

Building a successful pitch to secure your preferred mobile operator



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The background of the slide is a nighttime photograph of a city skyline, likely New York City, with several skyscrapers illuminated. A curved white line separates the image from the text area on the right.

Building a successful MNO Pitch

Prepared for: MVNOs World Congress Masterclasses
By: Graystone Strategy

Introduction to your course leaders

Telecoms professionals with over 60 years combined experience in telecoms and MVNO



James Gray – Managing Director Graystone Strategy

James is an experienced commentator and advisor in the MVNO and telecoms industry with over 30 years experience working in commercial and marketing C-level roles at operators and MVNOs.

He has worked with MVNOs globally including clients in Kenya, Somalia, Mexico, Greece, Nigeria as well as the UK, Channel Islands and Ireland. Recently James has worked with a retail MVNO that has been licensed as part of a regulatory remedy to a merger of network operators.

James is a Fellow of the Chartered Institute of Marketing & The Institute of Direct and Digital Marketing.



Erick O'Connor – Associate Director Graystone Strategy

Erick is an experienced advisor to companies and governments on commercial and telecoms strategy.

He previously held senior management positions at Motorola's global GSM Infrastructure group as well as at Inktomi. In 2002 co-founded and raised funding for DotDash, the first pan-European MVNO to address corporate customers. Recently Erick has worked as an advisor to HM Government on the Emergency Services Network in the UK..

Erick holds an MBA from the University of Bath and a BSc (Hons) from City University in Electrical & Electronic Engineering.

Graystone Strategy has global experience

Working with clients across the telecoms ecosystem



Today's masterclass will give you insights on the following areas

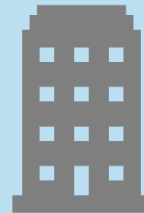
To better target today's session please let us know a bit about you

Agenda

- Why MNOs partner with MVNOs
- How to prepare for an MNO Pitch
- How MNOs assess MVNOs
- The perfect pitch
- Getting the numbers right



➤ Your name?



➤ Your company and your role



➤ Your MVNO journey so far.

Why do MNOs partner with MVNOs?

Shout out your answers.



Monetise spare capacity

Strategic decision to monetise spare network capacity to drive greater return on capital invested in the network



Regulatory Pressure

Reactive decision normally based upon local regulatory strategy, sometimes this is linked to mergers, new technologies or new spectrum



Drive Margin Growth

Strategic decision to grow customers in the higher margin (lower costs to acquire) wholesale business. Usually linked to other reasons to partner



Target new Verticals

Target new market verticals. For example, targeting business customers or IoT if the MNO is traditionally weak in this area



Target new Segments

Target new customer segments where the existing brand does not play well, for example youth, ethical, low cost, premium service etc



Prisoners Dilemma

Reactive decision to partner with an MVNO likely to achieve scale to ensure that they do not partner with a competitor



Do not rush into MNO meetings

Only engage with an MNO when you are fully prepared. You will only get one chance to impress them.

Prepare for each MNO meeting

Ensure that you undertake all this preparation before you engage with your MNO. Failing to do so will significantly reduce your chances of the optimum commercial outcome.



Research their strategy

To understand overall direction, ambition for growth and any specific target markets or opportunities



Market Analysis

Know the size of the market, market shares, acquisitions, your TAM and have realistic market-based growth forecasts



Research who you are meeting

Use LinkedIn to understand more about who you are meeting. Experience, role and what they post about



Differentiated Proposition

Understand what your proposition will be, why it's different and customer need it fulfils



Clear benefits to the MNO

Have concise arguments on why this benefits the MNO, incremental customers, new markets etc.



Know what you need

Understand what you need them to provide to make you successful both technically and commercially



Business plan and forecast

Do not attend any meetings without a credible financially sound business plan



Competent team

Demonstrate your competence through all the above and the quality of your presentation

Here is what Wholesale Directors said about pitches

What works and what doesn't!

“

It scares me how many MVNOs come to pitch without knowing their numbers and business case.

“

I know a pitch is not going to be great if they start with the technical solution rather than the market for their proposition.

“

The worst pitches focus on technology and have no idea of how to launch or deliver value for themselves, their customers or the host operator.

“

A great pitch clearly articulates a problem they are solving for customers, a punchy communication and a robust business plan to back it up.

“

The best pitches focus on the unique elements of the product and why it will be successful. Solving the technology and commercials is far more straightforward if we are all bought into the same idea.

“

Whilst “numbers” are interesting the logic behind them is what really matters, every pitch should detail the assumptions that have been used.

Operators assess new MVNO pitches against these criteria

A prospective MVNO won't need to demonstrate all of these, but the more you have the better

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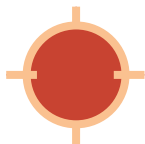
...end-user proposition
& go-to-market
approach



A trusted brand that can
gain permission to play in
mobile



Strong distribution network,
with access to target
customers



... or a large existing customer
base to cross sell mobile to



Innovative products giving
differentiation versus the
competition

2

...business model &
wholesale commercials are
realistic



Demonstrable strategy &
obvious fit with mobile



Approved budget &
funding for the MVNO
long term



Credible & committed forecast
that shows ambition & market
understanding



A clear idea of what is needed
commercially from the partner
mobile operator

3

...operational, technical,
regulatory & timescale
requirements defined



A clear idea of what is needed
technically & operationally






Known timescales & clarity on
responsibilities between the
parties



Proven knowledge &
experience in the telecoms
market or ability to buy-in




MNOs will seek to qualify MVNOs in or out quickly

But the end-to-end commercial process is measured in months

 Qualification 30 minutes	 Pitch 60-90 minutes	 Workshops Several detailed meetings	 Heads of Terms 2 weeks to agree	 Contract 3 Months
Call with the wholesale team, likely to be one of the business development or account managers	Face to Face with wholesale leadership. A critical meeting to excite the wholesale team	Detailed discussions to understand technical models and resultant commercial pricing	Framework agreement to highlight key contractual and commercial elements	Although there will be template agreements contract negotiations, schedule writing is a lengthy and iterative process
MNOs Objective Understand details about the potential MVNO. Decide if this is an opportunity to engage directly, via an MVNA or reject	MNOs Objective To understand in detail the scope and scale of the opportunity whilst assessing if it fulfils the strategic success criteria	MNOs Objective Build internal understanding of technical and commercial requirements	MNOs Objective To secure an exclusive period for negotiations. Remove competition	MNOs Objective To secure a contract that fits with their standard agreed template and working practices
MVNOs Objective Give a strong elevator pitch and move through the process	MVNOs Objective Deliver a solid pitch with key detail, but not too much detail!	MVNOs Objective Give clarity on what is required both technically and commercially	MVNOs Objective Clarity on key legal terms. Maintain a BATNA even if you pause with other MNOs for a period	MVNOs Objective Ensure critical commercial & technical success factors are achieved whilst minimising risk
Outcomes Sign NDA Provide indicative forecast Referred or rejected	Outcomes Invitation to discuss further Request for extra detail Referred or rejected	Outcomes Indicative rates & timelines High level architecture or agreed technical product	Outcomes Legal Heads of Terms or MOU	Outcomes An MVNO contract for 3-5 years




10 Key components for your MNO pitch deck

This would be deployed in your face-to-face meeting with network operators

 <p>Slide 1 Strategic Vision</p>	<ul style="list-style-type: none"> • Outline your strategic vision • Highlight your points of differentiation • Demonstrate the unsolved needs that you address for your target customer • The objective is to grab the MNOs attention early and get them leaning forward!
 <p>Slide 2 Target Customers</p>	<ul style="list-style-type: none"> • Who are your primary and secondary target customers • How many customers are in these segments • Expand on why your proposition is appealing to these customers • Demonstrate you know how to market to and acquire these customers
 <p>Slide 3 Customer Insight</p>	<ul style="list-style-type: none"> • Use primary research to show your understanding of the customers • Demonstrate the appeal of the offer to support your growth assumptions • Share detailed segmentation data to prove connections are incremental • If primary research is not available use trusted market sources

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 <p>Slide 4 Proposition</p>	<ul style="list-style-type: none"> • Outline your customer offer • Referencing insights highlight how this is different and appealing • Reiterate your points of differentiation whether that's offer, channel, marketing etc. • Highlight any unique technical requirements of the MNO to deliver the offer
 <p>Slide 5 Numbers</p>	<ul style="list-style-type: none"> • Reiterate the total addressable market that you will be attacking • Demonstrate the reach you have into this market, any key assumptions about category share etc. • Give indicative growth numbers but don't overcommit • Any numbers must be based on realistic and costed assumptions
 <p>Slide 6 Technology</p>	<ul style="list-style-type: none"> • Any specific MNO capabilities you need • Highlight your proposed high-level architecture • Be clear on what you need from the MNO (5G, number ranges, managed roaming)

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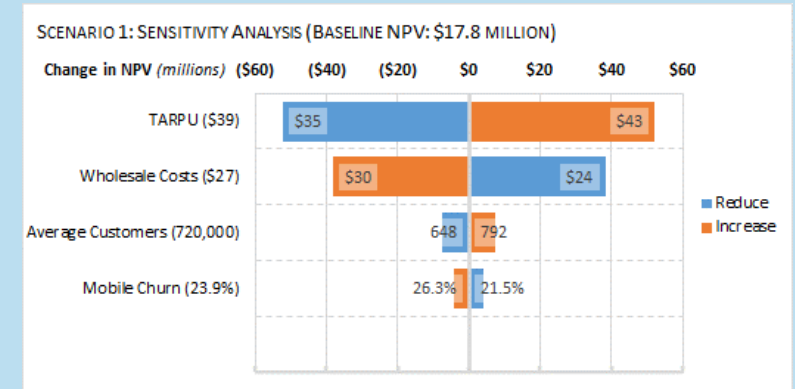
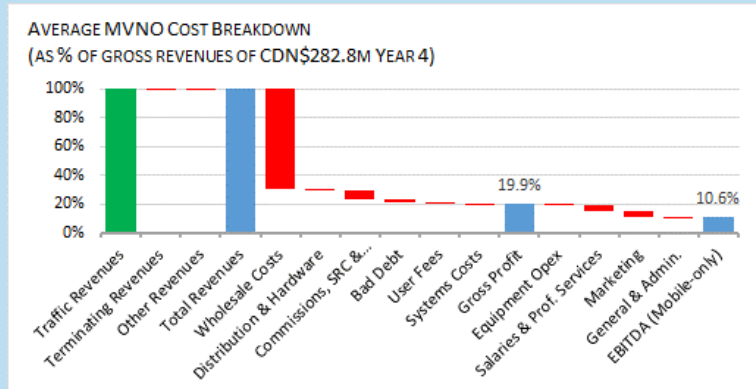
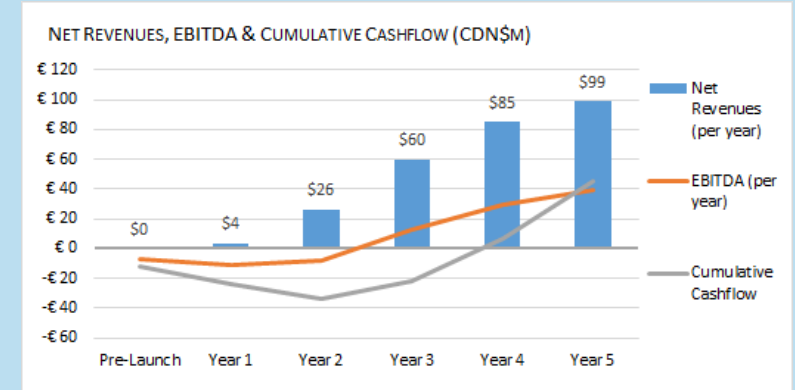
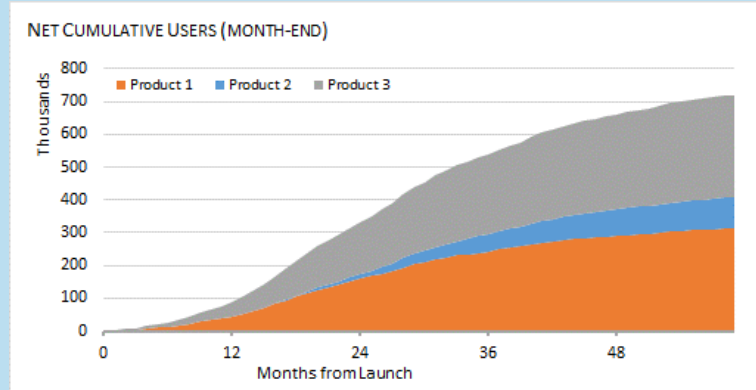
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 Slide 7 Commercial	<ul style="list-style-type: none"> • Outline your key commercial asks to deliver this value to the MNO • If there are specific wholesale models you need table them now • Set out any key assumptions you have around gross traffic margin (realistic) • Be confident about the benefits this brings to the MNO but not arrogant
 Slide 8 Team Credibility	<ul style="list-style-type: none"> • Now you have their interest you need to prove you can deliver • Highlight key experience in the team • Explain investors or how this will be funded • If you lack experience bring in experts to support you
 Slide 9 Timeline	<ul style="list-style-type: none"> • Show your timeline and key assumptions (be realistic) • If you are running an RFP highlight the process you will follow • Identify any critical launch milestones
 Slide 10 Next Steps	<ul style="list-style-type: none"> • Ask for immediate feedback and questions • Ask about their decision-making process • Aim to agree a follow up meeting to move things forward

Financial Model

Before engaging an MNO, build a detailed financial model that allows you to understand the key margin and cost drivers

- You would not share all this detail initially with the MNO, but having a detailed model will allow you to understand what metrics are critical to your plan
- Inputs from the customer types, usage profiles and propositions will drive the key financial KPIs
- Vendor and wholesale costs as well as the marketing, customer care costs are also important metrics
- When we build a model for customers it allows "Tornado Analysis" to identify potential risk



More than just training

We offer an end-to-end consultancy service for our clients



MNO engagement & negotiations



Ideation & proposition development



MVNO board advisory



Technology & procurement strategy



Business & commercial strategy



Customer research & segmentation



Go to market & project delivery



Business planning & modelling

Please take 2 minutes to give us feedback.

This allows us to continually improve our course content and delivery.

2-minute course evaluation survey



Thank you for your feedback and participation.



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