

Platform Management & Governance

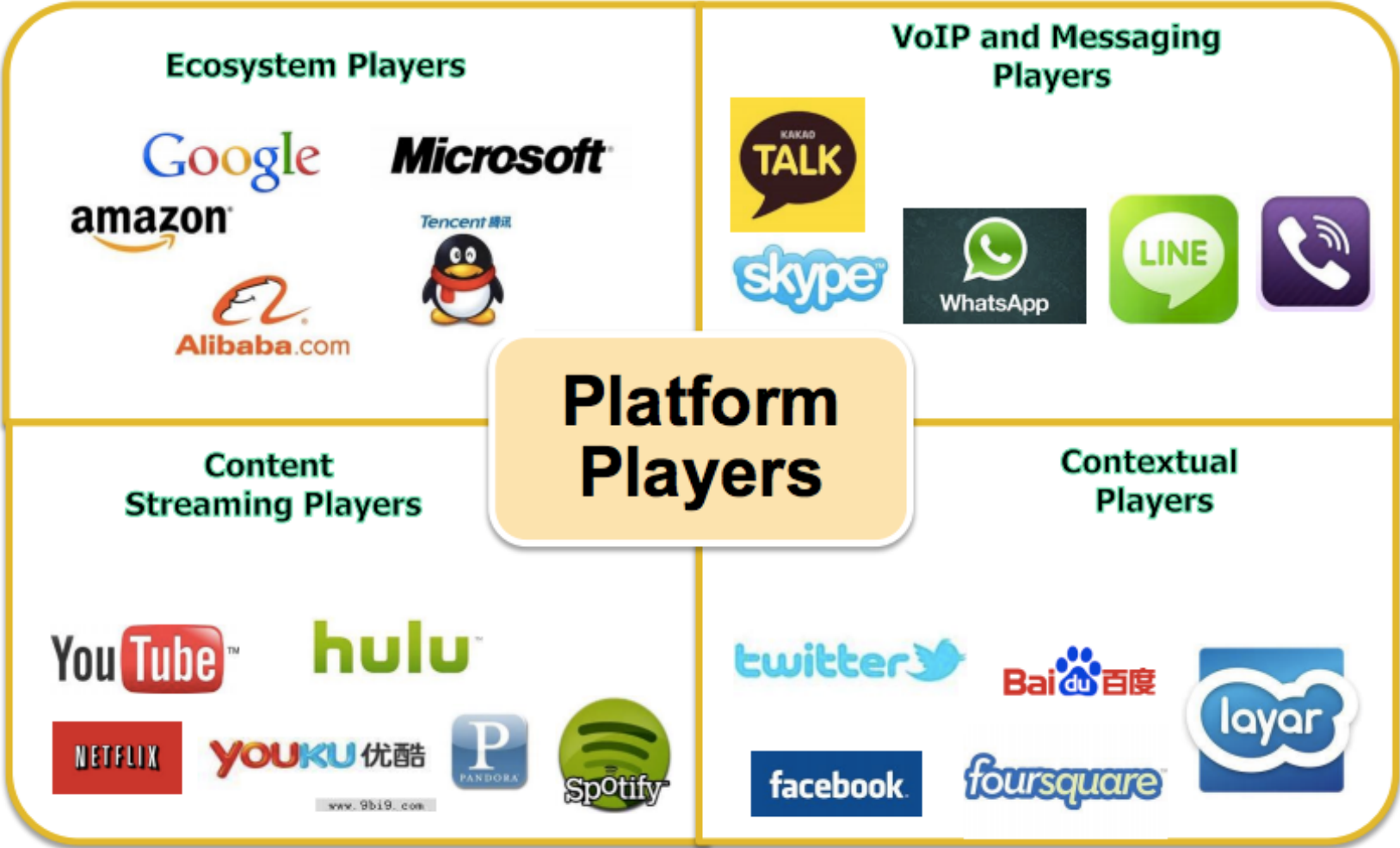
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Minsoo Shin

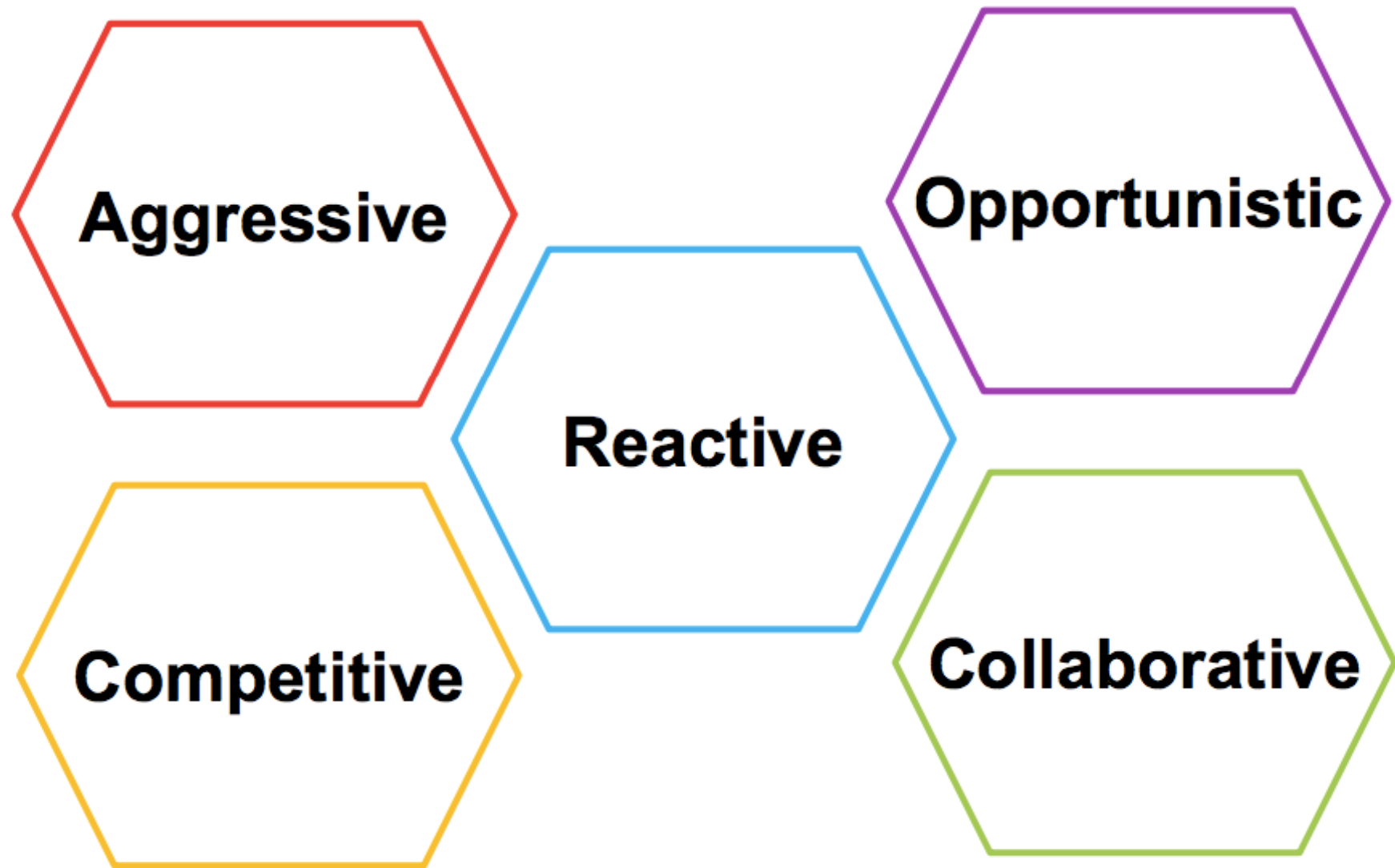
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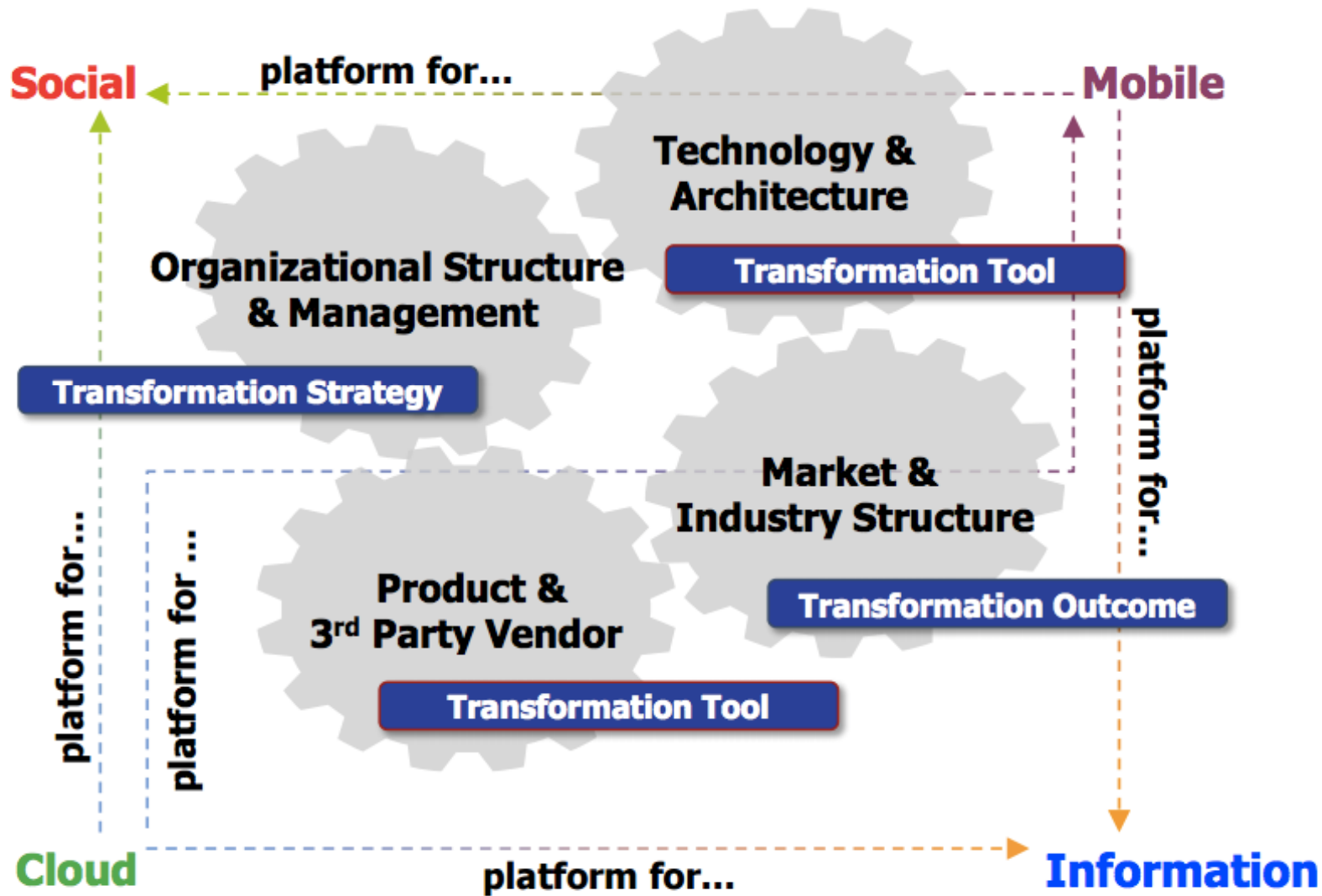
Platform market: Segmented market



Strategies for Platform Management



Issues for Business Transformation



Enforcement of Investment Promotion Policy

- **How to avoid “Utility death spiral” of Mobile Telecommunications market as happened in Electric Industry Market**
- **Round table on the future of network regulation (Brussels, 2014. 11. 18)**
 - **European Commission & National Regulatory Authorities**
 - **“The future telecom regulatory framework should formally place investment by telecommunication operators as a top priority at the core of the future regulatory framework, consistently with the political objective of the new Commission.”**
 - **“continuous private investment by telcos repeatedly incorporates the most recent and cost efficient technologies in networks. Ultimately, this virtuous cycle is the main driver for costs and prices decrease, for the benefit of consumers”.**

Increasing Interests in an Efficient Competition

■ FCC & EU

- **“In a fragmented market between too many players, each player has difficulties in keeping up with the constant investment costs implied by infrastructure deployment and upgrades, which impacts network performances, cost efficiency of services and consequently, prices.”**
- **“That is why the Framework Directive should formally restate the regulatory objectives to support “effective investment driven by efficient competition”.”**

Increasing Interests in an Level Playing Field

- **FCC, EU & Other National Regulatory Authorities**
 - **“Aiming for a level playing field, with an explicit preference for lighter-touch regulation.”**
 - **“overhaul open access rules to make sure all providers, large and small, can operate on a level playing field, by ensuring that all/smaller providers have cost-based access to the networks.”**
 - **“It is important that comparable services and players are treated equally by the law.”**
 - **“The key is to do this after a reappraisal of the usefulness of and need for the present regulations in a converging market”**

ICT Ecosystem & Platform

- **Strategic importance of platform is in the role of enabling innovation as a complementary asset connecting layers**

Layer 6 Consumers

Layer 5 Contents, Applications, Services

Layer 4 Middleware (Browser, Search etc.)

Layer 3 Connectivity (ISP etc.)

Layer 2 Network Operation (Wired- & Wirelss – etc)

Layer 1 Network elements (Equipments)

- **Emergence of Platform as a rulesetter in an ICT ecosystem**
- **Platform based on OS Vs. Platform based on Web**

Platform Neutrality

- **Platform Neutrality Vs. Net Neutrality**
- **Bottleneck**
- **Transaction Cost**
- **Information gatekeepers**

Issues

- **Ex ante regulatory approach Vs. guideline with Ex-post regulatory approach**
- **Possibility of application of traditional regulatory methodologies**
 - **Market definition**
 - **Vertical Leveraging**
 - **Horizontal Leveraging**
- **Partial specialization regulatory approach**
- **Cost from excessive regulation**
- **National specific regulation Vs. Global regulation**
- **Specific characteristics of platform business**



**Many Thanks for
your attention**