

## 'Killer roadmap' can lead telecom industry to 3G

Stuart Hamby, Special to The China Post  
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Accenture Co. Ltd. doesn't believe in the "killer app"—the one key feature that is the deciding factor in consumer purchases of a new technology. Instead, the technology consulting company proposes a "killer roadmap," or a business model that "directs each customer segment to a service or product portfolio best suited for a given market segment."

Alex Lin, vice president and partner at Accenture, presented the company's position on the new generation of cellphone technology—dubbed 3G, or 3rd generation, by the industry—in Taipei yesterday.

3G technology offers features that require broadband transmission and that are unavailable or impractical with today's ubiquitous 2G (or 2.5G) technology. In South Korea where 3G technology has already been launched, some of these features include music on demand, live traffic video streaming, news and weather updates, and other downloadable or streaming features that are far beyond the e-mail or photo mail that is gaining popularity in Taiwan and around the world.

Taiwan's wireless broadband market, stated Lin, is starting to open — but with "anxiety." Despite the highest rate of cellphone ownership in the world, Taiwan ranks far below other countries, such as Japan and the U.S., in 2G technology. A study by Accenture, for example, showed that only 0.67 percent of cellphone owners in Taiwan used their cellphones to access the Internet, compared to six percent in the U.S. and 72 percent in Japan.

The reason, says Lin, is infrastructure: Taiwan's telecom industry requires large investments to be ready for 3G technology. Herein lies potential for Taiwan's telecom industry—but the question arises: How should Taiwan proceed?

Call-in speakers Youngcho Chi from Accenture in South Korea and Brett Turner in Japan presented overviews of the markets in South Korea and Japan. These markets are opposite in nearly every aspect mentioned, and Lin suggested that Taiwan's industry could gain a "lesson" from the very different industries in these two countries.

## Stuart Hamby writing sample

In South Korea, growth in the mobile market rests at the 20-30 percent mark, down from the 200 percent in the last two years. Consumers, whom Chi described as "technologically savvy," are attracted to new technologies and the latest trends. High-tech handsets, costing US\$300-400 each, are so popular that consumers are put on waiting lists for the newest models. In his words, "As soon as (manufacturers) make a new (handset), it's sold." Moreover, South Korean consumers don't mind paying to be trendy.

Japan's market stands in sharp contrast to that of South Korea. Turner estimated growth in the mobile industry at "one to two percent per month but decreasing slowly." Japanese consumers, he said, are "cautious" about investing in 3G technology, and do not use or demand high-tech services. As a result, new technologies found in handsets are played down, as consumers are not willing to pay more for features they won't use.

In the face of such radically different market studies, Accenture proposed its "killer roadmap" to Taiwan telecom businesses attempting to break into the 3G market. As Lin explained, this roadmap consists of three main points: the process — directing appropriate services to customers; the platform, for which an industry standard should be created; and the partnership, which will allow different companies to provide their services to customers. The "roadmap" shifts the focus of the industry "from the technology to the customer."

"Technology is a force," summed up Lin, "but we can't ignore the customer."