



2022 COMPANY OF THE YEAR

*CAMBODIA
MOBILE SERVICES INDUSTRY*

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Smart Axiata excels in many of the criteria in the Cambodian mobile service space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Price/Performance Value and Financial Performance

Cambodia’s mobile services market is projected to grow at a compound annual growth rate (CAGR) of 2.4% from 2021 to 2025, reaching 24.3 million mobile connections by the end of the forecast period.¹ The growing mobile Internet proliferation, availability of fair-priced smartphones, the rapid expansion of digital services, and establishment of tech companies in Cambodia are key growth drivers encouraging the high-value development of various industries.

Furthermore, with the country experiencing unprecedented changes because of the COVID-19 pandemic, mobile network operators (MNOs) have played a critical role in helping customers stay connected and in enabling businesses to support remote, digital operations by providing affordable, high-quality connectivity services and solutions. Many key industries in Cambodia are embarking on digital transformation journeys in this new-normal era. For instance, the adoption of digital services in the payments, eCommerce, and public sectors has shown notable growth. As the country adapts to the new normal, one thing is clear: evolutions in mobile network technology provide MNOs with ample opportunities to create new revenue streams. These changes, however, mean meeting customers’ ever-changing demands for the flexibility and choice that they are accustomed to from the best digitally driven customer experience. The success of MNOs in Cambodia will depend on their ability to pursue new

¹ Forest Interactive; May 19, 2020; [“5G Rollout Likely to Spur Digital Content Subscriptions in Cambodia”](#)

monetization opportunities proactively, to strengthen connectivity and digital engagement for a superior end-user experience.

Established in 2013, Phnom Penh, Cambodia-based Smart Axiata is one of the country's largest mobile service providers. The company is backed by Axiata Group (a Malaysia-based telecommunications group with extensive operations in countries across Asia) and offers comprehensive telecommunications services, including mobile phone services (prepaid and postpaid), fiber broadband, and digital services. Smart Axiata's range of mobile services and strong industry partnerships are key factors enabling the

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**- Dewi Rengganis,
Industry Analyst**

company to provide customers with the best value for the price. Partnerships allow the company to introduce next-generation wireless products and services consistently, to respond to customers' demand for flexibility, convenience, and affordability. For example, in March 2022, Smart Axiata announced a partnership with Cloudera, a global software company, to accelerate its business transformation. Through this partnership, Smart

Axiata aims to improve its customer service analytics and deliver targeted promotions to anticipate the needs of its more than 7 million customers. Customer service analytics leverages next-generation technology, such as artificial intelligence/machine learning (AI/ML), to process massive volumes of data and derive detailed insights to deliver a better customer experience, improve network performance, and drive innovation.

As a part of Axiata Group, Smart Axiata is collaborating with Google to launch the latest features of the next-generation enterprise solution, thus offering Google Workspace to small and medium enterprises (SMEs). Google Workspace consists of collaboration and productivity tools (e.g., messaging, meetings, docs, and tasks) to leverage cloud technology. The solution enables SMEs to collaborate and achieve productivity in new remote work environments, thus offering greater flexibility and driving digitalization across organizations.

In collaboration with Advance Bank of Asia (ABA), Smart Axiata introduced IPification technology, leveraging mobile IP address-based authentication solutions instead of a one-time-password (OTP) system that lacks authentication. IPification is a one-click mobile identity solution that enables users to verify their phone number, register, and log in within milliseconds, thus enabling Smart Axiata users to access ABA's mobile application seamlessly. This example clearly shows the company's ability to offer advanced, data-driven solutions that support the digital lifestyles of connected consumers and address real-world challenges to improve lives.

Smart Axiata is the first telecommunications operator in Cambodia to launch an integrated mobile service package through Facebook, enabling customers to purchase a mobile service package seamlessly while surfing the application. This strategy aligns with the company's goal to create a truly differentiated customer experience and streamlined customer purchase journey. Frost & Sullivan commends Smart Axiata's success in forging strategic partnerships to strengthen its competitive advantage and rapidly broaden its mobile service product portfolio in the local market.

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**- Dewi Rengganis,
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Smart Axiata has maintained steady revenue growth, with a year-over-year (YoY) increase of 7.0% in 2021, and EBITDA increased by 4.5% YoY. This outstanding growth in 2021 can be attributed to several factors, including the company’s expanded 4G network at an investment of \$90 million to reach 21 provinces, thus boosting coverage for over 90% of the Cambodian population.

The company’s Smart ThomMorng! monthly plan is a hassle-free option with affordable rates and a mobile service quota (e.g., data, SMS, and voice) that can be used 24/7 without restrictions. With this plan, Smart

Axiata successfully recorded growth in mobile data use, from 18.2 GB to 20.4 GB per data subscriber per month, with a 12% YoY increase over 2021 in data use, while its closest competitor only achieved single-digit YoY growth.

Frost & Sullivan attributes Smart Axiata’s robust growth trajectory to its meticulous approach in serving mobile subscribers, expanding its 4G coverage, and tapping into the potential of new services and innovative packages to increase customer loyalty and retention.

Customer Service Experience and Brand Equity

Customer satisfaction is one of Smart Axiata’s integral aspects and core values. The company provides high-quality customer service through excellent coverage and outstanding support to meet diverse needs and expectations. The company continually improves the customer experience at every touchpoint along the customer journey, including customer onboarding, care and support, and relationship management. Smart Axiata’s SmartNas in-house mobile app handles the onboarding process for new mobile customers, eliminating the manual process to register and subscribe to mobile service plans. Apart from onboarding, the application provides customers with greater insights into their mobile service spending and allows them to top up their credit balance, modify their mobile package plan, and subscribe or unsubscribe from any service.

To accelerate the use of Big Data and ML platforms in customer care and network planning domains and as a part of its Cloudera partnership, Smart Axiata continues its dual-speed IT approach in enhancing business capabilities. With these capabilities, Smart Axiata can boost the adoption of the SmartNas app by progressively simplifying the user experience and enhancing digital care and sales capabilities. Another one of Smart Axiata’s critical goals is to modernize legacy and digital contact centers to reduce the on-call resolution time for customer complaints, reduce costs, and improve efficiency. This systematic customer-centric approach reinforces Smart Axiata’s brand equity in the market.

Through continuous network investments, the company has addressed the digital divide in the country by expanding 4G coverage to rural communities, with over 320 additional sites across Cambodia in 2021. Smart Axiata continues to drive improvements in network quality and coverage while ensuring its connectivity solutions are available to customers. Recently, the company earned awards from leading

organizations, including the Best Telecommunication Company Cambodia 2021 and Leading Company in Building Community Resilience Cambodia 2021 at Global Banking and Finance Review 2021.

Visionary Scenarios through Mega Trends and Addressing Unmet Needs

As a prominent telecommunications provider in Cambodia, Smart Axiata is seeking to address the needs of the growing number of SMEs by helping them reach their target audience through custom marketing and exposure. The company developed a portfolio of digital apps as a core value proposition to help businesses and consumers engage in more meaningful conversations. Big Data analytics, personalization, and contextualization are key investment areas that will enable the company to build a seamless network of channels and improve the customer experience.

Smart Axiata is the first Cambodian telecommunications company to offer business-to-business-to-consumer (B2B2C) services, such as Smart Sponsored Data and Mobile Advertisement (ADA Reach powered by Smart). Smart Sponsored Data allows SMEs to offer free data connections to their end customers to access their online platforms, in which the free access is exclusively applicable only to Smart Axiata customers. Smart Axiata's mobile advertisement leverages its music streaming application called Pleng, which has been downloaded more than 4.3 million times in Cambodia, placing it among the most downloaded digital platforms, where SMEs can drive awareness, engagement, or acquisition campaigns and connect with more than 600,000 monthly active Pleng users. Moreover, through Smart Axiata's mobile advertisement in the Pleng application, SMEs can promote their products or services using in-app banners with personalized content. Beyond basic connectivity solutions, Smart Axiata is becoming an end-to-end solutions provider, with customized bundling and attractive services.

In anticipation of upcoming 5G trends, Smart Axiata continues to upgrade the capacity of existing sites, modernize sites in its network, increase fiber penetration, and prepare for future 5G rollouts. In 2019, the company showcased a range of 5G use cases to demonstrate the positive impact of 5G in supporting mobile services and the digital transformation needs of consumers and enterprises. As a result, Smart Axiata has set a new benchmark in Cambodia's telecommunications industry as the first telecommunications company to host a live 5G network trial in the country. This 5G trial offered a glimpse of new experiences, such as outdoor augmented and virtual reality, ultra-high definition, live broadcasts, and drone-based monitoring systems.

Furthermore, to address the lack of digital knowledge and skills in Cambodia, the company committed 1% of its annual revenue to implement strategic programs that aim to build information and telecommunications technology talent and to develop Cambodia's digital economy. This initiative serves to minimize the digital talent shortage to meet industry needs and accelerate digital adoption in the country. To support this, Smart Axiata works closely with the country's key stakeholders, ministries, and non-government organizations to bridge the digital gap by offering initiatives geared toward delivering quality education, thus fostering digital talent and environmental stewardship. These initiatives cover all levels of society, from equipping high school and university students with digital skills to growing the digital ecosystem by empowering local entrepreneurs with the necessary funding and training.

Conclusion

Smart Axiata's continued success in the Cambodian mobile services space is mainly attributed to its comprehensive solutions portfolio, strategic partnerships, excellent infrastructure, and customer-centric approach. One of the company's underlying strengths is the ability to identify and address challenging customer needs through top-notch services, thereby optimizing the customer experience and consolidating its leadership position in the market.

With its strong overall performance, Smart Axiata earns Frost & Sullivan's 2022 Cambodia Company of the Year Award in the mobile service industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

