

# Shared and assisted internet in new growth markets

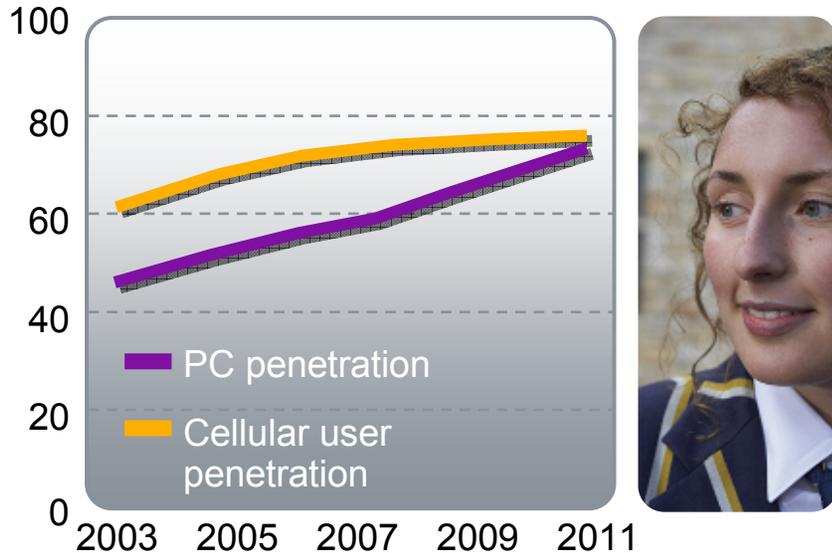
**The intermediate step towards personal internet services**

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# On our way to connect the 5bn by 2015

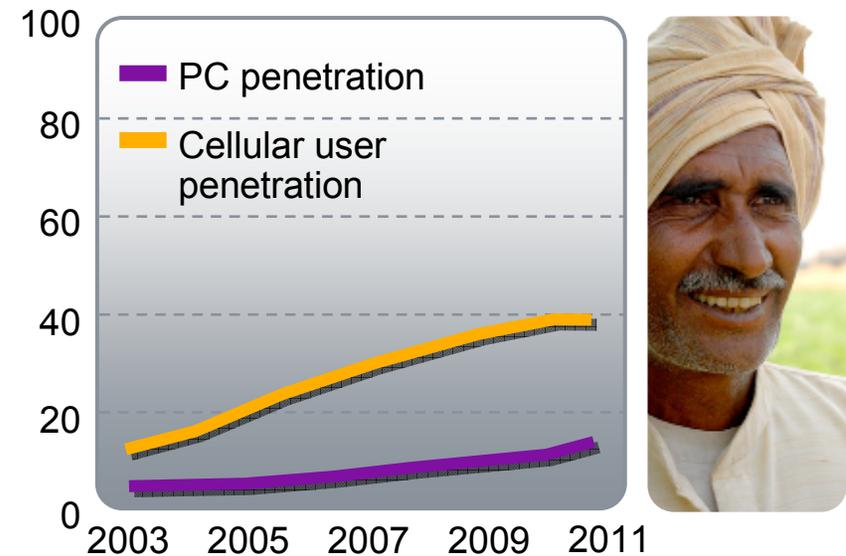
## Developed countries

User penetration (%)



## Developing countries

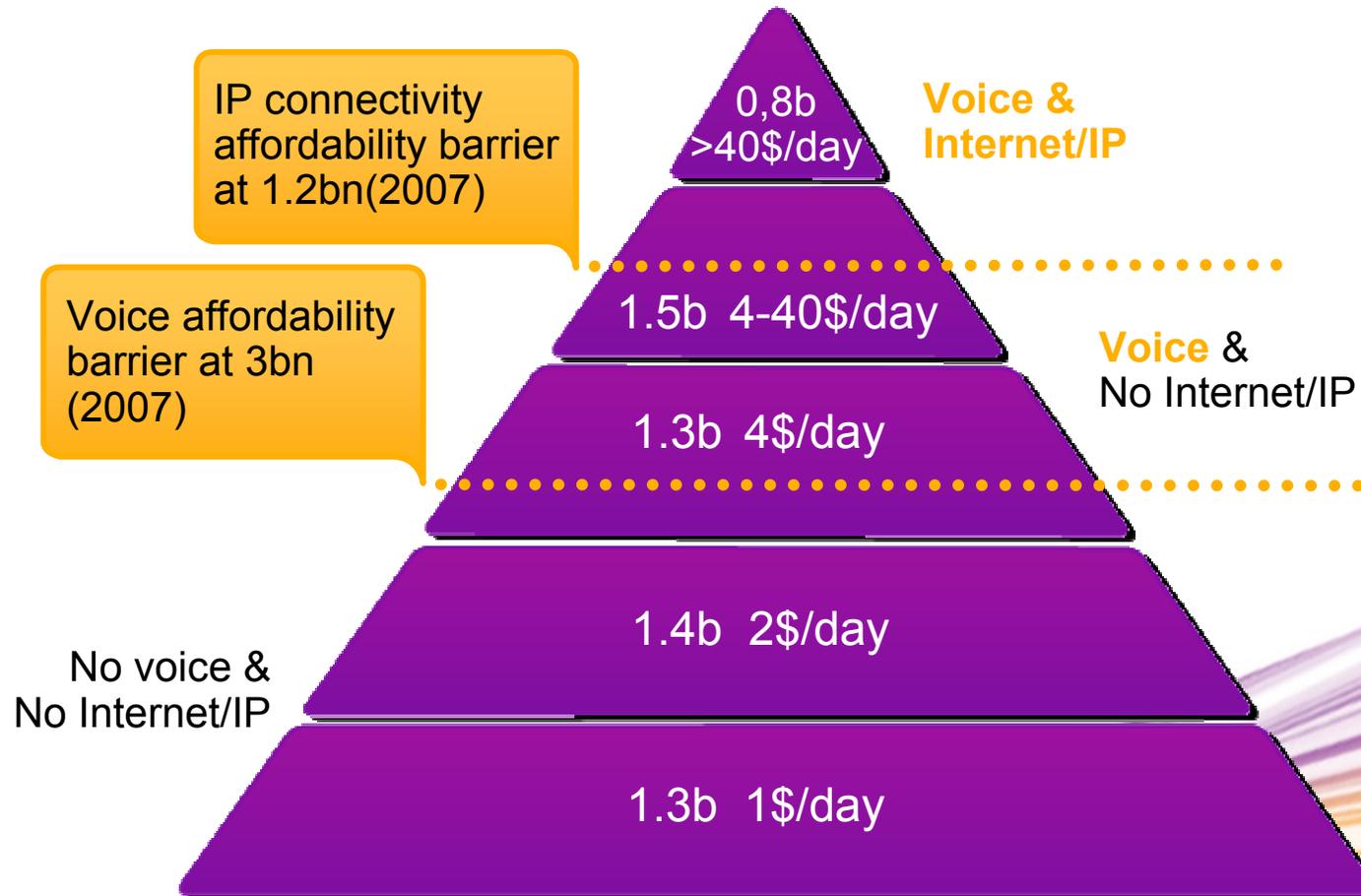
User penetration (%)



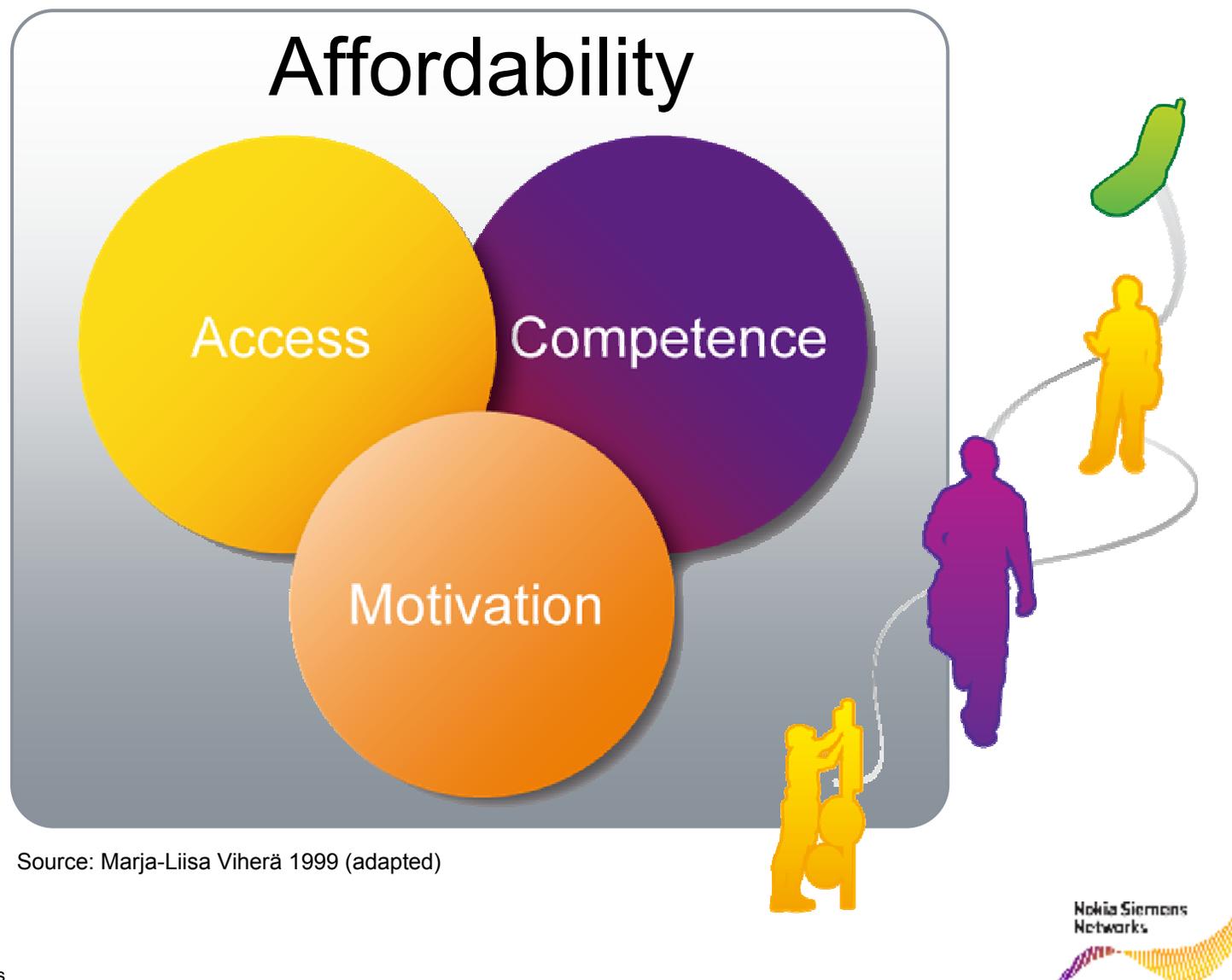
- Overall high growth opportunity in developing countries
- The cellular penetration supersedes the PC penetration by far, which drives our believe that mobile owners will drive the growth
- Internet in developing countries will be fixed and mobile

# The challenge of Universal Access

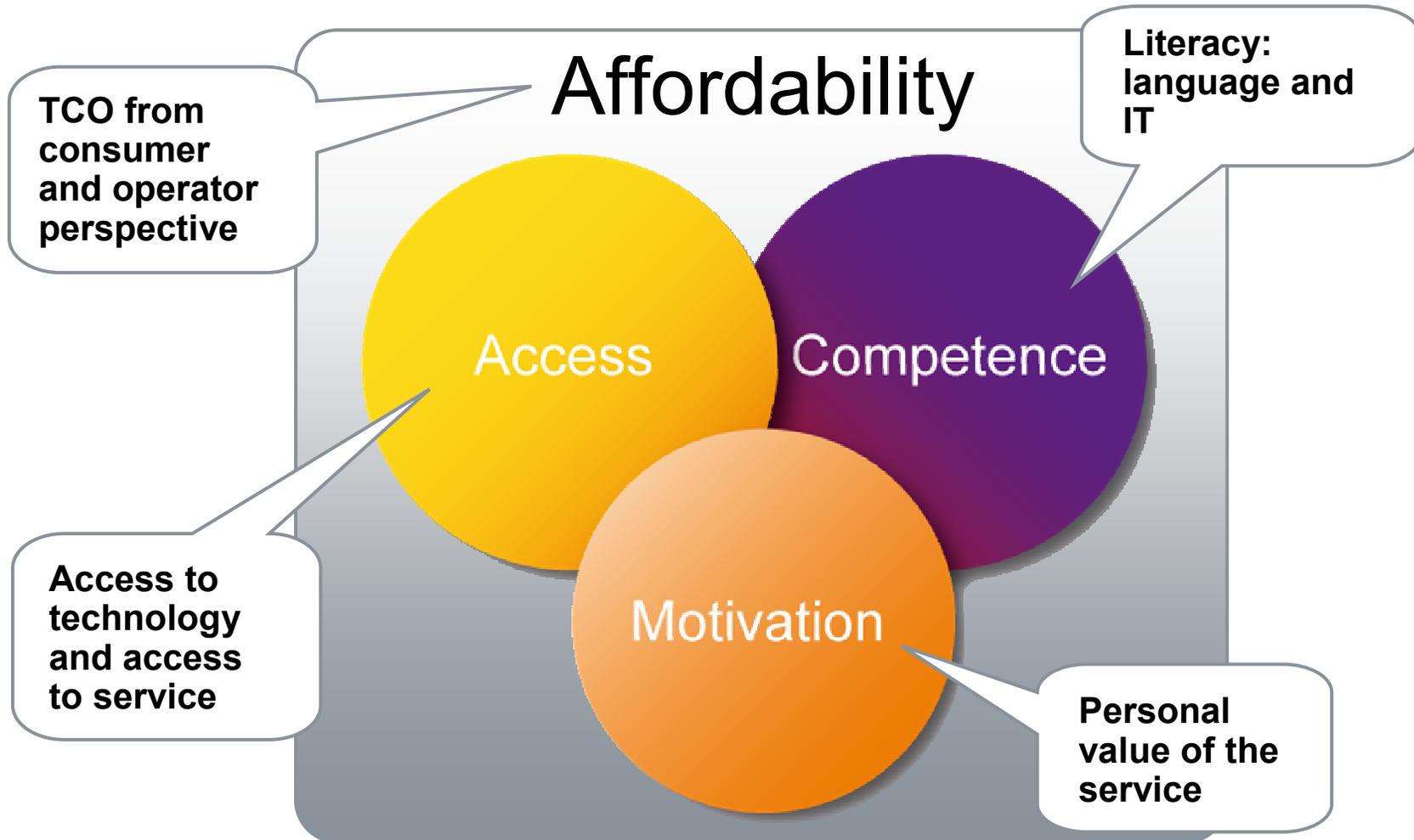
## Global Income Pyramid



# Universal access requires consumer understanding

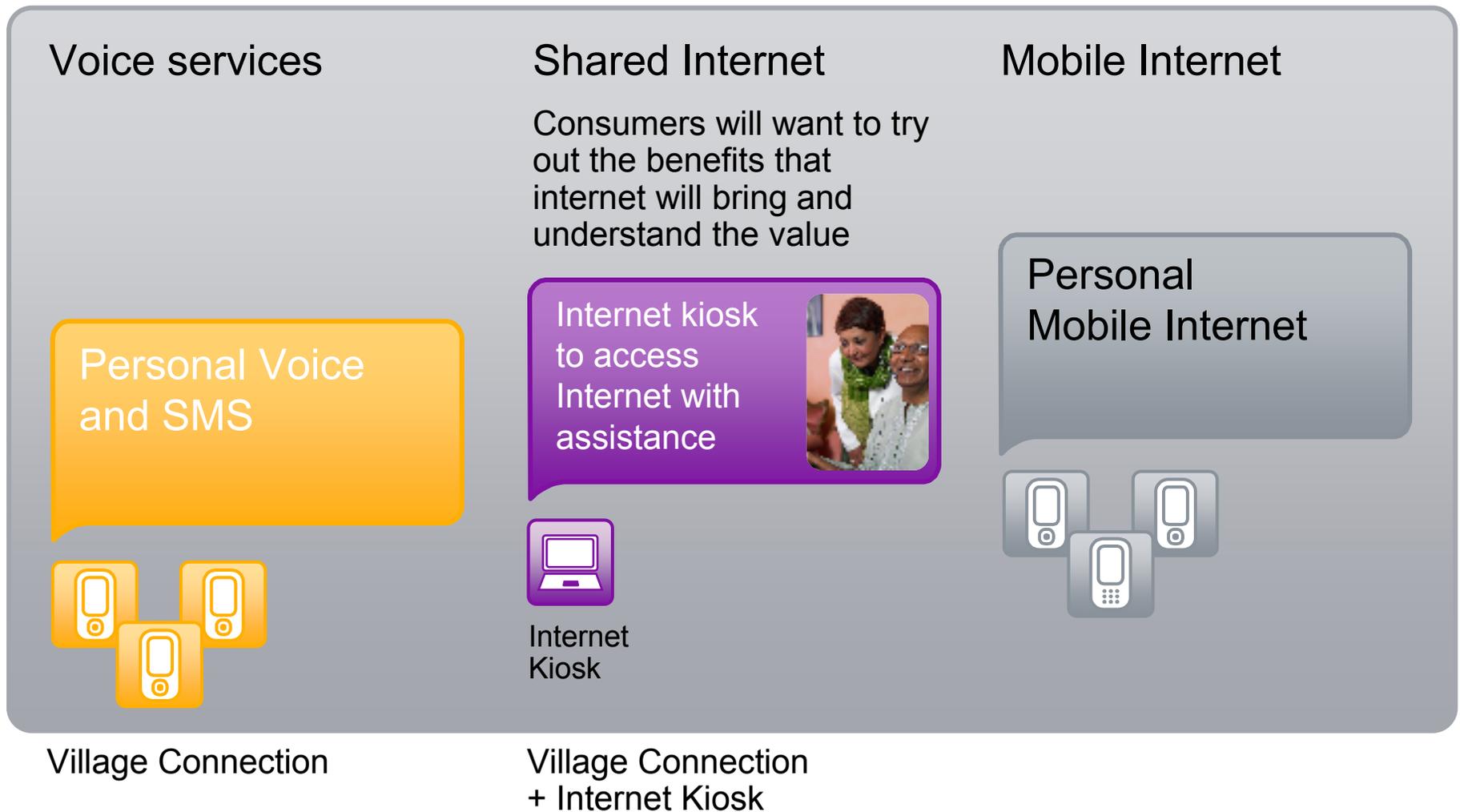


# Universal access requires consumer understanding



Source: Marja-Liisa Viherä 1999 (adapted)

# Village Connection Internet Kiosk: the intermediate step towards personal internet services



# Nokia Siemens Networks Village Connection now enhanced with Internet Kiosk

## Village Connection

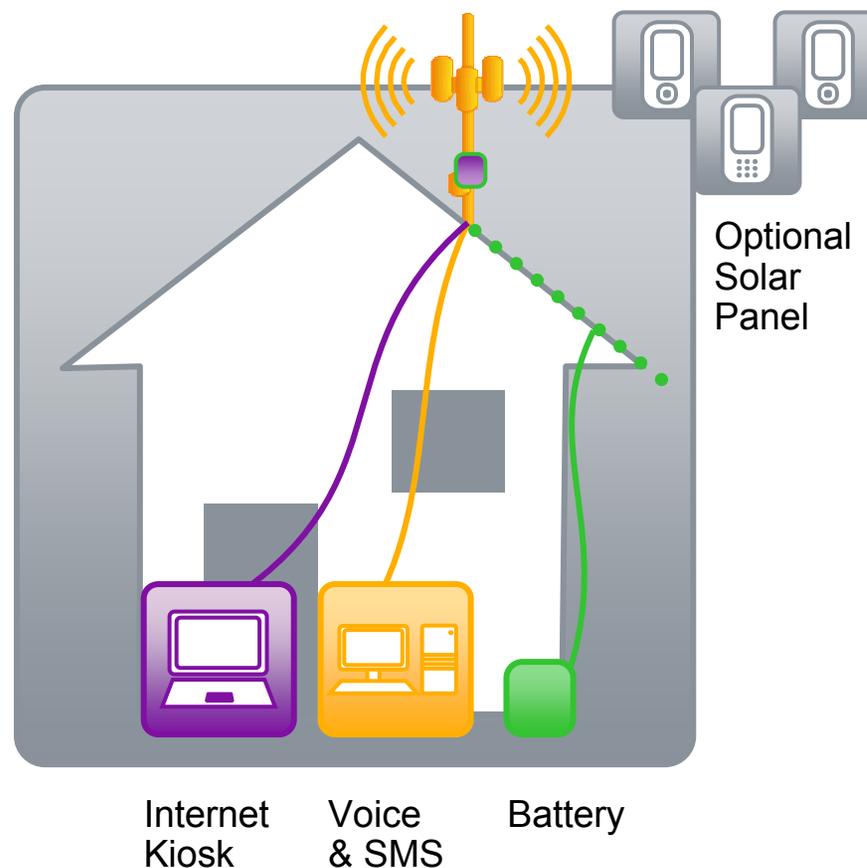
launched in May 2007, India

- Compact local GSM network (voice & SMS)
- IP backhaul connection to operator network
- Franchising business model with village host

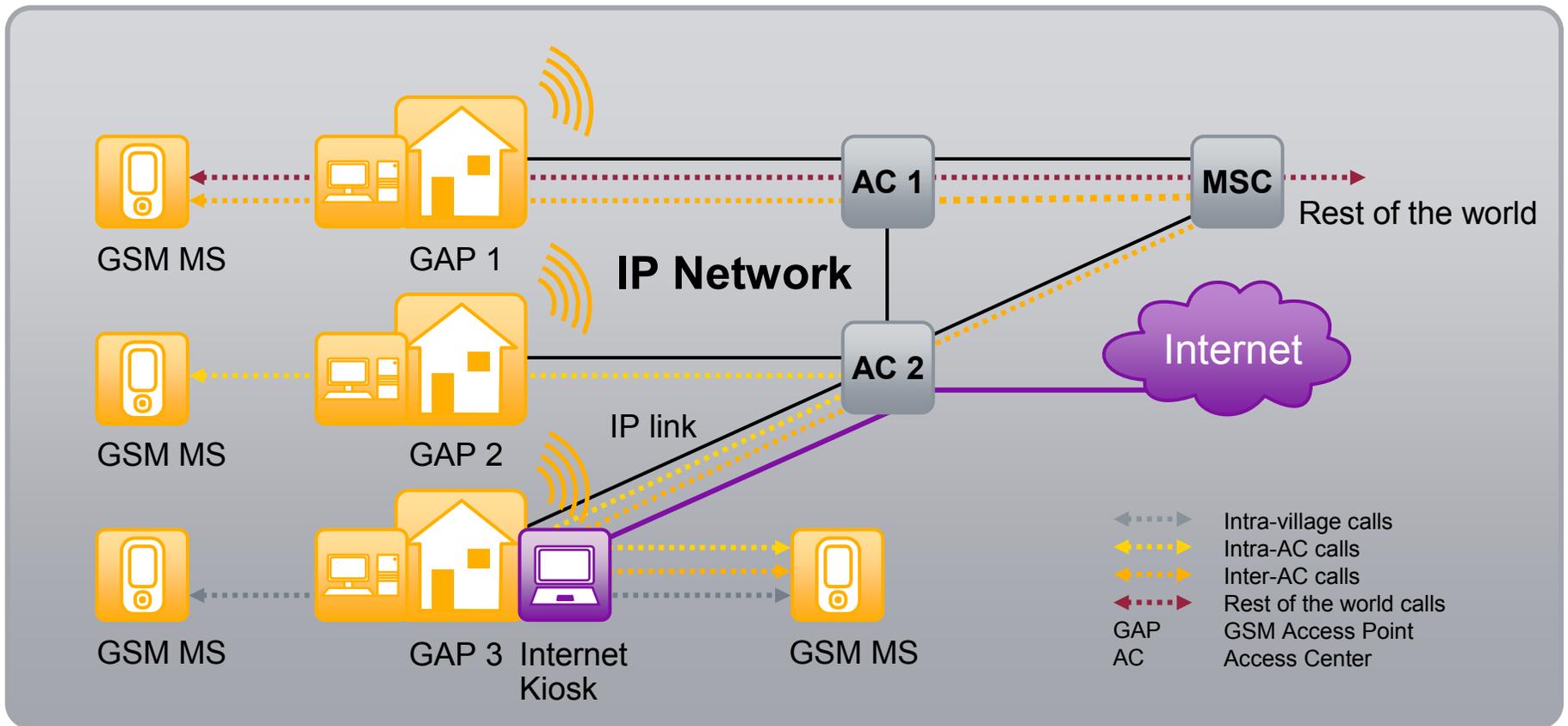
## Village Connection with Internet Kiosk

launched April 2nd, 2008, South Africa

- Bringing broadband access to villages
- Shared internet access for villagers assisted by local entrepreneur
- Sharing IP backhaul with voice traffic



# Innovation: Internet Kiosk and GAP sharing same IP-link



**Slide 8**

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**MM1**

Mika to confirm the MSC- internet connectivity

Marin Mona, 4/21/2008

# Village Connection Internet Kiosk

## Everyone benefits



### Villagers

#### Spending less

- Access to info without travel time and cost
- Preventive health measures

#### Earning more

- Employment possibilities
- Better market price for products
- Better education



### Entrepreneur/host

#### Revenue from villagers

- Access charge
- Usage charge

#### Revenue from content providers

- Assistance for service usage
- Training of villagers



### Operator

Internet access to villages at minimal incremental cost

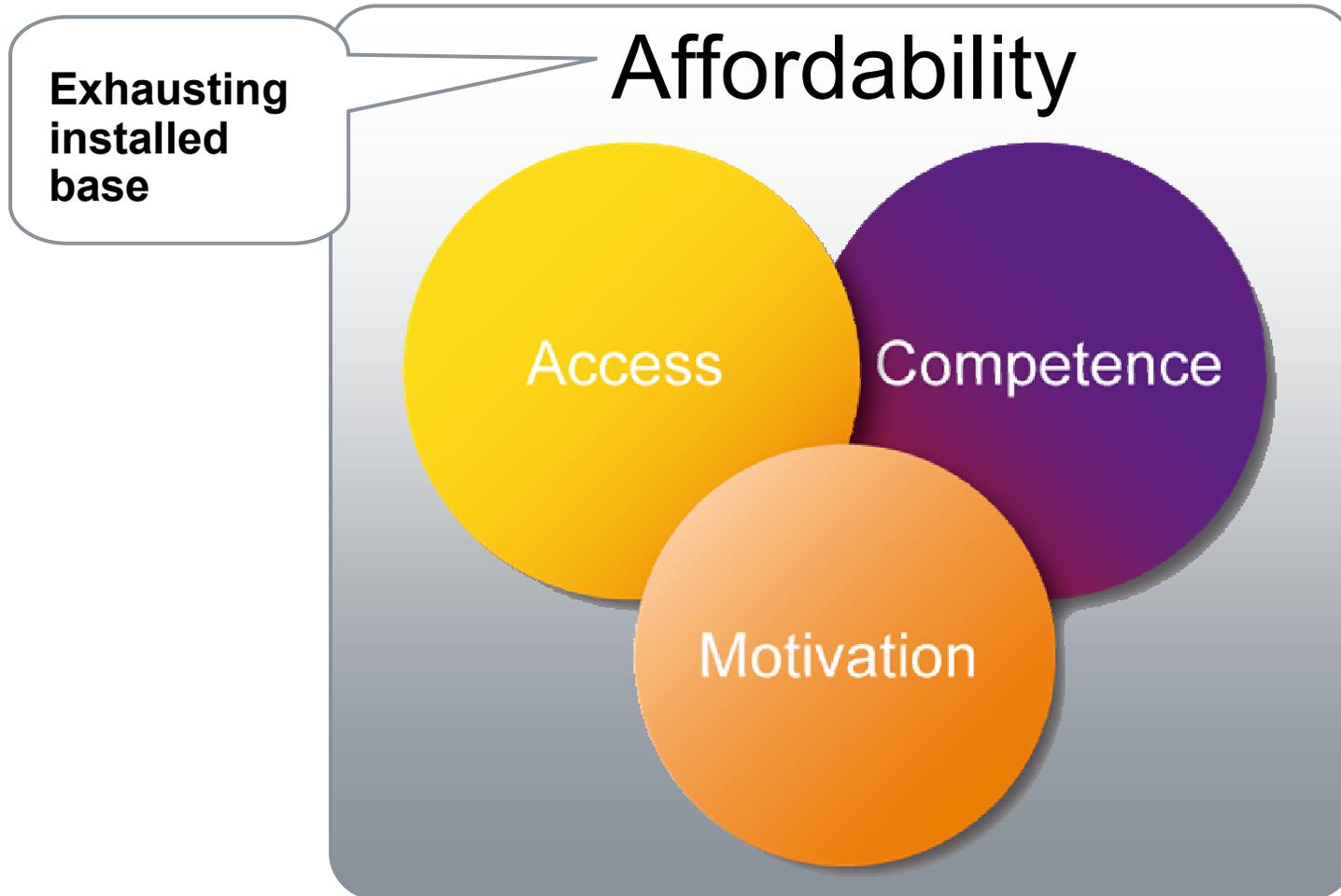
Revenue sharing with entrepreneur

# Village Connection provides the tools to make internet in new growth markets a reality



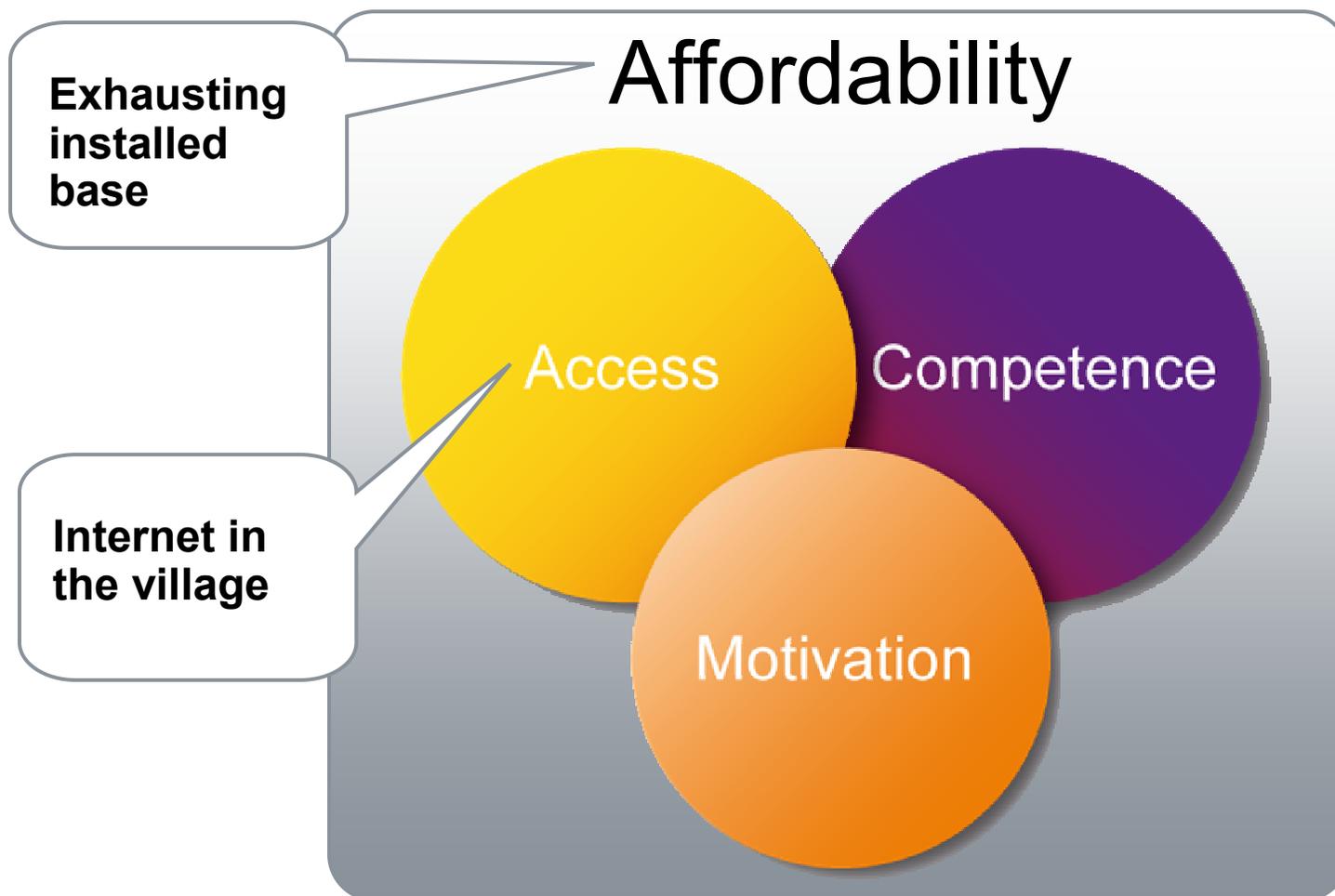
Source: Marja-Liisa Viherä 1999 (adapted)

# Village Connection provides the tools to make internet in new growth markets a reality



Source: Marja-Liisa Viherä 1999 (adapted)

# Village Connection provides the tools to make internet in new growth markets a reality



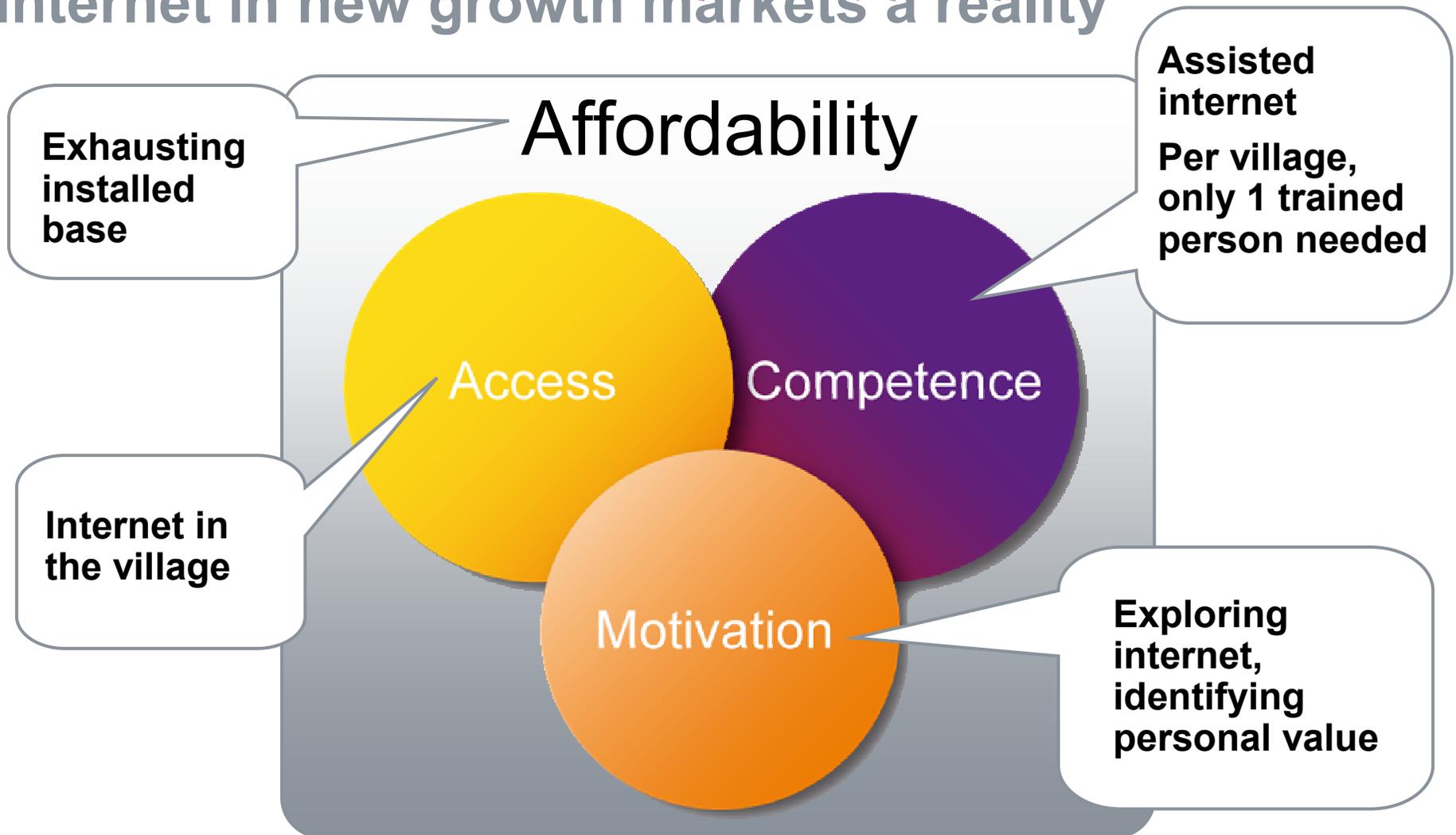
Source: Marja-Liisa Viherä 1999 (adapted)

# Village Connection provides the tools to make internet in new growth markets a reality



Source: Marja-Liisa Viherä 1999 (adapted)

# Village Connection provides the tools to make internet in new growth markets a reality



Source: Marja-Liisa Viherä 1999 (adapted)

# Next steps

For the mass in new growth markets internet will be predominantly mobile – affordability issue

Co-operation with Nokia continues both in services and handsets

Nokia Siemens Networks is looking forward to a proactive dialogue with operators on

- latest market research
- intermediate steps required before offering broadband connectivity to rural areas
- the most efficient way to deliver services to rural areas today
- ...by looking into a sustainable business case

“Connectivity is the key enabler of the ongoing transformation in the economic fortunes of many Asian and African countries”

Professor Leonard Waverman  
– London Business School

**Thank you**