

Comarch business model

[Business](#)



The customers in this group are: Heinlein, Scrabbles, Renault, Naive, Coca-cola, Red Bull and more. Government: This unit provides a wide variety of solutions to different kind of customers from the Public Sector. The list of customers includes: The Ministry of Foreign Affairs of the Republic of Poland, The National Bank of Poland, Albanian State Police and more. ERP: The unit is dedicated to developing and implementing intuitive software solutions to help Seems optimize their business processes.

Companies that use Compare's ERP systems are: Coca-cola, Neonate, Yves Richer, T- Compare AS develops and delivers products and services specifically targeted at their groups of customers. Telecommunications: The products developed for electrification aim at increase the revenue of the companies and build strong relations with customers' clients and business partners. This portfolio of products is vast and goes from Customer, Revenue and Product Management to Application Integration Infrastructure.

The main products developed for this sector are: Compare Corporate Self Care: provides online ordering, data management and reporting for corporate customers; Compare Central Product Management: simplifies IT architecture and speeds up new product launches by providing a single place for managing the product catalogue and product lifestyle. Compare Service Quality Management: it gathers network, application and service statistics, aggregates it and presents it against service models.

Finance: The products in the finance sector are evolving every year in order to accommodate the needs of the customers. Some of the products created are: Compare credit process management: it is a system that supports

transaction processing as well as the application approval, security valuation, customer risk assessment and credit approval. Compare mobile insurance advisor: it covers the whole sales process - from identification of the customer and needs analysis through emulations and quotations, investment advisory, to generation and signing of the proposal.

Services: This specific set of products provides advanced IT solutions in order to boost a company's performance. The list of products comprises the following software and solutions: Compare Enterprise Marketing Management: it provides customer-oriented companies with the ability to plan, execute and track cross-channel campaigns and to build attractively loyalty programs to engage customers by delivering highly relevant offers that encourage them to buy more and more.

Compare SEA: it offers IT solutions for the management of sales support and the work of sales representatives, integration solutions and services to communicate with business partners, as well as on-line Web applications for managing sales and trade marketing and business communication with contractors. Government: in this area Compare specializes in the design, implementation and integration of advanced IT solutions for state administration offices, local government and the utilities supply market.

Some of the software developed are: Compare Gerri: this is a modern Polish ERP system for organization management which is adapted to the needs and requirements of public administration. It offers budgetary reporting facilities including budgetary accounting forms in printable or electronic versions.

Public Electronic Service Platform: it is a portal solution aimed at public

administration, local government, and fully and partly nationalized companies.

The solution aims to ease procedures for clients of government agencies by making a wide range of Internet solutions available to them so that they can conduct their affairs without having to go in person to the offices concerned.

ERP: this area of development of products is the flagship of Compare. The software ND scalable to the unique needs of each company and industry.

The signature software is called Compare ALEUT. Compare ALEUT: is a state-of-the-art management software system which represents the end result of seventeen years of experience developing some of the most innovative IT solutions available worldwide.

The software is designed to save the time of customers, reduce their costs, enable a streamline communication between departments, and to arm them with easy- to-use- reports for successful decision-making. The value proposition of the company and the features that make Compare AS be unique in the market are various. They focus on the customer satisfaction and excellence in the products and services delivered. Compare, in order to satisfy the requests of their clients, implements projects within the defined budget and schedule.

The Polish company, with almost 20 years of industry experience, is able to understand the business and technological needs of their customers developing the best solutions for them. One of the key features of the products is the faster implementation and easier integration, reducing the risk level of each project. The solutions developed are easily configurable

and will develop along with the client's business. The adaptation of the products to the customers' needs makes Compare be a reliable long-term partner.

The products offered are with the best ratio of quality to price and they adapt to many business models, from traditional and wireless to virtual operators. 3. CUSTOMER RELATIONS Compare Group main principles are responsibility for its customers' success as well as respect and openness to their needs. Compare delivers innovative IT services of the highest quality, which results from the employees' experience and exceptional skill, and from cooperation with the leading R centers in Poland and abroad. The roof provides support and competence centers delivering 24/7 global assistance, adjusted to local specification.

The offices are located in strategic areas in order to cover all the customers' needs worldwide. The locations are: Crawl, Dressed (Germany), Lillo (France), Panama City (Panama), Dublin (AAU) and Chicago (US). Other services provided to the customers are the Maintenance & Support Services which comprise: Maintenance Services Incident and problem resolution Setup and configuration of upgrades and updates Proactive system parameters monitoring Operating Assistance Help-Desk Services Consultancy Services

Technical Assistance Software updates and upgrades Change request design, development and delivery Benchmarking Compare offers flexible levels of maintenance services tailored to customer business specifications and demands. 4. REVENUE STREAMS In 2012, Compare Group sales revenue

climbed by 12, 5%, i. e. 98. 2 million PLN year on 2011). Net profit attributable to the parent company's shareholders increased by 12. 1% and amounted to 40. 7 million PLN. BIT margin was at 3. 5% and net margin amounted to 4. 6%.

At the end of 2012, the company employed 3759 people, excluding employees of MASK Croatia AS. Noticeable is the increase of 313 people compared to the end of 2011. The main market is the domestic one (Polish). In 2012 it constituted of 58. 4% of the total sales whether the export were 41. 6%. The main market outside the Polish one is the DACHA market (Germany, Austria & Switzerland) which constitutes the 21 . 7% of the total revenue. Over 2012, the sales to customers in the Telecommunication, Media and IT sector decreased of 5. 4% if compared to the previous year.

Noticeable is the increase of revenue coming from the finance and banking sector due to a delivery of third party software to BOOK BP Bank. This sector in 2012 holds the 26% of the revenue while it had only 17. 3% in 2011.

Looking at the product sales structure the Services sector leads the revenues with 580. 946. 000 PLN and it constitutes the 65. 7% of the total income.

Third party software and Proprietary software constituted, in 2012, respectively 15. 4% and 12% of the total income. 5. COST STRUCTURE In 2012, the cost of sales amounted of 688 ml PLN which is the 77. % of the revenue. Other costs to notice are the sales and marketing costs (9. 7%), administrative expenses (8. 3%) and other operating expenses (2. 5%). The profit before income tax was almost 40 ml PLN (4, 5% of the total revenue), the income tax expense amounted of almost 2. 5 ml PLN giving the final net profit of 37. 5 ml PLN. 6. KEY PARTNERS Compare Group cooperates with

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many large companies. Their key partners for the business are HP, MOM, Cisco Silver, Microsoft and Oracle. Those companies are the biggest players in the international IT sector and they also supply Compare.

Microsoft provides the company with software development tools, Cisco Silver provides them with intertwining products such as routers, bridges and switches. Threats of new entrants - MEDIUM/LOW The threats of new entrance in this sector are not high. The main reasons why it is like that are that the products are much differentiated. Compare provides the customers with an extensively wide range of products tailored on the consumers. The new entrants will not be able to provide the same amount of services in a short period of time. The initial capital investment is high, due to the high costs of R.

Consumers switching costs are high: if a consumer wants to find a substitute it needs to buy a different product and it has to sustain training costs for their employees in order to be acquainted with the new software and new services provided by the competitors. Proprietary technology is a strong point in this case. Compare has some state of the art developed tools which are their signature products. I. E. Compare access to the distribution channel is not difficult and location is not an issue since the services and the software can be distributed easily.

Bargaining Power of Suppliers - LOW The bargaining power of suppliers is low due to the fact that the company does not have real suppliers. However, Compare has strategic partnerships with big players in the IT sector and their products are easily available. Furthermore substitute products are available

in the market (servers, hardware and program compilers) and it is not difficult to find another one giving the same kind of services. Bargaining Power of Buyers - MEDIUM/HIGH In the IT market buyers are price sensitive and the high competition in the sector favors their bargain power.

Substitutes are easily available and the competitors as well sell a wide range of products covering the needs of the consumers. Furthermore buyers purchase product in high volume since, in case of large companies, they need the same service or product covering all their business. I. E. If they buy a cost management tool it will be used by all the offices worldwide. On the other hand the buyer switching costs are high and the threat of backward integration is very low. In addition to that buyers are less concentrated than sellers.

Threats of Substitutes - HIGH In the Compare market there is a high competition. The products and services provided are differentiated and the substitute product's quality and performance might be equal or superior to Compare's product quality and performance. The only reduces that are less likely to be substituted are the one that are exclusively developed by Compare such as Compare ALEUT. Intensity of Rivalry - MEDIUM The competitors in the IT market are numerous and have equal or bigger market share. The fixed costs are high and the competitors are strategically diverse.