



Your business
is our business.

“Marketing in a Wireless World”

Effective Strategies to Combat Line Loss and Remain Relevant

Dee Dee Longenecker (JSI)

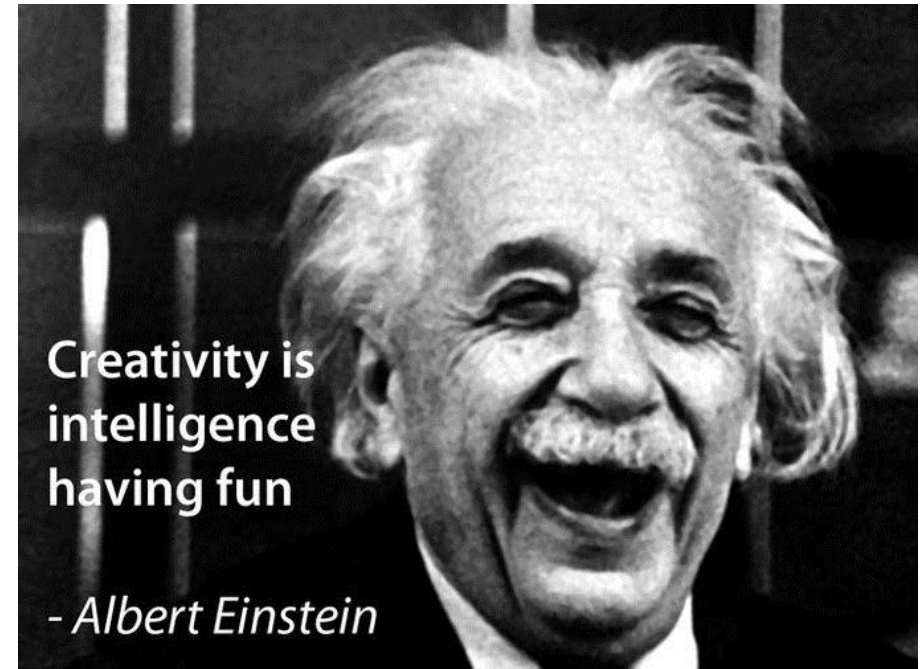
July 9, 2014



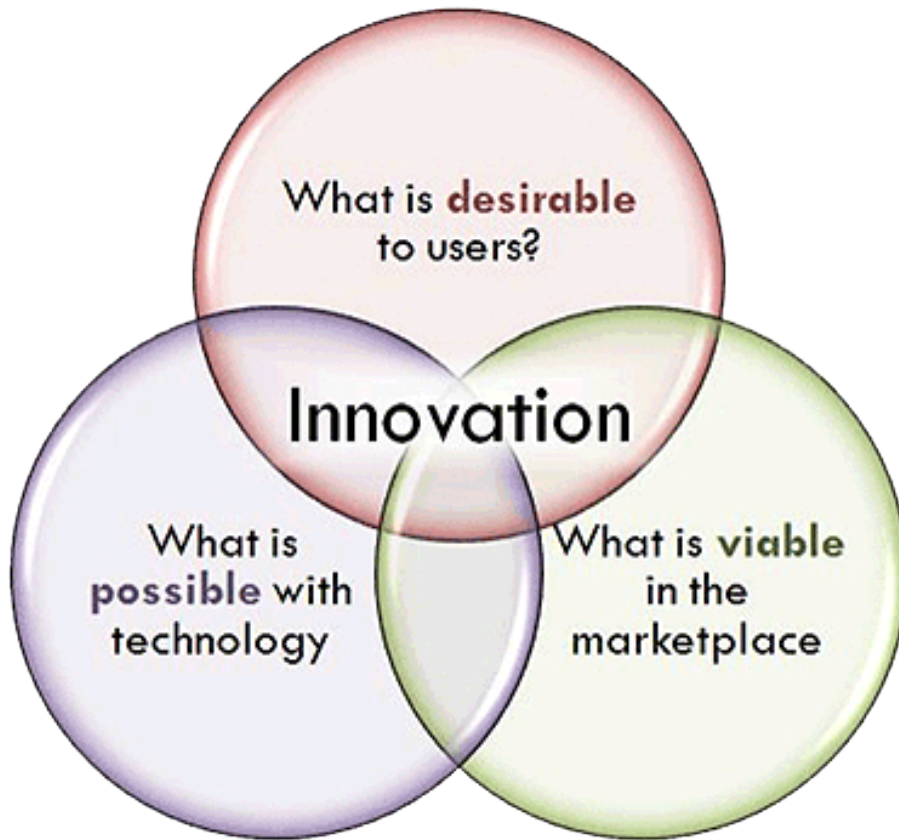
CREATE

INNOVATE

THE
BEST WAY
TO PREDICT
THE FUTURE IS
TO CREATE IT
ABRAHAM
LINCOLN



"Creativity
takes courage."
(Henri Matisse)



Innovation is change that unlocks new value.

- Jamie Notter

Innovation is the only way to win.

Steve Jobs

meetville.com

Current Environment

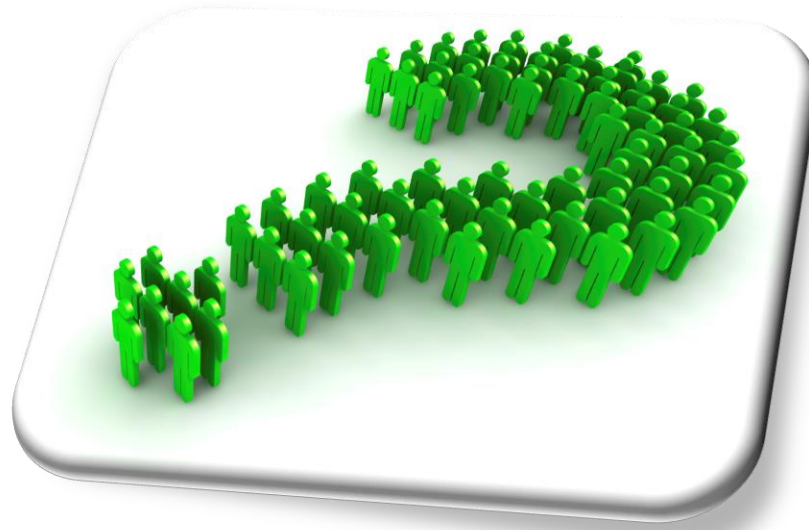
- Regulated Revenues are under pressure and uncertain
- Competitive pressures continue to build
- Customers demand more and more
- Costs continue to increase
- Margins continue to be squeezed

Issues to Consider

- How do we define our market?
- Are our operations diversified?
- Do we have a sales and marketing culture?
- Do we have the right staff for the times?
- Do we have a growth strategy?
- Are we controlling our costs?

Observations

- Historical business trends are not sustainable
- Revenues and ARPU need to increase
- Operating losses need to be eliminated
- New products and services need to be developed (or bought)
- Expenses need to be reduced/managed



FUTURE CUSTOMER “NEEDS”



BUSINESS Opportunities

Business Direction

- Traditional Voice is DEAD
- Everything moving to Broadband/IP
 - VoIP
 - Entertainment
 - Managed Services
 - Cloud Based Services
 - Fixed and Mobile Services
 - Etc.

The IP Transformation

- Broadband adoption is still increasing and there is plenty of room to grow
- Customer demand for higher speed services will increase as more data-intensive applications are developed
- Ownership of fiber networks is a huge asset – *take advantage of it however you can!*

The IP Transformation: Usage Projections

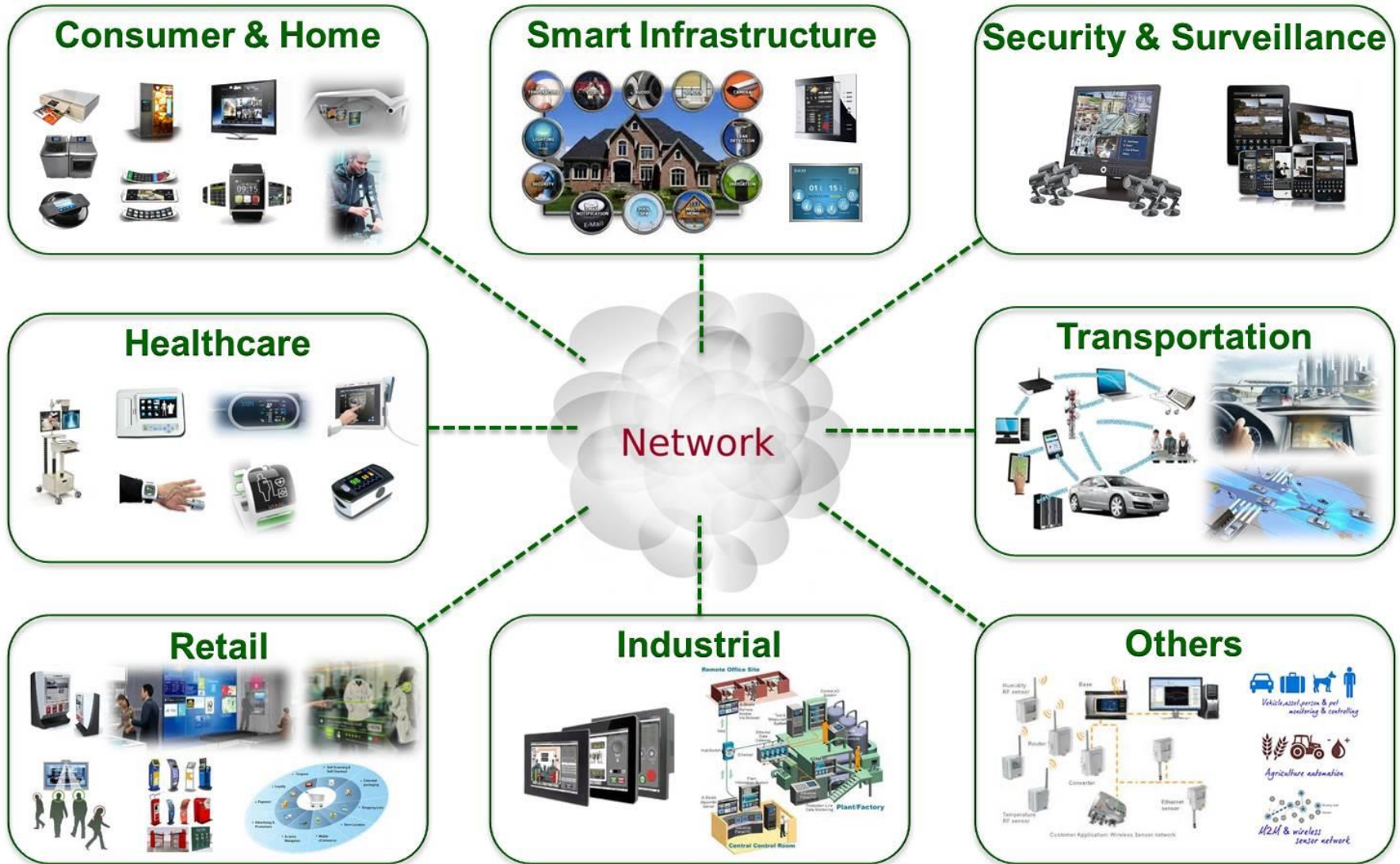
- The numbers speak: be optimistic about IP
 - 313 million machine-to-machine connections by 2016
 - \$8.3b in revenue for communications providers
 - 9 x increase in mobile device usage expected in next 5 years
 - Global cloud service market \$55b in 2011, \$130b expected in 2015
 - Consumers spend over \$2 trillion a year on content, devices and services
 - Global OTT video market \$8b in 2012, expected to be \$20b in 2015

The Internet of Things



The *Internet of Things* is the network of physical objects that contain embedded technology to communicate and sense or interact with other physical objects.

What will be Connected?



A New Direction for ILECs

- The IP services market will be dominated by large players (Google, Intel, Netflix, Genband, 8x8, BroadSoft, etc.) but small LECs can find niche opportunities in/near their communities.
 - Be proactive about finding the opportunities
 - If you don't, someone else will

Opportunities in IP Services

1. Data Centers and Managed Services for small and medium-sized businesses
 - Offsite storage for disaster recovery
 - Customized services for any local business
 - Full or partial suite of managed services— storage, backup, network monitoring, connectivity management, user analytics, etc.
 - LAN, WAN, Mobility Management, Infrastructure Management, etc.

Managed Services Growth

- Global Managed Services market will grow more than twice as fast as basic transport revenues
- The market will grow from \$137 billion in 2013 to \$235 billion in 2017



Opportunities in IP Services

2. IP PBX Systems

- Feature-rich IP telephony
- Inexpensive entry for consumer, scalable and flexible
- Margin positive business model which is leverageable
- Within the U.S., there are approximately 6 million businesses with less than 250 employees, of which more than 2.5 million have between 5 and 250 employees

IP PBX/Hosted Services Growth

- The number of lines/seats will grow at a compounded annual growth rate of almost 25% for 5 plus years
- Revenue in the small business segment will increase from \$513 million in 2013 to \$1.2 billion in 2015
- Total Hosted market will grow from \$2.8B in 2010 to \$5.5B in 2014
- Margins range from 50%-80%

Opportunities in IP Services

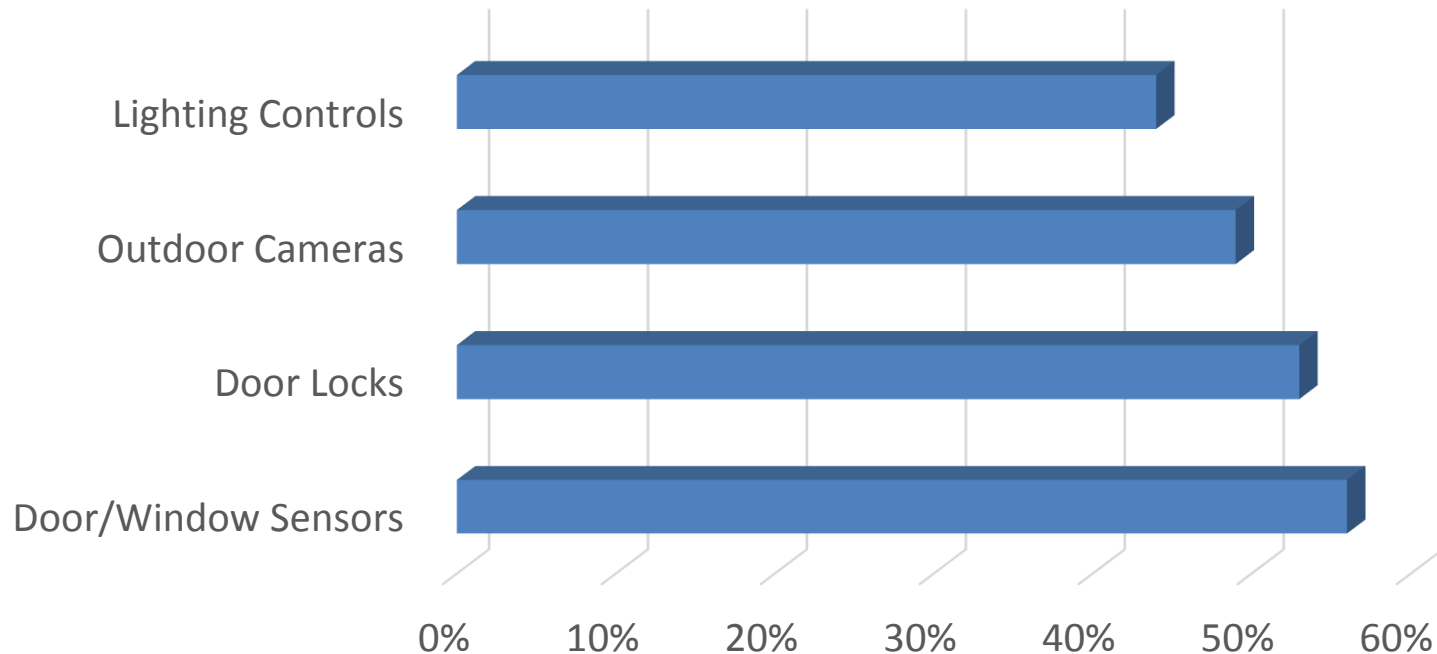
3. IP Video Services

- Video is the largest category of traffic on your network already (2/3 of downstream traffic in peak time is streaming audio/video)
- Video entertainment is trending more social, mobile, and web-based
- Demand for a la carte, on-demand OTT programming (huge bandwidth requirements)
- New players in the IP video market
 - Intel Media Box and OTT service – Ultra HD capability

Opportunities in IP Services

- 4. Smart Homes

U.S. Broadband Household Interest in Smart Home Products

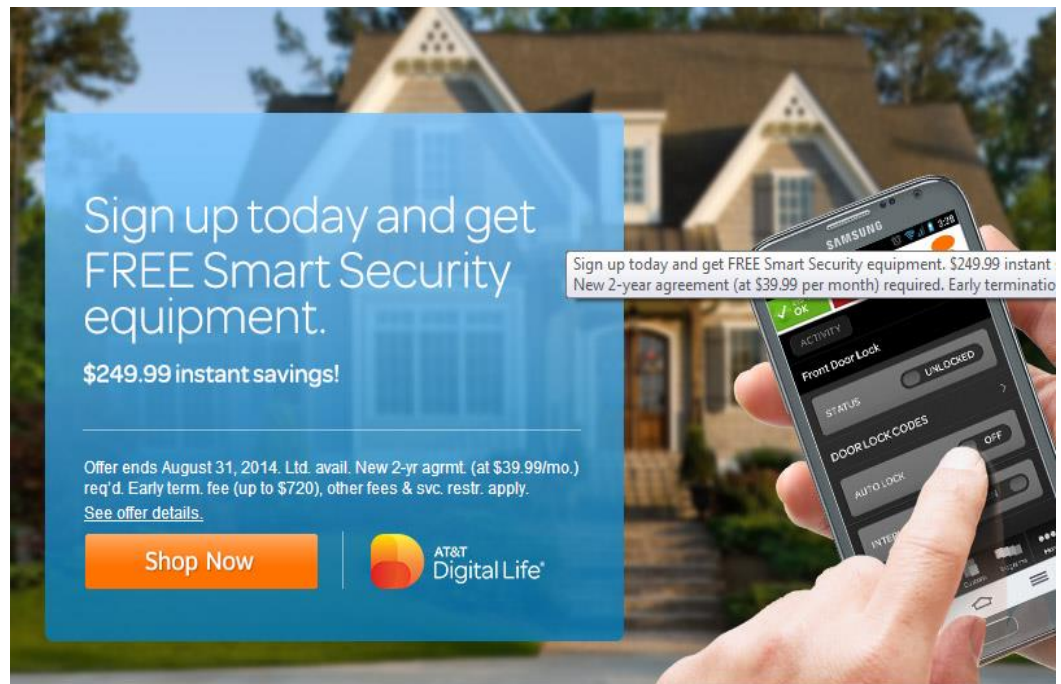


Source: Parks Associates

Smart Home

Your competitors are all over these opportunities

- AT&T launching Digital Life service: “Be at home wherever life takes you”
- Verizon home monitoring “starter kits” for \$89.99



Sign up today and get FREE Smart Security equipment.
\$249.99 instant savings!

Offer ends August 31, 2014. Ltd. avail. New 2-yr agrmt. (at \$39.99/mo.) req'd. Early term. fee (up to \$720), other fees & svc. restr. apply. See offer details.

Shop Now

AT&T Digital Life®

Sign up today and get FREE Smart Security equipment. \$249.99 instant. New 2-year agreement (at \$39.99 per month) required. Early termination

ACTIVITY
Front Door Lock UNLOCKED
STATUS
DOOR LOCK CODES OFF
AUTO LOCK
INTER

AT&T Digital Life

Smart Home

IntelligentHome - Security and Home Management Made Easy

Experience the Future of Home Security and Management with IntelligentHome

[See our Demo >](#) [Brochure >](#)

Make your home an IntelligentHome with security features like:

- Always on and secure**
TWC's 5-diamond rated Emergency Response Center is on alert 24/7.
- Check in while you're out***
View live video and monitor your home's safety from anywhere.
- Control on the go**
Monitor your home's safety from anywhere with your computer or smartphone.
- Energy efficient***
Set up an energy use schedule and save up to 10% on your energy bills.

Call Today: 1-855-204-7008

Limited Time Offer Purchase IntelligentHome today and get a **\$200 REWARD CARD** to use toward your

- Time Warner's Intelligent Home

Smart Home



Opportunities in IP Services

- 5. Personal communications and storage
 - Converged personal communications
 - Skype + Microsoft Outlook
 - IP Commerce
 - Growing needs for bandwidth-intensive, secure and reliable IP communications
 - Cisco study: 74% of consumers comfortable engaging in remote health sessions

Opportunities in IP Services

- Verizon Security and Backup Plans

Security and Backup Plans

Help protect your computer from threats, backup your files and save big!

Bundles	Multi-Device Security & Backup Bundle 50GB	 Multi-Device Security & Backup Bundle 50GB Unlimited Licenses/50GB Cloud Storage Automatically backup, restore, and share 50 GB worth of digital content online. That's about 50,000 files, 12,500 pics, and 1,200 songs. Plus, protect all of your devices, including Android smartphones and tablets from online threats like viruses, spyware and malware with features such as anti-virus, anti-spyware, firewall protection and more.	Limited Time Offer for qualifying customers: 50% Discount for 12 Months.* Just \$11.00/month plus taxes Order Now
	Multi-Device Security & Backup Bundle 150GB		
Standalone Plans	Internet Security Multi-Device		
	Backup & Sharing 10GB		
	Backup & Sharing 50GB		
	Backup & Sharing 150GB		

*Limited-time offer for new Multi-Device Security and Backup bundle customers only. Discount applied via bill credit for first 12 months; beginning month 13 standard rates apply. ©2014 Verizon.



Your business
is our business.

Inspiration



Now what?

Instructions

Life Instructions			
			
Have fun	Do not hurt people	Do not accept defeat	Strive to be happy

Bundling Implementation Process

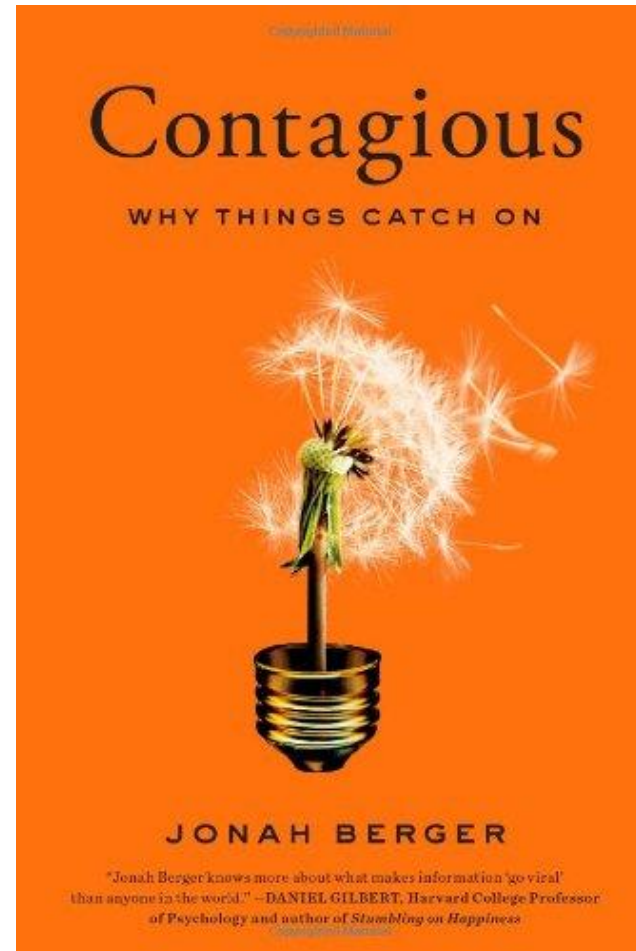
1. Brainstorm and analyze
2. Design your bundle
3. Price the package
4. Technical considerations
5. Regulatory/legal sound check
- 6. Billing/Accounting considerations!**
7. Paperwork check
8. Marketing & promotion plan
9. Sell!

Crucial Sales Considerations

- Customer retention is key
- Sell, and sell again
- Maintain frequent customer contact
- Provide extraordinary customer service
- Ensure service integrity
- Embrace complaints

Your Best Sales Strategy

- Word of mouth is your best sales strategy
- How to make products go “viral”
- Essential factors that contribute to contagious ideas
“STEPPS”



STEPPS

1. Social currency – we share things that make us look good
2. Triggers – top of mind, tip of tongue
3. Emotion – when we care, we share
4. Public – built to show, built to grow
5. Practical – news you can use
6. Stories – information travels under the guise of idle chatter

Examples

- Never Say No to Panda!
 - <http://www.youtube.com/watch?v=X21mJh6j9i4>
 - Campaign has created Internet meme
 - Relevant and entertaining



Examples

- Blendtec
 - YouTube channel devoted to Blendtec videos
 - <http://www.youtube.com/watch?v=3OmpnfL5PCW>
 - Relevant and entertaining



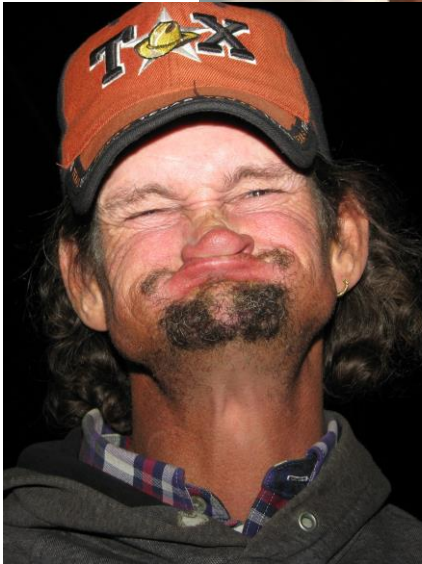
Examples

- Dove Campaign for Real Beauty
- <http://www.youtube.com/watch?v=XpaOjMXyJGk>
- Emotional connection



You got their attention, so
what's next?

Sell! But HOW?



Sales 101

- One size does not fit all!
- Keep the brand message constant, but vary the tactics
- Use all distribution channels
- Engage total company
- When you're sick of hearing the ad/pitch, keep going

Sales 101

- More than 40% of respondents get annoyed when employees upsell or cross-sell them during customer service interactions
- Better response comes from proactive customer service calls
- 15% of customers actually want to hear about upsell offers, if done properly

Sales – Best Practices

1. Make sure your customers can find you!
2. Never assume the stated problem is the real problem
 - LISTEN!
 - Listen to the meta-message
 - What is being said
 - What isn't being said



Sales – Best Practices

3. Tailor the message to the customer
 - Demonstrate value
 - Different customers/different values
4. Help the customer discover the solution, don't beat them over the head with it
 - Pay close attention to timing and context

Sales – Best Practices

5. Stop doing all the talking!
(again LISTEN!)
 - Be genuine
 - Model customer behavior
6. Don't tell, instead probe
 - Be intentional
7. Know when to walk away
 - NEVER be negative





Your business
is our business.

Thank you!

*Dee Dee Longenecker
Manager – Regulatory Affairs
JSI*

*www.jsitel.com
Dlongenecker@jsitel.com
512-338-0473*