

Constraints and Success Factors for Telematics Services offered by CVIS

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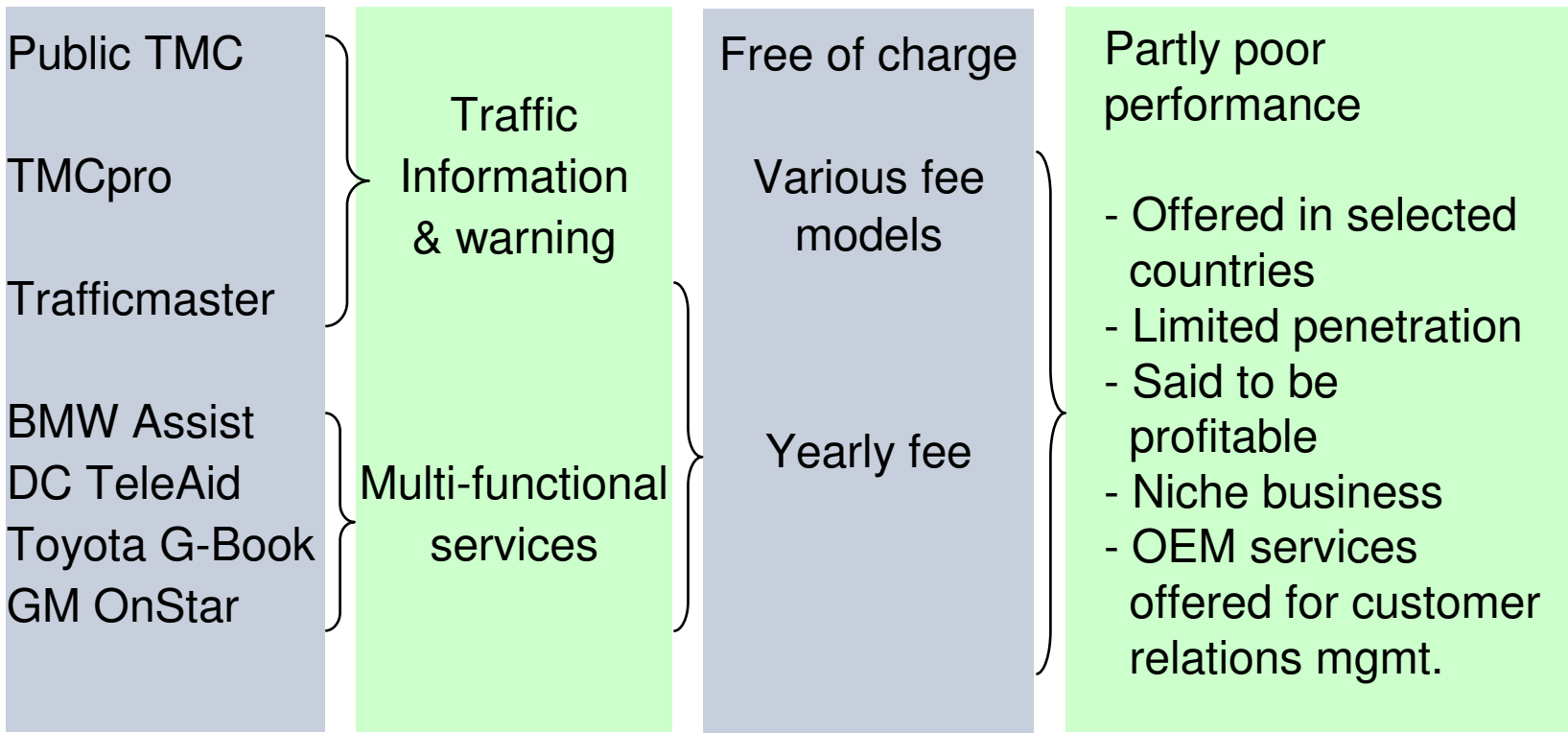
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Experiences with telematics services



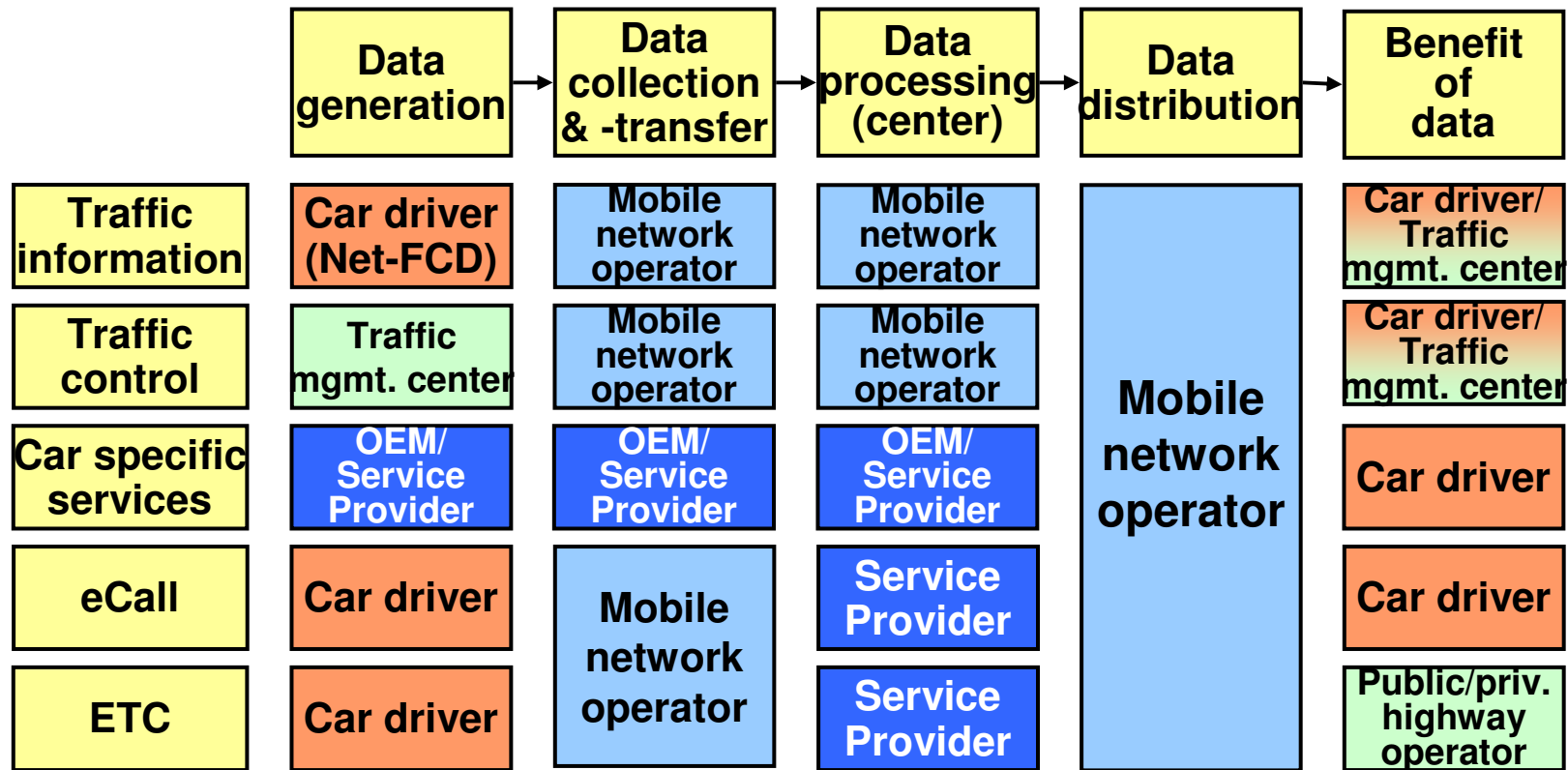
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Assessment of different service fee models

Service fee model	Analogy	Assessment
Yearly fee	ASSIST	Low acceptance
Pay per use	Tegaron	Low acceptance
Lifetime fee	GEMA, VICS	High acceptance
Flat rate for a bundle of different services	Wired or mobile telephony plus DSL (Telcos)	High acceptance
Funded by other telematics services	Electronic toll collection	Depending on toll operator

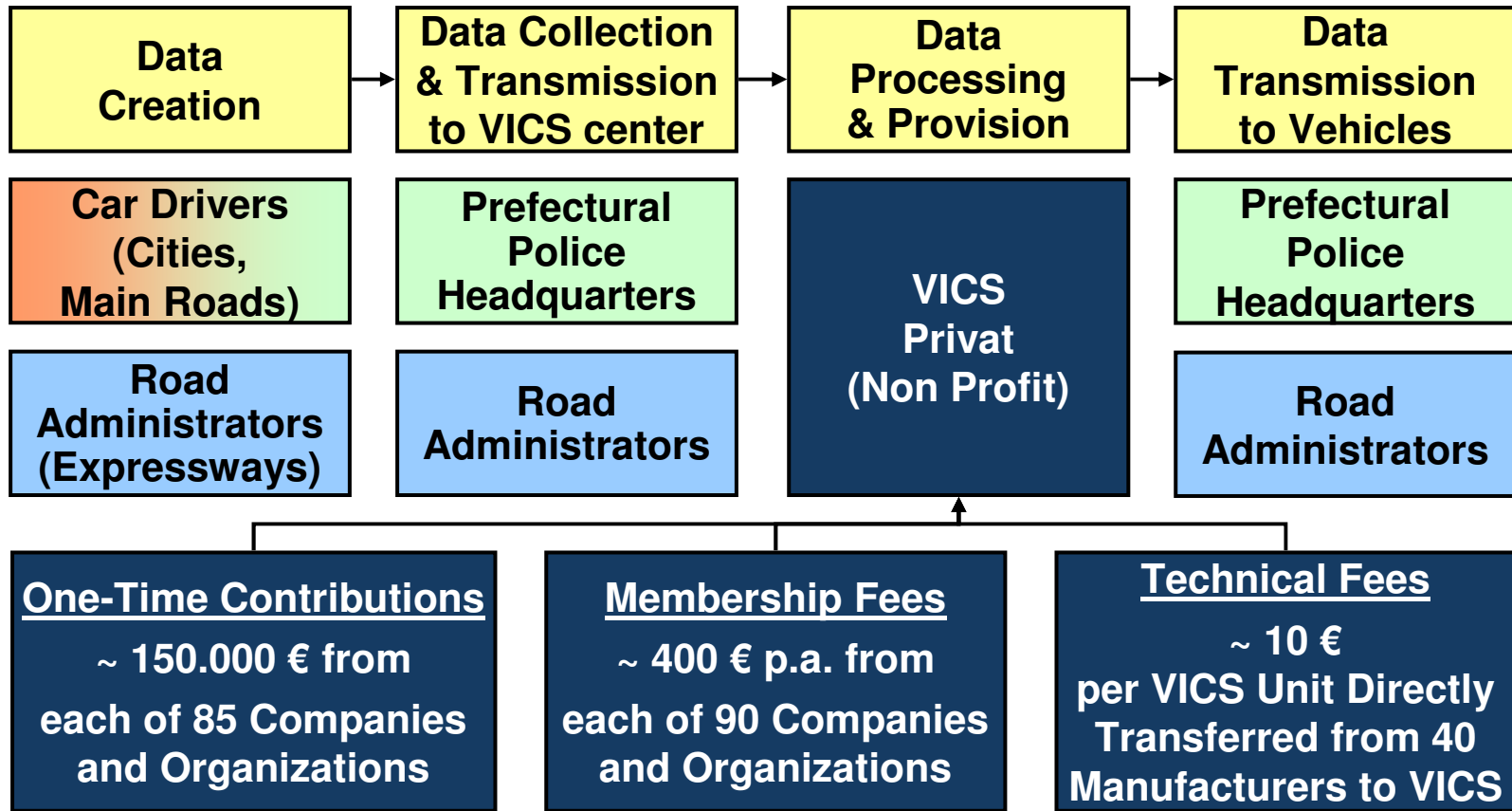
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The dilemma of long value chains



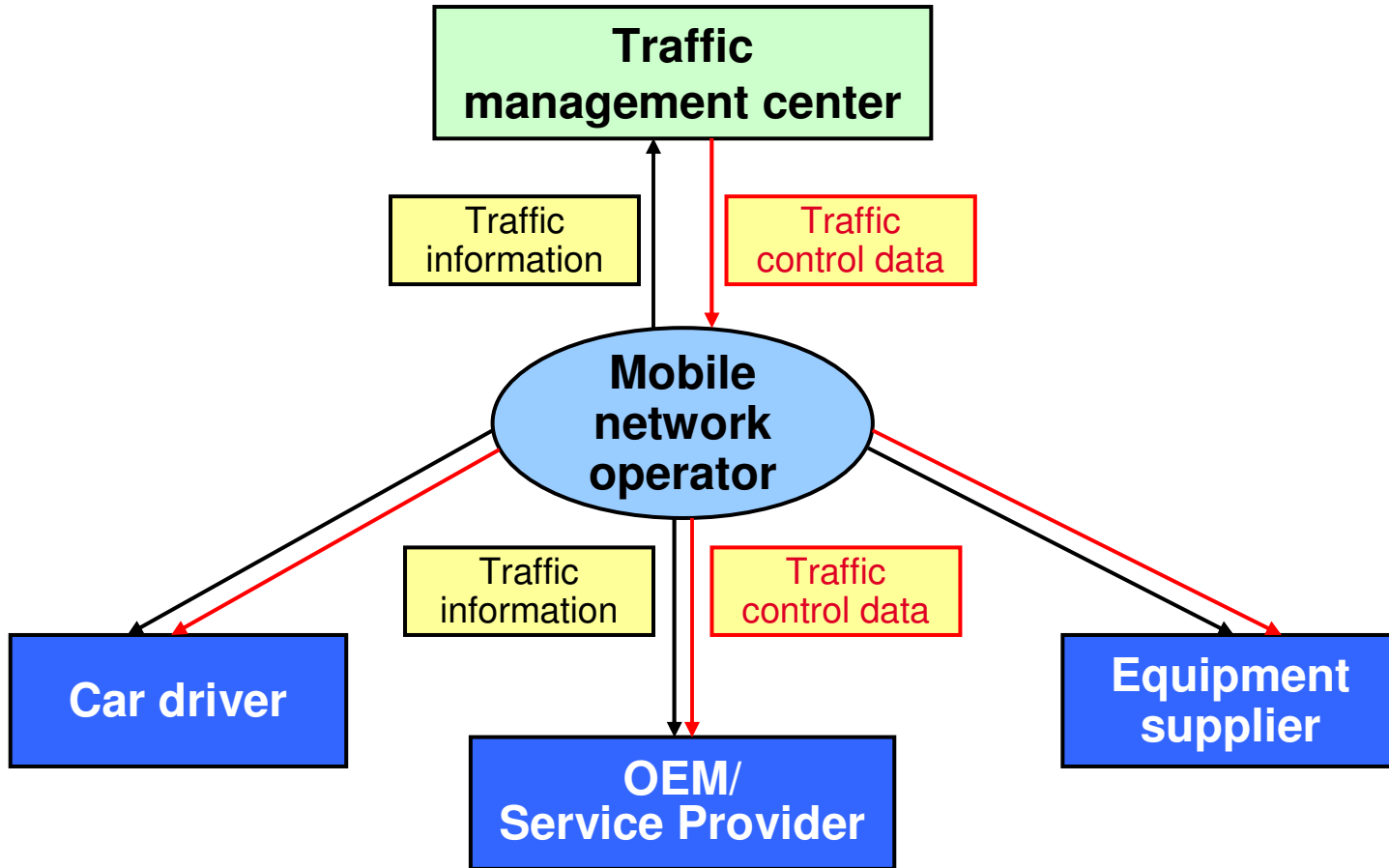
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VICS – A successful benchmark for telematics services



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Example of a potential business model



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Tasks to derive a business case (1)

Cost estimation for CVIS infrastructure and operation

- Infrastructure
 - Select network elements according to service profile
 - Configure network elements according to capacity requirements
- Network planning
 - Design radio network according to coverage, interference, capacity and performance requirements
 - Design backbone network according to communication traffic load
- Deployment (Site selection and renting, installation, cabling, test)
- Operation & Maintenance
- Customer service and administration

 Tasks are similar to those of mobile network operators !

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Tasks to derive a business case (2)

Revenue estimation for CVIS services

- Define service portfolio according to market assessment
 - Consider various bundles of services
 - Consider supporting effects of regulation and legislation
- Specify price model
- Balance out levels of service fees according to assessment of user acceptance
- Estimate temporal development of potential number of customers
- Repeat previous steps until a plausible concept is achieved
- Estimate the variance or the best and worst case for revenue development