

# Best practices for optimizing eSIM adoption

Learning lessons from successful  
Mobile Network Operators worldwide



# Executive Summary – from capability to adoption in the eSIM market

Worldwide, more than 200 Mobile Network Operators (MNOs) now have the ability to enable eSIM connectivity. Going forwards, the key challenges for these operators are most likely to lie in the commercial domain. How can an MNO position a new eSIM offer alongside its existing portfolio? What strategies will prove the most effective for attracting and retaining subscribers? How can adoption in the eSIM market be maximized?

At Thales, we work in partnership with numerous MNOs that provide eSIM services. As a result, we enjoy a unique insight into best practice: not only in terms of technical delivery, but also in optimizing adoption of the eSIM offer. In this eBook, we share practical and proven guidance on the most successful commercial and marketing strategies currently being pursued, based on the real-life experiences of MNOs, worldwide.

## Business context – compelling opportunities for MNOs

The eSIM market has come of age. Eurosmart reports that more than 200 million eSIMs were shipped worldwide in 2019. By 2024, ABI Research estimates there will be 2.5 billion eSIM enabled consumer devices, with another billion supporting IoT/M2M applications such as automotive, smart cities and track and trace.

In the consumer market, eSIM adoption is being driven by the smartphone, as OEMs offer an ever-growing portfolio of handsets. But the eSIM is also an increasingly familiar feature of tablets and PCs, as well as a new generation of smartwatches and other wearables. Moreover, this new ecosystem is being built on firm foundations; GSMA specifications for the eSIM are now mature and field proven.

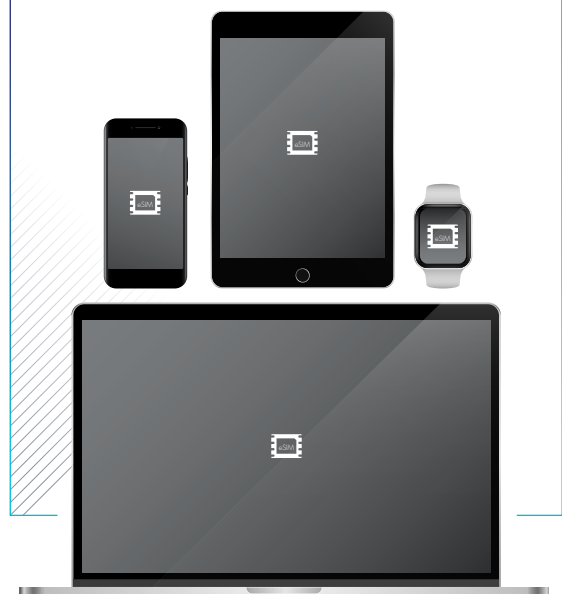
Among MNOs, enthusiasm for this new market is equally clear. Worldwide, more than 200 already support eSIM capable devices. In a recent survey of 100 MNOs conducted by the GSMA, nearly 80% said that eSIM capability should be a priority feature on smartphones. Rapidly growing adoption of eSIM technology offers MNOs the chance to accelerate digital transformation, drive revenue growth, and attract new customers via the remote enrolment of their eSIM capable devices, anytime and anywhere.



for **80%** on **MNOs interviewed**,  
**eSIM** should be as much of a **priority**  
as 5G for OEMs

(source: GSMA Intelligence, the future of eSIM in smartphones: are we at a turning point?, March 2020)

More than  
**200 MNOs worldwide**  
already support  
**eSIM capable devices**



# Adopting the **right strategies**

Even in the context of a fast-growing market, commercial success is not a given. To ensure eSIM deployment is a success, MNOs must adopt the right strategies.

Drawing on our experience of helping MNOs address the eSIM market, Thales is ideally placed to identify the most effective approach. And whilst every MNO and geographical market are unique, we believe that a successful eSIM offer is invariably built around three, user-centric pillars.

## 1. Implementing an enjoyable 'eSIM for everyone' policy



It may sound obvious, but maximizing the reach of the eSIM offer, and seeking to onboard as many new subscribers as possible, are critical to success. That means targeting the entire available market, not just specific segments. Even though this technology is likely to address postpaid customers first, MNOs are still advised to serve the prepaid segment, which also allows greater flexibility in the management of remote subscriptions. MNOs should also look beyond the smartphone to embrace the plethora of other connected devices that also incorporate the eSIM. This will open the door to new use cases, further boosting eSIM usage.

To maximize take-up, MNOs must make it as easy and enjoyable as possible for consumers to adopt the eSIM. For example, by offering no-cost switches from conventional SIMs, and proposing attractive tariff plans which include the eSIM, in order to keep their customers and attract new ones.

## 2. Promoting seamless digital eSIM experience for consumers



In the context of digital transformation, MNOs should benefit from the ability of the eSIM to support full and seamless digital journeys, allowing instant activation of mobile subscriptions. For example, initial digital enrolment can be completed in line with relevant ID verification regulations using [trusted digital ID services](#). This comprises verification of the subscriber's ID document and biometrics, followed by eSIM activation via web, mobile app or any other means.

MNOs should also seek to educate and inform both their staff and customers on the unique benefits of the eSIM. This can typically be pursued via dedicated online tutorials and FAQ sections on websites.

## 3. Leveraging the value of the eSIM via innovative use cases



The unique characteristics of the [eSIM facilitate a host of innovative use cases](#) that deliver real added value for consumers. Compared to traditional methods, the eSIM enables multiple connected devices to be onboarded easily and instantly. Examples include family bundles, where any number of eSIM enabled devices in the same household are managed via a single, simple contract. Compelling enterprise use cases can also be created, with personalized subscriptions for an organization's employees activated and managed without the hassle of issuing and fitting traditional SIMs. Another attractive opportunity is provided by eSIM-based prepaid inbound roaming offers. These propose a solution based on a local tariff and target the "silent roamers" who would otherwise switch off their data connection when abroad. Such offers can also be part of broader valued added services in the travel sector, involving multiple industries.

**In summary, MNOs should build a strong eSIM brand within their overall digital journey strategy.** The common thread that runs through all three pillars is the need for MNOs to build a strong, standalone eSIM brand. Above all else, strategies must recognize and reflect the distinct characteristics and benefits of the eSIM and communicate these effectively to all potential subscribers.



# Sharing best practices from **around the world**

Worldwide, MNOs are putting these principles into practice. As a result, they are reaping significant commercial returns. Here are just a few examples of best practice:



## **1** **Convenient online journeys and positive communication with consumers**

A leading European MNO is achieving extremely positive rates of eSIM activation for dual SIM smartphones, thanks to positive communication with consumers and a user-centric online strategy.

The MNO has migrated from an in-store experience to enabling eSIM activation via an app on the consumer's handset. For end users, the result is an instant, effortless journey. In addition, the MNO offers attractive tariffs, and explains and promotes the benefits of the eSIM via community blogs and FAQs on its website.



## **2** **'eSIM for everyone' and 'try and buy' promotions**

This European MNO has adopted an 'eSIM for everyone' strategy. The service covers multiple devices for both existing and new postpaid customers. For one particular device – a smartwatch - the MNO offered free access to the eSIM service for a limited period. This helped familiarize smartwatch users with the eSIM and encourage them to adopt further eSIM devices such as smartphones and tablets.

The 'try and buy' promotion attracted over five thousand activations within just one month, and successfully supported retention of these new customers.



## **3** **Innovative 'eSIM for roaming' service**

An Asian MNO has launched an innovative and extremely well received eSIM for roaming service. Targeting both new and existing customers, the reloadable prepaid eSIM offers packages such as eight days of connectivity across all of Asia, with 5GB of high-speed data. It can be purchased in-store and online. Once the customer profile is confirmed, the QR code for activation is sent direct to the customer.

Compared to traditional methods, this innovative eSIM offer provides a smarter and more convenient way to stay connected while traveling.

Rather than purchasing prepaid subscriptions when abroad, customers can instead buy prepaid subscriptions in their home country. The solution is based on a local subscription in the destination country, thereby avoiding premium charges. As a result, the MNO can address 'silent roaming' and utilize this innovative offer to both retain existing customers and attract new business.



## Working with Thales

---

Thales helps MNOs to maximize eSIM adoption. We are the world's No. 1 provider of eSIM subscription management solutions, with more than 190 platforms deployed with MNOs and OEMs serving both the Consumer and IoT/M2M (Machine-to-Machine) ecosystems. Thales offers a complete portfolio of field proven solutions, from hardware eSIMs, adapted to each type of device, to servers.

Thales leads the creation of new specifications and collaborates closely with the GSMA and other relevant industries to enable streamlined deployment of [eSIM Subscription Management platforms](#).

Digital security is part of Thales' DNA, facilitating trust for all stakeholders in the eSIM ecosystem, including MNOs and device makers.

# THALES

> [Thalesgroup.com/Mobile](https://Thalesgroup.com/Mobile) <



© Thales 2020. All rights reserved. Thales, the Thales logo, are trademarks and service marks of Thales and are registered in certain countries. 16 June 2020.