

France Telecom Orange

investor day
conquests 2015

customer relations

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cautionary statement

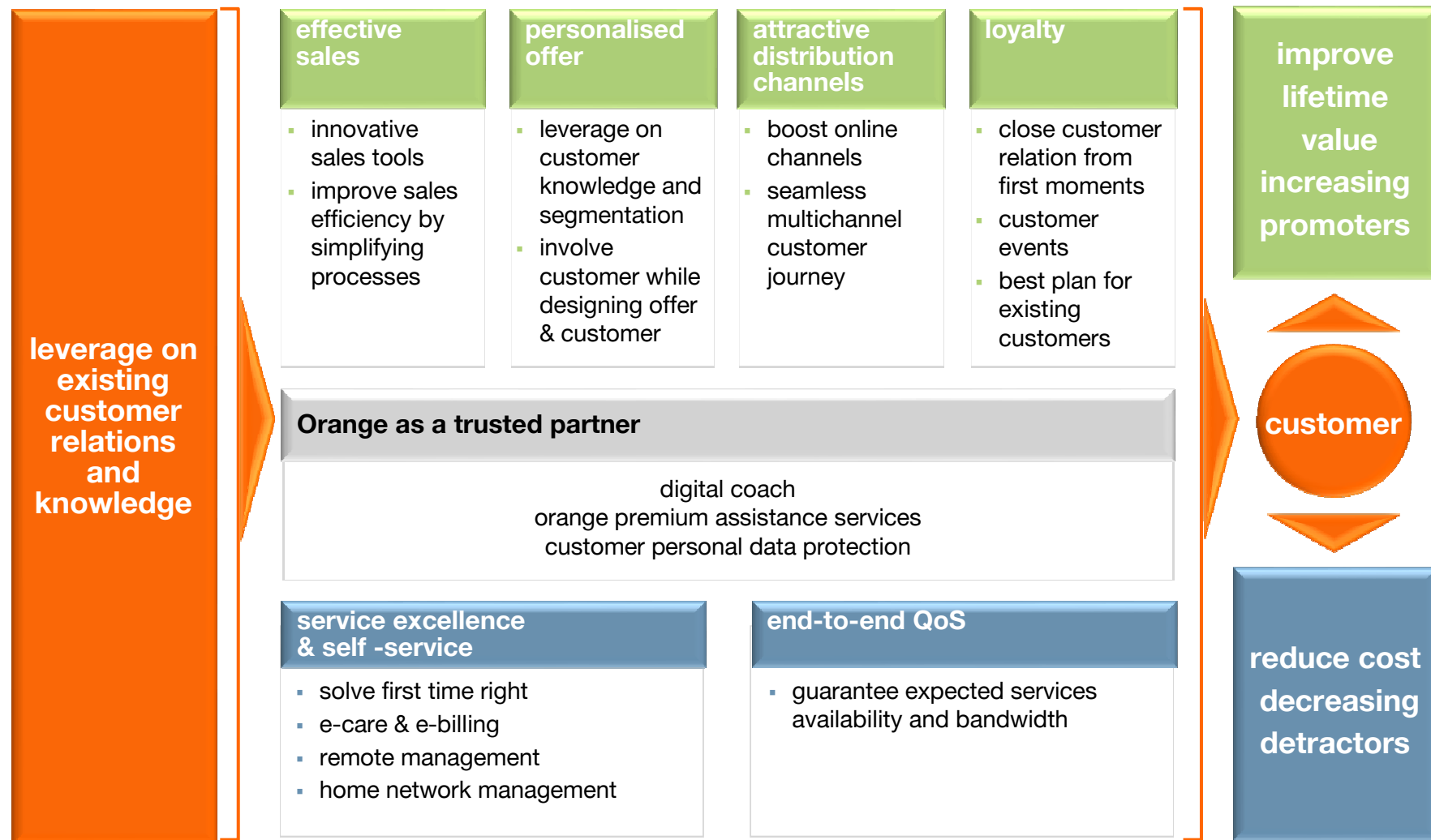
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agenda

- 1 | key pillars to customer excellence
- 2 | addressing customers needs while smartly monetizing services
- 3 | new ways to meet customer expectations and improving cost structure
- 4 | ambition

1 key pillars to customer excellence

1 | key pillars to customer relations excellence



2 addressing customers needs while smartly monetizing services

2



2 | sales efficiency through attractive distribution channels

1 |

fine tune and tailor the offer with each customer



2 |

continue to encourage shift in customer behaviour towards online sales

% of online commercial activities for mobile contract*

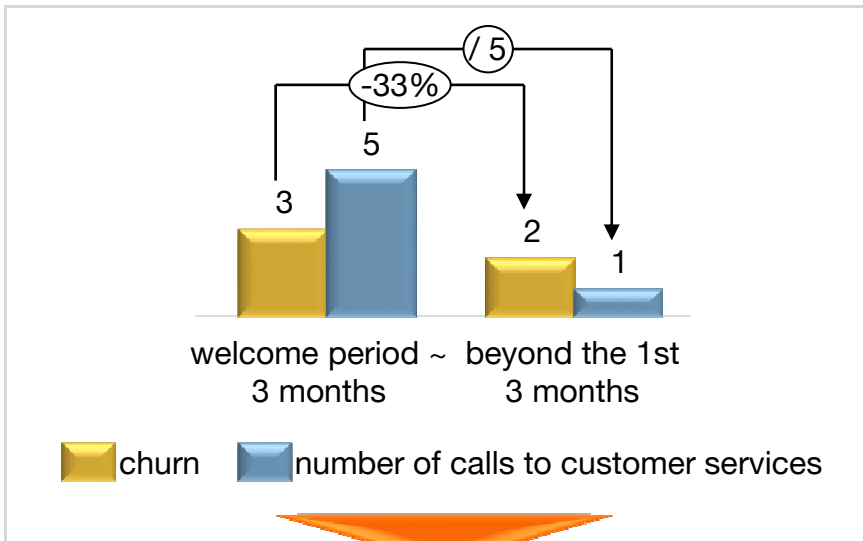


3 |

simplify customer journey by seamless cross channel management

40% of customers go on-line before visiting point of sales

2 | customer loyalty on top of Orange priorities



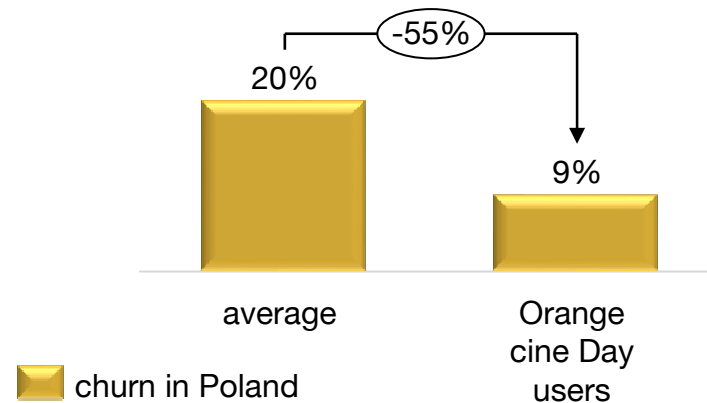
delight customer during entire lifetime cycle

- change the deal by providing Best Plan for customer and finding the balance of loyalty & short term revenue protection
- “Best Plan” deployed in several countries
- recognise customer through customer events, e.g. Orange Cine Days

guiding new customer during the first 3 months

- 1st months are crucial:
 - 1/3 churn during this period
 - a new customer calls 5 times more
- “cocooning” of new customers:
 - set up & first use welcome message
 - guided device & services configuration
 - specific follow-up

the example of Orange Cine Days



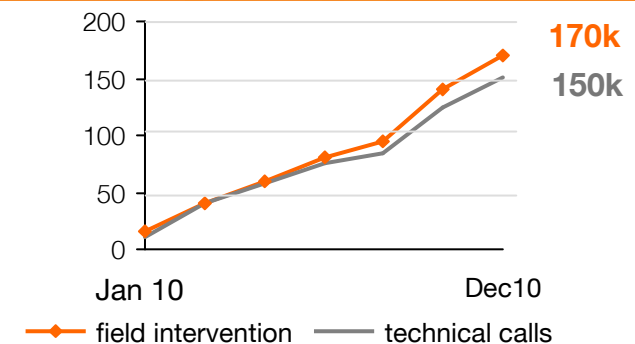
3 new ways to meet customer expectations and improving cost structure

3 | best in class customer experience as a lever to optimize costs

better manage end to end quality of service

- QoS Mobile voice & data: availability & bandwidth
 - indoor / outdoor end to end quality measurement in all countries by external partners
 - mobile handset based solutions measurement for voice and data services
- fix broadband end to end QoS
 - dynamic line management (DLM) which supervises and calibrates the Customer line
 - VoIP probes to deliver best quality service on VoIP

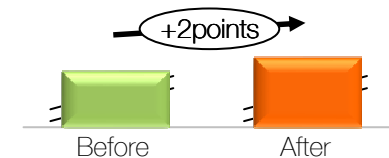
of field interventions and technical calls reduced due to DLM solution (France)



customer service excellence

- strong focus on first time right & reducing repeated calls
 - training people
 - better localization of the issue on the field
 - diagnosis tools

DLM improve overall customer satisfaction



develop remote management

- KARMA** to manage and configure CPE software such as Live Box and set top box
- 2nd most advanced tool on the world in term of remote managed services

KARMA

- 10 million CPE managed / 20 countries
- >100k internet service activations capacity per day

3 | self service & self care: a lever for savings and increased customer satisfaction

home network manager

- embedded software assistance solution
- sharing with the customer the same vision of the home network
- => better diagnosis and contributing to first time right

mobile care device management

- deployment of “Orange et Moi”, a smartphone self care solution
- => 10% of iPhone customers have already downloaded “Orange et Moi” in France



e-care & e-billing

- boosting e-care channels to allow customers to manage efficiently his account
- fixed and mobile convergent e-care for customers who want it
- => get at least 40% of e-bill on mobile

social networks and forum

- meeting digital customers expectations and leveraging their activity on the Net
- => dedicated social networks oriented training in call centers to facilitate customer exchanges in a very responsible & ethics way



facilitate customers life while saving costs

4 ambition

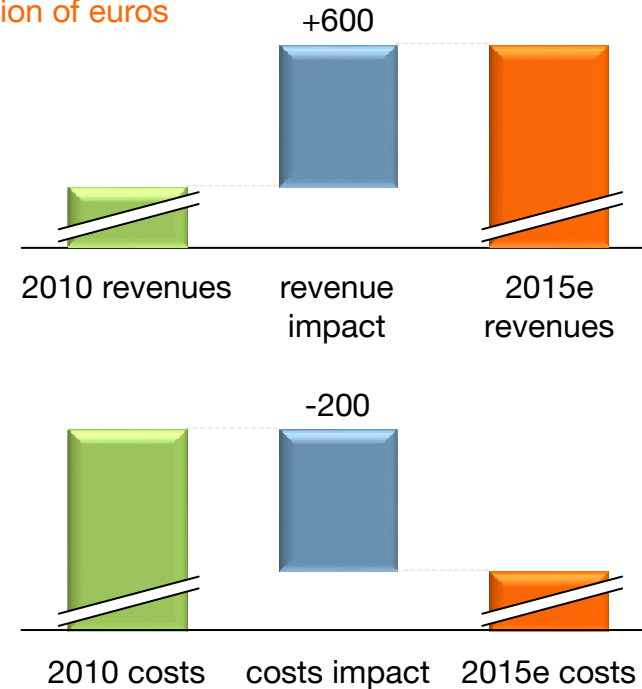
4 | 2015 ambition: best in class customer experience in all countries

customer experience improvement impact

- best in class customer experience in each country
 - highest net promoter score vs competitors
- significant impact on operational performance
 - improve customer lifetime value by increasing customer loyalty and reducing churn
 - promoters churn 2.5 times less than detractors
 - promoters ARPU 9% above detractors
 - deliver expected Quality of Service to the customer
 - detractors call 5 times more than promoters
 - fewer technical calls and field interventions

impacts on revenues and costs

in million of euros



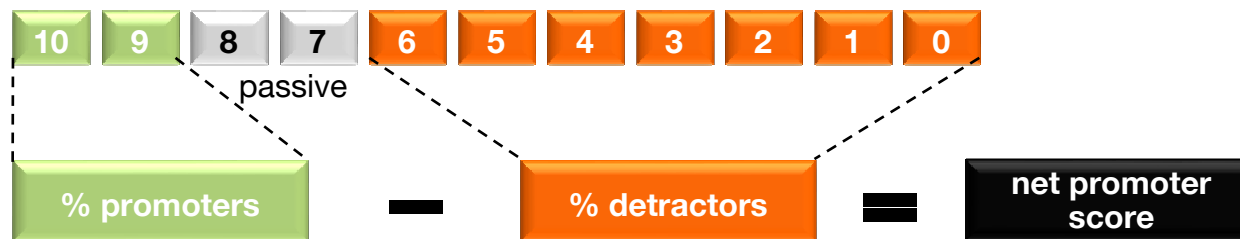
> potential of EBITDA increase by ~€0.8bn by 2015

appendix

net promoter score methodology description

the following recommendation question from the Customer Experience Tracker being asked:

“on a scale 0-10, how likely is it that you would recommend Orange to your family or friends”



customers are interviewed by independent company

- 500 Orange customers per product line in each European country with Orange footprint on quarterly base
- 200 customers from each competitor per product line in each European country with Orange footprint on quarterly base
- 20 sub questions asked to assess customer journeys and simplicity

> mix of promoters / neutrals / detractors measures customer interaction performance and is correlated with revenue growth and cost savings