

Introduction

Blackberry was undoubtedly one of the fierce competitors to expose the world to the era of smartphones alongside apple and Samsung as it owned over 50% of the US and 20% global smartphone market as we look back at 2010 [1]. People preferred the physical touch QWERTY keyboards in comparison to then called sloppy touchscreen by iPhone. But as it turns out due to various circumstances blackberry has slowly lost all its fame and its brand value as it loses significant number of users daily as Android flourishes in the current world. Despite the Blackberry Operating System (BBOS) being one of the most secure and corporate Operating systems in the manufacturing days, they failed to improvise the BBOS in comparison to Android. Now, as they decided to give up making in-house hardware and focus just on software giving ownership to third party companies, the authenticity of Blackberry is in the verge of extinction as Blackberry phones use the Android software for its new models.

There are various metrics that contributed in this downhill progression of Blackberry like inefficient leadership and poorly constructed strategies, but now as Blackberry decides to just focus on the Software and its security it is slowly renovating its ruins and reviving its brand value into existence. There are various measures to be looked after and to be considered which can have a positive influence on its revival.

Problem Statement

Although Blackberry has lost the Smartphone wars, it is still existing in the market with its market shift towards new initiatives on AI and cybersecurity. The main reason towards the downhill of the ‘could-become’ smartphone phenomenon was somewhat long-term strategic planning failure and leadership concerns as they viewed the rivals as nothing when it was first introduced including more minor metrics that contributed to this fall. Therefore, now as Blackberry struggles to rise again as a brand they should focus on various parameters and strategies as analyzed in this report that can help them renovate their brand value and to come in par with the top-leading tech companies.

Looking back in days at Blackberry

1984	Blackberry Limited formerly known as Research in Motion (RIM) was founded in Waterloo, Ontario by University of Waterloo engineering student Mike Lazaridis (President and Co-CEO) and University of Windsor engineering student Douglas Fregin (Vice President, Operations) .
1988	It became the first wireless data technology developer in the entire North America and the first organization outside Scandinavia to produce products related to connectivity for Mobitex wireless packet-switched data communications networks. [2]
1999	The first ever device under the BlackBerry branding, i.e. the 850, was launched in Munich, Germany. The resemblance of the keyboard's buttons with that of the drupelets of blackberry fruit, was the main factor behind choosing this name.
2002	Blackberry released the convergent smartphone which had the amazing features useful for day-to-day workings of business executives. These features included internet faxing, push email, web browsing, text messaging and mobile telephone. BlackBerry gained market share in the mobile industry by concentrating on email. BlackBerry began to offer email service on non-BlackBerry devices through the proprietary BlackBerry Connect software. [3]
2006	Blackberry introduced the first in a line of consumer-friendly devices named as Pearl, that had multimedia capabilities and a digital camera.
2007	RIM's market capitalization surpassed \$67 billion making it the most valuable company on TSX. At this time, the company had around 10 million subscribers and it introduced a new series of Blackberry known as Curve.
2008	Around this year, its stock value hit a high of \$149.90 in June, but the moment was short lived. The stock market crashed in September taking its shares below \$50 and its first touchscreen BlackBerry, the Storm, was critically panned as iPhone hype grew with the new 3G model.
2011	They launched their first ever tablet, PlayBook in the spring of this year, later than expected, and reviews were not very kind. A few months later the company announced shunting of 2000 employees. In October, users around the world suffered through a four-day outage of Blackberry's services.
2012	The greatest setback happened when Lazaridis and Balsillie, both stepped down as CEOs and were replaced by Thorsten Heins. Balsillie also resigned from the board of directors. After few months the new CEO announced 5,000 more layoffs and a delay to the critical BlackBerry 10 software update, company in the brink of destruction, stock touched lowest. [5]

2013	<p>BlackBerry sold around 6.8 million handsets in 2013, but was surpassed by Nokia's Lumia series. Financial degradation, announcement the intention to sell the company on August 12, 2013, terminated about 40% of its staff and reduced product line to 4.</p> <p>On November 4, 2013, Thorsten Heins was replaced with new interim CEO John S. Chen, the former CEO of Sybase.</p>
2014	<p>In early July 2014, the TechCrunch online publication published an article titled "BlackBerry Is One Of The Hottest Stocks Of 2014, Seriously", following a 50 percent rise in the company's stock, an increase that was greater than peer companies such as Apple and Google; however, an analysis of BlackBerry's financial results showed that neither revenue or profit margin were improved, but, instead, costs were markedly reduced. [3]</p>

As the time passed by, Blackberry produced much more devices, while other companies were moving with the technology and were implementing touch screens, Blackberry kept their signature qwerty keyboard along the way. All Blackberry devices back in the day ran BlackBerry OS but now they use android as company. It's kind of like Apple's IOS but just a little bit less Popular. [\[4\]](#)

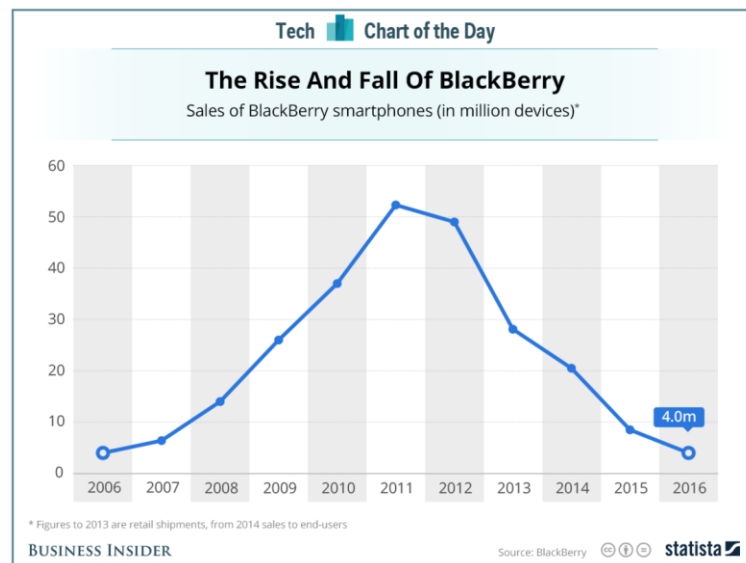


Fig: Sales of Blackberry Smartphones over years [\[6\]](#).

Current Scenario

BlackBerry was one of the most prominent smartphone vendors in the world, specializing in secure communications and mobile productivity, and well-known for the keyboards on most of its devices.

The one that was all the hype a couple years ago. At its peak in September 2013, there were 85 million BlackBerry subscribers worldwide. However, BlackBerry has since lost its dominant position in the market due to the success of the Android and IOS platforms; their numbers had fallen to 23 million in March 2016. BlackBerry no longer makes the smartphones, these are currently designed, manufactured, and marketed by TCL Communication (under the brand of BlackBerry Mobile) [3].

So why blackberry stopped making hardware? As quoted from telegraph.co.uk “The company, which is famed for its “QWERTY” keyboard mobile phones that were the choice handset for professionals, has been struggling to keep up with market leaders APPLE and SAMSUNG as the world has moved to touchscreen. As a result, the loss-making business said it is going to focus on creating software for mobile phones, rather than the devices themselves. Instead it will outsource the brand to other manufacturers.” [4]. Blackberry’s stock has now surged more than 40% so far in 2019, this is because of the transition from the cutthroat business of selling hardware to the far more lucrative world of software -- particularly cybersecurity and the so-called Internet of Things for connected devices like cars. The company now generates most of its sales from software and services to big businesses as well as licensing. BlackBerry also recently acquired Cylance, a leader in using artificial intelligence and machine learning for cybersecurity. Cylance sells a lot of its products to banks. Also, they continue to provide the legacy QNX software that powers infotainment systems in cars [7]. This switch helped blackberry to attain majority of sales.

Strategy Analysis

As per the decision of the company to stop making hardware, the company can speed up their renovation process based on what they are up to now. Since their focus shifted to cybersecurity in terms of AI in recent days, if planned and executed properly, they can take the tech market by storm as cybersecurity is one of the most concerned subjects in this era of internet and technology. The threat for privacy that internet possesses is understood and is feared by everyone. So, if they come up with an innovative product that minimizes the worries of the tech-enthusiasts and ensures their surf in this vast ocean network and data, Blackberry can increase their brand value and re-gain their position in the market.

Strategy Framework

Planning

Understanding the **market trend** and analyzing it is the first and foremost thing to do for the company as Blackberry as their ignorance regarding the market trend back in time was one of the main cause of their downfall. Secondly, focusing on a domain is important I.e. if they have stopped working as a hardware manufacturer and shifted their focus on cybersecurity and software then all the effort and planning should be done on that basis. Thorough research about the existing market products, their loopholes and how can they come up with a better product will give the company a better idea on what to do next. They are focusing on **Operational advantage when we talk about Blackberry smartphones** and are trying to improvise the existing products in the market when compared to their rivals but since Blackberry, the company itself has shifted its focus to software, they can come up with a different product in the long run than the rivals which will give them **strategic advantage**. Every innovation carries some risks before its implementation so innovative ideas should be welcomed, and the risks should be accounted for a worthy product so risks should always be the part of the plan.

After all the analysis, Blackberry should focus on its own Strengths, Weakness, Opportunities and Threats in order to cope up with their mission and vision.

Strengths - New and efficient leader, corporate consumers, has reputation for secure software

Weakness – Low employee morale, Low Brand value, Past failures

Opportunities – Cybersecurity and AI in trend, lucrative opportunities, market demands

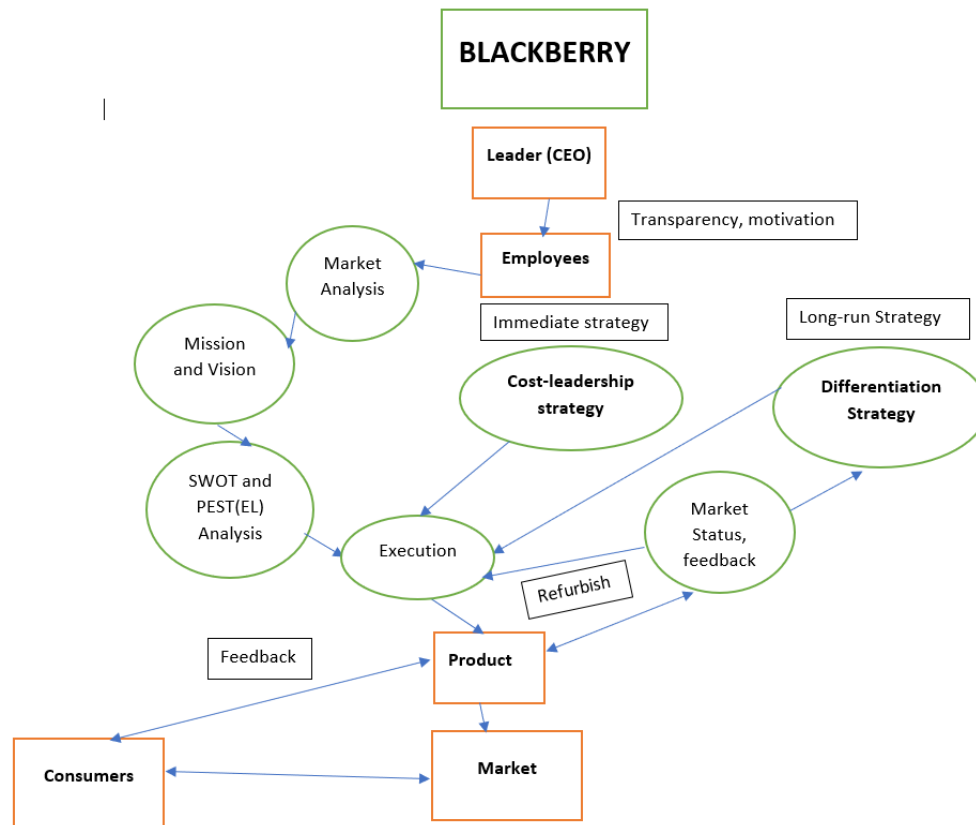
Threats - Corporate Focus, expensive product value

Execution

The company should come up with a strategic model and the best suited choice for the company is **cost-leadership model (coming up with the similar improvised products at a low rate)** as Blackberry always has always been fighting with expensive and corporate tags, it's time for them to shift this status to a cost-effective one in order to gain popularity. Once they reach the milestone, they can switch onto the **Differentiation strategic model (coming up with a unique and standard product)** to maintain their brand value. Various milestones in the way should be taken in account in order to measure the success and record each and every achievement they make and not to mention provide appraisal to everyone involved in order to motivate them and accelerate their efficiency.

Similarly, The company should also keep a timely record of the fluctuation in the market trends, use AI for improvising their products like endpoint management software UEM and the real-time operating

system QNX and then be prepared to cope up with the changes, take risks and modify the existing product or be able to replace the existing product. This will allow Blackberry to sustain in the market for a long period of time as it can evolve over the period of time ready to incorporate any kinds of changes necessary.



Strategy Statement

Blackberry should visualize and study the market trends regarding cybersecurity and then develop strategic advantage for any product that is unavailable in the market by analyzing various metrics like their consumer needs, their own SWOT analysis, PEST analysis and then modify or replace the product accordingly on a timely manner according to the fluctuation in the trend to provide the product in an affordable and competitive market price which will not only give the company a competitive advantage but will ensure the sustainability of the company and its brand value.

Leadership and it's influence on the company

A leader should always have a foresight as he initiates any plan or works towards its execution. Despite coming up with a solid smartphone during the early 2007, the co-CEO's of Blackberry then RIM Mike Lazaridis and Jim Basillie referred the new iPhone as a “toy” without properly analyzing the working and far-sighted architecture of the device [8]. It is even mentioned in various articles about how poor vision and inability to cope up with the tech revolution that hit the world emerging Android and touch screen smartphones halted the progress of Blackberry phones to which the leadership can also be considered as a fault.

During the peak of their success, the company's senior decision makers failed to foresee the importance of mobile web and that is where the trouble started. When the leaders fail to set insights on the future by taking the competitive rivalry seriously by understanding what the customers want, too much confidence on the existing business model which lead to the downfall of the company [9]. Similarly, alongside Blackberry, Nokia who considered blackberry as its biggest market rival was also set on the same path of downfall. Unable to take risks and evolve alongside the needs and demands of the market and customer despite the customer reviews conducted also was the weakness in the leadership. Because of this, the company and its employees faced consequences as many employees were released during 2012-13 when new CEO Thorsten Heins failed to pull the company out of its misery. A leader is supposed to take risks, analyze the mission and keep a vision by a constant teach and learn process in order to prosper alongside a business and this is what Blackberry lacked.

During 2013 when the CEO's resigned and stepped off, John Chen stepped as the new leader of the company. He was the one who pulled out the company from the brink of death. Under his reign Blackberry started ventures for cybersecurity. He transformed the business model, hired new group of directors and set of a whole new panel to save the company. Chen worked through the history, studied the current trends and decided to step away from manufacturing smartphones and working more on their strangest traits that was cybersecurity because people liked the BBOS mostly for its security. The company diversified its path and took over the current trend of Machine Learning and took over Cylance to use machine and deep learning for cybersecurity. Now, Chen is ready to take risks, has been stabilizing the company under his leadership and has insights and strategies because of which Blackberry is slowly re-gaining its market value and is trying to claim its position in the tech market.

Employee Appraisal at times and celebration of completion of even small milestones should be frequent in Blackberry as it contributes heavily to uplift the morale of the workers and increases their efficiency. Along with this, Chen as a leader should maintain transparency of the company's activities in terms of every employee so that each employee is aware that they are the part of the company and whatever they do affects the co-workers and company's functioning simultaneously.

Conclusion

Hence, Strategy and Leadership both contribute equally on the sustainable growth of any company which is why there should be proper planning for any strategic modeling in a company and a leader should be able to foresee the consequences and go ahead with the planning and execution of in order to achieve the goal, looking over the milestones and balancing the various metrics alongside the employees taking risks and challenging the market by facing all the hurdles that follow. Blackberry in the similar manner should come up with a specific mission and vision and work accordingly in a strategic manner to attain its goal to pull itself out of misery and re-establish its identity.

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