

## **Strategy Compiling**

### **Case Study: ZTE (A Chinese Telecommunication Co.)**

**Mohammad Taghi Amini<sup>1</sup>**

Received: 15/10/2008

Accepted: 15/2/2009

#### **Abstract**

The goal of this paper is to compile strategies for a Chinese international telecommunication vendor which entered into Iran telecom market in the year 2000. Since ZTE is involved with business in more than 135 countries and it is out of our power to collect huge data from all over the world, we have limited our strategies to Iranian market and we will compile strategies for Iran business unit only.

To proceed with compiling strategies for ZTE Company, we will firstly give a brief introduction about ZTE. Then we will give a short explanation about the method of compiling strategies for any kind of firm. At the end, based on the method introduced, we will select the most adequate strategies in order to maintain ZTE's competitive advantage in Iran telecom market.

**Keywords:** Mission, Vision, Long-range goals, Strategy, Competitive advantage, EFEM, IFEM, SWOT, QSPM

---

1. Assistant Professor of Payame Noor University, Email: m\_amine@pnu.ac.ir

## **1. Introduction**

The actors on Iran telecom market consist of domestic and international companies. Since most of the products are based on high technology and imported from world class level companies, this paper is focused on foreign actors in Iranian market only.

Main actors in Iran telecom market since the establishment of telegraph and fixed telephone lines have been: *Siemens, Alkatel, NEC, Erksson*, and *Italtel*.

After the appearance of mobile communication, *Nokia* entered to this market as well.

Up to year 2000, Siemens, *Alkatel, NEC* and *Eriksson* have been dominating the Iran telecom market for wired and transmission networks.

Since 1992 to 2000, three companies (*Nokia, Siemens*, and *Erickson*) have been manipulating Iran telecom market for mobile telecommunication.

With appearance of Chinese companies here, the actors on wired and wireless networks started to lose their marketing share rapidly.

Following is a brief introduction to *ZTE* which has succeeded to play an active role as a Chinese company in Iran telecom market.

**1985-1996:** Started transition to a multi-product R&D strategy, embracing wireless switching, transmission, access, videoconferencing and power supply systems in 1996

Became the first Chinese telecoms equipment provider to attain ISO9001 quality standard certificate in 1995

**1997:** Listed on the Shenzhen Stock Exchange in China

**2000:** Launched the world's first CDMA handset with detachable SIM card

Successfully put through the first CDMA2000 1x call using ZTE equipment

**2001:** Constructed ZTE's first CDMA network for China Unicom, with a capacity of up to 1.1 million lines

Constructed the world's first Soft switch network for China Netcom

Ranked No. 3 in the 'Top 50 listed companies with greatest development potential' in *China Securities Journal-Asia Business* magazine

**2003:** Strategic emphasis on international business, with the number of international marketing staff increased by over 100%

**2004:** Listed on the Hong Kong Stock Exchange as the first A to H listed Chinese enterprise

Provided telecoms services for the 2004 Olympic Games in Athens – ADSL system covered 16 facilities throughout the event

**2005:** Ranked as one of the 'Top 100 Information Technology Companies' by *Business Week*

Joined the league of global telecoms giants by teaming up with Alcatel, Ericsson, France Telecom and Portugal Telecom

Became China's largest wireless equipment provider with a global wireless capacity exceeding 100 million lines.

**ZTE overview:** As one of the first Chinese telecoms equipment provider to pursue business in overseas markets, ZTE now has over 8000 employees working around the world.

Since 1996, the company has provided its products and services to 135 countries and regions, serving major telecoms operators in Asia Pacific, South Asia, North America, Europe, Latin America, Africa and the

Commonwealth of Independent States. Through a combination of strategic marketing, differentiation, cost advantage, human resources and intellectual property management, ZTE has established firm commercial partnerships with over 500 operators around the world. [<sup>1</sup>]

## 2. Research and Development

With more than 33% percent of the workforce dedicated to R&D and with 10 percent of annual revenues channeled to this field, ZTE has 16 R&D centers and Institutes across North America, Europe and Asia.

International standards such as CMM and CMMI are strictly applied across all ZTE R&D management processes. Using these scientific management mechanisms and shared technology platforms, ZTE has standardized its R&D processes, shortening R&D periods, reducing costs, optimizing design flows and guaranteeing the performance of new products.

By the end of 2007, ZTE had applied for around 12000 national or international patents, 90% out of which are innovation patents with associated intellectual property rights.

ZTE has established strategic cooperation agreements with leading telecoms giants such as Portugal Telecom, France Telecom, Alcatel, Ericsson and Nortel in NGN and mobile systems, with Hutchison in 3G, and with Marconi in optical transmission systems.

The corporation has also launched joint laboratory partnerships with Texas Instruments, Intel, Agere Systems, HHNEC, IBM, Microsoft (China), Qualcomm, Huahong NEC and Tsinghua University. The company has undertaken technological research alliance projects with 50 academic institutions throughout China, where ZTE is also a fully fledged member of the China Communications Standardization Association (CCSA).

## 3. ZTE Iran

**2000:** Entered to Iran telecom market introducing its fixed switching system to telecommunication company of Iran.

**2001:** Introduced its Access and Transmission products to Iran telecom. Market.

**2002:** Introduced its new designed product GSM-WLL as a rural telecommunication solution for Iran telecom market.

**2003:** Introduced its SMS products to Mobile Communication Company of Iran (MCCI).

**2004-2008:** Succeeded to sell more than 4.5 million ports for switch and access products in 26 provinces. (15% of marketing share)

Succeeded to sell 2 million ports of GSM-WLL products in 15 provinces as wireless solution for rural areas. (65% of marketing share for WLL products)

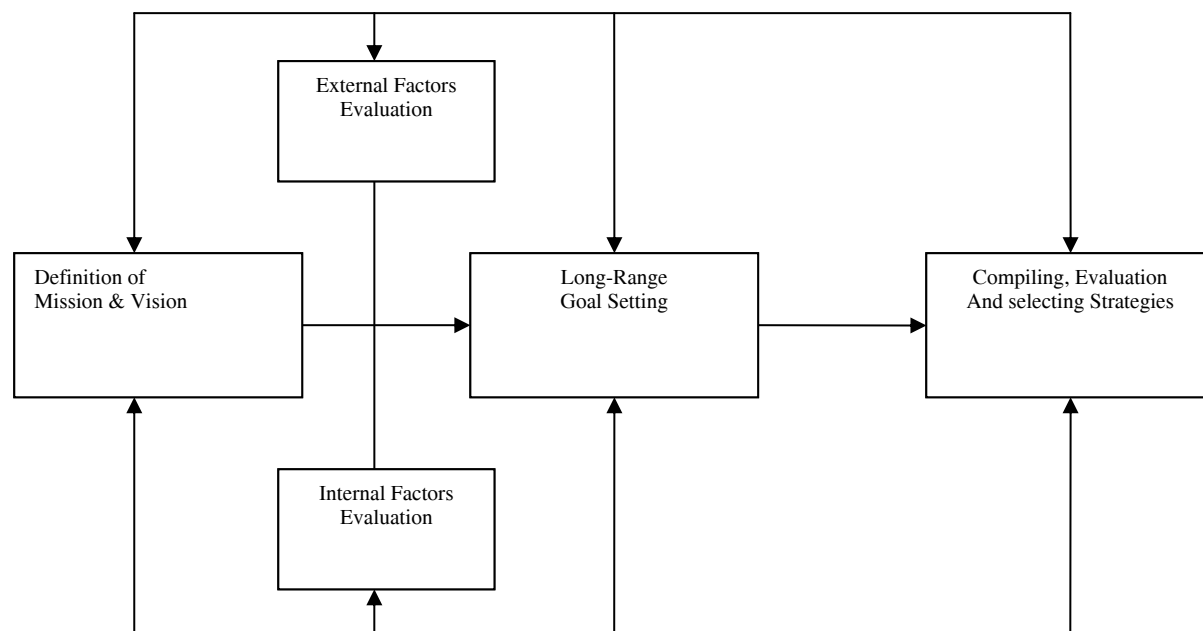
ZTE's total revenue from Iran telecom market on 2006 has exceeded \$3 billion. ZTS's Iran branch is continuing to develop its market for different products with its 120 (80 Iranian engineers) sales and aftersales experts. [<sup>2</sup>]

1. ZTE's Official web site: [www.zte.com.cn](http://www.zte.com.cn)

2. ZTE's Representative Office in Tehran. (Dr. Hassan Aghababaeian, sales deputy)

#### 4. Overview of Starategy Compiling

**Figure 1:** schematic View of Strategy Compiling



\* Reference: Fred R. David, "How Companies Define their Mission" Long Range Planning 22, No. 3 (June 1988): 40

#### 5. Mission

Mission in brief is what one organization is doing. The mission should describe intension, customers, products or services, market, philosophy and technology in which the organization is involved. <sup>[1]</sup>

#### 6. Vision

Comparing to the mission, vision can be defined as "what we want to be and where we want to go". <sup>[2]</sup>

#### 7. ZTE's Mission and Vision

*ZTE aims to be a global communications leader, which provides the clients worldwide with satisfying and customized products and services.*

*Employee's career development and their benefits are highly concerned and guaranteed to be growing along with the company's development at the same pace.*

*ZTE strives for the best return on its shareholders' investments and assumes social responsibilities proactively.*

*To become a world leader in communications by 2008 and aims to be a world-class excellent enterprise in 2015.*

1. Strategic management fred R. David, translated by Dr. Ali Parsaiyan, Dr. Mohammad A'rabi. Page (171)

2. Strategic Management Usage, Dr.. Hossein Pahlavaniyan, page 40

## 8. Long Range Goals

The second step after definition of mission and vision is to set long range goals for ZTE in Iran telecom market.

*ZTE's Goal for next 5 years is to increase its marketing share to 35% in wired network market and 20% in wireless network market. ZTE will be the first company to create a new market for 3G wireless products in Iran.*

## 9. External Factors Evaluation

External factors are divided into *general/macro environment* and *task/function/micro environment*.

*Macro environment factors* are those which indirectly influence organization's activities.

*Micro environment factors* are those groups or elements which can directly influence organization's activities. [<sup>1</sup>]

External factors evaluation can be considered as a tool which is used by company to avoid shocks and to guarantee long-range security. [<sup>2</sup>]

In the following table, we have classified and listed possible external factors. Then, through a coefficient, we have given a weight for each factor. In fact, the coefficient is the weight of each factor in comparison with other factors. Therefore, the summation of all coefficients under one column must be equal to 1. [<sup>3</sup>]

- 
1. Handbook of Strategic Planning. Dr. M. Arabi Page 15.
  2. Handbook of Strategic Planning. Dr. M. Arabi Page 15.
  3. Handbook of Strategic Planning. Dr. M. Arabi Page 15.

**After consideration of the weight for each factor, the total score for External Factors Evaluation Matrix has become 2.59.**

## 10. Internal Factors Evaluation

Internal factors are related to inside of the organization and can be controlled by management. [<sup>4</sup>]

Strengths are those factors which can be considered as advantages in comparison with competitors, industry averages or past records of an organization. [<sup>5</sup>]

If competitors fail to learn strength points of an organization, it means that the organization has succeeded on acquisition of competitive advantage. [<sup>6</sup>]

In the following table, we have classified and listed possible internal factors. Then, through a coefficient, we have given a weight for each factor. In fact, the coefficient is the weight of each factor in comparison with other factors. Therefore, the summation of all coefficients under one column must be equal to 1. [<sup>7</sup>]

- 
4. Handbook of strategic planning. Dr. M. Arabi page 27.
  5. Handbook of strategic planning. Dr. M. Arabi page 27.
  6. Handbook of strategic planning. Dr. M. Arabi page 27.
  7. Handbook of Strategic Planning. Dr. M. Arabi Page 15.

**Table 1** Opportunities and Macro/Micro Environment Factors Matrix

Macro/Micro environmental Factors	Main Factors	Coefficient	(4) Opportunity (excellent) (3) Opportunity (typical)	(2) Threat (typical) (1) Threat (serious)
Economic Factors	GDP Growth	0.02	4	
	Money Supply	0.02	4	
	Cost of Energy	0.04		1
	Export/Import	0.03	3	
Socio-cultural Factors	Change on Life Style	0.03	3	
	Population Growth	0.03	3	
	Relative Distribution of Population	0.02	3	
	Income per Person (GNI)	0.03	3	
	Cultural and Educational Level of Society	0.02	3	
Technological Factors	Governmental Budget devoted to R&D	0.02		2
	Total Budget devoted to R&D	0.02		2
	New Products	0.02	3	
	Transfer of Technology and its condition	0.03		2
Political Factors	Tax/Custom Regulation	0.03		2
	International Commerce Regulation	0.03	3	
	Western Countries Political Pressure on Iran for Nuclear Activities	0.06	4	
	Western Countries Political Pressure on Iran for Nuclear Activities	0.06		2
	Rearrangement of the world based on Energy Resources	0.06	4	
	Governmental Regulation	0.04		2
Global Factors	Exchange Rates	0.04		2
	Appearance of New Powers	0.04	4	
	Globalization of Market and Economy	0.04	4	
Customers	Limited customers	0.04		2
	Less Sellers	0.04	3	
Suppliers	American Products (Windows, Oracle...)	0.05		1
	Domestic Subcontractors (Tower, Civil ...)	0.03		2
Potential Competitors	Because of huge capital and high costs, it is not easy to enter to this Industry	0.02		1
Existing Competitors	less Competitors	0.04	4	
	Rapid Growth of Industry	0.05		1
	Varieties of Products	0.03		1
		<b>1.00</b>	<b>2.59</b>	

The way we have scored each factor is described as follows:

Score 4 stands for an exceptional opportunity.

Score 3 stands for a typical opportunity.

Score 2 stands for a typical threat.

Score 1 stands for a serious threat. [<sup>1</sup>]

<sup>1</sup> Handbook of strategic planning. Dr. M. Arabi page 23

**Table 2** Strengths and Weaknesses of Organization

Internal Factors (Strengths & Weaknesses)	Main Factors	Coefficient	(4) Strength (excellent) (3) Strength (typical)	(2) Weakness (typical)(1) Weakness (serious)
Organizational and Managerial Factors	Culture and Atmosphere	0.04	4	
	Method of Decision Making	0.04	4	
	Control System	0.04	4	
	Synergy	0.03	3	
Marketing Factors	Familiarity with Customers needs	0.03	3	
	Image, Reputation and Quality of Product	0.04		2
	Pricing Strategy	0.04		2
	After-sales Service	0.04	3	
	Marketing Share	0.04		2
Financial and Accounting Factors	Cost & obstacles of Penetration	0.04		2
	Price per Benefit	0.02		2
	Cost Control	0.05	3	
	Attaining Long-Term Loan	0.04	3	
Production and Operation Factors	Efficiency of Cost and Income	0.04		2
	Operation Control (Planning, Purchasing, Quality)	0.04	4	
	Costs and Technical capabilities in comparison with competitors	0.06	4	
	Research and Development	0.06	4	
	Cost and Availability of Raw Material	0.06		2
	Effective Utility of Subcontracting	0.03	3	
Management Information System Factors	Effective Utility of Internet Network	0.05	4	
	Development of Internal Soft wares	0.04	4	
Management Information System Factors Human Resource	Effective Utility of Internet Network	0.05	4	
	Development of Internal Soft wares	0.04	4	
	Skilled Human Resource	0.04	3	
	Continuous Training of Human Resources	0.04	3	
		1.00	2.96	

The way we have scored each factor is described as follows:

Score 4 stands for an excelent strength.

Score 3 stands for a typical strength.

Score 2 stands for a typical weakness.

Score 1 stands for a serious weakness. [<sup>1</sup>]

**After consideration of the weight for each factor, the total score for Internal Factors Evaluation Matrix has become 2.96.**

### **11. Strategies in a View**

In general, strategy can be defined as systematic classification of activities for aquisition of competitive advantage. [<sup>1</sup>]

Most of companies can select one or few of following strategies depending on the conditions they face.

#### **1) Integration Strategies:**

- 1-1) Forward Integration
- 1-2) Backward Integration
- 1-3) Horizontal Integration

#### **2) Intensive Strategies:**

- 2-1) Market Penetration
- 2-2) Market Development
- 2-3) Product Development

#### **3) Diversification Strategies:**

- 3-1) Concentric Diversification
- 3-2) Conglomerate Diversification
- 3-3) Horizontal Diversification

#### **4) Cooperative Strategies:**

- 4-1) Cooperative Arrangements

#### **5) Retrenchment Strategy**

#### **6) Liquidation Strategy**

#### **7) Combination Strategy [<sup>2</sup>]**

### **12. Positioning**

After having calculated the scores for external and internal factors, based on the method introduced above, we have to find ZTE's position in Iran telecom market.

We have entered the sum total of the scores in the matrix and it seems the company's position in Iran market should be an offensive attitude based on strengths and opportunities.

### **13. SWOT Analysis**

An assessment of Strengths, Weaknesses, Opportunities and Threats. SWOT analysis is used within organizations in the early stages of strategic and marketing planning. [<sup>3</sup>]

After we have learned strengths, weaknesses, opportunities and threats, we have to list them in the SWOT matrix and suggest one or few strategies for the organization. When suggesting, strategies we have related strength points to opportunities, in order to select offensive strategies, strengths to threats in order to suggest competitive strategies, weakness to opportunities in order to suggest conservative strategies and finally weaknesses to threats in order to select defensive strategies.

Following is the matrix for SWOT and suggested strategies. Later, we will select the best strategies using QSPM Matrix.

---

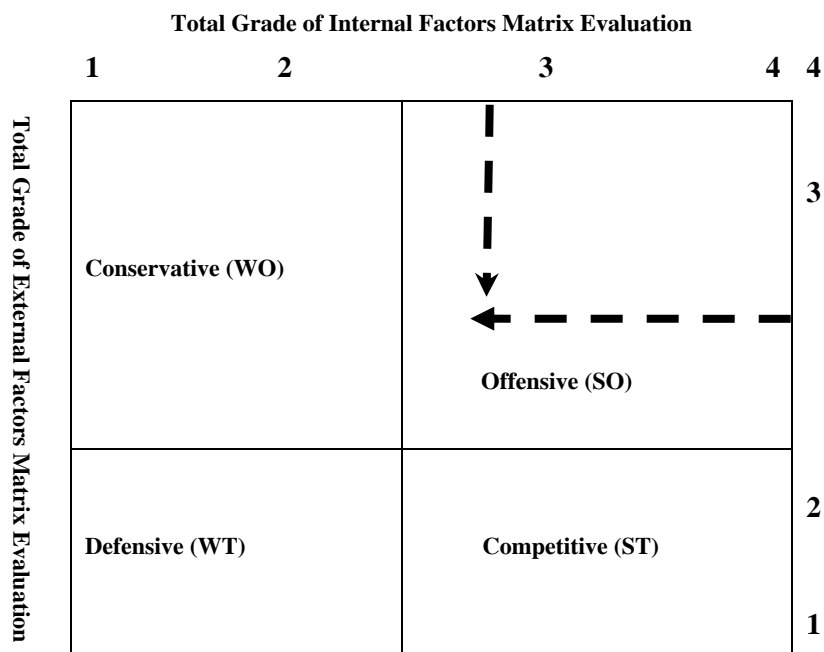
1. Strategic Management Usage Dr. Pahlavaniyan page (78)

2. Strategic management Fred R. David, translated by Dr. Ali Parsaiyan, Dr. Mohammad A'rabi. Page (105~106)

---

3. BNET Business Dictionary,  
<http://dictionary.bnet.com/definition/SWOT+Analysis.html>



**Table 3** Strategies Positioning Matrix based on Internal/External Factors**Table 4** Strengths, Opportunity, Weaknesses and Threats Matrix

Weaknesses	Strengths	SOWT MATRIX
Image, Reputation and Quality of Product	Culture and Atmosphere	
Pricing Strategy	Method of Decision Making	
Marketing Share	Control System	
Cost & obstacles of Penetration	Synergy	
Price per Benefit	Familiarity with Customers needs	
Efficiency of Cost and Income	After-sales Service	
Cost and Availability of Raw Material	Cost Control	
	Operation Control (Planning, Purchasing, Quality)	
	Costs and Technical capabilities comparing competitors	
	Research and Development	
	Effective Utility of Subcontracting	
	Effective Utility of Internet Network	
	Development of Internal Soft wares	
	Skilled Human Resource	
	Continuous Training of Human Resources	
	1) Marketing Strategy: New Product New Market 2) Strategy of Marketing Share Development: through Diversification of Products and Decrease on Costs 3) Strategy of Penetration to the Market: using Political Opportunity	Opportunities
		GDP Growth
		Money Supply
		Export/Import
		Change on Life Style
		Population Growth

		Relative Distribution of Population
		GNI
		Cultural and Educational Level of Society
		New Products
		International Commerce Regulation
		Western Countries Political Pressure on Iran for Nuclear Activities
		Rearrangement of the world based on Energy Resources
		Appearance of New Powers
		Globalization of Market and Economy
		Low Number of sellers
		Low number of competitors
<p>4) Cooperative strategy:</p> <p>4-1) Financial Cooperation with domestic companies (Letter of Credit method)</p> <p>4-2) Long-term contracts with strategic suppliers ((Microsoft, Intel, IBM ...))</p>		Threats
		Cost of Energy
		Governmental Budget devoted to R&D
		Total Budget devoted to R&D
		Transfer of Technology and its condition
		Tax/Custom Regulation
		Western Countries Political Pressure on Iran for Nuclear Activities
		Governmental Regulation
		Exchange Rates
		Limited customers
		American Products (Windows, Oracle...)
		Domestic Subcontractors (Tower, Civil ...)
		Because of huge capital and high costs, it is not easy to enter to this Industry
		Rapid Growth of Industry
		Varieties of Products

#### 14. Quantitative Strategic Planning Matrix (QSPM)

##### Choosing the best strategic way forward

Organizations spend a lot of time and effort on strategy formulation. Often, there are several different approaches or strategies that the organization could follow. But how one makes

decision? Which option is best? Do we rely on intuition, or take a more objective approach?

Not surprisingly, we need to base our decision on facts, not gut feelings. But how do we do this, particularly when the effects of different strategies can be so different?

The Quantitative Strategic Planning Matrix (QSPM) helps us address this question. It gives us a systematic approach for evaluating alternate strategies, and helps us decide which strategy is best suited to our organization.

#### Understanding the Matrix:

QSPM is based on three primary inputs:

- The *critical success factors* of the business unit.
- The *relative importance of each of these critical success factors*.
- *How one rates a particular strategy by each success factor*.

These inputs are used to evaluate the relative attractiveness of different strategies. This relative attractiveness is expressed in terms of a number, the "*Sum Total Attractiveness Score*". The higher this score is, the more attractive the strategy is....

**Table 5** QSPM Matrix and Relevant Scores Based on all Factors and Strategies

Key Factors	Strategy 1			Strategy 2			Strategy 3			Strategy 4		
	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total	Weight	Score	Total
<b>Strengths</b>												
Culture and Atmosphere	0.06	4	0.24	0.06	4	0.24	0.07	4	0.28	0.07	3	0.21
Method of Decision Making	0.06	3	0.18	0.06	3	0.18	0.07	4	0.28	0.07	3	0.21
Control System	0.04	3	0.12	0.06	3	0.18	0.05	3	0.15	0.07	3	0.21
Synergy	0.04	3	0.12	0.04	3	0.12	0.04	3	0.12	0	0	0
Familiarity with Customers needs	0.05	3	0.15	0.06	3	0.18	0.04	3	0.12	0	0	0
After-sales Service	0.05	3	0.15	0.06	3	0.18	0.04	3	0.12	0	0	0
Cost Control	0.06	4	0.24	0.06	4	0.24	0.05	4	0.2	0.09	4	0.36
Operation Control (Planning, Purchasing, Quality)	0.05	3	0.15	0.06	3	0.18	0.04	3	0.12	0.09	4	0.36
Costs and Technical capabilities in comparison with competitors	0.06	4	0.24	0.06	4	0.24	0.04	4	0.16	0.09	3	0.27
Research and Development	0.06	4	0.24	0.06	4	0.24	0.05	4	0.2	0.05	3	0.15
Effective Utility of Subcontracting	0.05	3	0.15	0.06	3	0.18	0.05	4	0.2	0.09	3	0.27
Effective Utility of Internet Network	0.06	3	0.18	0.06	3	0.18	0.05	4	0.2	0.09	3	0.27

*Strategy Compiling Case Study: ZTE (A Chinese Telecommunication Co.)*

Development of Internal Soft wares	0.05	3	0.15	0.04	3	0.12	0.04	3	0.12	0.05	4	0.2
Skilled Human Resource	0.05	3	0.15	0.04	3	0.12	0.04	3	0.12	0.09	3	0.27
Continuous Training of Human Resources	0.05	3	0.15	0.04	3	0.12	0.04	3	0.12			
<b>Weaknesses</b>												
Image, Reputation and Quality of Product	0.03	3	0.09	0.025	3	0.075	0.04	4	0.16	0.05	2	0.1
Pricing Strategy	0.03	3	0.09	0.025	3	0.075	0.05	4	0.2	0.05	3	0.15
Marketing Share	0.03	2	0.06	0.025	2	0.05	0.04	2	0.08	0.05	2	0.1
Cost & obstacles of Penetration	0.03	2	0.06	0.03	2	0.06	0.05	3	0.15	0	0	0
Price per Benefit	0.03	2	0.06	0.025	2	0.05	0.05	2	0.1	0	0	0
Efficiency of Cost and Income	0.03	2	0.06	0.025	2	0.05	0.03	2	0.06	0	0	0
Cost and Availability of Raw Material	0.03	2	0.06	0.025	2	0.05	0.03	3	0.09	0	0	0
<b>Sum total weight</b>	<i>100%</i>			<i>100%</i>			<i>100%</i>			<i>100%</i>		
<b>Opportunities</b>												
GDP Growth	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0	0	0
Money Supply	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0	0	0
Export/Import	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0	0	0
Change on Life Style	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0	0	0
Population Growth	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0	0	0
Relative Distribution of Population	0.03	3	0.09	0.04	3	0.12	0.03	3	0.09	0	0	0
GNI	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0.05	3	0.15
Cultural and Educational Level of Society	0.03	3	0.09	0.04	3	0.12	0.03	3	0.09	0.05	3	0.15
New Products	0.035	4	0.14	0.04	4	0.16	0.05	4	0.2	0.05	4	0.2
International Commerce Regulation	0.035	4	0.14	0.05	4	0.2	0.04	4	0.16	0.04	4	0.16
Western Countries Political Pressure on Iran for Nuclear Activities	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0.06	4	0.24
Rearrangement of the world based on Energy Resources	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0.06	4	0.24
Appearance of New Powers	0.05	4	0.2	0.05	4	0.2	0.05	4	0.2	0.04	4	0.16
Globalization of Market and Economy	0.05	3	0.15	0.04	4	0.16	0.04	4	0.16	0.04	4	0.16
Less Sellers	0.04	3	0.12	0.04	3	0.12	0.04	3	0.12	0.05	4	0.2
less Competitors	0.03	3	0.09	0.04	3	0.12	0.04	3	0.12	0.05	4	0.2

Threats												
Cost of Energy	0.03	2	0.06	0.02	2	0.04	0.02	2	0.04	0	0	0
Governmental Budget devoted to R&D	0.03	2	0.06	0.02	2	0.04	0.02	2	0.04	0	0	0
Total Budget devoted to R&D	0.03	2	0.06	0.02	2	0.04	0.02	2	0.04	0	0	0
Transfer of Technology and its condition	0.02	2	0.04	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Tax/Custom Regulation	0.01	2	0.02	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Western Countries Political Pressure on Iran for Nuclear Activities	0.015	2	0.03	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Governmental Regulation	0.03	2	0.06	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Exchange Rates	0.02	2	0.04	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Limited customers	0.02	2	0.04	0.03	2	0.06	0.02	2	0.04	0.5	2	1
American Products (Windows, Oracle...)	0.02	2	0.04	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Domestic Subcontractors (Tower, Civil ...)	0.02	3	0.06	0.02	3	0.06	0.02	3	0.06	0	0	0
Because of huge capital and high costs, it is not easy to enter to this Industry	0.025	2	0.05	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Rapid Growth of Industry	0.015	2	0.03	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Varieties of Products	0.015	2	0.03	0.02	2	0.04	0.02	2	0.04	0.025	2	0.05
Sum total weight	100%			100%			100%			100%		
Sum Total Attractiveness Score	6.33			6.51			6.67			6.44		

## Results

Strategy 1 Marketing Strategy: New Product New Market	6.33
Strategy 2 Strategy of Marketing Share Development: Diversification on Products and Decrease on Costs	6.51
Strategy 3 Strategy of Penetration into the Market: using Political Opportunity	6.67
Strategy 4 Cooperative Strategy: (Letter of Credit & Long-Term Contracts with strategic suppliers)	6.44

The best strategies based on QSPM model for ZTE's Iran business unit is:

**1) Strategy of Penetration into the Market: Using Political Opportunity**

**2) Strategy of Marketing Share Development: Through Diversification of Products and Decrease on Costs**

**3) Cooperative Strategy: (Letter of Credit & Long-Term Contracts with strategic suppliers)**

It is recommended that ZTE Iran branch should concentrate on penetrating into Iran telecom market in the next 5 years and develop its marketing share to 35% according to the long-range goals. However, ZTE can enjoy cooperative strategies to avoid possible shocks and threats.

**References**

[1] Official website of ZTE: [www.zte.com.cn](http://www.zte.com.cn)  
 [2] ZTE Representative Office in Tehran  
 [3] Official website of TCI (Telecommunication Company of Iran): [www.tci.ir](http://www.tci.ir)  
 [4] Official website of MCI (Mobile Company of Iran): [www.mci.ir](http://www.mci.ir)  
 [5] Fred, R. David, "How Companies Define their Mission" Long Range Planning 22, No. 3, Tehran, Cultural Research Bureau, (June 1988)  
 [6] Fred, R. David, "Strategic Management, translated by Dr. Ali Parsaiyan, Dr. Mohammad A'rabi, page 17, Tehran, Cultural Research Bureau, (June 1988)  
 [7] Pahlavaniyan, Hossein, "Strategic Management Usage", Yazd; Nikou Ravesh, (2006)

[8] Arabi, Mohammad, "Handbook of Strategic Planning Pages (15, 23, 27, 28)". Tehran, Cultural Research Bureau, (2006)  
 [9] Pahlavaniyan, Hossein, "Strategic Management Usage" page (78)  
 [10] Alvani, Seyed Mehdi; Mirshafi, Nasrollah, "Production Management", Mashad Astan-e Ghods-e Razavi, (1997)  
 [11] Khalili Shourini; Sohrab, "Planning and Strategic Management" Tehran Yadvareh Ketab, (1998)  
 [12] Kaplan, Robert; Norton, David "Strategy Map, Akbari, Hossein, Soltani, Massoud, Maleki, Amir, Tehran, Ariyana Industrial Research Group, (2007)  
 [13] Fathollah, Mehdi, "Strategic Planning", Elm va Sanat University, (1999)  
 [14] Lorensen, Peter; Scot, Morten; Michel F, "Strategic Control" translated by Dr. A'rabi, Seyed Mohammad; Hakkak Mohammad, Tehran, Cultural Research Bureau, (2003)  
 [15] Ali Ahmadi, Alireza; Fathollah, Mehdi; Tajoddin, Iraj, "A Comprehensive perception on Management", Tehran, Tolid Danesh, (2003)  
 [16] Gafariyan, Vafa; Kiyani, Gholamreza, "Five Commands for Strategic Thinking", Tehran, Farda, (2007)  
 [17] BNET Business Dictionary, <http://dictionary.bnet.com/definition/SWOT+Analysis.html>  
<http://www.maxi-pedia.com/quantitative+strategic+planning+matrix+QPSM>

# تدوین استراتژی شرکت ZTE

محمد تقی امینی<sup>۱</sup>

تاریخ دریافت: ۱۳۸۷/۷/۲۴

تاریخ پذیرش: ۱۳۸۷/۱۱/۲۷

هدف این مقاله عبارت است از تدوین استراتژی برای یک شرکت بازرگانی بین المللی چینی که در سال ۲۰۰۰ وارد بازار مخابرات ایران شده است.

از آنجایی که گستره فعالیت شرکت ZTE بیش از ۱۳۵ کشور را در بر می گیرد و جمع آوری اطلاعات حجیم از سرتاسر جهان خارج از توان ما می باشد، از این رو تدوین استراتژی را به بازار ایران محدود کرده ایم و فقط برای واحد کسب و کار ایران تدوین استراتژی را انجام خواهیم داد.

در راستای تدوین استراتژی برای شرکت ZTE، ابتدا شرکت ZTE را بطور مختصر معرفی خواهیم نمود. سپس شرح کوتاهی در خصوص نحوه تدوین استراتژی برای هر نوع شرکت خواهیم داد. در پایان بر اساس متد ارائه شده مناسب ترین استراتژیها را به گونه ای که مزیت رقابتی شرکت ZTE در بازار مخابرات ایران حفظ شود، انتخاب خواهیم نمود.

واژگان کلیدی: ماموریت، چشم انداز، اهداف بلندمدت، استراتژی، مزیت رقابتی، EFEM (ماتریس ارزیابی عوامل خارجی)، IFEM (ماتریس ارزیابی عوامل داخلی)، SWOT (نقاط قوت، ضعف، فرصتها و تهدیدها)، QSPM (ماتریس کمی طراحی استراتژی)

۱. استادیار، گروه مدیریت، دانشگاه پیام نور