

Introduction



BT Business Overview



Small and Medium
Business

1m
customers



Wholesale

1k
customers



Corporate and
Public sector

15k
customers



Global
multinationals

1k
customers

BT Small and Medium Businesses: Our Customers and Our Markets



Our Customer segments and needs

- **Businesses in the UK** (typically 1-249 employees). Over 5.5m Small and medium businesses in the UK (typically 1-249 employees) spending over £5bn per annum on telco solutions.
- **Three Segments:** Micro 0-9 | Small 10-49 | Medium 50-249
- **Customer needs** are underpinned by flexibility, reliability, security
- **Growing demand** for digital skills, ecommerce solutions and contactless payments

Market trends

- **Market value growing 4% CAGR 23-28**
- **More SMB deaths** than births in FY23 but confidence is improving
- **Mainly major brands** (Vodafone / VMO2) competing in the micro & bottom end of small
- The market at the top of small and into medium is fragmented - **40% with local resellers**

Technology Shifts Create Opportunities for BT to Offer Next Generation Products

Legacy

Next Gen

Inflexible, hardware based, difficult to scale...

...Software-based, highly scalable

On-premise workloads...

...Cloud compute

Copper phone lines...

...VoIP

Slow bandwidth...

...High bandwidth

3G, 4G and 4G LTE...

...5G

Office workers...

...Hybrid workers



We Have Used 8 Pillars to Agree the Target State and How We Get There



To achieve Our Vision, We Will Adapt Our Approach to Supporting SMB Customers



ACQUIRE

new customers via a
hyper-tailored
experience



ENRICH

customer value by
providing solutions that
meet needs



RETAIN

our base by **engaging**
every customer at **key**
moments of truth

Our Base Management Transformation Will 'Enrich' and 'Retain' Our Customers

3 immediate goals for the Transformation...

...setting the foundation for building long term capability

01

Increase Base Visibility



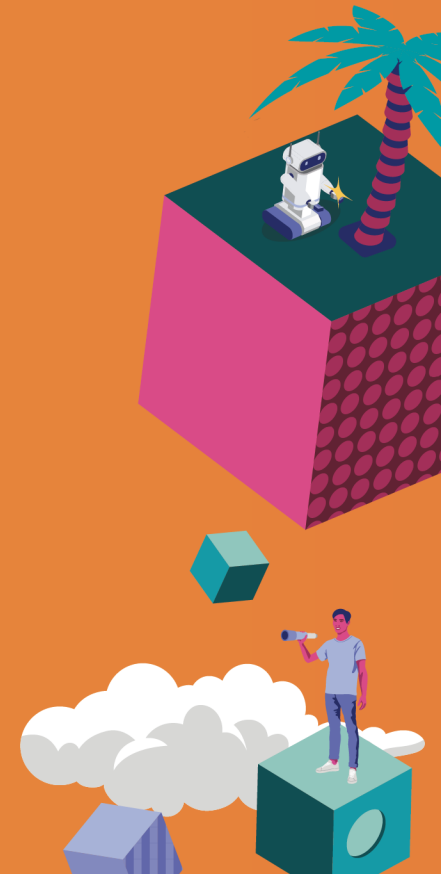
02

Take a data & intelligence-led approach

03

Deliver CLTV based engagement

Where are we now?

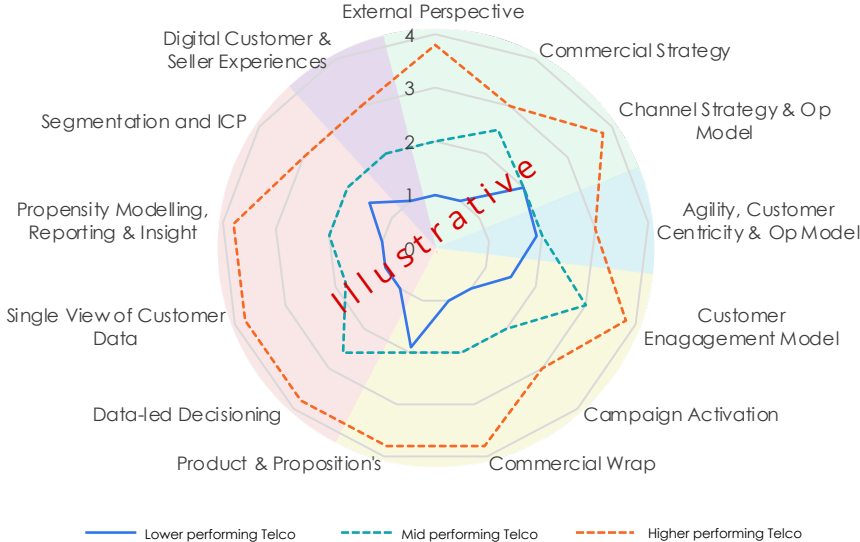


A Maturity Assessment Identified Capability Gaps and Benchmarked Against Best Practice

BT SMB's maturity was assessed across core capabilities covering...

- 01 Strategy
- 02 People & process
- 03 Customer engagement
- 04 Data
- 05 Technology

Illustrative Maturity Results



Two Areas Highlighted the Largest Opportunity to Deliver Fundamental Change



Customer Engagement Model

Holistic customer engagement with segmentation based on potential and value

360-degree of the customer enables personalisation of customer interactions to enhance the 'base experience'

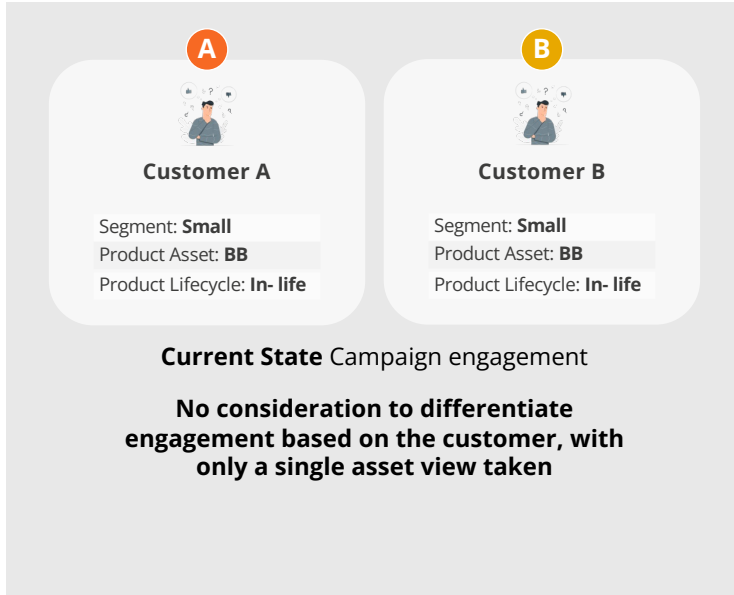


Data-led decisioning

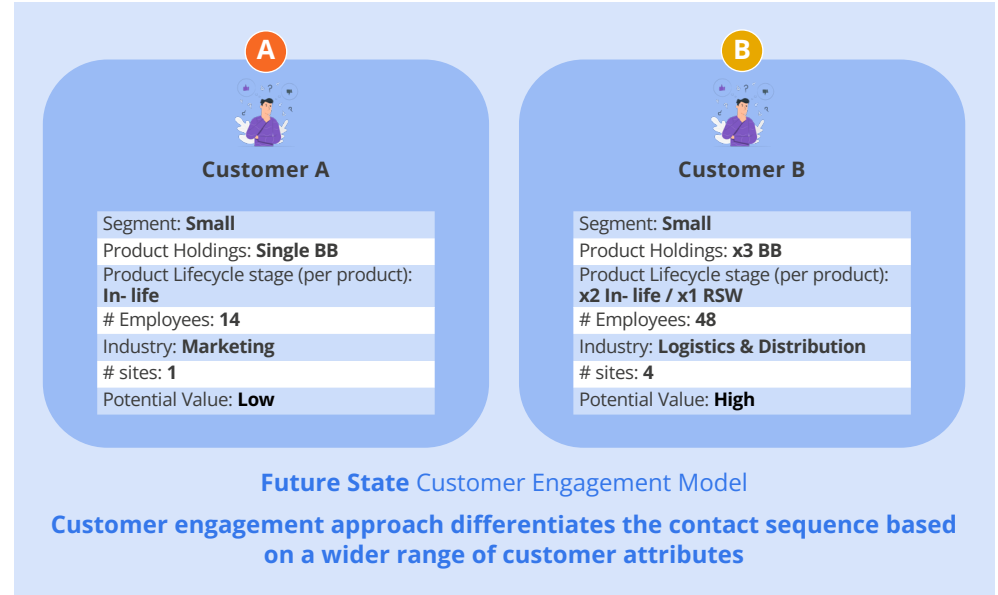
Use of advanced AI and machine learning, shifting how sellers target high value customers and placing data driven decision making at the core of the revenue generation process

BT Needs to Move From a Product to Customer Focus...

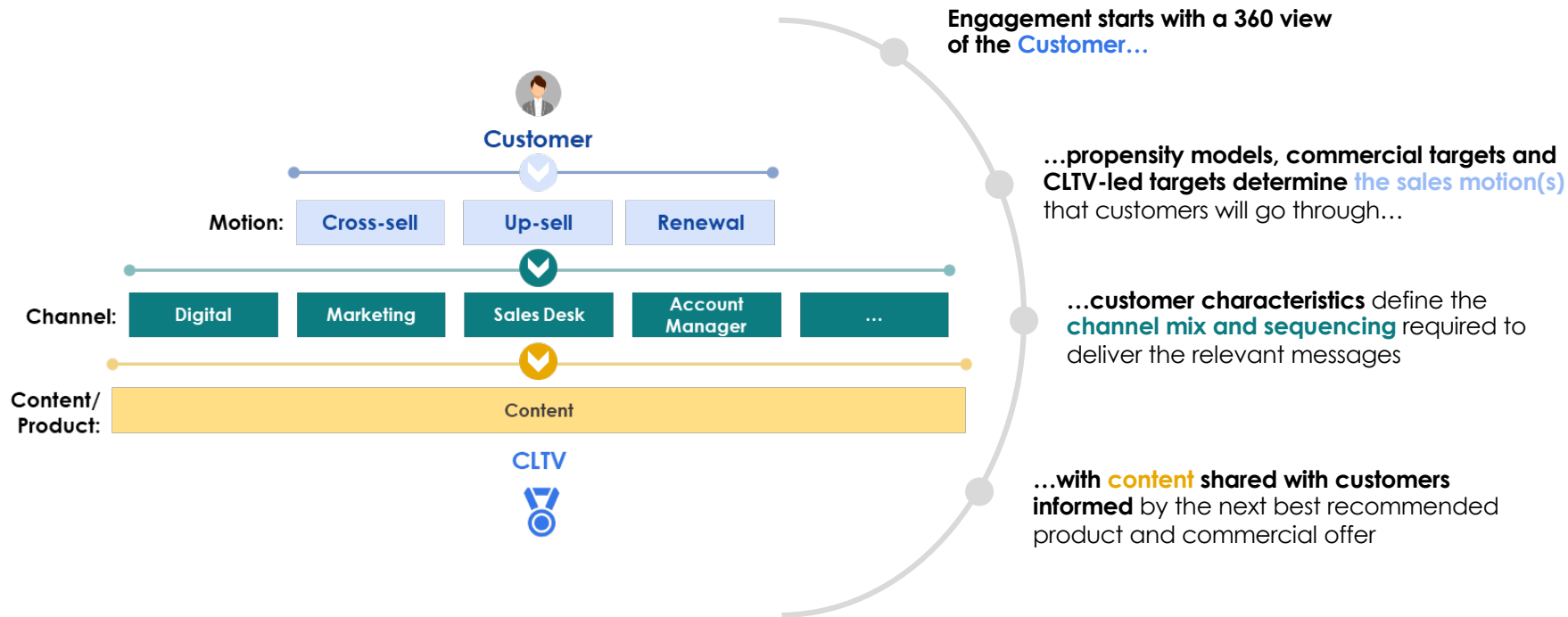
How we view the customer today
(isolated product asset focus)



How we should view customers in future
(holistic considering portfolio, sector vertical, propensity)



...Prioritizing Meaningful Engagement to Deliver Customer Lifetime Value



How we will transform



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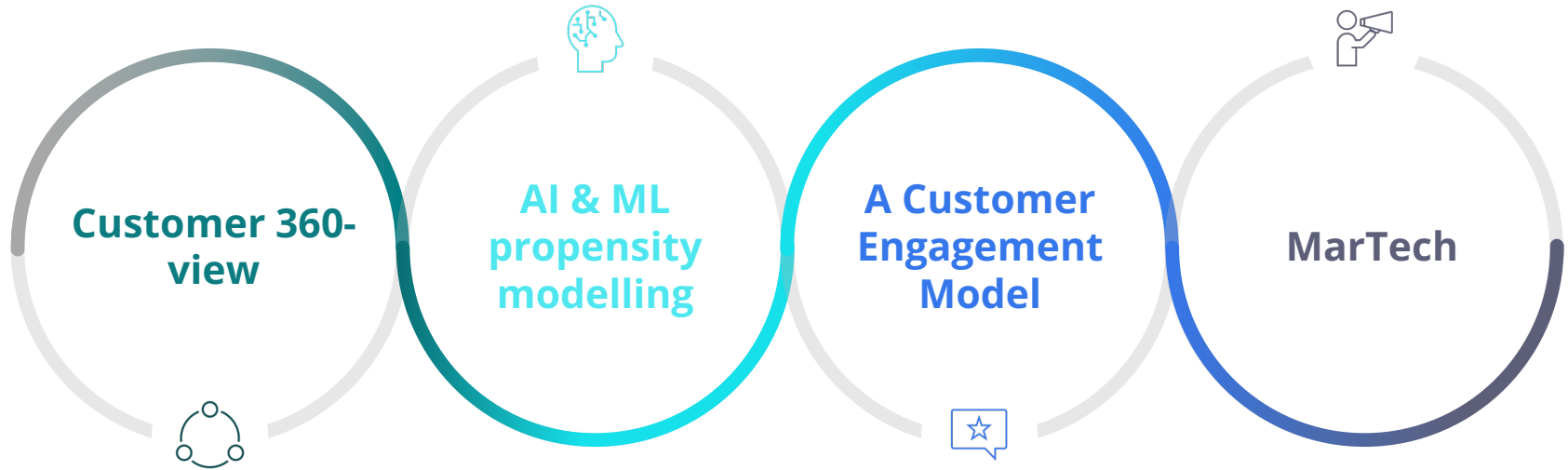
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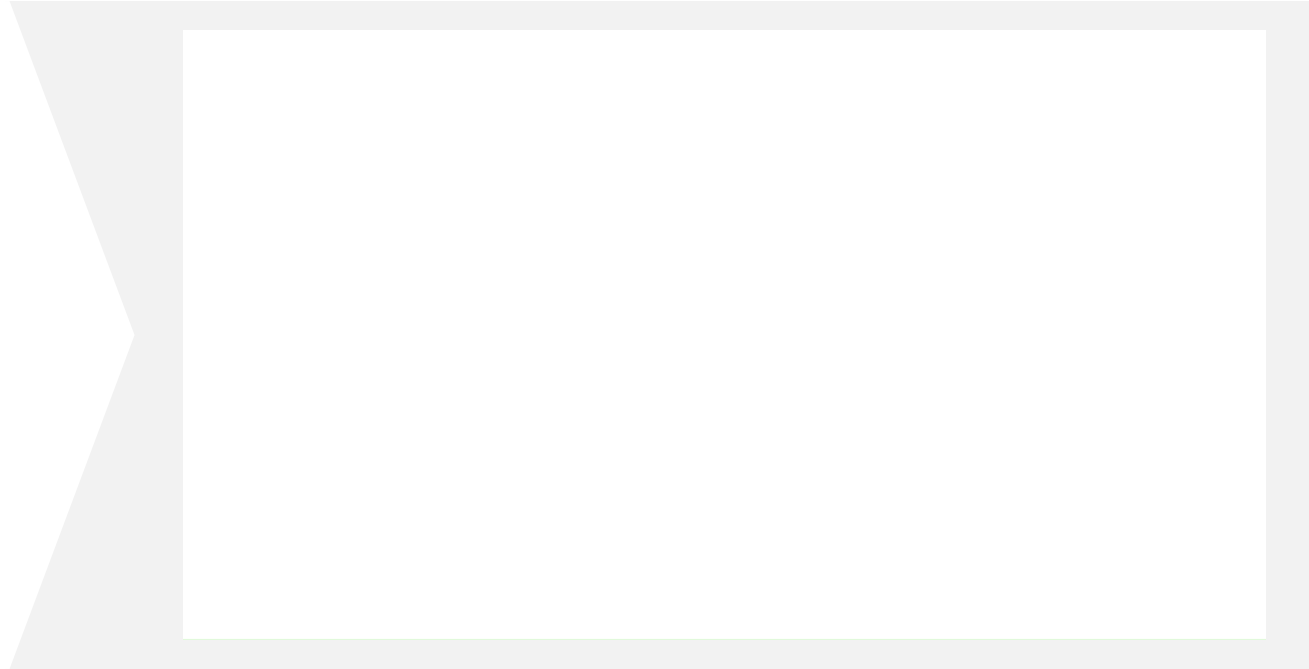
Four Enablers Will Allow BT To Achieve Their Vision



The Customer-360 View Will Provide a Comprehensive View of the Base

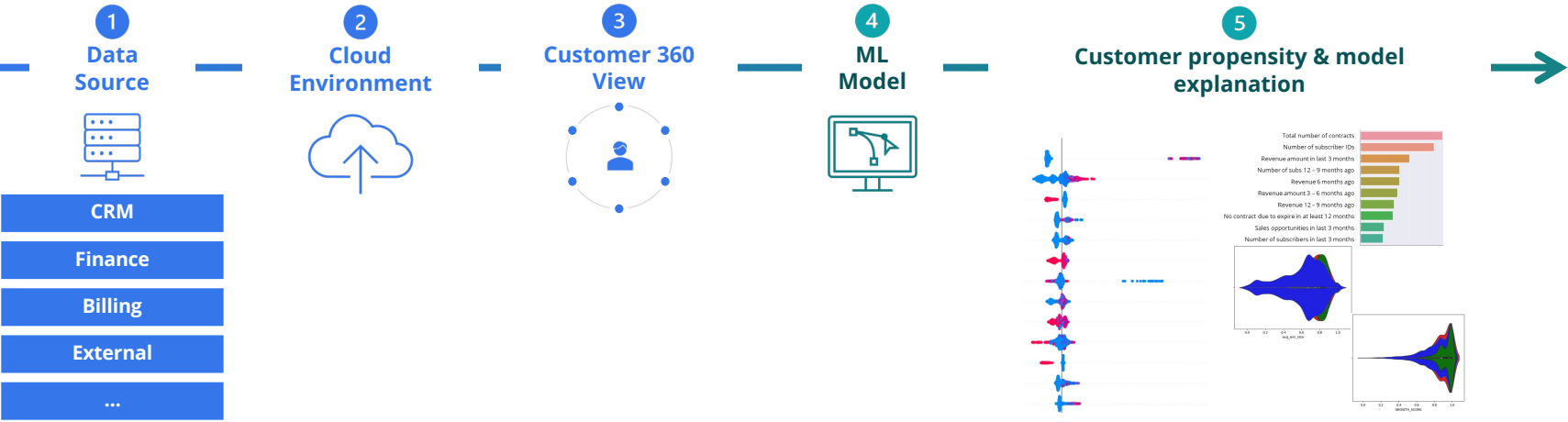
Customer-360 provides **base performance** and **agent insights**

- ✓ **Interrogate the customer base**, to understand trends
- ✓ **Track performance**, comparing to market / competitors
- ✓ **Identify whitespace and opportunities**



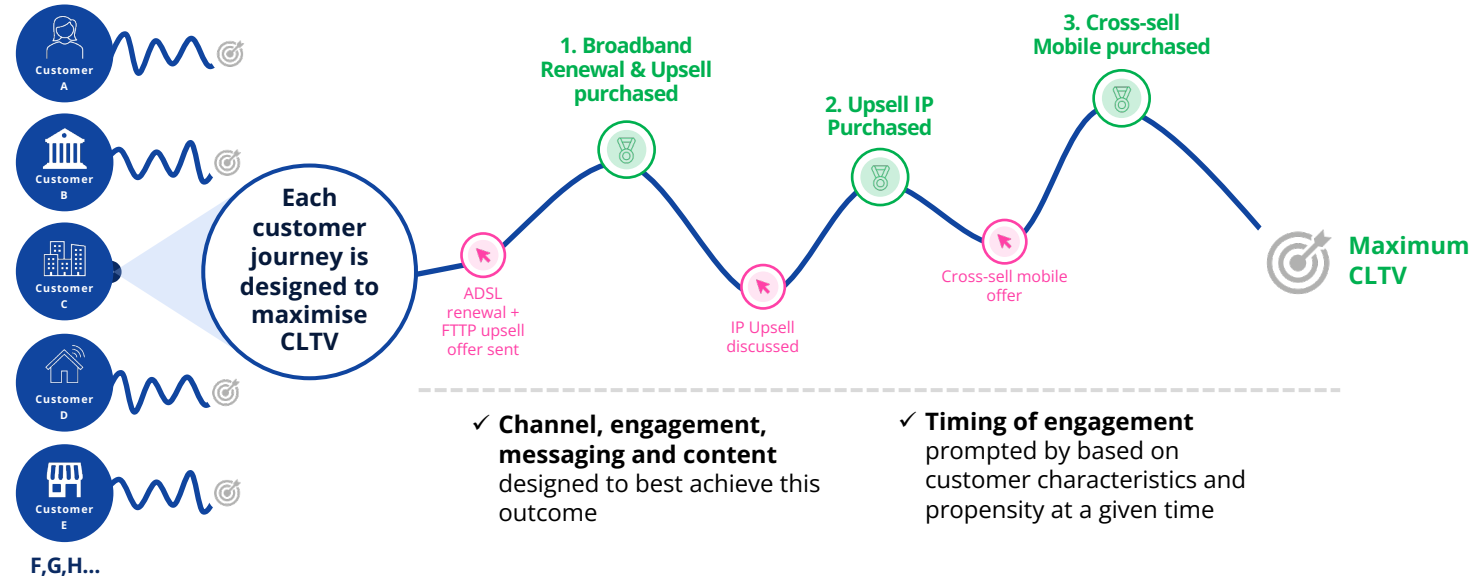
AI & ML Models Score Customers Propensity

Data sourcing & wrangling creates a 360-customer view... ...AI/ML techniques are then deployed to identify 'high propensity' customers

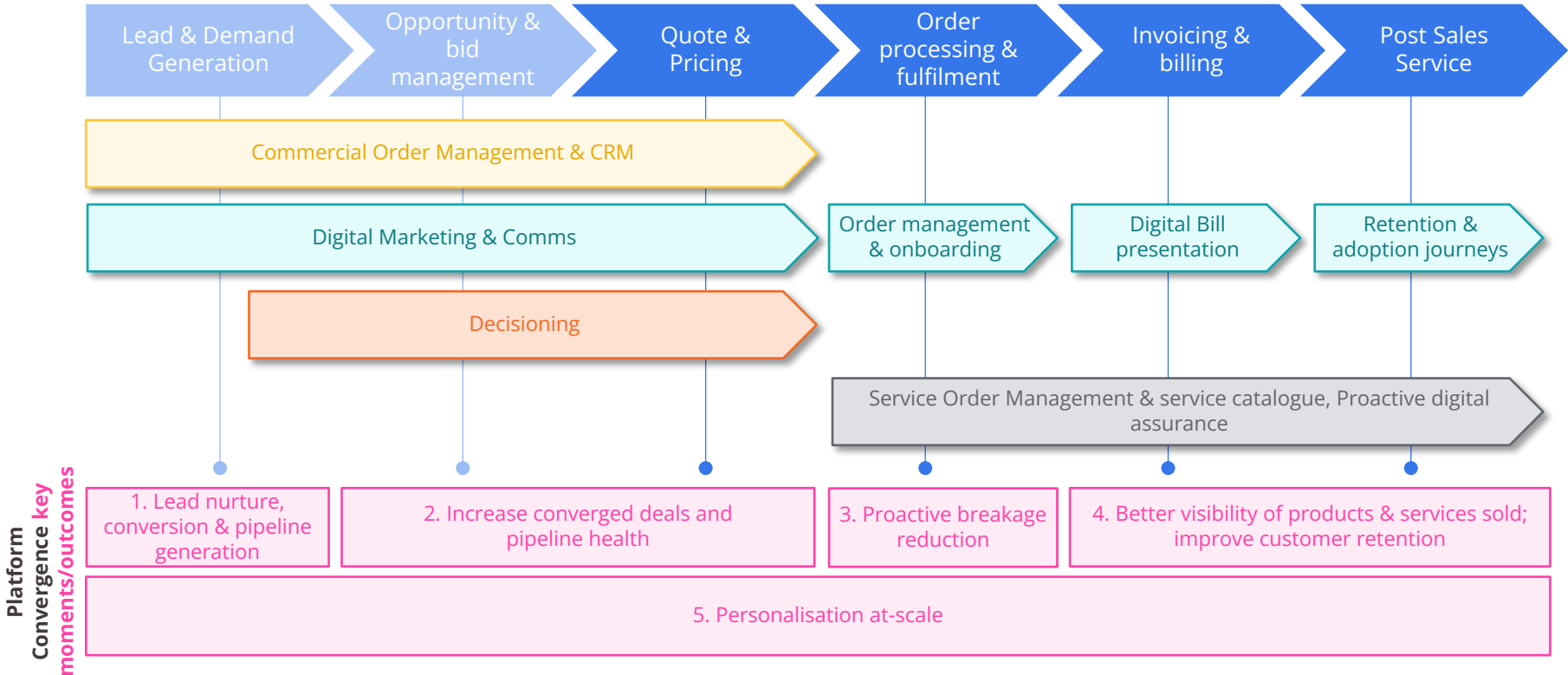


The CEM Will Allow Personalization at Scale, Across Single and Multi-motion Journeys

Every customer follows a personalised journey... 



Effective Deployment of Sales & MarTech, Will Allow for Automation and Personalisation at Scale





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