Capgemini Cinvent

Metaverse in Telecom Industry

METAVERSE HAS THE POTENTIAL TO CREATE A NEW DIMENSION IN TODAY'S WORLD. BUT WHAT EXACTLY IS THE METAVERSE?

METAVERSE CREATES AN IMMERSIVE VIRTUAL WORLD, WHERE USERS INTERACT DIGITALLY AS THEY WOULD HAVE **INTERACTED IN A PHYSICAL WORLD.**

Interplay of different aspects creating a metaverse solution:

Digital identity

Non-fungible tokens (NFTs) representing digital identity/ ownership of avatars or assets owned by virtual natives have now become as important as one's physical identity.



Virtual economy

Virtual currencies and virtual objects are being traded among metaverse natives.

Use of crypto wallets as a mode of transaction is on the rise.

NFTs are being **traded** for the value associated with these.

Virtual and augmented simulations

Digital twins imitate physical systems from the real world and simulate their behavior in the virtual world.

Huyndai meta factory: It is a digital twir of a manufacturing plant to optimize operations.

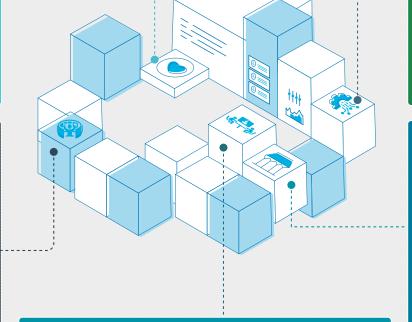
sold its first NFT-assigned house in US for 650K USD.

Virtual native world

A new virtual world exists in the digital space where meta individuals can engage, co-create, and own digital content.

Rezzil's

Soccer training app for fans uses an Al coach in a virtual arena with virtual opponents.



Virtual collaboration

Remote spaces now imitate meetings as they would have happened in the real world.

HDFC Life customer meet.

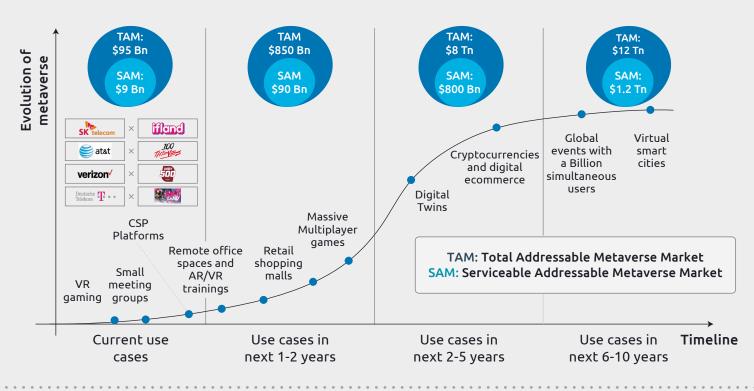
Financial advisory lounge by JP Morgan.

Virtual communities

Connected marketplaces allow users to switch between multiple virtual worlds.

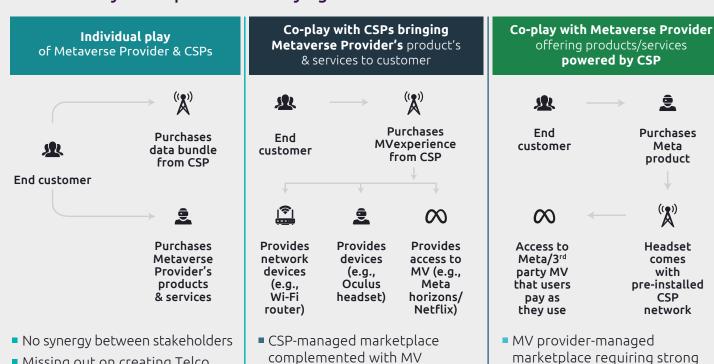
Marketplace with an automobile dealer, bank, and insurer: Here a customer can purchase a vehicle through a bank loan and get it insured in one go.

METAVERSE MARKET EVOLUTION WILL PROVIDE SIGNIFICANT MARKET POTENTIAL FOR TELCOS



SUCCESSFUL TELCO ENGAGEMENT WILL REQUIRE THE RIGHT SET OF ECOSYSTEM PLAYS AND INCENTIVES

Various ecosystem options with varying incentives for CSPs to collaborate



- Missing out on creating Telco solutions suiting Metaverse provider's MV evolution roadmap
- Missing out on Servitization (aaS) opportunities.
- Wider distribution network for MV provider

Provider's products & services

Ancillary revenues through third parties for MV provider & CSPs

product ((*****)) Headset comes with pre-installed CSP network MV provider-managed marketplace requiring strong

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Purchases

Meta

- CSP partnership MV provider owns the customer relationship
- Ancillary revenues through third parties for MV provider & CSPs.

STRATEGIES TO HELP TELCOS PREPARE FOR THE METAVERSE

Prioritize the development of Metaverse-ready connectivity

Fixed and mobile service models can be developed with metaverse in mind and include, for example, differentiated SLAs for specific metaverse network slices. Tailored connectivity could be the key to success for the whole ecosystem, and CSPs should seek to monetize that accordingly.

Carefully assess adjacent, beyond connectivity solutions

CSPs need a pragmatic approach to addressing revenue opportunities beyond their core capabilities. For example, platforms and marketplaces (to enable metaverse services and solutions) are familiar territory for progressive CSPs, as are security, privacy, and governance services.

Leverage ecosystems without reinventing the wheel

There are opportunities for operators to play various roles in ecosystems, including running metaverse platforms themselves, as SKT is doing. The best way to succeed is by choosing the right partners and ensuring that onboarding them and working with them is a smooth process that can be replicated.

Use a standard and open approach to APIS

API

Interoperability between metaverses is what will unlock their full potential. Standard APIs like TM Forum's Open APIs used in conjunction with the TM Forum Open Digital Architecture (ODA) are critical to achieve this.

Reskill & upskill employees for the future

CSPs are facing acute shortages of skills in areas that are foundational to the metaverse, such as Cloud, DevOps, data analytics, AI, and security.

Ргераге for larger scale

The potential scale of the metaverse's impact on society is huge. CSPs should prepare for maximum flexibility of scale, be that in network capacity, Cloud storage, vertical industry specialisms or hiring new staff to meet demands.

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