

Strengths and weaknesses of competitors marketing essay



The product in service marketing mix is intangible in nature. Because of this intangibility, the firm may find it difficult to understand how consumers perceive their services. For developing a good customer service, the service marketer should stress on tangible cues and also create a strong organizational image. This can be done by communicating clearly to the customers the features of the service being provided.

Ufone's cellular service excels its competitors at all levels. When a new product is launched it consists of complete package of design features, quality, brand name and after sale service. Ufone understands and value its customers therefore its primary focus is on U.

Post-Pay And Prepay Services Are Offered By Ufone In Telecom Sector:

Ufone Prepay

Ufone prepay service is segmented for the youngsters. They are divided on the basis of their status and age. They use prepaid cards to recharge whenever they need.

Ufone Post-Pay

Ufone post pay is meant for the business or executive class people who need making calls all the time for business purpose. Special value added services are given to post pay customers.

U share

Other services of ufone include u share. Prepay consumers can now send their balance to each other through a simple SMS in 3 easy steps.

Mobile Number Portability

Ufone welcomes consumers to achieve their mobile phones to best service. Through the mobile number portability (MNP), subscribers can keep mobile phone numbers when they change operators. It therefore 0300-xxxxxx xxxxxxx-0345 can be ufone customer in the MNP system.

Price

Cellular companies are facing major competition in prices because customers consider price as core of brand selection. Therefore ufone also consider price as major differentiation. It offers least call rates. Ufone plans to capture existing needs of customers use them well on timely basis. For example call rates offered on Eid days are very economical, similarly hourly rates in Ramadan when they are less likely to be used. It's an excellent strategy to boost the brand image in the minds of customers in pricing terms and also gain profit in doing so. Ufone offer their services at lower prices and affordable.

Ufone post pay provides you with unmatched call plans to suit your style and after contact. Use your backside ufone for business or leisure and stay connected all the time.

Pricing method:

Because of the high quality of service call rates prices are set at cost plus a premium price.

Pricing strategy

Pricing strategy plays a very important role for a share in a market where competitors giant is already working and moving forward. Ufone implemented low pricing strategies to reach their goals. Pakistan population mostly contains the middle class and working class people. In this view of low pricing strategy for ufone gets the attention of many customers. Ufone use dynamic pricing strategy and market penetration pricing strategy to meet the needs of its customers and to face competitors.

Place

Place is very important for the distribution and promotion of services. Competitors are always trying to widen their network in every part of Pakistan. In this case Mobilink has an edge because it's the pioneer of cellular telephonic service.

Ufone has planned to widen its coverage in all parts of Pakistan to meet the ever increasing demand of its customer base. Now ufone is expanding its network in northern areas. Ufone has vast promotion in cities, but it's considering improving it in rural areas.

Ufone added 4.0 million subscribers in 20011-12 compared with the addition of 6.5 million in the previous year. Ufone added the largest number of cell sites in 20011-12. With the addition of these, total cell sites reached to 3471. Ufone is a network operator who works with a network of more than 365 franchises and 25 company-owned customer service centers along with a distribution network of 150,000 outlets nationwide. Ufone covers more than 5442 destinations.

Ufone keeps on adding new cities to expand superior network. Ufone covering all the major cities in Pakistan now consumers can enjoy comprehensive coverage in areas such as the GT road, the highway super highway etc. And wherever they are in Pakistan, ufone keeps them connected.

Geographical coverage:

Ufone aims to provide users with a wider coverage, superior connectivity, clear signals and sound quality which covers more than 5442 destinations, ufone is the best way to stay in touch.

It is divided into four regions, which are listed below:

North

South

Central-1

Central-2

Promotion

Ufone use blend of different promotion tools which is called integrated marketing tools. Ufone is engaged in different channels and activities to provide value to consumers. These activities or channels are organized to maximize communication output.

These channels includes:-

Media:

Through advertising people get awareness about the product and are able to choose the best one to meet their needs in the field of mobile communications.

Electronic Media

Ufone utilizes electronic media through television advertising. Ufone is having a great deal of advertising on television, to their clients about the offers and the latest products. Interesting part is that adheres to fulfill with its humorous appeal and doing a really good job at that. Ufone is famous for its own style of humorous ads that really became the talk of the town.

Print Media

Ufone offers actively its advertisements in printed form as well. They are used in different ways as a means to promote the brand. Ufone advertisements can be seen in newspapers and magazines.

Billboards

Paintings (including the skyscrapers) are the main sources to promote ufone. New collections are displayed or any updates about the product features. And you can see the different types of advertising on television and billboards.

Word Of Mouth (Buzz):

Ufone is the most popular of all the companies in the telecom sector in Pakistan. Thanks to the advertising campaign, which remain in peoples mind

for a very long time. As ufone is the most popular in the youth, youth is the reason that refers to their friends and relatives to use it proudly.

SMS Marketing

Ufone not only make use of the electronic media and promotional activities. But Ufone is also marketing new packages and updates on their own, that is, through SMS. Ufone is committed to retain existing customers to get on the network operator turned to another. Marketing through SMS, Ufone makes consumers aware, with new elements that are launched.

Internet Marketing

There are users who are active users. They connect and communicate through the internet. These users try to find solutions through the internet. Ufone site ([www. ufone. com](http://www.ufone.com)) contains a collection of information about the product, services and coverage, placement, and value-added services.

Personal Selling

Ufone also uses per selling techniques for its post pay connections targeting businessmen and well to do persons.

Public Relations

Ufone less considers its public relation. But it has recently introduced “ Hajj Guide” service.

Direct Marketing

Ufone has umbrella in-road franchises were they directly sell their Sims and connection.

We can say that ufone has gained the place where it is now through excellent promotions.

Competitors

There is hard core competition between the cellular service providers in Pakistan. Ufone is a competitor in the market in its competitive position, where Mobilink is the leading company in the market. Warid, Telenor, Zong newly introduced in this field. Ufone has the following four direct competitors: -

Mobilink

Telenor

Warid

Zong

Competitive Strategy:

Competitive strategies are ufone customer intimacy and differentiation.

Ufone aims to pass the lead of Mobilink in the competitive race.

Market Trends:

Latest update of PTA number of subscribers reveals very interesting results. The figures showed the total subscriber base of cellular services to reach 95, 500, 000. Last update takes this figure up to 95900000 shows the lowest growth rate of 0. 13% this year. Telenor and Mobilink both showed an increase in the number of subscribers, almost neck to neck in the numbers.

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More interesting figures are Ufone, which has gained very little in July and lost a lot in two months. Warid and Zong also do not see a significant increase in the period from July to September.

Market Share:

Business monitor international (BMI) ranked Pakistan as a major destination for the growth of telecommunications. BMI rankings takes into account a number of factors, including the status and industry, and the growth potential, competitive landscape, economy and political risks, and so mobile operators want to avoid competition on price simply, they will have to compete for superior service, and innovative features and ease of use.

Mobilink -Reshaping Lives

Mobilink entered the market in 1994 as the leader in the market both in terms of growth as well as larger joint customers for more than 30 million and growing.

Telenor- Smart Call

Telenor, a recent entrant with about one billion U. S. dollars investment in Pakistan is fine, on the basis of its recent earnings report. Have about 24% of the market.

Ufone -It's All About You

Ufone, a wholly owned subsidiary of Pakistan Telecommunication Company limited (PTCL), is now under the control of Etisalat group of United Arab Emirates. It has more than 8. 8 million subscribers.

Warid -We Care

Warid Telecom is a joint venture between Abu Dhabi Group & SingTel Group.

Warid Telecom is backed by the Abu Dhabi Group, a large business conglomerate in the Middle East and a major investor in Pakistan. With 5.9 million subscribers in the market, which controls 17% of the market.

Zong -Say It All

Zong is the first international brand of China mobile being launched in Pakistan. It is meant to enable and liberate the people of Pakistan. Zong subscribers are 3,146,763.

Strengths And Weaknesses Of Competitors

Mobilink

At the top of the list of Pakistani mobile companies Mobilink. With more than 30 million subscribers has the largest market share. Its shares are listed in London and Egyptian stock markets (OTLD).

Strengths and weaknesses in Mobilink (major competitor):

Strengths:

Extensive network

International brand

Network capacity

Leading Telecommunications Company in Pakistan.

Strong brand name

Good coverage

Speed

Weaknesses:

Rising prices

Foreign brand

Less known in the culture

Competition

High tax rates

Competition basic Ufone and Mobilink is with quality, price and delivery to customers.

Telenor

Telenor Pakistan is the country's single largest European foreign direct investor, with investments in excess of \$2 billion. It acquired a GSM license in 2004 and began commercial operations on March 15, 2005.

At the end of December 2011 it had a reported subscriber base of 28.11 million, and a market share of 24%.

Strength:

Network quality and design

Superior customer care

Financial strength

Excellent coverage and distribution

Contract with Siemens and Nokia

Brand image of quality.

Weakness:

Relatively low market share

Low profit margins

Negative cash flows in the early years.

Warid

Warid was launched in Pakistan 23 May 2005. Warid telecom is backed by the Abu Dhabi group, a large business conglomerate in the Middle East and a major investor in Pakistan.

Strength:

Experienced higher management

Compatible prices

Effective marketing strategy

Weakness:

High levels of taxes and fees minutes

Delayed activities

Zong

Zong is a part of china mobile Pakistan (CMPAK), a 100% subsidiary of china mobile. The appointment of major abroad consists of china mobile through the acquisition of a license from Millicom to operate a GSM network in Pakistan.

Strength:

Operators, if unchecked, could hinder market growth.

Transport network

Resources

Government deal

High growth rate

The first company that made mobile.

Weakness:

Coverage

Mobile of china, and the perception of people around china mobile not good.

So a low resale value.

Weak signals

Old Staff

Sustainable Competitive Advantage:

Ufone has the advantage over competitors gained by offering greater value to consumers. Ufone strategy is to get more and more competitive advantage. Ufone currently is enjoying the following competitive advantages: -

Lowest overall call rates

Value-added services (VAS)

Call block service

Corporate color