

# Unveiling the Potential of Direct Carrier Billing

A  360° view on DCB

# Unveiling the Potential of Direct Carrier Billing



**Conversion**



**Use case**



**Regulation**



**Trends**



# DCB Purchase Drivers

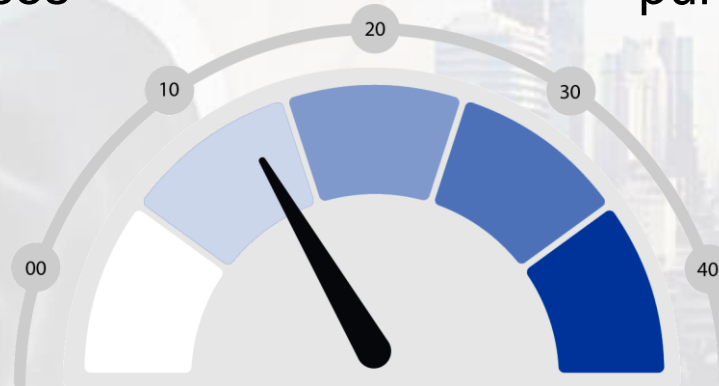
Remote micropayment purchases –  
anytime / anywhere

Inspiring impulse  
purchases

Quick micropayment  
purchases



Valuing (semi-)  
anonymous purchases

Enabling unbanked  
consumer purchases





# DCB Purchase Convenience

<u>Conversion Rates</u>	<u>1<sup>st</sup> Transaction</u>	<u>2<sup>nd</sup> Transaction</u>	<u>&gt;2 Transactions</u>
 Card schemes	10-12% convert	20-25% convert	2-3%
 DCB	70% convert	80-88% convert	56-62%



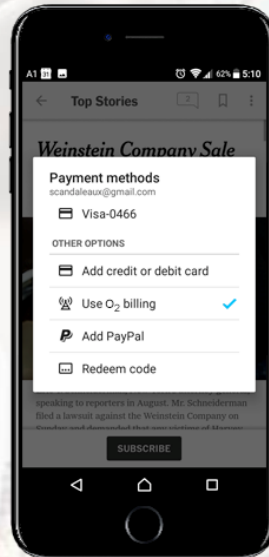
# DCB Use Case

## The New York Times

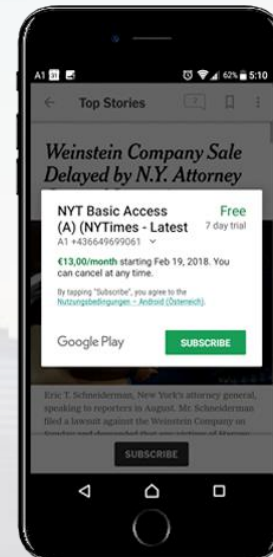
In-App user registration



Choose DCB payment



Confirmation of subscription



**3 steps** from first click to final confirmation notification



# DCB Purchase Process

- Two factor authentication
- 1-click-payment
- Easy to use
- Remote “on the go” purchases
- Available anytime / anywhere
- Convenient



# DCB Market Regulation

- MNO / telecom driven
- Telecom law regulated
- National bank law applicable
- Financial market licence required
- KYC compliance / merchant
- AVS - Age Verification System



# DCB Market Trends

Digital content annual spend split by billing mechanism:

	2017	2018	2022
Credit Card	80.3%	77.5%	66.1%
Direct Carrier Billing	10.6%	12.9%	20.4%
Other	9.1%	9.6%	13.5%
Total	100.0%	100.0%	100.0%

Digital content billed to DCB split by 8 key regions:

	2017	2018	2022
North America	5.0%	6.1%	9.6%
Latin America	7.6%	11.1%	26.8%
West Europe	9.8%	11.6%	17.9%
Central & East Europe	11.1%	14.3%	23.7%
Far East & China	17.7%	20.9%	29.8%
Indian Subcontinent	10.3%	15.8%	33.0%
Rest of Asia Pacific	6.7%	8.6%	16.1%
Africa & Middle East	1.8%	3.0%	13.3%
Global Average	10.6%	12.9%	20.4%





# DCB Market Trends

Industry segments billed to DCB (USDm):

	2017	2018	2019	2020	2021	2022
Games	11,588.1	15,102.9	19,117.2	22,721.1	26,638.4	30,130.3
Video	2,440.5	3,614.3	5,252.1	6,939.6	8,948.0	10,912.2
Music	988.2	1,315.7	1,886.7	2,259.4	2,707.5	3,134.3
ePublishing	593.7	1,073.8	1,798.6	2,775.2	3,944.3	5,086.2
Lifestyle	2,154.3	2,834.1	3,668.0	4,390.2	5,286.6	6,087.9

Source: Juniper Research, derived from Bango, Digital Content Business Models, OTT Operator Strategies 2017-2022



**Ride the DCB wave.  
More business.  
Less risk.**