

Executive Summary

Creating new markets



Your challenge

"Where do we expand? And how does the geography interact with our choices about what services to provide and what verticals to serve?" - Sanjay Kumar

We propose

Hiring our company, Tietgen Consultancy Inc., to help you solve the following issues:

- Where to expand your business geographically and industry wise.
- Meeting demand within BPO in current and future markets.

Where to go?

Geographically

- Based on excessive research and modeling based upon data from leading sources, such as the World Bank and WEF, we propose setting up a joint venture in:
 - Bulgaria.
 - Cheap skilled labor is available in a sound business environment.

Industry wise

- While retaining the "bread and butter"-operation CRM, you should focus on developing vertical BPO automation in Europe within:
 - Travel and Hospitality.
 - Retailing.
 - In Europe, the retail and hospitality & travel market value amounts to \$76 billion.

Language wise

- Analyzing industry demands and demographic trends, we advise that you primarily focus on the following languages:
 - English, French, German, Spanish and Italian.
 - These languages will be easy to fill and match with other skills, such as IT programming.
 - The number of languages covers most of Europe, and keeps the managerial costs low.

How will this be done?

- By setting up a joint venture with your existing partner in Bulgaria.
 - The present partnership significantly eases implications of market entry as physical locations are already present, low cost labor is easily attracted and crucial informal networks already established.

What can we offer?

- Supervision and analysis of operational set-up;
 - Conducting due diligence, to decide whether the joint venture firm should rather be acquired.
 - Assisting in establishing operations in Bulgaria along with other sub-providers such as investbulgaria.com and recruiting agencies.

- Market analysis ensuring that services offered satisfy customer demand within automation.
- Defining additional services in vertical automation.
- Creating PDRs for cheap programming in India.

Bottom line effects of proposition:

- Operating profits before depreciation and amortization will:
 - In the likely case improve from 8.95% in 2007 to 12.9% in 2010
 - In the best case improve from 8.95 % in 2007 to 16.24% in 2010
 - In the worst case decrease from 8.95% to 8.60%

We thank you for taking the time to review this proposition and sincerely hope you will choose the Tietgen Consultancy inc. as your advisor for future growth.