



Introduction

I assume that as you are reading this you are looking for a business opportunity that is both simple to operate and requires only a small investment in stock to start.

Well, I can assure you in the next few pages I will detail how to start a business that requires little knowledge, apart from what can be gleaned from the following paragraphs, costs from only £137.50, secured on stock to start, can be run from home and with a little effort will provide either a second income or become your sole business/income.

No technical knowledge is required as we provide all the back office infrastructure required.

You will also need determination and a little sales skill to get your product to market, be it in the hosted on line store or the local corner shop.

Calling cards work on a pre-paid system, where you can access the telephony service immediately with a certain value of currency on your card.

Calling cards offer cheaper rates because the calling card provider purchases the call credits in huge amount from the major telecommunication companies, with a huge discount, and then pass this benefit to the end users.

One of the great advantages with a calling card is that you are aware of your spending and also where you are spending that amount. This is almost similar to pay-as you-go mobile phones.

Undoubtedly, calling cards will pave a way for growth in both the UK and International telephone market.

Nowadays, free calling cards are also offered by businesses to attract customers to other products. In the coming years, calling cards will become the biggest telephony business opportunity in UK.

The Calling Card business is one of the most common models in the VoIP industry. VoIP is used throughout the telecommunications sector to carry both national and international telephone traffic and the next generation of mobile phones will be based on VoIP technology.

Remember you are not limited to selling the service in the UK, we also have International access numbers and VoIP (SIP) access which enables a user to make calls from a SIP Phones, PC, Notebook, Netbook or web enabled mobile phone from just about any country in the world.

So set up a truly International business now.

The Business

So how do you start a Phone Calling Card business and what rewards can you expect?

The Calling Card business is worth Globally over \$3.3 Billion and growing.

No entrepreneur or businessman would ever make the mistake of starting off a business without a business plan or a feasibility study.

You need to carefully study your market first. Look for a potential advantage. It would be safe to assume that there are also numerous entrepreneurs or businessmen who are also into the same venture.

Prepare a contingency plan. Of course, spread the word. Advertise. And NEVER underestimate the power of word of mouth.

Pricing

We operate two business models.

1. You purchase pre printed calling cards from us at a discounted price and either retail them direct to the public or/and sell them at a discount to shop who then retail them.
2. We provide a partition on our system and you set the call rates and therefore your profit margins buy completing (with our assistance if required) a spread sheet which we load into our billing engine. We then arrange printing of cards to your specifications.

Setting sell rates

When setting your sell rates there are many factors to consider. Your fixed monthly expenses, buy rates, competitors rates and what the local market will stand.

Competitors rates

Look at the competition closely. You may have worked out that a call to the USA on your system will be sold for 5p per minute only to see a competitor offering the same route for 2p per minute. But analyse the offer... the competitor may be charging:

- **Activation fee** – The first time a card is used an activation fee is deducted from the face value.
- **Connection or disconnection fee** – Each time a call is made either a connection fee is charged or a disconnection (end of call) fee is charged, sometimes both.
- **Maintenance fee** – After a set time period, be it 1 day or 1 month, the card holder will be charged a fee for the card having an outstanding value.
- **Billing increments** – If the increment is set at 1 minute then a call

lasting 1 minutes and 2 seconds will be charged at 2 minutes. The provider will only be paying wholesale rates at 15 second increments and therefore will only pay for 1 minute 15 seconds... more profit!

So you see your 5p per minute rate could work out cheaper than the competitions 2p per minute offer.

NB. - wholesale rates to Mexico are usually billed at 60/60 (initial rate/increment rate) USA is usually billed at 6/6.

Economic and geographical pricing

Every company takes advantage of this practice. The idea is to charge the customer what they are willing to pay.

An example would be an American arrives at Heathrow and wants to call home to tell his family of his safe arrival. He would probably have no problem paying 10p per minute for that call. So you generate/print/sell call home Airport cards with a low face value, say £5, to be sold on the internet and at ports of entry.

In an area with a high African population you would have cards with very competitive rates to Africa (10% profit) but high rates to all other destination. You will make more money from the few people that buy this card but as well as calling your African destination also make calls to say USA, chine etc. (400% profit). Know your market!

Marketing your Calling Cards

Selling through retail shops

Chose areas dominated with ethnic minorities and generate card aimed at that population. Shops usually pay 75% of the face value of the card.

Target international travellers, sell on your web site (we can provide a customised site selling PIN numbers delivered instantly by email and therefore you make even more money by eliminating print costs) and at port of entry shops etc. in their local currency and instead of stating a rate per minute display the time in minutes a call can be made to their country.

Selling through distributors/agents

You may not want to distribute your products with a 'hands on ' method but rather use through agents or distributors. However, expect to receive only 70% of face value and remember in most cases you will not be paid until the card is sold.

Internet Cafe/soft phone

This is a way to sell your service without having to print cards or provide telephone access numbers. As the customer has internet access and our

system can handle VoIP (SIP) calls the user connects via either a software based phone on a PC or by using a special VoIP (SIP) phone. In both cases this is a direct connection to the calling card billing server.

Selling off your web site

If you opt for an e-commerce web presence then this opens up not only the possibility of direct sale, but also the opportunity to sell recharge PIN numbers to customers that have purchased your card from retail outlets. This obviously saves on printing costs and increase your profit margin.

Infrastructure

The foundations for a successful prepaid calling card operation is a solid infrastructure.

Traditionally this would involve a huge investment in software, servers, power services, backbone connectivity and support. However, as we provide all of this and more, you can concentrate on sales and banking your profits.

By using the hosting service we provide here you also alleviate the need to find your own Long Distance Providers, free-phone and local rate incoming number (DID) providers.

The Infrastructure hosting provider, our company, is Sierra Communications (www.sierracom.biz).

sierraCommunications
Managed VoIP Solutions

Sierra Communications operate a calling card business in the UK called EzeeCall (www.ezeecall.net)



Bringing people closer together.



What we as Sierra Communications can offer you.

We buy VoIP termination and DID origination from many sources including the spot market. This way we offer competitive rates and by reselling these routes we can pass on savings to small and new operators.

Normally you would have to place relatively large deposits with each provider in order to pass VoIP traffic, we remove this financial and administrative burden from our clients.

To make purchasing stock, either physical cards or active digital PIN numbers easy as we accept:

- Bank Transfer
- MoneyGram
- Western Union
- PayPal
- NoChex
- Direct payment into any Lloyds TSB branch



We are very flexible to enable operators in Africa and other countries/continents to use our system, knowing the problems money transfer can create.

Prepaid calling card platform options

We offer two basic options. Remember our service provides not only the infrastructure but also the full set up and configuration, monitoring, rate updates, moves and changes. In fact you just need to market your product:

1. **Wholesale cards and PIN's** (Minimum 50 items - £137.50) You receive cards at 55% of the £5 face value. This will give you a profit of £2.25 per card at retail value or £1 per card profit selling to retail outlets.
2. **Your own custom cards** (Minimum commitment 100 Digital PIN numbers - £275 or 10,000 scratch off cards - £27,500)

Digital sales via web site e-commerce

Domain name set up and registered free, including email accounts.

Web site and hosting all included in set up and hosting fees.

E-commerce included in web hosting (PayPal business account required and set up if you do not have on)

Unlimited email, telephone and remote support.

One SIP phone supplied and configured for your own use for support calls and outbound calls at wholesale rate.

We work with you to set up the solution you require and help you maintain and grow your business.

We need you to succeed so we can succeed!

Other solutions and services we offer

- Hosted ipPBX
- Hosted Conference Call facilities
- Hosted Chat Rooms
- On Site ipPBX
- SIP Trunks
- Virtual Telephone Numbers, both UK and International
- Voice Mail Facilities
- International DID access numbers
- Vsat in West Africa
-

For more information or to discuss your detailed requirements please call me, Ian Christmas, on +44 (0)20 3519 1550 or email ian@sierracom.biz

We are happy to divulge wholesale rate once a NCND is signed. But please be assured that our rates are very competitive and our termination is of excellent quality.