![Hutchison Telecom Hong Kong]

Driving Customer and Revenue Growth in One of the World's Most Dynamic Telecoms Markets

How Hutchison Telecom Hong Kong Reinforces Leading Position in Their Market

Digital and Internet-Savvy Residents and Visitors Demand Choice

The telecommunications industry in Hong Kong is one of the most competitive and dynamic in the world, driven by high mobile and internet penetration rates among both its residents and millions of annual visitors. With a highly urbanized population and advanced infrastructure, mobile operators are under constant pressure to innovate and provide superior services.

In this market, where digital transformation is essential, Hutchison Telecommunications Hong Kong Limited (HTHK) has positioned itself as a leading player by leveraging advanced technologies to meet the evolving needs of its subscribers. As of April 2024, the mobile penetration rate in Hong Kong was approximately 326%, meaning there were more mobile subscriptions than residents, reflecting a highly saturated and competitive market. The internet penetration rate in Hong Kong is equally impressive, with approximately 97% of the population using the internet in early 2024. Driven by Hong Kong's status as a major business and tourist hub, visitor numbers are recovering to pre-pandemic levels with demand on reliable internet and communications services for personal and business use. This high level of connectivity is supported by advanced infrastructure and widespread adoption of mobile technologies, including a robust 5G network.

Hong Kong: One of the World's Most Digitally Engaged Cities

~326%
Mobile penetration rate*

97%
Internet penetration rate*

94 million
Visitors forecast in 2027
180% of pre-pandemic levels†

![MATRIXX Software]

Hutchison Telecom Hong Kong Leads Market Trends and Industry Development

As one of the leading mobile operators in Hong Kong and Macau, HTHK has been at the forefront of providing advanced mobile telecom services and 5G solutions to more than four million customers, including 1.4 million postpaid and 2.8 million prepaid users as at 30 June 2024. Operating under the brands of **3, SUPREME, 3Business, MO+** and **SoSIM**, HTHK's multi-pronged strategy to steer market development includes: capitalizing on network advancements to offer customers a wide range of telecommunications services, expanding the adoption and usage of mobile data, migrating customers from 3G to 4G and 5G, facilitating customer service and product adoption, and delivering profitable growth.

As the Hong Kong market evolved, so did the expectations of HTHK's customers, necessitating a shift towards more personalized, efficient and digital experiences. The company faced the challenge of not only maintaining its current customer base but also expanding its reach to new segments, including residents, those traveling abroad and overseas visitors. They pursued an operational transformation strategy with requirements to:

Support All-Digital Operations
Enable customers to manage their services digitally, from activation to top-up and inquiries.

Offer Personalized Customer Experiences
Leverage users' habits to provide tailored offers and interactions.

Enhance Operational Efficiency
Streamline operations to reduce time-to-market for new offers and improve Average Revenue Per User (ARPU).

Facilitate Market Expansion
Support the launch of new products and services for both local and international markets.

Improve Customer Engagement
Utilize loyalty programs and rewards to increase customer stickiness and reduce churn.

All pillars of this strategy require a robust, flexible and real-time monetization solution capable of supporting complex customer journeys, dynamic pricing models and operational efficiency.

MATRIXX Monetization Speeds Offer Innovation and Revenue Growth

As part of their transformation program, HTHK selected MATRIXX as the monetization solution in a new stack designed to facilitate new customer acquisition and grow revenue. Since deploying MATRIXX, HTHK has accelerated their rollout of numerous prepaid products, including:

DIY

DIY prepaid SIM products are sold exclusively online and provide full 4.5G data speeds, enabling customers from all over the world to personalize their features according to their needs, incorporating local data and roaming data and choosing from plans ranging from one-day plans to yearly plans. DIY supports both physical and eSIMs, and customers can easily manage, monitor and pay for numerous SIMs in a single account.

SoSIM

SoSIM, one of HTHK's prepaid brands, originally targeted Hong Kong residents to use locally but due to its success, is now available for roaming and for visitors to Hong Kong. The SoSIM packages are designed for simplicity, with built-in 50GB local data allowances that can be exchanged for five days of roaming data within Asia-Pacific. Customers monitor and top-up their balances exclusively via the SoSIM app.

SIM World

SIM World is HTHK's white label brand offered to resellers around the world. They connect directly into HTHK's digital stack to customize their prepaid offers for their target customer base. Reseller partners easily manage their offers through an app or a web portal interface tailored to their specific brand and securely shields their data from all other traders.
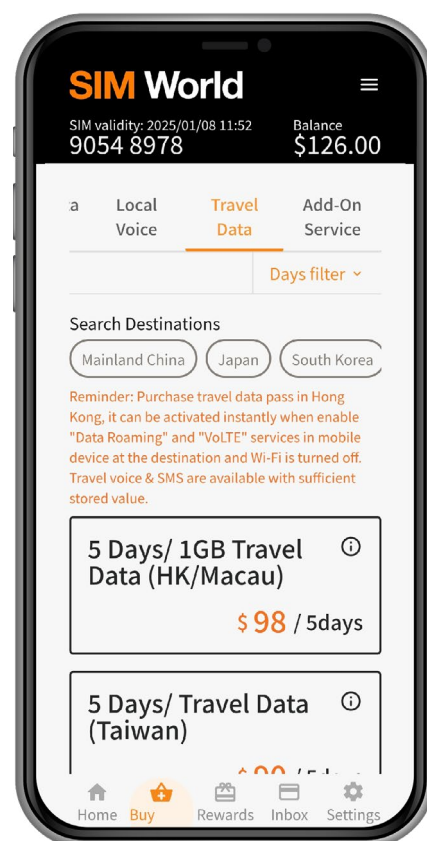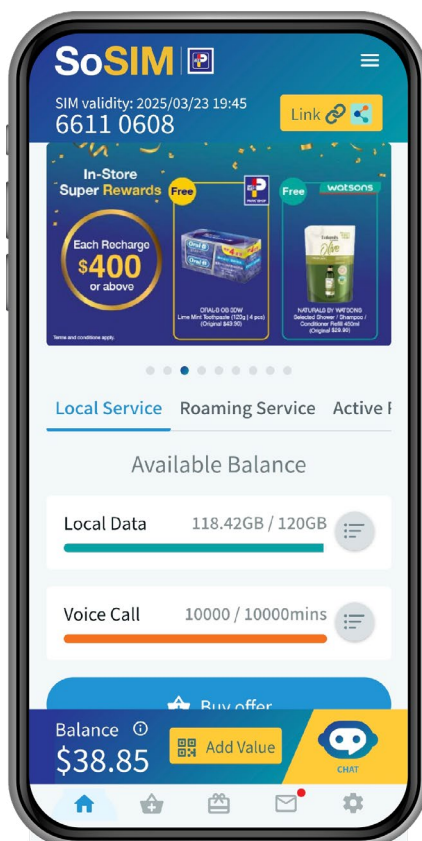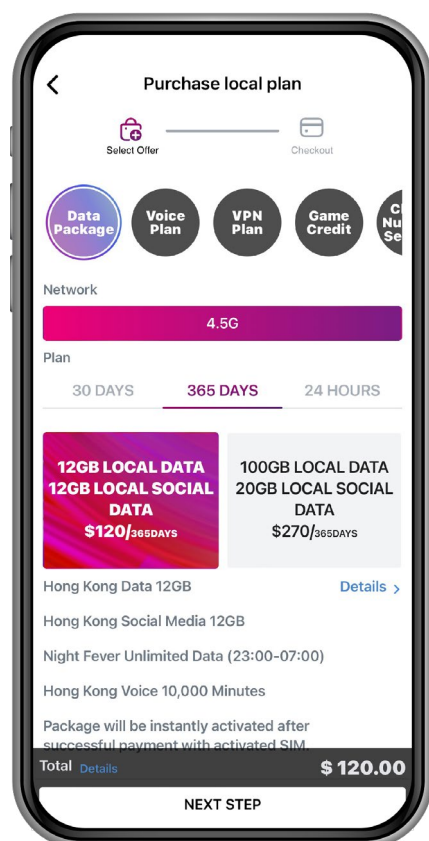
HTHK has established an extensive retail presence in Hong Kong. Their SIMs are available at over 460 retail outlets, including PARKnSHOP supermarkets, Watsons health and beauty stores, Fortress consumer electronics stores, Hung Fook Tong herbal tea shops in Mass Transit Railway (MTR) stations and through numerous online channels. For overseas markets, HTHK SIMs and eSIMs are distributed through partner channels through the SIM World infrastructure.

With transformed digital operations, HTHK delivers a range of differentiated features to customers including:

All-Digital Customer Experiences: Customers can manage activation, top-up, purchase, inquiry, SIM replacement and more through an app.

Attractive Loyalty Program: HTHK has integrated SoSIM's mobile user loyalty with AS Watson Group's MoneyBack Program. Customers can earn 10x MoneyBack Points on SoSIM purchases and top-ups, and receive free premiums when topping-up at PARKnSHOP and Watsons stores. Higher value top-ups earn progressive rewards, with rebates up to 24%, creating strong brand loyalty.

HTHK's Broad Market Success
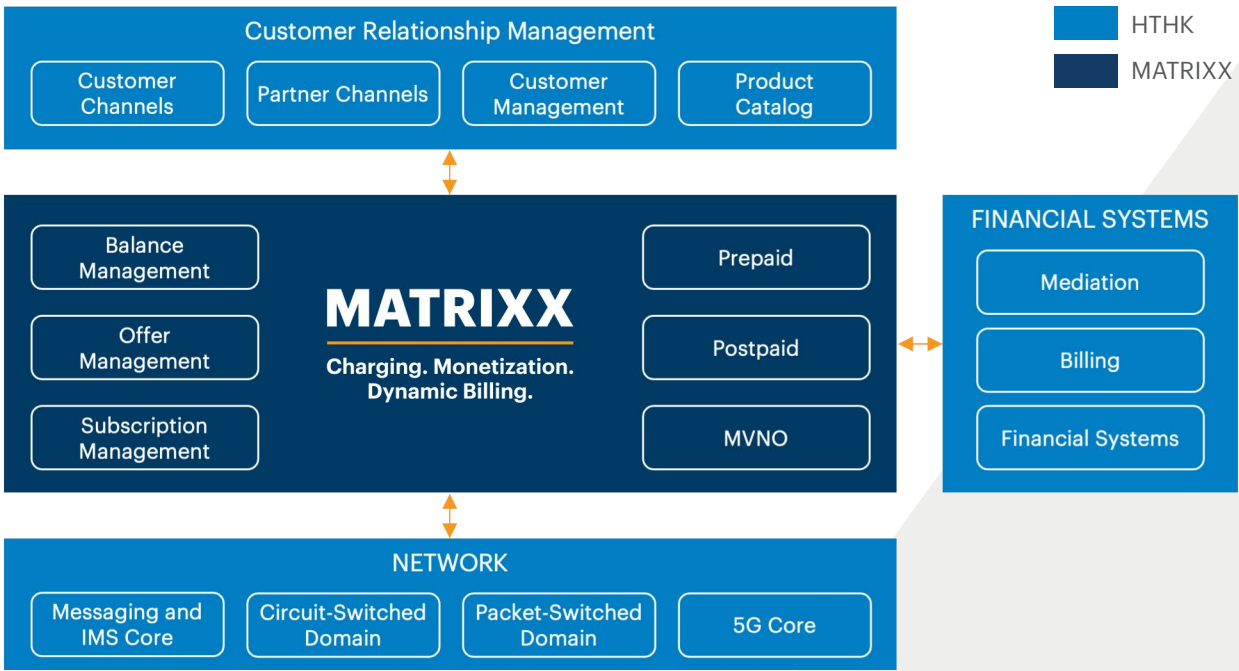
Since transforming their operations and deploying MATRIXX Software's platform, HTHK has achieved significant benefits:

Leading Market Share: With multiple brands targeting different market segments, HTHK achieved the top position in the prepaid market.

Increased Subscriber Growth: The introduction of new products and enhanced digital experiences has contributed to a year-over-year 46% increase in prepaid subscribers in the first half of 2024.

Enhanced Customer Experience: The ability to offer personalized interactions and tailor-made plans has led to higher customer satisfaction and loyalty. The integration with MoneyBack has also provided additional incentives for customers to stay engaged.

Optimized Operational Efficiency: The platform has streamlined operations, allowing for quicker time-to-market for new offers and price plans. This agility has enabled HTHK to respond swiftly to market demands and capitalize on new opportunities.

Accelerating Revenue Growth: New features such as DIY Roaming Pass and customized offers have contributed to double-digit revenue growth in roaming services. The ability to upsell based on customer usage and behavior has also improved ARPU.

Market Expansion: HTHK's transformed stack has supported the expansion into new international markets, providing the flexibility to tailor products for different regions and partner channels. This has opened new revenue streams and broadened the customer base.

The deployment of MATRIXX Software's platform in HTHK's transformed operations has helped them with significant market leadership and subscriber growth, enhancing customer satisfaction through personalized experiences and innovative loyalty programs. This transformation has not only streamlined operations and improved revenue but also enabled HTHK to expand into new international markets, cementing its leadership position in the region and propelling it towards the trends of the future.

* Office of the Communications Authority

† Tourism Review News

About MATRIXX Software

MATRIXX Software delivers a dynamic billing, monetization and charging solution proven at scale. Global service providers like Telefónica, IoT providers like Tata Communications and network-as-a-service providers like DISH rely on MATRIXX to overcome the limitations of existing billing applications. MATRIXX provides a unified platform that transforms and simplifies billing operations across consumer, enterprise and wholesale businesses. With MATRIXX, operators can rapidly configure, deploy and monetize personalized offerings, enabling commercial innovation and real-time customer experiences that drive revenue and growth.

matrixx.com