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A Comparative Analysis between Unilever and Johnson Johnsons

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An Analysis of Celcom Axiata Berhad-A Review of Strategic Plan

NAZIM ULLAH¹

Abstract

Celcom is the first mobile operator in Malaysia. The aim of the study is to analyse Celcom Axiata Berhad and review its strategic plan. The study analyses 5 years key performance indicators (KPIs), SMART, PESTLE, Porter's 5 Force Model and SWOT analysis of Celcom. The findings show that Celcom should modify their current corporate strategy to cope with the competitive market. The study is the direction for the stakeholders of the Celcom.

Keywords: Celcom, KPIs, SMART, PESTLE, Porter's 5 Force Model, SWOT

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1.0 Introduction

Strategic planning is an organization's process of defining its strategy, or direction, and making decisions on allocating its available resources to pursue organization's VMO². It leads to a comprehensive and effective strategy which guides organizations to apply knowledge strategically to meet the business needs and goals. The main purpose of the study is to analyse the corporate strategic plan for Celcom telecom (Jasni, Yusoff, Zain,, Yusoff, and Shaffee, 2019)

1.1 Objectives of Study

The purpose of the study is to discuss strategic plan of the Celcom Axiata Berhad which is a reputed mobile company in Malaysia. Being analyse its corporate strategy, a number of factors such as macro and micro, financial are discussed and reviewed.

1.2 Background Information of Celcom Axiata Berhad

Celcom, a member of the Axiata Group of Companies, is the first mobile operator in Malaysia which is launched its journey in 1988. Celcom offers the widest and most extensive 2G, 3G and 3.5G coverage, serving 98% of populated areas, while it's 4G covers 76% of population. Moreover, Celcom is a proud partner to 6 Mobile Virtual Network Operators (MVNO), offering roaming services in 197 countries via more than 462 network partners worldwide.

1.3 Celcom's Current Strategic Challenge

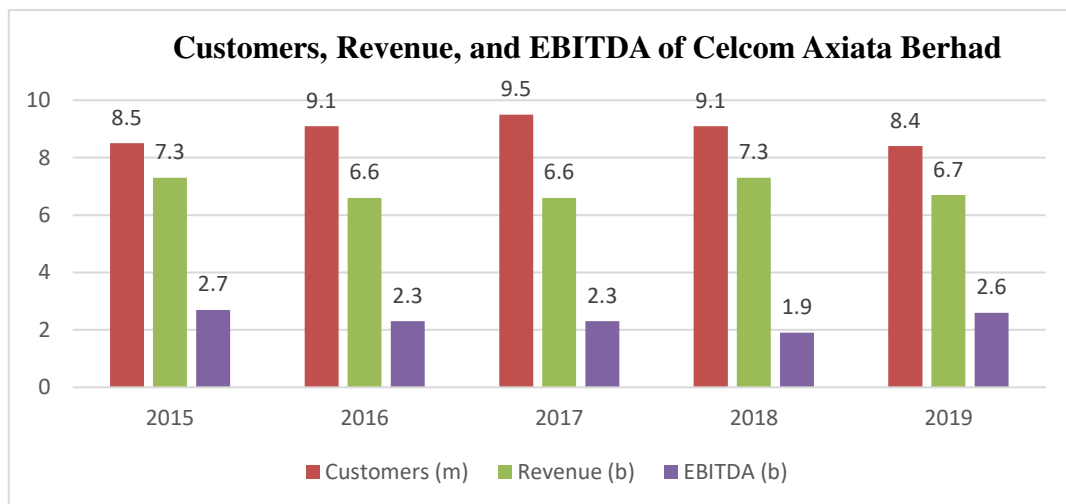
Table 1 shows five years information of number of customers, volume of revenue, and EBITDA of Celcom Axiata berhad. After reviewing the table, it is shown that customers and revenue have dropped in 2019 while EBITDA increase. Therefore, it is the greatest and red signal for Celcom to focus on the customer and then to revenue. Because these impacts would affect following year, 2020. Unfortunately, 2020 is the pandemic year. Therefore, we can conclude two big challenges for Celcom namely, Curbing subscriber outflow and strives to keep Malaysians connected during challenging times.

²VMO: Vision, Mission, and Objectives

Table 1: Customers, Revenues, and EBITDA Scenario of Celcom Axiata Berhad

Indicators/Year	Customers (m)	Revenue (b)	EBITDA (b)
2015	8.5	7.3	2.7
2016	9.1	6.6	2.3
2017	9.5	6.6	2.3
2018	9.1	7.3	1.9
2019	8.4	6.7	2.6

Figure 1: Customers, Revenue, and EBITDA of Celcom Axiata Berhad



Two main challenges for Celcom Axiata Berhad.

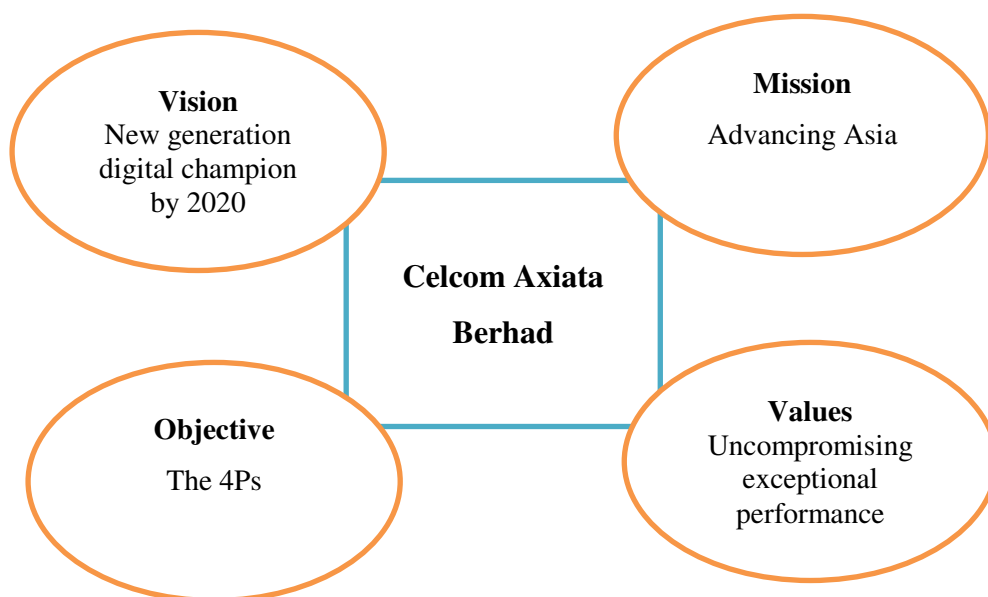
I. Curbing Subscriber Outflow Remains A Challenge For Celcom

It is said that the largest profit contributor is the Celcom. But whole subscriber outflow depends on the network coverage by the Celcom. Since there are many other competitors like Telekom Malaysia; Celcom; Maxis Communications; Time dotcom; U Mobile; U Telecom; DiGi; TM Touch; TM Cellular; TRI Celcom; Keretapi Tanah Melayu Berhad (KTMB); TMNet; MyRepublic etc. Therefore, to generate a handsome subscriber outflow remains challenges for Celcom among the competitors.

II. Celcom Strives to Keep Malaysians Connected During Challenging Times

To support all Malaysians during the COVID-19 pandemic, Celcom Axiata Berhad (Celcom) is dedicated to ensuring its customers can remain connected while staying safe at home during these hard times. As many Malaysians would also be working from home, contributing to social distancing efforts, Celcom extends its support via digital online services and additional special relief initiatives for all customers, during the Movement Control Order period.

1.4 The Vision, Mission, And Objectives (VMO) And Value Statements of Celcom



1.5 Focus, Clear and Motivate Analysis for Vision and Mission Statements

Focus, clear and motivation are the most important elements for gaining VMO of any organization. A company should be more proactive in terms of achieving the VMO. In line with that Maxis should be more focus to their target, more focus to their activities, and be motivated to achieve those activities (Johnson et al., 2016),

1.6 SMART Analysis of The Goals and Objectives

SMART is an acronym that can be used to guide goal setting of any units. Its criteria are commonly attributed to Peter Drucker's Management by Objectives concept. The first known use of the term occurs in the November 1981 issue of Management Review by George T.

Doran. Since then, Professor Robert S. Rubin (Saint Louis University) wrote about SMART in an article for The Society for Industrial and Organizational Psychology. He stated that SMART has come to mean different things to different units. SMART analysis for Celcom following vision, mission and objectives are given below.

Table 1: SMART Analysis of Celcom

Celcom vision, mission, and objective statement	To build a profitable enterprise that maximizes investors return. employer. standing abroad. To maintain the highest levels of transparency, integrity and professionalism providing services in the telecom industry, Malaysia.
S = Specific	Celcom’s vision, mission and objective appear specific as it desires to the market leader in Malaysia.
M = Measurable	Ultimate goal of the Celcom is to maximize stakeholder’s values and so it should be countable, percentage, and measurable.
A = Attainable	Whatever Celcom do make plan, it should be attainable and to be gained. Therefore, VMO should be towards the direction. It can segment the target like for each quarter. It would be the easier to achieve the VMO.
R =Realistic	Celcom must be focus on the realistic. It has to check whether it achieve its expected and targeted goal or not. More specially, target should be close to the real values.
T = Time-bound	Time budgeting is the most important approach for any kind of activities. Celcom should be more specific in fixing time.

Proposed Vision and Mission Statement for Celcom:

“To be responsible digital global market leader in ASIA and to be the best employer of the people by the year 2025”

2.0 Macro Environmental Analysis – PESTLE

There are a number of reasons why PESTLE is important for the organization. PESTLE analysis is a method that helps to reduce probable business risk and threats. By examining the **PESTLE**, firms will gain valuable advantages potential support to run the business properly. These advantages help with the idea phase, product development, product launching, content marketing strategies, and other factors, to increase success.

Table 2: PESTEL Analysis

Political	<p>Political scenario of Malaysia compared to other ASEAN countries i.e., Bangladesh, India, Pakistan, Indonesia etc. is very good and favorable for business activities. in line with that Maxis is getting good support from the government in doing business.</p>																																						
	<div style="text-align: center;"> <p>Foreign Direct Investment in Malaysia, 2008 – 2019 (RM billion)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>FDI Position (RM billion)</th> <th>Net FDI Flows (RM billion)</th> </tr> </thead> <tbody> <tr><td>2008</td><td>23.9</td><td>23.9</td></tr> <tr><td>2009</td><td>5.1</td><td>5.1</td></tr> <tr><td>2010</td><td>29.2</td><td>29.2</td></tr> <tr><td>2011</td><td>37.3</td><td>37.3</td></tr> <tr><td>2012</td><td>28.5</td><td>28.5</td></tr> <tr><td>2013</td><td>38.2</td><td>38.2</td></tr> <tr><td>2014</td><td>35.6</td><td>35.6</td></tr> <tr><td>2015</td><td>39.4</td><td>39.4</td></tr> <tr><td>2016</td><td>47.0</td><td>47.0</td></tr> <tr><td>2017</td><td>40.4</td><td>40.4</td></tr> <tr><td>2018</td><td>30.7</td><td>30.7</td></tr> <tr><td>2019</td><td>31.7</td><td>31.7</td></tr> </tbody> </table> </div>	Year	FDI Position (RM billion)	Net FDI Flows (RM billion)	2008	23.9	23.9	2009	5.1	5.1	2010	29.2	29.2	2011	37.3	37.3	2012	28.5	28.5	2013	38.2	38.2	2014	35.6	35.6	2015	39.4	39.4	2016	47.0	47.0	2017	40.4	40.4	2018	30.7	30.7	2019	31.7
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Economic	<p>Interest rates, inflation, GDP, and taxes affect the telecommunication industry. Those factors directly and indirectly affect the business activities. Inflationary impact force the company to raise the value of the products, however, it negatively impacts on the business activities. GDP of any country motivate company for making investment and expand their operation. It positively impacts to the business activities. Taxes negatively impact business activities while they impose it to the final users or customers.</p>																																																
Social cultural	<p>Social culture is another important factor impacting to the business activities. without integration of the society, any business cannot be gain or success in life. Because society is the part and parcel of the business life.</p> <p>Population (in billions)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Population (in billions)</th> </tr> </thead> <tbody> <tr><td>1950</td><td>6.71</td></tr> <tr><td>1955</td><td>7.018</td></tr> <tr><td>1960</td><td>8.191</td></tr> <tr><td>1965</td><td>8.57</td></tr> <tr><td>1970</td><td>10.989</td></tr> <tr><td>1975</td><td>12.312</td></tr> <tr><td>1980</td><td>13.834</td></tr> <tr><td>1985</td><td>15.356</td></tr> <tr><td>1990</td><td>16.877</td></tr> <tr><td>1995</td><td>19.178</td></tr> <tr><td>2000</td><td>23.451</td></tr> <tr><td>2005</td><td>25.798</td></tr> <tr><td>2010</td><td>28.12</td></tr> <tr><td>2015</td><td>30.311</td></tr> <tr><td>2019</td><td>31.873</td></tr> </tbody> </table>	Year	Population (in billions)	1950	6.71	1955	7.018	1960	8.191	1965	8.57	1970	10.989	1975	12.312	1980	13.834	1985	15.356	1990	16.877	1995	19.178	2000	23.451	2005	25.798	2010	28.12	2015	30.311	2019	31.873																
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Technology	<p>Technology means advancement of the world. At present it has brought a remarkable change in the business activities. It has reduced the manpower, time, money, increase efficiency, skill, productivity, speed of the works, etc. therefore, nobody can ignore or deny the importance of the technology.</p>																																																

Legal	Legal system is a procedural system that should be followed by all companies. By the way, telecom industry needs to abide by the rules and regulation of the region. Specially for the Celcom, it has to follow the rules and regulation that formulated by the government of Malaysia. Legal system helps them to protect the rights of suppliers, buyers, others concerned parties and in doing international business.
Environmental	Climate changes and global warming can affect how telecommunication products reach customers. In terms of employment, with technology advancing, employees need to adapt to changes.

3.0 Micro Environmental Analysis – Porter’s 5 Forces

Table 3: Porters 5 Forces Model

<p>Bargaining power of subscribers</p>	<p>The main bargaining power of the supplier implies, anytime they can move to other company. This is the main concept of the bargaining power of subscribers. Following table shows the two years subscriber rate.</p> <table border="1" data-bbox="576 629 1441 869"> <thead> <tr> <th colspan="4">Subscribers(m)</th> </tr> <tr> <th></th> <th>Celcom</th> <th>Digi</th> <th>Maxis</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>8.4</td> <td>11.28</td> <td>9.68</td> </tr> <tr> <td>2018</td> <td>9.1</td> <td>11.66</td> <td>9.87</td> </tr> </tbody> </table> <p>Based on the above table, number of subscribers for Celcom is lower compared to its competitors, Digi and Maxis. Therefore, Celcom need to give more focus on their corporate strategy. They have to focus of their customers interest at the time formulating corporate strategy.</p>	Subscribers(m)					Celcom	Digi	Maxis	2019	8.4	11.28	9.68	2018	9.1	11.66	9.87
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<p>Bargaining power of suppliers</p>	<p>The bargaining power of the suppliers imply that they have available and good quality materials, information, low switching cost, however, they enforce the terms and condition against the company.</p>																
<p>Threat of new entrant</p>	<p>Threats of newcomer into the market and tries to get market share. For example, another new operator can come to the market and divers the services to the customers. More number of new competitors will make it difficult to exploit the market opportunity of new market.</p>																
<p>Threat of substitute product</p>	<p>Competitors provide same types of products. Whereas customer will get the options to choose the products.</p>																

Competitive rivalry	Wars among the telecom industry for gaining customers share to increase revenue and profit. For an example competitor want to reduce call price so that they can get good customer response towards the company.																																																					
	<p>Five years comparative analysis of Celcom, Digi and Maxis</p> <table border="1"> <thead> <tr> <th></th> <th colspan="3">Inventory turnover</th> <th colspan="3">Asset Turnover</th> </tr> <tr> <th>Year</th> <th>Celcom</th> <th>Digi</th> <th>Maxis</th> <th>Celcom</th> <th>Digi</th> <th>Maxis</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>1.751</td> <td>1.226</td> <td>2.327</td> <td>0.380</td> <td>0.640</td> <td>0.460</td> </tr> <tr> <td>2016</td> <td>1.597</td> <td>1.224</td> <td>2.453</td> <td>0.340</td> <td>0.640</td> <td>0.450</td> </tr> <tr> <td>2017</td> <td>1.636</td> <td>1.240</td> <td>2.751</td> <td>0.350</td> <td>0.610</td> <td>0.450</td> </tr> <tr> <td>2018</td> <td>1.602</td> <td>1.178</td> <td>2.608</td> <td>0.360</td> <td>0.560</td> <td>0.470</td> </tr> <tr> <td>2019</td> <td>1.491</td> <td>1.243</td> <td>2.670</td> <td>0.380</td> <td>0.520</td> <td>0.450</td> </tr> </tbody> </table> <p>As shown above table, inventory turnover rate is lower compared to maxis, asset turnover rate is lower compared to digi and maxis and leverage. Therefore, it concluded that competitive of Celcom is in better positive. So, it becomes threats of competitive rivalry.</p>							Inventory turnover			Asset Turnover			Year	Celcom	Digi	Maxis	Celcom	Digi	Maxis	2015	1.751	1.226	2.327	0.380	0.640	0.460	2016	1.597	1.224	2.453	0.340	0.640	0.450	2017	1.636	1.240	2.751	0.350	0.610	0.450	2018	1.602	1.178	2.608	0.360	0.560	0.470	2019	1.491	1.243	2.670	0.380	0.520
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4.0 Capability Analysis

4.1 Value Chain

Value chain is the most important system for any company. This defines as the system that create value for the company. For example, in case of Celcom, there are a number value chain process such as inbound logistics, operation, outbound logistics, sales and marketing and sales. All are impact on the Celcom operation and ultimately on its performance simultaneously. Details explanation are given below.

Table 4: Value Creation Process of Celcom

Inbound logistics (supplier)	Enterprise resource planning of Celcom. This is one the most important part of the Celcom. It must properly handle this part. Since its whole operations depend on it.
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Operations	Enterprise resource management of Celcom. How Celcom process their products and services for the customers. Their performance is also mostly depending on here. How they can efficiently and effectively handle their operation, cost minimize, and smartly use of its available resources.
Outbound logistics (dealer)	Enterprise resource planning of Celcom. After operation, Celcom provides their products and services to the customers.
Sales and marketing	Website and database management system. This is another important tool. Celcom must make advertisement in effective and efficient way so that they can show their products and services better than others
Service	Website, M-commerce, and customer relationship management. How Celcom able to reach customers. How they can provide services to customers. Based on their services, customer switching cost would depend. Better services mean higher switching cost and vice versa.

4.2 Resource Audit

	Resources	Competencies																																																
Threshold	<p>1.Celcom is operated in Malaysia under the mother company of Axiata Group Berhad. This is basically ASEAN based telecom company operated in 10 counties along with 290 million subscribers.</p> <p>2. Financial position of Celcom from 2015 to 2019 is reported in the following table.</p> <table border="1"> <thead> <tr> <th></th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>Net margin</td> <td>7.02</td> <td>10.22</td> <td>8.32</td> <td>11.53</td> <td>11.32</td> </tr> <tr> <td>Return on asset (ROA)</td> <td>8.8</td> <td>12.82</td> <td>9.47</td> <td>13.77</td> <td>13.11</td> </tr> <tr> <td>Return on invested capital (ROIC)</td> <td>12.61</td> <td>18.1</td> <td>13.15</td> <td>18.64</td> <td>17.45</td> </tr> <tr> <td>Quick ratio</td> <td>1.58</td> <td>1.54</td> <td>1.61</td> <td>1.86</td> <td>2.16</td> </tr> <tr> <td>Financial leverage</td> <td>1.62</td> <td>1.57</td> <td>1.6</td> <td>1.55</td> <td>1.48</td> </tr> <tr> <td>Days sales outstanding</td> <td>42.63</td> <td>48.51</td> <td>50.28</td> <td>46.13</td> <td>43.53</td> </tr> <tr> <td>Payable days</td> <td>36.91</td> <td>52.6</td> <td>56.24</td> <td>51.01</td> <td>45.76</td> </tr> </tbody> </table>		2015	2016	2017	2018	2019	Net margin	7.02	10.22	8.32	11.53	11.32	Return on asset (ROA)	8.8	12.82	9.47	13.77	13.11	Return on invested capital (ROIC)	12.61	18.1	13.15	18.64	17.45	Quick ratio	1.58	1.54	1.61	1.86	2.16	Financial leverage	1.62	1.57	1.6	1.55	1.48	Days sales outstanding	42.63	48.51	50.28	46.13	43.53	Payable days	36.91	52.6	56.24	51.01	45.76	<p>1.Their tremendous and quality services make them to access to cross countries. More specially, Celocm operated in Malaysia and it works in all states of Malaysia.</p> <p>2. Based on the financial information that is reported in the table, it is implies that managerial skill and their competency cannot be denied. Intellectual capital such as technological capital and human capital help Celcom to be a leading telecom services provider among other computers in Malaysia.</p>
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Distinctive	<p>Celcom wins best consumer satisfaction award from Malaysian Communication and Multimedia Commission (MCMC). According to the Telco, the award greatly signifies the company’s steadfast brand promise to constantly improve customer experience and ensure digital protection as the Telco’s utmost priority and importance.</p>	<p>Celcom committed to provide better and better services to the customers, however, try to make them loyal customers for the company. Their efforts, efficiency, and hard work make them to have great award named “customer satisfaction award” from MCMC.</p>																																																

4.3 Valuable, Rare, Inimitable, and Organization (VRIO)

I. Valuable:

Valuable implies that unique services are provided by the Celcom. That can benefit them to have potentiality from the market. Celcom provides valuable things meanwhile customer able to pay money in-exchange.

II. Rare:

Rare states that whatever Celcom provides now are limited by them and so other operators have limited access to this. This can help Celcom to have competitive advantages as well. in this situation, Celcom get earn a large number margin yearly.

III. Inimitable:

Inimitable implies that whatever Celcom is providing to the customer those products and services patent licence and nobody can imitate that. For example, H&M, P&G Adidas, Puma etc.

IV. Organizational Focus:

“Are a firm’s other policies and procedures organized to support the exploitation of its valuable, rare, and costly to imitate resources?” Organizational focus, then, refers to integrated and aligned managerial practices, routines, and processes.

4.3.1 VRIN Based on The Value Chain Analysis Above

Following table shows the value chain process along with VRIN factors

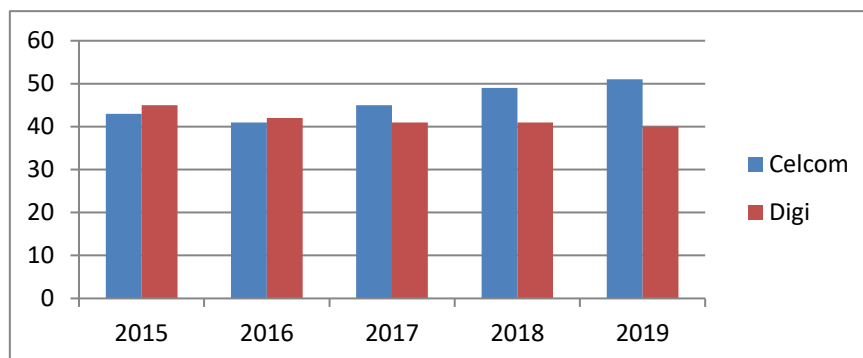
Value chain activities	Valuable	Rarity	Inimitability	Non-substitutability	Competitive consequences
Inbound logistics	YES	NO	NO	NO	Competitive parity
Operations	YES	YES	YES	YES	Sustainable competitive advantage
Outbound logistics	YES	YES	YES	NO	Temporary competitive advantage
Sales and marketing	YES	YES	NO	YES	Temporary competitive advantage
Service	YES	NO	NO	NO	Competitive parity

4.3 Key Performance Indicators (KPIs) Benchmarking

I. Average Revenue Per User (ARPU)

Average revenue per user (ARPU), sometimes known as average revenue per unit, is a measure used primarily by customers, defined as the total revenue divided by the number of subscribers (McCloughan, and Lyons, 2006). Based on the following figure, there is a tremendous growth in APRU from 2016 to 2019. Meaning that Celcom is doing well along with compare with Digi of their business strategy. Among the figures, the lowest ARPU is in 2016 while the highest ARPU is in 2019.

Figure 1: Average Revenue Per User (ARPU) of Celcom



II. Churn Rate

Churn rate is one kind of measurement of customers leaving the company in a specific given time. In a broader sense, in a year how many people leaving Celcom that is called the Churn rate. This is the most important for the company since it provides a hint to the company to calculate their probable and potential customers for the particular time. Current churn rate of Celcom is 6.7% per month. But they should minimise it by increasing ARPU rate, however, there is an inverse relationship between churn rate and ARPU (Dahiya, and Bhatia, 2015)

B. Other Performance Indicators of Celcom and Digi

Following table shows 7 performance indicators for the Celcom and Digi. Based on that 7 figures have been drawn (e.g., Figure B1- FigureB7)

Table 5: Others Performance Indicators of Celcom and Digi

Indicators/ Years	Celcom					Digi				
	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
Net margin	7.02	10.22	8.32	11.53	11.32	19.2	21.5	24	26.7	21.7
Return on asset (ROA)	8.8	12.82	9.47	13.77	13.11	18.9	22.8	27.1	28.5	19.3
Return on invested capital (ROIC)	12.61	18.1	13.15	18.64	17.45	30.2	34.7	41	42	26.1
Quick ratio	1.58	1.54	1.61	1.86	2.16	2.74	2.01	1.61	1.5	1.68
Financial leverage	1.62	1.57	1.6	1.55	1.48	1.5	1.57	1.52	1.49	1.68
Days sales outstanding	42.63	48.51	50.28	46.13	43.53	24.6	24.8	18.3	19	25.7
Payable days	36.91	52.6	56.24	51.01	45.76	79	81.3	75.5	74.4	74.5

Sources: Annual Report Axiata and Digi

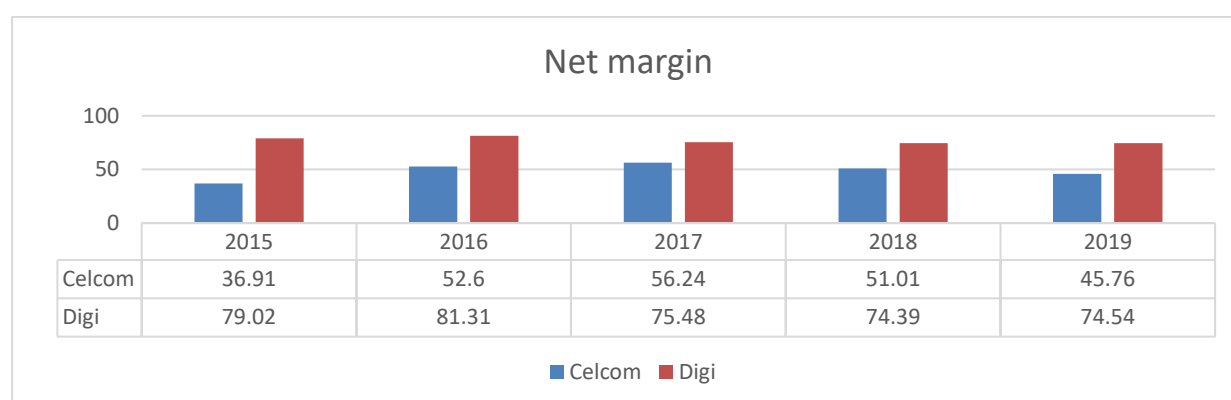


Figure B-1: Net margin

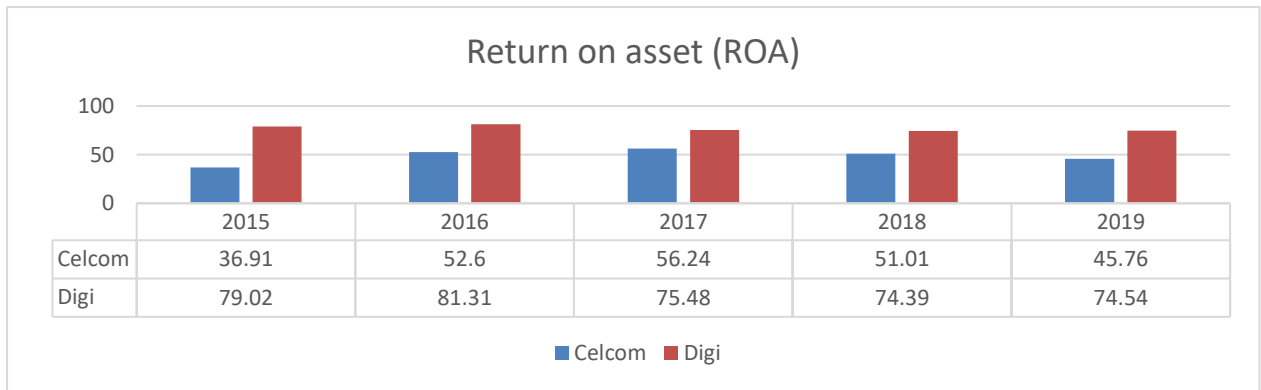


Figure B-2: Return on asset (ROA)

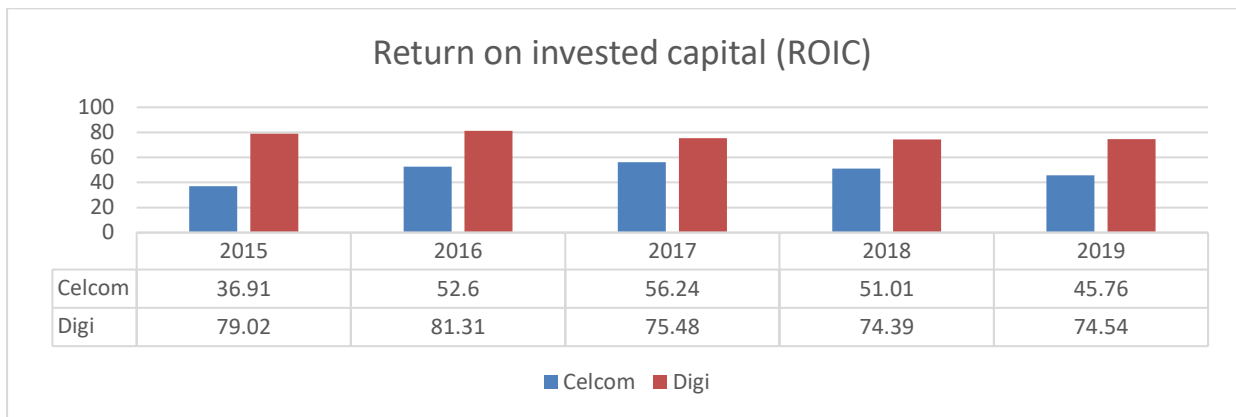


Figure B-3: Return on invested capital (ROIC)

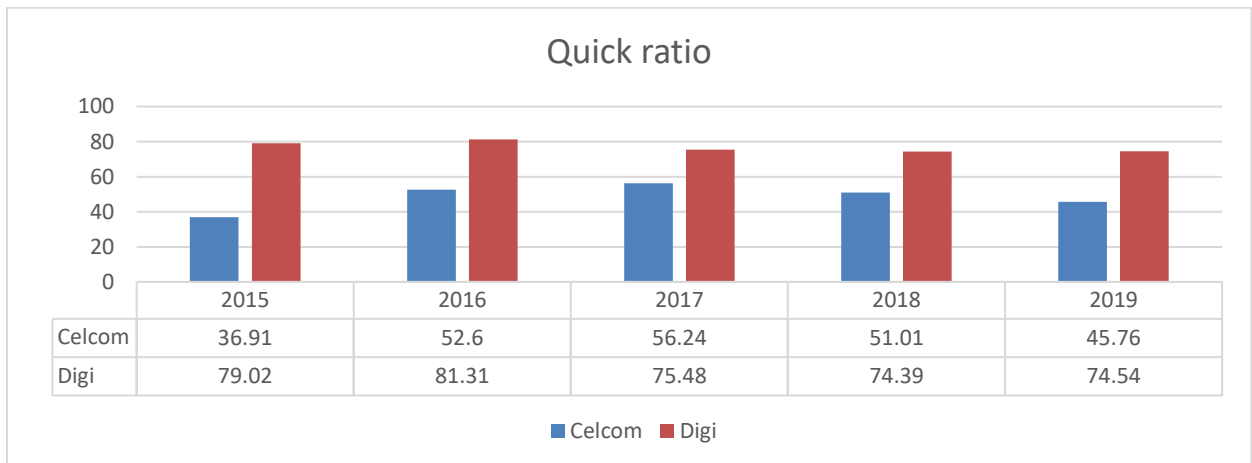


Figure B-4: Quick ratio

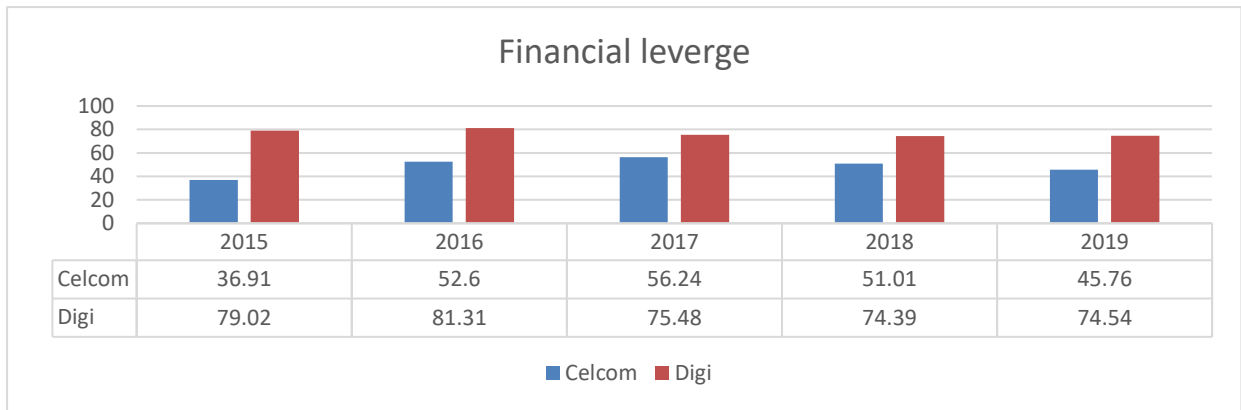


Figure B-5: Financial leverage

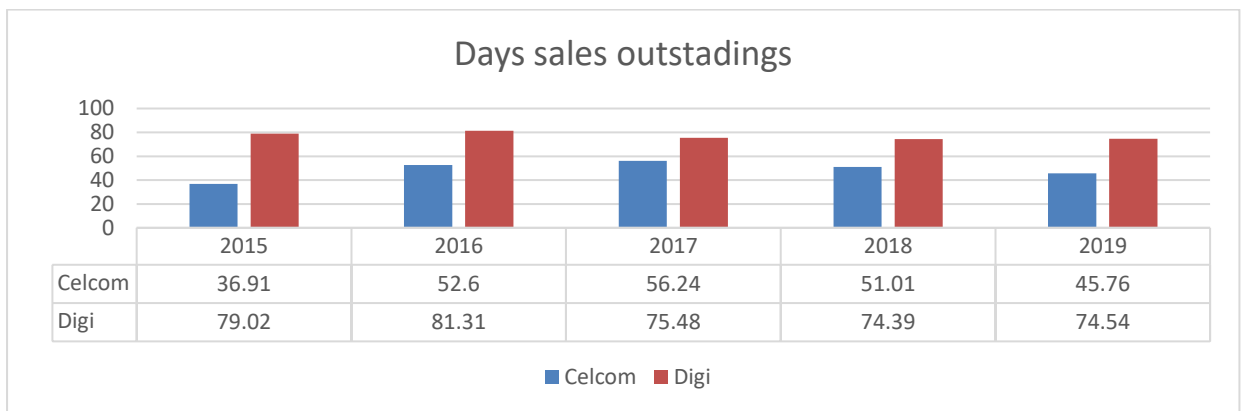


Figure B-6: Days sales outstanding

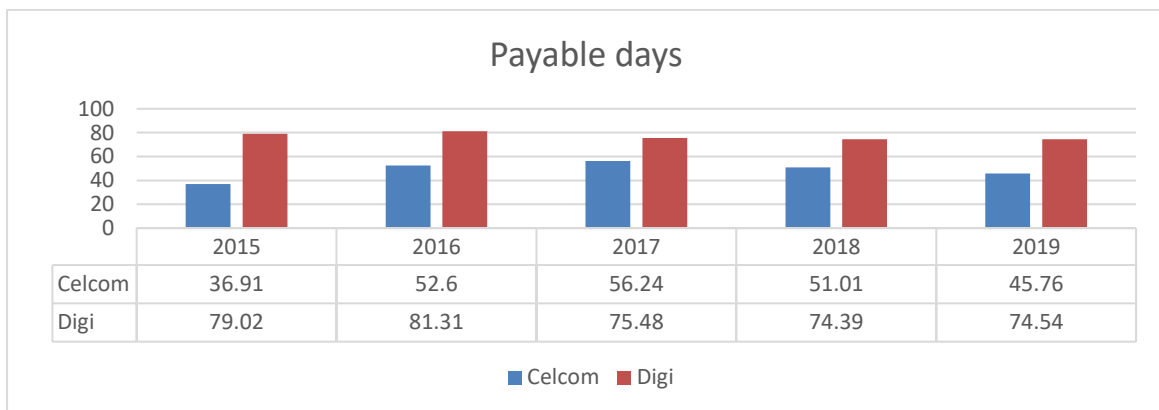


Figure B-7: Payable days

5.0 Proposed Strategy

This strategy is discussed based on the based on the SWOT, TOWS, and Ansoff matrix. Details discussion of those are given below.

5.1 Strength, Weakness, Opportunity, and Threats (SWOT) Analysis for Celcom

In the following table 6, SWOT analysis is divided into two parts namely internal and external. Mikhaylova, Balyinin, and Nizhneva, (2019), and Gupta, Raghav, and Dhakad, (2019)

Table 6: SWOT Analysis of Celcom

Internal analysis	
<p>Strength: Cheapest post-paid plan</p> <ul style="list-style-type: none"> ✓ This plan is most suitable for user who are only allocated with minimum budget for the monthly phone bill. ✓ Offer the lowest post-paid plan in Malaysia with commitment fees as low as RM20 per month 	<p>Weakness: Market share</p> <ul style="list-style-type: none"> ✓ Celcom lost their market share compared to the operators. It only subscribes only 31%
External analysis	
<p>Opportunity: Growth in global tele connection industry</p> <ul style="list-style-type: none"> ✓ Celcom claims to have the widest and the most expensive coverage nationwide, compared to other cellular services in Malaysia ✓ Expansion of users 	<p>Threats: Subscriber war business practises</p> <ul style="list-style-type: none"> ✓ To responds to the user needs, the industry engaged in

5.2 Threats, Opportunity, Weakness and Strength (TOWS) Analysis for Celcom

Following Table 7 shows the TOWS analysis for the Celcom.

Table 7: TOWS Analysis of Celcom

	Strength	Weakness

Opportunities	<p>SO-maxi-maxi strategy</p> <p>Strategies that use strengths to maximize potential opportunities.</p>	<p>WO-mini – maxi strategy</p> <p>Strategies that use to minimize threats and other unexpected future occurrences.</p>
Threats	<p>ST-maxi-mini strategy</p> <p>Strategies that minimize weaknesses by taking advantage of opportunities.</p>	<p>WT- mini-mini strategy</p> <p>Strategies that use to minimize weaknesses and avoid threats.</p>

Sources: Jayashree, Abdelelah, and All, (2010)

I. Strength and Opportunity (SO-Maxi-Maxi) Strategy

Maxi- maxi implies the win-win situation of the company. At the same time, they can apply or use strength and potential opportunities of the company. Those companies able to apply this maxi-maxi condition, they can get their optimum outcome. Any company would like to be in a position where it can maximize both, strengths, and opportunities (Jayashree, Abdelelah, and All, 2010).

II. Strength and Threats (ST-Maxi-Mini) Strategy

By applying the corporate strategy, Celcom tries to avoid probable threats and risk. Therefore, it is called maxi-mini strategy. Moreover, this strategy is based on the strengths of the organization that can deal with threats in the environment (Jayashree, Abdelelah, and All, 2010).

III. Weakness and Opportunity (WO-Mini-Maxi) Strategy

The second strategy attempts to minimize the weaknesses and to maximize the opportunities. A company may identify opportunities in the external environment but have organizational weaknesses which prevent the firm from taking advantage of market demands (Jayashree, Abdelelah, and All, 2010).

IV. Weakness and Threats (WT-mini-mini) Strategy

In general, the aim of the WT strategy is to minimize both weaknesses and threats. A company faced with external threats and internal weaknesses may indeed be in a precarious position. In fact, such a firm may have to fight for its survival or may even have to choose liquidation. But there are, of course, other choices (Jayashree, Abdelelah, and All, 2010).

5.3 Ansoff's Matrix

Ansoff matrix is important and necessary matrix that benefits a company by knowing current and existing products and market. Following Table 7 and discuss state that how Ansoff matrix work.

Table 7: Ansoff Matrix of Celcom

Market	Existing	Market penetration	Product development
	New	Market development	Diversification
		Existing	New
	Products		

I. Market Penetration

Market Penetration is the lowest risk since it combines existing products and existing market. In case of the Celcom, they play with their current products and within the current market share. The company Celcom Berhad held about 27 percent of the mobile telecommunications market revenue in Malaysia. By comparison, Maxis Bhd ranked first with a market share of about 34 percent (Moussetis, 2011) and (Mecha, 2007).

II. Product Development

Product development is the strategy suggested by the Ansoff matrix. It encourages the company to introduce new product in the current market. This strategy suggests the product portfolio expansion to the companies. In the telecom industry, companies adopt this strategy by investing more on R&D and get to know the needs and demands of the market. For example, in end of 2015, Celcom launched two products such as Xpax and Magic sim (Moussetis, 2011) and (Mecha, 2007).

III. Market Development

It is a moderate risk strategy that show company can play around with the current market but new products. Meanwhile company's R&D division should be more proactive in terms of launching new products. They need to check weather market wants that products or not (Moussetis, 2011) and (Mecha, 2007).

IV. Diversification

This strategy is recognized as the high risk for the company since works with the new products and new market. Although company expand their operation, high probable risk would be there. R&D division of the Celcom should work strongly before starting initiative for launching new products into new market (Moussetis, 2011) and (Mecha, 2007).

6.0 Strategy Evaluation

There are three criteria for the strategic evaluation such as sustainability, suitability, and feasibility. SAFe criteria and techniques of evaluation are discussed in the following.

Table 8: Strategy Evaluation of Celcom

Suitability	<ul style="list-style-type: none"> • Does a proposed strategy address the <i>key opportunities and constraints</i> an organisation faces?
Acceptability	<ul style="list-style-type: none"> • Does a proposed strategy meet the <i>expectations of stakeholders</i>? • Is the level of risk acceptable? • Is the likely return acceptable? • Will stakeholders accept the strategy?
Feasibility	<ul style="list-style-type: none"> • Would a proposed strategy <i>work in practice</i>? • Can the strategy be financed? • Do people and their skills exist or can they be obtained? • Can the required resources be obtained and integrated?

I. Suitability of Proposed Strategies

Suitability is concerned with whether an alternative addresses the key issues relating to the strategic position of the Celcom. It depends on the several criteria such as techniques: PESTEL, 5-Forces, Strategic Groups, Value Chain, Core Competences, Stakeholder Mapping, Cultural Web. Relative suitability: SWOT analysis, ranking, decision trees, scenarios.

II. Acceptability of Proposed Strategies

Acceptability is concerned with the expected performance outcomes of a strategic option. It depends on the several criteria. Such as Return: profitability, cost-Benefit. real Options-Strategic Flexibility (redefinition of industry attractiveness & analysis of resources and capabilities). Example: hotel industry, shareholder Value Analysis (Total Shareholder Return & Economic Value Added), risk such as financial Ratios Projections and sensitivity Analysis and stakeholder reactions.

III. Feasibility of Proposed Strategies

Feasibility is concerned with whether Celcom has the resources and capabilities to deliver a strategy; in other words, if it could work in practice. It depends on the several criteria namely, funds Flow Forecasting, Break-Even Analysis, and resource deployment, for staying in business and for competing successfully.

7.0 Conclusion and Recommendation

This assignment is conducted on Celcom Axiata Berhad, specially focusing on the strategy. Two main current strategic challenges [i.e, curbing subscriber outflow and Celcom strives to keep Malaysians connected during challenging times (COVID-19)] are discussed. For details discussion of the strategy of Celcom several analyses are reviewed and discussed. To the name of few, macro analysis (PESTEL), micro analysis (Porters five force model), capability analysis, proposed strategy, and strategic evaluation. Celcom needs to focus on the discussed factors so that they can provide competitive and superior products and services to the customers.

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