DEVELOPING BUSINESS IN EMERGING MARKETS

Emad Z. Elsewedy
November, 2015
Developing Business in Emerging Markets

• Starting up a business is the same everywhere.
• The only difference is the set of challenges you overcome to succeed
• For Those who say “Why bother”, it’s better for them to find a job!
Starting Up a New Business

• Starting up a business is not easy, challenges never end, it’s an ongoing journey
• Deal with changing challenges or else you’re out of the market
• Don’t call them problems
• Manage your challenges to keep going and growing
Starting Up a New Business

At First our Biggest Challenge is:

• Finding a good idea
• Finding the Right Partner
• Raising needed Capital
• Finding the right people
Starting Up a New Business

Soon After our Biggest Challenge becomes:
• How well customers receive our product
• How well we deliver what we promise
• How our competition reacts
Starting Up a New Business

Later down the road our Challenge becomes:
• Ambition to Grow, our VISION
• Go out of our comfort zone
• Grow our Market Share
• Grow the Market we’re covering
• Explore new markets with High growth rate
• Explore Emerging Markets
Challenges in Emerging Markets

Apply FRUGAL Innovation in the right way ...
You have to be a SUPERMAN ...
• Deliver BETTER Products ...
  Flexible design in absence of clear standards
• Deliver them FASTER ...
  Local operation next to customers
• Deliver them CHEAPER...
  Low cost product design
• With limited resources...
  Products must be simple to produce and operate
## El Sewedy Electrometer EMG

### Table of Locations

<table>
<thead>
<tr>
<th>Year</th>
<th>Company Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>El Sewedy Electrometer</td>
<td>Egypt</td>
</tr>
<tr>
<td>2004</td>
<td>Ghana Electrometer</td>
<td>Ghana</td>
</tr>
<tr>
<td>2007</td>
<td>Ethiopia Electrometer</td>
<td>Ethiopia</td>
</tr>
<tr>
<td>2007</td>
<td>Zambia Electrometer</td>
<td>Zambia</td>
</tr>
<tr>
<td>2008</td>
<td>Electrometer Las Americas</td>
<td>Mexico</td>
</tr>
<tr>
<td>2008</td>
<td>Electrometer Do Brasil</td>
<td>Brazil</td>
</tr>
<tr>
<td>2009</td>
<td>India Electrometer</td>
<td>India</td>
</tr>
<tr>
<td>2010</td>
<td>ZPA Smart Energy</td>
<td>Czech</td>
</tr>
<tr>
<td>2010</td>
<td>Gas Metro Industries</td>
<td>Egypt</td>
</tr>
<tr>
<td>2011</td>
<td>El Sewedy Meters FZ</td>
<td>Egypt</td>
</tr>
</tbody>
</table>
Our Product Range
Our MDM System

Utility Monitor

Server

Consumer Portal

Smart Meters

Wireless Communication
Our Services

Customize as you go

Engineering
- Site Survey
- Solution Design
- Feasibility Study

Supply
- Smart Meters
- Head End Software
- Meter Data Management
- MDM Sys.

Installation
- System Integration
- System Installation
- Smart Metering Installation

Operation
- Meter Reading
- Load Management
- Demand Response
- Losses Reduction

CRM
- Billing
- Revenue Collection
A Dynamic Business Model

- Meter supplier
- Solution provider
- Managed Services

Value Creation vs. Competition

Strategic evolution
Challenge of Un-Bundling

Customer preference for unbundling vs. Customer knowledge

- Bundled
  - Greater Competition
- Unbundled
  - Lesser Transactional Complexity
Challenges in Emerging Markets Vs. Developed ones

It’s like the difference between the SEA & a POOL

• You have to deal with Unknown, so you need a partner who knows
• You must develop products suitable for rough environments
• You have to feed the Fish and protect yourself from the Sharks.
• You have to take care of the Environment
• You have to be ready to deal with a storm
• You must be patient and have extra fuel
Sense & Respond to opportunities

• Focus on your vision
• Opportunities don’t last
• Make a quick assessment
• Find the Right Partner
• Take calculated Risk
THANK YOU!