

Telstra the largest  
telecommunications  
and information  
services company  
marketing...



Telstra is the largest telecommunications and information services company, and is the largest mobile operators and internet service providers. Telstra supplies most homes and business with the basic access, and local, long-distance telephone call services, as well as mobile and internet services, which are the series telecom services all over the Australia. The report composes of a short introduction (landscape) of Telstra's main area of operation. Also, this report includes environmental analysis, competitive analysis and strategic analysis of Telstra Corporation. In the section of environmental analysis, we analyze the present and future progress condition of Telstra Corporation. Then we use SWOT to analyze Telstra's Strengths, Weaknesses, Opportunities and Threats. At last, base on the SWOT analysis, this report analyzes the company's strategies. We can achieve conclusions that Telstra is becoming a media company.

## **Content List**

### **1. Introduction**

Telstra is the largest services company offering telecommunications and information, and is the largest mobile operators and internet service providers. Telstra can not only supply to all of Australians with a full range of telecommunications services, but it also is one of the largest nationwide telephone network. Nowadays, the internet users of Telstra have been excess 0. 4 million. The company established a specializing department to be responsible for the Telstra data's future development, promoting the development of value-added business. Telstra Company listed in the "Fortune" magazine as one of the world top 500 companies, is the world's 13th-largest telecommunications company.

## **2. Competitive analysis for Telstra Corporation**

Telstra Corporation (Telstra) is one of the leading telecommunications enterprises in Australia. It supplies a wide range of telecommunication, advertising and information services. Telstra Corporation backs its operation and strengths a competitive being against other players with its the stronger network infrastructures. However, saturation in the mobile market of Australian could have an impact on margins of Telstra Corporation.

### **SWOT Analysis for Telstra Corporation**

#### **Strengths**

#### **Weakness**

Strong network infrastructure

Strong retail broadband performance

Dominant market position

Relations with the regulatory bodies

#### **Opportunities**

#### **Threats**

Expanding operations in China

Saturated Australian mobile market

Regulatory environment

## **2. 1 Strengths**

Telstra has a strong network of infrastructure, which supports its operations.

The strong network infrastructure backs the business operations and

provides Telstra with a two-edge sorrow on competition with other

companies. In the retail business board, Telstra made a record about its

growing strongly. The operation had a better performance, due to the

Telstra's strong retail broadband performance. In the telecommunications

market of Australian, Telstra is one of the most meaningful companies.

Telstra launch new services and improves its competition, which result from

its strong market position.

## **2. 2 Weaknesses**

Stockholders' faith and its brand worth are damaged for the weak

relationship between the Telstra and regulatory bodies.

## **2. 3 Opportunities**

In the telecom market of China, the operations business is expanded. In

addition, the internet users of China have reached 298 million up at a high of

42%. What' more, the internet penetration of China users is at 22. 6% that is

very low, which has left a growth room. Chinese internet market can

stimulate company's growth seeing from the its expanding at present.

## **2. 4 Threats**

In Australian, the mobile market has saturated. Telstra got amount of

revenues from the Australian mobile market, at the same time, operating

performance of Telstra could be influenced in near term. However, in the

future years, the regulatory environment could have an impact on the Telstra's operation performance.

### **3. Broadband planning and strategies of for Telstra Corporation**

The market is full of variables, risk of investment increases, income is difficult to control, value chain becomes more complex, but also Telstra faces competition and the complaints of its monopoly from other rivals. By 2012, whether Telstra is still able to occupy the leading position in information and ICT services market or in the pipeline to dominate the wholesale market is unknown, which are the great challenges Telstra will face.

Facing these challenges, Telstra has adopted the following strategic initiatives:

From the original technology-driven shift to market-oriented, Telstra is based on the market in the management of corporation. Enhance consumer research and customer segmentation. Telstra subdivided all the customers into seven major customer base and more than 100 micro-customer base, and take the budget market.

Explore new revenue and expand the content of services. Provide widely media services such as fixed and mobile convergence services, movies, music, content services, broadband and mobile bundled services, etc. Telstra is to expand its business oversea, such as the purchase of China's SouFun Sensis for the corporation to develop ICT services.

Reduce costs and achieve the mode of “ One Factory”. Reduce technology products and engineering investments; improve the investment of the products’ market launch, projects and infrastructure. Such as reducing the number of networks and systems, taking budget management of products and prices to connect to the “ One Factory” mode; reduce the NGN investment and labor costs.

A series of restructuring measures Telstra has taken are from a clear understanding of the company that the traditional fixed line is not the driving force of revenue growth and the revenue growth will come from other services. To this end, Telstra made the way of technical revolution in 2005 to build the most modern wireless broadband system in the world in a year’s time and to introduce the simple technology of mobile phone products. Secondly, Telstra sold the non-core assets of its businesses and use the proceeds obtained get the acquisition of Sensis for business advertising, transaction and directory services. Now Sensis has been one of the core platforms to achieve revenue growth. Thirdly, Telstra is becoming a media company. Foxtel service which is on behalf of the entertainment industry has also become one of Telstra’s the most famous brands. Fourthly, expanding oversea actively is also a major strategic choice of Telstra Corporation, such as Telstra Corporation has the largest local wireless service in Hong Kong, holding 51% stake in China’s SouFun, which opened the door to enter China’s highly competitive online advertising market. In short, Telstra’s strategic transformation is steadily moving forward. We have seen the positive effects of Telstra’s strategic transformation in fiscal year 2007 and 2008.

## **4. Conclusion**

As one of the leading telecommunications companies in Australia, Telstra offers a full range of telecom services throughout Australia. This report includes a brief introduction of Telstra's main area of operation. Also, this report includes environmental analysis, competitive analysis and strategic analysis of Telstra Corporation. We use SWOT to analyze Telstra's Strengths, Weaknesses, Opportunities and Threats. At last, base on the SWOT analysis, this report analyzes the company's strategies. We can achieve conclusions that Telstra is becoming a media company.