

Maxis
communications
berhad is a telecome
service marketing
essay



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Maxis Communications Berhad (Maxis) is a mobile focused telecom service provider with fixed line and IDD businesses to support its wireless operations. It is the number one cellular service provider in Malaysia by quality and quantity of subscribers as well as profitability. The major part of my research on Maxis will focus on its mobile division because this currently comprises the bulk (over 90% of the total revenue) of the company's operations. The company is well placed within an expanding and stable Malaysian telecommunication market, which should support continued fundamental expansion off an already impressive base. Given what Maxis has already achieved, the company will likely remain one of the foremost Southeast Asian oper

Introduction

This paper reviews the performance of Maxis Communications Berhad (Maxis), a mobile focused telecom service provider with fixed line and IDD business to support its wireless operations. It is the number one cellular service provider in Malaysia by quality and quantity of subscribers as well as profitability. The major part of my research on maxis will focus on its mobile division because this currently comprises the bulk of the company's operations (over 90% of total revenue). The review period covers 5 years from 1998 to 2002.

INDUSTRY DYNAMIC

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Telecommunication Market Structure

Telecommunication services in Malaysia have been traditionally provided on a monopolist basis. Since 1996 Malaysia has adopted a general liberalisation model in order to develop its telecommunication sector. Over the past years, the government has issued licenses to several new operators - each a powerful corporate group. As a result, the industry once monopolised by Telekom Malaysia now has panoply of players offering fixed line and wireless services. Beginning of last year (2002) there were 5 licensed telecommunication companies; Telekom Malaysia, Celcom, Maxis Communication, TIMECel and Digi. The telecommunication operators have since been consolidated into three major players namely Maxis Communication, Telekom Malaysia and Digi.

Since Maxis is involved in both the post-paid and prepaid market segments, it should take steps to customise the marketing efforts of segments to achieve optimal results. While both services attempt to portray a premium image within each segment, the separation of the two ensures that the perception among lucrative business segments and high-income customers is not lessened.

Maxis's strategy is to focus on quality rather than quantity advertising by selecting the appropriate media and ensuring that the content of the message is effective and consistent with the Maxis premium brand image. Maxis could leverage on its relationship with sister companies such as Tanjong Golden Village (TGV) and Astro to advertise its product. These are the two most important channels of communication as the majority of its

audience are made up of the younger generation, working adults, housewives and senior citizens ' incidentally the targeted consumer groups for this prepaid product. Apart from media, advertisement could also be made via the television and radio, outdoor billboards, selected magazines and newspapers.

People

Maxis recognises the importance of developing an effective human resource strategy to support and sustain its growth. The company operates on a number of key performance indicators (KPI) such as overall service level, processing time and problem solution time. These traits are inculcated into its staff force. Maxis also provides mandatory customer care classes and attachment in customer-facing operations for all its employees. Maxis believes that these training initiatives would further promote Maxis' customer-oriented culture. In its effort to retain and attract quality workforce, Maxis introduces competitive employee remuneration, performance-based bonuses, while offering a wide range of training programmes through the Maxis Academy and external courses with high quality working environment.

Furthermore, the Maxis senior management team possesses the combination of skills and multinational experience necessary to grow a mobile operator in a highly competitive environment, particularly in the areas of marketing, branding, technology and financ

The Malaysia cellular market has grown by leaps and bounds in recent years, posting 15%, 39%, 74%, 44% and 21% growth per year through 1998 to <https://assignbuster.com/maxis-communications-berhad-is-a-telecome-service-marketing-essay/>

2002 to reach 9.1 million subscribers by end 2002, implying about 38% penetration in the market. The recent strength is largely due to the popularisation of economical pre-paid services within the market as well as falling costs for handsets and a recovery in economic factors. The subscriber growth data is provided in the table below.

Customer service – from subscription through after-sales service – is critical to subscriber retention and premium brand maintenance. Maxis's customer focus should be in providing better customer management, easier access to Maxis support and services, expanding top-up channels and differentiating Maxis from its competitors. Maxis could use its existing service channels such as Maxis centres, Maxis Authorised Service Agents (MASA), Maxis i-centres, Maxis contact centres and Maxis e-customer services. The functions of each channel are as follow:

Maxis centres: These centres would be located at convenient locations across Malaysia and should offer a complete range of standard customer services.

MASA: Maxis could utilise its authorised agents to complement maxis centres. The agents could provide customer services such as payment facilities, information on the latest value-added services, responding to enquiries, etc.

Maxis i-centres: These centres should be equipped with Internet kiosks for customer access to Maxis Internet services and display the latest mobile equipment.