

Mobistar

The challenge

More than 50 per cent of Mobistar's customers are pre-paid users, meaning scratch card production and distribution costs are significant. As a pioneer of innovation, Mobistar wanted to find a more cost effective and convenient way for its users to top up their pre-paid accounts.

In 1998, Mobistar and Atos Worldline developed a solution that allowed pre-paid users to top up their airtime using the ATM network in Belgium. This was a world first, and the solution proved very popular.

In 2000, both companies decide to further their ambition and pursue an even more convenient solution. The idea was to not only allow customers to use their mobile to top up their pre-paid account directly from their bank accounts, but also to use it to pay for goods and services. Belgian banks were also interested in offering their customers banking services via their mobile phones – provided that they could retain full control over security, including an approved signature mechanism on the phone.

In 2002, Atos Worldline and its fully integrated business division, Banksys, began working with the Belgian banks and Mobistar to develop a generic mPayment system.

As a result of the collaborative efforts of Atos Worldline/Banksys and Mobistar, **m-banxafe** was born. Mobistar was the first beneficiary of this collaboration, and in 2003 launched an application that allowed its customers to top up their pre-paid accounts using their mobile phones.

The group offered the solution to all the Belgian operators before launching other applications, including mobile payment. In 2007, for the first time, anyone using a Bancontact/Mister Cash bank that has a GSM operating on one of three Belgian mobile networks can carry out secure financial transactions as if they are using their own bank cards.

The solution

m-banxafe technology relies on a signature application on the SIM card, which enables a link between the SIM card and the subscriber's bank card and account.

During the activation process, the customer selects their mobile payment PIN code via the menu on their mobile phone. They then insert a bank card into the point of sales terminal of a telecom shop or into an ATM. They then select the activation option on the menu to create the link between their bank details and the m-banxafe application on the SIM card. The mobile phone then effectively becomes a bank card with a phone number that can be called at anytime to validate a transaction.

m-banxafe enables the topping up of calling credit and live access to the account balance. It also enables electronic payment to professionals and mobile merchants without dedicated payment terminals.

In the case of the latter example, the merchant initiates the transaction using the menu on their handset and the customer receives a description of the transaction displayed on their mobile screen. To authorise the transaction, the customer enters their m-banxafe PIN code, or digital signature, which is then verified by the applet. If the PIN is correct, the signature is sent to the authentication server via the SMS channel, which authorises the transaction.

Both parties receive a confirmation of the transaction by SMS, and the customer's and merchant's accounts are debited and credited respectively.

The application has been designed in co-operation with all Belgian banks, ensuring the same level of security as that achieved with a bank card.

Benefits for the individual

End-users are now able to top up their pre-paid accounts using their mobile phone. Paying by GSM also allows users to make payments at any time and from anywhere, and is particularly convenient if the user is without cash and cannot get to an ATM. Crucially, m-banxafe also totally secure.

Benefits for businesses

m-banxafe is useful for anyone providing a service: for delivery personnel, professionals or tradesmen, it offers a guarantee of immediate payment.

In Belgium, surveys show that there are potentially 200,000 professionals without dedicated payment terminals, and between them account for 1.5 billion cash

transactions. For these people, mobile payment could prove a cheaper alternative to electronic payment terminals.

Belgian banks and telecoms companies have decided to address this market by offering a mobile electronic payment solution that has no fixed costs attached – the merchant only pays a fixed fee for each transaction. There are no subscription or connection charges and the service is always available.

The future

Atos Worldline's vision is to expand the m-banxafe product range – adding new services such as bill payment, online payment and m-ticketing – and securely integrate the platform into other mobile operators' infrastructures. As an expert in secure payment systems, Atos Worldline is able to offer mobile payment solutions to any mobile operator regardless of the bank they belong to.

The development of the m-banxafe technology leaves the door open for ongoing developments and launches.