

Business without frontiers:  
addressing opportunities beyond  
the traditional operator  
footprint



When Orange looked to extend its business into countries beyond its traditional footprint, BearingPoint was a natural partner



*‘The idea of Orange Horizons is to develop in countries where we are not a mobile operator, leveraging our assets outside of the footprint. To become a digital player without Capex.’*

– Sebastien Crozier,  
CEO, Orange Horizons

*‘We called the project Okavango – it’s a river that starts in Angola and ends in Botswana so it is a disruptive way for a river to go: most rivers go to the ocean but this river goes to the desert and creates new ecosystems.’*

– Sebastien Crozier,  
CEO, Orange Horizons

## About Orange Horizons

In 2012, Orange’s market reach encompassed 685 million people in 33 countries. This also meant that 6.2 billion people across 185 countries were not being addressed, some 90% of the world population. Whilst the company did not have an operational presence in these countries, what it did have was a brand with a global reputation aided by population flows, cultural and professional ties. Orange quickly recognised an opportunity.

To access these new markets, Orange Horizons was established in January 2013 with the aim of generating new revenues from mass-market offerings. The overall strategy was to leverage the Orange brand’s worldwide standing and the Group’s existing strengths, without needing to make major investments.

## A new, global business approach for the Orange Group

Orange Horizons was conceived to take a new portfolio of global business initiatives from initial product and marketing strategy definition, through business planning, to go-to-market definition and delivery.

Its goals were to attract new business and customers to tap additional revenue sources for both the Group as a whole and partner organisations. However, the new entity faced some significant constraints, not least that all activities and projects should:

1. require a low level of investment
2. support corporate development strategy and direction
3. build upon the Group’s existing asset base

From the outset, the plan was to deliver a disruptive growth strategy for the Group. However, it was soon recognised that this risked cannibalising existing activities; and it would require mechanisms to manage governance structures, and also relationships with business entities in charge of assets to be leveraged. It was a challenge to identify relevant assets from across the Group and to know how to organise them.

A second issue was that the organisation was heading into the unknown – data was initially lacking about what would work, particularly since the Group’s traditional success factors were not directly relevant for addressing new market opportunities. Before all else, the entity needed to believe in what it was doing and to set out success criteria but also be prepared to modify them as lessons were learned.

In addition, the new entity needed support and sponsorship from across the Group, which wasn’t necessarily a given.

Finally, it was recognised that moving from strategy to delivery would need a range of competences and ways of working. This required a balance between having the right people at the right stages, and retaining the knowledge and experience required to succeed overall.

## Prioritisation and learning drive success

After review, BearingPoint was selected as a consulting partner. Having worked with Orange before, we brought in-depth knowledge and experience from working with the Group at a senior level as well as an understanding of its business and technology architecture. This ensured there was a good cultural fit between both organisations. The firm also brought a broad range of services to the table, combining telecom sector, growth strategy and emerging markets expertise. At the same time, our start-up mentality put a primacy on delivery and adaptability, qualities seen as vital for a group as large and complex as Orange.

BearingPoint was thus enlisted to provide end-to-end assistance from strategy to delivery including:

- growth strategy
- associated organisation definition
- programme management
- marketing assistance

To begin with, the team conducted an assessment of push and pull factors. On one side, BearingPoint analysed the Group's existing assets, defining how they could be used in new markets as well as the value this would create. On the other, we earmarked potential partnerships that were considered likely to create the most value. As part of that, an internal mapping exercise was performed that made visible which stakeholders were fully aligned with the vision and strategy for Orange Horizons, and which stakeholders were more conflicted.

The solution offered took the following strategic approach:

1. asset cartography and valuation
2. strategy definition – offers, geography, brand strategy, target definition, and so forth
3. target structure definition

Integral to defining the high-level action plan was a detailed analysis of the success/failure factors.

The strategic approach that emerged led to the prioritisation of six lines of business and nine geographical areas with high short-term potential.

## A highly successful portfolio of results

Overall, the organisation has moved from starting with a skeleton team and a paper-based strategy document, to delivering a 35-person operational business unit that combines a central entity with regional headquarters in six countries. Orange Horizons' first successes included:

- a. Launch of online shops specialising in telecoms equipment and 'connected objects' – this has been rolled out in 19 countries, enabling Orange to become a significant player in Southern Africa and Brazil within a very short period.
- b. Over-the-top (OTT) country-based websites that leverage the Orange Group's existing audience assets, such as two pan-continental Spanish speaking web-portals, with more than 20 million unique visitors per month in Latin America. The sites promote the Orange brand and serve as a basis for additional digital services.
- c. Opening 'corners' in partner stores as well as franchised stores in South Africa and Algeria, selling a broad portfolio of devices and facilitating services such as assistance to Orange customers abroad, coupled with the introduction of multi-country travel solutions – data offers using WiFi or VoIP – aimed at professionals or tourists.
- d. An on-line Airtime Transfer solution for more than 350 operators in 100 countries, to help people charge prepaid cards and enable airtime transfers, especially for the African diaspora.

In sum, services have been launched in more than 40 countries in Africa, Europe and Latin America. Future projects may include launching a Mobile Virtual Network Operator (MVNO) in certain countries, particularly involving the sale of WiFi-based services. As the WiFi business model creates many new challenges for the mobile operator, selling outside the traditional Orange footprint is enabling the organisation to experiment with business models, for example through a public-private partnership in Cape Town.

*'We decided to test and learn about a physical retail shop, we have opened stores in Algeria as a franchise network. It was a challenge, the country is difficult but we are doing 2-3 times more turnover than the brand we replaced. It is good to see how the Orange brand affects things positively.'*

*– Sebastien Crozier,  
CEO, Orange Horizons*

## Committed consultants with adaptive intelligence

BearingPoint consultants understand that the world of business changes constantly and that the resulting complexities demand intelligent and adaptive solutions. Our clients, whether in commercial or financial industries or in government, experience real results when they work with us. We combine industry, operational and technology skills with relevant proprietary and other assets in order to tailor solutions for each client's individual challenges. This adaptive approach is at the heart of our culture and has led to long-standing relationships with many of the world's leading companies and organizations. Our 3,500 people, together with our global consulting network serve clients in more than 70 countries and engage with them for measurable results and long-lasting success.

For more information visit our website: [www.bearingpoint.com](http://www.bearingpoint.com)

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