

The World In Your Pocket

– location aware content in the mobile

Santa Clara, Ca – March 21, 2007

The Kelsey Group's Interactive Local Media Conference

Ralph Eric Kunz
Vice President Multimedia
Nokia Corporation

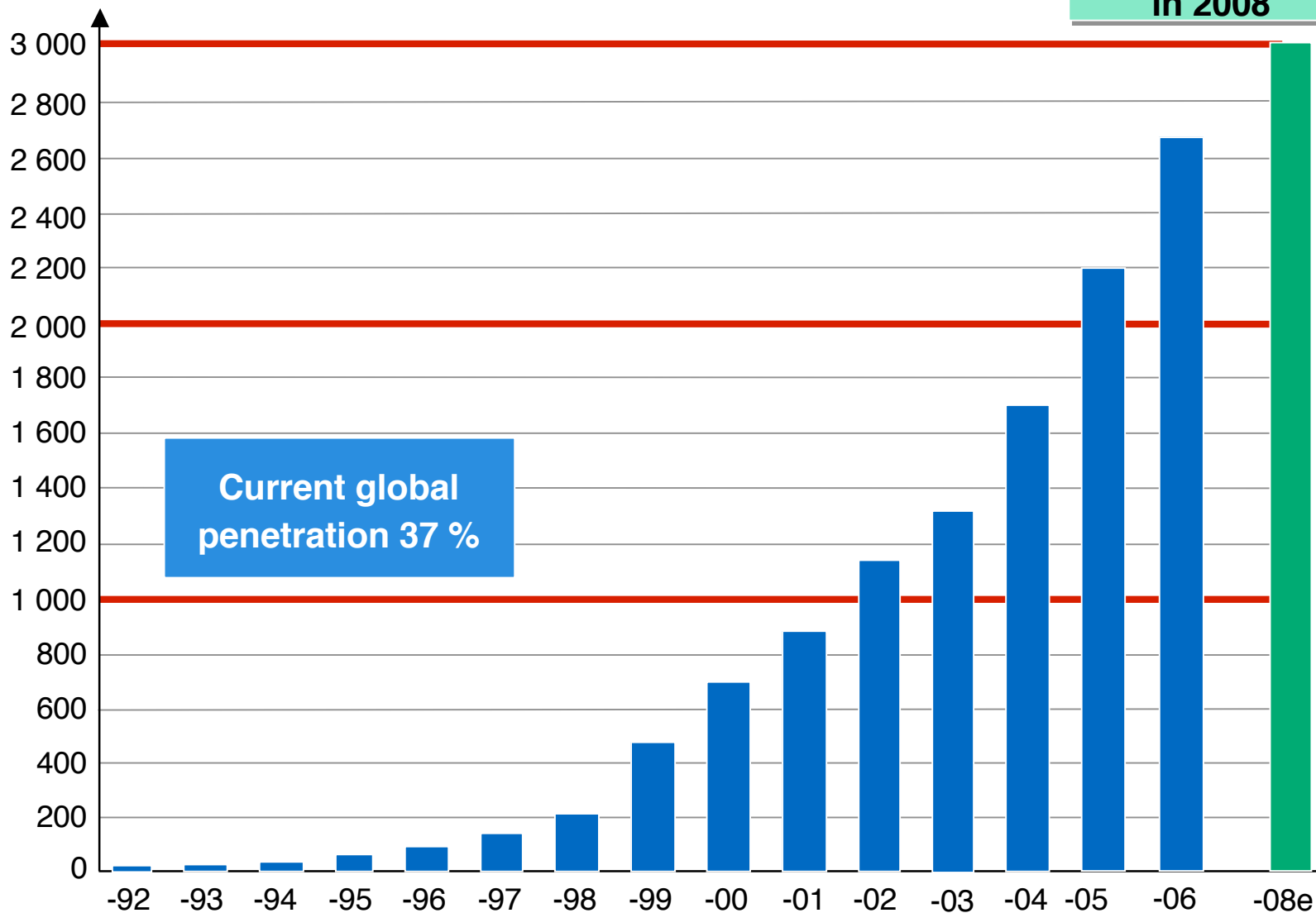


powered by
smart2go

Towards the 3 Billion Milestone

3 billion
in 2008

Mobile phone
subscriptions
globally,
millions



Source: Nokia



Nokia today



800 million people
globally use a Nokia
device daily.

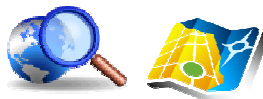
100 million devices shipped in Q4 2006 (first CE device ever!)

1 million devices shipped a day

9 devices manufactured each second

1 new model per week in 2006

Sources: Nokia estimates



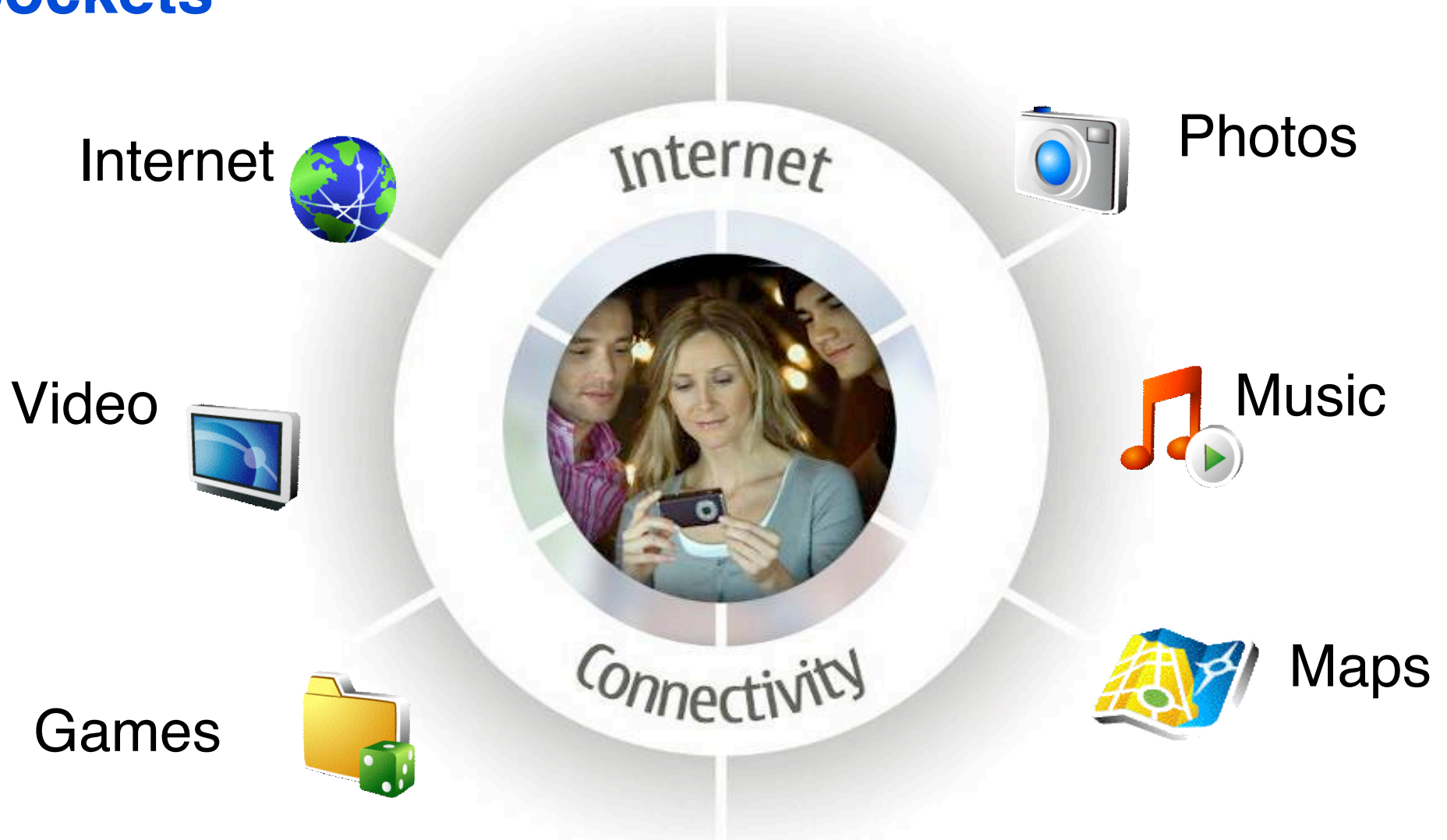
From phones to multimedia computers with embedded experiences



Multimedia Computer:
All of my connected applications, always with me



Mobile Multimedia has landed into people's pockets



Clear trend towards multifunctional device use

Nokia S60 device owners use these experiences several times per week or more often



Use camera

76%



Listen to music

64%



Play games

54%



Browse Internet

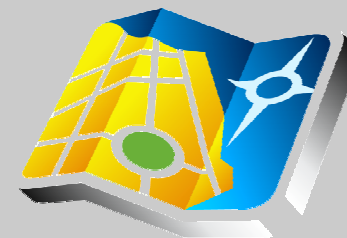
48%



Search and maps a central use case

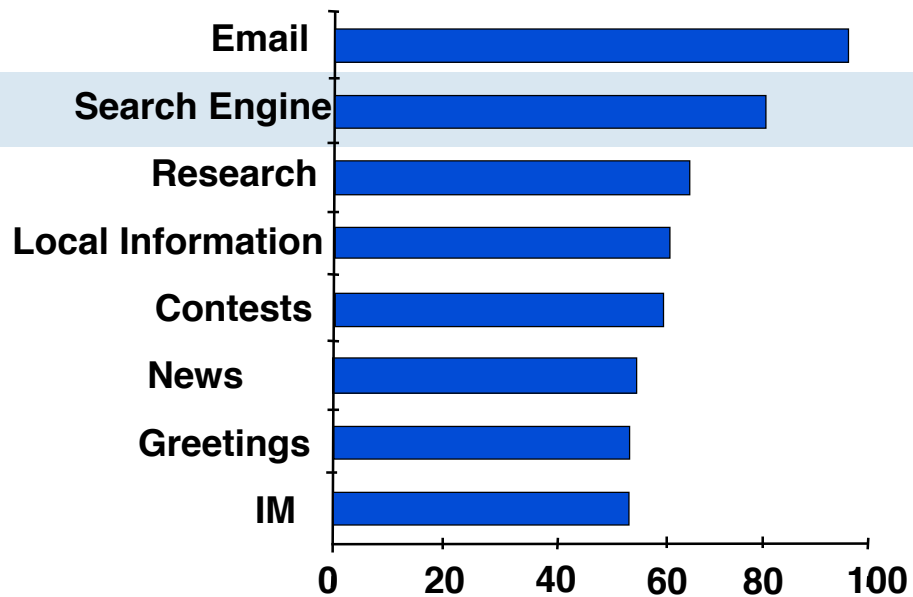
Nokia S60 device owners use these experiences several times per week or more often


Search and Maps:
51% want to use maps and 31% search on mobile



Search is a key entry point to the internet... with even more relevance in the mobile context

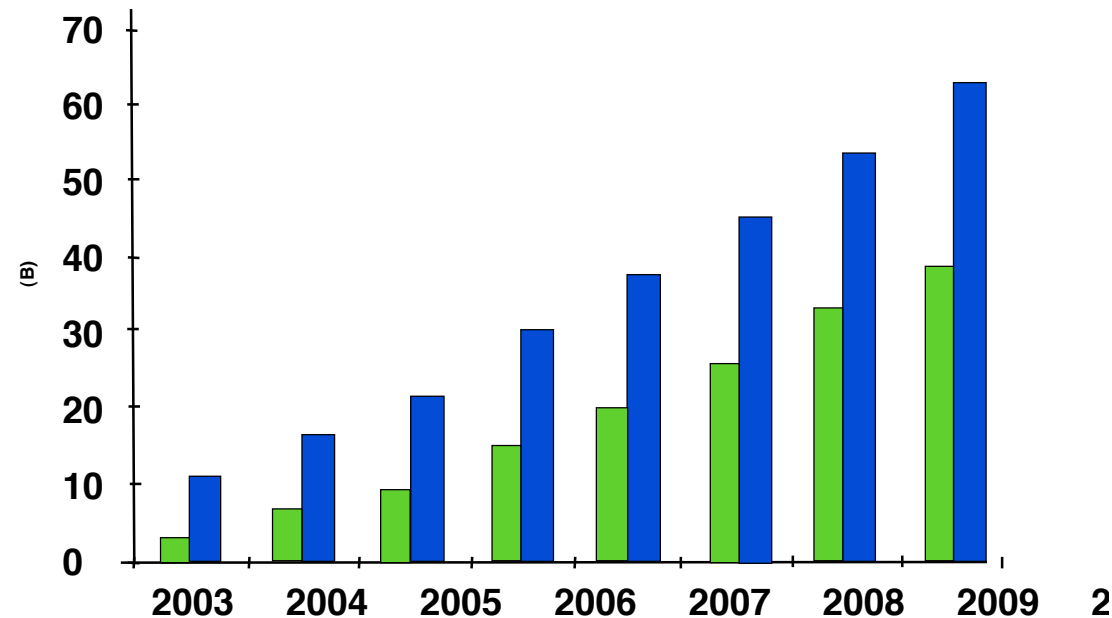
Search in Online



 % of respondents who use application

Source: U.S: Bear Sterns –
“Consumer Internet” Equity
Research May 2006

Worldwide Online Advertising Revenues \$
US b



 Search Advertising
 Total Online Advertising

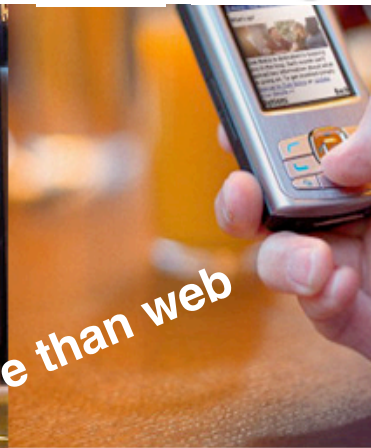
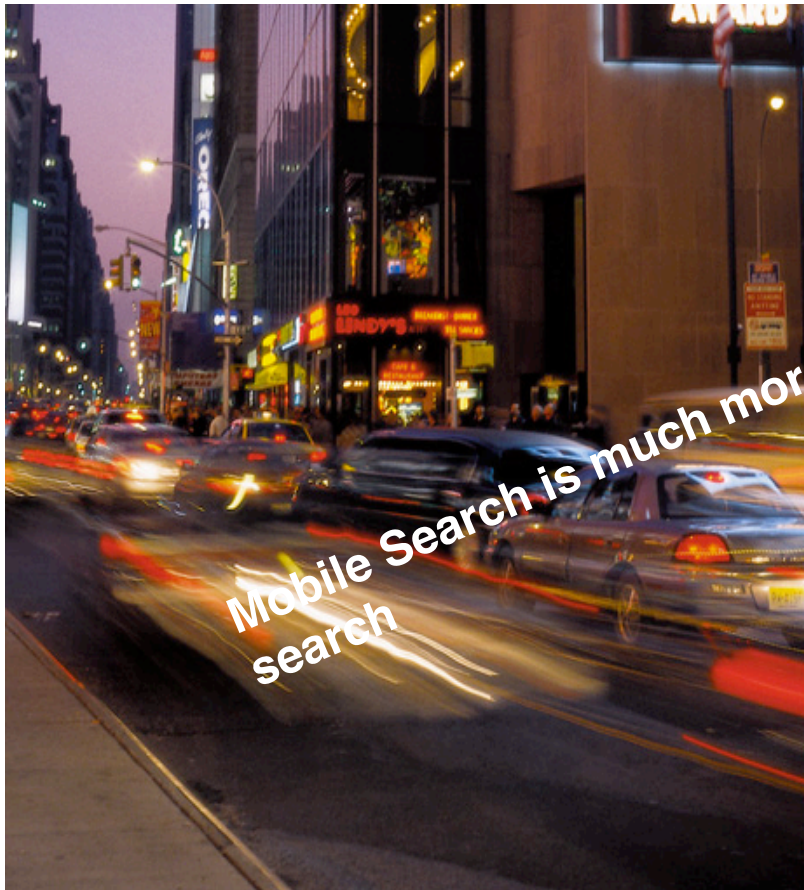
Source: U.S: Bancorp Piper Jaffray



The Search-to-Maps experience



Meet Nokia Mobile Search



Mobile Search is much more than web search

Search.
Find.
Connect.

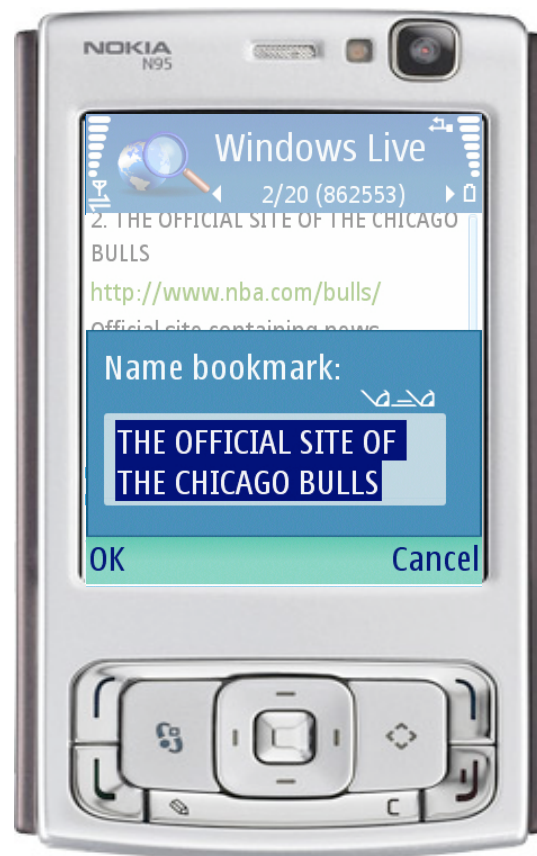


Mobile Search – Web Search

You're in Chicago for one night. You've never seen a Chicago Bulls' game. Find out the schedule and maybe even purchase a ticket?



Use your web search to find the Bulls' web site, check it out and save it as a bookmark for later.

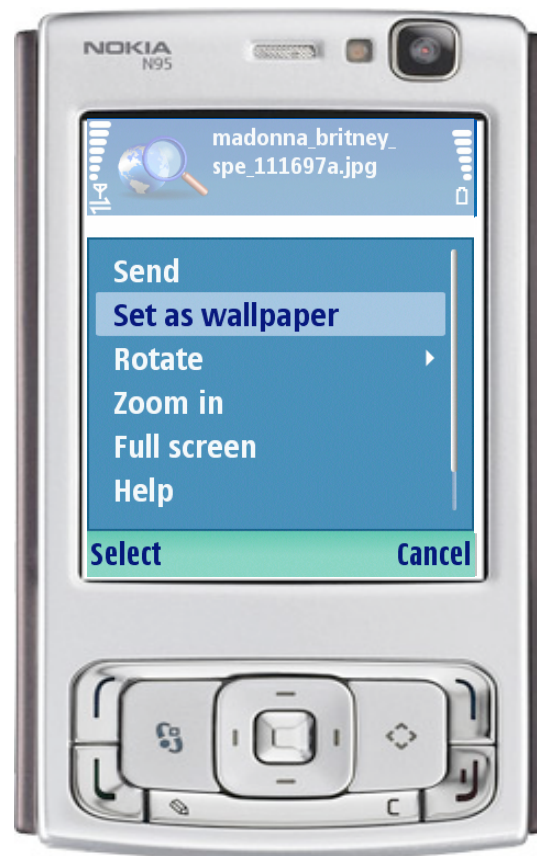


Mobile Search – Image Search

Everyone saw that scene with Madonna and Britney Spears? But not you?



Use the Image Search service to quickly search, preview and download the image. Now you know what this thing is all about!

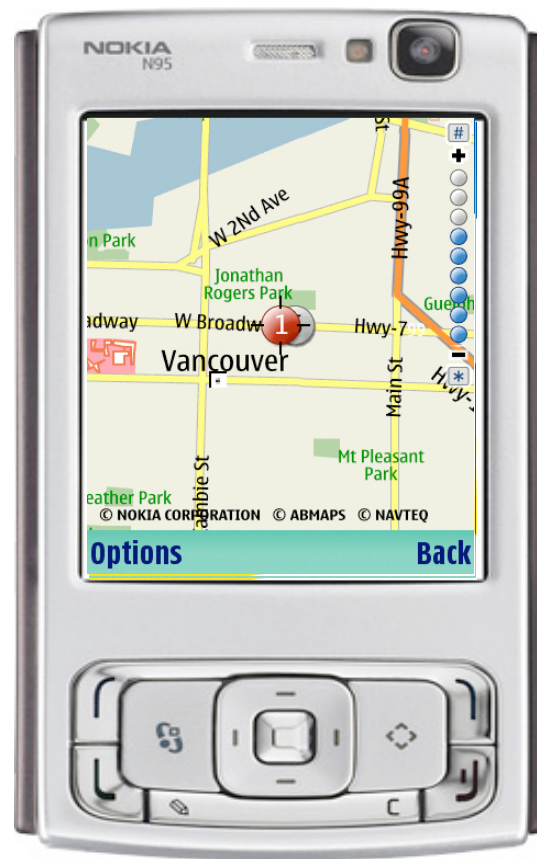


Mobile Search – Local Search

Late in the evening and hungry? You want to pick up a pizza on your way back?



Use your YP service to find a pizzeria, call to order, locate it on the map, route the driving directions, and pick it up!



Coming Soon – Search on the Home Screen & Immediate Indexing of My Content

Search – Easy to Discover, Easy to Find,
Quick to Search.
Where is that SMS message I received last week?



Use your my Content search from the home screen of your phone to quickly find the content stored in your device!



Nokia Mobile Search – Experiencing exponential growth

Availability

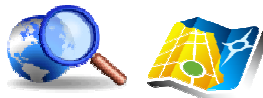
- Localized in more than 40+ languages
- More than 50+ countries with global web search engines
- More than 20+ countries with local search engines

Growth

- Accessed by Nokia users in 140+ countries
- Via 450+ network operator SIMs
- 26% month-over-month growth of search queries
- 65% user growth since Q2 2006

User Behavior

- 65% of users click on “Show on Maps” after conducting a local search
- 86% of users click to “Open Image” after conducting an image search
- 36% of users click to “Save Image” after conducting an image search
- 82% of users click to “Browse” after conducts a web search



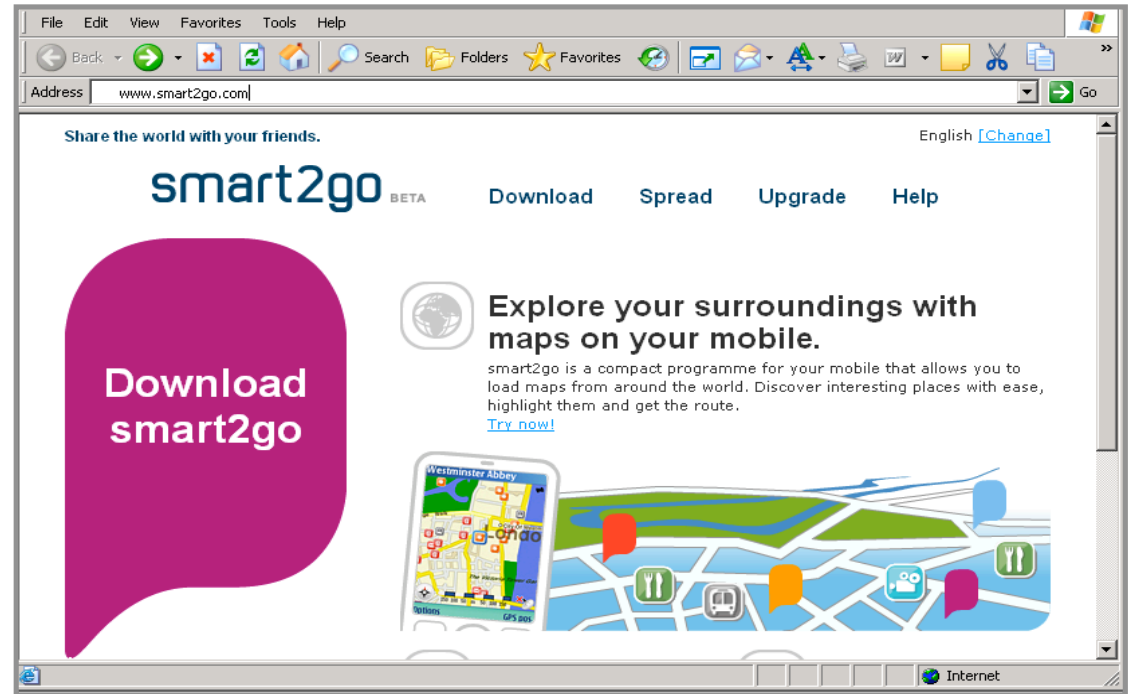
The Maps-to-Search Experience



Announced recently: smart2go application availability

- smart2go™ mapping and navigation platform, available for free download from www.smart2go.com
- Allows for mapping and routing in over 150 countries and has support for full turn-by-turn satellite navigation in over 45 countries
- Over 15 million POIs* in more than 150 countries

*Points Of Interest



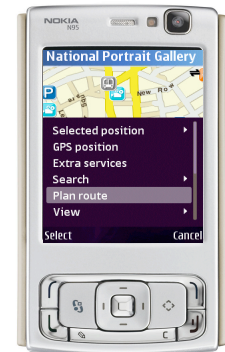
Announcing today: smart2go application availability

- Available for most the popular mobile OS platforms:
 - Nokia S60 (1)
 - Windows Mobile 5.0
- Additional support to be provided for S60, Series 40, PocketPC, Linux and other Windows Mobile devices

S60

Windows
Mobile

(1) The smart2go application is called „Nokia Maps“ on Nokia devices



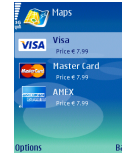
LIVE DEMO of Nokia Maps/ smart2go on Nokia N95



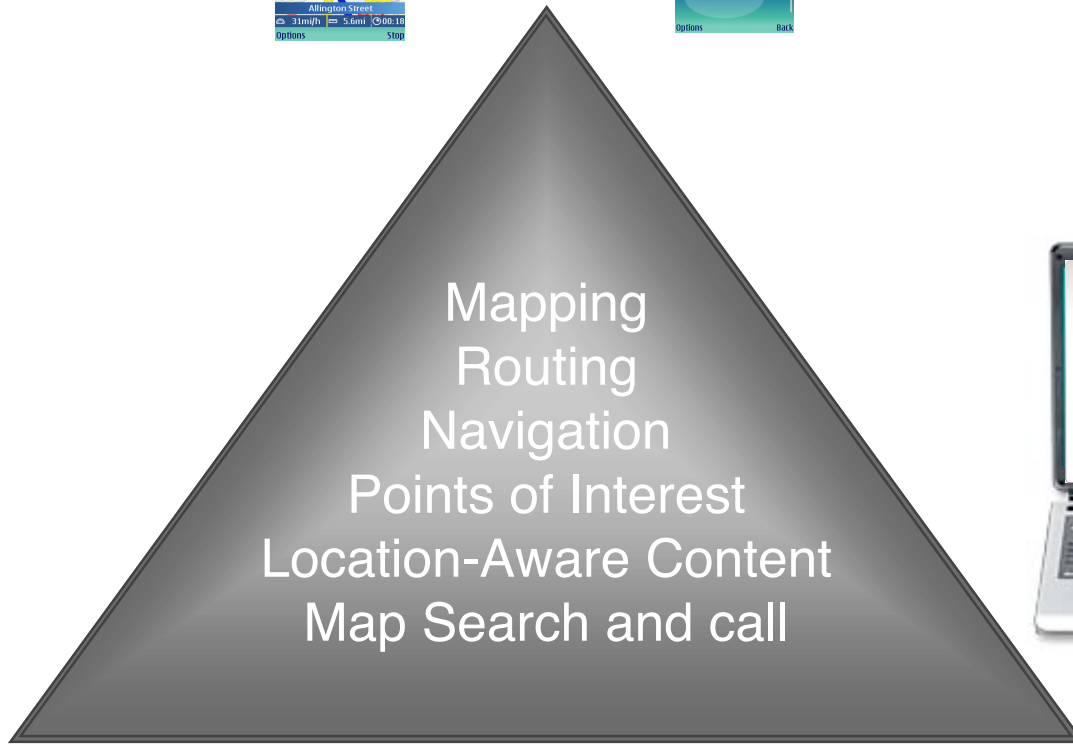
smart2go – holistic experience with PC, online and mobile elements



Online



Mobile

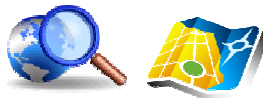


PC





Changing the rules of the game

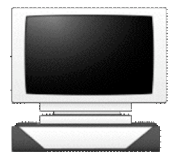


It's all there ...

It's time for a Location Based Experiences Platform



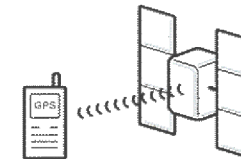
Personal Navigation is a great success
...and goes mobile



Search & Find for free on PCs
... also goes mobile



3G
Enables map streaming, allowing client side technology user-experience at server economics









Built-in GPS
Related bill of hardware material will drop below € 1.5 p. phone over coming two years



To Make a Difference, You Have to Be Different

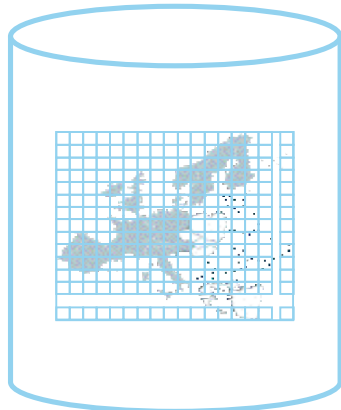
Create discontinuity through technology- and biz model innovation
 Test: 10 x cheaper or significantly scaled user-experience

Company	Technology	Service	Aggregation
	page-rank sorting	free web search	ad volume
	scalable VOIP	free VOIP client	call-out volume and ...
	auction clearing	C2C auctions	small merchants
	blogging engine	free web community	ad volume, game portal
	movie streaming	free movie search	ads, ...
	hybrid mapping	free map/ routing	navi, content, ad volume

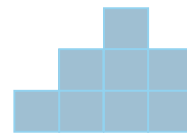


Tech Innovation: uniquely scaleable map- and content delivery mechanism

smart2go Tile Server



Map Tiles



smart2go Client



Server

- Holds maps of 180 countries
- Access to POIs
- Calculates routes, and finds addresses when map tiles are not yet stored on client

Map Tiles:

- Map vectors for drawing
- Routing graph to calc. route
- Address index
- POIs
- Bitmaps

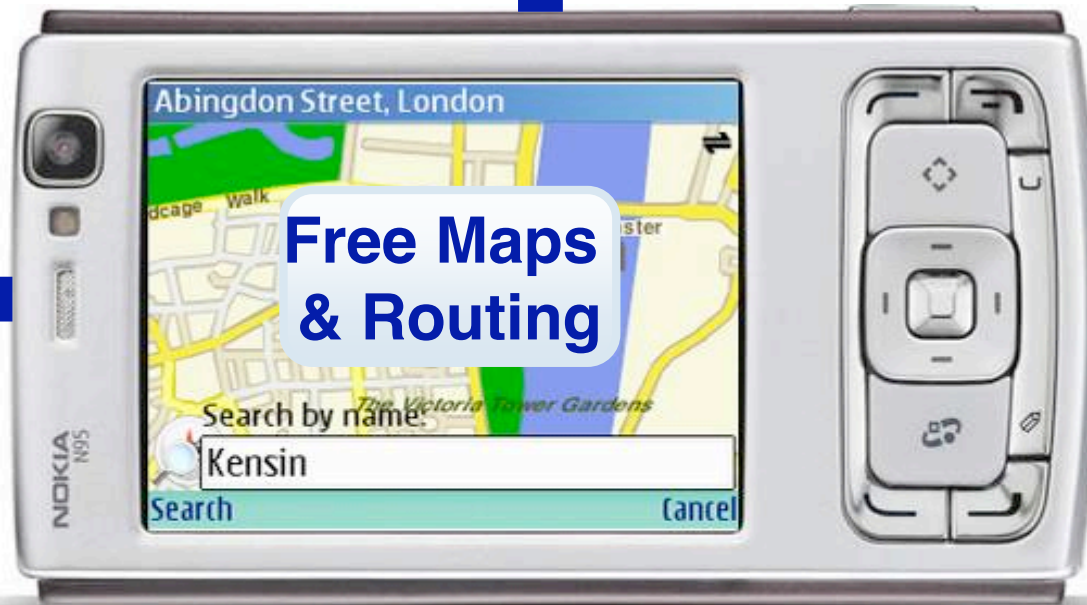
Client

- Caches map tiles locally
- Requests tiles for GPS position
- Performs calculations (Routing, address search, mapping)
- Holds city guides and other content



Biz Model: Generate a community through free maps and income through upselling and ads

€ Navigation



€ Premium Content



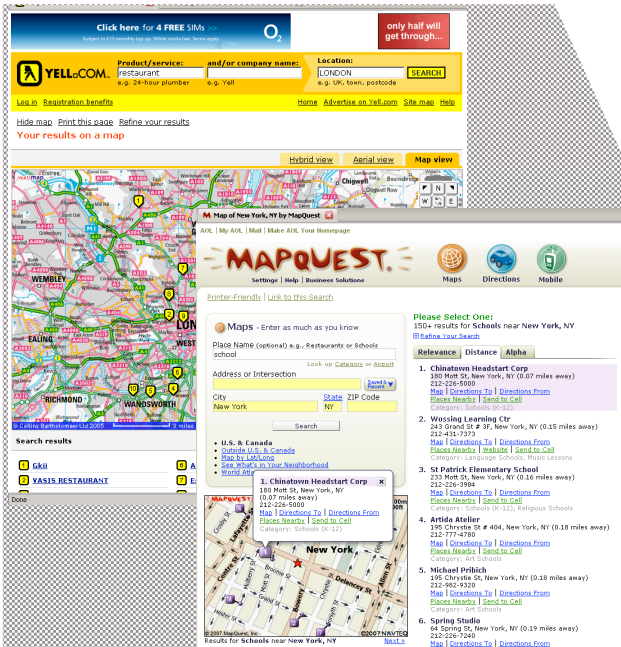
€ Transactions



€ Advertising



Rapid convergence of previously disconnected user experiences



Online Mapping, Routing & Local Search



Connected mobile devices with location based experiences

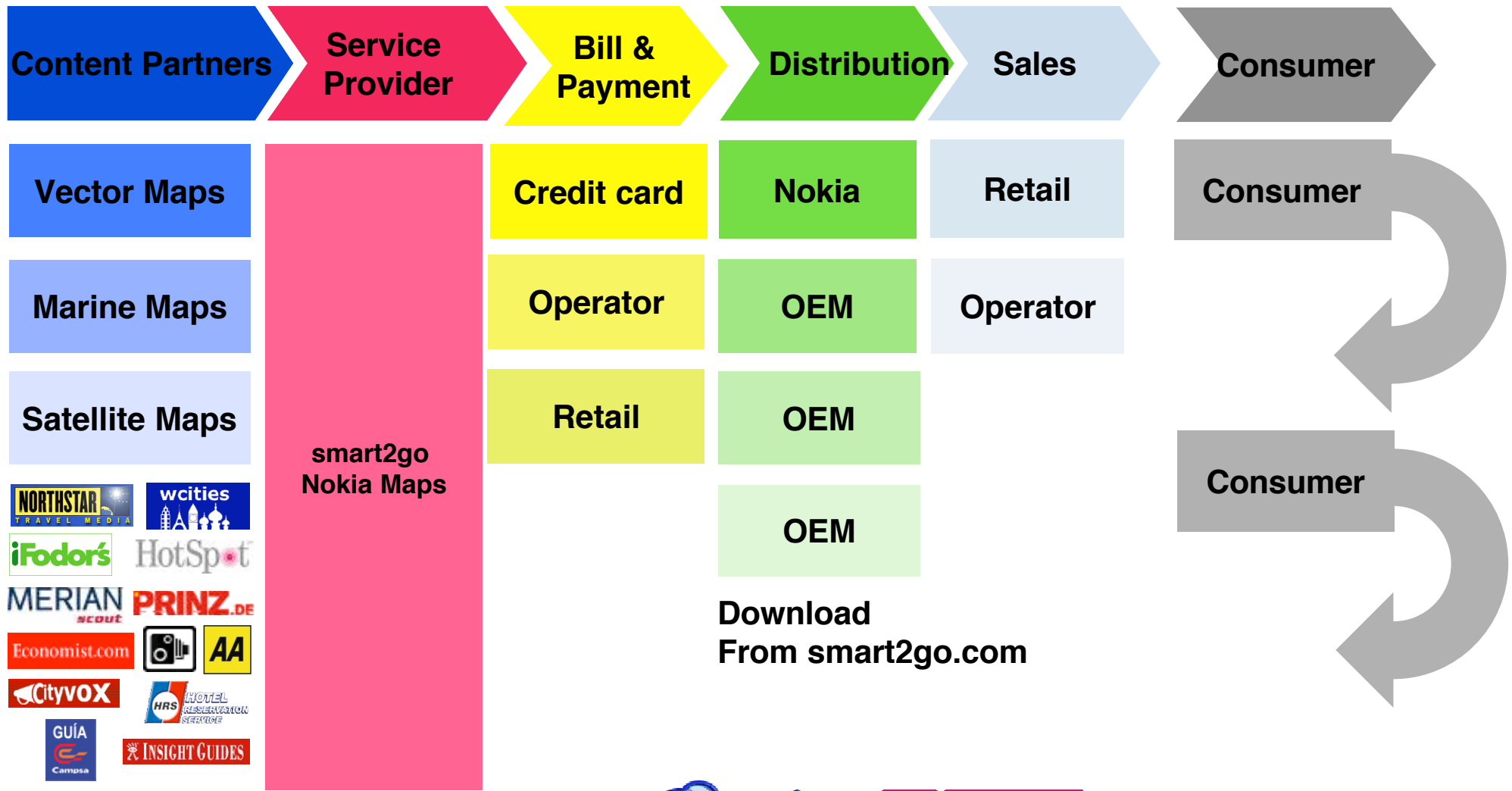


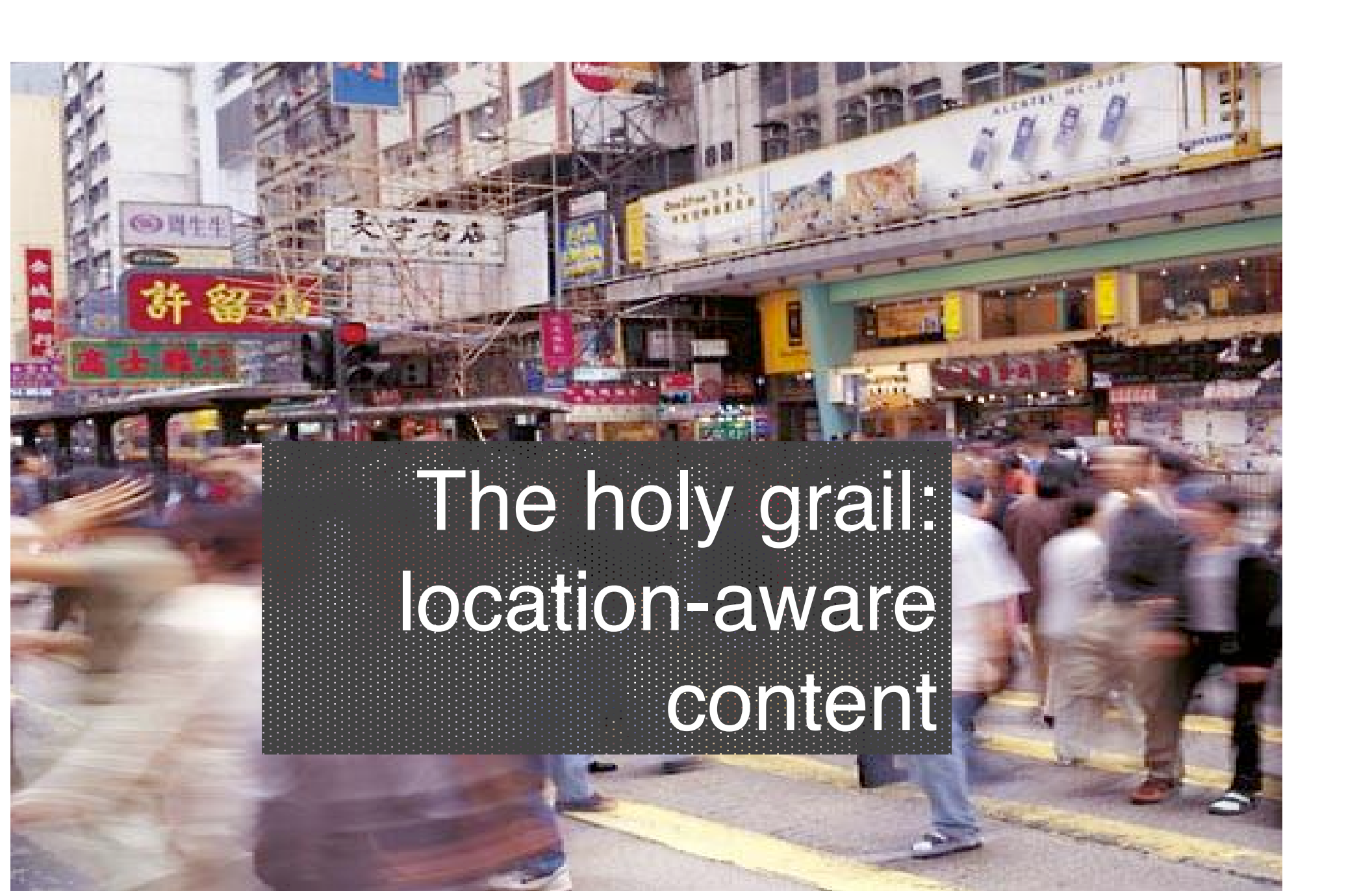
Standalone navigation devices



Allow users to network and merchants to sell

De-facto content publishing & navigation platform. Foster Social networks



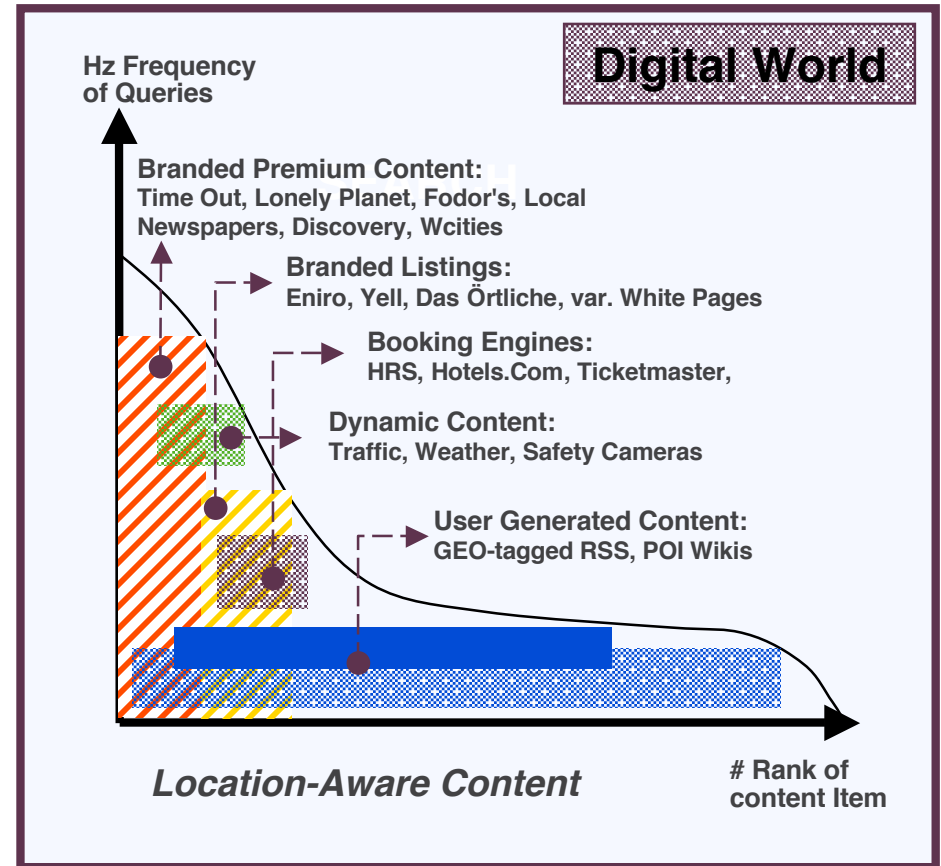
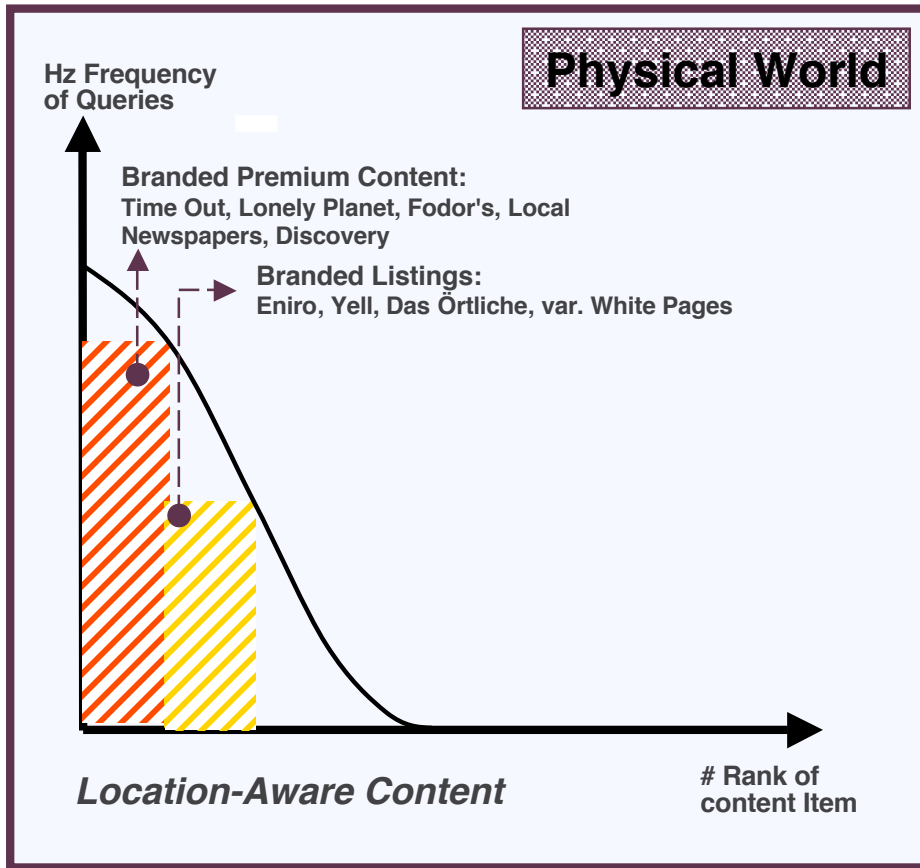


The holy grail: location-aware content



Web 2.0 Shift will Change Content Landscape Profoundly

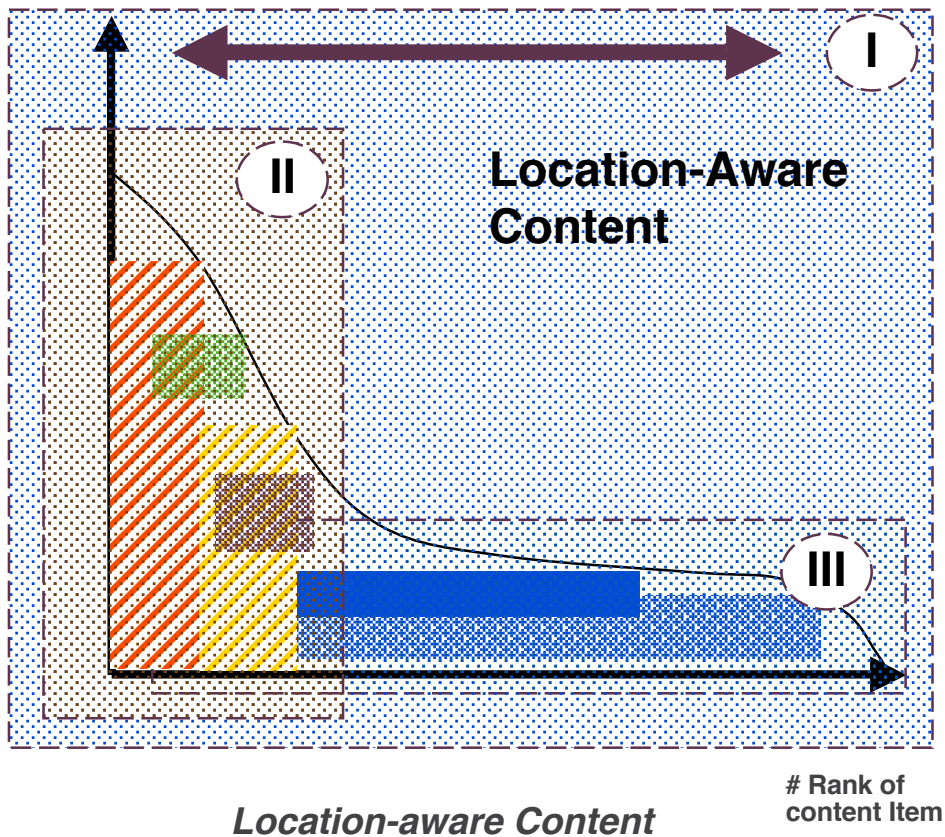
It is just beginning ...



Search as Main Entry to Location-Aware content

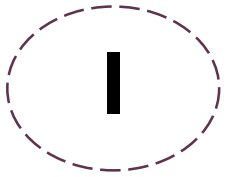
Flanked with Aggregation of Branded Content Ecosystem and Facilitation of User-Generated Content Creation

Hz Frequency of Queries



- I** Search as main entry to content discovery
- II** Build ecosystem of Branded Content
- III** Capture the Tail – User-generated Content



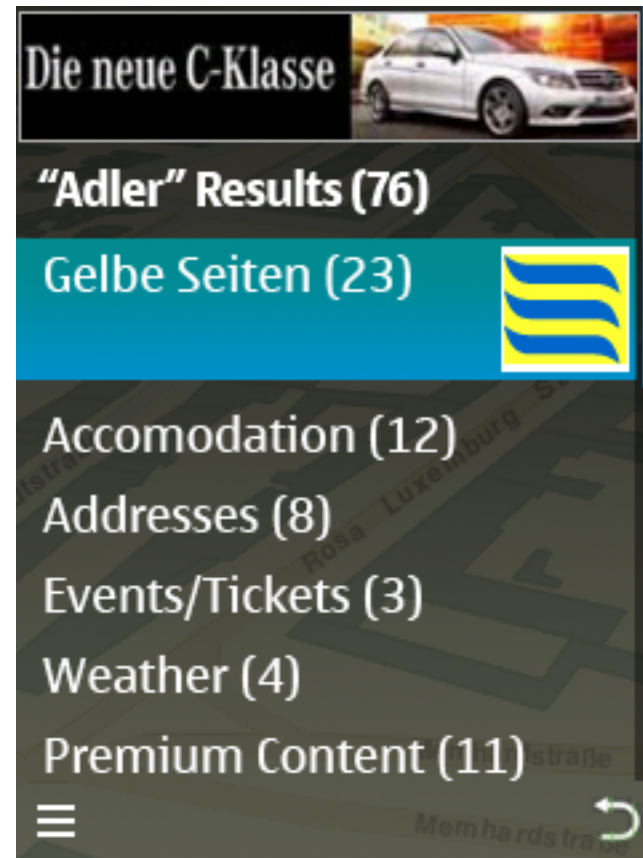


Preview: Search as Main Entry to Content Discovery

Type in Search Box



Find by station – and go



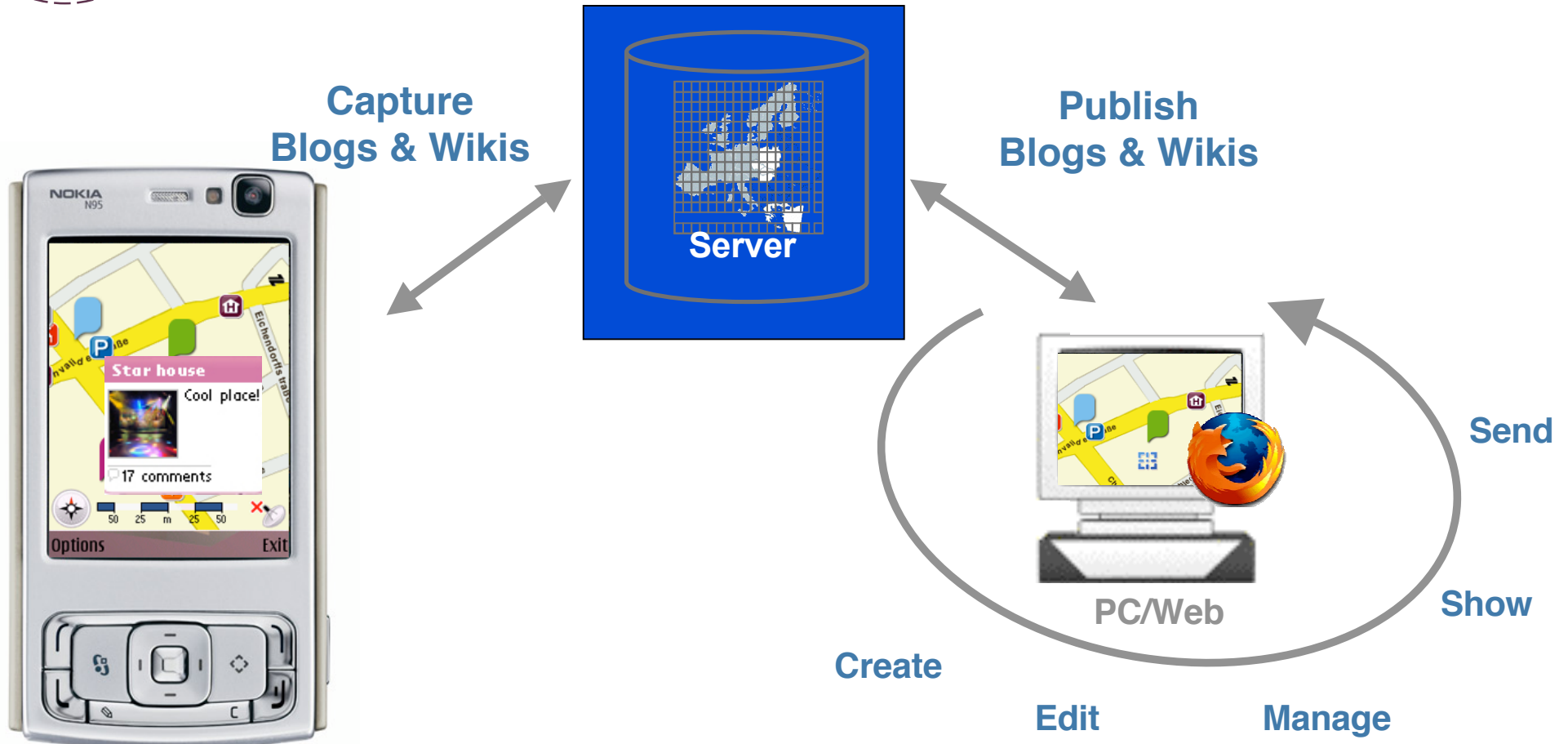


Premium Content Providers on Smart2Go

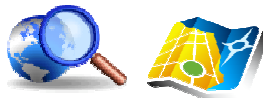


III

Creation of User Generated Content

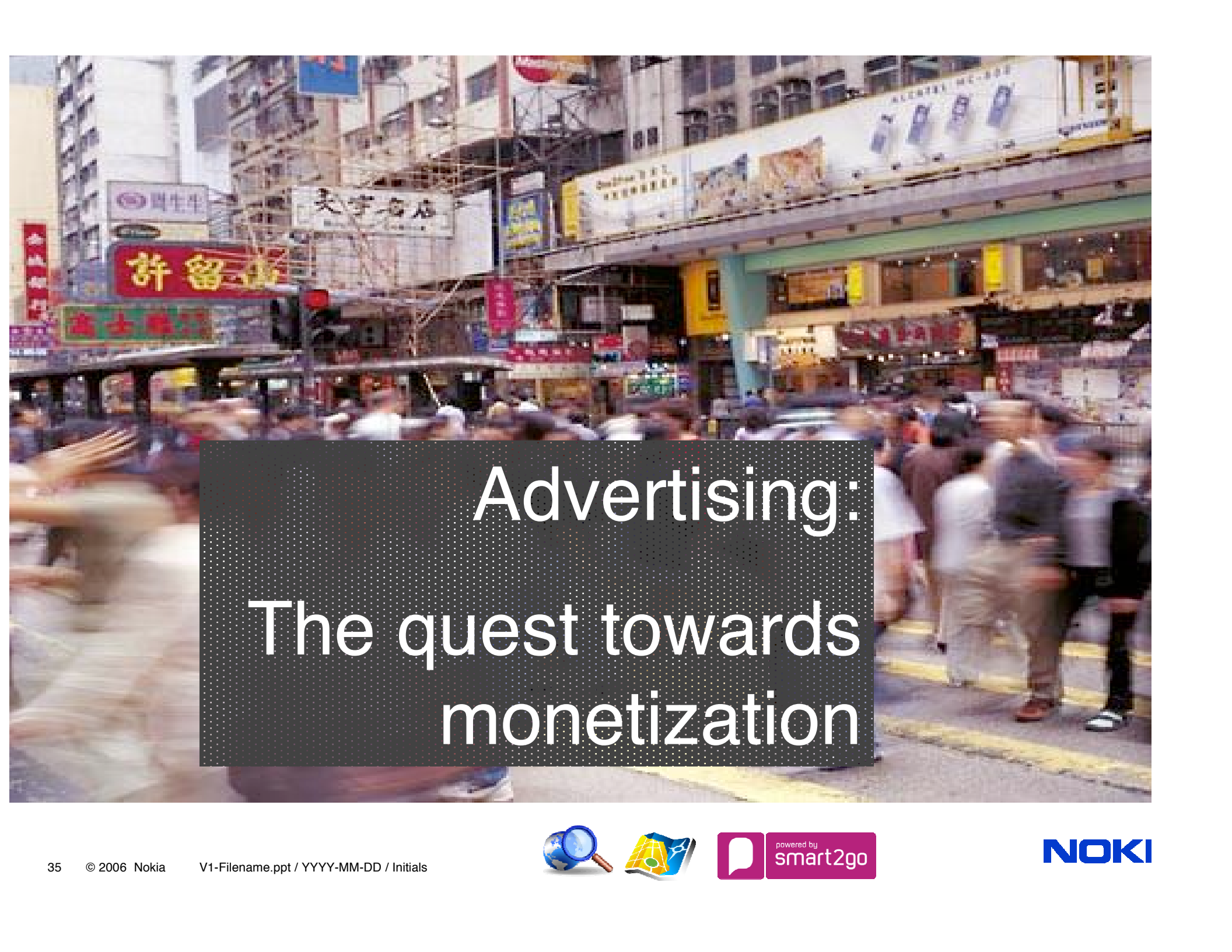


Opportunity for Directory companies to reduce cost of content creation and create richer SME content



Map Search: Main paradigm is proximity





Advertising: The quest towards monetization



Great advertising channel for big brands and SMEs

Search Engines



SEO/SEM



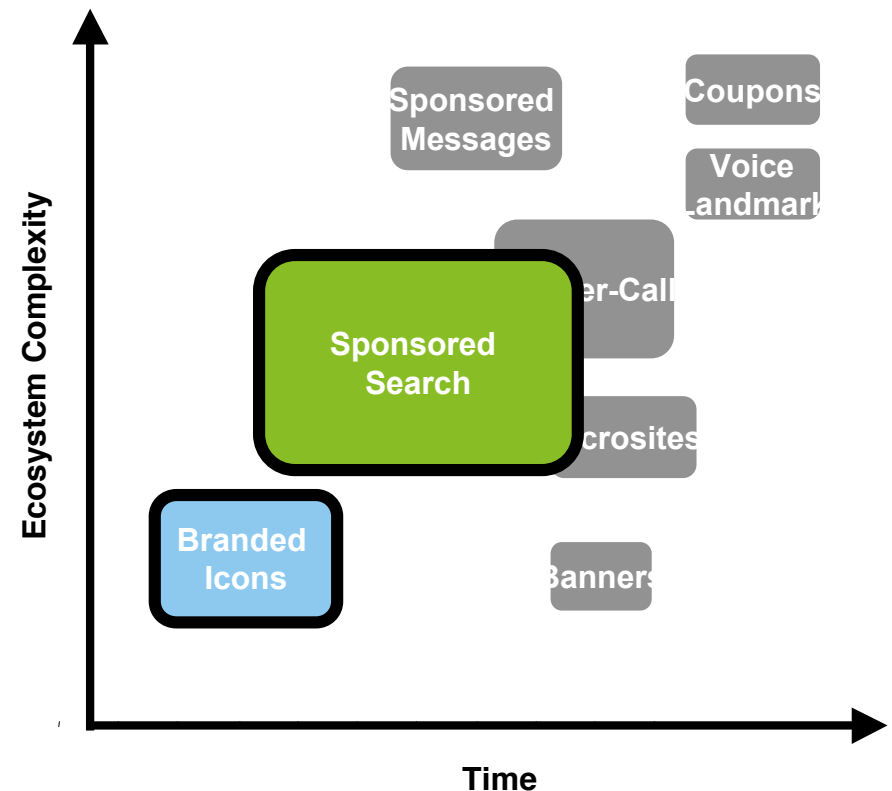
Business listings

YP and Directory Publishers



Branded icons and sponsored search links initial focus

- With increased user uptake, mobile targeted add inventory will increasingly be important
- Initially it is mandatory to keep ecosystem complexity low – to kick start the machine
- Solutions must take into account issue of data charges – we cannot expect the user to implicitly pay the operator for ads
- Directory companies ideal partners for reselling of add space



However SMEs will not book before they see the clients on a critical mass of mobile devices



The mobile opportunity for directory companies

- Nokia Maps and Nokia Mobile Search will be preinstalled on more than 100M devices in 2008
- Multiple opportunities for YP companies
 - Market your location-aware content under full brand preservation
 - Introduce advertising for your own real-estate
 - Resell location-aware advertising to other real-estate on the device
- Be prepared to separate out sponsored search results in proximity search



Summary



Summary – Location aware content on mobile – it will now finally happen ...

- Platforms for location-aware content and local search will be preinstalled on > 100 million mobile devices as of 2008
- Advertising will eventually become a major monetization source
- Large opportunity for YP and Directories to place content and resell adds
- Nokia offers opportunity both for branded display of content as well as for add placement



Thank You!

www.smart2go.com

www.nokia.com/maps

Ralph.Kunz@nokia.com



powered by
smart2go

BackUps

NOKIA

www.smart2go.com

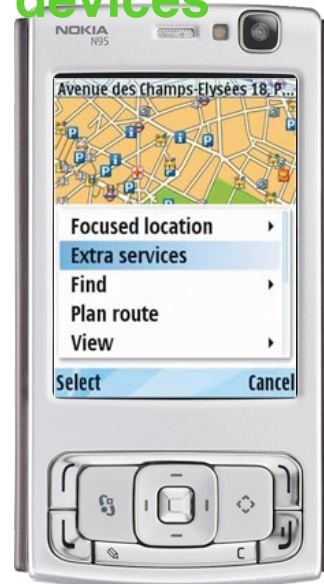
Company Confidential

Location-based experiences bring a new dimension to the mobile context

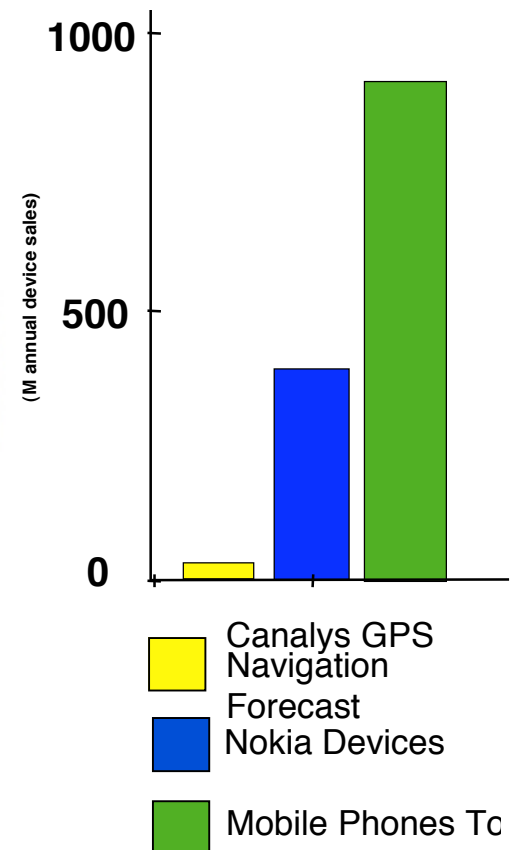
Online Routing ("Mapquest)



Personal Navigation Devices (PND) Location aware devices



Accessible Market

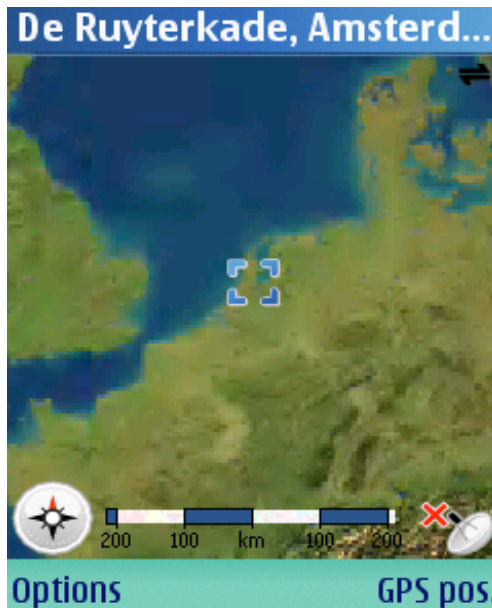


Source: Nokia Forecast 2006,



NOKIA

smart2go – Earth browsing and zooming in and out



smart2go – 2D and 3D views



smart2go – Route planning and Location-Aware Content/ Points of Interest



smart2go – Extra services: Navigation and city guides



Extra services paid via credit card
or operator billing



Nokia Navigation service – what does it cost?

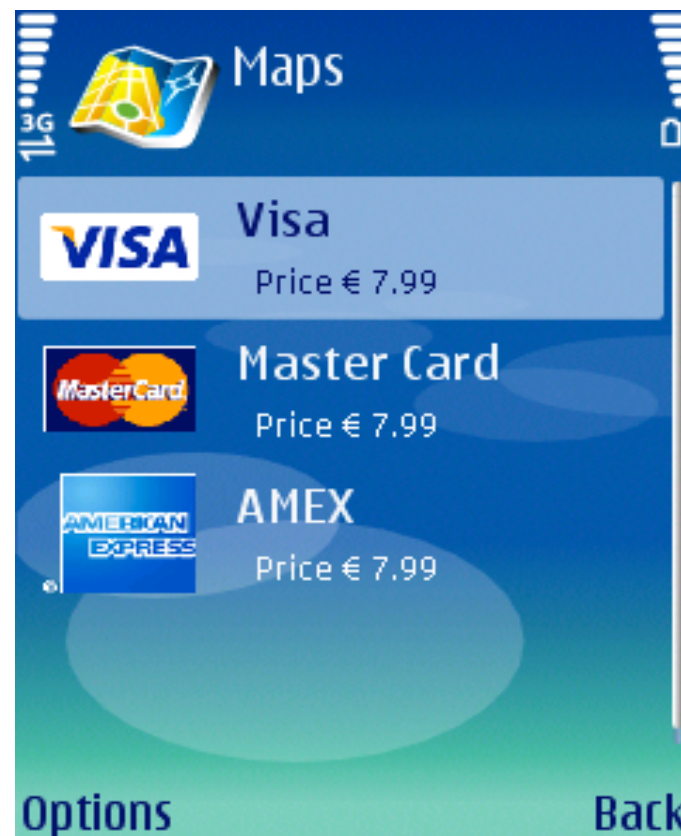
Example prices from Germany

Navigation subscription for **German** maps

- One week 6,49 Euro
- One moth 7,99 Euro
- One year 59,99 Euro
- Three years 69,99 Euro

Navigation subscription for **W-European** maps

- One week 8,99 Euro
- One moth 9,99 Euro
- One year 89,99 Euro
- Three years 99,99 Euro



smart2go.com & nokia.com/maps (18-Mar-2007)

220.750 Mobile clients in total

+ 30.9% compared to last week
~ 6492 average downloads per day

166.670 S60 clients (75%)

+ 30.2% compared to last week
~ 4902 average downloads per day

54.080 WM5 clients (25%)

+ 27.1% compared to last week
~ 1590 average downloads per day

157.876 PC clients downloaded

+ 34.1% compared to last week
~ 4154 average downloads per day

Please note: Download figures from nokia.com/maps are estimations. Exact numbers are reported on a monthly basis. Source: smart2go.com & nokia.com/maps



Downloads since launch on 08 of Feb 2007

