

## About Pelephone:

Pelephone Communications Ltd. ([www.pelephone.co.il](http://www.pelephone.co.il)) is a leading cellular communications provider in Israel. As the nation's first operator, Pelephone pioneered Israel's cellular communications revolution, resulting in one of the world's highest market penetrations of mobile phones. In 2004 Pelephone's revenues reached \$1 billion. Pelephone has about 4,700 employees and over 2 million subscribers. Pelephone's main goal is to provide these customers with the best possible service.

Pelephone is held by Bezeq (100%) - the Israel Telecommunication Corporation (the nation's telecom provider).

## Why PC to Mobile ?

Given the growth of SMS messaging, customers needs, and the requirement to provide them with a means to send SMS from their PC. Pelephone realized that it needed a PC to SMS application in order to fill a gap in its product-line. Pelephone recognized that there was a large market for this type of product, as people are spending more and more time in front of their PCs. Since broadband penetration in Israel is one of the highest in the world, people are always connected, and so they seek a way to send SMS messages conveniently and easily using their PC keyboard, PC contacts (groups) and mouse.

In addition to the PC to SMS requirements, another important Pelephone requirement was a simple Mobile Email solution, enabling subscribers to get their email, tasks and appointment reminders from their Microsoft Outlook sent to their SMS which fills a void for certain market segments.

Pelephone realized that TeleMessage could offer significant benefits over other companies including:

- Seamless integration into Microsoft Outlook – TeleMessage works with ANY Outlook form;
- Full line of PC to Mobile Products for both consumers and businesses.
- Integration into Microsoft Outlook, Microsoft Outlook Express, Lotus Notes, and a Toolbar for Internet Explorer and Firefox web browsers.
- Ability to add additional devices such as MMS, Fax and Voice messaging.

TeleMessage also offered Pelephone a quick turnaround on the modification, implementation and customization of its products, as well as expert on-site training of its technical, sales and customer support staff.



## Implementation:

The products were fully customized and branded "Mail2SMS" for Pelephone by TeleMessage. The Pelephone subscriber can download the product from the Pelephone web site at [http://www.pelephone.co.il/sms\\_index.asp](http://www.pelephone.co.il/sms_index.asp), install the application on his/her PC, accept the terms and conditions and register his/her mobile phone number. They then can begin to send text messages from Outlook just like they would any email. The message charges are included automatically in his/her mobile phone bill.

The product was launched in April 2006 and during the first few months, Pelephone received thousands of downloads, with a large percentage of them being active users sending thousands of SMS messages per week. This was achieved without any bundling or mass marketing.

If you would like to experience this technology, you can try the TeleMessage Mail Plug-in at our demonstration portal: <http://download.telemessage.com> or contact us at: [info@telemessage.com](mailto:info@telemessage.com)

## Pricing Models:

Pelephone launched the service with a simple pricing model of 39 Israeli Cents (~8.5 US Cents) per SMS message, equivalent to a standard text message.

## Usage Statistics:

Bases on data after several months of usage, we found out that the average amount of messages per month for business users is: 38-62 messages per month (changes on a monthly basis)

The amount of active users is 28% of the registered base.

Pickup of service keeps growing steadily, and users are happy with the service.

## The Future:

Pelephone's success of Mail2SMS version for Microsoft Outlook Plug-in, resulted in a green light for the launch of PC to SMS for the youth segment (under the "Esc" brand). The consumer oriented service will be called Web2SMS and will include the TeleMessage Toolbar and Outlook Express Plug-ins. The consumer Web2SMS launch is expected in Q3 2006.

Moreover, given the smooth acceptance and positive feedback for the PC to SMS services, Pelephone decided to launch PC to MMS services during Q4 2006.

