

Lecture 3

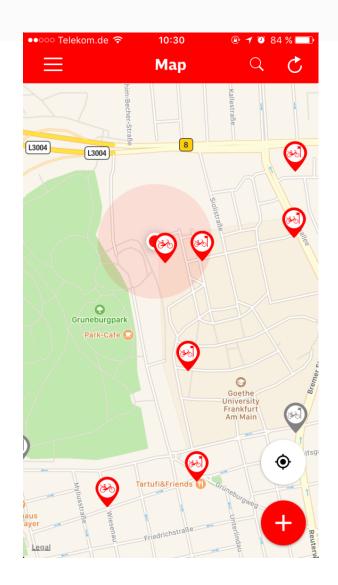
Application Domains I: LBS Business Models & Use Cases

Mobile Business II (SS 2023)

Dr. Ahad Niknia

Prof. Dr. Kai Rannenberg

Chair of Mobile Business & Multilateral Security Goethe University Frankfurt a. M.





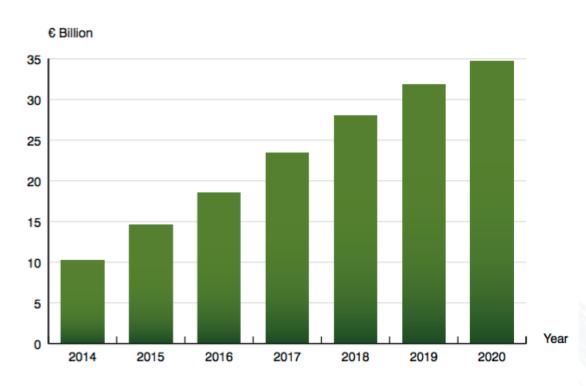


- Market Analyses
- Business Models
- Requirements for Location-based Services
- A Situation-dependent Business Model
- Examples of LBS Business Models



Mobile LBS Revenues Market Expectations 2014-2020

- Total LBS service revenues in the EU reached € 325 million in 2012 and forecasted to grow to about € 825 million by 2017
- And forecasted to grow to about
 € 34.8 billion in
 2020 worldwide.

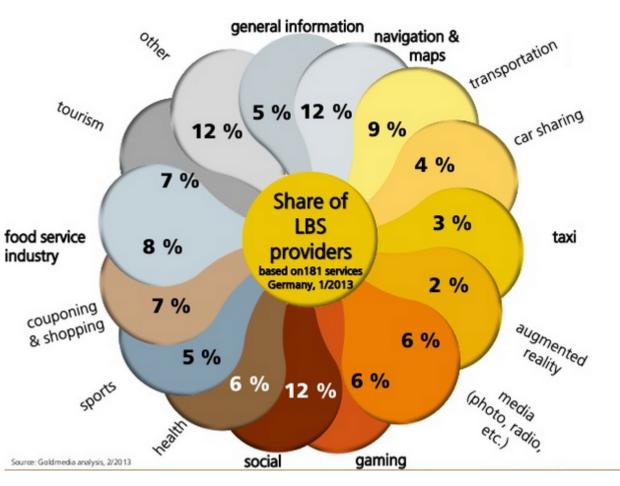


Mobile LBS revenue forecast, € billion (World 2014-2020)



LBS Market Segments

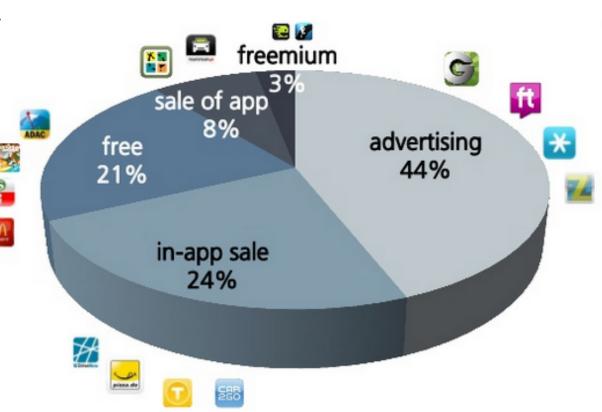
- LBS applications available in all market segments
- No distinct focus: LBS horizontally attractive





Share of LBS Business Models

 Almost half of LBS are adfinanced.



Source: Goldmedia analysis, 01/2013





- Market Analyses
- Business Models
- Requirements for Location-based Services
- A Situation-dependent Business Model
- Examples of LBS Business Models



Elements of a Business Model

(1) Value Proposition

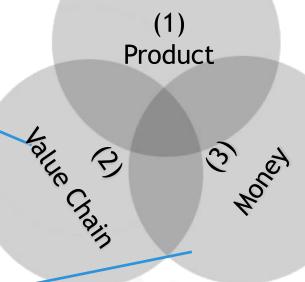
- How does the organisation benefit customers and partners?
- What are the advantages of players that are in relationship with the organisation?

(2) Architecture of added value

- How is the manufacturing of the output presented?
- In which configuration is the output produced?

(3) Revenue Model

- Which revenues will be generated from which sources?
- What are possible types and forms of revenue?





(1) Value Proposition

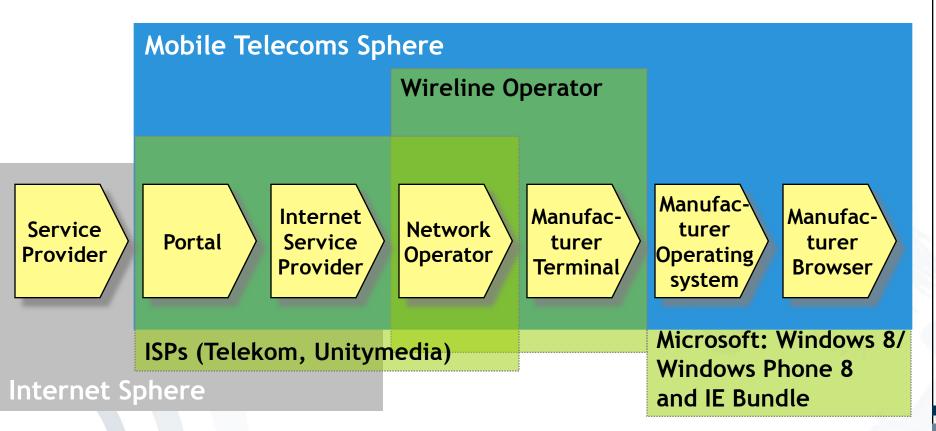
- Access to digital information services and products at any time and any place
- Location information can be used for enhancement of these services:
 - Ease of use
 - Enabling of new services
- As there are personal data involved there are high privacy requirements.
 - Especially when mobile (locationbased) services are provided in a distributed manner





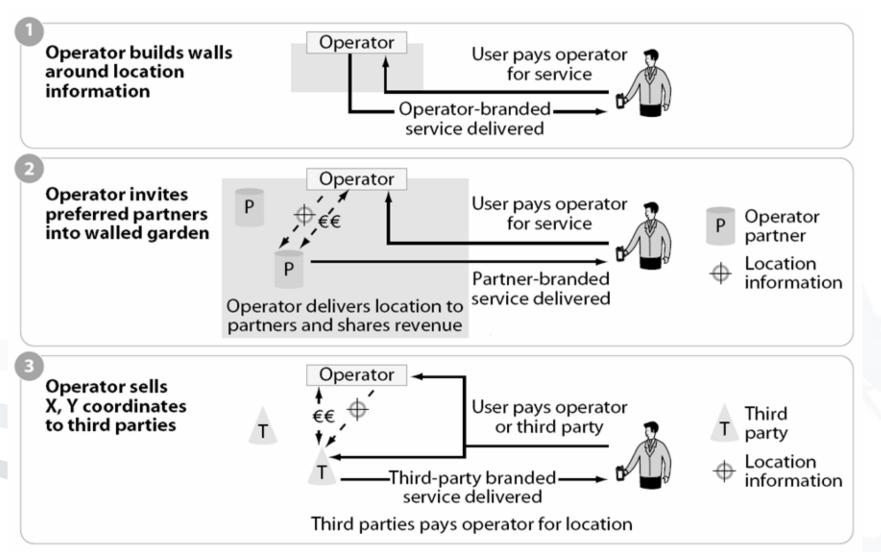
(2) Architecture of the Added Value

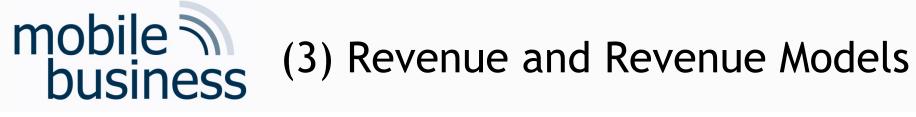
 Value chains to model the architecture of the added value.





Options for the Mobile Network Operator (MNOs)





Revenue models						
Subscription	Single transaction	Advertisements	Miscellaneous			

Revenue types						
Direct			Indirect			
Utilisation dependent	Utilisation independent		Via enterprise	Via state		
Single transaction depending on quantity or period of use	One-time	regular	e.g. advertisement, commission	Subsidisation		
	e.g. connec- tion fee	e.g. subscrip- tion, (broad- cast) fee				



Target Groups and Revenue Models

Teenagers

Little money available

Advertisement-based revenue models

Students

Little money available

Advertisement-based revenue models and services of the university

Business people

Money but no time

Information on Demand based on single transactions, services to save time



mobile Sources of Revenue for Mobile Network Operators (MNOs) in M-Commerce

Data (from customer)

Pricing dependent on medium, time (CSD, HSCSD) or quantity (GPRS, UMTS)

Mobile Services (from customer)

Single transaction (Download of ringtone) or subscription (news-subscription)

Commission (from service provider)

Commission based on turnover

Foundation Services (from service provider)

For the messaging of SMS, MMS or access on location information

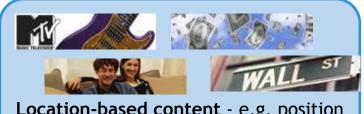


- Market Analyses
- Business Models
- Requirements for Location-based Services
- A Situation-dependent Business Model
- Examples of LBS Business Models



Requirements





Location-based content - e.g. position of friends, sights, banks etc.





Content (Points of Interest (POI))



Geographical information system
Mapping and editing

Service forwarding

Service initiation (at any place and any time)



Positioning (WGS84)

Network based

- Cell of Origin (Cell-ID)
- Time of Arrival (TOA)

Terminal based

- Enhanced Observed
 Time Difference (E-OTD)
- Global Positioning System (GPS)

Forms of transmission Voice:

- Call Centre
- Voice dialogue systems

Text based:

- Short Message Service (SMS)
- Multimedia Messaging Service (MMS)
- Wireless Application Protocol (WAP)



Geographical Information Systems

Mapping

Display of Points of Interest (POIs) in geographic context



444240 36 444240

Routing

Calculation of optimal routes from A to B considering different aspects (traffic, max. speed etc.)

Geo coding

Translation of addresses into geographic coordinates and vice versa



Digital Maps



- Digital copy of the geographic reality
- Combination of geographic information (e.g. path of a road) and meta-data (e.g. highway, country road, street name etc.)
- Different "layers" can be integrated into a purpose oriented combined map.
 - Roads
 - Buildings
 - Rivers
- Specialised providers for map maintenance, e.g.
 Navteq (owned by Nokia), Tele Atlas (integrated into TomTom), OpenStreetMap



Location-based Content

- Points-Of-Interest: positions of hotels, stores etc.
- Demographic data (via specific providers, e.g. Schober)
- Meta data can be derived from addresses via "Data-enrichment"
 - Rating of individual houses: type of building, address, neighbourhood etc.
 - Basic scores for e.g.: buying power, age group, social position, etc.







- Market Analyses
- Business Models
- Requirements for Location-based Services
- A Situation-dependent Business Model
- Examples of LBS Business Models



Advertisement-based Financing

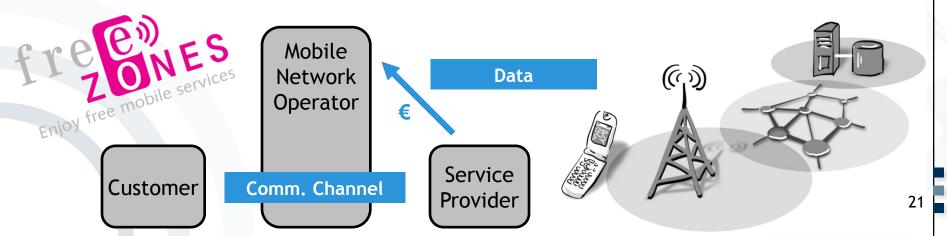
- Advertisement market
 - Market for advertising media in Germany: \$340 per person in 2014, ca. \$270 in 2001.
 - Mobile advertising spending in Germany is forecasted to increase from \$225 millions in 2012 to \$1.393 millions in 2016.
 - Mobile advertising and mobile marketing are a joint application area
- Earlier approaches hardly successful
 - GSM based media not attractive enough
 - Transfer of personal data to small/unknown enterprises necessary
- UMTS and the participation of established market players
 - mitigated trust problems
 - made the mobile channel usable for transmitting advertisements.





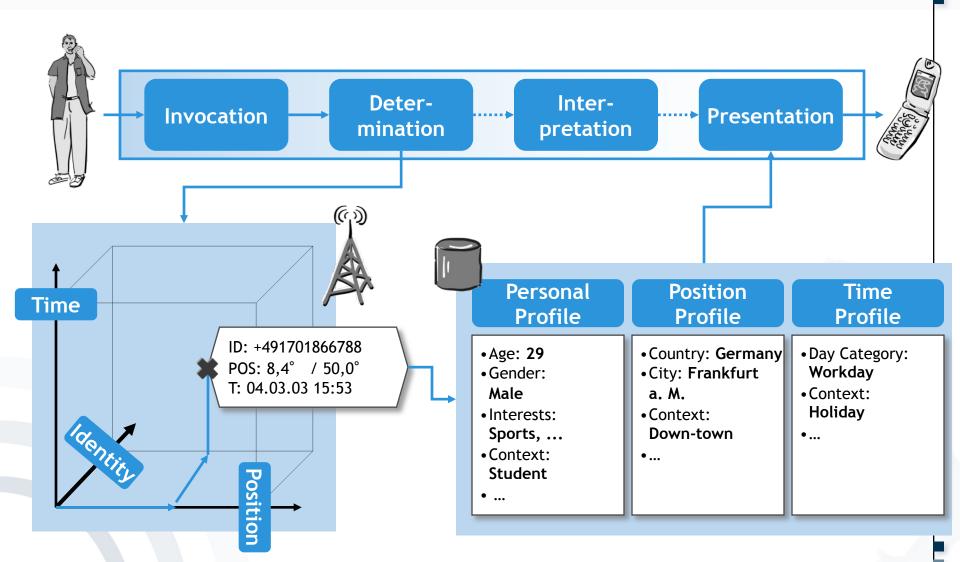
Developing a New Value Proposition

- Potential: Mobile network operators have a customer relation with more than 80% of the German population!
- Offering: Mobile network operators are providing service providers with a communication channel to potential customers.
- Motivation: Service providers gain higher, mobile initiated revenues in their business.
- Objective: Eliminating data costs for customers while making them marketing costs for service providers.



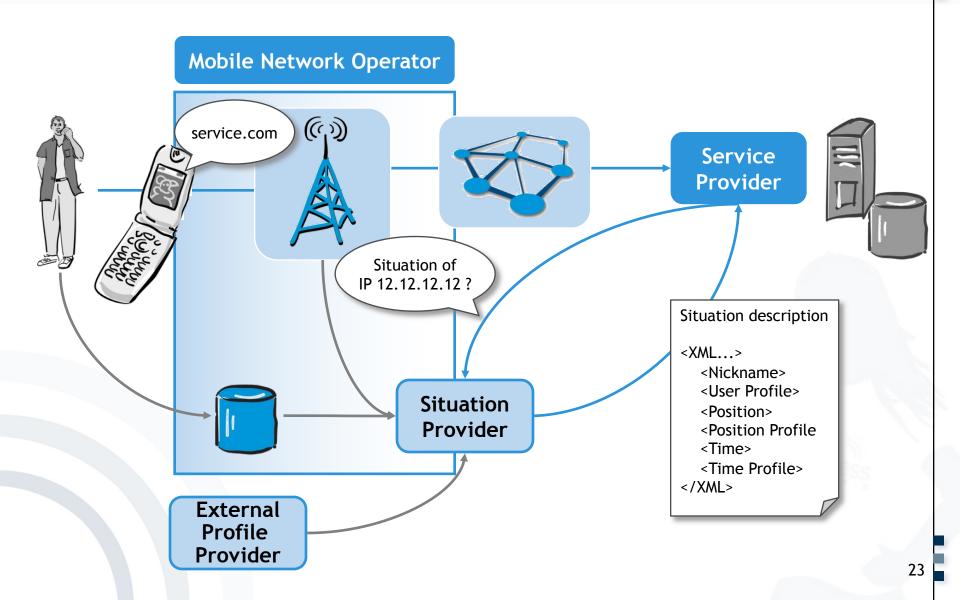


The "Situation Process"





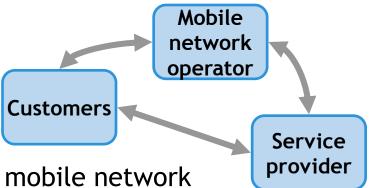
Situation Dependency and its Technical Implementation





Multilateral Security

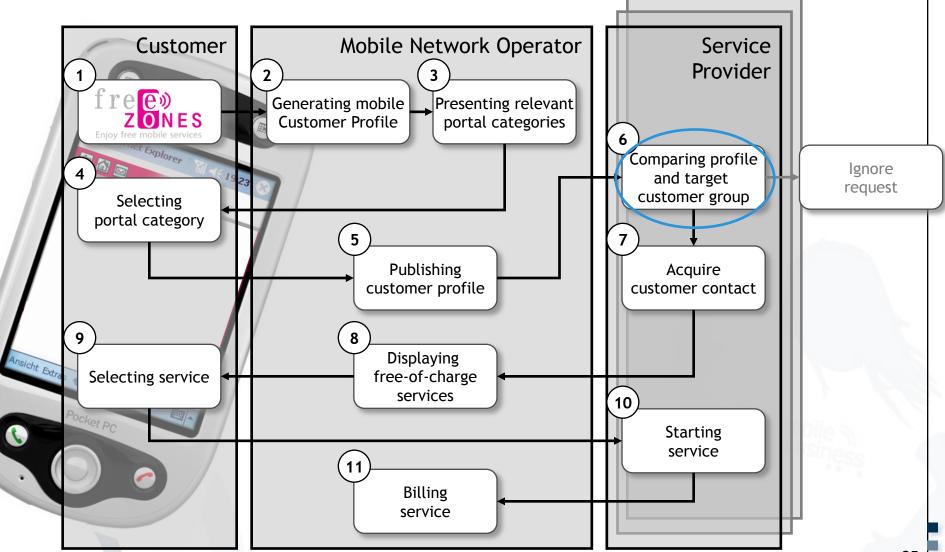
- Balancing of the security and information interests of
 - Customers
 - Mobile network operator
 - Service provider
- Interests of service providers and mobile network operators
 - Accessing and utilising of customers' personal data
- Why consider customers security interests?
 - Customers' trust and intensive use of the services
 - Investment buy-in and acceptance of continuous costs by service providers
 - ➤ Higher revenue for mobile network operators
- Precondition: mobile network operators provide self-administration of personal information to customers and service providers.







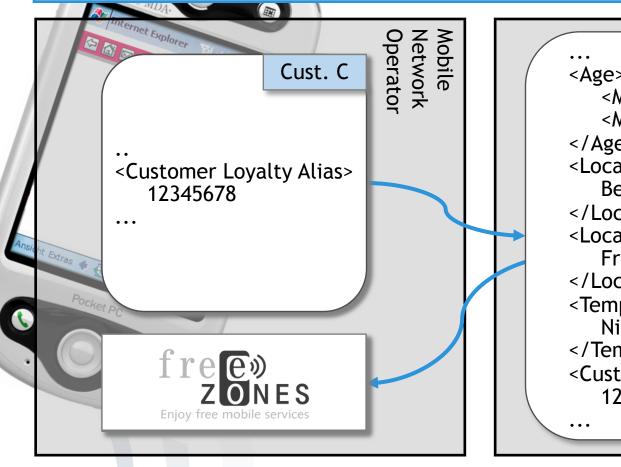
Dedicated Advertiser Location - Process Overview





Comparing Profile and Target Customer Group

- Customer: Selects portal category Food & Meals
- Mobile Network Operator: Generates customer profile and transfers it to relevant service providers (e. g. McDonalds, Coca-Cola etc.)
- Service Provider (example): McDonalds with branches in Berlin and Frankfurt



```
Service Provider
<Age>
   <Min>15</Min>
   <Max>35</Max>
</Age>
<Location>
   Berlin
</Location>
<Location>
   Frankfurt
</Location>
<Temporal Context>
   Night
</Temporal Context>
<Customer Loyalty Alias>
   12345678
```



Mobile Multimedia as Advertising Medium

Example: Distribution of a 30-seconds commercial spot

Television - RTL

- CPT for a booking on a Saturday morning in the childrens' program of RTL: € 0,12
- CPT for a booking at a simulcast of a popular sports show at primetime: € 154,00
- CPT: € 0,12 154,00

UMTS-Streaming

- Assumptions:
 - Resolution 128x96 Pixels (ITU H.261)
 - 15 frames/sec. in an MPEG4 coding
 - Mono Audio channel in a mp3 coding
 - Average necessary bandwidth 64 kbps
- 30 seconds x 64 kbps add up to 234 KB broadcasted data volume
- Current GPRS rate: € 0,20 per megabyte
- So the transmission costs € 0,0468
- CPT: € 46,80

Preset costs based on assumptions and statistical analyses

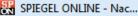
Variable costs based on matching of Customer profiles



Not the same model, but related ...











FierceWireless

Europe

NEWS TOPICS ANALYSIS FEATURES LIBRARY EVENTS JOBS MARKETPLACE

FOLLOW US 🔽 🗐





Topics: Content | Mobile Operator News | Operator Strategies

Telefónica withdraws 'Big Data' service from German market

November 2, 2012 | By Paul Rasmussen

Teltarif de

SHARE

Email

Telefónica's O2 Germany said it has no plans to sell anonymous customer location data to retailers there after the operator received strong pushback from the government following consumer privacy worries.

The company says its "Smart Steps" service, which aims to interpret, analyse and

organisations, is not expanding to Germany. "Privacy and customer satisfaction is

a top priority for Telefónica, and after feedback from our customers we have now

decided not to introduce Smart Steps in Germany," a company spokesperson told

then sell the anonymous data of O2 customers to retailers and public sector

18





Share



This comes after Telefónica Digital announced last month that its newly formed Dynamic Insights unit would shortly offer anonymous customer data--often known as Big Data--to organisations in the UK, Germany and Brazil. Trials of Smart Steps were said to be underway in the UK with a launch expected this month.



EMAIL ADDRESS



Get FierceWireless:Europe via twice-weekly email and save time following the European wireless industry. Sign up today!

POPULAR STORIES

MOST READ | MOST SHARED

Will LTE speeds be able to keep up with rising demand?

Analyst: 98% of operators say small cells are essential for the future

Analyzing the world's 11 biggest handset makers in Q3 2012

Infonetics: Nokia Siemens climbs LTE vendor rankings in Q3

Nokia buoyed by Lumia 920 deal with China Mobile



- Market Analyses
- Business Models
- Requirements for Location-based Services
- A Situation-dependent Business Model
- Examples of LBS Business Models



Categories of LBS

Navigation:

 Navigational Services: Navigation on mobile phones. Some interactive information services;

• *Tourism*: Spare-time services for non-daily environments.

Community:

• Friend finder: Social service with high lock-in;

Dating: Location-based partner discovery and dating;

• Price Finder: e.g. for cheapest Gas Station

Security & Safety: • *Safety & Emergency*: 112 localization, emergency tracking, disaster warnings;

• Law enforcement: localization for law enforcement

Entertainment:

Games: Mobile Gaming with location component.

Information:

 Cultural information: Information service for Locationbased spare time planning;

• Financial Services: Location-based services with local financial information and services.

 Medical Emergency Services: Location in medical emergencies;



Former Navigation Services T-NaviGate

- GPS positioning
- Server-based route planning
- Transmission of the route
- Guiding via mobile phone
- Traffic jam update via GPRS/UMTS
- Since V 2.6 also pedestrian navigation





Former Navigation Services T-NaviGate - Costs

- Costs for standard mobile subscription and data service
- Costs for the NaviGate Service
 - Germany:
 - 0,99 € per day
 - 4,95 € per month
 - Europe: 2,99 € per day



More Recent Navigation Services Navigon

- Navigon uses offline maps and GPS for navigation.
- No data connection required
- Business Models:
 - Navigon Select (Free for Deutsche Telekom customers)
 - D-A-CH local mobile map for Germany, Austria, Switzerland and Lechtenstein
 - Navigon Europe (79,99 €)
 - In-app purchases (traffic, 3D, etc.)

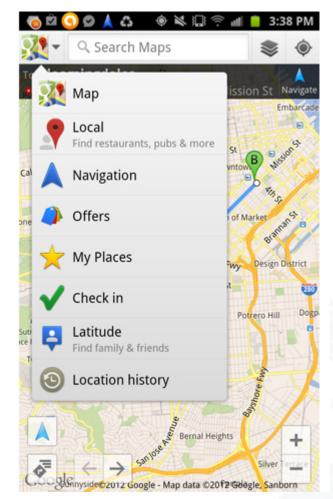






More Recent Navigation Services Google Maps

- Google Maps
 - Navigation based on GPS, online maps and traffic conditions
 - Data connectivity required
 - Traffic flow information based on the speed of other cars
- Business Models
 - Free app
 - Ad-financed





Navigation through Buildings

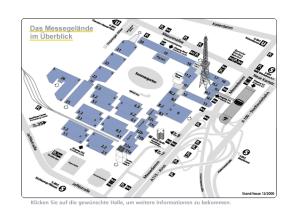
- Navigation in buildings, on fairs, in museums with PDA or smartphones
- Two possible scenarios:
 - Active Navigation (WLAN, Bluetooth)
 - Passive Navigation (QR-Codes)

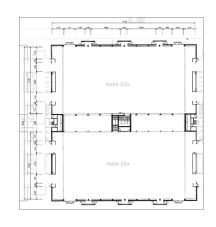






Navigation through Buildings: Information on Different Levels







Territory plan
Index of exhibitors
Index of products
Newstickers for fairs

Plans of the hall Subject areas Forums Hall-Newsticker

Stall plans
Exhibits
Corporate infos
URLs



Indoor Navigation Active Indoor Navigation

Value added services with position sender (WLAN, Bluetooth)







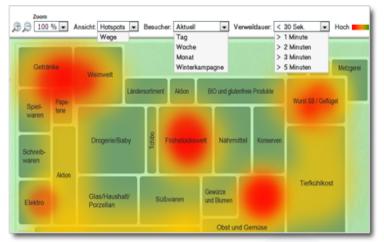
Indoor Navigation Active Indoor Navigation

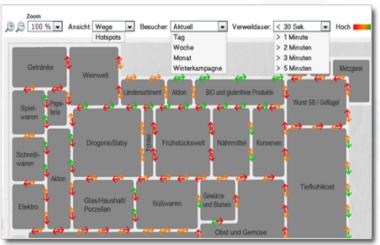
Advantages:

- Measuring customer flows and behavior at the POS / POI (e.g. length of stay or hotspots)
- Notification services
- Locating staff or equipment
- Recognition of customers

Disadvantages:

- WLAN of customers must be active
- WLAN Access Points needed









Indoor Navigation Passive Indoor Navigation

- QR Codes are based at fixed locations.
- When the phone scans the QR Code it reveals the fixed user position to a service and thereby allows the delivery of location based content.







Indoor Navigation Passive Indoor Navigation

Advantages:

- Low setup costs and cheap to run
- Available without additional app
- Sufficient for a rough positioning

Disadvantages:

- Only fixed locations
- No measurement of customer flows or frequencies
- Users must have a QR-Code reader



Services for Security/Safety

- Location identification during emergency calls via mobile phone in the USA and EU: E911 and E112
- Emergency Tracking
- Disaster Management
- Law Enforcement



USA: E911

Emergency Call Localization (1)

Wireless Communications and Public Safety Act of 1999 (911 Act):

Improvement of 911- emergency calls and transfer of information about the location to control centers of all licensed mobile radio networks and other networks.

2 phases:

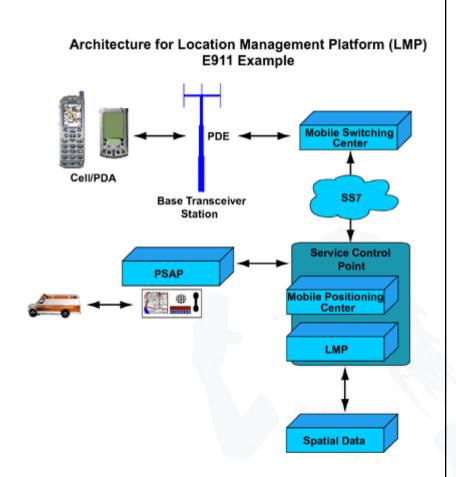
- Phase 1, January 2004:
 Mobile radio operator delivers number and cell information to the control station
- Phase 2, December 31st, 2005:
 All sold new mobile phones must possess localization technology; 100% of the network area / of the users must deliver information about the location.



USA: E911 Emergency Call Localization (2)

In this E911 example, the Mobile Positioning Center gathers location data from Position Determining Equipment located on the cell tower.

The Service Control Point uses the Location Management Platform to translate the location of the E911 call to the corresponding Public Safety Answering Point, ensuring that the emergency call is properly routed.



[Source: www.mapinfo.com]





EU: E112 (1) eCall

- eCall (short for emergency call) is an emergency call system for motor vehicles planned by the European Union as a project of the eSafety initiative.
- Its purpose is to rapidly initiate rescue measures to reduce the number of road deaths and reduce the severity of injuries in road traffic.
- eCall will be available to all citizens free of charge.





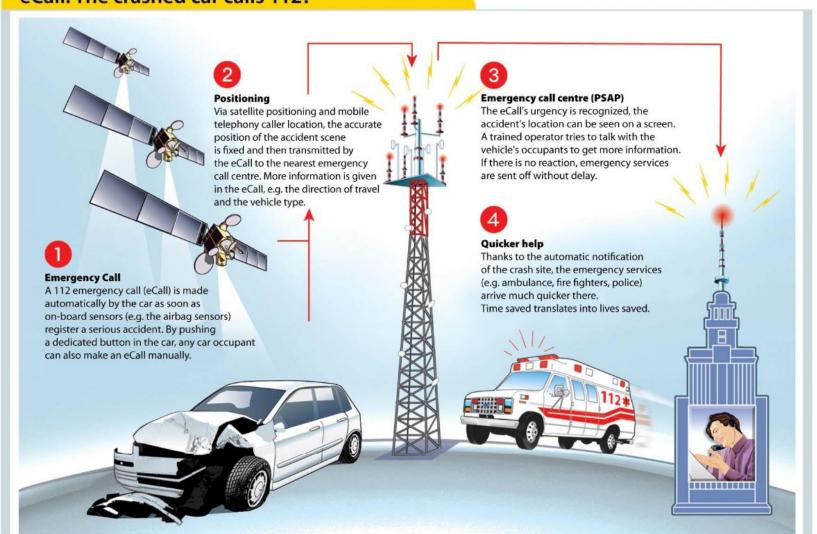
EU: E112 (2) eCall - Timeline

- The concept of eCall was presented in 1999 by European civil servant Luc Tytgat, at the launching of the Galileo project, by the European Commission.
- In 2007, the project was delayed.
- In 2011, the project was pushed again by the European Commission.
- In the summer of 2013 the project was adopted and the corresponding Regulation (EU) 2015/758 was published on May 19, 2015.
- The eCall infrastructure was made available on October 1, 2017.
- The system is mandatory for all new models of cars and light commercial vehicles as of April 2018.
- E.g. BMW, Volvo and PSA had SOS systems even before 2018.



EU: 112 (3) eCall

eCall: The crashed car calls 112!



46



EU: E112 (4)

- Differentiation between traffic information and location information
- Explicit consent and right of withdrawal of the users with commercial localization services
- Emergency calls get location information without consent, partly still incompletely defined.
- Many technical and legal questions are still open: Europe-wide roaming, differences in national data protection, compatibility of locating techniques, MNO spanning location information exchange, compatibility of the technology in emergency call centres.

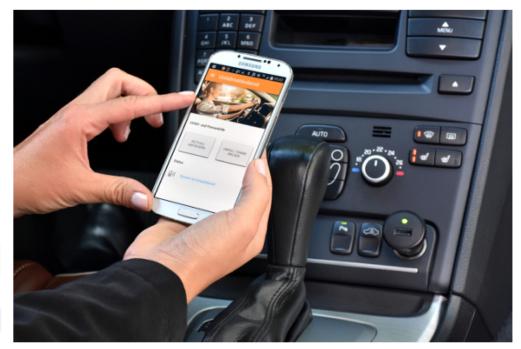


EU: Commercial eCall Alternative

eCall-Alternative

Versicherer starten eigenes Notruf-System

16. März 2016



Die deutschen KfZ-Versicher bringen ein Konkurrenzsystem zum eCall auf den Markt. Bild: GDV

See: http://www.car-it.com/versicherer-starten-eigenes-notruf-system/id-0045556 and http://www.versicherungsmagazin.de/Aktuell/Nachrichten/195/22307/Assekuranz-plant-Einstieg-in-neues-Geschaeftsfeld.html

- Operated by a service firm of the GDV (Gesamtverband der Deutschen Versicherungswirtschaft) and offered by car insurance companies
- Car adapter (12V) that recognizes the collision and its impact
 - If collision is registered, smartphone app gets the information and shares it with the emergency call center (including last location and direction of drive).



- Car renter ACME equips cars with GPS & GSM.
- \$150 contract penalty on speed limit violation.
- Model for the state-run driver control?
- Commercial utilization of the traces?

Driver Control

Global Positioning System (GPS)

The GPS is a constellation of 24 satellites

The searth. These satellites are

the GPS receiver integrated into AirlQ OnBoard™, which determines a latitude and longitude "fix" and also calculates the differences in "fixes" to immediately calculate speed and direction.



Vehicle Fleets

AirIQ OnBoard™ is installed into each vehicle. A computer processor, GPS receiver and wireless transceiver are integrated into each OnBoard™ unit.

AirlQ OnBoard™ and AirlQ OnLine™ communicate via wireless networks.

AirlQ OnLine™ is housed within AirlQ's Network Operations Centre, the nucleus of the AirlQ solution. This messaging switch captures information and facilitates its flow. AirlQ OnLine™ manages all of the communications between vehicles equipped with AirIQ OnBoard™ and fleet managers via the Internet. This powerful system is capable of managing millions of vehicles with full security for each fleet.



Fleet Management Environment

Fleet managers can access information about their vehicles in real-time by communicating with AirIQ OnLine™. Using a standard Internet browser, AirlQ OnLine™ incorporates a windows-based graphical user interface (GUI) and digitized mapping, which provides an easy-to-use look and feel. Pulldown menus and quick-buttons give rapid access to the main functions of the system, all with the single click of a mouse.



[Source: www.airlQ.com]



Child Watch (1)

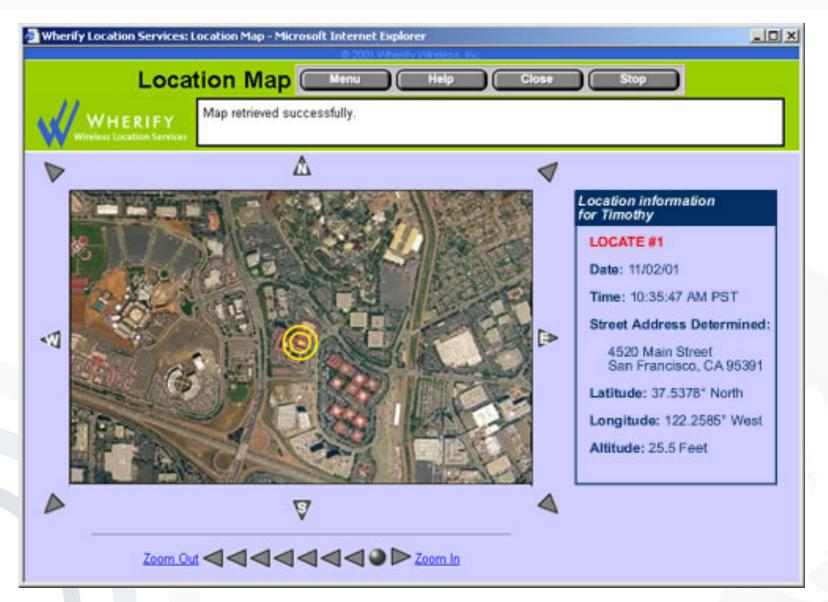
- Children have GSM-GPS system on wrist.
- Price: 199,99 US\$
- Example Service Plan: "Liberty" (19.95 US\$ / Year > 4 free calls, any further call 15 US\$, 3 free positioning, additional ones 0,95 US\$)







Child Watch (2)





German Corona-Warn-App

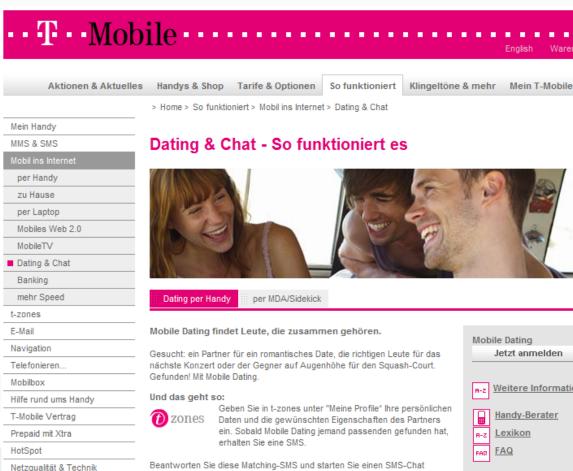
- German Corona-Warn-App launched in June 2020
- Technical architecture (centralised versus decentralised) fiercely debated prior to launch
- As a result, it is now one of the most privacy respecting tracing apps.
- April 2021: new features announced
 - 1) Results of rapid antigen tests ("Schnelltests") are directly insertable.
 - 2) "Event function" for restaurants, bars, etc. (similar to the Luca-App)





T-Mobile Widget

Former Dating Services T-Mobile-SMS-Dating



mit Ihrem Partner - natürlich anonym und per Nickname. Jetzt können Sie sich

Per SMS-Chat mit alten Freunden chatten und neue Freunde finden! Auch das geht. Einfach Chat-Kanal abonnieren - oder selbst einen Chat-Kanal anlegen - Nickname festlegen und los geht's. Hier geht es zum SMS Chat. Eine Chat SMS kostet 0,29 €. Für alle weiteren SMS, wie z.B. Hilfe,

Anmeldung und Verwaltung des Dienstes werden die im gebuchten Tarif

verabreden. Sollte der Kontakt nicht Ihren Vorstellungen entsprechen, sperren Sie unter "Meine Dates" einfach diejenigen Nicknames, von denen Sie

keine weiteren Nachrichten mehr erhalten möchten.

üblichen SMS-Preise für netzinterne SMS abgerechnet.

Mobile Dating Jetzt anmelden Weitere Informationen Handy-Berater Lexikon



Former Dating Services T-Mobile-SMS-Dating

Matching-SMS

- Informs about matching dating partners
- Contains nickname, sex, age, zip code and flirt text of the partner.

Chat-SMS

 Via a chat-SMS one can contact a dating partner directly and anonymously.



Former Dating Services T-Mobile-SMS-Dating

- Matching-SMS 0,19 Euro
- Chat over GSM/GPRS connection
- Forwarding into SMS album 0,19 Euro
- Notice: Matching-SMS are generated by the dating system, so costs are generated for actions initialised externally.
 Location matching is made via zip codes.



More Recent Dating Services Tinder

 Using Facebook Connect allows Tinder to access basic profile information about users (e.g. picture, age, name).



- During the initial state only the pictures of users are provided. By swiping left or right the user decides whether he likes the picture or not.
- Only after both users have classified the picture of each other as attractive, profile data will be exchanged and chat will be possible.
- To optimize dating proposals, location data plays a major role. Tinder uses GPS to propose only people in a radius of the user's choice (e.g. 50 km).



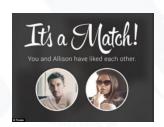
More Recent Dating Services Tinder - Business Model

- Since 2012 Tinder is available as free app.
- In March 2015 the service was transformed into a freemium business model:



- Number of likes has been limited (additional likes can be acquired with in app purchases).
- Tinder Plus allows users to change their location manually (user input instead of GPS), as well as change their geographic location.
- Tinder Gold additionally lists received likes, for a significantly higher price.







Former Friend Locators Mobiloco Buddy Alert



Login

Vorwahl

~

Handynummer

Passwort

OK

Passwort vergessen?

ANMELDUNG

MOBILOCO Buddy Alert.

Jetzt anmelden!

BUDDY ALERT

DATE MAKER

MOBILE MARKET

Mit dem Buddy Alert fragst du per Handy ab, ob deine Freunde in der Nähe

sind. Funktioniert mit jedem Handy, einfach per SMS. Du kannst einzelne Freunde sowie Gruppen mit bis zu vier Mitgliedern lokalisieren.

In der City beim Shoppen oder abends auf der Piste: Der Buddy Alert sagt dir, welche Freunde in deiner Nähe sind. Auch praktisch: zu wissen, wie weit die Freunde entfernt sind, während du an einem Treffpunkt wartest...

Sind deine Freunde in Nähe?



SERVICE

Aktuelles

Bonus-Programm: 10 Abfragen gratis!

Mobile E-Mail: <u>Jetzt</u> auch für dein Handy

DER FILM



Der Buddy Alert funktioniert netzübergreifend, bei Vodafone D2 und o2. Als Vodafone-Kunde kannst du also auch Freunde bei o2 orten und umgekehrt. In Kürze werden auch die übrigen deutschen Netzbetreiber angeschlossen.

Den MOBILOCO Buddy Alert kannst du per Abo oder per Einzelkauf nutzen. Beim Abonnement zahlst du eine Gebühr von nur 2,99 €/Monat. Dafür hast du monatlich fünf Einzelabfragen und fünf Gruppenabfragen frei, um bis zu 25 Freunde zu lokalisieren. Weitere Abfragen kannst du jederzeit online erwerben. Wenn deine Freunde dich orten, informieren wir dich kostenlos. Das Abo hat keine Mindestlaufzeit, du kannst es jeweils zum Monatsende kündigen. Jetzt anmelden!

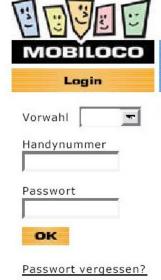


Former Friend Locators Mobiloco Buddy Alert

SERVICE

Anmeldung

Schritt



BUDDY ALERT MOBILE MARKET DATE MAKER Anmeldung Mit dem Buddy Alert fragst du per Handy ab, ob deine Freunde in der Nähe sind. Funktioniert mit jedem Handy, einfach per SMS. Du kannst einzelne Freunde sowie Gruppen mit bis zu vier Mitgliedern lokalisieren. Abonnement* 2,99 € Abo-Gebühr/Monat Keine Abo-Gebühr 5 Einzelabfragen inkl. 0,50 € pro Einzelabfrage 5 Gruppenabfragen inkl. 1,00 € pro Gruppenabfrage Keine Abo-Mindestlaufzeit Wechsel zum Abo auch · Abo monatlich kündbar nachträglich möglich * Abfragen stehen monatlich ** Abfragen müssen vorab automatisch zur Verfügung online gekauft werden

Netz / Provider auswählen

Zur Anmeldung gib bitte zuerst an, in welchem Mobilfunknetz und über welchen Service-Provider du mobil telefonierst.

Netz / Provider | T-Mobile / T-Mobile | -

WEITER

Tipp: Dein Mobilfunknetz wird in deinem Handydisplay angezeigt. Dein Provider steht auf deiner Mobilfunkrechnung bzw. auf deinem Pre-Paid-Kartenvertrag.

Beim MOBILOCO Buddy Alert zahlst du **keine besonderen SMS- bzw. WAP-Gebühren**. Für die Nutzung fallen zusätzlich nur die netzinternen SMS- bzw. Minuten- / Volumenkosten gemäß deines Mobilfunk-Tarifs an. Im Internet fallen zusätzlich die Zugangs- und Nutzungsgebühren des jeweiligen Anbieters an.

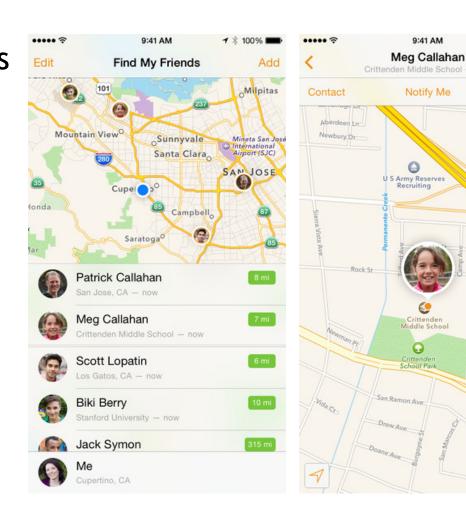


More Recent Friend Locators Apple Find My Friends

Find My Friends allows to locate, share and track locations of friends and family members

Business Model:

Free app



[Sources: iTunes "Find my friends"]

More..



More Recent Friend Locators Life360

Life360 allows to locate, share and track locations of friends and family members with more functionalities

Business Model:

- Life360 operates as a freemium app
- Users can pay for extra features per month.



[Sources: iTunes "Life360"]

mobile solutions

Taxi apps



- Several apps for calling taxis
- FREE NOW (previously mytaxi) available in several countries
 - Search taxis nearby
 - Estimate the price for the route
 - "Slide-to-pay" mobile payment also possible
 - Bill sent to customer's email
 - Customer pays nothing extra
- Development of the business/price model:
 - Fixed fee: driver pays 0.79 € per fare.
 - Possible to leave tip for the driver (5%, 10%, or 15% Driver pays an additional 0.21 € + 3.9% of the tip for the service.)
 - Expanded to offering rental cars with drivers in addition to taxis
 - Changed twice after an auction model had led to highly negative responses and false incentives
 - Then fee equal to 7% of the price of the fare

...





Uber is a car pick-up service that allows consumers to submit a trip request, which is routed to third parties that fulfil this request

•Advantages:

- Hiring and payment is handled through Uber and not personally
- Usually cheaper than competitors in the passenger transport sector

Disadvantages:

- In times of soaring demand, prices may rise above the level of competitors (surge pricing)
- Privacy: Uber extensively collects data on its drivers and customers

Business Model:

Dynamic pricing based on real-time demand and traffic

Current Status:

- Originally relied on private drivers that often drove without official authorization. This model was banned in Germany in March 2015
- The new business model focuses on linking customers with professionally licensed drivers and fixed up-front pricing



Future of the Mobility Age | I

After going public in May 2019, Uber has a total market capitalization of \$50 billion as of April 2020

- Why is this company worth so much? (Valuation higher than national product of 60% of all nations worldwide, ranked before Croatia or Luxembourg)
 - "When there's no other dude in the car, the cost of taking an Uber anywhere becomes cheaper than owning a vehicle. So the magic there is, you basically bring the cost below the cost of ownership for everybody, and then car ownership goes away." (Travis Kalanick, CEO Uber)



Future of the Mobility Age | II

This quote highlights the most important ideas:

- 1. Highest share of costs is for the drivers ("the other dude in the car")
- 2. Autonomously driving cars create the possibility to cut this cost
- 3. "Taking an Uber" (using the service) would be so cheap that it would not be beneficial to own a car on your own anymore (think about the devastating consequences on the German car manufacturers)
- → Uber's valuation is based on their knowledge about the driving behavior of millions of customers and their position in developing autonomous cars



Short-term rental of vehicles

- Car-sharing is a model of car rental where people rent cars for short periods of time.
- Example 1: ShareNow
 - A German car rental company, servicing > 15 European cities
 - Created from the merger of BMWowned DriveNow and Daimler-owned car2go
 - Business model: charges per minute rate
 - A location-based system accessible form a smartphone app
 - Users can locate and reserve a car using the app.
- Example 2: Book-n-drive
 - Accessible through their locationbased apps
 - Business model: charges per hour







https://www.book-n-drive.de/unternehmen

Carsharing

book-n-drive



Short-term bikes

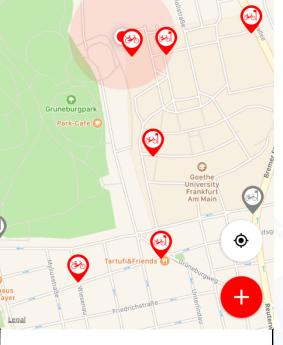
- To rent bikes for a short period of time
- Example: Call a Bike from Deutsche Bahn (DB)
 - Accessible from the official app called Call a Bike
 - The app locates the available bikes in the nearby based on GPS information.
 - Two available plans, with or without subscription:
 - No subscription: No flat fee, 1€ every 15 minutes (max. 9€/day)
 - Subsciption: 5.90€/month, 30 min/day free, then 1€ every 30 minutes
 - Three stages involved: hiring, locking temporarily and returning
- Other examples include
 - nextbike (1€ for 15 minutes)
 - Byke.de (defunct)
 - oBike (defunct)











Map



Price Comparison Communities





- Find the nearest gas station
- Based on community effort



Further (possible) services |1

- Payment via mobile phone
 - Ticketing for events
 - Location dependent payment
 - Mobile office with instruments for travel payment via mobile
- Information
 - Announcements on events
 - Promotions
 - Sales
 - Pollen warning
 - Catalogues at trade fairs
- Access control
 - Netflix policies based on location



Further (possible) services |2

- Positioning
 - Naval management
 - Parcel tracing
 - Personal tracing
 - Child-Watch (e.g. integrated in toys)
 - Friend-Finder (Community)
 - Games (e.g. Gotcha)
 - Breakdown service
 - Prohibited areas

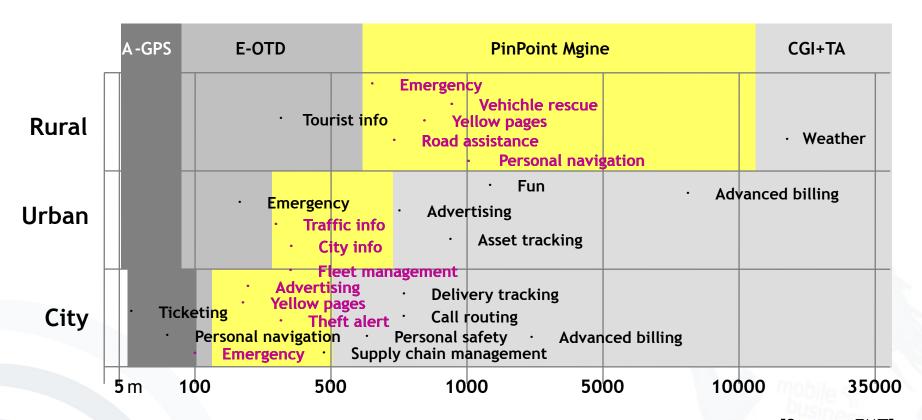


Services and Precision

Application	Entry level accuracy requirements	Mass acceptance accuracy requirements	Customised device required?	Objective	Location frequency
Location Sensitive Billing	Cell/Sector	250m	No	Competitive Pricing	Originated calls, received calls, mid-call
Roadside Assistance	500m	125m	No	Send help	Originated calls
Mobile Yellow Pages	Cell/Sector	250m	No	What's near me?	Originated calls
Traffic information	Cell/Sector	Cell/Sector	No	What's traffic like?	Originated calls or every 5 min.
Location based messages	Cell/Sector	125m	Short message or data capable	Advertise, alert, inform	Originated calls or every 5 min.
Fleet tracking	Cell/Sector	30 - 125m	No	Resource management	Every 5 min. or on demand
Track packages	Cell/Sector	Cell/Sector	Yes	Locate and direct	On demand
Driving directions	125m	30m	No	Guidance	Every 5 sec.



Services and Precision



[Source: EMT]





- Each service can be ordered both automatically and on demand.
- When and in which way do I want to get informed when I visit a certain location?

Profiles vs. privacy

mobile no business

Literature

- Albers, A.; Figge, S.; Radmacher, M. (2005)
 LOC3 Architecture Proposal for Efficient Subscriber Localisation in Mobile Commerce Infrastructures, in: Proceedings of 2nd IEEE International Workshop on Mobile Commerce and Services (WMCS'05); München
- Daner, P. (2000) The Global Positioning System Overview, www.colorado.edu/geography/gcraft/notes/gps/gps_f.html
- Fritsch, L. (2005)
 WiFi hot spot superdistribution: a profit scheme for WiFi access distribution, Institut für Wirtschaftsinformatik, Frankfurt am Main.
- Fritsch, L. and Muntermann, J. (2005) Aktuelle Hinderungsgründe für den kommerziellen Erfolg von Location-based Service-Angeboten, Proceedings der Konferenz Mobile Commerce Technologien und Anwendungen (MCTA), Bonn, Gesellschaft für Informatik
- Fritsch, L. and Scherner, T. (2004)
 A Multilaterally Secure, Privacy-Friendly Location-based Service for Disaster Management and Civil Protection, Institut für Wirtschaftsinformatik, Frankfurt a. M.
- GUPTA, N. C. (2013). Inside Bluetooth Low Energy.
- Lindner, T.; Fritsch, L.; Plank, K. and Rannenberg, K. (2004)
 Exploitation of Public and Private WIFI Coverage for New Business Models, Proceedings of the 18th IFIP World Computer Congress, Toulouse, France, 22.-27. August 2004, pp. 131-148.
- Schiller, J.; Voisard, A. (2004) Location Based Services, Morgan Kaufmann, ISBN 1-55860-929-6
- Zeimpekis, V.; Giaglis, G. M. and Lekakos, G. (2003)
 A Taxonomy of Indoor and Outdoor Positioning Techniques for Mobile Location Services, ACM SIGecom Exchanges (3:4), pp. 19-27.