Zipwhip Trial Research Readout

Final readout with pricing survey results

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Pricing Survey Objective & Methodology

Objective: Explore text message usage, gauge reaction to a new text messaging product, and conduct a Van Westendorp exercise to help determine ideal pricing.

Survey was fielded from February 18 – 25, 2020

- Our sampling methodology was to recruit Comcast Business Advisors panelists

- **7,616** Comcast Business Advisors panelists were invited to participate in the survey

  - 927 respondents started the survey (12% response rate)

- **749** Comcast Business Advisors panelists qualified for and completed the survey

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Key Findings

1 in 3 respondents had interest in the text messaging offer:

Respondents were interested due to **the ability to switch platforms (mobile, desktop)** and **integration into already existing systems.**

Just less than 1 in 3 were not interested in the offer:

Lack of interest was due to **a lack of need (already have a text tool, no need for texting in their industry)** and **industry compliance issues (healthcare, financial).**

Feature ranking:

Ranked #1 by 50% of respondents: **Send and receive texts via a landline number.**
Top 3 for usefulness: **Access messages on smartphone, notification for new messages, access messages on desktop.**

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Insights: Summary

Price point range
Optimal price point result landed on $36 and the point of marginal expensiveness came in at $43.
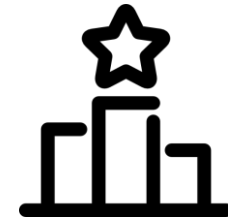*Slide 5-6*

Package with voice
60% of respondents noted that they felt the text message offering should be included with their voice package.
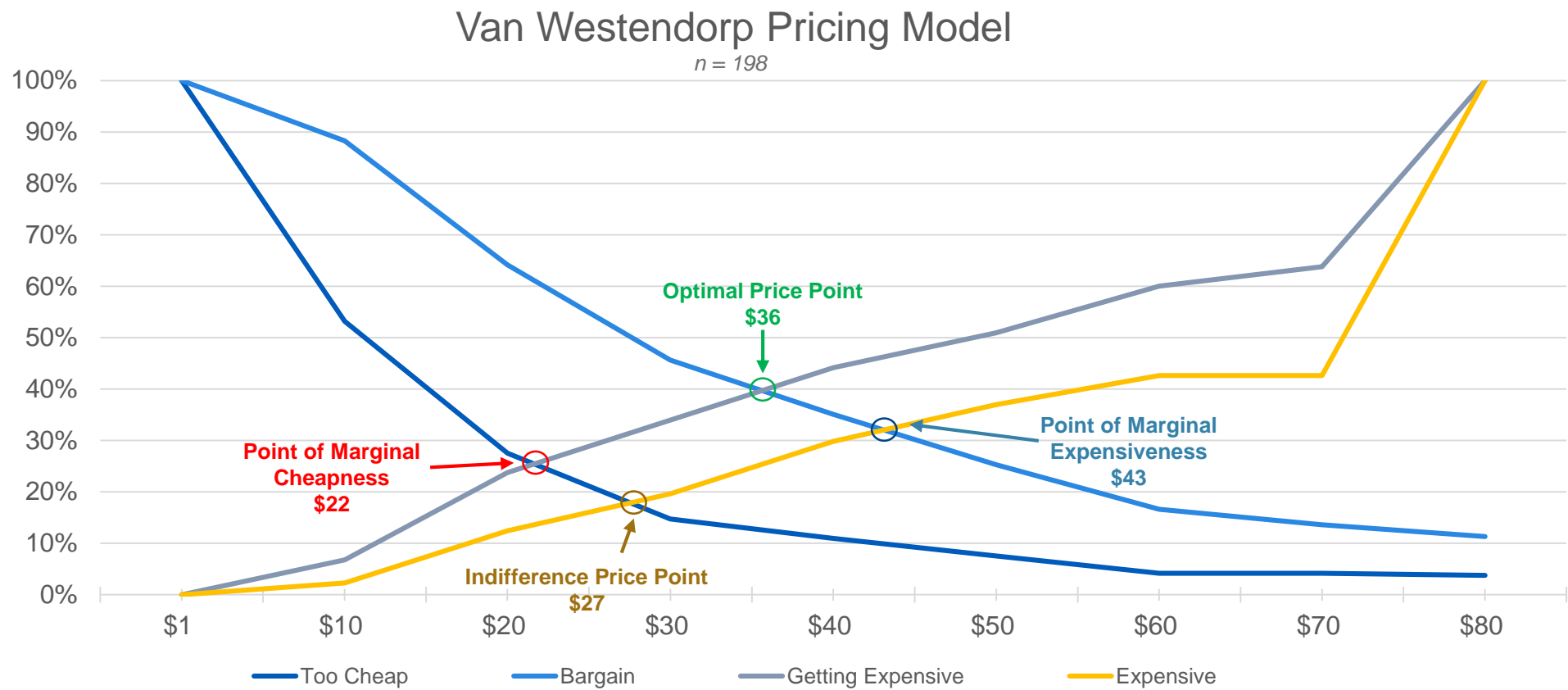*Slides 7-8*

Feature ranking
Respondents ranked send and receive texts the highest and desktop, smartphone, and notifications to be important.
Slide 9-10

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Price point range: $36 - $43

The Van Westendorp model helps identify a price sensitivity guideline. *Recommendations on next slide.*

Van Westendorp Pricing Model
n = 198

Optimal Price Point
$36

Point of Marginal
Cheapness
$22

Point of Marginal
Expensiveness
$43

Indifference Price Point
$27

Too Cheap — Bargain — Getting Expensive — Expensive

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Pricing recommendations

Multi-tiered product offering

A multi-tiered offering may help not only attract customers new to the texting concept but also those who may be using another service.

- **Include the features respondents felt were most useful in the base package:**

  - Send and receive text messages via a landline phone

  - Ability to see messages on desktop and mobile

  - Notifications for when new messages arrive

- **Offer an upgraded package that includes the full feature set at a higher price**

- **Consider offering the base package at a low-to-no cost**

  - Gives perceived added value to current voice packages

  - Could be used as an introductory offer to the upgraded package

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Package texting with voice services

60% of the respondents would prefer to see texting services packaged with their current voice services.

40% would prefer a separate subscription service.

Takeaway

Users want inclusive services and the most successful implementation (higher adoption) of a texting service would be coupled with a business voice product.

Users would expect to be able to set up groups of individuals to convey important messages.

Users would notify customers of job updates and appointments.

One user would expect to be able to send pictures internationally to address product or supply chain issues.

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Quotes: Packaging and Usage

"We might use it to send pictures of products with issues back and forth across the pond."

"We would use it for regular updates via broadcast and group messaging we want to get out to employees or customers – would replace constant contact – which always goes to spam."

"I would like to set up groups and be able to text all tenants at a certain property with the same message. I have email lists set up, but now everything is text and people don't check email obsessively anymore."

"We could possibly use it to notify clients that our crew was on the way to their job site."

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Feature ranking

50% of respondents ranked send and receive texts and images from a landline as the #1 most useful feature.

Over 70% of respondents ranked accessing messages from smartphone and desktop, and notifications as the next most important features.

Sending and receiving messages and images is the most important feature.

Ability to view messages on a smartphone is the second most important feature.

Takeaway
There are 3-4 features that could be included as a baseline product and the rest can be priced as upgrades.

Ability to view messages on a desktop and receive notifications for new messages should both be included as baselines.

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Quotes: Feature interest

"I would be greatly interested in the text messaging feature if it can be added to my current business line as opposed to have to use an entirely different service. It would be even more awesome if this feature was allowed through the Comcast Business My Account app; similar to how the 'be anywhere' calls can be made."

"Many customers like to communicate via text and this would give us the opportunity to communicate the way they want."

"My main complaint about text messaging has been that I have to use my phone to do it. Because able to [use] a computer, which is what I'm looking at most of the day, is more attractive."

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Trial Results Overview

- **SMS/MMS is an easy win**
  - During the first 30 days, most users said that beginning to use the software was "very easy".
  - During the first 60 days, 60% of all participants utilized one-to-one messaging.
  - One-to-one messaging was ranked as the #1 feature in usefulness by 50% of pricing survey respondents.

- **Multi-platform access is very useful**
  - During the trial, many participants noted that seeing messages on their desktop and smartphone was very useful.
  - 32% of respondents in the pricing survey were interested in the service due to desktop and smartphone access.

- **Integration is highly valuable**
  - Throughout the trial, participants inquired about platform integrations and noted that Zipwhip would be more valuable when integrated with other communication tools.
  - 60% of pricing survey respondents believe text messaging should be included with their Comcast Business voice package.

- **There is great opportunity for multi-tiered offerings**
  - Customers have valued texting at $36-$43, creating opportunity for baseline and upgraded packages.

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Quotes

"My customers are heavy texters. With Zipwhip it works better, because I can see everything right on my desktop." - Daphne

"I love the ability to text from a non-texting phone service." - Richard

"Being able to text from business phone would be very helpful."

"Easy to use – As easy as email."

"Would be a viable service if it was integrated into office products like Teams."

"I would be greatly interested in the text messaging feature if it can be added to my current business line as opposed to have to use an entirely different service."

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Recommendations

The trial and pricing survey have suggested synergies between SMS/MMS functionality and existing Comcast Business Voice product offerings. The results indicate likely high market acceptance among Comcast Voice customers.

Multi-tiered Product Offer

A baseline package would include texting, smartphone, desktop, and notification features at low-to-no cost. The higher level package would include the full feature set.

The Marketplace

Releasing a version of a landline texting application to the Marketplace within the $36-$43 price range could prove useful, although it plays against the respondent results of wanting and expecting texting to be included with their voice packages.

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Questions?

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