

# BUILDING BRIDGES THROUGH INNOVATIVE SOLUTIONS



**BITVENTURE**

TELKOM CASE STUDY

Telkom

# INTRODUCTION

***"Our mission is to seamlessly connect people to a better life." -Telkom***

Innovative customer verification solutions have given Telkom a competitive advantage in the telecommunications industry and assisted in growing their business to new heights.

**Telkom approached Bitventure with the following goals:**



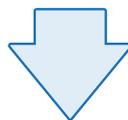
**Reducing R84m**  
*LOST TO FRAUD EVERY YEAR*



**Remote**  
*BIOMETRIC AUTHENTICATION*



**Digital Onboarding**  
*TO IMPROVE CUSTOMER EXPERIENCE*



**Since partnering with us, the results have been remarkable:**



**Reduction**  
*IN MONTHLY FRAUD*

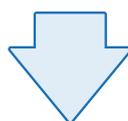


**Revenue Growth**  
*IN ONE YEAR*



**New Subscribers**  
*IN ONE YEAR*

**Let's take a closer look**



# CHALLENGES AND SOLUTIONS

## The Challenges

### Fraud Mitigation

Fraud crimes had to be significantly reduced, as the dispatch of handsets to fraudsters was costing Telkom stores an average of R84 M per year.

They required digital biometric identity and bank account verification services to address this pressing issue.

### In-store Onboarding

Retail stores needed to be geared for frictionless customer onboarding experiences. The process needed to result in fast and simple in-store approvals to cater for the 100,000 customer applications processed each month.

### Remote Onboarding

Non-face-to-face environments, such as call-centres, needed online biometric identification and verification methods for customers wanting to onboard from remote locations.

### Offline Environments

The solution needed to be portable with offline capabilities so that it could be used in pop-up store environments.

## Our Solutions

### Real-time Identity Verification

Instant authentication of customer ID numbers against Home Affairs records to deter fraudsters.

### Bank Account Verification

Real-time account verification ensured that provided banking details were verified and matched to the customer's bank account and mobile number. Verification also confirmed the account age, and if the account can be debited.

### Fingerprint Verification

Biometric matching of customer data to Home Affairs records was initiated in-store through **Fingerprint Verification**. Customers could now be verified, and thereby, supplied with pre-populated contracts for signing when issued with handsets.

### Facial Recognition, Liveness Detection & AI

Remote verification services allowed for customers to be onboarded via an online app. The software incorporated **Facial Recognition, Liveness Detection and AI**. This meant that customers could be onboarded online, with the assistance of call-centre operators, and no longer needed to visit physical Telkom stores.

### Kiosks and Mobile Interfaces

The personal information of customers (name, surname, ID number and bank account details) were captured on **kiosks and mobile interfaces** for the offline use of verification services.

# CHALLENGES AND SOLUTIONS

## The Challenges

### Postage

The costs incurred by sending out statements via post needed to be reduced through the implementation of an electronic solution.

### Paperwork

Paper document handling had to be reduced to speed up processes and to enable customers to act on impulse by applying without identity documentation on hand.

### Multiple Systems

They needed a single platform for the integration of multiple systems, on which to perform and manage various internal processes.

### Credit Assessments

They needed accurate and verified data to support their internal processes for conducting credit assessments.

### Dispute Management

The high dispute rates of collections against mobile phone contracts had to be reduced.

## Our Solutions

### Verification of Email Addresses

Identity authentication and the verification of email addresses gave customers the option to receive their monthly statements electronically via email, as opposed to via post.

### Digital Onboarding and Documents Handling

We reduced the need for verification of details against paper documents through verification services accessible via the web, mobile and API.

### Integrated Platform

Provision of a single platform, integrated into the company CRM system, allowed them to efficiently manage verifications and onboarding.

### Verified Data

Accurate and successfully verified data enabled the execution of thorough credit assessments through their internal vetting and scoring processes.

### Electronic Mandates

Through the introduction of DebiCheck, electronic mandates that formed part of their onboarding process, Bitventure ensured that collections couldn't be disputed. This included:

- a) **A mobile number verification solution**, matching the number to bank records and used for mandate authentication.
- b) Alternative verification methods, such as **card and pin** verification, whereby no USSD or mobile phone number would be required - especially for customers who were yet to acquire a mobile number.



# THE ONBOARDING PROCESS



## APPLICATION

The customer applies for a mobile phone contract in-store or remotely.



## IDENTITY VERIFICATION

The customer's identity is verified through ID, fingerprint or facial verification.



## DEBICHECK

A mandate is created and electronically confirmed by the customer.



## ACCOUNT VERIFICATION

The customer's bank account details are captured and verified.



## ADDITIONAL VETTING

Additional credit and affordability checks are performed.



## APPROVAL

The contract is approved and the customer is issued with a handset.



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Bitventure Consulting (Pty) Ltd is a registered reseller credit bureau (NCRCB52).  
Bitventure is a PASA registered Third Party Payments Provider.

# THE RESULTS



## Reduced Fraud

The true authentication of customers proved extremely effective in deterring fraudsters and resulted in Telkom reducing monthly fraud crimes by 85%.



## Reduced Business Expenses

Digital verification allowed for a huge saving on costs previously incurred from customer onboarding, as well as through incorrect data capture. The verification of email addresses, allowing for the capability of sending statements via email, resulted in significantly reduced postage costs.



## Reduced Disputes

Through using DebiCheck, Telkom became one of the first telecommunication companies to introduce electronic mandates as part of their onboarding process, and as a result, reduced collection disputes.



## Reduction in Abandoned Applications

The increased speed of processing, by reducing the need for ID documents, allowed for larger volumes of customers to be serviced in-store, and lead to fewer abandoned applications.



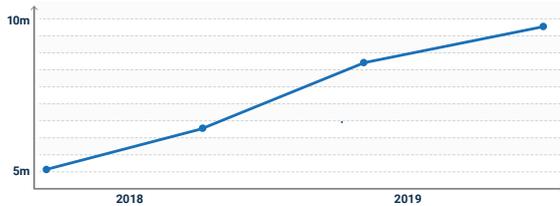
## New Business Opportunities

Today, there are 153 Telkom stores, 37 kiosks and 46 pop-up stores nationwide that are equipped with customer identity, fingerprint, and bank account verification solutions.



# INSIGHTS

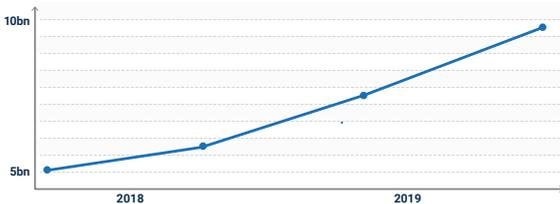
## Mobile Subscribers



### An Influx in Subscribers

Telkom's clientele increased with 4.5M new subscribers within one year, equating to a total of 9.7M mobile subscribers. The digitised application process significantly improved the speed at which customers could be approved and onboarded, averaging on 6 seconds per verification, with minimal paperwork required.

## Mobile Service Revenue



### Increased Revenue

Telkom showed an increase of 58.3% in mobile service revenue growth, climbing from R5.1 B in 2018 to R8.5 B in 2019.

- Telkom is the now fastest growing mobile network operator in South Africa, currently hosting 9.7 million mobile subscribers.
- Their initiatives in the space of digital identity verification and onboarding has given them a competitive advantage in the industry.
- In partnership with Bitventure, they are able to offer real-time digital customer verification, and process electronic mandates.



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# VERIFY IDENTITIES AND ONBOARD SECURELY IN REAL-TIME.

***We believe in transforming the future of the markets that we enter.***

Bitventure is a software solutions business situated in Johannesburg. We've mastered the dynamics of software engineering and finetch, resulting in a client retention rate of 95%. Our collective experience has

propelled the company as a market leader across various industries. We provide businesses with innovative and tailored software solutions, solving their industry-specific needs.

***Bitventure prevents fraud through customer and business data verification. Our innovative digital onboarding solutions reduce costs and increase your auto-approval rates.***



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