



VOIP:

System Dynamics Modeling Update

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Outline

- Transition (from the toolkit discussion)
- Recap
- Current Model
 - Causal Loop
 - Computer Simulation
- Current Challenges
- Next Steps

Transition (from the toolkit discussion)

From heuristics to modeling

1. Understand what triggers a change in the demand and scarcity of VoIP offerings over time.
 2. Understand which triggers are strong and which are not.
 3. Validate the core-edge taxonomy.
- What is a trigger? A cause or an effect?
A \rightarrow B, but B \rightarrow C
 - Nature of Triggers



Interconnectedness: A \rightarrow B, B \rightarrow C, but C \rightarrow A

Hierarchy: C \leftarrow B \leftarrow A

Recap

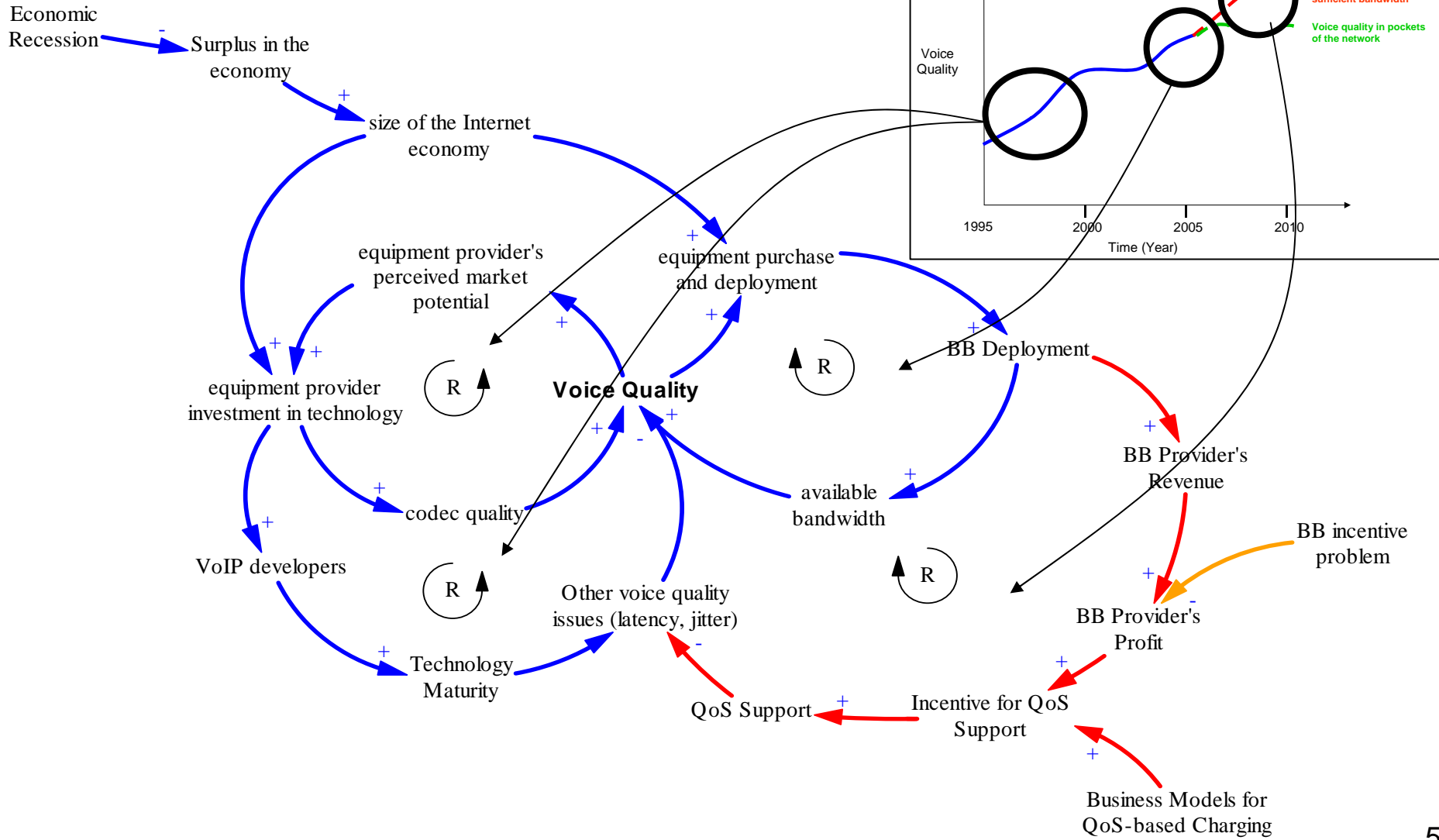
We began to model draw the causal loops for five variables...

1. Price
2. Hype
3. Voice Quality
4. Ease of Use
5. New VoIP Applications and Feature

We then put together the causal loops

Recap

Causal Loops for Voice Quality

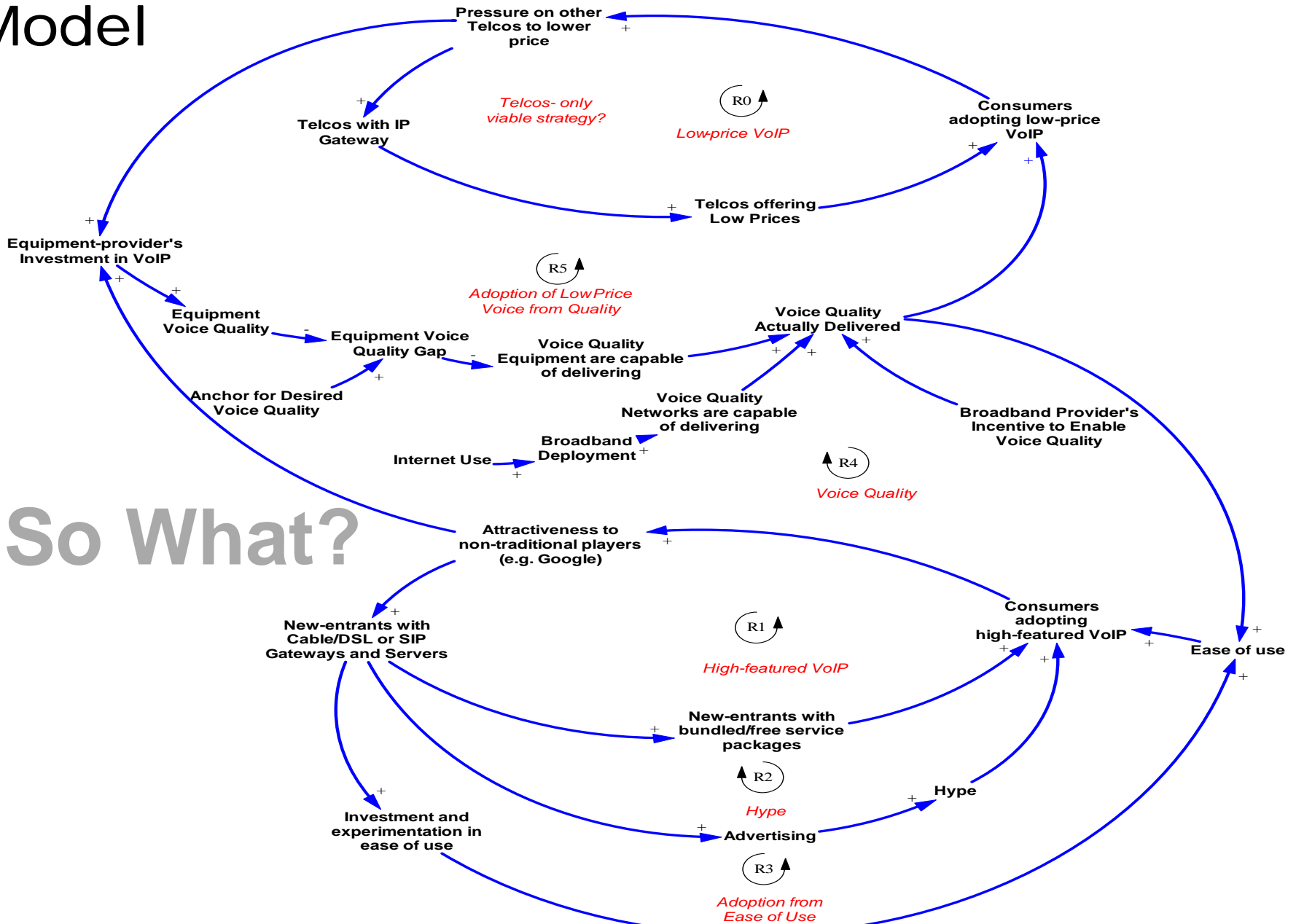


Current Model

Technology Strategy

Competitive Strategy

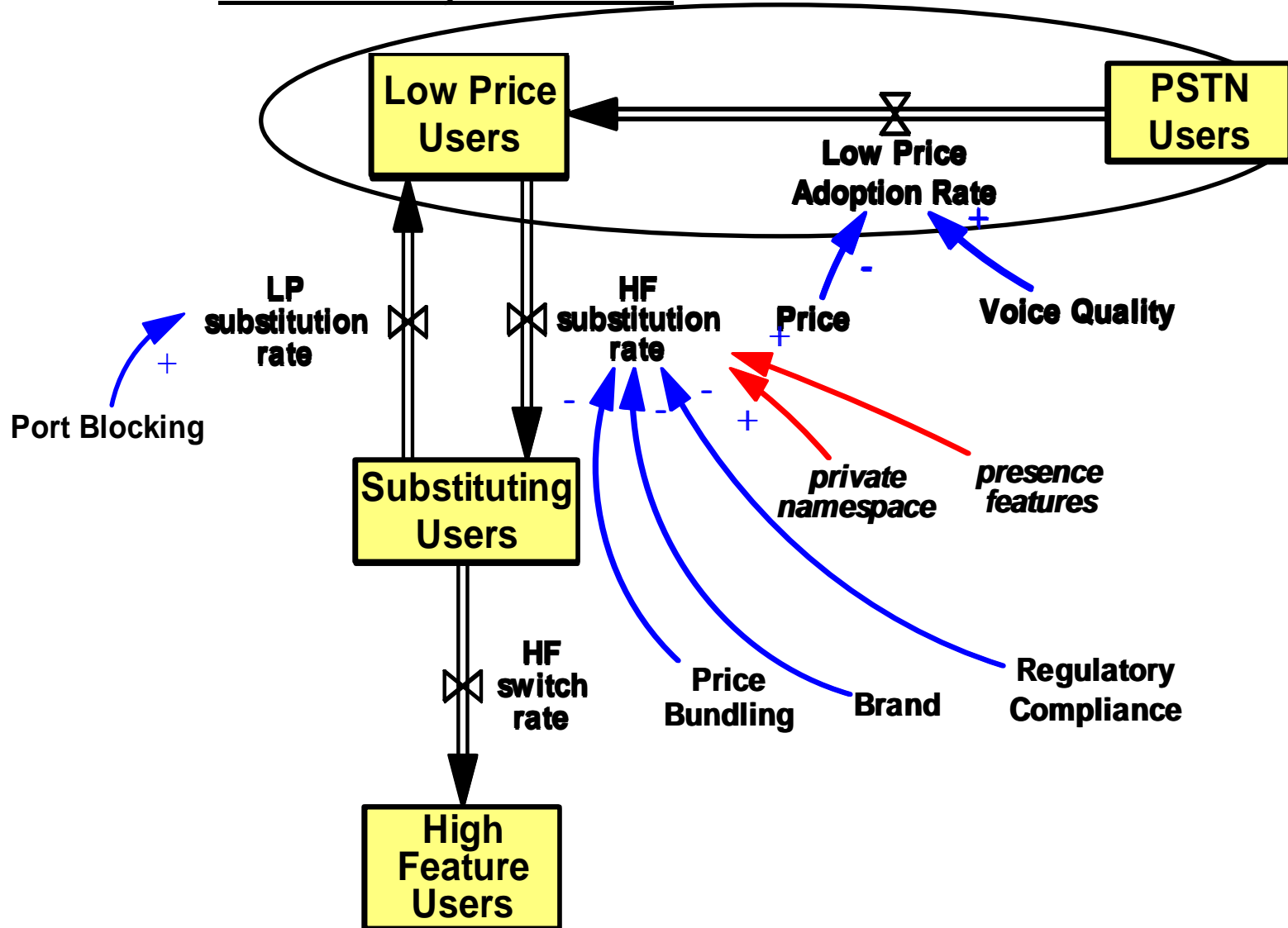
Consumer Behavior



So What?

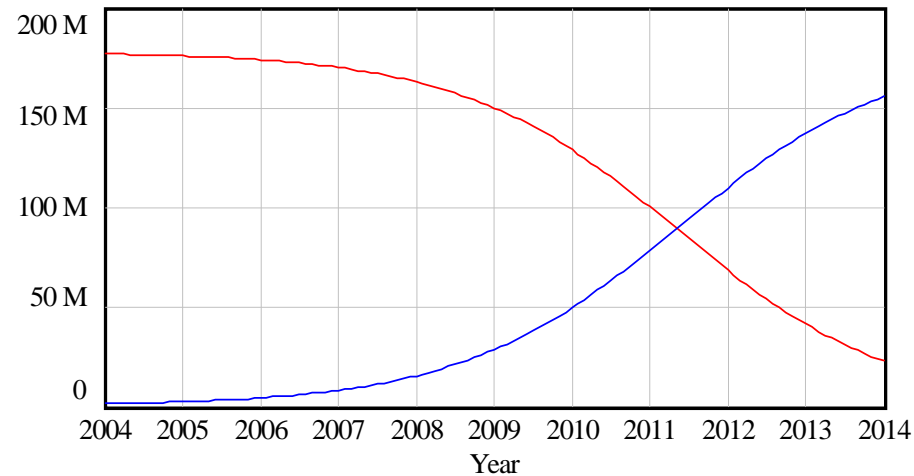
Moving to Computer Simulation

Where do they come from?



Simulating Adoption

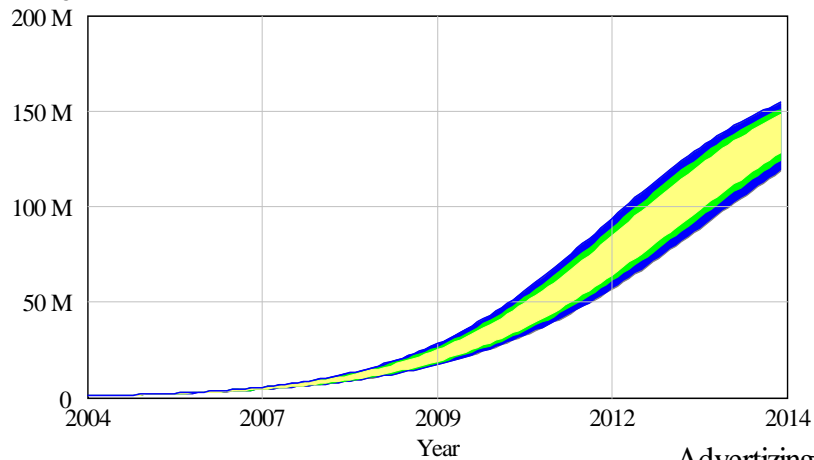
Managed VoIP Diffusion



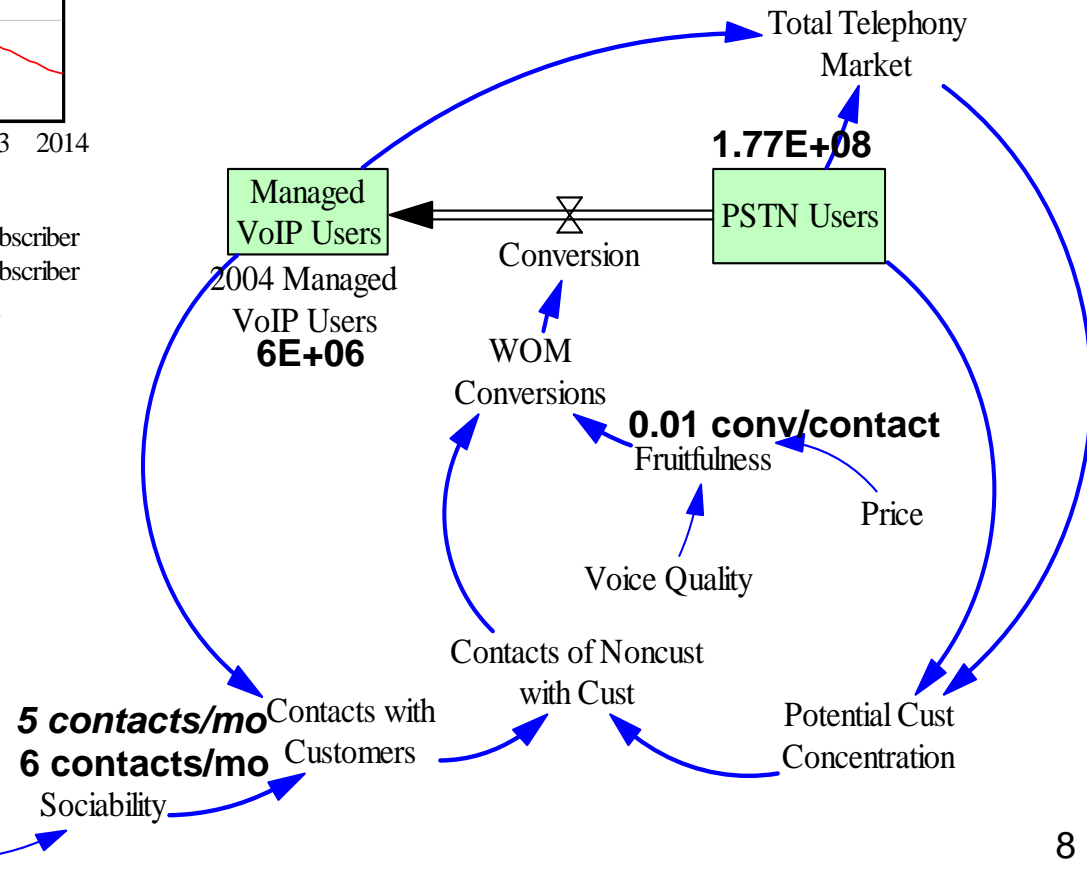
Managed VoIP Users : Current — subscriber
 PSTN Users : Current — subscriber

Current
 50% 75% 95% 100%

Managed VoIP Users



Yankee (17 Mil by 2009)
IDC (27 Mil by 2009)



Consumer Segmentation, Competition and Innovation

Who is in these boxes?

Late Adopters?

Enterprise?

Families?

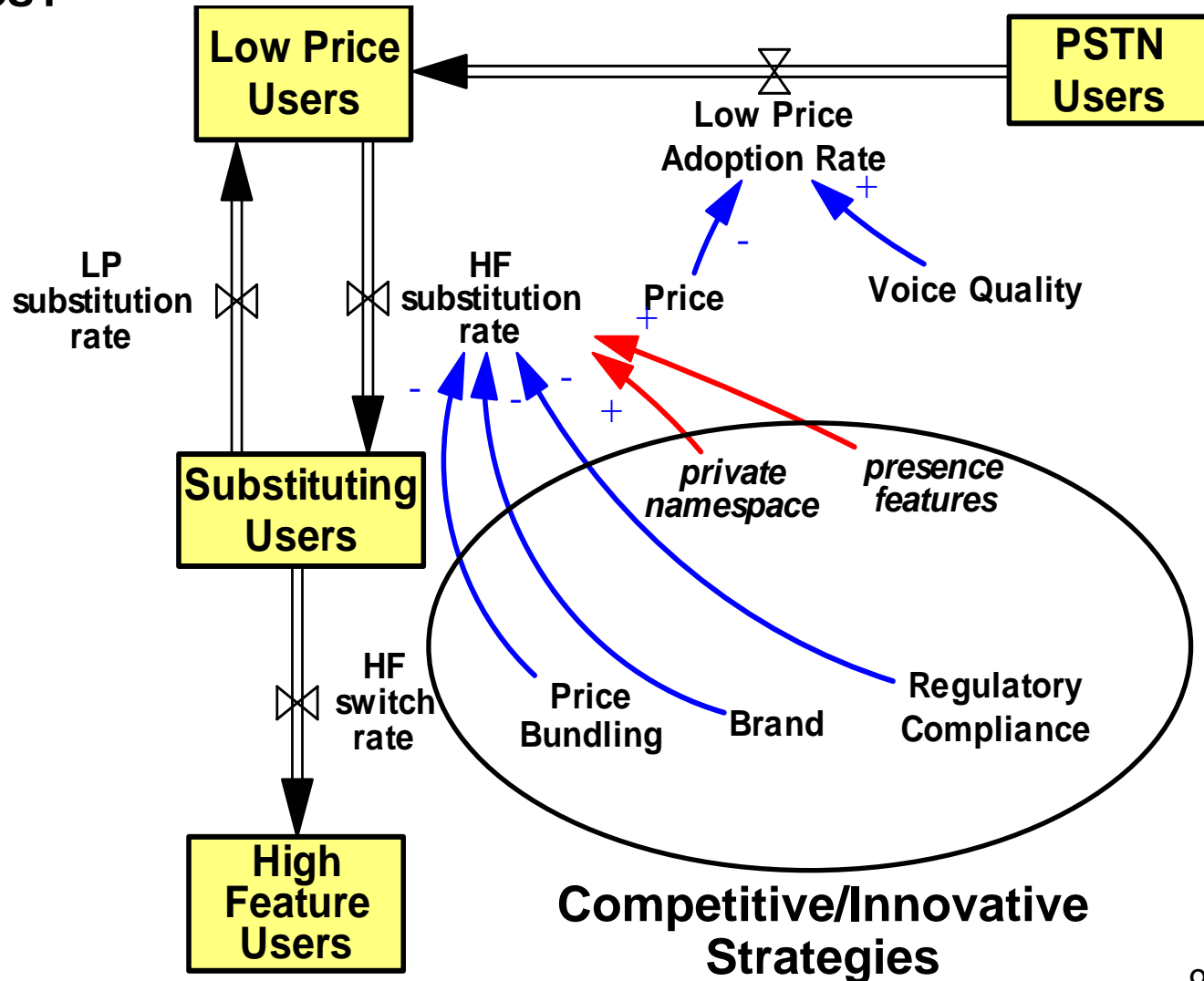
Seniors?

Early Adopters?

Individuals?

Youth?

Kids/Highschoolers?



Next Steps (Current Challenges)

Understand Consumer Segmentation

1. Interviews
2. Analyst Reports

Understand Competitive Strategies

1. Press Releases
2. Entrees/Exists

Understand Innovation Strategies

1. Patents
2. Product Releases