

The background of the slide features a blue-to-teal gradient. Overlaid on this are faint, semi-transparent images of telecommunications infrastructure, including several tall lattice towers and a network diagram consisting of interconnected nodes and lines.

2021

TELECOM INDUSTRY ASSESSMENT

NBCUniversal

WELCOME!



Introduction

Explore NBCUniversal's latest perspectives and insights into the Telecom industry. This report provides an overview of recent marketplace dynamics, our prediction of key future trends impacting the industry, and strategic recommendations for Telecom brands and marketers as they navigate what's next.

Our Approach

At NBCUniversal, we have a legacy of working with a diverse range of Telecom partners to build their brands. This report has been created based on NBCU's:

- Ongoing Industry Auditing
- Conversations with Telecom Advertisers and Agencies
- Continual Marketplace Analysis
- Examination of Consumer Attitudes towards the Telecom Industry

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2021 Industry Year In Review

Looking Forward

NBCU Telecom Strategic Recommendations

NBCU Relevant Materials



WE HAVE A
UNIQUE
PERSPECTIVE

In 2021, NBCU worked with:

20+ Telecom Industry Advertisers



Home Internet



B2B



Video Streaming



Smartphones



Pre-Paid/Post-Paid Carriers



2021 YEAR IN REVIEW

A Look Back at 2021

2021 WAS THE YEAR
MOBILE NETWORKS BECAME
ESSENTIAL SERVICES
FOR CONSUMERS



MOBILE NETWORKS BECOME AN ESSENTIAL SERVICE



5G Adoption Accelerates

Consumers continue making the switch for faster speeds.



Unlimited Data Plans Become Standard

Our increasingly virtual world shows us the importance of unlimited data.



Family Plans Increase

Younger consumers are hopping on their parent's plans to maximize savings.



Service Pricing Remains Stable

Providers keep service prices level to stay competitive in the market.



LOOKING FORWARD

A Look Ahead at Key Trends

5G AS THE NORM

In 2019, 5G-enabled smartphones only accounted for 1% of total smartphone shipments worldwide and increased to 20% in 2020.

In the next two years 5G-enabled smartphones are forecasted to rapidly gain market share, reaching 69% by 2023, overtaking 4G shipments.

Source: Bloomberg, statista, ericsson

5G networks will generate

\$56 TRILLION

in global sales activity by 2050

Key Drivers:



\$30T

Artificial Intelligence



\$19T

Internet of Things



\$19T

Driverless Cars

THE 5G KILLER APP

Mobile operators could earn a third more in revenue, **potentially reaching \$712 billion by 2030**, if they introduce innovative 5G applications on top of just laying pipes.

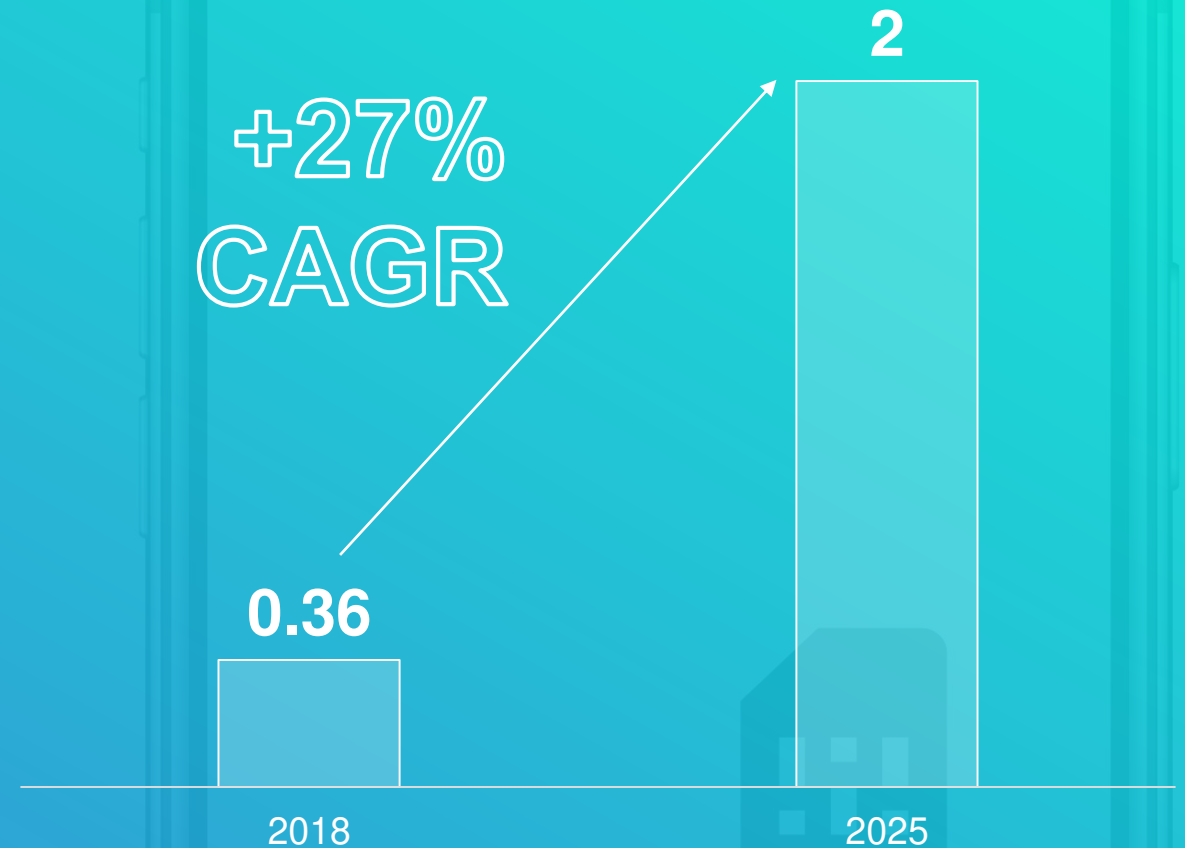
E-SIMS GO MAINSTREAM

Apple led the charge for eSIM adoption, being the first out of the top three smartphone providers (Hauwei, Samsung, Apple) to offer eSIM enabled handsets.

By 2025, it's expected 60% of smartphone unit sales will be eSIM compatible.

As a result, mobile operators supporting eSIM have skyrocketed.

Global Shipments of eSIM-Based Devices (in billion units)



DEMOCRATIZED INTERNET

The demand for internet connectivity amongst *all* types of households has been increasing with the growth of connected devices.

That said, 30% of households in rural areas still lack access to a high-speed broadband connection, but new technology is helping bridge those gaps.

Source: mordorintelligence, broadbandsearch, statista

New Means of Internet Delivery:

FIXED WIRELESS

+73% CAGR

(2020 to 2026)

SATELLITE INTERNET

+20% CAGR

(2020 to 2030)

DECENTRALIZED NETWORKS

Blockchain-based internet alternative that replaces centralized intermediaries with peer-to-peer service providers.

TOTAL WIRELESS BUNDLES

Bundle packages and offerings, such as:

- Home Internet Bundles
- Entertainment Bundles
- Device Bundles

Have become a growing strategy for network providers and represent a competitive advantage.

Approximately

HALF

of consumers would prefer to bundle wireless with home internet...

&

40%

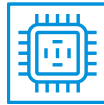
would consider switching providers if it included streaming services.

Black consumers are most likely to consider a change to their mobile plan, making this segment a strategic priority especially when promoting bundled perks and/or promos.

KEY FORWARD- LOOKING TRENDS



5G as the norm
4G will be replaced by 5G



E-sims go mainstream
Sim cards will begin to be phased out



Democratized internet
Internet will be more accessible



Total wireless bundles
Bundles will become a key differentiator

NBCU TELECOM STRATEGIC RECOMMENDATIONS

Driving Growth for Brands

KEY STRATEGIC RECOMMENDATIONS

1. Act as a 5G Leader

Establish your brand as the leader in 5G coverage and connectivity, while clarifying its benefits.

2. Differentiate the Value Prop

Convey unique selling proposition with promotions and experiences that inform, stand out from competition, and help gain market share.

3. Grow & Acquire

Effectively use data to combat low churn and efficiently personalize messaging to the right user, in the right place, at the right time.

4. Elevate Customer Satisfaction

Capitalize off high satisfaction grades and elevate customers' lifetime value through marketing opportunities that invokes emotion.

1. ACT AS A 5G LEADER

Why

5G is poised to become the new standard and will play a pivotal role for both device sales as well as subscription revenues as consumers eventually upgrade. That said, **carriers need to educate existing and potential customers of its benefits as the utility of 5G vs. 4G remains unclear to most.**

What

Act as a leader by educating the marketplace and distinguish the network's ingenuity through premium experiences and trusted sources.



Tentpole
Events



Branded
Content



Commercial
Innovation



Talent/IP

Goals

Awareness | Share of Voice | Perception | Consideration | Education | Sales

1. ACT AS A 5G LEADER

Only 1 in 5 Americans report seeing a 5G advertisement, and 1 in 3 don't know they're paying for 5G.

DISTINGUISH

TENTPOLE EVENTS

One of the last consistent sources of reach, delivering greater impact than standard programming.

+14% Ad Recall

COMMERCIAL INNOVATION

Practice what you preach with innovative experiences that utilize 5G tech.

+88% Better Brand Memorability

&

EDUCATE

BRANDED CONTENT

Teach the marketplace about 5G's utility and benefits through branded content from trusted sources.

22x more engaging
than display ads

TALENT/IP

Find a brand ambassador who can help influence 5G adoption through promos that are organic and educational.

+37% More Likely to Search

2. DIFFERENTIATE THE VALUE PROP

Why

On the surface, there's little that truly differentiates carriers. As a result, carriers are seeking new incentives and offers to attract customers, such as exclusive bundles, unlimited data plans, cheaper rates, and/or free upgrades. However, effectively making the marketplace aware of these perks, and more importantly differentiating them from the competition, can be difficult - *especially when it's a buyer's market.*

What

Inject promotions and content in places that are best suited for garnering attention amongst your target audience.



Local to
National



Custom
Content



In-Show
Integrations



Social

Goals

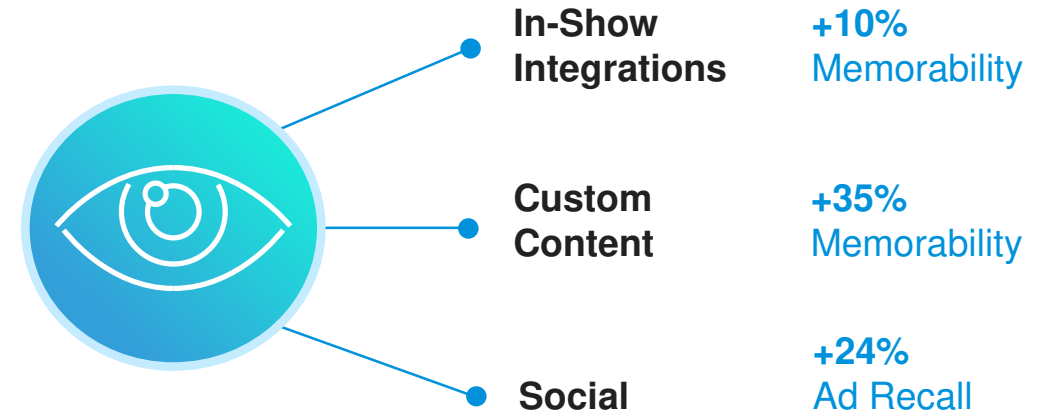
Attention | Perception | Consideration | Breakthrough | Market Share

2. DIFFERENTIATE THE VALUE PROP.

Right now,
cost is the main differentiator for consumers choosing a mobile provider,
with 1 in 3 citing plan
price as the deciding factor.

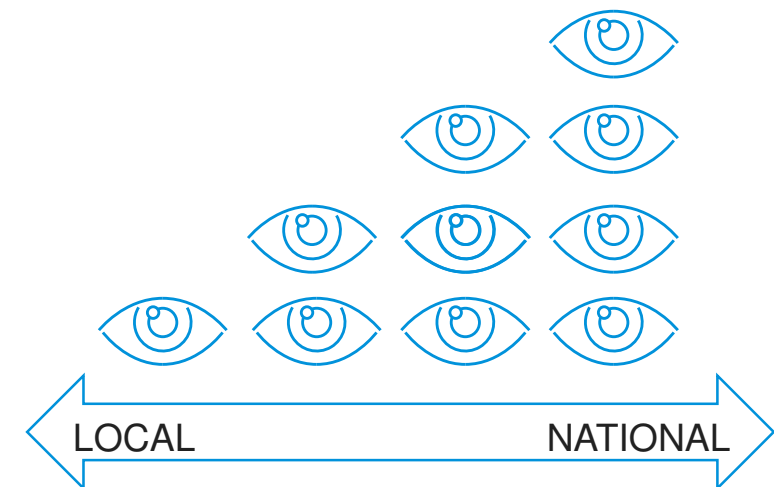
CATCH THE EYE

of viewers with content that engages attention & ad recall.



ACTIVATE

on a Local or National level depending on network's footprint or priority markets.



3. GROW & ACQUIRE

Why

Churn rates among carriers remains low. But despite this loyalty, **there's a decent portion of consumers considering changing plans if the right deal presents itself, as well as new growth customers entering the market looking for a carrier to sign on to.**

What

Upsell existing customers to maintain retention rates and grow revenue per user, while acquiring net new users such as those considering a switch in plans.



Actionable
Media



Data
Targeting



Multicultural



Ad Impact &
Measurement

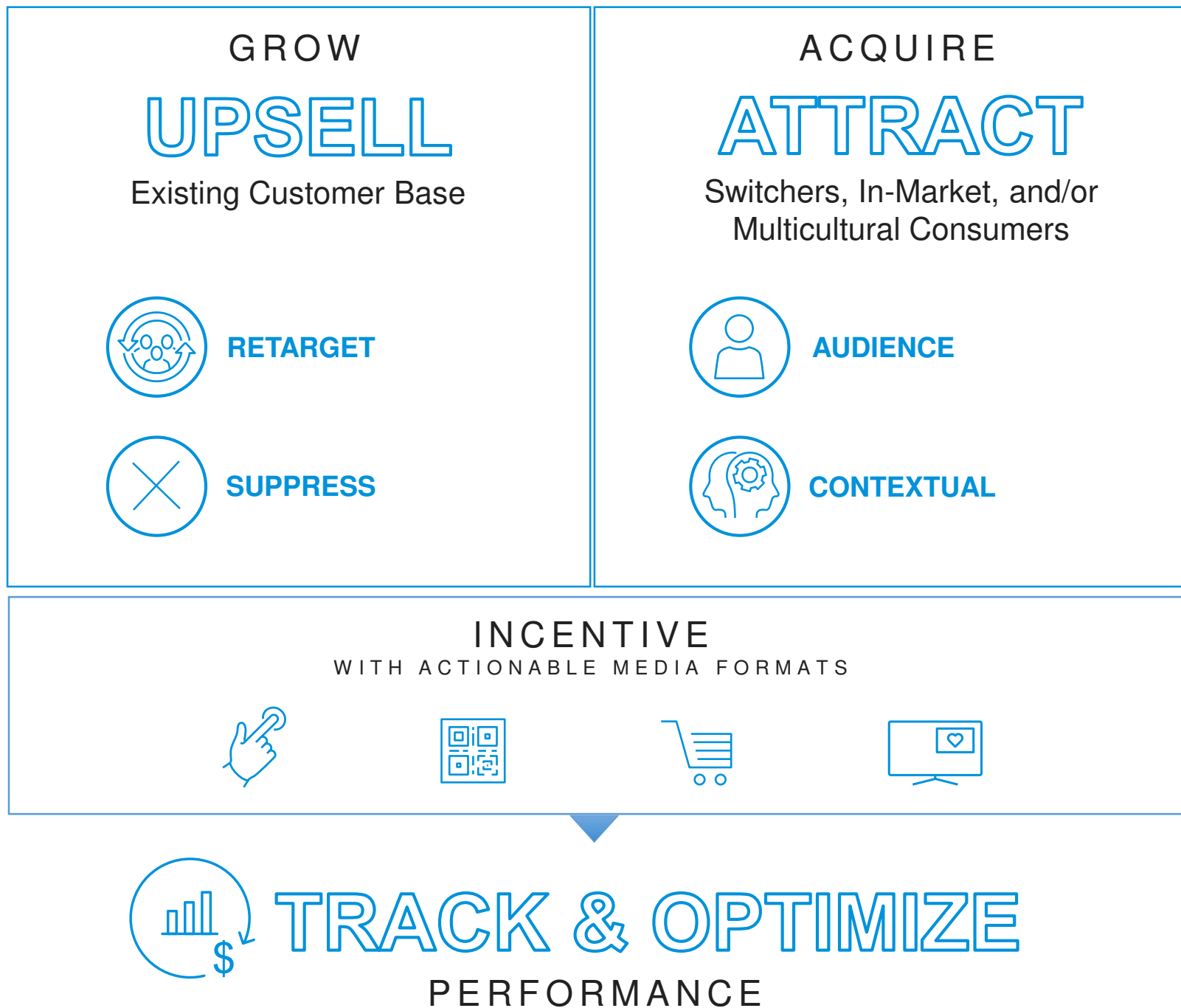
Goals

Acquisition | ARPU | Consideration | Switching

3. GROW & ACQUIRE

1 in 5 mobile subscribers are considering a change in mobile carriers.

Meanwhile, 100% of today's population growth is attributed to multicultural segments, making them Telecom's future growth customers



4. ELEVATE SATISFACTION

Why

Providers have received high satisfaction marks with most of their customers. **However, research shows just because a customer is merely satisfied doesn't necessarily mean they love the brand or feel an emotional connection to it.**

Brands that can achieve this extra layer in the relationship see higher returns on their investment than those who do not.

What

Connect on an emotional level and begin building love between the brand and consumers through effective storytelling.



Creative
Storytelling



Cultural
Moments



Omni-Channel
Approach



Ad Impact &
Measurement

Goals

Loyalty | Customer Lifetime Value | Brand Love | Favorability | Perception

4. ELEVATE SATISFACTION

60%

of long-term customers use emotional language like

love, adore, & happy to describe their favorite brands;

and emotionally-connected consumers are

50% more valuable.



TALENT & IP

Align brand with emotionally-relevant content & beloved influencers.



CULTURAL MOMENTS

Authentically tap into tentpole events & celebrations that define today's culture.

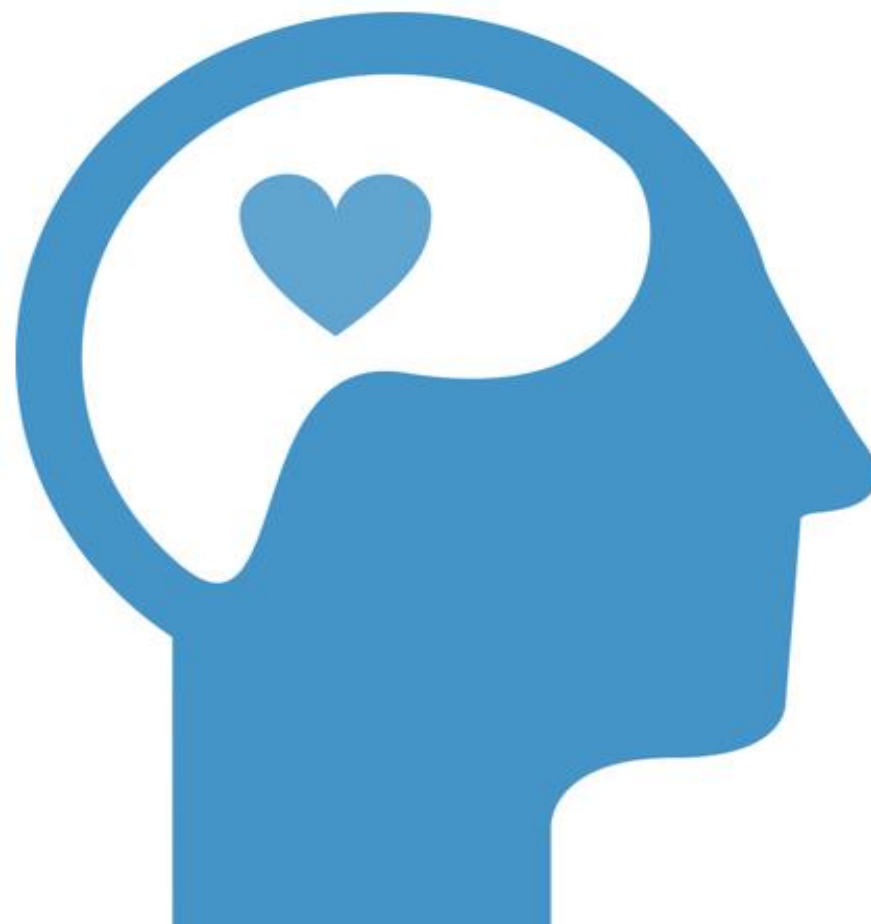


CREATIVE STORYTELLING

Seamlessly blend advertising & content with innovative experiences that tell your brand's purpose.

The strongest path to emotionally connecting with your audience is through

bonding moments



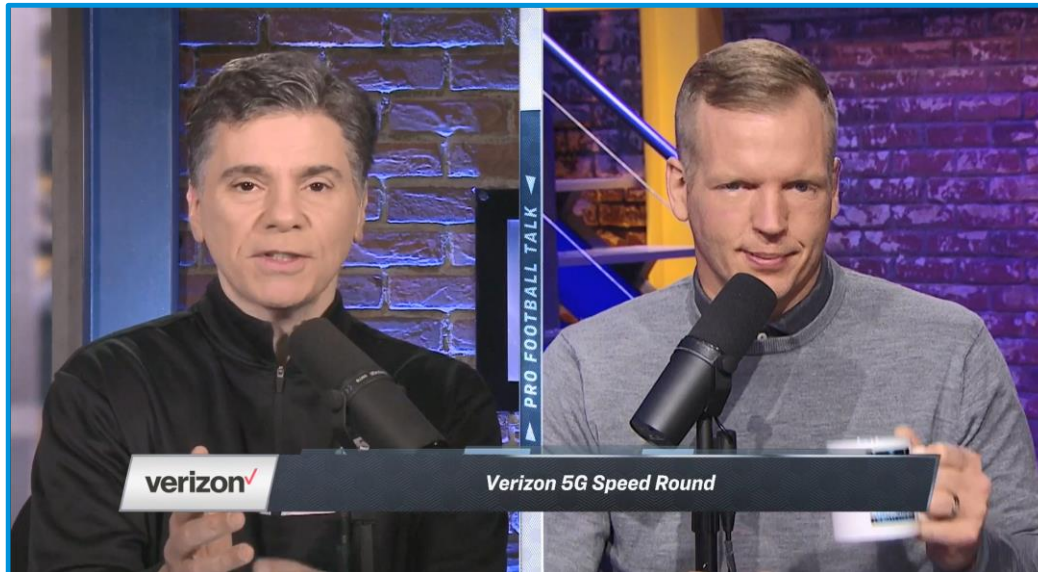
NBCU RELEVANT MATERIALS

NBCU Telecom Industry Content

KEY PARTNERSHIPS FOR THE TELECOM CATEGORY @ NBCU



T Mobile



verizon



NBCU TELECOM INDUSTRY CONTENT

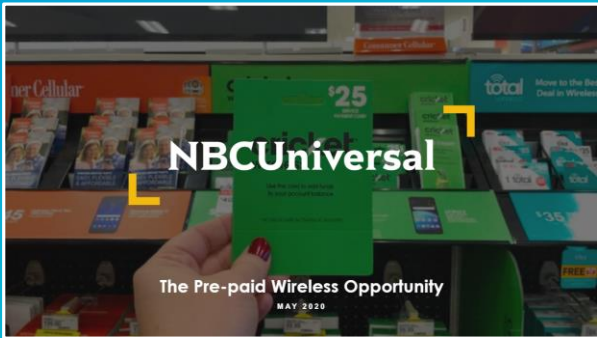
TOGETHER SITE



Telecom Data Targeting
Best Practices



B2B Go-to-Market
Narrative



Pre-Paid Wireless
Opportunity



Today's Business
Decision Maker

2021

TELECOM INDUSTRY ASSESSMENT

NBCUniversal

NBCU TELECOM CLIENT STRATEGY TEAM:

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