Serving Operators: Lucent's Unique Approach

Lucent Technologies
Financial Analyst Meeting
Mobility Solutions Demo Day

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Vice President
Mobility Offer Management

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Lucent Technologies' Approach: Starting With The End User

- **Building offers: Understanding the Customer's Customer**
  - **End user requirements (Person using the technology)**
    - Business person, Government worker, Consumer
  - **Buyers' requirements (Group buying the technology)**
    - IT group, Purchasing Integrator, Parent
  - **Organizations' requirements (Owners of the technology)**
    - Company, Government agency, Family
- **Driving feature content and partner selection: Offer Definition**
- **Technical Solution and marketing/sales programs to decrease time to revenue for operators**

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3G Go-to-Market Strategy

Phase 1
Capture early adopters in the high-value enterprise market

Mobile professional

- Early adopters driven by productivity gains
- Pent-up demand exists now
- Mobile access to existing applications
- Access via existing laptop PCs & PDAs using plug-in high-speed data card

Phase 2
Expand portfolio to address mass-market voice & volume data

Business & Consumer - Voice & Data

- 2G subscriber migrations and new adds driven by service differentiation & price
- Access via smart phone & PDA
- Services & applications targeted at micro segments

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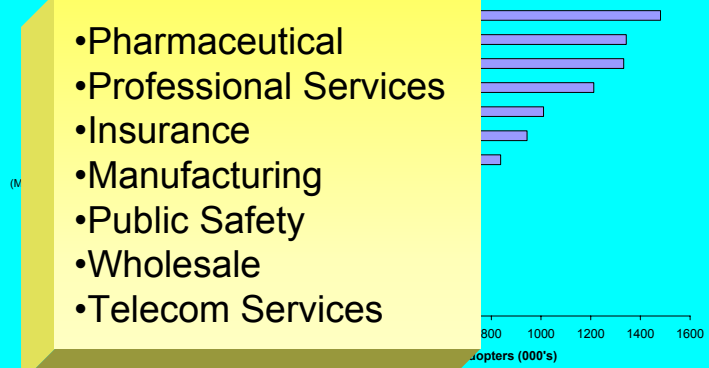
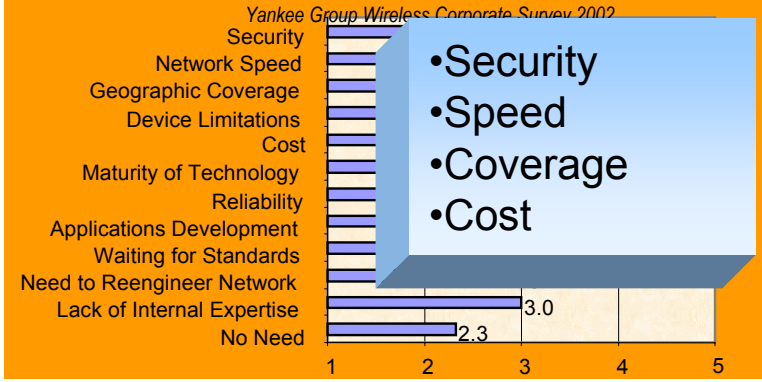
High Speed Data Market for Enterprises

Industries

- Pharmaceutical
- Professional Services
- Insurance
- Manufacturing
- Public Safety
- Wholesale
- Telecom Services



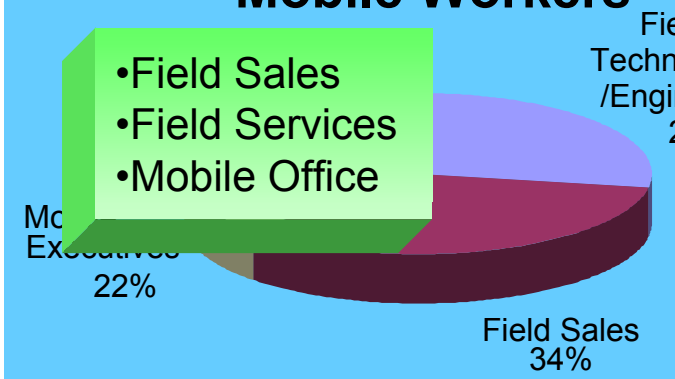
IT Organization



- Security
- Speed
- Coverage
- Cost

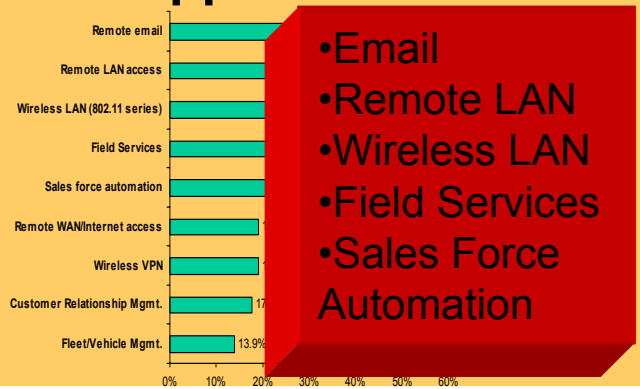
Mobile Workers

- Field Sales
- Field Services
- Mobile Office



Source: Yankee Group Wireless Corporate Survey, 2002

Applications



- Email
- Remote LAN
- Wireless LAN
- Field Services
- Sales Force Automation

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High Speed Data Pre-Integrated Technical Solution

- Start with **secure 3G wireless data** call
  - Incorporate widely adopted IPsec VPN remote access solutions
- **Leverage public WLANs** to enhance user experience when available
  - Position 3G operator as mobility manager for the enterprise
- Add value to enterprise by **linking with enterprise wireless LAN (WLAN)**
  - Augment mobility coverage in buildings with cost-effective WLAN data solution
- Enable **automated provisioning** for users
  - Easy to get the user up and running on secure wireless data
- Enable **Network Hosted VPN** and **Value Added Services**
  - New sources of revenue for wireless operator
  - Cost savings and productivity gains for enterprise

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High Speed Data Marketing & Sales Program

✓ Primary research completed; focus groups & interviews with IT and end users	✓ Primary research in 4 markets; NAR, Europe, Latin America and Asia ✓ Finding pent up demand and high willingness to pay
✓ Focusing on 7 vertical markets and 3 horizontal functions. ✓ Partnerships with Industry leaders in all 7 segments. ✓ Direct Enterprise contact with over 500 companies	✓ Large Insurance Firm ✓ Conducting trials with sales representatives and field adjusters ✓ Finding increase in sales revenue ✓ Public Safety ✓ Conducting trials with probation and police officers ✓ Finding increased safety for officers/officials

Lucent builds networks that enable wireless operators to offer mobile high-speed data (MHSD) services to enterprise customers to help achieve new levels of productivity

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Customer's Customer Program

Collaborating for Mobile High Speed Data (MHSD) Success

- **Creating demand for MHSD with the Enterprise customers**
- **Positioning MHSD to enterprise customers**
- **Improving sales process and sales team knowledge of wireless data**
- **Enhancing end-user experience**

Target Segment Experience

- **Enterprise (18+ months)**
- **Government (9+ months)**
- **Consumer (Beginning 2003)**

Partners

- **Bell Labs**
- **Boston University, INSEAD, London Business School**
- **Qualcomm**
- **IBM**
- **Cisco**
- **SUN**

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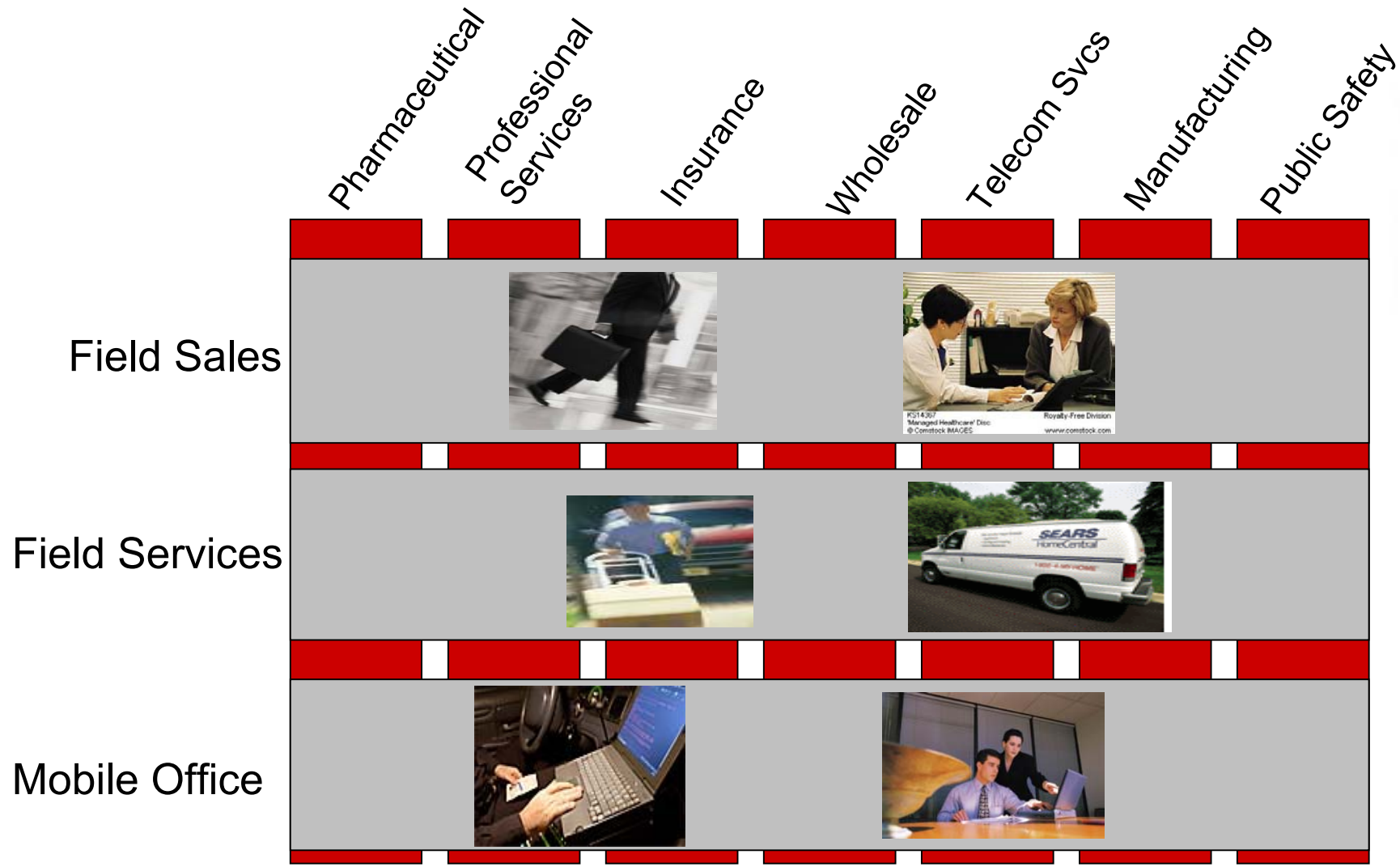
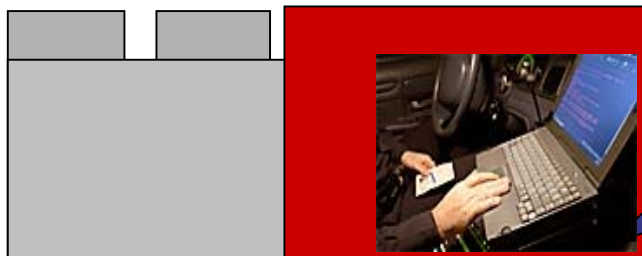
Customer's Customer Program: Target Enterprise Segments



Customer's Customer Program: Target Enterprise Segments



Pharmaceutical

Professional Services

Insurance

"I won a trip to Hawaii because of wireless data"

Insurance Agent

Field Sales

Field Services

Mobile Office

Metrics from trials show an increase of **2 more insurance policies closed per week** due to MHSD

Customer's Customer Program: Target Enterprise Segments

Professional

Public Safety

Pharmaceutical

Field Sales



"Need to increase efficiency of field sales people. More feet on the street are not more effective."

Pharmaceutical Sales Executive

Field Services

- Metrics show sales visits to Doctors last 2-3 times longer when e-Detailing is used.
- Educating sales force with MHSD is highly effective.

"Productivity of 1,000s of telecommuters is important!"

IT Manager

Mobile Office

Customer's Customer Program: Marketing

- **CIO Seminars**
  - **Major metro markets in North America**
  - **Topics for Seminars:**
    - Positive impacts of Mobile High Speed Data (MHSD)
    - Understand wireless technology
    - Understand the need for MHSD - a vertical perspective
  - **Partners**
    - Academia
    - Qualcomm
    - IBM, Accenture
    - Lucent

"We had immediate orders after the seminar. This is the tip of the iceberg."

Results:

Increased trials and sales for 3G data

- **10-city road show with largest North America carrier**
- **11-city road show with one of the largest North America carriers**



- **Vertical Industry Symposia**

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Customer's Customer Program: Sales-Dedicated Sales Teams

- **Enterprise sales**
  - **Dedicated Lucent sales teams jointly sell Mobile High Speed Data to the enterprise**
  - **Sales teaming agreements between Operator and Lucent Technologies**
  - **Lucent provides wireless technology, VPN, 802.11 integration, complex sales cycle management expertise**





Results:

Increased sales for 3G data

- **Over 100+ joint sales calls**
- **Large funnel for Mobile High Speed Data**
- **Accelerates time to first purchase and time to large scale roll outs**

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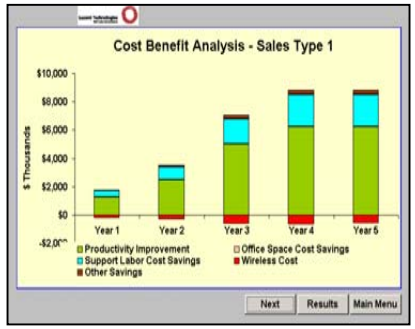
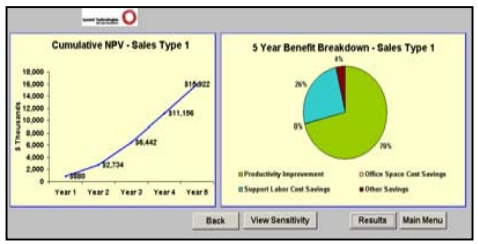
Customer's Customer Program: Sales Tools – ROI Tools

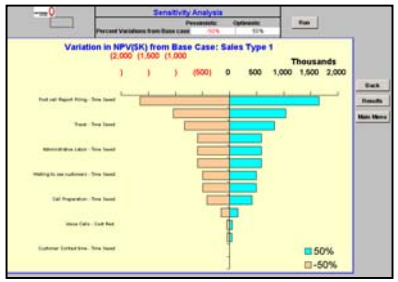
- **Rapid assessments of the cost-benefit of Mobile High Speed Data (MHSD)**
  - **Modules: Field service and Field sales**



- **Economic benefit analysis**
  - **Cost/benefit, Cumulative NPV,Contributions of different sources of benefits**



- **Based on knowledge gained from business case studies**
  - **Lucent's internal pilots of MHSD**
  - **Customer's Customer partners**



Results:

Increased sales for 3G data

- **Operators license Lucent tools**
- **ROI tools used regularly with enterprises to overcome barriers**
- **Accelerates IT and business leaders planning & implementation for MHSD**

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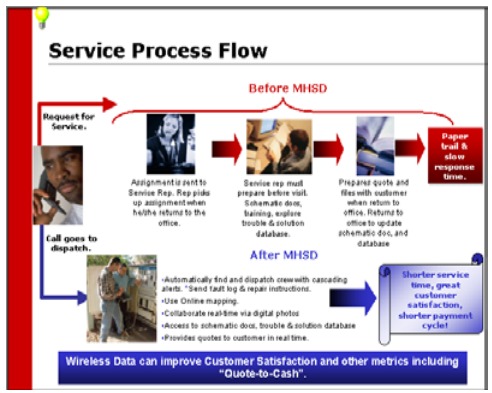
Customer's Customer Program: Sales Tools – Reference Cases

- **Educate operator's sales force on vertical industries**
- **Identify**
  - **key target job functions within the industry**
  - **"day in the life" with and without MHSD**
  - **pain points**
  - **MHSD benefits**
  - **Applications**
- **Provide example business case and hints/tips on selling to the industry**





Results:

Increased sales for 3G data

- **Operators license Lucent tools**
- **Reference cases are an important education tool for Operator's sales force**
- **Reference cases used with enterprises to promote MHSD adoption**

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Lucent's Unique Approach

- ***Accelerating adoption and reducing time to revenue:***
  - **Ecosystem of Partnerships**
  - **Pre-Integrating Technical Solutions**
    - VPN, 802.11, PCMCIA Cards
  - **Trouble Shooting Applications**
  - **Operator Training and Sales Tools**
- **Over 12+ months working directly with the Operators on joint sales and marketing**



- **Dedicated Sales Teams**
- **Joint Marketing and Sales**
  - **CIO and Industry Road shows**
- **Deployment of ROI Tools**
  - **Field Services, Sales**
  - **Training for Operator Sales Force**
- **Reference Packages**
  - **Insurance, Pharmaceutical, Consulting, etc.**
- **Pre-Integrated technical solutions**

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