From Sri Lanka to Europe and grocery shop to international corporation, Allirajah Subaskaran, Founder and Chairman of Lycagroup, has remained agile and adaptable, creating an 8,000-strong business with a family feel. Interview by David Woods-Hale
TELL US ABOUT YOUR CAREER TO DATE, OUTLINING SOME OF YOUR BIGGEST CHALLENGES AND ACHIEVEMENTS?

I was born in the town of Mullaitivu, Sri Lanka, to a working-class family.

I am from humble origins, having lost my father at a young age and being brought up by a single working mother as a result. During my childhood, Sri Lanka experienced internal conflict caused by a civil war and my hometown was a major conflict zone. My family decided to emigrate in the hope of finding safety and increasing our chances of having a positive future.

In 1989, I followed my brother to Paris and was joined shortly after by my mother and sister. After some time, my family, led by my older brother, opened a restaurant. It was entirely family run and it was soon joined by a grocery shop. We began selling calling cards for people who wanted to phone abroad. Initially, a distributor was providing us with the calling cards to resell. However, they stopped providing the cards, creating a sudden vacuum. My brother recognised that there was a demand for the product and identified the opportunity for us to distribute the cards ourselves.

As this venture developed, instead of selling cards produced by someone else, we started producing and distributing them ourselves. By 1997, our market had grown from just Paris to a number of countries in Europe, and we found ourselves, led by my brother, travelling from Paris to many European cities.

After marrying in 1999, my wife and I decided to move to London and continue the business; in 2002, I started Lycatel, a telephone calling card company.

By 2006, with advancements in technology and the emergence of the mobile virtual network operator (MVNO) market thanks to government regulation, there was a void to be filled. This is how Lycamobile came to be.

Due to our price positioning and the global movement of people, the company has been able to expand rapidly and now, 10 years on, we are operating in 21 countries and have become the world’s largest international MVNO and the market leader in international prepaid mobile calls.

We have also expanded beyond the telecommunications space, launching a range of complementary businesses servicing different market segments, including LycaMedia, LycaHealth, LycaFly and Lycaremit.

In my younger days, I didn’t have any plans for the future. I always focused on seeking out and seizing the opportunities available to me. This approach has been fundamental to the growth of Lyca Group over the past 10 years and is something I continue to live by now.

WHAT DOES YOUR ROLE AS CHAIRMAN INVOLVE?

In the early days, we were very focused on the day-to-day business activities and tried to be spontaneous, seizing every opportunity as it came along.

Now, while I play a very active role in everyday business activities, my priorities as Chairman involve developing a long-term strategy that will ensure we are delivering the best services to our customers and meeting their ever-changing needs. This involves thinking outside the box and introducing innovative and complementary ideas, as well as looking for big investment and expansion opportunities.

Part of my role has also been about building a strong team from the ground up throughout the business. I believe in the need to diversify a company’s power base and I know the business would not be where it is today without the work and support of my management team. These individuals play a vital role, overseeing the development of the business as we continue to innovate and grow.

WHAT HAS FUELLED THE GROWTH OF LYCA GROUP OVER THE PAST 10 YEARS AND WHAT ARE YOUR NEXT STEPS?

Lyca certainly looks different now than 10 years ago. Geographical expansion has been a long-term focus and strategy of Lycamobile, in particular as we work towards our goal of reaching 50 million customers by 2020. We are now present in 21 countries around the globe, ensuring we are the largest MVNO by geographical footprint. This means we are able to offer a cost-effective service, and we are constantly innovating to meet the needs of diverse markets, geographically and across sectors and communities.

Some of our recent product launches have seen us breaking into new territories to bring our low-cost calling, messaging and data services to emerging markets such as Tunisia and Macedonia, and we have plans for further expansion into six new countries this year, including Ukraine, Serbia, Russia, South Africa, Sub-Saharan Africa, Eastern Europe...
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and South-East Asia. The market context in these regions presents numerous challenges that we have continued to tackle through focused innovation and building meaningful relationships with partners.

To meet the needs of a rapidly developing global community, we have also needed to innovate, not only by launching Lycamobile’s services into new territories, but also by expanding our range of services into new business sectors.

Today, it isn’t enough for families to be able to contact each other; they want to be able to transfer money to each other, watch the same shows, listen to the same music, and share in each other’s everyday lives. It is along these lines that the Lyca Group has evolved.

The Lyca Group is now a multi-national corporation delivering low-cost products to more than 15 million customers, not just in telecoms but also across technology, media, financial services, travel and transport, healthcare and entertainment.

We have bold ambitions, and have already launched a number of new products and services in recent months, including Lycalotto and ChilliTickets, which we acquired earlier this year. Ultimately, we want Lycamobile to be an industry leader in the technology, media and telecoms (TMT) sector and for the group to be a well-established brand, synonymous with connectivity, trust and affordability.

WHAT ARE THE CHALLENGES AND OPPORTUNITIES YOU’RE FACING IN A VUCA WORLD?

We are operating in a highly competitive environment that is becoming increasingly saturated.

Our flagship brand Lycamobile is faced with the entrance of businesses from a wide variety of sectors, which are showing an interest in launching MVNOs, be it post offices, football clubs, social-media start-ups, multilevel marketing groups, banks, and non-for-profit associations.

In addition, the sector is rapidly changing with new technologies coming to market, and new regulations being brought in to manage them.

We need to ensure that we are always offering a differentiated service to our customers. We have done this not only by expanding our existing MVNO business into new geographies, ensuring we are able to offer a cost-effective service in the market today, but also by diversifying the business, offering our customers a range of complementary offerings that meet their needs.

DO YOU THINK IT’S POSSIBLE TO HAVE A LONG-TERM STRATEGY IN BUSINESS, OR IS SUCCESS BASED ON AGILITY WITHIN THE MARKETPLACE?

In this volatile environment, I believe it is important to focus on a long-term strategy and core product offering, ensuring it is delivered consistently, with the highest possible levels of service.

At Lyca, this means being dedicated to driving forward our ambitious growth plans and customer acquisition target. However, it is crucial to ensure this long-term strategy is never static and continuously reviewed. We must continue to have an innovative, dynamic and entrepreneurial approach that will allow us to react quickly to changing technology, customer needs, and the developing economic and political climate.

We would not have got where we are today without this ethos. We have always been committed to staying ahead of the game, and so must remain dynamic and adaptive and push forward into new areas and markets that others haven’t, adapting to our external environment accordingly.

WHAT DO YOU SEE AS THE TRENDS IMPACTING MOST ON EMPLOYERS’ STRATEGY GLOBALLY?

We are predominantly a technology-focused business and must compete with some of the world’s largest tech companies, to source and retain people with the right skills to drive the business forward and remain on top of the recent technological advancements.

By fostering employee growth and development, we aim to create an environment where our staff are able to thrive, feel supported, become adaptable to different situations and want to remain loyal to the firm. Despite being a company with more than 8,000 employees, we retain a strong family feel, with everyone invested in the success of the business and experiencing the same highs and lows together. Everything we do at Lycamobile is about connecting with
people and bringing communities together, and that’s also our attitude towards our employees.

HOW DO YOU ENSURE THERE IS A CULTURE OF INNOVATION THROUGHOUT THE ORGANISATION?
Ensuring a culture of innovation within the group is crucial as we continue to develop high-quality products and services to meet our customers’ varied needs.

Lycamobile is proud to be a market leader in our industry, and a large part of that is down to our commitment to staying ahead of the game by pushing forward and moving into new areas or markets that others haven’t. Not only have we been able to capitalise on this approach, but we’ve ensured we are delivering the best services to our customers, by continuing to meet their ever-changing needs.

We are dedicated to supporting, developing and nurturing the next generation of senior management, so hiring the right people at all levels of the business is vital, ensuring we maintain and foster the company values of trust, connectivity and innovation. It’s important that despite being a company of 8,000 people, we’ve maintained an open atmosphere, where staff at all levels feel comfortable putting forward ideas, big or small, which are supported, discussed and explored.

YOU’VE MOVED BETWEEN BORDERS THROUGHOUT YOUR CAREER. HOW HAVE YOU BEEN ABLE TO ADAPT?
I’m not sure how rare this trait is; the movement of people is as old as the world itself. However, having moved from Sri Lanka to Europe to escape the civil war at an early age, I’ve had to learn how to quickly and purposefully adapt to new cultures, markets and contexts in both my personal and business lives, and this certainly hasn’t been easy. But, over the years we’ve managed to transform these survival tactics into a set of core skills which have become the foundation of Lycamobile’s success and the key to running a successful global company.

These skills – agility, flexibility, being relationships-driven – are not only the skills that we drive every employee to have, but also enable us to adapt our products and services across borders, and build strong and constructive relationships with partners across our operating regions.

LYCA GROUP HAS EMPLOYEES IN 21 COUNTRIES – HOW DO YOU ENSURE THERE IS A CONSISTENT MISSION AND CULTURE?
Working across such a diverse range of markets, it’s important that we uphold the clarity of our mission to connect communities and bring people together through a range of high quality products and services. To ensure that this message is spread across all our operating regions, we have a strong culture driven from the centre of the Lycamobile Group.

Our management team is committed to travelling across the different markets to lead negotiations, build lasting relationships with our partners, and place people who share Lycamobile’s values in key positions.

DO YOU FEEL OPTIMISTIC ABOUT THE FUTURE OF BUSINESS IN THE AGE OF THE ‘NEW NORMAL’?
As a group, we continue to adapt and evolve to market developments and new environments and are excited about plans to ensure the continued success of the Lycamobile Group through a programme of expansion into new markets and sectors.

Reports have shown that the MVNO market will continue to grow in the coming years and we aim to be at the forefront of that growth, with plans to have 50 million people using Lycamobile by 2020, focusing on Africa, Asia and South America for growth – huge, largely untapped markets for MVNOs. We know we can make a real difference to people’s lives by bringing cost-efficient, high-quality products and services to help them better connect with their communities.

I certainly feel very optimistic about the future.

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