

Microcell dba Fido

Leveraging Inherent Price Advantage to Create a Compelling Acquisition Program



Fido is a smaller Canadian mobile operator that was originally launched by Microcell Solutions Inc. in 1996.

Fido did not provide coverage throughout all of Canada and it was therefore at a competitive disadvantage relative to larger competitors like Rogers and Bell. Fido was struggling to acquire customers because of the perception that smaller carriers are not as good as their larger competitors.

The Challenge: Proving Bigger is Not Always Better

In 2002, Fido turned to Aperio CI to help them develop a strategy to increase acquisitions. Aperio, having done some research, discovered that Fido had an inherent pricing advantage because, although their per minute rates were the same as Rogers, Fido billed by the second while Rogers billed in full minute increments. Although the rates were the same, there was a significant savings available to Fido customers. In light of this information, Fido asked Aperio to create and deliver a compelling acquisition marketing program for them to launch.

The Aperio CI Approach

Armed with the knowledge of the pricing differential due to billing increments, Aperio was able to structure a program under which Fido prospects could easily see how much they would save if they converted from Rogers to Fido.

This was done by:

1. Segmenting the Fido base into groups based on phone usage and calculating what each customer in each group would pay under Rogers' then current rate offerings.
2. Aperio designed and delivered a usage entry platform under which Fido prospects could enter the details of how they use the phone (minutes, messages, data, and other services).
3. Aperio delivered a linkage that would take those usage values and align it with a pre calculated segment of the Fido base.

“Aperio’s solution was so effective that within 18 months, Rogers bought us!”

Clear Benefits:

Fido Beats Rogers: The Ultimate Acquisition Program

The acquisitions campaign equipped Fido with the information necessary to be able to say to its prospects, “We have 19,387 customers who use the phone the same way you do, and on average, those people save \$37.96 a month.” The calculations were very precise, very accurate, and indicated very significant savings.

Aperio CI delivered this program in 4 months and the program delivered huge successes. The new acquisition program was so effective, in fact, that Rogers acquired Fido in November 2004 for \$1.4 billion.

Key Benefits

- Acquisitions Rate Doubled
- Compelling Differentiated Story for Acquisitions
- Overcome Limited Coverage Objections

Why Aperio CI

- Pricing Capability to Support Fido and All Competitors' Rates
- Key Accuracy of Billing Systems
- Analytical Framework to Support Offer Management
- Support for Marketing Initiatives