Whitepaper

IP/IOT Wallet for Business

A Flexible Alternative to Prepaid, Postpaid, Subscription (Licensing), SaaS, and Pay-as-you-Go Models

Executive Summary

As digital transformation accelerates across industries, businesses are increasingly seeking payment models that offer more flexibility, cost control, and simplicity. Traditional postpaid and subscription billing systems often fall short in cost-control and fast-paced, multi-service environments where adaptability is essential.

This whitepaper explores the business-focused implementation of the **Wallet** model — a centralized credit system that simplifies service consumption across devices and offerings. Originating in the consumer space, digital wallets have proven their efficiency, and are now being adapted for business use.

Through detailed analysis and real-world insights from **The IoT Guide**, this paper outlines the operational advantages for both business end-users and service providers, including administrative efficiency, real-time cost control, pooling, and seamless service bundling. It also highlights how The IoT Guide's Wallet-enabled platform empowers partners to deliver scalable, branded connectivity and IoT services under their own identity.

Evolution of Payment Models

Over the years, payment models for services and products have evolved significantly. Traditionally, businesses invoice for services only after order fulfillment - **postpaid**. Depending on the product and region, payment terms can range from immediate settlement to delays exceeding 365 days. This turns the service provider into a de facto lender, assuming all associated financial risks and hassle. For larger projects or customers with poor credit histories, partial upfront payment is commonly required to mitigate exposure.

The rise of mobile connectivity introduced **subscription**-based services, typically billed monthly, with invoices reflecting both base subscription fees and any overage charges. For consumers, **prepaid** options soon followed, offering improved cost control and payment flexibility.

The growth of cloud computing brought forth **Software-as-a-Service (SaaS)** models. Depending on the service structure, these are billed either prepaid or postpaid, usually tied to a defined validity period and often renewed automatically. Beyond software, the "as-a-Service" model now includes hardware, support, and capabilities — all bundled into flexible, consumption-based solutions.

The latest development in payment models is the **Pay-as-you-Go (PayGo)** approach, which can be seen as an evolution of the traditional prepaid model. Unlike prepaid, which typically relies on predefined periods or data packages, PayGo enables real-time deduction of value only when the service is actually used. The term "Fair & Flexible Pricing" is often associated with PayGo. If the balance becomes too low, similar to prepaid systems, the user can simply refill to continue service without interruption.

As the market continues to evolve, the limitations of prepaid models—and even those of PayGo solutions—have led to a reconsideration of the overall offering. With the continued growth of SaaS models, there is an increasing demand to combine the advantages of various approaches into a single, unified flexible solution.

The Digital **Wallet** was born.

Why a Wallet?

The term *wallet* dates back to the 14th century, originally referring to a bag or knapsack. Over time, it evolved into its modern usage — a flat case for carrying paper money. Interestingly, even in ancient Greece, the god Hermes and hero Perseus were said to carry a *kibisis*, often translated as "wallet."

Today, various digital and non-physical wallets exist, including cryptocurrency wallets, hardware wallets, and **digital wallets**, the focus of this whitepaper. These are typically software-based platforms enabling electronic transactions. Balances may be denominated in traditional currency, more often **credits**, and can obtain multiple services from various providers.

Benefits for Business End Users

Wallets were historically considered consumer tools. However, similar to how prepaid and PayGo models were once consumer-focused, also the wallet is now proving to be an effective and efficient solution for businesses. The overarching and combined advantages are:

- **Upfront Payment with Flexibility:** Like prepaid, wallet usage requires advance funding. However, the wallet combines multiple capabilities in which supporting multiple services and almost unlimited validility period, offering far greater flexibility.
- **Pooling:** One of the most valuable features for businesses is the ability to pool credits across multiple devices within one (business) wallet. For instance, a sales team can share credits; each device with a SIM-card will be placed in one centralized company wallet and the credits will be consumed when the user(s) traveling.
- **Additional Services**: The Wallet can include supplementary services in addition to the core offering. For example, if connectivity is the primary service, enhanced security features can be added to the individual SIM-card as optional value-added services.
- **Centralized Cost Control:** Businesses maintain full control over wallet usage. If the credit balance runs out, services automatically pause — avoiding unexpected charges. Threshold alerts can notify administrators to refill before interruptions occur.
- **Streamlined Administration:** One wallet, one payment — rather than managing individual invoices or usage accounts per employee or device.

Benefits for Service and Solution Providers - Partners

For service and solution providers, the wallet model offers clear operational and financial advantages, including increased revenue and margin potential. These advantages, in more detail, include:

- **Lower Administrative Overhead:** The wallet model reduces or eliminates the need to generate and chase invoices, especially in postpaid models. At initial sales, the Service Provider only needs to create a customer account within their portal to create the Wallet. A registration portal or a Customer Relationship

Management (CRM) system can automate this.

- **Real-Time Revenue Recognition**: The system automatically deducts charges such as **Monthly Recurring Charges (MRCs)** at the start or end of each billing cycle.
- **Shared Ecosystem Support:** Each Wallet can support multiple services from different providers, managed through predefined **MRCs** and on-demand usage (e.g., data consumption). The IoT Guide, or the lead service provider at a more advanced level, can divide MRCs between providers.
- **Scalable Service Management:** Providers can bundle additional paid services (e.g., support, hardware, premium features) in the Wallet for scalable management.
- **Trial & Upsell Opportunities:** A low level of credits – can be offered for free - allowing customers to test services with minimal risk, and easily refill for continued use.

Caution: a wallet that runs out and remains unrefilled generates no revenue. Restarting suspended services may also incur internal costs. A credit could probably be taken to cover the cost of restarting the service once the Wallet is online. Service providers should include a credit **voucher** to ensure initial sales generate revenue.

Implementation by The IoT Guide

Initially, the IoT Guide provided only global prepaid data connectivity for industrial IoT solutions and Internet Access Gateways. This offering begin with a **starter kit**, which includes a physical SIM or eSIM, a predefined data allowance, and a set validity period. Once the allowance is close to exhaustion, the SIM can be **refilled** to extend service continuity.

To support this structure, The IoT Guide has developed a **dedicated platform**, *Manage Your SIM*, tailored for business users and resellers. The platform offers full visibility, control, and monitoring of all active SIMs and associated services.

As demand for **bundled services** and more **flexible payment options** grew, The IoT Guide introduced its digital **Wallet** — a software-based mechanism for managing service payments and **credits**. With the Wallet model, the starter kit also includes a SIM (physical or eSIM), an initial data allowance, and the associated service cost. It may begin with zero credits and require an initial filling before usage. Users can load this credit via voucher or through the integrated payment platform.

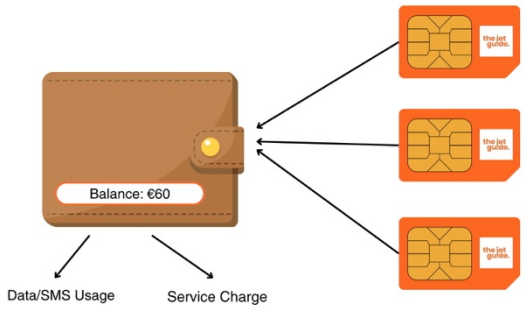
Key Features:

- **Customizable Whitelabel Platform:** Partners can integrate the wallet under their own brand identity.
- **Flexible Payment Options:** In the basic setup, The IoT Guide handles payment services (PSP) with MRCs reimbursed via a kickback. In advanced models, partners can connect their own banking systems and manage customer payments independently.
- **Service-Based Wallet Management:** Partners define both service pricing and the corresponding wallet consumption structure. To cover startup costs and ensure initial revenue, strongly consider providing an initial credit balance, typically as a credit voucher, at the beginning of each customer relationship.

The Wallet in Practice:

- Covers data usage according to the selected plan. For example, the selected plan may include coverage for specific geographical zones.
- Includes service fees as part of the Monthly Recurring Charge.

This approach empowers partners to scale operations globally while maintaining cost control, flexibility, and branding autonomy.



Conclusion

The Wallet is a robust, scalable, and user-centric alternative to traditional payment models. It offers businesses greater flexibility, centralized cost control, and support for pooling and services under a single payment structure.

For service providers, the Wallet minimizes administrative complexity, reduces payment risk, and opens the door to value-added offerings — all within a flexible, modern billing model.

The IoT Guide has successfully implemented this approach, enabling partners to offer custom-branded services with seamless billing and payment experiences. With digital transformation continuing to reshape industries, the Wallet model is well-positioned to become a cornerstone of service monetization in the connected economy.

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hello@theiotguide.com
www.theiotguide.com
Johan van Hasseltweg 2-C6,
1022 WV Amsterdam