



MAKING THE MOST OF POLICY MANAGEMENT

A WHITE PAPER



TOGETHER, YOU WIN.



PROFITABILITY AND CONTROL

The exponential growth of mobile data traffic has been well-documented. According to Cisco, mobile data traffic grew 63 percent in 2016, reaching 7.2 exabytes per month. As a result, Communications Service Providers (CSPs) have understandably been scrambling to control the amount of traffic on their networks before the networks get swamped and customers get more than disgruntled.

From its inception, many pundits lauded policy management as the solution to cure all network woes. CSPs could throttle back heavy users, avoid congestion and keep customers happy.

But this approach has limitations, since the heaviest users are potentially the heaviest spenders. Policy management practices restrict their usage without exploring other, more profitable mechanisms for traffic shaping. Mechanisms that can earn the CSP revenue as well as offering the CSP—and importantly the customer—control over their own destiny.

‘Policy 2.0’ has emerged as an improved model for CSPs—add some charging to policy management to enable operators to extract revenue from the high-end users, not just restrict their access/bandwidth/usage.

While this development goes some way towards delivering on the potential that policy management has to offer, it does not go far enough. True integration of policy management with sophisticated online charging provides the opportunity not only to manage bandwidth and even gain revenue, but to deliver truly innovative solutions to service providers, to offer compelling value to customers and a competitive advantage in the market.

INFORMA TELECOMS & MEDIA

“IT IS NOW GENERALLY AGREED... THAT THE MARKET FOCUS FOR POLICY CONTROL AND ITS RELATED TECHNOLOGIES HAS SHIFTED FROM BASIC TRAFFIC MANAGEMENT TO ENABLING THE IMPLEMENTATION OF REAL-TIME DISCOUNTING, UPSELLING, CROSS-SELLING AND A RANGE OF MOBILE BROADBAND SERVICES AS YET UNIMAGINED. FUNDAMENTAL TO THE REALIZATION OF THIS BRIGHT NEW AND HOPEFULLY PROFITABLE FUTURE IS THE REQUIREMENT FOR CLOSE INTEGRATION BETWEEN OLC (ON-LINE CHARGING) AND THE PCRF.”



POLICY MANAGEMENT DEVELOPS

Initially, faced with the dramatic growth in data on their networks, CSPs turned to policy management to fix particular, urgent problems. They needed to protect their network—and quickly.

Subsequently, CSPs have taken a more holistic approach to policy, implementing more scalable solutions that address multiple issues across the business.

Today, there is increasing recognition that charging needs to be utilized alongside policy in order to grow revenue. When combined with policy, charging can be used, for example, to offer top-ups to customers who are about to exceed their download cap, providing the customer with control over their budget and the CSP an opportunity for increased revenue.

INTEGRATION NOT COMBINATION

While many CSPs, and more industry pundits, are recognizing the need for combined policy and charging, charging and policy should be fully integrated to take the opportunities for control and revenue to the next stage. This integration delivers additional benefits not possible with loosely coupled systems. For example, a temporary speed boost enables customers to choose to pay for higher download/access speeds when they need them to enhance the service experience. This goes beyond simply providing extra data for a customer who has run out of quota.

A well-integrated solution also facilitates adjunct coexistence—it's possible to deploy a charging and policy solution quickly and cost effectively without having to rip and replace existing systems, while at the same time ensuring there is a roadmap to full convergent transformation in the future.

TO CAPITALIZE ON THEIR COMPETITIVE STRENGTHS, CSPS NEED TO TAKE FULL ADVANTAGE OF THE POSITIVE REVENUE GENERATION CAPABILITIES OF SOPHISTICATED CHARGING SYSTEMS, TIGHTLY INTEGRATED WITH THE CONTROL ASPECTS OF POLICY.

THERE'S CHARGING AND THERE'S CHARGING

As well as true integration of charging and policy, CSPs are finding that they increasingly need sophisticated charging solutions. As the business becomes progressively more guided by the market, and as consumers become more knowledgeable and demanding, systems need to be capable of the flexibility to meet these demands—and quickly.

Charging has been at the heart of CSPs' businesses for years, and has developed to be very sophisticated over time. It is flexible, responds to the market, and is a vital tool for marketers. Facilitating options such as hybrid accounts, and business-rule-driven product offerings, charging solutions these days are capable of helping to bring many products and plans to market to target very specific market segments. And of course it is, by definition, charging that brings the revenue into the organization.

CSG'S POINT-OF-VIEW

To optimize their competitive strengths, CSPs need to take full advantage of the positive revenue generation capabilities of sophisticated charging systems, tightly integrated with the control aspects of policy.



TOGETHER, YOU WIN.



This integration delivers the benefits that are delivered by products and services such as:

- > **Prepaid bonus**—download four songs get one free: reward prepaid customers and promote additional spend
- > **Corporate account management**—target corporate clients with innovative service features. Give corporate customers the freedom to share data allowances across employees
- > **Free corporate intranet access**—offer corporate employees unlimited access to the firm’s “walled garden”
- > **Parental control over usage**—target the family market and build loyalty with stickier services. Give parents control over their children’s accounts through prepaid and usage limits
- > **Parental control over access by time of day**—give parents control over their children’s internet access by restricting when they can access services

—> **Vary QoS by type of customer, time of day, location**—manage network utilization at busy times while giving customers control, providing customer satisfaction and generating revenue

—> **Manage bill shock**—put the consumer in control of their spending, establishing trust and ultimately encouraging additional spend. Conform to EU bill shock regulations out of the box

—> **Implement fair usage through QoS throttling**—implement fair usage policies that effectively manage heavy users of the network

CONCLUSION

Policy management has become a vital weapon in most CSPs’ arsenals in the fight to keep control of network bandwidth.

Increasingly, CSPs are recognizing the need to employ charging in the fight, to raise revenue as well as exercise control.



To optimize the benefits of both types of systems, charging and policy tightly integrated have the sophistication to meet the demands of today’s market.

CSG INTEGRATED CHARGING & POLICY

Based upon nearly a decade of real-time convergent charging experience, CSG has invested in the integration of online charging and policy management that is:

- Flexible, to quickly and cost effectively deploy as an adjunct without the need to ‘rip and replace’
- Interoperable, to extend the lifetime and add flexibility and functionality to charging existing platforms
- Future-proofed, providing a foundation for convergent business transformation
- Innovative, enabling operators to maximize revenues and profits from mobile data services through unique, targeted service features and pricing.

CSG ICP is a pre-configured offering delivering out-of -the-box functionality including:

- Prepaid Data Allowances
- Turbo Boost
- Bill Shock Controls
- User-defined Spend Limits and Notifications
- Sliding QoS
- Hybrid Accounts
- Location Awareness
- Corporate Policies
- Parental Controls

CSG ICP is fully convergent, supporting any type of payment method on fixed and 2.5G, 3G and 4G/LTE mobile networks.

CHARGE BY


 Volume


 Time


 Bandwidth

ON THRESHOLD


 Bar


 Throttle


 Charge

ABOUT CSG

CSG simplifies the complexity of business transformation in the digital age for the most respected communications, media and entertainment service providers worldwide. With over 35 years of experience, CSG delivers revenue management, customer experience and digital monetization solutions for every stage of the customer lifecycle. The company is the trusted partner driving digital transformation for leading global brands, including Arrow, AT&T, Bharti Airtel, Charter Communications, Comcast, DISH, Eastlink, iFlix, MTN, TalkTalk, Telefonica, Telstra and Verizon.

At CSG, we have one vision: flexible, seamless, limitless communications, information and content services for everyone. For more information, visit our website at csgi.com and follow us on [LinkedIn](#), [Twitter](#) and [Facebook](#).