

THE NEW CONVERSATION EXPERIENCE

IT'S TIME TO REINVENT
COMMUNICATIONS

STRATEGIC WHITE PAPER

Communication services have come a long way from just voice. Today, multimedia and social media conversations play huge roles in our connected world – at home, at work and on the go. Communication evolution goes hand-in-hand with improvements in technology, but more technology doesn't necessarily equate to a better conversation experience. The tumultuous growth of technology, fueled by the Internet, has brought us to the point where technology proliferation threatens to overwhelm our ability to have a simple conversation. As important as developing new technologies is the need to refine them to meet people's evolving needs. We need conversations that are easy, intuitive, personal, and always available. In essence, we need a new conversation experience.

TABLE OF CONTENTS

- 1. It's apps that captivate / 1
- 2. What's the trouble? / 1
- 3. Invigorating lives with new conversation experiences / 1
- 4. Enabling people to connect, share and organize conversations / 2
 - 4.1 Connect / 2
 - 4.2 Share / 2
 - 4.3 Organize / 2
- 5. Making conversations effortless with enriched voice / 2
- 6. Deepening the conversation with living video / 3
- 7. Staying in touch with intuitive messaging / 3
- 8. Building a community / 4
- 9. Embracing open innovation / 5
- 10. Delivering on the promise / 6
- 11. Partner with Alcatel-Lucent / 6
- 12. Acronyms / 7

1. IT'S APPS THAT CAPTIVATE

As an industry, we are facing two fundamental imperatives. We need to connect a rapidly-changing global culture with intelligent, next-generation networks, and we need to captivate this culture with the devices and services that fulfill the new potential of these networks. In the past, emphasis has primarily been on the connection. These days, however, the connection is not enough. If you cannot also captivate the imaginations of users, the connection will become a mere commodity — a by-product of the brands that are doing the captivating.

To become the brand that both connects and captivates users, to become the brand that users identify with value worthy of their loyalty and money, operators need to actively create and deliver the best experience. Conversations should be simple, convenient, intuitive and always available. This is accomplished by getting technology out of the way so people can communicate naturally with one another. And it's done by providing better content, services and applications: it's apps that captivate.

2. WHAT'S THE TROUBLE?

Conversations used to be as simple as speaking or picking up the phone, but today they have become convoluted and complex, with overlapping channels of Short Message Service (SMS), Multimedia Messaging Service (MMS), e-mail, Instant Messaging (IM) and voice mail. Conversations are less personal but far more frequent, and they're fragmented among our various devices and networks, requiring us to spend more time managing and prioritizing messages.

The emergence of SMS and MMS, rising Internet use, and the growing popularity of social networking services underscore the fact that our definition of what a conversation is, is changing. We're spending more time on social networking sites and in "continual" text-based conversations with others. Where people spend their time is a good leading indicator of where they perceive the greatest value to be, and, ultimately, where they'll be willing to spend money.

Much of the complexity of today's communications landscape stems from the existence of service silos that create separate islands of functionality (messaging, voice, video, media, and so on) that don't interconnect well. While these service islands hold some individual value, they limit who can contact whom and by what method. They also restrict the ability to share and collaborate among friends and colleagues. Moreover, silos and islands restrict innovation by limiting third-party access to a broad range of capabilities that can be embedded in a myriad of highly targeted applications.

3. INVIGORATING LIVES WITH NEW CONVERSATION EXPERIENCES

The demand for communications is stronger than ever, the networks are in place, devices are smarter and more capable, and there's an ever-expanding set of applications that provide communications capabilities. What's missing is an overarching ability to bring communications together in ways that complement and enhance peoples' lifestyles. We see a great opportunity to harmonize the communications experience across existing

silos and islands, making conversations seamless and intuitive regardless of the device or access technology. This harmonizing approach highlights the power of network intelligence and places the service provider at the center of the new conversation experience. As the company that delivers new unifying value, the service provider will gain loyalty among customers and be well positioned to compete with pure Internet players.

4. ENABLING PEOPLE TO CONNECT, SHARE AND ORGANIZE CONVERSATIONS

Refreshing the key aspects of our daily communications — including voice, messaging, video and digital media — entails adding nuanced personalization, contextual awareness, enhanced privacy, greater usability and immersiveness, and unified access to contacts and information about our conversations. The result is a more engaging and fulfilling conversation experience that we'll all enjoy.

4.1 Connect

Together, we can invigorate communications by enabling conversations to be initiated simply and intuitively from any screen on any network. We can increase the effectiveness of communications, allowing people to see when others are available and offering more connection options. We can enrich social networking interactions, allowing people to securely talk, chat and connect face-to-face with individuals and groups without exposing contact information.

4.2 Share

We can enhance conversations with reliable sharing services on any screen. We can enable people to share what they do, what they see, and what they have in common with their contacts with a single click. We can also enable users to record and file what they share and receive in a secure cloud diary so it is always accessible.

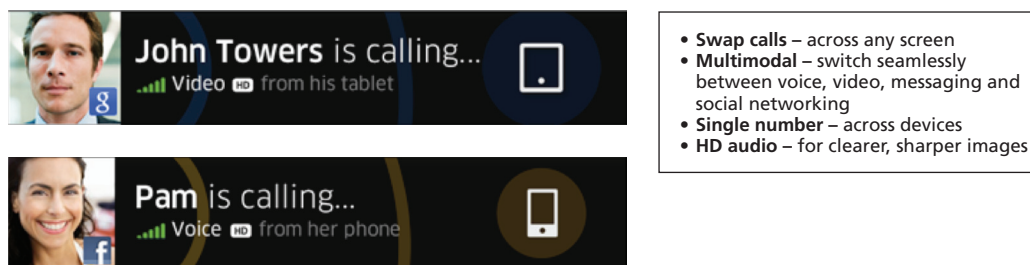
4.3 Organize

We can help people take control of their communications by providing a unified inbox and archive for all their conversations, making it easy to prioritize important messages while filtering out social media “noise” and junk mail. We can also unify contacts across social networks and various communication services to enable a new level of organization and convenience. Because people will be better organized, they'll reconnect more often and spend more time using their services.

5. MAKING CONVERSATIONS EFFORTLESS WITH ENRICHED VOICE

The new conversation requires new levels of convenience and usability. With unified access to contacts and presence views as well as unified voice features across multiple screens — PC, mobile and Web — enriched voice services make conversations more natural and effective. Enriched voice services allow users to multitask and engage in multimodal conversations, seamlessly switching among conversation modes, including voice, video, IM and SMS texting. With enriched voice, users can access a common set of communication capabilities from any device screen, and they can bring it all together with one number across devices (see Figure 1).

Figure 1. Enabling vivid, immediate voice conversations with enriched voice



6. DEEPENING THE CONVERSATION WITH LIVING VIDEO

Video calling is the most intimate form of digital communication available because video is so vivid and memorable. Crystal-clear sound for mobile voice calls is also important in helping to bring people closer together. High-definition (HD), high-quality (HQ) voice and video calling services help to remove device, network and bandwidth barriers, enabling users to share more often and in more meaningful ways.

Together, seamless voice and video services allow people to turn their mobile phones into HD webcams for live event streaming and to host group videoconference calls on the go.

Making HD, HQ audio and video calls an everyday habit will help deepen the conversation experience and renew subscriber interest (see Figure 2).

Figure 2. Providing a more personal, emotional call experience with living video



7. STAYING IN TOUCH WITH INTUITIVE MESSAGING

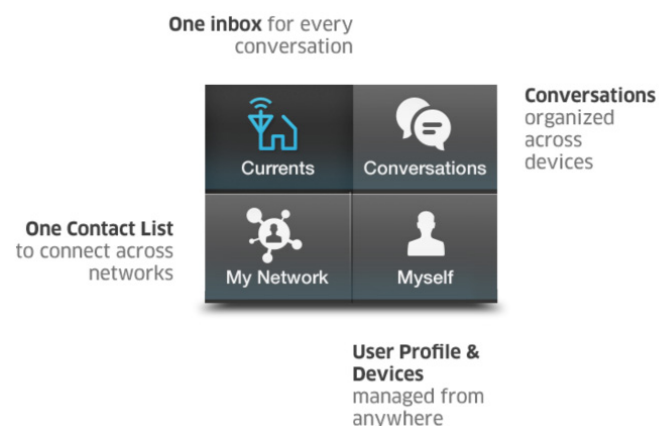
As a part of our daily conversation experience, we send messages: we want to share, we have questions to be answered, and we need to connect with people and business. The messaging experience must be intuitive and enlivened across communities, including social networks. Today, sharing the status of a contact among text messages and IMs from a social network can be difficult: each service has its own way of communicating, and many social networks are not interoperable.

To elevate the messaging experience, we must interconnect communities to bring people's closest contacts together, no matter where the contacts are stored — on web sites such as Google™ or Facebook®, or on PCs and mobiles). Having these contacts in a single contact list enables users to easily reach out to both their personal and professional contacts from any device. This means no more guesswork: users just press send

to put their contact lists to work and instantly share conversations. They can organize all their messages in a unified way, with no more scrambling to search mobiles and PCs for e-mail, voice mail and SMS messages because they're better organized. When messaging is easier, people will reconnect more often and spend more time using their communication services.

Intuitive messaging is great way to stay in touch with people and provides more interpersonal and powerful conversation experiences (see Figure 3).

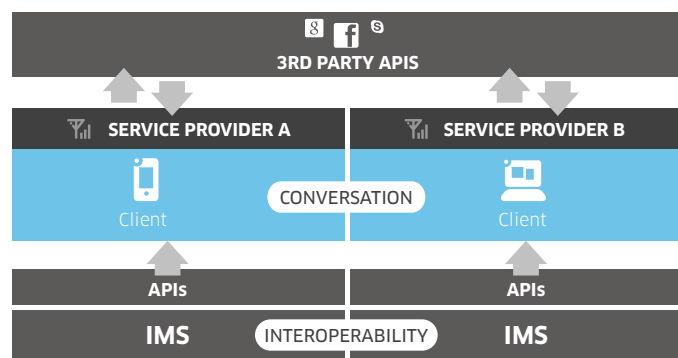
Figure 3. Intuitive messaging: exceeding customer expectations



8. BUILDING A COMMUNITY

The new conversation experience is about inclusiveness and community building. The ability to provide a unified view and consistent user experience across an array of networks and services enables the creation of bridging communities. Communication tools built on standards-based networks enable harmonized, streamlined and centralized conversation capabilities to be shared across carriers and over-the-top silo services (see Figure 4).

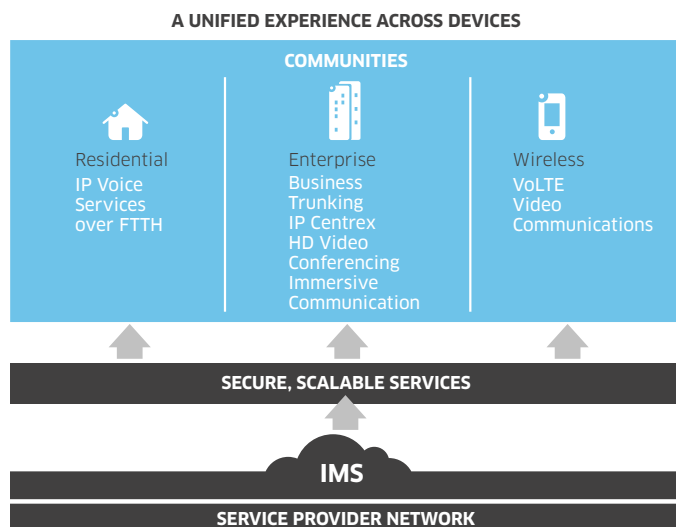
Figure 4. Building a community with a standardized approach



Leveraging capabilities in the cloud enables an even broader service reach while increasing the efficiency and agility of service provider operations. Many cloud efficiencies and productivity-enhancing communications capabilities can be passed along to enterprise

customers. Cloud-enabled bridging communities eliminate service islands and allow more reliable services to reach more people (see Figure 5).

Figure 5. Building a community with a secure, scalable platform

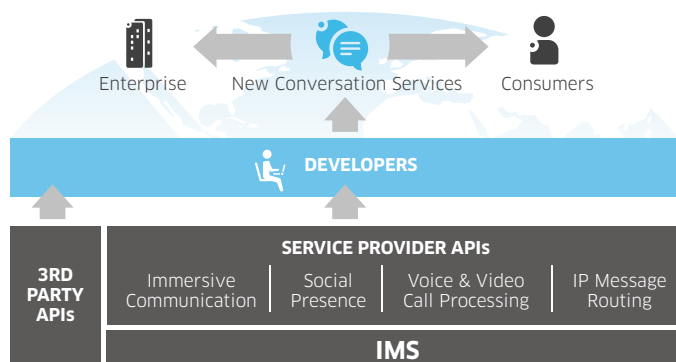


9. EMBRACING OPEN INNOVATION

While our solutions deliver a rich new conversation experience, it's still important to engage the creativity and vertical focus of third-party developers, who can extend and embed new conversation capabilities in a wide variety of custom, targeted apps for consumers and enterprise customers. Inclusive communication services that reach more people are not only attractive to users but also to developers who want to address the broadest possible audience with their apps. We embrace open innovation in everything we do so that service providers can capture the many opportunities presented by engaging the developer community.

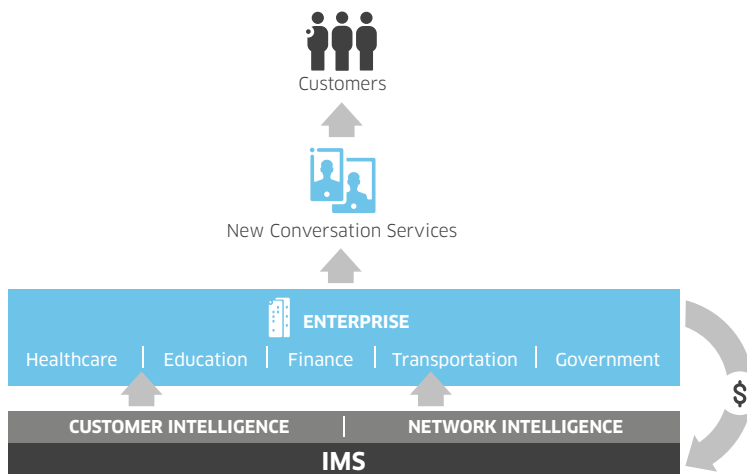
By securely exposing communication assets, service providers can create new relevance and value, address new business models, and generate more revenue. Offering a rich and continuously evolving catalog helps operators to differentiate services while allowing users to further personalize the new conversation experience (see Figure 6).

Figure 6. Open innovation for a pervasive experience



Making conversations pervasive and accessible are key aspects of our community-building approach. As people become accustomed to richer conversation experiences, we must constantly innovate and evolve our offerings to meet their needs. Leveraging the creativity and energy of developer communities helps us to stay in step with emerging trends and opportunities through open innovation (see Figure 7).

Figure 7. Open innovation for new business models



10. DELIVERING ON THE PROMISE

Communications are what make us who we are. We can't afford to take something so important lightly. For us to be effective, we must be able to converse in natural, intuitive, convenient, yet powerful ways with one another. Technology promises to make our lives easier, but so far, attempts to deliver on this promise have fallen short of the mark. It's time to make interactions simple, pleasurable and effective. It's time to help people connect, share and organize their conversations. It's time to deliver a new conversation experience.

11. PARTNER WITH ALCATEL-LUCENT

We've started our share of revolutions — we've been here before. For more than one hundred years Alcatel-Lucent and Bell Labs have been inventing the future. We're turning our technology and consultative approach into tangible business opportunities for our customers.

We can bring in an ecosystem of content partners and turnkey solutions to help you quickly and effectively rise above the competitive noise and maintain a deep connection to your customers' lives. We can help deliver the conversations, media and applications that your customers really want, in more meaningful and memorable ways. Alcatel-Lucent is a partner you can trust to help lead the way forward.

12. ACRONYMS

API	application programming interface
FTTx	fiber to the [any]
HD	high-definition
HQ	high-quality
IM	Instant Messaging
IMS	IP Multimedia Subsystem
IP	Internet Protocol
LTE	long term evolution
MMS	Multimedia Messaging Service
PC	personal computer
SMS	Short Message Service
VoLTE	Voice over LTE