

STRATEGIC BUSINESS MODEL INNOVATION FOR EMERGING MARKETS

Vital Wave helps a leading telecommunications company parlay the assets of its mature business into a dynamic strategy for emerging-market growth.

Life after Commoditization

A dominant market share and consistent revenues from a successful product do not immediately sound like a problem. But in the fast-changing telecommunications industry, with downward pricing pressures across the value chain, companies cannot sit back and enjoy the fruits of a mature solution.

The forward-looking executives of one telecommunications company understood their industry-leading product was reaching a point of maturity and commoditization. To increase revenues and maintain their position in the industry, they recognized the need to make fundamental changes to their current business model. In an industry that is experiencing the majority of its growth in developing countries, the company's new strategy needed to focus on capturing the opportunities of emerging markets.

Key Benefits:

- ▶ Rapid assessment of client assets and market position in specific geographies
- ▶ Supplemental data and valuable insights on emerging markets
- ▶ Synthesis and analysis of market data into relevant, actionable recommendations
- ▶ Facilitation of strategic planning meeting to gauge feasibility and develop implementation plans

Rapid Assessment and Strategic Recommendations

The company engaged Vital Wave to provide its Rapid Assessment and Strategic Recommendations service, a common first step for technology companies hoping to increase revenues in emerging markets. Following an evaluation of the company's existing assets and their market position in seven key developing countries, Vital Wave crafted a sequence of strategic initiatives aimed at re-inventing the company's offering for these high-growth markets. These recommendations were structured to maximize their current assets, minimize disruption to current business, and secure a position of strength in the emerging-market value chain. Vital Wave conducted extensive primary research, including wide-ranging interviews within the client organization and its partners.

Findings from this investigation, combined with considerable research on the telecommunications market in the target geographies, were synthesized by Vital Wave experts and rendered into a four-phased strategic recommendation.

Having completed the market diagnosis and formulated its recommendations, Vital Wave then facilitated a two-day strategic planning summit with key company executives. At the summit, participants built on the recommendations and created a preliminary implementation strategy. The results were then incorporated into a final deliverable that enabled the company's executives to explain, validate and promote the recommended strategies with internal stakeholders.

In order to integrate this process with the client's broader strategic planning calendar, the entire engagement was executed within 30 days.

From Strategic Planning to Implementation

Based on the success of the Rapid Assessment and Strategic Recommendation process, the telecommunications company immediately engaged Vital Wave to build out these recommendations in the form of a complete business case and implementation plan to cover the next five years.

The client company's managers set out to integrate developing-country markets into their overall strategic growth process. With expert data collection and analysis, skilled facilitation of the executive summit, and clear guidance provided by Vital Wave, emerging markets are now central to the company's plan for near-term profit and long-term growth.