On 25th February 2007, “du”, the second mobile operator in the United Arab Emirates (UAE) launched. At the time of launch, mobile penetration in the UAE already exceeded 120% but after just 10 months of operations du had attracted over 1.9 million subscribers, accounting for some 30% of market share. This case study examines the business challenges facing du and how its billing strategy is contributing to its spectacular growth and success.

Introducing du

du is the trading name of the Emirates Integrated Telecommunications Company and is the second mobile operator in the UAE after Etisalat. It is an integrated service provider offering voice, data, video and content services over fixed and mobile networks to residential and business customers.

du has three broad target segments:

- **Consumers**: Focusing on individuals and households by offering mobile and fixed voice calling, Internet, data services and television
- **Business**: Focusing on small to very large corporations and government agencies by offering integrated fixed and mobile business solutions including voice data, content and applications as well as professional services.
- **Carriers**: Focusing on providing carriers, international data networks and wholesale services to international operators, multinational corporations and telecom carriers.

The Business Challenge – Launching Integrated Communications Services in a High-Penetration Market

The UAE telecoms market is characterized by a high level of saturation (in excess of 120% mobile penetration), high ARPU ($46 USD) and a highly fragmented multi-cultural/ multi-nationality and ex-patriot population, with nearly 60% being of non-Arabic descent. In addition the UAE features a very strong international business sector.

Du’s strategy to enter the UAE market was based on two key elements:

- **Simplicity and convenience** – the ability to offer innovative, integrated voice, data, video and content packages that are not only simple to use but also easy to purchase, to pay for and to receive support.
- **Highly targeted promotional packages** – offering targeted segments of the subscriber base compelling tailored packages and marketing promotions across a range of communications media in both consumer and business sectors.

Billing Requirements - Enabling Convergent Multimedia Billing and Customized Promotions

Billing was a key enabler of du’s strategy for an aggressive entrance into the UAE telecommunications market, with the following billing systems’ capabilities identified as being essential requirements

**Convergent Multimedia Billing**

du’s strategy of providing subscribers with simplicity and convenience is primarily based on the capacity of their billing system to support multiple services and technologies within one system and the ability to offer subscribers one bill, covering a range of integrated communications services, including fixed line, mobile, internet and TV.

**Flexible Product Configuration**

du needed the flexibility to support the diverse requirements of its target sectors and provide tailored multi-service offerings to a fragmented consumer population and international business community.

**Convergent Cross-Service Promotional and Bundling Capabilities**

du’s aggressive launch into the UAE market is largely based on highly targeted flexible cross-service promotions offering incentives and rewards for usage redeemable in various ways, across any service.

**Integrated Customer Care and Self-care**

In addition to convergent multimedia billing, the ability to support all network technologies and services within one system also enables du to offer its subscribers integrated customer care whereby a single CSR can support all the services offered or where a customer potentially has access to self-care services covering all of their subscriptions.

Billing Solution

du selected LHS’ BSCS ix to support the billing of postpaid multimedia services and integrated, single point customer care for all subscribers. The selection of BSCS ix was based on the following criteria:

- BSCS ix’s horizontal multi-technology architecture and the capacity to support all the desired services; including fixed line, mobile, internet and TV, within one system and the ability to support simple convergent billing and customer care.
- Extensible cross-service promotions and bundling capabilities.
- Easy-to-deploy out-of-the-box capabilities.
- Published, open interfaces facilitating best-of-breed IT strategy and simple integration of 3rd party applications.
“Customers are looking for two things: simplicity and convenience. With BSCS iX we are able to offer customers integrated solutions that simplify how they access and pay for services”

Osman Sultan, CEO, du

Project Brief

<table>
<thead>
<tr>
<th>Technology</th>
<th>GSM and Fixed line</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment</td>
<td>Post paid</td>
</tr>
<tr>
<td>Subscribers</td>
<td>0 - 1.9 million within 10 months</td>
</tr>
<tr>
<td>Systems Integrator</td>
<td>LHS</td>
</tr>
</tbody>
</table>

IT Environment

<table>
<thead>
<tr>
<th>Provisioning</th>
<th>BSCS iX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Care</td>
<td>BSCS iX</td>
</tr>
<tr>
<td>Mediation</td>
<td>HP IUM</td>
</tr>
<tr>
<td>Prepaid charging</td>
<td>eServe Global</td>
</tr>
<tr>
<td>Bill Presentment</td>
<td>Doc 1</td>
</tr>
<tr>
<td>Financial Package</td>
<td>Oracle</td>
</tr>
<tr>
<td>CRM</td>
<td>Siebel</td>
</tr>
<tr>
<td>Hardware Platform</td>
<td>HP 11.23</td>
</tr>
</tbody>
</table>

du’s Billing Architecture

Project Objectives and Principles

The implementation of du’s billing platform set out to meet the following project objectives and principles:

- Implement an integrated solution for customer care and billing that supports du’s market entrance strategy and guarantees the fulfillment of its product and service objectives.
- Integrate the billing platform into du’s component based architecture based on EAI.
- Optimize BSCS iX’s off-the-shelf functionality to minimize implementation time and cost.
- Phased implementation approach to ensure manageable project scope and quality, incorporating the following 3 key stages:
  1. Postpaid GSM / 3G customer care and billing – Incorporating an “out-of-the-box” implementation of BSCS iX with minimal customization, excepting the interfaces to the call collection, provisioning, bill presentment and payment handling functions.
  2. “Call Select” – System configuration in order to meet du’s requirements for Call Select, the service for non-du landline subscribers.
  3. Fixed line data migration – Fully convergent integration of GSM and wireline subscribers.

Project Results

Based on its strategy of offering subscribers simple and convenient services combined with targeted cross-service promotions and bundles, du has aggressively entered the UAE telecommunications market with considerable success, building market share of around 30% in 10 months of operation with some 1.9 million subscribers.

Convergent Multi-Play Billing

Key to this success was du’s billing and customer care strategy. Their BSCS iX based billing system has enabled du to support all services including mobile, fixed-line, internet and cable TV within one system. du can now offer customers multiple services covered by a single bill and provide support for all services via a single customer care point.

Service and Campaign Examples

The following are examples of the packages and promotions currently being offered by du, supported by their convergent billing system.

“At Home”

At home is du’s convergent “triple” play package that offers converged fixed line, broadband and TV services providing the benefits of one single monthly bill and one customer care point of contact for all services.

“International Preferred Destination”

International preferred destination is an option available to du’s enterprise customers whereby they can select a destination from a list of 20 countries and receive special calling rates to that country. The promotion is assigned to the entire account and each contract within that account can benefit from the special rates to that international preferred destination.

“Free Time”

Free Time is a cross-service promotion whereby subscribers earn credits for every second of every international call made. The credit accumulates and is displayed on the bill each month. It can then be redeemed against any kind of usage, monthly fees or valued-added service.