



Meeting the needs of the South African market for a new mobile messaging solution—Mobile IM

CUSTOMER CASE STUDY

Abstract

MTN South Africa identified a need to quickly deploy a Mobile Instant Messaging (Mobile IM) solution to complement its current suite of messaging applications as well as to address competitive pressures from new independent Mobile IM offerings. Working with their messaging provider, Movius, MTN was able to define and launch a new service, noknok, on schedule and with a superior feature set than competitive offers.

Background

The South African mobile telecommunications market is characterized by three mobile network operators (Vodacom, MTN and Cell C) as well as a fourth mobile 'virtual' network operator (Virgin). In addition, using the connectivity provided by the network operators, value-added services organizations are providing enhanced communications services to the population.

One of the more popular and fastest growing services has been Mobile Instant Messaging (Mobile IM). Because it uses IP, Mobile IM messaging is considerably less costly to the subscriber than a similar-length SMS (Short Messaging Service) message. Additionally, it provides the added advantage to customers of having an instant conversation and for the operator an opportunity to differentiate their service offerings in a competitive market. Mobile IM also carries potential for increasing average revenue per user through the stimulation of IP-based traffic, taking advantage of 3G network investments and functionality.

For this reason, MTN sought to introduce its own version of Mobile IM. Given that an existing, and highly popular, instant messaging service was already available in the South African market, MTN's objective was to define a solution that would not only deliver an effective service, but would also transcend any shortcomings of the incumbent while delivering more features and benefits to users. Additionally, due to this competitive IM offer, MTN was committed to deploy the new service quickly.

The company engaged with Movius Interactive Corporation, a trusted technology and services provider with a proven track record in providing and supporting MTN's voicemail and multimedia offerings.

Technology selection and deployment

Leveraging its global footprint and knowledge of the GSM market, Movius partnered with Norwegian software developer Colibria as the ideal technology provider. The solution was selected on the basis of its ability to provide a service that was not only highly attractive to MTN subscribers, but would also integrate easily with the company's existing messaging and operational systems, including customer care, operations, maintenance and billing systems, SMSC (Short Messaging Service Centre), and MMSC (Multimedia Messaging Service Centre).

In addition, the new Mobile IM handset client is available for all major platforms, including Symbian, Java 2 Micro Edition (and Java Lite for less capable handsets) and a WAP (wireless application protocol) client for non-J2ME handsets (i.e. legacy users). There is also a PC client that many competitive products do not offer which expands the usability options of the service for individual subscribers. Other key features of the Mobile IM solution include:

- **Download Manager Server:** enables consumers to download and upgrade the mobile IM client software to their handsets and PCs using the Internet, USSD or WAP; the solution automatically recognises the handset and selects the appropriate software and version.

- **Statistics Manager Server:** collects, stores, exports and displays statistics for events such as the number of IMs sent during a specific period
- **OSS/BSS Integration Services:** allows interoperability with all business and support systems, including customer care, operation and maintenance, billing, SMSC, and MMSC.
- **Admin Console:** secure web-based interface for administrative control of Mobile IM service.

Movius worked closely with MTN's technical staff to deploy and integrate the service into their infrastructure. Responsible for the implementation of the solution, Movius handled all underlying hardware and software sourcing, configuration and deployment, including integration into operating systems and databases.

Careful management was essential to avoid any impact on the company's existing services as the new offering was brought online. The solution was introduced internally to MTN staff briefly to enable them to become familiar with the service before launching it commercially on December 3, 2007.

Delivering a superior Mobile IM experience.

The Mobile IM solution from Movius is not simply an internet IM solution with a mobile element but was designed with the mobile consumer's needs and habits in mind. The new service from MTN, branded noknok, itself was specifically designed



to overcome the key shortcomings in existing Mobile IM solutions available in South Africa. The noknok service will interoperate even with handsets that don't have the noknok client installed on them and must therefore receive SMS or MMS messages. In addition to usual presence information, such as which contacts are available and which are not, the solution is able to determine which clients can be contacted by noknok and which will be contacted by a message that is instantly converted to SMS or MMS. This ability to communicate across message types increases the appeal of the service. The presence attribute also allows users to share their mood via the presence icon and "context" with a status message—enhancing communication opportunities and conversation starters.

The noknok service deployed Open Mobile Alliance (OMA) Phase 2 specifications that encompass multimedia IM including file sharing and chat rooms. These services enable more than just person-to-person conversation, but also allow for anonymous chat and MMS integration.

In order to be successful, MTN recognized the need for its' Mobile IM solution to interwork with other carriers. While the GSMA has a global initiative, Personal IM (PIM), to deal with this issue, these interoperability issues are still being finalized. Therefore, for this to be successful, MTN needed to work directly with its main competitor in the region, Vodacom, so that the noknok service would integrate seamlessly with the Mobile IM services of competing network operators, delivering unrivalled convenience for the customer and allowing for the extension of the Mobile IM community to a far wider user base.

With the competing service notorious for its impact on handset batteries, a further key feature to the Movius solution on which the noknok service is built, is its 'sleep' mode. In this mode the handset client lies dormant until it receives a signal from a party wishing to exchange messages.

The service is geared to drive a superior user experience while driving up ARPU with features such as the ability to express emotions, set moods and communication contexts, initiate one-to-many communications, facilitate chatrooms and other more bandwidth-intensive file exchanges including picture messaging. With a PC client also available, noknok extends Mobile IM to the PC, enabling and

stimulating communication between a PC—which is preferred by many for text input—with mobile handsets, also enabling SMS and MMS from PC.

The future

MTN believes the future is not simply Mobile IM but actually the building of mobile communities. Mobile IM can provide the foundation for additional services such as banking and content purchases. It also enables the creation of customized chat rooms based on a subscriber's interests and alliances.

Additionally, as MTN South Africa already counts the number of noknok users in the hundreds of thousands—and steadily growing—the organization is considering extending the service further into its service offerings in other African countries. In addition, together with Movius, the company is seeking to introduce elements of unified communication through the noknok service, with integration with other popular messaging platforms expected to accelerate usage and drive Internet Protocol-driven ARPU.

With the software development environment provided as an added component of the solution, it is also possible to develop value added applications. And, as Presence capabilities are refined and viable services introduced, MTN will continue to research, examine, evaluate and introduce new ways for people to communicate in which the noknok platform will play a key future role.

Conclusion

The South African communications landscape has changed for the better with the introduction of the noknok mobile instant social messaging service by MTN and Movius. The noknok service has met a need for a feature rich yet cost effective messaging solutions. It allows customers with suitable handsets to chat by sending and receiving instant messages at a fraction of the price of traditional SMS or MMS messaging. The noknok service is ideal in a country where many customers have expressed the need for more immediate communications, the ability to have a real-time, instant conversation as compared to SMS behavior. The introduction of Mobile IM is an important element for MTN as they continue to evolve to a mobile internet services company that enables their customers' greater mobility for all communication and entertainment services.

Appendix I - Company Descriptions

About Movius Interactive Corporation

Movius Interactive Corporation gives people the power to enrich their lives through viable innovations that transform the way they interact with information, media and each other. Formerly under the name of IP Unity Glenayre, Movius is a global leader in messaging, collaboration and mobile media solutions for service providers globally.

Movius solutions include a full suite of messaging and collaboration applications including voice mail, video mail, unified messaging, SMS, MMS, conferencing and video conferencing. Movius solutions for the adjacent market of interactive mobile media include video portal, mobile IM and other media rich solutions.

The Movius direction is driven by a team of dedicated and visionary leaders with years of experience and expertise in the telecommunications industry. For more information, visit www.moviuscorp.com.

About the MTN Group

Launched in 1994, the MTN Group is a multinational telecommunications group, operating in Africa and the Middle East. The MTN Group is listed on the JSE Securities Exchange under the share code: "MTN". As at 31 March 2006, the MTN Group recorded more than 24 million subscribers across its 10 operations in Africa—Botswana, Cameroon, Cote d'Ivoire, Nigeria, Republic of Congo (Congo Brazzaville), Rwanda, South Africa, Swaziland, Uganda and Zambia. In August 2006, the MTN Group expects to launch commercial operations in Iran, following the successful purchase of a 49% shareholding in Irancell. Furthermore, in May 2006, the MTN Group announced it had reached an agreement to acquire Dubai- and London-listed Investcom LLC. The transaction will make the MTN Group one of the world's largest emerging market players in telecommunications and the leader in Africa and the Middle East, operating mobile networks in 21 countries, covering a population under licence on a combined basis of approximately 488 million people and serving nearly 30 million subscribers. For more information, visit www.mtn.co.za