Charge to Mobile - Mobile Betting and Gaming
AIME Whitepaper

- Majority of consumers have moved to Mobile devices (Smartphone penetration 56%: Tablet 29%)
- Small screen environment has brought new challenges to card payments
- Friction of Card payment identified as the cause for 37% of checkout abandonments
- Frictionless Charge to Mobile is achieving conversion of 74%; without cannibalising revenues

Increasing Your New Customer Acquisition By Up to 74%

It's the 'Holy Grail' of every gaming operator; create an impulsive product, identify the high rollers, target, acquire and retain. Yet despite advancements in game play, the high friction of the initial deposit of funds has seen many picture-perfect marketing campaigns fail to produce the anticipated results.

Generous sign-up bonuses, free bets and match funding of initial deposits provide some respite. Yet even these sweeteners aren't always enough to engage the consumer in the heat of the moment. Searching for the wallet, finding the bank card, inputting an average of 168 key stokes of information… On a desktop computer, it may be easier; but it's a shame if your advert is being viewed by someone on a mobile device; they're often more likely to abandon.

Fortunately there's a solution to this acquisition nightmare in the form of Charge to Mobile Billing. All mobile phone accounts are set-up as default to enable users to charge up to £30 of services to their phone bill every day. Introduce a Charge to Mobile payment solution such as Payforit to your billing suite and with a mobile device in their hand the consumer is only two clicks away from placing their first bet. No surprise that acquisition rates as high as 74% are now being reported.

With the consumer now fully engaged, requiring them to register a card for future deposits and withdrawals is something that can be performed at leisure and only when winnings need extracting.

AIME's extensive work with entertainment providers has given insight into consumer buying behaviour and has identified that Charge to Mobile has reached new demographics. Recent research also found that over 80% of consumers can then be quickly migrated to bank cards for subsequent payments. Once registered the card becomes the primary payment device.

How Charge To Mobile Billing Works

Charge to Mobile Billing is provided across all UK Mobile Networks using a standardised billing flow branded 'Payforit'. Payforit is a secure way for people to pay online, using their mobile phone account. Consumers can quickly make a payment by clicking to accept on screen payment terms or by entering a code sent to their mobile number when using a wifi connection. Payforit also works seamlessly on any computer or tablet.

**Standard page Served by Payment Intermediary (API):**
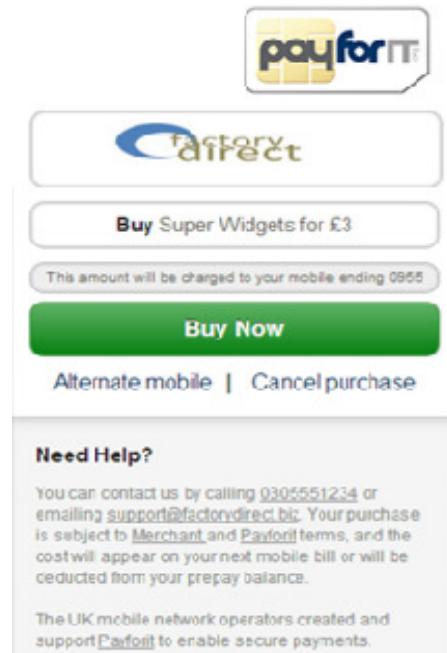
Simplified flow can be embedded within game:

There are a wide range of tariffs available and on most mobile operators you can bill any amount between 10p and £30. As the charge is added to the mobile bill using operator billing technology, the payment confirmation is instant and allows for management of the user experience if the payment fails. **Find out more about Payforit at Payforit.org**

The Charge To Mobile Value Chain

For the fulfilment of a Charge to Mobile billing transaction, there are several companies within the 'value chain' who all have specific responsibilities for billing and delivering the service.
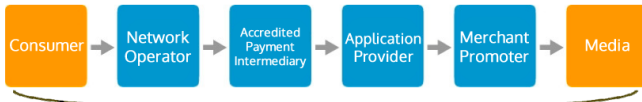
NB: a Charge to Mobile provider may play multiple roles across the value chain.

Service & Payment flow:

- A Charge to Mobile service is promoted in the media (e.g. TV, newspaper, social media, mobile advert, text message etc) by the Gaming Operator or its marketing agency
- A consumer responds to Call to Action (CTA) and confirms the purchase through the gaming operator screen and is then passed to the Accredited Payment Intermediary (API) for the checkout part of the purchase
- The API with which the Gaming Operator is contracted will identify the consumer's Mobile Network and sends the billing request to that Network
- The consumer is billed for the service by their Mobile Network Operator and the transaction charge will appear on their phone bill
- Mobile Network Operator will pay the API (after a minimum 30 day regulatory withhold), having subtracted their commission.
- The API will subtract their commission and then pay the next party in the value chain, that being either the Application Provider, or the Gaming Operator.

The payment flow described above relies on parts of the value chain to play a specific function, which is traditionally paid for by subtracting a commission. Commission and other payment terms will vary (usually based on traffic/sales volume) and this will be negotiated on a case by case basis between the API and Gaming Operator.

Payment Integration

Integration of Charge to Mobile into your existing product suite is a simple process. The complexity of the payment flow and processing of the payment is all handled separately by the API and therefore requires only a few technical tweaks to insert the functionality, via an i-frame, into an m-web offering, or with the addition of a payment library, directly in a gaming app.

AIME Payforit 4.1 Training

AIME runs a regular training webinar providing details on all the functionality of Payforit 4.1. These webinars are free for AIME members and also available to non-members for £50 per delegate. To register interest email info@aimelink.org

Regulation Specific To Charge To Mobile Transactions

Unlike Card purchases, charge to mobile transactions are not regulated by the FCA and instead fall under the Telecom regulator Ofcom and its agency PhonepayPlus, which operates a principles based code supported by guidance. Operators using Charge to Mobile billing will need to register with PhonepayPlus and the registration number will need to be provided to the API as part of the contractual process.

Prior Permission - Certain types of Charge to Mobile Services, Including remote Gaming, are deemed by PhonepayPlus to pose a greater risk of harm to consumers because of their content. These types of services can only be operated once PhonepayPlus has first provided written prior permission. Applications will be subject to a fee of £300+VAT each.

Choosing The Right Partners To Help Setup Your Service

Choosing the right partner will depend on various factors, for example: Commercial Terms; Market Access; Content/Service Partners; Ancillary Services Offered e.g. Mobile Marketing, Apps Build, CRM; Technical Support; Customer Service Support; Regulatory Support; Track Record etc

AIME provides the leading networking environment and industry voice for Charge to Mobile billing providers and Gaming Operators. AIME has members in all parts of the value chain, who provide a high level of professional services and importantly also invest in market growth initiatives through AIME. They work to a high ethical standard of business and as a Member, commit to AIME's Code of Conduct.

To become an AIME member and receive the following benefits contact davidashman@aimelink.org

- A roundtable with the Mobile Networks and APIs to improve the billing flow and commercial terms
- Support with the evolving regulatory landscape and how to fulfil your regulatory responsibilities
- A collective voice pressing for fair and pragmatic regulation
- Regular forums on the latest techniques to improve consumer engagement and boost acquisition
- Networking opportunities to help identify the best commercial partners

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