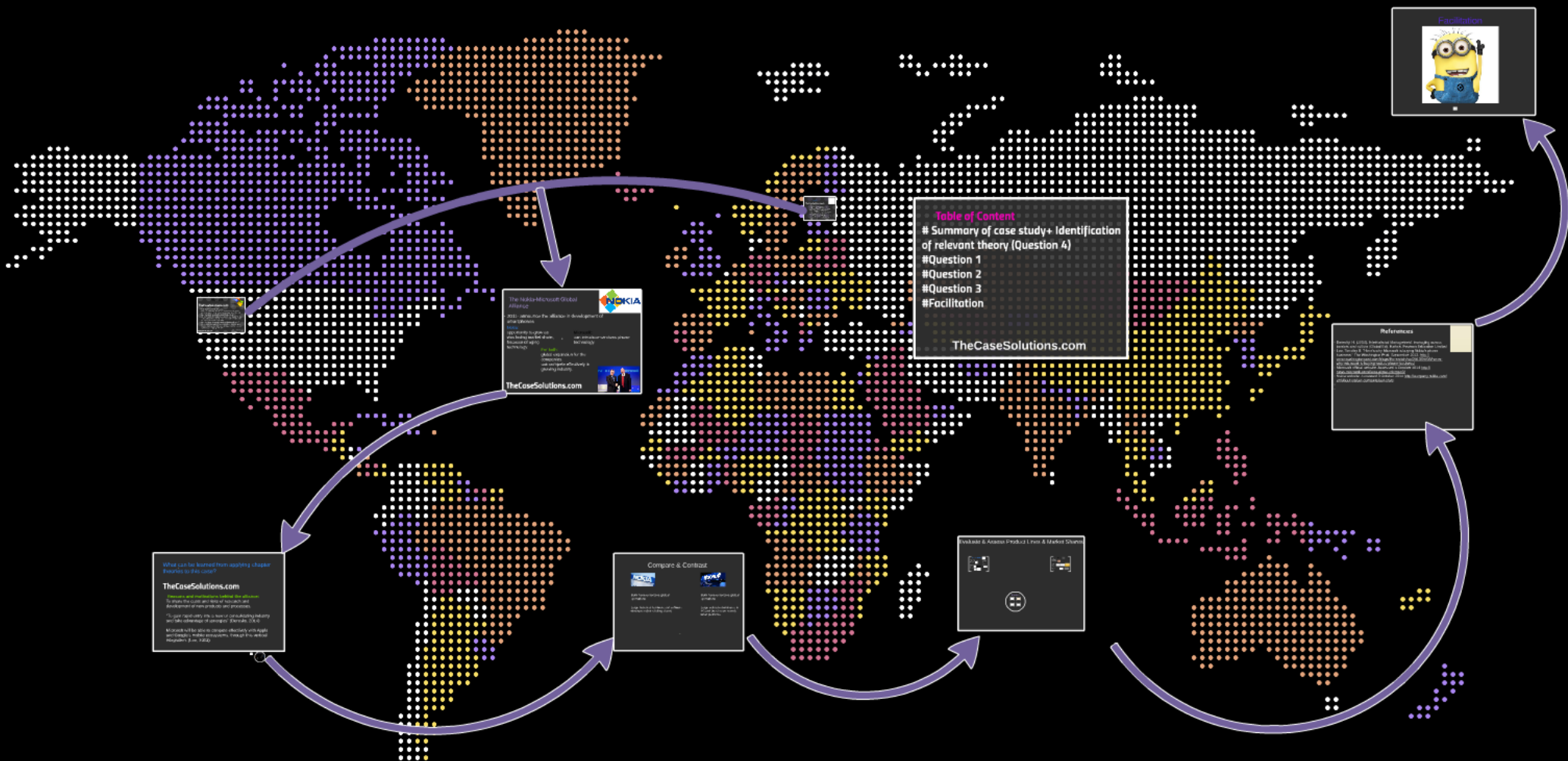


# M-Pesa and Mobile Money in Kenya: Pricing for Success

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## **Table of Content**

**# Summary of case study+ Identification of relevant theory (Question 4)**

**#Question 1**

**#Question 2**

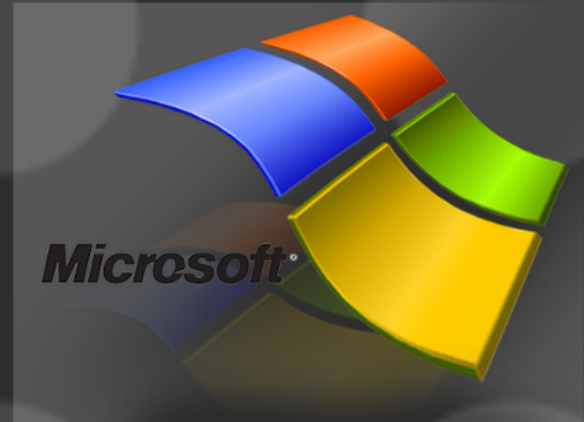
**#Question 3**

**#Facilitation**

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# Microsoft

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- Founded in 1975 by Bill Gates
- Aug. 12, 1981 IBM introduces its personal computer with Microsoft's 16-bit operating system, MS-DOS 1.0
- Nov. 22, 2005 Microsoft launches Xbox 360
- June 27, 2008 Bill Gates transitions from his day-to-day role at Microsoft to spend more time on his work at The Bill & Melinda Gates Foundation
- Nov. 10, 2010 Microsoft launches Windows Phone 7
- Sept. 3, 2013 Microsoft announces decision to acquire Nokia's devices and services business, license Nokia's patents and mapping services

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*source: Facts About  
Microsoft*

# Nokia

**NOKIA**  
Connecting People

## TheCaseSolutions.com

- Founded in 1871
- In 1967, had five businesses: rubber, cable, forestry, electronics and power generation.
- 1987: Launches first phone. The Mobira Cityman.
- 1992: Sells non-mobile divisions and launches first digital GSM phone, the Nokia 1011
- 2003: Basic 1100 phone launched. Goes on to sell 250 million units and become the world's most popular consumer electronic device
- 2011: Abandons Symbian mobile phone operating software for the Windows platform instead
- 2013: Launches the Lumia 1020 boasting a 41 megapixel camera.

*Source: Reuters/Nokia*

# The Nokia-Microsoft Global Alliance



- 2011- announce the alliance in development of smartphones

## Nokia:

opportunity to grow as was losing market share, because of aging technology.

## Microsoft:

can introduce windows phone technology.

## For both:

global expansion for the companies.  
can compete effectively in growing industry.

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Nokia Lumia with Microsoft Windows technology

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What can be learned from applying chapter theories to this case?

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### **Reasons and motivations behind the alliance:**

To share the costs and risks of research and development of new products and processes.

"To gain rapid entry into a new or consolidating industry and take advantage of synergies" (Deresky, 2014)

Microsoft will be able to compete effectively with Apple and Google's mobile ecosystems, through this vertical integration. (Lee, 2013)



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## Guidelines for a successful alliance :

1. Choose a partner with compatible goals and objectives with whom through synergies of combines markets, technologies, etc.
2. Have complementary skills, products, and markets.
3. Work out how shared technology will be handled.
4. Recognise that most alliances are short-term and will break up once one partner feels it can go it alone. (Deresky, 2014, p. 244)

In April 2014 Microsoft takeover of Nokia's devices and services business (US\$7.2b acquisition)