

Tri state telephone

Business



Trim-State Telephone is a telecommunications company that provided the telecommunications of the residents of three US States. Currently customers of Trim-State Company pay a monthly flat rate for the service they used.

Now the management of Trim-State wants to change the pricing system from monthly flat rate to a new pricing system. However, the customers are not in a position to accept the new pricing system. Hence, they do not allow the company to launch the new pricing system.

In this case, they begin to march in to protest against Trim-State Company with the help of consumer federation of America and congress of consumer organization. Stakeholders of Trim-State Telephone Company Stakeholder means a party that has an interest towards the organization. There are mainly two types of stakeholder.

* Internal stakeholders * External stakeholders Internal stakeholders are those individuals who exist inside the company as board members, executives, managers, employees, and trade unions and who benefit directly from their contributions to the development of the company.

External stakeholders are those individuals or groups outside a business, that are affected by the financial security of a company, External stakeholders of a business may include shareholders, customers, suppliers, regulators, and other businesses in the same or similar industries. The stakeholders in Trim-State telephone are prepared up of a number of diverse groups of people. Internal stakeholders of the Trim-State The employees of the company employees of the company allow the business to trade, as they are the ones who put the work in to promote and sell new products.

They also manufacture and distribute the products that the company sells.

* Managers Managers are shape and lead their organization's policy towards stakeholders and they engage regularly with stakeholders. And they are more effectively recognize and analyzing what are the conditions for meaningful engagement and utilizing those opportunities and challenges to build relations. In Trim-State senior executive John Godwin is lead this company to get out from this mess because he needs Job stability and benefits.

The Trim-State external stakeholders * The customers Customers will be one of the most important groups of stakeholders in the business as they have the final say as to whether or not products are successful. Customers expect good value, high-quality products and great service.

* Government and Regulators Governments and regulators are second only to customers In their ability to affect companies' economic value. Governments and regulators also set various technical and legal requirements Trim-State must comply with rules and regulations set by the stakeholders directly affect Trim-State in several ways.

They issue Trim-State with licenses to operate in the telecommunications sector. Trim-State should ensure that there is strong competition between telecommunication companies. It seeks to ensure that companies like Trim-State set fair prices for its customers. Consumer groups The Consumer Federation of America and the Congress of Consumer organization are the consumer groups which provides information to consumers of all products, and has a major influence to company whether it is successful or not.

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The key stakeholders of the Trim-State There are mainly two stakeholders who are most important to Trim-State * Customers The company decided to bring in an additional charge to its long-distance calls for customers, and the customers at a public hearing struggled against this. The protesters didn't simply just turn up to protest, they brought evidence with them that the company was acting unfairly. The company had sales in excess of \$3 billion, and it was the price increase to the company, of long distance calls, that was to cause the problems.

The end result of the case was that the people who were protesting the most, the customers, were due to save up to 20% on the cost of their calls. This didn't discourage them protesting against the new tariffs that were to be introduced, and John Godwin, the chief executive of the company, backed down to settle the customers.

These discover the value customers set on its services and products and highlight potential improvements. In this way, customers have a real role in serving he business to expand and develop.

This results in longer-term relationships where customers feel they have a contribution into the services presented. It builds loyalty and creates the potential for increased business. This proves that the customers are the most essential people when it comes to business success.

* Managers One of the most essential parts of running a successful business is that companies have to have an excellent management team. Godson's company has recently proposed a new pricing system and all other senior managers were convinced that the plan was fairer.

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But it was failed. Therefore Trim-State need to make sure that they have a good organization and management team for their business is that it will keep things running smoothly. It will ensure that everybody knows what they are supposed to be doing and what the goals of the business are.

This will keep everyone on the same stage and working towards the same goals. The critical trends in Trim-State environment * Trim-State Telephone has experienced a dramatically change since the divestiture of AT and T.

As a result of divestiture of AT, telecommunication industry was pushed in to a greater competition, lower long distance rates and higher local rates. The rapid change in technology, evidenced by the introduction of cellular phones and their innovative uses has threatened the industry where Trim-State Telephone belongs. Cellular telephones, primarily used in cars, were now hand-held and could be substituted for standard phones.

Digital technology was going forward, leading to lower casts and requiring companies like Trim - state to invest to keep up with the state of the art.

The portable telephone replaced the normal. And the Trim-State company is did not take advantage of the new technology because of the fixed price. AT in 1984 had provided local telephone access as officially authorized, natural monopolies. Due to the broad infrastructure required for telephone networks, the economies of scale in the local telephone market are so marked that balanced competition among multiple firms was not viewed as reasonable.

As a result, the government allowed AT to operate as regional monopolies under a strict regulatory system to prevent practices harmful to consumers.

The federal and state regulators prevented excessive pricing by the Trim-State. * The prices of long distance telephone services changed dramatically. In addition, a case was raised against the company by their elderly customers with rate issue as the major matter. Reasons for Trim-State customers become upset Trim-State's customers are upset due to the recently proposed plan by the company regarding the pricing system of the service. The senior manager of the company failed to anticipate the possible response of some groups who used phone with not able frequency.

Because of this new plan customers had to pay additional fee. Therefore, there are 150 angry customers and protesters had presented state regulators with some sophisticated economic analyses in support of the customers. As well as there were a number of emotional appeals from elderly customers who regarded phone service their lifeline to the out side world. What should John Godwin do? John Godwin must have analytical and rational market segmentation. He must group his market or customers based on their frequency and offer a specific pricing plan per market segment.

By this, he can diversify his service offerings without compromising the welfare of the customers. And also he should, * Create processes and models that are centered on customer services. * Applied life-long training to promote product development. Operate a geographical information systems (GIS) data-based inventory of the trim state areas people, places, and other community programs and services. * Increase project's probability of success.

* Support rural telecommunications initiatives. Implement a community based advanced telecommunications infrastructure.. Get the community involved-people are the most important asset in accomplishing major networking projects. * Promote economic development, education, cultural and socio economic growth through activities such as networking, telecommunications, and television.

* Conduct house to houses survey, advertisements, handouts and there promotional materials. Recommendations Godwin should remove the plan because while they get more earnings but alienate many customers and therefore lose money.

The best option is to withdraw the plan, stick with the fixed, but put together different types of plans that offer different services for different customer needs, the more comprehensive the plan the more they will charge.