

Nokia

Presented by

Ian Cheng

Ming-chih Chi

Alex Shikhmuradov

James Salter

Introduction

- History
- Mission
- Vision
- Products
- External Analysis
- Industry Analysis
- Porter Analysis
- Market Opportunity
- Competitive Advantage
- SWOT Analysis
- Financing
- Forecasting
- Review
- Recommendation

History

- Competency
- Capabilities
- Business Strategy



Mission

- Design and Manufacture
- Industry-leading display product.
- Committed to be the best in all respects to provide the best value to customers



Vision

- Increase personal communication
- Voice services driven by data and multimedia
- Constant innovation
- Customer services



Products

- WCDMA
- 3GPP for 3G
- GSM
- ISS (Internet Security Systems)
- WAP
- TDMA
- CDMA

Nokia's mobile phone introduction in 2000
(model category and number)

Basic	Classic	Premium
3310 GSM 3390 GSM 1900 5165 TDMA 5185i CDMA	6185i CDMA 6210 GSM	8890 GSM
	Tough	Media
	6250 GSM	7160 TDMA 7190 GSM1900
Fashion	Communicator	i-Mode
8260 TDMA 8290 GSM 1900 8250 GSM	9110i GSM 9210 GSM	NM502i

External Environment

- Telecommunications Networks
- Growth in the Internet
- Transition from second generation to 3G
- Increase in need for fixed-line broadband access
- Wireless development



Industry Analysis

- Deregulation
- US Telecomm. grew to 91.5 Billion in 1999
- Wireless Development
- Demand for Digital network equipment
- Consumer demand for more bandwidth services



Porter Analysis

Threat of New Entrants

- Economies of Scope: High
- Technology: High
- Fixed Cost: High
- Brand Awareness: High
- R & D: High
- Economies of Scale: High
- Government Policy: Normal

Power of Suppliers

- Suppliers' Level of Intensity: Low
- Chip Makers: Normal
- Transfer cost of Appliances: Low
- Transfer Cost of Switching Chips: High

Porter Analysis

Power of Buyers

- Buyers' level of intensity: Low
- Transfer Cost: Low
- Buyers' Information: Rich
- Buyers' forward integration power: Low
- Buyers' Loyalty: High
- Buyers' Choices: Rich
- Purchase quantity: End users (low)

Product Substitutes

- Pager
- PDA
- SmartPhone
- Toll Phone
- 3G Products
- Consolidated Products

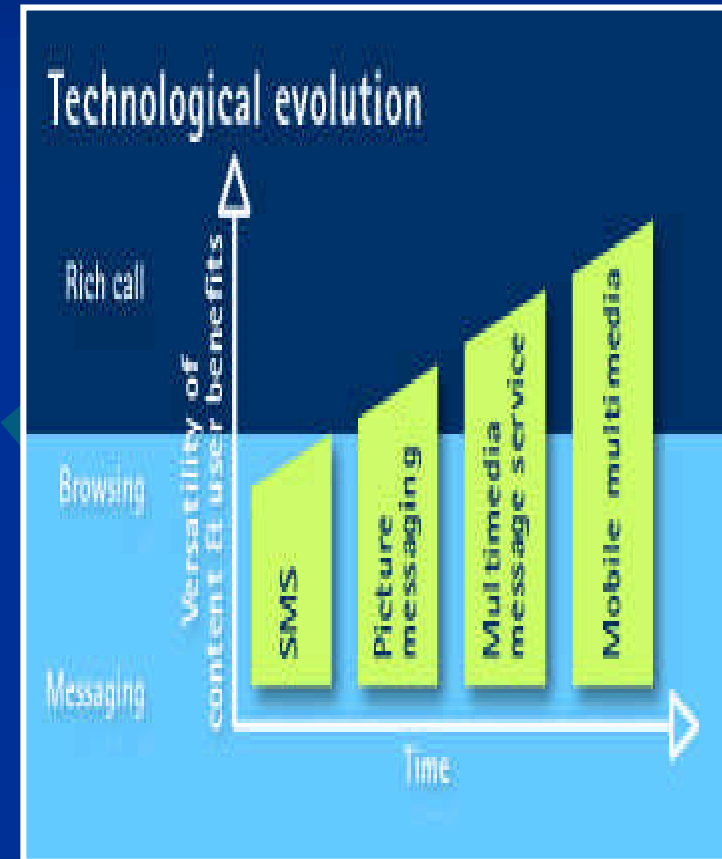
Porter Analysis

Intensity Among Rivalry

- The Growth Industry: High
- Capital Intense: High
- Product differentiation: shape-high, function-medium
- Brands: High
- Transfer Cost: Low
- Information Complexity: Low
- Competitiveness: High

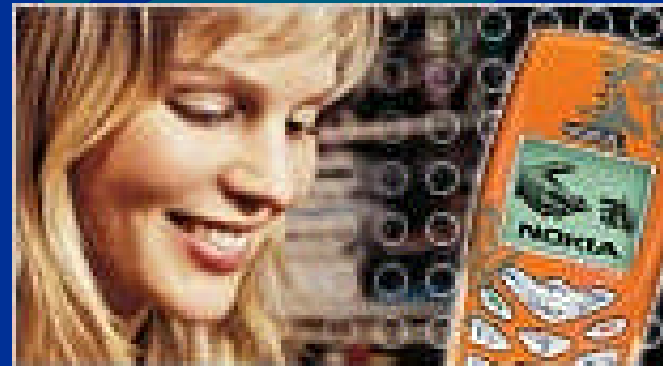
Market Opportunity

- Deregulation
- Technological Evolution
- World's largest consumer electronic industry
- Voice centric to personal data centric
- Access to the Internet



Competitive Advantage

- Design/Brand
- Innovative Manufacturing
- Product firsts/Awards
- Partnerships
- Management training
- International programs to develop managerial competence



SWOT Analysis

Strengths

- Brand Recognition
- Manufacturing
- Design
- Innovation
- Market Share in GSM Market
- Management team

Weaknesses

- Market Share in US & Japan
- A majority of Profits depend on Mobile Phone Business
- Perceived as a Mobile Phone Manufacturer

SWOT Analysis

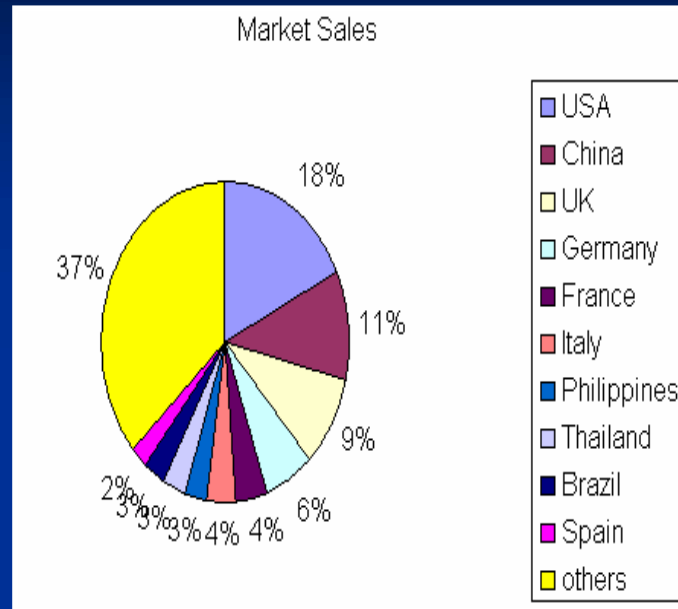
Opportunities

- 3G Cellar Market in US & Asia
- Convergence of technologies
- Expand through partnerships
- Further reducing environmental impact

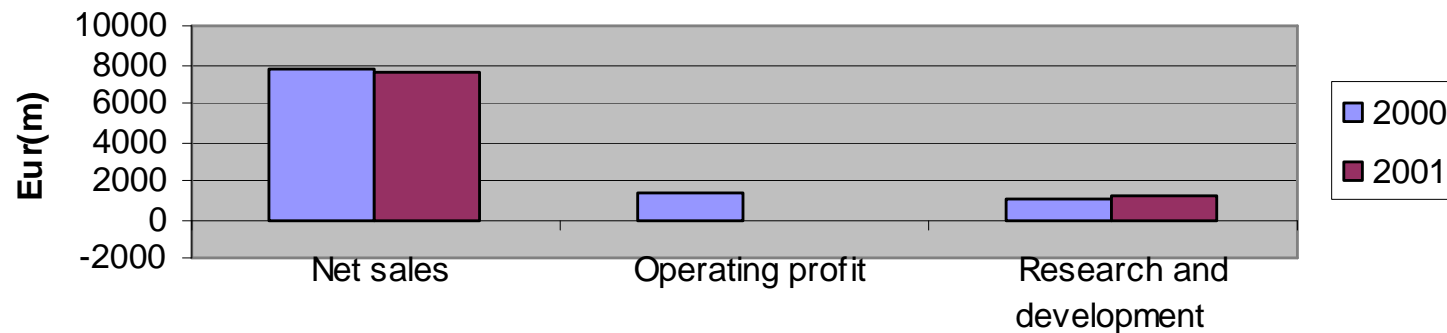
Threats

- Japanese 3G mobile phone manufactures
- Consumer electronics
- Microsoft's Windows CE operating system
- Missing a cycle of new and innovative phones

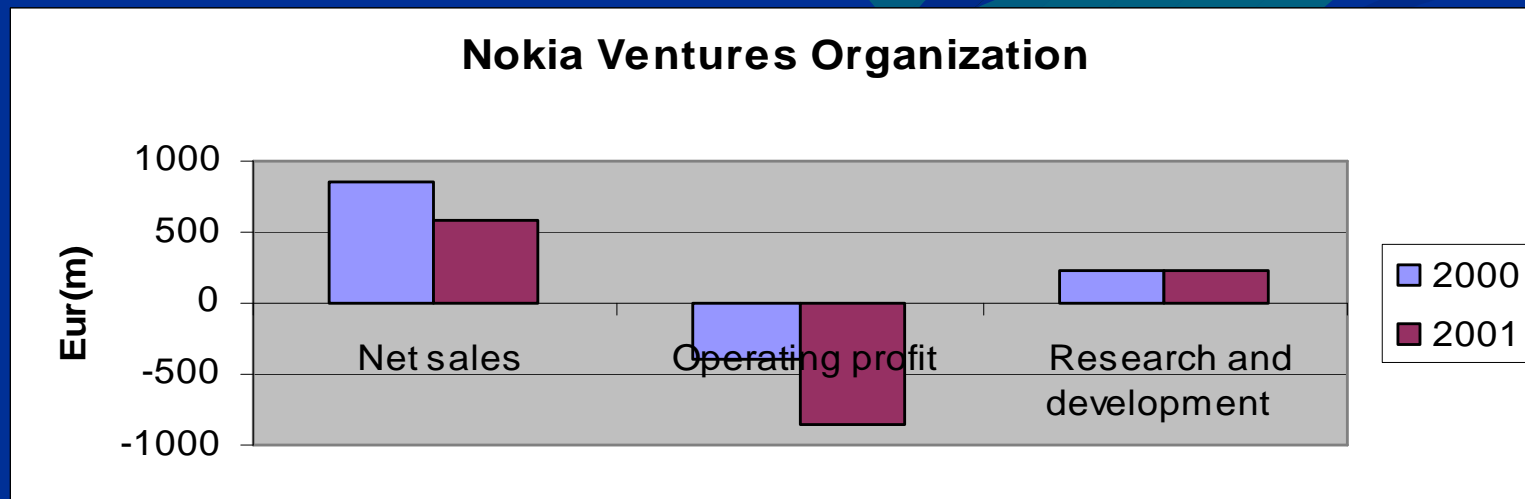
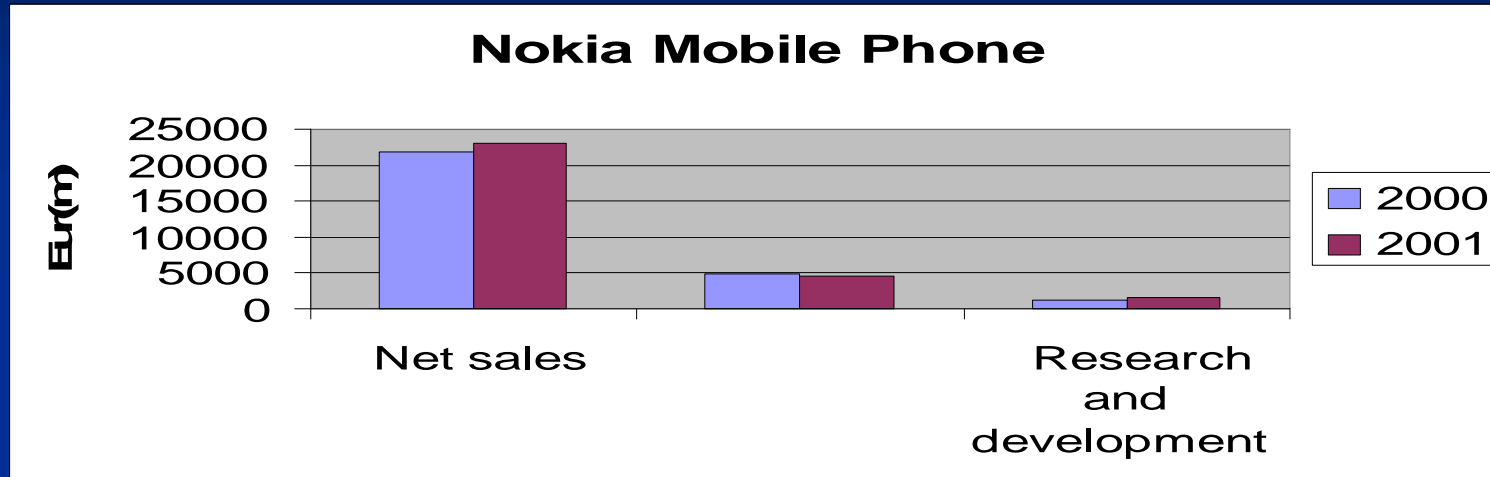
Financing



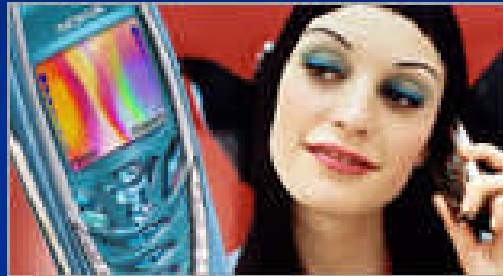
Nokia Networks



Financing



Forecasting



- Improving Market conditions
- Total Market raising by 10-15%
- Replacement sales to increase by 55%
- Operating Margins to increase from 10-15%

Review

- History
- Mission
- Vision
- Products
- External Analysis
- Industry Analysis
- Porter Analysis
- Market Opportunity
- Competitive Advantage
- SWOT Analysis
- Financing
- Forecasting
- Review
- Recommendation

Recommendation

- Expand the Nokia Revolution
- Develop 3G Networks in US and Asia
- Maintain Design & Innovation
- Select Partnerships for expansion
- Investment in 3G Networks

