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MARKETING PROSPECT AND EXPANSION OF TELETALK BANGLADESH LTD.

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ABSTRACT

Teletalk launched its commercial operation on March 31, 2006 with great enthusiasm of the mass population. It's initial tariff chart had been very attractive and was affordable by common people. Moreover, its free BTTB incoming call charge was the number one attraction point to mass people and it was the only mobile phone-all operator providing its subscribers ISD and EISD facilities in default. Hence, it had noticed the huge rush, which was described as "Telecom Riot" by BBC. Teletalk has been intended to be a mobile operator of the people, for the people and by the people. Introduction of Teletalk in the mobile telecom market has been a great success of the government. It has proved to be driving force and controlling mechanism of the industry. Though its present marketing prospects are not so bright, it has a very good future. The path ahead is not so smooth for Teletalk. The mobile communication market has become very competitive now. Already six operators are working in the country. Analyst say that it will difficult for all the operators to survive in the market, rather around three operators will remain. Whatever may be the reality, to survive and to be able to play the required role to ensure people's aspirations, Teletalk has grow faster and get a reasonable market share within a short period.

Key words: Teletalk, marketing, expansion.

Introduction

Teletalk Bangladesh Limited (the "Company") was incorporated on 26 December, 2004 as a public limited company under the Companies Act, 1994 with an authorized capital of Tk.20, 000,000,000 being the only government sponsored mobile telephone company in the country. On the same day the Company obtained Certificate of Commencement of Business.

Teletalk Bangladesh Limited has continually expanded its network, to better accommodate its growing customer base as well as to keep the promise of providing better service. As of now, Teletalk has already established its network foothold in 64 Districts, 402 Upazilas, and most of the highways. Teletalk is continuing its network expansion to reach more corners of Bangladesh.

m-Governance is derived from e-governance refers to government's use of information and communication technology to exchange information and services with citizens, businesses, and other arms of government. Teletalk is ready to provide with the help of third party software, mobile interactivity for the citizens of Bangladesh with m-Governance. This may includes, but not limited to

1. Mobile based Live Citizen Reporting Solution
2. Mobile User Info bank (Database of Mobile Users of Bangladesh)
3. Agriculture information services for the farmers and also for the end users, like product price in different parts of the country.
4. Product ID for all consumer products/ Organization.
5. Interactivity between Government and the Citizens.

To remain completive and uphold the brand names it is always a big deal to provide outstanding service to the valued customers. It is very important to study the background of telecommunication of Bangladesh. To become successful in the mobile phone market it is very much challenging because everyone is offering lucrative offers. Anyway marketing strategies of Teletalk should be changed.

Teletalk Bangladesh limited was established keeping a specific role in mind. Teletalk has forged ahead and strengthened its path over the years and achieved some feats truly to be proud of, as the only Bangladeshi mobile operator and the only operator with 100% native technical and engineering human resource base,

Teletalk thrives to become the true people's phone–"Amader Phone". In Bangladesh market there is existence of Grameen phone, Banglalink, Citycell, Airtel, Robi,Teletalk. The battle among said companies

is still in a very premature stage and it is very difficult to predict who will stand as the winner after a quite period of time. But it is very interesting to observe the business strategies that the companies are adapting to get into an advantageous position in the market.

Materials and Methods

Ten executives from Teletalk Bangladesh Ltd. out of total sample frame 21 and 30 business clients of Teletalk Bangladesh Ltd. of total sample frame 211; in addition, one person from each competitor for instance, Grameen phone, Banglalink, Citycell, Airtel, Robi, Teletalk surveyed for study. For primary data, purposive sampling which is one kind of non probability sampling have been used. Here, It was selected thirty business clients who are at least the users of one other operator phone like Grameen phone, Banglalink, Citycell, airtel, Robi, Teletalk as a result it helped us to work on some comparative study on customer satisfaction. In-depth interviews were conducted with Teletalk Bangladesh Ltd. and business clients for company performance. The idea was to obtain information related to success stories, what types of strategies led to be successful and customer satisfaction about the Teletalk Bangladesh Ltd. Secondary data were collected from books, company materials and the internet which were used in order to obtain detailed information about the subject.

Variables Covered:

Dependent Variables: Customer satisfaction and Company performance.

Independent Variables:

For company performance: (Service centre, Company Strategies, Employee satisfaction, Competency level of employees, Job flow, Customer service)

For customer satisfaction: Attitude of the service department, personnel Service centre. Treatment as a customer, Convenience of scheduling work, Availability of work done, Quality of work done, Fairness of prices, Service standard

Methods of data collection and data collection instruments used: The study is conclusive meaning that it aims to identify the business level strategies used and success status in total Teletalk Bangladesh Ltd. In addition, It was tried to analyze how the strategies that also include customer satisfaction helped to be successful and recommend some strategies those can be implemented to enhance performance in Teletalk Bangladesh Limited The study has been conducted in primary qualitative survey. In this phase, an in-depth interview was conducted. Data were collected through interviewing the employees and business clients at Teletalk Bangladesh Ltd. who are directly involved with the Business Solutions. An open-ended, semi-structured and fixed alternative questionnaire was used for this purpose. The in-depth interview of the employee of Teletalk Bangladesh Ltd. with open-ended, semi-structured questionnaire helped to identify the business level strategies used and success status in Teletalk Bangladesh Ltd. In addition, the in-depth interview helped to analyze how the strategies helped to be successful and recommend some strategies those can be implemented to enhance customer satisfaction analysis in-depth interview with fixed alternative questionnaire was used where customers had five alternatives to answer and they are completely satisfied, very satisfied, satisfied, somewhat dissatisfied, very dissatisfied. Besides secondary data were also collected from different sources namely books, company materials and the internet.

Data Analysis Plan: Primary data was collected by interviewing customers and the employees of Teletalk

Bangladesh Ltd. After that some raw data have been tabulated and have been analyzed in terms of percentage in a bar chart or pie chart. In addition, fixed alternative questionnaire was used where customers had five alternatives to answer and they are completely satisfied, very satisfied, satisfied, somewhat dissatisfied, very dissatisfied and analyzed thereafter. Secondary data were collected from books, company materials and the internet which were used in order to obtain detailed information about the subject.

Results and Discussion

Commercial launching of Teletalk: Teletalk staffed by experienced Telecom Engineers of BTTB have been committed to high accessibility, premium quality, large coverage and low price. Teletalk launched its much expected Mobile Telecom service on commercial basis on 31st March, 2005. Being a new entrant, Teletalk started the distribution of its SIM among the people through different selected outlets of BTTB exchange building with the help of BASIC bank. Teletalk was not much aware about the huge hidden demand of Teletalk mobiles among the public, which resulted an unprecedented scenerio during the distribution process in the first phase. People became frenzy to get a Teletalk SIM. People stood in queue to get a Teletalk SIM from mid-night to dusk but failed. BBC commented in this huge cry as "Mobile Telephone riot in Bangladesh". Subsequently Teletalk was compelled to call applications from the public through Internet and deliver SIMs to only 10% of applicants through lottery. As historic evidence in the country, may be in the modern world, to get a mobile SIM through lottery. It proves the public's rejection of private sector and unparallel faith on public sector despite of much criticism against it. Distribution of Teletalk SIM via internet created a new era, Government owned company Teletalk utilized IT and initiated e-Governance.

The attractiveness of Teletalk service: The most remarkable success of Teletalk is the slump in its tariff structure. With the announcement of Teletalk tariff structure the long lasting oligopoly between other private mobile operators were shattered. Healthy competition came into the mobile market both in terms of SIM price and usage rate. The competitive features for Teletalk SIM are:

i. Teletalk mobile connections enjoy BTTB's PSTN incoming and outgoing facility.
ii. Every connection has ISD and EISD calling features.
iii. Require no extra charges for calling to BTTB's PSTN telephones.
iv. No charges for incoming calls from BTTB's PSTN telephones.
v. Same per minute rate regardless of distance, make calls anywhere anytime without fear of high cost.
vi. Low incremental per minute cost allows customers to make large number of calls.
vii. Getting infinite period of activation while charged.
viii. Negligible monthly cost for people who mainly receive calls.
ix. Transparent in call charges i.e charges can easily be calculated on actual talk time basis.

Vision and mission of Teletalk

Vision: The vision of Teletalk is to ensure optimum customer satisfaction by providing basic and different value added services at an affordable price at every nook and corner of the country to all sorts of people.

Mission: The major components of good mission statements are: Customers, Products and Services, Markets, Technology, Concern for survival, growth and profitability, Philosophy, Self-concept and Concern for public image. As such, the mission statement of Teletalk is to:

Gear-up all telecom sectors of the country to achieve desired teledensity as mentioned in the National Telecom Policy-1998.
Encourage people to provide a telephone within affordable cost.

The marketing wing: The marketing organization in Teletalk is headed by a General Manager who reports directly to the Managing Director. Deputy General Managers, Managers, Assistant Managers and Junior Officers complete this hierarchical chain.

Market segments served by Teletalk: The market segments targeted by Teletalk are as follows:

- ✓ Prepaid Connection (mainly low income and low-middle income).
- ✓ Post-paid Connection (mainly high-middle and high income).
- ✓ PCO (Public Call Office) Connection (general mass people). Corporate
- ✓ Connection (high income and corporate offices).

Services offered by Teletalk: Teletalk offers to its valued subscriber the following connection facilities with affordable cost. The SIM for prepaid connection is now available throughout the country.

- ✓ Prepaid Connection.
- ✓ Post-paid Connection.
- ✓ PCO (Public Call Office) Connection.
- ✓ Corporate Connection.
- ✓ CTD (Cell time based Dialing) Connection.

All types of connection require the following documents:

i. 2 (two) passport size photograph
ii. Paper for identity (photocopy of Identity card/Passport/any other identification document).

Product Offering

Teletalk is offering attractive packages for the customers with very competitive rates. The comparison of our rate plan will help to find right package (during the year 2006 to 2011)

Packages		Prepaid		Postpaid		
Call Categories	Shadheen	Standard	Shapla	Standard	Rajanigandha	Shapla
Teletalk to Teletalk [8am-5pm]	Tk. 0.66 [24hr]	Tk. 1.40	Tk. 0.90 [24hr]	Tk. 0.80	Tk. 0.80	Tk.0.80 [24hr]
Teletalk to Teletalk [5pm-12am]				Tk. 0.80	Tk. 0.80	
Teletalk to Teletalk [12am-8am]		Tk. 0.60		Tk. 0.25	Tk. 0.25	
Teletalk to Others [8am-5pm]	Tk. 0.66 [24hr]	Tk. 1.90	Tk. 0.90 [24hr]	Tk. 0.99	Tk. 0.99	Tk.1.00 [24hr]
Teletalk to Others [5pm-12am]				Tk. 0.99	Tk. 0.99	
Teletalk to Others [12am-8am]		Tk. 1.00		Tk. 0.99	Tk. 0.99	
Teletalk to Overseas [8am-5pm]	ISD/EISD	ISD/EISD	ISD/EISD	ISD/EISD	ISD/EISD	ISD/EISD [24hr]
Teletalk to Overseas [5pm-12am]				ISD/EISD	ISD/EISD	
Teletalk to Overseas [12am-8am]				ISD/EISD	ISD/EISD	
FnF: Teletalk to Teletalk	Tk. 0.25	Tk. 0.75	N/A	Tk. 0.25	Tk. 0.25	N/A
FnF: Teletalk to Others	Tk. 0.55	Tk. 1.25	N/A	Tk. 0.80	Tk. 0.80	N/A
SMS	Tk. 0.66 on net	Tk. 1.00				
Voice SMS	Tk. 2.00					
GPRS	0.16/KB or 666/Month [unlimited]	Tk. 0.02/KB or Tk. 800.00/Month [unlimited]				

- **Bornomala SIM:** Lowest voice, dataand SMS rate without any hidden cost.
- **Agami SIM:** Connecting future leader.
- Taletalk introduce super 3G data package @2Mbs speed for hunger internet surver.
- Providing JSC, JDC result getting rescrutning facility.
- **Jonaki package:** Teletalk to Teletalk all time 0.50 paisa/sec and Teletalk to others operator 1 paisa/sec In comparison with the packages of previous years Teletalk now offers more lucrative offers for the people of the country.

Business level strategy matrix

Low-cost	Differentiation
Focused low-cost	**Focused differentiated**
Stuck in the midle	

Strategy

Fig 1: Business level strategy matrix

- ✓ From the Figure no.1, Out of these five; Low cost and focused differentiation strategies are followed in the Teletalk angladesh Limited. No single strategy is followed in the Teletalk Bangladesh Limited. Though there are some policy making faults of the governments policy makers the company is not able to use definitely any business level strategy and can not fulfill ultimate goal. Its internal organizational structure is not professional. Being a Government organization, TBL can not take prompt decision regarding policy formulation, procurement decisions and other such things.
- ✓ Teletalk network condition is not so good.
- ✓ If the service of others mobile operators in Bangladesh then to outperform the rivals on a key differentiating feature it has.
  - Hilly areas have been covered by our Teletalk Bangladesh Limited.
  - Admission form filling of different Universities is only possible by our Teletalk sim
  - Teletalk offers are unique.
  - Exceptional customer service.
  - Unique engineering support.
  - Low turn over and high employee motivation.
  - Re examination of S S C and H S C exams scripts is only possible through Teletalk Sim.

Customer Satisfaction about TBL: It is always very important to assess how customers are taking TBL as a product. Nevertheless, in the present survey among thirty customers those who are using other operators. It was found that 40% of the customers are completely satisfied, 40% of the customers are very satisfied and 20% of the customers are satisfied. Nobody was somewhat dissatisfied or dissatisfied at all.

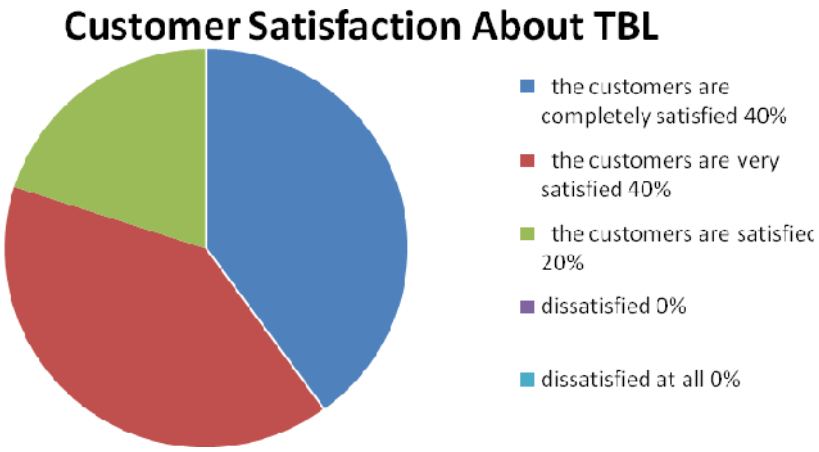

Fig 2: Customer Satisfaction about TBL

Customer satisfaction in terms of technical ability of the customer care personnel: From the figure no. 2, To analyze customer satisfaction in terms of technical ability of the personnel. It has been asked all thirty

customers about any repeat work on a problem which was previously tried by our service people but could not be fixed. If yes, please state the case! nature of the work. Also state, did you need to pay for that?

- completely satisfied 40%
- very satisfied 40%
- satisfied 20%
- dissatisfied 0%
- dissatisfied at all 0%

Here among thirty customers, one customer revealed about his bad experience in only one case. So, the error rate/ dissatisfaction rate can be stated as 3.34%. On the other hand, it can be said that about 96.66% customers did not face any problems without any delay or without any help from Teletalk Service Centre. As such, those 96.66% customers are satisfied with the ability of the work of Teletalk personnel.

Customer satisfaction comparing with the TBL: There are other competitors like Grameen phone, Banglalink, Citycell, Robi, Airtel. However, According to my survey 90% customers said they are satisfied with service comparing to the service standard of other competitive brands, like Grameen phone, Banglalink, Citycell, Robi, Airtel.

Customer satisfaction in terms of world standard: In the present survey it was found that, 11 customers out of 30 customers using another competitors like Grameen phone, Banglalink, Citycell, Robi, Airtel, Here out of 11 customers 6 customers believe that overall service is world standard That means 54. 55% Customers believe that overall service they are getting here is world standard. The rest 44.45% customer revealed that mostly two things are lacking here to be world standard. One is network standard and another regulatory system of the government.

Strengths of Teletalk: The main strength of Teletalk is the confidence of its subscribers in the government institution. On the other hand it's being the part of government, is probably the biggest weakness from the operational perspective of Teletalk.At a time when people were desperately searching the way out to get rid of the oligopoly of a few operators, Teletalk started its operation with big bang of response. People became frenzy to get a Teletalk SIM. Another good reason for that craze was its flexibility in connectivity with the other operators. It's the only SIM, having a versatility of connections with ISD, Economy ISD service

facilities along with both incoming and outgoing connectivity to all of the SIM's with any of the land phones. The major strengths that Teletalk have can be summarized as follows:

- ✓ TBL resume its functionality with the countrywide telecommunication network and infrastructure of BTTB.
- ✓ TBL is getting continuous direct and indirect support of BTTB expert of relevant field.
- ✓ TBL was awarded with highly competent and experienced executives from BTTB.
- ✓ High rate of retention of senior executives being Government Gazetted officers.
- ✓ Having GSM technology of both 900/1800 MHz frequencies.
- ✓ Innovative products and Services.
- ✓ Competitive tariff and charges.

Weaknesses confronting Teletalk : The biggest weakness of Teletalk is its premature entrance in a mature market. Though Teletalk was not fully ready with its full technical capabilities and stable network, political and other pressures of the market forced it to launch commercial service at least 6 (six) months before it should have started so. As soon as anyone could catch hold of a Teletalk mobile, the person started comparing its performance with the services of Grameen, Banglalink or Aktel in terms of coverage and other facilities. Since those operator had already a very mature network with very wide coverage, Teletalk started getting bad names from day one.Another major set-back was that, Teletalk had stepped into a developed market with a few number of BTSes and the progress of development of network was far below the expectation of subscribers. Moreover, the interconnection with other mobile operator was delayed and they are till not up to the mark. Due mostly to non-cooperation by the incumbent operators, it became a nightmare for the Teletalk subscribers to use a Teletalk mobile.

Other weakness areas of Teletalk can be summarized below:

- ✓ It's internal organizational structure is not professional.
- ✓ Being a Government organization, TBL can not take prompt decision regarding policy formulation, procurement decisions and other such things.
- ✓ Problems in recruiting experienced executives in higher positions.
- ✓ Late entrant in highly competitive market.

Opportunities Provided to Teletalk: The major opportunities that Teletalk have can be summarized as follows:

- ✓ Being a Government organization, public has full confidence and expectation on it.
- ✓ It gets all types of support from Government regulatory commission.
- ✓ Substantial gap between demand and supply.
- ✓ Obtaining support from other new entrants like Warid Telecom.
- ✓ Growing middle class population in the country.
- ✓ New product and marketing strategy.

The major areas of threat confronting Teletalk have can be summarized as follows:

- ✓ Wider coverage of competitive operators.
- ✓ Aggressive network expansion of other operators.
- ✓ Changes of Government tax structure.
- ✓ Devaluation of BDT to mismatch the profit margin.
- ✓ No support by international operators.
- ✓ Probability of price cuts by Warid Telecom and other competitors.

Increasing the market share of Teletalk: The firm's performance relative to competitors can be measured by the proportion of the market that the firm is able to capture. This proportion is referred to as the firm's market share and is calculated as follows:

Market Share = Firm's Sales / Total Market Sales

Sales figures do not necessarily indicate how a firm is performing relative to its competitors. Rather, changes in sales simply may reflect changes in the market size or changes in economic conditions.Sales may be determined on a value basis (sales price multiplied by volume) or on a unit basis (number of units shipped or number of customers served). While the firm's own sales figures are readily available, total market sales are more difficult to determine..

Conclusion

It was tried to study the probable expansion program against the main project of BTTB. Mostly secondary data were considered for this study.

i. Teletalk has considerably fulfilled its customer expectation by drastically reducing tariff.
ii. Reduction of tariff has created stiff competition among the mobile operators.
iii. Teletalk has already covered 85 % of population the whole country; it will also increase its capacity coverage.
iv. Teletalk is going to offer supplementary services like GPRS, CRBT very soon.
v. Teletalk is earning a substantial amount of revenue per month and is contributing to the government fund by paying income tax and VAT.
vi. Future expansion for 10 Lac subscriber connectivity has commenced from 2007 and will trigger earning of more revenue.
vii. The telecom sector is one of the biggest earners of cash revenue. Before the entrance of Teletalk, BTTB was playing the vital role of cash cow for the Government in the telecom sector. By the insertion of mobile phone through Teletalk, a public sector company Government can greatly increase the revenue from this sector and play fruitful role for socio-economic development.
viii. Government decision to own a Mobile Company is to ensure fair competition between public and private companies. After the emergence of Teletalk, rates and tariffs in the market have been reduced tremendously. Moreover all the mobile operators are now continuously trying to provide more value added quality services with cheaper rate.
ix. The mobile company “Teletalk” is owned by the people of the country, has become cherished mobile phone for Bangladeshi. Teletalk is directly contributing to the economy of the country and keeping all the hard earned money in the country.
x. Teletalk once again seeks co-operation not only from Government but also from private mobile and PSTN operators to ensure success and development of the country.

The recommendations based on the above study are as follows:

As there are still demand of Teletalk prepaid connections, Teletalk should take immediate steps to mitigate the prospective customers demand through enhancing its network and increasing its system capacity. All efforts should be given to catch the present market. Teletalk should try to retain the present customers and at the same time it must increase the subscribers.Marketing steps should be taken to make post-paid connections for attracting valued customers. Whole country coverage with Upazila/growth centre and national highways and gradually all populated area should be done. More attractive features should be developed to draw new connections as well as attracting other operators customers. Government regulatory system should be changed.

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