

First Party Data & Telcos Regulatory Compliant

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Mobile Operator metrics, historically, have been growing year on year. Every indicator from customer base to revenues have been on the up. But this is no longer. Today, operators are forced to adapt to the new market dynamics of competition from non-traditional providers and no new killer application or service, on the horizon, to replace the diminishing revenues.

With the hyper connected future world, new major trends are on the rise such as with Internet of Things, Big Data, Digital Societies and others. One of these trends has a potential revenue line that could be attractive to Telco's and that is the usage of First Party Data.

Over the years Telco's have spent tremendous resources on Big Data, initially, for their own internal use as part of their Business Intelligence (BI) and Customer Value Management (CVM) efforts. A good number of mobile operators have also used this information to sell profiled advertising sms. They are able to use first party data and target their customers directly or indirectly with SMS & USSD advertising messages promoting various brands and services. What if the First Party Data is open to other services?

A goldmine exists on the use of the Telco customer profiles opening up a new revenue line from services such as Mobile Advertising. If the Telco provides access to its First Party Data, Advertisers are then able to target and home-in the advertising message more accurately to a more precise segment. By doing so Telco's have entered into the lucrative multibillion digital advertising ecosystem.

As a result, the end customer – the mobile customer – will continue use his mobile, and seamlessly and transparently, he or she will see more relevant ads whether on their mobile browser or applications. There is no change in the customer experience (in comparison to other options such as browser toolbars and pop ups).

However, before doing so it is crucial for Telco's to safeguard the customer profile info by abiding to government regulations and customer privacy laws. Telco's will not be able to sell this information to third parties but through anonymously providing customer attributes to the platform. Sensitive information including telco identifiers such as MSISDN, IMEI, IMSI and customer name need to be safeguarded and not shared.

Customers also should have the option to Opt Out whereby they will continue seamlessly receiving advertising in the mobile browser or apps but less relevant than before.

MENA telco policy in general states that the privacy of a customer is protected under general provisions of laws that cover data protection and confidential information. This includes protection and respect of customer privacy, disclosing of confidential information, opt out and blocking of advertising and/or spam messages.

Solutions need to adhere to the strictest customer data protection and data privacy laws that provide a reliable solution to telcos to exceed any local regulatory requirements and is updated periodically with any new related law provisions.

AdFalcon takes the customer privacy & regulatory laws privacy very seriously, since its early days from launch, abiding by industry standards and compliancy and its telco solution, AdFalcon Demand Manager (ADM), is no exception. The ADM Platform process to adhere to regulatory & data requirements include

1. AdFalcon Demand Manager Bridge component is deployed inside Mobile Network
2. Telco Identifiers (MSISDN, IMSI, IMEI, etc.) are mapped to Advertising Identifier
 - Telco Identifiers provided are masked or hashed
 - Telco Identifier remains inside the Telco network
 - Each Handset OS has a unique Advertising ID separate from IMEI
3. Advertising Identifier is used internally as ADM UID (AdFalcon Demand Manager Unique Identifier)
4. Mapping / Id Sync Process is done throughout network to identify customer base with smartphone handsets

ADM UID	Operator ID (Masked / Hashed)
88112233ZTEM	Telco Identifier 97959392910298
99223344ASDZ	Telco Identifier 58348749029312
338992827WED	Telco Identifier 90294746284947
...	...

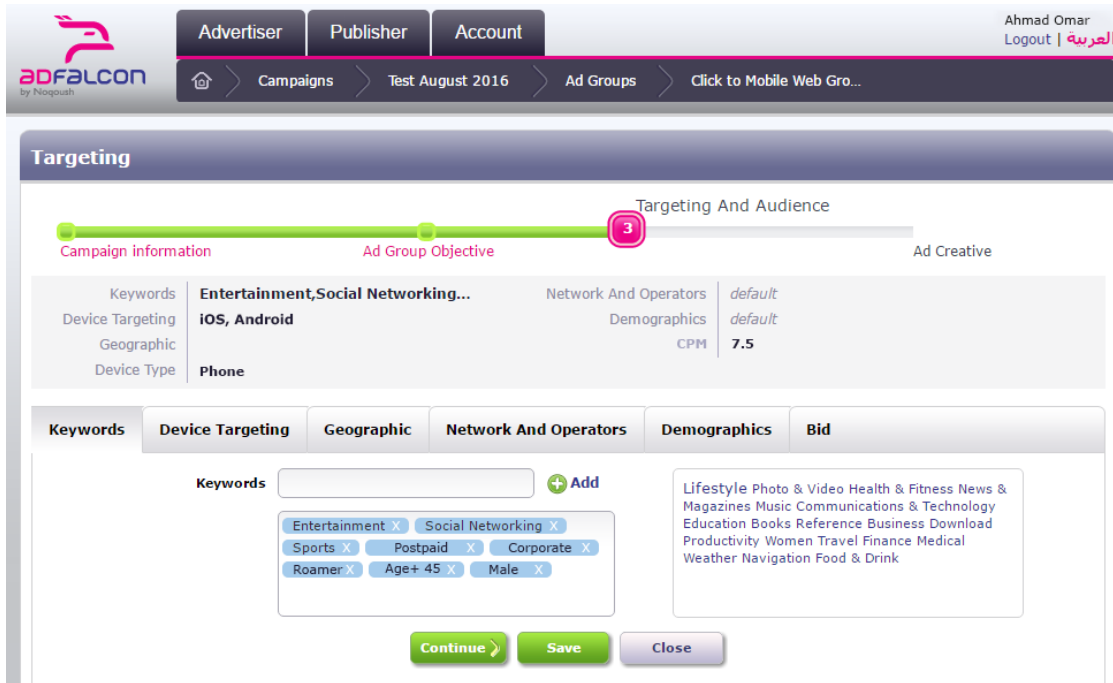
5. Identifiers map table remains in the Telco Network.

After the above mapping is done inside the Telco network. Next phase is to link the ADM UID with the Customer profile

ADM UID	Gender	ARPU	Post / Pre	Traveler / Roamer	Intl Calls	Browsing & App History
88112233ZTEM	M	USD 15 -20	Post	GCC	UAE	Sports, News
99223344ASDZ	F	USD 10-15	Pre	No	Egypt	Fashion, Ecommerce, Social
338992827WED	M	USD 35 - 50	Corp	Europe, GCC	EU, UK, ME	Ecommerce, Financial, Hotel, Rentals
...

ADM Bridge retrieves the anonymized telco customer profile through a secure connection via batch files, API or any other means operator applies. Through this process any Telco Identifier, is processed inside the Telco network and then the Advertising IDs are linked with the profile info.

The Advertising ID is then used to identify each customer with the profile attributes, where this information is synced with ADM Cloud. When an advertiser or media agency launches a campaign, they select the attributes of customers as shown below whereby no identifiers are shown to the brand.



The screenshot shows the AdFalcon Targeting interface. At the top, there are tabs for Advertiser, Publisher, and Account. The user is logged in as Ahmad Omar. The main navigation bar includes Campaigns, Test August 2016, Ad Groups, and Click to Mobile Web Gro... The Targeting section is active, showing a progress bar with three steps: Campaign information, Ad Group Objective, and Ad Creative. The Ad Group Objective step is highlighted with a red circle and the number 3. Below the progress bar, there are sections for Keywords, Device Targeting, Geographic, Network And Operators, Demographics, and Bid. The Network And Operators section is currently selected, showing a list of targeting options: Entertainment, Social Networking, Sports, Postpaid, Corporate, Roamer, Age+ 45, and Male. There are also buttons for Continue, Save, and Close.

In summary, Mobile Operators have first party data on their customers that is a goldmine to advertisers. They can open up a new revenue stream by utilizing this data anonymously and becoming a player in the mobile advertising ecosystem. Over the recent period, several mobile operators have strategically positioned themselves to take advantage of this opportunity with M&A activity in AdTech & first party data. Notably, Verizon has acquired AOL, Millennial Media & Yahoo, Telstra acquiring Aoyala / Videoplaza, Axiata joint venture with Adknowledge and many more examples. Mobile Operators worldwide are interested and investing.

Telecom operators through making their respective First Party Data anonymized and mapped with Advertising ID's they are able to safeguard their precious customer data and provide advertisers with relevancy thus opening up and accessing a new source of revenue.