Apps: How to realize their full value

Telco, Pakistan
Background & Methodology
Objectives

Understand how apps can help improve business brand, growth, and revenue, particularly in light of changing behaviour as a result of COVID-19, by exploring the different and developing customer engagements on apps.

Methodology

Part of a larger consumer research conducted among mobile App users covering Retail, Telco, and Finance verticals. n=1,083 for Pakistan Quantitative (Telco, n=377) with 2 playgroups (n=4, each) per vertical for Qualitative. Research covered 4 brands and their respective apps.*

Respondent Criteria

Quantitative

- Frequent internet user
- 18-64 years old smartphone user
- Interacts with vertical via app

Qualitative

- Mixture of male and female heavy app users
- Light telco users: Use telco apps 1-3x a month and conducts 4 different app activities
- Heavy telco users: Use telco apps at least once a week and conduct 4 different app activities

*Jazz World, My Telenor, My Zong, My Ufone
## Who are generally using telco apps?

### Profiling

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>57%</td>
</tr>
<tr>
<td>Female</td>
<td>43%</td>
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<tr>
<td><strong>Age</strong></td>
<td></td>
</tr>
<tr>
<td>18-34</td>
<td>73%</td>
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<tr>
<td>35-64</td>
<td>27%</td>
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<tr>
<td><strong>Income</strong></td>
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<tr>
<td>Below Rs.40,000</td>
<td>16%</td>
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<tr>
<td>Rs.40,001 - Rs.60,000</td>
<td>27%</td>
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<tr>
<td>Rs.60,001 - Rs.80,000</td>
<td>21%</td>
</tr>
<tr>
<td>Rs.80,001 - Rs.100,000</td>
<td>7%</td>
</tr>
<tr>
<td>Rs.100,001 or more</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Internet Usage</strong></td>
<td></td>
</tr>
<tr>
<td>Daily</td>
<td>96%</td>
</tr>
<tr>
<td><strong>Operating System</strong></td>
<td></td>
</tr>
<tr>
<td>iOS</td>
<td>1%</td>
</tr>
<tr>
<td>Android</td>
<td>99%</td>
</tr>
<tr>
<td><strong>Connected Devices</strong></td>
<td></td>
</tr>
<tr>
<td>Smartphone</td>
<td>100%</td>
</tr>
<tr>
<td>Tablet</td>
<td>5%</td>
</tr>
<tr>
<td>Laptop computer</td>
<td>9%</td>
</tr>
<tr>
<td>Desktop computer</td>
<td>3%</td>
</tr>
<tr>
<td>Smart speaker</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Region</strong></td>
<td></td>
</tr>
<tr>
<td>Metro</td>
<td>70%</td>
</tr>
<tr>
<td>Non-Metro</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Smartphone Storage</strong></td>
<td></td>
</tr>
<tr>
<td>Under 16 GB</td>
<td>4%</td>
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<tr>
<td>16 GB</td>
<td>15%</td>
</tr>
<tr>
<td>32 GB</td>
<td>36%</td>
</tr>
<tr>
<td>64 GB</td>
<td>27%</td>
</tr>
<tr>
<td>128 GB</td>
<td>14%</td>
</tr>
<tr>
<td>Over 128 GB</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Prepaid v/s Postpaid</strong></td>
<td></td>
</tr>
<tr>
<td>Top up online</td>
<td>40%</td>
</tr>
<tr>
<td>Top up in-store</td>
<td>54%</td>
</tr>
<tr>
<td>Contract/Fixed bills</td>
<td>6%</td>
</tr>
</tbody>
</table>
What insights did the research aim to uncover?

01 What constitutes an ‘effective’ telco app for app users?

02 How do app users perceive businesses who have an ‘effective’ app?

03 What is the link between an ‘effective’ app and business outcomes?

04 How are individual brands performing?

05 Deep dive into consumer app behaviour: types of app activities, frequency of usage and reasons for install, deletion and usage.

06 What are prepaid payment habits? What is the sentiment towards USSD? What type of content do they enjoy on telco apps?
Summary of Findings
Introducing our 3 behavioral pillars that drive value for a brand in a consumer's app journey

App Discovery and Onboarding
Has the app been trialled following awareness and install?

Key for App Discovery and Onboarding
Consumers are beginning to form **affinity** with brands, which are aiming to create positive links to discovery metrics before engagement deepens.

App Engagement
How frequently is the app used?

Key for App Engagement
Consumers are using the app more frequently. Regular app usage links to increased **loyalty** and brand **satisfaction**.

App Satisfaction
How satisfied is the app user with the app?

Key for App Satisfaction
When consumers are highly satisfied with the app they will begin to **recommend** both the app and brand - which will help bring in more consumers to start their own **discovery** journey.

Think with Google
Introducing our 3 behavioral pillars that drive value for a brand in a consumer's app journey

Stages of App Discovery and Onboarding, App Engagement, App Satisfaction

**App Discovery and Onboarding**
- **Initial Awareness**: shift between “Never heard of app” and “Heard a little”
- **Deeper Awareness**: shift between “Heard a little” and “Heard a lot”
- **Installation**: shift between “Heard a lot” and “Installed but not used”
- **Onboarding**: shift between “Installed, not used” and “Tried app, still installed”

**App Engagement**
- **Regular Usage**: shift between “Tried app, still installed” and “Use regularly”
- **Most Frequent**: shift between “Use regularly” and “Use app most often”

**App Satisfaction**
- **Neutral**: shift between “Dissatisfied (1-6)” and “Neutral (7-8)”
- **Positive**: shift between “Neutral (7-8)” and “Satisfied (9-10)”
App Discovery and Onboarding: Key insights and recommendations

**Insights**

- Nearly 100% of telco brand's customers are aware of telco apps in Pakistan.
- Over 95% of recent customers (used the brand in the last 3 months) of Telco brands are also using the brand apps - and avg. 5% have trialled and deleted.
- App discovery is a starting link to building brand affinity. 45% of successful onboarders have strong affinity.
- 22% of App users have installed at least one telco app but never used.
- Nearly all app users are pre-paid customers (94%) with a strong preference for app top-ups (77%) - which will continue into the future due to convenience and recommendations.

**Recommendations to improve brand metrics**

- Focus less on app discovery stage of app journey. Awareness & usage is very high so time is more wisely spent on increasing engagement.
- Encourage any further installation through regularly used and influential touchpoints. Eg. app stores, search advertising.
- Encourage any further installation by promoting influential yet underutilized touchpoints. Eg. online reviews, including website advertising in media mixes.
- Focus more on improving trial. Key reasons why app users do not try apps after install are: they don't understand what the app provides (30%); needing help (20%). Could further education (e.g. online tutorials) help overcome these perceived complexities as we know many are moving to digital as a result of Covid. Continue to promote the convenience and safety of utilizing in-app payments - especially for those who are newer to digital.
App Engagement: Key insights and recommendations

**Insights**

- App engagement has a **strong positive correlation** with brand satisfaction and customer retention
  - 72% of ‘most frequent’ users are satisfied with the brand
  - 94% of ‘most frequent’ users are likely to stay with the brand

- 88% of app users **prefer to engage with telcos via apps** - apps are quick, easy and safe

- 72% of app users state they **prefer to use apps for critical tasks** such as viewing bills and tracking data as well as secondary functions such as redeeming rewards, discounts and video entertainment

- App users are encouraged to **continue usage** when apps are proven to **take up less memory** (32%), sends useful **notifications** (31%), uses less mobile data (29%) and is **recommended** (28%)

**Recommendations to improve brand metrics**

- **Upkeep core features** that bring app users back
  - E.g. viewing bills (36% perform regularly), track data (31%), top-up plans (31%), manage plans (29%)

- **Maximize opportunity areas** around rewards and discounts
  - Telco apps are becoming increasingly popular for discounts (65% perform regularly) and redeeming rewards (19%)

- **Raise awareness of underutilized yet helpful features**
  - Assuming they work well, underutilized entertainment features such as video (20% perform regularly), music (17%) and gaming (18%) can help increase the value of an app to users

- **Ensure notifications are hyper-relevant**
  - Consumers enjoy useful notifications - could this be a way of reminding about top-ups when data is low - or promoting entertainment options
App Satisfaction: Key insights and recommendations

Insights

- App satisfaction is strongly correlated with brand recommendation - 77% who positively rate an app regard themselves as brand promoters.
- 66% of app users would prefer a multi-functional singular app compared to multiple single purpose apps.
- As well as providing a channel that is safe during Covid such as an app, brands can meet changing consumer needs, providing safety and convenience - 41% strongly agree apps are safer than cash, 40% strongly agree apps are more convenient than going in-store; 39% strongly agree they can use apps anywhere, anytime.

Recommendations to improve brand metrics

- Get the basics right, consistently
  Ensure critical tasks (e.g. managing plans, tracking data) are reliable, seamless & elicit high satisfaction. Poor interfaces and disruptions quickly put users off. Ensure all functionality is available in one app.
- Promote other activities eliciting satisfaction
  Telco users are very happy with discounts, and entertainment options within apps - they should be promoted further.
- Innovate to meet consumer needs
  Whether they are current or new users, Covid has had an explicit impact on Telco app usage. People are appreciative of the safety and convenience of apps, but some may struggle financially or miss connecting with friends and family due to poor internet connectivity. Telco users are asking for a variety in packages that offer levels of flexibility, as well as features that can operate offline.
A strong relationship exists between brand metrics and app usage. Increase in brand metrics are evident as a user engages more with the app.
App Discovery and Onboarding

How does onboarding of an app impact brand metrics?
A successful app journey correlates with positive brand affinity (with strong shifts seen at onboarding and regular use)

Unaware Of app | Initial Awareness of app | Deeper awareness of app | Successful app onboarding | Use app regularly | Use app Most frequent | Rated as great app (top2box)

9% | 11% | 13% | 45% | 79% | 98% | 94%

+32%

R² = 0.9043
App stores and offline word of mouth compliment each other when telco app users look for new alternatives.
Online reviews and advertising (both online and offline) has value in influencing new users, and could be utilized further.

### Niche Touchpoints
- Reading Reviews Online
- Advertising on websites
- Offline Advertising
- Through News Articles
- Staff Recommend them
- Advertising on video sites i.e. YouTube

### Crucial Touchpoints
- Friends/Family recommend them
- Searching within app stores
- Featured apps within app stores
- Advertising on Search Engines
- I see it shared / talked about on websites
- Search Engine Results
- Through Brand websites

### Opportunity / Invest Touchpoints
Touchpoints not frequently used yet are influential in installation decision making.

### Typical touchpoints used

#### Online
- Reading reviews online
- Searching within app stores
- Featured apps within app stores
- Advertising on Search Engines

#### Offline
- Offline advertising online
- Advertising on websites

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Source: CJ5. How do you typically find out about new apps? CJ6. How influential are these in persuading you to install an app? Total Sample = 377
Recommendation from peers gets consumers started

Peer recommendations drive awareness

Pakistani consumers are primarily reliant on friends/family to recommend the app and teach them how to use it. To a lesser extent, they also get this information from the telco and from advertisements (e.g. Facebook, YouTube).

- Male app user

Low awareness of supplementary apps

Most consumers were not aware of supplementary telco apps for content/entertainment (e.g. PTCL Smart TV, JazzTV, etc), and get their content needs from free sources like YouTube.

Thought starter:

Social/community influence remains most important, but can be supplemented by ads and video demos. Drive adoption and buzz with the help of social campaigns, reward consumers for referrals.
Covid has pushed new users towards apps, but they need to meet expectations in terms of functionality

**Installation Triggers (Top 10)**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is from a well known brand</td>
<td>39%</td>
</tr>
<tr>
<td>It had features that looked useful</td>
<td>30%</td>
</tr>
<tr>
<td>I wanted to be able to top-up my account easily</td>
<td>27%</td>
</tr>
<tr>
<td>It is a safer option during Covid-19</td>
<td>25%</td>
</tr>
<tr>
<td>I wanted to change the way I make payments due to Covid-19</td>
<td>25%</td>
</tr>
<tr>
<td>I needed help tracking my data</td>
<td>24%</td>
</tr>
<tr>
<td>Everyone uses this app / I was recommended to use it</td>
<td>24%</td>
</tr>
<tr>
<td>They are from my current telco</td>
<td>24%</td>
</tr>
<tr>
<td>They offer personalised offers and incentives</td>
<td>20%</td>
</tr>
<tr>
<td>I was forced to download apps due to lockdown</td>
<td>19%</td>
</tr>
</tbody>
</table>

Brand promotion stems heavily from word of mouth - people have enjoyed their experience with the app, and have been more open to demonstrate the effectiveness to others. Apps that target unmet needs prove their use.

Covid is having an impact on downloads as a result of lockdowns and cautious behavior. Apps need to deliver to all users in these unprecedented times:
- new users need an easy introduction to telco apps
- current users could expand their activity repertoire
- families may benefit from budgeting tools and discounts

Satisfaction levels suggest apps are meeting user needs but this needs to continue for telcos to become the norm post-Covid.

Data management has become even more important due to Covid, so app users are expecting features that can alleviate stress around knowing remaining data and how best to pay for more.

Source: CJ3. Thinking specifically about "PIPE DUMMY CODE FROM S6a" apps, why do you decide to download and try these apps? CJ4. Thinking of the reasons you chose previously, please rank in terms of importance when it comes to your decision whether to download a "PIPE DUMMY CODE FROM S6a" app. Total Sample = 377
There’s preference among pre-paid telco users to renew their credit via apps...

- **Apps**: 77% current, 80% future
- **USSD**: 6% current, 5% future
- **In-Store**: 16% current, 13% future
- **Over a phone call**: 1% current, 2% future

94% of telco app users are paying for their smartphone services through prepaid means.

TELCO1. When you currently update your pre-paid mobile service (e.g. top-up / checking data), what is your preferred method?

TELCO3. Thinking into the future, what do you think will be your preferred method of updating your pre-paid mobile service?

Sample - those who top-up smartphone data in advance online or in-store = 355
... heavily influenced by convenience

80% of prepaid users are intending to go with apps as their preferred payment in the future

13% of prepaid users are intending to go in-store as their preferred payment in the future

Reasons For Choosing Telco Apps

- It is the most convenient option for me: 67%
- It is my current method and I prefer to keep it the same: 36%
- I’ve been recommended to update my service via apps: 29%
- I think it will be easier to manage my plan: 25%
- I’m unsure of how to update my service in a different way: 17%

Reasons For Choosing In-store

- It is the most convenient option for me: 76%
- It is my current method and I prefer to keep it the same: 33%
- I want to be able to speak in-person to a professional: 17%
- I think it will be easier to manage my plan: 17%
- I’m unsure of how to update my service in a different way: 11%

Source: TELCO6. Why will you look to update your pre-paid mobile service via apps in the future? Sample – those who top-up smartphone data in advance online or in-store & intend to use apps in the future = 285; those who top-up smartphone data in advance online or in-store & intend to go in-store in the future = 46
Some apps, however, would be left unused due to perceived complexities

New users need brands to help address the unknown and set-up processes

Reasons to install but not use

- I don’t understand what the app provides me: 30%
- I use a different app instead: 23%
- It is too risky to sign up to new products during Covid-19: 21%
- I need someone to help me / teach me more: 20%
- I haven’t had the time: 18%
- The app design or user experience is complicated: 17%
- The sign up process looks complex: 7%

Less tech-savvy face onboarding challenges

While most consumers are able to onboard on their own, those who tend to be less technologically savvy face challenges and require help in installing, registration, and learning to use the app.

“Steps and procedures should be on Play Store. If I didn’t have someone to help me, maybe I won’t know how to use it.”

- Female app user

Source: CU3. How familiar are you with each of these apps? Drag each into the appropriate box below. Total Sample = 377, Have installed apps but not used = 82
App Discovery and Onboarding: Key insights and recommendations

Insights

- Nearly 100% of telco brand’s customers are aware of telco apps in Pakistan.
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Recommendations to improve brand metrics

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- Encourage any further installation by promoting influential yet underutilized touchpoints. Eg. online reviews, including website advertising in media mixes.
- Focus more on improving trial.
  Key reasons why app users do not try apps after install are: they don’t understand what the app provides (30%); needing help (20%). Could further education (e.g. online tutorials) help overcome these perceived complexities as we know many are moving to digital as a result of Covid. Continue to promote the convenience and safety of utilizing in-app payments - especially for those who are newer to digital.
App Engagement

How frequently is the app used?
Increased app engagement strongly links to brand affinity

**App Engagement**

<table>
<thead>
<tr>
<th>Affinity Brand Metric</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unaware Of app</td>
<td>9%</td>
</tr>
<tr>
<td>Initial Awareness of app</td>
<td>11%</td>
</tr>
<tr>
<td>Deeper awareness of app</td>
<td>13%</td>
</tr>
<tr>
<td>Successful app onboarding</td>
<td>45%</td>
</tr>
<tr>
<td>Use app regularly</td>
<td>79%</td>
</tr>
<tr>
<td>Use app Most frequent</td>
<td>98%</td>
</tr>
<tr>
<td>Rated as great app (top2box)</td>
<td>94%</td>
</tr>
</tbody>
</table>

**R² = 0.9043**

NOTE: Similar pattern is seen for other brand metrics
App users stick to their primary telco brand, for specific usage

1.3 telco apps installed on average

3.7 activities are regularly performed in telco apps, on average

2.2 activities are performed weekly, on average

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps? Total Sample = 377
App users prefer to engage with brands via apps with convenience and speed being key drivers.

88% prefer to engage with brands through apps.

9% Via their website
2% Via an employee on the phone
1% Via email

Source: CU10. Which would be your preferred way to engage with \(<\text{PIPE DUMMY CODE FROM S6a}>\) brands? CU10a. You said you would prefer to engage with \(<\text{PIPE DUMMY CODE FROM S6a}>\) brands via apps. Why is this? Total Sample = 377; Prefer to engage via App n = 331
App users prefer to engage with brands via apps with convenience and speed being key drivers.

Reasons for engaging with brands through an app:

- I find it easier: 57%
- It is quicker: 42%
- I can do it from anywhere: 39%
- I can access it anytime of the day or night: 33%
- They are very user friendly: 28%
- It is the method I have always used: 28%
- They have all my details stored: 26%
- It is safer in the current climate (i.e. covid 19): 24%
- It has all the features I need: 20%
- I prefer not having in person interaction: 19%
- I can deal with all my accounts in one place: 16%
- The app provides special features that other channels don't: 16%
- I prefer the limited features: 12%
- I prefer the security processes (i.e. 2 Factor authentication): 8%

Source: CU10. Which would be your preferred way to engage with <PIPE DUMMY CODE FROM S6a> brands? CU10a. You said you would prefer to engage with <PIPE DUMMY CODE FROM S6a> brands via apps. Why is this? Total Sample = 377; Prefer to engage via App n = 331
App users generally prefer apps across all key telco activities - although there are some small skews to other touchpoints

Activity Preference (%)

Check or redeem rewards / Loyalty schemes: 85% App, 7% Mobile Website, 4% Desktop Website, 3% Other
Look for discounts / promotions: 83% App, 13% Mobile Website, 3% Desktop Website, 2% Other
For video entertainment: 81% App, 13% Mobile Website, 3% Desktop Website, 1% Other
Make bill payments (postpaid): 80% App, 6% Mobile Website, 4% Desktop Website, 8% Other
View my bills: 79% App, 12% Mobile Website, 1% Desktop Website, 5% Other
Apply for new services and products: 77% App, 15% Mobile Website, 5% Desktop Website, 2% Other
Track data usage: 75% App, 14% Mobile Website, 2% Desktop Website, 8% Other
Subscribe to/manage add-on services: 75% App, 11% Mobile Website, 1% Desktop Website, 8% Other
Engage with customer service (i.e text chat/chatbots.): 75% App, 10% Mobile Website, 2% Desktop Website, 13% Other
For music entertainment: 74% App, 10% Mobile Website, 1% Desktop Website, 13% Other
Track data usage: 74% App, 10% Mobile Website, 1% Desktop Website, 13% Other
Add to/top-up my mobile data plan (prepaid): 72% App, 19% Mobile Website, 4% Desktop Website, 3% Other
Change what payment method I use: 71% App, 10% Mobile Website, 1% Desktop Website, 13% Other
Manage mobile data plan (look & compare new offers): 70% App, 14% Mobile Website, 2% Desktop Website, 10% Other
Check for network outages: 64% App, 13% Mobile Website, 3% Desktop Website, 10% Other
Troubleshoot tech issues: 60% App, 23% Mobile Website, 10% Desktop Website, 7% Other
For opportunity of additional income (agents): 54% App, 8% Mobile Website, 8% Desktop Website, 31% Other
Track Orders: 53% App, 18% Mobile Website, 9% Desktop Website, 12% Other

Source: CU14. Please tell us your preference for which method you would prefer to perform each activity shown below?
Total Sample = 350

App Average: 72%
Tracking data, viewing bills and managing plans are crucial activities within telco apps.

**Common Telco App Behaviours**

- View my Bills: 36%
- Change what payment method I use: 33%
- Track data usage: 31%
- Add to/top-up my mobile: 31%
- Look for discounts / promotions: 29%
- Manage mobile data plan: 29%
- Apply for new services and products: 26%
- For video entertainment: 20%
- Check or redeem rewards / loyalty schemes: 19%
- Make bill payments (postpaid): 19%
- Check for network outages: 19%
- For Games: 18%
- For Music Entertainment: 17%
- Subscribe to / Manage Add-on services: 14%
- Track orders: 9%
- Engage with customer service: 8%
- Troubleshoot tech issues: 8%
- For opportunity of additional income: 3%

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps?
Total Sample = 377
The app interface opens up new possibilities for complex telco management and extra services

App interface allows for complex management

The app interface allows consumers to keep track and manage complex daily/weekly packages with app and timing restrictions, hence promoting more frequent usage. Push notifications when they start running low on data also encourage logging in.

“...In the past, it was very difficult to manage. I didn’t even know what was in my package. Now it’s so easy to check, plan and subscribe with an app.”

- Male app user

Value added services adds use cases

Value-added services gives them more reasons to use the app, as it provides additional convenience, as well as entertainment without needing to download another app.

“I subscribed for a Koran feature, so I can listen to recitation while at home. and they will remind me about prayer times. I use it every day. This is offered on [App A], and it means I don’t have to download another app.”

- Female app user
App users are often looking to check rewards or look for promotions - a popular but secondary functions with users.

**Common Telco App Behaviours**

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Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps?
Total Sample = 377
App users are often looking to check rewards or look for promotions - a popular but secondary functions with users.

App interface allows for complex management
Consumers are attracted by **better value weekly or daily plans and deals** that are only available on the app, which can help them save money purchasing smaller packages as and when needed.

"First thing that attracted me are the daily package, all the discounts are there too."
- Female app user

Limited-time deals & rewards incentivize login
Telcos offer attractive deals and rewards (in the form of free data) that need to be redeemed within a week or even daily, which motivates some users to log in frequently to check for deals, stack and redeem data.

"I wait for 12am everyday so I can redeem the points. I get an internet bundle from the rewards and free internet. I get 25MB extra daily from doing this."
- Male app user

Source: CU11. What activities do you regularly perform when you use «PIPE DUMMY CODE FROM S6a» apps?
Total Sample = 377
Alternative secondary functions like entertainment could be a gateway to draw more users across to a specific brand.

**Common Telco App Behaviours**

- View my Bills: 36%
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- Troubleshoot tech issues: 8%
- For opportunity of additional income: 3%

Source: CU11. What activities do you regularly perform when you use PIPE DUMMY CODE FROM S6a apps?
Total Sample = 377
Optimizing apps in accordance to type of device and storage can help avoid frustrations

**Continued Usage (Top 10)**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It takes up less memory on my smartphone</td>
<td>32%</td>
</tr>
<tr>
<td>If it sends useful notifications</td>
<td>31%</td>
</tr>
<tr>
<td>If it uses less mobile data</td>
<td>29%</td>
</tr>
<tr>
<td>If my friends or family are using / talking about it more</td>
<td>28%</td>
</tr>
<tr>
<td>If it shows its relevance during COVID-19</td>
<td>25%</td>
</tr>
<tr>
<td>When the app notifies me of any changes</td>
<td>23%</td>
</tr>
<tr>
<td>If it proved it was secure and safe</td>
<td>22%</td>
</tr>
<tr>
<td>If the app was updated regularly with new, useful features</td>
<td>22%</td>
</tr>
<tr>
<td>If a social media influencer endorsed it</td>
<td>20%</td>
</tr>
<tr>
<td>I have to use the app as it is with my provider</td>
<td>20%</td>
</tr>
</tbody>
</table>

For apps to continue to be useful, they need to fit within the demands of smartphone capacities in terms of memory and data.

The key word here is useful - as continued usage is not overly dependent on "less notifications" or every feature fitting everyone's needs but those that do come up need to be relevant and targeted to specific users.

Behaviors have changed across the world during the pandemic and many are re-assessing their choice of brands. These potentially new telco behaviors could be sustained into the long term if apps are continuing to show relevance during Covid which will lead to engrained digital behaviors into the future.

We have seen that word of mouth is a key influencer in the path to purchase - but it doesn't end just at download. These recommendations need to continue into usage to encourage repeated and regular behavior. People influence people.

Source: CJ7. What encourages you to continue to use <PIPE DUMMY CODE FROM S6a> apps rather than delete/uninstall them? Total Sample = 377
The majority of telco app users would prefer to have all their telco needs a part of the same app.

- 66% of app users prefer a **single** telco app covering multiple functions.
- 34% of app users prefer multiple apps that cover specific functionality.

Source: CU9. Thinking about using apps in general, which of the following options would you prefer when using your <PIPE DUMMY CODE FROM 5&6> services? Total Sample = 377
Perceived lack of availability of entertainment and gaming app content exists

**What Content Appeals To Telco App Users?**

- **Availability**
- **Preference**

<table>
<thead>
<tr>
<th></th>
<th>Availability</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>News</td>
<td>32%</td>
<td>10%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>32%</td>
<td>17%</td>
</tr>
<tr>
<td>Music</td>
<td>26%</td>
<td>11%</td>
</tr>
<tr>
<td>Movies</td>
<td>23%</td>
<td>2%</td>
</tr>
<tr>
<td>Sports</td>
<td>23%</td>
<td>6%</td>
</tr>
<tr>
<td>Gaming</td>
<td>22%</td>
<td>14%</td>
</tr>
<tr>
<td>International</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Kids</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Asian/Local</td>
<td>7%</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Potential opportunity**

TELCO10. And just to ask something a little bit different. Which of these following types of content appeal to you?

TELCO11. And which of these types of content do you think are widely available to you?

Total Sample = 374
There’s appetite for various types of content on the go, but infrastructure and cost remain a challenge

Most content accessed is from free sources, or shared accounts

Aside from exclusive content on cable TV, most consumers prefer to look for free sources

- **Turkish dramas** (with Urdu translations / subtitles) - from free apps or pirated links like torrents
- **Cricket** - available on TV, from cable providers or when their household has a subscription. To watch on PC or mobile, they look for pirated links
- **Other dramas / hobby-related content** like cooking recipes - YouTube
- **Music** - shared Spotify accounts

Everything is available on YouTube, I like how it recommends you more videos, and it’s all free

- Females

Infrastructure limits streaming

Data connectivity in Pakistan is generally not strong or reliable enough for heavy content streaming on the go. Video content is **often consumed at home** to avoid having to deal with spotty network coverage when on transport.

However, as the infrastructure develops, there is potential to deliver music/video content to consumers’ mobile devices.

- Females

I’m using my brother’s Spotify, the best thing is the variety of music. If my Ufone has something similar, I might pay for that. Then I wouldn’t need his subscription and it would all be on one app

Wow, if they have all these features, it would be life changing. I would love to be able to watch sports on live TV on my phone, anywhere I go

- Males
App Engagement: Key insights and recommendations

Insights

- App engagement has a strong positive correlation with brand satisfaction and customer retention
  - 72% of 'most frequent' users are satisfied with the brand
  - 94% of 'most frequent' users are likely to stay with the brand

- 88% of app users prefer to engage with telcos via apps - apps are quick, easy and safe

- 72% of app users state they prefer to use apps for critical tasks such as viewing bills and tracking data as well as secondary functions such as redeeming rewards, discounts and video entertainment

- App users are encouraged to continue usage when apps are proven to take up less memory (32%), sends useful notifications (31%), uses less mobile data (29%) and is recommended (28%)

Recommendations to improve brand metrics

- **Upkeep core features that bring app users back**
  E.g. viewing bills (36% perform regularly), track data (31%), top-up plans (31%), manage plans (29%)

- **Maximize opportunity areas around rewards and discounts**
  Telco apps are becoming increasingly popular for discounts (65% perform regularly) and redeeming rewards (19%)

- **Raise awareness of underutilized yet helpful features**
  Assuming they work well, underutilized entertainment features such as video (20% perform regularly), music (17%) and gaming (18%) can help increase the value of an app to users

- **Ensure notifications are hyper-relevant**
  Consumers enjoy useful notifications - could this be a way of reminding about top-ups when data is low - or promoting entertainment options
App Satisfaction

How satisfied is the user with the app?
Strong app satisfaction creates a strong link to brand affinity
Strong app satisfaction are also positively correlated with brand loyalty and advocacy.

<table>
<thead>
<tr>
<th></th>
<th>Affinity (among brand users)</th>
<th>Satisfaction (among brand users)</th>
<th>Retention (among brand users)</th>
<th>NPS (among brand users)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.5 in 10</td>
<td>8 in 10</td>
<td>9.5 in 10</td>
<td>8 in 10</td>
<td></td>
</tr>
<tr>
<td>like / love the brand (top2box)</td>
<td>are satisfied with the Brand (top2box)</td>
<td>are likely to stay with the brand (top2box)</td>
<td>are likely to recommend the brand (top2box)</td>
<td></td>
</tr>
</tbody>
</table>

When consumers are satisfied with their app there are strong positive links with all metrics.

If recommendation is high, it will leading to new consumers starting their app journey.
Satisfaction will be driven by meeting key motivators; providing Covid safety and convenience

<table>
<thead>
<tr>
<th>Primary Motivations To App Usage</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Covid Safety</strong> (% strongly agree)</td>
<td><strong>Convenience</strong> (% strongly agree)</td>
</tr>
<tr>
<td>Apps are safer than using cash</td>
<td>41%</td>
</tr>
<tr>
<td>They keep me safe during the Covid pandemic as I do not have to go outside</td>
<td>36%</td>
</tr>
<tr>
<td>I like the ability to top-up my mobile data / pay my bills plan through the app</td>
<td>35%</td>
</tr>
<tr>
<td>I prefer to use digital payments over cash</td>
<td>33%</td>
</tr>
<tr>
<td>Health and safety is a priority as a result of the pandemic with app users moving to digital over physical currency</td>
<td></td>
</tr>
</tbody>
</table>

Source: CJ2. Looking at the list below, how much do you agree or disagree with the following statements as to why you use apps? Total Sample = 377
Regular tasks elicit high satisfaction; these need to be seamless and instant - and appear to be delivering well.

Frequent Activities x Satisfaction

Apps need to continue to deliver on these critical activities.

Source: CU13. How satisfied are you with your app experience when it comes to the following activities within your <PIPE DUMMY CODE FROM S6a> apps?
CU12. How frequently do you perform the following activities within your <PIPE DUMMY CODE FROM S6a> apps? Total Sample = 377
Poor consumer experience will lead to deletion - alongside hardware limitations and other distractions (notifications, ads)

### Satisfaction: Deletion Top 10

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor interface</td>
<td>16%</td>
</tr>
<tr>
<td>My current app does a better job</td>
<td>15%</td>
</tr>
<tr>
<td>There were too many ads</td>
<td>15%</td>
</tr>
<tr>
<td>It takes up too much memory on my smartphone</td>
<td>14%</td>
</tr>
<tr>
<td>It had provided me with the information I needed</td>
<td>14%</td>
</tr>
<tr>
<td>I delete apps and reinstall them when I need them again</td>
<td>13%</td>
</tr>
<tr>
<td>It seemed to be draining my battery</td>
<td>13%</td>
</tr>
<tr>
<td>It has bugs / keeps crashing</td>
<td>12%</td>
</tr>
<tr>
<td>I was having a general clean up of my apps</td>
<td>12%</td>
</tr>
<tr>
<td>Lockdown had eased and no longer required the app / went back to my previous behaviour</td>
<td>12%</td>
</tr>
</tbody>
</table>

Unsurprisingly, app users will lose patience with apps that deliver a poor and frustrating performance. Updates need to be regular to fix bugs and improve features.

App users will get frustrated by regular interruptions such as notifications and advertising (both need to be hyper relevant and as infrequent as possible)

Some app users have concerns over storage and battery - this leads to reinstallation as and when apps are needed. But there is a preference for the larger multi-purpose apps which will take up storage.

**Telco app deletion is rare.** Consumer are tied to their provider - but apps still need to hit expectations or brand equity will suffer

- 48% do not delete telco apps
- 38% delete telco apps less often than every few months

Source: CJ9. Thinking now specifically about "PIPE DUMMY CODE FROM S6a" apps, what are the typical reasons why you delete / uninstall these?

CJ10. Thinking of the reasons you chose previously, please rank in terms of importance when it comes to deleting a "PIPE DUMMY CODE FROM S6a" app

Total Sample = 377
Telcos can continue to develop on basic app functions and further educate new users that have joined due to Covid

Offline Access

Not every place has great internet connectivity, and at times people are limited by the phones they can use. Telcos can look to incorporating features that don't always rely on a constant internet connection, making users feel like they can maintain a regular app habit from where they live or work

- “There should be an international packages”
- “There are no packages to call foreign countries”
- “Out of country packages should be good”
Telcos can continue to develop on basic app functions and further educate new users that have joined due to Covid

International Contact

Covid has misplaced many people across the world. Being able to contact anyone around the world would go along way to retaining and keeping current users satisfied. New users might not be quite up to speed with video calls, which Telcos could capitalize on as an opportunity for growth

- “App should run if there are no internet packages”
- “It should run without internet”
- “There is no free internet, improve network”
- “Speed is slow, it takes time to install app”
Telcos can continue to develop on basic app functions and further educate new users that have joined due to Covid

Package Variety

To manage any financial struggles due to Covid, brands can look into what data packages are most appealing, and offer different reward or loyalty programs that deliver on requests for different data top-ups

- “Rate of packages should be cheap”
- “Give 15 days packages, rate should be low”
- “New packages should be updated it should provide more minutes and mbs”
- “It should be fast, give 500 mb but they provide 10 to 20 mb as a gift”
There’s opportunity in building on telcos’ experience in the payments space, and allowance for customization

Consolidate strengths across apps

Some telcos are already in the payments space with established e-wallets, in addition to having a suite of value-added services. Consumers see value in consolidating these functions in one app for greater convenience and rewards.

I wish I can use my mobile app like Easypaisa, all in one account. And use it for payments. Then it can do everything. Even use it for remittances. And get 10% cashback on the payments.

- Males

Allow preference and setting customization

The app should understand a range of telco management needs and help guide consumer choices with minimal confusion, as well as let consumers set preferences and customize most frequently used functions.

I wish I can use my mobile app like Easypaisa, all in one account. And use it for payments. Then it can do everything. Even use it for remittances. And get 10% cashback on the payments.

- Males

Build loyalty via a user community

Consumers in Pakistan thrive on communities - they are eager to share their experiences with others, as well as learn about more ways that they can use the telco app to benefit their daily lives.

It should be like Facebook, like a community application, people can share their experiences. It might help others. So I can talk about how I use my Ufone application, and help other people, all on one platform. Community is important.

- Males
App Satisfaction: Key insights and recommendations

**Insights**

- App satisfaction is **strongly correlated** with brand recommendation - 77% who positively rate an app regard themselves as brand promoters.
- 66% of app users would **prefer a multi-functional singular app** compared to multiple single purpose apps.
- As well as providing a channel that is safe during Covid such as an app, brands can meet **changing consumer needs** providing safety and convenience - 41% strongly agree apps are safer than cash, 40% strongly agree apps are more convenient than going in-store; 39% strongly agree they can use apps anywhere, anytime.

**Recommendations to improve brand metrics**

- **Get the basics right, consistently**
  Ensure **critical tasks** (e.g. managing plans, tracking data) are reliable, seamless & elicit high satisfaction. Poor interfaces and disruptions quickly put users off. Ensure all functionality is available in one app.
- **Promote other activities eliciting satisfaction**
  Telco users are very happy with discounts, and entertainment options within apps - they should be promoted further.
- **Innovate to meet consumer needs**
  Whether they are current or new users, Covid has had an explicit impact on Telco app usage. People are appreciative of the safety and convenience of apps, but some may struggle financially or miss connecting with friends and family due to poor internet connectivity. Telco users are asking for a variety in packages that offer levels of flexibility, as well as features that can operate offline.
Thank you