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Vim's Innovative Services & Solutions can help LEG-Telecoms get out of his poison and attain second position in the future or gain bigger market share.

2. Client Name: LEG Telecoms LEG Telecoms Co. Ltd. Provides mobile telecommunications products and services primarily in Korea. The company offers wireless Internet service, ex-I, which provides a range of content, email, character/melody downloads, games, stock trading/banking, entertainment, shopping/reservations, and traffic information/location-based service.

Further, the company provides mobile telecommunication network technology, including network design, setup, optimization, and operation, as well as consulting for data services related to WAP-based wireless Internet service infrastructure setup, JAVA/JOINS-enabled handset solutions, and multimedia application technology. As of September 30, 2004, it had 6 million subscribers. LEG Telecoms was founded in 1996 and is headquartered in Seoul. The smallest of Korea's three mobile carriers is the beneficiary of a government policy to support smaller operators.

A unit of LEG Group, the country's second-largest conglomerate, LEG Telecoms increased its customers by 26% in 2004, when the overspent introduced number portability, which allows subscribers to keep their phone number when changing service providers. LEG, the weakest of the three local mobile players, is the only one upgraded to G networks on just last year. To make up for the disadvantage, it's forging alliances with banks and brokerage houses to offer mobile financial services.

LEG uses its partnership with banks to expand its retail presence: It sells phones and signs up new subscribers at 2,800 bank branches in addition to its 580 storefronts. It sold well. The Industry There are three mobile service companies in Korea market. SKY Telecoms is top reformer, gaining over 50% market share in this matured market. And the rev. Size is also outstanding. On the one hand, LEG Telecoms is 3rd position in business volume and market share as well. Figure 1: Business Performance in 2006 But notable things are that Net-income of LEG Telecoms is far bigger than KIT and specially growth rate of rev. As best performer in last year. And also market share was slightly increased. So I expect very tough competition for 2nd position between two companies will be sustained for a while. Figure 2: By mobile phone subscribers Source: Never Financial Reports Figure 3: Hot competition for industry players . Comparative Analysis Marketing Analysis: Market Segmentation Three telecoms companies have made Korea huge market for mobile services during several years with advanced services. The service providers have already enjoyed selling mobile services for the last several years.

But they're faced with the limitation of growth in local market because almost people already are subscribers of mobile service now. So they compete with others for having the customers of competitors change their current service provider. However, 36 mobile service which was introduced from a couple of years ago will be a big and important chance for their equines growth. Some people already are using 36 mobile service and more people will change our mobile service from current 26 to 36 in the near

future. And at this point, many people will consider about changing their service provider according to price condition and service quality.

Bigger mobile carriers SKY Telecoms and KIT embarked on 36 services midway through the year before last and expanded their and SKY Telecoms has drawn half a million over the past year but LEG Telecoms has jumped onto the bandwagon of 36 mobile services on June last year. So LEG telecoms has some risk for this business as late player. On the other hand, the biggest player, SKY Telecoms is focusing on oversea expansion of their business now and they already made good business results from china and several Asia countries. But the rest two players don't seem to have enough readiness for oversea business.

So LEG telecoms have to focus on attacking local 36 mobile market with value added service and competitive price. And that will be the most important factor for gaining 2nd position For this, they need to adopt advanced infra such as IP voicing and cost effective IT infra as well. Financial Analysis: Table 1: Key Profitability Ratios Source: Never Financial Reports (PEPS: won,) Figure 5 : ROAR Trend LEG Telecoms profitability factors, especially last two year's ROAR shows better performance than competitor KIT and sound growth rate but the gap to SST is still shown. So LEG Telecoms should make an effort for better ROAR.

Better ROAR can help them in making continuous price competitiveness for G mobile service. For better For better ROAR, They should focus on cost reduction through current IT infra optimization and etc. And also cost-effective investment will be very important on NW infra improvement which

is necessary for successful G mobile service business. 5. Sales Proposal: The IBM solutions To secure competitive service price through cost reduction and better service quality through NW infra improvement will be the most important factors for success of G solution for it. Network development and Management solution 1 .

ONION/ANA C. V. -IBM Network infrastructure / Application Optimization Consulting - Strategy : Present efficient way for improvement and To-be model of current NW Infra through detail and accurate end to end analysis by IBM NW consultants. - Benefit : Customer can know the priority of investment for NW infra improvement and Through that, they will be able to purchase NW equipment and implementation revive with cost-effective. 2. Network Transformation service for IP network development - That can help to transform your network to a converged, IP-based network while supporting your unique business strategies.

These solutions can help you enhance control over key components of your network operations, and help secure your network infrastructure and simplify customer, partner and supplier interactions for better G service quality Cost reduction solution 1. Information Lifestyle management for Infra Optimization - Strategy : Telecoms companies have huge data and data size will grow more rapidly with contents for G bile service in near the future. So one of the largest portion of IT infra budget would be storage related cost. So one of the most efficient way for cost reduction will be storage optimization through data rationalization. Benefit : IBM service has a plenty experience and well-defined methodology and various SW and HAW for ELM consulting and implementation. We can cover unstructured data like image, voice and <https://assignbuster.com/business-insightlgt/>

data base as well. I'm sure Storage Infra TCO of LEG Telecoms will be reduced sharply through tiered storage based archiving or remove of old and unused data. Also optimization of DB size will help for better performance of application so LEG- Telecoms won't need to buy a lot of high-end servers like now. That is also cost reduction factor. 6.

Prospects for the Client LEG Telecoms is still the smallest player among three major players in mobile service market. But they has shown good result with sound business growth and met their objective during last several years with their creative market strategy. But for gaining bigger market-share and 2nd position, they need to prepare more attractive service price and good quality service, especially, that will be more important under new G market. Effort for cost reduction and, aggressive but cost-effective invest for NW infra improvement will be able to make his position better. .

Conclusion and Making Changes to the Sales Approach solution on the basis of IT market analysis and CIOinterview. And also business plan and deal closing strategy has been focused on customer's IT strategy. But through this class, I could improve financial analysis skill and learn about approach based on analysis of customer's overall business pain point. The theoretical methodology for company analysis through case-study will be very helpful for our business activities even if that's short lecture.