

Competitive analysis: starhub singapore



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A Competitive analysis on Singapore Consumers using StarHub Services compared to other telecommunication service providers available in Singapore.

Analysis on Singapore's well known telecommunication service provider, StarHub. History of StarHub & factors that contributed to their success. Opinion on StarHub services by Singaporean Consumers.

Introduction

Singapore's telecommunication Industry has grown and developed tremendously over the years. Not only Singapore, the whole world has changed the way with how they communicate with one another around the world. Previously we were using more wired technology compared to now we are using wireless technology. Less complications and less work, simply to say life has been made so easy. Rapid Improvement of technology has made it possible. We are able to connect with a person from one corner of the world from another corner simply within seconds, with the help of the new technology. Using this, we need something called Service Providers, where people have to subscribe and they provide services like internet access, Mobile Phone Operator and Web application hosting. This also called as communication services as it is being used for communication purpose.

Objective

The objective of this report is to analyse the Service Provider named, StarHub and its success towards providing good service and being popular among the Singapore Consumers. To identify the factors that contributed to the success of StarHub using swot analysis.

Background

StarHub Limited is telecommunication Service Company and is Singapore's fully-integrated info communication Company. StarHub Limited also provides other communication services like Mobile Network Services, Digital Cable Services, and Internet service for both consumer and corporate markets. It holds the second position in Mobile Operator Service and it has the fastest two-way High-Speed Downlink Packet Access (HSPDA) and mobile network that has fastest network speed that gives up to 21Mega bit per second (mbps) with the help of the new 3G mobile telephony communication protocol technology.

StarHub has this Hybrid Fiber-Coax (HCF) network which satisfies the consumers by providing multi-channel cable TV services which includes High Definition Television and on-demand services. It also provides Internet services in the form of Residential dial-up internet service and broadband internet via cable. It also provides mobile broadband where anyone can use it anywhere they want with network coverage. It delivers Ultra High broadband speed to its consumers. StarHub also provides digital voice service via cable with superior clarity. StarHub is the fast-rising challenger in the Singapore telecommunications Industry, placing second behind former government monopoly Singapore Telecom (SingTel). StarHub is also that market's only telecommunications group capable of providing the full range of telecommunications services, combining fixed and wireless telephone networks, cable television service, and broadband.

Scope

This report covers the analysis of Starhub Service Provider. It also covers the services given by the telecommunication services in Singapore and History of StarHub over the 10 Years. Surveys are done to collect data information of communication service consumers.

Methods of enquiry

Surveys are given to Consumers to get the opinion on the service they get from StarHub. Finding out the factors through the surveys which contributed to the success in getting good reputation among the consumers in Singapore.

2. 1 Management & History Of StarHub.

Management

Singapore Government decided to liberalise the telecommunication sector by 2000. The 49% cap on foreign ownership of public telecommunications will be lifted and will give room for newcomers. StarHub was formed in April 2000. StarHub was given the license to deliver fixed network and mobile service on 7 May 1998. It was formed officially formed with Singapore Technologies Telemedia, Singapore Power, British Telecom and Nippon Telegraph and Telephone (NTT) having the major shares in it. At the same time 2 other telecoms were formed, SingTel & M1 (Mobile 1). Till then it was only providing mobile services. StarHub manage to sign agreement with 16 countries including china, USA and United Kingdom for its roaming services which even brought more consumers to them. StarHub further developed by winning the city's 3G cellular phone licenses. During the period from 2003 to

2009, StarHub manage to develop in mobile services further. StarHub was the first mobile operator to launch Blackberry which is well known for its Smartphone service like e-mail, web browsing and other wireless data access. Wireless data services were even further developed by StarHub. By the end of 2009, StarHub was the first mobile operator in Asia to launch HSPA+ service having a high download speeds across nationwide.

StarHub manage to get the License for Internet Service Provider and joint force with CyberWay service provider which was the first internet industry in Singapore and was announce as StarHub Internet on 3 Dec 1999. On the same day itself, a free surf plan was announce in conjunction of the new service provided and it became too popular that more than 180, 000 people signed up for the surf plan less than few months. Consumers could surf the internet for via dial up and pay only normal local charges. In the year 2000, StarHub merged with Singapore Cable Vision which is the only paid TV media entertainment in Singapore. Due to the merger, it obtained the SCV's cable television together with the broadband internet access operations. In 2005, StarHub online was formed to provide broadband internet service. Both services came under StarHub.

StarHub cable TV also manages to develop over the years. They had more people subscribing to their service as the number of channel had start to increase and there were more variety channels to watch. Digital Television service was brought in 2004 and 11 interactive channels were added in. This made a tremendous change in subscriptions to their TV services. And now StarHub is the first service provider that provides with High Definition Television (HDTV) service and has 6 High definition channels. StarHub

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Launched the Maxonline plan where it is the connected 24 hours and has unlimited access to internet. They provided plans which suited for heavy and light users of internet. For light users, it came up plans like flexi surf where you pay as you use. Consumers only have to pay what they use for. It had the fastest download speed in Singapore when the MaxOnline Ultimate was launched. Now it provides 1Giga Bit Per Second (gbps) together with the Next Generation National Broadband Network.

2. 2 Comparison

In Singapore, We have 3 main telecommunication service providers which are StarHub, Singtel and M1. All have been a rising challenger to one another in a way with the service they have been providing for the past years. First we are going to compare what services they provide which defer from one another. These are the services provided by these service providers in a summary in the table below.

Services

Provided

http://www.investorcentral.org/i/logo_starhub-a.gif

http://topnews.com.sg/images/singtel_logo111.jpg

<http://blog.elyius.net/wp-content/uploads/m1-singapore-logo.jpg>

Mobile Service-Prepaid Service

Mobile Service- Postpaid Service

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Broadband Service- Home(Fixed)

Broadband Service- Mobile

Digital TV services

Home Fixed Line Service

2. 3 Further Analysis

From the above table, we could clearly see that M1 lacks in a Digital TV service where other service provider provides. Only StarHub and Singtel provide the Digital TV service. Another recent service just provided by M1 is the Home Fixed Line Service, meaning there were 2 services which M1 wasn't providing before. But all the services are rather more similar if compared with one another which they are providing now. After seeing, the table you would have known the services provided is the same, we need to analyse further to see which service provider has better recognition among the consumers. Since our main focus is on communication services as a whole we shall remove M1 from the comparison as it doesn't provide Digital TV service. So I would be comparing within StarHub and Singtel about their services.

I have done some surveys using www.monkeysruvey.com using that I have collected some data from 80 people for my inferences. From the pie chart and bar graph below, we can clearly see that StarHub managed to dominate the graph by having 44% of the people surveyed using StarHub service. By looking at this, roughly we could estimate that StarHub is dominating the communication service industry in this Singapore. Followed by the Singtel

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which has 35 % and M1 21% from the people surveyed. I am going to explore the factors that contributed to this high percentage of StarHub consumers in Singapore.

Survey on StarHub Consumers and other Consumers.

Please Select the appropriate Answer.

Which service provider do you subscribe to?

StarHub b) Singtel c) Mobile 1(M1)

Please proceed to the rest of the questions if you have selected “ a” above.

Which Service have you subscribed to?

Mobile b) Cable TV c) Internet d) All services.

Rate the Service Given by StarHub.

Very Satisfied b) Satisfied c) Neutral d) Not Satisfied

e) Very Not Satisfied

Reasons for choosing StarHub?

a) Cheap b) Good service c) Recommendations d) All of the above

Would you recommend StarHub to others?

Yes b) No

2. 4 Factors Contributed

We know that In order to be outstanding from one another we should have certain distinct characteristics or talent which differs from other people. This is case we have to explore How StarHub manage to obtain good recognition among the consumers in Singapore even when there are other communication service Providers in Singapore. In order to be outstanding among the communication service providers they must be really competitive with other Service Providers. Getting updated with latest technology and offering services that go together with the latest technology. StarHub which follows this always provides its customers with up to date network service to serve them better. Also means that StarHub is readily available for changes and anticipate them accordingly. For example, when internet usage was getting higher in Singapore like surfing the net and online gaming increases they manage to help this consumers by having the highest internet download speed in Singapore. This made many consumers who prefer to be fast get attracted to their service.

Next would be the quality of service. From the Survey I have done, below we can clearly see that StarHub provides with good service to the customers. service. PNG

Higher percentage surveyed that their service is above average. StarHub has a very good recognition with their quality of service. They have a very coordinated system, which doesn't have any severe problems and miscommunications. They provide 24 hrs customer service hotline, where people can call them 24 hours regarding their queries faced and technical difficulties, which makes consumers more accessible to them whenever they want.

Next would be their promotions, which attract the customers to take their service up. They provide more promotions bundle services together so that consumers will take all the services together paying at a cheap price which eye catching for the customers. Hubbing promotion, where consumer will be subscribed to all 3 services at a cheaper rate compared subscribing to one service by one.

This is one of the promotions given by StarHub in their website. chart.

PNGpromo. PNG

From the survey done we can conclude that consumers with the higher percentage of 80% saying that their services charged at cheaper and worth it price. StarHub has done well in this area trying to attract the customers by providing its consumers cheaper services.

service. PNG

Referring to this graph, we could roughly estimate that StarHub manage to get most of its consumers to subscribe to all its services. We can somehow conclude that the promotion above was effective after all in a way.

StarHub also doesn't focuses on getting new customers always but also tries to keep his current consumers by rewarding them by giving discounts to when they re-contract or waiving certain fee charge if they subscribe. They also have this point's system feature, where the customers can redeem things in return without paying full money for it. They also provide vouchers which can be used to re-contract their subscription with them without paying

any fees. StarHub also gives birthday treat by giving free cake and vouchers on their customers birthdayreawrds. PNG

StarHub have managed to attract new customers by giving them attractive promotions and cheap service. And as promise they also manage to give good service quality from the survey done. With good service provided, they also provide with reasonable cheap price which is really eye catchy for the customers. They also focus on attracting new customers and at the same time they also provide the current customers with good incentives making sure that they still prefer their service compared to other service providers. Customers satisfied with StarHub Service would tend to recommend the service and share the experience with their friends. With satisfied recommendations by friends People subscribe to the services also. This could be one of the reasons why it contributed 20 % to the graph above (4) on reasons for choosing for StarHub. We have explored certain factors on how StarHub manage to attract customer and the possible reasons on why they chose them. Next, we were going to analyse StarHub using SWOT analysis.

3. 1 SWOT Analysis

3. 11 Strengths

StarHub strengths had made them a successful communication service provider. The strengths have enabled it to be successful and popular among the consumers in Singapore. One of it would be anticipating changes, as it becomes more and more competitive in the telecommunication industry its able to come up with new promoting ideas. StarHub manage to come up with new and innovative ideas on the service they give. For example, they were the first service provider to come with per second billing for outgoing calls <https://assignbuster.com/competitive-analysis-starhub-singapore/>

and all day free incoming calls. This idea even boosted the service provider market. More people chose StarHub due to this reason. This is not the one idea they came up with, they were the first service provider who came up with unlimited internet access. This attractive idea of theirs had a huge jump of consumers subscribing to them. StarHub has this strength where many consumers preferred StarHub Services. Another good example would be when other communication services adapt their ideas to the services; StarHub has to come up with more new innovative ideas. When all services were the same in all 3 communication services, StarHub manage to come with new idea with student Plan with an unlimited SMS service. When all the internet services provided by all providers were also the same, it came up with the highest and fastest internet service. They adapted to changes well and reacted to accordingly.

Another important strength would be StarHub's 24 hours customer service. With its 24 hours customer service department consumers and seek help anytime they want. All their problems can be addressed anytime they call the customer service. With this, consumers will feel more secured as there are people to support them with any kind of problem whenever they face. This would help the consumers to build trust on the service provider since they are assisted anytime.

Next would be interactive. StarHub has Facebook which aids in connecting with all the people who have subscribe to their service. As most us know Face is becoming a the most popular social networking platform. StarHub uses this chance, to interact and have a better communication with the customers. People who cannot get through their customer service they can <https://assignbuster.com/competitive-analysis-starhub-singapore/>

get their queries answered at facebook. StarHub also promote their service in the facebook so that everyone can see.

Another interesting strength would be their Hub club and Platinum Club member scheme. This scheme is basically for those who subscribe to all their services will be provided certain discounts and special privileges. With this it helped StarHub to serve the customers better. With this discounts given more people preferred to treated specially by giving discounts.

3. 12 Weakness

StarHub's weakness would be due to it's one of its strength. When StarHub always come up with new attractive services these ideas would be adapted by communication service providers. Not only have other Communication service providers done that, in order to maintain the same level of other service providers, StarHub also adapts certain ideas from them. So due to this adaptation of ideas from one another to stand in the same level, StarHub needs to come with more so that they can be more outstanding from the rest. Coming with ideas isn't easy; they have to consider certain factors at the same time. For example they have to come with ideas so that the company doesn't make any loss but at the same time coming up with ideas with their current resources to attract and retain its current customers at the same time.

StarHub tries to make its new customers and existing customers at the same time. No questions to ask regarding about this. But when we really analyse this more in detail, we can say StarHub places most of its emphasis on attracting new customers. Equal emphasis isn't given to both the sides. With

this they have a chance of losing their existing customers. For example, for those who port over their mobile line to StarHub from other service providers were given \$200 off any mobile phone they take and will be given whatever discount or fee waived for new sign up while for existing customers when they want to re- contract they are not given this privileges but only given vouchers that do not exceed the amount.

3. 13 Opportunities

StarHub has explored his opportunities well in telecommunication industry.

When technology gets improved, it takes this chance to further more improve the service with the help of new technology. For example, it was the first to launch the 3G mobile service in 2004. It maximized the technology by providing the most 3G coverage around the whole Singapore and providing with the fastest HSPDA mobile internet speed up to 21Mbps. And also when Next Gen NBN service was out, StarHub made use of this and provided consumers with more faster and effective internet service.

Another opportunity was for it to interact with customers and knowing what they want. As I have stated above of StarHub connecting themselves with the consumers through facebook social networking. Through facebook, consumers can ask the queries that need to be clarified. Consumers will also give ideas on how to improve their service and will give suggestions for them. From these, StarHub would roughly know what the issues that need to be solved are and know what the consumers really want. This helps StarHub to understand and provide service accordingly to reach the consumers standard and needs. When consumer's needs are met, they would prefer more of StarHub service.

StarHub manage to explore more of opportunities on the services they can provide. When StarHub merged with Singapore Cable vision with the cable services they also provided internet service. Providing 2 services due to the merger. These are some of the opportunities of StarHub.

3. 14 Threats

As this is competition based on Singapore, the only two threats faced would be Mobile One and Singtel communication Service Providers. As most of the services provided by them are similar, StarHub has to do things making sure that they are outstanding among all the communication service providers. They must conquer well in most important 3 areas which will be Price, service quality and service they provide.

3. 15 Suggestions

My suggestion for StarHub would be really analyzing the consumer needs. For example, would be the lack of consideration for the existing consumers. The only provide more attention on attracting new customers. May be they could also give similar privileges to the current existing customers where everyone will be treated equally and will be fair, at the same sometime not having loss. Another suggestion could that, since it's a very big company and they have many customers they could provide larger customer service serving customers as not all queries would be solved once they call. Most of the consumers hate waiting, thus having more people in customer service; consumers will have their queries solved immediately and with less waiting. Last but not least, by giving good attracting promotions at the same time maintain the profit instead of loss.

4. Appendix

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(3. Rate the service given By StarHub)

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Graph on the reasons choosing StarHub) (4) -Page 10.

Graph on service subscribe by consumers (2) -Page 10

Sample Picture of rewards given by StarHub – Page 10