AT&T Strategic Objectives and Alternatives

On the average, AT&T ranks third in the cellular phone and services industry. With this information, AT&T can systematically re-organize is strategies for improvement and enhancement of its systems, technology, performance, equipment and customer service. Overall, AT&T has had high marks in quality ratings and customer service ratings but has failed for long term planning. With competition growing in an ever-increasing market, having a long-range plan in multiple areas is a step in the right direction for success.

The first objective I would implement would be a plan to discover and monitor AT&T’s carbon footprint. Going green is the main objective in today’s technology age. With an estimated 8 billion people by the year 2025, (att.com), a company must look at its output and determine how to reduce waste while maintaining profits or hopefully increase them. Increased data is a blessing and a curse. With increased data, we limit and reduce the use of paper, inks, and other tangible equipment that can leave a larger footprint, increase waste in landfills and continue to exist in a limited storage capacity. To help with reducing the carbon footprint, AT&T should look at the second objective, increasing and improving their network.

As the world gets bigger, there will be more and more digital electronics synced to each other and to the internet. The available space and quality of connectivity must continue to increase and improve without upping the cost unreasonably. Within these measures, AT&T will work more with suppliers that keep a tight watch on greenhouse gas (GHG) emissions, while offering updated technology on communication lines, networks, equipment and consumer products.(att.com) Suppliers must also meet established criteria through AT&T in order to work together and provide top quality customer service.

Using the same criteria concept for themselves, the third objective for AT&T would be to reduce electricity consumption and promote renewable energy sources within their plants and networks. This would include implementing solar panels, wind turbines, and other renewable energy sources to operate equipment and offices. They would also introduce power-saving / alternative fuel automobiles for their fleet lines to assist in the renewable energy and decreased carbon footprint efforts.

A fourth objective would be for the customers themselves. AT&T will work with suppliers to increase the quality of consumer products and establish the ability for all products to sync together and access over 320 million people throughout their network. This will work with other goals of offering reduced cost internet services to low-income housing and credit for exchanging and turning in old equipment. This old equipment would then be refurbished and sold to AT&T customers, or held for expansion into new markets across seas.

Using these four objectives to strategically map out a 10-year plan will give AT&T a competitive edge in new markets, green business ethics and customer satisfaction.

Financially, AT&T would be wise to come up with strategic alternatives to these main objectives. These alternatives actually assist the objectives but could be narrowed down into a certain market or demographic, depending on the need and ideals of the strategic alternative.

For example, one strategic alternative could be a focus strategy. Within a focus strategy, AT&T could concentrate on a specific network or customer segment that would be ahead of its competition. I would focus on the pre-paid phone market. More and more customers are choosing a contract-free option, or in AT&T’s case, the GoPhone market. This would be a very good niche market to focus on because of the quality phone service AT&T provides, the multiple age demographics available and the variety of consumer products. Parents are getting these types of phones for their kids, and it’s an easier way to track monthly costs for the entire family. Older customers are also a niche because of the way they use the current technology.

Another strategic alternative would be to use cost focus. Cost focus would be again, choosing a niche market and reducing the cost for this niche, but still offering a quality product. The pre-paid phones would work for this alternative also. Cost focus would give AT&T the ability to offer quality phones, tablets, and other products to customers who do not want a locked-in contract. This demographic is growing larger as family incomes grow tighter and more spending control is required.

A third strategic alternative is a differentiation. With this focus, AT&T could offer a smaller market segment, better quality products with an even higher perceived value, such as free tech support or accessories. By asking the customer segment what options they would like for a higher perceived value would also be a way of being different from competitors. Giving them a feeling of more control about their choices could potentially lead to up-sells and higher market sales averages.

With all of these choices, my personal preference would be the focus strategy. Being a green company is part of the future, it’s a given. But, for the short term to cover costs for the long term, using a focus strategy would be the most beneficial to bring in higher sales while promoting and marketing to a specific network segment. The pre-paid phone market is booming and sales continue to skyrocket. According to visiongain.com, the pre-paid cell phone market jumped up exponentially from 2010-2015. This began with the recession and continued on an upward swing with better data packages and better equipment for cash-conscious consumers. (visiongain.com) With a jump on this specific market, AT&T would then be able to keep focusing on the customer, while bringing in revenue to upgrade and enhance their company and network systems, which overall creates a feeling of a company that cares and is up-to-date with current technology.

References

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