

Microsoft sees a four-fold increase in purchases through its app store with Charge to Mobile (C2M).

Customers like the simplicity and security of being able to charge purchases to their phone bill or credit, and app developers like the increased revenue and opportunity to reach more customers.

About Microsoft Windows Phone

With Windows Phone, Microsoft positions consumers at the centre of everything, creating a more personal smartphone experience.

This unique approach is driving momentum and Windows Phone is recognised as the fastest growing smartphone OS with 91% year-over-year growth in 2013 (IDC, February 2014).

App momentum is a key factor to this growth. As of April 2014 Windows Phone has more than 250,000 apps and games, with an average of 500 new apps added each day. The majority of top apps have joined the Windows Phone platform, including Instagram, Vine, Facebook Messenger, Waze, Mint and many, many more.

Windows Phone-based devices accounted for close to 10.1% of smartphone sales in Telefónica's European territories including the UK, Germany and Spain, according to data from a Kantar Worldpanel ComTech (November 2013 – January 2014).

The challenge

Traditional payment methods can be cumbersome for customers. They have to leave their online journey to log in, find their credit card, enter a long number correctly, as well as expiry dates and verification codes. This is inconvenient and sometimes they will abandon the purchase altogether.

"We know that people are more comfortable using mobile to bill rather than inputting credit card details, so with the increased popularity of app stores it's important for us to offer C2M." says Matthew Quelch, Account Director, Microsoft, UK.

Making the buying process as easy as possible is a key factor in achieving this. We also needed to make sure that people feel secure about making purchases, and address any issues around confidentiality and protecting under-18s."



"Our priority is to ensure our customers and developers enjoy a seamless app experience."

**Matthew Quelch, Account Director,
Microsoft, UK**

Microsoft knew that, as well as a fulfilling its commitment to providing a great customer experience, a better payment experience would encourage customers to buy apps, which in turn would attract more developers, bringing more choice and better apps to the Windows Phone store.

Microsoft also wanted to offer higher revenues to attract the best developers and strengthen their app range.

The solution

Charge to Mobile (C2M) – also known as Mobile Operator Billing or Direct to Bill – provides customers with the ability to make purchases and charge the cost to their mobile phone bill, or take it out of their phone credit, in a minimal number of steps. It's fast and easy, requiring no lengthy registrations, card numbers or PINs. It's also safe and gives customers peace of mind that they don't need to share personal details over the internet.

Microsoft was looking for rapid, widespread rollout, and Telefonica offered the scale to be able to integrate into multiple markets quickly. "The ability to integrate once and then deliver into multiple markets was great" says Matthew Quelch.

He recalls "The implementation process went smoothly. We worked closely with O₂'s project team to launch the service to market ahead of some of our competitors, a key differentiation for us."

C2M was launched on Windows Phone in September 2013 and Microsoft has implemented it as the default payment method for customers at the Windows Phone store check-out. Customers from all networks can buy apps using C2M and charge to their operator, regardless of what contract they have or whether they have a credit card.

"The real-time charging process reduces drop-off rates and increases the likelihood of customers continuing through to purchase. Since its launch, we've seen a 400% increase in purchases through the Windows Phone Store" says Matthew.

Secure

"It was an enormous benefit to have access to O₂'s expertise around customer security. O₂ were very keen to protect their customers and make sure the right measures were in place."

Good for families and parents

Windows Phone handsets, which run the Windows Phone 8 OS, offer parents an exclusive Kid's Corner feature. This allows parents to confidently hand their Windows Phone to their children, having easily and precisely set up what they can and can't access, including apps and games.

"We'd recommend parents use Kid's Corner if they're going to hand their phone over to their children. With technology becoming more and more intuitive, it's important that parents can trust in the technology they use and feel as safe as possible when handing over their smartphone to their children."

If a parent isn't using the Kid's Corner feature, with C2M, they can set up a security PIN to prevent any unauthorised purchases, and O₂ sends a text receipt every time something is bought on the phone.

Attractive to developers

Windows Phone developers earn three times more revenue per active user on average in markets where C2M is offered (and six times more revenue on average in emerging markets where credit card usage is more limited).

"We've achieved our goal of making our platform more competitive for developers. It's important for us as the fastest-growing operator to have as many apps as possible available. Billing integration into O₂'s customer base of 23 million certainly makes the Windows Phone Store more attractive and more profitable for our developers."

"We've seen a 400% increase in purchases through the Windows Phone Store."

**Matthew Quelch, Account Director,
Microsoft, UK**

"O₂ even took care of the customer communications, explaining that the service was available and the security requirements."

We'd love to hear from you. To find out more about how O₂ can help your organisation, just contact your Account Manager or call us on 01235 433 507.

You can also visit o2.co.uk/enterprise and o2.co.uk/charge2mobile