

# *Intel's Emerging Market Strategy: Sustainable Computing for Developing Countries*



# EMPG

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# Agenda

- **Big Picture**
- **EMPG Charter / Objectives**
- **3D Model – Define, Develop, Deliver**
- **Products**
- **Delivery Channel**



# The Developing World...

1 Billion+  
Live on  
Less than  
\$1 a Day

2.7 Billion  
Live on  
Less than  
\$2 a Day

Poverty  
goes far  
beyond  
income  
poverty

Being poor is not just about having less money...  
...it is about having less opportunities

Lack of Information Leads  
to Social Exclusion...

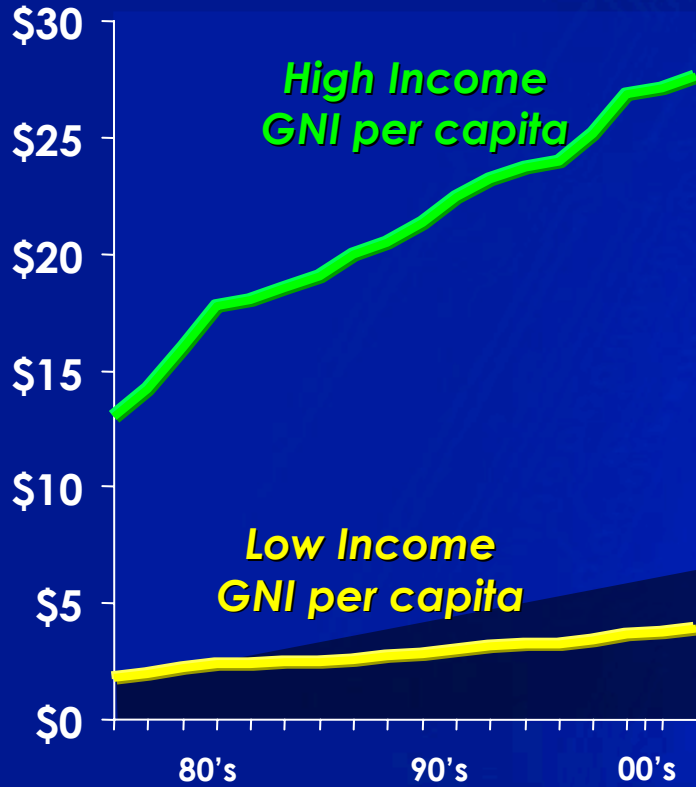
...Information and IT leads to Better  
Social and Economic Conditions



# The Economic Divide

## The "Economic" Divide

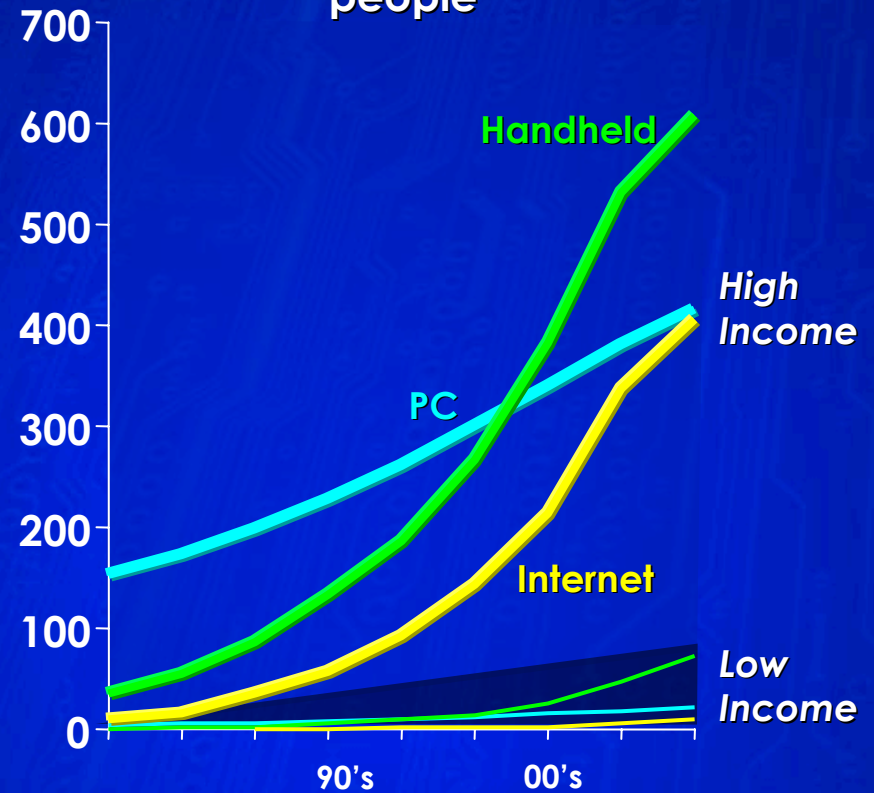
GNI per Capita (\$K, PPP)



GNI delta is 93%

## The "Device" Divide

PC, Handheld, 'Net Access per 1000 people



PC delta is 95%

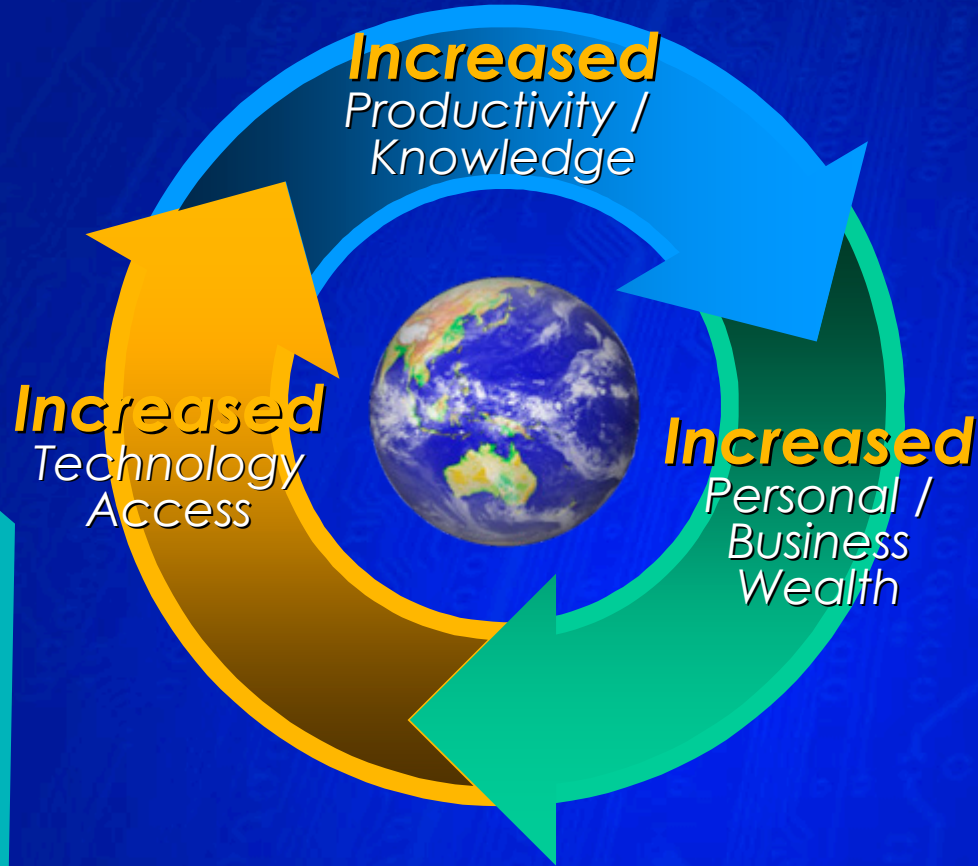
Technology is Associated with Healthy Economic Growth



# The “Vicious” Cycle



# The “Virtuous” Cycle



Major Investment helps to Break the Vicious Cycle!

Investment in Technology is one Way to break the Vicious Cycle



# ICT Opportunity Categories

**BASIC Education Needs are Not Being Met**

**Education**

“Expanding Personal Opportunities”

**Entrepreneurial Spirit is High but Needs Help Sustaining**

**Commerce**

“Improving Economic Conditions”

**Health**

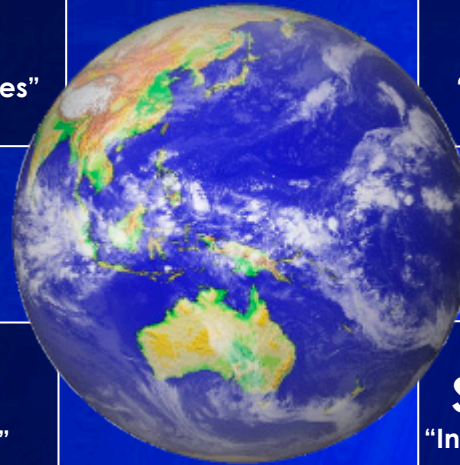
“Improving Access and Quality”

**Social Participation**

“Increase Information Access/Sharing”

**Diseases Eradicated in 1<sup>st</sup> World are Still Killers**

**Lack of Information Limits Societal Growth Opportunities**



# Role of Technology

## Education

“Expanding Personal Opportunities”

- Students – Have the Tools to Help them Learn
- Teachers – Have Tools to Help the them Teach
- Schools – Share Technology and Practices

## Commerce

“Improving Economic Conditions”

- Increase Job Opportunities
- Increase Access to Markets
- Increase Efficiency of Businesses
- New Entrepreneurial Opportunities

## Health

“Improving Access and Quality”

- Doctors Get Faster Access to Healthcare Information
- Patients Get Higher Quality Healthcare

## Social Partnership

“Increase Information Access/Sharing”

- Forming Electronic Communication Networks
- Increases Information Sharing Speed

**SUSTAINABLE** ICT is important in Creating Economic and Social Growth and Stability



*If Technology Can  
Significantly Improve Social  
and Economic Conditions  
Around the World...*



*... Then What Role,  
and What Technology,  
is Intel Providing to Help  
Sustain These Changes?*



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# EMPG Charter & Objectives

- **Charter:**

- Bring to market **new platforms** based on the **unique** computing requirements of *emerging markets*.
- Deliver a profitable and **sustainable** business/technology/platform strategy

- **New EM platform objectives**

- Ensure **successful** launch and ramp by working with “**ecosystem experts**”
- Drive market & channel **development** initiatives to ensure **market acceptance** and **readiness**



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# Definition, Development & Delivery

**Define** ...untapped opportunities for growth in EMs

**Develop** ...localized platforms tailored to market needs

**Deliver** ...EM-specific marketing initiatives & programs to support and sustain



# How do we Truly Innovate?

Study The Daily Activities



And Tasks of The Local People.

Uncover How Technology Can Improve Local Conditions.

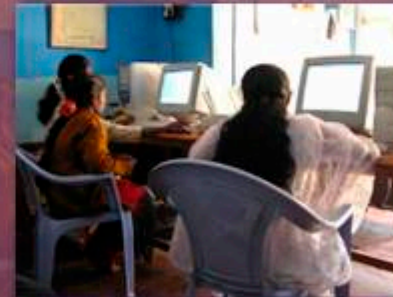
?



See What Technology Is in Place...



...And See How It Is Being Used.



Validate That Unique Solutions Are Properly Designed.

# To Be Successful Intel Must...

- Be Where the People Are
- Understand Their Unique Requirements
- Build The Right Solutions
- Test and Validate Those Solutions
- Bring The Solutions to Market
- Develop Sustainability

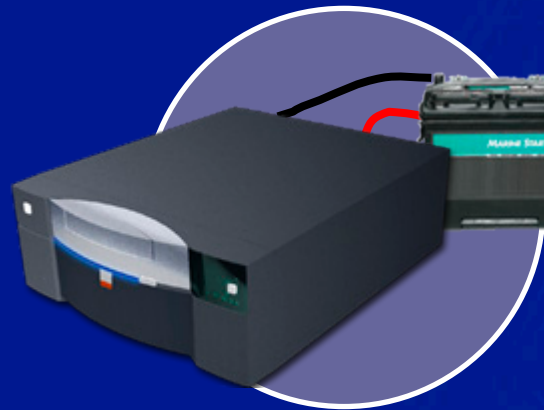
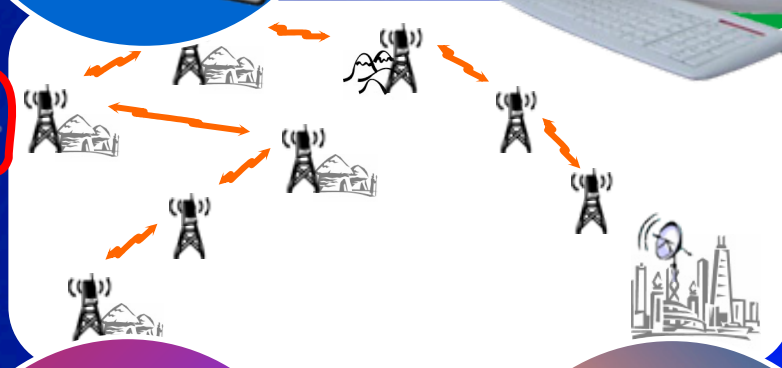


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# Building Unique Platforms



# China Home Learning PC



In  
Production  
Now

## Target: Home

- Lack of content control
- PC interface complex
- Lack of education content

## Platform Value

- Simplified Interface
- Parental control, Education & General PC mode
- Interactive learning:
  - Voice-recognition
  - Curriculum-based learning
  - Animated web learning



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# Internet Café Platform



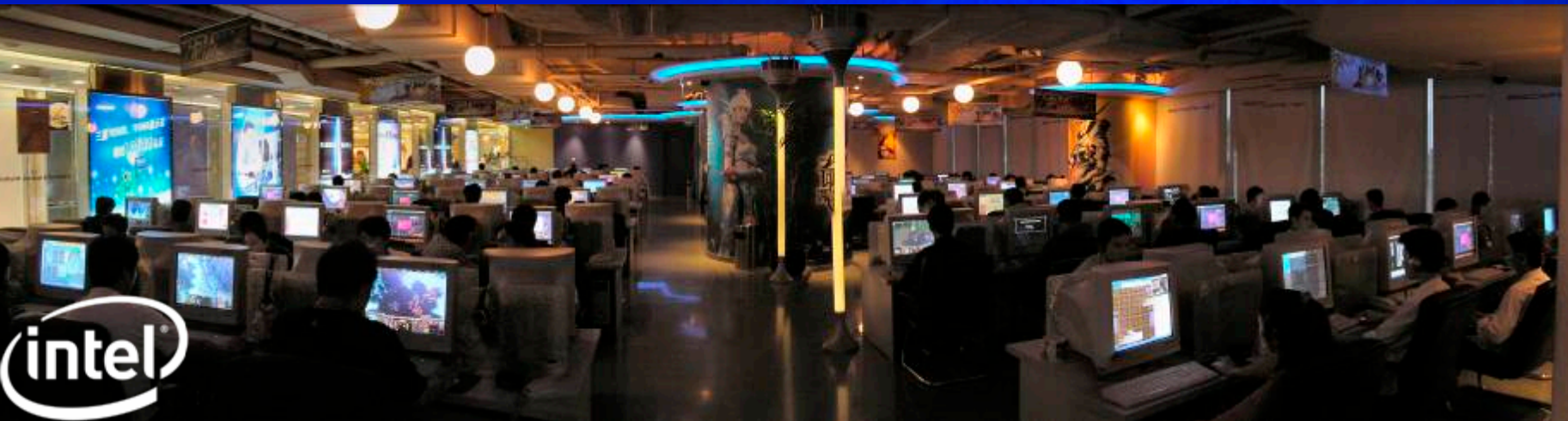
**In Production  
Now**

## Target: Internet Café

- Time consuming updating PC's
- Downtime & TCO
- Stolen Assets – Keyboard, Mice...

## Platform Value

- Ease of setup and updates
- Minimizes downtime
- Improved user experience



# Community PC Platform



In Production  
Now

## Target: Rural Communities

- Poor power conditions
- Harsh environment: dust, bugs, heat
- Lack of computer skills
- Government services time consuming

## Platform Value

- Convenient info access
  - Healthcare
  - Education
  - Government services
- Creates sustainable businesses



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# Low Cost PC Platform



In Production  
Now

## Target: Highly Populous EM Regions

- Need for a Full Function PC
  - Education
  - Basic Communications
  - Music/Video play
  - Productivity Tools



## Platform Value

- Cost effective fully-functional PC
- Positive experience for first time user
- Low acoustics for dense living conditions
- Small form factor for limited space
- Low Power Consumption



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# Education Tablet



Planned Production  
Q406

## Target: K-12 Education

- Academic achievement a priority
- High student teacher ratio
- Heavy school bags
- Lack of concept learning

## Platform Value

- Pre-loaded with curriculum
- Concept based learning software
- Affordable



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# Access & Delivery of Technology

**130+ Countries**

**1000+ Stocking Locations**

**175K Computer Makers World Wide**



# Our Emerging Market Focus

## Worldwide PC Client TAM



1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005

# New Delivery Channels



## ● Traditional Channels

- Intel Computer Makers
- Local OEMs
- Retail Channels
- On Line



## ● New Trusted Channels

- NGOs
- Telecommunications
- Governments
- Local Entrepreneurs
- Many new, yet undiscovered..



# Questions?



# Thank You!

