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May 28, 2015

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Research Study Block24
The Big Shocks to Towers of China from
China Tower

INTRODUCTORY SUMMARY

Dear principal, we are now do our research study, and the name of my paper is --- The Big Shocks to Towers of China from China Tower.

I will list and analyse the influences on the China markets from the establishment of China Tower. Talk about the meanings that the reformation of telecoms about China Tower that China government take. Predict the future of China Tower.

Main points:

- Telecom operators (China Unicom, etc.)
- Lose power.
- Telecom equipment manufacturers (Huawei, ZTE, etc.)
- Income decreases
- Internet companies
- Join to build basic telecom service.
- Consumers related to telecom
- Service prices are expected to fall further and further improvement of the quality of service.

FIELD INVESTIGATION

- Telecom industry
- Telecom operators (China Unicom, etc.)
- Telecom equipment manufacturers (Huawei, ZTE, etc.)
- Internet companies
- Consumers related to telecoms

A. TELECOM OPERATORS

Overall, the three major challenges faced by traditional telecom operators maximum. Prior to the discussion of the impact of their OTT anyway how big, but at least the network access control in their own hands, but also retains the counter last killer. Individual analysis of the killer who is available when considered, depending on whether the channel network operators can always

controlled. "Tower Company" rapid establishment of a clear answer to the traditional three operators are losing the killer.

B. EQUIPMENT MANUFACTURERS

An important direct cause of the original three operators is to reduce the dispersion of a waste of resources caused by duplication of investment. According to some analysis now, you can save at least 50 billion yuan of wasteful duplication. This is part of the investment is mainly to Huawei, ZTE and other equipment manufacturers for market share among the delegates.

C. INTERNET INDUSTRY

Including Alibaba and some Internet giants had repeatedly appeared on the market and want shares of China Unicom and other operators. From the economic point of view, the Internet is clearly much higher than the level of profitability of basic telecommunications services, Internet companies seem to have pulled down into the basic telecom services ROI issues.

D. CONSUMERS

On stakeholder body diagram does not display, it is because consumers with "iron ride company" is an indirect relationship, but, personally think that the whole "tower company" set up is a good thing for consumers, good focus reflected in the "tower company" set up the traditional telecom operators originally inefficient, repetitive, do not have the comparative advantage of specialization are squeezed out, so the service is expected to further decline in prices, but to further enhance the level of service.

CONCLUSION

China Tower set up a challenge to the three major traditional telecom operators which are the backbones of telecom industry, if you use a word to summarize this effect, I think it should be like this: With the China Tower founded and the squeeze from virtual operators and Internet companies, telecom operators may be weak and must do effective adjustment in next three years.

- Telecom operators (China Unicom, etc.) will lose power.
- Telecom equipment manufacturers' (Huawei, ZTE, etc.) income decreases.
- Internet companies will join to build basic telecom service.
- Service prices are expected to fall further and further improvement of the quality of service whose consumers related to telecom.

I will meet you to discuss our study and any follow-up you may wish us to do.

Sincerely,

Jingxian Wang
Research Group Leader