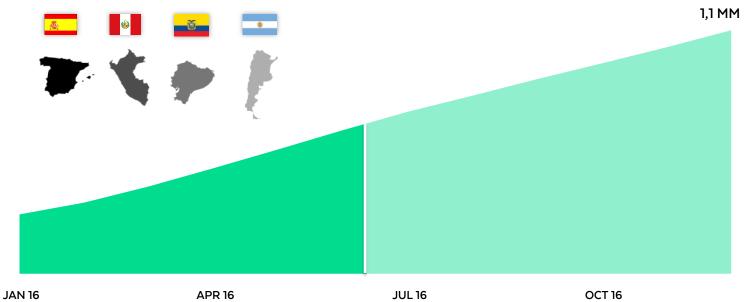
Dtuenti

MVNO'S INTERNATIONALIZATION: TUENTI'S EXPERIENCE

Sebas Muriel (CEO TUENTI) 22/06/2016

Internationalization & digitalization

• <u>We are growing the first global digital telco</u>: we are currently operating in Spain, Ecuador, Perú and Argentina)



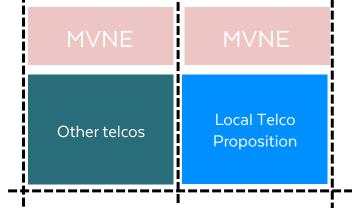


A global digital telco: the telco of the future

- We develop once and scale fast in order to gain critial mass rapidly and global reach.
- We benefit from <u>economies of scale</u> by leveraging the same top-notch OTT platform across all countries in which we operate.
- R&D made in our core can be <u>distributed among several operations</u> thus being more efficient and scalable.
- We not just offer differential digital services but we develop them as a truly digital company, by designing, launching, iterating and <u>recurrently improving our products</u>.
- <u>Time-to-market is reduced drastically</u> (we are launching a new country in Q4-2016, less than three months to go live with all features vs +1 year at the begining).

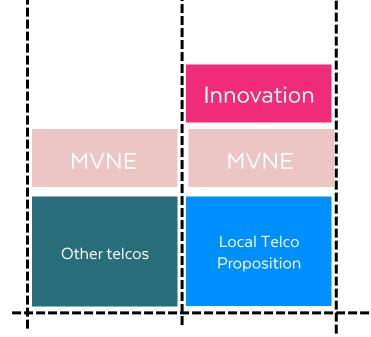


The path of the Telco-OTT business model



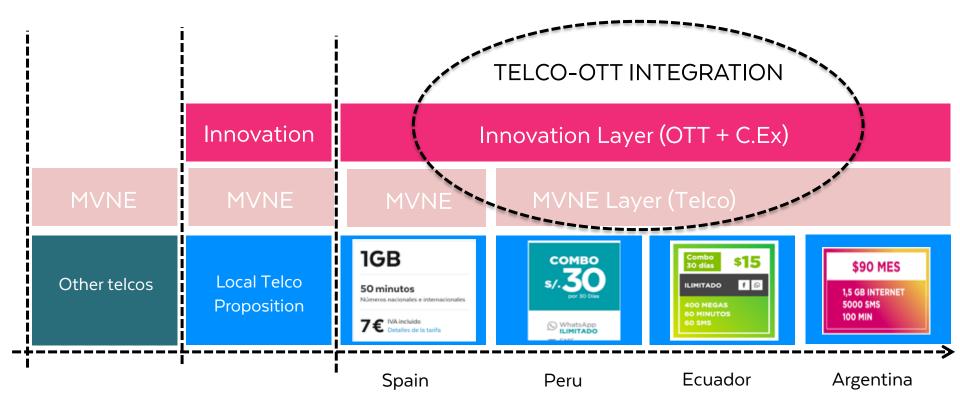


The path of the Telco-OTT business model





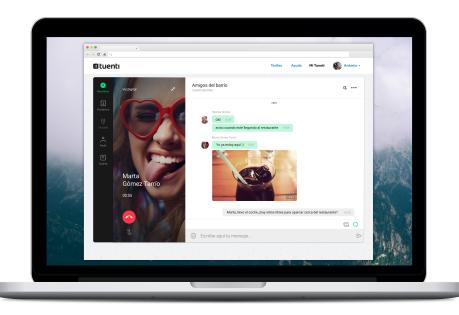
The path of the Telco-OTT business model





Innovating in the core of the Telco

 Tuenti provides an <u>end-to-end digital experience through an OTT innovation layer</u> (cloudphone, IP Comms, account mgmt & support chat), that increases customers' engagement with the brand.







Tuenti: an innovation driven operator

7/1



APP2APP & VOZDIGITAL

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ACCOUNT MGMT, TOP-UP, IN-APP PAYMENTS



INCOMING CALLS







MR. TUENTI, CUSTOMER CARE CHAT



CLOUDPHONE, MULTIDEVIDEVICE

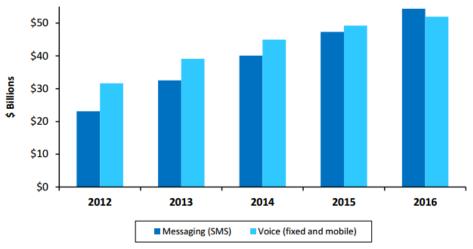


CLOUD CONTACTS & MGM



Why are we doing this on the OTT layer?

- Operators see OTTs (VoIP & messaging providers) as <u>their fiercest competitors</u> <u>in 2016</u>, scoring 4.02 on a scale of 1 to 5 (source: OPENET)
- OTT Apps are putting Operators' revenues under pressure & risk

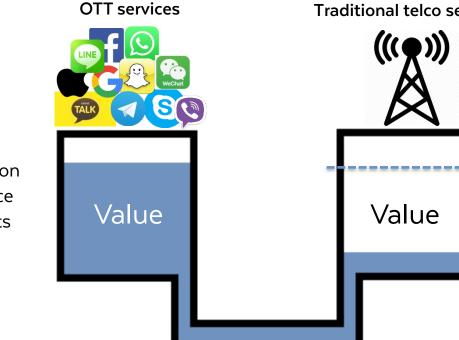


Worldwide operator revenues lost to OTT Apps

Source: Ovum, Cartesian



Value is there, ...but it is moving away



Traditional telco services

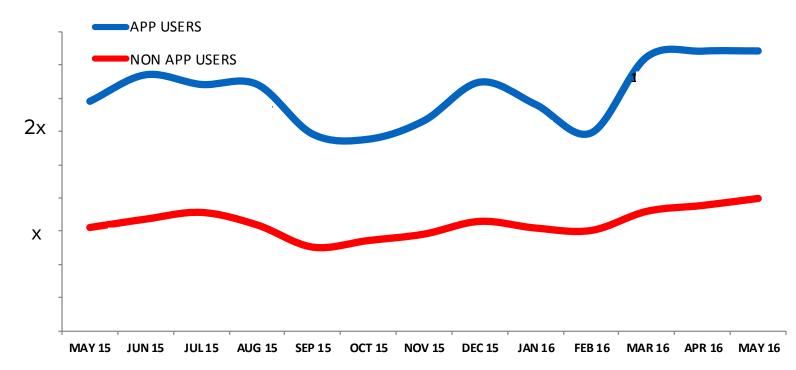
Low value perception Higher price Commoditization High regulation Local



High value perception Free or reduced price High network effects Low regulation Global

Customer value

Digital product usage increases Customer Value (better churn & higher ARPU)





Summary

• Higher engagement results not only in better customer satisfaction, but also higher customer value (better churn and ARPU)

• Levering our platform and own OTT IP comms technology is allowing us to grow faster in different markets

• Design, launch, learn, improve, iterate

