

Making Sense of the Low-Cost Device Segment

Vital Wave Consulting delivers a comprehensive overview and critical analysis of the low-cost computing device segment to identify strategic partnerships.

Understanding a New Category

The recent barrage of low-cost computing devices being released into the market presents an opportunity and a challenge to information and communication technology companies. Unique to the low-cost computing industry is the predominance of small- and medium-sized enterprises in the low-cost device market. This makes it challenging to identify high-growth opportunities and form durable and profitable partnerships.

One leading software company* wanted to better understand the quickly evolving low-cost computing device industry. There was considerable publicity around personal computing growth opportunities in lower-income markets around the world, and the company wanted to better understand this new product category. Specifically, they wanted to understand product trends, likely contenders, the viability of the category and the best opportunities for strategic partnerships.

Assessing Business Viability

The company engaged Vital Wave Consulting to provide an overview of the low-cost computing device landscape, identify trends and recommend strategic partners based on business-model and solution viability. The first phase of the project looked at market trends with a focus on the history of low-cost devices in the marketplace, the potential for product cannibalization, and a failure analysis for devices no longer on the market. The research closely examined 52 devices for business model viability with an emphasis on the characteristics that enabled price reductions. This approach required extensive secondary research on technical details, marketing strategies, distribution channels and availability. Vital Wave Consulting researchers also compared the capabilities of the devices.

Key Benefits:

- Synthesis and analysis of market trends in specific device category
- Assessment of business viability of devices to identify strategic partnerships
- Synthesized a wide variety of secondary data to present actionable, credible recommendations

About Vital Wave Consulting

Vital Wave Consulting enables accelerated revenue growth in emerging markets through strategic consulting, market research and business intelligence. Clients include multinational corporations in the information technology and telecommunications industries.

Phase two of the project assessed the organizations bringing low-cost devices to market. The research identified the top 20 devices and provided an in-depth analysis of each sponsoring organization's preparedness for global scale by analyzing 11 distinct factors. Drawing from Vital Wave Consulting's extensive technology business experience, the organizations were assessed on their technical, manufacturing, and marketing strategies, as well as their management capabilities. The client then received recommendations for partnership, high-growth markets, likely usage scenarios, and potential threats.

Time-saving Recommendations

These recommendations provided the client with a complete view of the low-cost device landscape and opportunities for growth. By engaging Vital Wave Consulting, the company was able to save significant time and resources by quickly identifying and pursuing viable partnerships and technologies in a new product category focused largely on emerging markets. Vital Wave Consulting's emerging-market business expertise provided the software company with strategic, actionable recommendations and a clear understanding of the low-cost computing device market.

* Vital Wave Consulting respects the confidentiality of its clients. Company and individual names have been omitted from this case study.



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