

1. EXECUTIVE SUMMARY

The vision for 3G is largely based on the advent of new, demanded and useful services. A clearly defined competitive landscape will facilitate the launch of 3G services.

By defining probable business models and the related revenue streams we can determine where standards are required to overcome vendor-specific solutions. This will prevent interoperability problems and allow fair competition between service providers as well as vendors. Ultimately this is also an advantage for the end user.

Particular areas that are subjects for standards are, for example, interfaces between Content Providers and Service Providers. Standards are required in order to exchange relevant charging information between these players. Charging protocols or similar devices concerning the availability and the exchange of real-time charging and authorisation information are also required. This is particularly important for roaming scenarios. Charging information has to be available from the Network Elements or from the Application Servers through to the Billing Systems.

In this report we define the different roles in the 3G market place. Depending on local and regional market conditions, different players in different communities will take over these roles. They all have to find their position in the value chain. For example, Service Providers and Content Providers have to agree on their respective roles for each of the business models.

We have identified a number of business issues that need to be addressed regarding settlements between these players. The UMTS Forum ICT Group is currently working on a separate report that will include further details on these issues.

We also believe that trust is a critical success factor for 3G, both from the service provider and end-user perspectives. Trust is a key to success or failure, as a large proportion of forecast revenues is based on new services that are not currently available. If trust is lacking the result will be lack of content and, in all cases, a lack of use. This means that the design of the authorisation and payment infrastructure is very important.

Quality of service and scalability are areas not directly addressed in this report. However we do raise the question of what level of quality will be acceptable to the customer. Does the customer have realistic expectations of the quality of service? If not, then services will fail to be taken up. 3G networks will not initially provide quality of service parameters, which have to be considered in the post-processing environment.