

Warid is the hub of telecommunication in pakistan marketing essay



**ASSIGN
BUSTER**

Marketing Project Report covers in detail the history and background of Warid Telecom Private Limited, Mission Statement, Vision, Warid Telecom's brand values, Pakistan Demographics, Pakistan Cellular Market, Warid Coverage Zone, Warid Services, Pre-paid Advantages, Post-Paid Value, Sales Objectives, Sales Vision, Sales Strategy, Sales Targets, Warid Network and Coverage, SWOT Analysis, What is SWOT Analysis, SWOT Analysis Limitations, SWOT Profile, Warid Strategies, Warid Strategic Objectives, Warid Business Strategies, Warid Marketing Strategies, Market Penetration Strategy, Market Segmentation, Warid marketing Mix, Warid Telecom (Communication Strategy), Warid Branding Philosophy, Warid Competitor Analysis, Conclusion, Index, Glossary and Bibliography.

Back Ground of Warid Telecom (Pvt) Ltd

Warid is the hub of telecommunication in Pakistan. Backed by the Abu Dhabi Consortium, led by His Highness Sheikh Nahayan Mubarak Al Nahayan, we at Warid Telecom cherish our team, vision, shareholders and associated companies. With complete dedication to our users, we have the background as well as sincerity to cater to their demands. Warid Telecom takes pride in being backed by the Abu Dhabi Group, one of the largest groups in the Middle East and the single largest foreign investor group in Pakistan. It has a diversified business interest in the institutions that have enjoyed commercial success as a result of its strong financial resources and extensive management expertise. We have made no compromise on investments required for research and development. With a capital expenditure of over US \$500 million, Warid Telecom has been set up to provide a premium quality GSM service.

Warid began its operations on May 23, 2005. In less than a year, we have a customer base of over 4.8 million and operate in over 110 cities across Pakistan, providing quality service to our customers.

Warid Telecom has a substantial experience in professionalism and a strong financial standing to support their vision which is to be the leader in the Telecom industry of Pakistan.

Warid Telecom decided to opt for GSM (Global System for Mobile Communication) technology as it is the global standard for digital cellular telephone service. GSM networks support enhanced data applications and more than 1 billion customers in 109 countries are using this technology. Warid Telecom would be launching its cellular services based on 900 and 1800 GSM technology, in order to optimize the utilization of frequency, thus ensuring the highest quality and service.

Mission Statement

“ To be the leading telecommunication service provider both domestically and internationally”

2006

2007

2008

0

2

3

1

We believe in the future, with a mission to be the first for service, quality innovation and choice.

Quality of Service

Premium Quality of service

International standards

Second to none

Simplicity

Ease of use

Making Communication simple

Clear and straight forward

Transparency / Openness & Fairness

Open and honest – Nothing to hide

What you see is what you get

We say what we do and do what we say

Customer focus and Listening

Affordable solutions for you

Speaking your language

Being there for you when you need us

Innovation

Bright ideas – the only thing that restricts us is our imagination

Continuously improving through challenging the norm and looking at things differently

Leading the way in adding value to your life

Vision

Warid Telecom's vision is “ To be the leading national communication provider with a strong international presence.”

Warid Telecom's brand values include:

Values

Simplicity

Making communication

simple &

technology easy to use

Innovation

To consistently strive to

provide leading edge

solutions

Caring

Truly sensitive to

customer needs

Honesty

To provide

transparency, openness

& fairness

Quality

Best in class

Quality – We want to make a difference to people's lives. Our optimism is contagious. We are passionate about what we do and we have confidence in ourselves.

Simplicity – For us, clarity comes through simplicity. We recognize that we are people communicating with other people. We are always direct and easy to understand.

Innovation – We constantly look to do things differently and in a better way. We give colour to all that we do. We are ready to push the boundaries and take risks.

Honesty – We are always open and honest. We say what we do and we do what we say.

Friendliness – We enjoy working and succeeding together by building close relationships. While we have a sense of purpose, we also have a sense of humour. We consider the needs both of our customers and of each other.

Warid Telecom's aim is to be perceived not only as a telecommunication operator of voice services, but also as a universal provider of comprehensive communications services for both residential and business customers. We strive to provide optimum level of support and care through our highly skilled and motivated team of professionals and through maximum network coverage and connectivity. To establish ourselves as the leading provider of mobile communication services for the corporate sector by introducing new trends in customer care and support for expediting trust and confidence with our prestigious corporate clients.

Objectives

To be the market leader in telecommunication sector by 2012.

To penetrate into the corporate sector and reach the high revenue generating customers through dedicated services and offering a complete range of telecom services. Highly professional team of account managers will also create brand equity.

Pakistan Cellular Market

Warid Services

Voice and basic Services

Basic Voice

Communicate on the latest GSM 900/1800 networks.

Variety of packages available both in prepaid and postpaid.

CLI

Identify the caller and allow customer to receive or reject the call.

There is no charge for this service.

Call Services

Call Divert

Transfer calls to any number in Pakistan. This is a handset dependent feature. Most handsets provide the following possibilities in the Call Settings menu under Call Divert:

Divert all voice calls (unconditional)

Divert if busy

Divert if not answered (after 6 rings)

Divert if out of reach (out of Warid coverage or switched off)

Divert if not available (any of the conditions 2-4)

Call Hold

Allows the customers to put a caller on hold while answering a new call or switching between calls.

Charging Possibilities

Free, called party charged for outgoing call or interconnects.

Call Waiting

Allows the customer to receive notification of incoming call during an active call.

Charging Possibilities.

Free, called party charged for outgoing call or interconnects.

Call Conference

Allows the subscriber to initiate and engage a call to two or more different callers at the same time.

A caller can initiate five calls and bring all of them in a conference call.

Voice Mail

Unanswered callers can leave a voice message in the mailbox of the called party.

Voice Mail can store up to 20 messages, with each message having duration of 30 seconds.

Messages can be stored for up to 3 days.

You can set your own password for complete security of messages.

You can select Urdu or English as your preferred language.

You can greet your callers with a personal message in your own voice.

You will also receive SMS notification for new messages.

Short messaging Service (SMS)

The user can send SMS/text messages to both national and international numbers

Multimedia Messaging Service (MMS)

MMS allows for richer content that includes text, sounds, images and even videos to be send to any mobile number in the world that supports MMS

GPRS Advantage

This will allow customers to surf the web on his handset (if the handset supports WAP or has a built-in Internet and Email client) or using his handset as a modem

Effective usage of the Radio resources

Lower cost to access Data Networks

Higher Data Transfer Speeds (Max. 171.2 kbps)

Short access delay

Shorter connection setup time

Keep connection open at all times

Flexible and Easy Roaming Services

Flexibility and support of access to various data networks – Public Internet, Corporate Intranet etc

Warid Zone

Complete suite of the STK application. Customers can pull information on weather, namaz timings, set alerts etc.

All STK applications are SMS based. Hence standard SMS charges apply.

Subscription alerts will carry a monthly/daily charge.

Friends and Family

Subscribers can provide a list of on-net numbers on which they can call at a reduced rate and enjoy the flexible call rates

Roaming

Interested in Roaming freely?

With Warid, you don't have to worry about roaming about the world freely. No matter where in the world you may end up, our connection will keep you completely connected, safe, comfortable and carefree.

International Roaming

Warid International Roaming provides you the liberty to use your existing number even when you travel outside Pakistan. Warid gives you the power to roam anywhere & everywhere around the Globe. We keep you connected to all those who matter, may that be your friends or family. With Warid exclusive international roaming service you stay connected in 170 countries across 320 operators.

VAS & Content Charges

For only Rs. 3 per transaction, enjoy any of the following VAS:

Surf Now (Mobile Internet) download (per 200 KB)

Picture Messaging & MMS (per 100 KB)

Voice Mail (no deposit or retrieval charges)

International Zones

Warid Products

Pre-paid Advantages

Friends & Family: Breaks the Rs. 1.5 barrier in terms of call rates providing a 50% discount on the next best On-net rate in the market Rs. 2.99 in case of Ufone (First time in Pakistan)

30 Second Pulse (Another First)

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On-net rates Rs. 1 less than the next best in the industry

Undoubtedly the best and most extensive content on offer

MMS & GPRS

Free Supplementary Services

Post-Paid Value

Warid is significantly cost effective than other operators. Warid is the only operator that has a Zero Line rent (Silver) Package on post paid. Average Rates from Silver to Gold to Platinum to Diamond comes done by 8%, 9% and 17% respectively as the customers spends more they should get better rates. Other competitors do not operate like this.

Customer Services Initiatives

In order to provide dedicated and personalized services to this sector following initiatives are recommended to make a difference and convert corporate to Warid network;

One collective bill for corporate and enterprises

Group reward will be mentioned on the bill for collective redemption

Priority help line at call centers to handle queries

Priority call routing

Corporate Strategy

Corporate sales and customer services will work together on certain accounts

Primary contact will be corporate key account manager

Secondary contact will be customer services person dedicated for that particular account.

The minimum waiver allowed for different packages are as follow:

Packages Minimum Waiver allowed

1. Silver 1000
2. Gold 1000
3. Platinum 1000
4. Emerald 3000
5. Sapphire 4000
6. Diamond 5000

SWOT Analysis

What is SWOT Analysis

SWOT analysis is a simple framework for generating strategic alternatives from a situation analysis. It is applicable to either the corporate level or the business unit level and frequently appears in marketing plans. SWOT (sometimes referred to as TOWS) stands for Strengths, Weaknesses,

Opportunities, and Threats. The SWOT framework was described in the late 1960's by Edmund P. Learned, C. Roland Christiansen, Kenneth Andrews, and William D. Guth in *Business Policy, Text and Cases* (Homewood, IL: Irwin, 1969). The General Electric Growth Council used this form of analysis in the 1980's. Because it concentrates on the issues that potentially have the most impact, the SWOT analysis is useful when a very limited amount of time is available to address a complex strategic situation. The method used to acquire the inputs to the SWOT matrix will affect the quality of the analysis. If the information is obtained hastily during a quick interview with the CEO, even though this one person may have a broad view of the company and industry, the information would represent a single viewpoint. The quality of the analysis will be improved greatly if interviews are held with a spectrum of stakeholders such as employees, suppliers, customers, strategic partners, etc.

SWOT Analysis Limitations

While useful for reducing a large quantity of situational factors into a more manageable profile, the SWOT framework has a tendency to oversimplify the situation by classifying the firm's environmental factors into categories in which they may not always fit. The classification of some factors as strengths or weaknesses, or as opportunities or threats is somewhat arbitrary. For example, a particular company culture can be either strength or a weakness. A technological change can be either a threat or an opportunity. Perhaps what is more important than the superficial classification of these factors is the firm's awareness of them and its development of a strategic plan to use them to its advantage.

Strengths

Custom-made network for Pakistan's environment.

Congestion-free connectivity in all coverage areas.

Roll out plan for complete national populated coverage by 2006.

Fully redundant network.

Robust design catering to future needs.

Future professional network (EDGE compatible and 3G upgraded with soft switch and media gateway architecture)

State of the art IP based contact centre and leading data centre.

Launch of WiMax services across Pakistan by the end of 2005 with revolutionary 3.5 GHz broadband solution.

Backed by Abu Dhabi Group.

System (operational Infrastructure).

Billing system is flexible.

Affinity channels / Partners (like bank Alfalah etc...)

Experienced and skilled Human Resources in Telecom Sector.

Committed to providing superior levels of professional services to all its customers – before, during and after the deployment of our leading solutions.

Deployed a state-of-the-art 2.5 G EDGE compliant network.

All business processes are ETOM compliant as per accredited international standards.

The strategic alliance agreement held in Lahore recently is for Ericsson to provide Warid Telecom a complete “turnkey state of the art” GSM network solution, which encompasses the supply of core and Radio network equipment, network design, rollout as well as professional services like full operations and maintenance. The network will be GSM / GPRS based and its coverage build out will commence immediately.

Rich human resource capital from Pakistan and abroad covering a broad spectrum of telcos both from the vendors and operators sides.

Best quality at competitive rates.

Weaknesses

At some post job descriptions are not clearly defined.

Expansion Planning is slow.

Marketing campaigns are not up to the mark.

Brand penetration.

Diagonal communication is almost missing.

The market positioning is extremely dynamic. Under these circumstances quality of service, marketing strategies, pricing, promotions and brand

loyalties all will interplay and have their individual impact. Collectively whoever masters this set of strategies and is able to develop a synergy will be our greatest competitor.

Opportunities

Low Tele-density in Pakistan in comparison to other Asian economies, government policies and current leadership are encouraging factors for Warid.

Tremendous growth potential and market dynamics of Pakistan Telecom sector and extensive development and privatization taking place with a lot of unmet demand in the telecom sector has given a chance to the group to invest in the lucrative industry.

Creating awareness in masses; in the corporate sector by creating awareness and providing knowledge.

Tariffs are very flexible with relative to competitors.

Expanding operations in less developed countries e. g. (Congo) without any competitor.

Mobile market in dramatic growth stage

Avenues to achieve competitive advantage through differentiation as opposed to pure price-based competition

Frustrated customer base that considers current mobile service to be generally poor

Use of personal selling can offer genuine opportunities to stimulate customer acquisition

Low Tele-density resulting in mobile substitution of fixed services

Youth are more influential in social decision-making processes and the youth are key to widespread mobile adoption

Increase in disposable income across Pakistani households

Significant latent demand especially in the rural markets

Mobile number portability will reduce switching barriers for operators

Designation of SMP status to Mobilink will reduce the power of the most dominant mobile player

Poorly positioned major competitors

PTCL has been privatized and acquired by Etisalat, UAE. It will definitely enhance the competition and Telecom sector will see more growth and at a faster pace.

Threats

Mobilink is the main competitor surviving in the market for the last 12 years.

Telenor is also one of the main competitors as it has expanded its operations to Afghanistan and is also providing its services in 200 plus cities as well as at international destinations.

Although Warid has procured the licence of WLL but WLL is also a threat for every mobile operator, at least in the densely populated areas.

Mobile Number Portability (MNP) is a great threat for all the mobile operators in Pakistan as heard by PTA that in the near future all numbers would be controlled by the PTA, that one can have any number of any operator by the PTA.

Increased buying power will lead to price erosion over time.

Introduction of competing WLL operators.

Revitalised PTCL could stimulate fixed services usage at the expense of mobile operations.

Competitive intensity set to increase.

Price is even more sensitive in rural areas compared to urban areas. Low arpu's

Potential delays and high network roll-out cost due to site sharing not being mandatory.

PTA could potentially delay network rollout due to the need to grant network approval prior to full launch.

Network rollout may be adversely affected by lack of appropriate frequencies for backhaul connectivity.

Regulator has not fully developed interconnect regimes and this could cause delays in developing interconnect contracts.

Policies of ruling authorities Pakistan Telecommunication Authority (PTA) is also a great threat for Warid, as the policy changes made by PTA may be worse for Warid.

SWOT Profile

Strengths

Weaknesses

Backed by Abu Dhabi Group

System (operational Infrastructure)

Billing system is flexible

Affinity channels / Partners

Experienced and skilled Human Resources in Telecom Sector

Ericsson is the key vendor, had provided the turnkey project.

Nortel the world largest VOIP group is working in a contract with Warid.

Expansion Planning is slow

Marketing campaigns are not up to the mark

Brand penetration

Diagonal communication is almost missing

At some post job descriptions are not clearly defined

Opportunities

Threats

Tariffs are very flexible

Expanding operations in less developed countries e. g. (Congo) without any competitor

Creating awareness in masses

Less Tele-density in Pakistan.

Cellular subscription growth rate is very high in Pakistan.

Competitors (Mobilink, Telenor)

Mobile Number Portability (MNP)

Policies of ruling authorities (PTA)

WLL is a threat because of Tele-density n Pakistan.

Telenor is one a major threat to Warid because of its expansion planning.

Warid Strategies

Every Organization has its own mix of strategies to excel in the competitive market. In case of Warid there are five other mobile operators offering the same product at the same time. So the question here is that who will excel and will be the Number 1. Because all the players are competing with one another each having its own strength and weaknesses and the market

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positioning is extremely dynamic. Under these circumstances quality of service, marketing strategies, pricing, promotions and brand loyalties all will interplay and also have their individual impact. Collectively whoever masters this set of strategies and is able to develop a synergy will be the market leader.

Warid is also using a set of strategies to get the competitive edge in the market. Some of Warid strategies are as marketing strategies, competitive strategies, business strategies and branding strategies.

Warid Strategic Objectives

To become a leading telecoms operator within 12 month of launch with a market share amongst the top 3 operators.

Become the market leader for quality in Pakistan.

Ensure 95% customer satisfaction

Become the leading mobile brand and attain Brand awareness level of 95% within urban population.

Enrich the life of customers by providing innovative products & services and a unique customer experience.

Accelerate Tele-density / penetration through

Educating customers and.

Ensuring availability & affordability.

Warid Business Strategies

Short term:

Aggressive customer acquisition to gain at least 20% market share

Medium term:

Focus on customer retention & monetization through innovative products & packages while maintaining drive on customer acquisition

Long term:

Continuously improve in all areas while maintaining leadership position:

Quality Service & tight operational controls

Staff training & development

Improve product profitability & customer spend

Warid Marketing Strategies (Macro & Micro Market Environment)

To best understand first we have to make a look at the market situation and conditions.

Introduction of CPP

Govt taxes related to mobile connections (further reductions expected)

Reduction in handset costs and growing ‘ used handset’ sector

Affordability, reduction in airtime charges and favourable tariff adjustments

Flexible payment terms for the purchase of handsets

More powerful and widespread advertising campaigns

Introduction of value added services

Availability expanded distribution networks increasing accessibility

Youth generation experiencing ‘ mobile mania’

Increasing use of the mobile as a lifestyle aid

Political stability emerging

New systems being developed to nurture country stability

Economic growth:

GDP growth

Disposable income growth

FDI growth

Inflow of Investment

Social trends now further supporting mobile growth:

Increased urbanisation

Increased decision-making power in the hands of the youth population

Increasingly, disposable incomes are being spent on convenience and luxury home appliances

Micro Market Drivers

Macro Market Drivers

Market Penetration Strategy

The initial focus is on corporate giants e. g. Tetra Pak, ICI, and Shell etc. By providing them the free trial period and alternative to existing communication networks with reduced and improved communication services. Providing incentives like effortless conversion of communication network. The idea of not just being a communication service provider but a change agent and bring about a healthy revolution among the corporate clients. Personal relationships and care instead of a strict professional approach to attract more and more customers. The focus is on being the only communication service provider for the entire organization. There is no concept of a small or large changes for organizations both are equally opposed. Encourage corporate connections for more employees by low cost and greater ROI. The gap between the observation, decision and action time should be minimal. Following are the core strategies followed by Warid.

Corporate Calls / visits

To identify the high potential net worth market and allocate corporate accounts to the account manager for personalized delivery of telecom solutions.

Cold Calls

Corporate team will make planned calls to all major corporate clients.

Sales Team Incentives

Corporate sales team will be incentives on number of new connections.

Sales Blitz

Focusing strong potential business areas, and presenting Warid products to a specific industry.

Tele Sales Support

Tele sales team will provide support to our corporate sales team, providing all leads coming up from corporate sector for post paid sales. Each tele marketer will be assigned a corporate account manager

Corporate customer services targets

Customer services team will have targets based on revenue assurance, percentage of churn, and incremental revenue.

P. R Activities

In order to create awareness in the corporate sector and develop brand loyalty following activities will be carried out time to time; conduct conferences, holding seminars, conduct road shows, special functions to be hosted separately for corporate and enterprise, and preferred invitation will be sent to all corporate for all Warid sponsored events.

Warid Market Segmentation Strategy

Focus on core groups of consumers (early adopters, revenue drivers, advocates, segments not addressed)

Ensure appropriate offerings are created for these communities which are targeted strongly at the key products/services those consumers desire most

Customise and tailor products to optimise take-up and usage

Ensure appropriate channels and promotions are used to maximise customer take-up

Manage a virtuous feedback loop between Warid and the consumer, via our specialised teams and products.

Focus

Customer

Needs

Customisation

Channel/

Promotion

Feedback

Warid Segmentation Community Strategy

This community strategy approach will enable Warid to:

Understand, listen to and delight customers.

Target segments currently not being addressed by competitors.

Ensure we do not alienate those customers addressed by our competitors.

React quickly to customer and market requirements.

Differentiate our technology/products in a competitive market.

Optimal packaging & pricing to maximise customers and usage/revenues.

Encourage a 'community of one' through packaging and personalisation.

Warid Segmentation Community Definition

Community: “ A set of individuals, a segment of the population or a group of people with similar characteristics or interests that can be identified and targeted”

Indicators:

Common Culture or Lifestyle.

Conscious or unconscious sense of pride/belonging.

Similar interests, needs, wants or desires.

Community members may have a strong affinity and desire to interact with the Community.

Community members may merely want to be informed about the community.

Commercial Media exists targeting these groups of interest (press, TV or Radio).

Corporates/Organisations targeting groups of individuals.

Warid Targeting

Warid Segmentation Factors Influencing Consumer Behaviour

Values

(Stable over time; deep-rooted)

Behaviours

(Visible above the surface; influenced by values, attitudes, and life stage)

Life stage

(the inevitable fact of growing older...)

(Anchor)

Long term

Short term

Attitudes

(shift with wind and currents)

Warid Segmentation Approach

Three Dimensional Segmentation Strategy

segmentation 3-D

Warid Positioning

Consumer and Market Understanding

“ I’ve given this some thought and it will be a useful way to improve my quality of life – I know what I want”

Sociables

“ It’s seems to be reliable, easy to use, it makes life more safe and it’s highly recommended – I’ll buy one too”

Traditionalists

**“ It’s new, it’s advanced,
It’s fun and it’s the future
– I want it”**

Pioneers

**“ It’s new, it’s fascinating,
It’s fun and it looks good
– I want one too”**

Materialists

“ It’s impressive, helps me in my everyday life and it looks like a good deal for me”

Achievers

Segment positioning on the adoption life-cycle will indicate the rate of acquisition and prioritisation of segment targeting.

Product life cycle & T5

Warid Marketing Mix

Warid marketing mix consists of these functions:

Product

Pricing & Packaging

Promotions

Devices

Products

It can easily be seen that today's main revenue line is voice, however with the inception of SMS it has been proven that there is a large untapped and un catered for market for content and application's. Currently competitors have a long list of basic services with limited customer relevance or customer education.

Revenue shift from voice to basic data

The share of data revenue dominated by communication (P2P SMS & MMS) will drop from 72% in 2003 to 42% in 2008.

72, 1%

11, 0%

7