



Articles

Driving Billing Innovation in a Converged World

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As consumers, we desire more content, more personalization and more control, wherever and whenever we are – all real-time, just like our lives. These desires are driving new service offerings that all require convergence - network convergence (the combination of fixed, mobile and IP based services); payment convergence (combining the existing methods of prepaid and postpaid into one); and customer convergence (the combination of our business, family and personal communication needs). Quite simply we desire any service, over any network, in any location and via any payment type – our communication services should be able to match the spontaneity of our own lives and our multi-faceted lifestyles.

Operators who capture this moment of opportunity will reap the rewards with increased competitive differentiation, increased revenue and increased customer loyalty. However many operators will find that their existing legacy billing and customer care systems are simply not equipped to cope with the challenges these new services will create. They will need a truly converged system – one architected with the customer at the center and with full real-time capabilities.

THE REAL-TIME DEMANDS OF THE CONVERGED WORLD

As consumers, we require more from our service providers than ever before. We are excited at the creative possibilities new converged communications technologies will bring – combining the interactive worlds of voice, video and data – inside and outside of our homes.

We do not distinguish ourselves by our payment methods - 'prepaid' or 'postpaid' –and often our requirements change over our lifetime. For example, one could go from being a student, where prepaid credit 'top-ups' are convenient and economical to manage; to a professional, balancing business and personal accounts; and then to a parent, where managing the family's calling plans and finances is top priority. In essence we desire more real-time convenience, choice and control over every aspect of our communications lifecycle.

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THE COMPETITIVE BENEFITS OF REAL-TIME SOLUTIONS

In this instantaneous world, operators need to have real-time access to all information about a particular customer. They need to anticipate and react to the consumers' basic desires -- want it, find it, buy it. This knowledge will enable them to deliver personalized incentives and promotions (for example, free ring tones when more than 100 SMS messages are sent or merchandise based on a certain popular theme, like sport). In addition, a real-time view of customer data enables operators to support real-time credit control and balance management – helping them to control risk.

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customer.”

With real-time control, services can be managed and offered to the consumer in a targeted manner. This one-to-one marketing enables the delivery of more personalized incentives based on a consumer's own interests or usage habits, allowing the operator to stimulate more excitement for key products and create more familiarity with each individual subscriber.

In addition, by centrally managing multiple content services such as ring-tones and videos, operators can package, price, market and deliver truly exciting and differentiated offerings. This increases market agility, enabling operators to react and anticipate trends at a faster pace, maintaining leadership within a competitive marketplace.

FINANCIAL MANAGEMENT FOR THE CONVERGED LIFESTYLE

The billing system functionality required to meet the demands of convergence go beyond offering just a combination of payment methods. The real-time nature of the platform opens up a financial management aspect for consumers and enterprises that can help them leverage their budgets and spend; and can increase their loyalty to their provider.

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A truly convergent system should offer the ability to have multiple personal profiles - such as one account containing separate business and personal profiles, or a family account with various family member profiles. For example, a converged system would enable employees to make calls to the office on the company's bill but evening calls on their own prepaid balance. This capability is particularly important within the emerging markets where mobile handsets are a valuable commodity and also for business professionals who are often weighed down with both a business and personal mobile device. Another example is to allow a family head to allocate credit levels to other members of the family to avoid excess expenditure. Personalized and real-time notifications can serve to both keep end-users informed and can help drive usage.

With converged billing for family accounts, both prepaid credit (for the children's accounts) and postpaid balances (for parent usage) can be on one combined account. Customers can select how they pay, with the flexibility to top-up accounts or transfer balances as and when increased communications needs are required. This real-time credit control also offers invaluable security from sudden excessive unauthorized use.

EMBRACING THE CONVERGENT FUTURE

Operators are embracing the new converged world as to do so should help them gain the greatest strategic advantage, and potential profit from emerging lifestyles.

To make the most of this new world, operators need a truly converged infrastructure that will allow them to manage their customer base consistently and in real-time. This infrastructure should also support market agility - quickly launch new products and promotions; implement real-time one-to-one marketing; offer more personalized incentives, and use innovative marketing tools to attract, stimulate and create a degree of subscriber dependency in order to encourage loyalty. Of course, lowering operational costs is always on an operator's agenda, so the truly converged billing system must also be efficient.

Industry analysts are in agreement that communication providers will look to converged solutions when assessing new systems for their OSS and BSS over the next years. For example, Informa predict that by 2009 the demand for

convergent systems will represent in excess of 90 percent of all of the new Billing and Customer-Care (BCC) systems deployed. Convergent billing solutions, by combining the strength of both the traditional prepaid and postpaid payment methods with real-time immediacy, hold the key to unlock the profitability of the new convergent world of communication.

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