



BT connects broadband subscribers to On-the-go WiFi and monetizes their national WiFi network

Case Study

Introduction

BT is the top telecommunications operator in UK, with more than 7,6 million fixed broadband subscribers (32% market share) and 34% mobile market share through the acquisition of EE.

Back in 2008 BT was not yet a convergent operator but the fixed line incumbent seeking for innovative and transformational propositions that would eventually lead to convergence. In this way, BT decided to put its focus on delivering WiFi services pursuing the following goals:

- Differentiate, by complementing customer's broadband proposition with seamless WiFi access when they are out-and-about.
- Meet increased connectivity demands from foreign visitors, providing them with WiFi access in a pay-per-access approach.
- Renew its brand image, to be perceived as innovative "first mover".

Business Case

BT approached two distinct user segments, each of them with a differentiated proposition.

Broadband subscribers

Broadband customers, could enjoy seamless WiFi access outside the home free of charge using BT connectivity App; in return they had to share a bit of their home broadband access.

Great coverage was achieved in short time, "share&connect" was the default setting for new subscribers, reaching high adoption rates.

Key Achievements

- Over 700k active users per month
- Significant churn reduction amongst active WiFi users
- WiFi is stated as one of the primary reason for joining BT's broadband proposition
- ~5.5 million hotspots deployed, making it the largest network in the UK.
- Innovative brand recognition (BT&Fon won 2008 wireless broadband innovation award)



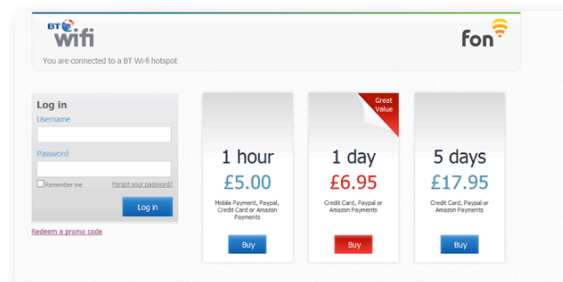
Why Fon

- Fon provides BT with the WiFi Services and knowledge needed to achieve the business results required.
- Fon is a trusted service provider for telcos, granting superior level of service and experience managing hotspot services
- By partnering with Fon, which is worldwide acknowledged as a WiFi innovative pioneer, BT was able to shift their own brand recognition from the traditional incumbent to leading-edge first movers.

Occasional WiFi customers

BT also has been very successful capitalizing WiFi with the non-customer base, selling access to users through all their hotspots.

The 34 million foreign tourists that yearly visit the UK often need casual Internet connectivity. BT owns WiFi access points blanketing the vast majority of UK's territory, placing them in a privileged position to profit from providing this occasional connectivity.



BT has also leveraged the opportunity to target those competitor's customers, that had an occasional need for WiFi, with broadband offers through their hotspots.

Key Achievements

- Tens of thousands of daily passes sold per month,
- More than 10% of buying customers in current month will repeat on following month
- Over 6GB average monthly data usage per customer