

ALT-MOBILE

17 inspiring MVNOs who use the power of communities
to differentiate themselves!

Legos[®]

All my purchases have a meaning,

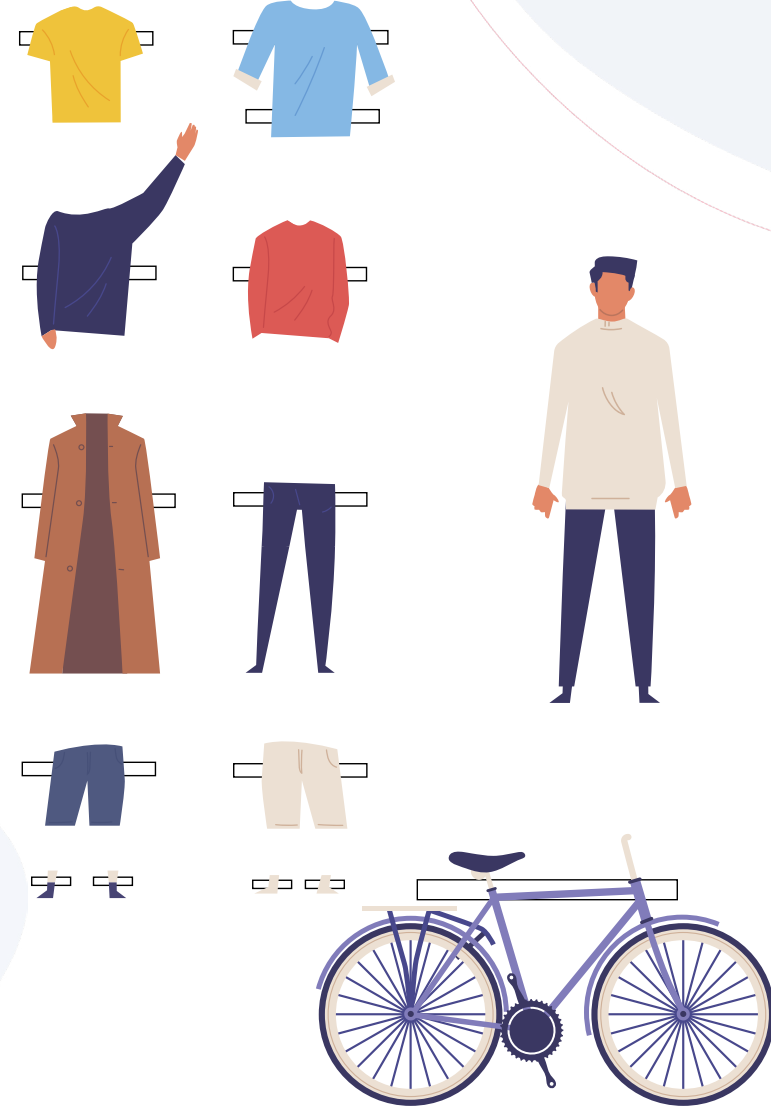
But does my mobile subscription?

From the smallest choice to the most complex purchase, everything has meaning in our consumer society.

Lately, even food purchases have become highly symbolic. Eating better is a fundamental trend, a commitment. Drinking coffee does not mean the same thing if you are at the counter, on the terrace of a chic café or at Starbuck's. Has the Maslow pyramid turned upside down?

According to a study led worldwide by Accenture, 63% of consumers prefer to buy from companies that stand for a shared purpose that reflects their personal values and beliefs.*

But what about your mobile operator? Does your mobile subscription reflect your values?



A lack of flavour!

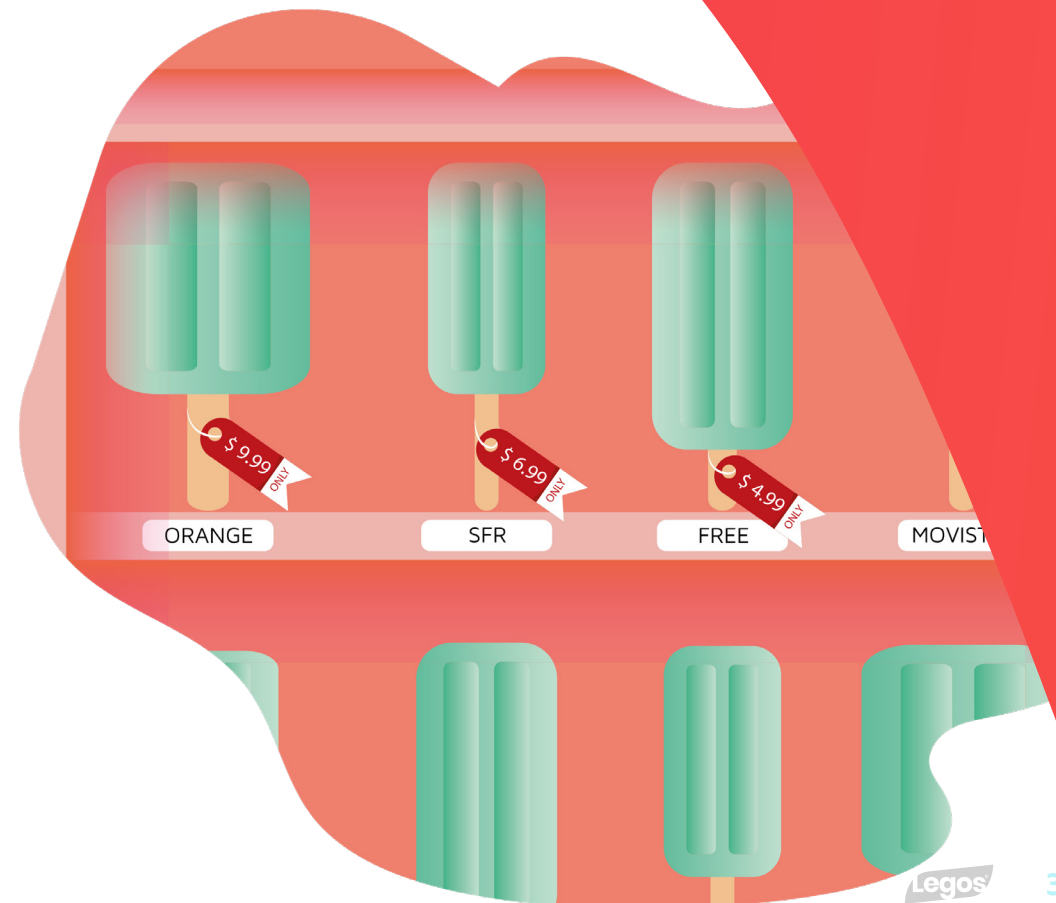
In an homogenous offer...

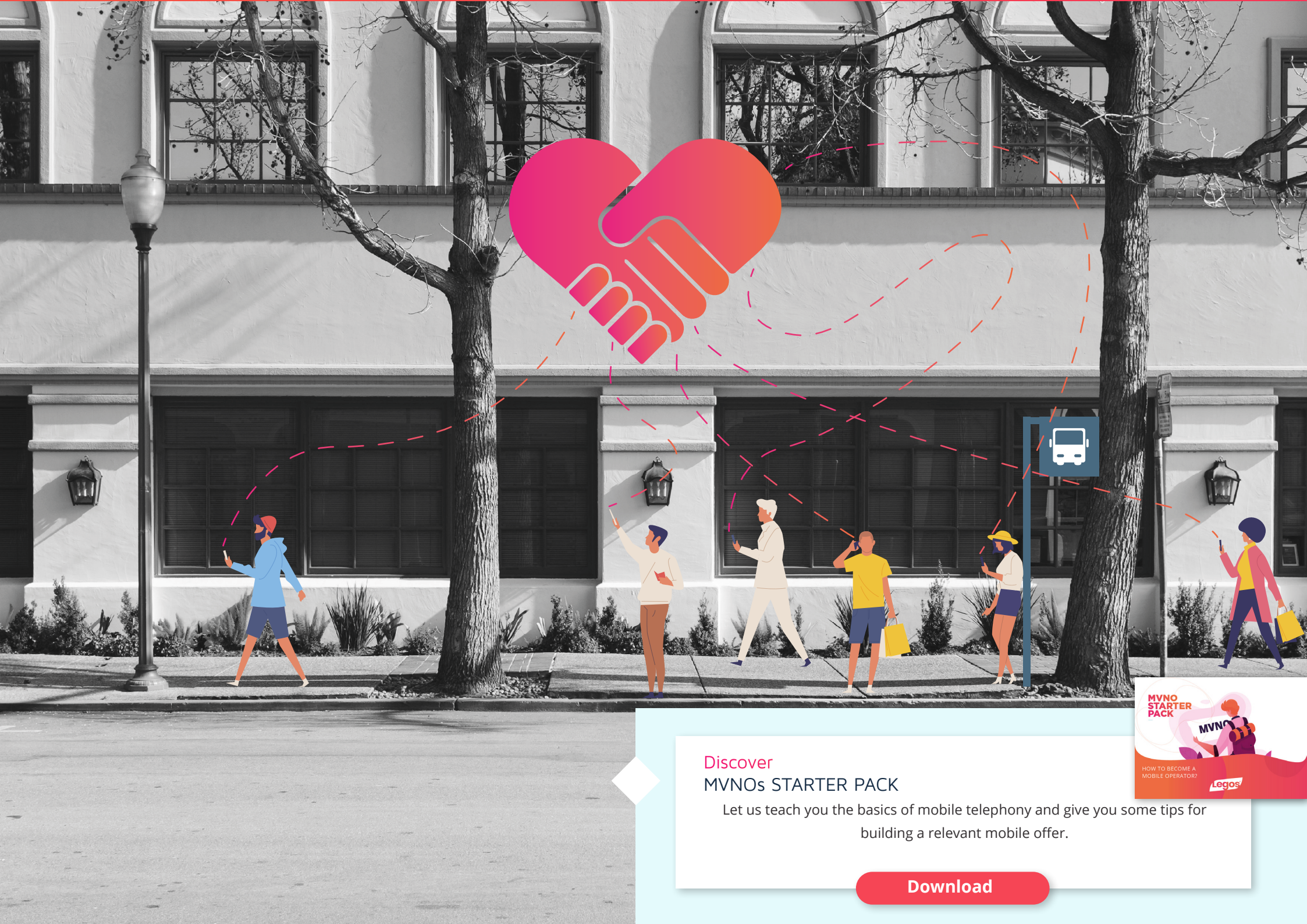
In most countries today, the mobile offers are homogenous and based on price, not on customer values. The global offer is limited to a handful of operators offering similar subscription plans. For instance, one under €10, one under €20 and one under €50 for big users. The content however, rarely varies.

But is the choice really that pragmatic? Don't our values matter at all?

To offer more choice, some operators leverage our sense of belonging by addressing to specific communities. The recent success of Sosh in France or GiffGaff in the UK, showed that targeting a specific community (young people) seems to be a more efficient strategy than a simple «one-fits-all» offer. Values indeed matter! Mobile operators can stand out from the competition by adding meaning to their communication and by addressing communities. This white paper aims to demonstrate how.

Together, let's discover inspiring mobile operators who use the power of communities!





Discover
MVNOs STARTER PACK

Let us teach you the basics of mobile telephony and give you some tips for building a relevant mobile offer.

Download



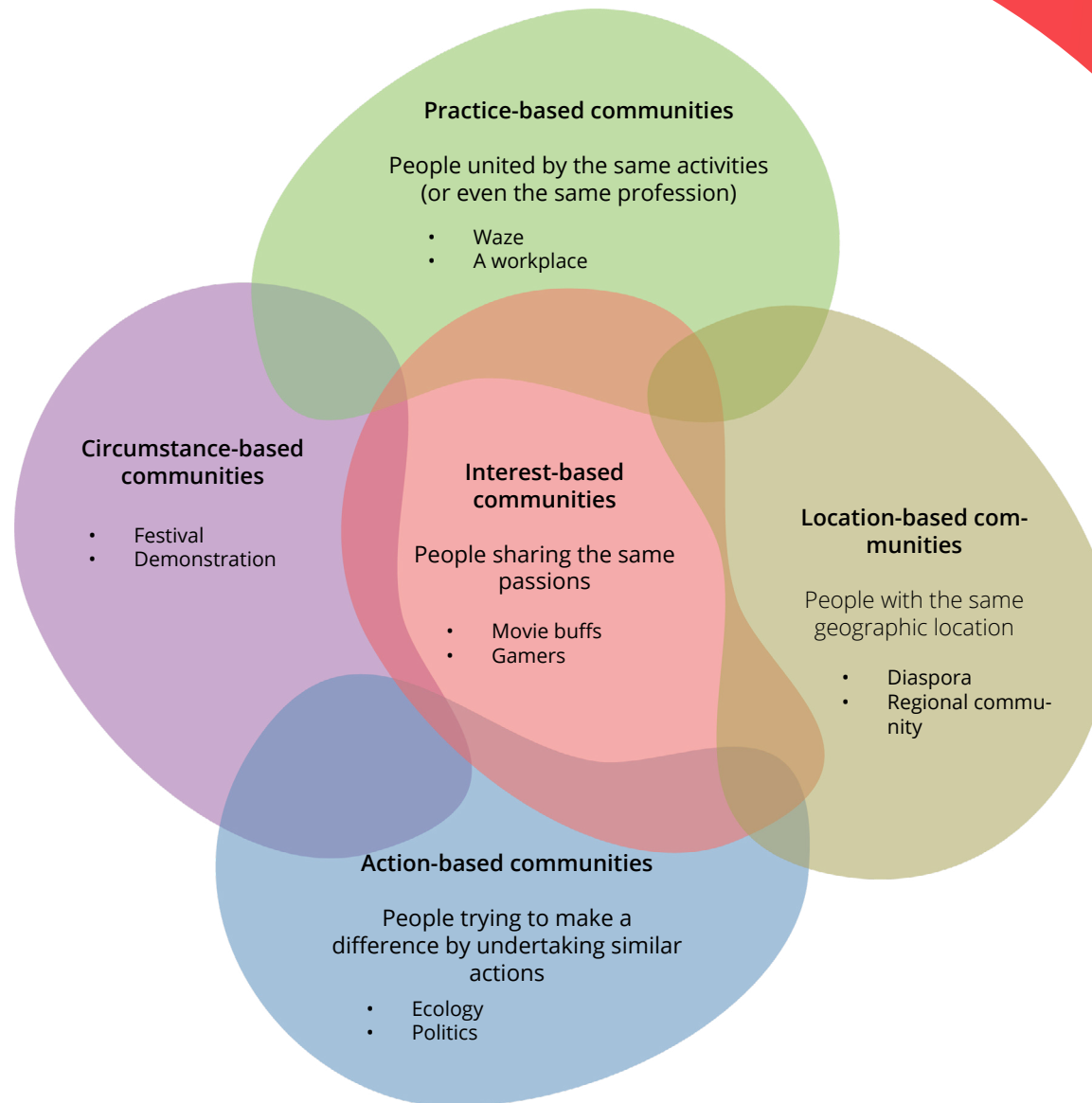
We are deeply tribal!

5 types of communities

Mankind has always had a compelling need to belong to communities. This need even seeks to be asserting itself.

You might think that you are less tribal than a Neanderthal. But are you? When our ancestors were devoted to a tribe for life, you join online tribes in one click. The modern man belongs to a wide span of communities, while constantly trying to fulfill a basic need: belonging!

How can a mobile operators bring more value to its customers? By identifying its target communities and adapting to its codes and values.



Interest-based communities:

People sharing the same passions

This is community type that is the easiest to apprehend and also the most commonly addressed by operators.

One of the biggest trend on the market is to include a content to the mobile subscription, generally linked to the user's passions: films with Netflix, sports with Sky Sports, books with Audible...

But those offers are quite generic and don't address a community per se. They remain mass offers. In fact, interest-based communities can be of smaller scale. For instance, some mobile offers are dedicated to a football club and its local fans. (football being one of the most striking examples of modern-day tribes). This is the case for many clubs in the form

of trademark licences (e.g. PSG) but also the FC Bayern in Germany (which went even further by becoming an MVNO).

Other original initiatives are worth mentioning. Take the example of BLU: a gaming app that offers you to play in order to earn phone credit. BLU targets the gaming community and adopts its codes to better serve it. Obviously, the gaming community is extremely appealing to the telecom industry! Gaming binds millions of users on the same platforms, with a high level of engagement. Above all, this tight-knit and globalised community is particularly demanding in terms of data, operators' new gold. Nevertheless, there is very few examples of mobile subscriptions tailored for gamers.





90%
of online
communities are
interest-based.

* Source: «Communauté de clients : Focus sur
la communauté d'intérêt»
- Potion social _2016



Examples

Interest-based community operators

N

Netflix Bundles

Netflix is not an operator yet, but... it may well become one, one day!

After decades where telecom operators tried to integrate content creation, it seems that they lost the battle. Netflix is now the main content provider to include in a multi-play offer.



FC Bayern Mobile: Germany - MVNO

Many mobile offers backed by sports clubs have emerged, but the German football king has gone further than anyone else. Rather than delegate a license to an MNO, the Bavarians have collaborated with Deutsche Telekom to create a real MVNO. Real champions!



Red Bull mobile: Austria - MVNO

The iconic bull brand has diversified into mobile offers for young Austrians. It uses its influencer network as a communication vector and its vast content to enrich its offer.

(<https://www.redbullmobile.at/>)



Blu mobile: France - MVNO / sub-brand of an MVNO

Blu is an initiative from French MVNO Pritel. Blu targets young people by leveraging their appeal for mobile gaming. The BLU app enables you to earn data, texts or calls over digital challenges and games. Engaging and refreshing.



Moja: Kenya - MVNO/IoT

Moja is an incredibly unique Kenyan start-up. Moja sets up wifi hotspots (based on a 3-4G SIM) in towns and villages, allowing everyone to connect to the moja network. On top of this, users will find specific Kenyan content available for free on the platform. An atypical and promising MVNO.

(www.brck.com/moja/)

Action-based communities

People trying to make a difference by undertaking similar actions

Consuming is engaging. Many consumers want to better control the impact of their purchases.

In this regard, cooperatives are a concrete way of controlling one's social and environmental footprint. This past decade, the cooperative movement has become increasingly prominent in telecoms.

There are compelling examples of mobile cooperatives across Europe: the Phone Co-op in the UK, Coop Mobile in Switzerland, Coop Voce in Italy or Belgium's youngest MVNO Neibo. These cooperatives can provide various IT services: landlines,

Internet access, mobile telephony... However, they usually start with the latter, given the light investments of the MVNO model.

These cooperatives redistribute their profits among their various projects and they advocate transparency. Cooperators are aware of the company's financial statements and they take part in its management.

Nowadays, the will of consumers is clear: they want to add meaning to their purchases by choosing brands that defend the same values than they do.



69%
of UK citizens
have donated to a
charity in 2016.

It is one of the highest scores in the world.
Other European countries stand out with a
66% in the NL and 67% in Norway.
Source: World giving index 2016 by CAF.



Examples

Action-based community operators



The Phone Coop: UK - MVNO

«The Phone Coop» is part of one of the UK's largest cooperative groups. It reinvests its profits in the responsible projects of its various branches. The Phone Co-op offers Internet access, landline and mobile telephony. It even offers energy thanks to its sister cooperative «Coop Energy». (www.thephone.coop)



Good: Germany - MVNO

This German-Austrian start-up invests 10% of your plan in the solidary project of your choice. In addition, 25% of their profits are also reinvested at the end of the year. (www.good.de)



Neibo: Belgium - MVNO

The newest Belgian MVNO is also a cooperative. Hosted on Orange's network, this project was initially built thanks to crowdfunding. The Belgian start-up aims to provide a complete telecom offer and has chosen to start with mobile telephony due to the low CAPEX of the MVNO model. (www.neibo.be)

Location-based communities

People with the same geographic location

This is one of the most natural communities. The first tribe, based on geographic ties.

From a telecom point of view, this community is pretty obvious. We no longer need to introduce the mobile market's many international phone operators: Lebara and Lyca mobile top the list. The primary role of telecoms is to link people to their close ones, and these operators contribute to this significantly by linking diasporas to their families in their native countries.

However, there are other operators based on geographic communities. Regional operators, such as Vialis in eastern France or Euskaltel in Spain's Basque Country, highlight a strong regional identity and local service.

These operators prove that it is possible to rethink telecoms at any scale (even small!), by integrating them to the local ecosystem.





One example of
location-based communities comes
from Amerindians who developed the
first telecommunication system:
smoke signals!

Examples

Location-based community operators

Lycamobile

Lycamobile: UK - MVNO

With a total turnover of €1.8 billion in 2015, Lycas is without a question the world leader in international calls. Addressing the many diasporas around the world, this London-based MVNO has established itself in over 20 countries. (www.lycamobile.com)

euskaltel

Euskaltel: Spain - MVNO

MVNO for the Spanish Basque community, Euskaltel offers a complete range of telecoms (landline, mobile, internet, TV) and boasts nearly 1 million customers. (www.euskaltel.com)

Vialis

Vialis: France - MVNO

Vialis is an excellent example of MVNOs based on a strong regional identity, in this case Alsace. Initially an energy supplier, Vialis has gradually diversified its portfolio to incorporate TV, landline and mobile via Legos. (www.vialis.tm.fr)

NetCologne

Netcologne: Germany - MVNO

On the other side of the Rhine, in Cologne, this operator also runs on «local» branding by offering internet access, landline and mobile telephony to individuals and businesses. (www.netcologne.de)

Practice-based communities

People united by the same activities
(or even the same profession)

Some communities tend to federate around a common habit or a common practice. A particularly powerful example is the Waze community, united around driving habits and the desire to save time.

In many cases, these communities are built around buying habits. In most countries, big retailers/discounters defend a simple cause («buy cheaper») and build a consistent customer community. This is why many of them have added mobile telephony to their offer, as it perfectly fits in their mission. Tesco Mobile in the United Kingdom, Leclerc Mobile (Réglo Mobile) in France, Aldi Talk in Germany, etc...

Banks, insurance companies and energy providers can also rely on their customers' loyalty to offer a mobile subscription. They generally leverage a simple advantage: being their customers' «unique contact point» for all of their needs. In the long run, could mobile telephony even be integrated loyalty programmes as a reward (in retail, hospitality, credit cards...)? Why not?

Let's close with the ultimate practice-based community. You go there daily: the workplace!

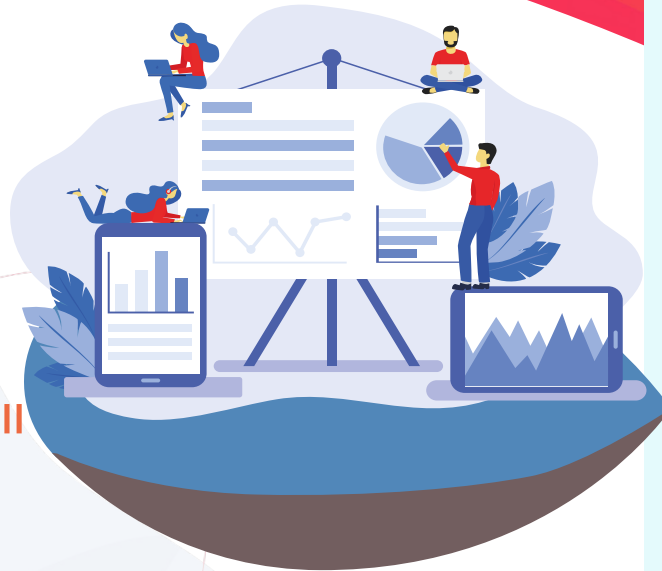
It is a fascinating example of community with a critical need to communicate. Yet, professional mobile offers are often exact copies of B2C offers and they remain very limited. Potentially, it can be an amazing playground for MVNOs.



46%

of the global workforce will
become mobile by 2022

Source: Sennheiser's « re-imagine the way
you work » study – 2019.



Examples

Practice-based community operators



Tesco Mobile: UK - MVNO

No need to introduce Tesco, one of the leading discount brands worldwide. Let us simply remind that Tesco's ambition is to offer as many products as possible at a reduced prices. This mission led to the creation of an MVNO in the UK in 2003. It now serves 5 million customers.

(www.tescomobile.com)



Aldi Talk: Germany - MVNO

Germany has many discount operators who have leveraged their customer base's loyalty. Aldi is a good example, with its 4 million mobile customers.

(www.alditalk.de)



Crédit Mutuel mobile: France - MVNO

Discount brands are not the only ones to bet on a community of loyal customers: many banks and insurance companies have chosen to offer mobile services to their customers, such as the Crédit Mutuel in France. (www.creditmutuel.fr)



Gamma: UK - MVNO B2B

Among all practice-based communities, the workplace is one of the strongest. A multitude of MVNOs offer mobiles plans for companies, such as Gamma in the UK or Legos in France.

(www.gamma.co.uk)

Circumstance-based communities

People united by the same event or situation.

The creation of a community can also be «opportunistic», in the sense that it can be created in response to a certain context: health, a condition, an event. It is the case for certain political or social movements, for instance. On a more trivial level, each music festival sees the creation of a small community with its own codes and beliefs.

We can also belong to a community by being immersed in a new context. For example, tourists and business travellers seek advice from their peers when they arrive at a new location and look for locally-priced products.

Operator Roam Mobility offers them SIM cards and local rates. Same concept for Brastel who offers roaming SIM cards to travellers passing through Japan.

Examples of mobile operators for the LGBT community are still rare but this is a clear example of circumstance-based community that could be relevant for mobile offers.



538

million international tourists
landed in the EU in 2018.

Source: World Tourism Organization -
Tourism Highlights 2018 Edition



Examples

Circumstance-based community operators

Roam Mobility: US - MVNO

roam

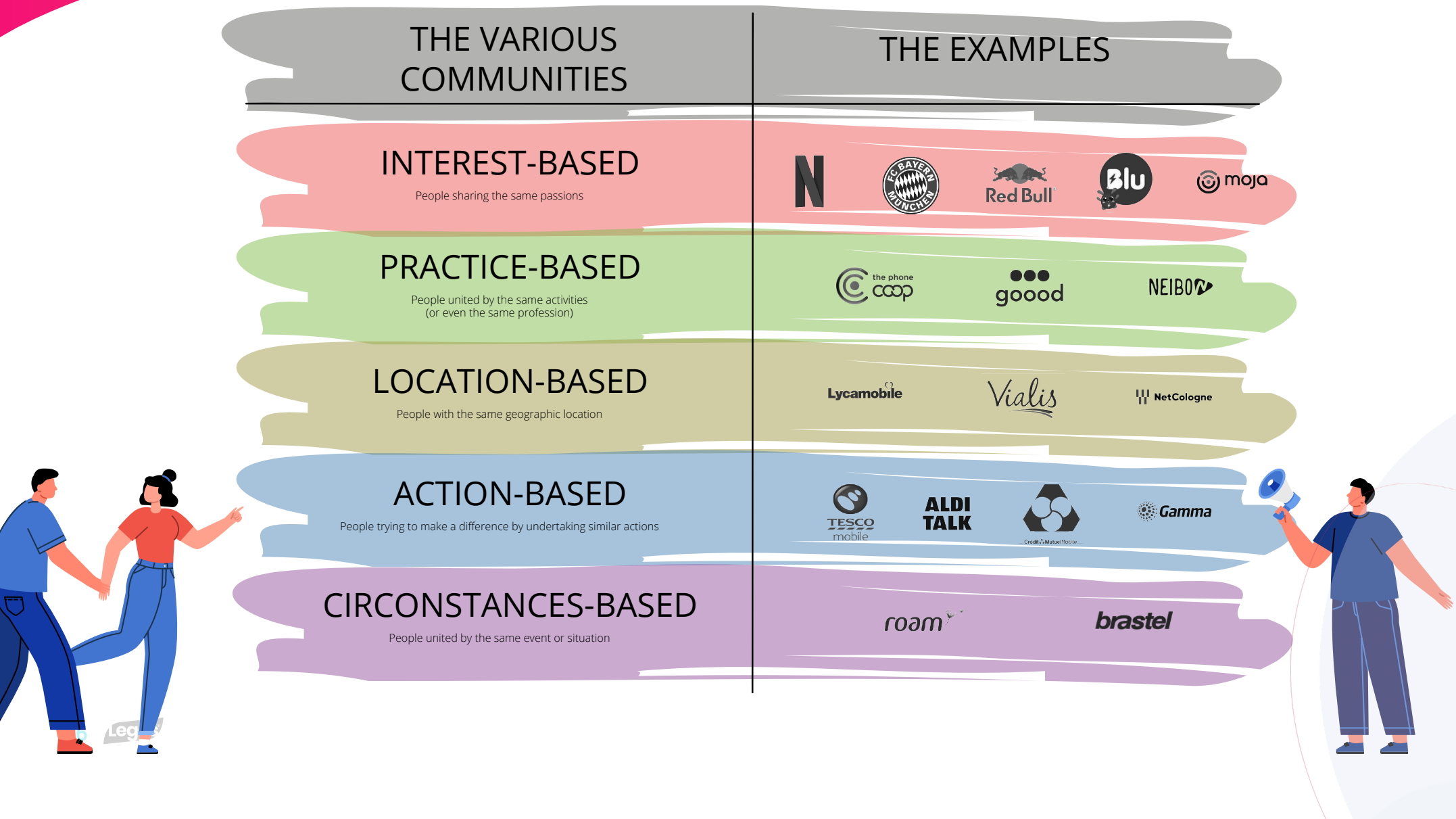
An operator dedicated to roaming in the US, Roam Mobility is willing to compete with the «tourist offers» of major brands.
(www.roammobility.com)

Brastel: Japan - MVNO

brastel

Similarly, this MVNO targets foreign tourists in Japan.
(www.brastel.com)

— Summary of the various communities





Tele-semantics:

The word telecommunications comes from the Greek prefix «tele» (τηλε-), meaning far, and the latin word «communicare» meaning to share.

Itself comes from «communis» meaning « common »

It is also the foundation of the word «communitas», a community.

Telecommunications: sharing in the community.

*LEGOS = «I said»
in ancient Greek*



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