

Creating growth in adjacent markets at O2 Ireland

THE CLIENT

Operating globally, Telefónica is one of the largest telecommunications companies in the world with group revenues of 62 billion euros in 2012.

O2 Ireland, acquired by Telefónica in 2006, is a leading provider of mobile services, offering communications solutions to over 1.7 million customers.



THE SITUATION

Market saturation and commoditisation are compelling mobile phone companies to find new ways to protect core revenues whilst growing new revenue streams.

In 2010, the challenge facing O2 Ireland was how to create additional revenue in new and adjacent sectors to deliver against their ambitious growth targets. As a market leader with strong brand positioning and a can-do, winning attitude, O2 wanted to disrupt the market with a new, differentiated offer.

Edengene was engaged to help define a growth proposition, O2 Money Card, within an accelerated 3 week timeframe. The focus was on new revenue growth while delivering new benefits to its mobile customers.

THE SOLUTION

Given the short timeframe, Edengene went straight to work with O2's Marketing, Financial, Technology and Operational teams, putting the end user at the focal point of the proposition.

Building on O2's extensive research and analysis, we conducted a series of insights workshops to understand Ireland's changing financial services market context and the impact of the recession-driven behaviour, in addition to the needs across a range of end-user segments.



Combining the customer insights with O2's extensive capabilities, Edengene applied its innovation toolkit to generate over eighty ideas, which were clustered and filtered into six market opportunities, and evaluated the financial attractiveness of all of them. By week 2 of the assignment, the O2 team was already testing a number of the opportunities in focus groups.

THE RESULTS

- » The high level value proposition underpinning the Money card was defined; it included the specific opportunities to target, a customer needs analysis, the customer experience, the sustainable differentiation roadmap and a positioning consistent with O2's brand and corporate messaging.
- » Since its launch in 2011, O2 Ireland's Money card has been a phenomenal success:
 - » Over 162,000 customers acquired in 2 years
 - » Over €17 million euros spent in 3.7 million transactions since launch
 - » More than 1.14 million top-ups completed using O2 Money cards with an average value of €07 euros per top-up.



“O2 Money has been a great hit with customers. It gives people total control over their spending and this has been one of the reasons that the card has been so successful.”

Eugene Mitchell
Director of New Business
Telefónica Ireland

Winners of the best New Product/New Market award at the 2011 All Ireland Marketing Awards - the O2 Money Card team.

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