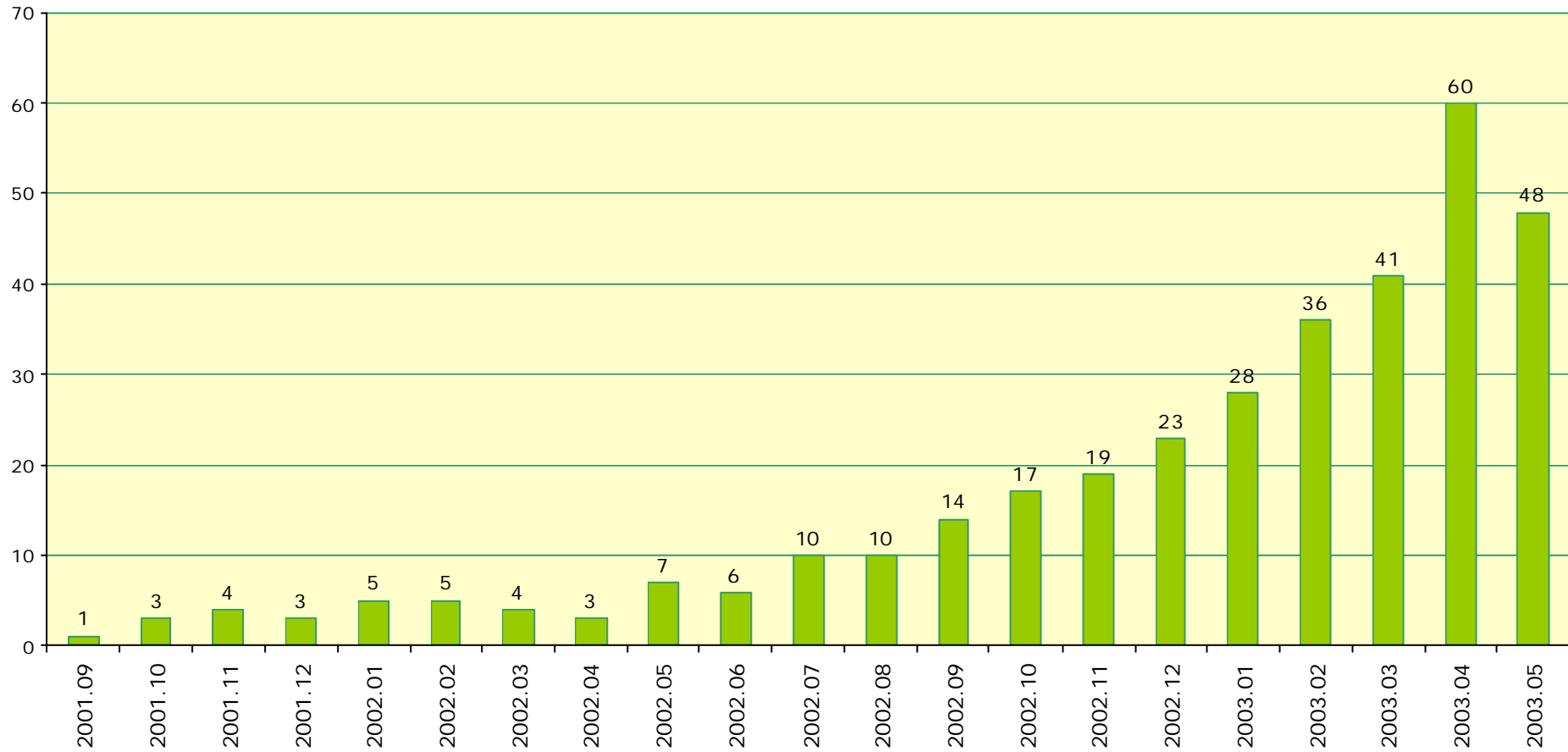
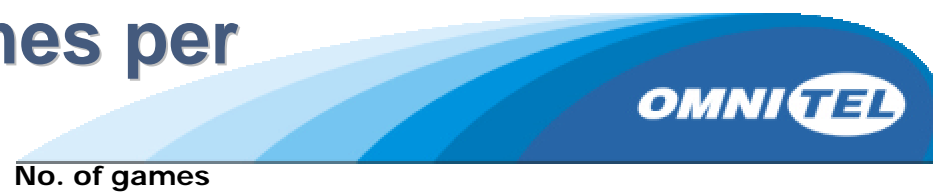
- Omnitel was first in Lithuania, 7th in the world to launch the service
- Launch in Kaunas - March 27, 2002; in Vilnius - July 3, 2002
- Service management (inspector side) based on bar-code readers and GPRS



Convenient tools for third party campaign organization



Growth: number of games per month



Total of 150 games in a years

Innovative solutions: pre-paid top-up for everybody's taste

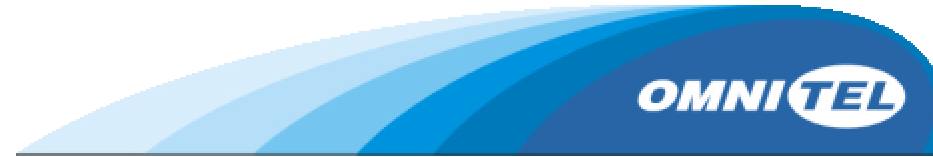
OMNITEL

10 different ways to top-up pre-paid:

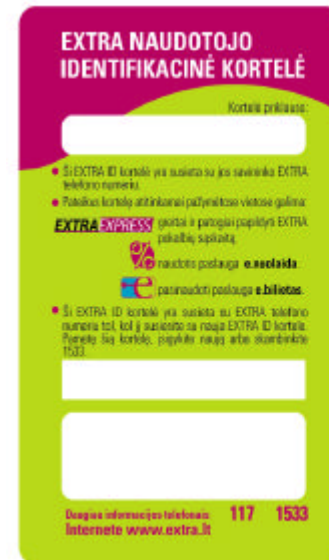
- POS electronic top-up - secret code and on-line (petrol stations, retail stores, kiosks)
- Top-up via ATM – secret code and on-line
- Via mobile Bank/SMS
- From post-paid account – S.O.S.
- Via Internet – Internet banking and credit card payment
- Using ID card with bar-code



EXTRA ID card



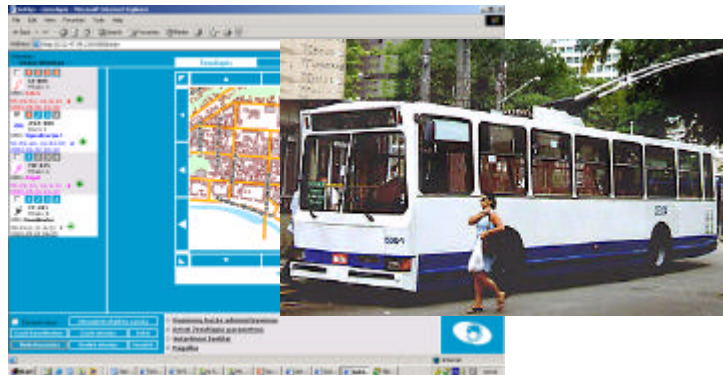
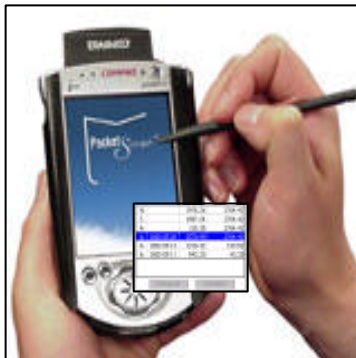
- Extra ID - an ID card for prepaid customers.
 - Issued as a scratch card with a unique bar code
 - When registering for the first time, bar code is “connected” to subscriber’s tel. number
- Functionality:
 - Multiple pre-paid top-ups at POS points (using the barcode)
 - E-commerce – first application e-tickets for InfoBalt
 - E-discounts – discount management system at partner networks
- Perspective - Extra ID card viewed as one of a set of ID (Omnitel and partner) cards, valid for the above mentioned operations



E-city projects

OMNITEL

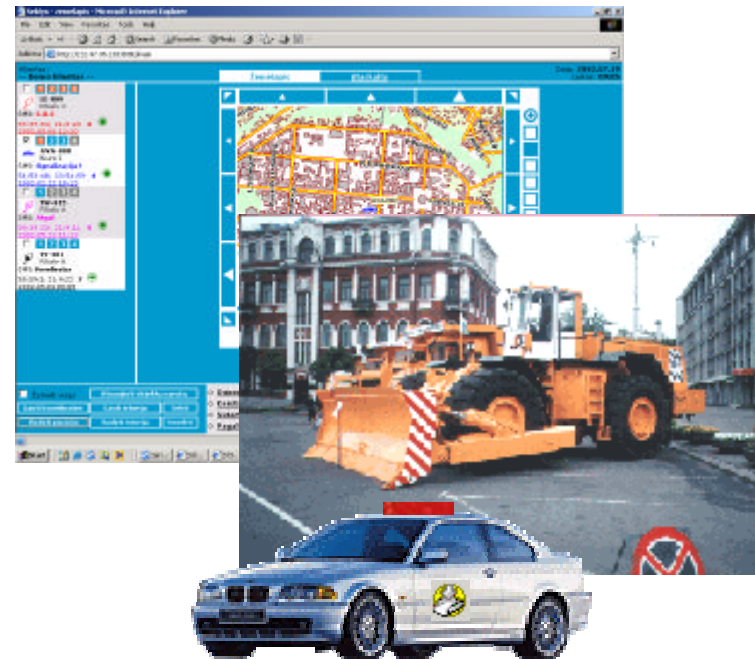
- ? Simplified mobile access to city services via phone menu
- ? Mobile payment for services (parking, certificates, tickets, etc.)
- ? Transport tracking and information
- ? Mobile workplaces for municipality staff
- ? Public voting services
- ? Security services (police information)
- ? Mobile identification



Transport management

OMNITEL

- Vehicle tracking
- Remote control
- Security solutions
- Event registration and information



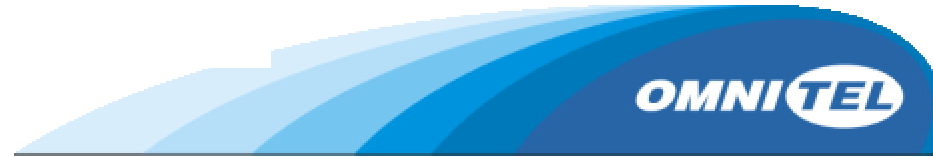
Increase in service usage – via simplicity of access

OMNITEL

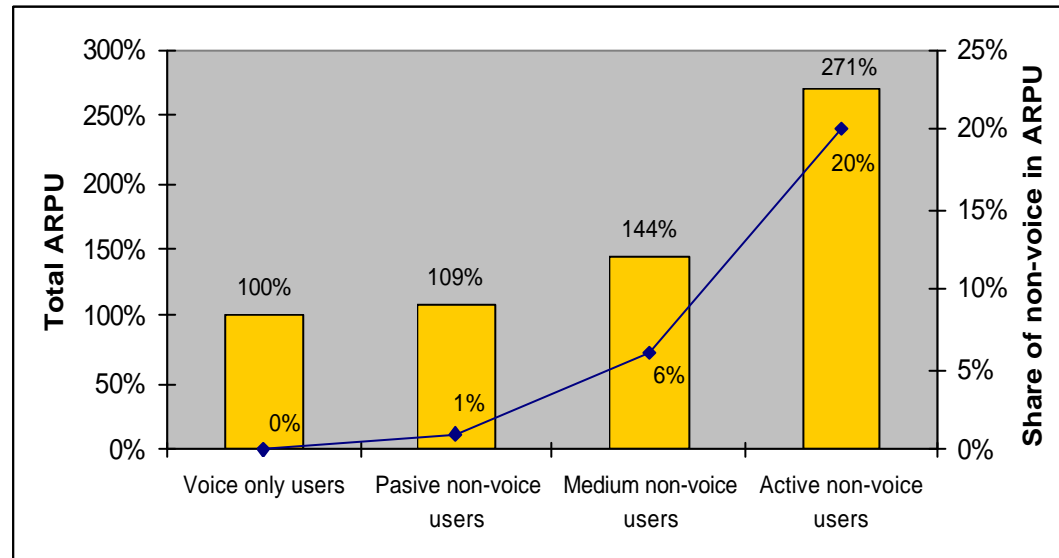
- **SIM Plius** – SIM card with preloaded SMS/voice service menu – 2002.10
- **SIM Plius personalization** via the portal – 2003.11
- **OMNI portal** – service aggregation, management and presentation environment for all channels (WWW, SMS, WA) – on IBM Websphere platform from 2003.10

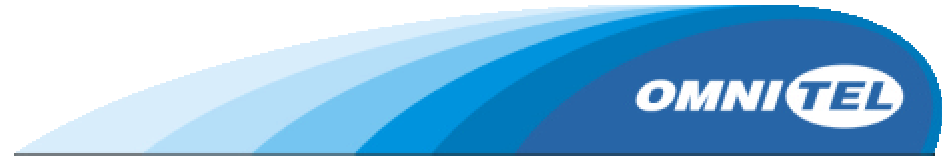


High service usage



- ✍ 16.5% of mobile revenues comes from non-voice services
- ✍ Active non-voice users generate 2.7 times higher ARPU than voice-only users
- ✍ Over 80% of subscribers using SMS, over 40% - SMS VAS
- ✍ 46 SMS/subscriber/month in 2003

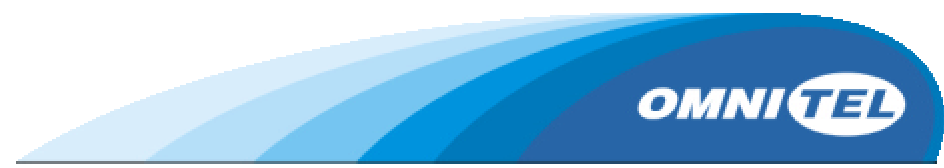




**Looking to the future it is not enough
only to MEET the NEEDS.**

**It is worth to CREATE new NEEDS as
well.**





Omnitel pioneered Knowledge Society Development Initiative joining leading ITT companies and Banks



WINDOW TO THE FUTURE



SEB grupės narys



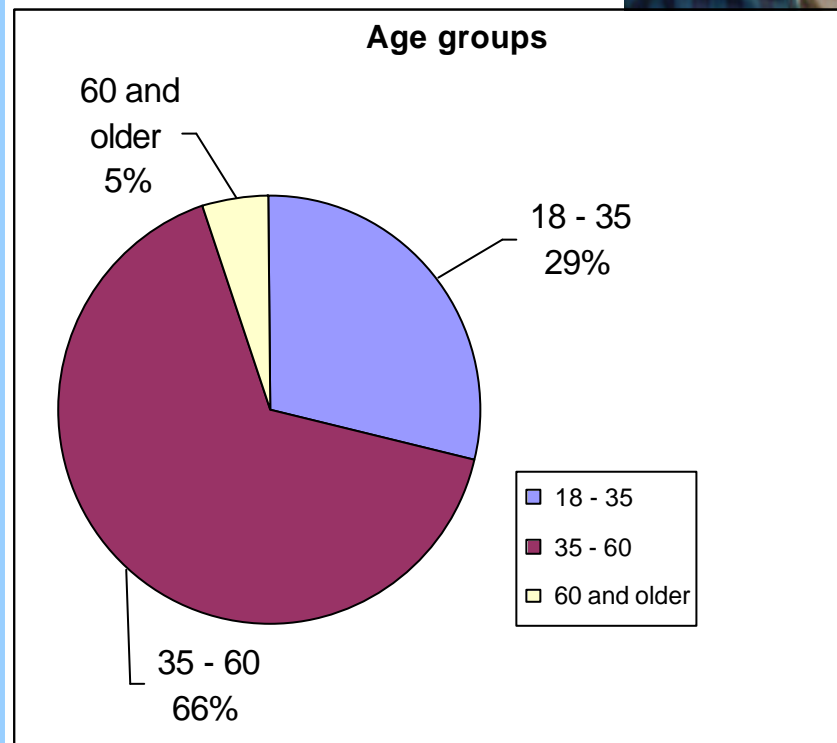
Goal

**To reach the average EU
Internet penetration in
Lithuania in three years**



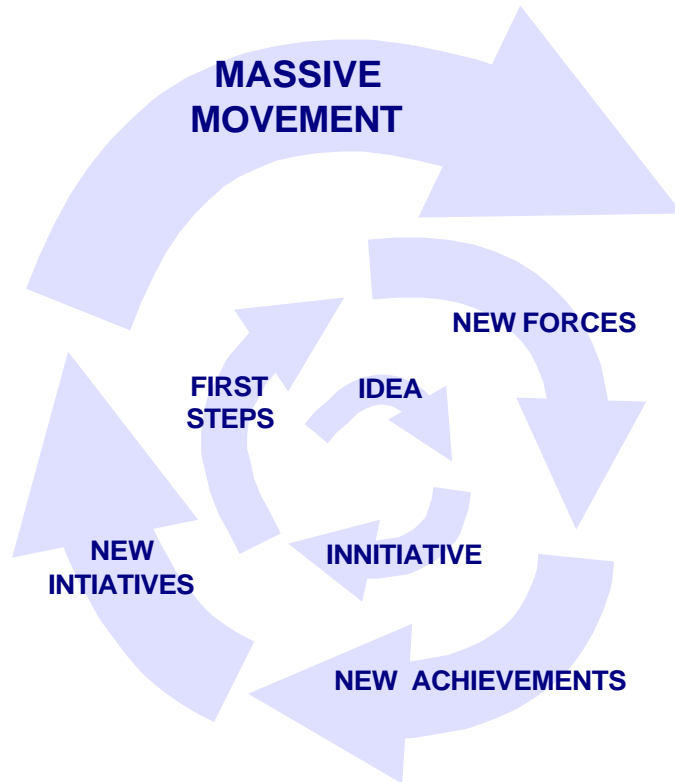
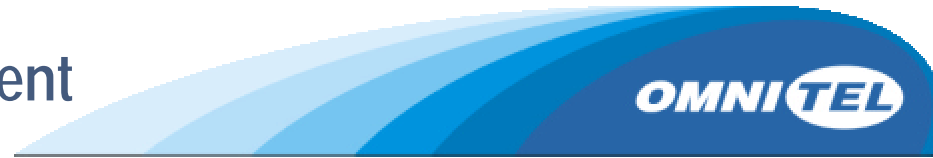
LANGAS | ATEIT|

**In 2003 20 000 of adults taught
Internet basics for free**



LANGAS | ATEIT |

ROLLING SNOWBALL Model: From Idea to the Massive Movement



More Partners Joined

Enthusiastically welcomed by Local Governments and Communities

Lithuanian Government joined

Unique Internet penetration growth from 10% up to 21% was achieved only in three quarters!

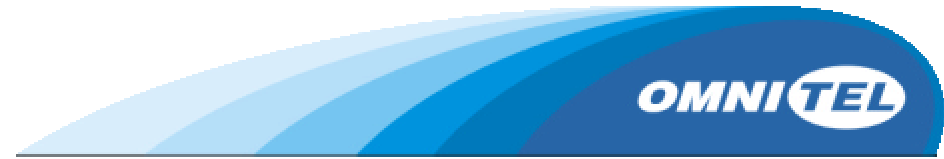
Today it evolved into National Public/Private Knowledge Society program with central and local Governments and leading ITT Businesses acting together



Developed Knowledge Society and Knowledge Economy -

The Basis for Future Growth





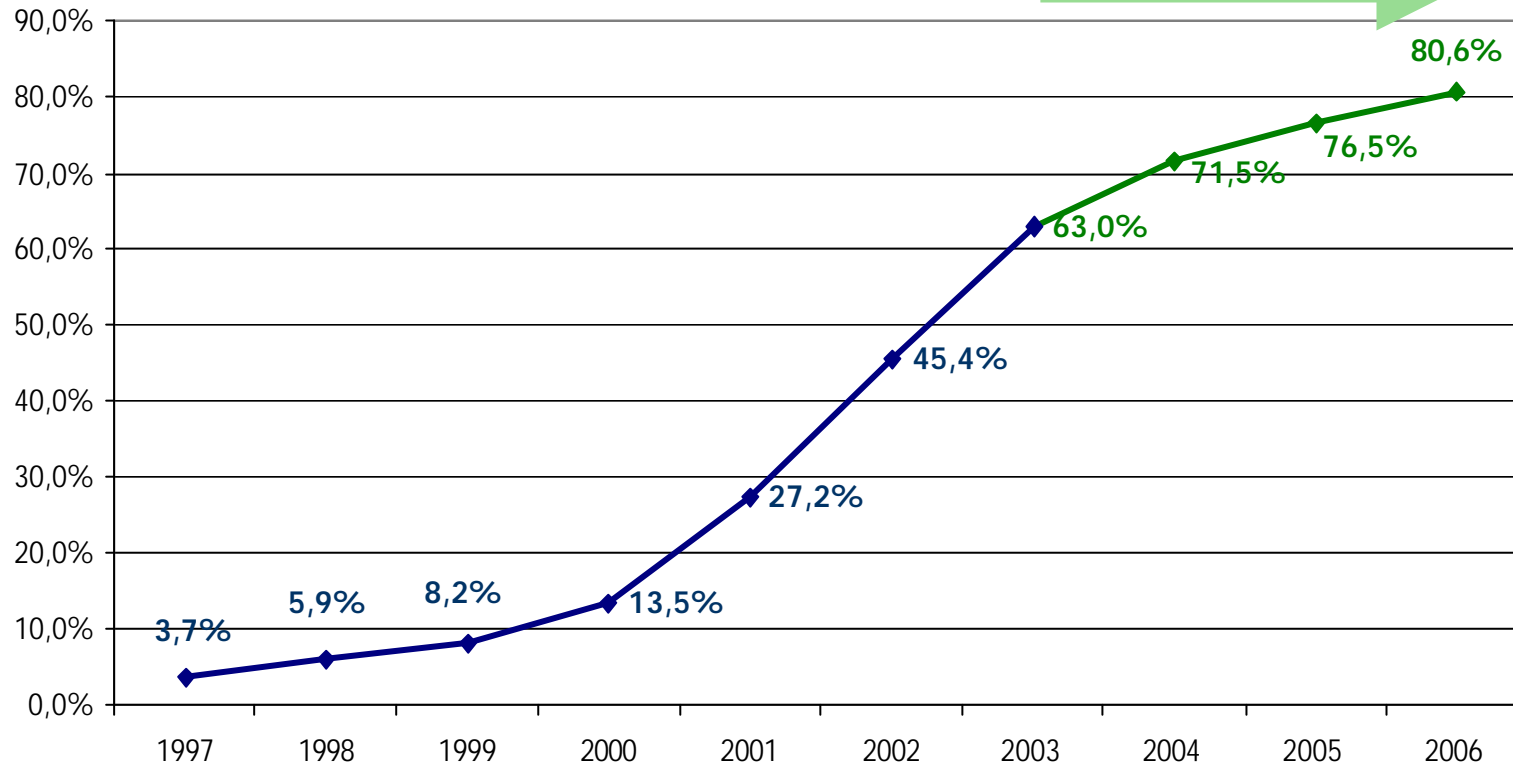
Evolution of mobile services



Environment – growth of mobile penetration



Forecast



Already every second person in Lithuania - mobile



Source: OMNITEL

Phone evolution

OMNITEL



2G Voice-centric GSM chipset

*Closed applications
environment
No high-level operating system*



2.5G Data-enabled GPRS chipset

*Open/Closed applications
environment
Optional high-level operating
system*



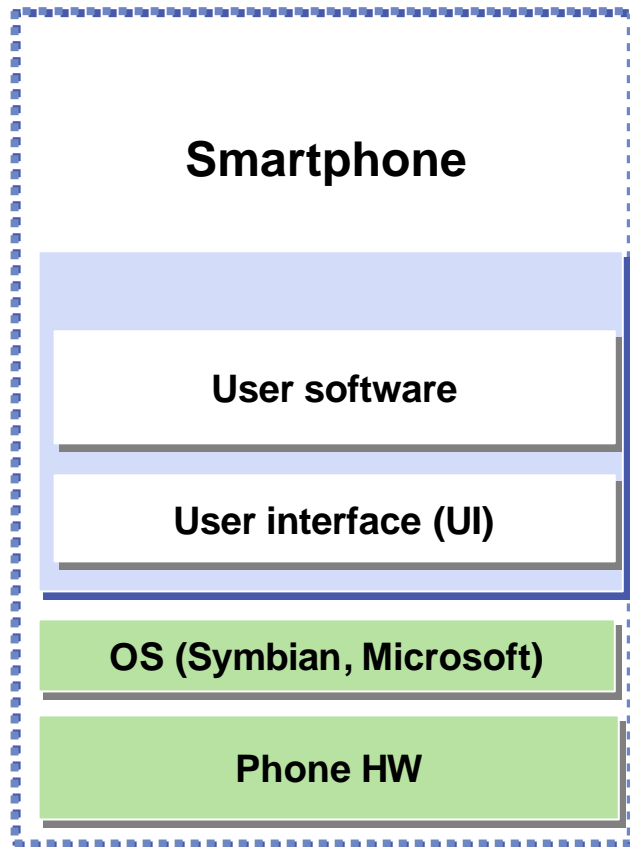
3G Mobile multimedia Processor

*Open applications environment
Obligatory high-level operating system*

- At the heart of 3G experience – new ways of using the phone

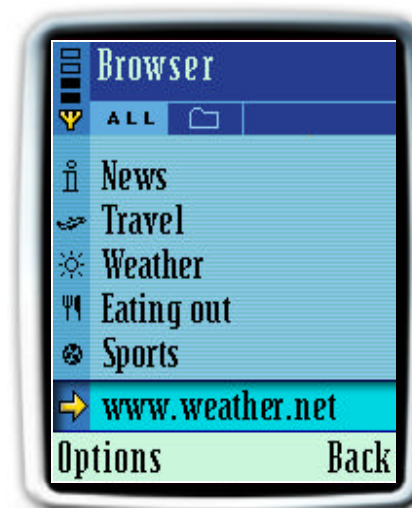
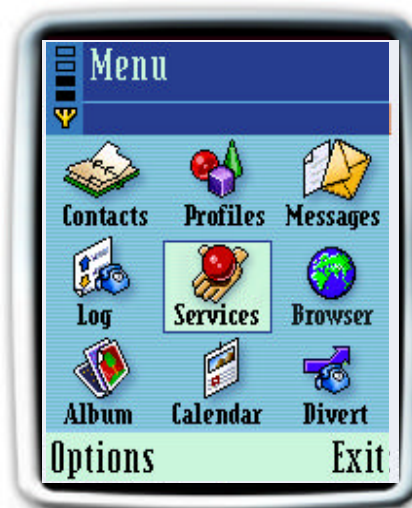
Phones converging towards computers

OMNITEL



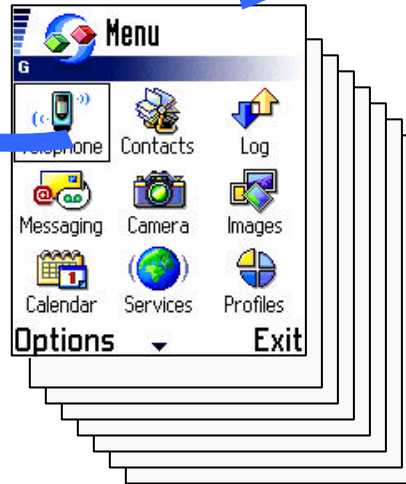
Configurable user interface

OMNITEL





Feature of modern smartphones – downloadable programs



- Collections of downloadable programs, managed via portals

Mobile service portfolio development

OMNITEL

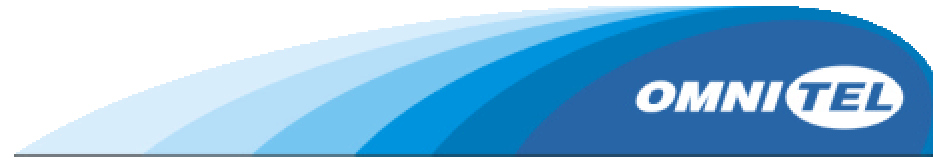


- **Diversified ranges of products – an operator becomes supermarket with thousands of services**

Key attributes of mobile services:

- **Movement – escaping the fixed place**
- **Moment – escaping the concept of time**
- **Me – extending myself and community**
- **Money – expending financial resources**
- **Machines – empowering gadgets**

Increasing number of m-services



- *M-entertainment* (logos, ringtones, mobile games)
- *M-info* (yellow pages, stock exchange, accounting info, transport schedules)
- *M-office* (mobile e-mail, reminders, group messaging)
- *M-payments* (payments for parking, vending, tickets)
- *M-banking* (all major banks offering SMS/WAP banking services)
- *M-self-services* (info channel subscription, service provisioning)
- *M-security* (mobile car tracking, house security, etc.)



Mobile phone = info kiosk?

OMNITEL

- News from Lithuania and the world
- Transport schedules
- Catalogue and state registry information
- Vocabularies
- Stock exchange information
- ...



Mobile phone = office in your pocket?

OMNITEL

- E-mail and personal calendar – accessible anytime anywhere
- 24-hour access to company information resources
- Usual office programs in your phone – MS Word, MS Excel, MS Powerpoint



Mobile phone = business management tool?

OMNITEL

- **Mobile manager/agent solutions:**
 - Immediate order submission
 - Updated information on prices and clients
- **Mobile workforce management**
 - Task distribution
 - Constant control



Suformuotas užsakym 7:07p

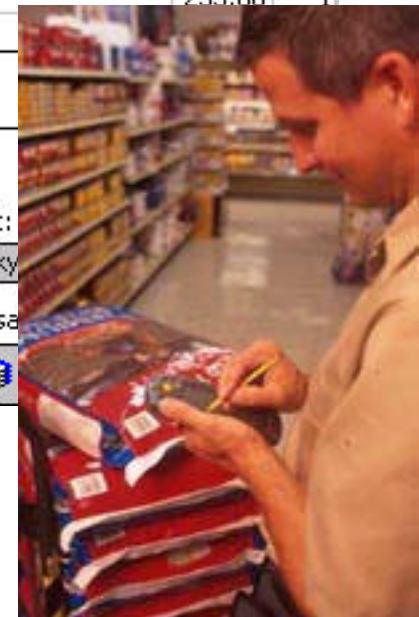
Užsakymo nuolaida, %:

	Kaina	Kiekis
"Diesel" PE	25.12	2
"Orange"	12.56	26
"Rasa"	12.56	123
✖ "Anti Tobacco" PE	25.12	15
✔ "JVC"	345.00	2
✔ "Panasonic"	255.00	1
✖ "Dewoo" PE		

Užsak. kiek.: 0/6/0
Sandėlis: 1500
Kaina su nuolaida, Lt:

Prekių grupės Užsa

Komandos  



Mobile phone = purse?

OMNITEL

- Mobile payment for:
 - parking,
 - vending,
 - Tickets,
 - on-line information access

- Already more than 15% of parking transactions made using SMS

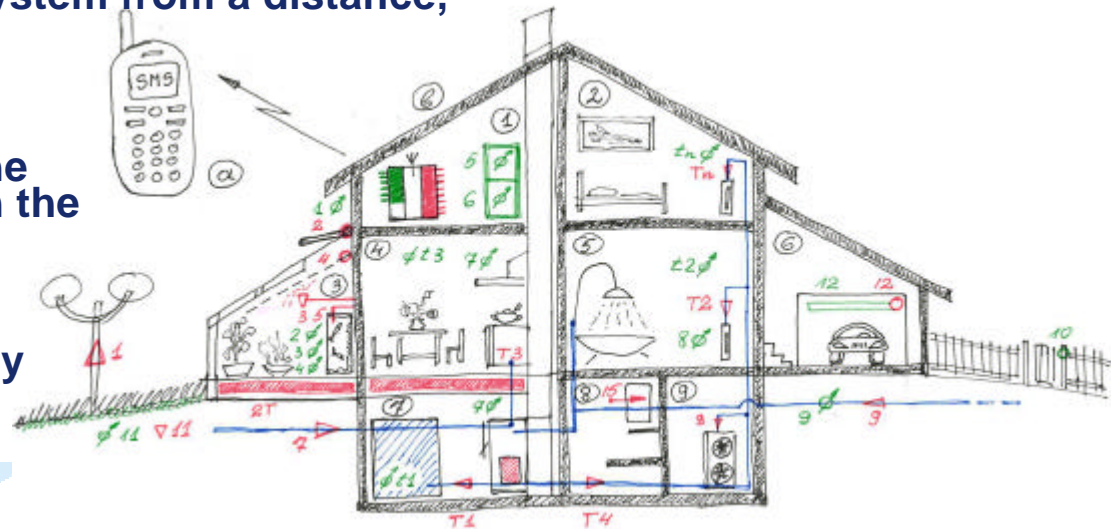


Mobile phone = control panel?

OMNITEL

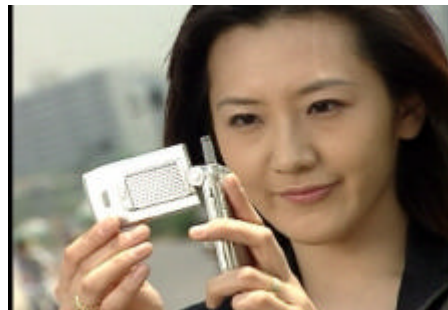
OMNITEL and Sakura joint solution for house systems management – “House”:

- getting alarms to the mobile phone about the temperature changes in premises,
- controlling the air-conditioning system,
- switching-on the fire-alarm system,
- alarms in case of problems in water supply, gas or electricity systems, corresponding valve control,
- switching-on the heating system from a distance,
- feeding the aquarium inhabitants,
- imitating the presence of the owner, e.g. by switching on the lights,
- watering the flowers,
- switching on/off the security system, ...



Mobile phone = camera?

OMNITEL



Mobile phone = game terminal?



Java™

Beat Groovers



Pro Baseball



Jet-Set Type



Fighters of the Dead



Billiards



Tetris

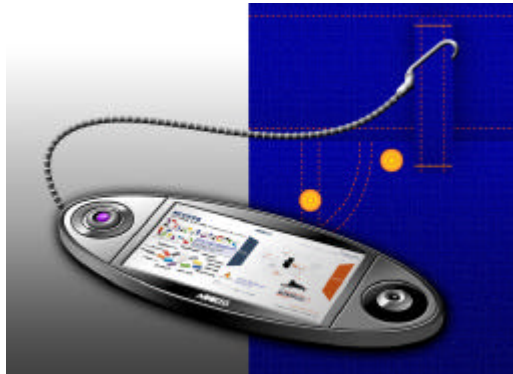


Fortune Telling




Clocks



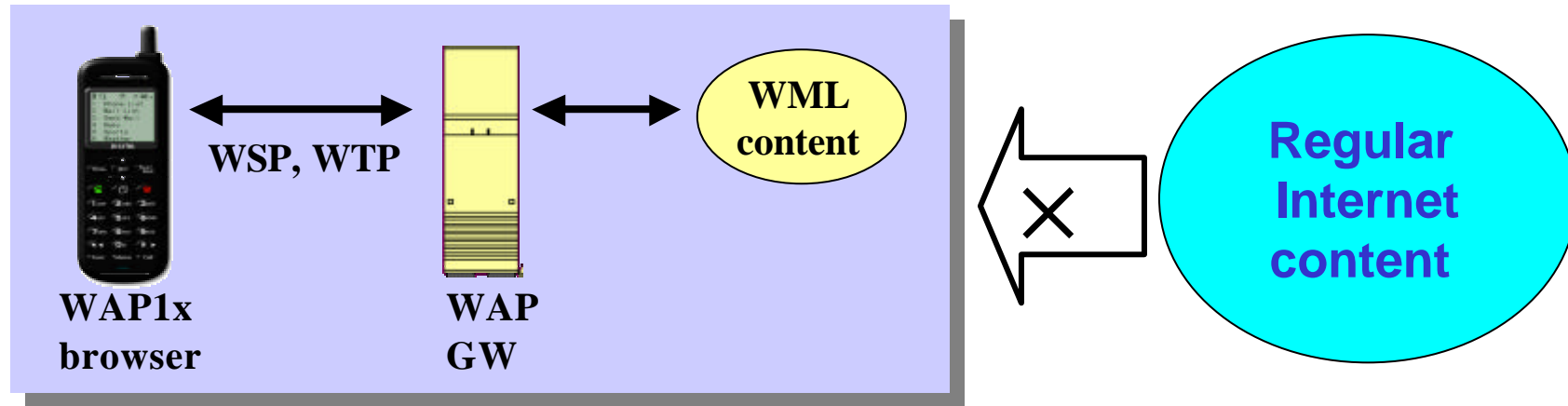


**Phone becomes a universal
service usage and management
terminal**

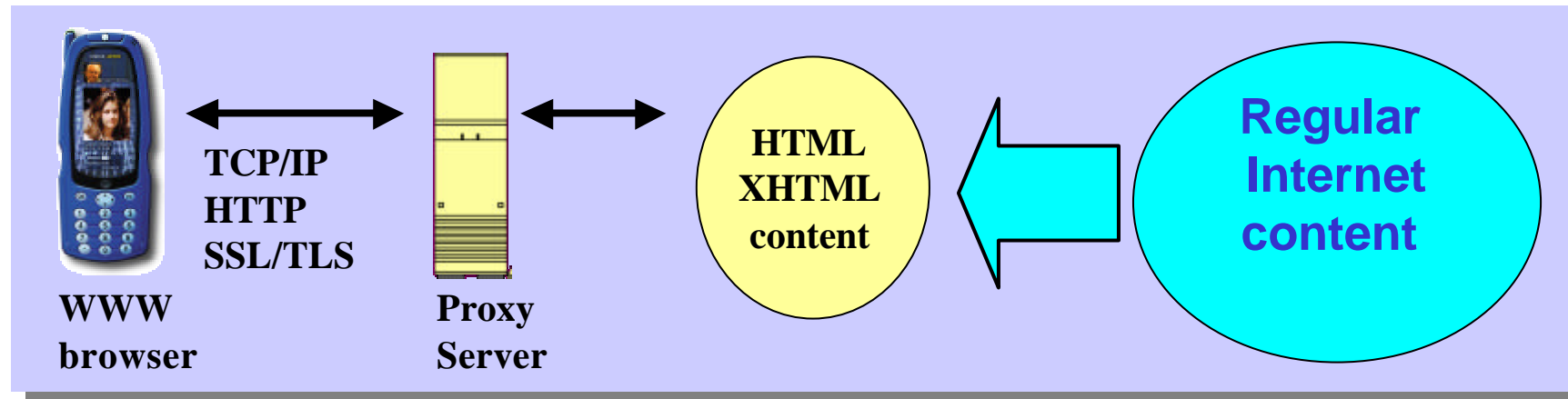
A blue decorative graphic consisting of several curved, overlapping stripes in shades of blue, located at the bottom left of the slide.

No difference between the ordinary and mobile internet

WAP 1.x separated from regular internet



WAP 2.0 complies with Internet standards



Internet portal becomes a marketplace of universal e-services

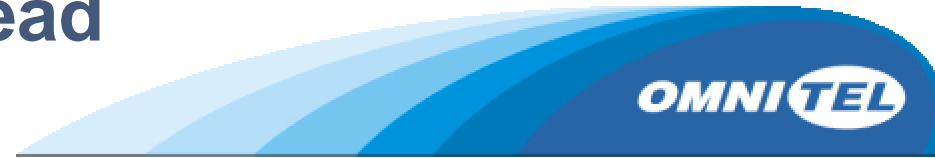
OMNITEL

- Services accessible both via personal computer and mobile phone
- Personalizable content over all channels
- Portals act as agregators for third-party services and content
- Different payment opportunities



WWW.OMNI.LT
WAP.OMNI.LT

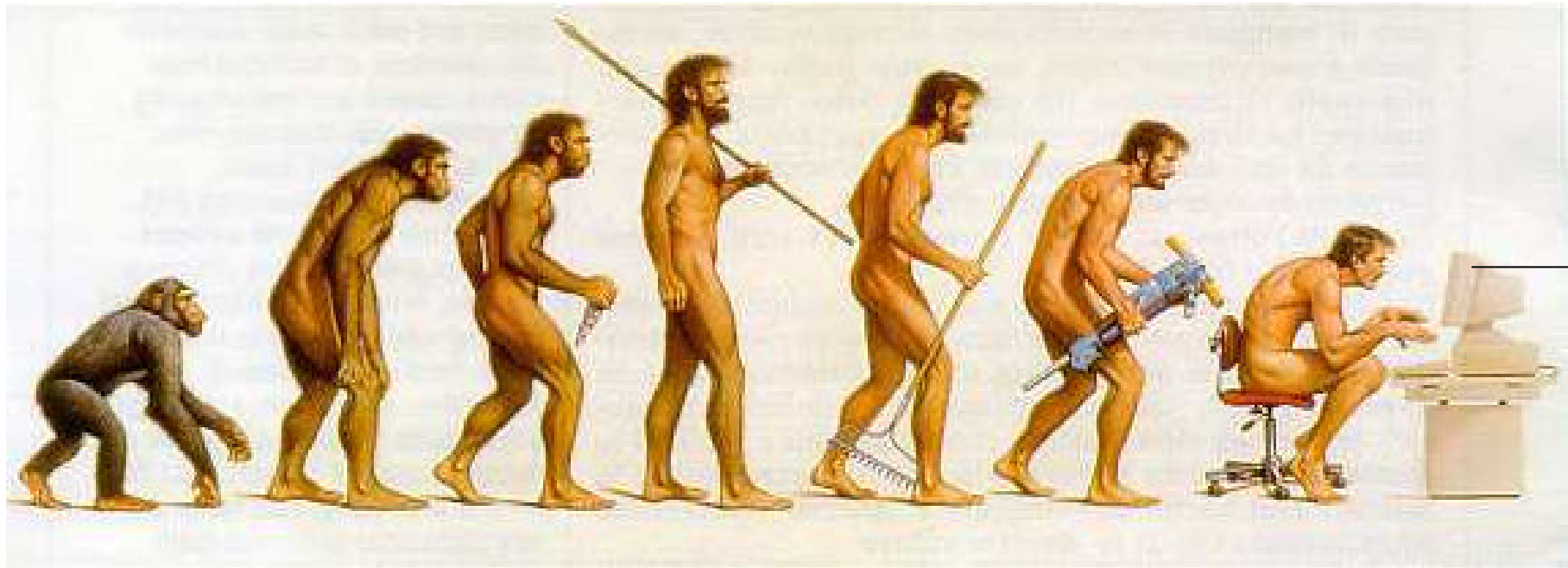
More possibilities ahead



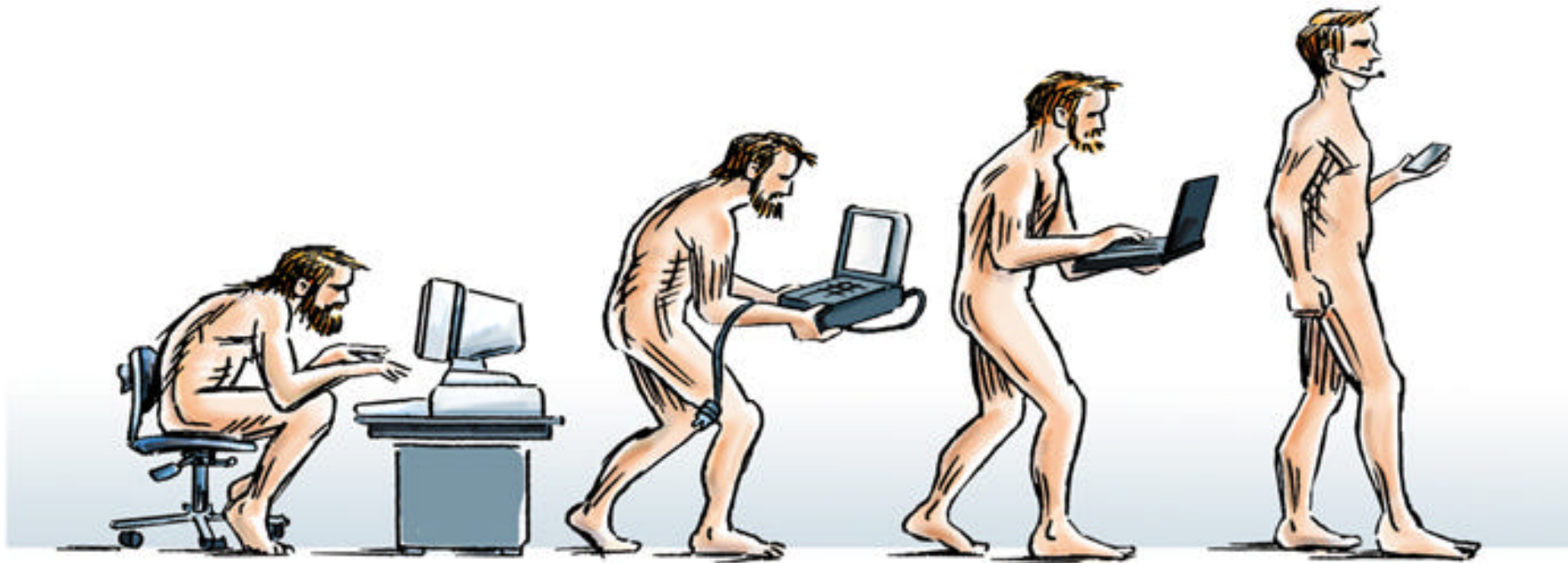
- **Mobile phone becomes a normal Internet terminal**
- **Internet services become accessible via a mobile device – more opportunities for both users and developers**

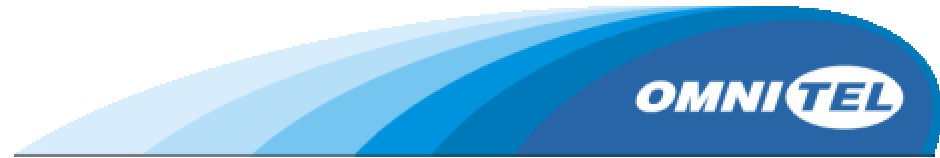


For those disappointed in regular e-services ...



... there are more convenient m-services !





Thank you!

d.vitkute@omnitel.net

