



Project Report (BUS498)

Assessing the Level of Customer Satisfaction of GrameenPhone Limited.

Prepared and Submitted By:

**Farzana Wazed Yen
ID# 2003-3-14-070**

Prepared For:

**Omar Faruq
Senior Lecturer
Department of Business Administration**

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EAST WEST UNIVERSITY



April 30, 2008

To
Mr. Omar Faruq
Senior Lecturer
Department of Business Administration
East West University

Ref.: Submission of Project Report titled "Assessing the Level of Customer Satisfaction of GrameenPhone Limited"

Dear Sir,

In order to earn the Bachelors Degree in of Business Administration, I was to conduct and submit a research report on any business issue of my choice.

As par the requirements, I submitted a proposal on a Research topic titled "Assessing the Level of Customer Satisfaction of Grameen Phone Limited". Carrying out the study and preparing the report was a challenging task to accomplish and I am very confident on the outcomes of the study.

I, hereby, have the pleasure of submitting to you a copy the report and anxiously looking forward to your feedback on the project outcomes and every detail of the study.

Yours truly,

Farzana Wazed Yen

ID# 2003-3-14-070

Acknowledgement

My heartfelt thanks first of all to all the valuable business customers of GrameenPhone and other respondents (mass) who have patiently cooperated with me in course of the study, by their spontaneous response and rational thinking.

My special gratitude is highly due to Mr. Mahabub Ullah, Honorable Manager of Dhaka SME Sales, for entrusting me with confidential information of the organization.

I am also pleased to thank Mr. Jannatul Muhammad Haque, Deputy Manager of SME Sales. Mr. Ehatasham Haider, officer of SME Sales. Ms Bipasha, Customer Manager of Dhanmondi GPC. Mrs Sadia Afrin, Customer Manager of CMC. Mr. S M Simon Ahsan, Customer Manager of Compliant Management.

Intense Gratitude from me is also due to Mr. Tanim Ahmed, Chairman of ABCO Group, Mr. Babul Nandi AGM of Rising Group for their guidelines and feedbacks on the research procedure in course of the study.

Finally, I would like to express deepest Gratitude Mr. Omar Faruq, Faculty of Business Administration Department of East West University, for supporting me and showing me the way of working procedures.

Executive Summary

GrameenPhone Ltd. has stepped into its 12th year of operation, having completed its 11th year on March 26, 2007. It is the leading telecommunications service provider in the country with more than 10 million subscribers as of December 2006. GrameenPhone has been recognized for building a quality network with the widest coverage across the country while offering innovative products and services and committed after-sales service.

GP knows that in near future, the sell will sluggish down and all the activities will occur through targeting the after sell services. And for that GP always wants to give their priority to this sector. All the activities GrameenPhone Ltd. based on their service. Mobile operators are mainly selling their service to their customers. And in that competition GrameenPhone provides best quality service to their customers. The rationale of this study is to identify the customer satisfaction level of GrameenPhone Ltd. whether they feel comfortable, enjoy and want to be loyal or not. The underline idea of this report is to give brief knowledge about the telecom market in Bangladesh and about the service level of number one mobile operator company; GrameenPhone Ltd.

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PART - I

INTRODUCTION

1.0 Introduction

1.1 GENERAL INTRODUCTION

BBA, a four year academic program is the building up of the theoretical knowledge about business administration. The Project program is an attempt to provide the business students an orientation to business and its situation in which we can observe and evaluate the use and applicability of the theoretical concepts, which were taught in the classrooms. As per norm this report is the requirement of the fulfillment of the Project program. This report titled “*Assessing the Level of Customer Satisfaction of Grameenphone.*” is the out come of a 3-months project. During this period I was under the supervision of my academic supervisor Mr. Omar Faruq, Faculty of Business Administration, East West University (EWU).

1.2 OBJECTIVES:

- To discuss about telecommunication business in Bangladesh.
- To present a background and introduction of Grameenphone Ltd.
- To focus on the business and operations of the company.
- To discuss about the activity of the Customer Service Division of Grameenphone Ltd.
- Compare other operators with Grameenphone Ltd.
- To focus on the most recent after sales service improvement and market position of Grameenphone Ltd.
- To find out the satisfaction level of Grameenphone subscribers.
- To specify the areas of dissatisfaction of the Grameenphone users.
- Identify the findings of analysis and recommend based on the findings.

- To provide information while working to get the information for my project report.

1.3 SCOPE

The scope of the study is limited within the telecommunication industry of Bangladesh. It is also limited within the organization of Grameenphone, especially in the Customer Service Division of the company. Here I discussed with the topics related to the after sales customer satisfaction of Grameenphone Ltd.

1.4 Significance of the study

GP knows that in near future, the sell will sluggish down and all the activities will occur through targeting the after sell services. And for that GP always wants to give their priority to this sector. All the activities GrameenPhone Ltd. based on their service. Mobile operators are mainly selling their service to their customers. And in that competition Grameen Phone provides best quality service to their customers. So being an employee of GrameenPhone Ltd. it's an honor to find out the customer satisfaction level. However today the competition is raising and it's create an opportunity to the customers for choose better one. As a result the telecom organizations are now not only looking for capture new customer but also retain the present and past customers too. For that they are now completely focus on their service level. So it's very important for GrameenPhone Ltd. to keep their service level up always as they did previous. The rationale of this study is to identify the customer satisfaction level of GrameenPhone Ltd. whether they feel comfortable, enjoy and want to be loyal or not. The underline idea of this report is to give brief knowledge about the telecom market in Bangladesh and about the service level of number one mobile operator company; GrameenPhone Ltd.

1.5 LIMITATIONS

- The major limitation factor for this report is the complexity of the topic.
- Since the survey was conducted in telephone questionnaire, it was a great challenge to ensure the actual validity of the response.
- There were some limitations of access to information, which are strictly confidential for the company.

- The company did not have sufficient source of secondary data and the collection of data was not smooth.
- It was exceedingly difficult to finish a report of such magnitude and importance within a span of 3 months.
- Budget is a limitation as its 'course' based academic survey lacking any financial sponsor.
- Last but not the least; it won't be possible to obtain 100% accurate data since the survey was done on a set of sample, not the entire population.

1.6 Hypothesis

Here the hypothesis is, "Although Grameenphone is leading the market of mobile telecommunication industry by a long distance; their customers are not fully satisfied with the company's services. If GP does not take care of these dissatisfactions and another company enters the market with similar offers, it will be difficult for Grameenphone to keep the current market share intact."

1.7 METHODOLOGY

For the purpose of the study, data and other relative information have been collected from both the primary and secondary sources. The relevant information collected from primary sources was collected through a questionnaire. After survey to carry the result,

- The **graphical** status of variables,
- Made **interpretations** from those testing to find out the satisfaction level of customer.

My work experience in GP helped me a lot. Besides this, regular conversations with many GP employees, suggestions taken orally from the personnel of Grameenphone Ltd helped me as well. The secondary sources for data collection were published annual reports, monthly financial newsletters of GP, Bulletin Board of internal office and monthly newsletters of GrameenPhone.

1.8 STRUCTURE OF THE REPORT

The report is divided into two main parts:

- i) Organization part.
- ii) Project part.

The **Organization part** is mainly focused on the telecommunication industry of Bangladesh and a succinct description of Grameenphone itself. This part also includes the over all customer service scenario and its present situation.

The **Project part** consists of the analysis of the survey, which were taken from a sample of 100 entities. Following the results from the survey, the findings were put into the right place so that a concrete and reasonable result could have been obtained trailed by an in dept analysis regarding the matter.

Finally, there is a recommendation part, which is has been prepared on the basis of the survey results. Moreover, an abstract gives us an overall general idea about the study as well.

PART II

TELECOMMUNICATION INDUSTRY

IN BANGLADESH

2.0 TELECOMMUNICATION IN BANGLADESH

2.1 TELECOMMUNICATION INDUSTRY IN THE SAARC COUNTRIES

Bangladesh has one of the lowest densities in the telecommunication sector and the least telephone penetration rates in the South Asia compared to that of the world. According to the International Telecommunication Union (ITU) report, the telecommunication revenue as a percentage of the GDP is also low in Bangladesh compared to the other regional countries. Among the SAARC countries per 100 inhabitants Maldives has the highest telephone density while Bangladesh has the lowest.

2.2 TELECOMMUNICATION INDUSTRY IN BANGLADESH

Access to the Internet is creating a new distinction in society. Those who have access to the Internet have access to all kinds of information. This puts them into an advantageous position in society, vis-à-vis others who do not have such access. Internet access is built upon the basic telecom network. While the telecom infrastructure in advanced countries is well developed, allowing them to move rapidly towards universal telecom and Internet access, the infrastructure in Bangladesh is very poor and inadequate. Like other developing countries, Bangladesh is facing the question of how best to develop its telecommunications and information infrastructure to provide access to "advanced" telecommunications and information services in order to remain competitive in the world of information technology. There is a tremendous amount of potential for growth in areas like fixed wireless networks, optical fiber networks, cable networks, Internet telephony, etc. (to name a few) in Bangladesh. This paper addresses the concerns and prospects of growth in telecommunication infrastructure in Bangladesh. Bangladesh, future targets and methods of attracting finance.

The telecommunication sector in Bangladesh is poised for rapid growth in the coming years. The concept of mobile telephony has become largely familiar and phenomenal in Bangladesh from the late 90s. The sector, particularly which of mobile phones, is one of the fastest growing areas of the economy. The growth potentials will continue to remain robust for the foreseeable future.

2.3 MAJOR MARKET PLAYERS IN TELECOMMUNICATION SECTORS IN BANGLADESH

The existing Cellular phone companies in Bangladesh are **CityCell** (Pacific Bangladesh Telecom Limited), **GrameenPhone Ltd.**, **AkTel Ltd.**, **Banglalink** and **TeleTalk**. Among these company GrameenPhone, AkTel, Banglalink and TeleTalk adopted GSM technology and Citycell the market pioneer started with CDMA technology.



2.3.1. PACIFIC BANGLADESH TELECOM LTD. (PBTL):

City Cell (Pacific Bangladesh Telecom Limited) is Bangladesh's pioneering mobile communications company and the only CDMA network operator in the country. Among the five mobile phone operation companies who are running their businesses in the private sector, Pacific Bangladesh Telecom Ltd. (PBTL) is the pioneer. IN 1990 Hutchison Bangladesh Telecom Ltd. was formed as a joint venture of Bangladesh Telecom (BTL) and Hutchison Whampoa of Hong Kong. The company began their operations as the analog cellular operator using the CDMA technology in 1993. In 1996 this company was renamed as pacific Bangladesh Telecom Ltd. (PBIL) with brand name of City Cell.

At present, Singapore Telecom Limited, South East Asia's largest mobile phone company has announced that it has broken into Bangladesh's fast growing mobile market with acquisition of 45% in Pacific Bangladesh Telecom Ltd. Earlier, on 2nd June 2005;

SingTel announced that it has invested US\$118 million for a 45% equity stake in PBTL. Of this investment, US\$90 million will be applied towards the subscription of new shares. In addition, SingTel has a call option to increase its equity interest in PBTL to 60 per cent for an additional US\$65 million. The option can be exercised between 1st April and 30th June 2007.

CityCell (Pacific Bangladesh Telecom Limited) is a privately owned company with majority foreign ownership equity. Following lists the current owners of City Cell (PBTL):

2.3.1.1 ACHIEVEMENTS

Pacific Bangladesh Telecom Limited has consistently set the benchmark of the telecom industry in Bangladesh:

- First to launch Mobile phone in the Sub-continent
- First to adopt CDMA technology in the sub-continent.
- First ever-private wireless network in Bangladesh.
- First to connect Cox's Bazaar to rest of the world.



2.3.2 TELECOM MALAYSIA INTERNATIONAL BANGLADESH (AKTEL)

AKTEL is the dynamic and leading end-to-end countrywide GSM mobile communication solutions of TM International (Bangladesh) Limited. It is a joint venture company between Telekom Malaysia Berhad and A.K. Khan & Co. Limited, which was established in the year 1996, and services launched in 1997 under the brand name AKTEL. It is a company incorporated in Bangladesh with the objective of offering the state-of-art and modern telecommunications services to the people of Bangladesh at competitive prices. TMIB received license to operate GSM cellular phone services in Bangladesh in 1996. TMIB, a joint-venture company formed between Telecom Malaysia

Berhad holding 70% of the equity capital and 30% local shareholding by M/s A. K. Khan & Co., Limited.

AKTEL is recognized as a leading brand in Bangladesh and this is driven by our persistent pursuit of quality and technology, putting it clearly ahead of the rest. The future with **AKTEL** is promised to be exciting as we strive to employ the best resources and latest technology in offering many more innovative and exciting products and services

2.3.2.1 Major Milestone AKTEL

- First time introduced the 'mobile Plus (PSTN Incoming Connectivity only) Product Services' in Bangladesh
- First time introduced the Tele-Ramadan (Timing of Iftar and Sehri during Ramadan) under Tele-info Services in Bangladesh.
- First time introduced the Seamless Coverage throughout the Dhaka-Chittagong Highway and named it as 'Chittagong Dhaka Corridor (CDC).
- First time introduced cellular services in the most northern part of Bangladesh by launching AKTEL Service in Rangpur and Dinajpur in 2002.
- TMIB brought Fifty Nine (59) Districts and the outskirts under AKTEL network by the end of Year 2004 successfully.
- Introduced the automatic system generated bill amount and payment request for the Post-paid subscribers in 2002. The automatic unbarring facility, after necessary payment making by the subscribers, is also a part of this system.



2.3.3 Orascom Telecom Ltd (BANGLALINK):

Orascom Telecom Holding purchased 100% of the shares of Sheba Telecom (Pvt.) Limited (“Sheba”) in September 2004. OTH operates a GSM network in Bangladesh and provides a range of prepaid and postpaid voice, data and multimedia telecommunications services. As of June 30, 2005, Banglalink served approximately 0.5 million subscribers. Banglalink estimates that it had a 7.3% market share of total mobile subscribers in Bangladesh. Banglalink’s license is a nationwide 15-year GSM license that expires in November 2011. It was acquired for US\$ 60 million and re-branded and launched its services under “Banglalink” in February 2005.

2.3.4 Perceived Relative Position of Mobile Operators

Operators	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dcc-07	Nov	Dec	Nov	Dec
GP	13.24	13.97	15.73	14.84	15.14	15.65	16.01	16.48	48%	48%	30%	47%
Aktel	5.55	5.05	6.67	6.62	6.7	6.62	6.53	6.4	20%	19%	8%	-13%
Banglalink	5.53	6.04	6.61	5.88	6.02	6.27	6.51	7.08	19%	21%	14%	57%
Citycell	1.27	1.3	1.31	1.32	1.32	1.35	1.38	1.41	4%	4%	0%	3%
Teletalk	0.87	0.89	0.91	0.66	0.68	0.7	0.72	0.85	2%	2%	2%	13%
Warid	0.2	0.47	1.14	1.4	1.56	1.74	1.95	2.15	5%	6%	16%	20%
Total	26.66	27.72	32.37	30.72	31.42	32.33	33.1	34.37	100%	100%	70%	127%

PART III

ORGANIZATION BACKGROUND

3.0 ORGANIZATION BACKGROUND

3.1 THIS IS GRAMEENPHONE

GrameenPhone Ltd. has stepped into its 10th year of operation, having completed its 10th year on March 26, 2007. It is the leading telecommunications service provider in the country with more than 10 million subscribers as of December 2006. Grameenphone has been recognized for building a quality network with the widest coverage across the country while offering innovative products and services and committed after-sales service.

3.2 HISTORICAL BACKGROUND OF THE COMPANY

GrameenPhone (GP) is the single largest cell-phone operator in Bangladesh. GP was given the cellular license in 28th November 1996 by the ministry of Posts and Telecommunications, prior to which only one company was allowed to do so name City Cell. Later in March 26th 1997, GP offered their service in Dhaka city and gradually covered the entire country. After approximately eight years of operation, GP has managed to get a subscriber base of 3 million. It seems that GP is playing a dual-purpose role towards the Bangladeshi society. First and foremost is its profit objective. Its aim is to receive an economic return on its investments and to contribute to the economic development of Bangladesh where telecommunications can play a critical role. This is why GP, in collaboration with Grameen Bank, is aiming to place one phone in each village to contribute significantly to the economic uplift of those villages. GP's basic strategy is coverage of both urban and rural areas. In contrast to the "island" strategy followed by some other companies, which involves connecting isolated islands of urban coverage through transmission links, GP builds continuous coverage, cell after cell. While the intensity of coverage may vary from area to area depending on market conditions, the basic strategy of cell-to-cell coverage is applied throughout GP's network. GP employ's a

large number of employees who are young, dedicated and energetic. All of them are well educated at home or abroad, with both sexes (genders) and minority groups in Bangladesh being well represented. They know in their hearts that GP is more than just about phones. This sense of purpose gives them the dedication and the drive, producing – in about eight years – the biggest coverage and subscriber-base in the country. GP knows that the talents and energy of its employees are critical to its operation and treats them accordingly.

The technology used by GP can only be described as state of the art. GP's Global System for Mobile (GSM) technology is the most widely accepted digital system in the world, currently used by over 300 million people in 150 countries. GSM brings the most advanced developments in cellular technology at a reasonable cost by spurring severe competition among manufacturers and driving down the cost of equipment. Thus consumers get the best for the least. GP is best known for its service rather than its low tariff and value added services. GP believes in service, a service that leads to good business and good development. Telephony helps people work together, raising their productivity. This gain in productivity is development, which in turn enables them to afford a telephone service, generating a good business. Thus development and business go together.

As a result GP is delivering the digital revolution to the doorsteps of the poor and unconnected. By being able to connect to urban areas or even to foreign countries, a whole new world of opportunity is opening up for the villagers in Bangladesh. Grameen Bank borrowers who provide the services are uplifting themselves economically through a new means of income generation while at the same time providing valuable phone service to their fellow villagers. The telephone is a weapon against poverty.

Grameenphone Limited, the number one and leading mobile phone company in the area of telecommunications in Bangladesh. Of four mobile operators, GP managed to grab 69% of the market share only by providing cost-effective & best service available in the market of mobile telecommunication. GP has made its expansion not only in the urban areas, but also it stretched its network in the rural areas for the economic empowerment of the rural people. Grameenphone has made a special arrangement with Grameen Telecom, an affiliate of Grameen Bank in providing the cellular services in the rural country.

GP believes Excellency in its service towards its subscribers. It is growing and at the same time being competitive. To keep up this upward trend and leading position absolute dedication to understanding and fulfilling their customer needs with the appropriate mix of standard service, reliability, improved technology and skilled as well as dedicated manpower is necessary.

3.3 VISION OF GRAMEENPHONE LTD.

Company Vision

“We are here to help”

The vision will be achieved by

- Connecting Bangladesh with ease and care
- Being user-friendly
- Providing value for money
- Providing simple and timely connections
- Having a right and understandable process

Company Mission

- Knowing customer expectations
- Knowing us
- Organizing us

Values

- Make it easy
- Keep promises
- Be inspiring
- Be respectful



3.4 OBJECTIVES OF THE GRAMEENPHONE:

-7

▶ Good Business, Good Development

Grameenphone's basic strategy is the coverage of both urban and rural areas. The Company has devised its strategies so that it earns healthy returns for its shareholders and at the same time, contributes to genuine development of the country. In short, it pursues a dual strategy of good business and good development. Serving the mass market is one of GP's primary goals. By serving the general public as opposed to niche markets, the Company plans to achieve economies of scale and healthy profits. At the same time, service to the general public means connectivity to a wider population and general economic development of the country. In contrast to the "island" strategy followed by some companies, which involves connecting isolated islands of urban coverage through transmission links, Grameenphone builds continuous coverage, cell after cell. While the intensity of coverage may vary from area to area depending on market conditions, the basic strategy of cell-to-cell coverage is applied throughout GrameenPhone's network. In addition, GP has positioned itself to capitalize on the declining prices of handsets, making its goal to serve the general public realistic.

3.5 GP'S STRATEGY

GrameenPhone's basic strategy is coverage of both urban and rural areas. In contrast to the "island" strategy followed by some companies, which involves connecting isolated islands of urban coverage through transmission links. Grameenphone builds continuous coverage, cell after cell. While the intensity of coverage may vary from area to area depending on market conditions, the basic strategy of cell-to-cell coverage is applied throughout Grameenphone's network.

3.6 COMPANY SERVICE

GrameenPhone believes in service, a service that leads to good business and good development. Telephony helps people work together, raising their productivity. This gain in productivity is development, which in turn enables them to afford a telephone service, generating a good business. Thus development and business go together.

3.6.1 SERVICE FOR THE RURAL POOR

Establishing a nation wide network gives fair access to all geographical areas. From a business point of view, this strategy serves both the long distances as well as the rural markets. This emphasis on rural coverage brings a much-needed infrastructure in the underdeveloped rural areas. In collaboration with Grameen Bank, which provides micro-credit only to the rural poor, GP utilizes the bank borrowers to retail telecom services in the rural areas. Leveraging on Grameen Bank borrowers reduces the distribution costs of Grameenphone's rural services, contributing to the profitability of this segment.



By bringing electronic connectivity to rural Bangladesh, Grameenphone is bringing the digital revolution to the doorsteps of the rural poor and unconnected.

3.7 CONTRIBUTION TO SOCIETY

GrameenPhone believes that good business leads to good development, since high level of productivity is development. The activities of GP contribute to the socio-economic development of Bangladesh in many different ways. In addition to employing nearly 1500 people, more than 100,000 people are directly dependent on GP for their livelihood, including the people working for the dealers, agents, contractors, suppliers, and a major portion of that figure includes the Village Phone operators. According to the International Telecommunications Union, the Geneva-based UN body, the addition of each new telephone in a developing country like Bangladesh, adds USD 2,500 to the country's GDP.

The Village Phone Program of Grameenphone is a unique initiative which provides access to telecommunications facilities in remote rural areas where no such service was available before. The Program enables mostly poor village women to own a Village Phone subscription and retail the phone service to her fellow villagers while providing them with a good income-earning opportunity. It is administered by Grameen Telecom in cooperation with Grameen Bank, the internationally renowned micro-credit lending institution.



Set up in 1997, the Village Phone Program has continued to grow at a robust pace over the years. By the end of 2004, the number of Village Phone subscriptions stood at 95,000, in 61 districts. The average earning of a Village Phone Operator is about BDT 5000 per month, which is more than twice the per capital income.

Grameenphone also actively participates in promoting different socio-cultural activities and sports events in the country. It sponsored many activities over the years including the Zainul-Quamrul International Children's Art Competition, the 11th Asian Art Biennale, and publication and launching of an anthology of contemporary Bangladeshi paintings. GP has also restored the exterior of the historic Old Railway Station Building in Chittagong as per its original architectural design. It has sponsored a scholarship fund for the poor and meritorious students of the Finance and Banking Department of Dhaka University in cooperation with the Finance and Banking Alumni Association. GP has also donated 16 computers to two schools for underprivileged children.

In the sports arena, GP is currently sponsoring the Bangladesh National Cricket Team for a period of two years through 2005-2007, and also sponsored the National



Under-19 and Under-17 cricket teams. It was also one of the main sponsors of the Live telecast of “ICC World Cup Cricket 2003. GP also sponsored the President Cup Golf Tournament, and sponsors the visits of newspaper reporters abroad to cover major sports events.

3.8 THE SHAREHOLDERS

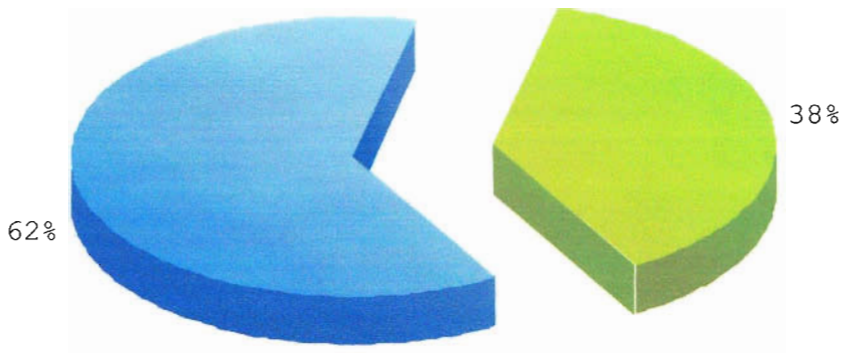
3.8.1 TELENOR AS

Telenor AS (62%) is the state-owned Telecommunications Company in Norway, a country with one of the highest mobile phone densities in the world. Telenor has played a pioneering role in development of cellular communications, particularly, but not exclusively, GSM technology. In addition to Norway and Bangladesh, Telenor owns GSM companies in Portugal, Denmark, Greece, Austria, Hungary, Russia, Ukraine, and Montenegro, Thailand and in Malaysia. Telenor is using the expertise it has gained in its home and international markets and putting it to use in an emerging market such as Bangladesh. Telenor has many alliances in other countries, bringing experience and competence, both technological and business, to ventures such as Grameenphone. Telenor has opened a regional Asia office in Singapore, an expansion that emphasizes its ‘No Barriers motto.



3.8.2 GRAMEEN TELECOM

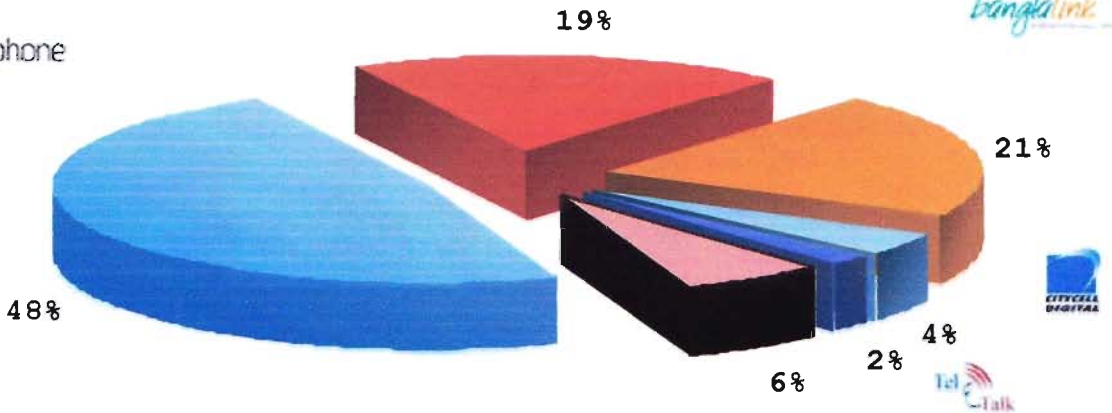
Grameen Telecom (38%) is a not-for-profit organization and a sister concern of Grameen Bank, the internationally recognized bank for the poor with an expansive rural network and extensive understanding of the economic needs of the rural population. Grameen Telecom, with the help of Grameen Bank, administers the Village Phone services to the villagers and trains the operators as well as handles all service-related issues. Grameen Bank covers 40,486 villages, or 60 percent of rural Bangladesh through its 1175 bank branches. Grameen Telecom's objectives are to provide easy access to telephones in rural Bangladesh, introduce a new income-generating source for villagers, bring the Information Revolution to villages and prove that telecommunications can serve as a weapon against poverty.



3.9 MARKET SIZE AND CUSTOMER

The total market size of the mobile industry is 34.37 million approximately, as of DEC 2007. Of this 48% of the market share is occupied by Grameenphone, 19% by Aktel, 21% by Banglalink, 4% by CityCell; 6% by Warid and 2% by TeleTalk.

Factors	In numbers	population
Total Telecom subscriber (GSM + CDMA + Fixed)	34.37 million	19.09%
CDMA subscriber	1.41 million	0.88%
GSM subscriber	32.96 million	18.21%



3.10 COVERAGE

This refers to the area throughout Bangladesh is covered by GP. At present 61 districts and 352 upazillas are covered by GP.

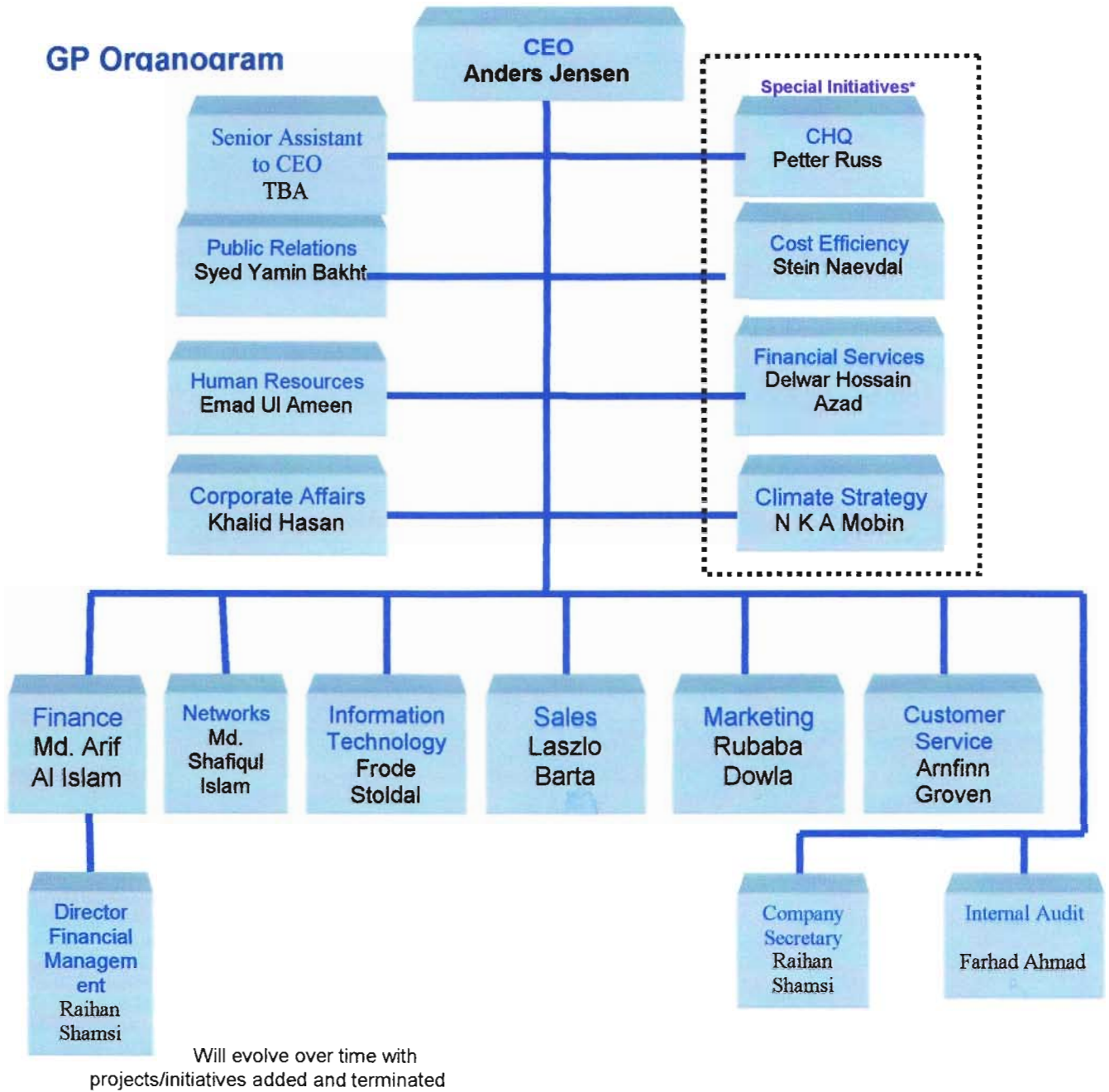


3.11 GP MILESTONES AND CRITICAL EVENTS . . .

- Nov '98** – Launched first Mobile to Mobile Product in Bangladesh.
- Aug '99** – Launched first '*Pre-Paid*' (mobile-mobile) service in the country.
- Feb '00** – Received GSM Community Award from GSM World Congress, France.
- Jun '00** – Launched '*Post-Paid*' with National mobility feature at Tk. 6/min. flat rate.
- Jun '00** – Subscriber base crossed *100,000* marks.
- Jun '00** – Covered all 6 divisional towns in the country.
- July '01** – EMC declared GP as the fastest growing & largest GSM operators in South Asia.
- Feb '02** – Introduced '*SMS*' service for Pre-Paid subscribers.
- Jan '03** – The "*1st South Asian GSM Association Meet*" was held in Bangladesh at the initiative of GP.
- Mar '03** – Received the prestigious '*Bangladesh Business Award*' sponsored by '*DHL*' & '*The Daily Star*' for being the best joint venture for the year 2002
- Jun '03** – Launched '*Friends & Family*' feature for GP-National product where subs. can make calls to 3 chosen GP nos. at Tk. 1.5/min.
- Aug '03** – Reached 1 million subscriber base
- Sep '03** – Launched '*EASY Hour*' feature for Pre-Paid product where reduced tariff of Tk 3/min. is applicable from 12 am – 6 am
- Sep '03** – Launched '*My EASY*' feature for Pre-Paid product where reduced tariff of Tk.3/min. is applicable for calling 1 chosen GP no.
- Dec '03** – Launched '*EASY GOLD*' (Pre-Paid with PSTN connectivity)
- Dec '03** – Sponsored the '*Bangladesh National Cricket Team*' for the year 2003-2005
- Feb '04** – Launched '*Friends & Family*' feature for GP-Reg. without monthly access fee from Feb. 22, 2004
- Mar '04** – Launched *Premium SMS* (Ring tone) through SMS Push/Pull Service on March 26, '04.
- Apr '04** – Launched *Anytime 300* (Post-Paid M2M) & *Anytime 450* (Post-Paid with PSTN Connectivity) Bundle Product for the first time in the Country.

- Aug '04** – Launched '*MY Time*' Feature for Pre-Paid subscribers; whereby subscribers can choose from 2 options (6 am to 9 am / 1 pm to 4 pm) to talk at a reduced rate of Tk. 3/min.
- Sep '04** – Crossed subscriber base of 2 million.
- Sep '04** – Launched '*SMS 2 Email/ Email 2 SMS*' Service.
- Oct '04** – Distribution Conference 2004 held in Bangkok, Thailand with participants of more than 250 representatives from Distribution Channel Partner.
- Nov '04** – Organized the 2nd 'Mobile Mela'
- Jan '05** – Introduced 50 Tk scratch card for EASY and EASY gold
- Jan '05** – The number of POS has increased to 1050 from 13 of 1999.
- Feb '05** – Extended validity of 300 Tk and 600 Tk scratch card
- Feb '05** – Launch of My Choice
- April '05** - Launch of djuice pre paid package.
- April '05** - Launch of Flexi load recharge system.
- May '05** - Launch of Anytime 500.
- January'06** -Launch of Business Solutions- segmented offering for the Business Segment
- January'06** - Reached 6 million subscribers
- September'06** - Launch of CIC
- November'06** - Celebrated 10million subs in 10 yrs & launched New Logo
- November'06** - Launch of Health line
- December'06** - Launched Smile Prepaid & Xplore Postpaid
- December'06** - Launch of Bill Pay
- December'06** -Launce GP IM
-

3.12 ORGANIZATION STRUCTURE OF GRAMEENPHONE LTD.



3.13 THE STRATEGIES

Grameenphone's strategy is coverage of both urban and rural areas. In contrast to the "island" strategy followed by some companies, which involves connecting isolated islands of urban coverage through transmission links, Grameenphone builds continuous coverage, cell after cell. While the intensity of coverage may vary from area to area depending on market conditions, the basic strategy of cell-to-cell coverage is applied throughout Grameenphone's network.

3.13.1 THE PEOPLE

The people who are making it happen- the employees are young, dedicated and energetic. All of them are well educated at home or abroad, with both sexes (gender) and minority groups in Bangladesh being well represented. They know win their in hearts that Grameenphone is more than phones. This sense of purpose gives them the dedication and the drive, production-in about eight years- the biggest coverage and subscriber-base in the country. Grameenphone knows that the talents and energy of its employees are critical to its operation and treats them accordingly.

3.13.2 THE TECHNOLOGY

Grameenphone's Global System for Mobile or GSM technology is the most widely accepted digital system in the world, currently used by over 900 million people in 150 countries. GSM brings the most advanced development in cellular technology at a reasonable cost by spurring severe competition among manufactures and driving down the cost of equipment. Thus consumers get the best for the least.

3.13.3 THE SERVICE

Grameenphone's believes in service, a service that leads to good business and good development. Telephony helps people work together, raising their productivity. This gain in productivity is development, which in turn enables them to afford a telephone service, generating a good business. Thus development and business go together.

3.13.4 THE RESULT

By bringing electronic connectivity to rural Bangladesh Grameenphone is bringing the digital revolution to the doorsteps of the poor and unconnected. By being able to connect to urban areas or even to foreign countries, a completely New World of opportunities are opening up for the villagers in Bangladesh. Grameen Bank borrowers who provide the services are uplifting themselves economically through a new means of income generation while at the same time providing valuable phone service to their fellow villagers. The telephone is a weapon against poverty. It is a remarkable achievement indeed. The GP service was only launched on March 26, 1997. In July 2001, The Village Phone Program is another innovative GP initiative launched in collaboration with Grameen Telecom, a shareholder of the company. Introduced in 1997, this unique service provides telecommunication services in remote rural areas where no such facilities existed before. Moreover, it also provides an income generating opportunity for the Phone operators, mostly rural poor women. The village Phone Program won the GSM in the Community Award given at the GSM World Congress held in Cannes, France in February 2000.

3.14 PRODUCT

3.14.1. Xplore Package

Xplore- the joy of doing more.

With the new xplore postpaid, discover the pleasure of doing much more. Packed with a treasure of new features and facilities it keeps you in touch with your loved ones and gives you access to unlimited information and entertainment. xplore postpaid sets you free!

Benefits at a glance

- Post-paid product with BTTB (Local, NWD, ISD and Economy ISD) connectivity
- Enjoy free incoming call from BTTB.
- Attractive Start-up Offer with Free VAS

- No on-net/off net, simple flat and low Tariff
- Reduced rate on three F&F numbers
- Economy ISD (012)
- SMS Roaming
- Breakfast News
- Pre activated EDGE Service
- International Roaming facility
- Flexible credit policy
- Pay your bills from anywhere using FlexiLoad



3.14.2 Pre-paid:



Bring SMILE into your life!

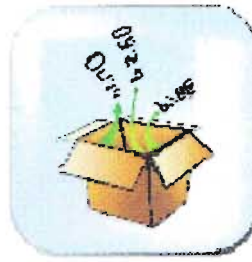
GP's new SMILE prepaid has been designed to keep you smiling. It brings you great rewards and benefits, amazing rates, and exciting new features. And this is just the beginning of a happy story. They have two types of Smile products. Those are Smile M2M & Smile PSTN.



Great Start-up Offer



Attractive Group Talk rate



Low Rates



Great Rewards



Amazing Savings



Great F&F Rates



Great Convenience



Other Facilities



3.14.3 DJUICE

Grameenphone has introduced a new brand called “**djuice**” on, Pahela Baishakh, first day of the Bangla New Year of this year. ‘**djuice**’ is a popular International Brand developed by Telenor, the majority shareholder of Grameenphone, and is currently operating in Norway, Sweden, Hungary and Ukraine. ‘**djuice**’ is specially targeted towards the youth, which is a very important segment of the market as they constitute 40 per cent of the population in Bangladesh. The ‘**djuice**’ subscription will have many benefits including a 20-second pulse from the first minute and Tk 1 per SMS to any other GP number. to djuice free talk time in the off pick hour which first in GP.

There are some other products that Grameenphone have those are below:



3.14.4 Business Solutions

GrameenPhone Ltd. was the first telecommunications company in the country to offer a Corporate Sales Package initiative, recognizing the importance of the special needs of the Business Solution customers. The Business Segments of GP handles all sales and other related services provided to the Business Solution subscribers. It delivers a total telecom solution under a Corporate & SME. Many leading local and multi-national companies, international organizations and banks have corporate agreements with GP. Business Solutions is a complete, quality business communications service from Grameenphone – designed especially for the business community in Bangladesh. Our Business Solutions team is here to help provide you with customized telecommunications solutions through consultation with you. Under such contracts, CSS adds more value propositions to the clients' mobile communication package and forms a reliable and long-term partnership with the client as its main telecom service provider. They also provide a specific Relationship Manager for each company.

3.14.4.1 Business Solution Value Added Service:

A full range of post-paid and pre-paid products with regular value-added services are available for the Business Solution clients. Moreover, value-added services are specially tailored to meet the specific needs of a Business Solution subscriber.

- No Monthly Line rent
- Dedicated Key Account Manager (KAM) & Relationship Manager (RM)
- Unlimited Browsing on 850 BDT
- International Roaming without security Deposit
- Priority based service in all GP service point.

3.14.5 The Village Phone

The village phone program began from a social commitment made by the shareholders of GrameenPhone that "good development is good business". The program facilitates women borrowers of Grameen Bank to the GSM technology through the village phones. They become effectively mobile public call offices. This not only provides rural poor with new, exciting income-generating opportunities, but it also helps to enhance the social status of women from poor rural households.

3.15 GSM FEATURES OF GRAMEENPHONE

GrameenPhone subscribers enjoy the following GSM features without bearing any additional costs:

Caller ID: Display of the phone number of an incoming call in your handset before the call is answered.

Call Waiting: While talking to the first caller, you will hear a special tone informing you about the second call on the line. At that moment you can put the first caller on hold and talk to the second caller.

Call Conference: Receiving calls from multiple callers can be supplemented by joining these multiple callers so as to enable them to talk to each other. You will be able to communicate with a group consisting of maximum five callers.

Call Divert: Call Divert lets you redirect or re-route your call to another GrameenPhone mobile or any other fixed (if you have BTTB connectivity) or mobile phone.

Call Barring: Enables you to restrict certain types of calls to be made from your mobile. This feature is especially important for security purposes.

Call Forwarding: It allows you to forward the incoming calls to any mobile number if you are not within the GP coverage area or do not want to receive the call.

3.16 Value Added Services (VAS)

GrameenPhone also introduced a number of value-added services during the last eight years. It may be noted that GrameenPhone was the first mobile phone operator in the country to introduce value-added services like Voice Mail Service, Text Mail Service and fax and data transmission services. GrameenPhone also launched the Wireless Application Protocol (WAP).

SMS (Short Message Service): With this service, you can receive and send Text Messages (a maximum of 160 characters per message) to any GP or other mobile and to foreign operators' (international) mobiles as well (conditions apply).

SMS Push-Pull Services: With Push-Pull service, you can enjoy more than 160 contents (Ex: Usage Info, Payment Status of last bill, Sports news, Emergency numbers, Restaurants, Airline and Railway timing, travel info etc.).

Voice Mail Service (VMS): VMS works like an answering machine. When you are not available or outside the coverage area or simply busy, the caller can leave a message in your voice mail box, which you may listen or retrieve at your convenience.

Fax and Data: This service enables a Grameenphone subscriber to send/receive fax and data through their handsets by connecting to a PC/Laptop. Currently, this service is offered to Business Solution clients only.

Wireless Application Protocol (WAP): This is a tool to access WAP-enabled information from the Internet through GP mobile phones. You can also access your yahoo e-mail account through GP WAP service.

Cell E-mail: Cell E-mail is a state-of the art Technology which offers e-mail service through SMS. It possesses almost all the aspects of standard web mail and most importantly it is compatible with almost all GSM handset. Thus providing a way to use email to the subscribers who don't have access to Internet; Inforev Limited a local ICT solution Provider company is providing the solution on behalf of Grameenphone Ltd.

3.17 Products and services that have been successful

- GP-Xplore, the best product of Grameenphone retains its popularity through its full connectivity to all networks including fixed line telephony services.
- DJuice, Targeted the youth extremely well.
- Smile Pre-Paid & PSTN, because of Low flat tariff and nationwide mobility, it's a Pre-paid service, no monthly rent required and instant use due to pre-activation, no hassles of bill payment.

- Xplore because of low flat tariff, nationwide mobility, connectivity to other operator's mobiles in different zones.
- EDGE Service through mobile because of easy access, interesting theme, and reasonable rate and for being new and innovative.
- Village phone because of use of Grameen Bank's borrower network and for having access to BTTB & ISD.

3.18 SWOT Analysis of Grameenphone Ltd.

3.18.1 Strengths:

- Good Owner Structure.
- Availability of Backbone Network (Optical fiber).
- Financial Soundness.
- Market Leader.
- Brand Name / Grameen Image
- Skilled Human Resource.
- Largest Geographical Coverage.
- Good Human Resource and Infrastructure Installation all over the country through Bangladesh Railway and Grameen Bank.
- Access to the widest rural distribution network through Grameen Bank.
- High Ethical Standard.

3.18.2 Weaknesses:

- Lack of co-ordination is used as an excuse not to solve problems
- Too much inside out thinking in the company.
- Different departments not working together.
- Inadequate interconnection with BTTB.
- Public relations not up to the mark.
- Sometimes a tendency to be arrogant
- Complicated price structure

- Billing System can't handle sophisticated billing.
- No long-term Distribution/Channel strategy.
- SMS platform has insufficient capacity.
- High employee turnover.
- Advertising is not too creative.

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3.18.3 Opportunities:

- Economic growth of Bangladesh.
- New and better interconnection agreement
- Huge need for telecom services
- Increased intentional activities in Bangladesh
- Declining prices for handsets
- Future privatization of the fixed network
- New international gateway
- Demand for inter-city communication
- Growth in other operator will give more connection.



3.18.4 Threats:

- More rigid government regulations.
- More influence of competitors on the fixed network
- Change of government might lead to competitors having more clout
- Devaluation of Taka
- Sabotage of installation.
- Non-co-operation of government and fixed PSTN (Public Service Telephone Network).
- Risk of fire in GP's Installations.
- Price war.
- Non-availability of funds.

3.19 Customer Service

The Customer Management Division of Grameenphone Ltd. provides a full range of after-sales service customized to the needs of the valued customers. Efforts are made to offer complete service through all the contact points dedicated for GP customers at every opportunity through Call Center, GPC and Customer Communication. The trained team of Customer Management Division strives to ensure service with an aim to content the subscribers through “YOU FIRST” attitude and solution. Our strategy is to connect Bangladesh with “Ease & Care” at every contact through professional and proactive service.

3.19.1 Structure of CUSTOMER SERVICE DIVISION

Focus Areas:

- ✓ Attractive & easy customer experience.
- ✓ Energized people.
- ✓ Efficient operation.
- ✓ Involved customer community.

Main customer touch points of Grameenphone:

GPC: No. of GPC (Grameenphone Center): 18

- 1) Dhaka: Dhanmondi, Farmgate, Gulshan, Mirpur, Motijhee, Uttara, Shamoli.
- 2) Chittagong: Agrabad, GEC More.
- 3) Others: Barisal , Bogra, Comilla, Dinajpur, Jessore, Khulna, Pabna, Majidi, Mymensingh, Rajshahi, Rangpur

No. of GPCF (Grameenphone Center Franchise): 12

Dhanmondi, Gazipur, Nodda, Gulshan, North Tower. Uttara, Polton, Wari, Andarkilla. Chittagong, CDA Avenue. Chittagong, Chawk Bazar. Comilla, Chowmuhoni, Royal Chattar, Khulna, Satkhira

GPSD: We have around 611 GPSD all through out the whole country. They are there to give the service to the door steps of our valuable subscribers.

Grahok Katha: Grahak Katha has been initiated based on the following...

1. let's not expect the customers to travel to get service rather let's service travel to the customers
2. Involve and empower all and evolve (in dreaming, processing new ideas and implement).

Customers are invited with the help of local Grameenphone Service Desk's Customer Managers. Chairman, TNO, Police Super, teachers and other VIPs are invited specially to focus on building local community. Involve & evolve customers by conducting survey, quiz competitions on GP services, service education, cultural events performed by GP employees/ local customers & refreshment. Customer feedbacks are escalated to the concerns division's cross functional interfaces immediately after the event to take further action. Network related complains of different areas have been resolved based on feedback. Tariff reduction for 121 and focus given on 121 language & short code promotion.

PART IV

PROJECT PART

4.0 PROJECT PART

4.1 INTRODUCTION TO THE PROJECT

4.1.1 Objectives

This project was designed to accomplish three objectives. From my point of view, these issues were very important to find out the gap between expectation and perception of the subscribers and to eliminate dissatisfaction. Through this study, I tried to attain the following objectives:

- The prime objective of my study was to find out the satisfaction level of Grameenphone subscribers.
- As an outcome of the prime objective, I tried to highlight the specific areas of dissatisfaction of the Grameenphone users.

4.1.2 Significance of the Study

From the organization part we came to know that Grameenphone is the market leader in the mobile telecommunication industry of Bangladesh. Their growth rate is very high. But in this edge of competition, it is very difficult to keep the leading perimeter intact. Companies need to come up with new ideas to remain competitive. They need to keep their customers satisfied.

So, it is very important for Grameenphone to know whether their customers are satisfied or not. If the customers are not satisfied, GP can specify the zones of dissatisfaction and take necessary actions to remove these dissatisfactions. Hence, as a result to this I decided to work on this topic to highlight the specific areas of customer dissatisfaction and the areas of improvement.

4.1.3 Customer Satisfaction: From Theoretical View

Customer satisfaction is the extent to which a product or service's perceived performance matches a buyer's expectations. If the product or service's performance falls short of expectations, the buyer is dissatisfied. If performance matches or exceeds expectations, the buyer is satisfied or delighted.

Expectations are based on customers' past buying experiences, the opinion of friends and associates, and marketer and competitor information and promises. Marketer must be careful to set the right level of expectations. If they set expectations too low, they may satisfy those who buy but fail to attract enough buyers. In contrast, if they raise expectations too high buyers are likely to be disappointed. Dissatisfaction can arise either from a decrease in product and service quality or from an increase in customer expectations. In either case, it presents an opportunity for companies that can deliver superior customer value and satisfaction.

Today's most successful companies are rising expectations—and delivering performance to match. Such companies track their customers' expectations, perceived company performance, and customer satisfaction. Highly satisfied customers produce several benefits for the company. Satisfied customers are fewer prices sensitive, remain customers for a longer period, and talk favorably to others about the company and its products & services.

Although the customer centered firm seeks to deliver high customer satisfaction relative to its competitors, it does not attempt to maximize customer satisfaction. A company can always increase customer satisfaction by lowering its price increasing its services, but it may result in lower profits. Thus, the purpose of marketing is to generate customer value profitably. This requires a very delicate balance: The marketer must continue to generate more customer value and satisfaction but not "give away the house." Now, we have a very good idea regarding the importance of customer satisfaction. So, it is also important for the company to know about the satisfaction level of the customers. When any problem is identified, it becomes easier to solve the problem. In the next part of my paper I have

focused on the 'Customer Satisfaction Factors' of Grameenphone which has been followed by:

Primary research: a survey to find out the 'customer satisfaction level' of Grameenphone.

4.1.4 Customer Satisfaction Factors of GP

Grameenphone is a highly growing mobile company. In mobile telecommunication industry, there are direct and indirect factors that influence customer satisfaction. I tried to focus on the most important factors that influence customer satisfaction at Grameenphone.

4.1.5 Airtime

Airtime is the core offering of Grameenphone. So, quality of communication, network availability etc. are the most important customer satisfaction factors. Quality of airtime depends on the ratio of subscribers and transmission base stations. If the numbers of subscribers are increased without developing the network, quality of airtime goes down.

4.1.6 After Sales Services

After sales service is very important key in the mobile telecommunication industry. GP has extensive after sales customer care tools. I would like to focus on these tools one by one:

4.1.7 Helpline

GP is the first company who introduce 24 hour helpline in Bangladesh. In this part of my paper I tried to focus on the existing operations of the helpline service of GP, which will enable us to understand the importance of the helpline service. A GP subscriber needs to dial 121 to reach Grameenphone Helpline. This is computer aided information base to afford immediate access to the information about the subscribers. But the operations are done manually. After dialing 121 the subscriber is first welcomed by an automated and standardized process. Then he/she needs to wait for a few seconds. After that the subscriber reaches the Customer Manager (CM) and the CM starts the conversation with a greeting. The subscriber then explains his/her problems to the CM (Some Basic Queries

are enclosed in The APPENDIX). If the inquiry is regarding general information, the customer Manager Relation's officer does not need to take help of information system. He/she just provides the information and the subscriber keeps the phone. There are some queries that are very much more personalized and the CM needs to get into the specific account of that particular subscriber and provide the service. In some cases the subscriber just keeps the complaint/request and later an action is taken against it. Here, the customers need to pay TK 2 per minute to take the service from helpline.

4.1.8 Interactive Voice Response (IVR)

This is a newly introduced service by Grameenphone. This is an automated helpline service. A GP subscriber needs to dial 123 to reach this service. After that he/she can get information regarding bill, usage, credit policy, bank name that receives GP's bill, and so on by choosing different options. It is free of charge for the first minute, from the second minute the subscriber needs to pay TK 2 per minute.



4.1.9 Customer Service

The Customer Management Division of Grameenphone Ltd. provides a full range of after-sales service customized to the needs of the valued customers. Efforts are made to offer complete service through all the contact points dedicated for GP customers at every opportunity through Call Management Center, Customer Centers, Grameenphone Service Desks (GPSD), Grameenphone Centers (GPC) and Customer Communication. The trained team of Customer Management Division strives to ensure service with an aim to content the subscribers through “YOU FIRST” attitude and solution. Our strategy is to connect Bangladesh with “Ease & Care” at every contact through professional and pro-active service.

4.1.10 Dedicated Customer Care

We strive to take care of your all telecommunications needs. Our dedicated key account managers are assigned to provide personalized service right from the beginning of the relationship.

4.1.10.1 Services

- ✓ Product migration : Migration of existing subscriptions over to Business Solutions
- ✓ Itemized billing: Call details including information such as date, time, duration and charge of any voice calls made
- ✓ Pre-paid invoice: Itemized bills for pre-paid subscriber accounts
- ✓ Number reservation: Provides flexibility to reserve phone numbers from a particular series for current and future employees (quantity dependent)

4.1.10.2 Benefits

Our customer support team will assist you with the following services:

- ✓ Provide you with an overview of all mobile usage and decide billing options (e.g. itemized billing, pre-paid invoicing)
- ✓ Make all the necessary arrangement to subscribe our service/s (without your physical presence in the customer service centre.
- ✓ Add new users to your account or create new Closed User Group (CUG) for special call rates.
- ✓ Stay connected anytime, anywhere by having access to all your information using EDGE.
- ✓ Set up of additional features such as mobile data access, mobile e-mail etc.
- ✓ Take care of any specific queries you may have, or responding to any special needs for assistance.

Most of the problems of the subscribers are solved by the helpline service. But there are some exceptional cases which cannot be solved there. Subscribers need to come physically to deal with those problems. Grameenphone has eleven GPC (Grameenphone

Center) & more than 600 GP Service Desk (GPSD) from where customers can physically avail their service.

These centers are situated in the prime divisional head-quarters like Dhaka, Chittagong, Sylhet, Rajshahi, Khulna, Barisal and remote areas of Bangladesh. In these centers, the subscribers can come directly with their problems like billing (wrong bill, detailed bill etc.), address change, SIM change, handset problems etc.

These after sales services are very crucial to keep the subscribers satisfied regarding Grameenphone.

4.1.11 Hypothesis

Here the hypothesis is, “Although Grameenphone is leading the market of mobile telecommunication industry by a long distance; their customers are not fully satisfied with the company’s services. If GP does not take care of these dissatisfactions and another company enters the market with similar offers, it will be difficult for Grameenphone to keep the current market share intact.”

In my hypothesis, I have firstly mentioned that Grameenphone is the market leader of the mobile telecommunication industry of Bangladesh. As per the market share data, there is no scope for argumentation on this issue. But I assumed that the customers of GP are not fully satisfied and has some major issues regarding loyalty towards the company.

My logic behind this assumption was: As GP is a highly growing company. It tripled its subscriber base in the year 2005. In this high growth situation, it is very difficult to keep the customers satisfied.

Another assumption of my hypothesis was, if GP does not take care of the dissatisfactions and another company comes with such similar offers, it will be difficult for Grameenphone to keep their market share intact.

The logic that supported this idea was: As I assumed GP’s customers are not brand loyal. They are using GP’s service, as they do not have any suitable alternative. So, if a big player form another industry enters this business, it can be challenging for Grameenphone.



4.1.12 Methodology

In my study I mainly depended on primary data that was collected through direct survey. I developed a questionnaire that consisted mainly of closed-ended questions with an expectation of one open-ended question also.

Data collection was done on a random basis. The results are represented through bar charts. My research findings came out through analyzing those data. I also collected data and necessary information by interviewing the officials of GP. Hence, these can be treated as secondary data.

4.2 CUSTOMER SATISFACTION

Customer satisfaction is the extent to which a product or service's perceived performance matches a buyer's expectations. If the product or service's performance falls short of expectations, the buyer is dissatisfied. If performance matches or exceeds expectations, the buyer is satisfied or delighted.

Expectations are based on customers' past buying experiences, the opinion of friends and associates, and marketer and competitor information and promises. Marketer must be careful to set the right level of expectations. If they set expectations too low, they may satisfy those who buy but fail to attract enough buyers. In contrast, if they raise expectations too high buyers are likely to be disappointed. Dissatisfaction can arise either from a decrease in product and service quality or from an increase in customer expectations. In either case, it presents an opportunity for companies that can deliver superior customer value and satisfaction.

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Now, we have a very good idea regarding the importance of customer satisfaction. So, it is also important for the company to know about the satisfaction level of the customers. When any problem is identified, it becomes easier to solve the problem. In the next part of my paper I have focused on the ‘Customer Satisfaction Factors’ of Grameenphone. That has been followed by my primary research: a survey to find out the ‘customer satisfaction level’ of Grameenphone.

4.3 ANALYSIS AND GRAPHICAL PART

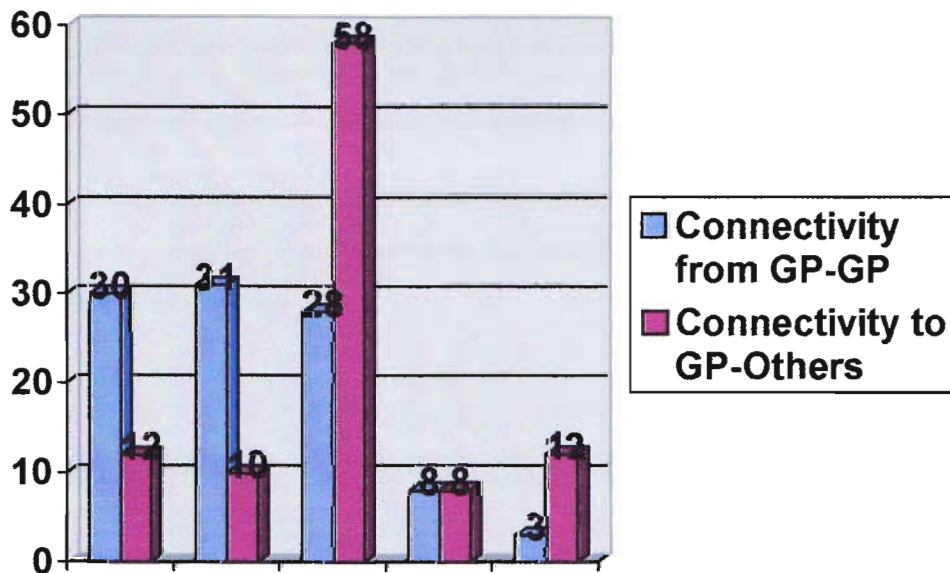


Figure 4.3(a): Connection from GP to GP and other operator

Analysis:

According to graph, we can say that, most of the people are satisfied with the normal connectivity of Grameenphone (To both GP to GP and GP to other operator). Only a few of them are strongly dissatisfied. The reason behind that is because of some promotional offer which usually causes network congestion. So, this is difficult to get interconnectivity during that specific time period.

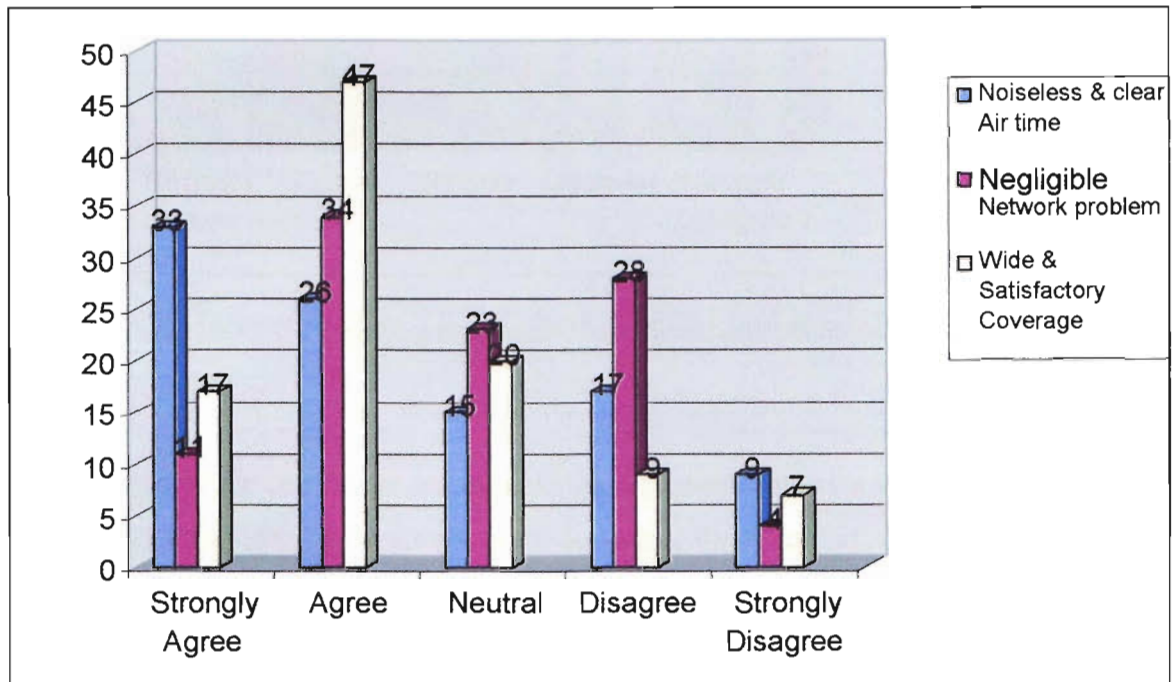


Figure4.3 (b): The situation of airtime, network problem, and coverage

Analysis:

Most of the customer thinks that the clearness of airtime, coverage and other services from network are satisfactory. Only few of them are dissatisfied. Actually, getting the network depends on the coverage of the network. If a customer receives or sends a weak signal for connecting, than that creates network problem. Again over use of network may create network problem. From the customers end, if the antenna of handsets is weak, that also makes the problem of getting network.

So, in this part, we can conclude that, according to the major customer’s point of view, the air time of GP is clear and it provides wide area network coverage.

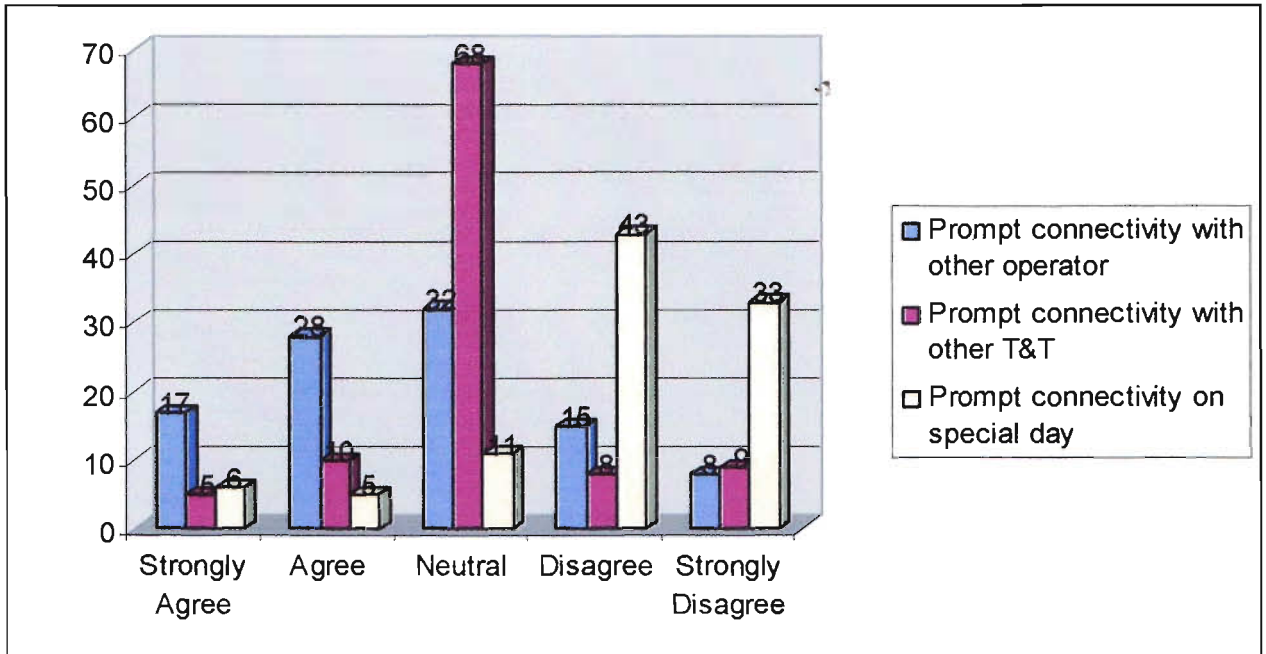


Figure 4.3(c): Connectivity to T&T, Others operator and special day is satisfactory

Analysis:

Though most of the people are satisfied with the connectivity with the other operator, but they are not satisfied with the connectivity on special days like Eid, the 1st Baishakh, e.t.c. During such special days, the usages of mobile phones are high. So, this is usually difficult to get connection on those days because of high network traffic.

In the case of connectivity with the T&T lines, we can see that, most of the peoples views are in a neutral stance. The reason behind this is because, most of the users of GP do not have T&T connectivity. If they have the connectivity, they do not want to use the service due to the high cost involved. But in the open ended part of the portion of questionnaire, most of the users say that, T&T should be connected with all the easy prepaid service and T&T out going call charge should be reduced.

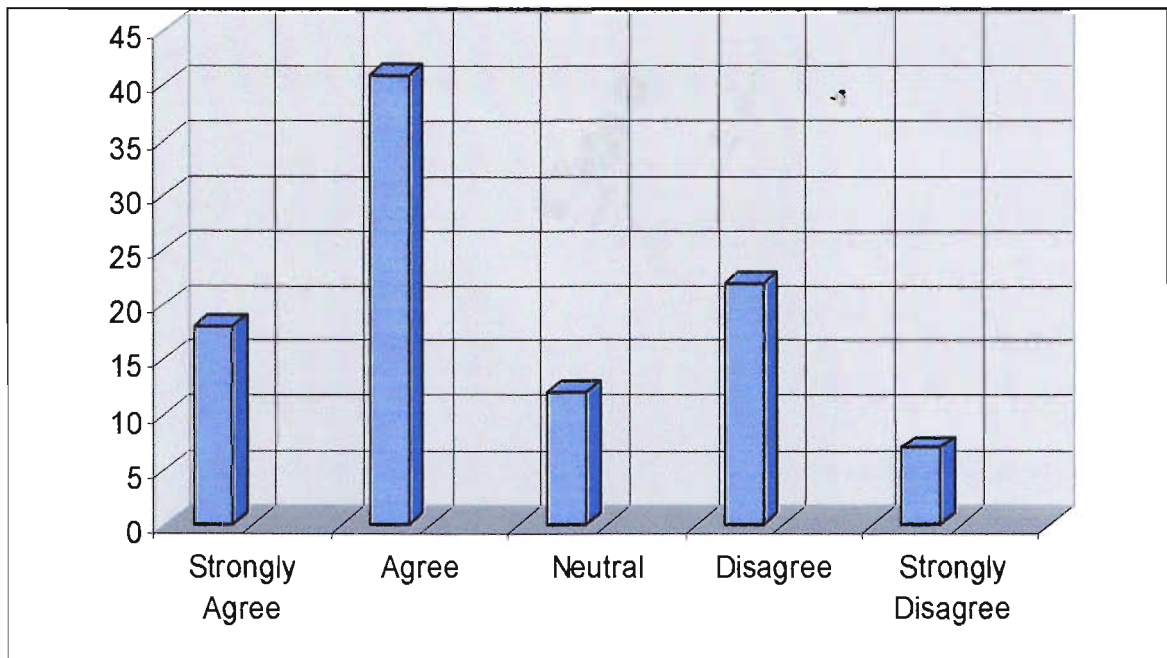


Figure 4.3(d): Billing Policy

Analysis:

Most of the users are satisfied with the billing policy. Some of the user are not satisfied because, there are thinking other mobile phone are offering lower price rates than Grameenphone. Hence, to be specific the prepaid customers are mainly dissatisfied with the billing policy of Grameenphone.

Here the advertising policies of other operator (Specially BanglaLink) are relatively strong which make the customers understand, their billing policy is lower. Actually, every product has its own identification; the same offer from a same package may vary from customer to customer.

Suppose, Grameenphone is offering the rate of 1.5 taka from 6:00 AM - 9:00 AM, BanglaLink offers the rate of 1.5 taka from 7:00 AM – 10:00 AM. BanglaLink makes the user understand 7-10 is more important time than 6-9. Here the issue is how each company is advertising its own offers.

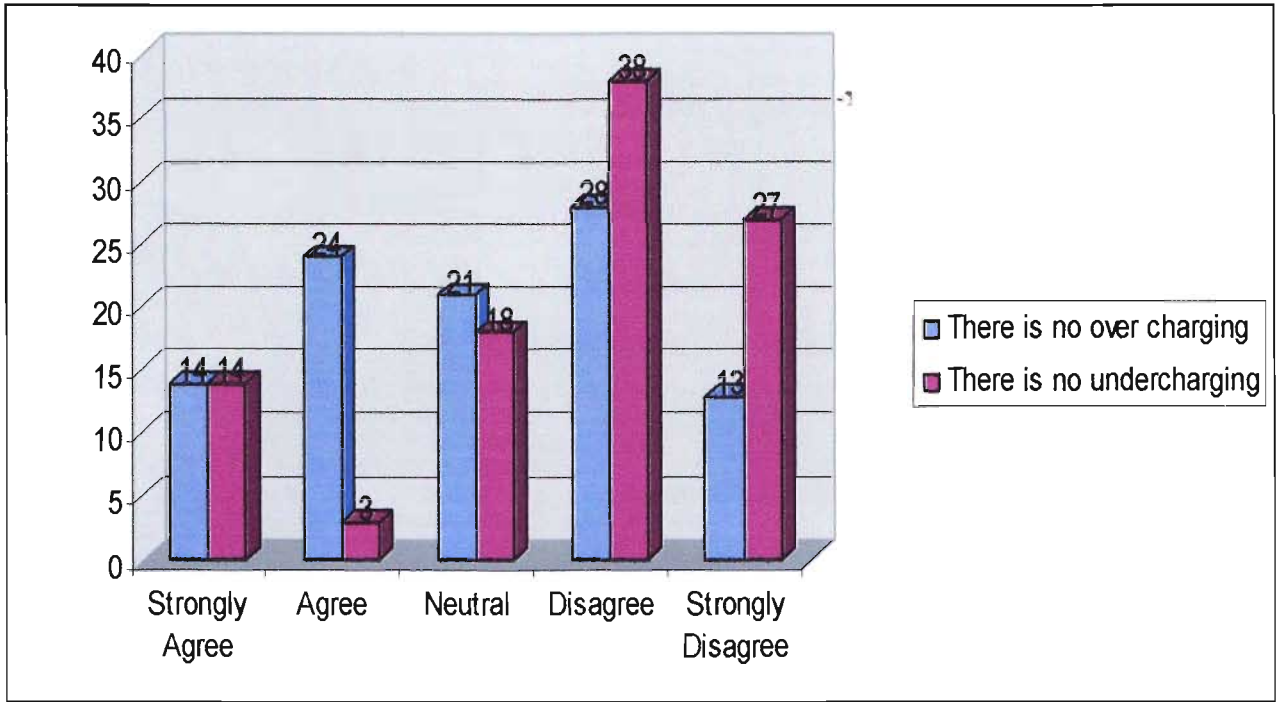


Figure4.3 (e): Existence of overcharge and undercharge

Analysis:

A large number of users complain that Grameenphone sometimes over charges its customer. But the billing system is totally automated and there are no manual means to make a bill. So technically, this is not possible to charge excess from the users. Here, the users are mainly confused for not understanding the billing policy. The main factor that leads to misunderstanding is the pulse in seconds and different tariffs to different operators. The same problem goes when the user says that, there are cases of under charging. But the customers are comparatively stumpy conscious about the undercharging rather than over charges.

In billing part, there was a question of Itemized bill which states the preciseness of detail bill. But most of the valued users of GP do not have much idea about the itemized bill. So, the opinion of users availing this facility cannot be described.



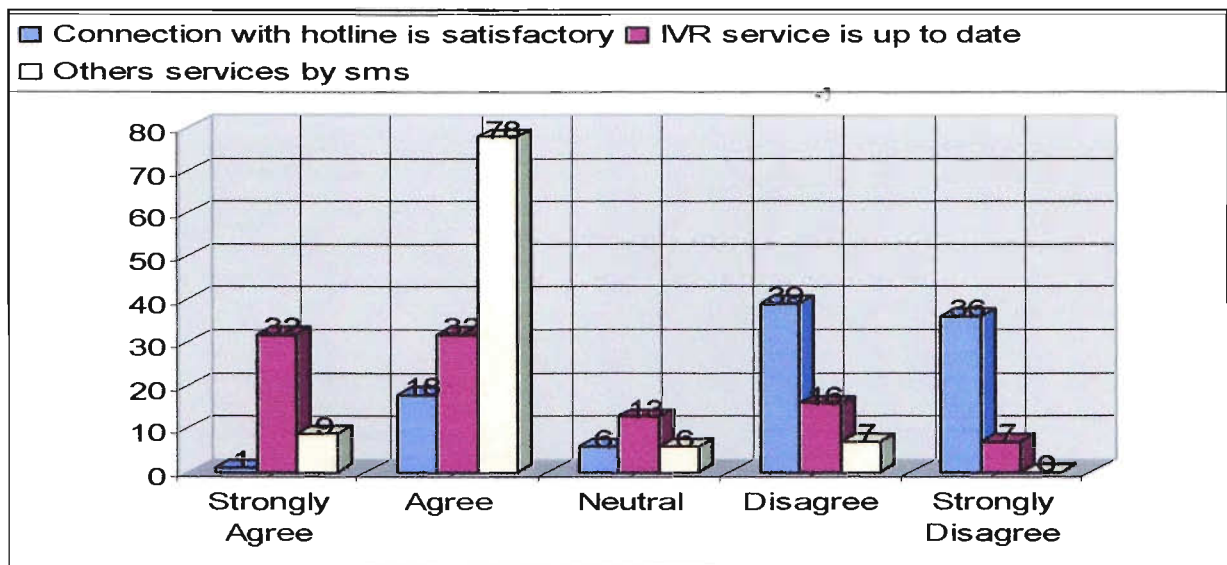


Figure 4.3(f): Analysis of hotline services and Instant Voice response

Analysis:

Most of the customers are dissatisfied with the service of GP’s hotline. The reason owing to this is because most of the customers make a phone call to the hotline during the morning. But they rarely get connected as because most users call during this time of the day and as a result keeps most of the lines busy. On the other hand, it is much easier to get connected to a hotline service during the night or during week-ends. Another complains found from customers are the call charges to the hotline. According to customer’s point of view the hotline should be free of charge. But the problem is, if the hot line is free of charge, then the call pressure will be huge and it will become extremely difficult to get connected with the hotline for a user.

In the case of Instant Voice Responses, most of the users are satisfied with the services. Some of them argued because it takes half an hour to update the billing information for post-paid connections. But the services by executing SMS are satisfactory over all.

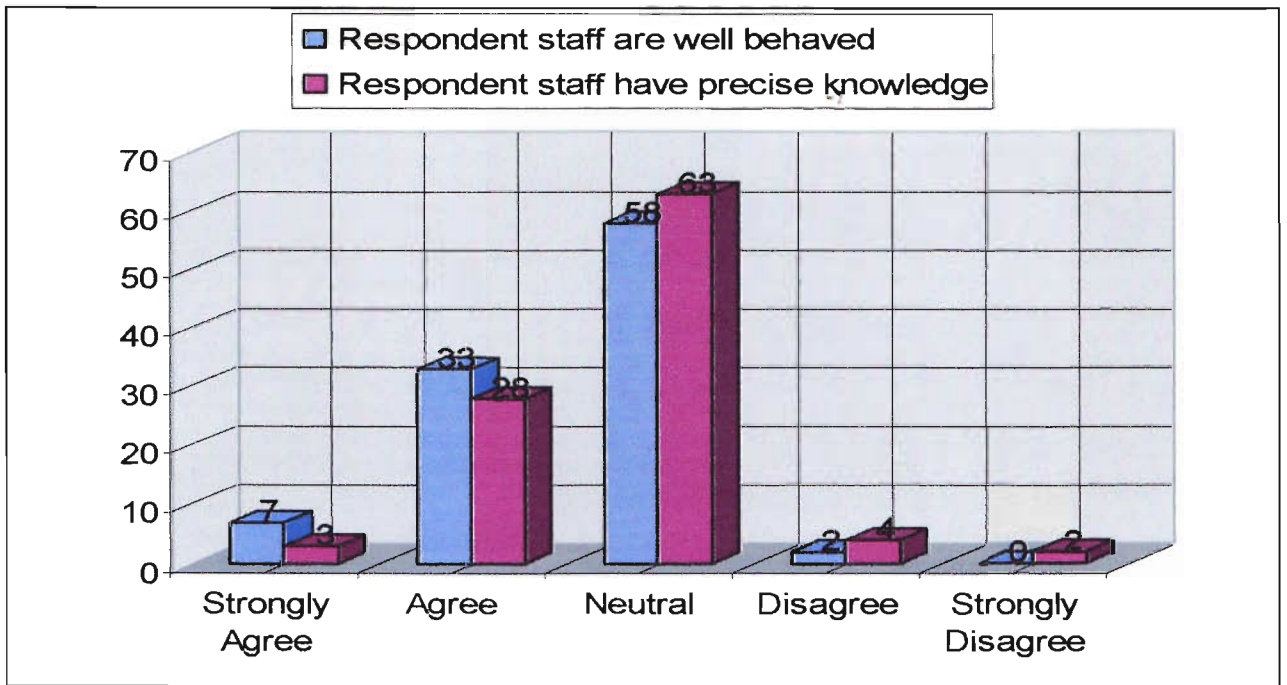


Figure 4.3(g): The behavior and depth of knowledge of respondent person in the hotline

Analysis:

Most of the users have taken the neutral stances about the behaviors and depth of knowledge about the respondent of customer management, which actually indirectly focus that, the respondents are professionals. Rest of them agreed that, respondents are well behaved and have precise knowledge to understand the users.

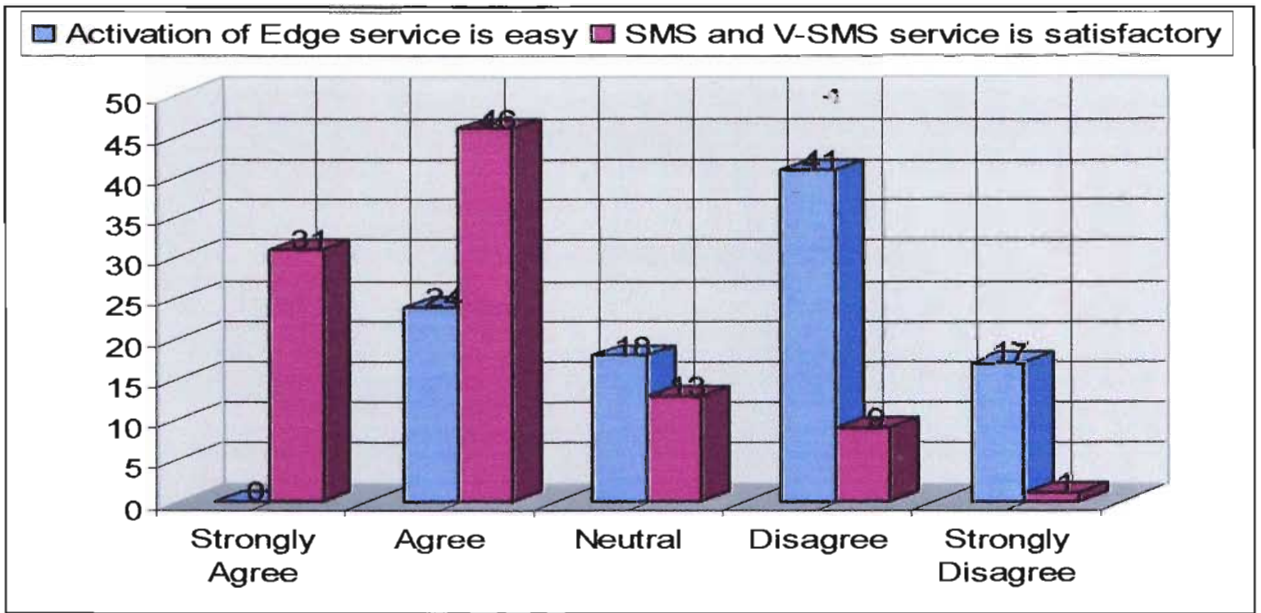


Figure 4.3(h): Activation of edge services and uses SMS & voice SMS

Analysis:

The use of Internet, MMS (Multi media message), and WAP (Wireless Application Protocol) can be used in our country through EDGE services. Among the samples, most of the users feel difficulty to use edge. The reason behind this is – the internet through mobile phone is a new concept in our country. To use the Internet, MMS or WAP the users have to have some technical knowledge about the settings of mobile phones. That is why a large number of Grameenphone users are facing difficulties to use this service.

The SMS and Voice SMS services of the Grameenphone are satisfactory. Very few people have complained against this issue.

In other service part, there was question about International roaming and offers given by Grameenphone on special days. But negligible amount of user from samples uses the International roaming services. And most of the users from sample have no idea what the special services are provided by Grameenphone on special days.

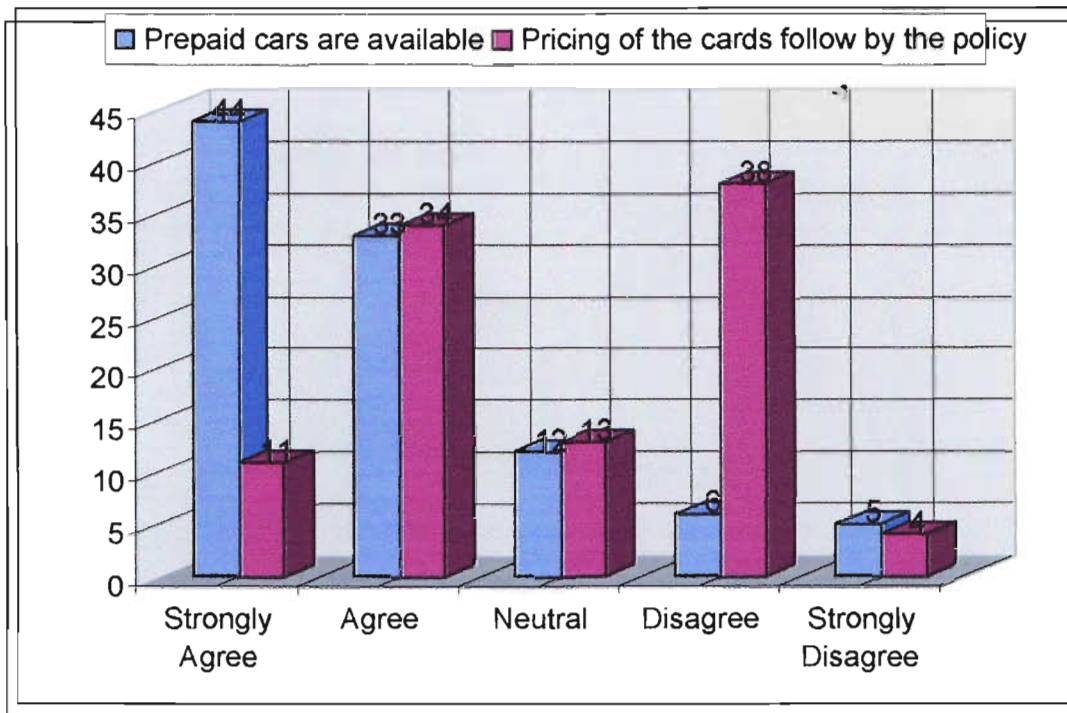


Figure 4.3(i): Analysis of card availability and pricing

Analysis:

The prepaid scratch cards are available almost everywhere for Smile prepaid, Smile PSTN and d-Juice customers. Very few of customers complain about the availability. In case of pricing of the cards, a large number (38%) of samples complained about the price, especially for 50 taka scratch card. The complain is, according to company’s policy the price of the card is 50, but in most of the retail stores, the price of the card is 55. The reason to this is because; the retailers do not find the offer for selling the 50 taka scratch card profitable.

In addition, this is also informed my user that, sometimes retailer keep 5 taka less for 300 taka scratch card in compare to market price. The reason is, for 300 taka card, the retailer wants to attract more customers.

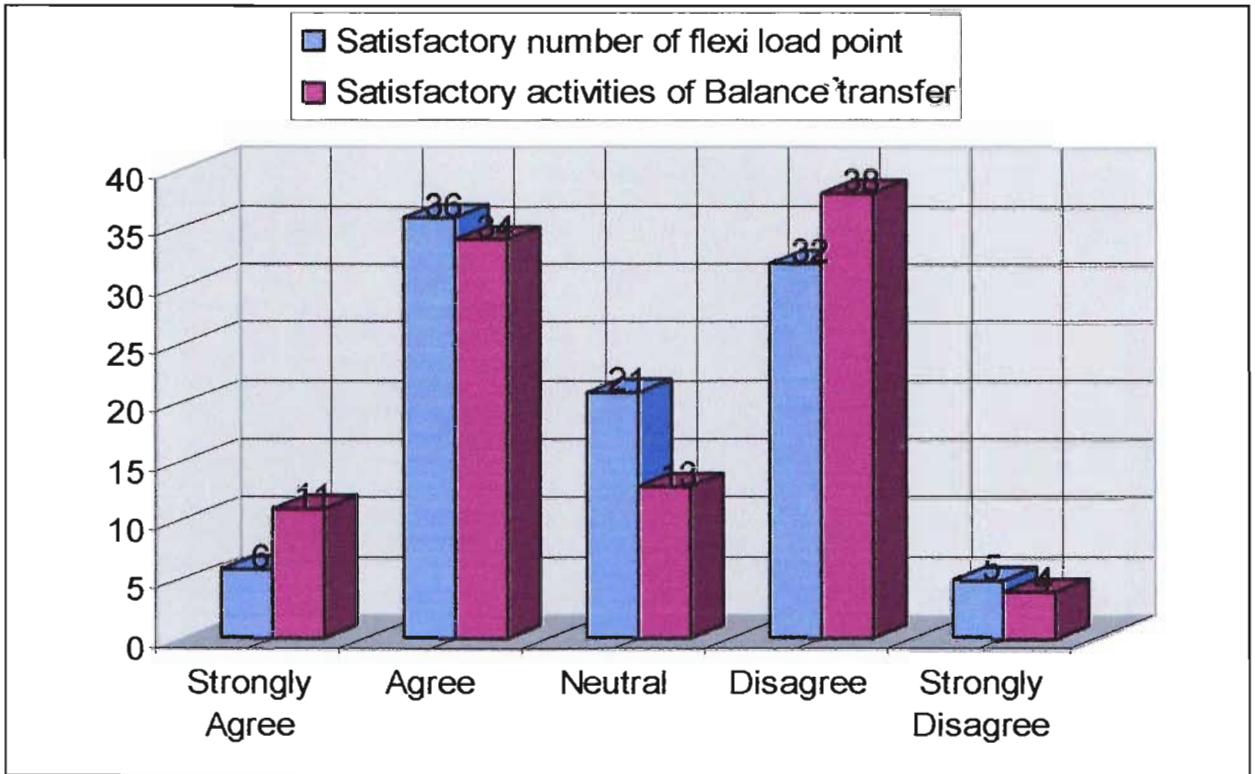


Figure 4.3(j): Analysis of Flexi Load and Balance transfer

Analysis:

Most of the prepaid card users usually don't use the balance transfer options. They normally prefer cards to recharge their credit. So, they often do not need to find the points for recharging through flexi-load. However, ratio of satisfaction and dissatisfaction for using flexi-load is almost similar. Actually most of the flexi-load points are retail outlets of selling scratch cards. So, the users get the benefit of flexi-load if the retailer does not have the cards available temporarily.

A large portion of sample users complains about the balance transfer activities. Actually, the procedure to transfer the balance is complicated. Hence, mostly when users try to transfer balance, they end up following the wrong procedure. This is why they complain about the process.

For both of the services, complains which often found are regarding the pending credit issue. That means, after recharge the credit card or transfers the balance; it takes long time to get the credit in mobile phone.

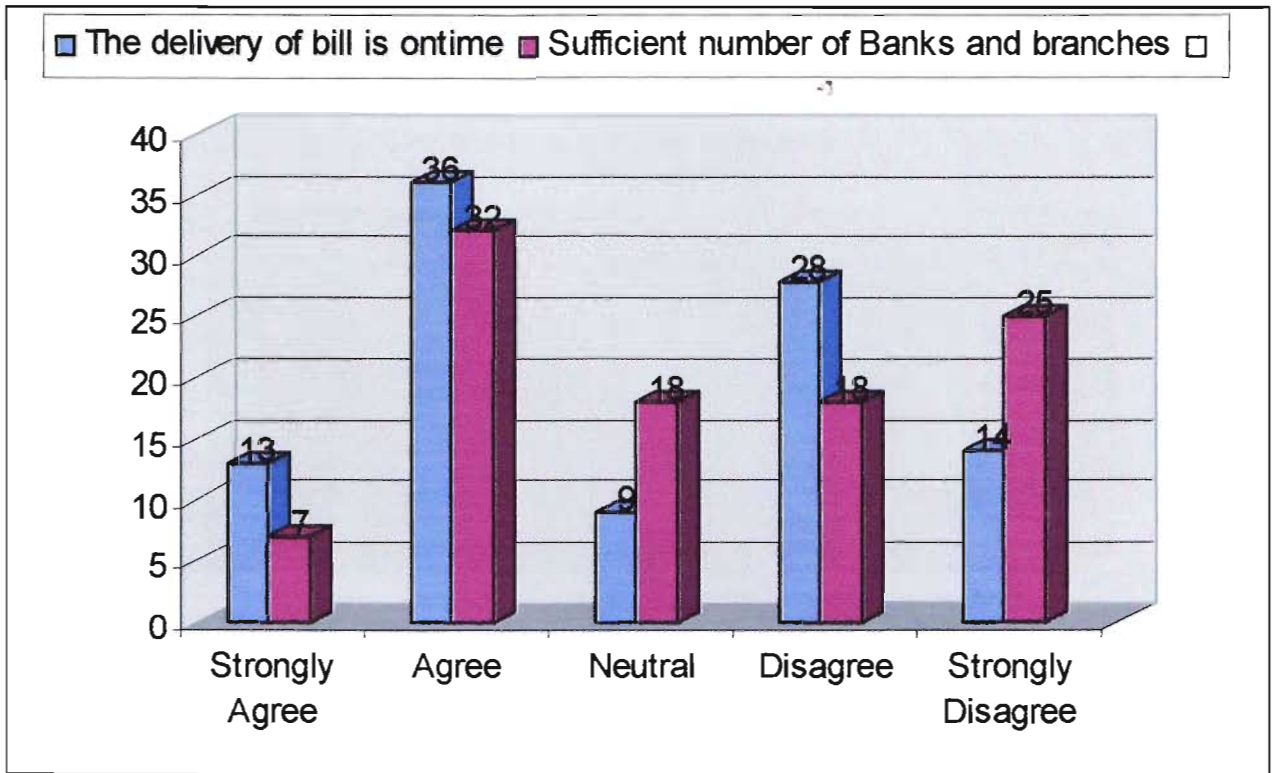


Figure 4.3(k): Analysis of delivery of bill and sufficient number of Bank

Analysis:

The delivery of bill depends on the courier services and the location of the user’s home. We can see that, almost half of the respondents get the bill on time and half of them don’t get. Actually, after preparing the bill, the organization needs time to send the bills to the subscriber’s residence. If the customer’s residence is located in an isolated area, it may take some time to deliver the bill.

Again, the numbers of branches of Banks are not satisfactory. Most of respondents complained that, they have to pay their bills from far away places from their comfortable zone. Again, a good amount of branches are closed in Saturday, which creates problem for them as well.



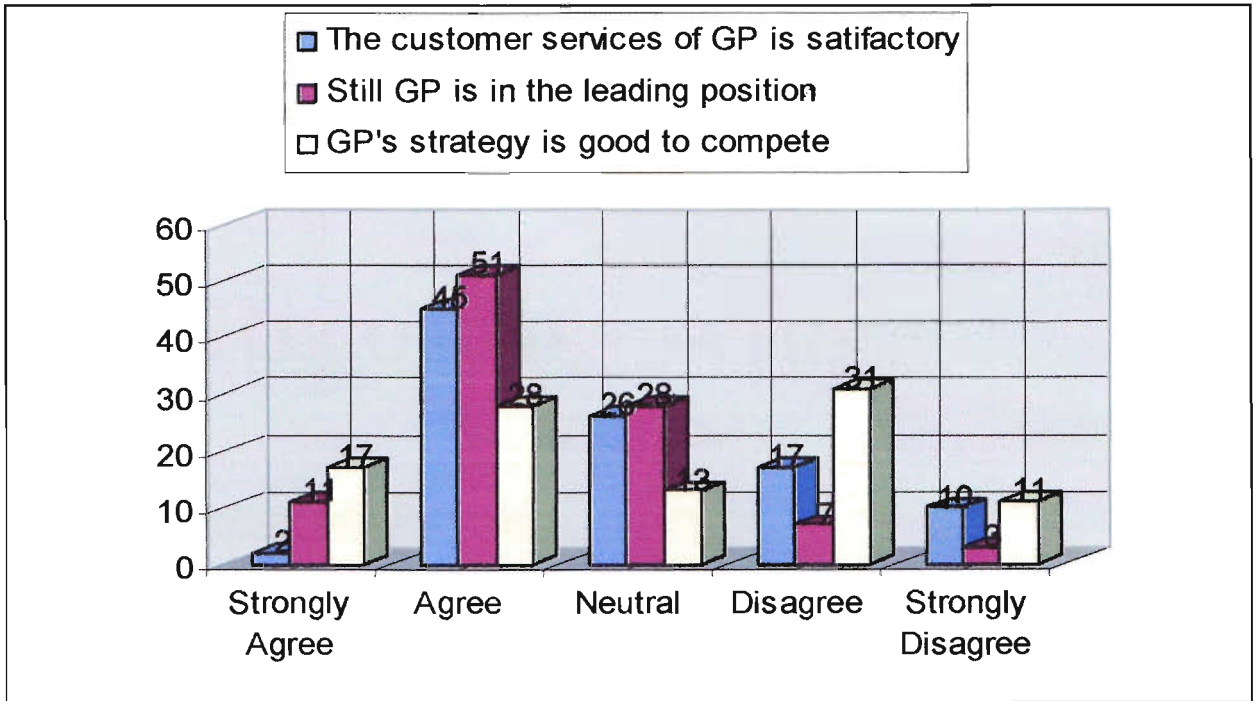


Figure 4.3(l): The General overview of respondent

Analysis:

A major portion of the respondents agreed that, customer services of Grameenphone are satisfactory. At the same time in comments or suggestion they mentioned that, the other operators are doing well. Specially, BanglaLink who is also very conscious about their customers and their needs. So, they are suggested to increase more value added services for better customer satisfaction to remain competitive in the market. .

Though most of the respondents think that GP is still the market leader, BanglaLink may take less time to reach the customers like GP. Some of them think that, if this expansion growth rate of BanglaLink exists, it will take 2 or 3 years for BanglaLink to overtake GP and become the new market leader.

PART V

CONCLUSION &

RECOMMENDATIONS

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 RECOMMENDATIONS

After conducting my survey and other assessments I came to identify that the department of the **CUSTOMER SERVICE DIVISION** should take proper care and put much of their concern on agenda's below:

1. Most of the customers complained about the barring activities of their connections without notification. This is due to the fixed credit limit that GP has imposed on the average post-paid connections. Hence, if the customer exceeds that limit the outgoing calls of that line will be automatically disconnected. To avoid this discrepancy GP should inform the customer about their bills through SMS or by phone calls.
2. Growing customer dissatisfaction is another main problem of Grameenphone. Previously it was said that GP has got the best network connectivity all over the Bangladesh. Recently, they are losing this positive attitude due to certain technical constraints. Therefore GP should put much emphasis to these likings and should cover it up in a very quick manner.
3. Most of the customers complained about the overcharging of bills. GP should properly focus on this. Otherwise customer dissatisfaction will increase.
4. The problem regarding card recharge of the prepaid subscriber is often most visible. The system of card recharge should be improved.

5. Many of the customers are dissatisfied about Grameenphone's value added services. They most complain about its complexity, and non-user friendly interface.
6. To retain customers and to keep them happy for a long time GP should show alertness on their tariff plans. They should reduce it in a reasonable way so that customer may not switch to competitors.
7. GP was the first to initiate of the facility of balance transfer for the prepaid customers. But recently, complaints have reached soaring high as this service creates a lot of inconvenience for the customer. It has been noticed that most of the time, balance transfer cannot be made but the charge for the SMS is deducted from one's credit. So it becomes a real annoyance for the customer. Hence, GP should rectify this concern with immediate effect by improving their technical glitches.
8. Bill payments made directly to banks are often updated irregularly in the system. Owing to this reason, subscribers sometimes fall into false positions. GP's collection and banking unit should always try to focus and be regular in this regard. It may reduce customer dissatisfaction to a great extent.
9. Poor interconnection with BTTB is another problem for GP. They should upgrade their system regarding this problem.
10. Prepaid connection does not have the facilities of international roaming. But GP can try to give this special facility to the prepaid subscriber. It will give GP a tremendous source of revenue.
11. Postpaid subscribers should have the facility of checking their current bills/usage by dialing *566# just like the prepaid balance.
12. GP can add disaster SMS to its VAS for better customer fulfillment.
13. The decline of customer satisfaction is a great cause for concern for Grameenphone. Because of the mishandling and some wrong communication approach, a gap has been created among some subscribers and GP. GP needs to quickly rectify this and they also need to observe and analyze every step of their competitors approach towards customer handling.

14. An important drawback of GP is their credit control system. Subs are not well informed about their credit limit, current usage and the procedure of credit control. So when any subscribers barred GP faces a strong criticism.
15. Within customer Management division the “Hotline” plays an important role. Therefore all employees working under this division should be well trained on etiquettes and should be aware of their responsibilities. Moreover, more Customer managers should be implied to tackle the ever growing subscriber base.
16. The company should imply more effective courier services to reach the bills to the right customer in a timely manner.
17. Number of BTS station needs to be increased in terms of capacity. As it is difficult for Grameenphone to serve 15 millions users with these limited number of BTS station, especially due to promotional activities.

5.2 CONCLUSION

Today within 12 years of its commencement of business, GrameenPhone is the market leader in the telecommunication industry of Bangladesh. It is the customers, who lead Grameenphone to this position since the year 1997. But now, the recent market has changed and has a very competitive look into it. Every mobile company is trying to attract customers by offering lucrative products, better customer service and more importantly to make the customer brand loyal by satisfying its subscribers with their daily communication needs. Hence, after assessing the customer satisfaction of today’s telecom market, it is clearly evident that the excitement and wants of the subscribers has increased to a greater extent. Nowadays, people are more aware of the services offered by different operators and subscribers are more conscious of what they are receiving from their operators and what other operators are offering to other users. So, as the curiosity level is going up due to competition, it is becoming extremely difficult to achieve full customer satisfaction. Though, it can be said that, the customers are not overall dissatisfied about the services of Grameenphone, but when they are comparing some aspects with that of what other operators are offering, they become somewhat confused about their verdict.

In my proposal, the hypothesis was, “Although Grameenphone is leading the market of mobile telecommunication industry by a long distance; their customers are not fully

satisfied with the company's services. If GP does not take care of these dissatisfactions and another company enters the market with similar offers, it will be difficult for Grameenphone to keep the current market share intact." But, from the analysis of the survey results and model, it is quite clear that GP's subscribers are not completely dissatisfied with the different services of the company. So, my hypothesis is proved as a valid one. But there was a condition in my hypothesis: 'If GP does not take care or react to these dissatisfactions...' Therefore, I strongly recommended some courses of action. My observations made me believe that, if GP follows these recommendations, it will enable the organization to achieve a sustainable distinct competitive advantage and to run operations smoothly with loyal subscribers & constant market leadership.

Now, as they have a bigger challenge to face in the near future for increasing its number of subscriber base and establishing the right support or customer service system, GP will need to work harder than ever before. Hence, in order to face such challenges, the employee of the company needs to be real smart professionals with great self-motivation and proactive attitude. And above all, they need to establish teamwork. They should strongly believe that, "they are the best bunch of professionals working as a team in Grameenphone. And it is their contribution that will make the company a brighter star in the country or and a future prospect to the South-Asia community".

Therefore in conclusion, Grameenphone needs to achieve more customer satisfaction in different segments due to the competitiveness in telecommunication industry of today.



APPENDIX

-1

APPENDIX-1: QUESTIONNAIRE

This questionnaire has been designed to conduct a research on '*Assessing the level of Customer Satisfaction of GrameenPhone*' to fulfill the requirement of the project, under the Bachelor of Business Administration Department, East West University. Your active participation will enable us to conduct the research work successfully.

Please mark (✓) in the appropriate criterion:

Age:

Gender:

M / F

Occupation:

●Student ●Business ●Service ●other ●House wife

Income:

Educational Background:

●No education ●Below secondary ●Under graduate ●Post Graduate

1. For how long (years) you are using GP?

●Less than 1-year ● 1-2 year ●More than 2 years ●More than 5 years

2. Which Package (or connection) you are using?

●Xplore1 ●Xplore2 ●Anytime 300 ●Smile
●Smile PSTN ●Djuice

3. What is the most important purpose of your using GP's connection?

●Personnel use ●Business ●Official ●Family use ●Other

4. Rank the following operators -

Grameenphone _____

Aktel _____

Bangla Link _____

Citycell _____

Teletalk _____

5. According to you, who will be or is GP's toughest competitors and why?

- Bangla link ●Citycell ●Aktel ●Teletalk
-
-

Please mark (√) in the appropriate box below to indicate your measure of agreement with the following statements. (5=STRONGLY AGREE & 1=STRONGLY DISAGREE)

6. I use GrameenPhone because it is the best!

5 4 3 2 1

7. Connection of GP to GP is satisfactory.

5 4 3 2 1

8. Connection of GP to Others is satisfactory

5 4 3 2 1

9. Situation of airtime of GP is satisfactory.

5 4 3 2 1

10. Network problem of GP is negligible.

5 4 3 2 1

11. Network coverage of GP is wide & satisfactory.

5 4 3 2 1

12. Connectivity GP to T&T, Others operator and service on special day is satisfactory.

5 4 3 2 1

13. Billing policy of GP is satisfactory.

5 4 3 2 1

14. GrameenPhone doesn't have overcharging.

5 4 3 2 1

15. GrameenPhone doesn't have undercharging.

5 4 3 2 1

-1

16. GP's hotline connection is satisfactory.

5 4 3 2 1

17. IVR (Instant voice response) service is up to date.

5 4 3 2 1

18. Other SMS service is satisfactory.

5 4 3 2 1

19. Respondent CM (Customer Manager) are well behaved

5 4 3 2 1

20. Respondent CM (Customer Manager) has enough knowledge to serve.

5 4 3 2 1

21. Activation of EDGE service is easy.

5 4 3 2 1

22. SMS and VMS service is satisfactory.

5 4 3 2 1

23. GP's prepaid cards are available everywhere.

5 4 3 2 1

24. Pricing of card follow by the GP & Govt. policy.

5 4 3 2 1

25. GP has satisfactory number of flexi load point

5 4 3 2 1

26. GP's balance transfer is popular activity & satisfactory.

5 4 3 2 1

27. GP's delivery of bill is on time.

5 4 3 2 1

28. GP has sufficient of Banks and branches

5 4 3 2 1

Additional Comment(s):

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Thank You

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