

Telenor in the works with ID

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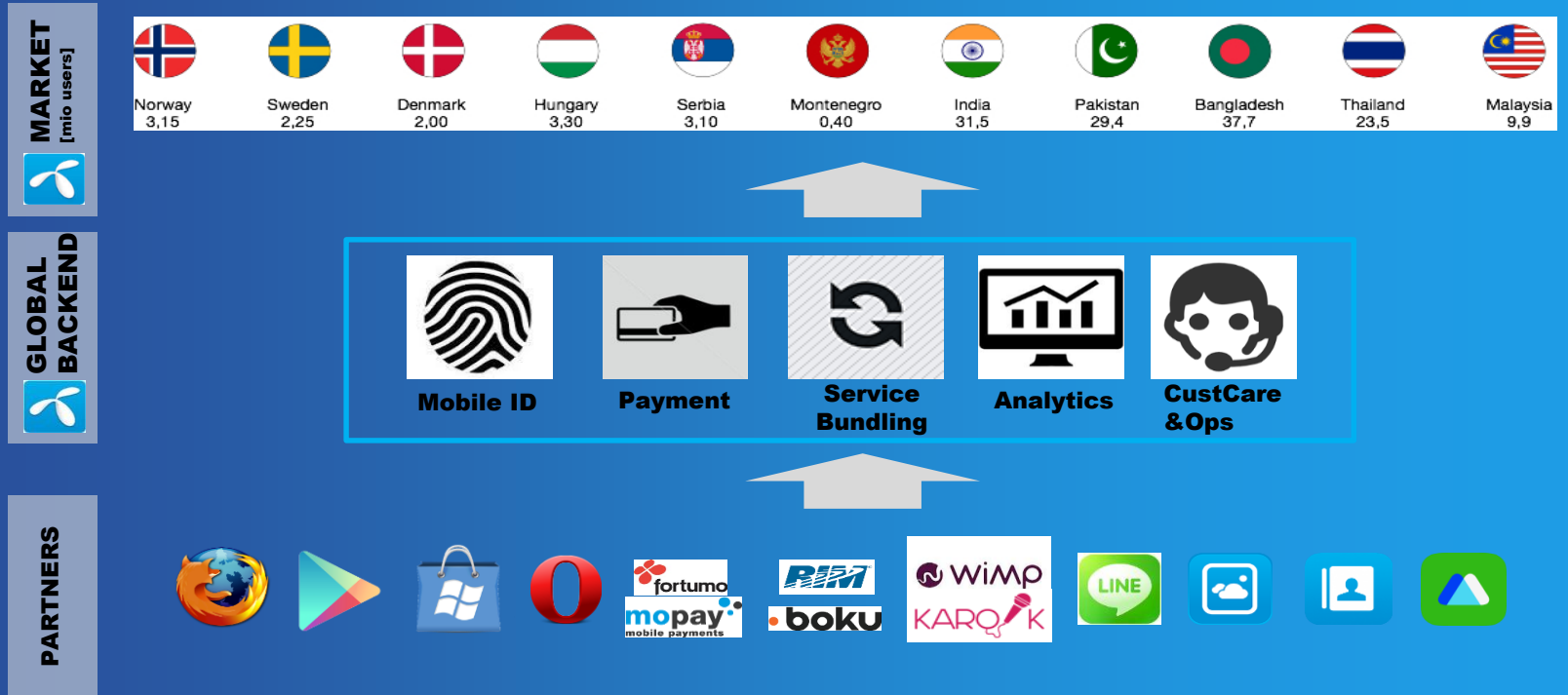
Telenor embrace Mobile Connect

1. Stay relevant: be an important part of customers digital life
2. Improve the customer experience: make digital life easier
3. Drive up data usage in emerging markets: Speed up the service innovation

Mobile Connect is a scale position game – not a direct revenue driver

- **Strategic Direction:** Mobile Connect will not give us direct revenues in foreseeable future
- **Market Direction:** We prioritize our Asian markets where we have highest growth and volume.
- **Product Direction:** Due to the above, simple authentication methods like USSD, ClickOK and Seamless Login with LoA2/3 are preferred choices.

We use Telenors Global Backend for global scale deployment of Mobile Connect



We´re building Mobile Connect – stone by stone – iterating instead of big bang launches

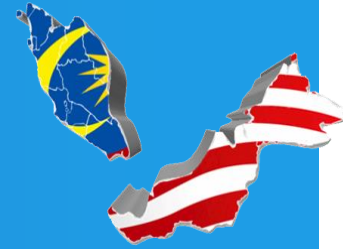
Enablers

- OpenID Connect compliant ID Gateway for Telenor Group (Global Backend)
- Support USSD and SIM Applet authentication (Norway testing)
- Telenor Pakistan & DiGi in Malaysia are live with trials

Service providers

- Malaysia, **mudah**, #1 classified site
- Thailand, **OLX**, #1 classified site
- Pakistan, **Telenor Info Services**
- Bangladesh, **Ekhanei**, the #1 classified site

The Malaysia Trial



- 100 trial users
- Savvy users
- Pro Ad Accounts
- Big Screen
- ClickOK and Seamless login
- 3 months
- Survey on UX



USSD-
roundtrip

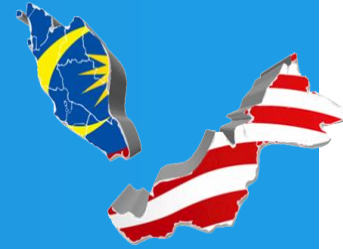
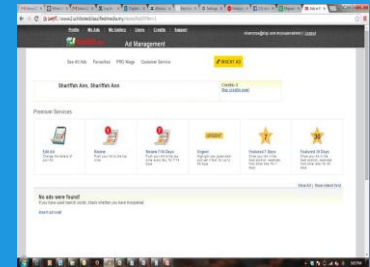


ID
Gateway



Operator
Discovery

ClickOK user experience (3G) is super simple

A screenshot of the mudah.my login page. It features the mudah.my logo at the top left. Below it is an 'E-mail:' field containing 'fairzee@gmail.com' and a subtext 'Email that you use in PRO Niaga'. Below that is a 'Password:' field with ten dots. A teal 'Login' button is positioned below the password field. Underneath is the text 'OR' and a grey 'Mobile Connect Log-in' button with a mobile phone icon. At the bottom, there are links for 'Sign Up', 'Forgot your password?', and 'About PRO Niaga'. A red arrow points from the 'Mobile Connect Log-in' button to step 1 below.

1

Push the Mobile
Connect button

2

You're ready to
go!

Challenges and Measures for Mobile Connect

- **Telco onboarding and lacking sense of urgency**
 - We are our own worst enemies – we have to move fast
 - Need for deeper involvement from strategy/business side in the MNOs
- **Service Provider onboarding**
 - The social logins are onboarding SPs at a high pace – differentiate value prop
 - Need dedicated sales force to approach SPs – both GSMA and the MNOs – JVs?

With Mobile Connect, we have to move uniformly and fast like an OTT player!



Bank-ID in Norway – A SIM Applet use case





Background



Mobile BankID in Norway



- **Electronic ID solution** for secure identification and online signature based on Public Key Infrastructure (PKI) and SimToolKit (STK)
- Secure element in the SIM (PKI)
- The ID is linked to customers Social Security Number and each customer has been identified with passport or drivers license
- Offered and issued by Norwegian banks
- Examples of usage:
 - Internet Banking
 - Changing your address with the postal service
 - Purchase of or access to fund and pension services
 - Applying for a loan
 - Filing tax papers
 - Payment verification (Visa & Mastercard 3D secure)



Background



How does BankID work?

Example from Internet banking:

1. On your computer: go to the Internet bank and enter your mobile number and date of birth
2. The computer will display two words (e.g. «tall building»)
3. On you phone: check that the two words displayed match those on your computer, press OK and enter self chosen pin code
4. On your computer: you are logged into your Internet bank





Loved



Loved by customers



Satisfaction and usage of Mobile BankID are high



82% Are satisfied with Mobile BankID



79% Use Mobile BankID at least once a week



68% Say that Mobile BankID makes their life easier



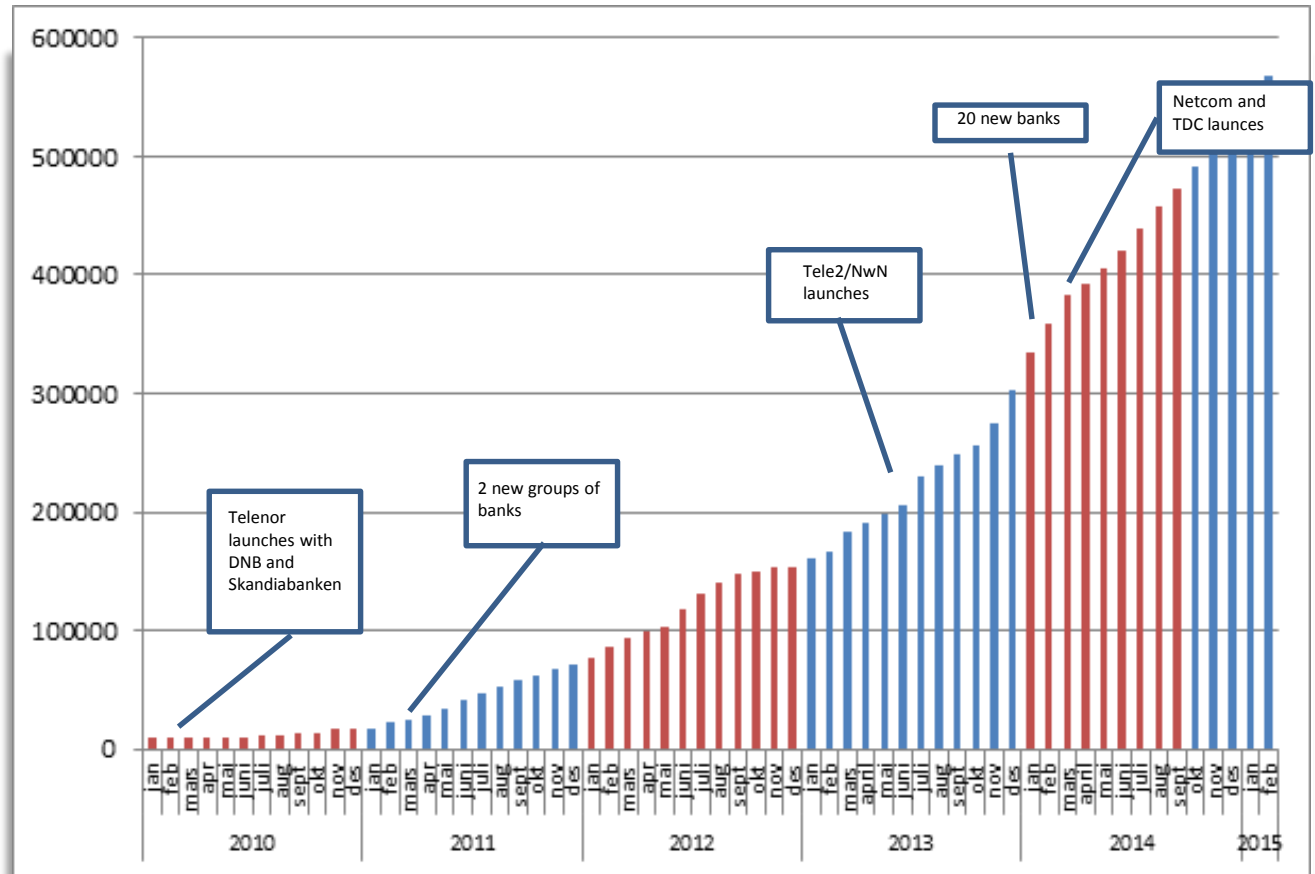
60% Engage in more online activity because of Mobile BankID



GSMA Survey 2013



Strong growth in #users





In it for the business and because of the business



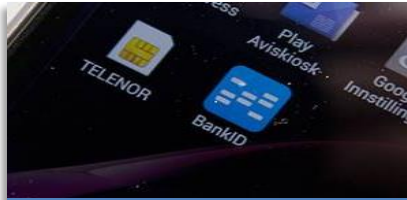
In Q3 2013 Telenor launched B2B prices towards non-bank services (monthly 150 USD + transaction 0,05 USD)

In May 2014 Telenor started charging consumer customers about 0,07 USD per transaction

End User prices gave immediate effect of FB dislikes, but:

- the average number of transactions is stable
- the growth in #users is strong
- and we now have a growing revenue

Mobile BankID customers have an extra ARPU of USD 0,77 from the service



Current Status



Take aways



- Forget differentiation – the competitors/alternatives are not the other operators and the B2B customers are looking to cover 100% of the market
- Get a business model in place from day one – taking on the costs without a revenue is not a long term strategy
- There is willingness to pay
 - End User and
 - B2B
- Develop a low cost customer acquisition strategy
- Make a strategy to differentiate, be better than alternatives, remember marketing and team up for mutual success (Telenor partnered with the Banks)