

Premium SMS

Attractive revenue generating opportunities

Premium SMS – An Overview

Has your business considered the additional revenue stream it can generate by leveraging its unique content to mobile phone users?

MessageNet's Premium SMS service is a profitable way for content providers to sell valuable information to their customers. Premium rate SMS enables your customers to access information at any time, at a price that has been set by you.

Businesses are taking advantage of an increase in the nature of applications for Premium SMS. Shifting from a traditional entertainment focus such as ringtones, pictures and chat services, Premium SMS is now progressing towards tailored business-related content such as financial updates, results and alerts.

How does Premium SMS work?

- The content provider (CP) determines the charge per message within a range of \$0.55 to \$6.60 inc GST.
- The CP determines whether customers are billed for receiving and/or sending messages.
- The CP applies for either a 6 or 8 digit premium shortcode (usually takes 4-6 weeks following a stringent review by the telecommunication companies of your service, T&Cs and marketing collateral).
- The CP selects whether to host the service by using MessageNet's APIs to integrate with existing applications or whether MessageNet develop and host the service on their behalf.
- Establish a MessageNet account, fill out appropriate registration forms and sign T&Cs.
- CP receives a share of the revenue generated based on the charging increment selected (contact us on 1300 55 15 15 for a full rebate/ charges schedule).

Applications
Competitions
Product promotions
Voting/polling
Information subscription services: <ul style="list-style-type: none"> - Stock market alerts - University results - Sporting results - Real estate listings - News headlines

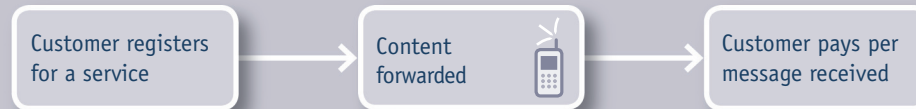


Premium SMS Options

Premium SMS can be broken down into two main categories:

PUSH: **Mobile Terminated (MT)**

Customers pre-register for/ subscribe to a service which forwards content to them on a regular or ad-hoc basis. Customers are billed for the messages that they receive.



Application examples:

Sporting results

Business takings

Stock market alerts

Traffic alerts

Horoscopes

REQUEST: **Mobile Originated (MO)**

Customers initiate an SMS to a short code such as a competition entry or vote and are billed for the messages that they send.

Mobile Originated + Mobile Terminated (MO + MT)

It is also possible to set up a Request service whereby a customer initiates a request for content via SMS (typically with the use of code words) which is then delivered to their mobile phone. In this way, the customer can be billed for both sending and receiving messages.



Application examples:

University results

Bank balances

Competition entries

Real estate details

Charges

Premium SMS shortcodes can either be **6 or 8 digits**. Eg 191xxx, 193xxx, 194xxx, 197xxxxx, 199xxxxx. Prices for each vary due to levies imposed by relevant regulatory authorities.

Charges to the content provider are as follows:

8 digit shortcode costs	Cost (ex GST)
Set up fee per number	\$1,000
On-going monthly service fee (min 6 months)	\$250
On-going monthly number fee (min 12 months)	\$150
Hosting charge (optional)*	\$100 per month
6 digit shortcode costs	Cost (ex GST)
Set up fee per number	\$1,000
On-going monthly service fee (min 6 months)	\$250
On-going monthly number fee (min 12 months)	\$1,000
Hosting charge (optional)*	\$100 per month

* Includes set-up charges. MessageNet offers 2 hosting options for Promotions & Campaigns. Refer to our website for more details <http://www.messagenet.com.au>

NB: Set up fee and minimum 6 x months service fee (\$1500) payable upfront at the time of account establishment. Monthly number fee payments are charged by the government for a minimum of 12 months.

Hosting Options

The extent of the relationship your business has with MessageNet varies depending on the hosting structure required.

Option 1: Content Provider hosts the service.

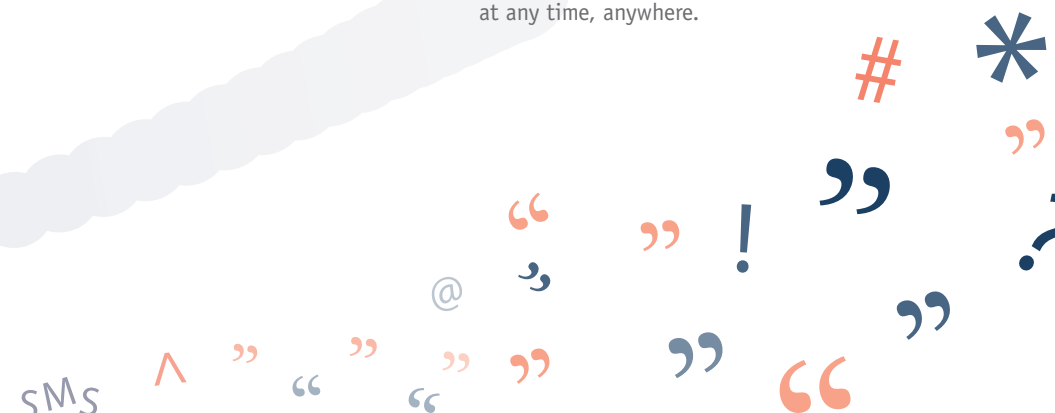
You can use MessageNet's free Application Programming Interfaces (APIs) to integrate with existing applications in order to communicate with and deliver content to the MessageNet Gateway.

For more information on our range of APIs visit www.messagenet.com.au/software

Option 2: Service hosted by MessageNet

MessageNet offers two distinct Premium SMS services: SMS Subscribe (a "Push" based service) and SMS Campaigns (a "Request" based service).

Both products are managed online via the MessageNet Web Portal using a simple interface enabling content to be uploaded and managed at any time, anywhere.



Getting Started- Important factors to consider

Content Providers are required to follow strict guidelines set out by a number of Government and industry bodies.

1. There are specific issues associated with subscription based services which MUST be adhered to. A simple definition of this service is that the customer agrees to receive messages on a regular basis. Some of these requirements are outlined as follows:

- All messages must advise customers that they can cancel the service (opt-out) using a “stop” command. This command must be charged at a standard rate and a FREE confirmation SMS must be sent to confirm cancellation of the service.
- A customer service help line must be established and manned during normal business hours and allow for messages to be left outside of these hours. There are also strict requirements relating to response times for such calls.
- Any customer who has been inactive for more than 4 months must be deleted from the content provider’s database.
- NO charges can be applied for any marketing related SMS messages.

- Customers must be notified (by SMS at no charge) every time they have spent in excess of \$30 on a service, or on a monthly basis advising them that they are still subscribed to the service.
- Customers can be charged for sending and /or receiving messages although the total cost cannot exceed \$6.60.

2. MessageNet does not support “Chat” or “Adult” services.

3. Marketing to children under the age of 14 is tightly controlled and the content provider must be familiar with the rules and regulations stipulated by the relevant authorities.

MessageNet also requires you to familiarise yourself with the rules and regulations of the following authorities prior to introducing a Premium SMS service.

- Australian Direct Marketing Association www.adma.com.au
- Telephone Information Services Standard Council www.tissc.com.au
- Australian Communications & Media Authority www.acma.gov.au

Who is MessageNet?

Wholly Australian owned and operating since 1995, MessageNet has extensive experience working with businesses in a range of industries. With over 1,500 clients, the MessageNet team has the experience and expertise coupled with a robust product that can define implement and support SMS communication solutions.

MessageNet supports and innovates the latest and most flexible SMS technology with attractive revenue share arrangements.

Why MessageNet?

Simple rebate structure

Highly reliable SMS Gateway infrastructure

Excellence in software design, reliability and support

End-to-end solutions

24*7 customer support



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