

CASE STUDY

The Case for Prepaid TV

Fierce competition has forced communications, media, and entertainment companies to find new ways of procuring subscribers. Many have turned to prepaid services as they continue to see strong growth in this segment of the industry.

There is a large, untapped market of contract-shy individuals who are prime candidates for prepaid services. These include new immigrants, students, temporary residents, those with poor credit, and those with low incomes. Prepaid TV gives them flexibility and the greater ability to control their entertainment expenses. Services can be charged based on date or time, duration, specific channels or events, promotional packages, or a combination. For example, football fans may choose to subscribe to certain sports channels only during the season. These subscribers may never commit to a subscription plan otherwise.

The prepaid model is also a great way for subscribers to try a service before committing to post-paid services. Those who are not initially interested in a post-paid plan may change their minds after they experience the service and get hooked. The model also offers providers the ability to glean information about a subscriber's interests and offer them tailor-made promotions through a web portal or other application. In short, prepaid services present providers the opportunity not only to enhance the customer experience but also to provide subscriber self-service, thereby reducing customer-care costs.

However, perhaps the strongest case for prepaid TV is that, for full-service communications and entertainment providers, hardware and systems are usually already in place. They can utilize existing resources to provide new offerings to a more diverse audience and capture new subscribers.

Why Service Activation Center?

With Service Activation Center from Incognito Software, providers can achieve faster time-to-market and greater flexibility while providing more complex TV service offerings. Because Service Activation Center is a service fulfillment solution that integrates with a provider's back-office systems, it is able to act as a one-stop prepaid service solution within the operator's network. It allows operators to manage the full life-cycle of service events including (but not limited to) activation, scheduling, and termination of prepaid TV service subscriptions. It also facilitates payment processing and provides reporting tools for data about subscriber history and subscription choices.

Using the web portal, subscribers can register for service offerings, schedule activations or deactivations, and view account details and previous service subscriptions. The portal can be customized to fit the provider's business model and to minimize the subscriber's need to contact the call center. For example, when new channel groups and promotional packages are defined in the product catalog, they can be made available for immediate purchase in the subscriber web portal.

Operators also have the option of providing an application on the set-top-box that allows subscribers to order channels and content with a simple click of the remote. Service Activation Center listens for incoming requests, processes payment (for example, by prepaid card or credit card), and activates services accordingly.