# origin-based rating for communications service provider

when Communication Service Provider don't base termination rates on a call's origin, they may be leaving money on the table — and risking financial penalties.

# the high cost of flat-rate termination

Communication Service Provider traditionally charged flat-rate termination fees regardless of the call's originating country, the service provider and the type of connection used. Now many are breaking that tradition, and it's not hard to see why. With increased pressure on voice and data revenues, Communications Service Provider (CSP) are looking for opportunities for new income streams.

Take the example of a mobile customer in New Zealand who calls a friend in Germany. With the flat-rate model, the traditional German Communications Service Provider used a termination rate that didn't reflect where the call came from, which Communication Service Provider were involved or which type of line was utilized — attributes that affect its cost of providing service. That model may no longer makes financial sense due to trends such as data usage outpacing voice and the rise of over-the-top (OTT) providers.

Hence the global trend toward origin-based rating (OBR), which enables Communication Service Provider to identify all of those previously overlooked attributes and monetize them, too. If you work for a Communication Service Provider and are responsible for networking, rating, billing or numbering, read on to learn more about:

- How OBR works.
- Why it's an opportunity to save and make money.
- How to implement it quickly and successfully.
- How OBR can also be used for anti-fraud and callblocking initiatives, including verified caller ID.

## what is origin-based rating (OBR)?

OBR uses both the origination location and the termination destination of a voice call to determine the correct amount to bill. Terminating Communication Service Provider apply charges to termination rates based on the call's originating country, service provider and line type (mobile or fixed).

Terminating Communication Service Provider may also add a surcharge to the rate if calling line identification (CLID) or automatic number identification (ANI) is not accurately provided by the originating service provider, as well as charge a penalty for calls with manipulated or invalid telephone numbers. These surcharges and penalties can quickly add up — sometimes more than 3,000% over a Communication Service Provider standard termination rate — putting a major drag on the originating Communication Service Provider's revenue. In fact, one Communication Service Provider reported potential losses of over US\$120K due to OBR penalty surcharges on 3 million minutes originating from a single destination. That figure is 30 times the margin generated on that traffic.1

Dozens of countries across Europe, the Middle East and Africa have implemented OBR programs, which highlights why it is rapidly becoming a must-have capability for any Communication Service Provider that originates or terminates international voice traffic. As this trend continues to expand globally, so does the financial risk for Communication Service Provider. For example, the penalty surcharge can vary from €0.20 per minute (a 1,000% increase) to €0.35 for an invalid CLID (a 3,500% increase)2. Every additional country that implements OBR is another place where Communications Service Provider risk paying those penalties.

 $<sup>1\</sup> https://www.capacitymedia.com/article/29otc4cbu6due4oa5b5z5/blog/origin-based-rating-data-drives-profitability and the state of th$ 

<sup>2</sup> https://www.linkedin.com/pulse/origin-based-rating-disrupting-voice-market-lee-suker

#### how Communication Service Provider can implement OBR quickly and costeffectively

Communication Service Provider can use iconectiv TruNumber Protect to simplify and streamline OBR management. Available for use in any country, the solution provides access to a global authoritative database of telephone number ranges to assist in identifying the origin country, Communication Service Provider, type of number and validity for any worldwide telephone number range. This helps Communication Service Provider to accurately rate and charge for terminating calls to their network based on the originating telephone number range. Users also can quickly look up a number to see if it's allocated, along with all of the other attributes in the database: country, country code, provider, type of service, description, minimum length, maximum length and date of activation.

To implement TruNumber Protect, Communication Service Provider simply have their existing rating and billing tables ingest its data. This process requires no manual entry and no system modifications — two ways that TruNumber Protect significantly lowers both the cost and implementation lead time of OBR compliance. Communication Service Provider can choose one or both methods of accessing the TruNumber Protect database:

- A full database that's download via SFTP, providing unlimited access to the data and the ability to interface with other internal applications. In this method, the Communication Service Provider maintains and updates the database.
- A premium web-based GUI service that allows multiple users to create rules/partitions and download/export data from the database that is maintained and updated by iconectiv.
  Regardless of the method used, TruNumber Protect includes data for approximately 245 countries and territories. There are no additional, hidden costs.

The subscription includes help desk support and all updates: once a month for Geographic numbers and twice a month International Premium Rate Number (IPRN) ranges. This frequency gives TruNumber Protect customers confidence that their OBR solution is using the industry's most authoritative database, protecting their revenue and margins.

In addition to saving money, Communication Service Provider make money by monetizing the global OBR trend. Adding TruNumber Protect to their existing rating and billing solutions enables them to determine the correct amount to charge based on the call's originating country, service provider and line type (mobile or fixed). They also can levy a surcharge if the originating Communications Service Provider doesn't provide CLID or ANI information. All of this can quickly add up to a significant amount of new, much-needed revenue.

Finally, implementing TruNumber Protect for OBR also allows Communication Service Provider to use the solution to support their anti-fraud and call-blocking initiatives. This includes the emerging global trend toward verified caller ID using standards such as Signature-based Handling of Asserted information using toKENs (SHAKEN).

### how to get started

OBR is a major new opportunity for Communication Service Providers to save and make money. Visit https://iconectiv.com/trunumber/protect to learn more about how TruNumber Protect streamlines the process of implementing OBR.

#### make the connection.

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#### about iconectiv

Your business and your customers need to confidently access and exchange information simply, seamlessly and securely. iconectiv's extensive experience in information services, digital identity and numbering intelligence helps you do just that. In fact, more than 5K customers rely on our data exchange platforms each day to keep their networks, devices and applications connected and 2B consumers and businesses protected. Our cloud-based information as a service network and operations management and numbering solutions span trusted communications, digital identity management and fraud prevention. For more information, visit www.iconectiv.com. Follow us on X and Linkedin.

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