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# 5 Types of Successful Telecom Marketing Strategies

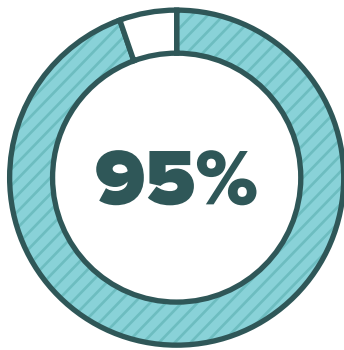
WHITE PAPER

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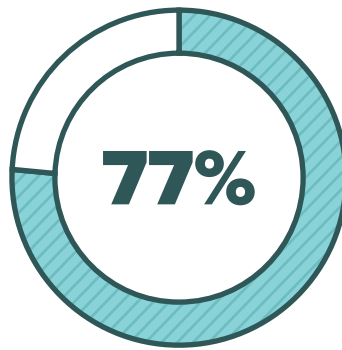
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# Introduction

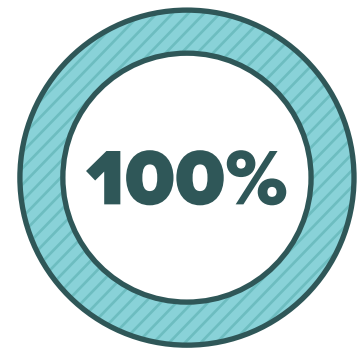
The broad majority of consumers and companies use telecommunications products every day, and that's why creating marketing strategies that capitalize on this fact is a matter of survival. Consider the market penetration of cellphones, and smartphones in particular:



of Americans own a cellphone.



of Americans own a smartphone.



of consumers aged 18 to 29 have cellphones.  
(94% have smartphones)



Given the growing usage, and even dependence, of telecom services, these companies' target audiences are wide-reaching and quite diverse. Thus, telecom companies are tasked with creating marketing strategies that appeal to many potential consumers and solve a plethora of challenges.

Here are some tried and true types of marketing strategies that have brought telecommunications success:

# Analytical marketing: How Turkcell reduced their sales cycle from weeks to days

There are an enormous number of solutions telecommunications companies can provide, but most customers are only interested in a select few. **Analytical marketing is the practice of using customer data to identify which consumers will most likely benefit from which products.** This involves using consumer information to create microsegments, or personas that describe smaller sets of customers rather than large, big-picture details. It also includes detecting specific behaviors that prompt a new product offer, such as suggesting an international data plan to a customer who frequently sends texts to friends in other countries.

The first step in leveraging analytical marketing is to **gather data**. Companies need to strike a balance between obtaining high-quality, comprehensive information and maintaining trust with the consumer.

With the increasing capabilities for data mining, consumers have become protective of their personal information.

Shady practices like obtaining and using data without notifying the customer, or selling and buying information from third-party sources have left consumers scarred and wary.

Ironically, consumers also become frustrated when they perceive companies to not have a good understanding of their needs or offer random products rather than relevant ones. This complex dynamic means telecom businesses must gather high-quality information, but use it in a responsible, transparent way.



Analytical marketing is the practice of using customer data to identify which consumers will most likely benefit from which products.

A 2011 marketing campaign completed by Turkcell, an Istanbul-based cellphone provider, demonstrated the successful use of consumer data. The company began reviewing customer data in real time, allowing them to better identify individuals' needs at that time. As a result, they were able to shorten their marketing cycle from several weeks to several days and increase revenue by **\$15 million** that year, according to a Strategy& report from PwC.



Turkcell pulled this off nearly a decade ago! But shortening sales cycles is a timeless goal, and one that **every organization should be pursuing.**

## **Customer experience: How a Hong Kong telco slashed high-revenue customer complaints 47%**

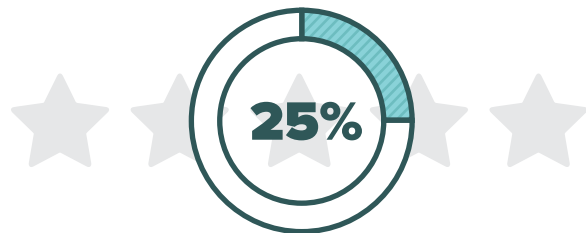
One of the biggest hurdles telecommunications marketing departments must clear is the industry's reputation for poor customer service and user experience. One 2015 survey found that respondents perceived communications companies to have worse customer service failures than any other industry.

Customer satisfaction benchmarks for sectors within the telecommunications industry are **among the lowest rated**, with internet service providers and subscription television services scoring 62s in the 2018 American Customer Satisfaction Index report.

Overcoming the industry's bad reputation is critical for marketing strategies to succeed.



If the customer doesn't believe they'll have a positive experience, the consumer engagement process is much more difficult. As such, many telecom companies are beginning to invest in an improved customer experience.



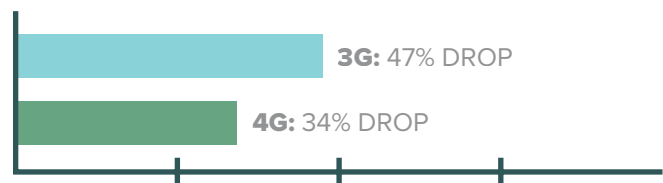
A survey conducted by Ovum and Adobe found that **25 percent** of telecom marketers said the most important way they plan to counter competitor threats and rising expectations is to improve the customer experience, more than any other method. There are numerous approaches for improving the customer experience — namely because there are so many ways for companies to go wrong.

One way to provide a better experience is to anticipate problems such as network outages. A company in Hong Kong long struggled with identifying the source of outages in a timely manner.

The company invested in their engineering capabilities so they could reduce the time it took to identify an outage from about three hours to 30 minutes. This allowed them to respond to outages promptly. Additionally, when

they identified a potential outage that seemed unavoidable, they proactively reached out to customers to let them know that service may be spotty, but their technicians were already able to work out the issue. As a result, high-revenue customer complaints dropped **47 percent and 34 percent** for 3G and 4G networks, respectively, and their customer retention improved greatly.

The telecom space is increasingly becoming more competitive, which means consumers have options. Consider Verizon, for example; this big-name provider admitted in early 2017 that, for the first time ever, it was losing customers faster than it was bringing people in. Reintroducing the popular unlimited data plan helped keep customers to some degree, but the company, like many others in the telecom space, will have to **think outside the box** for customer retention and acquisition. Companies that strive to improve the overall consumer experience will likely find it much easier to retain loyal customers.



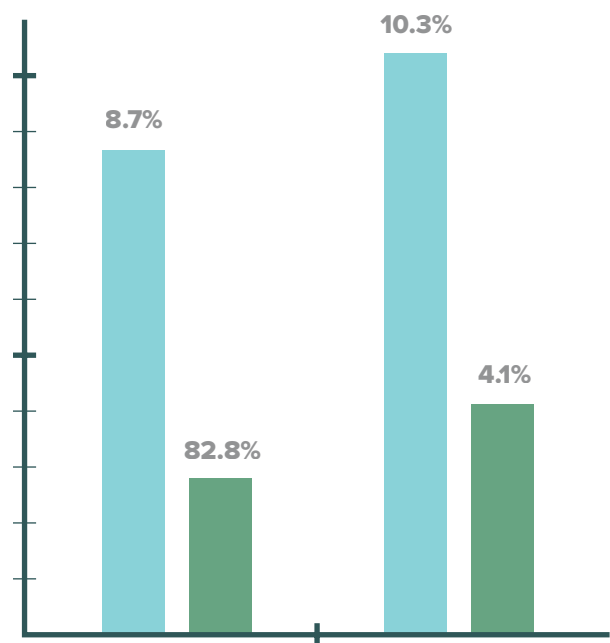
High-revenue customer complaints dropped 47 percent and 34 percent for 3G and 4G networks.

# Content marketing: How Virgin Mobile targeted younger audiences with a BuzzFeed-esque news hub

Providing the type of content that a target audience actually wants to read is a great way to stoke customer engagement. That was Virgin Mobile's idea when they partnered with BuzzFeed, which frequently produces popular content aimed at a young demographic.

In an effort to capture consumers in the 18- to 24-year-old age range, the telecom company created its own news hub called VirginMobileFeed and staffed it with a BuzzFeed-trained editorial team. The hub frequently features content, video and links to Virgin's social channels to entertain this younger demographic.

The fun-forward strategy captures customer attention and builds a sense of friendliness that serves to improve its brand image. A study of the initiative found that **8.7 percent** of respondents who had interacted with the provider's content felt Virgin Mobile was a brand that understood them and the things they like, compared to just **2.8 percent** of people who hadn't. Further, **10.3 percent** of those exposed to the initiative were considering Virgin Mobile for their next phone, while **4.1 percent** of those who weren't said the same.



Of course, not all consumers are interested in content following the stylings of BuzzFeed, which means telecom companies need to take into consideration the pain points of all their current and potential customers. A content marketing strategy that includes assets that answer consumer questions and solves common problems shows that the company can be a helpful partner.

# Video marketing: How China Telecom gobbled up 20% of video subscription market share and gained 2 million new subscribers

When Verizon chose to invest in video for its product pages, the company saw an **increase in viewer conversions in addition to reduced call center volumes**. In other words, the videos helped consumers understand the product better and created a more intuitive and seamless experience.

Samsung has also embraced video, but focuses their efforts on creating memorable commercials that highlight the differentiating features of its phones compared to its main competitor, Apple. In videos that they promote on YouTube, they demonstrate the pain points that switching to Samsung can solve, like waiting in long lines at retail locations and software glitches.



Within two years, China Telecom gained 2 million new subscribers, and today holds claim to about one-fifth of the video subscription market share.

Product promotion and explanation aren't the only ways video can serve to entice consumers. Telecom companies that create their own video services can also bring in new customers and engage existing ones.

That's just what China Telecom did with the launch of a video streaming service in 2014. The service included a library of movies and other content, and focused on the user experience through sharp picture quality, high video-coding standards and updated technology. Within two years, the company gained **2 million new subscribers**, and today holds claim to about **one-fifth** of the video subscription market share, according to a report from IHS Markit.



# Product differentiation: How Telstra increased customer satisfaction 17% with simple one-pagers

Product complexity and dissatisfaction are key issues for many telecommunications companies. A 2017 survey found that **one-third** of respondents didn't know how to classify their internet speed, and many who believed they did answered the question incorrectly.

Vague and somewhat meaningless product names like “turbo” and “ultra” don't provide clarity, either. Tackling this issue can help improve satisfaction because customers may begin to view the telecom company they use as being more transparent and honest about services (even if it already was).

Australian company Telstra did this through providing one-pagers describing in clear, simple language the product packages the customer purchased. Within just a few months, the company saw a **17 percent** increase in satisfaction.



Telstra saw a 17 percent increase in satisfaction .

Confusing products and titles can be a detriment to the consumer experience, but so can products that don't meet expectations. Understanding consumer needs can help brands create offerings that satisfy their customers.

Highlighting the benefits of the products available through marketing is essential in standing out from the crowd. Adding features, such as Virgin Mobile's entertainment hub or China Telecom's video streaming service can also capture attention.



# Mix and match marketing activities to achieve success

Marketing in the telecommunications industry must be an all-inclusive effort that begins with a sound understanding of who your target customers are (and there likely will be many categories here), what they need and how they get their information. Each of these five marketing tactics can work together and support success.

For example, your analytical marketing can help inform methods like product differentiation, and video marketing can improve the overall customer experience. In the end, establishing feelings of trust and reliability will help to generate happy customers who are more likely to be loyal to your brand.



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