

The eSIM is transforming the telecom industry – 3 things you need to know

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The arrival of eSIM technology is upon us and is reshaping the telecom industry. For mobile operators, the opportunities abound but there are also many changes to keep in mind in this new business landscape. Here are three tips to getting it right.

- eSIM will revolutionize the consumer device market – changing the role of mobile operators and creating new opportunities to reach customers
- A straightforward and expertly-guided digital journey will be an essential part of onboarding all customers
- One key success factor will be a future-proof device strategy focusing on existing devices while anticipating new devices and technology advancements



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Sure, the technology has already begun to pop up here and there in the past few years – starting with wearables, then spreading to tablets and PCs but a new milestone was set in 2018 with the launch of the first **eSIM-enabled smartphones**. Now there is no doubt that in 2019 the ramp-up of this technology will accelerate and that we will see unprecedented growth in the years to come. This growth will not only concern the sheer **number of these first eSIM-enabled devices** – expected to exceed 450 million by 2021 – but it will also extend into entirely new device categories driven by the deployment of 5G. So how can mobile operators prepare for widespread eSIM adoption?

1. Be creative with customer outreach the sky's the limit

Because eSIMs are physically embedded, the technology eliminates the need for customers to go in-store to select, subscribe to and activate service plans. This totally revolutionized customer journey means that they can purchase devices from any outlet – whether directly from a mobile operator, an online dealer, second-hand dealers, etc. subscribe to a service in a boutique or from the comfort of their own home and be up and running in mere minutes.

This new journey also represents a significant shift in marketing strategy for mobile operators. Let's say a customer sees an ad on TV, in a magazine or on the street. Currently, the onboarding process – from the moment a customer sees a connectivity offer until their device is effectively activated – is long and cumbersome. For operators, this latency also presents the risk of losing clients. With a fully digital journey, the same customer can snap an ad's QR code or log onto a telecom operator's app and – in just a few clicks – their device is fully operational. In short, mobile operators have new opportunities to sell their services outside of brick and mortar boutiques. They can reach customers wherever they live, work, play and travel: in train stations, taxis, by email, anywhere. When it comes to promoting their services and attracting new customers, the options are endless.

One could argue that this extremely fluid process could reduce customer loyalty. While this is definitely a challenge that must not be overlooked, it should be viewed as an incredible opportunity. Just think about a family, who has multiple types of smart devices. Forward thinking mobile operators can get a clear advantage by bundling their subscriptions under one offer, enabling quick activation of those devices with a single QR code, for example, and allowing customers to easily add on more devices as they go. This will not only foster loyalty but it will build brand awareness as well.



When it comes to promoting their services and attracting new customers, the options are endless with eSIM.

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2. Construct and support a straightforward journey for ALL customers

Success here demands a frictionless and simple customer journey. With digital disruptions all around us, it's easy to forget that not everyone can navigate through the digital space. Mobile operators have a key responsibility to design a fluid and easy journey for all subscribers – including non-digital natives – and guide them through the subscription process. This means having a mobile app or website with a clear flow and guidance through the service offering, the subscription activation, and the customer identification process. Indeed, solutions allowing customers to securely and

remotely identify themselves using their mobile devices will be another crucial part of this new digital journey. But above all, creating a successful digital customer journey demands a full transformation of business operations to manage all connectivity use cases in real time.

3. Build a future proof device strategy

Given that a large variety of devices, known and unknown as of yet, will soon hit the market, the user experience may rapidly become fragmented. This means that mobile operators should execute their strategy with a device-based approach while anticipating and also investing in their systems' scalability as early as possible to accommodate an intuitive and convenient customer journey across all types of devices.

To sum up, the eSIM landscape is growing fast and mobile operators will have an essential role to play in the successful adoption of this technology. At IDEMIA we've created Smart Connect to support them in this task. This primarily cloud-based solution, is capable of orchestrating all the provisioning and activation process of eSIM-enabled devices, regardless of the use case (primary, secondary, consumer IoT devices) and will enable mobile operators to easily grasp the new eSIM opportunities as they arise.