engaging consumers with VAS & premium content that pays
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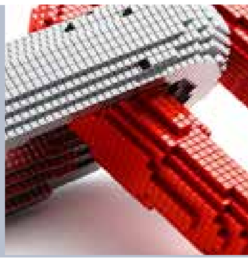

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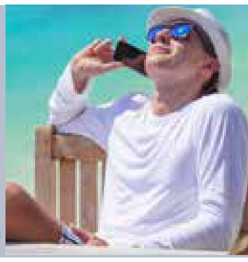

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Is freemium dead – and is micro-payment going to take its place?

The recent Facebook data scandals has not only eroded consumer trust in social media, but has also shaken consumer confidence in digital services such as Netflix, Spotify and Skype – and this presents MNOs with an opportunity.

More than 50% of consumers are now less likely to share personal data with digital services companies, with 66% of consumers stating that they would prefer to pay for services if it meant more control.

This is putting 'freemium' business models at risk and opening new opportunities for alternative digital players including MNOs.

A new study from Openet, surveyed 1500 consumers across the UK, US, Brazil and The Philippines on their perceptions of digital services companies and mobile operators following the recent data scandal.

What the study discovered was that 76% of consumers surveyed plan to increase digital account privacy settings, with potentially millions globally deleting an account because of the scandal.

Meanwhile consumers are calling for improved privacy processes – 87% of those surveyed do not think selling data to third parties is an acceptable business practice, 86% want more transparency around data use practices.

And all this presents operators with a massive opportunity. 56% of consumers surveyed now see their operator as more trustworthy than a digital services company.

Niall Norton, CEO, Openet, explains: "Until now, digital service companies like Netflix or Uber have been held up as the poster children for delivering personalised digital experiences and services. But it seems some have been a little too liberal in their use of consumer data, ruining the party for everyone. Since the Facebook data scandal, consumer attitudes towards digital service companies and personal data have eroded,

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Carrier billing drives engagement across VAS in the real world

From bus rides to music streaming services, from floating bridges to car hire, mobile payments are driving not only how people pay for services, but are starting to shift how consumers and brands engage with each other.

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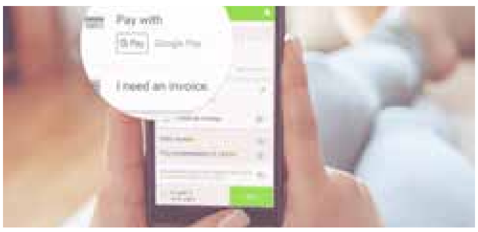

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Is freemium dead?

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with some consumers even deleting accounts in protest. In fact, many have expressed an interest in paying for services if it means that their data won't be abused, signifying an end to the 'freemium' era. Consumers are clearly screaming out for something different, something trustworthy."

MNO OPPORTUNITY

Despite diminished trust among digital natives, mobile operators have not been subject to the same fate. Over half of the consumers surveyed now trust their operators more than digital service companies, citing the historical protection of their data as the key reason for this. In fact, an overwhelming number of consumers (92%) said that they'd be open to using mobile operator-delivered digital services as long as they

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Carrier billing and VAS in the real world

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Take the example of music streaming services. Bango has partnered with Pandora, the largest music streaming service in the US, to power subscriptions through Pandora reseller partners.

This service is initially available on a US-based wireless network provider, enabling Pandora to grow the subscriber base for their leading music service.

Eligible customers can select a bundled subscription to Pandora Premium to add to their plan. AT&T customers are the first to receive this offer. With Pandora Premium, users can search and play any song or album, with unlimited skips/replays, no ads, higher quality audio, offline listening, the ability to create playlists and access to Pandora's newly launched Personalized Soundtracks.

The past few years have seen a huge change in how people get their entertainment, with a dramatic shift toward online streaming services to access the latest entertainment. The paid subscription model has supported the growth in these services. According to the Recording Industry Association of America (RIAA), the majority of the 16.5% rise in music revenue in the US in 2017 is due to music streaming services.

"Driving subscriber growth is a key focus area for us this year," says Dave Geary, VP of Business Development, Pandora. "We're excited to partner with Bango to enable listeners' seamless sign-up to Pandora's subscription music services through Bango's network of telco and other billing partners."

ON THE BUSES

Meanwhile, FlixBus is the first European long-distance bus provider to incorporate Google Pay services into its Android FlixBus app, allowing customers to use their digital wallets to more quickly and confidently purchase tickets.

Customer-oriented digital solutions have been at the core of the FlixBus model since the company launched in 2013. In April 2018, FlixBus became the first bus provider in the world to integrate with Google Assistant. With the addition of Google Pay services into the FlixBus Android app, it is even easier to purchase a ticket for your next travel.

Money back guarantee

While payments in general – and carrier billing in particular – are helping to drive engagement across value added services, there will be times when things don't work out: and that means refunds.

Thanks to the new MobileRefunds solution, businesses that charge a consumer's mobile phone bill – for anything from digital goods, to charity donations – can, for the first time, refund directly back onto that mobile phone bill if needed.

BillMobile has developed the new technology, to help businesses both simplify and reduce the cost of their refund process. Enarpee Services, an experts in regulatory advice, due diligence, compliance and audits, has signed up as the first MobileRefunds client.

"The current system means that businesses ask an already disappointed, or even angry, customer to spend time waiting for, and then cashing a cheque in order to receive their refund," says Adam Williams, COO of BillMobile. "We can now provide a simple and effective way of providing the consumer with a refund that meets their expectations."

The Mobile Refunds solution is for any business that charges consumers from their phone bill. No matter which mobile payment method the consumer used – charge to mobile, text message, premium rate phone number – the money can be returned directly to the user's phone bill with MobileRefunds.

With the implementation of PSD2, it is likely that more consumers than ever will be using charge to mobile to pay for digital goods and so refunds are going to become more common. This technology comes along at just the right time to help smooth out one of the last remaining kinks in direct carrier billing as a mass market offering.

The crediting technology used by BillMobile simply adds a credit to the user's mobile phone bill, rather than a charge.

The solution is easy for a business to use – they just sign up at www.mobilerefunds.com and add an account balance. They can then refund consumers as needed, either individually, or in batches by uploading a spreadsheet of refunds.

Not only does the MobileRefunds solution improve relationships with consumers, but at just 99p per refund it is cheaper for the merchants than the cost of a cheque plus the envelope, stamp and time to send out a refund in the old fashioned way.

As well as being a cost and time saving solution for businesses, consumers will appreciate the simplicity of being refunded to their mobile bill. It is expected that the number of complaints that are escalated by consumers to the mobile operators themselves will dramatically reduce.

ENGAGEMENT

Is freemium dead?

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are transparent about data processes.

Norton continues: "[MNOs] have traditionally had a much more conservative approach in their use of subscriber data, despite having an abundance of it. For a long time, this conservative approach to data use has been used as an unfavourable measure for operators' digital efforts, especially in comparison to other digital-first companies. But times are changing and it's clear that consumers expect more if they are to hand over personal data in exchange for services. Mobile operators have earned the right to answer this call.

But to be successful, they must learn from the mistakes made by social media and digital service companies. Transparency around data collection and opt-in processes are now top priorities for consumers."

CARRIER BILLING

While mobile operators are positioned to be trusted by consumers with data, their own payment tools are also there to help drive the duel processes of engagement and payment with digital content – through subscriptions.

"The engagement opportunities that a subscription model can provide organisations can be beneficial to the ongoing relationships they have with their customers," says Shannon Dority, senior marketing executive at Abacus Media. "And as competition continues to grow within the digital space, being able to provide for the needs of your audience is becoming more critical to ongoing success."

And carrier billing can deliver this easily and effectively – be it an ongoing monthly subscription or simply as a tool to sign up subscription trials that can then be converted to other payment models.

"Subscriptions can offer consumers a sense of regularity and convenience," says Dority. "Setting up a recurring payment for access to a product or service means that they don't have to continually remember to make the purchase, therefore their service isn't interrupted or suddenly cut off because they forgot to pay. Another reason this offering is popular with consumers is that the upfront flat fee makes it easier for customers to budget by being able to predict and control what they spend. And subscription models give businesses the opportunity to provide a level of transparency that customers are looking for in the digital age – being upfront of what level of access to their product or service they will receive for their payment, demonstrating value for money. This helps to build ongoing trust with your brand which leads to ongoing engagement and business."

Why telcos are well positioned to respond to the challenges of GDPR

Telcos are likely to be winners when it comes to engagement through marketing and promotions in the new GDPR world. **Paul Skeldon** reports

GDPR may be a lot of work – certainly a lot of emails – but it can have some benefits. And chief among those is the impact it may have on telcos when it comes to marketing and promotions.

According to research by Smartpipe, more than 80% of consumers would allow their personal data to be used by their mobile network operator (MNO) for the purpose of advertising when privacy enhancing technology is a clear part of the "value exchange".

When simulating the "fully compliant GDPR experience", but without the value of a privacy enhancing technology, publishers – the traditional route for most data to enter the ad market – achieved a 50% opt-in rate. Brands from other sectors fared slightly better – with an average for banks of 57% and 64% for supermarkets.

On a like-for-like basis – with no additional data protection message and a reliance on "open" third-party data transfers – mobile network operators achieved a 52% opt-in rate among their customers.

But, with the right data protection message – stressing investment in innovative privacy enhancing technology coupled with a "no third-party sharing" proposition – consent rates for MNOs rose to 83%. This uplift can be attributed to clearer messaging and proof points about privacy and the simpler choice offered when no unfamiliar "third party" ad tech vendors need to be named or consented to in the process.

Under one tested publisher consent scenario, only one in 10 (10%) ad tech vendors end up with permission for consumer data to be used for personalised advertising when fully complying with GDPR requirements. Under all tested publisher route scenarios, Google and Facebook end up with the lion's share of ad vendor consent – potentially further strengthening their already dominant position in the industry.

This research presents a significant opportunity for telcos to enter the digital advertising ecosystem – under the right data protection conditions – during this critical post-GDPR timeframe.

"The GDPR was always going to highlight those companies that are well placed to deal with compliance issues, and our research shows that telcos hold a strong position to respond to consumers' privacy concerns," says Chad Wollen, CMO of Smartpipe. "The power of new entrants to keep the flow of high-quality data into the ad sector – by leveraging new technology and transparent user experiences – highlights the potential that telecoms operators have to explore, over and above traditional ad tech vendors."

Messaging: the heart of

Far from being old tech, SMS is going from strength to strength and is now the key driver of VAS delivery. But with success comes consolidation and new tech. **Paul Skeldon** takes a look at how the market is changing

It seems funny to think that, back in the day, you could only text other users on the same network as you. And that was cool. Now, messaging – SMS and beyond into OTT and RCS – is such a key part of life that it is not only the engagement channel of choice peer-to-peer, but is also how brands and other organisations are increasingly interacting with their customers.

A2P SMS – application to person SMS messages that connect value added services to consumers using text – are still growing. Talk of SMS 'peaking' have long been premature. In fact, it will be around 2022 before SMS looks to see any sort of decline – and that will be at the hands of other SMS-like messaging and SMS's own v2.0, RCS. Text is here to stay.

"A2P SMS is clearly big business and while other cheaper and more innovative solutions maybe making ground, many of them are not as profitable or as effective as A2P SMS," says Jason Bryant, senior consultant, analyst and CEO of ROCCO.

"Let's take for instance the chat apps, one would think they would be ubiquitous these days, often in colour, with graphics their A2P messages are just that bit more interesting than the SMS – but actually there are many such providers with great global coverage but there's no single provider globally and its hard to say right now if that will ever change."

Bryant continues: "In our Messaging Strategy research where A2P SMS was called by several respondents "old tech" we identified all the challenges and opportunities A2P SMS has

in the market, but we could also see how compared with most (but not all) messaging solutions available, it still holds considerable importance and support from Enterprises and MNOs."

The market for A2P messaging is consolidating and evolving rapidly, driven by its own success. One example of this is Commify, a UK company behind a global portfolio of business messaging brands, which has acquired a further two European messaging companies, bringing its total this calendar year to five.

Protecting content and VAS from fraud

While the carrier billing and content markets boom, there is a balance to be struck between offering good VAS content and services that are safe and secure and having a checkout flow that is easy to use. Carriers are constantly adding or removing steps from VAS sign up flows and it can be hard to find the perfect balance.

But now there is an out of the box solution: VENE Overwatch – a monitoring and protection software solution from Freenet Digital in Germany. VENE detects and blocks fraudulent practices and scams that can trick carrier customers into making fraudulent practices.

Simply integrated into the back end, it quickly and easily shows you which content providers are responsible for any form of checkout fraud on a clear and easy to use dashboard. This way you can block them or remove them.

"The VENE family builds upon a common platform that is unique in today's market and, for the first time ever, advertising partners, mobile carriers and compliance agencies can share a common platform," explains Freenet Digital's Matthias Kirsch. "They use the same data to manage business and grow profits. They work together to limit fraud and establish new products."

According to Kirsch, successfully battling fraud, because any content provider or network that succeeds in limiting fraud will experience sustainable and fast growth in revenues, is now a top priority in the content business.

"Top-notch marketing management is also essential," he says. "Optimise every aspect of your media campaign to create profit even in low-margin markets. VENE dash is the tool to manage all details of your marketing effort."

The tool also helps users create new and better content – and so create real desire for content and high usage by providing high-end content, says Kirsch, "and [our] OJOM is a solution bundling well-known brands with subscription-based content."

The biggest opportunities lie all over the world, stresses Kirsch. "Africa, because it's big, largely untouched and has a high mobile phone penetration; Western Europe, because everything comes in waves and careful management of your mobile content offer will always allow good profits there."

VAS delivery

"There are various factors driving consolidation in the messaging market – but principally it's driven by the stage of market maturity as we reach the mass adoption and scaling up phase," says Paul Burton, Chief Strategy Officer at Commify. "Historically, the market has been highly fragmented across Europe, driven by A2P SMS being an early stage market with low barriers to entry as the underlying technology is, on the face of it, relatively simple. The development of the industry from early stage now into the scale up phase means various things are at work."

So what does this mean for the industry and its VAS customers? This growth phase poses major headwinds and significant barriers to scale for the smaller players, warns Burton.

"This will be felt principally in the two areas customers care most about: product development and new technology – where products like RCS, WhatsApp and multi-channel messaging are coming to market – and compliance with GDPR, security and resilience," he says.

According to Burton, the smaller businesses simply don't have the scale, experience, or resources to be able to invest in these areas and be at the table with market participants such as Google, the GSMA and Facebook.

"Now is the right time for Commify and these smaller businesses to come together: the business owners get to exit their companies cleanly and easily, the customers are being serviced by the market leader that can offer the product roadmap and compliance they care about, the staff join the market leader and we continue to add high quality brands, customers and staff to the Commify family," says Burton.

This is why it is important to assess how A2P providers stack up, says ROCCO's Bryant.

"Mergers and acquisitions often bring changes to organisations which effect performance or company leadership and sometimes impact clients.," he says. "A2P SMS Messaging Vendors are especially likely to continue to face consolidation so this is a very real need right now."

Accordingly, "changes in management, a company's strategic direction and changes to Industry Standards and Regulations have been known to alter the performance in A2P SMS Messaging", Bryant says. "A2P SMS Messaging is an important part of the telecoms environment this as we know constantly evolves. Which vendors are there to help clients evolve with it, who consult on strategy and ultimately can identify monetisation patterns for the future."

Growth and creativity in

Reports of the demise of SMS are exaggerated: in fact in this ultra-engaged world it is going from strength to strength. Here **Paul Burton**, Chief Strategy Officer at Commify, explains how SMS is driving creativity and vice versa

Recent M&A activity by messaging companies has seen increased interest in the sector. The decline of P2P (person to person) SMS volumes, driven by the penetration of OTT messaging apps such as WhatsApp, often leads to a perception that business (A2P or application to person) SMS must also be a declining market.

The reality is very different, however, with the A2P SMS market enjoying long term growth, and the broader A2P messaging market poised for exciting new opportunities as new technology and creativity come to the market to complement SMS as a messaging channel.

Before we discuss the current market opportunities and the future growth of business messaging we need to look at its past to understand how we have reached the position we are in, and why the sector will continue to grow.

The first factor in the popularity of business messaging is the simplicity and ubiquity of SMS technology – every mobile phone in the world can send and receive SMS messages.

This means that it is the perfect communication tool for businesses. It is simple for the business to employ and simple for the user to engage with – because everyone uses SMS. No other communication channel, including traditional channels such as voice and email, or new messaging platforms such as WhatsApp or Facebook Messenger, can reach the level of penetration of the 4 billion active SMS users (the next highest messaging platform is WhatsApp with 1.5 billion).

The second factor is engagement. The simplicity of the tool meant that it has always had a level of engagement far superior to any other digital communication channel. Recent research by one of our brands, Esendex, showed that the global average open rate of SMS is 94% (95% in the UK).

SMS GROWS IN PLATFORM PROLIFERATION

While the growth of the new messaging applications has driven a reduction in P2P SMS volumes, it has seen a huge growth in 'messaging' in total. As individuals we are now messaging more and more to our families, friends and work colleagues. This increased familiarity with messaging has meant that we all happier to communicate with all parties - personal and business - via this medium. As such, the new messaging applications have actually helped to fuel the rise in A2P messaging – and due to the ubiquity of SMS, the vast majority of this A2P messaging has been via this channel.

What we are finding at Commify is that the growth is split with one third of it being new customers realising the power of messaging and using it for the first time. They are aware that their customers and staff will positively interact with the business via messaging.

However, we see two thirds of our growth coming from existing customers, having seen the success of their current messaging, creating new use cases and solving business communication challenges.

CREATIVE SOLUTIONS

As the sector grows we are seeing creativity grow – in both new use cases and new messaging channels.

Very few business customers have fully penetrated messaging for all of the use cases they could or should be using it for. There are almost an infinite number of use cases for mobile messaging across business processes and operations.

For many it is about identifying the business issues that could benefit from a messaging solution – and then finding a creative solution that meets or surpasses their requirements.

Of course great creativity – producing great results – will then see further growth for messaging as more business problems are given a messaging solution.

One energy company client of ours, initially came to us to set up a single SMS communication channel – and a few years later we now have over 40 use cases for SMS within the business to help them communicate with customers and staff.

Recently we built them an intelligent multi-channel messaging solution, including SMS, email and voice, to improve their rate of collecting unpaid final bills when customers moved home. That has proved so successful that we are now expanding the solution to encompass all unpaid customer bills.

In terms of messaging channels, the launch of RCS (Rich Communication Services), which is being promoted by Google and the mobile networks, means that fuller, enriched messages with greater functionality can be sent and engaged with by the end user, directly in their phone's native messaging application – the same phone application that SMS messages are sent and received from.

WhatsApp is also launching a similar product for businesses to message their customers. The opportunity for enriched business messaging use cases is almost endless.

SIMPLICITY IN THE CONFUSION

Creativity is not just for the use case or the messages themselves, creativity is also important when managing the messaging flow between the various channels. For businesses, the current messaging market can be very confusing – how do they know which messaging channel to use for which message? How do they know which mobile phone, messaging app or mobile network their end customer uses?

Growth can be restricted by complication, but increased through simplicity. The best messaging companies are those which offer simple and clear journeys to their business customers and those customers' end users.

We believe the future lies in a 'Messaging as a Platform' solution. Businesses want to deliver a message and receive a response and that should be as simple as possible. For example, if a customer wants to send a message to set up an appointment with a choice of times/dates, it can be tried first on RCS but if the customer doesn't have an RCS enabled handset then it will fail over to an SMS message including a web link to a Landing Page (hosted mobile web form) that includes exactly the same functionality as the RCS app. In this way the com-

the messaging sector

plexity is all taken care of for the business.

FURTHER MARKET CONSOLIDATION

There are a number of market players who can see the further potential of the A2P messaging sector and are therefore investing significantly to drive this growth and creativity. From the mobile networks, through to the leading mobile software players in the market (e.g. Google and Apple) and the social messaging and networking companies (e.g. Facebook and WeChat), they are all investing heavily in infrastructure and products for these new business messaging channels.

What is needed from the business customer point of view are suppliers they can deal with that bridge the gaps between all the major players and solve the complexity for businesses.

The successful A2P messaging companies that will grow with the sector's growth will be those that are big enough to work closely with the major players and develop the tools – such as webtools and APIs – that best take advantage of the opportunities out there. Yet they are also dedicated enough that they can react to the market demand and work with business customers of all sizes from FTSE 100 enterprises down to a single person business.

This is why, for the foreseeable future, M&A will continue in this sector. To provide business messaging solutions all across Europe for multinational players, you need scale. While to introduce more and more interested SMEs to business messaging solutions you need further expertise – and not just in messaging, but also in areas such as sales, marketing and product development.

Consolidation is being driven by a small number of large, well funded messaging specialists and this means that the smaller companies in the sector will have access to the investment, skills and experience that they wouldn't have gained organically. This will benefit their customers, their staff and the market as a whole.

Creativity, growth and investment are all working symbiotically within the business messaging sector and are driving each other on, making this one of the most exciting sectors to watch over the next few years.

Paul Burton is the Chief Strategy Officer at Commify (www.commify.com), the team behind a global portfolio of business messaging brands. Research from Esendex, Commify's brand that addresses the complex Solutions segment of the messaging market, can be found here: https://www.esendex.co.uk/blog/post/what-is-the-open-rate-for-sms-in-2018/

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FROM THE EDITOR

Engagement is the name of the game – and we are the engagement industry

Driving people to content and getting them to pay for it – and then, hopefully, pay for other things off the back of it – is the modern ecommerce paradigm, especially when it comes to digital content and VAS.

This issue of *Telemedia magazine* is focussed on driving engagement and, in putting it together, it became increasingly clear that whatever aspect of telemedia technology we were talking about – marketing, affiliate marketing, messaging and even billing – all had their role to play in the engagement paradigm.

We are the engagement industry.

Take World Telemedia sponsor and exhibitor SEE; it offers a beautiful insight into this way of working. It provides sports (mainly) led content services. Yet it is more than that. It offers the content, but it also offers to build around that content with videos and competitions, tailored to audience flows and built out as products and as services. It even offers a mobile ticketing offering that adds access to the live environment to consumers around the digital content that it offers.

This is the very epitome of the modern engagement business – an omni-channel presence that is all over digital, while also reaching out into the real world.

What is intriguing about this is that it reflects modern consumer habits. They are welded to their phones and are totally digital – but they do also interact in the real world with real stuff too. For too long the real and the digital have been kept apart.

And there is nowhere better to get the inside track on this – and all other things telemedia – than at World Telemedia Marbella on 8-10 October. Check out the preview starting on p15, then head to wtevent.co.uk to sign up. We look forward to engaging with you there.

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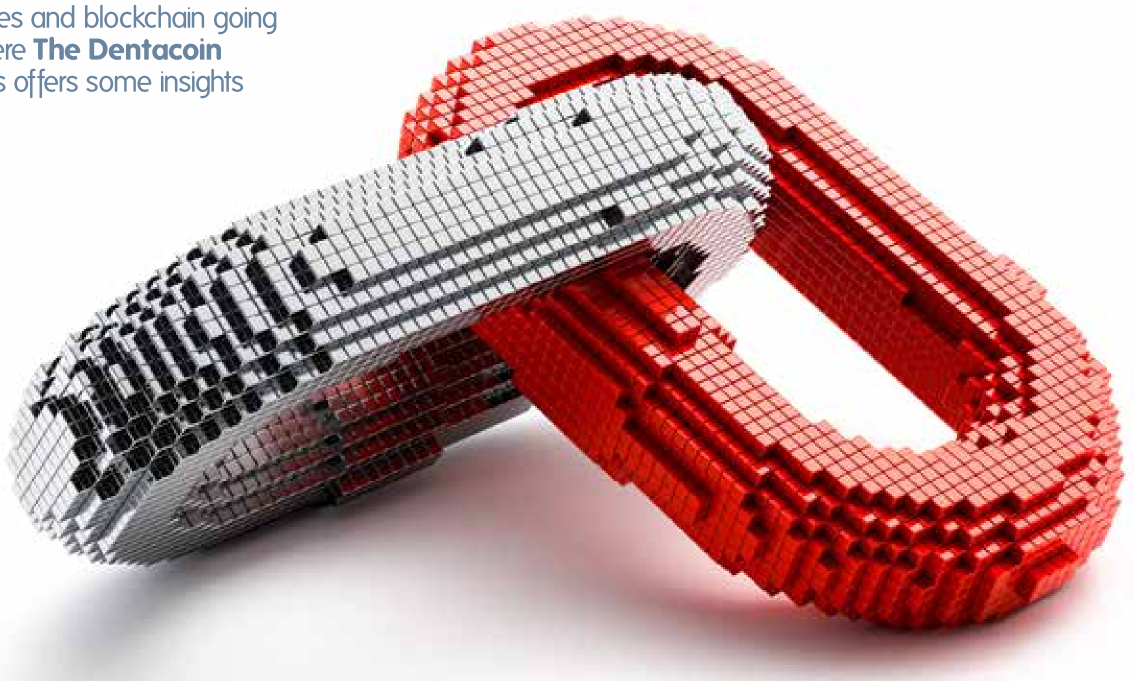
Paul Skeldon. editor

Loyalty, engagement and reward in the cryptocurrency era

What impact are cryptocurrencies and blockchain going to have on loyalty schemes? Here **The Dentacoin Foundation** in The Netherlands offers some insights



Loyalty programmes in ecommerce and retail have been around for decades. Different types of loyalty and reward schemes have been introduced by both physical and online companies. These programmes are primarily aimed at improving the overall customer retention rate by providing customers a way to earn discounts, rewards and "points" that can later be spent at the retailer they received the rewards from.

However, the idea of these programmes has evolved a lot over just a couple of years. With the introduction of blockchain technology and cryptocurrencies, even further advancements in how retailers are taking advantage of reward programs are being put into place.

So what's changed and what does that mean for loyalty and engagement?

TRADITIONAL CUSTOMER REWARD SYSTEMS

A recent survey revealed that as much as 61% of consumers in the United States utilise at least one type of discount programme, with half of all these people preferring the use of online and digital programs over offline and card-based programs. Of all the respondents, 71% who was a member of a reward program reported the program to be very helpful and beneficial to them.

Traditional reward systems usually include a card that is provided to the customer. Every time the customer buys from the retailer, they swipe the card, and they are rewarded points. These points can then be exchanged for a monetary value that can usually only be spent at the retailer. Sometimes, the points are somewhat redeemed for gifts, gift vouchers, specific products, and services, or discount vouchers.

The use of card-based reward systems is growing old in the modern-world as technology is taking over, however. Today, people are allowed to sign up for online programs that award them for shopping at a variety of retailers – in turn, they earn points, which can be exchanged for credit that can be used at supported retailers. These gifts would often include Amazon vouchers, Google Play Vouchers, and sometimes even virtual credit cards.

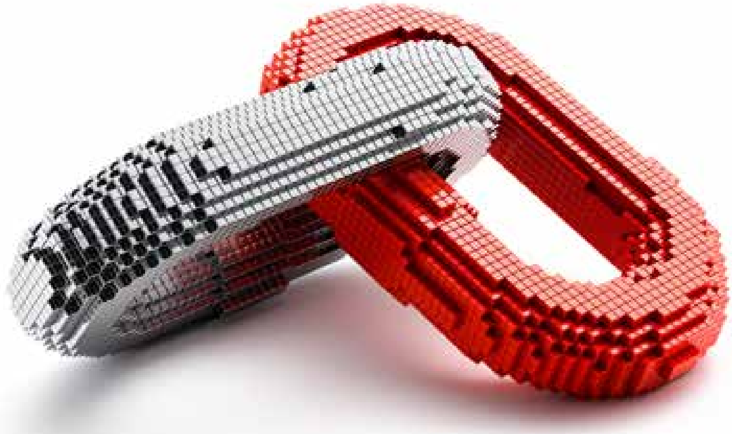
TURNING TO CRYPTOCURRENCY FOR LOYALTY AND REWARDS

Bitcoin was released in 2009. The world was sceptical, but the idea of a digital currency quickly became popular. Today, there are hundreds of popular cryptocurrencies that does not only offer an opportunity for investing money and sending money abroad but also for buying products and services – both online and offline retailers are increasingly adopting cryptocurrencies as part of their payment options.

The increasing popularity of cryptocurrency has now also given retailers an opportunity to introduce a new kind of reward program for their customers. These digital currencies can be used in various ways to offer rewards to customers – some brands are even going as far as to create an entirely new cryptocurrency and cryptocoins.

One perfect example is how Rakuten, the most popular online e-commerce marketplace in Japan, replaced their popular reward system with a new blockchain loyalty program, through the development of their own cryptocurrency, Rakuten COIN.

Even the healthcare industry has joined in the cryptocurrency reward evolution. Dentacoin, for example, is taking a new approach to delivering cryptocurrency as a means of payment for dental services, lab services and supplies, as well as a way for patients to be rewarded for being active on the network – such as for participating in surveys, giving feedback to their dentists, using the dedicated mobile app



for establishing proper dental care.

"Giving a voucher/coupon/client card or a discount in euro was nowhere near the excitement of receiving Dentacoin. Dentacoin felt like some kind of magical money to them (the patients)", shared the manager of SWISS Dentaprime, one of the first Dentacoin partner clinics.

Currently, over 40 dental practices in 14 countries accept the dental currency for payments, along with dental laboratories, a recruitment company, an online shop for dental implants, mobile dental care providers.

IN THE WIDER WORLD

Even 'fried food and tight t-shirt' food chain Hooters is investing in using Blockchain to augment its loyalty programme. The driver, it says, is cost reduction, but there are many more reasons to use blockchain in loyalty and engagement.

"Augmenting the legacy systems of these programmes with an adaptive blockchain platform provides the ability to share value between earning and redemption partners more easily and efficiently than ever before," says Greg Simon, CEO of Loyyal, a specialist Blockchain loyalty systems company.

But another more interesting feature in blockchain loyalty programmes is that customer rewards can be passed between customers and used almost as a currency, thanks to the way Blockchain tracks them.

"Blockchain can even facilitate member-to-member exchanges of programme currency in a secure and cost-effective way that program operators have had to avoid in the past," Simon adds. "The smart contract layer allows programs to customize value transfer, and loyalty programs can actually afford to have the customer redeem more of their points. A program no longer needs to rely on breakage to be profitable."

Loyyal is conducting pilots with Deloitte, the airline Emirates and other companies. The programmes maintain the identity and format during the pilot phase while running a parallel version of the program on blockchain. This gives companies a chance to witness the process efficiency gains before committing to the blockchain-based platform.

CONCLUSION

Many brands have adopted loyalty programs to help drive more customers to them, as well as to ensure existing customers come back to them for their products and service offerings. As cryptocurrencies become a more integrated solution in the modern world, companies are now turning to these virtual currencies to provide customers with an opportunity to be rewarded for their loyalty in ways that benefit the customer in more ways than ever before.

The DentaCoin Foundation is an organization based in the Netherlands with the mission to improve the global dental industry by utilising the Blockchain advantages

WORLD telemedia marbella

Show preview

Exhibition, Seminars & Networking
H10 Andalucia Plaza, Marbella
8 - 10 October 2018

BILLING & ENGAGEMENT TECHNOLOGIES THAT DRIVE VALUE ADDED SERVICES & MONETISE CONTENT

World Telemedia is the key destination for VAS merchants, digital content owners and premium applications providers who want to maximise revenues and ROI through the deployment of engagement, conversion and micropayment technologies across the global digital landscape. It's quite simply become the de facto European event bringing together specialists from all aspects of this remarkable telemedia value chain – in fact it's starting to bear a striking resemblance to MWC's Hall 8.1 ... only much nicer! So, whether its billing, payments, messaging, social media, affiliate marketing, SEO, content, VAS, cyber security or even crypto currency solutions that you're after – get yourself to Marbella next month.

We've talked to the industry and key sponsors and speakers and found some interesting themes developing: some of them you'd expect and some that might surprise you. So what going on and why is World Telemedia growing faster now than it ever - in its remarkably long and often turbulent history?

The Rising VAS Market

It's really all about Value Added Services (VAS) these days, so having undertaken another comprehensive annual research project, Nick Lane, Mobile Insight Analyst at Mobilesquared, reveals the key findings. Expect to get meaningful stats on the size and scope of the global market along with some invaluable strategic data on what proportion of m-commerce is using DCB. Nick concludes with some fascinating forecasting and analysis on the shape and growth potential for DCB, PSD2 – particularly where traditional banking structures are less prevalent. While the results are strictly under wraps right now, a place at the show will give you full access to this top line research. So what are the telemedia drivers? The first is of course billing and payments – and particularly what's in store for carrier billing now that PSD2 is in place - so read on

Alternative Billing & Payments

Digital payments are gaining ground around the world, with mobile payments a key area for expansion. Carrier billing has been long on promise in this new payment paradigm but has not been as widely adopted as many had predicted. With the advent of PSD2 across Europe, carrier billing is now being sanctioned for all sorts of VAS services and consumer propositions – from buying bus tickets to joining the gym. So long as it isn't buying physical goods directly, then DCB has traction. This alone is likely to push DCB front and center for many content and media services, not least to sell media content or subscription services such as video streaming, dating, fans clubs etc. In Marbella you'll hear news and views from markets around the world - where carrier billing is coming through strong, so look out for presentations from fonix and Strex with examples of successful DCB applications and how to compete in today's payment markets.

Of course, the interesting thing about the payment process is that it can become an integral part of consumer engagement. Affiliate marketing and other traffic sources get consumers to the right place but telemedia billing tech can quickly and simply turn them into paying customers. In this regard, DCB

Sunday 7 & Monday 8 Oct.
This year, courtesy of A1 Premium, we will be running free transfers from Malaga airport to the H10 Andalucia Plaza. Pre-register as spaces are limited.

Monday 8 Oct. 12:30-14:30
This informal "ice breaker" is a perfect way to open the show and really sets the tone for a fantastic day of energetic networking. Delegates meet in the poolside garden for some fun and games, an open bar, BBQ lunch and the smooth sounds of a top DJ.

Monday 8 Oct. 18:00
As the sun goes down on the first frenetic day of the show, meet on the terrace for champagne, cocktails, canapés and some very Spanish hospitality!

50+ EXHIBITORS
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THE ICO PRIVATE LUNCH

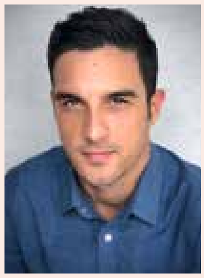
Monday 8 Oct 14:00
*By invitation / pre-registration**
This session brings together a select group of entrepreneurs and investors for a 5 star private lunch dedicated to funding new ventures and business opportunities with Initial coin offerings.*
**€50 supplement*

SPEAKERS

Leading experts guide you through how to use carrier billing and other alternative payment and engagement technologies to monetise digital content and convert sales of value added services (VAS) and premium applications around the world:


Ross O' Malley
Google


Kate Goldfinch
The Fintech News


Vladimir Mitic
Macrokiosk

Liam Cunningham, **Google**
Thomas Blonz, **Payguru**
Goran Stepanic, **Centili**
Sahar Antar, **Mondia Media**
Natan Bandler, **Cy-oT**
Rob Salter, **Eskimo**
Kevin Dawson, **Dynamic Mobile Billing**
Hugh Chambers, **The Cyber Authority**
Tim Williams, **OHMz**
Tony Pearce, **Reality Clash**
Nick Lane, **Mobilesquared**
Rob Weisz, **Fonix**
Frode Alavd, **Strex AS**
Nick Daley, **mGage**

closes the circle of marketing, engagement and e-commerce and with PSD2 still relatively new, it's fair to say we're only seeing the tip of the iceberg. Perhaps this explains WT18's remarkable turnaround.

Crypto & Blockchain Tech

Over the past year cryptocurrencies and the blockchain have dominated business media column inches and flooded our commercial consciousness. So naturally we're compelled to tackle this "crazy young high-tech teenager" head on. Firstly, it's important to understand where each fits into the sector and so we're delighted to welcome Kate Goldfinch, Science Editor for The Fintech Times to present "Payment Systems of the Future and the role of DLT" ... that should do it!

Cryptocurrencies created a $10bn eco system from nowhere but have yet to deliver the promise of global payments. 2019/20 look set to become the era when crypto switches from pure speculation to real commerce. Both David Wainwright, the founder of TheRedBox and our old friend Tony Pearce, CEO of mobile games creator Reality Clash - will be on hand to explain how cryptocurrencies and token economics can be incorporated into your VAS business model. So, merchants, brands and content owners should certainly be in this session in order to target a rapidly growing community of consumers that are literally one click away from buying.

Maintain Platform Security

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DRIVING VALUE ADDED SERVICES AND MONETISING CONTENT

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8 - 10 October 2018

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Nigel Tatlock
SEE Engagement

David Wainwright
Hollywood TV

Rob Weisz
fonix

Mounia Terhzaz
Digital Virgo Africa

Alan Partington, **Telecom 2**
Andreas Constantinides, **Yuboto**
Claire McLaughlin, **The Cyber Authority**
Declan Pettit, **MCP Insight Ltd**
Geoffrey Cleaves, **Opticks**
Enric Sabate, **Billy Mobile**
Alexis Bartels, **Sam Media**

James McAteer, **Cosmik**
Jason Kilby, **Aragon Advertising**
Bobby Verlaat, **Sinum Vendo**
Leon Dijksman, **12 Cas$h**
Tim Green, **Juniper Research**
Paul Skeldon, **Telemedia Magazine**
Joanna Cox, **AIMM**

Mobile and fixed line networks, affiliates, agencies, banks, insurers and entertainment companies are all being hit. Reduce the risks and make sure you attend The Cyber Authority's opening workshop which includes a big-name MNO (tbc) plus Cy-to and Eskimo. Here they'll explain how to protect your business from attack whilst demonstrating a live device hack in the Spotlight Theatre itself! The main conference program also covers platform security, scraping, clickjacking, bots, malware and misleading flows – which are sadly becoming an ever more common threat to our industry. It's also worth looking out for Optics, Billy Mobile and Sam Media who cover off some of the most common causes of fraudulent subscriptions and problematic traffic to mVAS, content and app promotions and explain how to avoid unwanted clicks and carrier fines.

More Engagement Mechanisms

The backbone of Telemedia has always been how to drive engagement with the services that are hot, and this will certainly be the case in Marbella. Telemedia strategies are delivering quantifiable returns for brands across a range of entertainment sectors by combining the power of digital content and distribution with complementary payment solutions. Several day 2 sessions will reveal how content owners and brands can realise the potential value of their audience with targeted "end to end" propositions. Look out for SEE Engagement – who demonstrate how to create instantly engaging premium content and VAS as part

- Platform & Data Protection
- Global PRS / VAS Research – the results!
- The Rise of Carrier Billing
- The Big Blockchin Shake Up!
- The Adoption Crypto For E-Commerce
- Brand Engagement & Loyalty
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of a meaningful loyalty and rewards program designed to monetising data and boost those all-important ARPU figures.

There will also be a focus on transaction TV services; with 1.57 billion households having a TV, it's still the dominant screen for consuming entertainment content, add to this circa 4 billion smartphones and the convergence of these two mediums provides a perfect return path for interactivity and billing. The market for interactive TV revenues currently stands at around $60 billion (inc premium VOD) – representing a huge opportunity for both content creators and media owners. David Wainwright from Hollywood TV delivers a vision of how TV content works with other platforms to create a delicious "premium content and engagement soup"!

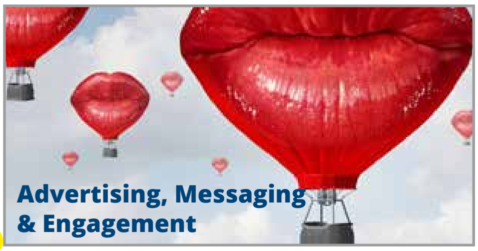
The engagement theme continues as we drill down into messaging, which has been the key technology to access consumers via their ubiquitous mobile device screen. Messaging has always been core to the user experience and it's evolving into an essential marketing channel - delivering a personalised interactive experience. In Marbella you'll discover how to intelligently engage customers, boost marketing campaign response and drive ROI through smarter messaging. Here we'll look at the messaging cycle – deliver, response, conversion, revenue, retain - along with how to integrate A2P & RCS and how OTT is impacting the process.

Strong Affiliate Marketing

The other major aspect of engagement [with VAS] is how affiliate marketing has now become the key component of a telemedia marketing strategy - enabling advertisers to reach more "click happy" consumers than ever. We take an in depth look at performance marketing v traditional channels, the role of ad networks and help delegates understand the dynamics of the affiliate world; the models, incentives, pricing, IOs etc. Sessions will also stimulate the debate over how to manage a performance marketing strategy with multiple worldwide ad campaigns whilst maintaining compliance within the various VAS / PRS regulatory boundaries. I'll be interested to hear COSMIK, 12Ca$h, Aragon Advertising, Sinum Vendo and many other leading lights thrash this one during several lively and interactive panel discussions.

Record Numbers Guaranteed

So delegate sales are up 30% with exhibition and sponsorship growth running at a whopping 42% – meaning greater investment in the overall production value of the show and even more spectacular networking opportunities! So, I'm confident that World Telemedia 2018 is not a show you'll want to miss! Check out the full details on our website and make sure you're in Marbella 8-10 October to enjoy all the commercial benefits of another record-breaking show.



BUSINESS LUNCHES FOR ALL

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Managing crypto regulation

How self-regulation could reinvigorate the cryptocurrency boom

Alexander Larsen, FIRM President, Baldwin Global Risk Services Ltd & Fellow of the Institute of Risk Management, takes a look at how cryptocurrencies can be regulated and why self-regulation may well make them more useful

The cryptocurrency space has been fraught with cases of fraud and scams and with it being such a new industry with little in the way of regulation, it has been an ongoing focus of governments.

This focus has only increased in recent months due to the number of high profile incidents, such as the theft of $500 million of digital money from the Coincheck Exchange.

This incident – and subsequent action from the regulators – added to the ongoing pressures to introduce regulation into the cryptocurrency space. Assuming that we haven't seen a bubble burst, it was one of the major contributing factors to the fear, uncertainty and doubt that has seen a cryptocurrency crash and an ongoing bear market, prices having fallen over 70% from all-time highs set in December 2017 and January 2018.

The discussions around Cryptocurrency regulations have even reached as high as the recent G20 Summit in Argentina in March.

Whilst some key concerns around cryptocurrency dangers were highlighted – such as consumer and investment protections and their use to shield illicit activity and for money laundering and terrorist financing – the G20 rejected calls for regulation and have instead been urged to lessen the risks by working together to improve conduct, market integrity and cyber resilience in the cryptocurrency sector.

This has alleviated some of the fears in the industry of any major regulation being implemented any time soon and opens up opportunity for the industry to work with governments and take action to ensure this delay of regulation becomes permanent.

RESPONSE IN JAPAN, UK, SOUTH KOREA AND USA

In a proactive move, The Japan Blockchain Association (JBA) and the Japan Cryptocurrency Business Association are expected to merge to create a new self-regulatory organization to strengthen self-regulation which, if approved, could act as an independent regulatory body of the government.

The UK has followed suit with seven British cryptocurrency companies having set up CryptoUK, a crypto trade association intended to improve industry standards and engage policy makers. Meanwhile in South Korea 66 members have signed up to the Korean Blockchain Association including 25 of the biggest crypto exchanges with a view to self-regulate.

Perhaps the biggest news however, is that of the Winklevoss twins' intention to create the Virtual Commodity Association, a self-regulatory organisation meant to police digital-currency markets and custodians in the USA. The high-profile brothers, who run the Gemini exchange, aim to develop industry standards, promote transparency and work with regulators including the U.S. Commodity Futures Trading Commission to prevent fraud.

BENEFITS OF SELF-REGULATION

Having a self-regulatory body for the cryptocurrency space has a number of benefits to the industry.

One of the key benefits is demonstrating that the industry is being proactive and responsible about protecting investors, preventing fraud, protecting against cyber-attacks and stamping out scams. This could be enough to appease regulators enough to delay or stop the introduction of heavy regulation. This assumes that the self-regulation goes far enough and proves to be effective.

By removing the threat of heavy regulation and replacing it with self-regulation, a high level of uncertainty is removed, bringing back confidence in the market and allowing organisations to plan effectively with a renewed focus on innovation.

Industry driving self-regulation will ensure that this regulation is not only fit for purpose, allowing innovation in the space to continue, but also adaptable and able to evolve according to need or market changes. Additionally, rather than a one size fits all approach, separate and specific regulations could be developed for different types of cryptocurrencies such as privacy coins, smart contracts and settlement networks amongst others. The following graph provides an example of how cryptocurrencies may be differentiated, although this could be split even further.

Self-regulation also combats one of the drawback of every country potentially having different regulation, which makes it increasingly difficult for companies to operate on a global scale. Self-regulatory bodies have more opportunity to collaborate with each other and introduce global regulations that are consistent and meet the needs of investors and cryptocurrency companies.

Self-regulation can often be useful for governments too. It is not only faster to implement, but the burden of costs falls on the industry rather than the government. This is a major selling point of self-regulation and as long as governments are involved and are kept informed, they may be happy to leave it in the hands of self-regulatory bodies.

Another aspect that should be considered as being highly desirable to the industry is that it allows them to lobby, interact with and educate regulators and legislators. This can ensure that any future regulation introduced is not detrimental to the industry and is developed in conjunction with businesses in the space.

EFFECTIVE SELF-REGULATION

Whilst the benefits of self-regulation are clear, the regulatory body in place needs to be strong, fit for purpose and effective. Some key areas for consideration by newly formed self-regulatory bodies are covered below.

In order to remove the introduction of government regulation, the industry needs to ensure that the self-regulatory body is backed by law and has a government regulatory partner. A positive relationship needs to be built with them in order to have successful self-regulation. Unfortunately, there is a widely held view within the cryptocurrency space that the government and banks are enemies of cryptocurrency and are looking for every opportunity to shut the industry down. This view needs to change if self-regulation is going to work and if they want the industry to flourish.

Another critical success factor will be industry support and involvement in the creation of regulation. This helps the buy-in process and also ensures well thought out and extensive regulations are put in place that have been agreed by all members. The more participation the better as self-regulation can have little effect if companies are not involved.

With self-regulation, members need to be prepared to accept that there will be penalties and sanctions for non-compliance. Therefore, a strong accountability program that includes transparent reporting to stakeholders, should be implemented and committed to in writing by members with annual certified compliance submissions. It should focus on sound financial and non-financial practices with oversight and transparency and members should expect for information to be shared with government regulators as appropriate.

A key challenge with self-regulation is that of detection. There needs to be a system in place for detection from audits and reviews to Incentivize the detection and deterrence of manipulative and fraudulent acts and practices, including partnering with regulators and particularly the CFTC to share or refer information, as appropriate.

WHAT AREAS SHOULD BE SELF-REGULATED

Once a self-governing body has been established and has the right framework in place to be effective, the areas of self-regulation to consider are numerous and some examples follow.

One of the advantages of self-regulation, as mentioned earlier, is the ability to develop specific regulations for different types of cryptocurrencies depending on their status. Exchanges for example will have very different requirements from privacy coins or technologies that provide a platform for other tokens to be launched such as Ethereum/EOS.

Exchange regulation might focus on investor protection and ensure money on the platform is well protected, enough liquidity is available should the worst happen and all user data is safe. Platform-based tokens on the other hand might focus on ensuring that they do due diligence before allowing a token to be launched on their platform.

A major area of concern for regulators has been ICOs. Investors have lost a lot of money as a result of scams and fraud and the industry should focus on ensuring that every ICO meets minimum requirements such as clarity of who the board members are, and ensuring other minimum due diligence has been undertaken by an external and approved organisation, etc. before it can be listed by any of the exchanges that are members of the self-governing body.

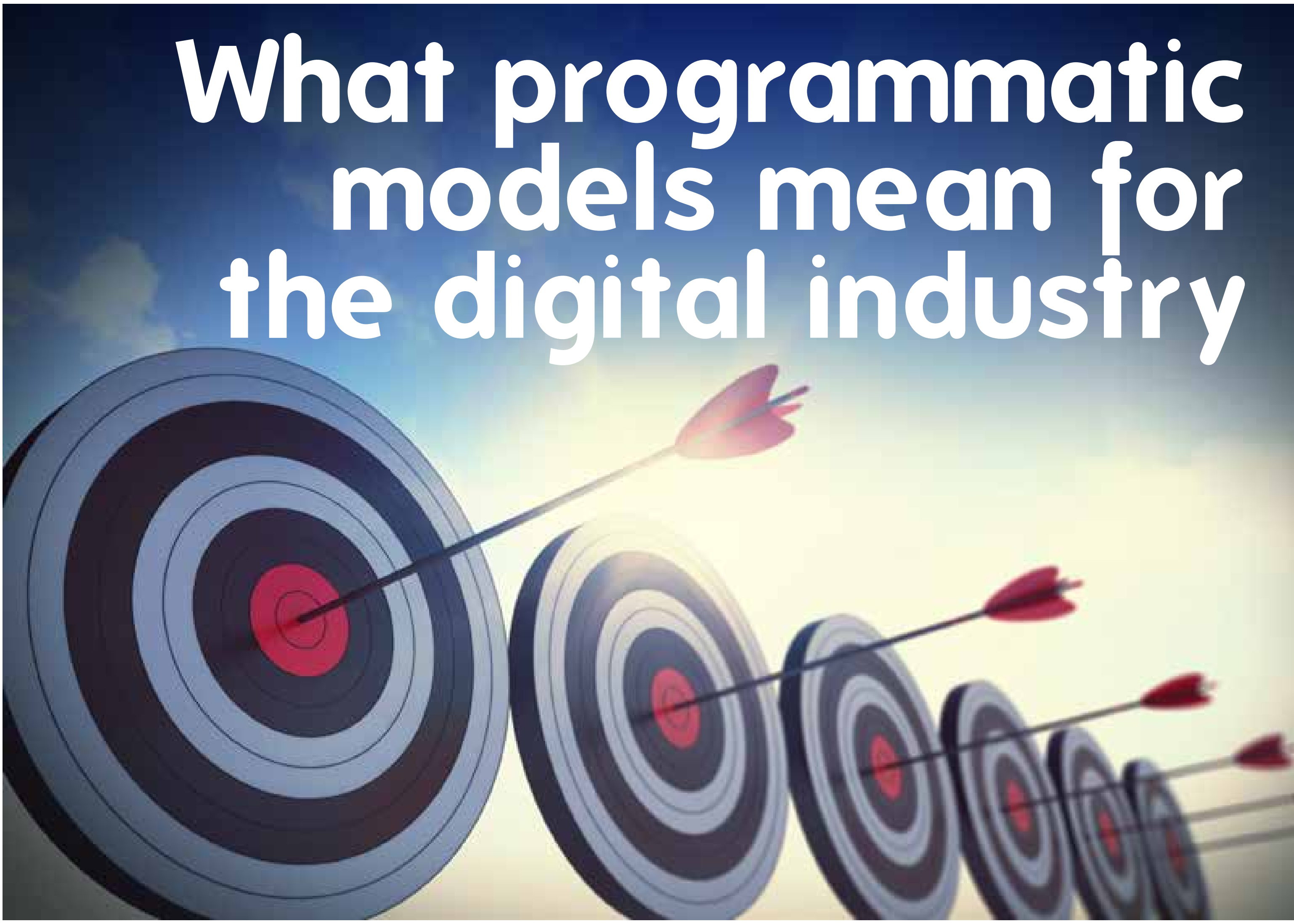
One of the ongoing criticisms of cryptocurrencies, whether valid or not, is that it is being used by terrorists and money launderers. Ensuring members properly screen their customers or analyse usage on their exchanges for trends that might indicate criminal activity could be one way of improving the image of the industry. There needs also to be action taken by members when identifying such activity such as sharing information with the relevant agencies or regulators or freezing assets or accounts.

Cyber security is the topic that launched regulators into action in the first place. Cyber risk has been a growing threat in the last few years. Going forward we can only expect hackers to become more organised and well-funded, which, alongside advances in AI and technology, will lead to more sophistication in their attacks.

Some organisations are already spending hundreds of millions of pounds on cyber security, whilst governments are spending billions in order to prevent these attacks. It therefore makes sense for the cryptocurrency industry to be working hard to ensure this is the case for them too.

Alexander Larsen, FIRM, is President, Baldwin Global Risk Services Ltd & Fellow of the Institute of Risk Management.

The new Strategic Insights into Cyber Risk course can be found here: https://www.theirm.org/training/all-courses/strategic-insights-into-cyber-risk.aspx



The traditional advertising model is slow and cumbersome, filled with pitches, negotiations, and confusing value assessments – but programmatic is infinitely sharper and can create tightly-targeted campaigns that deliver clearer and superior levels of ROI. **Kayleigh Alexandra** explains

As we look back on the progress made between the first DoubleClick network in 1996 and the current array of complex ad exchanges, we might wonder what exactly the rise of programmatic advertising models means in the digital landscape — so that's just what we're going to look at.

HOW PROGRAMMATIC MODELS WORK

Programmatic ad buying is all about making ad space a tagged commodity that can be sorted, sold and distributed in accordance with buyer requirements. It functions through virtual auction houses of sorts called ad exchanges that take bids based on set parameters and find the most suitable places and prices for specific ads.

While analytics software was becoming more advanced, social media networks, ecommerce retailers and smartphone ecosystems were making user accounts more sophisticated and increasing their level of accessibility, and these two things inevitably converged to provide advertisers with the ability to achieve an unprecedented level of granularity.

FACING DIMINISHING RETURNS

Today, the programmatic industry is in an interesting position. While automated advertising is more popular and convenient than ever before, the level of niche targeting is struggling to offset the diminishing returns of the broader online advertising model. Banner ads converted very well when they were first introduced, but UX standards were lower and people were less cynical at the time — today, ads are viewed as the enemy, things to be fought or avoided.

Through platforms such as YouTube and Facebook, video advertising has become a very popular option, but even that is mainly about exposure in a return to the old-fashioned model of TV commercials or billboards. Actual click-through traffic is a tough sell at the best of times. But it isn't just the ads themselves that have faced public hostility, as we'll see next.

GDPR AND THE PRIVACY BACKLASH

GDPR, or the General Data Protection Regulation, went into effect in the EU on May 25th 2018, and brought with it a great deal of exposure for the issues it addresses: the storage and use of user data, and the corresponding need for transparency and accountability. Seemingly overnight, huge numbers of people had their eyes opened to just how much of their personal data was being used to target them through advertising.

Huge businesses invested heavily in updating their policies to avoid falling foul of the new restrictions, and there was—and is—much confusion about where responsibility lies. Despite not technically being responsible for the data stored or processed by its sellers (merely helping them set up their retail sites and providing the hosting), ecommerce giant Shopify notably felt it necessary to release a complex white-paper detailing all the minor complexities of the merchant/seller dynamic.

And, as you no doubt noticed, companies everywhere flooded inboxes with pleading emails about continuing newsletter and marketing distribution, worried about the prospect of being unable to use their existing user databases for much longer.

While it isn't fair to say that programmatic marketing is solely responsible for the formation of the GDPR, it seems fairly clear that there wouldn't have been a need for such formal restrictions had there not been major concerns about how data was being used.

A SMART CONCEPT EXECUTED POORLY

In theory, there's nothing particularly objectionable about programmatic advertising. Marketers can save money and work more efficiently through only serving their ads to people who might be interested in them, and media consumers can actually get non-spammy ads relevant to their interests. It's a solid model.

The problem, though, is in the current execution. There's a strong analogy to be drawn with the circumstances that led to the most recent financial crash. Just as subprime loan derivatives were repacked and misrepresented in order to squeeze more money from them, ad space is packaged and sold in the secrecy of ad exchanges with no clear accountability or explanation of where any given piece of data is coming from, how accurate it is, or whether the value being provided is actually better than could be achieved manually.

This then ties in with blockchain technology and the prospect of readily-accessible decentralized networks, because it could be the future of programmatic advertising. Kind Ads may well be a sign of things to come, with a new kind of transparent programmatic marketing steadily gaining ground and starting to rehabilitate the currently-questionable public image of advertising.

Still in its infancy, programmatic advertising is certainly suffering its fair share of teething problems — but the concept is a strong one. In the long term, it has the potential to make the digital industry better for everyone through increasing ad relevance, but it will only achieve that potential when it matures and delivers meaningful transparency.

Kayleigh Alexandra is a content writer for Micro Startups — a site dedicated to giving through growth hacking. Visit the blog for your latest dose of startup, entrepreneur, and charity insights from top experts around the globe. Follow them on Twitter @getmicrostarted.

Alternative ways to drive business with affiliate marketing

Affiliate marketing is becoming one of the main tools of engagement for many brands and service providers. **Paul Skeldon** takes a look at five ways that it can be deployed to drive engagement

There are some tried and tested ways to use affiliate marketing to drive engagement and interaction – and sales – not least the tried and tested routes of PPC (pay per click), email marketing and of course coupons and vouchers.

But, successful as these are, the burgeoning world of affiliate marketing and ecommerce are starting to make other things possible. Here we take a look at three alternative ways to leverage affiliate marketing in new ways that can take your business to the next level.

BE AN INFLUENCER

The idea that you need a website to drive traffic is bunk. There are plenty of sites out there that already have a lot of traffic – you just need to tap into that.

And the best way to do this is to become an expert or an influencer on some of the more well-known sites – and drive from there.

Firstly, find the main sites that work for what you are doing, research them and start to contribute. Sites such as Quora offer an ideal opportunity to do this: just find the area that works for your brand or products and become the 'go to guy' in that area. Before you know it you are an expert.

The next step is to become a leader or community head on one – or more – of these sites and then start to leverage that and social media to create the idea that you are the oracle of that topic.

Facebook and Youtube offer magnificent reach for the non-website marketer. The key thing with affiliate marketing is to create compelling content whether on your ownsite or on social media or a forum. Crack this and you will start to reap the rewards.

GET INTO ECOMMERCE

The basic premise of affiliate marketing is that you let other people sell your products for you – extending that to becoming a fully-fledged ecommerce business, with affiliates as your sales channel is a small leap.

Start looking at the products or services you want to sell or want sold (depending on what side of the fence you are when it comes to using affiliate marketing) and work out what cut you can afford/want to offer.

For many affiliates, it is an affinity with products that drives them – they already use and love the product and so are keen to promote them. Giving them a unique link and code to track sales is vital.

If you are already an expert, then pick the products and service carefully, get the code and away you go.

Before you know it you are a fully-fledged ecommerce channel.

USE EXIT TRAFFIC

It is a given of the web that most traffic bounces. Even with well targeted marketing driving eyeballs to a popular site, many people will leave before they engage. This exit traffic has, for many years, simply gone back into the ether until marketers realised that there was value in it.

To date, most exit traffic has be monetised by pushing to towards other offers, almost randomly on the principle that some of it would stick. That which didn't may well be targeted again, but by this point the user is getting fed up with ads.

But exit traffic has value and increasingly, affiliate networks are deriving ways to monetise it and generate engagement from it.

12Ca$h has developed algos that can better target that exit traffic at things that are likely to be useful to the consumer who is exiting one site – and is generating quite a bit of revenue from doing so.

But ultimately there is something good about the randomness of doing it the 'old'way. It pushes people to new sites and is probably, in this ultra-controlled world we now live in, one of the few ways to find things by random chance – remember that?

Malware APKs Attack on Mobile Advertising

Mobile advertising is at its zenith, but like all titans it has feet of clay: APK attacks. **Karen Ciulla**, Global Business Developer and PR at ArmorAds, explains what APK attacks are and how to stop them

Mobile advertising is evolving at an unprecedented rate thanks to developments in machine learning technology, big data, AI, advanced targeting, programmatic capabilities and many more contributing aspects. That means a lot more opportunity for advertisers to invest marketing dollars with a transparent view of ROI.

However, alongside great advancements in advertising technology there has been a parallel trend in mobile ad fraud advancements. Unfortunately, there is no one major type of fraud that dominates the market. It is a fragmented collection of smart technologies, tricky tactics, hidden scripts, and insurmountable headaches for the entire mobile advertising eco-system worldwide.

One of the leading components of mobile ad fraud is caused by malware APKs. These are malicious application files that are hidden inside of apps and are downloaded and installed on users phones without their knowledge or intention. The reason? You guessed it, to make money! These scripts hide inside of apps and can use java script or code to locate/retrieve and click on advertisements generating millions of false impressions or conversions.

"We were seeing an increasing amount of traffic from fraudulent apps and with the identification of specific behaviours, have been able to defer this traffic before it reaches advertisers campaigns," says Ander Reparaz CTO of Kimia Group.

There are two major factors that allow our approach to prevent the malware traffic to reaching campaigns. The first of these is the white and black lists that have been compiled from millions of campaigns and with collaboration of thousands of advertisers worldwide. The second factor is in-house developed machine learning technology that has allowed our platform to detect specific behavior patterns and characteristics of apps and identify and verify similar patterns in real-time.

Patterns and characteristics range greatly, but there are determining indicators ranging from time of click to subscription, or traffic origin abnormalities or script naming that can be trigger factors for our platform to detect and defer fraudulent sources. Machine learning technology is applied to analyse every click coming from an app to protect from fraudulent apps. In a typical day of 1 billion clicks, approximately 60 million clicks are deferred. These are clicks that could have led to device hijacking, fake users and auto-subscriptions if they had not been stopped in their journey to client's campaigns.

"Thanks to the proactive approach of our detection system, advertisers avoid paying for fraudulent traffic and more importantly protect themselves from carrier regulations and compliance sanctions," Reparaz says.

Unfortunately, there isn't a single solution to completely combat ad fraud. However, with constant monitoring and technology application, we can keep one step ahead of the bad guys and maintain a profitable eco-system despite their efforts. Nevertheless, fraudsters will continue to devise new ways to dirty our waters and our efforts will need to be equally persistent to protect against them.

Karen Ciulla is Global Business Developer and PR at ArmorAds. For more information regarding ArmorAds Pro-Tech, visit: https://armoradsprotech.com

Digital marketing trends 2019

We live in a digital world where engagement is a top priorty. Bringing this issue focused on engaging services, **Iffat Tafseer** explains what some of the key trends are going to be in the coming 12 months in the world of digital marketing

Whether it's a large scale industry or a small company, the owner and the employees share the same dream: they want their business to be successful or being precise they want more customers. And to achieve this goal, their business needs a grand marketing strategy.

Consequently, we can see a clear picture of how digital marketing has invaded all the other conventional way and why it is opted as it helps businesses in gaining popularity dramatically.

Trends in the digital marketing, changes with time and needs like everything else. As the world is growing, we cannot only stick to the old-fashioned directions and if anyone does they will remain to the ground and the world around them would move to the moon.

As 2018 headway, the digital marketing panorama that mainly constitute of SEO, Social media, PPC, Content marketing and few more things has taken a spectacular shift; the trends which are heading up in 2018 are sure to take the marketing on next level.

What worked for you earlier might not work for you now, and if it does; it will only let you stand in the queue but will never help you reach the top. So let's discover what are those digital marketing strategies every business should adopt in 2018.

CASE STUDY The Times uses Ai to better target subscribers

Newspapers The Times and The Sunday Times, pioneers in the world of publishing, are embracing AI to power subscription revenue.

The brands have signed with Phrasee for optimised email subject line generation for email marketing campaigns. This forms part of a brand-wide shift to embrace and work with new technologies.

Phrasee's AI technology generates and optimises marketing copy at scale. The Times and The Sunday Times are using this brand-tailored application of AI for use in optimising subject lines in email campaigns to drive a continued increase in subscription figures. The technology produced positive results in email open rates of up to 23% per email campaign send during the test phase.

"Collaboration with Phrasee is a great fit for us," explains Tom Lowe, Digital Trading Manager at The Times and The Sunday Times. "Phrasee delivers a solution that helps ensure we stand out in a crowded market. In our experience, it's a fast fix to email campaign performance, delivering more opens, clicks, and conversions. Yet, in learning over time, it also improves on ROI in the long run."

Commenting on the benefits of brands turning to new technologies for improved results, Parry Malm, CEO of Phrasee says: "The concept is a simple one. If you are able to garner more opens per email campaign through optimised email subject lines and drive engagement as a result, brands can expect an increase in revenue from the respective channel. We are proud to work with some of the most trailblazing marketers on the planet."

Phrasee has developed a Natural Language Generation system, working to increase revenue from digital marketing campaigns. It uses end-to-end Deep Learning that looks at thousands of linguistic parameters to predict the performance of marketing copy. It provides a predictive tool that gives digital marketers enhanced confidence that they are selecting marketing copy that will result in more views, and thereby more sales.

The news comes as INMA (International News Media Association) publishes a report that publishers are increasingly turning to targeted newsletters to to promote frequency of usage among digital subscribers and prospective subscribers.

The report, "How Newsletters Are Redefining Media Subscriptions", outlines trends and best practices among news media companies aiming to maximize reader revenue through retention and engagement. The report surfaces key best practices in newsletters from subject matter to style to volume and how best to segment content in a dense ecosystem.

ARTIFICIAL INTELLIGENCE-BASED CHATBOTS

AI is that crucial card that is played by many businesses this year. Artificial intelligence is the smart beast that can predict the behavior of consumers perhaps it's the best thing to happen to market yet.

Chatbots aka artificial intelligence is the computer program that conducts a conversation with a human using the auditory or textual method. Where it is difficult for you to provide a real human assistance 24/7 to your customers, This AI-based technology can assist your customers in real-time, day and night.

Some incredible brands like Apple have smartly used Chatbots and gained enormous popularity among the customers; it is hard to find someone oblivious to the word Siri. Similarly, Uber uses Chatbots technology to communicate with the passengers and make the car hiring easy for them. See you can now book a car using Facebook messenger even.

SOCIAL MEDIA MARKETING

We all can perceive the high use of social media websites and platforms for product and brand promotion by both big and small brands.

People fritter their maximum time using different social media site like facebook, twitter, Instagram, and others. Therefore, the brands being wise use that particular medium to show and offer them their product and services.

Social media is a best yet the freeway of digital marketing. We see different Instagram videos, Facebook videos and the very first Snapchat videos revealing the benefits and charms of different brands and believe it or not the videos are the most compelling way to attract customers.

Like an e-commerce site PennySaviourwhich uses only the social media marketing platforms to promote its discounts and offers and getting a good response from there.

INFLUENCERS

It's an undeniable truth that influencer marketing is considered as fastest-growing online customer acquisition channel; it can help the brand gain more customers and spreading more brand awareness than organic search, paid search and online marketing.

In 2018, we see more and more brands reach out to influencers and use their product, say or write about it on their social media so that people are impressed and buy it thinking of it as a celebrity product.

An influencer can be anyone a celebrity, a sportsman, a comedian or a blogger having a grand number of followers and a good reputation among the audience. We have seen big brands like Nike, Addidas, channel and more sending their new arrivals to celebrities and their reviews through social media.

VOICE SEARCH

Another digital marketing trend of 2018 is the increase in the use of voice search. The journey so far has been a difficult one. However, statistics confirm a rise in the use of voice search assistance like Cortana, Alexa, OK Google and more.

So to cope up with the latest trend, you have to make changes to your content like using long sentences or question-based sentences or the keywords that are most frequently used by the customers.

CONCLUSION

2018 has come out to be a great fortune in the way of digital marketing. To keep your brand ahead of your competitors you need to update your strategies but it's not necessary to leave the approach you are already using. The new and the old tactics will together make a great difference for you.

Iffat Tafseer is a computer system engineer. She works as a content writer at Perks logic for a site PennySaviour. She has many of her blogs published on divergent topics including Tech, lifestyle and traveling

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#CONTENT PROVIDER

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Number cruncher

A2P messaging is growing rapidly and is set to be a lucrative area for network operators – but it comes with challenges. Research by Roaming Consultants ROCCO finds that the challenges are myriad and spread across the industry, ranging from grey routes right through to issues with graphics.

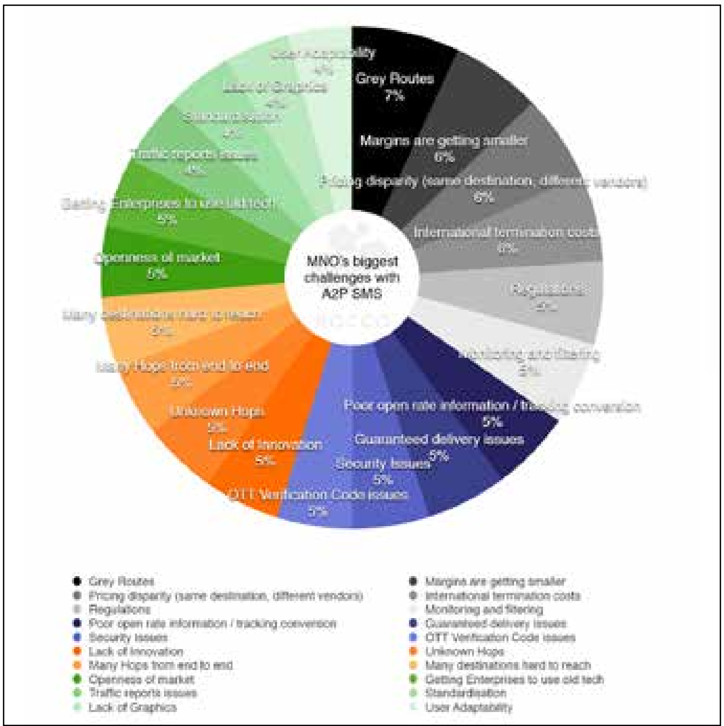
In the real world, this manifests as a clear view of what is seen as most profitable by operators and so likely to be the first things to see investment. A2P SMS leads the way – unsurprising as it is an established technology – but A2P RCS is coming along nicely too.

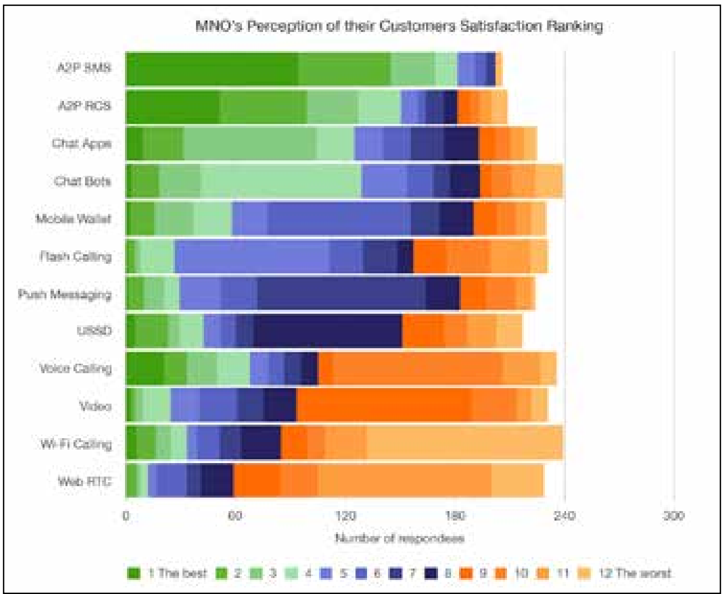
Chat apps, bots and wallets are also targets as next generation services around messaging, which reinforces the idea of messaging being the cornerstone of interaction and engagement.

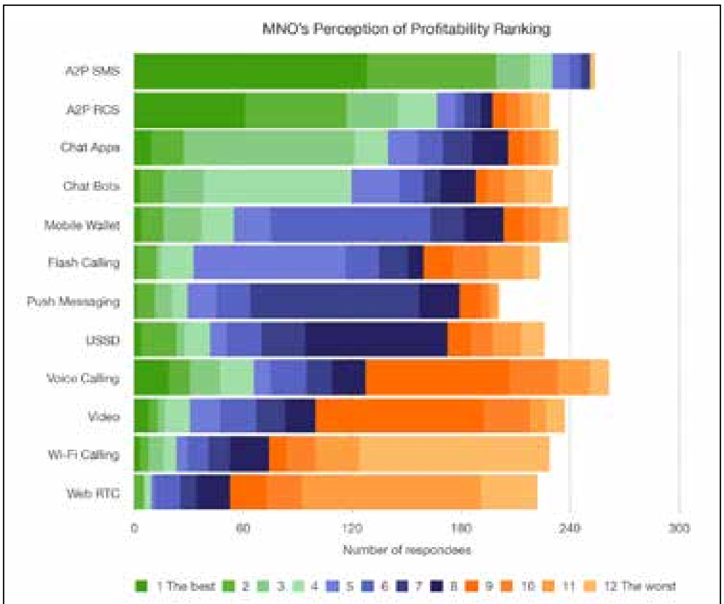
But what does this mean for the consumer? A2P SMS, RCS and chat are at the top of the pile when it comes to satisfaction. In the middle ground, ROCCO found push messaging and Wifi and Video calling – examples of 'next' technologies that are going to be big but aren't there yet. Bottom of the heap comes web RTC.

When it comes to picking a provider, ROCCO concludes that CLX, Openmarket and Infobip are the market leaders, but many other telemedia favourites appear across the list of tier one, two and three companies – not bad out of the 52 vendors in 147 countries rated in the study by a staggering 369 MNOs.

Overall, the study shows just how central messaging is to mobile telecoms and how the future is bright for telemedia players – especially if they keep their eyes on developing RCS and next generation services for chat and beyond.







Tier One Vendors: Whose Overall Score is between 4-5 out of 5	
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	Openmarket
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