

Global Voice Systems¹

AMMAN, JORDAN

Case Description

Global Voice Systems (GVS) is a small, entrepreneurial company in an innovative industry. The key difference between GVS and thousands of other startups you may read about in business school is its location – Jordan.

Position in the Course

This case provides the opportunity for students to apply their understanding of marketing strategy to an unusual market and a rapidly emerging technology. It challenges the theories often taught in business school with the reality of the limited resources available for a startup. It is best suited for a strategy, marketing, or entrepreneurship class.

Teaching Plan and Session Overview

Marketing Strategy – Global Voice Systems needs to develop an integrated marketing strategy that balances its effort in Jordan with efforts in neighboring countries. This may be particularly challenging since the company lacks a highly experienced marketing staff.

High-Tech Timeline – Like most technology company's, GVS's success is due to a specific technology and state of adaptation. The company is able to leverage the installed base of old PBX systems to make sales. However, the longer the company waits to sell its standalone applications (not the IVR systems), the more that other systems will be upgraded to newer PBXes with no need for Global Voice's products.

Promotional Methods – Given the size of the company and its specialized product, large-scale promotional activities are not appropriate for GVS – or are they? Many potential customers may not be aware of the uses and benefits of GVS products,

so maybe a larger-scale advertisement would be worthwhile. On the other hand, the company's budget is limited, so more targeted promotional efforts may be appropriate.

Go it Alone or Team up? – The reality is that GVS lacks the development resources of many of its U.S. competitors. While it may be able to compete on a cost advantage for some time, eventually technology is likely to eclipse its advantages. The company may need to consider linking with a U.S. company that could take advantage of the lower development costs in Jordan.

Questions to Consider

1. **What are the major marketing issues facing GVS?**
2. **What are the major technical issues facing GVS?**
3. **Do a SWOT analysis of the company.**
4. **What should Ashraf do? What sort of a marketing plan does the organization need?**
5. **In the marketing plan, what would be appropriate promotional methods?**
6. **What are the advantages of the conservative approach espoused by the founders of the company? The disadvantages?**
7. **What is the best way for the company to enter export markets?**
8. **Given the company's financial condition, what strategies are feasible and not feasible?**

9. **Given the constant drop in prices for technology products, is Sharif right? Should the company move away from standalone products?**
10. **How might the company be able to take advantage of American capital?**
11. **What additional information could Ashraf use? How should he obtain it?**

1. This note was written by Vijay D'Souza of the University of California-Berkeley.