

*Quicktake*

 FTIDELTA™



# Fixed Mobile Convergence in South East Asia

**Challenges and opportunities for  
Mobile Network Operators**

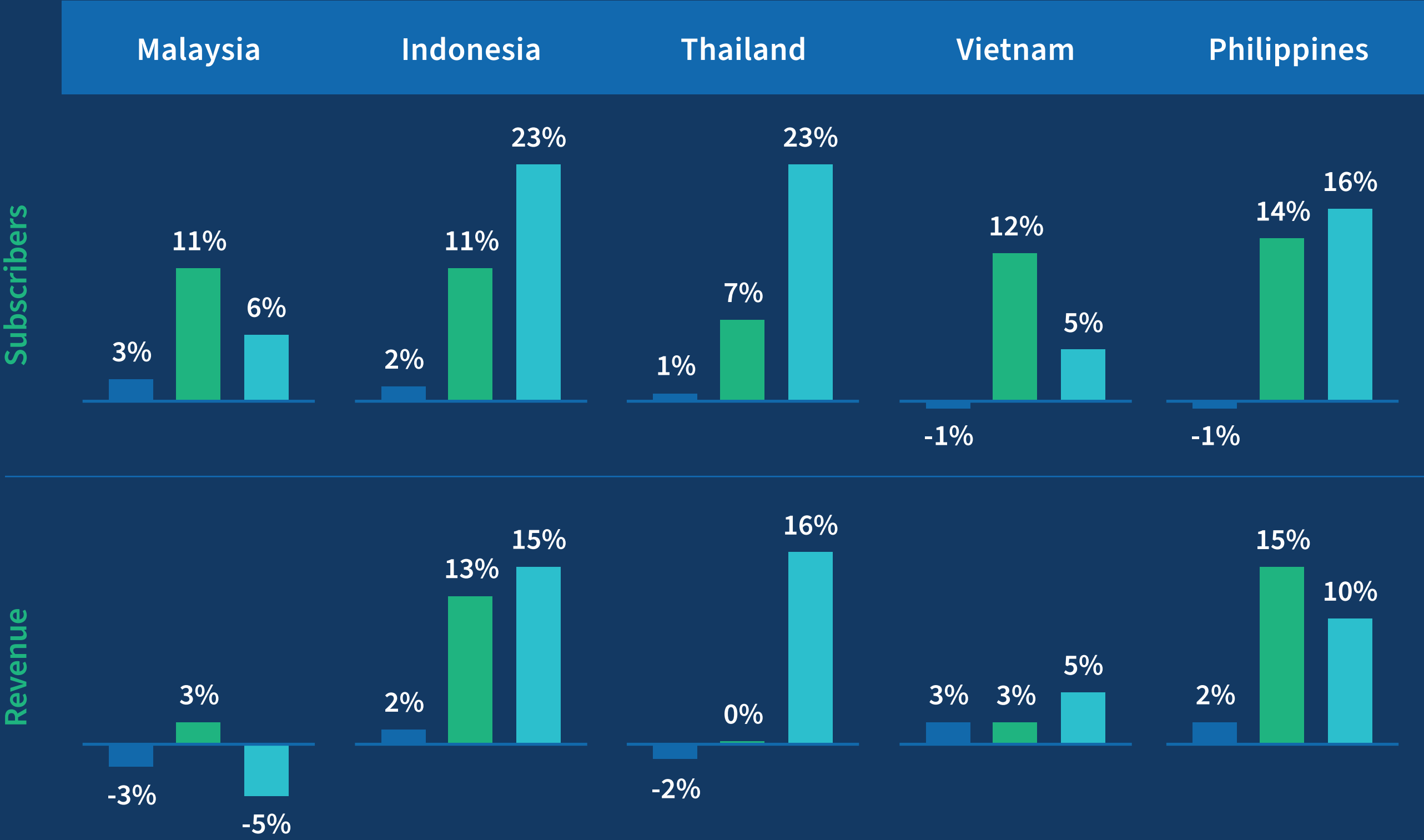
# In most cases, fixed broadband (FBB) and paid content services are growing faster than mobile services in key ASEAN markets

## GROWTH OF MOBILE VS. FBB AND PAID CONTENT

### 5-year CAGR (2018-2023)

Excludes Advertising-based Video on Demand (AVOD) with zero subscription fees

Mobile FBB Paid Content



Sources: Omdia, FTI Delta analysis

# Our consumer research indicates potential opportunities for such MNOs (“challengers”) in both FBB and paid content businesses

## FBB OPPORTUNITY

### Greenfield Opportunity

40% **Non-FBB** users are likely to **sign up** within 1 year

54% FBB signup due to **increasing internet needs**

### Opportunity with Existing FBB Customers

40% Likely to **switch away** from current FBB provider

OF WHICH

90% Open to **bundling** FBB with their current **MNO**

TOP 3 REASONS FOR SWITCHING:

1. Faster internet **speed**
2. Better **value** for money
3. More **reliable** internet

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## PAID CONTENT OPPORTUNITY

### Greenfield Opportunity

50% Current pay TV plans are too **expensive** / poor value for money

37% Current pay TV content is **not appealing**

### Opportunity with Existing FBB Customers

23% Dissatisfied/neutral on their current pay TV provider

76% Open to **bundling** pay TV with their current **telco**

PREREQUISITES TO ENTICING BUNDLING OF PAID CONTENT:

1. **DISCOUNTS** on premium content
2. **SATISFACTION** with existing FBB service

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Note: Data is aggregated from respondents in Malaysia (n=521) and Indonesia (n=528) responded to identical survey

Sources: FTI Delta TMT Customer Survey - Malaysia & Indonesia (Dec 2023 - Jan 2024), FTI Delta analysis

# In order to succeed, MNOs need to first establish their credibility as reliable FBB providers with competitive FBB speeds!

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## DECISION DRIVERS FOR SELECTING AN FBB PROVIDER



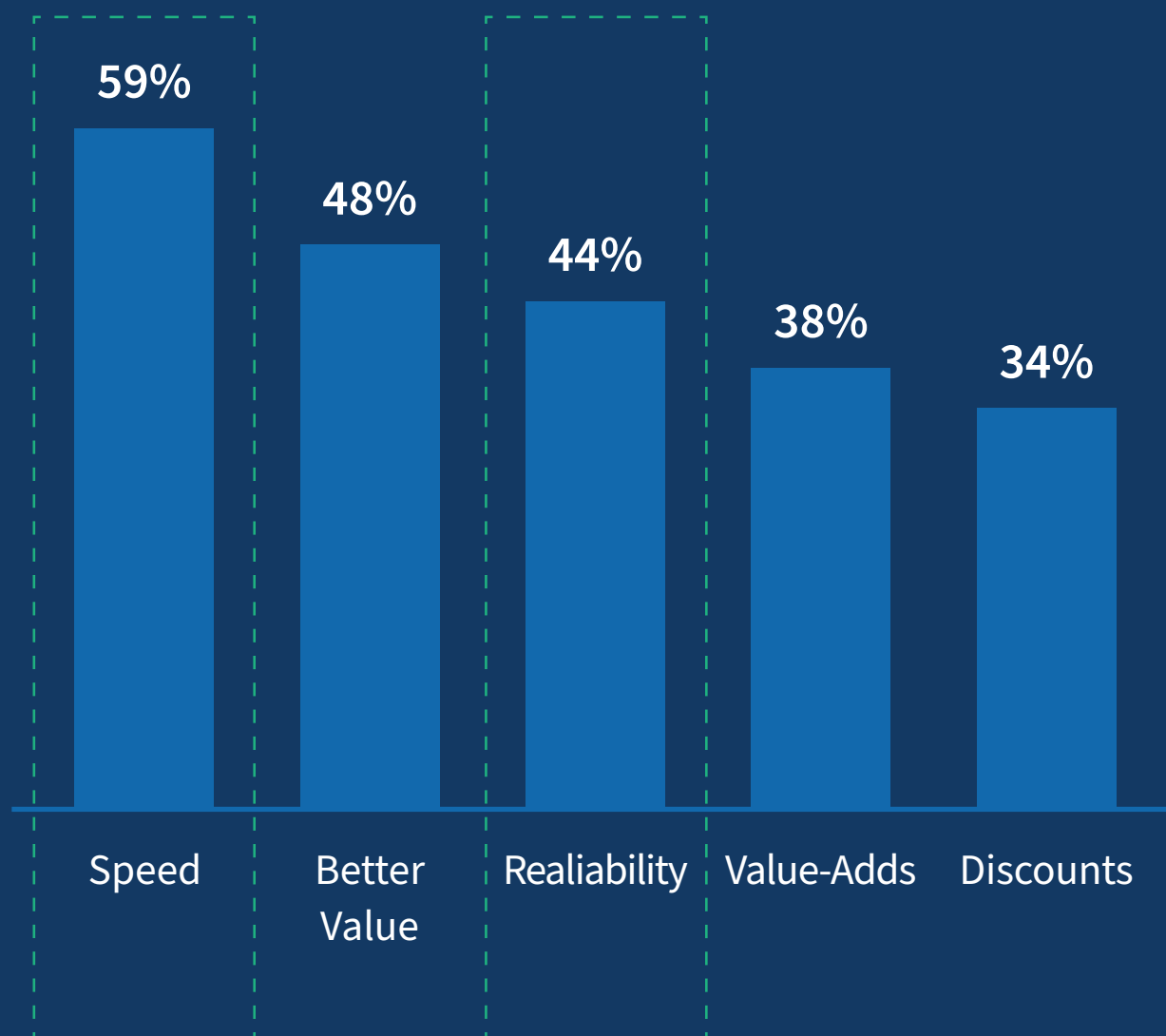
FBB **network quality** is the most important criteria when selecting an FBB provider



FBB **network speed/reliability** is a key concern for bundling with the current mobile provider

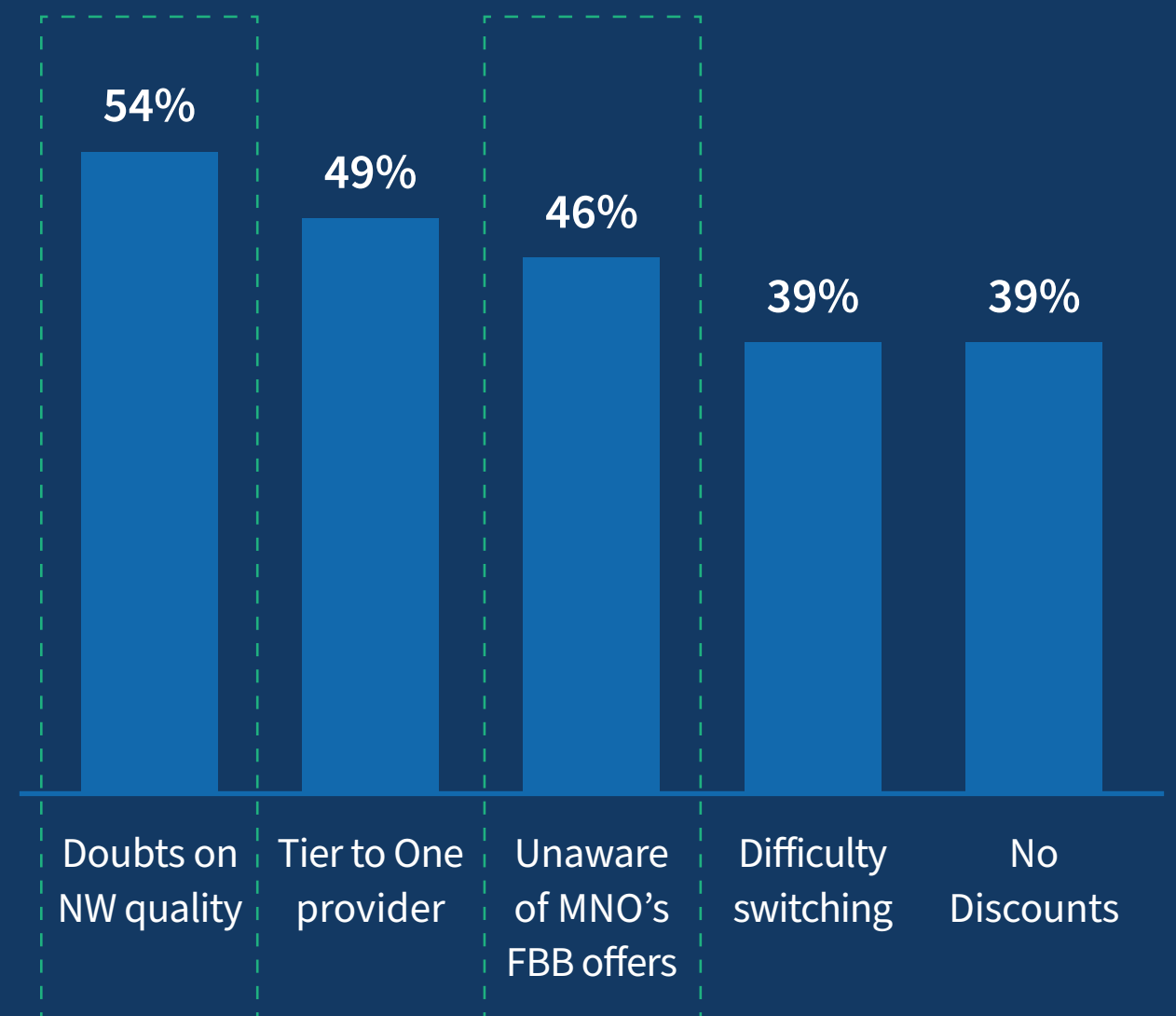
### Top 5 criteria for selecting an FBB provider

% of potential switchers



### Concerns re bundling FBB with current MNO

% of potential switchers



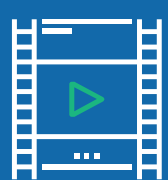
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Source: FTI Delta TMT Customer Survey - Malaysia & Indonesia (Dec 2023 - Jan 2024), FTI Delta analysis

# Customers are likely to sign up for paid content as well from their FBB provider – but only if they are satisfied with the FBB experience

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## DECISION DRIVERS FOR BUNDLING PAID CONTENT



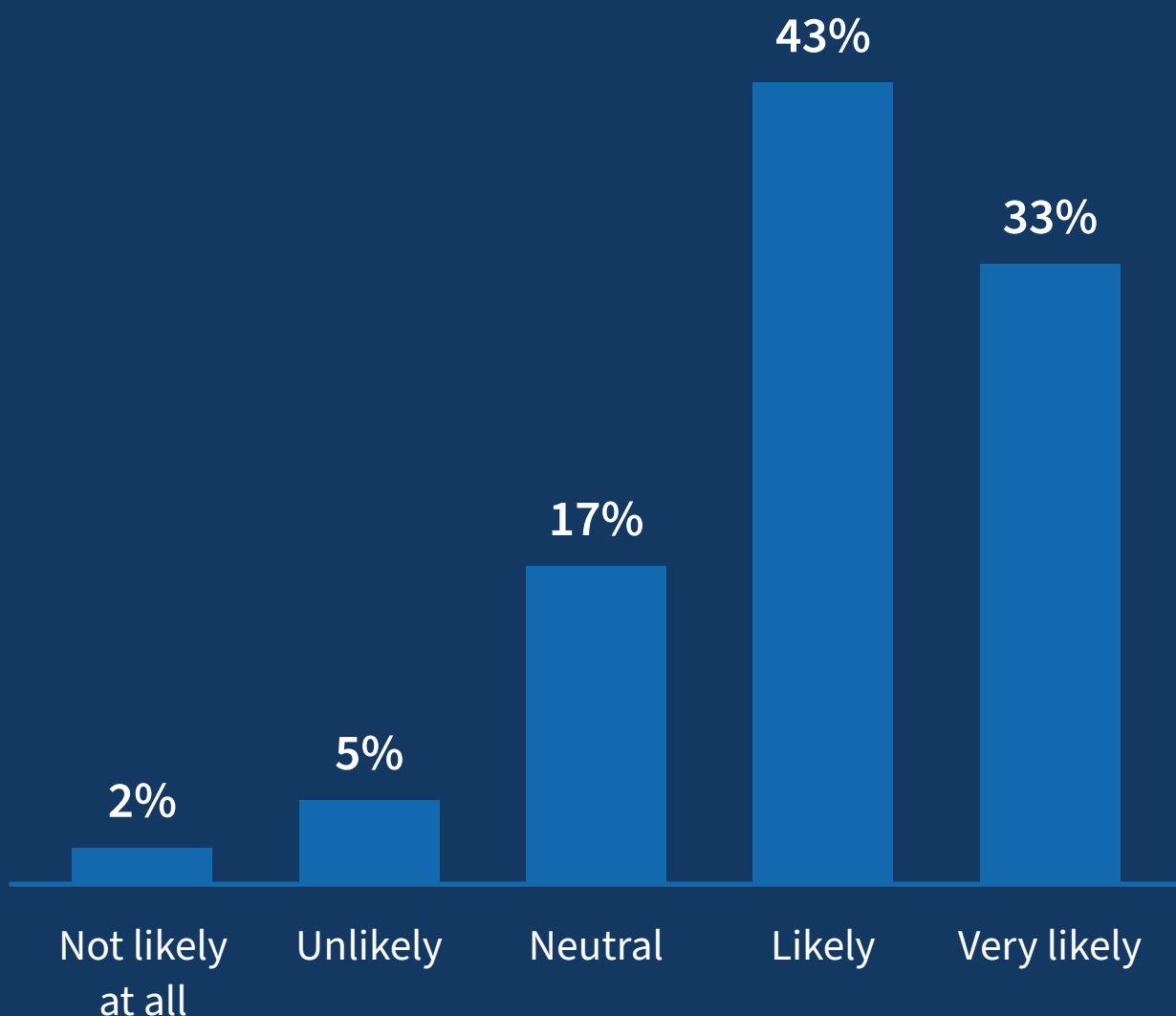
>70% of current pay TV users appear **willing to bundle** paid content from their internet provider



However, **dissatisfied customers** are unwilling to add paid content to their internet plans

### Likelihood of bundling pay TV with FBB

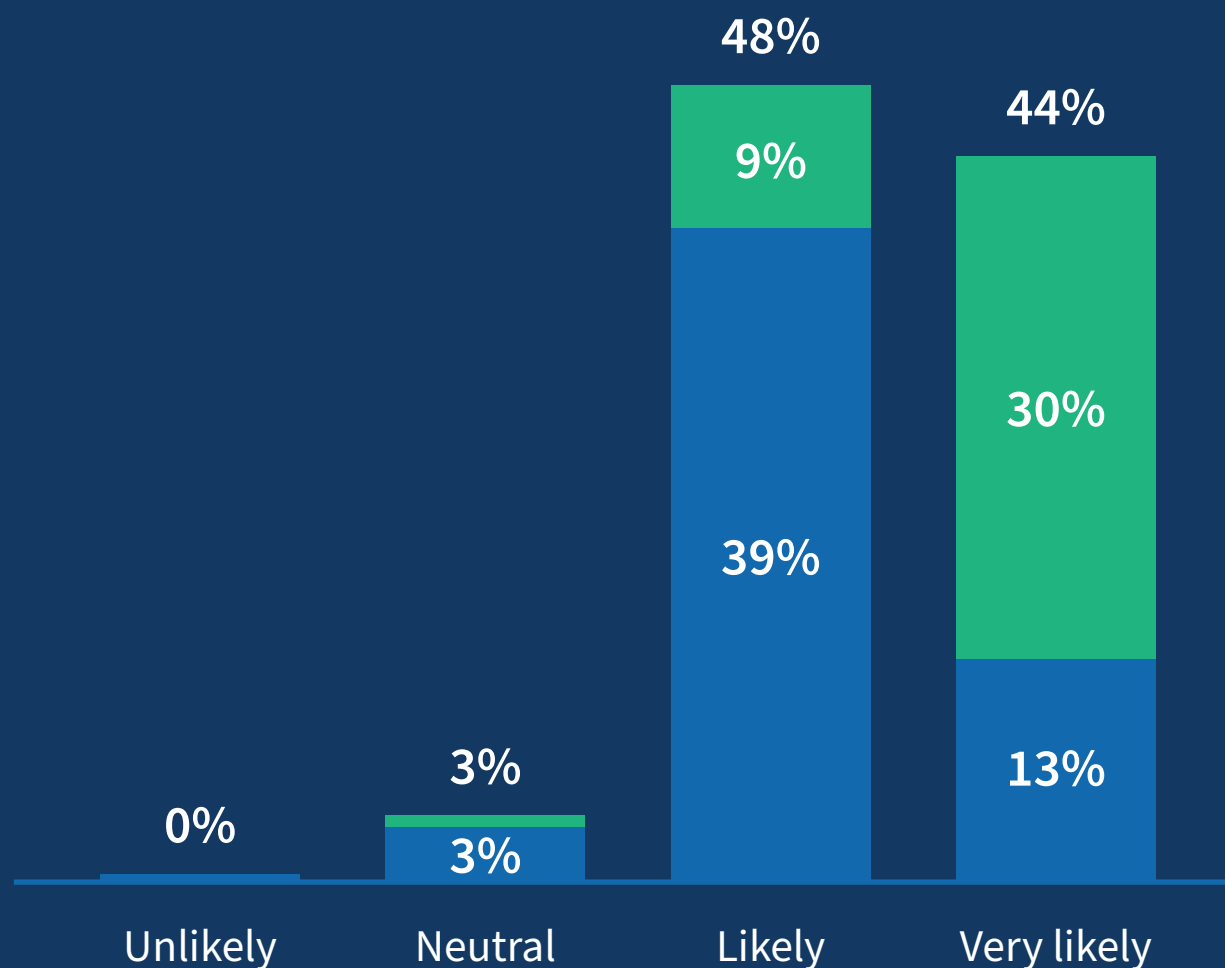
% of pay TV users



### Satisfaction with current FBB provider

% of customer likely / very likely to bundle

■ Likely to bundle ■ Very likely to bundle







Note: Data is aggregated from respondents in Malaysia (n=521) and Indonesia (n=528) responded to identical survey

Source: FTI Delta TMT Customer Survey - Malaysia & Indonesia (Dec 2023 - Jan 2024), FTI Delta analysis

# FTI Delta can support ASEAN MNOs in planning, launching and scaling up their FBB and paid content businesses

## HOW FTI DELTA CAN HELP

 <b>Frame the opportunity</b>	 <b>Define commercial strategy</b>	 <b>Define operating model</b>	 <b>Define &amp; support implementation</b>
<p>Understand market size &amp; evolution</p> <p>AssesS competitors</p> <p>Identify potential opportunities</p>	<p>Optimize or develop propositions</p> <p>Define GTM strategy</p> <p>Build business case</p>	<p>Understand capability gaps</p> <p>Assess build vs. partner vs. acquire</p> <p>Define operating model</p>	<p>Define detailed plans</p> <p>Support implementation</p> <p>Review performance &amp; support changes</p>

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