

Mobile Consumer: Trends and Observations

Nokia Mobility Conference
Monaco
November 2004

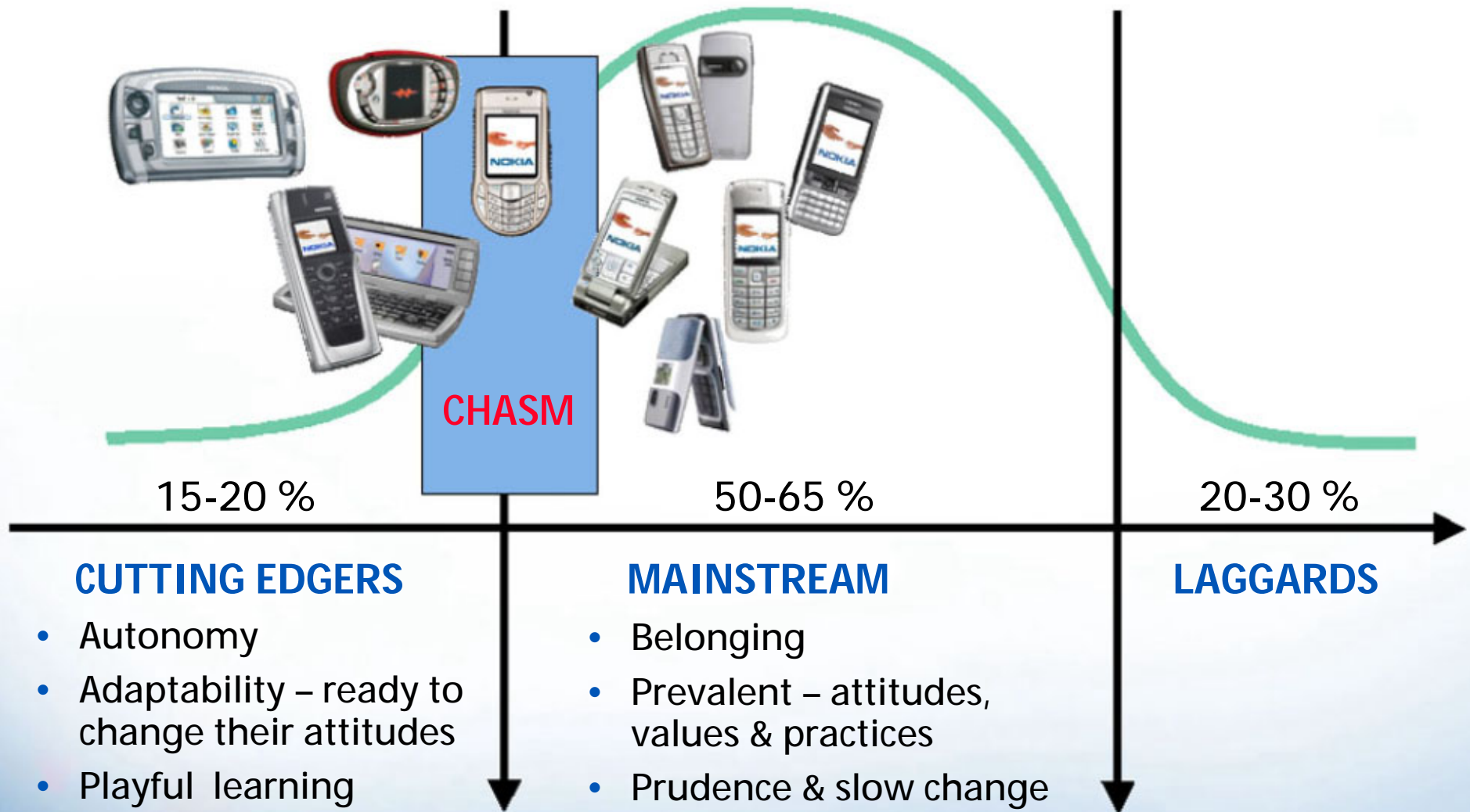
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Vice President, User Experience
Nokia

Smart Moves

Nokia's Key Strategy



Crossing the Chasm From Cutting Edgers to Mainstream Customers



Consumer Is in the Center

DIFFERENTIATION THROUGH CONSUMER FOCUS

- Company-wide mindset change from technology-focus to consumer-focus

TREATMENT OF CONSUMER AS AN INNOVATION ASSET

- Dedicated consumer panels and focus groups drive product & service innovation

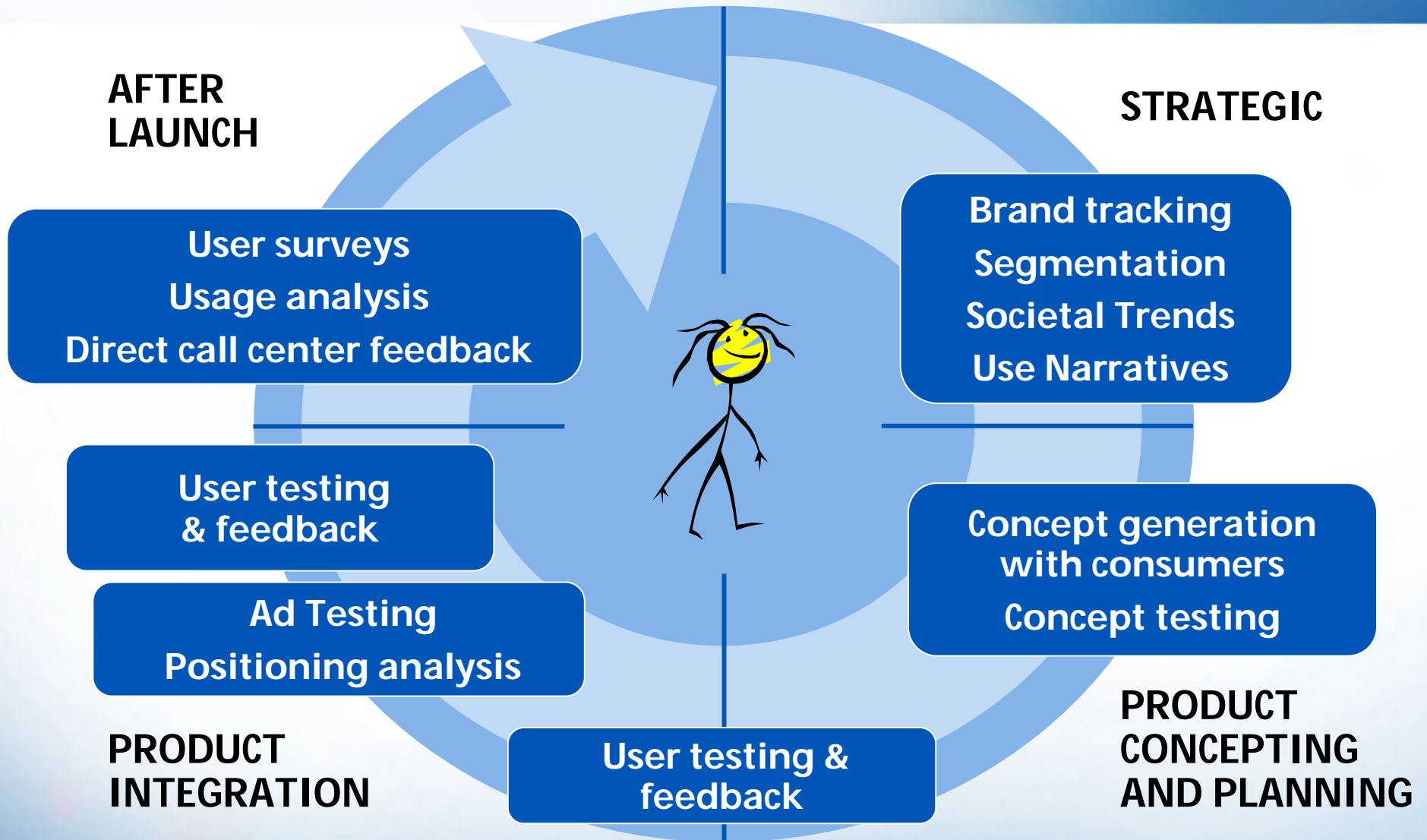


SHIFT FROM PRODUCTS TO USER EXPERIENCES

- Benefit-driven instead of Feature-driven

CONSUMER RESEARCH UTILIZED IN ALL STEPS OF PRODUCT CREATION AND DELIVERY

Consumer Research Is Utilized in All Parts of Product Creation



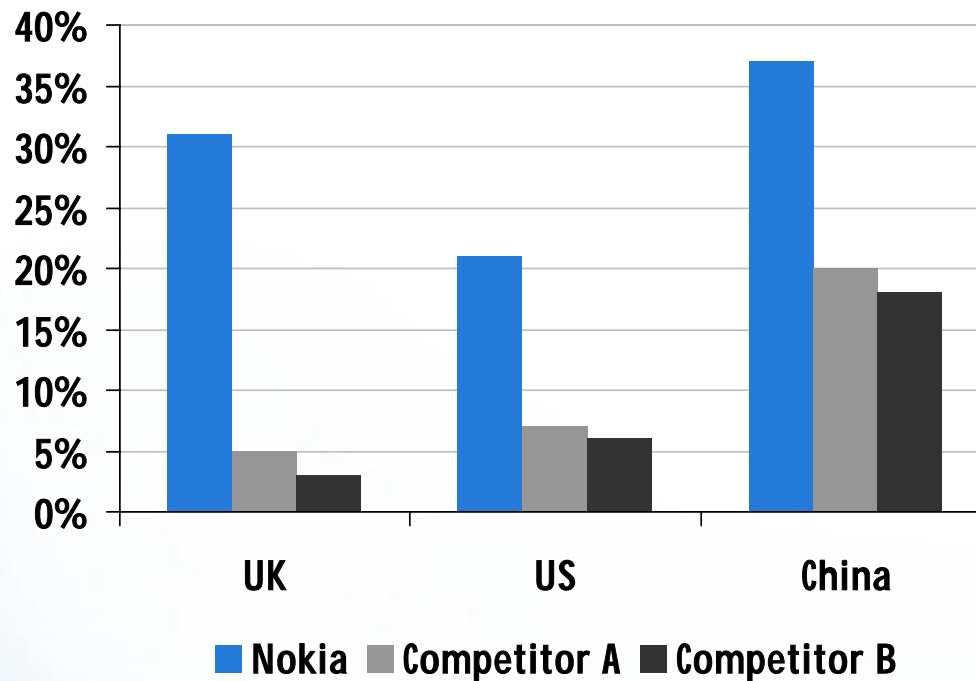


Some Recent Findings From Consumer Research

Smart Moves

Nokia will exploit and maintain ease of use leadership in User Interfaces

BRAND WITH MOST USER-FRIENDLY USER INTERFACE / MENU SYSTEM 2Q/2004



"Each phone is the same and its really quick and easy to use...it's the... menu that they have created"



"It (Nokia) is like an extension of your hand. It is not something you have to learn."

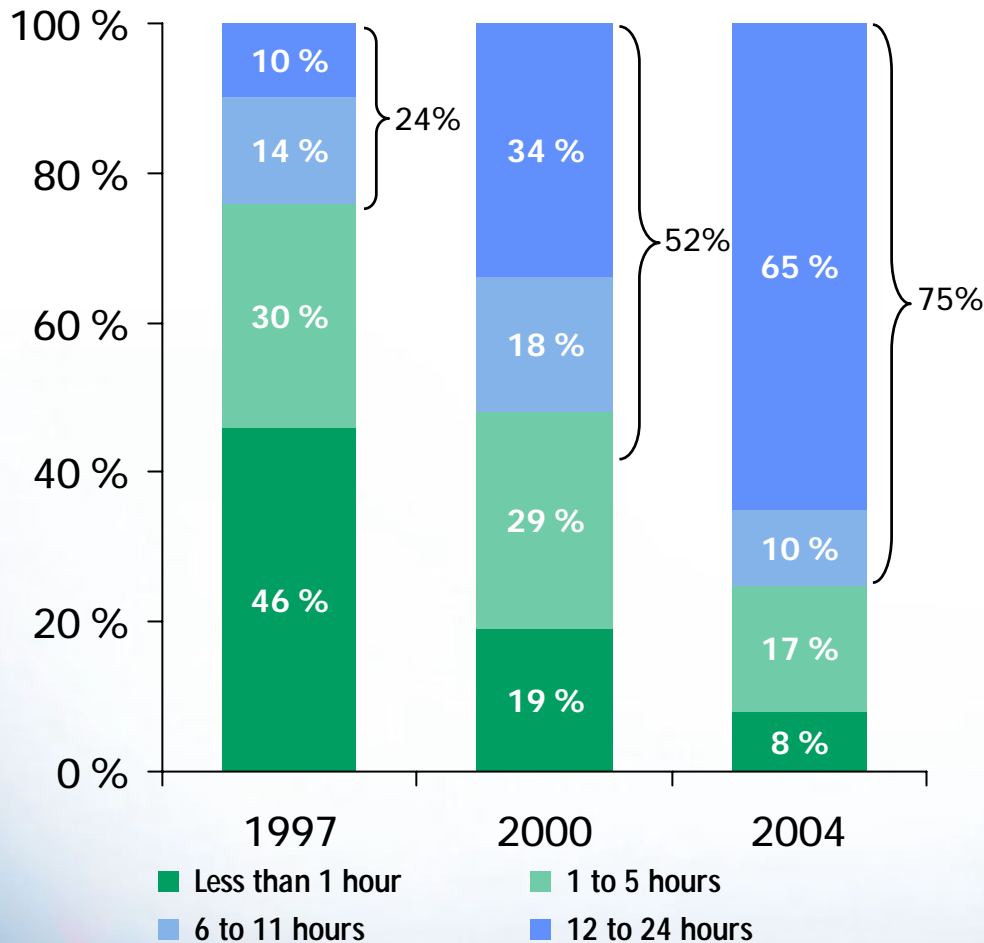


UI ease of use leadership – despite tougher competition – brings user purchasing preference for Nokia and grows ARPU for operators

Source: Nokia 2004 market studies (quantitative survey methodology; unprompted brand association; quotes from qualitative survey)

Mobile's Have Become a Trusted Friend and Daily Partner

Number of hours phone left on per day

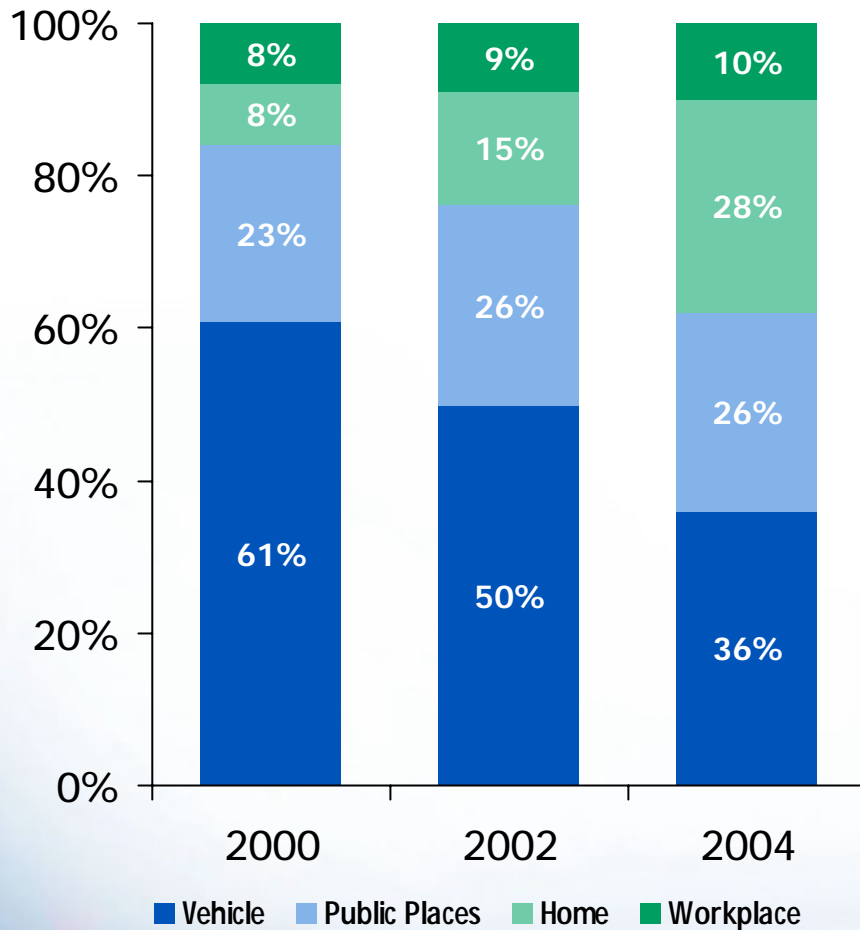


"I sleep with my mobile phone lying on my chest with the alarm clock on"
Female focus group attendee, January 2004

"I leave my phone on all night cause I love waking up to SMS!" Female teen focus group attendee, July 2004

Use of mobile phone at home is steadily increasing

Places where mobile phone is used



Out-of-the-box Readiness of Services Is Improving



Study conducted in Great Britain

MOBILE MESSAGING

Mar '04

When I bought my phone, I had to have the settings put onto it before I could use WAP/Internet type services



13 %

When I bought my phone, I was able to use WAP/internet type services straight away



49 %

I know that I have to get settings put onto my phone but I do not have them yet



25 %

Don't know



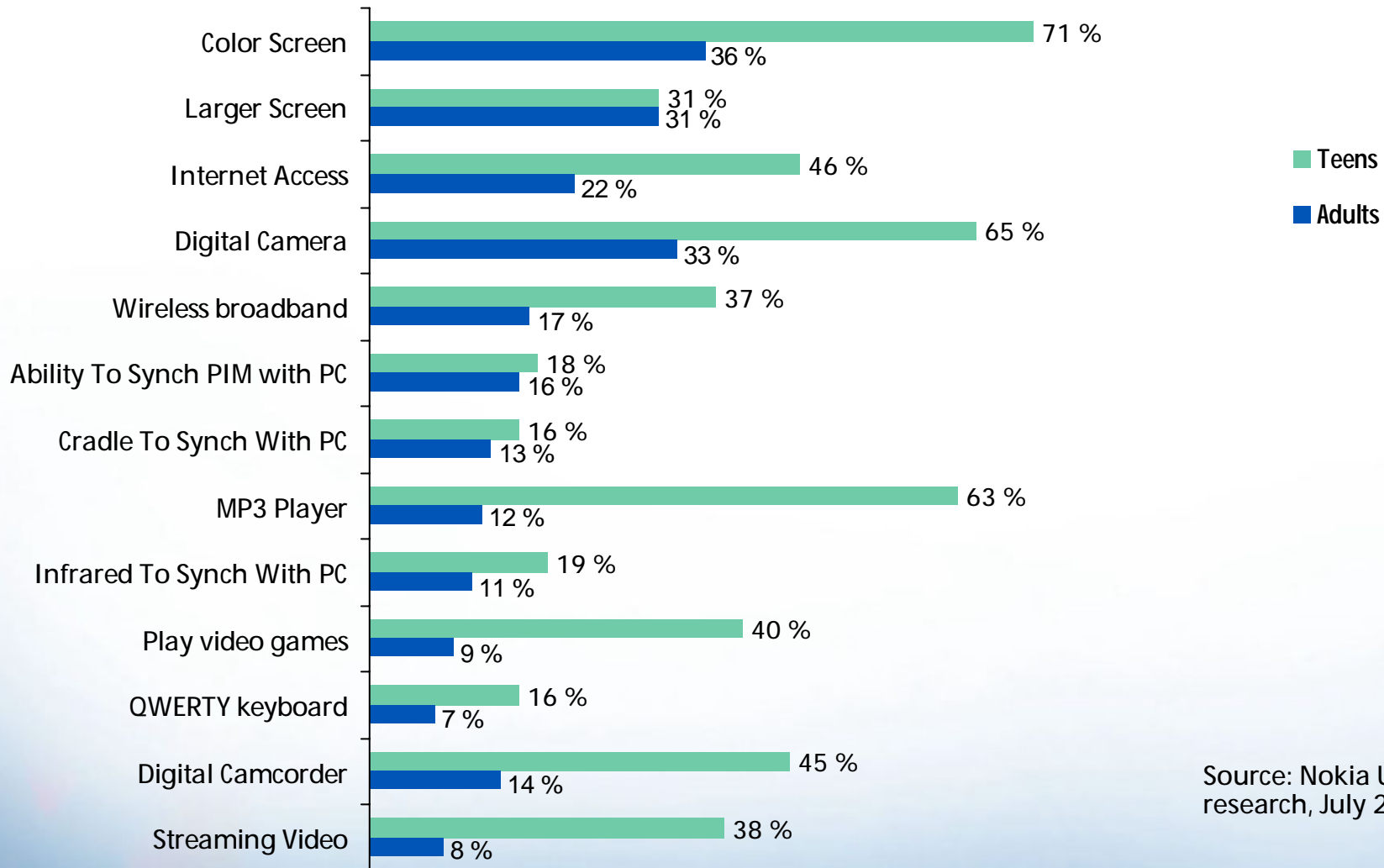
13 %

TO ENSURE MASS ADOPTION MOBILE SERVICES NEED TO

- Offer true benefits
- Be immediate, intuitive, reliable and inexpensive

Most Attractive Features for Next Mobile Phone

Teens look for converging technologies to happen more quickly, rapidly than adults



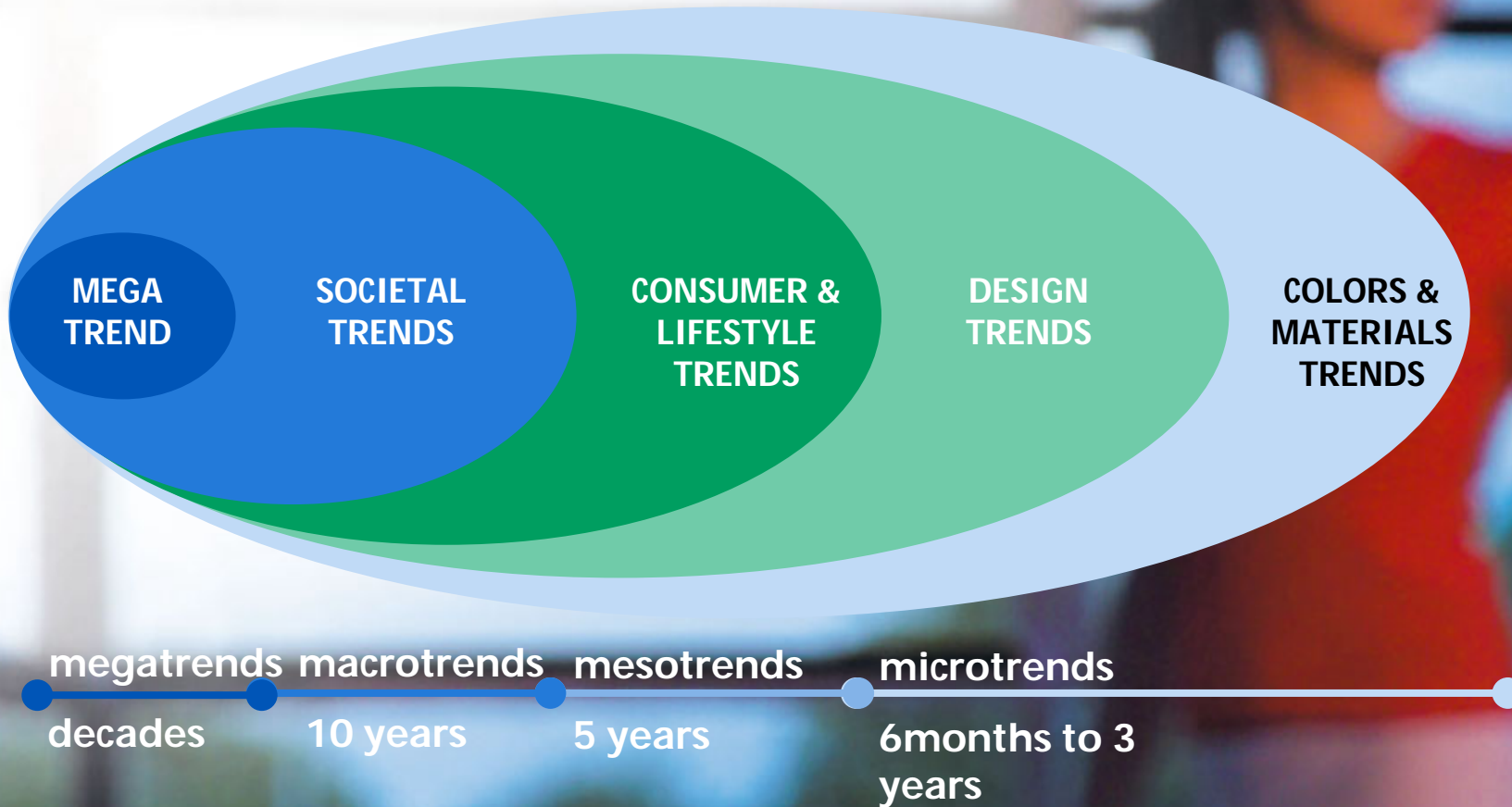
Source: Nokia Usage & Behavior research, July 2004



Societal, consumer,
technology and
marketing *trends* have
an impact on our
business.

Smart Moves

From Megatrends to Microtrends



Smart Moves

Identity 80s – 21st Century

SOCIETY & CONSUMPTION:

economic up-turn
/ narcissism



MADONNA:
Material girl 80s

economic down-turn
/ admired individualism



Express yourself 90s

economic instability
/ me & others



Ray of light ...



**We shape our products
and our products shape us
- ad infinitum**

Smart Moves