

A woman with dark hair, wearing a yellow sweater, is looking down at a smartphone she is holding in her hands. The background is blurred, suggesting an indoor setting. The overall tone is professional and focused on technology.

WHITEPAPER

Best practices to Maximize Customer Satisfaction with Direct Carrier Billing

DIGITAL VIRGO

Intro duction

The pandemic has accelerated the use of mobile payments and the overall consolidation of a cashless society. A study from Juniper Research has found that mCommerce payments will reach \$3.1 trillion in 2025. This situation, added to its advantages, is making the Direct Carrier Billing (DCB) market growth forecast higher than the one published by Omdia at the beginning of 2020 – (10% annual growth from \$49 billion in 2019 to \$79 billion in 2024).

The growing and increasingly competitive DCB ecosystem involves a plethora of players, ranging from payment providers, telecom operators, to service providers, each trying their best to optimize their share of the business. What if the solution was focusing on Customer Satisfaction?

Ensuring a satisfied customer allows to guarantee the sustainability of the DCB business, while a dissatisfied customer means business losses and, more importantly, reputational damage that is difficult to reverse.

This white paper aims to give Carriers an understanding on the best practices to maximize Customer Satisfaction with Direct Carrier Billing.

EDITO



“Above all, we address mobile payment in its entirety: transactional but also in terms of the customer journey. We focus on end-user satisfaction to ensure business sustainability for our partners. For that, we deploy global strategies that take into account strategic aspects such as transparency and security, local adaptation, customer care, service quality, and the regulatory framework. This is part of our DNA. Beyond a payment solution, we propose business growth strategies.”

Guillaume Briche, CEO @ Digital Virgo

A handwritten signature in black ink, appearing to read 'Guillaume Briche'. The signature is fluid and stylized, with a large loop at the beginning and a long, sweeping underline.

Why you should consider Customer Satisfaction as an Essential Lever for DCB Success?

By sharing their satisfaction, a single customer can bring in an average of 5 to 6 new customers. Thus, a satisfied customer plays an important role in building the reputation of the business.

DCB gives end-users the opportunity to pay from their monthly mobile phone bill* or prepaid card, easily and securely, without the need to add banking credentials or fill in lengthy forms for each transaction. Users are just one click away from their favorite song, game or movie. It works on all mobile devices, including smartphones, tablets and smart TVs.

All these features lead to a seamless user experience. However, to ensure customer satisfaction we must take into account some key factors that go beyond the intrinsic advantages of this payment method.

In the DCB ecosystem, a positive customer experience could help carriers maintain and expand their revenues, while a negative one could quickly damage brand image. Making customers happy is undoubtedly the top priority in the mobile billing business.

Let's discover the best practices to maximize customer satisfaction in DCB by addressing the main users' needs.

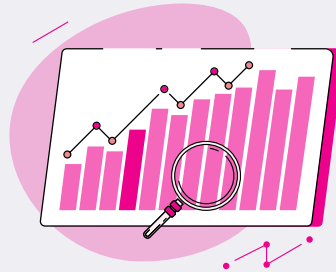
* Source: Lola Dubois in Pulse Blog, December the 20th, 2019, <https://www.kpulse.fr/blog/conseils-pratiques/quel-est-l-impact-de-la-satisfaction-client-sur-la-rentabilite-de-votre-entreprise>



Why Customer Satisfaction is **Key** ?

In 2025, MCommerce payments will reach

\$3.1 trillion



Companies that earn \$1 billion annually can expect to earn an additional **\$700 million** within 3 years of investing in customer service.

DCB market growth forecast - (10% annual growth from \$49 billion in 2019 to \$79 billion in 2024)



A satisfied client can bring an average of 5 to 6 **new clients**



64% of people say that customer care is more important than the product itself.



Digital Virgo's anti-fraud solution help our carrier partners increase their revenue by

115% in 9 months



Adaptation plays a **key role** in user satisfaction

Every dollar spent on website localization yields **\$25 in return**



What customers are looking for in DCB :



Clear information in the purchasing process



Secure environment when making payments



The quality of customer service



A service that is fully aligned with their expectations

Source : Lola Dubois in Pulse Blog, December the 20th, 2019, <https://www.kpulse.fr/blog/conseils-pratiques/quel-est-l-impact-de-la-satisfaction-client-sur-la-rentabilite-de-votre-entreprise>. Source : Gartner report, quoted by Jérémy Gallemand in Smart Tribune, <https://blog.smart-tribune.com/fr/qualite-service-client-branding>

Source : Rightnow Customer Experience Impact report, quoted in "Le self-care en interne pour booster sa relation client", report from Smart Tribune.

Source : Streamlining global content management and localization WEM White Paper https://www.transperfect.com/sites/default/files/TDC_Adobe_WEM_White_Paper.pdf

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Customers want a service that is fully aligned with their expectations ...

... Provide high-quality and locally adapted apps and services

01

Customers demand clarity in the entire purchasing process ...

... Ensure transparency throughout the user journey

One key pillar to bring customer satisfaction is information. Users are looking for transparency in all aspects of their lives, even more when it comes to financial and payment relationships.

Payment transparency is therefore closely linked to customer satisfaction. It is beneficial for not only customers but also businesses. Greater transparency leads to less shopping abandonment rate and more satisfied customers.

In the Mobile Payment industry users are looking for frictionless experiences. That's why convenient and faster checkouts drive Customer Satisfaction.

Nevertheless, being charged without consent or not being able to easily unsubscribe are two of the main reasons why user complaints are rising in the DCB ecosystem, harming reputation for the key players involved in the transaction.

To remedy this situation, it is important to be compliant with the Industry Standards and to implement easy, quick but also clear subscription and unsubscription flows.

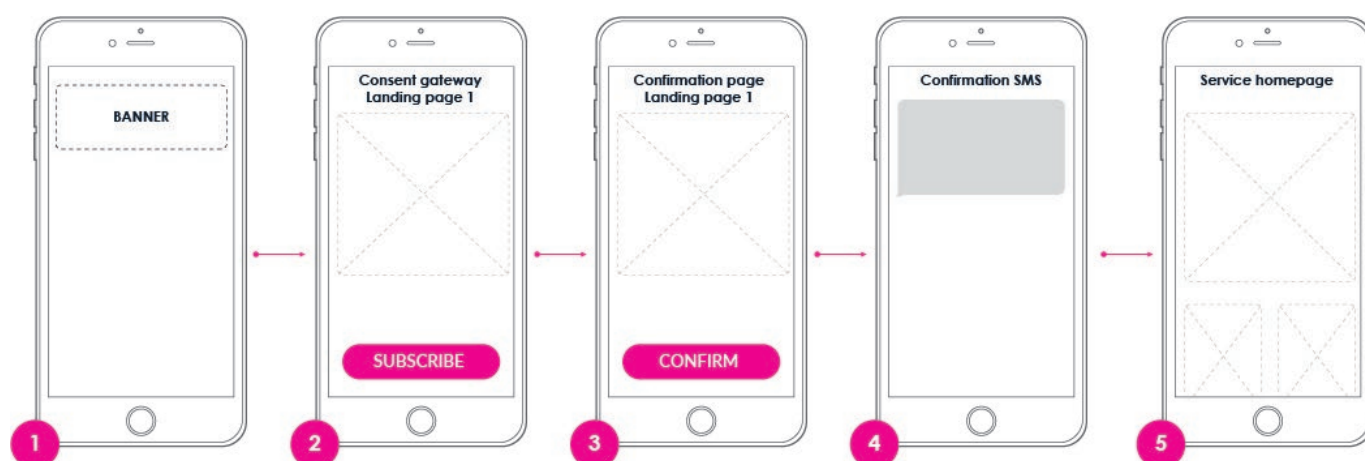


One key pillar to bring customer satisfaction is information. Users are looking for transparency in all aspects of their lives, even more when it comes to financial and payment relationships.

Implementing Easy, Clear & Quick Subscription and unsubscription flows

The DCB is characterized by **quick and easy payment flows** (1-click or 2-click flows). It is therefore crucial that information is always clearly presented to the user, especially in relation to price, terms and conditions and unsubscribe channels.

> Main elements that can be found in DCB flows



> In subscription flows, we must ensure ...

- That the **information** which appears in the banner is **clear** and in relation to the service being offered.
- That the **Landing Page** where the user arrives when clicking on the link takes him exactly to the service indicated in the banner.
- That the **information** about pricing, terms and conditions, data privacy, unsubscription methods and a direct line to Customer Care is **clearly stated**.
- That the user receives a **message confirming the service subscription** and a recap of all relevant info. Ultimately, that you are **notifying customers at key steps** in the payment process.

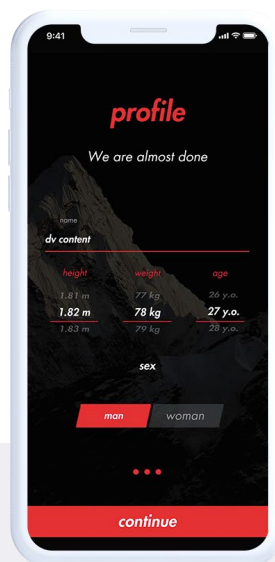
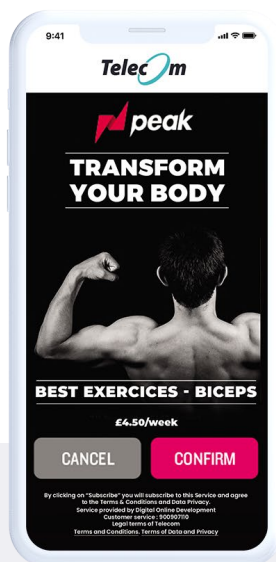
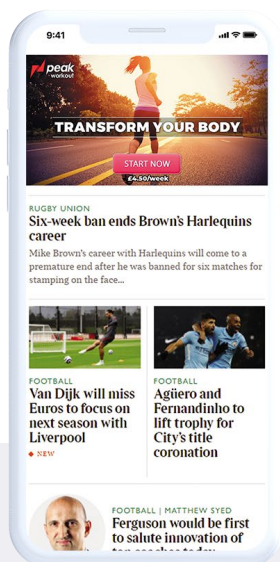
> When unsubscribing from a service, it is important ...

- That **multiple channels** are available for the user.
- That these channels are **clear and accessible**.
- That the user receives an **informative message confirming the cancellation** of the service.
- That in the case of unsubscribing due to a complaint, the **customer service department provides correct attention**.

> The following visuals are real examples of possible subscription flows

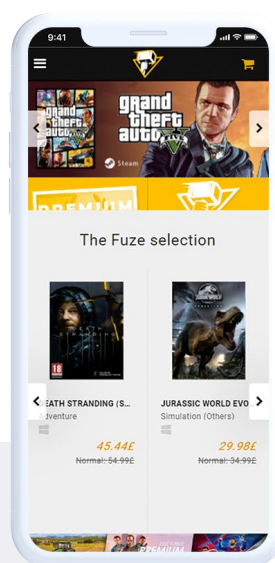
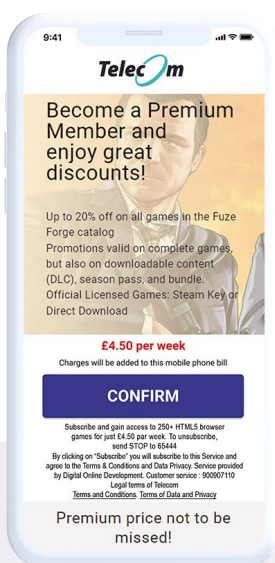
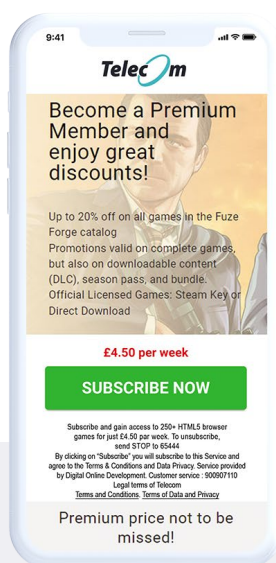
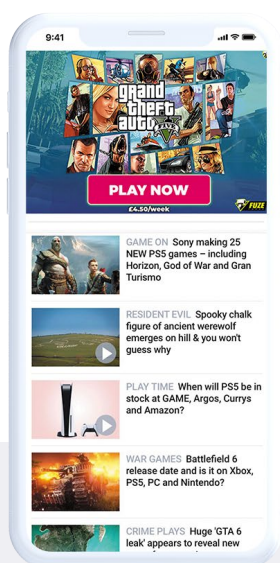
One-click 3G/4G/5G Subscription

1. The user clicks on a banner.
2. Consent gateway displayed to the user.
3. The user receives a confirmation message.
4. After subscription takes place, user is redirected to the product or the service.



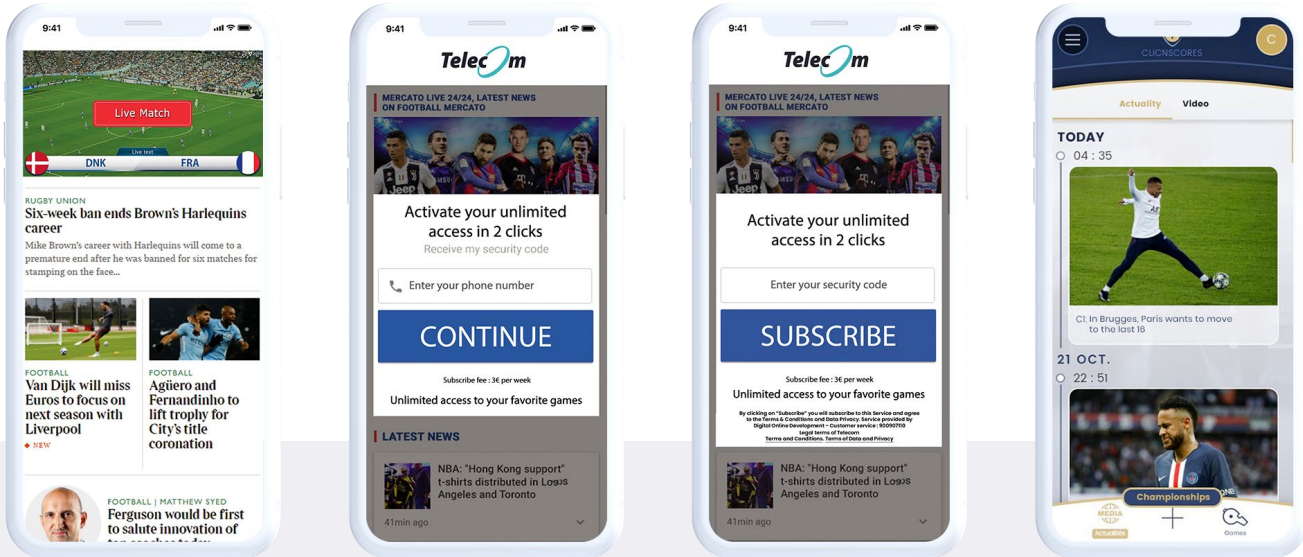
Two-click 3G/4G Subscription

1. The user clicks on a banner.
2. Consent gateway displayed to the user.
3. Second consent gateway displayed to the user for confirmation.
4. The user receives a confirmation message.
5. After subscription takes place, the user is redirected to the product page.



Two-click Wifi OTP Subscription

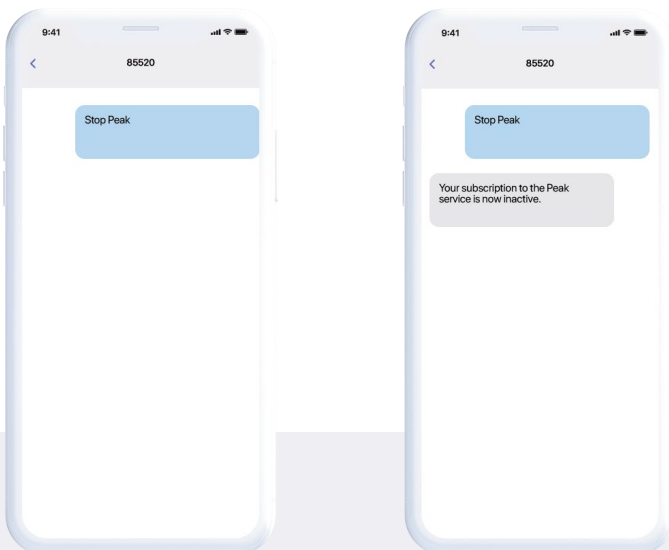
1. The user clicks on a banner.
2. Content provider requests MSISDN (user's phone number).
3. The user enters MISISDN.
4. The user receives a PIN code.
5. The user enters the PIN received.
6. The user receives a confirmation message.
7. After subscription takes place, the user is redirected to the product page.



> The following visuals are concrete examples of possible ways to unsubscribe DCB.

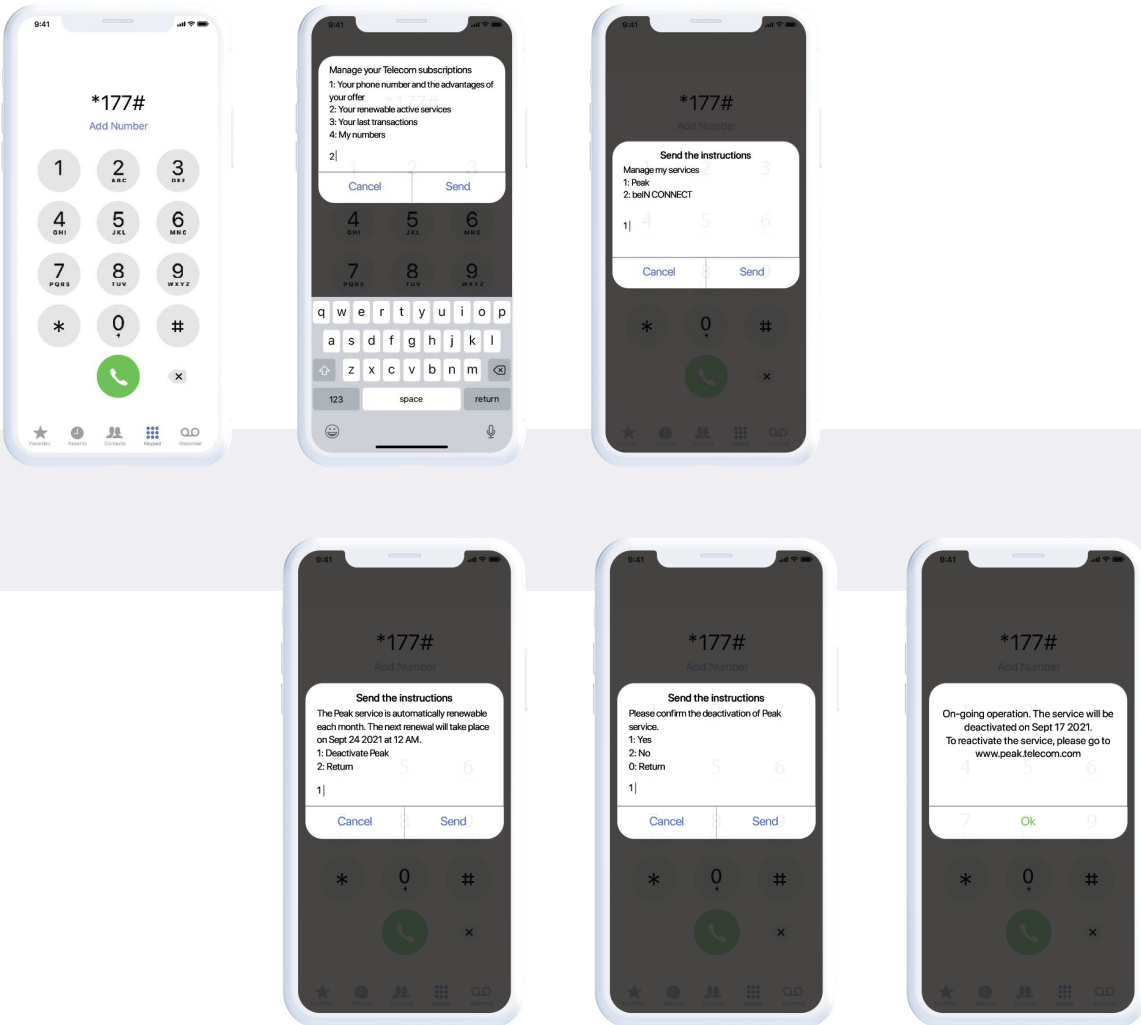
SMS Unsubscription

1. The user sends unsubscribe command.
2. The user receives farewell SMS.



USSD

Unsubscription



1. The user types the unsubscribe command.
2. The user indicates he wants to check the active services.
3. The user chooses the service he wants to deactivate.
4. The user specifies that he wants to unsubscribe from the service.
5. The user confirms that he wants to unsubscribe.
6. The user receives a notification confirming the unsubscription.

Be Compliant with the Industry Standards

The payment industry is regulated by multiple standards to ensure security and transparency for all players in the business.

> Some key standards to be aware of are



ISO 27001 - International standard on Information and **Security Management**.



ISO 9001 - International Standard on **Quality Management**.



DSS PCI - **Information security standard** for organizations that handle branded credit cards from the major card schemes such as Visa, MasterCard, American Express, Discover Card and DCB.

> New transparency requirements with PSD2

Concerning DCB, with the implementation of the new European Payment Services Directive PSD2, new transparency requirements have emerged.

Each player holding an Electronic Money Institution License is required to submit an action plan with respect to five main procedures and mechanisms that must be approved by the supervisory authorities:

1. Procedure for monitoring, handling and follow-up of security incidents and security-related customer complaints and grievances.
2. Process for registering, monitoring, tracking and restricting access to sensitive payment data.
3. Mechanisms to ensure business continuity.
4. The principles and definitions applicable to the collection of statistical data on performance, transactions and fraud.
5. Procedure linked with security policy.



“The most efficient way of growing conversions is improving customer journey. By offering payment transparency and support when required, you’ll observe an immediate decrease in complaints as well as an improvement in customer satisfaction.”

Ignacio Molto, Legal Director @ Digital Virgo

02

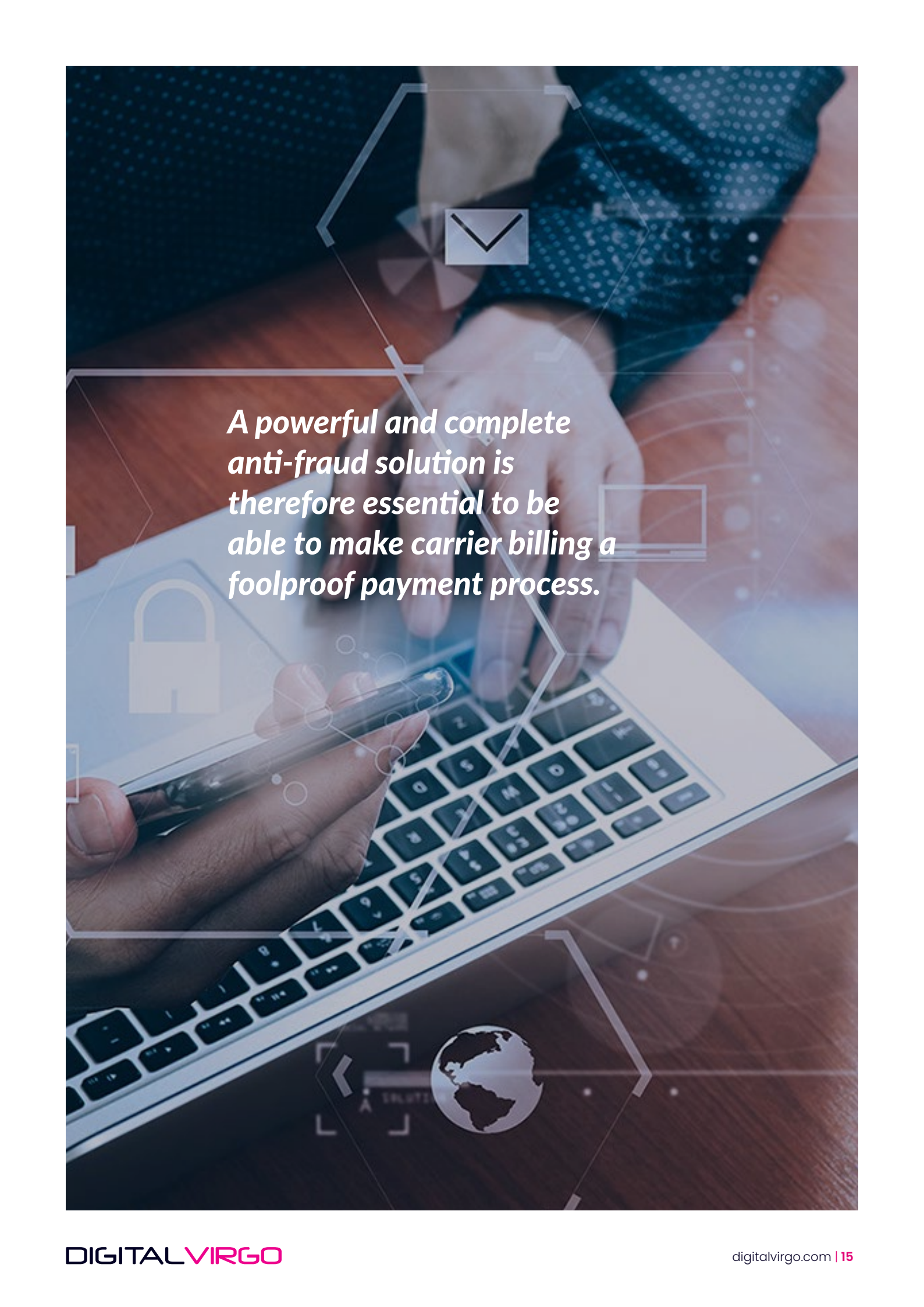
Customers prioritize a secure environment when making payments ...

... Implement a robust anti-fraud solution

Another basic element when talking about Customer Satisfaction is security when making payments. That's why fighting fraud the right way is one of the main growth levers in the Carrier Billing ecosystem.

As Carrier Billing is expanding worldwide, methods to defraud are also becoming more and more sophisticated. In fact, fraud is a problem that affects all players in the ecosystem: the end-user loses money, carriers lose revenue and incur extra customer service complaints and merchants lose brand reputation.

A powerful and complete anti-fraud solution is therefore essential to be able to make Carrier Billing a foolproof payment process. Besides, it allows to have a good balance between simple and effective acquisition flows, which result in good business KPIs for the key players of the DCB ecosystem. This is without a doubt **a differential added value compared to other payment methods.**



A powerful and complete anti-fraud solution is therefore essential to be able to make carrier billing a foolproof payment process.

There is a direct and positive link between reducing or containing fraud and increasing revenues and/or other business KPIs such as ARPU (Average Revenue per User) or ROI (Return on Investment). A fraud-free traffic boosts customer satisfaction and loyalty, prompting growth in user acquisition and revenue – a win-win situation for everyone. Understanding that combating fraud the right way is a growth lever for businesses is the key to **unleash the potential of safe digital monetization**. Thanks to the implementation of a robust anti-fraud solution, we can sustain the business, encourage opportunities, detect and block fraud, improve brand image and ultimately, protect end-users, hence driving customer satisfaction.

> DCB Shield, the antifraud tool

The charts below illustrate an example of a direct relation between customer satisfaction and a clean traffic.

By applying the **three levels of DCB Shield (Digital Virgo anti-fraud solution)**, we were able to increase the revenue by 115% in nine months, and to duplicate the ARPU while reducing potential attempts of fraud by more than 70%. We experienced that fraud attempts decreased once fraudsters realized they could not commit the fraud thanks to our solution.

DCB Shield's first level **detects online fraud** when users attempt to make payment. The second level allows us to detect fraud in the subscription's confirmation page. The third one is based on Digital Virgo's know-how on **monetization and acquisition business KPIs** to ensure a completely secure ecosystem.

Anti Fraud DCB Shield



● LEVEL 01

Cyber Tech attacks detection

● LEVEL 02

Cyber Tech attacks detection and protection

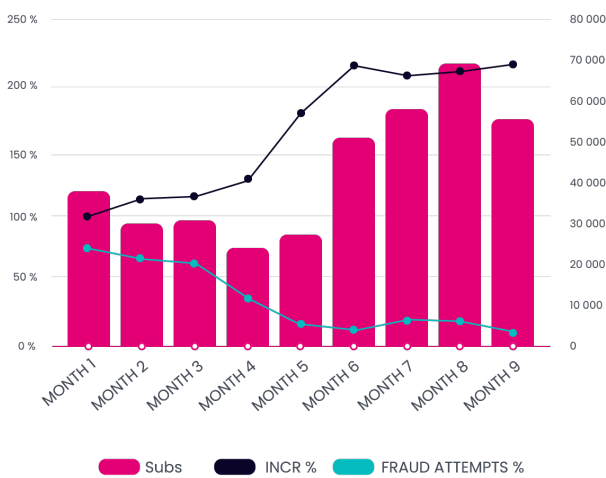
● LEVEL 03

Fraud KPIs detection

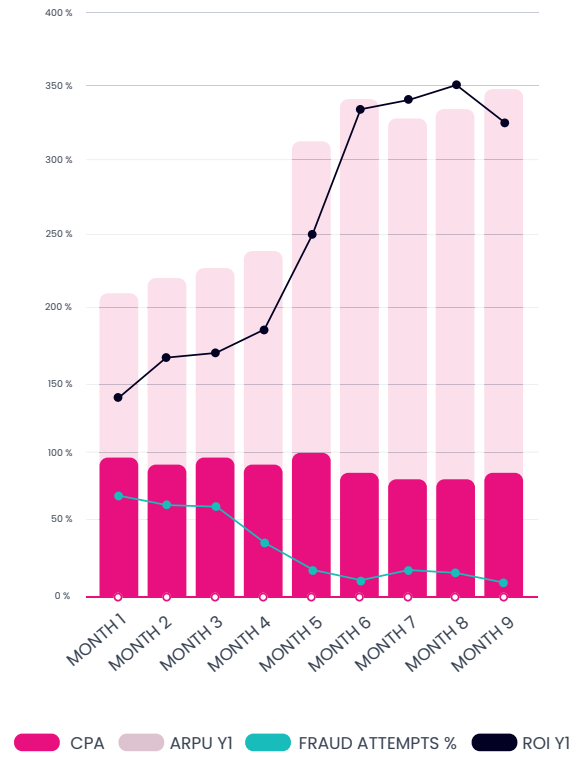
By analyzing this data in-depth, we can prove that by guaranteeing clean flows, conversion rates are improving and carriers are regaining confidence to implement one-click purchase flows (see «MONTH 5» in the charts) in some of the services provided by trusted merchants. **This is a clear example of how we doubled key business KPIs (acquisition, ARPU and ROI) by reducing and maintaining the ratio of attempted fraud.**

These charts refers to a specific market including all merchants of a telco

Fraud attempts vs Acquisition



Fraud attempts vs Economical KPIs



“In order to consolidate carrier billing as the main mobile payment method, it is necessary to follow and onboard strong security standards for all the market. It is also mandatory that the entire ecosystem works together to combat fraud. A real united fight is the only way to reinforce carrier billing as the most convenient, safe and secure payment alternative.”

Luis Vicedo, CTO @ Digital Virgo

03

Customers value the quality of customer service above all else ...

... Facilitate agile Customer Care and User's Autonomy

Providing a good customer support has a direct impact on both customer satisfaction and revenue.

According to a Gartner report, 64% of people consider that customer care quality is a very important element in choosing a brand* – even more important than the product or service itself. Besides, another study from Smart Tribune shows that 89% of consumers stopped being a client from a business with which they had a bad customer care experience.

When customers face an issue with their payment done via DCB and are unable to access support easily, they tend to become frustrated and turn to the carrier or even the local telecommunications authority.

However, improving the speed and quality of processing enquiries helps prevent the scenario in which customers feel that have been scammed.

The good news is that anticipating is possible when talking about DCB.

*Source: Gartner report, quoted by Jérémy Gallemard in Smart Tribune, <https://blog.smart-tribune.com/fr/qualite-service-client-branding>
Source: Rightnow Customer Experience Impact report, quoted in "Le self-care en interne pour booster sa relation client", report from Smart Tribune.

A close-up photograph of a person's hands holding a smartphone. The person is wearing a yellow, textured knit sweater. The phone screen shows a keyboard and a green circular graphic. The background is blurred, showing a person in a blue shirt and a vase with purple flowers on a wooden table.

When customers face an issue with their payment done via DCB and are unable to access support easily, they tend to become frustrated.

> Issues

The most common customer support issues with carrier billing are under the following categories:

- Customer attempted to pay but their **transaction failed**.
- Customer was charged but **did not receive the service** they purchased.
- Customer claims they **never made a purchase** and demands their money back.

> Solutions

When some of them occur, it is essential to provide with an efficient and agile customer care by:

- Clearly **displaying customer support channels**.
- Providing a customer **support contact** with each **payment related notification** sent to the customer.
- Giving **replies** to customer requests **as soon as possible**.

Dedicated Customer Care Portal

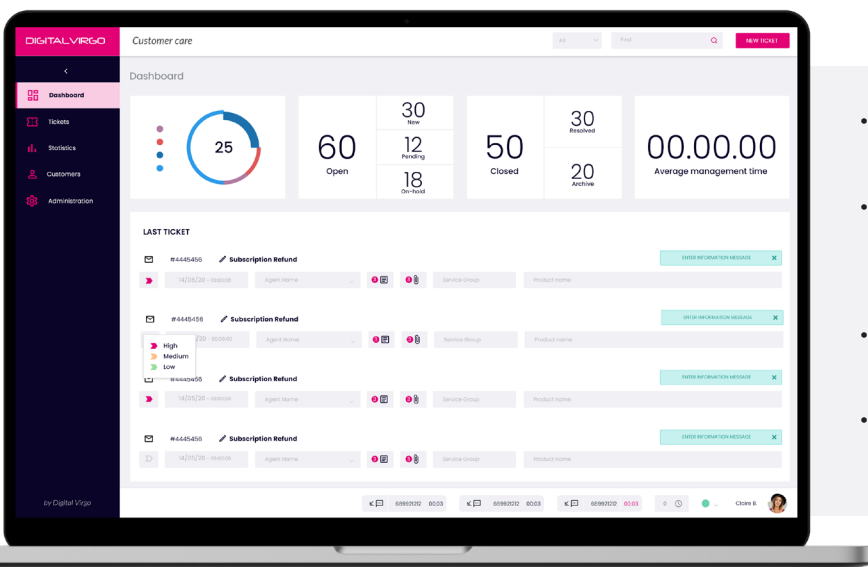
At Digital Virgo we offer a **dedicated customer care portal** to manage the full relation with the end user. We provide carriers with a **well-adapted and dynamic solution depending on their needs**.

> Fast time to market

In case they are looking for a fast time to market, as well as a portal that adapts to the workload in certain situations, carriers can start using the portal without the need to integrate any API with their CRM systems.

> CRM Connection

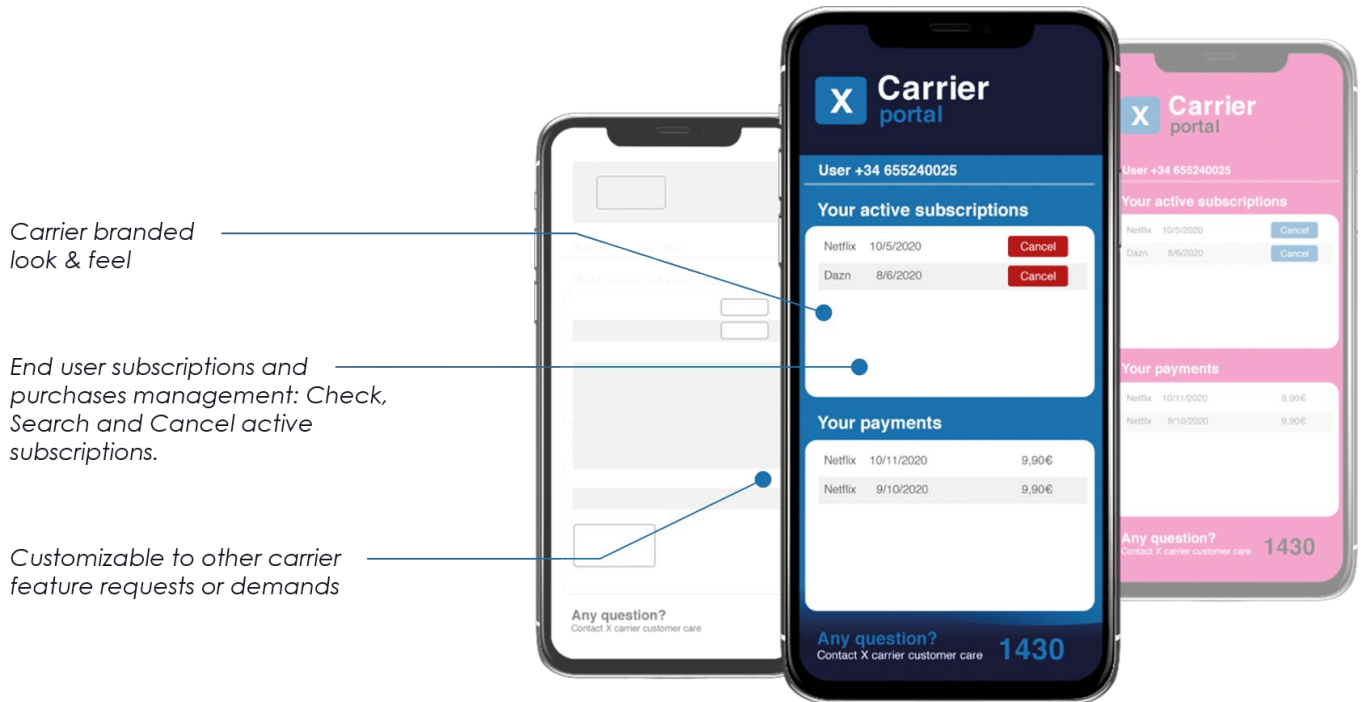
If, on the contrary, they are looking to connect the portal to their CRM, we also offer them the possibility to do so via a simple API that can be also **customized for the needs of each carrier**.



- API-free interface to Telco Customer Care teams
- MSISDN Subscriptions, Charges and Purchases history record information
- Search, Check, Cancellation and Refund actions
- Capacity to create a backlog database

Dedicated Self-Care Portal

At Digital Virgo we also offer a portal dedicated to the end-user in order to provide him with autonomy when checking and managing his subscriptions.



“A top-notch Customer Care is the foundation of any business, even more so in the DCB ecosystem where there are just two options when an issue arises: solve it and keep the customer or fail to do so and lose revenue and sometimes even reputation. That’s why it should be the most important priority for both Carriers and Merchants.”

Eglantine Giboud-Ribaud

Customer Relation Director @ Digital Virgo

04

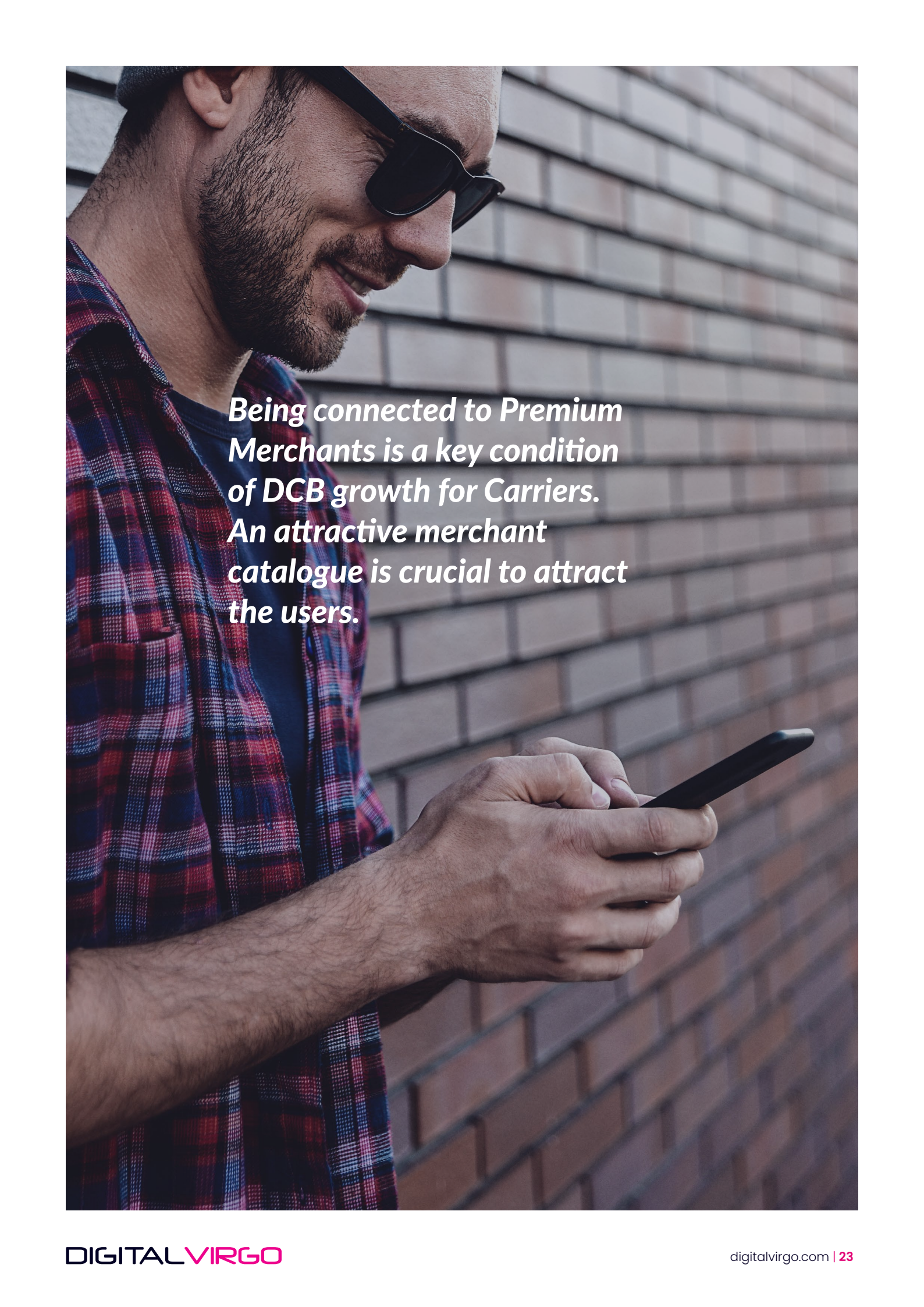
Customers want a service that is fully aligned with their expectations ...

... Provide high-quality and locally adapted apps and services

Being connected to Premium Merchants is a key condition of DCB growth for Carriers. An attractive merchant catalogue is crucial to attract the users and keep them happy and proud to pay the price they are paying for premium content.

When we talk about attractive services, we also refer to the local adaptation of these services. A study by the Localisation Industry Standards Association found that, on average, every dollar spent on website localization yields \$25 in return. Dedicated local teams, technological support, cultural adaptation, pricing localization, local regulation and digital marketing are the main factors to consider concerning Local Adaptation in the Carrier Billing ecosystem.

Apart from attractive services, carriers need to ensure that all merchants they offer within their catalogue are trusted and compliant. This ensures revenue growth and minimizes compliance issues, refunds and bad debt.

A man with a beard and sunglasses is shown in profile, looking down at a smartphone he is holding in his hands. He is wearing a red and blue plaid shirt. The background is a brick wall. The text is overlaid on the image in a white, bold, sans-serif font.

Being connected to Premium Merchants is a key condition of DCB growth for Carriers. An attractive merchant catalogue is crucial to attract the users.

A High Quality Merchants Catalogue ...

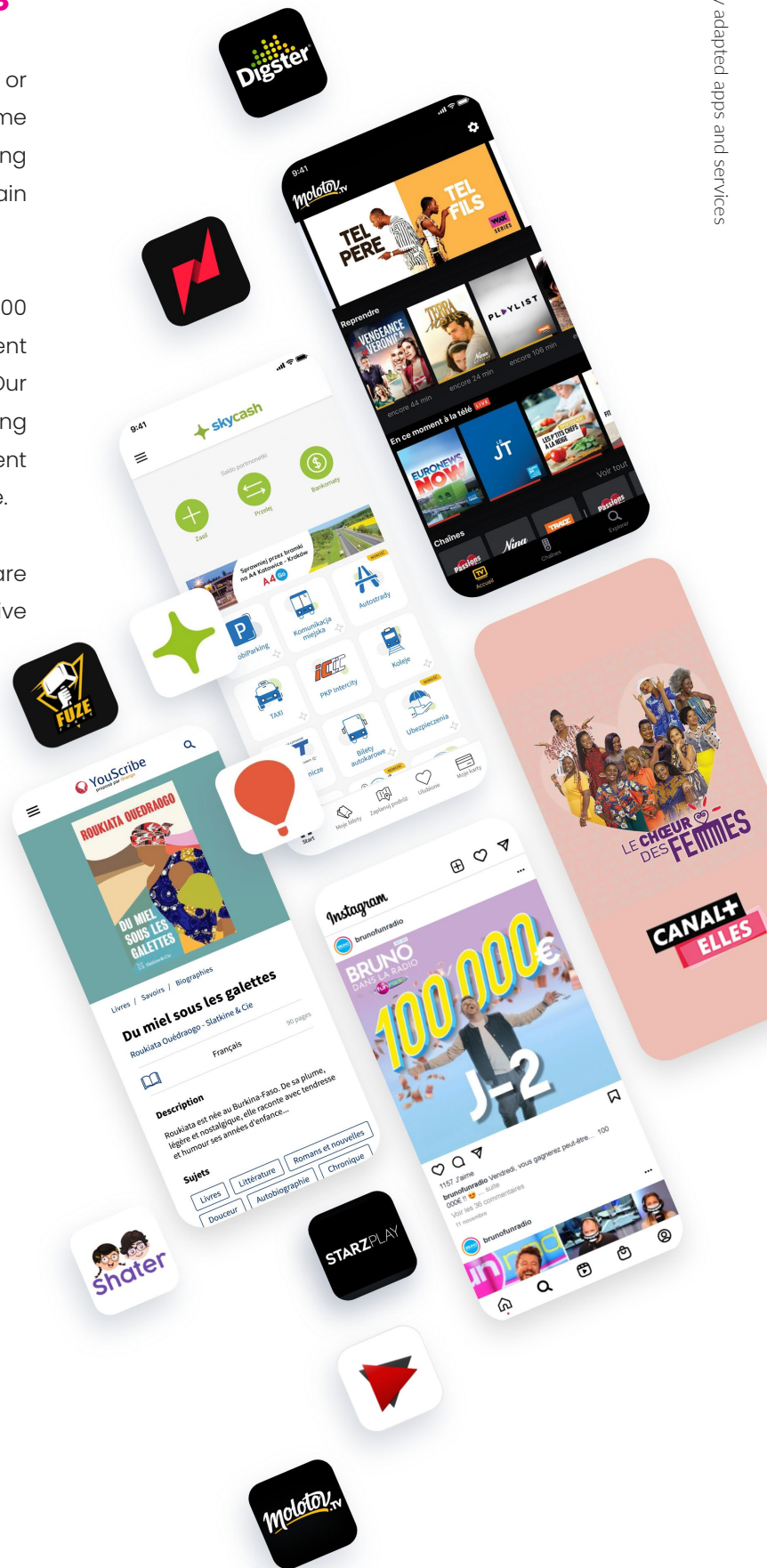
> An enriched offer to enhance DCB

In all businesses, when a user pays for a product or service, he wants it to meet his expectations. The same is true in the Carrier Billing industry. A quality offering enables Carriers to attract new users and to retain their existing customer base.

Digital Virgo offers the best connections to over 300 Premium Merchants, as well as our own content platforms ready to be customized and bundled. Our Teams are experts in creating revenue-generating products for Carriers & aggregating premium content locally adapted to the needs of the target audience.

Cloud Gaming, Cloud TV, Ticketing, IVR, Media ... we are up to date with the latest trends in the most innovative fields.

In a global business where all cultural, technological and even regulatory aspects vary depending on the location, adaptation plays a key role in user satisfaction.



... Locally Adapted to fit Users' Expectations

This enriched offer of products and services needs to be locally adapted depending on the geographical area where it will be deployed.

In a global business where all cultural, technological and even regulatory aspects vary depending on the location, adaptation plays a key role in user satisfaction. We hold as a priority to understand our clients' cultural and technological needs no matter where they are in the world.

Let's discover the main factors to consider concerning Local Adaptation in the Carrier Billing ecosystem.

> Dedicated Local Teams

As well as Global experts in charge of the business, it is necessary to have a dedicated Local Team available 24/7 to support clients in their specific needs. A Local Team knows the culture and best practices of the area, being able to give strategic advice concerning different aspects: technological support, compliance, user acquisition or local needs.

> Technological Support

In all digital businesses, technological adaptation is essential. Even more in Carrier Billing, as it is a payment method that, in addition to being fully global, is widely used in underbanked countries. These countries do not usually have good connections, the same level of technological development or even the same devices to access the service. A local approach is essential to ensure the end user does not feel frustrated at any step of the customer journey.

> Cultural Adaptation

In order to reach higher conversion rates, it is essential to adapt digital products or services to meet consumer expectations in the specific area. Adaptation is a decisive factor in different product categories such as: VOD, Music, Gaming, Health, News, Digital Ticketing or Media. In any case, consumer's preferences and

habits will determine the way in which the product is deployed.

> Local Regulation

The regulatory framework is very changeable depending on the geographical area. Understanding the legal constraints and adapting the product or service to them ensures greater safety for the end user.

> Pricing Localization

Consumer income around the world is not similar, which means digital services also need to modify their pricing for different countries. Adjusting the service pricing to meet local income is important in order to succeed in countries with low access to traditional online payment methods.



> Digital Marketing

Marketing campaigns to ensure traffic and profitability are also essential for achieving high performing results. It is important to keep in mind which strategy works well in each area in terms of creativity, messaging creation, keywords and consumer behavior to reach users in the right way.

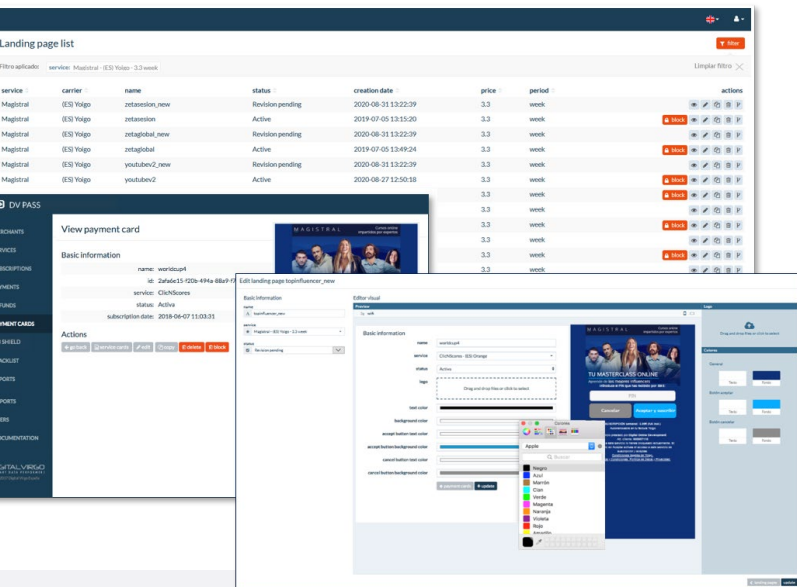
Merchant Lifecycle Management

Carriers must also ensure that all merchants they offer within their catalogue are trusted and compliant. This is part of the quality they offer to their users and is crucial for user satisfaction and business reputation.

For this purpose, there are a number of tools which are ideally managed by a partner with the technological and business know-how. Digital Virgo's teams do this through our DV Pass last generation enabling platform, which includes cutting edge features dedicated to the management of the full merchants' lifecycle.

By controlling the entire service lifecycle, we ensure best practices at all customer touch points, including traffic-generating marketing, payment card, as well as final purchase and service delivery. By doing so on behalf of carriers, we help them save time and costs.

In addition to the daily management and tracking tools, our team provides the standardization of the landing page for the entire service catalogue. With this feature we ensure that the main elements of the page are always displayed correctly to the user - with the aim of once again contributing to transparency.



> Landing Page Management

- Hosted consent gateway page to be displayed every time a user is attempting to do a purchase.
- Controlled templates for the design and customization of landing pages based on Carrier guidelines to ensure harmony and consistency.
- Built-in compliance mechanisms and processes prior to publishing.



“Customer satisfaction is totally linked to the quality of the services users are paying for. When we talk about quality, we are referring to locally tailored content, as well as trusted services. Being able to offer turnkey platforms while managing the entire merchant lifecycle is a clear advantage for our Carrier partners.”

Vincent Taradel, CMO @ Digital Virgo

Why

Digital Virgo

At Digital Virgo we handle Carrier Billing ecosystem from a 360° perspective to improve Customer Satisfaction and achieve sustainable growth.

Plug & Play integration of our Payment platform

Allows an easy and fast integration via a single API for faster time to market.

Analytics & monitoring

Comprehensive visibility and reporting from powerful Business Intelligence tools and Artificial Intelligence technology.

Merchant lifecycle management

Teams dedicated to the integration, onboarding and compliance of new merchants. Constantly enriched merchants' catalogue to support business growth.

Robust anti-fraud solution

Fraud control and management system including both technical and business KPIs.

Customer care & e-reputation

A powerful customer care tool, safe traffic and trusted merchants.

We simplify the complexity of addressing multiple merchants and OTTs by offering a unique enabling platform to manage all the strategic aspects needed to achieve high performing Carrier Billing strategies.

Innovative & evolving features

Solution evolving at the pace of the market by integrating the top industry trends and technological requirements on our DV Pass platform.

Expert Support

Expert local team available 24/7. Resource optimization via co-piloting of activities carried out by Digital Virgo under Carrier's supervision.

Global Expertise & Local presence

Expertise rolled out in more than 40 countries by local teams. Our Glocal (Global & Local) DNA allows us to better adapt to the needs of each client and to reduce the time to market.

Payment Institution Licensed

Digital Virgo holds an Electronic Money Institution License and can integrate new growth levers.

Digital Marketing & Advertising Supervision

In-depth knowledge in the creation, execution and supervision of high-performing digital marketing campaigns.



Contact

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Pre-Sales & Payment Sales Director
@ Digital Virgo
frederico.rosato@digitalvirgo.com

+25 Offices Worldwide

€352 Million turnover (2020)

900 People

+6 Billion Transactions / year

150 Partnerships with Carriers

300 Connected Merchants

About

Digital Virgo

More than 55 Billion Transactions managed in more than 40 countries since 2008.

The Digital Virgo Group is one of the world's leading specialists in mobile payment via Telecom Operators' billing solutions. By connecting Merchants to Carriers, we address the growing need for the digitalisation of payment by using a simple, fast and secure transactional channel available anywhere in the world.

The Group's added value lies in its ability to address mobile payment in its entirety to optimize the billing by considering strategic aspects such as the customer journey, local adaptation, user acquisition, the data management or the regulatory and compliance framework.

Our technological hub made of innovative platforms and tools enables us to respond to our partners' main challenges of scalability, complexity and security to drive their growth while improving their users' experience.

Our global network of local offices allows us to roll out scalable and secure Mobile Commerce experiences worldwide.

digitalvirgo.com

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