

# [Managing change project of vodafone marketing essay](https://assignbuster.com/managing-change-project-of-vodafone-marketing-essay/)

This report contains the idea of organizational change. This change is wide and not smaller changes like adding a new person, structural change and management processes, innovation of new products new techniques and merges (cross border or etc). Change is caused to achieve a goal.

## Background of Vodafone:

VODAFONE is a global telecommunication company and it is the world’s largest mobile telecommunication company measured by revenues and it is the world’s second largest company if measured by subscribers. Head quarter of Vodafone is in Newbury, United Kingdom. Proportionate figure of customers of Vodafone is 347 million. Vodafone operates network in 31 countries and has partner networks in other 44 countries.

The name of the company VODAFONE came from “ Voice data fone”. This name is chosen by the company to “ reflect the provision of voice and data services over mobile phones”

This is the original Logo of Vodafone formerly used. Then in1997 the new logo of Vodafone is introduced i. e. the “ speech mark” logo.

This Public Limited Company was founded in 1984, emerged from Racal Telecom (1983-1991). The chair person of the company was sir. John Bond.

## Changes in Vodafone:

## ‘ HUTCH to VODAFONE’

With the entry of VODAFONE, A new company was emerged named VODAFONE ESSAR, which was formerly known as Hutchison Essar. Vodafone Essar is owned 67% by the company VODAFONE and 33% by Essar group. Vodafone Essar, founded in February 2007, is the second largest mobile operator in terms of revenue and third largest company in terms of customers. Vodafone Essar, head quartered in Mumbai, Maharashtra, India, provides Mobile Networks, Telecom Services and etc.

Initially around 1995 Vodafone Essar was “ MAX TOUCH” then around 2000 it was ORANGE. In December 2006, Hutchison Essar re-launched the “ Hutch” brand nationwide, consolidating its services under a single identity. Then in 2007, the deal occurred and Hutch is turned to Vodafone.

## Problems:

Marketing

Services

New business director of Vodafone

How to get new customer

How to introduced new products

## Levels of Vodafone change now days:

Vodafone telecommunication had a revolutionary change. It was planned a dominating strategy.

And also get a good opportunity in markets.

## Characteristics:

The change in the Hutch to Vodafone redefined existing parameters. There is a change in organization structure and technology of Telecommunication.

## Objectives of change:

Changes are occurred to encourage the individuals to think and crate something new. To make a competitive attitude in them to face the global economic and market environment, these changes are required.

The customers are provided with good services by this change.

Vodafone has changed the internal and external culture of the organization.

Vodafone has introduced providing continental call rate to the customers increased sales.

To survive in the market they started new technology and packages.

Vodafone wants to recruit individuals who have thorough knowledge of managerial and technological skills that can create a great impact on their personality and character.

To increase unit production, individuals are encouraged to be a leader to take responsibility efficiently.

The change has been occurred to cause a paradigm shift by creating a dynamic and positive learning atmosphere and changing our corporate culture.

The change helps Vodafone to adjust with knowledge based economy.

To make the staff “ Knowledge workers” they are provided with basic conceptual training and latest managerial concepts skills. Changes help them to take the challenges of modern business.

The purpose of changing in Hutch to Vodafone that to get good result in this competitive market.

## P2. Organizational Structure of Vodafone:

The function of Vodafone is centralized. The policy and strategy of business administration are made by the group of chair man and board of directories. They also bring about changes in the organization.

## Chief Executive

Mohammed Rizwan

## Management Board

## Marten Pieters

## Reporting to the Chief Executive

## Arun sarin

## Customer and Operations Executive

## Dolrina ghosh

## Source: www. vodafone. com

The above mentioned people are involved in planning strategies and responsible to carry the policies into effect in the organization and begin the new development in Telecoms industry in Vodafone in this competitive and challenging atmosphere business changes is taking internal and external challenges by which it occupied the headlines of Vodafone change life.

## P2. SWOT ANALYSIS OF VODAFONE:

## Strength:

The biggest strength of Vodafone is their brand name. Vodafone is a telecom giant and is very old so it is obvious the brand equity is very high and established. The wide area of Network of Vodafone is also a strength of this company. It is still covering continuously more and more regions and places which are not covered yet. The advertisements and other promotional activities are also included in the strengths of Vodafone.

## Weakness:

The weaknesses of Vodafone Company are very less. But, weaknesses should not be ignored otherwise they can turn into loss in future. The weakness is the schemes and offers provided by the company. Obviously they are good but looking at the current competitive market of telecom we can say they are not up to the mark. Vodafone has the concepts which most of the other brands have in their company. No innovative concepts are there with Vodafone. So, it is beneficial for the Company to bring some innovations and build a distinct image again.

## Opportunities:

Company can do many things to remove its weaknesses and enhance the growth of the company. As discussed earlier, company is a bit common in providing schemes and offers i. e. company is having common schemes so it can be done by the company that they bring some innovations in their brand, they can launch a new sub-brand with a trendy personality as TTSL did with Tata Do Como. And many more. Vodafone also have a great opportunity of entering into CDMA market.

## Threats:

The company is surrounded with various threats as it is one of the biggest telecom companies in India. Company has a weak point in innovations. The most promising innovations in offers, services and schemes are of Tata Do Como a new brand of TTSL and NTT Do Como. Vodafone can be taken over in that particular matter by this company or any other company. So, this should be kept into consideration.

## P3. Services provided by Vodafone after changes:

Alternative forms of Organizational development

## 7 P’s of SERVICE MARKETING

In the marketing Mix of Physical products the the main 4 P’s are-

Product

Price

Place

Promotion

And these 4 P’s are called 4 P’s of Marketing Mix. But as far as Service Marketing is concerned, three additional P’s are there. So in the matter of Service Marketing, The important P’s are 7. Which are-

Product

Price

Place

Promotion

People (actors and audience)

Process ( Performance)

Physical Evidence (setting, props, décor, design etc)

## Transferring the structure into Decentralized:

## From Centralized To Decentralized Form

Function driven Purpose driven

Closed Open

Parts Whole

Top down hierarchical Local focus

Controlled Empowered

Boundary less Centralized Distributed/ Networked

Departmentalized Connected

Sameness Diversity

Stability Growth/ Change

## TASK- TWO

## P4. Reason of change in Vodafone:

The chairman and board of direction of the Vodafone are trying to downsize in the organization to develop the organization future and reputation and fame against its competitors. Though for the last few decades they had enviable place in the market but in the recent years they occupy 15 percent of the market of high competition with other services. So they should bring about a huge and meaningful change in Vodafone the main focus to change variable are followed:-

Reduction in cabin crew

Internal and External change

Financial losses

Drop in profit

Increased competition

Loss of Market Share

Technological development

Cultural change

## Factors Forcing change:

Vodafone are being pressurized over the last few years both internally and externally. So the group of chairman and Board of director have decided to bring some chapters like®

Commenced a new dimension in lieu of standing still; a new corporate identity was introduced, heralding an E6 billion development program and new strategic direction.

Change internal and external culture

Cost must be cut down

Technology should be changed (new logo, Network, services)

Increased competition

Changing market

## Inner Factors forcing change:

A formal research can identify the internal factors that force to create a change in organization.

## DESCRIPTION of 7 P’s OF VODAFONE

As the VODAFONE is a Telecommunication SERVICE, These 7 P’s are applied to Vodafone also. So here is a small description of the 7 P’s of Vodafone.

Product- A service product Telecommunication

Price- Various pricing and plans available

Place- Availability worldwide

Promotion- Advertisements, sponsoring, Events

People- Vodafone provides services to 106, 347, 368 people, service provider Vodafone Essar

Process- It includes the performance of the service.

Physical Evidence- Props provided with services. Like in foreign countries mobiles phones are available with the telecom services,

## Impact of stakeholders by following Factors:

## External Forcing change:

The external factors that create change in an organization are:

## Economic:

If an economic crisis is created all over the world it will force to cut down the cost of international call. Fluctuation in all sim prices affected consumer spending for 13 years in the age of more acute competition market and business administration, for continuing the long term business reduced capacity slightly during zoos on a recession plan.

## Political:

Sufficient security measures must be taken by Vodafone to attract customer’s confidence and trust because of the threats of miscreants in the past.

## Social:

Social factors are also providing a good opportunity to Vodafone as well as consumers. So a change in cultural stage is necessary for potential opportunity for growth.

## Environmental:

The improving environmental quality and noise impact on local communities while doing the call of relative side disturbance are there that’s why they change there network (change network, changing bill)

## Resistance against change:

Vodafone was obstructed by union, Government department of labour and development, local and Environmental conditions who gave the high pressure. Union was displeased with down rising decision of company. Union called for a strike. Many people are unaware of the importance of change. Often there are disagreeing goals in the company. Costs should be reduced to increase resources and to achieve change. Organizational change often creates an adverse situation in case of how the members want to do anything. So literature discusses most of the organizational change.

Evaluation of new procedure for manifestation for change and successfully implementation of it is first and foremost priority of the managers of the organizational communication with staff as well stockholders are not all as a manager one have concentrate on judging the situation also before providing a step towards implementation of the new strategy. They need to judge the delivered message effectively with some sort of readiness. It is essential to acknowledge the people related to the organization about the necessity of change and provide them a crystal clear ideal about the strategy, they are going to adopt. It will be surely increase the desire arrange the shareholder. Communication should by do which keeping the business policy in the mind and convey the risk factor associate with it without creating any panic. In every step of the evaluation procedure as a manager they need to keep the customer up-to-date about the each step so the procedure can provide them feel good atmosphere. They need to establish a communication plan at all level of their employees whether it would be frontline employees on it be supervisor. This will provide them better idea about the situation. They also have to organize training program along with awareness program to make their employees used to with the changed process and future strategy. Training program must features points like skill, knowledge and behavior necessary for the implementation of the new strategy. After implementation of each step analysis should be done thoroughly to identify the mistakes and adopt proper measures to avoid the repetition of further. Training program should be conducted in the beginning of the implementation procedure to avoid the interruption while going on. As a manager it is duty of an individual to rectify the suitable approach to reach the target of the adopted plan. Forecasting policies with flexible mode can be helpful in case of crisis.

## Financial Situation of the Company VODAFONE

Vodafone earns enough money as it is a telecom giant in the world. Some figures related to their earnings are as given below.

## Voice services 5, 011 crores

## Messaging 175 Crores

## Data services 350 Crores

## Other services 560 Crores

Vodafone Essar’s revenues are more than twice that of IDEA Cellular’s Rs 2, 987 crores for the quarter ended on June 30, 2009.

The Revenue of the company is £44. 47 billion as per the records of 2010.

The Operating Income of the company is as per 2010 data is £9. 480 billion.

Profit of the company is 8. 645 billion as per the data of 2010

Total assets of the company as per 2010 data is £156. 98 billion

Total Equity of the company as per 2010 is £90. 38 billion.

## P5. Evaluation of change management and Research analysis in Vodafone:-

## Changes:

Engineering, design, structure, new call rates and new technology equipment are the types of issues that are to be changed.

## Changes in market shares:

After changes in hutch to Vodafone there is some effect on the market shares for one month market shares of Vodafone was down and after one services launched by Vodafone its bullish.

## Change in Technology:

Technological changes are required in the company to improve both attributes of organic and mechanic conditions to acquire creativeness and effectiveness.

## RESEARCH AND ANALYSIS

The best way of getting an idea about whether the product is appreciated by the people or not, is to ask people themselves! Here is a survey made to know the views of the customers about the telecom service. What are their views about the service and what they like and what they don’t like about the service.

I passed the same questionnaire to 50 VODAFONE users. They gave their views on all the points so that we can have an idea about the status of the brand in the mindsets of the customers.

Here is a Research result for VODAFONE. People have to RANK Vodafone out of 10 in Network, Offers, Advertisements, Services, Customer satisfaction activities of the company and over all rank for the company. The top 10 countries Average connection speeds are as follow.

## Source: https://www. myciscocommunity. com/servlet/JiveServlet/showImage/38-2677-21576/connection-speed-country. png

As we can see Vodafone customers are highly satisfied with network provided by the company. But they are a bit dissatisfied with the offers provided by the company. So company needs to provide some more attractive and beneficial offers to the customers to turn them into loyal and delighted customers. Otherwise people like their advertisements and giving good response. In addition, services provided by the company are also good to attract the customers towards the company. An overall ranking is also good for the company. And more than 10 countries are speedy connected with the Vodafone.

But a main point is of the charges of the service. One more question is asked to the people that “ Is VODAFONE a costly service?”

Here is the output

47 people said yes, Vodafone is a costly telecom service. In a developing country like India, the main question of the life is of money. And if the service is costly then the company will lose that part of the people as their customers. So it is advisable for the company to reduce the charges of the services and also include lower budgeted people.

## TASK- THREE

## P6. Model of Change management

How to become the

## “ CENTRE OF ATTRACTION?”

## (EFFECTIVE MARKETING OF VODAFONE)

The most important task of a businessman is to Market his product in such a way that people get a clear idea about all the factors which were actually meant to be conveyed. The product should be presented as a different and beneficial from others. If the product is not proved different from other products in the same category, than the product will be only a commodity and will not be able to create a brand name.

“ Creating a brand name” is a very important task of an entrepreneur. A brand name creates loyalty in the hearts of the customers. A distinct image of the product is created in the mindset of the customers. But how to create a brand name? What should be done to have good brand equity for the product? That depends not only on Logo, Name, Label and Punch line but also on how you present your product in front of the customers. And that is nothing but the marketing of the product.

In case of telecommunication companies, the point will be of marketing a SERVICE. Vodafone cellular operator is not providing products but it is called SERVICES. So, in this case the main point would be of putting the most effective and interesting schemes so that the customer gets attracted and New Customer Addition goes high with the passage of time.

The principal task of a telecommunication company is to provide services only but to provide it in the most effective manner is a sign of a good marketer. A good marketer forms a good marketing strategy. What are the best things about the marketing of Vodafone? Why this brand attract the subscribers more?

These are some points which make them popular and CENTRE OF ATTRECTION for the customers.

## VODAFONE in India (Vodafone Essar)

Vodafone is serving in India also. Vodafone has acquired HUTCH (Essar group) of India up to some extent. Vodafone Essar, which is made from Vodafone Group and Hutchison Essar Group, has decided to sell their products on the name of VODAFONE only. And then the product name is changed from HUTCH to VODAFONE.

## Headquarter of Vodafone Essar:

Peninsula Corporate Park

Ganpatrao Kadam Marge

Lower Parel,

Mumbai – 400 013 India

## Source: Created by own after studding information from www. vodafone. com

## P7. Implementation procedure of Technology change:

Latest technology: Vodafone Essar, India’s third-largest mobile carrier will launch third-generation (3G) services in the country in the January-March quarter of 2011 and plans to spend up to $500 million within two years on its 3G networks.

## Mobile money transfer services:

In March 2007, Safaricom, which is part owned by Vodafone and the leading mobile communication provider in Kenya, launched a mobile payment solution developed by Vodafone. M-PESA is aimed at mobile customers who do not have a bank account, typically because they do not have access to a bank or their income is insufficient to justify a bank account. The M-PESA system allows customers to deposit and withdraw cash via local agents, and transfer money to other mobile phone users via SMS.

By February 2008, the M-PESA money transfer system in Kenya had gained 1. 6 million customers and Vodafone announced that it was to extend the service to Afghanistan. The service here was launched on the Roshan network under the brand M-Paisa with a different focus to the Kenyan service. M-Paisa was targeted as a vehicle for microfinance institutions’ (MFI) loan disbursements and repayments, alongside business to business applications such as salary disbursement.

## Other Plans for implementation

Education: the employee must educate properly in order to cope with the organizational changes that has occurred within Vodafone to have a proper knowledge about the change management.

Chipping in: the employee must take part in the decision making and problem solving procedure in Vodafone

Stake holder’s involvement: The stake holders should be provided with proper feedback about the management change that has taken place with Vodafone.

Communication: A transparent communication will led to better implementation procedure and this will facilitate proper negotiation procedure within the organization.

## Recommendation:

There are different processes of training programs which adopts new technology and help the company to attain success. People can easily communicate with each other if the structure of the company is divided into several parts. To break the bureaucratic system power must be given away in hierarchy level. To create a change in the organization an experienced consultant can be applied. The company should get more feedback from its employees so that it can be able to understand the problem and take decision to resolve it. Employee should work altogether in team to manage the change.

## Contingency Plan:-

Strong business rational with develop business plan & increasing of employee satisfaction is needed.

Proper & effective involvement of employee plays key role for change.

Vision & leadership: – Proper commitment from leaders & guidance from link manager help the change agenda to follow the organization.

Empowerment: – Employment of maximum eligible employee develops the productivity as well as progress.

Charging of working environment – involving culture & management of people develop performance of business also improve the quality of employee’s lives.

## SUGGESTIONS

Vodafone can be called as a leading company of telecom industry because this is the brand which is still growing and covering more and more areas. But, the company should also watch out for the new coming companies which are quite promising. Currently, it is obvious that Vodafone is far ahead of the other companies. But it should also be considered that some of the company which is running behind ‘ Vodafone’ has the concepts, schemes and facilities which Vodafone don’t have in spite of being such a successful company. And undoubtly the innovations brought by some companies which are new say Do Como, MTS and etc are fantastic and effective. So Vodafone can renovate the services provided by the mind attract the new customers.

## CONCUSION:

To conclude the report, it can be said that Vodafone is one of the leading companies today in the telecommunication industry, promising company considering its speed of growth, New Ideas, Young generation mentality and Identification of needs of the customers.