

# [The history of digicel and claro](https://assignbuster.com/the-history-of-digicel-and-claro/)

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Digicel is a mobile phone network provider covering parts of Oceania, Central America, and the Caribbean regions. The company is owned by Irishman Denis O’Brien, which is located in Bermuda, and based in Jamaica. Digicel, first started April, 2001 in Jamaica grew to 100, 000 customers in approximately 100 days. In the nine and a half years since the initial launch, Digicel Jamaican customer base has grown to over two million users. In Haiti, where they launched operations in May 2006, the company now has 2. 4 million customers making Haiti Digicel largest customer base to date. Digicel is 100% owned by Irish entrepreneur Denis O’Brien. The company has a marketshare of over 70% in Jamaica.

Claro is the largest mobile phone network in the Americas. It is part of the Mexican telecoms group América Móvil which is one of the four largest mobile phone network operators in the world, with more than 200 million customers. The transformation of Mi Phone’s network to 3G technology is a US$300-million investment for America Movil, the company said yesterday as it rolled out the company’s new brand, Claro. It was officially opened for business 2008 in Jamaica.

Customer Satisfaction- is a measure of how products and services supplied by a company meet or surpass customer expectation.

Customer value- customer value is the amount of benefit that a customer will get from a service or product relative to its cost.

Digicel 4G Broadband home WiFi modem, customers have unlimited usage and can choose between an affordable prepaid 7 day, 14 day or 30 day plans or a monthly postpaid plan. To ensure that customers continue to get even more value out of their Digicel 4G Broadband service.

Digicel has also introduced a CPE modem without Wi-Fi. Therefore, Digicel 4G Broadband service now offers customers three types of modems to choose from:

Digicel also runs a host of community-based initiatives across its markets and has set up Digicel Foundations in Jamaica, Haiti and Papua New Guinea which focus on educational, cultural and social development programmes.

Digicel also offers $100 free credit every month to their valued customers

Digicel gimme 5 offers free nights with addition of $200 credit, 100 free texts after 5 texts, 25 minutes free talk after 5 minutes,

The Huawei E226 3G Wireless Modem combined with Claro’s Service gives users surfing speeds of up to 7. 2 Mbps

Claro announced that it has struck a deal with one of Jamaica’s biggest food distribution companies, Lasco which will enable Claro customers to purchase credit for their Claro phones from any Lasco distribution outlet island wide

Claro offers Unlimited Prepaid Hi-Speed Wireless Internet Service to the consumers of Jamaica.

Claro offers $100 free credit every month

Longer credit terms.

Digicel, the Caribbean’s fastest growing mobile telecommunications operator, today announced its recognition as the number one Jamaican company in customer satisfaction according to a September 2004 study conducted by Marketing Strategy Ltd., a Jamaica-based market research organisation. The positive customer experiences gathered from questionnaires and interviews hiked Digicel position as one of the region’s leading consumer brands.

The research gathered feedback from 300 respondents across the island and revealed that consumers ranked Digicel as the top customer service provider in Jamaica. Digicel was named by 50 percent of respondents when asked to name the top three companies in Jamaica they believe to offer “ excellent customer service on the other hand Claro because of the majority of users will not sign into any long term deal with a company which might not survive a year, nor pay for service they may not use. In volatile markets where one doesn’t know what tomorrow will bring, ‘ pay and go’ is the only sensible method.

Discounted phones are not a bate. Many people in Jamaica receive benefits from relatives abroad or from those who have upgraded. Having to sign on for two years of service so as to pay a low price on a new phone. During a survey taken last year most customers state their loyalty towards Digicel because the company shows them great appreciation by rewarding them by offering various promotions while Claro “ new kid on the block” have not gotten many responses because it is said to be overseas based.

The macro-environment is The major external and uncontrollable factors that influence an organization’s decision making, and affects its performance and strategies. The macro -environment factors that influence Claro and Digicel operations are political, economic, social, technological, environment and legal, these are outlined below.

Firstly, the macro environment factors that influence Claro’s operation are;

Political – the government of Jamaica has used the Offices of the Utilities regulation ( O. U. R ) to investigate and regulate utility companies. In the case of Claro the government intervened into the life cycle of prepaid credit sold by the company. Several customers complained that the life of the prepaid credit was shortened by the company without due notice. The OUR has asked Claro for an explanation of exactly what changes were made to its prepaid credit life cycle and what was the life cycle for each class of prepaid credit before the changes were made. Claro reverted the calling time, and both the OUR and customers are now comfortable with this position.

Economic – The impact of high fuel costs, increased interest rates, weak gross domestic product and the recession of Jamaica’s economy has significantly contributed to Claro customers taking alternative options to purchase less phones or latest gadgets.

Prices have hiked enormously in all sectors of the business environment, which influences customers to spend less and save more in order to survive.

Social- Unemployment is increasing, as a result of the unavailability of new jobs. There is also a tendency for young people to gravitate towards new technological trends and fashions. Telephone companies would be well advised to promote these changing trends to to a younger audience, who are more willing to purchase new gadgets and new technologies.

Technological-new technologies create new products and new processes Mp3 players, computers, games etc. are all new markets created with the aid of technological advances. technologies can reduce costs, improve quality and lead to innovation. These factors influences Claro to produce more technologies to meet consumer demands in this case Claro 3G influences customers to use their internet settings because it faster and reliable.

Environmental-these include the weather and climate changes. Due to the location of Jamaica hurricane in a hurricane belt, this forces phone companies to relocate their fibre optic cables under ground which are less prone to hurricane factors like wind and strong weather climates.

Legal – These are related to legal environment in which firms operate. There is no age discrimination, disability discrimination and the minimum wage is observed.

The macro environment operations that influences Digicel operations are as follows:

Political- These refer to government policy such as the degree of intervention in the economy. The Offices of Utilities Regulations have made a claim against Digicel that it is a “ dominant public voice carrier ” which means a public voice carrier that holds a dominant position in the telecommunications market. Digicel was accused of using this prominence to manipulate the market. The OUR however got an order from the Appeal Tribunal to prevent this manipulation from Digicel. The OUR succeeded and Digicel will have to abide by their rules and regulations in the telecommunications market.

Economic-These include interest rates, taxation changes, economic growth, inflation and exchange rates. In the case of Digicel the company has to create new innovations and packages to meet customers demands because of the factors listed above. This is also used to promote new products and services due to the high demand.

Social-in this factor Digicel tries to supersede its competitors by executing the Digicel 4G broadband to include customers from all over the island, to use its services as it states “ just plug pay and go” suggests that it can be taken anywhere to do various businesses.

Technological- in this case Digicel promoted the Blackberry torch its newest phone to the market it enables you to use a wide variety of services and enjoy it while not paying a lot. Its web text also encourages users to go online text and use its services.

Environmental- Digicel has also placed their fibre optic cables under ground to prevent any damage to their equipment.

Legal- Digicel caters to every customer and tries to satisfy their needs.

The macro-environment factors for both companies are quite similar except for their individual political aspects. The economic, social , technological, environmental and legal factors are quite similar has these impacts are across the telecommunications market.

## Communication

Communication is the activity of conveying information. Communication requires a sender, a message, and an intended recipient. These are various ways in which both company’s communicate to their customers:

## Digicel

Digicel has customer service representatives located in Jamaica.

They execute new promotions to keep valued customers up to date on their latest innovations and encourages them to become a part of if.

The advertisements which they bring forward to the public allows them to choose better deals.

Telephone calls are also made to customers in order for the company to make an evaluation of themselves and make necessary corrections.

Telephone calls are also made to customers of their competitors, to encourage them to try the service.

The web is also used to communicate information to their customers, for example a Blackberry user would receive a reminder that their services will soon be up or not.

Street signs and “ walking billboards” to educate customers about its services.

Publicity campaign through its sponsorship of various popular events: Rising Stars, Premier League.

## Claro

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Street signs and “ walking billboards” to educate customers about its services.

Publicity campaign through its sponsorship of various popular events: The Contender, Tasty Talent Competition, St Andrew Football Association (KSAFA) Champions League.