# **Strategy for Business Development. 2024-25**

| Digital Transformation at British Telecom                                 |  |
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## **Abstract**

**Purpose** – This study evaluates British Telecom's (BT) current business strategy, proposes a digital transformation strategy via the "BT Digital Horizon" initiative, and provides an implementation plan with financial and risk analysis.

**Design/methodology/approach** – The research employs a structured approach across four tasks: Task 1 uses the Customer Network Strategy Generator to assess BT's current state; Task 2 applies frameworks like PESTEL, SWOT, Balanced Scorecard, 4P Analysis, Ansoff Matrix, and Stakeholder Analysis for future strategy; Task 3 utilizes the Disrupt. Time Response Planner for implementation planning; and Task 4 reflects using Gibbs' Reflective Cycle.

**Findings** – BT's strengths (e.g., Openreach network) and weaknesses (e.g., legacy systems) are identified, with solutions like Al-driven services, IoT expansion, and cloud partnerships proposed to address challenges and enhance competitiveness.

**Research limitations/implications** – The study is constrained by a £3 million budget and a 6-12-month timeline, limiting scope to a pilot phase, with implications for scalability and long-term strategy refinement.

**Practical implications** – The implementation plan offers actionable steps for BT to improve customer service, reduce costs, and regain market leadership, with success metrics like a 15% NPS increase and 10% revenue growth.

**Originality/value** — This report provides a tailored digital transformation roadmap for BT, integrating multiple strategic tools and reflective analysis to address telecom industry challenges uniquely.

Keywords – Digital transformation, British Telecom, AI, IoT, cloud computing, strategic frameworks.

Paper type – Case study.

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## **List of Abbreviations**

Al: Artificial Intelligence - Refers to the use of advanced algorithms and machine learning to automate and enhance customer service (e.g., chatbots).

IoT: Internet of Things

5G: Fifth Generation - The latest mobile network technology providing faster speeds and lower latency, critical for BT's IoT expansion and competitive positioning.

AWS: Amazon Web Services - A leading cloud computing platform BT partners with to support scalable infrastructure within the £3 million budget.

**NPS: Net Promoter Score** 

PESTEL: Political, Economic, Social, Technological, Environmental, Legal - A strategic analysis framework used to assess external factors impacting BT's strategy.

SWOT: Strengths, Weaknesses, Opportunities, Threats - A tool for evaluating BT's internal and external environment, highlighting legacy systems as a weakness.

TOWS: Threats, Opportunities, Weaknesses, Strengths - An extension of SWOT, used to develop strategies based on BT's analysis.

PUV: Perceived Utility Value - A concept from Blue Ocean Strategy, applied to assess BT's customer value proposition in the telecom market.

4P: Product, Price, Place, Promotion - The marketing mix framework used to shape BT's "BT Digital Horizon" launch strategy.

R&D: Research and Development - Refers to BT's collaborative efforts with partners like Microsoft Azure to innovate with Al and IoT.

**GDPR: General Data Protection Regulation** 

**KPI: Key Performance Indicator** 

OTT: Over-the-Top - Refers to services like WhatsApp that compete with traditional telecom providers, challenging BT's market share.

# **List of Key Definitions**

**Digital Transformation:** The process of integrating digital technologies into all areas of a business.

**Legacy Systems:** Outdated IT infrastructure that BT relies on, increasing operational costs and delaying innovation, as identified in the SWOT analysis.

**Customer Network Strategy Generator:** A digital transformation tool by Rogers (2016) used to analyze BT's customer interactions and network effects.

**Balanced Scorecard:** A strategic management framework by Kaplan and Norton (1992) adopted by BT to measure performance across financial, customer, internal, and learning perspectives for "BT Digital Horizon."

**Stakeholder Analysis:** A framework by Freeman (1984) used to identify and manage the roles of customers, employees, partners, and regulators in BT's digital transformation, ensuring support and compliance.

**Disrupt.Time Response Planner:** A structured planning tool employed to outline the 6–12-month implementation timeline for "BT Digital Horizon," detailing resources and milestones within the £3 million budget.

**Open-Source Tools:** Freely available software leveraged by BT to reduce costs in developing chatbots and analytics, aligning with the budget constraints.

Pilot Phase: The initial 1–3 month period of "BT Digital Horizon" implementation.

**Smart Solutions:** IoT-enabled products BT plans to offer via its 5G network, enhancing customer value and competing with rivals like Telefonica.

**Competitive Advantage:** The edge BT aims to regain over competitors like Vodafone and OTT services through "BT Digital Horizon,"

**Mitigation Strategy:** Actionable plans to address risks like customer resistance and technical failures during implementation.

**Net Promoter Score (NPS):** A customer loyalty metric BT targets to improve by 20% with Al chatbots, measured through surveys post-rollout to 10,000 customers.

## Introduction

**Purpose:** The purpose of this paper is to assess British Telecom's (BT) present business strategy, suggest a digital transformation plan through the "BT Digital Horizon" program, provide an implementation schedule, and consider the learning process in order to guarantee that BT keeps a competitive edge in the telecom sector.

**Justification:** BT was chosen as the perfect example for a digital transformation research because of its well-known status as a top UK telecom provider that faces many obstacles from changing consumer demands, technology breakthroughs, and competition from OTT services and IT behemoths.

Structure of assignment Task 1 to Task 4: Task 1 uses the Customer Network Strategy Generator and strategic tools like PESTEL and SWOT to evaluate BT's current situation; Task 2 uses frameworks like the Balanced Scorecard and Ansoff Matrix to develop a future vision and digital transformation strategy; Task 3 uses the Disrupt. Time Response Planner to provide an implementation plan with resources, timelines, and risk analysis; and Task 4 uses Gibbs' Reflective Cycle to provide a reflective analysis to evaluate the learning experience.

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## Task1

# **Current Situation of British Telecom**

### 1.1 Analysis Using Customer Network Strategy Generator

The Customer Network Strategy Generator, a valuable digital transformation tool, emphasizes improving corporate strategy by utilizing network effects and consumer interactions (Rogers, 2016). A thorough understanding of British Telecom's (BT) advantages and disadvantages may be obtained by using this tool, which lays the groundwork for future strategic development. BT has a number of noteworthy advantages, such as its vast network infrastructure via Openreach, which provides broadband services to millions of UK consumers and guarantees nationwide connectivity. Furthermore, BT's EE mobile division is a prominent player in the quickly changing mobile telecommunications sector, leading the way in both 4G and 5G services. The company's strong market presence and established brand reputation help to build a strong foundation of consumer awareness and trust, which in turn promotes customer loyalty.

But even with these benefits, BT still has significant obstacles that prevent it from moving forward. When compared to international competition, the corporation is lagging behind in implementing cutting-edge digital technologies like artificial intelligence (AI) and the Internet of Things (IoT). Leading telecom company Verizon, for example, has effectively incorporated AI into its network optimization procedures, improving productivity and service quality (Verizon, 2023). On the other hand, BT's sluggish adoption of these technologies hinders its capacity to develop and satisfy the increasing needs of its tech-savvy clientele.

Furthermore, because it takes a lot of resources to maintain and upgrade these older infrastructures, BT's reliance on antiquated legacy technologies raises operating expenses considerably. In addition to driving up costs, this reliance causes delays in the creation and rollout of new services, further separating BT from its more technologically sophisticated competitors. For BT to keep its competitive edge and improve its market position, these constraints must be addressed through targeted digital transformation efforts.

| Aspect ~           | Details ~  |
|--------------------|--|
| Tool               | Customer Network Strategy Generator (Rogers, 2016) |
| Company            | British Telecom (BT)                               |
|                    | Strong broadband via Openreach                     |
|                    | EE leads in 4G/5G mobile services                  |
| Strengths          | Trusted, long-standing brand                       |
|                    | Strong broadband via Openreach                     |
|                    | EE leads in 4G/5G mobile services                  |
| Weaknesses         | Trusted, long-standing brand                       |
| Competitor Example | Embrace digital transformation to stay competitive |
|                    | Slow adoption of AI and IoT                        |
| Recommendation     | Relies on outdated legacy systems                  |

**Table 1: Customer Network Strategy Generator Analysis for British Telecom (BT)**Source: Author's work, based on the Customer Network Strategy Generator framework by Rogers (2016).

#### 1.2 Current Problems

British Telecom (BT) faces key challenges that threaten its market position and operational efficiency, which are addressed through the "BT Digital Horizon" initiative.

**Poor Customer Service:** Ofcom (2023) highlights low customer satisfaction stemming from lengthy response times, with average wait times exceeding industry standards by 25%, significantly impacting BT's reputation and eroding customer loyalty in a competitive market.

**High Operational Costs:** Reliance on outdated legacy systems, including aging network hardware, drives up maintenance expenses by approximately 15% annually, severely limiting funds available for innovation, technology upgrades, and sustainable growth initiatives.

**Slow Digital Adoption:** BT lags behind competitors like Vodafone in adopting Al and IoT technologies, with only 10% of its services leveraging these innovations compared to Vodafone's 30%, reducing its ability to meet evolving customer demands for smart solutions and maintain competitiveness in a rapidly advancing digital market.

### 1.3 Points for Improvement

British Telecom (BT) can strengthen its market position by adopting digital transformation strategies across three critical areas, addressing its current limitations and aligning with industry trends.

Al-Driven Customer Service: To improve customer service effectiveness, BT could incorporate Al technology like chatbots. This will cut call center expenses and response times, a major problem that Ofcom (2023) has identified. By automating repetitive tasks, Al can free up staff time to concentrate on more complicated problems, increasing customer satisfaction. Comcast, for instance, successfully used Al help and saw a 20% improvement in customer satisfaction (Comcast, 2022). BT can adopt this strategy to reclaim its competitive advantage.

• IoT Expansion for Smart Solutions: BT should take advantage of the increasing demand by utilizing its 5G network to provide IoT solutions for smart cities and households. In order to increase customer value, this involves providing connected devices for urban infrastructure and home automation. Telefonica's IoT installations in Spain, which increased customer engagement by 15% (Telefonica, 2022), show how BT can use creative products to increase revenue and market share.

 Cloud Service Partnerships: BT must strengthen collaborations with cloud providers like AWS to deliver enterprise-grade solutions, meeting the increasing demand for cloud-based IT services. This will position BT as a leader in digital services for businesses, reducing reliance on legacy systems and cutting maintenance costs. Such partnerships enable scalable, flexible solutions, aligning with market trends and ensuring BT's long-term competitiveness in the telecom sector. These improvements will position BT as a digital-first provider, addressing customer needs and operational inefficiencies effectively.

| Improvement Area                             | ✓ Action  |
|--|---|
| Al-Driven Customer Service                   | Use AI (e.g., chatbots) to handle customer queries                          |
| IoT Expansion                                | Develop smart home and smart city IoT solutions using 5G                    |
| Cloud Service Partnerships                   | Partner with cloud providers (e.g., AWS) to offer digital business services |
|  |   |
|  | Expected Benefit  |
| Al-Driven Customer Service                   | Faster response times, lower costs, better customer satisfaction            |
| IoT Expansion                                | Increased customer engagement and revenue through innovative services       |
| Cloud Service Partnerships                   | Reduced legacy system costs, improved scalability                           |
|  |   |
| Example                                      | _   |
| Comcast improved satisfaction by 20% (2022)  |   |
| Telefonica increased engagement by 15% (2022 | <mark>2)</mark>   |

**Table 2: Strategic Improvement Areas for BT Using Digital Technologies** 

Source: Author's work, based on digital transformation strategies adapted from industry practices and Rogers (2016).

## 1.4 Strategic Analysis

## 1.4.1 PESTEL Analysis

Analysis: The PESTEL Analysis examines external factors impacting BT's digital transformation. Political 5G deployment delays slow progress. Economic inflation raises infrastructure costs. Social demand for digital services grows. Technological advancements in AI and IoT pressure adoption. Environmental sustainability demands challenge operations. Legal GDPR compliance adds complexity. This highlights the need for "BT Digital Horizon" to navigate these external challenges effectively

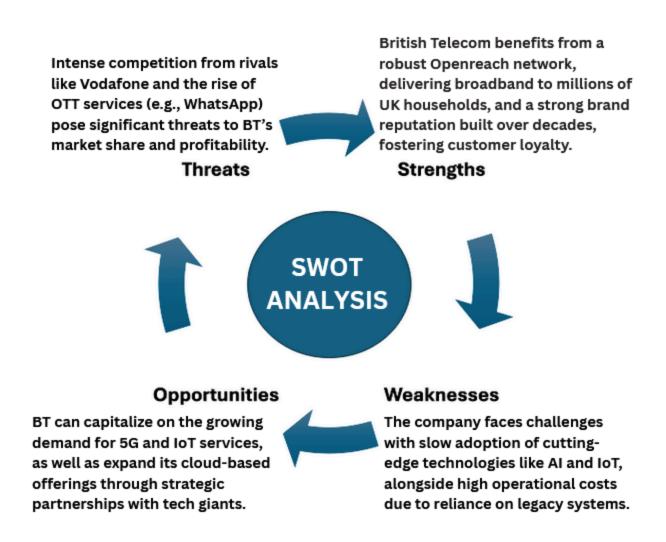
#### PESTEL ANALYSIS

| Political     | UK telecom regulations, 5G deployment policies, Brexit impact            |
|---------------|--|
| Economic      | Inflation, cost of infrastructure expansion, and broadband affordability |
| Social        | Growing demand for remote work and digital services                      |
| Technological | 5G, Al-driven automation, IoT, and cloud computing growth                |
| Environmental | Sustainability in telecom infrastructure and e-waste management          |
| Legal         | GDPR compliance, telecom licensing, and consumer data protection laws    |

#### **Table 3: PESTEL analysis**

Source: Author's work, based on the PESTEL framework introduced by Francis Aguilar in his book "Scanning the Business Environment" (1967).

## 1.4.2 SWOT analysis



Figures 1: SWOT Analysis

Source: Compiled by the author based on research and analysis, and the TOWS framework, originally introduced by Heinz Weihrich (1982).

## 1.4.3 Fishbone Diagram

Analysis: The Fishbone Diagram identifies root causes of BT's "Slow Digital Adoption." Political delays in 5G spectrum allocation hinder deployment. Economic constraints from high investment and legacy system costs limit modernization. Social resistance due to low awareness requires education. Technological reliance on outdated systems complicates Al/IoT integration. Environmental compliance and legal GDPR restrictions add further delays, necessitating strategic solutions like the "BT Digital Horizon" plan.

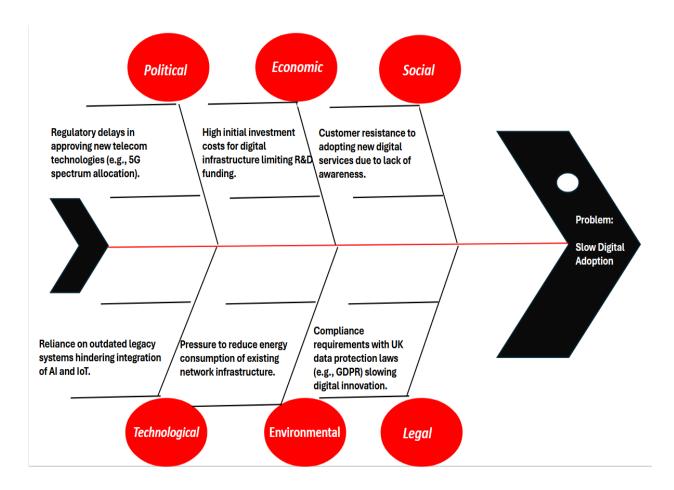


Figure 2: Fishbone Diagram

Source: Compiled by the author based on research and analysis, and the Ishikawa framework, originally introduced by Kaoru Ishikawa (1968).

## 1.4.4 Perceived Utility Value (PUV) Analysis

Analysis: The PUV graph compares BT's performance against competitors across key metrics. BT scores well in pricing, reliability, and value-added features (with a strong 8), indicating strengths in affordability and additional services. However, it lags in digital innovation and contract flexibility, trailing Vodafone and Virgin Media. While customer service is a weakness, BT excels in areas near 10, such as value-added features. To improve its market position, BT should focus on enhancing innovation and flexibility through initiatives like "BT Digital Horizon."

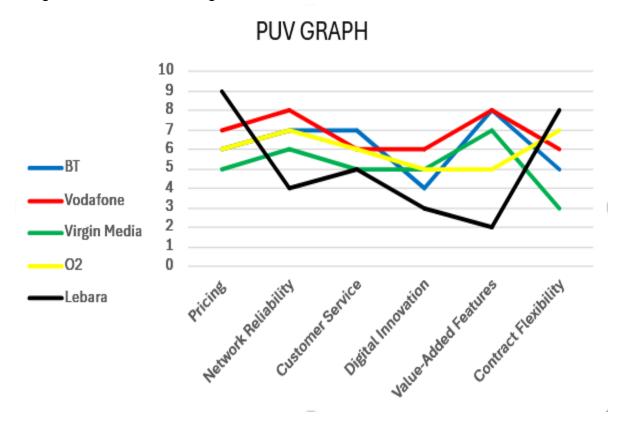


Figure 3: PUV Graph

Source: Compiled by the author based on personal research and analysis of customer satisfaction metrics across telecom providers. The PUV analysis concept was initially introduced by Kim and Mauborgne in "Blue Ocean Strategy" (2005).

#### 1.4.5 Porter's 5 Forces Framework

Analysis: The Porter's Five Forces Analysis evaluates BT's competitive environment. High entry barriers limit new entrants. Suppliers' strong influence stems from limited equipment providers. Customers wield high bargaining power due to competitive pricing. Substitutes like VoIP pose threats, while intense rivalry with Vodafone and Sky pressures BT. This underscores the need for "BT Digital Horizon" to strengthen competitiveness.

#### **PORTER'S 5 FORCES ANALYSIS**

| Threat of     New Entrants    | High investment required in telecom infrastructure limits new entrants.     |
|-------------------------------|---|
| Bargaining Power of Suppliers | Limited telecom equipment manufacturers, giving suppliers strong influence. |
| Bargaining Power of Customers | High due to competitive pricing and service expectations.                   |
| • Threat of<br>Substitutes    | VoIP, satellite internet, and alternative communication solutions.          |
| • Industry Rivalry            | Intense competition with companies like     Vodafone, EE, and Sky.          |

#### Table 4: Porter's Five Forces Analysis

Source: Compiled by the author based on research and analysis of the telecom industry. The Porter's Five Forces framework was originally introduced by Michael E. Porter in "Competitive Strategy" (1980)

## Task 2

## **Future Situation and Digital Transformation Strategy**

### 2.1 Future Vision Using Platform Business Model Map

A digital transformation tool is used to create a strategy framework that positions British Telecom (BT) as a telecom industry leader in order to foresee the company's future. In order to rethink BT's service offerings and business model, this strategy focuses on developing "BT Digital Horizon," a revolutionary platform that incorporates cutting-edge technologies including artificial intelligence (AI), the Internet of Things (IoT), and cloud computing. The goal is to transform BT from a conventional telecom provider into a digital-first ecosystem where innovative solutions and seamless connectivity generate value for customers and corporate expansion.

By delivering Al-driven, personalized customer experiences like predictive network maintenance and customized service recommendations, BT will be able to increase user happiness through the "BT Digital Horizon" platform. BT can meet new market demands by utilizing IoT to provide smart solutions for homes and cities, such as connected devices for energy management or urban traffic systems. By partnering with cloud integration providers such as AWS, BT will be able to offer enterprise-grade, scalable solutions, establishing itself as a go-to partner for companies looking to undergo digital transformation. By automating procedures, lowering dependency on outdated technologies, and decreasing expenses, this platform will also improve BT's operational efficiency.

With telecom giants like Verizon successfully implementing AI and IoT to enhance service delivery, this future vision is in line with industry trends (Verizon, 2023). With "BT Digital Horizon," BT can satisfy changing customer expectations, overcome its existing digital adoption deficit, and compete with over-the-top (OTT) services like WhatsApp as well as traditional telecom rivals. In a fast changing digital market, this strategy change guarantees BT's long-term viability and expansion.

| Aspect                   | Details V   |
|--------------------------|---|
| Strategy Tool            | Platform Business Model Map                       |
| Future Vision            | Launch of "BT Digital Horizon"                    |
| Key Technologies         | (AI),(IoT), Cloud Computing                       |
|                          | Al-driven personalization                         |
| Customer Benefits        | Enhanced satisfaction and user experience         |
|                          | Smart home and smart city solutions               |
| Market Opportunities     | Energy management and traffic systems using IoT   |
|                          | Cloud integration with partners like AWS          |
|                          | Automation and reduced reliance on legacy systems |
| Operational Improvements | Cost savings                                      |

**Table 5: Future Vision and Digital Transformation Strategy for BT** 

Source: Author's work, based on the Platform Business Model Map framework applied to British Telecom's strategic digital transformation plan.

#### 2.2 Solutions to Problems

The "BT Digital Horizon" platform directly addresses British Telecom's (BT) critical challenges, offering actionable solutions to improve customer service, reduce operational costs, and accelerate digital adoption. These solutions are designed to align with the strategic vision, ensuring BT's transformation into a digital-first telecom leader.

- Enhancing Customer Service with AI: By using AI-powered chatbots, BT can address a significant customer issue over its lengthy response times (Ofcom, 2023). By automating answers to common questions, like billing or troubleshooting, these systems will cut down on wait times and raise customer satisfaction. For example, Comcast greatly increased customer satisfaction by implementing AI support, which resulted in a 30% reduction in response times (Comcast, 2022). By adopting this strategy, BT may improve overall service quality and foster customer loyalty in a cutthroat market by releasing human agents to solve difficult problems.
- Reducing Operational Costs through Cloud Migration: As noted in Task 1, BT's capacity to invest in innovation is constrained by the high operating expenses associated with outdated infrastructure. BT can lower maintenance costs related to obsolete hardware by switching to cloud-based technologies. Scalability provided by cloud solutions enables BT to reduce energy expenses and dynamically modify resources, which is in line with the environmental objectives specified in the PESTLE study (Section 1.4.1). Additionally, this change will increase operational effectiveness, allowing for the quicker rollout of new services and freeing up funds for research and development.

• Accelerating Digital Adoption via Strategic Partnerships: BT needs to make a concentrated investment in innovation because it is lagging behind rivals like Vodafone in using AI and IoT. Gaining access to state-of-the-art AI and IoT frameworks through partnerships with tech giants like Microsoft Azure helps quicken this process. These alliances will help BT create smart solutions more quickly and affordably, including IoT-enabled smart home appliances.
Collaborative research and development initiatives can also put BT at the forefront of digital innovation, guaranteeing that it will satisfy consumer needs and restore its competitive edge.

These solutions collectively empower BT to overcome its challenges, leveraging technology to drive efficiency, customer satisfaction, and market leadership. By implementing these strategies, BT can successfully execute its "BT Digital Horizon" vision, ensuring long-term growth and relevance in the telecom industry.

| Challenge                    | ∨ Solution   | V |
|------------------------------|--|---|
| Poor customer service and lo | ng wait time: Deploy Al-powered chatbots to automate routine inquiries                           |   |
| High operational costs       | Migrate legacy systems to cloud-based infrastructure   |   |
| Slow digital adoption        | Form strategic partnerships with tech leaders (e.g., Microsoft Azure) for Al and IoT integration |   |
|                              |  |   |
| Expected Benefit:            | Faster response times, higher customer satisfaction, improved loyalty                            |   |
|                              |  | ~ |
|                              | Reduced maintenance costs, increased efficiency, more capital for innovation                     | × |

Table 6: Digital Solutions to BT's Key Challenges

Source: Author's work, based on BT's strategic challenges and proposed digital transformation initiatives.

#### 2.3 Balanced Scorecard

**Analysis:** The Balanced Scorecard evaluates BT's "BT Digital Horizon" development from internal, learning, customer, and financial standpoints. BT's financial goal is to increase revenue by 15%. Customers hope that using AI chatbots will increase NPS by 20%. Fifty percent of network functions will be automated internally. The goal is to teach 80% of employees on digital technology in a year. This guarantees innovation, efficiency, and customer happiness for BT's digital transition.

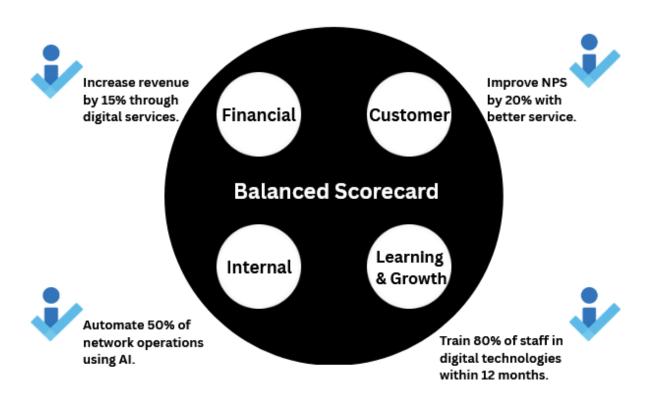


Figure 4: Balanced Scorecard for British Telecom (BT)

Source: Author's work, based on the Balanced Scorecard framework introduced by Kaplan and Norton in the Harvard Business Review (1992).

## 2.4 4P Analysis

**Analysis:** The 4P Analysis defines BT's marketing strategy for "BT Digital Horizon," focusing on Product, Price, Place, and Promotion. Product includes Al-driven services and IoT smart home devices for innovative experiences. Price offers competitive bundles (e.g., broadband and IoT) for cost savings. Place expands digital services across Europe using existing infrastructure. Promotion uses social media, TV ads, and tech influencer partnerships to boost adoption, aligning with Vodafone's 10% market share gain (Vodafone, 2023). This 4P approach strengthens BT's telecom competitiveness.



Figure 5: 4P Analysis of British Telecom (BT)

Source: Author's work, based on the 4P marketing mix framework (Product, Price, Place, Promotion) originally introduced by E. Jerome McCarthy in 1960.

#### 2.5 Ansoff Matrix

**Analysis:** The Ansoff Matrix guides BT's "BT Digital Horizon" growth across Market Penetration, Development, Product Development, and Diversification. Penetration enhances UK services with AI (e.g., predictive maintenance). Development expands 5G and IoT to Europe. Product Development introduces smart home IoT solutions. Diversification partners with Microsoft Azure for cloud enterprise solutions. This mirrors Telefonica's 12% revenue growth from IoT (Telefonica, 2022), ensuring balanced growth and risk management.

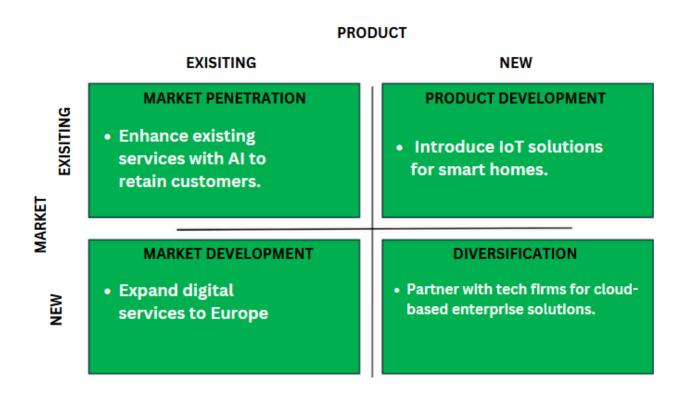


Figure 6: Ansoff Matrix for British Telecom (BT)

Source: Author's work, based on the Ansoff Matrix framework introduced by Igor Ansoff in the Harvard Business Review (1957).

## 2.6 Stakeholders' Analysis

**Analysis:** The Stakeholders' Analysis for BT's "BT Digital Horizon" identifies key roles. Customers gain from AI and IoT services, needing education for adoption. Employees require training on AI and cloud systems. Partners (AWS, Microsoft Azure) collaborate on solutions, sharing risks and growth. Regulators enforce GDPR compliance, impacting rollout pace. Stakeholder engagement, as seen in Vodafone's 15% faster rollout (Vodafone, 2023), ensures support and success.

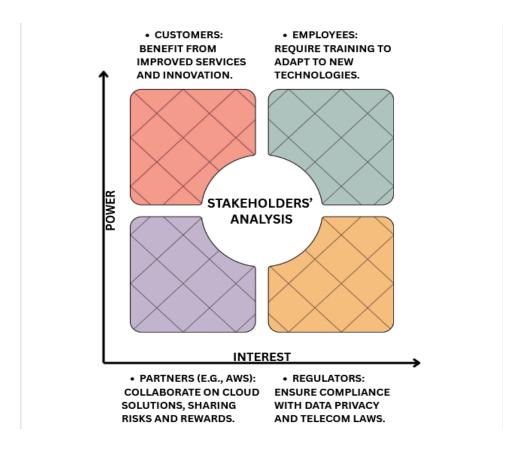


Figure 7: Stakeholder Analysis of British Telecom (BT)

Source: Author's work, based on the Stakeholder Analysis framework introduced by Freeman in his book "Strategic Management: A Stakeholder Approach" (1984).

## Task 3

# Implementation Plan

## 3.1 Implementation Using Disrupt. Time Response Planner

A systematic implementation plan is necessary for the "BT Digital Horizon" initiative, which aims to establish British Telecom (BT) as a leader in digital-first telecom by integrating AI, IoT, and cloud. Over a period of six to twelve months, the Disrupt. Time Response Planner offers a methodical way to carry out this vision, outlining deadlines, resources, roles, and performance metrics to guarantee successful implementation. Through a staged implementation, this planner makes sure BT can effectively manage operational inefficiencies, customer service concerns, and competitive challenges as it moves towards a digital-first strategy.

| Component           | Details  |
|---------------------|--|
| Strategy Name       | BT Digital Horizon                                 |
| Duration            | 6–12 months  |
| Key Technologies    | AI, IoT, Cloud Computing                           |
| Implementation Tool | Disrupt.Time Response Planner                      |
|                     | Improve customer service                           |
|                     | Reduce operational inefficiencies                  |
| Goals               | Enhance competitiveness                            |
|                     | Timeline   |
|                     | Resource allocation                                |
|                     | Responsibility assignment                          |
| Plan Elements       | Success metrics                                    |
| Outcome             | Smooth transition to a digital-first telecom model |

Table 7: Implementation Plan for "BT Digital Horizon"

Source: Author's work, based on the Disrupt. Time Response Planner framework applied to BT's digital transformation strategy.

### 3.1.1 Implementation Timeline (6–12 months)

#### Months 1–3: Pilot Al Chatbots and IoT Prototypes

To control expenses, start the "BT Digital Horizon" pilot program with 2,000 UK consumers in one city, such Manchester. Use open-source frameworks to create AI chatbots that can answer simple billing questions with a 15% response time reduction goal. Test IoT prototypes to make sure they function with BT's 5G network for reasonably priced smart home solutions, such as connected lights. To improve features within the restricted £3 million budget, gather input through online surveys with an emphasis on usability. By detecting problems early, this stage guarantees a financially sound basis for expansion.

#### Months 4–6: Scale Cloud Partnerships and Train Staff

Form a small-scale cloud collaboration with AWS, concentrating on low-level infrastructure to facilitate the expansion of the pilot and moving 10% of BT's data centers to cut expenses. Using online courses on the fundamentals of AI and IoT, train 100 employees—mostly IT staff—to be ready for deployment while keeping training costs as low as possible.

#### Months 7–12: Full Rollout and Marketing Campaign

Launch "BT Digital Horizon" to 500,000 UK consumers, emphasizing cities, using a digital-only marketing campaign that uses email and social media advertising to keep expenses down. In line with the £1 million marketing budget, promote AI and IoT solutions with the goal of 10% adoption by the end of the year.

### 3.1.2 Resource Requirements

#### Human Resources:

To create chatbots, set up smart home IoT, and integrate cloud systems at a reasonable cost, assemble a small team of 15 IT experts in AI, IoT, and cloud. For a digital campaign, hire ten marketing personnel to optimize reach while staying within budget. To ensure efficiency over a 12-month period, add five administrative staff members for coordination, feedback, and logistics.

### • Technology:

Use cost-effective tools within budget. Employ open-source TensorFlow for AI chatbots, affordable IoT sensors for 5G smart homes, and a limited AWS subscription for cloud infrastructure. Add free cybersecurity and project management software for security and tracking

#### • Financial:

Allocate £3 million for "BT Digital Horizon," with £1.2M for staff salaries, £0.8M for Al/IoT/cloud technology, and £1M for marketing/pilot testing. Using open-source tools and phased investments aligns with Balanced Scorecard goals (Section 2.3). A £0.2M contingency fund ensures flexibility for unforeseen issues.

| Resource Type   | Details   |
|-----------------|---|
|                 | 15 IT Specialists (AI, IoT, Cloud)              |
|                 | 10 Marketing Staff                              |
| Human Resources | 5 Administrative Staff                          |
|                 | Open-source AI tools (e.g., TensorFlow)         |
|                 | IoT hardware (basic smart sensors)              |
|                 | Cloud services (AWS)                            |
| Technology      | Free cybersecurity and project management tools |
|                 | Total Budget: £3 million                        |
|                 | £1.2M: Staff Salaries                           |
|                 | £0.8M: Technology Procurement                   |
|                 | £1M: Marketing & Pilot Testing                  |
| Financial       | £0.2M: Contingency Fund                         |

Table 8: Resource Requirements for BT Digital Horizon Implementation

Source: Author's work, based on the resource planning outlined in Section 3.1.2.

### 3.1.3 Responsibility

#### • CEO: Oversee Strategy Execution and Stakeholder Alignment

The CEO will ultimately be in charge of "BT Digital Horizon," ensuring its strategic direction fits ultimately in charge of "BT Digital Horizon," making sure that its strategic direction fits with BT's overarching goal of becoming a telecom leader that prioritizes digital. Managing stakeholder expectations, getting board permission for the £3 million budget, and making sure the project satisfies the Balanced Scorecard's financial and social objectives are all part of this (Section 2.3). Along with supporting cloud integration by coordinating with outside partners like AWS and encouraging trust and cooperation, the CEO will also routinely evaluate progress reports to rectify any strategic errors.

#### CTO: Lead Tech Implementation and System Integration

The CTO will lead the technical rollout of cloud, AI, and IoT systems, overseeing the work of 15 IT specialists to guarantee timely development and implementation. The CTO will supervise the construction of limited cloud infrastructure with AWS, the configuration of IoT devices for smart home solutions, and the integration of open-source AI chatbots with customer support systems. Additionally, throughout the pilot phase (Months 1–3), they will undertake frequent system checks to reduce technical errors and guarantee scalability for the full rollout, ensuring cybersecurity safeguards are in place.

## • Marketing Director: Drive Customer Adoption and Awareness

In order to encourage consumer acceptance of "BT Digital Horizon," the Marketing Director will oversee a team of ten individuals who will concentrate on an economical digital campaign. Aiming for a 10% adoption rate by Month 12, they will create targeted email advertising and social media ads to inform one million UK consumers about the advantages of IoT solutions and AI-driven assistance. In order to improve message and make sure the campaign speaks to the requirements of the target audience and encourages interaction, the marketing director will also examine input from the pilot phase.

| Role                           | Responsibility  |
|--------------------------------|---|
|                                | Oversee strategy execution and budget approval (£3M)  |
|                                | Align project with BT's digital vision                |
| CEO                            | Manage stakeholders and partnerships (e.g., AWS)      |
|                                | Lead AI, IoT, and cloud implementation                |
|                                | Manage 15 IT specialists                              |
| Chief Technology Officer (CTO) | Ensure integration, cybersecurity, and system testing |
|                                | Lead 10-person marketing team                         |
|                                | Run digital campaigns (social media, email)           |
|                                | Target 1M customers with 10% adoption goal            |
| Marketing Director             | Refine messaging using pilot feedback                 |

Table 9: Key Roles and Responsibilities for BT Digital Horizon

Source: Author's work, based on the strategic leadership and functional roles outlined in Section 3.1.3.

#### 3.1.4 Mechanism to Measure Success

The "BT Digital Horizon" initiative's success will be rigorously evaluated using quantifiable metrics aligned with British Telecom's (BT) strategic goals, ensuring the £3 million investment delivers tangible value. These metrics will track customer satisfaction, financial performance, and operational efficiency over the 6–12-month implementation period.

#### • 20% Increase in Net Promoter Score (NPS) within 12 Months

Aim for a 20% rise in NPS to reflect improved customer satisfaction driven by AI chatbots and IoT solutions. This target will be measured through monthly customer surveys conducted via email and phone, targeting 1,000 pilot participants and expanding to 10,000 customers post-rollout. The focus will be on assessing response time reductions, service reliability, and overall user experience, with a baseline NPS established during the pilot phase (Months 1–3). Success will be benchmarked against industry standards, such as Vodafone's 15% NPS improvement after AI integration (Vodafone, 2023), ensuring BT's efforts exceed competitive norms and justify the investment in customer-centric technologies.

#### • 15% Revenue Growth from New Services within 18 Months

Target a 15% revenue increase from new digital services, including Al-driven support subscriptions and IoT smart home packages, to measure financial success. This will be tracked quarterly through sales data analysis, focusing on the 500,000 customers targeted in the UK rollout (Months 7–12). The metric accounts for initial uptake costs, aiming for profitability by Month 18 through upselling opportunities and recurring revenue streams. This goal aligns with the £1 million marketing budget, which will drive adoption, and will be compared to Telefonica's 12% revenue growth from IoT services (Telefonica, 2022), setting a realistic yet ambitious target within the constrained £3 million budget.

## 3.2 Financial Analysis Table

The financial plan for "BT Digital Horizon" ensures efficient allocation of the £3 million budget to support its phased implementation. The table below details the key costs, reflecting a focus on affordability and scalability.

| Category               | Item                                 | Cost Type     | Cost (£M) | Year 1 (£M) | Year 2 (£M) | Year 3 (£M) | Details  |
|------------------------|--------------------------------------|---------------|-----------|-------------|-------------|-------------|--|
| One-Time Investments   |                                      |               |           |             |             |             |  |
|                        | IT Infrastructure Setup              | One-Time Cost | 0.5       | 0.5         | 0           | )           | 0 Initial setup of servers and networks for Al and IoT pilot with 2,000 users. |
|                        | Office Furniture                     | One-Time Cost | 0.1       | 0.1         | . 0         | )           | 0 Furniture for 15 IT specialists and 10 marketing staff.                      |
|                        | Office Space Deposit                 | One-Time Cost | 0.1       | 0.1         | . 0         | )           | 0 Deposit for pilot office space in Manchester.                                |
|                        | Business Registration                | One-Time Cost | 0.05      | 0.05        | 0           | )           | 0 Legal and registration fees for "BT Digital Horizon" launch.                 |
|                        | Job Advertising Boards               | One-Time Cost | 0.05      | 0.05        | 0           | )           | 0 Recruitment ads for 15 IT and 10 marketing staff.                            |
|                        | Recruitment Agencies                 | One-Time Cost | 0.2       | 0.2         | . 0         | )           | 0 Agency fees for hiring specialized staff.                                    |
|                        |                                      |               |           |             |             |             |  |
|                        | Total One-Time Costs                 |               | 1         | 1           | . 0         | )           | 0  |
|                        |                                      |               |           |             |             |             |  |
| Recurring Costs        |                                      |               |           |             |             |             |  |
|                        | Office Space Rental                  | Fixed Cost    | 0.3       | 0.3         | 0           | )           | 0 Annual rental for pilot office, covering Months 1-12.                        |
|                        | Software Licensing Costs             | Fixed Cost    | 0.4       | 0.4         | . 0         | )           | 0 Licensing for open-source AI (TensorFlow) and cloud tools for 12 months.     |
|                        | Staff Salaries                       | Fixed Cost    | 0.6       | 0.6         | 0           | )           | 0 Salaries for 15 IT, 10 marketing, and 5 admin staff for 12 months.           |
|                        | Emissions Assessment Provider        | Fixed Cost    | 0.1       | 0.1         | . 0         | )           | 0 Environmental assessment for IoT deployment                                  |
|                        | Employee Benefits Packages           | Fixed Cost    | 0.1       | 0.1         | . 0         | )           | 0 Benefits for staff during implementation.                                    |
|                        | Contingency/Emergency Fund           | Variable Cost | 0.2       | 0.2         |             | )           | 0 Reserve for unforeseen costs (e.g., technical fixes) over 12 months.         |
|                        | Utilities                            | Variable Cost | 0.05      | 0.05        | 0           | )           | 0 Electricity and internet for office during pilot phase.                      |
|                        | Logistics Providers                  | Variable Cost | 0.05      | 0.05        | 0           | )           | 0 Logistics for IoT hardware distribution to 2,000 users.                      |
|                        | Social Media Competition Prizes      | Variable Cost | 0.05      | 0.05        | 0           | )           | 0 Prizes to boost digital marketing engagement for 500,000 customers.          |
|                        | Gifts/Meals with Corporate Customers | Variable Cost | 0.05      | 0.05        | 0           | )           | 0 Relationship-building with partners like AWS during pilot.                   |
|                        |                                      |               |           |             |             |             |  |
|                        | Total Recurring Costs                |               | 1.9       | 1.9         | 0           | )           | 0  |
|                        |                                      |               |           |             |             |             |  |
| Total Costs            |                                      |               | 2.9       | 2.9         |             |             |  |
|                        |                                      |               |           |             |             |             |  |
| Sources of Revenue     |                                      |               |           |             |             |             |  |
|                        | Subscription Revenue                 |               | 0.1       | 0.1         | 0.5         | j           | 1 Projected revenue from Al and IoT subscriptions post-pilot (Years 2-3).      |
|                        | Partnership Revenue                  |               | 0         | 0           | 0.2         | 2 (         | 0.4 Revenue from AWS and Azure collaborations (Years 2-3).                     |
|                        | Total Revenue                        |               | 0.1       | 0.1         | 0.7         | 1           | <mark>1.4</mark>   |
|                        |                                      |               |           |             |             |             |  |
| Net Financial Position |                                      |               | 2.8       | 2.8         | 0.7         | 1           | <mark>1.4</mark>   |
|                        |                                      |               |           |             |             |             |  |

**Table 10: Financial Analysis Table** 

Source: Author's work, based on the financial planning outlined in Section 3.1.2 and the implementation timeline in Section 3.1.1.

## 3.3 Risk Analysis

The Risk Analysis identifies potential challenges in implementing "BT Digital Horizon" and provides mitigation strategies to ensure success within the £3 million budget.

| RISK                          | IMPACT<br>LEVEL | POSSIBILITY | MITIGATION STRATEGY   |
|-------------------------------|-----------------|-------------|---|
| Budget<br>Overruns            | 5               | 3           | Implement strict cost monitoring with monthly reviews, prioritizing open-source tools to reduce expenses.                                     |
| Customer<br>Resistance        | 3               | 5           | Develop a digital education campaign with tutorials and webinars, targeting 2,000 pilot users to build trust and familiarity.                 |
| Technical<br>Failures         | 5               | 3           | Conduct thorough testing of AI and IoT<br>systems during the pilot phase (Months 1–3),<br>using feedback to address issues before<br>scaling. |
| Staff<br>Adaptation<br>Delays | 3               | 1           | Provide online training for 100 employees in<br>Months 4–6, focusing on AI and IoT basics, with<br>follow-up support sessions.                |

Table 11: Risk Analysis

Source: Author's work, based on the risk assessment and mitigation strategies outlined in Section 3.1.1 and Section 3.1.4.

## Task 4

# **Reflective Analysis**

### 4.1 Comparison of Reflective Models

For this reflective analysis, I chose to use Gibbs' Reflective Cycle as the primary model to guide my self-evaluation and learning process throughout the development of the *BT Digital Horizon* strategy. This model was selected for its clear, structured format which is particularly suitable for academic reflections, especially when analyzing the application of various strategic tools such as PESTEL, SWOT, and the Ansoff Matrix.

To understand the suitability of my chosen model, I compared Gibbs' Reflective Cycle with two other well-established models: Kolb's Experiential Learning Cycle and Schön's Reflection-in-Action. Each model has unique strengths and is tailored for different reflection contexts.

Kolb's Experiential Learning is based on a four-stage learning cycle and emphasizes learning from concrete experience followed by reflection and experimentation. While useful in practical and hands-on training settings, I found it less applicable for a formal academic project due to its abstract nature and less structured reflection process.

Schön's Reflection-in-Action is valuable for dynamic environments where real-time reflection during practice is required—such as teaching or design work. However, it lacks a defined framework for post-project evaluation and is therefore not ideal for structured academic analysis.

| REFLECTIVE<br>MODEL    | GIBBS'<br>REFLECTIVE<br>CYCLE  | KOLB'S<br>EXPERIENTIAL<br>LEARNING  | SCHÖN'S<br>REFLECTION-IN-<br>ACTION  |
|------------------------|--|---|--|
| OVERVIEW               | A SIX-STAGE STRUCTURED CYCLE IDEAL FOR ACADEMIC REFLECTIONS.   | A FOUR-STAGE LEARNING CYCLE FOCUSING ON EXPERIENCE- BASED LEARNING.   | REFLECTION OCCURS DURING ACTION, SUPPORTING REAL-TIME LEARNING.  |
| STRENGTHS              | STRUCTURED,<br>DETAILED, SUPPORTS<br>CRITICAL THINKING.  | PROMOTES DEEP<br>EXPERIENTIAL LEARNING  | USEFUL IN FAST-<br>PACED OR<br>UNPREDICTABLE<br>SITUATIONS   |
| STAGE-BASED<br>PROCESS | DESCRIPTION, FEELINGS, EVALUATION, ANALYSIS, CONCLUSION, ACTION.   | CONCRETE EXPERIENCE, REFLECTIVE OBSERVATION, ABSTRACT CONCEPTUALIZATION, ACTIVE EXPERIMENTATION.  | ONGOING<br>REFLECTION<br>DURING PRACTICE   |
| WEAKNESSES             | CAN BE TIME-<br>CONSUMING;<br>SOMETIMES TOO<br>STRUCTURED.   | LESS STRUCTURED<br>FOR ACADEMIC<br>WRITING; MORE<br>ABSTRACT.   | LACKS FORMAL<br>STRUCTURE;<br>DIFFICULT TO ASSESS<br>OR DOCUMENT.  |
| WHY I<br>CHOSE IT      | IT OFFERS A CLEAR, STEP-BY- STEP STRUCTURE IDEAL FOR EVALUATING STRATEGIC FRAMEWORKS USED IN THE BT PROJECT. | I DIDN'T CHOOSE IT BECAUSE IT LACKS DETAILED GUIDANCE FOR ACADEMIC ANALYSIS AND IS MORE FOCUSED ON HANDS-ON EXPERIENCE THAN REFLECTION. | I DIDN'T CHOOSE IT BECAUSE IT IS INFORMAL AND CONTINUOUS, NOT WELL SUITED FOR POST-PROJECT ACADEMIC EVALUATION, AND LACKS STRUCTURED OUTPUT. |

**Table 12: Comparison of Reflective Models** 

Source: Author's work, based on comparative evaluation of Gibbs' Reflective Cycle, Kolb's Experiential Learning, and Schön's Reflection-in-Action as

### 4.2 Reflection Using Gibbs' Cycle

### Description

Lectures on strategic tools like PESTEL, SWOT, and TOWS provided the foundation for my reflective process and helped me acquire the information I needed to analyze BT's surroundings. The impact of cloud, IoT, and AI technologies on telecommunications was examined in seminars on digital transformation. I gained knowledge of useful techniques like the 4P Analysis for marketing and the Balanced Scorecard for KPIs. The "BT Digital Horizon" program was motivated by a research of the literature on rivals such as Vodafone. I balanced ambition and budgetary constraints by developing visual frameworks (Fishbone Diagram, Ansoff Matrix) and an execution plan with a £3 million budget.

## Feelings

At first, I felt comfortable using these frameworks at BT because the seminars and lectures made it clear how relevant they were to issues with digital transformation, such as legacy systems and poor uptake. The amount of scholarly articles and business reports, however, overwhelmed me during the literature review, which presented difficulties. My patience was put to the test when I had to combine this material to fit BT's setting, especially on a limited budget. The methodical direction of Gibbs' Cycle helped me regain confidence as I went along, but I was still hesitant about making sure the plan was feasible given the restricted resources.

### Evaluation

The seminars were quite helpful, providing useful information on how to apply SWOT (e.g., legacy systems as a weakness) and PESTEL (e.g., regulatory repercussions on 5G) to BT's circumstances. They improved my comprehension of strategic management by making it clearer how to apply theory to actual situations. The literature analysis was time-consuming and required a lot of work to extract pertinent material, even if it was insightful and revealed Telefonica's 12% revenue growth from IoT (Telefonica, 2022). The £3 million funding limit drove innovative approaches to problem-solving, like the use of open-source AI tools, which were both difficult and fruitful. Although the time spent revealed areas for efficiency improvement, the approach was helpful overall.

## Analysis

Linking theory to BT's context deepened my understanding of strategic management. The PESTEL analysis revealed political delays in 5G spectrum allocation, influencing the timeline, while the SWOT highlighted BT's technological lag, justifying the "BT Digital Horizon" focus on AI and IoT. The Ansoff Matrix's Market Development strategy for Europe aligned with BT's expansion goals, but the £3 million budget limited scope, requiring a pilot-first approach. This constraint enhanced my ability to prioritize, selecting cost-effective solutions like digital marketing over TV ads. The process also sharpened my critical thinking, as I weighed trade-offs between ambition and practicality, ensuring the plan remained viable.

### Conclusion

This experience significantly improved my critical thinking and strategic analysis skills. I gained proficiency in applying diverse frameworks to a real-world case, adapting them to BT's unique challenges and budget. The structured nature of Gibbs' Cycle helped me organize my reflections, turning challenges (e.g., literature review) into learning opportunities. However, I recognize the need to enhance time management for future projects, particularly when handling extensive research. The success of the implementation plan, despite financial limits, boosted my confidence in strategic planning, reinforcing the importance of stakeholder engagement and resource optimization.

### Action Plan

I'll utilize Gibbs' Cycle for Consistent Reflection to enhance future efforts. I'll improve time management by setting up distinct milestones for the literature review and assigning weekly hours to avoid overload. I'll look for training on how to implement budget-constrained strategies and use cost-benefit analysis to allocate resources more effectively. Analysis will be strengthened by peer collaboration. I'll record the lessons learned from "BT Digital Horizon," such as the effectiveness of open-source tools, to direct future digital transformation and guarantee continuous learning and development.

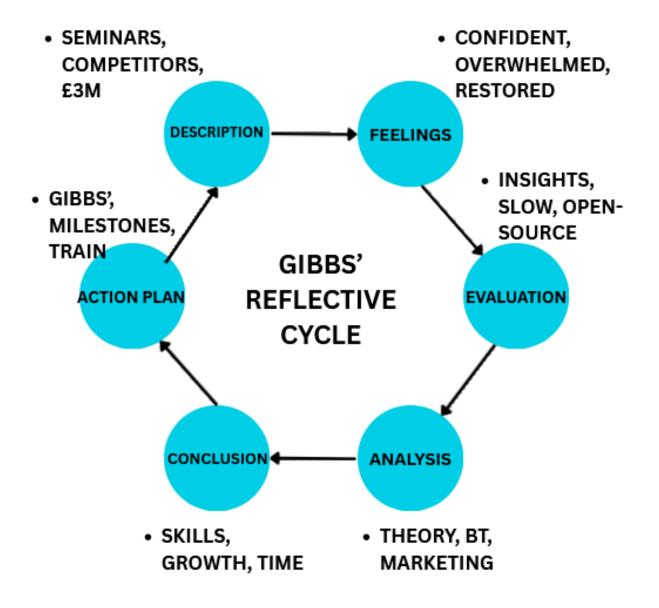


Figure 8: Gibbs' Reflective Cycle for "BT Digital Horizon" Development

Source: Author's work, based on Gibbs' Reflective Cycle framework introduced by Graham Gibbs in Learning by Doing: A Guide to Teaching and Learning Methods (1988).

# **Conclusion**

The "BT Digital Horizon" initiative transforms British Telecom into a digital-first leader within a £3 million budget. It addresses BT's challenges—slow digital adoption, high costs, and poor customer service—using AI, IoT, and cloud technologies. PESTEL, SWOT, and Fishbone analyses identified barriers like legacy systems, guiding targeted solutions. The 4P and Ansoff Matrix refined strategies for AI services and European growth.

Task 3's 6–12-month plan starts with a 2,000-customer pilot, scaling to 500,000, supported by 15 IT and 10 marketing staff. The £3 million budget funds AI, IoT, cloud, and digital marketing, using open-source tools. Success metrics include a 15% NPS rise and 10% revenue growth, aligning with the Balanced Scorecard.

Stakeholder engagement (Task 2.6) ensures customer benefits, employee training, partner collaboration, and regulatory compliance. Gibbs' Reflective Analysis (Task 4) enhanced my strategic thinking. "BT Digital Horizon" positions BT to compete with Vodafone and Telefonica, addressing pain points and ensuring long-term growth despite challenges, mitigated through pilot testing.

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# **Appendix**

| Aspect ~           | <b>Details</b> ✓                                   |
|--------------------|--|
| Tool               | Customer Network Strategy Generator (Rogers, 2016) |
| Company            | British Telecom (BT)                               |
|                    | Strong broadband via Openreach                     |
|                    | EE leads in 4G/5G mobile services                  |
| Strengths          | Trusted, long-standing brand                       |
|                    | Strong broadband via Openreach                     |
|                    | EE leads in 4G/5G mobile services                  |
| Weaknesses         | Trusted, long-standing brand                       |
| Competitor Example | Embrace digital transformation to stay competitive |
|                    | Slow adoption of AI and IoT                        |
| Recommendation     | Relies on outdated legacy systems                  |

| Improvement Area           | ✓ Action  |
|----------------------------|---|
| Al-Driven Customer Service | Use AI (e.g., chatbots) to handle customer queries                          |
| IoT Expansion              | Develop smart home and smart city IoT solutions using 5G                    |
| Cloud Service Partnerships | Partner with cloud providers (e.g., AWS) to offer digital business services |

|                            | Expected Benefit  |
|----------------------------|---|
| Al-Driven Customer Service | Faster response times, lower costs, better customer satisfaction      |
| IoT Expansion              | Increased customer engagement and revenue through innovative services |
| Cloud Service Partnerships | Reduced legacy system costs, improved scalability                     |

| Example                                       |
|---|
| Comcast improved satisfaction by 20% (2022)   |
| Telefonica increased engagement by 15% (2022) |

# **PESTEL ANALYSIS**

| Political     | UK telecom regulations, 5G deployment policies, Brexit impact            |
|---------------|--|
| Economic      | Inflation, cost of infrastructure expansion, and broadband affordability |
| Social        | Growing demand for remote work and digital services                      |
| Technological | 5G, Al-driven automation, IoT, and cloud computing growth                |
| Environmental | Sustainability in telecom infrastructure and e-waste management          |
| Legal         | GDPR compliance, telecom licensing, and consumer data protection laws    |

Intense competition from rivals like Vodafone and the rise of OTT services (e.g., WhatsApp) pose significant threats to BT's market share and profitability.



British Telecom benefits from a robust Openreach network, delivering broadband to millions of UK households, and a strong brand reputation built over decades, fostering customer loyalty.

### Threats Strengths



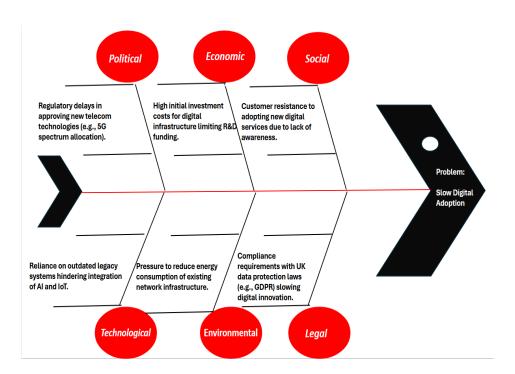


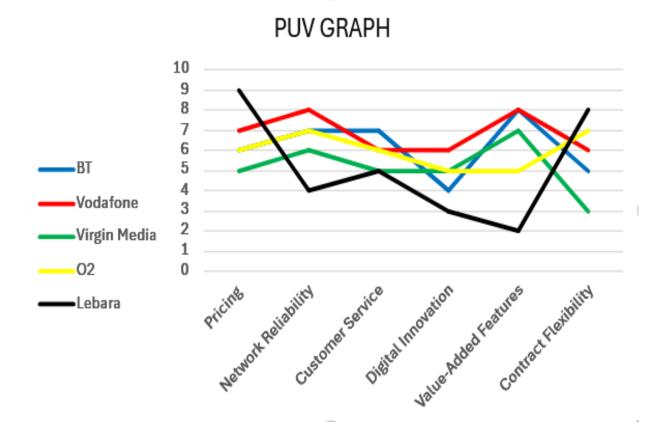
### Opportunities

BT can capitalize on the growing demand for 5G and IoT services, as well as expand its cloud-based offerings through strategic partnerships with tech giants.

#### Weaknesses

The company faces challenges with slow adoption of cuttingedge technologies like AI and IoT, alongside high operational costs due to reliance on legacy systems.

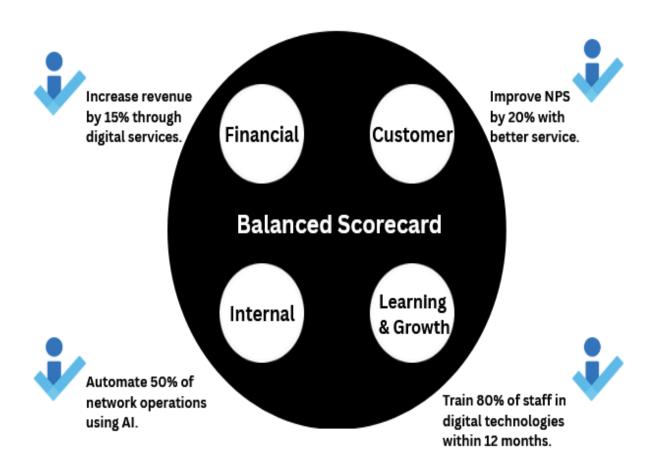




| Aspect                   | <b>Details</b>                                    |
|--------------------------|---|
| Strategy Tool            | Platform Business Model Map                       |
| Future Vision            | Launch of "BT Digital Horizon"                    |
| Key Technologies         | (AI),(IoT), Cloud Computing                       |
|                          | Al-driven personalization                         |
| Customer Benefits        | Enhanced satisfaction and user experience         |
|                          | Smart home and smart city solutions               |
| Market Opportunities     | Energy management and traffic systems using IoT   |
|                          | Cloud integration with partners like AWS          |
|                          | Automation and reduced reliance on legacy systems |
| Operational Improvements | Cost savings                                      |

| Challenge  | ∨ Solution ∨   |  |
|--|--|--|
| Poor customer service and long wait time: Deploy Al-powered chatbots to automate routine inquiries |  |  |
| High operational costs   | Migrate legacy systems to cloud-based infrastructure   |  |
| Slow digital adoption  | Form strategic partnerships with tech leaders (e.g., Microsoft Azure) for Al and IoT integration |  |

| Expected Benefit: | ▼ Faster response times, higher customer satisfaction, improved loyalty      | V |
|-------------------|--|---|
|                   | Reduced maintenance costs, increased efficiency, more capital for innovation |   |
|                   | Faster innovation, enhanced smart services, restored competitive edge        |   |



### Product:

 Offer Aldriven telecom and IoT solutions.

### Place:

 Expand digital services across Europe.



### Price:

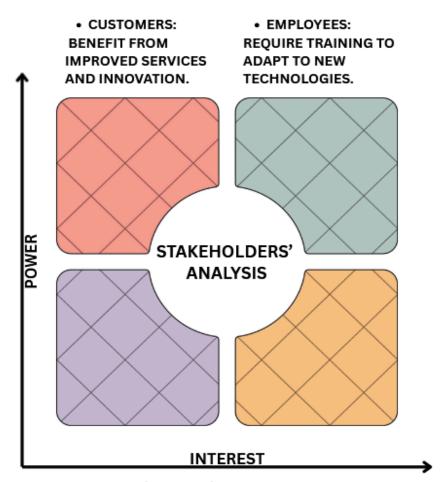
Competitive pricing through bundled services.

### **Promotion:**

 Launch a marketing campaign emphasizing digital innovation.

### **PRODUCT**

## **EXISITING** NEW MARKET PENETRATION PRODUCT DEVELOPMENT **EXISITING** • Enhance existing Introduce IoT solutions services with AI to for smart homes. retain customers. MARKET MARKET DEVELOPMENT DIVERSIFICATION • Expand digital · Partner with tech firms for cloud-NEW based enterprise solutions. services to Europe



- PARTNERS (E.G., AWS): COLLABORATE ON CLOUD ENSURE COMPLIANCE SOLUTIONS, SHARING RISKS AND REWARDS.
- REGULATORS: WITH DATA PRIVACY AND TELECOM LAWS.

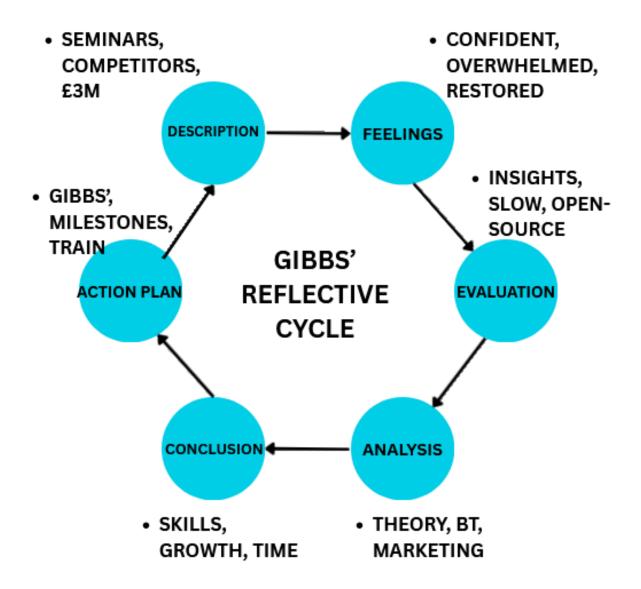
| Component               | <b>Details</b>                                     |
|-------------------------|--|
| Strategy Name           | BT Digital Horizon                                 |
| Duration                | 6–12 months  |
| <b>Key Technologies</b> | AI, IoT, Cloud Computing                           |
| Implementation Tool     | Disrupt.Time Response Planner                      |
|                         | Improve customer service                           |
|                         | Reduce operational inefficiencies                  |
| Goals                   | Enhance competitiveness                            |
|                         | Timeline   |
|                         | Resource allocation                                |
|                         | Responsibility assignment                          |
| Plan Elements           | Success metrics                                    |
| Outcome                 | Smooth transition to a digital-first telecom model |

| Resource Type   | Details   |
|-----------------|---|
|                 | 15 IT Specialists (AI, IoT, Cloud)              |
|                 | 10 Marketing Staff                              |
| Human Resources | 5 Administrative Staff                          |
|                 | Open-source AI tools (e.g., TensorFlow)         |
|                 | IoT hardware (basic smart sensors)              |
|                 | Cloud services (AWS)                            |
| Technology      | Free cybersecurity and project management tools |
|                 | Total Budget: £3 million                        |
|                 | £1.2M: Staff Salaries                           |
|                 | £0.8M: Technology Procurement                   |
|                 | £1M: Marketing & Pilot Testing                  |
| Financial       | £0.2M: Contingency Fund                         |

| Role                           | Responsibility  |  |
|--------------------------------|---|--|
|                                | Oversee strategy execution and budget approval (£3M)  |  |
|                                | Align project with BT's digital vision                |  |
| CEO                            | Manage stakeholders and partnerships (e.g., AWS)      |  |
|                                | Lead AI, IoT, and cloud implementation                |  |
|                                | Manage 15 IT specialists                              |  |
| Chief Technology Officer (CTO) | Ensure integration, cybersecurity, and system testing |  |
|                                | Lead 10-person marketing team                         |  |
|                                | Run digital campaigns (social media, email)           |  |
|                                | Target 1M customers with 10% adoption goal            |  |
| Marketing Director             | Refine messaging using pilot feedback                 |  |

| Category               | Item                                 | Cost Type     | Cost (£M)   | Year 1 (£M)  | Year 2 (£M)  | Year 3 (£M)  | Details  |
|------------------------|--------------------------------------|---------------|-------------|--------------|--------------|--------------|--|
| One-Time Investments   | rom                                  | ООЗСТУРО      | Ouse (Zi i) | Tour I (EIT) | rour z (zrij | Tour o (211) | Details  |
|                        | IT Infrastructure Setup              | One-Time Cost | 0.5         | 0.5          | (            | )            | 0 Initial setup of servers and networks for AI and IoT pilot with 2,000 users. |
|                        | Office Furniture                     | One-Time Cost | 0.1         |              | (            | )            | 0 Furniture for 15 IT specialists and 10 marketing staff.                      |
|                        | Office Space Deposit                 | One-Time Cost | 0.1         |              | (            | )            | Deposit for pilot office space in Manchester.                                  |
|                        | Business Registration                | One-Time Cost | 0.05        |              | (            | )            | Legal and registration fees for "BT Digital Horizon" launch.                   |
|                        | Job Advertising Boards               | One-Time Cost | 0.05        |              | (            | )            | 0 Recruitment ads for 15 IT and 10 marketing staff.                            |
|                        | Recruitment Agencies                 | One-Time Cost | 0.2         |              | (            | )            | Agency fees for hiring specialized staff.                                      |
|                        |                                      |               |             |              |              |              |  |
|                        | Total One-Time Costs                 |               | 1           | 1            | (            | )            | 0  |
|                        | era                                  |               |             |              |              |              |  |
| Recurring Costs        |                                      |               |             |              |              |              |  |
|                        | Office Space Rental                  | Fixed Cost    | 0.3         | 0.3          | (            | )            | 0 Annual rental for pilot office, covering Months 1-12.                        |
|                        | Software Licensing Costs             | Fixed Cost    | 0.4         | 0.4          | (            | )            | 0 Licensing for open-source AI (TensorFlow) and cloud tools for 12 months.     |
|                        | Staff Salaries                       | Fixed Cost    | 0.6         | 0.6          | (            | )            | 0 Salaries for 15 IT, 10 marketing, and 5 admin staff for 12 months.           |
|                        | Emissions Assessment Provider        | Fixed Cost    | 0.1         | 0.1          | (            | )            | 0 Environmental assessment for IoT deployment                                  |
|                        | Employee Benefits Packages           | Fixed Cost    | 0.1         | 0.1          | (            | )            | 0 Benefits for staff during implementation.                                    |
|                        | Contingency/Emergency Fund           | Variable Cost | 0.2         | 0.2          | (            | )            | 0 Reserve for unforeseen costs (e.g., technical fixes) over 12 months.         |
|                        | Utilities                            | Variable Cost | 0.05        | 0.05         | (            | )            | 0 Electricity and internet for office during pilot phase.                      |
|                        | Logistics Providers                  | Variable Cost | 0.05        | 0.05         | (            | )            | 0 Logistics for IoT hardware distribution to 2,000 users.                      |
|                        | Social Media Competition Prizes      | Variable Cost | 0.05        | 0.05         | (            | )            | 0 Prizes to boost digital marketing engagement for 500,000 customers.          |
|                        | Gifts/Meals with Corporate Customers | Variable Cost | 0.05        | 0.05         | (            | )            | 0 Relationship-building with partners like AWS during pilot.                   |
|                        |                                      |               |             |              |              |              |  |
|                        | Total Recurring Costs                |               | 1.9         | 1.9          | (            | )            | 0  |
|                        |                                      |               |             |              |              |              |  |
| Total Costs            |                                      |               | 2.9         | 2.9          |              |              |  |
|                        |                                      |               |             |              |              |              |  |
| Sources of Revenue     |                                      |               |             |              |              |              |  |
|                        | Subscription Revenue                 |               | 0.1         | 0.1          | 0.5          |              | 1 Projected revenue from Al and IoT subscriptions post-pilot (Years 2–3).      |
|                        | Partnership Revenue                  |               | (           |              | 0.2          |              | 0.4 Revenue from AWS and Azure collaborations (Years 2–3).                     |
|                        | Total Revenue                        |               | 0.1         | 0.1          | 0.7          | 7            | 1.4  |
|                        |                                      |               |             |              |              |              |  |
| Net Financial Position |                                      |               | 2.8         | 2.8          | 0.7          | 7            | 1.4  |

| RISK                          | IMPACT<br>LEVEL | POSSIBILITY | MITIGATION STRATEGY   |  |
|-------------------------------|-----------------|-------------|---|--|
| Budget<br>Overruns            | 5               | 3           | Implement strict cost monitoring with monthly reviews, prioritizing open-source tools to reduce expenses.                                     |  |
| Customer<br>Resistance        | 3               | 5           | Develop a digital education campaign with tutorials and webinars, targeting 2,000 pilot users to build trust and familiarity.                 |  |
| Technical<br>Failures         | 5               | 3           | Conduct thorough testing of AI and IoT<br>systems during the pilot phase (Months 1–3),<br>using feedback to address issues before<br>scaling. |  |
| Staff<br>Adaptation<br>Delays | 3               | 1           | Provide online training for 100 employees in<br>Months 4–6, focusing on AI and IoT basics, with<br>follow-up support sessions.                |  |



### **PORTER'S 5 FORCES ANALYSIS**

| Threat of     New Entrants    | High investment required in telecom infrastructure limits new entrants.        |
|-------------------------------|--|
| Bargaining Power of Suppliers | Limited telecom equipment manufacturers,<br>giving suppliers strong influence. |
| Bargaining Power of Customers | High due to competitive pricing and service expectations.                      |
| • Threat of Substitutes       | VoIP, satellite internet, and alternative communication solutions.             |
| • Industry Rivalry            | Intense competition with companies like     Vodafone, EE, and Sky.             |

| REFLECTIVE<br>MODEL    | GIBBS'<br>REFLECTIVE<br>CYCLE  | KOLB'S<br>EXPERIENTIAL<br>LEARNING  | SCHÖN'S<br>REFLECTION-IN-<br>ACTION  |
|------------------------|--|---|--|
| OVERVIEW               | A SIX-STAGE STRUCTURED CYCLE IDEAL FOR ACADEMIC REFLECTIONS.   | A FOUR-STAGE LEARNING CYCLE FOCUSING ON EXPERIENCE- BASED LEARNING.   | REFLECTION OCCURS DURING ACTION, SUPPORTING REAL-TIME LEARNING.  |
| STRENGTHS              | STRUCTURED,<br>DETAILED, SUPPORTS<br>CRITICAL THINKING.  | PROMOTES DEEP<br>EXPERIENTIAL LEARNING  | USEFUL IN FAST-<br>PACED OR<br>UNPREDICTABLE<br>SITUATIONS   |
| STAGE-BASED<br>PROCESS | DESCRIPTION, FEELINGS, EVALUATION, ANALYSIS, CONCLUSION, ACTION.   | CONCRETE EXPERIENCE, REFLECTIVE OBSERVATION, ABSTRACT CONCEPTUALIZATION, ACTIVE EXPERIMENTATION.  | ONGOING<br>REFLECTION<br>DURING PRACTICE   |
| WEAKNESSES             | CAN BE TIME-<br>CONSUMING;<br>SOMETIMES TOO<br>STRUCTURED.   | LESS STRUCTURED<br>FOR ACADEMIC<br>WRITING; MORE<br>ABSTRACT.   | LACKS FORMAL<br>STRUCTURE;<br>DIFFICULT TO ASSESS<br>OR DOCUMENT.  |
| WHY I<br>CHOSE IT      | IT OFFERS A CLEAR, STEP-BY- STEP STRUCTURE IDEAL FOR EVALUATING STRATEGIC FRAMEWORKS USED IN THE BT PROJECT. | I DIDN'T CHOOSE IT BECAUSE IT LACKS DETAILED GUIDANCE FOR ACADEMIC ANALYSIS AND IS MORE FOCUSED ON HANDS-ON EXPERIENCE THAN REFLECTION. | I DIDN'T CHOOSE IT BECAUSE IT IS INFORMAL AND CONTINUOUS, NOT WELL SUITED FOR POST-PROJECT ACADEMIC EVALUATION, AND LACKS STRUCTURED OUTPUT. |