



# Vodafone Group Plc : Digital services investor briefing

29 September 2021

Vodafone Group Plc is holding a virtual briefing for investors and analysts today covering its opportunity in leading digital services. The briefing will be hosted by Alex Froment-Curtil (Chief Commercial Officer), Shameel Joosub (Vodacom Group CEO), Vinod Kumar (Vodafone Business CEO) and Erik Brenneis (IoT Director).

Through a series of on-demand video presentations and case studies (available at [investors.vodafone.com/digital-services](https://investors.vodafone.com/digital-services)), we outline how we are building deep & trusted customer relationships in our core connectivity products, through leading innovation in digital services. Areas covered include automated marketing and customer service platforms, digital services for consumers in Europe, financial services in Africa and IoT for business customers.

In addition, a live video Q&A webcast will commence at 2.00pm BST on 29 September 2021, with an on-demand recording available shortly afterwards. Key highlights from the event:

- 1. Deep & trusted customer relationships :** Following a series of initiatives conducted over the last 3 years, Vodafone has improved its net promoter score to be the #1 or #2 operator in 13 of 16 markets. This has contributed to systematic reductions in mobile contract churn and increasing fixed connectivity customers. The next phase of improving loyalty with consumers will be achieved through our multi-product connectivity strategy, 'Digital First' consumer engagement platforms and complementary digital services, all underpinned by our purpose-led brand.
- 2. Leading digital consumer services :** Complementary digital services play a crucial role in deepening relationships with consumers, in addition to having attractive standalone economic models. We now have over 50 million customers subscribing to a digital service, which leads to higher ARPU, improved distribution efficiency, higher NPS and lower churn. We are focused on further developing our strong positions in consumer IoT, Vodafone TV, home services, device lifecycle services and loyalty applications.
- 3. The leading FinTech in Africa :** Since formation in 2007 as a money transfer service, Vodafone's financial services business in Africa has grown to be the largest with almost 58 million customers, transacting US\$25 billion per month. Vodacom Group generates US\$1.3 billion service revenue from financial services, accounting for 17% of Profit before tax. Our African FinTech business has significant growth opportunities through penetration growth in existing markets, expanding into new markets and scaling new products, including the recent launch of the VodaPay 'super-app' in South Africa. Vodacom has clear financial ambitions to grow its new services, which include financial services, at or above 20% CAGR.
- 4. The global IoT connectivity leader :** Vodafone's IoT service was established in 2008 and has grown to be the largest IoT connectivity provider globally, with over 130 million devices connected. Vodafone IoT has been recognised as a leader in managed connectivity by Gartner every year since 2014. Vodafone IoT currently generates €0.9 billion annual revenue with double-digit revenue growth and a strong double-digit ROCE. The total addressable market is €10 billion and expected to grow 16% p.a., with further stimulus from the NextGenerationEU recovery plan funding, supporting Vodafone's further expansion into end-to-end IoT services.

***Alex Froment-Curtil, Vodafone Group Chief Commercial Officer, commented:***

"Building deep and trusted customer relationships through leading innovation in 'Digital First' customer engagement platforms and adjacent digital services is a core pillar of our transformation into a new generation connectivity provider. Digital services have a direct and immediate impact on customer loyalty, net promoter scores and distribution efficiency. This leads to more valuable relationships with our customers across Europe and Africa.

Further deepening our customer relationships is the foundation to delivering our medium-term financial ambitions to grow revenue in both Europe and Africa, mid-single digit EBITDAaL growth and to improve our return on capital."

For more information, please contact:

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