

Driving Data Monetization and Customer Loyalty

Aquto Sponsored Data Platform

Data monetization is an ongoing challenge for operators. In many regions, while smartphone penetration is high, data penetration is low. Some estimates show that in emerging markets, at any given time, up to 80% of subscribers lack data connectivity. With prepaid subscribers purchasing little or no data, operators are looking toward sponsors (advertisers, marketers, and enterprises) to buy data on behalf of subscribers.

Mobile advertising is growing faster than any other form of advertising, including television, according to a recent Magna Global report. Fifty-four percent of digital advertising sales are now generated by impressions and clicks on mobile devices. With smartphones becoming a primary target for marketers, operators have a huge opportunity to monetize their data and build customer loyalty by connecting the marketers with their target audience. In a recent Mobile Marketing Association survey in Latin America, 93% of respondents indicated that they would watch a video or engage with a brand in exchange for mobile data. Aquto's Sponsored Data Platform provides for this type of value exchange by building a bridge to the mobile marketing and advertising ecosystem, solving the data monetization puzzle for operators worldwide.

Aquto Sponsored Data Platform: The Only End-to-End Sponsored Data Solution for Operators

Aquto enables operators to unlock new mobile data monetization opportunities by offering third-party sponsors the ability to pay, either directly or indirectly, for specific traffic on behalf of the subscriber with **Sponsored Data** (users engaging with content free of charge) or reward subscribers with mobile **Data Rewards** for consuming specific content or engaging with the advertiser. The Aquto platform is the only sponsored data solution that allows operators complete control over the data layer, billing, and revenue assurance, while ensuring the security of network and subscriber information, with no proxy required.

The Aquto solution is a proven winner, with successful partnerships and implementations with tier 1 operators such

BENEFITS

- New data revenues from advertising sponsors
- Revenue sharing model: No capex or opex
- Reduce churn up to 5%
- Increase ARPU up to 15% (incremental to data revenue from sponsors)
- Cloud-based, secure solution with simple deployment



as AT&T, Verizon, Orange Group, America Movil, Millicom, and Telefonica Group. Since Aquto offers a revenue-sharing model for operators, there's no capex or opex spend. It really is a win-win-win for operators, sponsors, and subscribers (Figure 1). Operators enjoy new revenue streams from sponsors, increased data monetization, and up to a 15% increase in ARPU for prepaid subscribers. In addition to increased revenues, 75% of users have expressed a more positive attitude toward the operator and are less likely to churn when having unused Data Rewards in their accounts. Sponsors experience increased customer engagement as demonstrated in a study with Coca Cola in Latin America, where customers who were offered 10 MBs of data for watching an advertising video showed twelve times the engagement over subscribers who were offered the same video with no reward. Subscribers enjoy frictionless, instantaneous rewards, with free data added immediately to their accounts with reward notifications from the operator displayed natively within their phone apps. No registration or forms to fill out, no password to remember, no numbers to call, no hassle.

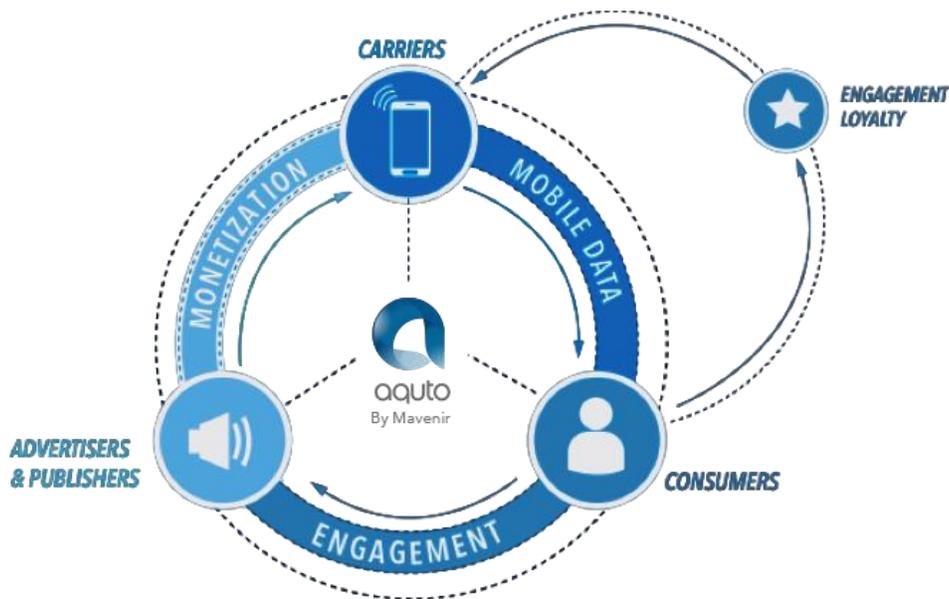


Figure 1: The Aquto Sponsored Data Ecosystem

Solution Description: Aquto Sponsored Data Platform

The Aquto Sponsored Data Platform provides operators with Sponsored Data and Data Rewards capabilities, a real-time analytics dashboard, and the ability to onboard third-party sponsors in a fully automated and highly scalable fashion. The solution is turnkey, with no need for manual system configurations, as the on-boarding and approval process for new sponsors is streamlined, allowing operators to define and administer campaign policies on a per-account or use case basis. The Aquto platform is easily deployed, end-to-end—from low-level enablement with the OSS/BSS stack and network elements, all the way to monetization, with ready-made solutions and a self-service campaign manager for both marketers and app developers.

Components

- **Sponsor Access Layer:** A comprehensive suite of multi-tiered and flexible API toolsets enabling third-party sponsors to fully leverage operator Sponsored Data/Data Rewards capabilities and create compelling campaigns.
- **Unified Portal:** Provides operators easy access and flexibility in configuring custom rulesets, policies, and administration of the data offerings. It includes custom on-boarding of sponsors with an approval process, detailed data accounting and reporting, and invoice generation and reconciliation. Sponsors also get access to a full-fledged analytics platform and powerful Sponsored Data/Data Rewards campaign management tools.
- **Direct Integration with OSS/BSS and Network Nodes:** Pre-integration and compliance certification on network components from leading network equipment vendors drastically reduces the integration timeframe, while retaining the flexibility to adapt to specific operator network requirements.
- **Security and Scalability:** The Aquto Sponsored Data Platform is cloud-based, with a set of redundant, secure VPN connections to the operator network. All interactions with the operator network and OSS/BSS stack can be coordinated from within the operator's secure perimeter, including storage databases. The unified portal, sponsor access layer, and account management tools are hosted in Aquto's secure environment to guarantee performance via near-instant scaling.

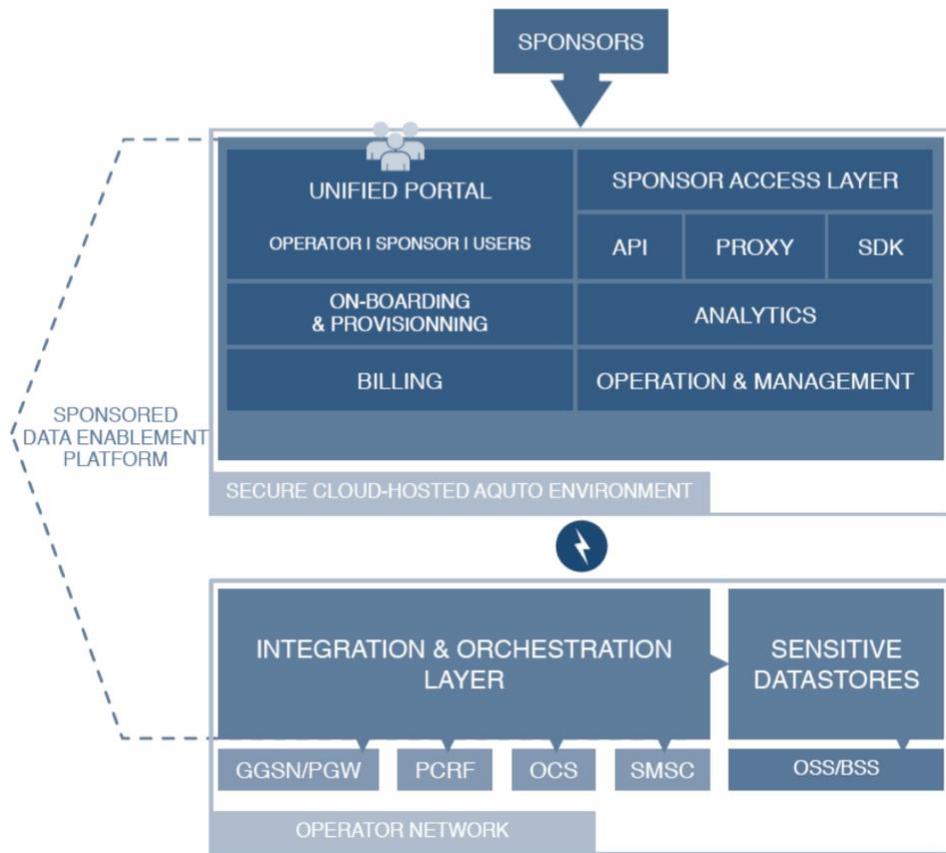


Figure 2: Aquto Sponsored Data Platform

Use Cases:

Native Data Rewards: Enables in-app engagement for native experiences, such as making an in-app purchase or taking actions within an app, and then receiving a data reward, which helps drive customer loyalty.

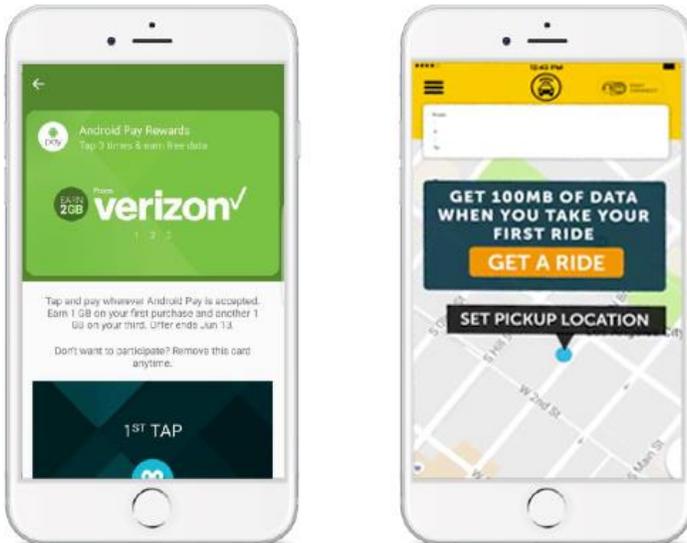


Figure 3: Examples of Verizon and Easy Taxi Data Rewards

Mobile Media Data Rewards: Drives engagement and improves conversions with mobile advertising/media. One popular use case involves a user being offered the chance to watch an advertising video in exchange for an instant Data Reward.



Figure 4: Example of a Coca Cola Data Reward offered in exchange for watching a video ad

Offline Rewards: Data Rewards can also be offered outside of the mobile device. This type of campaign drives in-store engagement with physical Data Rewards vouchers (custom codes or QR codes) on packaged goods, soft drinks, and other products.



Experience Offline

Figure 5: Example of a Data Reward offer for an on-site banking transaction

Summary

Aquto's cloud-based, sponsored data platform brings new capabilities to Mavenir's portfolio of carrier revenue generation solutions by building a bridge between an operator's secure network and mobile marketers and advertisers. Sponsored Data enables users to gain cellular data connectivity through third-party sponsorships, while enterprises can use data sponsorship to reach users and increase mobile engagement. Operators who offer sponsored data services have experienced a consistent increase in subscriber engagement, higher data revenue, reduced churn (as much as 5%), and a 15% increase in ARPU, for their prepaid subscribers.

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