

## Telcos & AdTech .... A new revenue stream

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Telcos are looking for new revenue streams to compensate for the flattened, at best, ARPU, with calls to find new opportunities beyond the traditional voice & mobile broadband or data services. The urgency is vital with the continuation of investments in the expansion of networks for current services and the expected 5G licenses & services.

Mobile Operators worldwide are taking different approaches. Each unique to its market, growth potential, competition landscape – direct & indirect, adjacent business and other variables in addition to regulatory environment. A few are transforming to integrated digital & media companies while others through separate M&A entities. This is also true to the tradition telecom equipment providers whom are moving from pure delivery of boxes to software & solution providers.



Potential revenue streams for Telcos include enterprise solutions, cloud hosting, mobile payment, enhanced services, IoT, and Big Data. Their respective stakeholders all are pushing operators to grow and expand the ecosystems to benefit from the investments.

In this whitepaper, we as AdFalcon, argue the potential for Mobile Operators to benefit from AdTech by opening up to new revenue streams. Revenue from Advertisers that currently sits at ZERO. Telcos have information that is deterministic and behavioral on their customer. They can, up to an acceptable level, predict the next “action” of the customer. The duopoly of Google & Facebook have utilized customer data and moved Telcos to the sidelines. They have reaped revenues from advertisers to target the telco customers while at the same time keeping the revenues for themselves. However, according to research the duopoly, and the advertising ecosystem at large, has been only able to target customers with an approximate 60% accuracy in terms of relevant advertising.

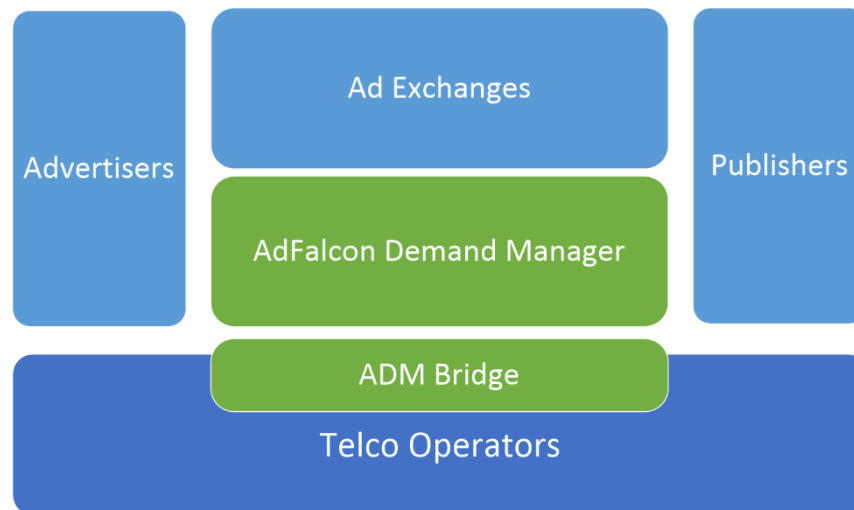
### WIN – WIN - WIN

This is where the Mobile Operator come in. They have more accurate information than the duopoly that is available in real time. They have used this information for their own internal use as part of their Business Intelligence (BI) and Customer Value Management (CVM) efforts. By providing anonymous customer profile info to the Advertising Ecosystem they can capture a sizeable share of the hundreds of millions if not billions in revenues.

It's a WIN – WIN – WIN situation. A WIN for the Brand by targeting the right customer with the right message. A WIN for the Publisher (Mobile Browser or App Owner) for being more relevant with less intrusive & intuitive advertising and thus increased revenues. And a WIN for the Mobile Operator by reaping new revenue streams.

### Anonymous Customer Profile Information

AdFalcon as the leading Advertising & Data Platform in the MENA region is in a unique position to bridge the gap between Mobile Operators and the Advertising Ecosystem regionally. By utilizing its 7 years' experience in the region and partnerships with brands and media agencies, AdFalcon through its AdFalcon Demand Manager (ADM) provides Telcos with a single point of integration.



Hosting ADM Bridge inside the Telco Operator environment provides the needed security with respect to Customer Data and Telco Personal Identifier Information (PII). By having one point of connection, Telco minimizes sharing of information with a single party in this case AdFalcon. This is in comparison to sharing or selling the customer information to Data Brokers or Data Management Platforms (DMPs) whom share the info with numerous players including Demand Service Providers (DSP's), Advertising Platforms & Exchanges. In addition, AdFalcon Demand Manager implements rigorous security measures to secure the Customer Profile Information & Attributes during its transmission and when stored & updated.

### ADM – Turnkey Solution to Telcos

AdFalcon provides a comprehensive turnkey solution by providing the technology stack for Telco hosting inside network and more importantly the business development and sales with the media agencies and brands. A pure revenue share business model with no Capex or Opex resulting in revenues from day one. The Telco partner provides integration with the network and the Business Intelligence Systems for updated customer profile information and attributes and ADM does the rest.

## Seamless Customer Experience

By partnering with ADM, the end customer – the mobile customer – will continue to use his mobile seamlessly and transparently. He or she will see more relevant ads whether on their mobile browser or apps. There is no change in the customer experience (in comparison to other options such as browser toolbars and pop ups).

The advertiser at the same time has access to real time info allowing for precise advertising targeting based on location, context, sub segments, interest based, etc.

## Executive Summary

Mobile Operators have first party data on their customers that is a goldmine to advertisers. It is real time and updated and more accurate than the duopoly of the social media & search engines. By utilizing this data anonymously, Telcos can become a crucial player in the mobile advertising ecosystem.

Worldwide mobile operators have started to strategically position themselves to take advantage of this opportunity through M&A activity in AdTech & first party data. Notably, Verizon has acquired AOL & Yahoo and Millennial Media, Telstra acquired Aoyala / Videoplaza, Axiata joint venture with Adknowledge, SingTel with Amobee and many more examples. Mobile Operators worldwide are interested and investing. A leading few are transforming themselves to a digital media company.



AdFalcon Demand Manager provides a turnkey solution to Telcos through a single point of integration resulting in securing the customer information. ADM Business Model is based on ZERO investment by the Telco and reaping the revenues from Day one. Let AdFalcon Demand Manager transform you as a telco from a Pipe to a First Party Data Player.