



**DIGITAL OXYGEN**  
Management Consultants

# How MNOs Can Solve the Enterprise eSIM Dilemma

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**Digital Oxygen** is a management consultancy based in Munich, Germany, with a focus on digital transformation and digital product development in the fields of telecommunication, media, and digital healthcare. World-wide, clients trust us with their strategic challenges: From value proposition development and digital product development to launch. From start-up to multinational enterprise.

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# In A Nutshell

## MNOs are in an eSIM dilemma with their Enterprise customers.

If they offer eSIM plans, they make switching operators easier, if they do not, many Enterprises will not do business with them anymore.

## To solve this dilemma, MNOs need to expand beyond pure Enterprise connectivity: With Unified Enterprise Connectivity.

With the eSIM, MNOs have the chance to become the central touchpoint for connectivity, expense, and device management and create a new Enterprise revenue stream.

## A crucial requirement is to understand the pains of all Enterprise stakeholders.

Mobile connectivity is a pain for various roles, and all of them have to be addressed. This whitepaper gives an overview of different Enterprise roles and their challenges.

Enterprise Clients: Complicated Dinner Guests

## The MNOs' Enterprise eSIM Dilemma

For MNOs, Enterprise customers are complicated dinner guests, especially when it comes to eSIM: If you offer them an eSIM menu to pick from (instead of the old, dry physical SIM cards), they will be happy about the new found flexibility and enjoy the process improvements. In an ungrateful return, they will then ask you to lower your prices, because it is now easier for them to switch to another operator. If you do not have eSIM on your menu, they might not even join you for dinner. A Dilemma. So, what eSIM flavour should MNOs serve their Enterprise clients to both satisfy them and still make decent margins?

Heads-Up: It is an entirely new dish.



**eSIM Enterprise Dilemma:**  
It seems that there is no good solution for MNOs to address the topic of eSIM with Enterprises.

### The MNOs' Enterprise eSIM Dilemma

Before we address one possible way out of this dilemma, let's go one step back to understand the **underlying problem**: Where are Enterprises struggling, when it comes to connectivity?

Meet Your Guests

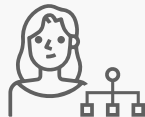
# Stakeholders of Enterprise Connectivity

Enterprise connectivity is not a topic that is solved on one level, for one role or stakeholder. There are various stakeholders with their very own struggles – which MNOs must address.



## End-User

This is every employee who needs and relies on connectivity for their business devices.



## Business Line

They are responsible for a project or team, get them the appropriate connectivity, and control the budget.



## Fleet Manager

They manage a company's IT, including the device connectivity: From shipping a SIM card to wiping lost phones.



## Procurement

The company's conscious spender: Procurement buys devices, services, and connectivity.

### Stakeholders of Enterprise Connectivity

Preferences and Allergies

## Goals and Pain Points of Enterprise Stakeholders

### End-User

When it comes to connectivity, end-users in every single Enterprise care about precisely one thing: **It must work** – everywhere, anytime, and with any device. And if it does not work occasionally, a fast resolution of the issue is all that matters: At best, they can even fix the issue themselves. At present, end-users are fully dependent on fleet managers if they need connectivity in a foreign country or, in worst case, have lost their phone.



### Business Line

The business line wants their team well connected, but that is not their only task: They have to take care of the **expense management**, trigger the logistics processes with fleet management, and – as a side dish – must make sure to stay in budget, including connectivity. Currently, especially cost and expense transparency is missing for business line managers. A multi-course management menu from hell.



### Fleet Manager





If you manage thousands of devices, their settings, and connectivity, you want one thing very badly: **Automation**. Connectivity management is a high-effort challenge for every fleet manager: Privacy, security, and device and SIM card logistics, booking the connectivity, setting quotas, managing the device and connectivity lifecycle. It is daily struggle between a low degree of automation and (just as it is for the business line) basically no integration between connectivity, device, and expense management.



## Procurement

It is the procurement's job to spend the company's money responsibly – so one of their daily jobs is negotiating. But when it comes to connectivity prices, they have a credibility issue: Which **bargaining power** does procurement have towards an MNO, if they don't really have the option to switch? They know that replacing 10,000+ SIM cards can cost more than they can ever save in connectivity costs. So switching operators is not a credible threat.



	Goals	Challenges
 <b>End User</b>	Have seamlessly working connectivity everywhere	High dependency for connectivity questions and issues
 <b>Business Line</b>	<ul style="list-style-type: none"><li>Provide the right connectivity for each team member</li><li>Keep costs within budget</li></ul>	Complex and costly expense management
 <b>Fleet Manager</b>	<ul style="list-style-type: none"><li>Fast setup and roll-out of devices and connectivity</li><li>Manage devices with low effort</li></ul>	High manual management effort for device and connectivity management
 <b>Procurement</b>	Buy affordable connectivity	Low bargaining power for mobile connectivity

### Daily Struggles:

Every Enterprise employee has different goals and challenges. And MNOs need to address all of them.

### Enterprise Connectivity: Goals and Challenges of Different Stakeholders

## The Secret Ingredient

# eSIM: The Big Enabler

If you recall the “**Enterprise eSIM Dilemma**” from the beginning, the **eSIM is one reason** why MNOs will inevitably see decreasing revenues from Enterprise clients: Either by price competition (because switching operators becomes easier) or by losing customers (if MNOs refuse to provide an eSIM offering to Enterprise customers).

Ultimately, **MNOs must look beyond pure connectivity** and solve more problems for their Enterprise clients in order to keep or exceed current revenue. Looking closer, the **eSIM** is not only part of the problem, but also of the solution: With a **fully digital user experience**. The eSIM is more than a new form factor for physical SIM cards. For the first time, it enables a **fully digital connectivity management** (and beyond as you will see on the next page). Any Enterprise stakeholder will be thrilled by self-service capabilities, automation, and less logistics.

Here are just some of the improvements that the eSIM enables:

- × Our **end-user** will never again wait for a letter with a new SIM card.
- × Our **business line** will never again struggle to provide a better plan to a team member.
- × Our **fleet manager** will never again waste time with SIM card logistics.
- × Our **procurement** manager will get into a better negotiation position.

# Unified Enterprise Connectivity

So with the **eSIM**, MNOs have a **central enabler** for the digitalization of Enterprise connectivity in their domain. But they can and must go further: By solving all connectivity **related** Enterprise challenges: With **Unified Enterprise Connectivity**, an integrated approach to

- **Connectivity** Management
- **Telecom Expense** Management
- **Device** Management

## From Connectivity to Central Service Provider

### The Shifting Role of MNOs

So, should MNOs **combine all these involved systems** in one Enterprise software or platform? Yes, but that is not the point: The point is to **redefine the role of an MNO** for its Enterprise customers: MNOs are the **natural first touchpoint for connectivity**. By leveraging the eSIM as a key ingredient to integrate connectivity, device and expense management, MNOs become much **more than a connectivity provider**: They become a central and permanent service provider that is **adding value beyond connectivity**.



### Connectivity Management

Integrated, eSIM-enabled connectivity management allows Enterprise clients to **switch operators** with the push of a button – and automatically provision new eSIM profiles to their team. **Local profiles** can be provided automatically based on the user's location, avoiding roaming costs: Fully over-the-air and at a fraction of the costs of physical SIM cards. And end-users will be able to manage most of their connectivity tasks via **self-service**.

### Telco Expense Management

By **integrating connectivity management** and **expense management**, MNOs can remove one more pain point of Enterprise customers: Fragmented, distributed billing data in unconnected, unsynced systems. Enabled by eSIM and pre-integrated with the MNO's connectivity management, Enterprise clients will be able to manage all communication expenses in a single, integrated interface.

## Device Management

An **eSIM** and eSIM profile holds much more than just the key to a network – it is a **central, secure, and connected element** in a company's sensitive hardware. So it is the natural place of an MNO to also integrate eSIM-supported **device management** capabilities into their Unified Enterprise Connectivity offering. From simplified device setup and connectivity to realizing security features like access control and remote wiping. A dream come true for every fleet manager.

Just as Tasty for the Cook

## Why MNOs Will Benefit from Unified Enterprise Connectivity

It seems risky to weaken **the lock-in** for Enterprise customers by replacing physical SIM cards through **eSIMs**. Just as it seems risky to invest in the **integration of connectivity, expense, and device** management at the same time. But let's look at it from a different perspective: With such a **Unified Enterprise Connectivity** approach, MNOs become part of the **Enterprise's essential infrastructure** for connectivity, device, and expense management, simplify these processes, and therefore solve real problems for Enterprise customers. Or to stay in our dinner metaphor: Even if they do not like your **connectivity** anymore, they will stay for the **Unified Enterprise Connectivity**.

For this convenience and the related cost savings, Enterprises will be very happy to **pay a decent, recurring price** to the **first MNO** to provide such a solution – no matter if this MNO is their connectivity provider or not (yet): A strong first-mover advantage.

## Benefits of Unified Enterprise Connectivity for MNOs

- MNOs become **less dependent** on the pure connectivity of their Enterprise business.
- MNOs can **upsell** their client base from connectivity to Unified Enterprise Connectivity.
- MNOs can **improve retention** for Enterprise customers by going beyond connectivity.
- MNOs can shape a new **recurring revenue** models for high-value Enterprise customers.
- MNOs can address **new Enterprise clients**, which are not yet their connectivity customers.
- MNOs can create a major **competitive advantage** if they move fast.

We hope you enjoyed our (slightly culinary) escape into the world of Enterprise connectivity.

If you are looking into **stepping up your Enterprise connectivity business**, we are looking forward to discussing your questions and challenges.



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