

# Bell Mobility - Sales Roadmap

Strategy | Profitability | R&C Analysis| Opportunity & Risk

Profitability Analysis with 3 years of Cashflow

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**Business Objective:**  
**To accelerate prepaid gross subscriber additions**



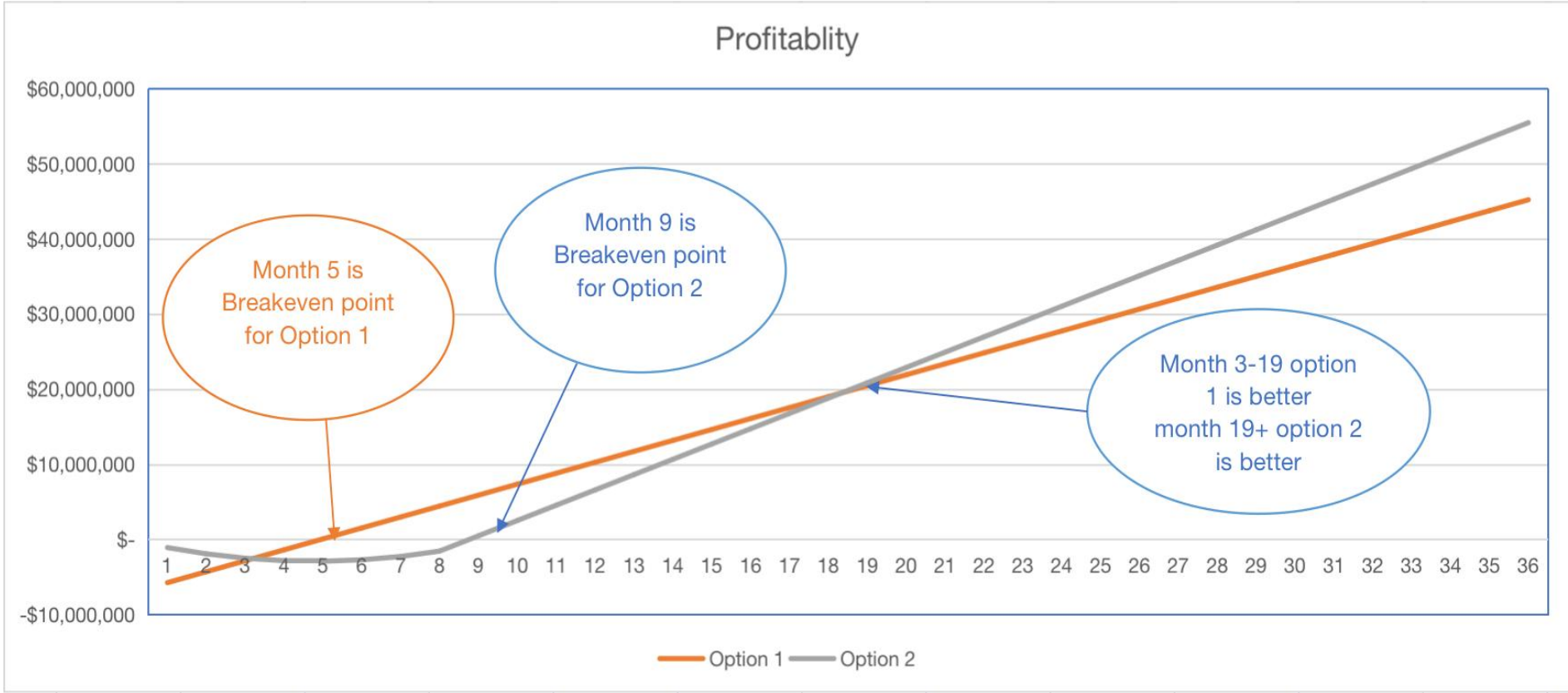
**Sales Strategy – Options Evaluation**

Assumption: new 1500 stores are built at the speed of 188 stores per month

Difference	Option 1: Partner with Retail Chain	Option 2: Launch Own Stores
Store Number	2000	1500 (Over 8 months)
Revenue Source	ARPU: \$25 Monthly churn rate: 3.34%	ARPU: \$28 Monthly churn rate: 3%
Cost	\$95 commission per unit Share 20% revenue	\$10 commission per unit Annual Fixed cost \$80000
Unit sold per store monthly	38 (-10 to 10 units variance )	50 (-10 to 10 units variance )

# Profitability Milestones

Bell Canada



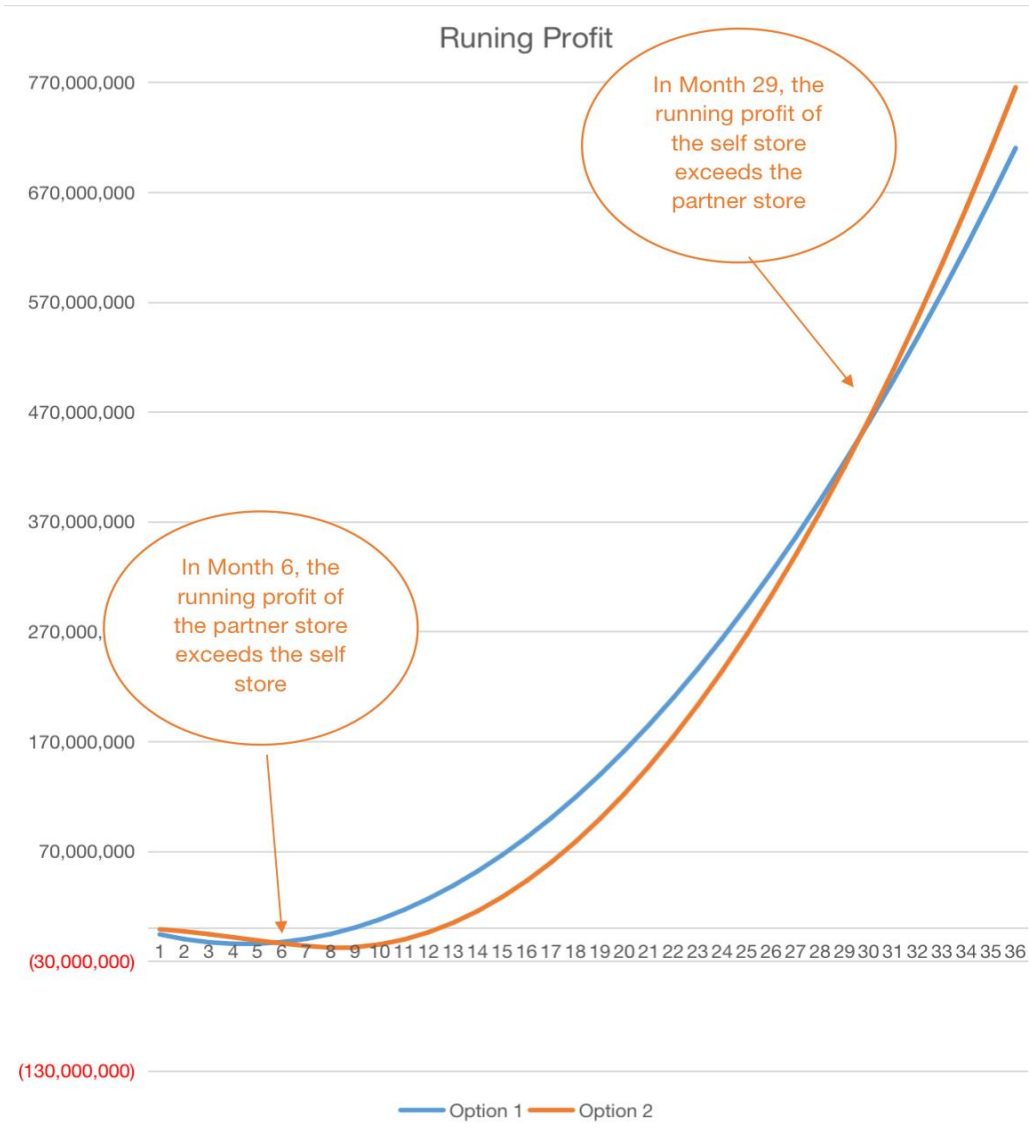
Option 1 in 3 years  
Profit Margin: \$710m

Option 2 in 3 years  
Profit Margin: \$765m

Difference: \$55 m

# Running Profit Analysis

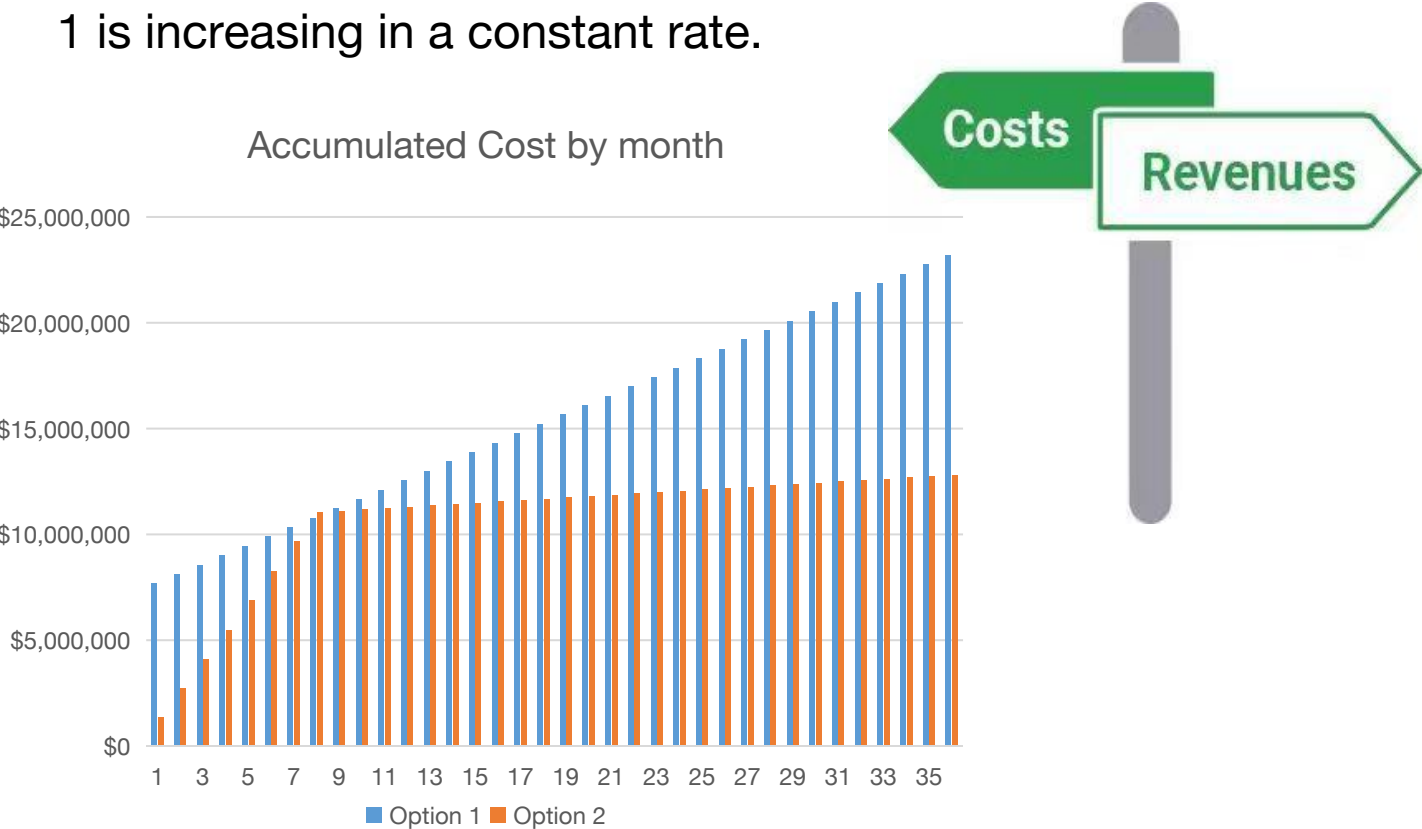
Bell Canada



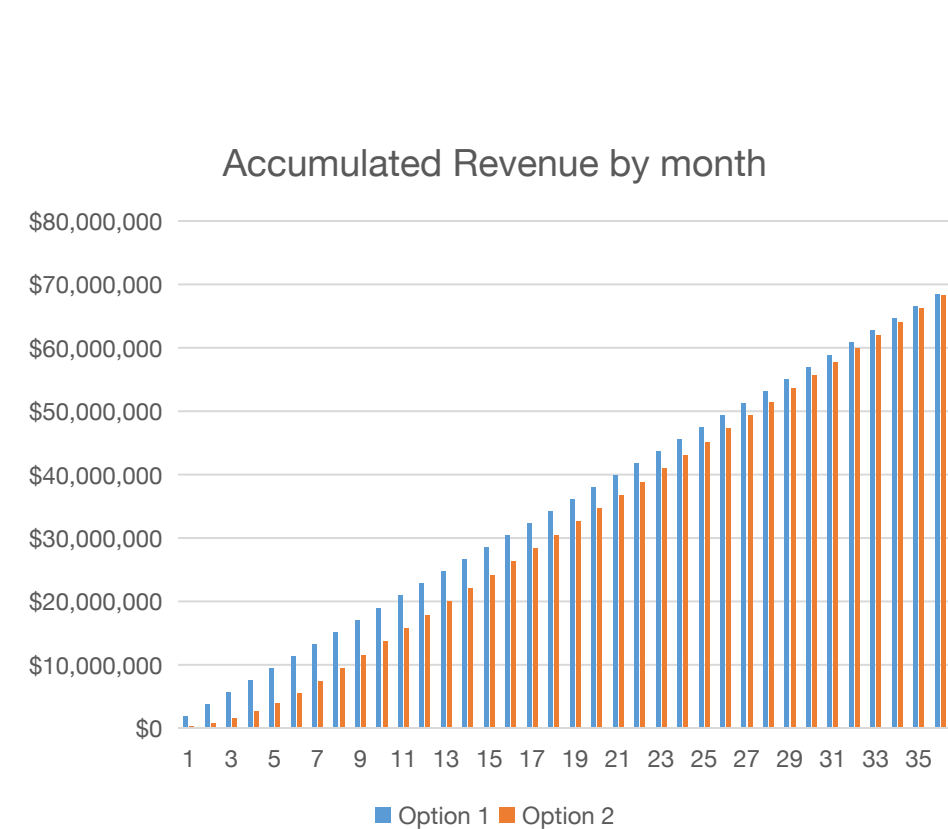
- In Month 29,  
option 1 running profit: \$460m  
option 2 running profit: \$463m  
Difference : \$3m

# Revenue and Cost Analysis

- Accumulated cost of Option 2 is stabilized after month 8, while Option 1 is increasing in a constant rate.



- The accumulated revenue of Option 2 is increasing in the long term.



### Recommendation

- Option 2 is strongly recommended for long term growth.
- Long term cost saving
- long term revenue generation

### Opportunity

- For Option 1, is more flexible and diversified in channel partner relationship
- For Option 2, Bell owns the solution and has full control
- Hybrid option? One and half year contract with the retail partner, setup BELL location using profit from the retail partner

### Risk

- External competitors: other major telecom companies
- For Option 2, the rental price for commercial may fluctuate
- Covid-19 impact and government policy