

Analysts estimate the world wide direct-to-consumer mobile business will be worth more than \$10 billion by the end of 2006. To fully realize this market growth and capitalize on it, content providers and media companies must address the financial issues surrounding the sale and delivery of mobile content.

PlayPhone and OpenMarket Work Together to Maximize Potential of Mobile Commerce

Charter membership in OpenMarket Exchange™ will help PlayPhone enhance billing capability and direct-to-consumer experience

PlayPhone

Beginning in 2003, PlayPhone was the pioneer in direct-to-consumer (D2C) distribution of premium digital content in the US, including mobile games, ringtones and wallpapers. Since then the company has continuously evolved its content, subscriber and storefront management platform to provide a frictionless consumer experience via a unified account across many consumer points of purchase.

PlayPhone partners with content providers and media companies to effectively market mobile content through Web, television and mobile channels. The company has licenses for the largest portfolio of branded mobile content IP in the US and is particularly known for its leading portfolio of tier-one games, the highest value mobile content item.

PlayPhone operates its own D2C service at playphone.com as well as a number of storefronts for leading media companies in the sector. PlayPhone's turnkey multi-channel storefront solution offers the full range of required portal, content, subscriber, download and billing management components.

Business Challenges

PlayPhone led the way in the D2C mobile content market with unique, high-value content and top-notch marketing. The company also was the first to identify and take action against the revenue leakage issue known to affect all D2C players. Initially, PlayPhone learned about revenue collection issues up to 60 days after delivering mobile content to the consumer. This occurred primarily because the company could not preauthorize transactions to check consumer credit and payment history.

Accurate and timely revenue reporting was another area of concern for PlayPhone. To manage a mobile content business, companies must be able to analyze customer data and correctly forecast revenue in a tight timeframe, typically within 24 hours of the launch of a marketing campaign. Without advanced reporting capabilities, PlayPhone lacked the real-time data it needed to manage and maximize revenue.

A third challenge for PlayPhone was the lack of visibility into customer interactions, which limited its ability to provide effective customer care. For example, the company found that some consumers called both their wireless service provider and PlayPhone to request a mobile content refund. The consumers were granted both, which resulted in 'double dip' refund activity—a loss to all companies involved in the sale. PlayPhone experienced additional losses by refunding the full price of the content even though it received only a percentage of the total sale price from wireless service providers.

OpenMarket Exchange Solution

To overcome these challenges, PlayPhone sought a powerful business system to provide revenue assurance, increase reporting accuracy and timeliness, and improve customer care options. PlayPhone found its answer in OpenMarket Exchange, a Web-based, financial-grade business system for D2C mobile commerce, with a proven capability to process a high volume of off-network transactions.

PlayPhone is leveraging OpenMarket—a highly efficient, financial-grade commerce environment that ensures transaction integrity—to resolve these issues. Together, PlayPhone and OpenMarket are rapidly evolving the direct-to-consumer mobile market, an effort which will ultimately benefit every company in the sector.

OpenMarket is a business unit of Qpass, a recognized leader in the digital commerce market with a long track record of providing a scalable, financial-grade business infrastructure for mobile content. OpenMarket Exchange enables PlayPhone to introduce more financial and transactional integrity into its mobile content distribution and billing processes.

PlayPhone again leads the US D2C space by tackling revenue management issues head-on. By tightly integrating OpenMarket Exchange's real-time financial management capabilities into its own data warehouse and reporting services, PlayPhone is able to make such facilities available to its business-to-business partners. Using OpenMarket Exchange, PlayPhone and its partners can preauthorize transactions in near real-time, minimizing revenue leakage while preserving the smooth and immediate purchase experience consumers have come to expect from a mobile service. In addition, PlayPhone and its partners can review campaign results in a matter of minutes with the sophisticated reporting capabilities.

PlayPhone also uses OpenMarket's seamless integration with wireless service providers and transparency into all customer interactions to support a 'customer care anywhere' model. This allows PlayPhone to enhance its own customer care efforts and even initiate Web-based self-service to process approved refunds directly to consumers. The visibility also enables PlayPhone to help wireless service providers prevent incorrect refund activity, thereby reducing the cost of refunds for all companies in the value chain.

Business Results

"With its charter membership in OpenMarket Exchange, PlayPhone has access to a highly efficient, accurate and process-controlled commerce system that enhances our billing, reporting and customer care capabilities," says Kevin Bradshaw, COO, PlayPhone. "Through a comprehensive technical integration, we make this information seamlessly available to our partners in near real-time, giving them freedom to focus on their primary objective: designing and marketing an entertaining, streamlined and effective consumer experience," Bradshaw adds.

PlayPhone and OpenMarket are redefining the baseline for effective D2C mobile content activity in the US. Together, the companies will increase all value chain members' confidence to invest in growing the most important market today in digital commerce.

About OpenMarket

OpenMarket Exchange is the only complete on-demand business and financial solution for mobile commerce, and the service provider of choice for companies looking to reliably sell premium digital content directly to consumers.

OpenMarket Exchange provides an innovative and powerful suite of on-demand services from a trusted industry expert enabling the largest consumer brands to the smallest enterprises to rapidly and cost effectively launch their product offers and promotions in the mobile channel.

OpenMarket Exchange customers include:

- Warner Brothers
- Fox
- Disney
- MSNBC
- Sony Ericsson
- Best Buy
- PlayPhone
- HipCricket
- Lavalife
- ...and many more.

Visit www.openmarket.com for more information. OpenMarket is a business of Qpass, the Digital Commerce Division of Amdocs.