

Adding Value to Services



Sabri Amireh, Vice President and Head of Market Unit, Mahindra Comviva, Middle East & North Africa

Sabri Amireh, Vice President and Head of Market Unit, Mahindra Comviva, Middle East & North Africa, talked to Telecom Review about the company's latest happenings in the VAS space.

What is your focus today in the MENA region?

The business model has drastically changed and so have our offerings and products.

In the past, we were focused on providing operators with traditional products such as

messaging. Today, we are providing a whole new set of products depending on the market needs.

We are supporting operators by helping them retain their clients and maintain their revenues out of the services they provide.

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Currently, this is what we are focused on: delivering products that keep customers involved and interested in the operator's brands. Through our solutions we empower our clients, help them retain their clients and maintain their revenues.

How important are VAS to operators in the Middle East, in terms of being revenue drivers and assisting with customer acquisition and retention?

Variety of choice in the marketplace has increased the likelihood of customers looking for a better deal, better quality service or better customer experience.

Mobile operators can no longer count on customer acquisition alone to fuel growth; they must seek innovative ways to garner higher value from existing and new customers.

What products and services are proving to be of major interest in the MENA region?

The list varies. However, there are some which take precedence over others. For example, Mobile Financial Services/PreTups are very popular in most of the MENA countries as we see these countries focusing on

enabling banking transactions on mobile phones.

For this purpose, MComviva has implemented the MFS/PreTups services in a number of countries in the MENA including Egypt, Jordan, Morocco, Iraq, Tunisia and Qatar.

On another hand, products that insure loyalty management and customer retention are also very important. Some of these products are being implemented in many countries including Iran and other countries in Africa.

Thirdly, mobile internet services are of key focus in the MENA region. For instance, as per GSMA data, Mobily (Etihad Etisalat) witnessed tremendous growth in data traffic from 163 TB per day in Q4 of 2011 to 750 TB in Q4 2012. The entire region has also seen a splurge of LTE. As a result of these developments, operators' data revenues went up by 48% during this time.

Finally, managed VAS is essential. Today, operators are interested in working with a vendor that can deliver real partnership and provide global expertise in managing end to end the VAS part of his operation.

What can you tell us about the potential of mobile money?

Mobile money is the future. This trend is gaining a lot of traction with operators. Operators need to provide this kind of solution so that they enable people to use their mobile for payments.

There is a huge demand for this service now especially in the banking sector. Major banks in the region are interested in providing this service to their subscribers, and many operators in the region have already adopted this trend.

However, we have come to notice that operators who are already providing this service are somehow struggling as to how they can increase their revenues. In these cases, we bring our consultancy and expertise to support them in this respect and help them meet their expectations without letting their customers down.

As a leader in providing VAS, what are the major opportunities and challenges that you see in the region?

Competition in this sector is highly increasing. A lot of small players are emerging in the market and they are desperately trying to establish themselves and form partnerships.

We believe that when it comes to VAS, the market is already saturated in this region. Innovation is a must; new



services and offerings must be developed.

That is why we see operators looking for new means that would enable them to maintain their revenue streams. Our job is to address these issues and come up with the suitable solutions.

What trends are you seeing in the VAS market in the MENA?

VAS Virtualization is the need of the hour for many operators in the MENA region. The entire operator community in the Middle East region is extremely mature with mobile penetration being more than 100%.

Apart from this, most of the VAS infrastructure that has

been deployed by operators needs to get renewed or replaced.

VAS virtualization offers seamless orchestration of services, common functions/modules in the VAS infra converted into a single abstraction layer, reduced integration points as well as scalable systems ready to adapt to different architecture and functional requirements.

What are the main concerns operators in the MENA have in the VAS domain?

As we mentioned before, the market has already reached a saturation phase. There are also a lot of vendors in the market. On another hand, there is a lot of VAS infrastructure with not

enough utilization just as there is underutilization of datacenter space. Add to all of these concerns are those arising from scalability and adaptability issues.

What is your final message?

We are coming up with more solutions to cater to this ever growing market. The challenge is not only retaining customers, but also keeping them active while making them profitable.

We look at the whole process from an end-to-end perspective. We try to be different in the business models that we offer so that operators remain focused on their networks and customers while we take care of the rest. ■