

# Swot analysis of etisalat



**ASSIGN  
BUSTER**

Etisalat is the leading operators of telecommunications in Middle East & Africa. Its headquarters are located in U. A. E. Etisalat is one of the largest and renowned telecom company in the world. It carries its operations in 18 countries across Asia, Middle East and Africa with customers more than 100 million. Etisalat is a widespread telecom provider offering a one-stop shop for mobile and fixed-line data services to individuals, enterprises, international telecom companies and so on.

It provides a variety of high-tech complimentary services to the telecommunications industry, mainly:

- Managerial and technical training.
- SIM card manufacturing.
- Payment solutions.
- Clearing house services.
- Peering.
- Voice & data transit.
- Submarine & land cable services.

Etisalat has the status for introducing the accurate service to the right audience at the right market and the exact time. This has been seen and proved as it has debuted again and again, starting with the launch of mobile, GSM, Internet, mobile broadband services to Middle East, Asia and Africa. It is the main focus in the Middle East for internet, voice, mobile broadband, broadcast, roaming and other services with an wide & global network.

## INTRODUCTION

Emirates Telecommunications Corporation, also known as Etisalat, is the telecommunications carrier and internet service provider in the United Arab Emirates. Etisalat provides all type of telecom services in addition to cable TV service. Etisalat is currently moving to a 3G network.

PG-1

At the end of September 2005, the numbers of lines in service are 1, 222, 905 for telephone, 4, 305, 821 for mobile and 4, 698, 17 for internet. Mobile penetration now exceeds 95 per cent.”

In May 2005, the UAE Telecommunications Regulatory Authority approved the formation of a new telecoms company, which will effectively end Etisalat monopoly, creating a du. The new \$1. 1 billion telecoms provider will be 40% owned by the UAE’s General Pensions and Social Security Authority and other state interests, with the remaining shares earmarked for private sector shareholders including an initial public offering, which may or may not be open to foreigners. The new telecommunication company (Du) is starting to gain a wide fame with variety of services such as (mobile TV, video calls, video mail, mobile broadband and different billing options)

Etisalat is on an expansion spree. After making its presence felt in Pakistan, Saudi Arabia, Egypt and West Africa, Etisalat is prepared to pay up to \$3 billion to bid for state-run Algeria Telecom.

The Abu Dhabi-based firm (Etisalat) has been expanding aggressively abroad as it has lost a virtual monopoly in the UAE to Dubai-based Du, which aims to gain 30% of the UAE market share.

PG-2

## VISION

To create a world where people's reach is not limited by matter or distance. People can with ease communicate with anyone around the globe also reconnecting with family or friends. Innovative ideas and advance technologies will open fresh opportunities globally.

## MISSION

To extend people's reach. Etisalat actively develops advanced networks that enable people to learn, develop and grow.

## VALUES

PG-3

## FUTURE

A world in which technology extends our reach. Etisalat targets to advance to new technologies, services and markets so that it can open new opportunities for its customers.

## Swot Analysis

### STRENGTHS:

- Etisalat is reducing broadband tariff prices to encourage greater take-up
- Rollout of further undersea fiber optic cables should enable for greater

- International data service access, and at reduced prices
- UAE has one of the lowest mobile tariffs in the region

#### Weaknesses

- Continues to follow, an aggressive marketing strategy which enabled it to capture a 30% market share in less than two years of operation.
- The knowledge transfer to the baby company “ ETIHAD Etisalat (SAUDIA)”.
- Development of a new fiber optic network to reduce the cost of services and enhance data revenues stream.
- Low network coverage compared to its competitor Du.
- Higher calling charges.

#### OPPORTUNITIES:

- Strong economic fundamentals sustained by the country’s high GDP per capita due to rising oil prices.
- A favourable demographic profile as 69% of the population is under the age of 30, indicating a strong population growth.
- Mobile number portability (MNP) enables mobile subscribers to keep their mobile telephone numbers when changing from one mobile network operator to another. The implementation of the MNP service will allow unsatisfied subscribers using a competitor’s network, to transfer to Etisalat’s network easily. Therefore, if Etisalat manages to provide better services than its competitors, Etisalat will be able to increase its market share easily.

#### Threats:

- Emerging of new telecom company with more affordable n competitive strategy.
- Du expanding the services and being a competitor for Etisalat.

## OBJECTIVES

One of their objectives at Etisalat is to help fulfill the potential of the nation and its people.

To be a catalyst driving growth, developing a world-class economy and a hub for trade, tourism and entrepreneurship

Etisalat is determined to offer continuous support to people with special needs by helping them to communicate with family, friends, social centers, government organizations, universities, and many other organizations.

Etisalat is committed to launching creative initiatives to enable the development of the local communities. Etisalat is contributing 1% of annual revenues to support innovation and entrepreneurship through the ICT Fund.

They are committed to be key contributor to CSR activities and we always seek to create strategic partnerships with different social organizations to help them develop.

They will maintain our role in social activities, which makes from the company an example for other organizations to emulate.

Also, to improve lives through technological expertise and the use of resources for the development of a fully connected community.

## STAKEHOLDERS

<https://assignbuster.com/swot-analysis-of-etisalat/>

## EXTERNAL STAKEHOLDERS

### INVESTORS

Investors would be likely to know about the business because they have invested their funds in Etisalat and they have to know whether the business or firm is running in a profit/loss.

### CUSTOMERS

These are potential customers who would like to obtain a good value for their money.

### GOVERNMENT

The government would want to receive taxes from Etisalat if its running profitably as well as to control business operations.

## INTERNAL STAKEHOLDERS

### EMPLOYEES/STAFF

They would be interested to know about Etisalat to ensure their job security and to get their basic salary.

### SHAREHOLDERS

Shareholders want to be rewarded for their stake in the business.  
Shareholders would want to receive dividends from after-tax profits.

### DIRECTORS

The directors of Etisalat would want to direct the strategy and also to direct major decision making. Samsung's directors would want to increase their own power and status from business growth.

## THE MARKETING MIX

Marketing Mix allows you to merge all the marketing strategies in order to sell your product.

## PRODUCT DEVELOPMENT

A brilliant product or service will have its marketing on its own as it will advantage the buyer. A product can be recognized by its stylish packing and design. Etisalat launches those products and services which the community wants by doing market research to produce exactly what buyers want.

## PLACE

The place is where you await for your buyers. After knowing the place you just have to find the appropriate distribution channel. Etisalat operates telecommunications in Middle East & Africa.

## PRICE

Etisalat uses market skimming as its pricing strategy – which means that it keeps a high price for its differentiated products and services and as time goes by it gradually reduces with competition.

## PROMOTION



It has a large promotional unit that spends billions on the advertising of current and newly developed products or services. The media used is bill boards, radio and television adverts which are a form of persuasive adverts.

## FOOTPRINTS OF ETISALAT IN 18 COUNTRIES-MARKET SHARE

### EVENTS AND SPONSORSHIPS

Etisalat participates in and sponsors events and activities to make and improve lives of other firms. Etisalat supports not just industry-related events but encourage learning in all sectors and support community development in the UAE and abroad.

### INTERNATIONAL INVESTMENTS

#### THURAYA

#### EXCELCOMINDO (XL) INDONESIA

#### CANAR – SUDAN

#### ETISALAT NIGERIA (EMTS)

#### PTCL – PAKISTAN

#### ETISALAT MISR – EGYPT

#### ZANTEL – TANZANIA

#### ETISALAT – AFGHANISTAN

#### (ESSPL) ETISALAT SOFTWARE SERVICES PRIVATE LIMITED – TECHNOLOGIA

ATLANTIQUE TELECOM (AT)

MILICOM SRILANKA “ TIGO”

ETIHAD ETISALAT “ MOBILY” SAUDIARABIA

ETISALAT DB INDIA PVT LTD

ETISALAT SERVICES HOLDING

Etisalat Services Holding – ESH is part of the Etisalat group of companies. It was constituted in 2007 following the strategy of separating the services and varied support services from the core telephony business of Etisalat in order to optimize the potential of the individual businesses.

CARRIER AND WHOLESALE

Etisalat’s Carrier & Wholesale Services Division (C&WS) is dedicated to delivering a comprehensive portfolio of high quality wholesale services, extending the reach of mobile operators, carriers and ISP’s globally.

Etisalat’s Carrier & Wholesale Services Division provides the following services:

E-VOICE

E-MOBILE

EMIX – IP TRANSIT SERVICES

E-CAPACITY

E-CONNECT

E-BROADCAST