

# EVALUATING YOUR BUSINESS MODEL IN APAC MARKETS

The Elimination, Mobilisation and Demonstration Model



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Nomura Research Institute

A melting pot of radically different market characteristics and business environments, as well as competition from in-region players – these are the challenges that global business development functions must navigate for successful expansion into emerging Asian markets.

# Key Challenges



## Market Characteristics:

While opportunities for growth in Southeast Asia and India are on an upward trend, the unique characteristics of each individual country must be considered during horizontal expansion



## Business Environment:

Even previously proven ways of selling and implementing digitalisation projects or digital services must be reviewed and reshaped



## Competitors:

New entrants who are homegrown, nimble and increasingly technologically-adept are likewise looking to establish market share, hence the need to overcome 'home-ground advantage'

**Transforming the business development framework to achieve breakthroughs in three areas - 'Elimination', 'Mobilisation' and 'Demonstration', are key in realising growth opportunities.**

### Elimination



The foundational step for driving early competitiveness, this involves narrowing down the function's decision-making and focus towards meeting immediate business needs that can attain maximum results

### Mobilisation



Engaging local and international partners when formulating a strategy for operating in a new business environment, and aligning everyone's goals and best interests

### Demonstration



Experimenting with prototypes and proof of concepts - based on the strategy, to achieve and amplify early successes, before wider implementation

# Case Study: Sidewalk Labs (A Google Company)

**Who is Sidewalk Labs:** Sidewalk Labs is an Alphabet company founded in 2015 to focus on urban innovation. Led by Dan Doctoroff, Sidewalk Labs aims to find new ways to improve cities through technology.

**Issue:** Toronto's eastern waterfront, with over 300 hectares of land for revitalisation, presented an opportunity for urban development. In 2016, an RFP was put out for a partner for the project to revitalise the eastern waterfront, known as Waterfront Toronto.

**Solution:** Sidewalk Labs was selected as the Innovation and Funding Partner. It would play a leading role in shaping the city's future, including drafting the master plan and urban innovations that would take place at Waterfront Toronto.

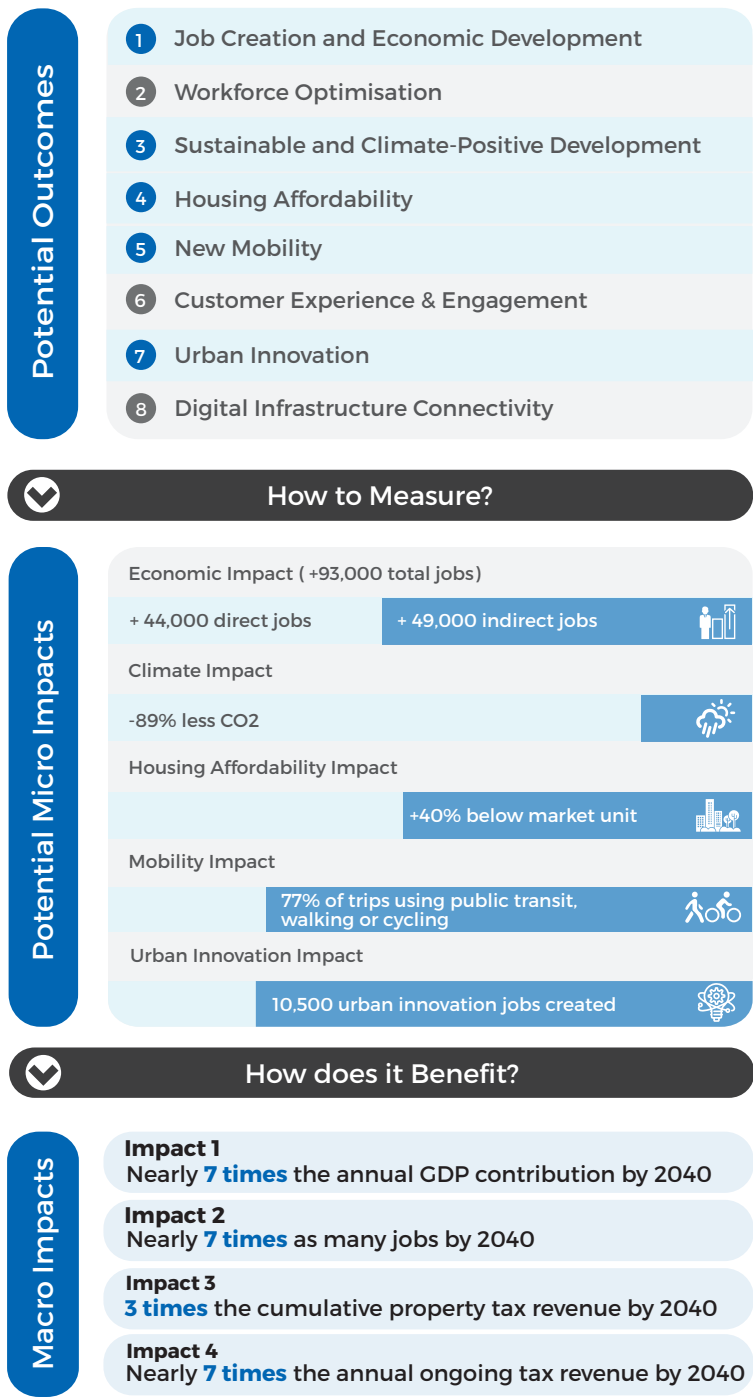
**Current Status:** Due to the impact from COVID-19, Sidewalk Labs halted the project in May 2020. Nonetheless, learnings can be drawn from the approach taken by Sidewalk Labs at various stages in this case study.

# Elimination

Identifying all possibilities, ranking them based on priority, and focusing on addressing a few.

When creating a Master Innovation and Development Plan for a proposed smart neighbourhood on Toronto's Eastern Waterfront, numerous urban development possibilities were identified. However, upon deeper analysis of each possibility's macro and micro impact, five that were most capable of adding significant value to the district, such as 'adding 93,000 jobs' and 'growing GDP contribution by 700 percent', were prioritised. The rest were 'eliminated'.

## Potential Impact and Benefits in IDEA District



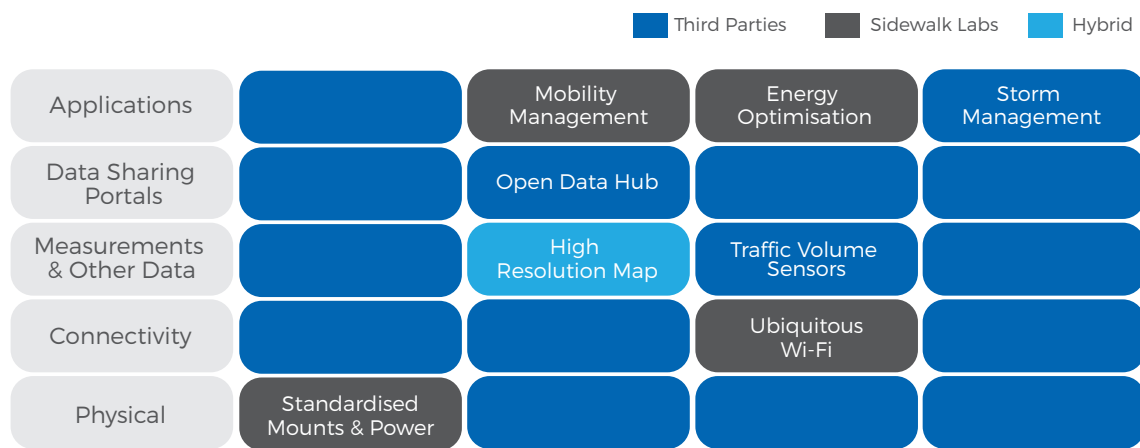
# Mobilisation

**Partnering with local or third-party experts, rather than trying to do everything alone or in-house.**

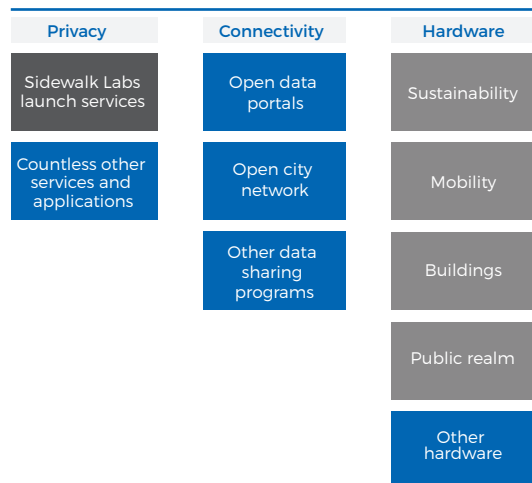
While Sidewalk Labs was an expert in areas like mobility management, energy optimisation and ubiquitous Wi-Fi, it acknowledged that achieving the development plan for the district would require co-development of high-resolution maps with partners possessing local context, as well as collaboration with experts in traffic volume sensors and storm management, etc.

Each digital infrastructure component was then broken down to define the role each stakeholder would play and ensure all parties work together effectively.

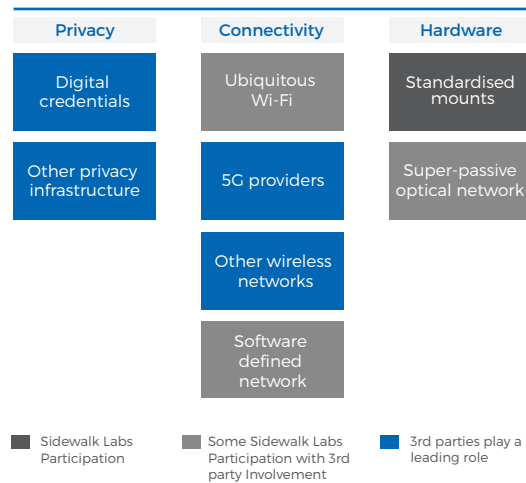
## Digital Architecture Sketch (As of Feb 2019)



### Digital services



### Digital infrastructure

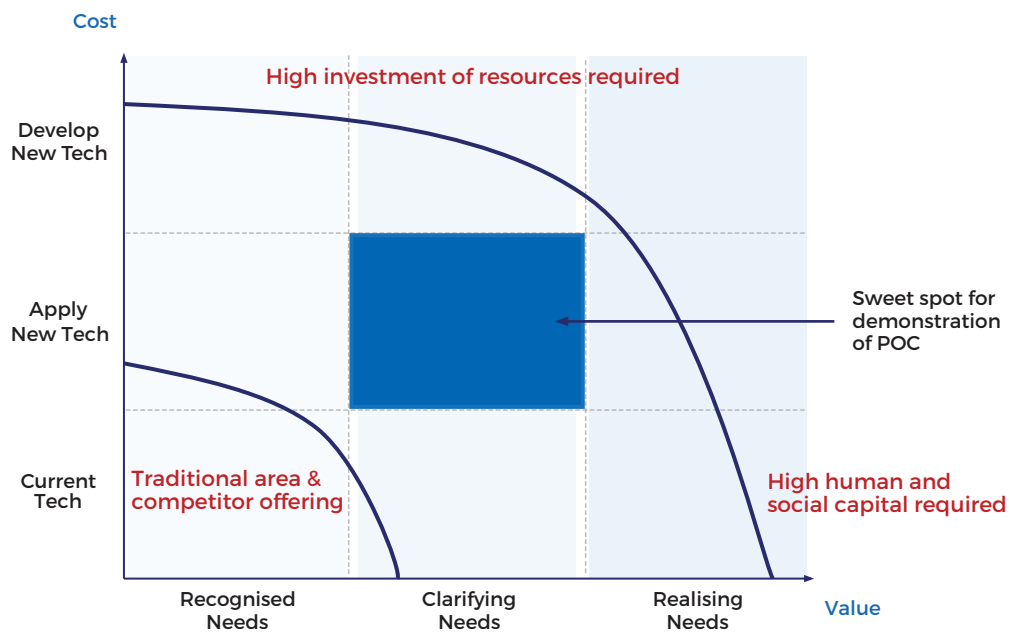


# Demonstration

**Showcasing quick wins through pilots, rather than building out a large-scale business case that is time consuming and resource intensive.**

An example of going for a quick win to evaluate a concept's viability was a three-month smart recycling project between Sidewalk Labs and AMP Robotics in January 2020. Rather than cover 12 acres in Toronto, the pilot was conducted at a 250-unit apartment using a scaled down version of the smart waste management system designed for the entire district.

Illustrated in the diagram below, the partnership with AMP Robotics allowed Sidewalk Labs to apply new tech without having to develop its own. This reduced the investment of resources otherwise required. By aiming to identify and clarify new needs through the POC, Sidewalk Labs was able to experiment, identify and amplify early successes. This was a cost-effective way for Sidewalk Labs to deliver good value before the wider implementation.





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