

SMS Content Distribution Business Model

problem

Company XYZ has core competency in consumer marketing. Its management has recently engaged the services of an outside management consulting company to help with ideas about generating incremental revenues. One of the idea that consultants bring is particularly appealing for a company like XYZ - SMS Content Distribution business. The consultants believe that XYZ can easily leverage on expertise in consumer marketing and quickly build up customer base.

The proliferation of mobile phones makes paid SMS content distribution a particularly attractive market niche. The SMS Content Distribution business model is based on offering various media content such as ringtones, pictures etc. to mobile phone users. Customers who want to purchase the content send paid SMS messages to a preset number and in return receive content through SMS messages. Fees are collected through customers' mobile phone operators so establishing a revenue sharing partnership is a critical part of the business model.

XYZ's management finds the idea appealing and commissions a research of alternative SMS Content Distribution solutions. The research reveals that a good equipment solution should be easy to deploy and manage even by people with limited technical knowledge. Such solution should also offer advanced billing capabilities and support for multiple billing models and rating plans. Finally, such solution should be affordable to allow quick entry into the business with minimal capital investments and highly scalable to accommodate future business growth.

solution

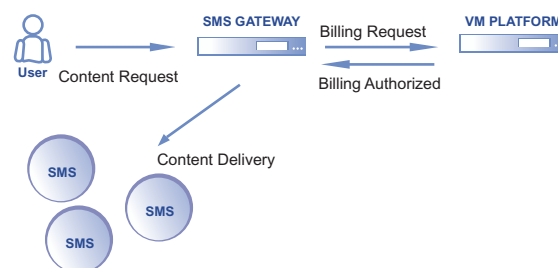
SMS Content Distribution solutions rely on relatively new technology and their implementation could present significant challenges, especially to businesses without prior SMS experience. As the technology is new, users in general are not familiar with its lingo and system configuration is often the most difficult and time consuming part of any SMS implementation. Additionally, equipment incompatibility issues often present serious problems and could lead to additional deployment delays and lost revenues. Service providers can easily address those implementation issues by purchasing a turnkey solution from reputable VoIP equipment manufacturer.

SysMaster Corporation, the global leader in turnkey VoIP equipment solutions, could offer to XYZ a carrier grade turnkey SMS Content Distribution solution that meets customer specific needs. SysMaster's solution offers easy operation and fast deployment schedule (typically less than a week). A notable feature of the solution is the advanced billing server, which offers unparalleled rating flexibility and supports comprehensive set of billing models.

A typical SysMaster SMS Content Distribution solution has the following requirements:

- 1 VoiceMaster VoIP Billing Server
- 2 SysMaster SNS Gateway
- 3 Optional Modules for the Billing Server and the Gateway(s)
- 4 Remote Installation and Technical Support
- 5 High speed Internet access
- 6 Contracts with Providers of Media Content
- 7 Revenue Sharing Contracts with Mobile Phone Operators

SysMaster can provide items 1 through 4 while the service provider is responsible for items 5, 6 and 7. Figure 1 below shows the SysMaster SMS Content Distribution solution architecture.





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solution features

- SMS/GSM/Tri-Band Support
- Inbound and Outbound Messages
- Message Queue Support
- Message Parsing and HTTP/HTTPS Conversion
- Outbound Number Switching and Rerouting
- User Friendly GUI Interface
- User Friendly GUI Interface

how does the solution work?

- 1 Customer picks up his mobile phone and sends SMS message to a preset phone number connected to the SMS gateway. Alternatively, the customer sends SMS messages via custom web page
- 2 The SMS gateway sends authorization request to the billing server
- 3 The billing server authorizes the request
- 4 The SMS gateway retrieves content from a content server
- 5 The SMS gateway distributes the content to customer's mobile phone through an SMS message
- 6 Upon completing the process, the billing server contains record of the SMS distribution
- 7 At the end of the billing period, the billing server generates report based on which revenue is received from the mobile phone operator

benefits

Turnkey Solution

SysMaster offers truly turnkey SMS Content Distribution solution. SysMaster provides all equipment elements as well as remote installation and technical support. Customers secure high speed Internet access and sign revenue sharing contracts with mobile phone operators. If customers want to outsource content creation they could also sign contracts with content providers.

High Scalability

SysMaster is probably the only VoIP equipment manufacturer that fully supports the grow-as-you-go concept. SysMaster's equipment can easily scale from 1 to 20 T1 lines per SMS Gateway (24 to 480 PSTN lines) or from 48 to 1920 VoIP channels and from 500 to over 20,000 concurrent calls per billing server. The company offers VoIP equipment in five capacity tiers that cover the needs of the whole spectrum of SMS Content Distribution service providers.

benefits

Rapid Deployment

SysMaster's SMS Content Distribution solution is characterized with very aggressive deployment schedule. In general, customers can have a running solution in less than a week provided that they have secured high speed Internet access. Because of the integrated nature of the solution, there are no equipment incompatibility issues to be solved which are often the reason for extended deployment periods.

High Affordability

SysMaster's SMS Content Distribution solution is highly affordable for both new users and for existing customers who want to expand their capacity. In fact, it is the solution with the best features/cost ratio in the industry. As SysMaster uses a tiered capacity approach where each successive equipment tier doubles the capacity of the previous one, customers can upgrade in incremental steps without overspending for capacity that they don't immediately need. At the same time, as equipment utilization increases, fixed costs per call fall (i.e. customers pay a fixed cost for a given equipment capacity and do not pay recurring fees based on the number of calls).



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