#### PREMIUM 087 MARKETING SERVICES

INFOMARK cc CK92/08625/23 Members: A Swart ER Jones C Edwards Managing Executives: Rod Jones Adrian Swart 137 Linden Road Sandown Sandton 2196 P.O.Box 650420 Benmore 2010 Telephone/Fax: (awaiting installation) Pagers: 974-8787 codes 2038/2039

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TO:

CODESA

FROM: ADRIAN SWART

FAX NUMBER:

397-2211

ATTENTION:

MR MURPHY MOROBE

DATE:

14-04-92

TOTAL PAGES:

(6)

If all pages are not received please call (011)883-9917

Dear Mr Morobe,

#### A PREMIUM RATE TELEPHONE INFORMATION SERVICE FOR THE RE: CONVENTION FOR A DEMOCRATIC SOUTH AFRICA

We believe that there is an excellent opportunity to develop an 087 telephonic information service for CODESA.

There is a desperate need for clear communication from CODESA at a relatively low cost whereby a facility is established for the public to access undiluted, unbiased, and succinct information at any time on:

- A) The workings and goals of CODESA
- The progress and current status to achieving those goals B)
- CODESA's response and standpoint on the Public and Susiness C) Sectors.

This type of information is not accessible to the vast majority of the population and when it is it usually has interpretative biases and slants attached.

Please find attached an initial proposal dealing with aspects of the 087 Premium Rate Industry and our company, Infomark, which are intended to lead to further detailed discussion and proposals.

Please call either myself or Rod Jones to discuss the next stage of this project development.

Yours sincerely

11.00

ADRIAN SWART

for Infomark



PREMIUM 067 MARKETING SERVICES

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# **PROPOSAL**

Prepared specifically for:

CODESA

Attention: Mr Murphy Morobe

Subject:

087 PREMIUM
RATE
TELEPHONE
INFORMATION
SERVICE

**April 1992** 

# THE 087 PREMIUM RATE TELEPHONE INFORMATION INDUSTRY

There exists currently a total of 20 (38 estimated by year end) Telkom licensed Bureaus who provide the technology to provide the public with telephone access information.

Whilst there has been some measure of criticism levelled at the 087 industry for "ripping consumers off" by stringing them along by extending call durations longer than necessary, this is all levelled at the novelty and smut side of the industry. Hardcore pure information provided in a short a succinct format that does not string the consumer along has none of these negative aspects associated to it since:

- A) The consumer is made aware of the implication of calling and therefore
- B) A consumer who needs and wants to source information via an 087 system is not coerced into calling and only calls when he needs that specific information.

#### HOW IT WORKS

A consumer is charged one of three standard rates per call minuted ie R1.62, R2.52, or R5.97. Telkom retains 25% of the gross revenue whilst the service provider (Licensed Bureau) and the Information Provider (CODESA) divide the retained revenues according to agreed percentages.

This split is agreed to depending on the input, responsibilities and most important, the type and quality of information provided by the Information Provider (CODESA).

The technology utilised by Service Providers allow for a vast scope of possibilities ranging from simple passive messages (caller has no interaction) to quite simple or more complicated interactive messages (caller interacts with the computer to access certain types of specific information or to follow a specific pre-programmed route.

#### INFOMARK 087 cc

Infomark 087 CC is neither a Bureau nor Service Provider. Infomark is the only independent marketing. consultancy and project management company, operating in the 087 sphere, serving to link Information Providers (CODESA) and Service Providers (Bureaus) to the benefit of all three companies. Also, by tailoring packages to work effectively on 087 Premium Rate Systems and maximising communication potentials; by serving as a broker for the Information Providers (CODESA) to obtain the best revenue share for Information Providers whilst placing their business with the most suitable Bureau to handle the Information Provider's need. And by developing efficient marketing programmes to maximise the efficiency of the 087 service.

## ADVANTAGES OF AN 087 INFORMATION SERVICE

- \* A member of the public can pick up the phone at any time of day or night and call CODESA. They will receive a pre-recorded message stating CODESA's position on a number of subjects.
- \* The prime advantage for the caller is convenience calls can be made at any time from any where in the country at the same cost.
- \* The caller receives a simple, concise and "pure" message in the language of choice.
- \* From CODESA's point of view, the information or message being listened to is controllable, "pure" and can be updated daily (if required) to reflect the dynamic and changing scenarios presented in South Africa.
- \* Perhaps the greatest advantage to CODESA will be that callers will be able to telephone the information service at a reasonable rate (we recommend a R2.52 per call minute rate) and CODESA will actually receive revenue back thereby nullifying the costs of providing such a service.

#### PROPOSED INITIAL PREMIUM RATE INFORMATION SERVICE PRODUCTS

- Description of CODESA's Declaration of Intent, Working Groups 1 - 5 and their respective functions and goals.
- 2. Progress of CODESA and working groups towards achieving those goals (updated continuously).
- 3. CODESA's standpoint on current or topical issues.
- 4. Polling of public opinions on certain issues.
- 5. Recording public suggestions and comments (to be reviewed by a CODESA public liaison officer for the incorporation into CODESA's decision making process).

#### **REVENUE GENERATION**

We are confident that we will be able to facilitate an agreement with a suitable Service Provider to:

- (a) Handle scrip translations and professional voice recordings.
- (b) Operate the CODESA 087 INFORMATION SERVICE 24 hours a day, seven days a week.
- (c) The preparation, placement and TOTAL FUNDING of high-impact / high-profile advertising to promote the CODESA service.

Further, we anticipate being able to secure for CODESA between 15% and 20% of the total call revenue generated and passed by Telkom to the appointed Service Provider. (Telkom retains 25% of the gross call revenue billed to telephone subscribers.)

Although it is virtually impossible to predict the actual number of calls that will be made to the CODESA service, given the considerable advertising support envisaged we estimate that a service comprising 10 subjects or topics each presented in 5 languages (English, Afrikaans, Zulu, Sesotho and Xhosa) will generate between 50,000 and 60,000 calls per month. On this basis, the service will pay to CODESA between R50,000 and R75,000 per month.

### CONCLUSION

This brief introductory overview is tabled with the intent to set up detailed discussion dealing with the operating of such an invaluable information service to the general public, providing convenient and accessible information for the public.

We look forward to the prospect of working with CODESA on this project and to contributing aspects of our expertise and experience in our field towards its success. And - as a consequence - towards the realisation of the greater objectives of CODESA.

Please call either Adrian Swart or Rod Jones on Tel: 883-9917 or pagers 974-8787 Code 2039 or Code 2038 respectively.