



Wi-Fi Hotspots to Boost Sales

BBOXX DRC Pilot Report- December 2019



Contents

- 1 Executive Summary
- 2 Introduction and Background
- 3 The Pilot: Lessons learned
 - 3a Customer Insights
 - 3b Operations: Process Insights
 - 3c Operations: Sales Agent Insights
 - 3d Marketing and Sales Insights
 - 3e Technology Insights

- 4 Next Steps

Executive Summary

- BBOXX has been in the DRC Goma market for over a year and a half now and noticed declining sales and increased competition
- The company began exploring innovative ways to drive the brand and improve sales in Goma at the beginning of 2019 to ensure it met its commercial objectives
- BBOXX designed a pilot to test whether the provision of Wi-Fi to potential customers in Goma could drive an uptick in sales. The hypothesis was that free Wi-Fi would spur increased footfall at Points of Sale, increased interaction with BBOXX sales agents which would then lead to increased lead generation and closed sales
- With the support of the Shell Foundation, BBOXX has now implement this pilot in Goma over a 3 month period as an A/B test where 15 randomly chosen kiosks provided free internet to potential BBOXX Customers. Data from these kiosks was compared against data from kiosks without access to internet

In summary, there are eight major lessons that can be learned from this pilot



For free Wi-Fi to translate directly into sales, the targets for both services should intersect



Social Media marketing is the most cost-effective means of reaching potential customers



Locations where target customers are likely to frequent and spend time should be prioritized for hotspot placement



Gain access and use Staff networks by involving staff in the marketing effort



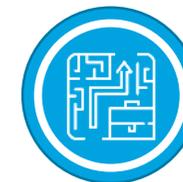
Keep the customer's experience at the heart of product and process design



Choose the right technology and partner after exploring multiple options



Consider the experience of the sales agents in process design

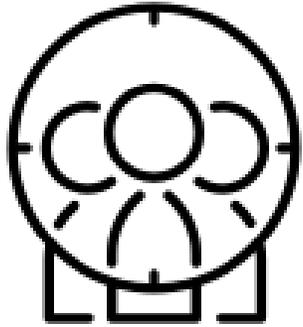


Prepare and document technology contingency plans for multiple scenarios

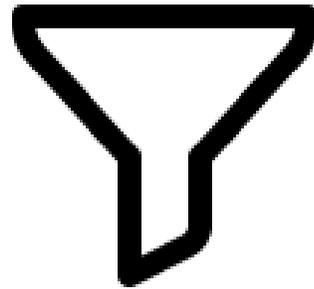
Over a 3-month period, the pilot reached led to an increase in lead generation



At a Glance



648
customers



5x
Increase in lead
generation



17pp
Increase in Top of Mind
Awareness



\$13
Average cost per lead
generated*

Other Stats



40 mins
Average session
time



2
Extra sales per kiosk per
month with hotspot



200 MB
Average data per
customer per session



2.25 times
Average number of
times customers used
the hotspot per month

*Calculated by dividing total leads and sales generated by the kiosks by cost of providing internet to the site



Introduction

Goma as a city and a BBOXX Market



Goma as a city

- 1M people live in Goma
- 90% of them do not have access to stable electricity
- Internet is another utility that is still considered a luxury
- Internet costs as much as \$5 per GB

BBOXX DRC

- BBOXX is a Next Generation Utility Company, focused on providing energy on a Pay-As- You Go basis to people in off and low grid areas in Africa and Asia
- Goma is our third market, with operations beginning in late 2017, and currently has 9,142 total customers
- We noticed declining sales and increased competition at the beginning of 2019 and started considering ways to increase sales and awareness with target customers

BBOXX planned to use this pilot to determine if the provision of internet would have significant impact on sales



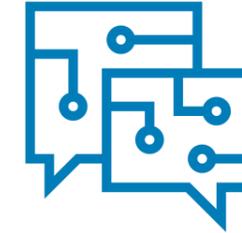
The goals of the pilot are two-fold

1

50%

To prove the hypothesis that providing free internet will increase number of sales leads and lead to a 50% increase in sales

2



To find the best Digital platforms to engage our potential customers on

And our research questions meant we needed to track key KPIs

Cost Benefits of Wi-Fi

-  Total cost of pilot
-  Cost per lead
-  Cost per sale

Increase in Leads and Sales

-  Sales per kiosk per month
-  Leads per sales per month
-  Conversion Rate

Increase in Brand KPIs

-  Top of Mind Awareness



The Pilot: Key Learnings





The Customer

The main takeaway is the importance of aligning pilot users and pilot locations with target customers

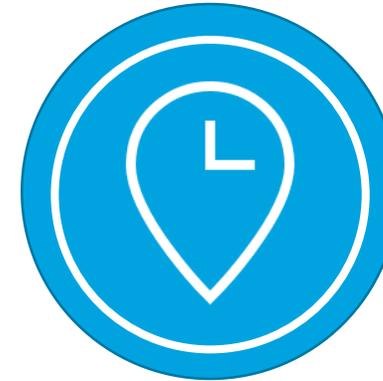


Targeting is key

In order for the impact of free internet to translate directly into increased sales, the target market for both products needs to intersect.

Target customers need to:

- have internet enabled devices,
- have an interest in using the internet and
- be able to influence the purchase decision for a Solar Home System



Keep the Location of Target Customers in Mind when Choosing Hotspot Locations

The location of a hotspot must be a place where the target customer is likely to frequent and spend enough time.

Based on our customer base, we made assumptions about who would use the internet before we launched the pilot



We based our assumptions about the customer base on what we knew about existing BBOXX customers



Access to stable electricity is a major pain point for households in Goma



Each household has at least one smartphone



Internet is prohibitively expensive

The ideal user of Bboxx hotspots would have the following characteristics



- Male
- Aged 30-40
- Has a smart phone
- Is interested in using an affordable internet service
- Has limited access to electricity

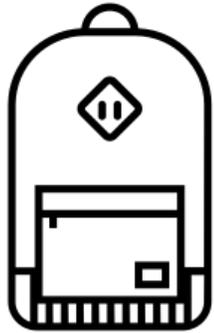
This demographic would be the most likely to purchase a BBOXX product for the following reasons:

- They are likely to be the primary decision maker of the home
- They are most likely to be both payer and user of a BBOXX product
- They are most likely to be influenced in a purchase decision by Sales Agents

The actual users of the hotspots were students who were close to the kiosks and different from our target customer



Wi-Fi Hotspot User



22 years old
Average age of Customers



Student

Primary occupation of Hotspot customers

BBOXX Customer



38 years old
Average age of BBOXX Customers



Civil Servant

Primary occupation of BBOXX customers

\$1.00

Average amount customers would have spent on internet per session



Social Media
Most popular usage of hotspot data

40 minutes

Average time spent at the hotspot



Email
Expected use of hotspot data

20 minutes

Expected time spent at the hotspot



\$0.50

Expected average amount customers would have spent on internet per session



The location of our target customer and the location of our kiosks have to match to make a successful Hotspot Kiosk



Performance of a kiosk could be explained by its location.

Successful kiosks: Completed at least 5 sales a month

Had at least 15 leads a month

Had at least 5 Wi-Fi users a day

-Next to a secondary school

- Interest from teenagers for Wi-Fi who then convince their family to buy BBOXX

-Strategic crossroad in or close to the city centre

- A lot of people are passing by the kiosks every day
- People in the city centre tend to have smartphone and be more interested in Wi-Fi

Unsuccessful kiosks: Completed less than 5 sales a month

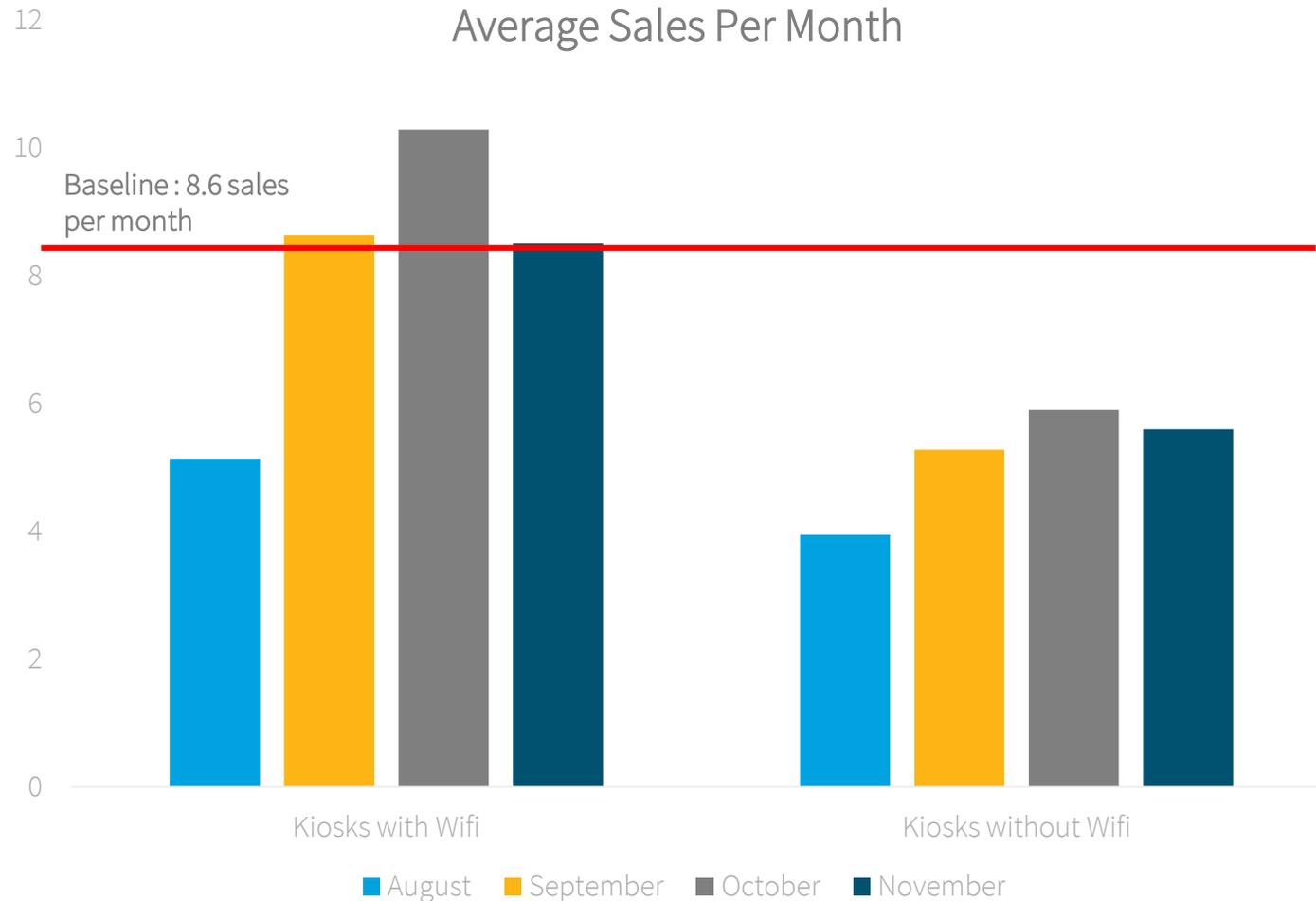
Had less than 15 leads a month

Had less than 5 Wi-Fi users a day

-In suburbs

- Most of the people don't have smartphones
- During the day, most of the people passing by are mothers without interest for Wi-Fi

The pilot showed Wi-fi could be a longer-term strategy for increasing sales rather than a quick fix



- Average sales per kiosk per month is now 8.14 per month for kiosks with Wi-Fi as against 5.21 per month for kiosks without.
- However, there are no duplicates between the list of Wi-Fi users and the new sales BBOXX has made in the period, showing no direct link between Wi-Fi users and new sales
- The belief is that the sales agents are gaining efficiencies with the Wi-Fi in addition to TOMA with potential customers
- Lead generation however increased by 5x on kiosks with Hotspots
- One Agent attributes 5 of his sales to referrals from Internet customers

Based on these insights we would have considered other ways to drive direct sales through the Hotspots



- Engage with the communities with lower interest in internet but with our target audience. Provide education on the benefits of internet as well as access to financing for internet enabled devices
- Create a referral program to reward users of our hotspots who encourage their friends and family to purchase a BBOXX product
- Provide opportunities for people who do not have internet enabled devices to benefit from the internet by having devices available for rent at the Kiosks or downloaded content that can be copied by Bluetooth or Flash Drive



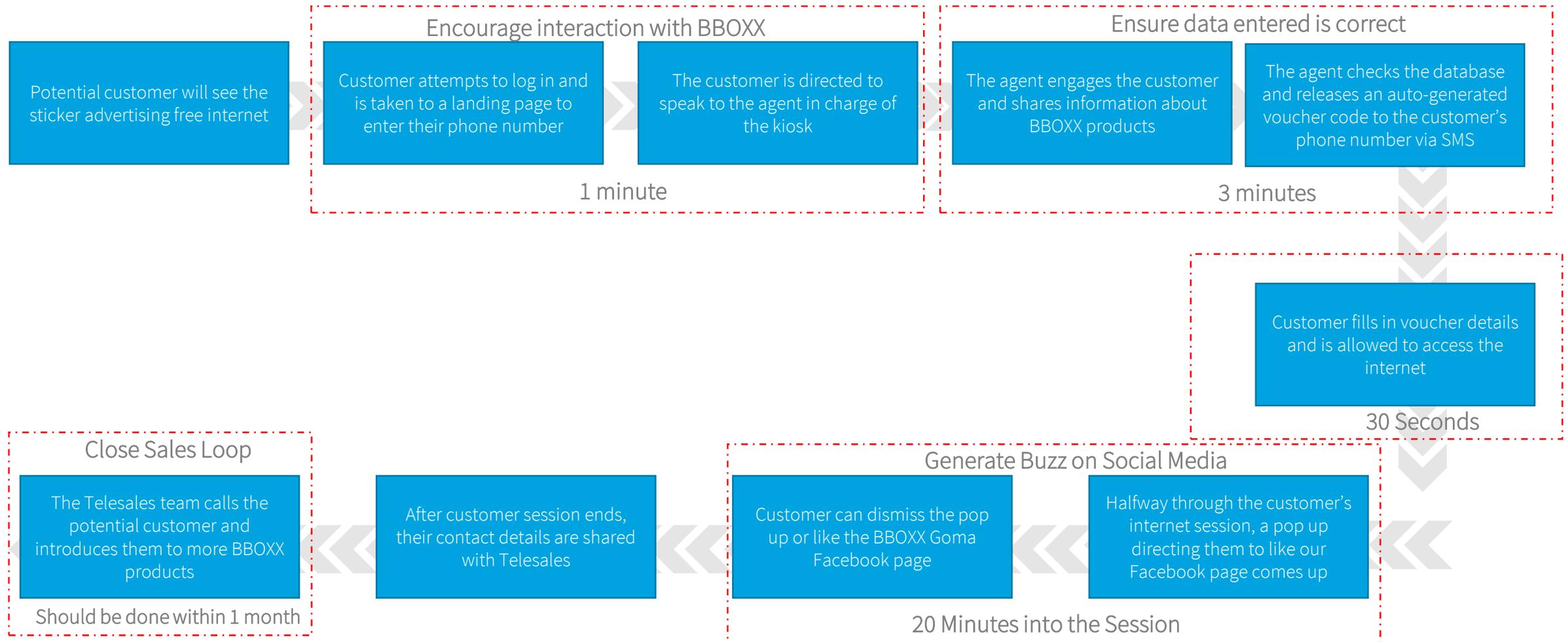
Operations: Process

Keeping the process simple and tailored to the customer is key to success



Keep the customer experience at the heart of Process Design
Simplifying the process and limiting barriers to the use of the internet can help expand reach and uptake, even with lesser data collection. By keeping the customers at the centre of the process, and making changes to the process as they requested, we gained traction in the market and increased hotspot usage by 3X.

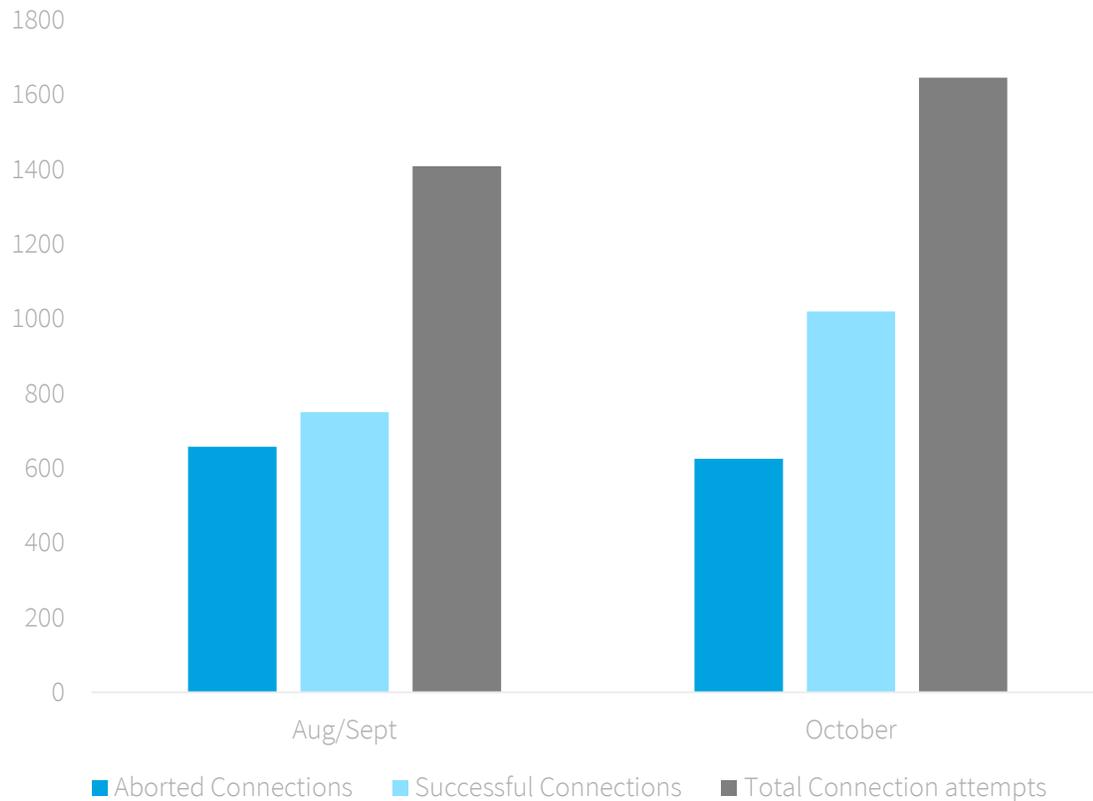
Our sign up process was designed to obtain verifiable information from customers and not take more than 5 minutes



The complexity of the process led to sub-optimal success rates, in terms of connections and customer engagement

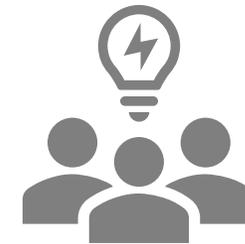


Wi-Fi Connections



42% of connection attempts were aborted on average
Most customers were dropping off at the point of receiving the text message

A survey of customers who exited the process revealed the key factors behind customers not completing sign ups.



30.7%

Agent does not know the process
Largely due to process complexity



23.1%

Never received the SMS with password
Caused by a bug in the system, human error in entering their numbers, and customers not interacting with the Agent



46.2%

Access after several tries
Customers finally received the text message after attempting the connection several times



In response to customer feedback, we eliminated SMS verification and increased successful connections by ~3x

Number of successful connections per site

6.25

Successful connections per kiosk per week

With initial Process

- Multiple interactions (landing page and Agent)
- SMS Verification

17

Successful connections per kiosk per week

Without SMS verification

- Multiple interactions (Landing page and Agent)

17

Successful connections per kiosk per week

Without any verification

- One interaction with Agent

There are implications to removing verification from the process

- We will be unable to track KPIs around individualized customer information such as multiple visits, individual length of sessions and time spent per session.
- By limiting the number of conversations with the agent, we also limit the opportunities for lead generation and conversion to sales.
- We will be unable to ensure customers give us real and verifiable information and this will impact the follow up process.



Operations: Sales Agents

An optimal process design also considers user experience of sales agents



Identifying and understanding sales agent needs, such as technological competency and sales targets, and providing flexibility to meet those needs allowed agents to better leverage Wi-Fi to improve business performance

The expectation after gathering verifiable data was to have Telesales agents close the sales loop



BBOXX has three sales channels that were expected to work together to close the sales loop for this pilot



Kiosk Agents sit in the kiosks and explain BBOXX products to customers and sign up leads.

NB: These people are hired by Sales Agents and are not actually part of the BBOXX sales structure



Sales Agents are responsible for sales in quarters over the Goma township. They are responsible for signing up customers and closing sales in this pilot



Telesales Agents are agents who make sales by following up on leads recorded in the system and closing them

1

Customers share email addresses and phone numbers with BBOXX in order to access the internet

2

Sales agents meet with potential leads and attempt to close the sale. If not successful, they record customer as a lead in the system

3

If an immediate sale is not made, Telesales schedules a follow up call/text message blast after one month to attempt a conversion again

Agents were having difficulty with the process as it was complex on their side as well

The second highest reason for customers not completing the process was due to the agent



30.7%

Agent does not know the process

Discussions with agents revealed issues with understanding the process, not having appropriate devices and not wanting to hand over leads to another team.

Why should I hand over a potential customer to the telesales team and lose my commission?

I like having the internet at the kiosk because I get to sign up more customers on the sales agent app

I don't understand what I need to do to sign up the customer. It's too complex for what I am getting out of it

I sometimes have to leave the kiosk, but that means I leave with the phone we use for verification and my sub agent cannot work

More people come to ask about the internet and this leads to them being interested in BBOXX products

In summary, we needed to consider the Agent Experience as well as customers in the design of the process:

- The process was too complex for the digital literacy levels of our agents
- The process did not support our organization design (Agent Assistants who report to Agents) and needed to be tailored more to it
- There needed to be more training about the benefits of having the hotspots and their impact on lead generation and sales
- We needed to limit the entire process to one sales team to remove any questions about the true owner of the customer and simplify commissions

Time spent on training the Sales agents and changing to a less complex process saw a 2x increase in major KPIs.



We implemented 3 major changes after interactions with the agents to help to improve their experiences on the pilot

1



Agent Training and Testimonials

Consistently visited agents and attended their meetings to explain the rationale behind the hotspots was to help them improve their sales. Used agents that were successfully using the hotspots to convert leads and sales as good examples.

2



Sign up process change

Changed the process to require less of the agent on the platform as the digital literacy gap was too large to surmount in the short period we had. The new process only required the agent to check the customers' information through conversation and share the wi-fi password. The new process also left the follow up process with the Sales Agent to ensure they would get the full commission for the sign up of the customer

3



Provision of Smartphones

Smartphones were given to Agent Assistants in the kiosks with hotspots to ensure continuity of sign ups even in the absence of the main agent

There was a jump in stats at the kiosks after the changes were implemented

Before changes

5

visits per site per day

After changes

10

visits per site per day

1

Internet user per site per day

3

Internet user per site per day

5

leads per site per month

15

leads per site per month





Marketing and Sales

Doing Social Media Marketing and involving staff was both impactful and cost effective



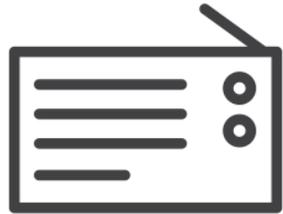
Use Social Media Marketing

Once we figured out the best channels to reach customers was via social media, our traction in the market increased without much increase in cost. On average, cost per conversion with Social Media was \$7.6 as compared to fliers which was \$15



Engage Staff and Gain Access to their Network
Involving BBOXX staff and gaining access to their network was the most cost effective marketing tool we used (\$4 per conversion).

Our initial marketing plan was linked to Football Season in Goma



Radio Spot

Main Messaging:

- Promote our kiosks equipped with Wi-Fi
- Invite to interact with games and tombola at the Kiosks.



Social Media

Main Messaging:

- Promote our Competitions(CAN 2019 scoring prognosis, best selfies, soccer competitions)
- Inform about free Wi-Fi at the Kiosks
- Explain how to win gifts at the Kiosks



Give Aways

Main Messaging:

- Promote our Predict and Win AFCON give away competition



Informative Sign

Main Messaging:

- Promote the location of our Wi-Fi hotspots and give directions to potential clients

Our most successful channels were non-traditional media, led heavily by Facebook and Whatsapp



Radio Spot

We ran a funny 40 second radio spot on radio over 2 months that explained our selfie contest and advertised the locations of our hotspots

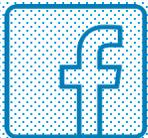
Reach: 20,000 Cost: \$1700 Conversion: ?



Whatsapp Campaign

Shared a digital flier via staff WhatsApp statuses over 2 weeks in September which gave customers who presented it at the hotspots longer access to the internet.

Reach: 4,500 Cost: \$500 Conversion: 3%



Facebook

Ran a selfie competition for 3 months on Facebook, encouraging customers to post selfies in front of our kiosks with BBOXX souvenirs as prizes

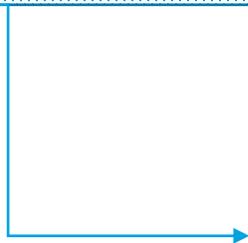
Reach: 14,000 Cost: \$1600 Conversion: 1%



Flier Invitations

Gave out a physical flier with information on our hotspots and our newest product all across Goma throughout the duration of the pilot.

Reach: 40,000 Cost: \$1200 Conversion: 0.2%



Our Facebook Following grew by 26% more than it would have if we had grown it organically



14,622
followers on FB

Baseline



14,984
followers on FB

Data Today

Top of Mind Awareness increased by 17pp in locations that had hotspots



56%

Baseline*

*Taken in July 2019

Area Covered by Hotspot



73%



Top of Mind Awareness

BBOXX

Number 1 mentioned Solar Company

Un Box

Number 2 mentioned Solar Company

156

People interviewed



Competition



Sample Size

Area With No Hotspot



53%

DLight

Number 1 mentioned Solar Company

BBOXX

Number 2 mentioned Solar Company

151

People interviewed

Limitations:

- Interviews were limited to high traffic areas
- There might be interviewer bias as this was done by BBOXX staff

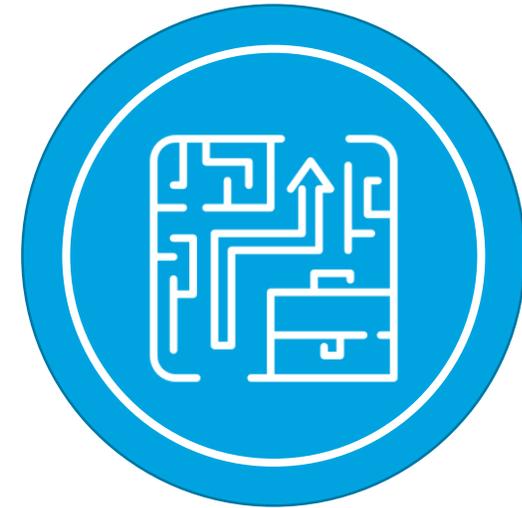


Technology Insights

Choosing the technology partner is a key factor to the success of this project



Technology readiness and prior experience are essential in choosing a Technology partner
Choosing a partner that is both knowledgeable and understanding of the technology is just as important as having a partner who has had prior success in a similar project



Include a Plan for Multiple Contingencies
Aside from preparing a risk register for possible technology issues and providing mitigation plans, include penalty clauses, SLAs and escalation paths for technical issues in the contract with the technology supplier.

Our provider was chosen based on their previous work with BBOXX and was expected to deliver internet and a platform

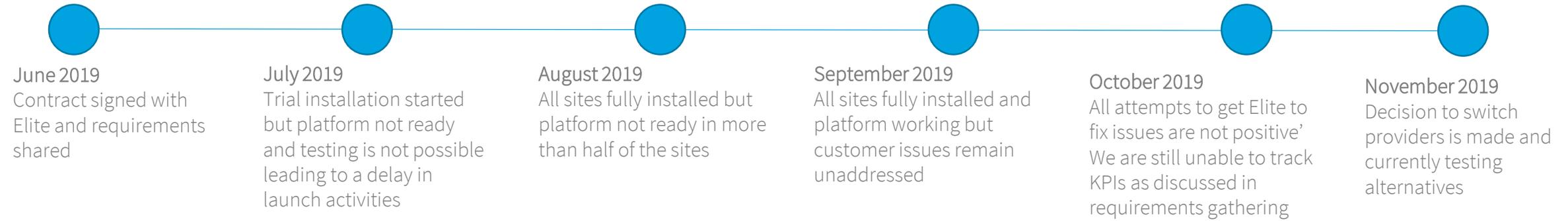


- 12mbps of fiber based dedicated internet
- User management portal to distribute vouchers and track basic usage data
- Social Portal to link to BBOXX DRCs Social Media handles and track user specific data

Unfortunately, we have had a lot of issues with the provider since the contract was signed



Our technology journey has been fraught with issues



Both Customers and Agents have given negative feedback on the service



Customer Feedback

Three light blue speech bubbles containing customer feedback:

- The internet switches off every 10 minutes
- I like to use the internet but I spend too much time here
- Sometimes the speed is very slow

A dark blue speech bubble containing agent feedback:

- I've switched off the router because it doesn't work

A dark blue speech bubble containing agent feedback:

- I've called the support line several times but they have not come

A dark blue speech bubble containing agent feedback:

- I don't want to do all the work to set up a customer every 10 minutes



Agent Feedback

There were steps we should have taken to ensure that the technology was seamless from the beginning



- Test multiple technologies for providing the internet
- Engage multiple suppliers before choosing and signing a contract
- Launch a trial run to test all aspects of the solution based on our written criteria
- Integrate a clear escalation process for technical issues in our contract with the provider with clear SLAs and penalties for non-performance



Next Steps



We are now applying the lessons learned to further improve pilot implementation



Technology

- Currently testing new technology to provide internet (3G, 4G)
- Engage new provider for internet for the next 2 months
- Create contingency plans and clarify support structures



Customers

- Create a referral program for Hotspot customers to test if this can improve sales
- Provide financing for devices (tablets) in one quartier to test interest and improvement in sales
- Provide digital literacy training in one quartier to test the impact on usage



Process

- Run an A/B test to understand impact of no verification and minimum verification on lead generation and completed sales

