



# Introducing the telecoms broker

*Most of us are still not really used to choice in telecommunications.*

**O**btaining telephone services from the old statutory monopoly was a bit like traveling in Eastern Europe under the wing of Intourist. We all complained about delay, inefficiency and a lack of choice, but at least there was no chance of getting lost.

Now the variety of options, especially in mobile and international communications is bewildering, and is likely to become more so.

This is the information gap which Ausasean Telecommunications Solutions hopes to profit from. ATS is a telecommunications broker which was launched in September. Just like brokers in insurance or finance, it will use its detailed industry knowledge and technical expertise to find the best deal for its clients. The broker takes a commission from the service provider; the client gets a cheaper and better service.

ATS director Darren Kerry said that an important part of his firm's approach was to explain the options in simple terms, and 'cut out the confusing jargon'.

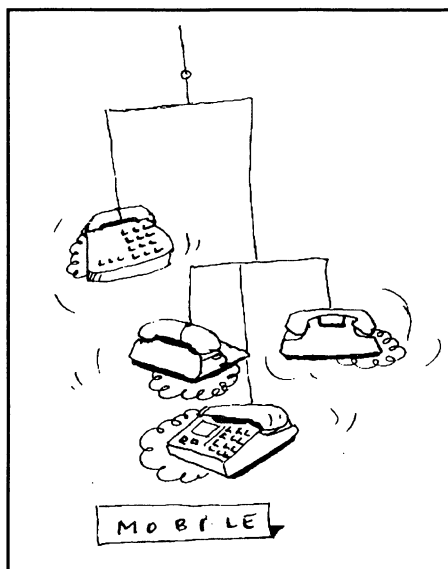
He said that ATS provides its service at no cost to the client. The broker gets a commission from the service supplier, but he stressed that this did not 'add a middle man' and increase the end price. 'The telecommunications service providers all build in to their pricing structures the cost of getting the service to the customer. The commission we get is no different to what they pay their own sales force – indeed it will often be less.'

If a client wants to use the brokerage service, it signs a contract allowing ATS to analyse the client's phone bill, and present a series of options. 'What we do is analyse the client's phone bill, then lay out the choices which the client can make.

'We don't just rank according to

price. If the quality of the line is important, as it is for a hotel which has a lot of international guests, for example, then we will spell that out in a report. We might say that carrier A would provide a cheaper service, carrier B costs a bit more but will give you the crystal clear lines you need.

'The final decision is entirely the



client's. It is important for us to be strictly independent. We just provide the information which allows the client to make a better decision.'

The only important obligation on the client is to allow ATS the right to try to match any other offer, which the client receives.

Mr Kerry said that the early response had been beyond his expectations.

'There has been a marked enthusiasm from clients, and we have had interest from some very large corporates which we were not expecting at this stage.'

And the telecommunications carriers? 'There was some reluctance initially. But they are coming around.'

Mr Kerry claimed that his service could reduce phone costs of companies by as much as 50 per cent. He

gave as an example, a client which had 58 mobile phones, of which 12 had very high rates of use, the bulk moderate use, and 2 were scarcely used at all. By splitting the three groups between services with different pricing schedules, the company's bill was cut by some 40 per cent.

A major hotel which had substantial international traffic could achieve significant savings by bill splitting, too. If it made a lot of calls to the United States and Britain, one carrier might be best for those markets. But for the low volume of calls to other countries, the hotel might be better off with a different carrier, he said.

ATS also offers a consultancy service. Mr Kerry said this often involved explaining to businesses telecommunications options of which they had previously been unaware.

'For example, probably 70 per cent of the people who use mobile telephones don't fully understand their potential. I'm not just talking about things like voice mail and message banks, but also sending text messages to mobiles. A company with a large sales force in the field can often use a PC to send text messages, which is vastly cheaper than making a voice call.'

Mr Kerry said that a brokerage such as ATS would only prosper if it maintained its independence and delivered a service of real value.

'We are about building relationships. Our job is to help give people a better understanding of the new technology and how to take advantage of it.

'The contracts the service providers offer are full of jargon, and it is very hard for the customer to understand what it all means. We can let them know what it means in dollars and cents. We can cut out all the jargon, all the crap,' he said.

**Richard Evans**