

# [Study of telecom major etisalat egypt marketing essay](https://assignbuster.com/study-of-telecom-major-etisalat-egypt-marketing-essay/)

\n[toc title="Table of Contents"]\n

\n \t

1. [Introduction:](#introduction) \n \t
2. [Strategies Adopted:](#strategies-adopted) \n \t
3. [Competition:](#competition) \n \t
4. [Swot Analysis Of Etisalat-Egypt:](#swot-analysis-of-etisalat-egypt) \n \t
5. [Conclusion](#conclusion) \n

\n[/toc]\n \n

## Introduction:

Etisalat Egypt, a subsidiary of the Etisalat U. A. E which is the only provider of telecommunication services in the UAE right from its inception in 1976 until the recent past when Du arrived into the market in 2007. Etisalat backs in itself the credit as first 3. 5G network provider in the Egypt. The network operator in Egypt, known as Etisalat Misr is one among the 18 service providers which are managed by Etisalat. Etisalat has a wide spread market in all places like the Middle-East, Africa and in Asia. The firm has a 400 million subscriber potential market for access and now, the firm provides its services to around 32 million subscribers along with the internet, television, fixed-line and mobile services from each of the subsidiaries it has.

The year 2007 was a great milestone in the history of the company as it has entered the 3. 5G service provider market. This company is the first of its kind to provide for download link up to 7. 2 Mbs/sec in Egypt which is around 2 times faster when compared to the downlink speed of the 3. 5G technology. At this high download speeds, the company offers its customers to download videos, audio files that interest the subscribers. The availability of this service is restricted to a fewer areas in and around Cairo. This firm, in Egypt was established in the year 2006 along with reputed and trust worthy partners like the Egypt’s National Bank, Commercial International Bank. This mobile service provider has alone a share of 14 million subscribers from about 55 million subscribers in Egypt.

The firm, right from its inception has been a growing organization with its constant focus on satisfying the customers and to extend its reach has been successful. The importance given by the company to continuously improve in terms of technology, develop the employees has added to its reputation. The company, apart from having earning profits as a motto also plays a vital role in the “ Corporate Social Responsibility”. The company has taken many steps in order to contribute its share to the society. The firm has started developing mobile applications that would be useful to the blind in using a mobile phone with much ease, people with hearing problems and other related problems can make video calls at a cheaper rate as compared to normal video calls. Etisalat has started a nation-wide project which helps Egypt to counter the water problems it is facing. Not only does the firm make innovations in the field of mobile applications, but also the firm is permitted to reach the web users so as to help them change their web browsers and their operating systems.

## Strategies Adopted:

In order to offer its services better, the company has segmented its market in Egypt into geographical locations based on the number of subscribers it has there. The firm also provides services in the Business to Business (B2B) sector which the company believes is a most important part that uses the mobile phones. As businesses want their employees to be in continuous touch with each other and with the clients, the firm is keen in providing services of high quality to them. For this, the firm has used Custom Marketing Strategy under which, each customer is provided with a unique service in the way it is required by the customer.

The company has adopted Market penetration strategy, the company believes in enhancing its promotion strategies for their prime product so as to gain a significant share in the market. This company has a huge capital to invest, which can be used to establish a brand of itself in the market. Offering services at lower prices will certainly attract more and more customers and this helps the company to gain the maximum share in the market. Diversification strategy which targets the particular division in order to promote the secondary product of a satellite connection should be adapted. A higher price can be fixed with a limit in number of orders to provide this service. As only this firm provides these services in Egypt, the present plan would have a direct impact on the sales of the company. So as to follow up the development of the firm, it has to implement a calculating scheme on the performance of the firm. The company must aim to measure its success by the percentage of objectives stated that are achieved.

## Competition:

Presently, the company faces competition from two main companies, MobiNil and Vodafone operating in Egypt. MobiNil from its establishment has been proving its leadership qualities in marinating Mobile services in Egypt to so much extent that it has acquired the faith of many customers in the market. The main objective of the firm is to provide best quality services for its customers. Being a pioneer in meeting the diversified needs of customers, MobiNil is considered to be a main competitor and threat to the firm.

Vodafone started its business in Egypt way back in the year 1998. From then, the firm’s investments have been reaching higher and higher. Vodafone operates in the country with an aim to help people to enjoy the developments in the communication technology, safeguard the environment and also to support the communities in localities. The network coverage of Vodafone in Egypt is around 98%.

## Swot Analysis Of Etisalat-Egypt:

A SWOT Analysis which gives a perfect picture about the strengths, weaknesses, Opportunities and Threats a company has to decide how well the company can perform, both in short-term and long-term. Along with this, the company would also know how and in which areas the company has to improve in order to face the new competitors and also does the company know about what new markets the company can explore for its profits. Finally, this analysis helps the company to know about the external and internal issues and should answer the areas in which the company is strong and benefitted in. Looking at each of the factors with regard to the firm, first the strengths:

The company provides services to every sector, individual users, and large business firms or even to the web-service users. For each type of customers the firm deals with, it uses a specific type of strategy. Like for B2B services, the firm uses the Custom made facilities so that each business would get the services as it requires. This increases the level of satisfaction among the customers.

The firm’s main concentration is on developing the value-added services along with innovating new products mainly the data revenue. After voice, this is the largest contributor to the revenue.

Brand name of the parent company and the reputation of knowledge being transferred from the parent company in UAE.

The company was started up with a high capital; this will allow the firm to come up with new technologies for the customers.

Weaknesses:

The total number of post paid subscribers is relatively less in its subscriber mix.

The Selling and Administrative expenses seem to be growing continuously.

The costs may be higher when compared to revenues at the start.

Opportunities:

Welcome from Egyptian people for a new service provider to get rid of the duopoly.

Availability of skilled labor.

The number of jobs that are out-of town has increased.

Recognition of the importance of mobile phones by the people residing in that country.

Threats:

More competition from the firms with more experience, loyal customers and larger network coverage.

Coalition between the companies existing from before can phase Etisalat out of the market.

Due to less purchasing power of Egyptians, there is a threat of fewer sales even if the customers are interested in the firm’s products.

The recent economic recession has degraded the financial status of Egypt as a whole.

## Conclusion

By above discussion it can be concluded that the company has taken many steps in order to contribute its share to the society. The firm has started developing mobile applications that would be useful to the blind in using a mobile phone with much ease, people with hearing problems and other related problems can make video calls at a cheaper rate as compared to normal video calls. Etisalat has started a nation-wide project which helps Egypt to counter the water problems it is facing. Not only does the firm make innovations in the field of mobile applications, but also the firm is permitted to reach the web users so as to help them change their web browsers and their operating systems. All of these strategies helped Etisalat in a very positive manner.