Capitalizing on the Telco B2B Opportunity

Storytelling to Today’s Business Leaders

NBCUniversal
What We’ll Cover

The Telco & B2B Landscape

Key Areas of B2B Evolution & Storytelling Opportunities

- Increasingly Competitive Marketplace
- Diversified Media Consumption Habits
- Growing Opportunities in the Decision-Making Journey
Given macroeconomic & wireless challenges, Telcos are placing big bets behind other LOBs & new infrastructures.

**Slowed Wireless & Wireline Growth**
- <1% Churn/Switching Across the Big 3 Carriers in 2022

**Shift to 5G & Internet Investments**
- $1.1T+ to be Invested in Network Infrastructure 2020–2025

**Prioritizing B2B for Growth**
- $181B+ Global B2B Telco Projected Revenue by 2030 (15% CAGR 2022–2030)

Source: Mintel, Allied Market Research, MediaRadar
Telcos are especially capitalizing on the valuable B2B opportunity and significantly growing marketing efforts YoY, representing an increasingly competitive field.
And today’s B2B landscape is incredibly dynamic as enterprises, mid-market and small businesses undergo rapid digital transformation & B2B decision-making practices evolve in this macroeconomic landscape.
Across the B2B landscape, each target segment has unique dynamics and requires nuanced marketing tactics

<table>
<thead>
<tr>
<th></th>
<th>SMALL</th>
<th>MID-MARKET</th>
<th>ENTERPRISE</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEEDS</td>
<td>Establishing foundational &amp; operations</td>
<td>Scaling growth &amp; establishing digital operations</td>
<td>Driving market share, profitability, &amp; shareholder value</td>
</tr>
<tr>
<td>TRENDS</td>
<td>High Price Sensitivity</td>
<td>Tech Integration Priorities</td>
<td>“Year of Efficiency”</td>
</tr>
<tr>
<td></td>
<td><strong>60%</strong> will switch telco providers in response to price increases</td>
<td><strong>57%</strong> have moved permanently to digital communications or plan to near-term</td>
<td>Big Tech CEOs have announced <strong>major cost-cutting</strong> in 2023</td>
</tr>
<tr>
<td></td>
<td><strong>75%</strong> of tech spend decisions determined by CFO/Owner</td>
<td><strong>75%</strong> faster growth for orgs with robust digital roadmap (vs. less digitally sophisticated orgs)</td>
<td><strong>171K+</strong> tech workers laid off in 2023 to date</td>
</tr>
<tr>
<td>TELCO OPPORTUNITY</td>
<td>Leverage mass scale channels to emphasize flexibility &amp; competitive pricing for foundational products</td>
<td>Provide connectivity services that level-up mid-market orgs’ digitalization &amp; scale efforts</td>
<td>Offer premier service &amp; customized solutions accelerating efficiency &amp; digital transformation</td>
</tr>
</tbody>
</table>

And with today’s business leaders being more diverse, B2B storytelling should evolve accordingly to authentically speak to these audiences.

- **Avid Sports Fan**: 48% of Business Leaders watch Sports on TV
- **Female**: 41% of Business Leaders are Female
- **Millennial**: 71% of Business Leaders are under the age of 44
- **Reality TV Fan**: 52% of Business Leaders watch Reality TV
- **Diverse**: +50% increase in multicultural business owners (over last 10 years)
- **Gamer**: 36% of Business Leaders enjoy gaming

Source: Global Web Index 2021 - 1022
At NBCU, we work with top B2B marketers to reach these evolving business decision-makers (BDMs) at scale

Each Month, Comcast & NBCU Properties Reach More Than

85% 18M of $10K+ BDMs in the United States

Source: 2021 GfK Custom Cable Study, Weighted to U.S. A18+ population. NBCU Cross-Platform or Visited Universal Theme Parks or Comcast/Xfinity Cable/internet subscriber – BDM Spend 10K+s
Storytelling is critical to effectively reach these business decision makers
What are the three key B2B trends that require evolved storytelling?

Increasingly competitive marketplace
Diversified media consumption habits
Growing opportunities throughout the decision-making journey

Evolved messaging
Evolved channel mix
Evolved storytelling lifecycle
Evolved Messaging

Increasingly Competitive Marketplace
The Telco B2B marketplace is rife with competition, often targeting the same consumer in the same environments.

B2B messaging needs to differentiate and break through the noise.
Recent Telco B2B creative has centered around small business & utility, presenting an opportunity to differentiate.

**Small Business Narratives**

- Majority of B2B creative targets the small business-owner (SBO)

**Massive Savings & Bundled Deals**

- Creative has promoted sales incentives to entice SBOs given their leaner resources

**Flexible Deal Terms**

- Telcos are offering more flexible deals to cater to SBOs' unique needs & nimbler operations

Source: iSpot
And while showcasing functionality and value prop is important, Telcos should also infuse **emotion-driven elements to drive desired actions**

**56%** of the business decision-maker choice comes down to **emotional factors**

**88%** of business leaders are more likely take note of advertising from B2B brands that **speak to their passions and interests**

**2x** B2B video ads that incorporate emotional content see **2x the web visitation** vs those that only incorporate rational content

Source: NBCU Proprietary Global BDM Research, Hubspot, AdAge, Merkle
Telco Brand Opportunities to Standout:
Address mid-market & enterprise with both brand & performance messaging

Engage Mid-Market & Enterprise

Transition from Telco to Techco Identity

Position as a critical tech partner that will accelerate digital transformation as orgs optimize operations and infrastructures for the future

Drive Performance

Emphasize Value over Price

Given tight budgets in today's macroeconomy, highlight value of offerings and efficiencies of end-to-end, one-stop-shop service to acquire and retain customers

Amplify Brand

Capture Attention with Fan-Favorite Talent

Our proprietary analysis uncovered that telco ads with public figures, coaches, & comedians performed best vs. other types of talent

**Takeaway:**
Deploy strategic, updated messaging across the funnel to maximize impact.

<table>
<thead>
<tr>
<th>Marketing Funnel KPIs</th>
<th>NBCU Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand</strong></td>
<td>Leverage emotion via <strong>Cultural Moments, Sports &amp; Premier Live Events</strong></td>
</tr>
<tr>
<td><strong>Consideration</strong></td>
<td>Differentiate offerings via <strong>Branded Content, IP Integrations, &amp; Talent Collaborations</strong></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
<td>Highlight value prop &amp; utility via <strong>Commercial Innovation, Advanced Targeting, &amp; Events</strong></td>
</tr>
</tbody>
</table>

B2B campaigns that balance lower & upper funnel spend have a **+65% boost** in ROI vs. +20% ROI for lower funnel-only spend.
Evolved channel mix

Diversified Media Consumption Habits
We know that today’s business decision-maker is increasingly diverse in terms of demographics, cultural interests and content consumption.

Evolved consumption habits are revealing more opportunities to reach BDMs where they really are.
While today's business leaders do consume endemic content...
...they also spend time with a wide-range of genres

Drama 71%
Reality 60%
Comedy 68%
Live Sports 69%
Talent 60%
Award Shows 55%

Telcos can forge deepened BDM engagement at scale by deploying a multi-channel, authentic storytelling campaign of business leaders say a good B2B ad captures their attention if they’re relevant; it does not matter if they run in business content.

90% of business leaders say a good B2B ad captures their attention if they’re relevant; it does not matter if they run in business content.

Source: NBCU Proprietary Global BDM Research, Hubspot
Takeaway: Achieve incremental reach & impact with a diversified multi-channel strategy across NBCUniversal’s portfolio

**Business-Related Content**
Foundational endemic content & events geared towards business audiences

**Non-Endemic Content**
Only including CNBC & Golf on a plan leaves 63% of BDMs on the table...

**Data-Driven Targeting**
NBCUnified Example: Where BDMs are Interacting with NBCU

Source: NBCUnified
Evolved storytelling lifecycle

Growing Opportunities in the Decision-Making Journey
Making business decisions is a complex process, requiring new strategies to entice BDMs

Follow the active decision-making journey...

On average **17 interactions** are required to complete a purchase

Average vendor selection process is **2.5 months**

...But also stay relevant for future decision windows

Only **5%** of decision-makers are projected to be in-market to buy at a given point in time

Over **80%** of decision-makers already have a set of vendors in mind before conducting any research and **90%** ultimately choose a vendor from that first set

Source: NBCU Custom Research (Q1’22), Harvard Business Review, Merkle, Hubspot
Takeaways:
Deploy engagement tactics that capitalize on key dynamics of the decision-making cycles

Follow the active decision-making journey...

But also stay relevant for future decision windows

Sequential Storytelling
Reach BDMs across those 17 interactions with NBCU commercial innovation and optimized frequency tools

Always-on Approach
Stay top-of-mind via NBCU year-round programming for in-market BDMs and the 95% of BDMs that will be in-market in the future
Summary:
Today’s multidimensional B2B landscape requires tailored marketing solutions to break through

B2B TRENDS
Increasingly competitive marketplace

Diversified media consumption habits

Growing opportunities in the decision-making journey

TAKEAWAYS
Balancing brand and performance messaging to deploy within a full-funnel approach

Diversified, multichannel strategy to reach BDMs where they are

Always-on approach with engagement tactics e.g., sequential storytelling
Conclusion:
How we can work together to amplify a Telco B2B storytelling approach

Augment brand identity for upper funnel impact

In addition to precision & performance tactics, infuse emotional, passion-point elements into messaging to build upon brand identity & differentiation

Deploy an endemic + non-endemic approach

To foster wider & deeper B2B connections, activate across channels that BDMs are passionate about and delivers incremental reach with credibility

Activate a year-round cadence to stay top-of-mind

Maintain and grow established share of voice across NBCU’s regular cadence of programming, events & sponsorships to optimize frequency in and out of the purchasing window
Thank You

NBCU Client Strategy

Dominique Folacci
Vice President, Client Strategy

Nicole Lee
Director, Client Strategy

Jessie Harthun
Senior Manager, Client Strategy