Success Story

Profile CEO
Manager CEO Europe Id # : 9095

CALLWORLD UK LTD - Success through Geographical Expansion

As a Managing Director of the First Telecom Company in the post de-regulated Market Scenario in Pakistan with the state of the art NGN (Next Generation Network) infrastructure, one of my prime business objectives was to acquire a substantial share of the lucrative International voice traffic market, then monopolised by the incumbent, and cost effective routing of own International traffic generated through our payphones, calling cards and corporate Customers.

To achieve this objective, following factors were of prime importance:

1) Technical Infrastructure for Connectivity with the Tier-1 Carriers in main traffic regions of the world
2) Business Development and Interconnect management

We had three options to achieve the above objectives; 1) Build own Infrastructure 2) Partner with an existing Infrastructure Provider 3) Outsource all International traffic to one of the big carriers.

After detailed SWOT analysis of all the options, I decided to build our own International Infrastructure and selected London as the Hub.
We, therefore, established an independent UK entity, CALLWORLD UK LTD on 15 Aug, 04 in London. The company went into operation in Nov, 04 in a period of less than three months with infrastructure including International Gateway Switch, Satellite and Fibre Transmission, VOIP gateways and Billing etc. The company has a very cost effective operational model with most of the network management functions performed remotely from Pakistan.

CALLWORLD has already proved a great success with following achievements as of April, 05:

1. Switching of 50 million minutes of International traffic for the parent company (www.worldcall.net.pk).
2. Direct Interconnects at E1 and Ds3 level with all the Top Tier Global Carriers and a large number of calling card operators
3. Additional Revenue stream through Infrastructure lease to other Telecom companies
4. Diversification into International Carrier Whole Sales
5. Premium pricing due to total control on International business and avoiding the middleman
6. Cash positive in three months

In addition to the above achievements, the success of CALLWORLD UK LTD can be gauged from the fact that recently one of the Competitors of the parent company in Pakistan has outsourced its International point of presence to CALLWORLD UK. Also, due to geographical expansion through CALLWORLD, the parent company is already the second largest carrier of International traffic for Pakistan.

CALLWORLD is presently in the process of expanding its infrastructure to diversify in other related business areas by leveraging its existing infrastructure, interconnects and low cost base.

My main learning's as the CEO of the company has been:

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Learning: The decision to expand geographically either through build or outsourcing needs to be carefully analysed in terms of:

1) How important that one part is for the whole, financially and strategically
2) Your Long term business plan
3) In-house Know-how and expertise
4) your Business Model
5) Financial strength