HELSINKI UNIVERSITY OF TECHNOLOGY

Networking Laboratory S-38.041 Networking Business, spring-05 MOB Preliminary Exercise April 2005 Hämmäinen/ Tallberg

The answers to the preliminary exercise should be returned as one copy per team. The format should be as PDF or as Word document and it should be returned to the course assistant the day before each session at 12:00 (not 24:00) via email (mathias.tallberg@hut.fi). If the preliminary exercise is not done properly, an additional task will be given to the team in question to every team member in the final report. The length of the preliminary exercise report should be at least 2 pages and preferably not longer than 3 pages.

The main task in this preliminary exercise is to formulate an overall generic strategy over how to succeed in the game. According to Porter there are three fundamental ways in which a company can achieve sustainable competitive advantage. Porter's three generic strategies are as follows:

- A cost leadership strategy
- A differentiation strategy
- A focus strategy.
- **TASK 1:** Define your own vision of the evolution of the mobile market, either taking into account the consultant opinions (in MOB player instructions) or not. Remember, your vision is the basis of you strategy!
- **TASK 2:** Explain what is meant by a cost leadership strategy! How could your team use this kind of a strategy in MOB? Can you find any mobile operators using this kind of strategy in Finland? Why/ why not?
- **TASK 3:** Explain what is meant by a differentiation strategy! How could your team use this kind of a strategy in MOB? Can you find any mobile operators using this kind of strategy in Finland? Why/ why not?
- **TASK 4:** Explain what is meant by a focus strategy! How could your team use this kind of a strategy in MOB? Can you find any mobile operators using this kind of strategy in Finland? Why/ why not?
- **TASK 5:** Which of these generic strategies will your team use during the game session? Give an explanation why? (Try to follow the chosen strategy in the game as well, as long as it makes sense!) In your opinion, is there some other kind of strategy options that would better suit you and your team? Why/ why not?
- **TASK 6:** It has been said that the once so innovative Finnish mobile sector is lagging behind. What might be the reasons for this in your opinion?