



More on:
**Strategy and
Vodafone 2015**
Pages 24 to 33

Our strategy adapts to fit to, and shape, a fast-moving environment. But at its heart is our consistent commitment to differentiation through investment in our network and services.

Adapting in a dynamic market...

Short-term challenges

A very tough regulatory environment, particularly in Europe and India, combined with significant macroeconomic pressures in many of our markets, mean that it is currently hard for us to grow our business. Competition, while a fact of life in any industry, is being exacerbated by high unemployment and austerity measures. These force many customers to value price over quality. In addition, regulation has lowered barriers to entry and allowed low or no-capital operators to compete with businesses such as ours which have invested significantly over many years.

Long-term growth opportunities

We expect smartphone adoption to accelerate in all markets over the next three years, with mobile applications and low cost smartphone availability increasing everywhere. With the broad deployment of high speed data networks, and the increasing deployment of TV programming, films and music streaming across all devices, we expect customers' appetite for data on both mobile and fixed networks to increase significantly. Companies will increasingly look to consolidate telecoms procurement across borders and put mobility at the centre of their strategies, favouring operators who can supply seamless unified communications.

Our response: **Vodafone 2015**

Our Vodafone 2015 strategy reflects our confidence in the future. This is based on a new strategic approach to our consumer offer and pricing in Europe, an increasing focus on unified communications, and an attractive and growing exposure to emerging markets. Fundamental to the success of this strategy will be an ongoing enhancement of the consumer and enterprise customer experience through continuous investment in high speed data networks, and an increased drive towards standardisation and simplification across the Group to maximise cost efficiency and accelerate execution.

Consumer 2015 (turn to page 24)

Enterprise 2015 (turn to page 28)

Network 2015 (turn to page 30)

Operations 2015 (turn to page 32)

Vodafone 4G ready

We are deploying 4G, also known as long-term evolution ('LTE') technology, which at least doubles data speeds compared to 3G, bringing the very best mobile data speeds available today and building capacity for future data growth. 9% of sites in our major European markets have LTE today and we expect this to be 40% by 2015.

