

Ch. 7 Our Values

Best Service Quality

The Company believes that cultivating customer loyalty is the key to maintaining its competitiveness. With telecom market “best practices” and surveys showing that “customer experience” is the critical factor that determines customer loyalty, the Company launched “Excel Customer Experience” (ECE) in 2006, with the goal of “providing the best experience for our customers.” Last year the Company conducted a series of workshops and encouraged continuous communication and interaction, increasing awareness of the value of a “customer-oriented” approach to provide leading-edge services.

Excellent Brand Image

Taiwan Mobile’s success in the telecommunications field comes from its focus on providing a more personal and satisfying experience to its customers, allowing them to enjoy smooth and worry-free communication. By adopting the customers’ perspective as its own, Taiwan Mobile is able to better respond to their needs. The Company has strived to infuse its “Product, People and Process” – from product development to management and staff and service process – with four key values – simplicity, innovation, passion and integrity – to ensure that each customer receives consistent and excellent service. Through these efforts, Taiwan Mobile hopes customers will identify with the brand and reckon “Taiwan Mobile, My Mobile.”

▽ Providing high quality customer services to create best customer experience



Aside from continuously improving its mobile communication service, Taiwan Mobile is actively pursuing the digital convergence of mobile services, the Internet and cable TV that is expected to rewrite the future. Taiwan Mobile has teamed up with TWM Group affiliates to target three major markets: “Taiwan Mobile” to serve the individual mobile communication needs of the consumer market; “TWM Broadband” to deliver cyberhome and digital services for the home market; and “TWM Solution” to help the corporate market integrate information and communication to promote synergy and innovation.

Looking ahead, TWM Group – Taiwan Mobile, TWM Broadband and TWM Solution – will use the power of technology and transform them into simple, useful and friendly communication solutions that enable customers to embrace their lives with ease and confidence.

Innovative Research and Development

Research and Development Spending

Investment in research and development for mobile business and its ratio as a percentage of total mobile revenue are shown in the table below. For 2008, the Company plans to spend NT\$763 million to research and develop more advanced technologies designed to increase customer satisfaction, which in turn should boost revenue and overall operations growth.

Year	2007	As of Feb. 9, 2008
R&D expense (NT\$'000)	363,562	31,384
As a % of total revenue	0.71%	0.71%

Major Research and Development Achievements

Project name	Details
UMTS – WLAN seamless handover technology development	Research into the seamless access algorithm between universal mobile telecommunications system (UMTS) and wireless local area network (WLAN) in order to provide better coverage and throughput of multimedia services. Development of Voice Call Continuity (VCC) proof of concept system, which enables seamless handover between packet call and circuit call with a VCC enabled dual-mode handset.
SIP to CAMEL gateway technologies development	Development of session initiation protocol (SIP) to customized applications for mobile networks enhanced logic (CAMEL) gateways, which provides SIP protocol enabled IP networks to integrate with existing intelligent networks in creating innovative technologies.
Enterprise architecture	Establishment of a system architecture based on the international telecom standard – new generation operations systems and software (NGOSS) – to facilitate integration of business applications.
Service Delivery and Management Platform (SDMP) Phase II	Establishment of SDMP – TWM’s core value-added service (VAS) platform – to provide major services, such as service registration, control and management of service life cycle flow, and provide standard application interfaces for content and service providers.
Messaging center	Establishment of a messaging center, which provides an easy way to use a web-based portal that converges TWM/TAT/MBT short messaging service and multimedia messaging service capabilities (MMS), adding to the convenience of an integrated phonebook service.
Video blog	Establishment of a 3G video blog service, which integrates streaming, MMS and wireless application protocol (WAP) technologies for users to upload video content to the service platform to share with friends or communities.

Future Research and Development Plans

1. Strategic plans:

Project name	Objective	Status	Completion date
Fixed and mobile service (FMC) technology development	Develop an IP multimedia subsystem (IMS) based FMC service network testbed.	Technology feasibility evaluation completed; currently working on the integration and tests between each function module and vendors' IMS system.	Apr. 2008
Internet Protocol Television (IPTV) multi-cast technology development	Build an Internet protocol television (IPTV) multi-cast network testbed and develop related network management software.	Working on system requirement analysis.	Sep. 2008
Customer Information Management (CIM)	Set up CIM to meet the needs of future triple/quadruple play (digital convergence) by offering a scalable and extensible infrastructure for instant analysis of market segments, customer retention, value-added products and customer experience.	Assessment of system feasibility completed; currently working on solution evaluation and vendor selection.	Dec. 2008
Service Oriented Architecture (SOA) Planning Project	Develop an SOA to introduce a new methodology and framework with a three-year roadmap to transform TWM into an SOA-enabled organization. The project will help reduce the cost of development, integration and management; minimize redundancy and inconsistency of data; and increase system reusability. This will allow for a more flexible IT framework that is available for future diverse business requirements.	Vendor qualification assessment.	Dec. 2008

2. Systems development:

Project name	Details	Status	Completion date
Information security monitoring and management of 3G network	Study and analysis of information security for UMTS backbone networks and wireless Internet access for mobile users.	Work in progress.	May 2008
Research on 3GPP LTE and WiMAX Technology	Research into the pros and cons of 3GPP LTE and WiMAX in preparation for future rollout.	Work in progress.	Apr. 2008
3G wireless radio propagation model creation with EMI analyses	Research on the radio propagation model and electromagnetic interference (EMI) issue between WiMAX and 3G systems.	Work in progress.	Nov. 2008

3. Value-added services:

Project Name	Details	Status	Completion date
IMS - IP Centrex	Develop an IP Centrex using VoIP technology to replace legacy private branch exchange (PBX) system for enterprise customers. Primary benefits include: 1. Savings in both capital and operating costs. 2. System and equipment installed at carrier's premises, instead of customer's, to enhance service reliability. 3. Choice of more varied devices, including mobile phones, desk phones and PC software.	Planning and designing system specifications.	Sep. 2008
SDMP Phase III: VAS Transaction Management System (VTXM)	Develop a more flexible system for calculating and managing fees and charges for both pre-paid and post-paid customers as telecom value-added services become more complex. This includes an advice on charging (AOC) mechanism that would make transactions more transparent and could facilitate the development of more price-competitive VAS.	Planning and designing system specifications.	Oct. 2008
Near Field Communication(NFC) Mobile Wallet	Form partnerships with banks and merchants to provide Mobile Wallet service using NFC technology to develop universal SIM cards that incorporate the functions of a credit card, transportation ticket, membership card, coupons, vouchers, etc. into a single card.	Planning and designing system specifications.	Jun. 2008
2G/3G Sports Lottery	Provide online betting service for 2G/3G users, as well as a more user-friendly interface that integrates live broadcast of games with a betting menu via 3G mobile phones.	Planning and designing system specifications.	Jul. 2008
Synchronization Markup Language (SyncML) Phonebook Backup	Set up a web interface that allows subscribers to edit, manage and back up their handset-based phonebooks, as well as access other value-added systems.	Planning and designing system specifications.	Jun. 2008

Corporate Social Responsibility

Corporate social responsibility is not only a key measurement of a company's competitiveness, but also a demonstration of a company's core value. Taiwan Mobile formed a foundation in 1999 as a way of giving back to society and has received numerous recognitions for its efforts. These include the "Best Social Responsibility Award – Corporate Category" at the fourth Taiwan Business Awards ceremony in 2006 and the "Excellence in Corporate Social Responsibility" from CommonWealth magazine in 2007.

The Company allocates NT\$50 million to NT\$60 million annually to its corporate social responsibility division to undertake various social welfare activities, including education for children living in remote areas, development of teenagers' character and integrity, care for the disadvantaged, art and cultural activities, and environmental protection.

In 2007, the Taiwan Mobile Foundation devoted 63% of its budget to social welfare, 25% to telecom research, and 8% to emergency rescue. The major beneficiaries and targets were teenagers and children; minorities and the disadvantaged; and arts and culture promotion.

1. Green Company

In response to global warming, green policies have become a new indicator of corporate social responsibility. Taiwan Mobile has strived to promote energy-efficient measures and care for the environment through its environmental protection website (Green Life TWM) and campaigns such as “Energy conservation,” “Going paperless – e-monthly statements,” “Recycling of handsets and batteries” and “Environmental care and exchange project.” The Company hopes to contribute to the reduction of greenhouse gas emissions to comply with international and domestic regulations on environmental protection and build an environmentally friendly system.

2. Corporate Volunteers

Taiwan Mobile set up an official Corporate Volunteer Program in 2007 to encourage wider participation by Company employees, allowing them to serve in local communities and meet the need for volunteer services throughout the country. Hundreds of corporate volunteers took part in the “Telecom Exhibition for the Disabled” in June 2007 and “Caring for the Elderly Who Live Alone in Hualien” in January 2008. The Corporate Volunteer Program has successfully served as a platform for employees to contribute to society.

3. Social Care

Taiwan Mobile takes a proactive approach to helping the underprivileged. In June 2007, the Company held a Telecom Exhibition for the Disabled to provide exclusive premium services to benefit the disabled in Taiwan, which number about 1 million. In October 2007, Taiwan Mobile set up broadband services in remote villages such as Alishan’s Shanmei Village, Shizi Village and Chashan Village. The Company also allocated a budget and built a community network library to realize the dream of “Broadband for Every Village” on Alishan.

4. Promotion of Arts and Culture

In 2007, Taiwan Mobile organized the first “My-fone Mobile Composition Award,” encouraging participants to create quality SMS messages and ringtones for the new mobile platform. As part of the Company’s commitment to promoting a cultural renaissance, it has also sponsored big exhibitions, including “Splendor of the Baroque and Beyond” at the National Palace Museum and “Rodin in Taichung” at the Taichung City Government Building. Furthermore, the Company has held free local concerts in Hualien, Taichung, Taichung and Pingtung as part of its efforts to promote and popularize classical music.