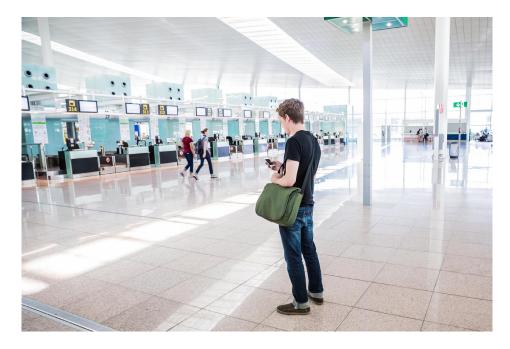# Use Case: Freemium

GAIN NEW SUBSCRIBERS AND UPSELL PREMIUM SERVICES

What Is the Value of the Freemium Offer?

Operators can offer free data services for a fixed period of time or indefinitely in an effort to gain new subscribers, support new device launches, promote data plans, or as part of other marketing campaigns. The Freemium offer introduces consumers to mobile data services, applications, and devices with no cost or obligation. The operator anticipates that a percentage of these consumers will convert to paid subscribers over time or will upgrade their existing monthly plans to include new devices or additional services.

What Problems Does It Help Solve?

The Freemium offer is a compelling way to entice consumers to try an operator's mobile data services or to encourage existing subscribers to upgrade to a new device or a premium service. The Freemium model can be implemented in different ways. One approach involves offering a basic subscription service for free while charging for advanced features. A second approach applies a zero rate to a popular over-the-top service or social networking site (e.g., Facebook, Twitter, etc.) for a period of time, usually 6 – 12 months, during which the data used does not count towards the subscriber's monthly quota. The goal of this approach is to get the user accustomed to using these services over mobile so that he or she subscribes to a data plan at the end of the Freemium period. Other approaches include offering a one-month free trial for access to a premium video content site such as a sports channel at a higher quality of service. At the end of the trail the operator offers the same service for an incremental monthly charge.

Whether offered for a set period of time or indefinitely, the Freemium offer exposes consumers or existing subscribers to new devices and experiences. The operator can evaluate the effectiveness of specific Freemium offers and finetune features to enhance their success rates. Furthermore, content providers can partner with operators to design their own Freemium offers, leveraging the operator's APIs to connect with billing, rating, and policy systems.

What Do I Need?

The Freemium offer requires intelligent network technologies that control the allocation of network resources based on subscriber plans. Operators also benefit from solutions that provide a fast, easy way to introduce new business models; gather network analytics per subscriber; offer seamless services across mobile cellular and Wi-Fi networks; and leverage the application awareness and policy enforcement of the operator's intelligent mobile packet core.

Cisco solutions to enable you to deliver the Freemium offer along with many other revenue-generating services include:

Cisco Solution	Description
Cisco ASR 5500 Multimedia Core Platform	Part of the Cisco ASR 5000 Series packet core platform, the Cisco ASR 5500 Multimedia Core Platform combines massive performance and scale with flexibility, virtualization, and intelligence so network resources are available exactly when they are needed. The Cisco ASR 5000 Series' elastic architecture enables its software-based mobile functions to utilize system resources across the entire platform to optimize performance and maximize efficiency. This approach allows operators to deploy more efficient mobile networks that can scale to support a greater number of concurrent sessions, optimize resource usage, and deliver enhanced services. Integrated Deep Packet Inspection (DPI) and value-added services on the Cisco ASR 5000 Series are deployed within the data session instead of requiring it to be off-loaded to standalone platforms.
Cisco Quantum Policy Suite	A comprehensive policy, charging, and subscriber data management solution that allows service providers to control and monetize their networks and to profit from personalized services. The solution supports the rapid and efficient deployment, management, and monetization of basic and advanced service offerings, such as service tiers, personal price plans, prepayments and a growing array of application-based services.
Cisco Prime Analytics	Provides business and network analytics capabilities that can enable both historical trend and real-time predictive policy decisions. Includes dashboards for data visualization and programmable interfaces to create system alerts in conjunction with policy. It includes indoor location analytics such as foot-fall, dwell time, and more. It includes the ability to leverage the DPI capability within the Cisco ASR 5000 Series of packet core solutions to correlate massive volumes of dynamic usage data and catalog data to deliver up-to-the-minute insights. Provides visibility to enterprise IT to help determine the impact of Freemium mobile plans on application usage and mobile data costs. Comprehensive statistical analysis and trending help with optimizing network performance, targeting new services and planning infrastructure investments.
Cisco Quantum Services Bus (QSB)	Provides a common bus architecture that allows mediation, connectivity, and communication among and between network elements through a standardized framework. The QSB facilitates network data collection, aggregation and orchestration to augment information in all decision processes. It helps service providers quickly create and modify use cases for monetization while optimizing network costs. It can help introduce new business models by exposing network capabilities and information with SLAs to third-party application and content providers.
	For example, a premium content provider can easily offer its subscribers basic no fee Freemium service by taking advantage of the API access to the operator's deployed Cisco Quantum Network Abstraction Suite to request the operator to zero-rate that content. The content provider would then have an expanded subscriber base to try to upsell to the premium service.

What Are the Benefits of the Freemium Offer?

- Increase marketing effectiveness of service bundle offers or the success of a special promotion by offering unlimited access to popular services at no charge

- Gain new service revenues from up-selling when the user is willing to pay for the service after the free trial

Why Cisco?

The Cisco Open Network Environment (ONE) converges physical hardware and virtual software technologies to make the network easier to program, access, use, operate, and manage. Cisco ONE can help you drive new revenues and monetize your network in new and profitable ways. Cisco's solutions, platforms, and technologies provide a scalable, standards-based intelligent IP architecture that enables you to integrate subscriber knowledge with real-time network and application intelligence to offer innovative, revenue-generating services that:

- Evolve your network into a platform for direct and third-party partner monetization

- Enable you to establish profitable new business-to-business-to-consumer (B2B2C) revenue models

- Help you enter new, growing markets such as cloud services, content delivery, enterprise services, location-based services, machine-to-machine (M2M) applications, and more

To help deploy mobile Internet solutions efficiently and successfully, Cisco Services offers consulting for design, implementation, integration, and support.

For more information, please visit: http://www.cisco.com/go/mobile.