



**Hewlett Packard
Enterprise**

Viewpoint

Avoid bill shock

Achieve compliance, enhance client loyalty, and increase revenue





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Feel your customers' pain

Bill shock is the anger associated with charges for communications services that are drastically higher than expected. It can erode consumer confidence and have a chilling effect on operator profitability. Unexpected increases in communication bills are primarily attributed to roaming charges, driven by the massive data traffic that modern smartphones and mobile broadband, air card-equipped laptops generate. These devices use more bandwidth than a typical mobile phone. Most consumers are used to flat-rate data pricing plans in their home networks; but when they roam, the charges for subscribers can quickly add up. That's because most roaming-price plans do not include flat-rate pricing.

Rather than face large bills, some users resort to turning off their roaming functions. Others become hesitant to even try new, high-end data services. As a result, adoption rates and revenue streams for new, high-end data services are low for many providers across geographies.

Help manage roaming costs

Bill shock spurred significant European legislative action and mandates that service providers must offer their roaming customers a free, automated mechanism for receiving real-time alerts and information on their current data-consumption levels. This gives consumers the option to continue using high-end data services at an agreed- on price, or limit their expenses by stopping the network traffic flow.

The regulation states that consumers must receive an alert when they approach their specified usage limit, or in the case where the consumer has not specified a usage limit, the service provider must alert the consumer when the default usage limit—set by legislation—of €50 is exhausted. The first alert must arrive when the consumer reaches 80 percent of the consumer-specified or default usage limit. Service providers must deliver a real-time account of the user's current financial exposure, and costs of exceeding the applicable limit. Unless the service provider receives the user's explicit consent to continue providing high-end data services, the cost of regulated data-roaming services, over a specified usage period, must stay within the default €50 limit, or consumer-defined limit.

Take the opportunity to step up

Putting an end to bill shock is in every service provider's interest. Flat-rate strategies and dramatically increasing data volumes are already challenging operators to turn additional traffic into added revenues. All the investments made in a sophisticated infrastructure and exciting applications will go for naught, should enterprises and individual consumers not use the services for fear of what they might cost. The new business models that service providers built—and expanded revenue streams that they count on—depend on receptive, confident consumers.

The crowded marketplace rewards differentiation, and eliminating bill shock can serve as a strong differentiator to better serve customers. Adopting measures to curb bill shock can foster subscriber confidence in using data services, as they help reinforce that critical level of trust. At the same time, this type of solution can help instill—in consumers' minds—an understanding of their data services' value. Having the means to transparently manage roaming charges can also increase consumers' confidence in using your services, leading to improved average revenue per user (ARPU).

A bill shock solution can add great value and help you extend customized services to customers. This information can be used to offer highly targeted promotions that return a higher rate of success. When you have fewer bill-shocked or disgruntled customers, it can lead to reductions in operational expenses (OPEX) and headcount for call center personnel.

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Respond to the bill shock challenge

There are several key concepts to implement, which deliver better impact:

Grant users control over options—Users continually demand greater control over their communications and media-services experience. At the same time, the mechanism for providing that control must remain simple and intuitive. Users must be able to quickly set, review, and change their defined financial exposure. In order to help engage consumers and improve satisfaction, while helping control OPEX, the solution has to be integrated with a rich package of personalization and self-care options. It must include the required interfaces, mitigate risk, and ease integration with the existing operational environment.

Provide real-time alerts—Roaming cost-control platforms must be capable of monitoring roaming Internet protocol-data sessions in real time. A dedicated database is required to maintain data surrounding subscriber-defined limits and related usage data.

Alert users of the current situation—Alerts should be available through a variety of mechanisms, including texts and email, to provide the best possible service experience. Once a customer reaches the defined limit, the service provider delivers an alert and then blocks further network traffic, unless the user confirms an increase in the limit.

Interface seamlessly with CRM systems—Transparency is essential to maintain a smooth user experience that wins loyalty. The solution must have a transparent interface with front- and back-end systems. At the same time, it must deliver information in a usable form that service providers can easily draw on to improve the service experience, while targeting their marketing activities effectively.

Go beyond compliance

Bill shock prevention does more than enable compliance with regulations—it offers you an opportunity to better serve your customers and grow revenue.

There is no doubt that the legislative directive is a primary driver for implementing a roaming cost control solution—but it is not the only driver. Customer trust and loyalty are also at stake, and so are the massive investments made in a converged network infrastructure, and the rich content and services that run across it.

Consumers of communications and media services must be confident that their service provider is working in their best interest. This interest must go beyond traditional notions of keeping consumers protected from viruses and other malware. It's also about financial security. Providers must be certain customers will not receive a rude shock due to roaming charges and associated fees. Failure to provide that certainty can result in unhappy customers, poor adoption of new services, increased churn, higher call center costs, and potentially more regulatory action.

Preventing bill shock encourages the confident use of advanced services to help increase subscriber loyalty and ARPU. And you gain the means to empower consumers to use data services to their exact level of financial comfort. Further, you can take advantage of the information contained in subscriber data to offer targeted advertising, highly focused marketing, and promotional campaigns that have a greater likelihood of gaining traction.

In the competitive marketplace, standing apart isn't easy; but, bill shock prevention is one way to make a positive impression on consumers' minds—and on the bottom line.

Learn more at
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