

# Driving 'New Wave' Income Growth across BT Group



## THE CLIENT

BT is one of the world's leading telecommunications companies, serving over 1m business and 15m domestic customers in the UK. From its origins as a publicly-owned national telephone company, and since its privatisation in the 1980s, BT has diversified and developed its business to become a world-leading ICT provider, offering broadband, convergent mobility solutions and global networked IT services.



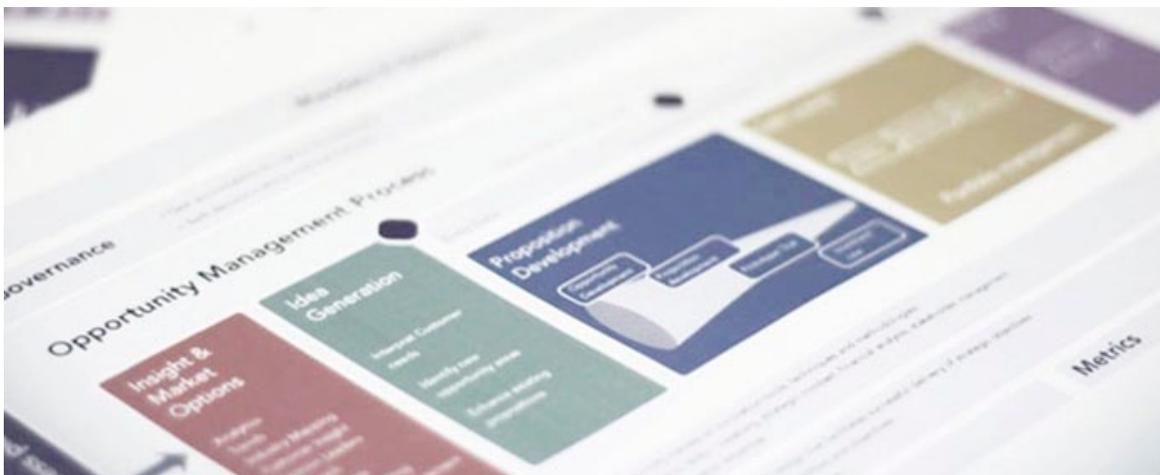
## THE SITUATION

In 2001, BT faced revenue and margin threats to its core telephony markets due to regulation promoting competition in a deregulated market. BT recognised that improving core competitiveness would not be enough to sustain growth; a large and profitable stream of 'new wave' revenues needed to be created to offset core market losses and create the potential for long-term growth. It needed to happen fast. In the Retail division alone, BT needed to build new, profitable lines of business delivering an annual revenue of £1bn within 3 years.

For help, BT turned to Edengene, a consultancy with a track record of establishing major new growth engines, and deploying market-leading innovation techniques within a tough 'get it done' process to get large new businesses to market quickly.

## THE SOLUTION

Given the timeframe, the team went straight to work on the project, taking the approach that the processes and methodologies could be codified as it was implemented. To do this, Edengene adapted its own innovation methodology to BT's requirements, designing appropriate governance around the content work in close consultation with BT executives. By avoiding a more traditional 'design-build-operate' approach, BT saved 3 months on the delivery timetable.



# Building over 30 new products or lines of business launches in as many months

Working initially with the Retail Consumer division, the team identified over 20 opportunities for new products and lines of business, of which three were selected for fast-track development. Driving the pace aggressively, the team delivered 3 new businesses to market within 6 months, using Edengene's experienced staff as interim executives to get the new businesses safely off the ground.

The same process was then repeated at BT's other divisions, including BT Retail Business and Major Business, BT Wholesale and BT Exact. In all cases a substantial portfolio of opportunities was identified, and significant new products, services and lines of business were launched to market within months.

## THE RESULTS

Working closely with its BT counterparts, the Edengene team generated over 30 new product or lines of business launches in as many months. The resulting revenues and profits made a major contribution to BT's growth. In 2008, 'new wave' revenues reached over £8bn.

**"In 2002, recognising that parts of our traditional business were in decline, we adopted the strategy of growing new wave revenue... In 2008, new wave activities accounted for 39% of total revenue. The new wave really has become business as usual."**

BT Annual Report 2008

## THE LEGACY

Significantly, Edengene did not just help BT deliver its 'new wave' growth. The programme built an enterprise-wide innovation legacy for BT, with a methodology that is still used today. Hundreds of employees from new joiners to senior executives acquired skills and expertise through structured training, coaching and co-working with Edengene's expert practitioners.

As well as delivering project work ourselves, Edengene built BT's own innovation centre of excellence, which has continued to drive customer-focused innovation across the BT Group, delivering value long after Edengene's initial programme was completed.



**"This was more than just consulting, it was ground breaking teamwork."**

Head of Campaign Management, BT

## CONTACT EDENGENE

71 Collier Street  
London N1 9BE  
+44 (0)203 514 3090  
info@edengene.com  
www.edengene.com