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Why Mobile Location Based Services Will be Successful

Retailers and Service Providers Will Exploit Mobile LBS

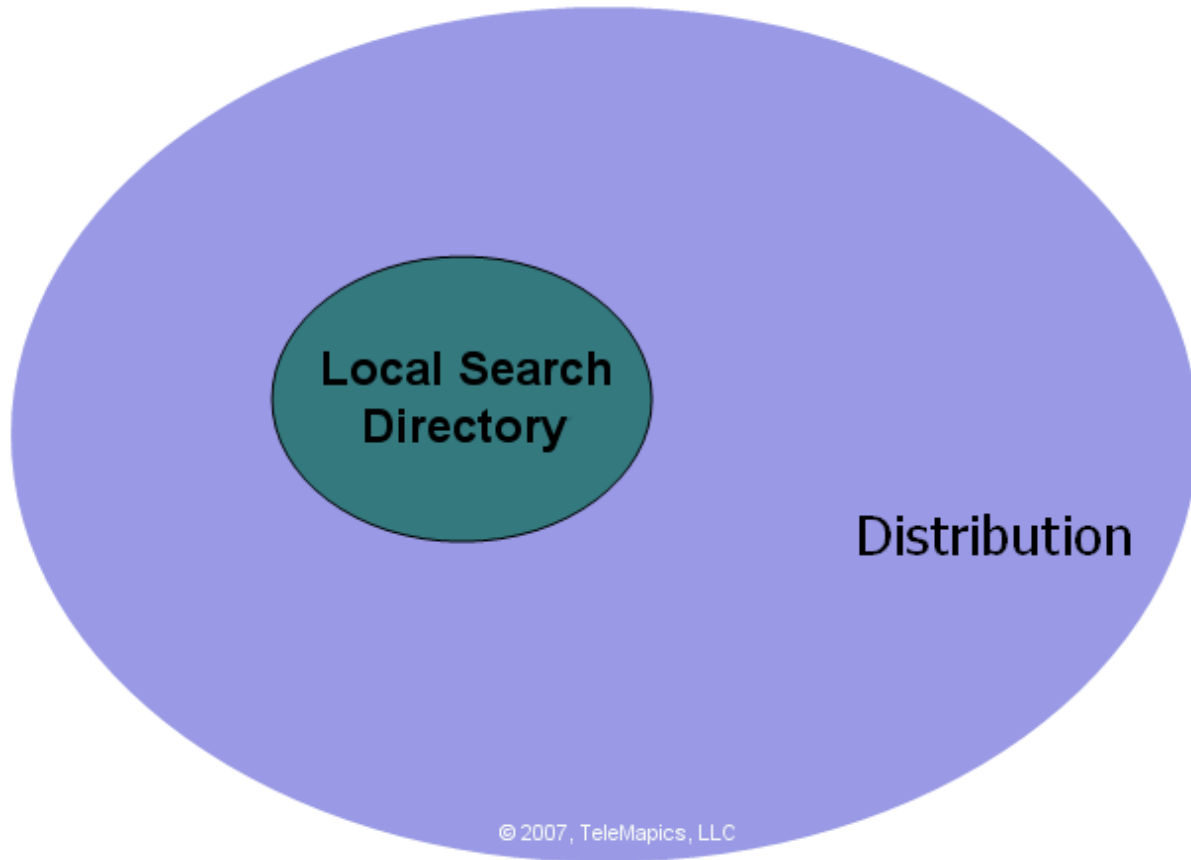
Location Based Services

What is it and why does it matter?

We consider Location Based Services to be an application of wireless communication that combines network services and positioning technology to provide a cellular network subscriber with position related services. Our broad definition includes both area-based networks (such as cellular wireless services) and point-based networks (such as WiFi offered at a retail outlet or service center).

Although many sources expect Location Based Services to be championed by the wireless carriers, the notion that LBS will help to create differentiation and stickiness in the carrier's attempt to monetize the wireless Web may not reflect the major factors driving the industry to success. At present many cellular carriers are offering Location Based Services services, but they are doing so in a low-key manner without expending internal product development time or significant resources.

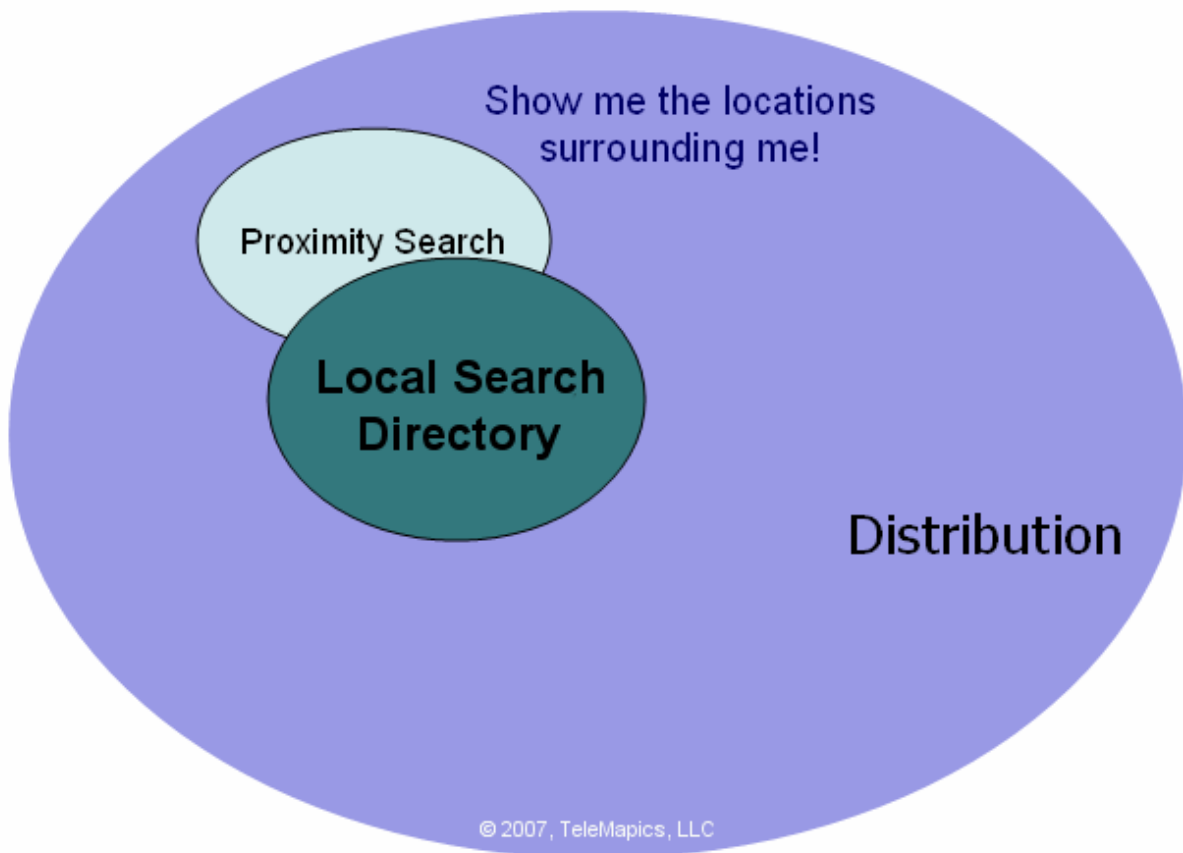
We believe it is likely that the champions of Location Based Services will be businesses interested in serving their customers better than they can today. How can businesses benefit from Location Based Services? We present a series of 9 message-grams to convey our beliefs about this market.



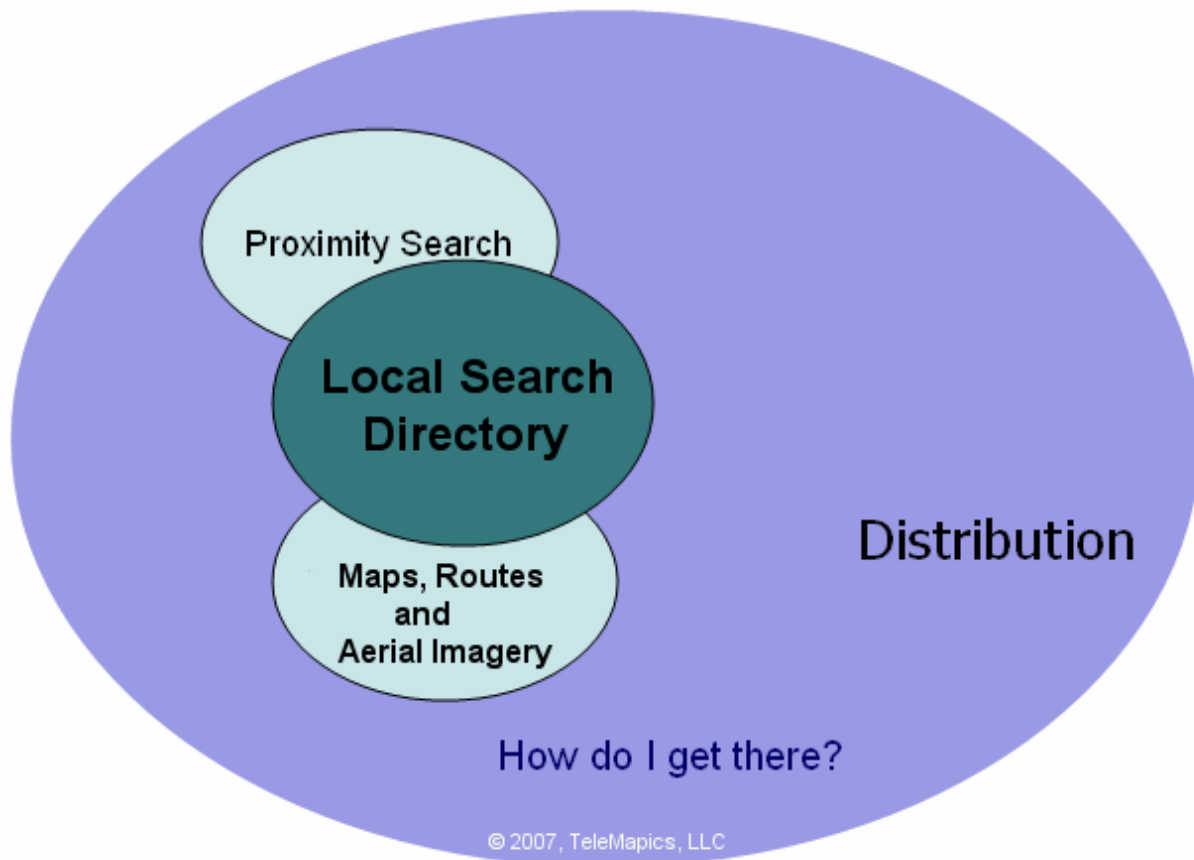
Message-gram1. Location Based Services and Local Search are integrally related. Location Based Services most frequently operate within the Local Search data and distribution clouds. In other instances, LBS applications may involve communications directly between the business owner and the customer. From the perspective of the business owner, Local Search provides the business listings, business advertisements and the distribution mechanism required to present information to potential customers looking for local providers of goods or services. (Local Search is described in detail in TeleMapics white Paper on the topic available at our web site www.telemapics.com .)

Changes in wireless technology and data networks are propelling the transformation of cell phones into cellular-based communications devices with substantial functional similarities to laptop computers.

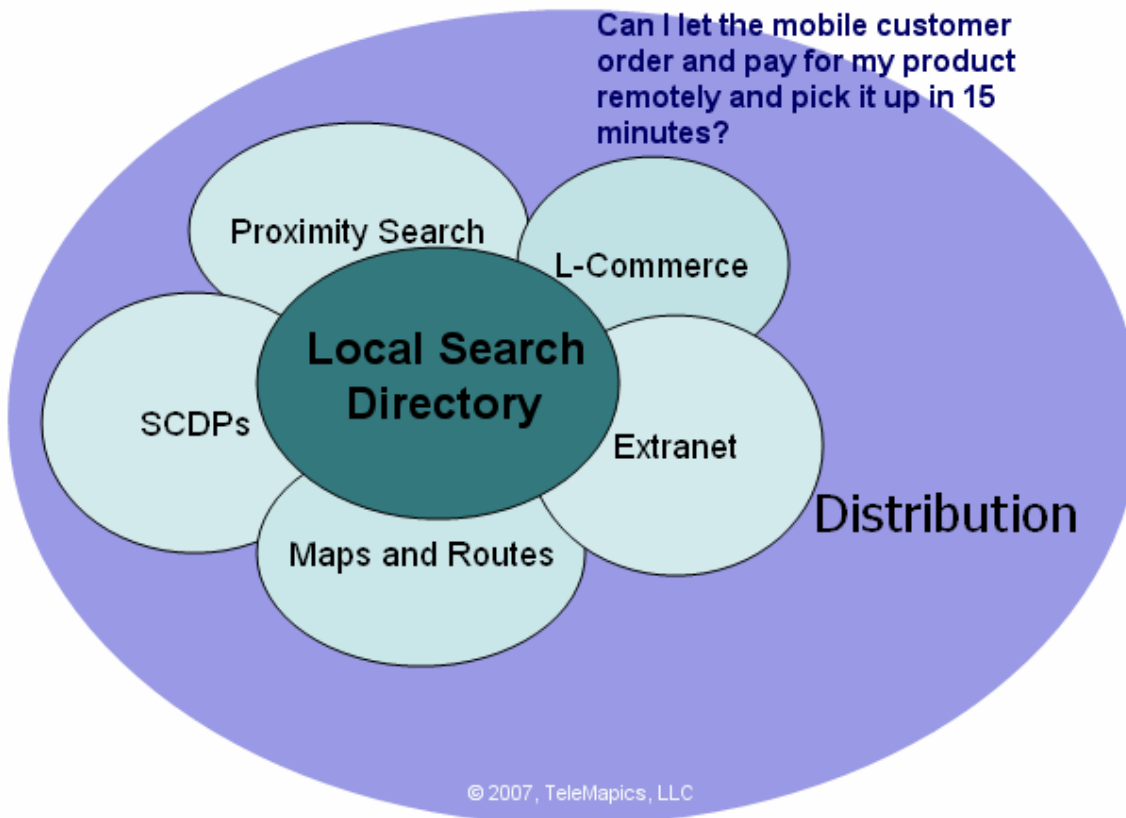
Companies like AdMob and Third Screen Media have produced innovative models for the advertising market on wireless devices. Google, Yahoo and MSN have their own initiatives, while the major cellular carriers are also working to leverage this potentially lucrative market.



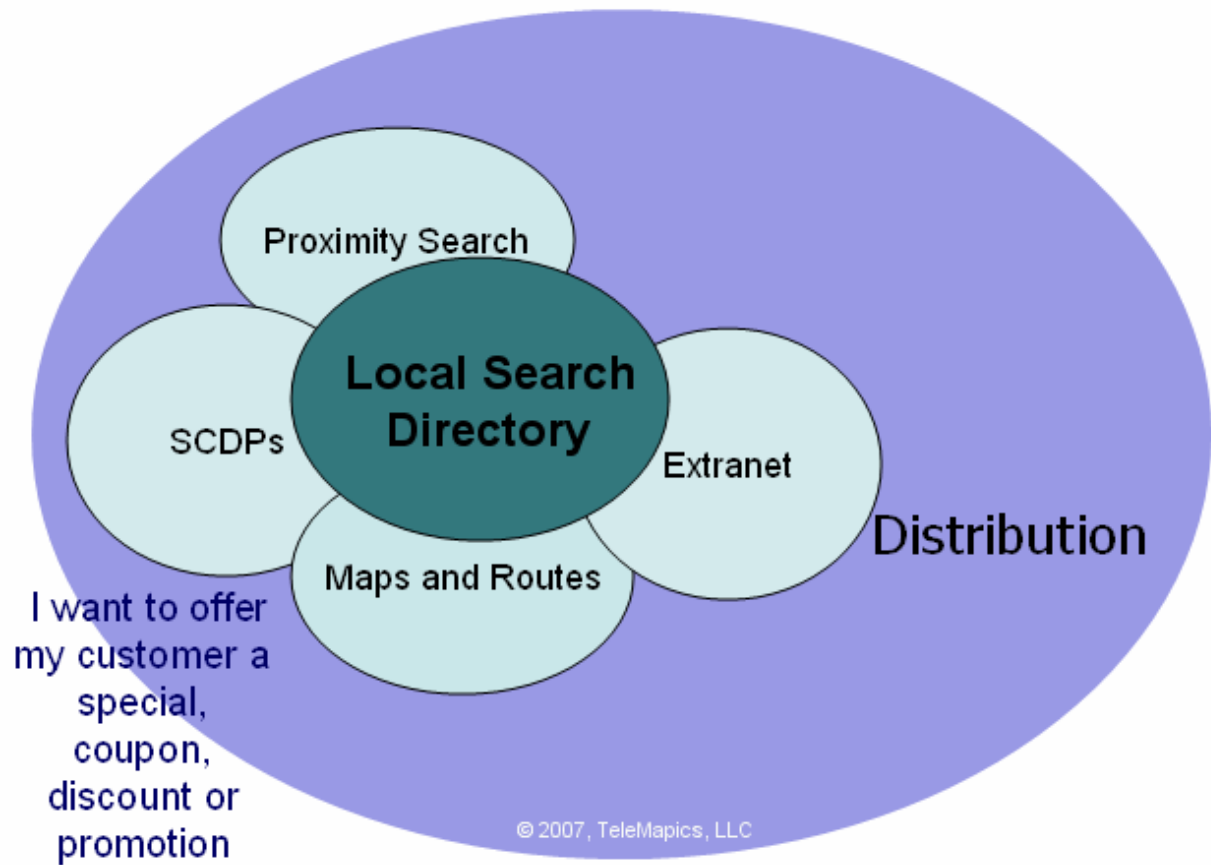
Message-gram 2. From the perspective of the user, Local Search provides a proximity-based “finder” functionality that responds to their search with a list of targets surrounding the user’s actual or intended location (a location they intend to visit at a later time). For the consumer, accessing Local Search, while mobile, eliminates wasted time, since they can use their cell phone to increase the speed and ease of finding goods, services, recreation opportunities, or social networking (social networking is included here since it is a major driver of commercial transactions).



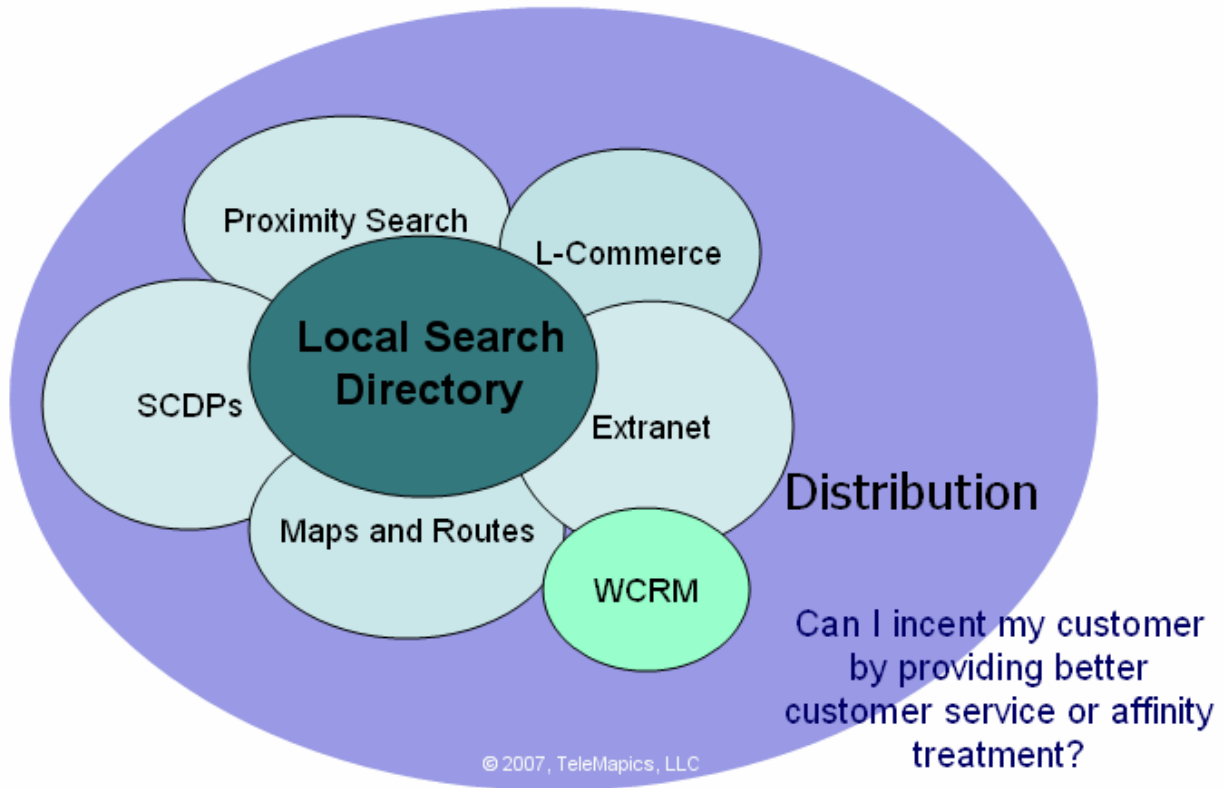
Message-Gram 3. Not only does Local Search respond with geographically targeted lists of opportunities surrounding the user, but it also provides a just-in-time method for finding these businesses in the real world. In addition to standard navigation aids like maps and turn-by-turn directions, many services now provide images of the storefront or aerial views of the location, allowing users to spot parking and familiar landmarks. In other words, Local Search delivers DCD buying opportunities to merchants (DCD = Direct Customer Delivery).



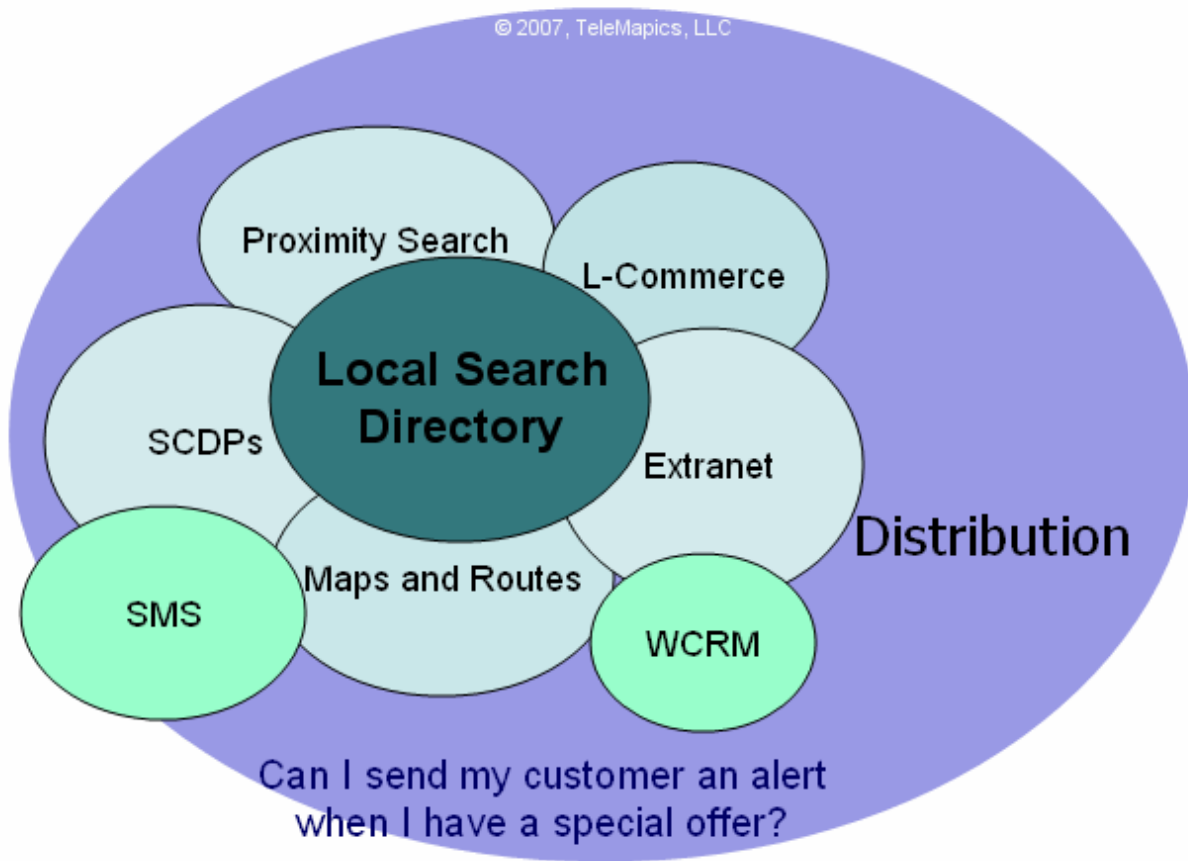
Message-gram 4. The business owner knows that time is money for both businesses and customers. Finding a way to advantage both parties is an important goal. Mobile Location Based Services provides a series of functionalities that cater to the potential buyer who is mobile, enhancing the ease with which they can transact business. Location or Mobile Commerce (often called L-commerce by some and M-commerce by others) allows the mobile buyer to avoid lengthy, customer service queues and select the product/service they want, by ordering online. over their cell phone.



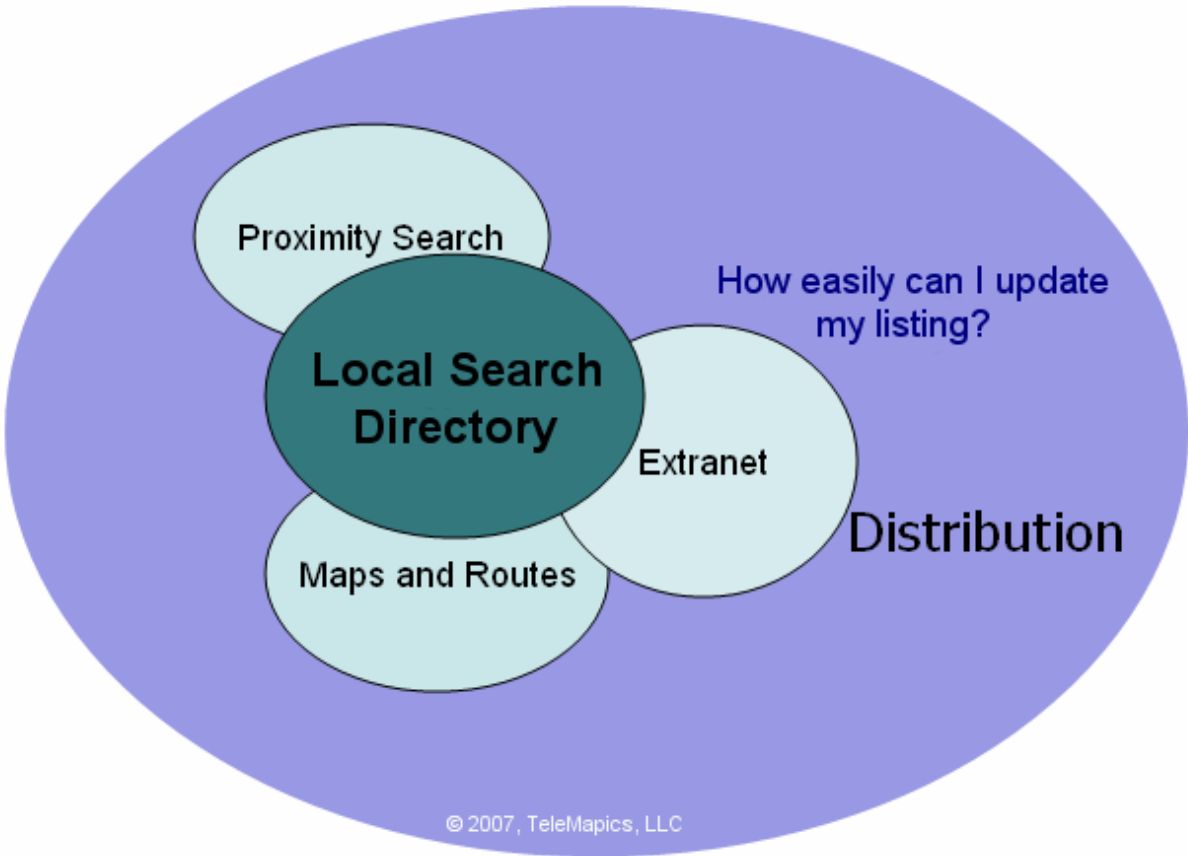
Message-gram 5. Adding “specials, discounts, coupons or promotions” to Local Search Directory listings available over cellular services can improve the conversion rate of sales to mobile customers through customized, micro-targeted advertising (time-based or place-based).



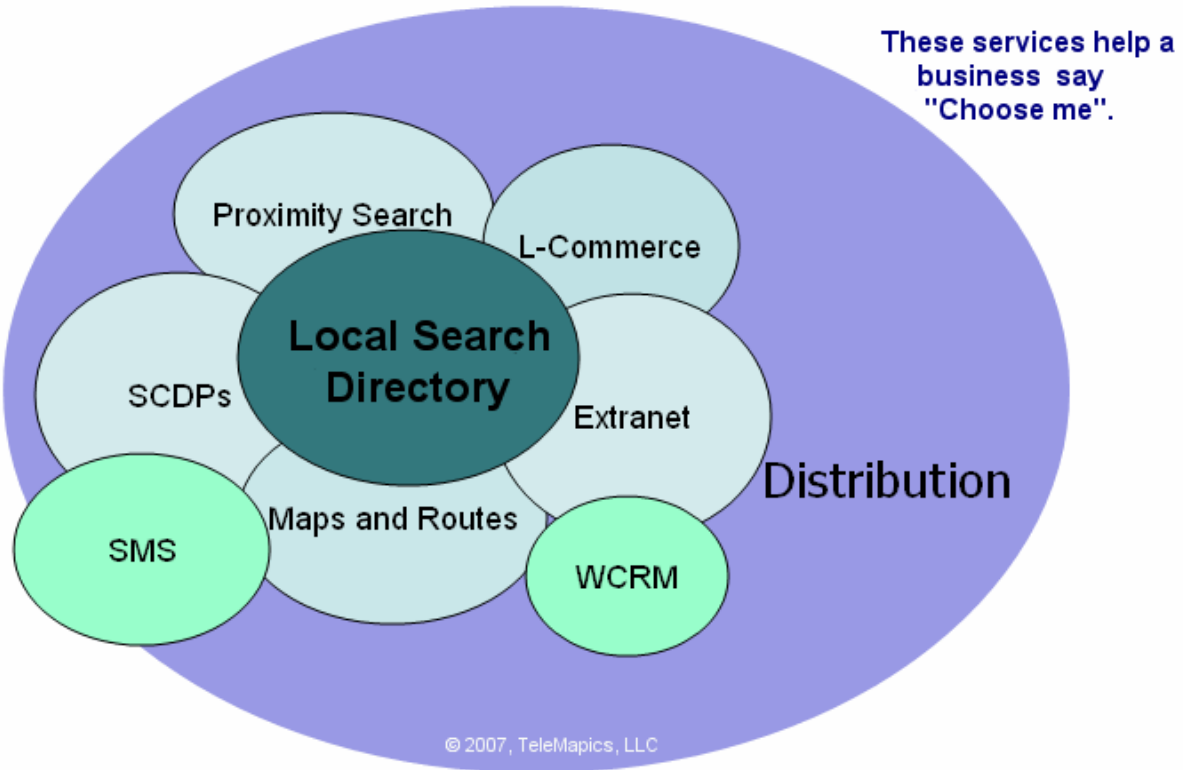
Message-gram 6. For customer-facing businesses there is always the desire to leverage existing relationships into ones that are more beneficial for both the business and the customer. Wireless CRM provides the capability to differentiate both customer incentive programs and customer service.



Message-gram 7. Preferred treatment is always a plus with customers. The ability to communicate properly targeted, just-in-time, special offers (while you are in the grocery getting something for dinner, the store sends you an SMS with a special offer on prepared meals) may allow businesses to up-sell consumers while gaining allegiance for making life a little easier. Note – this type of messaging is not based on ads in the Local Search Directory, but on direct customer contact.



Message-gram 8. The potential ease and speed with which advertisers can update their business listing and alter advertising pushed through the Local Search Directory will be a determining factor in the success of the market.



Message-gram 9. LBS will increase the segmenting and provisioning of buying opportunities, which should lead to increased sales and enhanced consumer loyalty. The mix of targeting capabilities provided by LBS will help a business employing these advantages to convince the mobile customer to choose them for a transaction.

If your business is interested in the LBS Market, contact TeleMapics at

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