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FreeMove – Business Services Europe

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COMPANY ASSESSMENT

REPORT SUMMARY

FreeMove is seeing promising results for its expanded target customer strategy. Its Enterprise S proposition to MNCs with smaller numbers of mobile devices has helped with customer acquisition. FreeMove also welcomed Swisscom as a new partner.

WHAT'S NEW

- **COVID-19:** FreeMove notes that in spite of (or possibly due to) COVID-19 concerns, its retention of customers has been at a high level in 2020/2021. Despite expectations that COVID-19 might dampen its new customer acquisition rate, it exceeded its target for this KPI. FreeMove has also added a COVID Online Workshop to its Customer Advisory Board agenda.
- **COVID-19:** FreeMove also coordinated a multi-country COVID response, informing its MNC customers about measures taken in terms of traffic allowance during lockdown periods in order to guarantee work-from-home strategies and avoid bill shocks.
- **June 2021:** FreeMove published a comprehensive report on 5G use cases that are being deployed at customer sites (including OSRAM, BMW, Schneider Electric, Boliden, and ABB) by alliance members. The report includes references from Deutsche Telekom, T-Mobile US, Orange Telia Sweden, TIM, and Swisscom with diverse use cases in multiple verticals.
- **March 2021:** In a recent blog, FreeMove highlighted its GLOCAL approach, which provides a broad and single-point strategic view for MNCs by incorporating detailed in-country analysis of available products, services, and offers, with a Global Account Manager as a single point of contact.

GLOBALDATA COMPETITIVE INDEX



RATING UPDATE SUMMARY

Strong

FreeMove is seeing promising results for its expanded target customer strategy. Its new Enterprise S proposition to MNCs with smaller numbers of mobile devices helps customer acquisition. FreeMove also welcomed Swisscom as a member in 2020.

PERSPECTIVE - ESSENTIAL ANALYSIS

Strengths

- **Adapted Offer:** FreeMove offers Corporate Pooling, usage analytics-based adaptive minute, SMS, data, and roaming pools in eight countries (and others on ICB), while new tariffs add flexibility.
- **Expanded Market:** FreeMove's plan to add mid-size MNCs to its target customer list along with a new 'sales desk' function to help these smaller companies centralize their cost management is seeing good progress. A new Enterprise S proposition with pre-defined offerings will be a good addition.
- **Global Coverage:** FreeMove provides services in over 100 countries across Europe, Asia-Pacific, Africa, and the Americas. FreeMove members and partners are also at the forefront of the development of 5G technology and are helping businesses in their transformation journeys.

Limitations

- **Different Strokes:** While connectivity remains the bedrock of the FreeMove offer, MNCs may take this for granted and look higher up the value stack for differentiation and productivity gains.
- **Price Ceiling Drops:** The emergence of uncapped voice and data calls may affect FreeMove members' ability to increase prices; indeed, most report flattening mobility revenues from enterprises.
- **What Next?** FreeMove remains valuable for MNCs which procure and manage mobility centrally, as they need a partner that can synchronize service delivery, tariff management, and support on an extensive footprint. FreeMove is adapting by targeting mid-size MNCs and is adding functionality to its reporting and sales tools. The advice of its new customer advisory board (and a new COVID Online Workshop) may reap rewards, with the group helping to evolve FreeMove's offerings.

CATEGORY RATINGS AND JUSTIFICATION

Vision/Strategy

Rating : Strong

- FreeMove's plan to expand its target market and ease complexity by centrally supporting local account managers is a sound way to enhance revenues for its members without changing its core value proposition.
- Its new 'sales desk' approach and Enterprise S Project to support the needs of smaller MNCs, which require extra support to consolidate, should add to the success of the expansion program.
- FreeMove's new centralized ordering and Central Report, with a new logo and go-to-market strategy, add useful capabilities for customers of all sizes. Projects for 2021 include continued footprint expansion in the Americas and APAC and process digitalization, with further service management offerings and automation of main business processes.
- FreeMove's use of a customer advisory board (and new COVID Online Workshop this year) is an innovative way to evolve its value proposition and further simplify mobility for its customers by co-designing the strategy while considering the main customer's needs.

Momentum & Stability

Rating : Strong

- FreeMove has seen solid acquisition and retention growth in 2020/2021, reaching above its expected rate for the year.
- FreeMove is an exclusive partner for many top MNCs, with over 500 MNC target customers and more than 100 RFPs responded to in 2020. It has a relevant share of the addressable market with millions of mobile connections under management.
- As leaders in their home markets, FreeMove members will be among the few operators capable of introducing and marketing reliable 5G networks. FreeMove may play a unique role in helping members provide international 5G service to MNCs.

Innovation

Rating : Strong

- The FreeMove proposition allows members to allocate the best tailored bundle for each group of end users, depending on their needs, across a larger footprint than any could offer alone.
- FreeMove offers tailored pools of minutes or megabytes, which can be shared across employees and devices. New flexible tariffs are aligned with industry changes in pricing and will help MNCs of all sizes and usage requirements to optimize plans.
- The FreeMove members offer SLAs locally while FreeMove provides customers with its Quality Portal allowing them to track the members' performance. FreeMove's aim is to simplify processes and to become a trusted, well-known connecting place, i.e., a 'hub' among the top operators and top MNCs.
- FreeMove's plans to court smaller MNCs and to further simplify processes through its new Enterprise S and Automation Project are innovative ways to improve its momentum.

Product Portfolio

Rating : Strong

- FreeMove provides a simple portfolio proposition under three main categories: Access Services, Central Report, and Service Management, facilitating enterprise mobility, mobile access services, telecom expense management, service management, delivery management, and mobile device management across the alliance members and partners under a single master agreement (IMA) covering up to 83 countries worldwide with single-point accountability resting with the lead operator.
- FreeMove relaunched its Central Report Service in 2020, a fully inclusive report that gives total usage visibility to international businesses. The new Central Report is presented via a secure, web-based portal that provides a clear, up-to-date report on cost and usage for international mobile device 'fleets.' With new profiles and an improved customer experience, the new Central Report enables businesses to examine usage in detail, including parameters such as region, business unit, time, and even type of connection for 36 countries.
- FreeMove launched Easy Ordering in 13 countries in 2019 and seven more countries in 2020. The service manages all mobile orders centrally on the behalf of customers and thus independently of local providers they are using.
- In 2019/2020, FreeMove added a new 'sales desk' approach for MNCs requiring extra support in centralization of cost management; new Central Report functionality with more alerts, more flexible reports, enhanced order tracking covering up to 36 countries, and reporting for the U.S. and Bridge Alliance countries. Projects for 2021 include continued footprint expansion in the Americas and APAC and process digitalization, with further service management services and automation of main business processes.

Go-to-Market

Rating : Competitive

- FreeMove's customer-facing activity is minimal. Members approach and contract directly using their own product portfolios, with FreeMove providing the connectivity, global customer management, implementation services, contracting framework, and reporting tools.
- The four members have also tied up with the Bridge Alliance to extend coverage to 34 markets in Asia-Pacific and Africa; other partnerships boost total coverage to 106 countries.
- FreeMove may be keen to expand its footprint and get other operators to join it, but still needs to improve its market visibility; market developments (COVID-19, growing global trade tensions, Brexit, EU price ceiling drops, etc.) may make this more difficult. However, a 2020 'Glocal Video Campaign' emphasizes the multi-cultural environment of the alliance, with local languages of colleagues used in the videos.

Service & Support

Rating : Strong

- With FreeMove managing the connectivity relationships between members, its service and support depend on automation and lead members' physical delivery capability. To manage the new target customers, a FreeMove central sales support desk will support members' local account managers and business development managers.
- Members have dedicated more than 500 staff between them to manage and service FreeMove customers.
- The expanded set of target customers may require more support; the new 'service desk' approach will help FreeMove centrally manage local and international requirements for services such as migration and security.

Segment Ratings

Market	Perspective
Business Network and IT Services- Europe Region	Strong
Mobility	Very Strong

THREATS AND BARRIERS

- **Internal Competition:** Members can choose to use their own expense management system rather than FreeMove's, which may result in the latter being less relevant.
- **Strong Competitors:** Competitors like Vodafone Global Enterprise already provide integrated account management with a single per-user, per-month price and single-source accountability. Vodafone Red tariffs offer some of the same flexibility and promise worry-free roaming in 130 countries.

RECOMMENDED ACTIONS

Vendor

- **Provide Evidence:** FreeMove needs to show that it provides value for customers (as well as FreeMove members/partners) by highlighting its single point of accountability, its service wrapper, and its contractual commitment to service levels. It should work to get Deutsche Telekom, Orange, Telia, Telecom Italia, and partners to prove their commitment to the alliance.
- **Add New Services:** FreeMove needs to respond to technology advances as its target market looks beyond connectivity to 5G-enabled managed mobility and unified communications. Some of the suggestions by its customer advisory board include: more automation to simplify expense management, a device lifecycle management service, and additional managed services.
- **Grow:** While its members and partners are in over 100 countries, FreeMove should continue to seek new partners and grow the alliance in both new markets and geographies (MEA, Latin America).

Competitors

- **Vodafone Global Enterprise** should continue to build out its converged fixed-wireless infrastructure and applications-driven, customized network offers.
- **Telefonica** can point to its ecosystem of 540 roaming partners, which gives it a nominally bigger footprint than FreeMove, and alliances that, like FreeMove, go beyond simple roaming.
- **VoIP and OTT players** can point out that WiFi Internet access is free or cheap in most countries, and many MVNOs offer flat-rate roaming in a number of countries.
- **Challenger competitors** can point out that FreeMove is essentially a defensive alliance of incumbent operators looking to protect market share; in other MNC situations, Orange and Deutsche Telekom compete for MNC business.

Buyers

- **Do Homework:** Buyers need to examine FreeMove's coverage, KPIs, and SLAs to ensure that they are still relevant to them and there is a fast and reliable problem resolution process.
- **Contextualize the Big Picture:** Buyers need to consider their mobile coverage in terms of their broader mobility strategy, taking into account services such as UC&C.
- **Neutral Integrators:** MNCs that require a multi-network solution could also look to neutral integrators such as IBM and HPE, particularly where connectivity service requirements are dictated by application performance issues.

COMPANY DETAILS

Company Snapshot

Revenue	Group revenue: Not publicly disclosed. It is estimated that FreeMove has a 50% market share of its addressable MNC market, i.e., of cellular enterprise mobility connections managed within FreeMove's footprint.
Employees	30 (and members have dedicated 500+ operational staff and account managers to FreeMove customers)
HQ	Customer relations are led by account managers at Deutsche Telekom, Orange, Telecom Italia, and Telia.
Market strengths/solutions	Remote/roaming voice & data access, WiFi access, national flat-rate services, TEM, MDM, centralized ordering and fulfilment, harmonized service standards with customized SLAs.

NETWORK DESCRIPTION

Mobile/Wireless Network	All members/partners in the 100+ country ecosystem have 3G/4G networks with roaming. LTE access in 30 countries. Members/partners have also started rolling out 5G services.
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KEY RECENT ANNOUNCEMENTS AND DISCLOSED STRATEGIC PLANS

Date	Data
June 2021	FreeMove published a comprehensive report on 5G use cases that are being deployed at customer sites (including OSRAM, BMW, Schneider Electric, Boliden, and ABB) by alliance members. The report includes references from Deutsche Telekom, T-Mobile US, Orange Telia Sweden, TIM, and Swisscom with diverse use cases in multiple verticals.
March 2021	FreeMove highlighted its GLOCAL approach to offer MNCs a single point of contact with a Global Account Manager, rather than establishing multiple contacts with Local Account Managers.
December 2020	FreeMove launched the second edition of its Customer Advisory Board, with some additional customers joining. Its new format is 100% virtual.
October 2020	FreeMove launched its first blog series with the aim of providing weekly industry information of interest to its MNC community. It serves as an additional communications tool to further build customer proximity.

KEY MERGERS, ACQUISITIONS AND DIVESTMENTS

Date	Data
January 2020	Swisscom joined FreeMove as a partner, replacing domestic challenger Sunrise, which has announced a broad partnership with Vodafone.