



LBS 2006 Temperature Meter

LBS Insight Industry Survey

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Industry survey

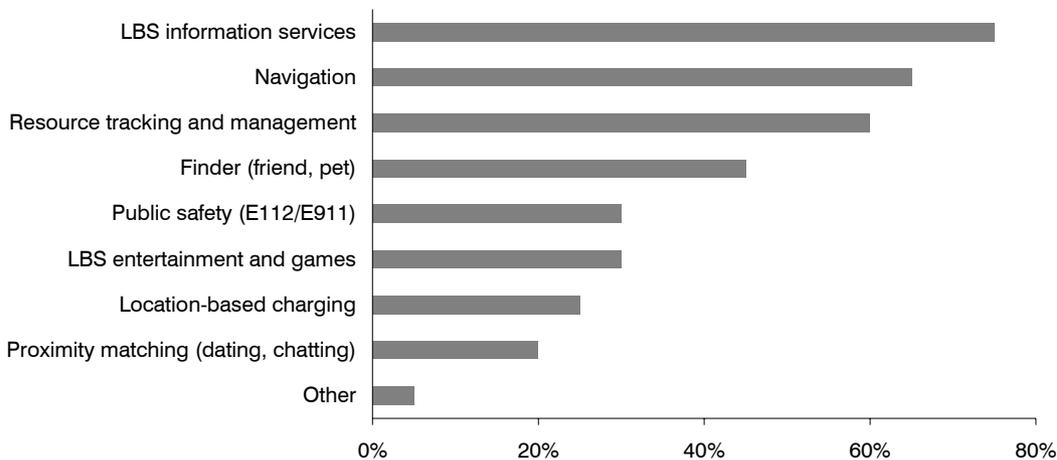
LBS Temperature Meter 2006

During April 2006, we made a survey among LBS professionals at mobile operators, vendors and consultancies. There were 200 respondents to the survey that are all subscribers on the newsletter LBS Insight from Berg Insight. There were two sets of questions asked, one to operators and another set to vendors and consultancies. The responses are presented below along with our comments.

Questions to operator representatives

We asked the operators which LBS applications they already have deployed and got the reply not surprisingly that the most common services are information services such as yellow pages near you and local weather information. On second and third place came navigation services and tracking. The full results are displayed in Figure 1 below.

Figure 1: Location-based services provided today



Another interesting question to ask is which the operators believe is their most profitable LBS application today and in three years. Today resource tracking and management is the most profitable segment followed by LBS information services and navigation services, as shown in Figure 2 below. In three years the operators forecast that navigation services will be the most profitable service followed by resource tracking and management, as shown in Figure 3.

Figure 2: Most profitable LBS today

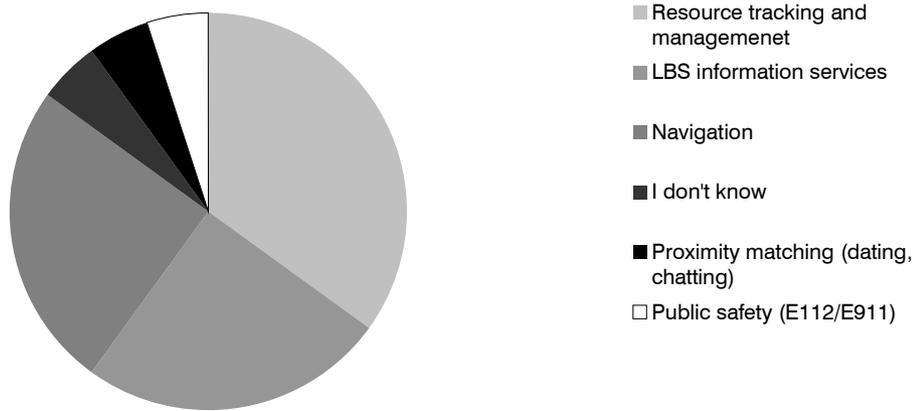
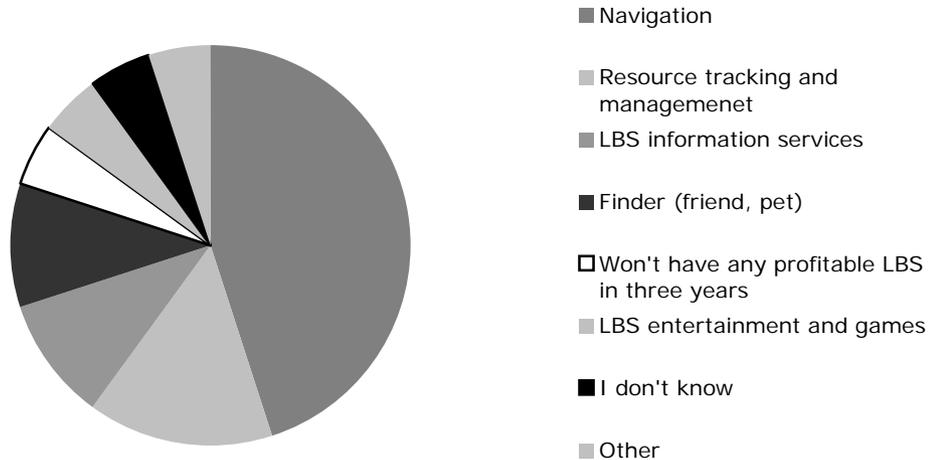


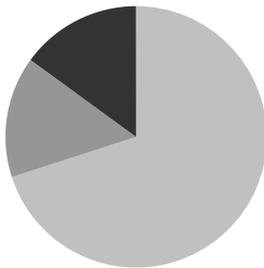
Figure 3: Most profitable LBS in three years



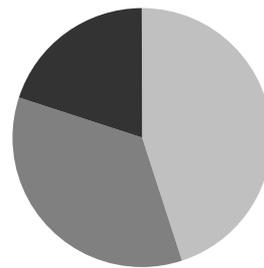
We also asked if the operators are planning to invest in new LBS applications during this year and about 70 percent answered yes as shown in Figure 4. We also asked if they are planning to invest in a new LBS platform or technology this year. Figure 5 shows that 45 percent answered yes to this question.

Figure 4/5: Are you planning to invest in...

New LBS applications?



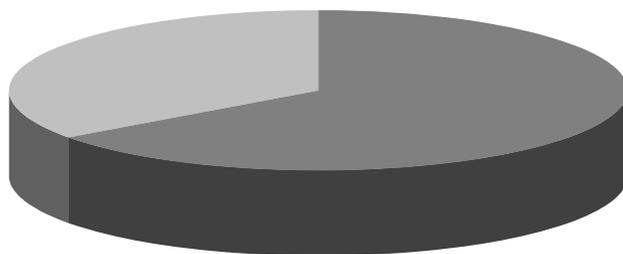
New LBS technology and platforms?



■ Yes
■ No
■ I don't know

We also asked the operators which positioning technology they think will be the most important the coming years. The majority, 65 percent, replied a combination of two or more technologies, while 35 percent said A-GPS. It is obvious that satellite positioning is a coming preferred technology among operators in Europe and preferably in combination with other technologies such as enhanced-cell id and terminal-based positioning technologies.

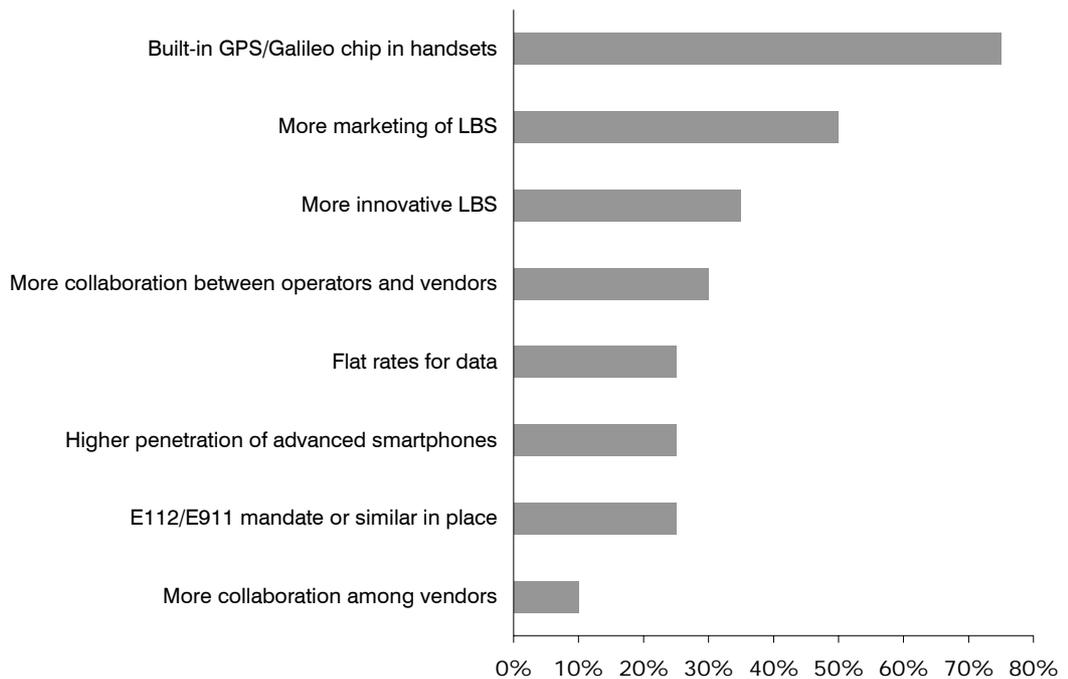
Figure 6: Which will be the most important positioning technology in the coming years?



■ A combination of two or more technologies
■ A-GPS /Galileo

The last question that we asked the operators what is the most important factors to get the LBS market to boom. Built in GPS/Galileo-chips was the most common reply, coming from 75 percent of the respondents. About 50 percent replied that more visibility and marketing of LBS is important to make the end-users aware of the services. The operators are also looking for more innovative LBS that really can catch the needs of the end-users, which 35 percent of the respondents answered.

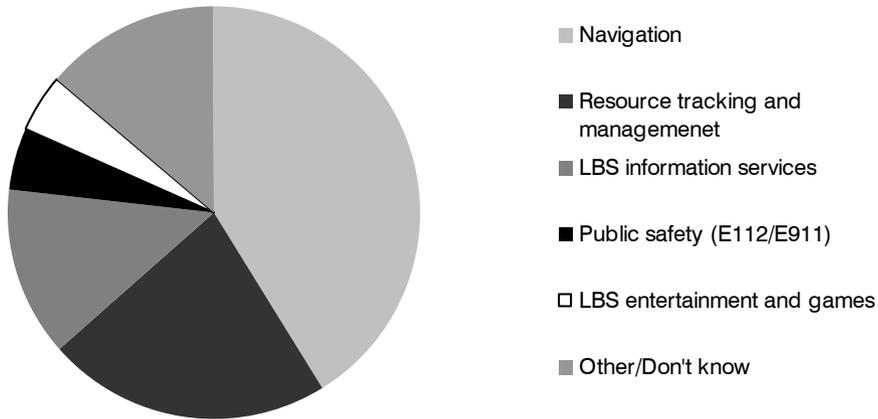
Figure 7: What is most important to make the LBS-market boom?



Questions to vendors and consultancies

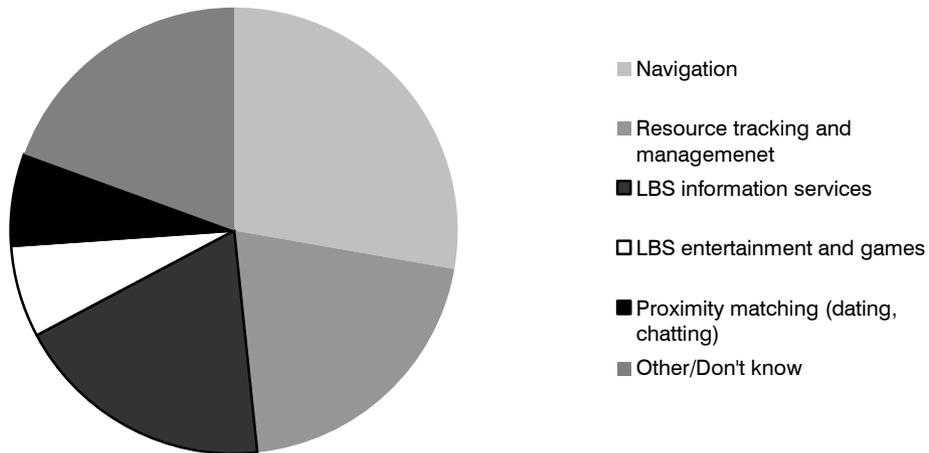
We asked the vendors and consultancies which will be the most successful LBS application during 2006. The most common reply was navigation services (41 percent) and in second place resource tracking (22 percent).

Figure 8: Most successful LBS today



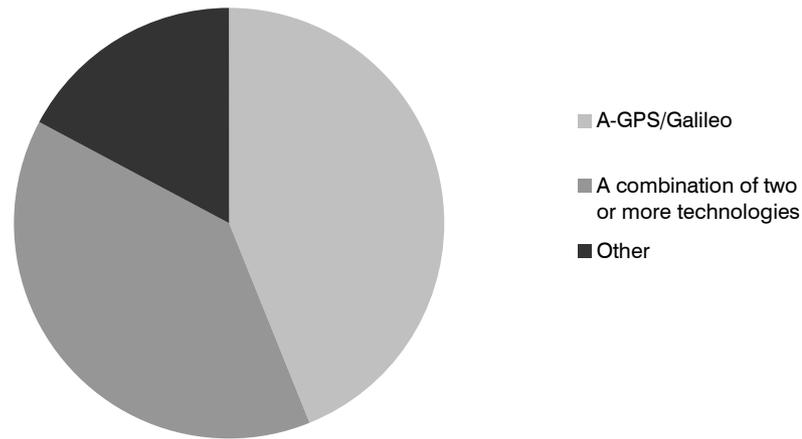
We also asked which will be the most profitable LBS application for the operators in 3 years and 28 percent of the respondents replied navigation services. In second place came resource management and tracking with 21 percent.

Figure 8: Most successful LBS in three years



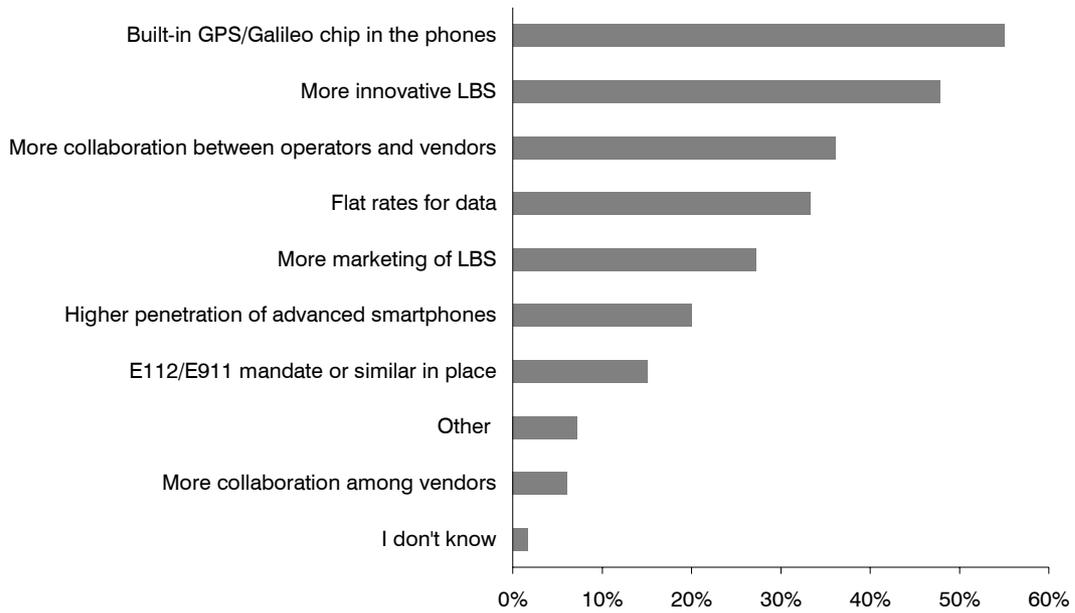
The vendors and consultancies also found that A-GPS and Galileo are important technologies. Among the respondents, 44 percents said these technologies would be the most important for positioning. Another 39 percent replied that a combination of two or more technologies will be most important.

Figure 10: Most important positioning technology the coming years



The vendors and consultancies answered that the most important issue to get the LBS market to boom is built in GPS/Galileo chips in the phones (55 percent of respondents), which is the same opinion as the operators showed. About 48 percent also answered that more innovative LBS that catch the needs of the end-users is important to make the market take off. The third most common issue to be resolved was more collaboration between operators, vendors and application developers.

Figure 11: What is most important to make the LBS-market boom?



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