

Global Roaming Service in Korea and Future Issues

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Global Roaming service in Korea

▣ Global roaming service

- A telecommunication service which allows the mobile communication users *who travels to foreign countries* to use the mobile communication services (receiving, sending, etc) what the user uses at home.

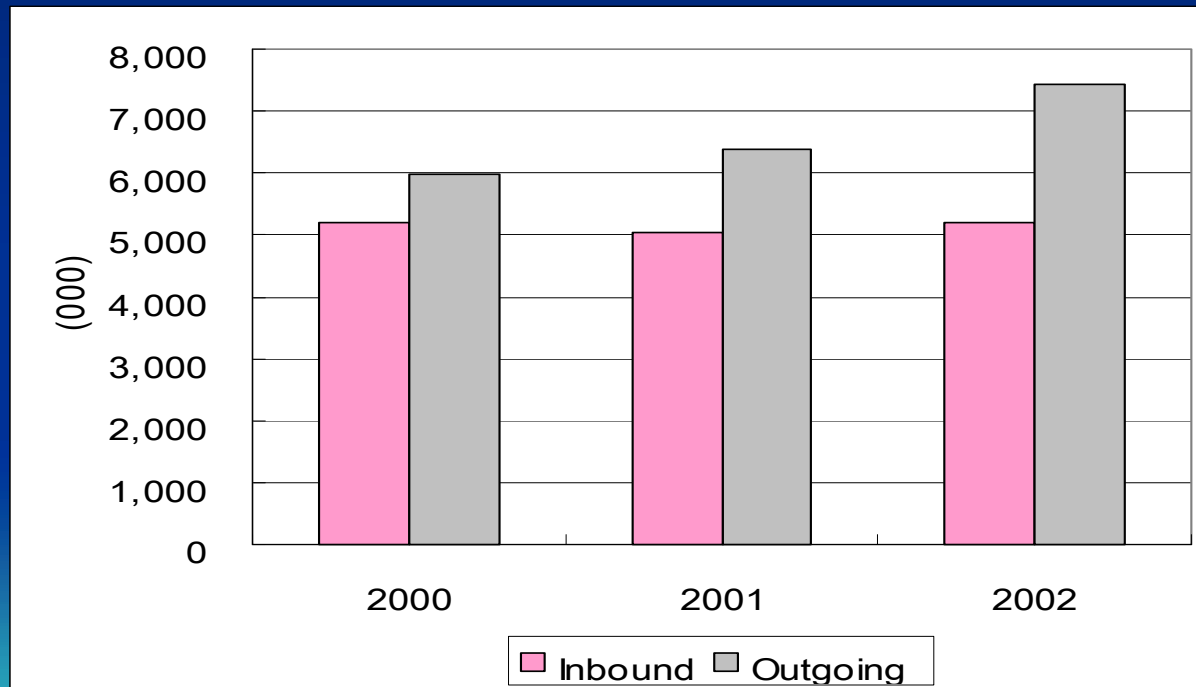
Global Roaming service in Korea

▣ Types of roaming service

	Automatic roaming	UIM roaming	Rental roaming
Handset	Own Handset	UIM adaptable Handset	Rental Handset
Billing	Calculated billing from Data clearing house		Direct data exchange between roaming service providers
Usability	High		Low
Technology Constraint	Same air-interface standard Same frequency band	UIM Required	None

Global Roaming service in Korea

- ▣ Potential market for global roaming service
 - Growth of travelers from and to Korea



Global Roaming service in Korea

- ▣ Potential market for global roaming service
 - Day of stay and expenditure (on average)

	Inbound	Outgoing
Day of stay	5.6 days	9.8 days
Expenditure	\$1,211	\$1,479

Source : Korea National Tourism Organization

Global Roaming service in Korea

▣ Estimation of potential market

● Estimation of global roaming users

	2000	2001	2002
Inbound	2,450	2,363	2,446
Outgoing	3,585	3,827	4,465

● Estimation of expenditure

	Travel Expenditure	Consumption ratio of Telecom service	Estimated amount of Telecom service expenditure during travel
Outgoing	\$1,479	6.85%*	\$101

*) Stat-Korea, 2003.

Issues for promotions

▣ SWOT Analysis

<h3>Strength</h3> <ul style="list-style-type: none">▪ Easiness, convenience▪ Cost▪ Receiving	<h3>Weakness</h3> <ul style="list-style-type: none">▪ Information (Ads, ...)▪ Process▪ Real demand (?)
<h3>Opportunity</h3> <ul style="list-style-type: none">▪ Growth of travels▪ Needs to be connected▪ Various services (voice, data..)	<h3>Threat</h3> <ul style="list-style-type: none">▪ Payphone▪ World-phone card▪ Internet cafe

Issues for promotions

▣ Main issues for promotions

	Issues for Service Promotion	Rental Roaming	Automatic Roaming in restricted region	World phone (Multi band/mode)
Carrier	Expansion of Roaming nation	⊙⊙	⊙	
	Marketing	⊙	⊙	
	Billing Method		⊙	⊙
	Handset Approval		⊙	⊙⊙
Customer	Roaming charge	⊙	⊙⊙	⊙⊙
	Process of using roaming service	⊙	⊙⊙	
	Information	⊙⊙	⊙⊙	

Issues for promotions

- Roaming charge (USA, case of 10 minutes to Korea)

Item	Roaming Service		Auto collect-call (KT)	HCD (KT)	World Phone card+ (KT)
	Automatic roaming	Rental roaming			
Calling charge	\$12.40	\$35.00	\$7.5	\$10.5	\$8.3
Daily basic charge	\$1.67/Day	\$1.6/Day	-	-	-
Handling charge	20%	20%	n/a (Hotel charge)	n/a (Hotel charge)	n/a (Hotel charge)
Total	\$16.88	\$43.92	\$7.5 + α	\$10.5 + α	\$8.3 + α

*) These figures are based on approximation.

Issues for promotions

- ▣ Roaming charge
 - No exact information on the service charge before the customer gets the billing sheet
 - No separation of billing the roaming service charge

- ▣ Information
 - Not enough information on roaming service
 - Website, ARS,...

Issues for promotions

- Process of using the roaming service

**D-day - 7 or 10 days
for rental roaming***

Reservation of
Roaming service
to the carrier



D-day

Receiving the
roaming (rental)
handset at airports



Return the roaming
(rental) handset
at airports



Billing of the
roaming service

D-day + 2 or 3 months

*) In certain cases,
some related documents are required.

Issues for promotions

▣ Overall

- The potential needs for communication service during travels to foreign countries
- How to realize the potentials for the global roaming service to a real market?
- From the consumers perspective

Future directions

▣ Basic ideas

- Growth of international travels
- Increase of telecommunications service needs in daily life
- Young people = @ generations
- Global single standard for 4th G mobile communication system → Not so much possibility
- Different systems and gaps in deployments among the nations → Lowering the opportunity of automatic roaming

Future directions

- ▣ Change to Easy-to-use and competitive service
 - Global roaming for mobile data service
 - New application service such as LBS, tour guide book, electronic dictionary using the computing power of handsets
 - Enhancement in the process of using the roaming service
 - Alliances with air-carriers, travel agencies
 - More information and contact points to customers
 - Lowering the price for roaming service
 - Various roaming charge options

Conclusions

- ▣ Global roaming service at present
 - Not a unique service, Not an easy service, Not a comfortable service
- ▣ Potentials for the global roaming service
 - Growth of international travels, needs of always connected, communication life
- ▣ Directions
 - To change the point-of-view, from the consumers perspective

Thank you for your listening!

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