



## Dynamics of the e-Marketplace In the 21st Century

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### Agenda

- Worldwide trends that define e-Marketplace opportunity
- Technologies that are making it possible
- Implications as seen by a global infrastructure provider
- Challenge to the panel: What does it mean to other sectors?



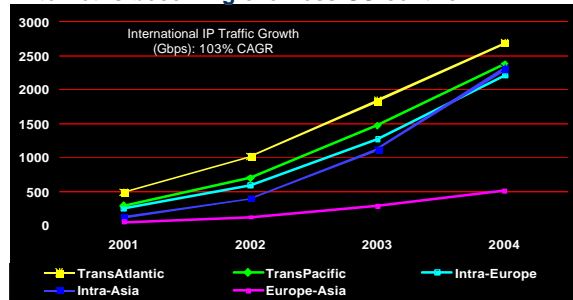
### Five relevant worldwide trends

- Despite near-term economic and competitive pressures facing e-Marketplace industries, long-term outlook remains bright
- Localization of content and emergence of rich media are creating a truly World Wide Web
- Broadband bottlenecks in the local loop are being breached
- By any estimation, five-year growth prospects are remarkable:
  - Nearly 1 billion Internet users and 1.5 billion terminals
  - e-Commerce (B2B, B2C, fixed, mobile) nearing \$3 trillionSource: Oyam
- e-Business is no longer just a sales channel, but a critical element of all essential business functions (especially supply chain and customer relationship management)

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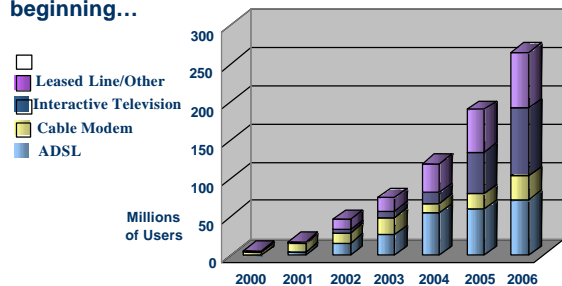
### Internet is becoming ever less US-centric



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### Growth of fixed broadband connections is only the beginning...



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### Pushing content "to the edge" and other tech advances give rise to new e-Marketplace apps

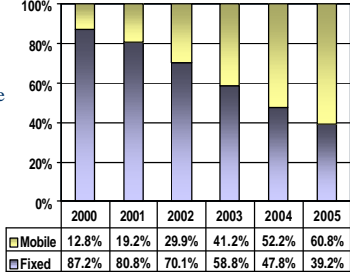
- Web hosting on a global scale improves user experience and reliability/survivability of information access
- Streaming media applications for consumers include live concerts, sporting events, contests, on-demand audio/video
- Business applications include investor meetings, product launches, employee communications, distance learning
- 63% of online customers are more likely to buy if realtime assistance is available (e.g., Land's End click-to-talk feature)
- Growing proof that all business can be e-Business (e.g., Dell masters mass customization, Cisco makes great majority of sales online, GE makes Internet top priority companywide)

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**Advanced mobile broadband capabilities will propel B2C**

By mid-decade, worldwide mobile voice minutes exceed fixed and microbrowsers surpass PCs

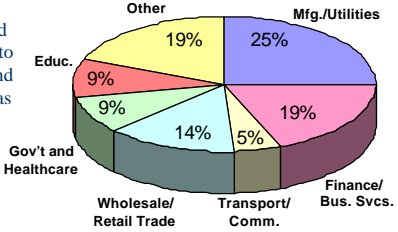


Source: Ovum Claude Sassoulas 7



**Private, public and NGO sectors all will participate in the e-Marketplace**

Manufacturing and utilities are poised to overtake finance and business services as Internet leaders

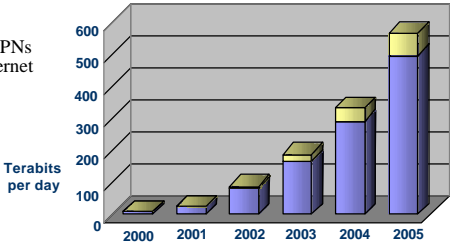


Source: Ovum Claude Sassoulas 8



**Businesses are adopting IP technology for Virtual Private Networks**

Internet VPNs  
Public Internet



Source: Ovum Claude Sassoulas 9



**Different implications for different players – but here's a global infrastructure perspective**

- Teleglobe investing almost \$3 billion to deploy one of the world's most advanced global network infrastructures
- Developing an expanded suite of global data and IP services to support demand for e-Business
- Combine network services with web hosting and content distribution
- Increase margins by focusing on value-added services, improving customer care, reducing provisioning intervals and increasing network availability

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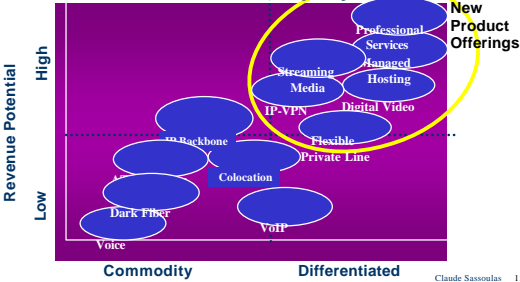
**What it looks like – Teleglobe's emerging GlobeSystem<sup>SM</sup> broadband infrastructure**



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**Value-added services define the e-World Communications Company**



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### **Some conclusions about the e-Marketplace in the 21st Century**

- The Internet will be essential not just for e-Business, but for all business
- The global broadband infrastructure is emerging while DSL, cable modems, and wireless are breaching the local loop
- Growth of Internet users, localization of content and rich media technologies are creating a truly World Wide Web
- Neither the "dot bomb" nor the terrorist's bomb can change this

*What are the implications for other sectors, industries, and e-Marketplace players?*

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