

Chapter 13 - Different Regions - One Mission

A Comprehensive Approach

In the previous chapter we have analyzed our bottom line performance. In this context it is appropriate to also review how a company positions itself at a global level. Emerging markets conditions in the world regions vary greatly due to internal and external factors. For a company it is occasionally difficult to find a flexible response to these conditions but also to not sacrifice corporate identity and appear as a confederation of independent companies. If we compare the strategies and processes applied to market entry, however, a high similarity becomes apparent. In fact, there are more common than different patterns. This particularly applies to:

- A mission
- A total systems approach
- A structured market entry
- Special funding
- Sharing know-how and resources
- The added value strategies
- The awareness programs
- Training and education

We have identified three reasons for this cohesion: The globalization of internal and external networks enables an instant exchange of ideas. Many of the models have been designed for global use from the outset. Finally, quite a few are not new or magic. They have just been re-invented for a specific scenario or simply represent common business sense. It is not the amount of raw material which distinguishes a good car but the ingenious way in which it is assembled. The highest common denominator is found to be a company's mission for the emerging markets. The typical framework for such a mission is summarized as follows: "Our company is dedicated to actively participating in the development of the emerging markets

to create prosperity for the countries and their population. To achieve this, we will invest our know-how and resources to a maximum extent and will share these with our local partners. In return we will gain access to new opportunities, allowing us to grow our own business to the benefit of our domestic and global obligations.” The following business cases are examples of a comprehensive and synergetic regional strategy in compliance with the mission.

El Dorado, a Key Initiative in Latin America. Carlos Baradello describes a market strategy that opens new opportunities and offers tangible benefits to both the company and the region. It also highlights how to activate with a concerted effort the enormous human resources potential in an entire region.

“With the advent of the 1990’s, Latin America recovered from the lost decade of the 1980’s which had been punished with hyperinflation, economic stagnation, social unrest and limited economic growth.

The new winds of the 1990’s brought democratically elected governments and the rules of market economy to most Latin American countries. The neo-liberal economic policies of Chile permeated east across the Andes into Argentina, north to Peru and Ecuador and across the Iguazú Falls into Brazil and many other countries. More specifically, the liberalization of telecom regulations and the privatization of the government owned public services (i.e. telephone, electricity, airports, and many other companies) brought enormous opportunities for growth to the telecommunications sector and related markets served by Motorola.

By summer in Buenos Aires in November of 1997 as the dot.com revolution was gaining momentum in Silicon Valley, Motorola’s Board of Directors was preparing to meet in Argentina. This historic meeting, the first in Motorola history, not only brought visibility to Latin America and Caribbean (LAC) Region within the corporation, but during the meeting a key initiative of corporate renewal with exclusive focus in this region was approved: El Dorado.

Motorola anticipated the accelerated demand for communications products and services, which incorporated advanced technologies and increased the ability of businesses and individuals to communicate, manage their affairs and therefore be more productive. This hypothesis turned out to be right, and telecommunications was indeed one of the key engines for accelerated growth for most of the decade. However, it became apparent that the technology adoption would not follow the same model as in North America or Europe. Some phases would be skipped; others would be introduced earlier while others later or never at all.”