TALK 'N TEXT



MARKET SCENARIO





The DE socio-economic class comprises the largest segment of the market with an estimated population of 46 million (13-60 years old).

MARKET SCENARIO





23% or 11 million Filipinos from the DE socio-economic class do not have mobile phones

Major roadblocks to cellphone ownership are the cost of device and cost of prepaid load despite the low cash out.

VISION

A phone in the hand of every Filipino and a connected family is the vision of Talk ‘N Text. Together with partner manufacturers, Talk ‘N Text designed mobile phones that give the underserved segment access to SMS and voice services.



THE SOLUTION

Talk 'N Text Panalo Phone is the first complete mobile phone service solution. Each package comes with a brand new cellphone, a built-in SIM, and an initial load. All of these for only Php 499 or USD 11.60.



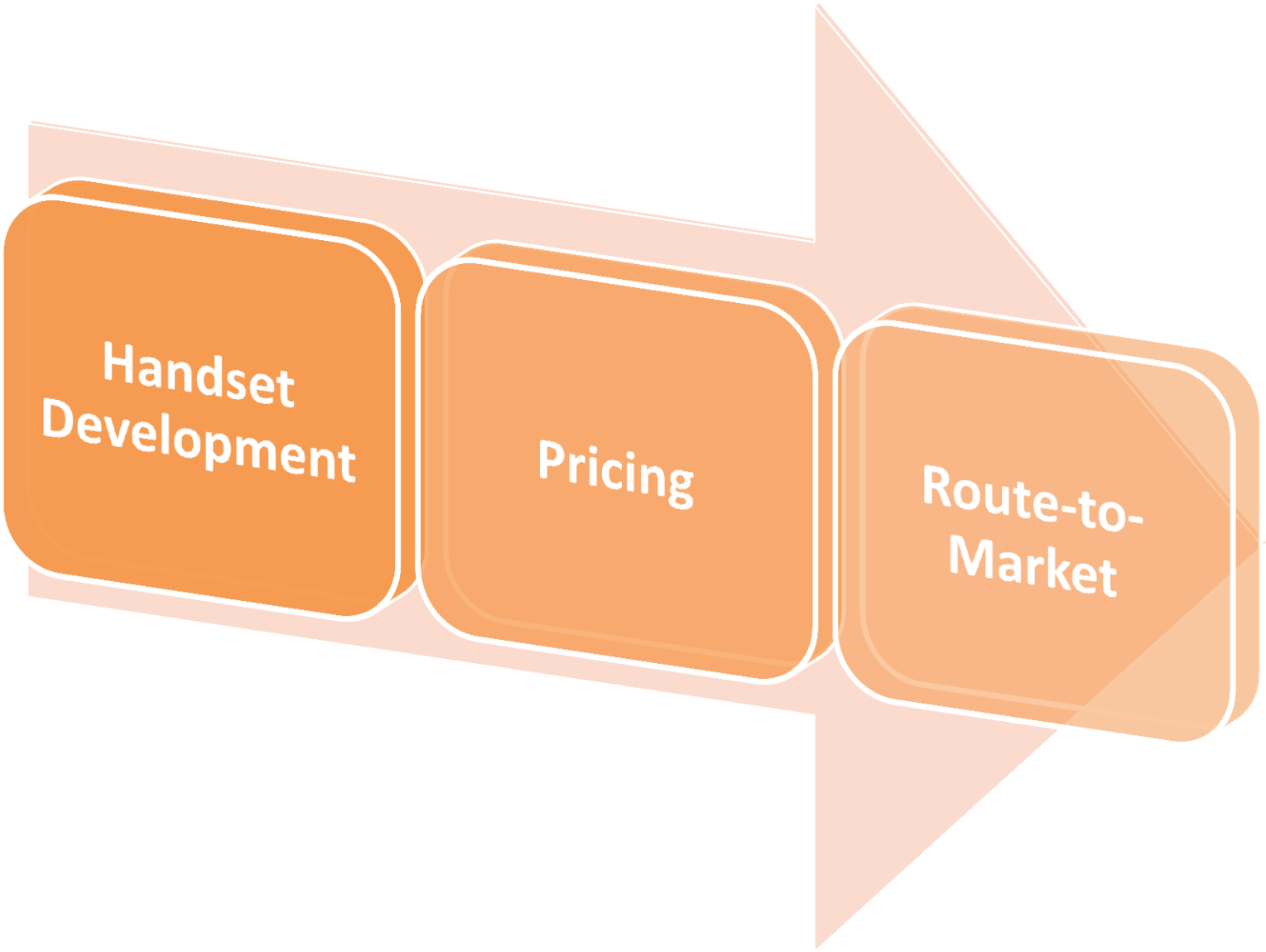
FEATURES

Talk ‘N Text Panalo Phone is equipped with basic features that are essential to the daily lives of the poor.



- FM radio, flashlight, & calculator
- SMART MONEY
- Trial subscription to a job referral service
- Prepaid load as low as Php 5 with Php 1 increments

BUSINESS MODEL



HANDSET DEVELOMENT





ZTE中兴

HUAWEI

cherry mobile

HANDSET DEVELOPMENT

Despite its low yields, **Talk ‘N Text Panalo Phone** ensures financial viability for the company. It is equipped with hardware and software locking features that guarantee its exclusive use with a Talk ‘N Text SIM.





PRICING

	PhP	USD
SRP	499.00	11.60
Transfer Price	449.00	10.44
Device Cost	600.00	13.95
SIM & Other Costs	23.40	0.54
Subsidy Per Unit	124.40	2.89
ARPU	60.98	1.42

In order to position Panalo Phone as the most affordable mobile phone service solution, its SRP should be at par at least with refurbished handsets that are sold in the market.

With monthly usage of USD 1.42, subsidy can be recovered after 2 months.

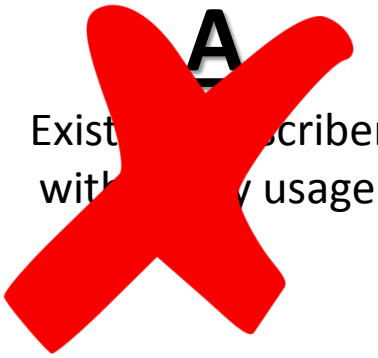
ROUTE-TO-MARKET

1. Identify the right market.
2. Formulate a distribution strategy.

Which market will benefit the most?

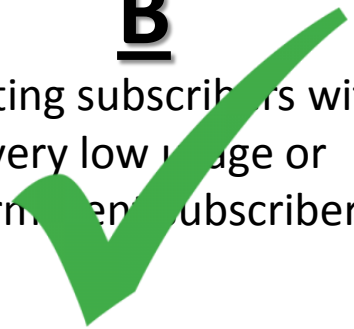
A

Exist scribers wit usage?



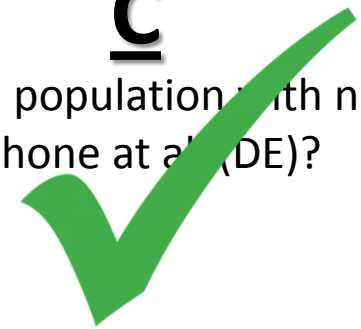
B

Existing subscrib rs with very low ge or interm en ubscribers?



C

11M population th no phone at a (DE)?



ROUTE-TO-MARKET

Consumer Insights



B

Existing subscribers with very low usage or intermittent subscribers?

C

11M population with no phone at all (DE)?

- ✓ Limited access to products; bring the products and services right to the customer's doorstep.
- ✓ Income is intermittent; offer the product at the right time.
- ✓ Needs basic product; SMS and voice.
- ✓ Not high-tech
- ✓ Totally new market; no erosion

ROUTE-TO-MARKET

1. Identify the right market.
2. Formulate a distribution strategy.



Direct-to-Subscriber Activities

- House-to-house caravans
- Market blitzes

Primary Channel







General Trade

ROUTE-TO-MARKET

Targeted distribution in DE communities

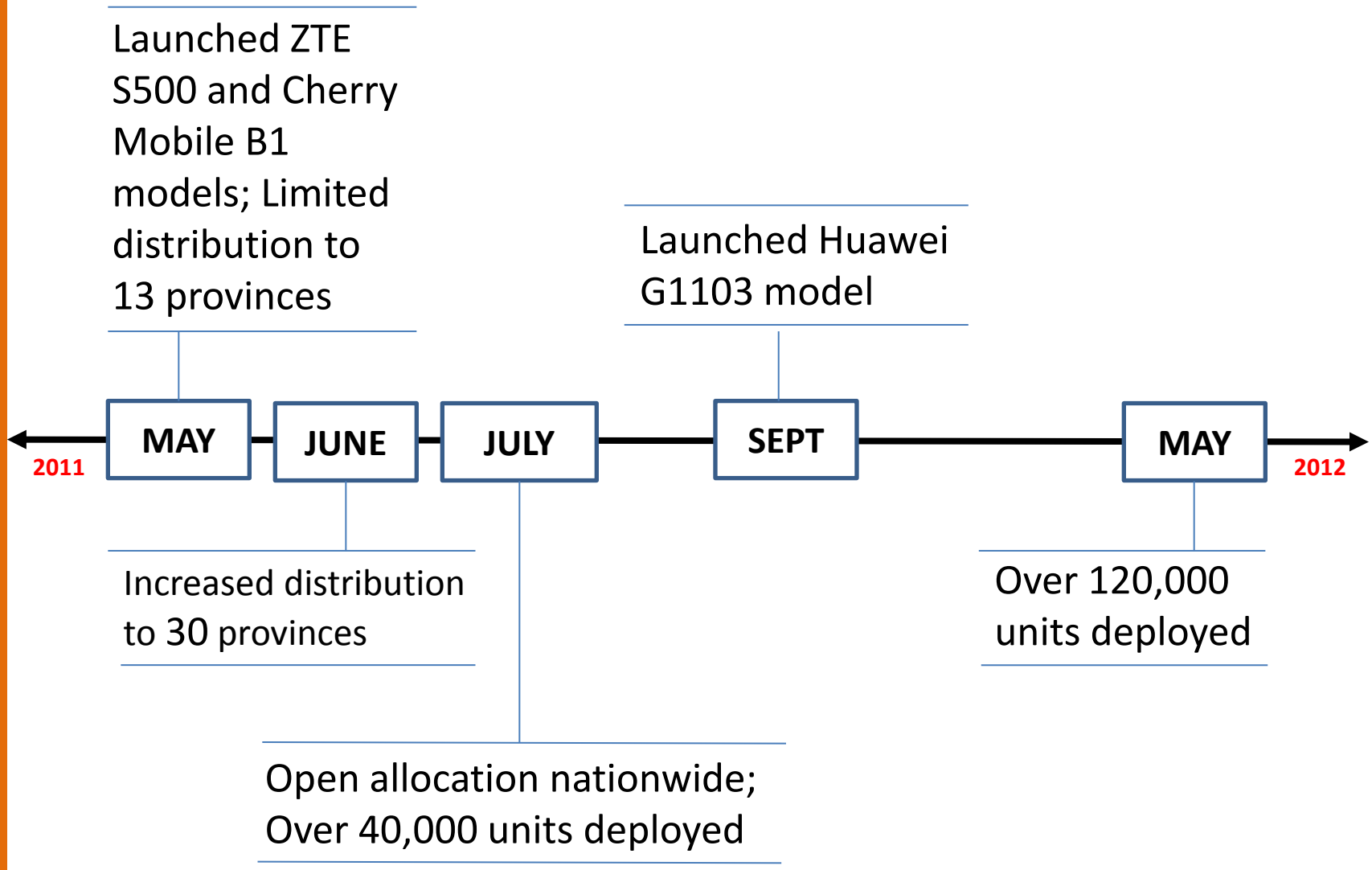
- Fishing villages
- Farm lands
- Remote islands
- Rural towns





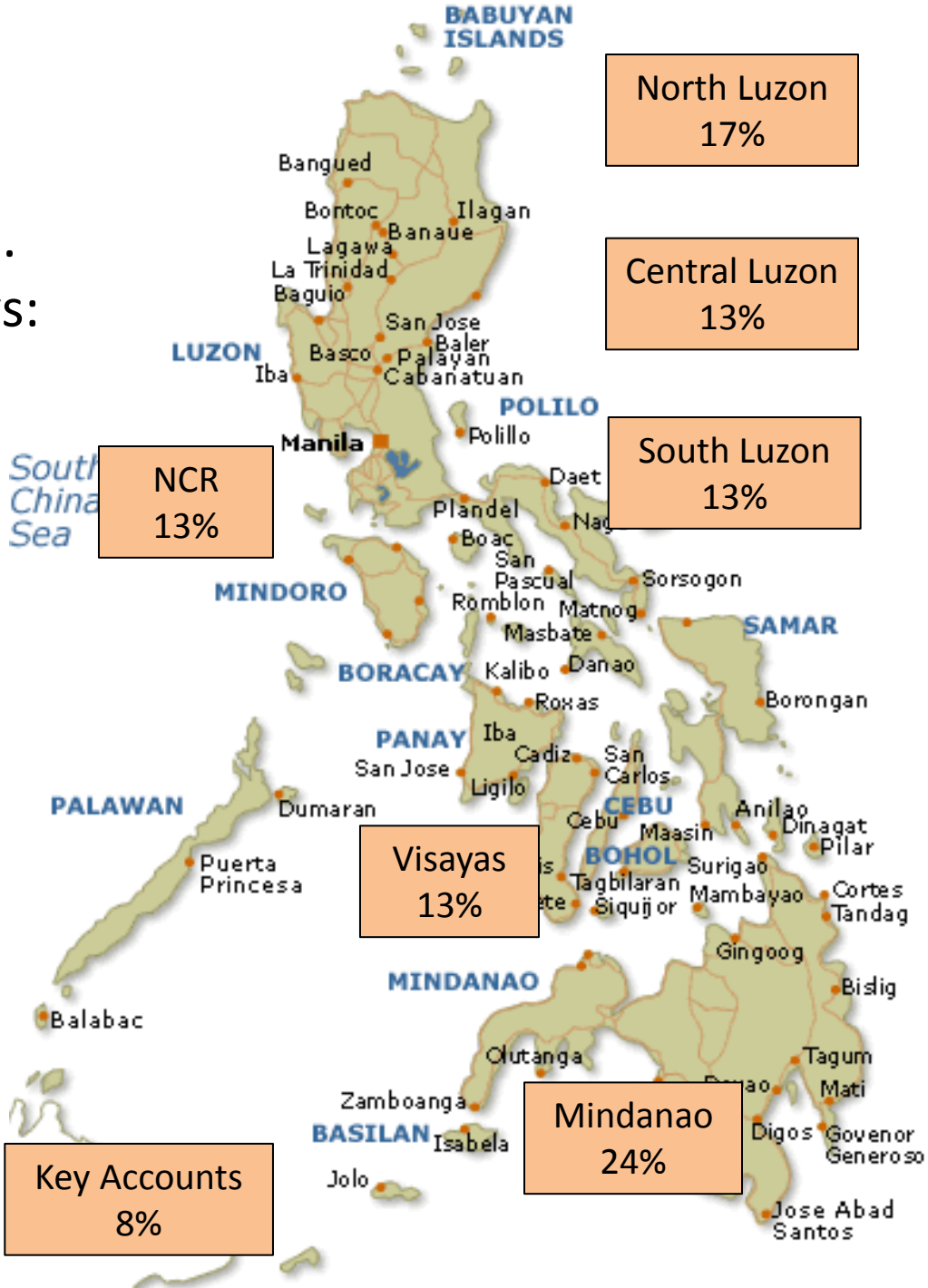


2011-2012 MILESTONES



DISTRIBUTION

Over 120,000 units distributed nationwide. Regional split as follows:



TESTIMONIALS

"Mahirap magpaaral ng anak sa Maynila. Buti na lang at puede ko na siyang itext at kamustahin kahit anong oras gamit ang Panalo Phone. Sa tulong ng Smart Money, napadadalhan ko rin siya ng pera pang-allowance at pambili ng mga kailangan niya sa eskwelahan. Kahit di kami magkasama, kahit paano ay naaalagaan ko pa rin siya."

It's hard to have a son who is studying in Manila. Good thing that I can text him any time using Panalo Phone. With the help of Smart Money, I can also send him money for allowance and other school needs. Even if we're not together, I can still take care of him in my own little way.

Elsie, fruit stand vendor and mother of five

Iligan, Lanao del Norte

TESTIMONIALS

"Dati, kailangan ko pang makigamit ng telepono sa kapitbahay para makontak ang mga suki ko. Nanghihinayang kasi akong ipambili ng cellphone ang kinita ko, kaya naman ang saya ko nung nalaman kong may ganito pala kamurang cellphone. Ngayon, mas madali na ang pagtext at pagtawag sa mga suki ko at mas madali na din humanap ng iba pang customers. Di ko na din po-problemahin na mauubos ang kita ko sa paglo-load dahil napakamura lang ng pag-call at text. Napakalaking tulong talaga ng Panalo Phone."

Before, I had to borrow my neighbour's phone just to contact my customers because I'd rather spend the money I earn on food for my family than on a cellphone. This is why I was so happy when I found out that there is a cellphone as affordable as Panalo Phone. Now, it's easier to call and text my customers and it's also easier to acquire new ones. Also, I don't have to worry about spending all my money on reloading because it's really cheap to call and text. Panalo Phone has really helped me and my family.

Susan, direct sales agent (Natasha)
Pulilan, Bulacan

ISSUES



Defective handsets

Spare handsets as warranties were given to distributors for immediate replacement.



Limited no. of service centers

Tie-up with widely distributed handset brands such as Cherry Mobile, which has several service centers nationwide



Limited distribution outlets

Deployment is through on-ground house-to-house caravans of the brand/distributors, and through on-ground activities.

MOVING FORWARD

Launch Talk 'N Text Panalo Phone 2 by 3Q

- Colored screen
- Same price
- Single model: Cherry Mobile B2
  - For better user experience
  - Increased no. of service centers



TALK 'N TEXT

