

Looking Beyond the Bill

Dr. Andy Tiller, Vice President, Product Marketing, AsiaInfo-Linkage

A simple charting of the evolution of mobile communications services would begin with the delivery of basic voice and text messaging, and show today the enabling and provision of multi-channel voice, data, video, social media, imagery, financial services and more. An obvious assumption would be that, with the proliferation of the mobile device's uses and applications, operators would be enjoying similarly revolutionary ways of managing how they and their customers can benefit from the enhanced capabilities of the mobile network.

Real-time marketing, for example – the ability for the operator to proactively alert individual customers, in real-time, to options, offers and opportunities that can be considered, redeemed and exercised in real-time, creating added value for the customer and added revenue for the operator.

In Asia, operators are already leveraging the ability to analyze data in real-time. They gain detailed knowledge of each individual customer's behavior, and use that information to trigger real-time personalized marketing offers and network policy changes. Some are even developing open platforms that connect these capabilities to OTT services, thereby enabling new business models. Outside Asia, however, many operators haven't progressed very far beyond the traditional model of the monthly bill that covers past use, or a pre-loaded account that simply matches consumption to available credit, and reduces the latter accordingly.

The future for mobile operators is all about differentiation, unless they are content to be simply delivery mechanisms for other people's voice and data services. The customer relationship is no longer only about charging, it's about monetization: finding creative ways to use the real-time capabilities of the network to add more value for customers, partners – and the operators.

Capped rather than uncapped data plans are now the norm, but while charging customers extra when allowances are exceeded can bring additional revenue for the operator, it does not enhance the customer's experience, or brand loyalty. The price penalty approach also encourages customers to use over-the-top (OTT) applications that cut the operator's charging mechanism out completely. By contrast, with Real-Time Monetization (RTM), operators can focus on customers, improving their experience while bringing new business models to market.

A simple example of RTM would be an operator alerting a post-paid customer when

he or she has used 90% of her monthly data allowance, and offering an immediate upgrade to a higher allowance for an increased monthly fee. The offer could be incentivized with a month's free extra data. This goes beyond standard real-time scenarios such as 'bill shock warnings', offering additional value to the operator as well as the customer – a win-win.

RTM enables operators to add value to services that they currently only facilitate. This can open up new business opportunities, replacing the voice and messaging revenues lost to OTT services. For example, the availability of real-time customer information, along with fine-grained control over Quality of Service (QoS) at a per-customer / per-service level, enables operators to offer bandwidth upgrades for accessing specific content in real time, either through push notifications or using options built into the relevant smartphone app.

Video services on mobile devices illustrate this example. The user experience is often less than acceptable due to coverage and capacity issues. With RTM, operators would be aware that a customer was trying to access live content, and immediately offer an upgrade to higher QoS. If the current serving cell is congested, the operator could instead send time-limited log-in details for the nearest Wi-Fi hotspot. The customer could sign up for a permanent subscription to the QoS Alert service for a small monthly fee. More revenue for the operator, a better experience for the customer – and the operator could also secure a potential revenue-share with the Wi-Fi provider.

Access to real-time behavior is critical to operators' marketing accuracy in targeting individuals. The combination of mobile communications and the Internet gives the mobile operator the most comprehensive and valuable insight and information on each and every customer – where they are, who they interact with, data consumption, favorite websites, social media activity, purchasing habits and so on.

Add to this the known device, price plan, and RTM intelligence such as the level of network congestion in the cell currently serving the customer, and the operator has struck marketing gold. Real-time context can be leveraged to trigger relevant and personalized marketing offers and dynamic service level upgrades appropriate to an individual customer's needs, while meeting the network management requirements of the operator.

RTM enables true personalization of mobile services. With RTM, operators can promote real-time offers based on an individual customer's location, surfing patterns and other real-time context information; send real-time alerts with relevant upgrade/plan change options based on a customer's usage patterns; suggest relevant third party products and content based on a customer's 'mobile window

Looking Beyond the Bill

Published on Wireless Week (<http://www.wirelessweek.com>)

shopping' – and even proactively offer support or compensation after a customer tweets about a bad network experience (or preferably before, thus heading off the tweet!).

Integration with third-party social media applications such as Twitter and Facebook can further enhance the customer profile and behaviors, enabling RTM to provide ever richer personalized offers and interactions.

Real-time monetization is a true differentiator for operators. It is already proven to bring in greater revenues for operators in Asia who are thinking and acting like marketers. They are seizing the opportunity to build a virtual business relationship with each individual customer, and increase brand loyalty and trust. Operators around the world need to follow their lead – to become more creative, more marketing-focused, and more willing to work with their customer base to create value across the board.

Dr. Andy Tiller is vice president of product marketing for AsiaInfo-Linkage.

Source URL (retrieved on 06/11/2013 - 4:45pm):

<http://www.wirelessweek.com/articles/2013/04/looking-beyond-bill>