**Answers provided by: Virgin Mobile Saudi Arabia**

**What are the opportunities and implications associated with OTT?**

Opportunities provided there is harmony within a regulated environment between OTT and Telecom operators:

* New audience and distribution channels. The fast growth of smart phone penetration in the region and in Saudi Arabia specifically.
* New monetization stream, especially though video and OTT content streaming. According to McKenzie telecommunications at Cliff’s edge, Middle East telecom operators are making little revenue out of video consumption, but they have better opportunity to grow the revenue with the growing demand for locally relevant content.
* Reduced cost of distribution
* Opportunities to do it in a new way, especially that many telecom operators are embracing digital transformation and the digital disruption the new technologies are bringing.
* Opportunity for telecom operators to grow and prosper due to the growing demand of customers for faster network services.

Implications provided there is no harmony and no regulated environment between OTT and Telecom operators:

* Security threat
* Voice market decline’
* OTT operators lack of local content, contribution to the economy

**2. What are the policy and regulatory matters associated with OTT?**

Currently app developers/ players are reaching out directly to consumers without passing through any regulatory channels.

There must be a framework in which OTT can operate under in order to regulate the interaction between consumers and app developers/ players

The increasing demand for OTT and growth of mobile penetration requires more flexible rules and regulation to accommodate the increasing demand/traffic for faster WIFI connection, VoIP

Policies must explain clearly the roles & responsibilities of telecom operators to the use of OTT services.

Policies must also address video streaming as one of the most significant OTT services that is growing in Saudi Arabia

**3. How do the OTT players and other stakeholders offering app services contribute in aspects related to security, safety and privacy of the consumer?**

This is very relevant to the previous question about the importance of rules and regulations for OTT use in Saudi Arabia.

Most of those app do not go through the regular, monitoring channels in Saudi. We still do not know the vulnerability it brings to mobile phones, what kind of threats they introduce. Hence, it is important to introduce a security, safety and privacy protection law to push stakeholders and players to abide by. It will help regulate this market and organize it in a way that can help both consumers and telecom operators. Consumers need to be educated about the importance of protecting their privacy while using those apps. There were many debates around “snapchat” and how it violates the privacy of users by exposing their location to other user, for example. Or the famous “pokeman” game which uses actual locations of players and restores it in the system.

**4. What approaches might be considered regarding OTT to help the creation of environment in which all stakeholders are able to prosper and thrive?**

Many telecom operators globally are winning the OTT battles by combining efforts, introducing innovative solutions and providing integration in order to be ahead of their game. And they are succeeding.

Many telecom operators realized that it is important to focus on developing their services given the infrastructure they have, improve customer journey and make it more tailored and unique. Not worry about the decline in revenue but focus on making an investment in which they can actually see the outcome soon.

Telecom operators in the region and in Saudi are no exception, those operators can work together in order to build a unique platform to serve OTT services and at the same time look at it as a revenue stream. All while ensuring all policies and regulations are in favors of those kind of “partnerships”.

**5. How can OTT players and operators best cooperate at local and international level? Are there model partnership agreements that could be developed?”**

There are many examples globally on some successful partnerships between OTT players and telecom operators, like Deutche telekom and T-mobile who launched immmr ( a voice and video calling service) using their networks. They are proven to be a success story.

They are many formulas, work modules in which telecom operators can reach out to OTT players to develop and offer to the consumers. What those operators need to keep in mind is that they have the capacity and power to produce a service that is locally relevant, localizing the content and being able to reach the target audience/ consumers through these customized services. Those kind of partnerships can also help in research and development, understanding the habits of consumers and their needs .which help sustain and grow those partnerships.