

In the telecommunications industry, there is a natural and unavoidable tendency to compete on price, despite the fact that hard economics would advise against it. Incumbents benefit from this, just as Walmart and other big box operations have challenged the survival of downtown retail sectors and smaller independent merchants.

However, as evidenced by the fact that some small independents and higher end operations have not only survived but grown, there is an alternative path to cutting prices.

This session will look at the economics advising against price cutting and will show how it plays into the hands of larger enterprises. It will then show the advantages of larger competitors as a means of introducing a variety of maneuvers that would negate their size-based advantage.