

# **PREMIUM SMS**

## **Payment by SMS for Content Providers**

**By Rudolf Bäumer, Bernd Mielke**

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*Tel: +44 (0) 7000 366366*  
*Fax: +44 (0) 7000 366367*  
*Email: [psms@mobilestreams.com](mailto:psms@mobilestreams.com)*  
*<http://www.mobilestreams.com>*

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## Scope of study

We have published this report with the intention of providing the content provider community, e.g. Premium Rate Service Provider, Web-Portals, Online-Services, Media-Partners, Mobile Content Providers and others with practical information for implementing Premium SMS in the workflow of content billing. In this context many issues have been discussed during practical day-to-day work with Mobile Network Operators, Wireless Application Service Providers and Content Providers. Many questions have been raised by Content Providers which are summarized and answered in this report - overall it is a guideline for Content Providers.

A central part of the report comprises implementation and workflow models for P-SMS services/applications. The second focus of the report provides helpful information about conditions and revenue share models at different mobile network operators and WASP's in Europe and compares the results with other payment models. The examples shown and the market outlook describe the manifold business opportunities to generate sound revenues with the new micropayment tool of Premium SMS.

Before implementing P-SMS in the workflow of content billing, several strategic and technical questions have to be answered. Following are some questions which are addressed in this report:

- Does P-SMS provide a complementary tool or an alternative to existing billing methods like premium rate call services (0900) or web content billing methods?
- Does P-SMS fit my target group and my business model?
- Which services are suitable for P-SMS?
- Do I want to provide P-SMS for national consumers only or also for consumers in other countries?
- Do I connect via a single aggregator, e.g. a Wireless Application Service Provider (WASP) or do I connect directly to the different MNOs in the country(s)?
- How do I connect to MNOs or WASPs?
- How do I implement P-SMS in the workflow of content delivery?
  - short code ordering. Usage of dedicated short code(s) or shared short code(s)?
  - consideration of different P-SMS billing models in Europe (P-MO or P-MT)?
  - Reference code (keyword) strategies
  - authentication and content delivery process in the case of web content billing
- Which tariff rates are applicable for my content?
- Consideration of regulatory aspects

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## About the authors

Dipl.-Ing. **Rudolf Bäumer**, born 1967, has graduated in civil engineering at the Royal Institute of Technology in Stockholm and at the University Dortmund in 1994. During his studies he focused on infrastructure planning (industry, traffic, energy, telecommunication). He started his career in Stockholm and Göteborg. At first at the German-Swedish Chamber of Commerce responsible for business cooperation and following as project manager for the establishment of business units in Germany and Spain at Prosolvia AB. 1999 he joined TÜV Informationstechnik GmbH in Essen (<http://www.tuvit.de/>) as sales and marketing manager for IT security solutions on the European and Japanese market.

Since 2001 Rudolf Bäumer is responsible at MATERNA GmbH Information & Communications (<http://www.materna.com>) for the development, product management, rollout and operation of mobile telecommunication services in general and SMS in particular. Micropayment is of his main concern for many years.

E-Mail: [r.baeumer@addcom.de](mailto:r.baeumer@addcom.de)

Dipl.-Inf. **Bernd Mielke**, born 1961, studied in the 80's computer science at the RWTH in Aachen, Germany. Emphasis was on algebra, combinational optimisation, cryptography and graph theory. After this, he worked for more than 10 years in the support department of the notebook manufacturer Toshiba. There he occupied himself with wireless data from 1993 on, when Toshiba produced a notebook with an integrated modem for the German "Modacom" network. In 1993 he wrote a book on this packet data network. Since 1998 his web site on wireless data, <http://www.dafu.de/>, is online. In the end of 1998 he published a CD-ROM on wireless data by himself.

In 2000 and 2001 he worked as product marketing manager at MATERNA. Among his projects were SMS games, logo- & ringtone services, WAP gateway and MMS products. Since April 2002 he is employed by Vodafone Global as Roadmap Coordinator MMS.

E-Mail: [bernd.mielke@dafu.de](mailto:bernd.mielke@dafu.de)