



**Case study on Grameenphone: Current scenario of post-paid package & 3G licensing of Grameenphone and their future prospects.**

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Subject: Submission of Internship Report on Current scenario of Grameenphone's post-paid package & 3G licensing and their future prospects.

Dear Madam,

I am very pleased to submit you my internship report on "Current scenario of Grameenphone's post-paid package & 3G licensing & their future prospects" It has been a great pleasure for me to have the opportunity to apply my academic knowledge in practical field. The theoretical knowledge is of no worth if it is not applied in reality. The report is prepared on the basis of the theoretical and practical learning from the 3-month internship program in Grameenphone.

I tried my level best to put careful effort for the preparation of this report. As an intern it is usual that inadequacy or error may arise and it may lack professionalism in some cases. For any unintentional inadequacy in the report, your sympathetic consideration would be highly appreciated. In addition, I will enthusiastically welcome any clarification and suggestion about any view and conception disseminated in the report. I truly appreciate your patience and support.

I sincerely expect that you would be kind enough to accept my report for evaluation and oblige thereby.

Sincerely,

Lala Jebin  
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# Acknowledgement

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Laila Jebin

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## Executive summary:

This report mainly focuses on the, Current scenario of post-paid packages & 3G licensing of Grameenphone and their future prospects. How their packages, offers and, their latest 3G technology has made our life easy and convenient. Now we can stay in touch with our near and dear ones as well as we can be in touch with the latest news and information through internet and features provided by the telecom providers. The services that changed our lifestyle includes voice conversation, Text messaging, internet, news, event alert, health care, krishi bazaar, mobile remittance, results of exams, post paid packages , prepaid packages etc.

Before introduction of this services people had to go through hectic work and loss due to lack of market information and not getting directions in emergencies. It was difficult to communicate with others with mobile telephone. Conveying urgent information was a difficult task. With the introduction of mobile telecom all time consuming tasks became easy. Multitasking was an easy task for people. Managing multiple operations became a regular matter. One of the multitasking done by most of the people is to instruct household activities through mobile and working in office at the same time.

These companies are playing a vital role in employment generation and about 10 lacks of people are directly or indirectly dependent on these company. Rural women are providing mobile service and earning their livelihood. Recharge outlets in every block of the streets are selling mobile SIM card and credits to earn their livelihood. Distributers' retailers and other people are dependent in the companies for their survival.

3G network was a dream to Bangladeshi people. Recently government has announced for the initial bidding for 3G licensing. To make the infrastructure 3G compatible Grameenphone had to get many approvals for opening L/C and bringing the machineries from abroad. The process of approving application usually took a time period of 30-45 days. It became very hectic for Grameenphone as it needed many approval fast to meet up urgent needs. At last Grameenphone successfully launched 3G with affordable usage rate.

# Chapter 1:

## 1) Introduction:

**Grameenphone**, widely known as GP, is the leading telecommunications service provider in Bangladesh. With more than 41.1 million subscribers (as of February 2013), Grameenphone is the largest cellular operator in the country. It is a joint venture enterprise between Telenor and Grameen Telecom Corporation, a non-profit sister concern of the internationally acclaimed microfinance organization and community development bank Grameen Bank. Telenor, the largest telecommunications company in Norway, owns 55.8% shares of Grameenphone; Grameen Telecom owns 34.2% and the remaining 10% is publicly held.



Grameenphone was the first company to introduce GSM technology in Bangladesh. It also established the first 24-hour Call Center to support its subscribers. With the slogan *Stay Close*, stated goal of Grameenphone is to provide affordable telephony to the entire population of Bangladesh.

The idea of providing universal mobile phone access throughout Bangladesh, including its rural areas, was originally conceived by Iqbal Quadir, who is currently the founder and director of the Legatum Center for Development and Entrepreneurship at MIT. He was inspired by the Grameen Bank microcredit model and envisioned a business model where a cell phone can serve as a source of income. After leaving his job as an investment banker in the United States, Quadir traveled back to Bangladesh, after meeting and successfully raising money from New York based investor and philanthropist Joshua Mailman, and worked for three years gaining support from various organizations including Nobel Peace Prize laureate Muhammad Yunus of Grameen Bank and the Norwegian telephone company, Telenor. He was finally successful in forming a consortium with Telenor and Grameen Bank to establish Grameenphone. Quadir remained a shareholder of Grameenphone until 2004.

Grameenphone received a license for cellular phone operation in Bangladesh from the Ministry of Posts and Telecommunications on November 28, 1996. Grameenphone started operations on March 26, 1997, the Independence Day in Bangladesh.

Grameenphone originally offered a mobile-to-mobile connectivity, which created a lot of enthusiasm among the users. It became the first operator to reach the million subscriber milestone as well as ten million subscriber milestones in Bangladesh.

Grameenphone has so far invested more than BDT 21,343 crore to build the network infrastructure. It is one of the largest taxpayers in the country, having contributed more than BDT 30,876 crore in direct and indirect taxes to the Government Exchequer over the years. There are now more than 1600 GP Service Desks across the country covering nearly all upazilas of all districts and 94 Grameenphone Centers in all the divisional cities. Grameenphone has about 5000 full and temporary employees. 300,000 people are directly dependent on Grameenphone for their livelihood, working for the Grameenphone dealers, retailers, scratch card outlets, suppliers, vendors, contractors and others.

**Telenor** is emerging as one of the fastest growing providers of mobile communications services worldwide with ownership interests in 12 mobile operators across Europe and Asia. Telenor is organized into three business areas; Mobile operations covering 12 countries, and Fixed-line and Broadcast services covering the Nordic region.

Telenor holds 55.8 per cent of Grameenphone, with Grameen Telecom Corporation owning the remaining 34.2 per cent. The rest of the shares belong to general retail and institutional investors. Telenor has played a pioneering role in development of cellular communications in Bangladesh.

The Telenor Group

More than 150 million mobile subscribers worldwide

Strong subscription growth, particularly in our Asian operations

Listed as No.1 on Dow Jones Sustainability Index 2008

Ranked as the world's seventh largest mobile operator

Revenues 2007: NOK 105 billion

Workforce 2007: 35 800 man-years

Listed on the Oslo Stock Exchange, with headquarters in Norway

**Grameen Telecom**, which owns 34.20% of the shares of Grameenphone, is a not-for-profit company in Bangladesh established by Professor Muhammad Yunus, winner of the Nobel Peace Prize 2006.



GTC's mandate is to provide easy access to GSM cellular services in rural Bangladesh and create new opportunities for income generation through self-employment by providing villagers, mostly to the poor rural women with access to modern information and communication-based technologies.

Grameen Telecom, with its field network, administers the Village Phone Program, through which Grameenphone provides its services to the fast growing rural customers, Grameen Telecom trains the operators and handles all service-related issues.

GTC has been acclaimed for the innovative Village Phone Program. GTC & its Chairman Nobel Peace prize laureate Professor Muhammad Yunus have received several awards which include; First ITU World information Society Award in 2005; Petersburg Prize for Use of the IT to improve Poor People's Lives" in 2004; GSM Association Award for "GSM in Community Service" in 2000.

#### Network and licenses

Grameenphone holds a mobile cellular license with both GSM 900 MHz and GSM 1800 MHz spectrum which expired in November 2011, along with three other mobile operators' licenses.

The renewal process of Grameenphone's existing 2G licenses and associated spectrum was taken to the High Court given certain ambiguities around the payment mechanism, particularly as to the treatment of VAT on payments. In addition, the Bangladesh Telecommunication Regulatory Commission (BTRC), the principal telecom regulator of Bangladesh, applied a "Market Competition Factor" (MCF) additional charge to the spectrum purchased in 2008.

In its judgment dated 13 February 2012, the High Court declared that the MCF claimed for 2008 spectrum was illegal, and resolved the ambiguity as to the payment of VAT by ordering that Grameenphone will have to pay 100% of applicable fees due to the BTRC, pay an additional 15% as VAT to the National Board of Revenue and then claim a rebate/return of such VAT, thereby restricting Grameenphone's total cost to 100% of applicable fees due to the BTRC. Grameenphone has sought clarification on the VAT rebate/return mechanism before the Judge-in-Chamber of the Appellate Division, which is in the process of hearing the case before the full bench.

In addition, by the order of the High Court, the BTRC issued a letter to Grameenphone on 11 November 2011 permitting Grameenphone to continue its operations until finalization of the renewal of Grameenphone's existing 2G license and associated spectrum.

Grameenphone and three other operators deposited the first installment of license and spectrum renewal fees with the BTRC on 31 October 2011.

In respect of 3G services, the BTRC has sent draft 3G licensing guidelines to the Ministry of Post and Telecommunications (MoPT) with recommendations for an open auction in September 2012 for five licenses for 3G and beyond, but limited to the new frequency in 2.1 GHz.

The present Grameenphone network is EDGE/GPRS enabled and covers over 99% of the population and 90% of the geographic location. In the year 2011, Grameenphone completed swapping of its entire network with Huawei equipment that entailed the network to be future-ready and significantly cost efficient.

### **Competition**

As at January 2013, Grameenphone had a market share of 41%. In addition to Grameenphone, there are five other mobile operators in Bangladesh. These operators and their market shares as at January 2013 are: Banglalink (26%), Robi (22%), Airtel Bangladesh (7%), Citycell (2.0%) and Teletalk (2.0%). Competition among operators is intense and tariff levels are among the lowest in the world.

#### **Regulatory matters**

BTRC was established under the Bangladesh Telecommunication Act 2001 as an independent regulator. However, as per amendments to the Telecommunication Act 2001 in 2010, certain powers to regulate the telecommunication sector have been transferred to the Ministry of Post and Telecommunications.

Under previous licensing arrangements, all mobile operators were required to pay an annual license fee of BDT 50 million, quarterly spectrum charges and 5.5% of revenues. However, under the new licensing framework, operators will have to pay 6.5% of revenue (inclusive of 1% on account of a social obligation fund) and revised spectrum charge rates. On 9 June 2011, the applicable SIM tax was reduced from BDT 800 to BDT 605. SIM tax has to be paid for the purchase of a SIM, and furthermore handsets have 12% duty applied at the import stage. Corporate income tax is 45% for mobile service providers, which reduces to 35% if a company maintains a 10% listing on the country's exchanges.

Domestic interconnection calls are operated through Interconnection Exchange Licensees (ICX), while international interconnection calls are operated through International Gateway Licensees (IGW). For each outgoing call, operators will have to pay BDT 0.22

per minute (of which BDT 0.18 is payable to other operators and BDT 0.04 to ICXs), and will receive BDT 0.18 per minute for each incoming call, irrespective of peak and off-peak hours. Voice tariff levels are defined by a tariff circuit set by BTRC along with specific directives on promotions.

Passive network infrastructure sharing is obligatory. As at 31 March 2012, Grameenphone has signed infrastructure sharing agreements with Banglalink, Robi, Airtel Bangladesh, Augere (a WIMAX operator) and BIEL (a local ISP) in line with the guidelines.

Recently Grameenphone is getting ready for 3G licensing. For this they have to go for initial bidding of the license and have to establish their infrastructure necessary for 3G licensing. Bringing and establishing the necessary infrastructure is the greatest challenge. For every step of the process Grameenphone has to get permission from BTRC. They have send letters to BTRC seeking permission for opening L/C, establishing new towers, bringing 3G compatible equipments and establishing them in existing towers.

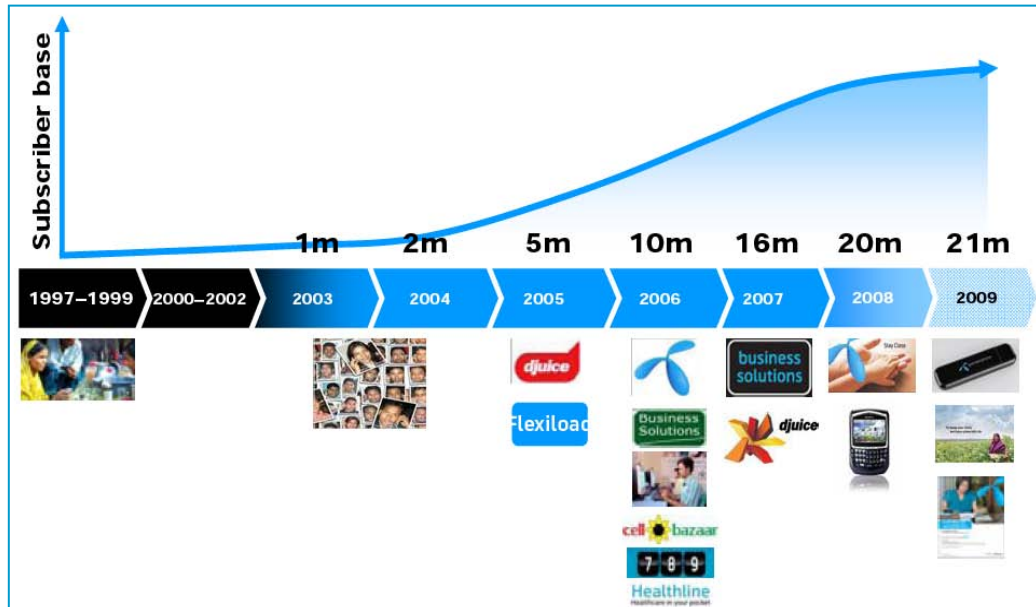
## **2) Historical Background of the Company:**

The Telecom market in Bangladesh has differentiated characteristics of very low Tele-density, inefficiency and totally controlled by capitalization. BTTB (Bangladesh Telephone and Telegraph Board) is proved to be incapable of providing sufficient interconnections to meet the demand of mobile services providers. The state owned BTTB has been the monopoly telephone service provider in the telecom industry. The zest of improving the efficiency and ability of BTTB, the government initiated a restructuring program in telecom sector to corporatize BTTB.

BTTB provided only fixed line telephony services in the urban areas where as 80% of the population of Bangladesh lived in the rural areas. This unequal distribution of services created the opportunity for the mobile operators to do business. In the telecom sector earth shaking changes cropped up when Bangladesh government allowed private sector participation in telecom sector by granting the permission to operate as a private service provider in 1989. This license was awarded to two operators, BRTA (Bangladesh Rural Telecom Authority) and Sheba Telecom Pvt. Ltd. Opening its mobile phone sector for

private and foreign investment in 1989, Bangladesh holds the pioneering figure among LDC's. Pacific Telecom launched the country's first mobile phone service.

**Figure: 2.1**



➤ **Achieving Licenses:**

The granting of service license to Bangladesh Telecom Authority in 1989 paved the way for mobile service in Bangladesh. Pacific Bangladesh Telecom Limited (PBTL, now Citycell) operating under CDMA technology was offered a cellular license in Bangladesh in 1993. In 1996, Bangladesh was preparing to auction off private cell phone licenses to four companies. So in October 10 1996, at the request of Dr. Muhammad Yunus (Grameen Bank's founder) completely independent of Grameen Bank, a *not-for-profit* private company called Grameen Telecom was formed as private limited company. Grameen Telecom, in turn, created a *for-profit* company called Grameen Phone, found a foreign partner, and put in a bid; Grameen Phone received one of the four licenses.

### ➤ Launching Grameenphone service:

In the midst of lack of communication means, Grameenphone launched its service on the Independence Day of Bangladesh with an effective and user-friendly mobile phone network. They started their operation from March 26, 1997 with only 72 employees. They converted to public limited company on June 25; 1997. Grameenphone put a positive impact on the lifestyle of the people of Bangladesh.

Grameenphone was the first company to introduce GSM technology in Bangladesh when it launched its services in March 1997. Since its inception, Grameenphone remains committed to providing the best service to its customers, as well as launching innovative new products and services. The Village Phone Program started in 1997 that provided a good income-earning opportunity to more than 210,000 mostly women Village Phone operators living in rural areas. Grameenphone makes its profits by serving wealthier urban customers. But from the point of view of the Grameen family and its strong anti-poverty mission, the for-profit, urban-only Grameen Phone exists for only one reason: To fund, with its profits, the extension of cell phones into rural Bangladesh in order to provide entrepreneurial opportunity to Grameen Bank members through Village Phone. As Dr. Yunus puts it, "Grameen Phone is merely what we need to do Grameen Telecom's Village Phone."

The Village Phone Program was an exclusive program to provide widespread access to telecommunications service in remote, rural areas. Controlling by Grameen Telecom Corporation, it enables rural people who normally cannot afford to own a telephone to gain the service while providing the VP operators an opportunity to earn a living.

### ➤ Journey of Grameenphone:

After a successful launching, Grameenphone introduced its services in the second largest city of Bangladesh, Chittagong In June 1998. Cell to cell coverage in the Dhaka-Chittagong corridor also enabled Grameenphone to introduce its service in a number of other districts along the way.

In 1999, Grameenphone expanded its business and started its business in Khulna. A good number of other districts came under their coverage because of cell to cell coverage

between Dhaka and Khulna. Grameenphone was also the pioneer to introduce the pre-paid service in September 1999. They introduced the EASY pre-paid service in the local market. Besides, it established the first 24-hour Call Center, introduced value-added services such as Voice Mail Service (VMS), Short Message Service (SMS), fax and data transmission services, and many other products and services.

In 2000 Grameenphone started its services in Sylhet, Barisal and Rajshahi and brought all six divisional headquarters under the coverage of its network. The service in Barisal region was happening after the microwave link between Khulna and Chittagong was completed. After six years of operation, in August 2003 Grameenphone has more than one million subscribers. And from November 2005 Grameenphone continues to being the largest telecommunication operator of Bangladesh with more than 5 million subscribers. Grameenphone Ltd is continuing its operations with a success in 2006. In November it has just reached the mark of 10 million customers.

In 2008, Grameenphone has been listed in Bangladesh capital market after completing the largest initial public offering (IPO) ever in the country's history. Trading of Grameenphone shares began in both Dhaka and Chittagong Stock Exchanges on 16 November 2009. The share of BDT 10 each was offered with premium at BDT 70 and on 30 December 2009 the trading price closed at BDT 187.5 in the Dhaka Stock Exchange. The number of subscribers is increasing day by day. At present there are around 50 million telephone users in Bangladesh whereas more than one million are fixed-phone users and rest mobile phone subscribers. As of December 2009, Grameenphone has crossed more than 23 million subscribers. GP's subscription base reached at 23.3 Million with 44.4% market share at the end of 2009. Grameenphone operates a digital mobile telecommunication network based on GSM standard in the 900MHz and 1800MHz frequency bands under a license granted by BRTC which will expire on November 2011.

### **3) Products of Grameenphone:**

Grameenphone's foot print covers almost 100% of the population of the country. Grameenphone is the pioneer in providing world-class telecommunications services in Bangladesh with innovative products and services while delivering and maintaining superior customer experience.

### ➤ Products:

Grameenphone categorizes its products into four business segments. They are Consumer (Prepaid and *Post-paid* products, i.e. Smile & Xplore packages respectively), Business (Business Solutions), Youth (*djuice*), and emerging markets (GP public phone and the village phone).

#### ☛ Smile:

Smile prepaid brings the world of limitless possibilities. The services helps gives words to every feelings, an expression to every emotion. Smile subscribers enjoy a flat tariff to call all operators and three FnF (Friends and Family) numbers at a competitive rate. It has the wildest recharge options. Flexi load/ Scratch Card/Balance Transfer, and its simple recharge saves from the hassles of rental and deposits, allowing refilling from Tk.10 to Tk1000. In addition to all that, prepaid customers can enjoy international roaming facility and internet services from their mobile phones.



#### ☛ Xplore:

Life becomes simpler with the Grameenphone xplore *post-paid* package. xplore provides unlimited freedom to reach out to people. In addition the *post-paid* service provides 6-12% discount on monthly bill through Thankyou bonuses. The connection come pre-activated with EDGE, allowing easy internet access from the mobile handset.

#### ☛ djuice:

*djuice* was the first product designed to attract the youth in Bangladesh. The brand positioned itself as a youth life-style choice. *djuice* subscribers can connect with more than 3.2 million *djuice* friends at a special flat rate. *djuice* customers enjoy the widest collection of value added services, including the lifestyle benefit “xtra-khatir”. In addition, all *djuice* subscribers receive other facilities enjoyed by prepaid and *post-paid* customers.



## Business Solutions:

*Business Solutions* is a complete, quality business communications service from Grameenphone-designed especially for the business community in Bangladesh. When *Business Solutions* was launched, it was for the first time that these kind services were introduced in Bangladesh.



Business solutions comes with a special service- “Closed User Group” (CUG)-which allows employees of an organization to communicate between themselves at a special low rate.

Business solution offers unlimited access to the internet through the mobile handset. Also, special rates are offered to the clients under “Volume incentive discount” (VID). The discount amount is calculated using a two-fold matrix where company airtime usage was considered first and discount were given to the individual accounts of the respective company based on those figures.

At the beginning of the last year, Business Solutions, for the first time in Bangladesh, also introduced the BlackBerry service- one of the most innovative and prestigious corporate communication tools in Bangladesh. BlackBerry Smartphone provide Grameenphone customers with access to a wide range of mobile applications, including email, browsing, messaging, phone, organizers, multimedia, and a wide range of other business and lifestyle application.

## Village Phone and GP Public Phone:

The internationally acclaimed Village Phone Program started on the same day of commercial operations of Grameenphone in March 1997. Today, Village Phone operators provide telecommunication services in over 58,000 villages and 64 districts of the county. The village phone program is a unique initiative to provide telecommunication facilities in remote, rural areas all over Bangladesh.





The Village Phone is a shared access model, which links the telecommunications sector with the microfinance sector to enable microfinance clients, especially women, to borrow the money needed to establish Village Phone business in rural areas. Village phone have proven their immense potential in boosting income of poor households in rural areas, promoting health care, development of agri-business and in the social empowerment of rural women. All village phones were converted to prepaid products for greater convenience of the subscribers. The Village Phone program has also been replicated in a number of countries including Uganda and Rwanda in Africa.

➤ **Services:**

The business at Grameenphone have been structured into three individual strategic business units (SBU's)-

- ✦ Voice Services
- ✦ Message Services
- ✦ Data Services.

**a. Voice Services:**

The Voice service business provides high quality, reliable and professional voice communication services allowing people to communicate locally and internationally across 55 countries, using economy ISD (012) connectivity. The service also provides special rates within specific communities (Closed User Groups) and on specific Grameenphone numbers. In addition to that, there is a special service titled “Pay 4 Me”, which allows subscribers at the receiving end to accept and pay for a call.

**b. Message Service:**

Messaging Services offers people a much more efficient and cost-effective way of communication. The service allows users to send Voice SMS anywhere within the country, or a text SMS anywhere in the country as well as abroad. Another special service is the Multi Media Service (MMS), which allows users to share pictures, animations, music, video clips, and text messages with others. News Push is another valued service through which news headlines can be pushed to subscribers through SMS.

**Figure: 3.1**



**c. Data Services:**

Internet and Data service allows Grameenphone users to access the internet from their handsets through Grameenphone's EDGE-enabled network. The mobile data service allows transfer/share of data over a mobile network, access remote servers, and access the Internet from PC. An additional features-Mobile Fax- allows sending and receiving SMS through any remote fax machine using any mobile phone.

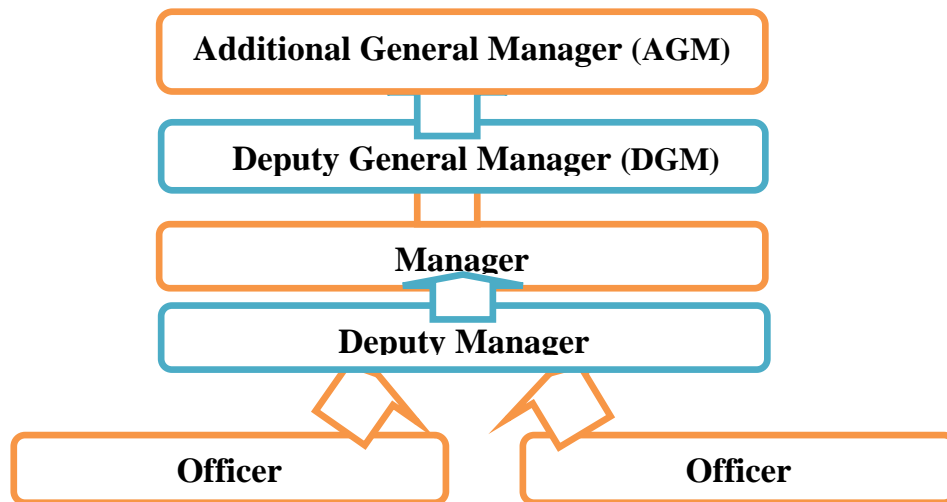
➤ **Grameenphone's Post paid Collection:**

The Fund Management & Collection department is a central organ of Grameenphone Finance department. This Department is basically committed for manipulative the *post-paid* air-time collection, observing related agreements with different banks and managing the collected fund. The basic duties and responsibilities of this unit are given below:

- Monthly *Post-paid* collection calculation & Reconciliation.
- Preparing Journal Voucher.
- ERP entries
- Bank Reconciliation
- Preparing Top Sheet

- ↳ Preparing Delay report
- ↳ Solving the problem regarding Collection
- ↳ Implementing online & auto debit collection facility
- ↳ Monitoring & follow up Agreements with banks
- ↳ Maintaining coordination with banks & BSU (Business Support Unit).

**4) Organogram of Fund Management & Collections Department:**



**Figure: 4.1**

From the above Organogram we can see that the Fund Management and collection Department is headed by an Additional General Manager (AGM) then have a Deputy General Manager (DGM) followed by a Deputy Manager (DM) with two of his subordinate Officers.



**Post Paid**

**Bill collection procedure:**

Grameenphone always put emphasis on its post paid bill collection .Though the number of post paid subscriber is much fewer compare to its total number of subscriber, but collection from this segment responsible for a major portion of Grameenphone’s total revenue as in this segment the ARPU (Average Revenue per User) and AMPU (Average Minute per User) is a lot higher than that of the prepaid subscribers. The switching rate is also very low in case of the *post-paid* users. Most of the *post-paid* clients are loyal consumers of Grameenphone.

Grameenphone has designed very convenient and innovative collection channel to this important revenue generating segment and its needs. *Post-paid* bill collection and the entire fund management process are managed by the Fund Management & Collections Department under the Finance Division.

➤ **Post paid connection flow chart of Banking Unit and Fund Management and Collection Department (FMCD):**

The particular unit of Grameenphone has certain responsibilities. The finance division always tries to co-ordinate among Banking Unit, BSU (Business Supporting Unit) and FMCD. The working process of Grameenphone FMCD has been discussed in details below:

**Description of the process flow of post paid collection:**

Subscribers deposit money in different Bank branches in several payment categories based on which bank branches send payment data to GP. Currently, there are 23 Banks and 613 branches countrywide which provide either off-line (send hardcopy statement one/ two days later) or electronic (send end of day e-mail) or real-time (send at one-hour interval) payment data or Auto Debit (send end of day e-mail).

**According to Grameenphone (FMCD, 2010), the bill collection process can be summarized as below:**

Fund Management and Collection Department of Finance receive monthly statement from each bank (mother account wise) and monthly collection reconciliation report (from Customer Relation Software) of Banking Unit. These two reports are reconciled by FMCD. Based on reconciled figures, for any mismatch, FMCD communicates to BU and then BU follows up any subsequent status with bank. “Whenever a subscriber deposits money against his/her bill, it is deposited in the corresponding collection account of the bank. Bank then transfers the money from collection account to the corresponding mother account at a regular interval/periodically as per agreement.” BU of Finance Division generates Monthly Collection Reconciliation Report from MCRS by each bank based on the collection details saved to a common folder where FMCD on Finance Division has access during 1st to 5th of the following month. 2/3 days are extended for offline bank branches. Based on monthly bank statement, Finance passes entry in the system to

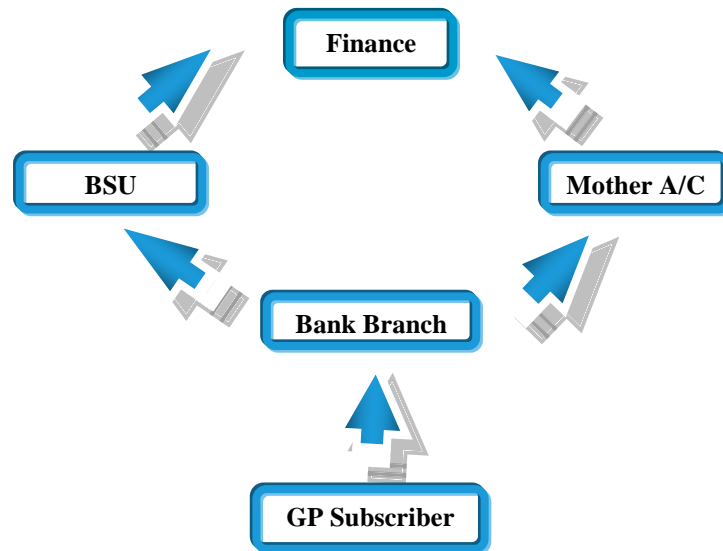
account for cash collection. For off-line payment data, BU checks all the payment slips to find out any faulty slips and if found, communicates to bank and takes necessary action. All payment information is automatically uploaded from MCRS to BSCS through Payment Input Handler (PIH). This automated process occurs in every 15 minutes interval. After PIH run, payment posting is given in BSCS by transferring data to BSCS for updating subscribers' account. It is an automated process." If there is any failure in transferring data from MCRS to BSCS, the system automatically generates e-mail and dumps the rejected files in a specified reject folder. Concerned official of BU takes corrective actions. After corrections, the file is automatically transferred from MCRS to BSCS through PIH. Cash collection is updated in general ledger, information regarding barring & unbarring is gathered.

➤ **Post-paid Airtime collection management:**

Fund Management & Collection Department is responsible for the monthly reporting and reconciliation of *post-paid* bill collection. This whole process is done through the following steps.

According to the Grameenphone FMCD, subscribers deposit money in different bank branches in several payment categories based on which bank branches have agreement with GP. Currently there are 23 banks and more than 613 branches nation-wide which provide either offline (send hardcopy 1/2 days later) or electronic (send end of day e-mail) or real-time (send at 1 hour interval) or auto debit (send end of day e-mail) payment data. These payments are transferred from collection account to respective bank's mother account regularly. Banks also prepare daily statement showing the payment details of the subscribers and send it to Business Support Unit (BSU). BSU enters payments posting in the banking software MCRS. All payment information is automatically uploaded from MCRS to BSCS through Payment Input Handler (PIH) and thus the subscriber's account is updated. BSU reconciles daily bank data with MCRS data and any mismatch found is solved on daily basis or on need basis by BSU through communication with the bank branches. After this reconciliation BSU provides monthly reconciliation report to the FMCD. FMCD receives monthly statement from each bank (mother account wise) and reconciles it with the monthly reconciliation report provided by BSU. If there is any mismatch, FMCD provides feedback to BSU. BSU then communicates with respective bank-branch to resolve the identified mismatch and necessary rectification is done in this

regard and accordingly a rectified reconciliation report is submitted to FMCD. FMCD rechecks and provides clearance of particular reconciliation report.



**Figure 4.2: Flow chart of post-paid airtime collection management**

All the processes are checked and rechecked to maintain accuracy and efficiency in the system. (Haque, M., personal communication, July, 2010).

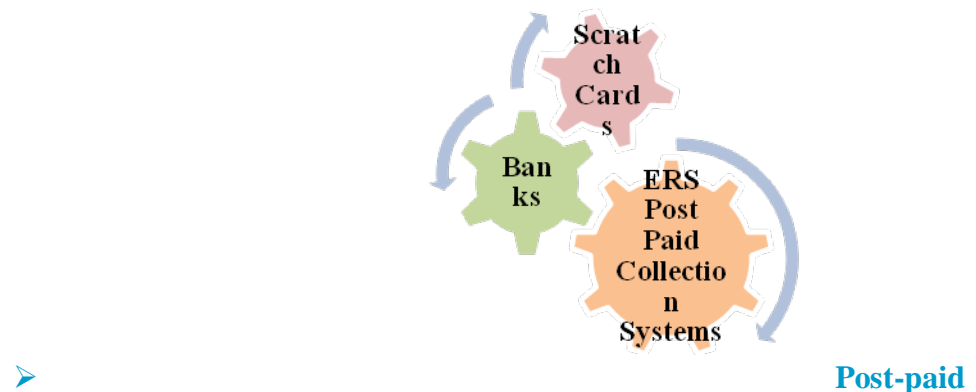


## Channels

### of post-paid Connection:

Since different post-paid subscribers have different choice and preference for depositing their bill, FMCD has designed different channels of collection for *post-paid* airtime collection. The subscribers can choose from any of these channels for paying their monthly dues according to their choice and convenience. Previously this collection was only done through banks. For better catering to this important segment, and to provide them with value for time, Grameenphone first introduced a unique concept – Flexi Load. Now most of the *post-paid* airtime collection is collected through Flexi Load. Grameenphone also introduced scratch cards for paying *post-paid* bills. Therefore, the channels of collection are: Banks, Electronic Recharge System (ERS) Post Paid Collection System, Scratch Cards.

**Figure: 4.3**



### **Collection through various Banks:**

Depending on the different needs of the *post-paid* subscribers, FMCD has designed different modes of collection for the *post-paid* airtime collection through banks. The subscribers can choose from any of these modes for paying their monthly dues according to their choice and convenience.

#### **Modes of Collection:**

There are different modes of collection in case of banks. These modes of collection are:

- ✦ Over the Counter (OTC)
- ✦ Automated Teller Machine (ATM)
- ✦ Auto debit facility (Both account & credit card holder)
- ✦ Interactive Voice Response (IVR)
- ✦ SMS Banking
- ✦ Internet Banking

#### **Over the Counter (OTC):**

This is the oldest way of paying bills through banks. Subscribers go to the banks, fills up receipts supplied by Grameenphone to the counterpart banks and pay the due amount. While this is the oldest this way is time consuming also. Many times subscribers have to face long queues and sometimes even miss the designated time for depositing money. Because of these inconveniences, Over the Counter is becoming less popular day by day. *(Haque, M., personal communication, July, 2010)*

### **Automated Teller Machine (ATM):**

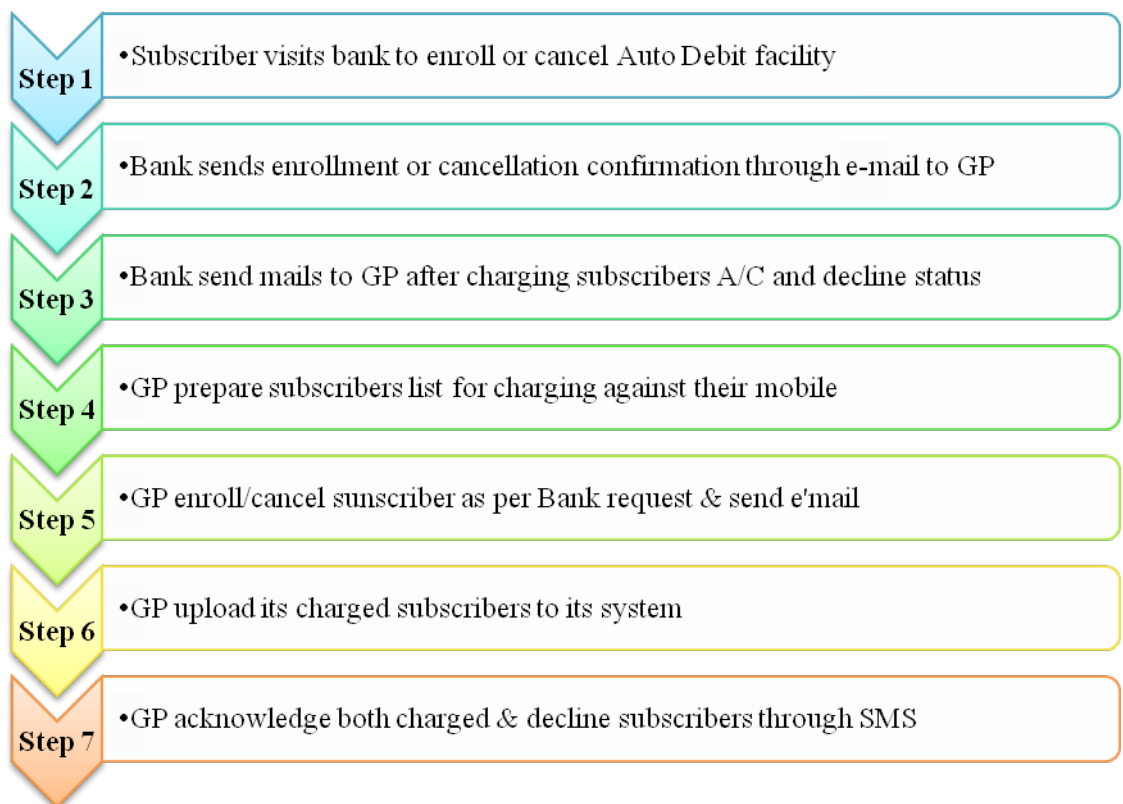
ATM allows the clients to pay their bills wherever they want, whenever they want. Any subscriber having credit/debit card can avail this service. For subscribers with no account or debit card, there are EASYPAY options where someone can just put the money in an envelope and pay through machine. (Haque, M., personal communication, July, 2010)

### **SMS and Internet Banking:**

SMS and Internet banking are the next phases of the billing system. These are the methods of the near future. Through these methods a subscriber can pay his/her bills from literally anywhere. Though these modes of collection are not that much in use now but hopes are high. (Haque, M., personal communication, July, 2010).

### **Auto Debit:**

Auto debit is another convenient method for paying bills. This method is available to both account and credit card holders. This tool comes in handy specially while roaming. The process of auto debit is as follows:





#### **Figure: 4.4**

##### **Interactive Voice Response (IVR):**

This is an automated telephone billing system, where subscribers having account with certain banks can pay their bills just through dialing a phone. Through phone the client can give debit order to his/her account. (*Haque, M., personal communication, July, 2010*)

##### **Bank Status:**

Grameenphone has a huge banking network supporting the needs of its *post-paid* subscribers. Currently there are 22 banks, one NBF and more than 613 branches nationwide, which provide either offline (send hardcopy 1/2 days later) or electronic (send end of day e-mail) or real-time (send at 1 hour interval) or auto debit (send end of day e-mail) or ATM (Automated Tailed Machine) or OTC (Over the Counter) or IVR (Interactive Voice Response) or Credit Card or Semi Online services.

##### **Offline vs. Online/Real-time:**

Banks that are offline transfer the collected money at least 4/5 days later than the actual day of deposit, whereas online banks transfer the money on a day-to-day basis. In case of offline banks, the received amount reaches the mother account many days later- resulting in loss of revenue from interest. 50% of the banks have turned their system into online. However, until all the banks switch to online or real-time mode and start transaction on a day-to-day basis, GP will lose revenue from interest. Despite of this negative impact GP is trying to increase the number of real time bank as many as possible for the sake of easier reconciliation process. (*Haque, M., personal communication, July, 2010*)

##### **➤ Post-paid bill collection through ERS:**

Grameenphone always looks for easier and innovative solutions to meet its customer's needs. For better catering to the important *post-paid* segment, and to provide them with value for time, Grameenphone first introduced a unique concept, an electronic bill payment system – ERS, also known as Flexi load in September 2007. It allows the subscribers to pay their bills without any hassle and inconvenience. Due to the simplicity and convenience most of the *post-paid* airtime collection is collected through Flexi load now. After introducing this, ERS system, Grameenphone had set the objective of encourage various Banks to collect their *post-paid* bill through ERS. Corporate people are mainly the users of *post-paid* connection of Grameenphone and they do not want to

switch their connection usually. (Haque, M., personal communication, July 2010). Grameenphone also identified few pros and cons from their point of view and Banks point of view. According to the Using ERS Platform for Post Paid Billing through Bank Channel (2010)

**Figure: 4.5**

➤ **Operational Process of ERS System (post-paid):**



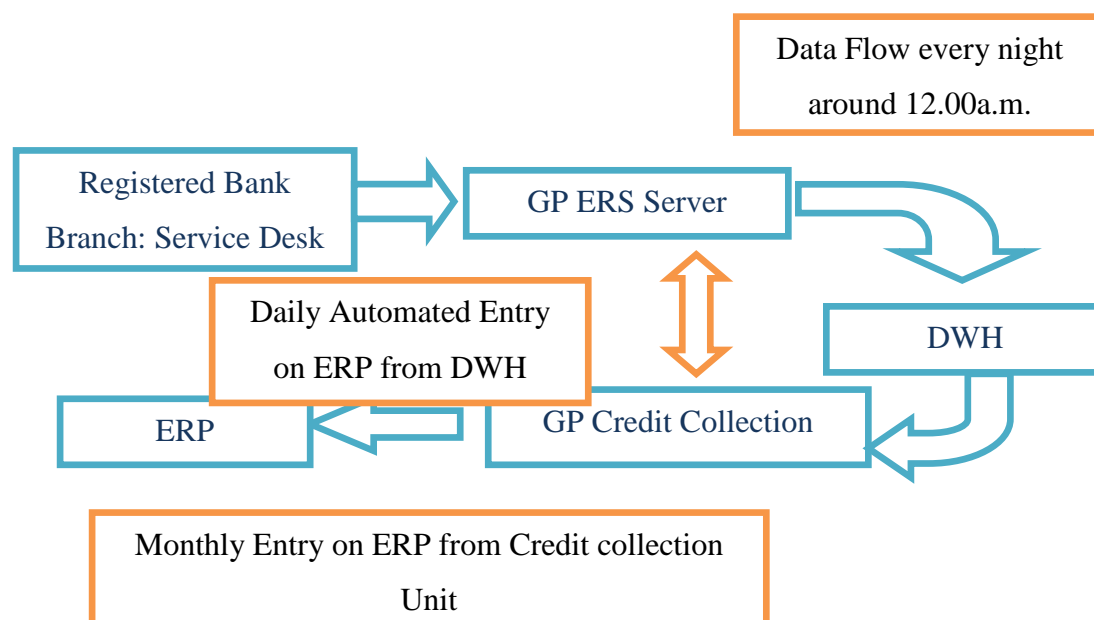
According to Using ERS Platform for Post Paid Billing through Bank Channel (2009), Banks play the key role here, as the Bank is the master SIM holder. Here bank works a distributor. Banks also are the intermediaries between Grameenphone and customers. Banks will be registered in the ERS system as a Distributor and Bank will buy reload from Grameenphone. Grameenphone is going to sell Reload Points to Banks on Credit made the stock available to the branches (i.e. retailers). Bank branches (the service desk) will be registered as an individual Retailer. A customer comes in any of the Registered Bank and asks for Post paid payment. Payment is being collected by the Bank Branch. After that customer being Flexi Loaded as per requested amount & number and Both Customers & Retailer account gets updated.

➤ **Financial Reconciliation Process (Post-paid):**

According to Grameenphone Fund Management and Collection Department (2010), Grameenphone follow certain process for reconciliation with the bank. First, Post Paid Bill Collection Using ERS Platform and data would be sent to Grameenphone server automatically through ERS at 12 PM Points sold/ Bills Collected amount would be taken out of Retailer Balance and would be equal to Payable to Grameenphone for Post Paid Bill Collection. Then, Grameenphone ERS Server is going to update Customer Account accordingly after getting confirmation from Grameenphone Credit Collection regarding previous day's collection through the Bank Branches. The basic process is Grameenphone

Credit and Collection unit is going to Reconcile and sends confirmation to ERS on Daily Basis about Fund Transfer.

**Figure 4.6: Grameenphone reconciliation process for ERS.**

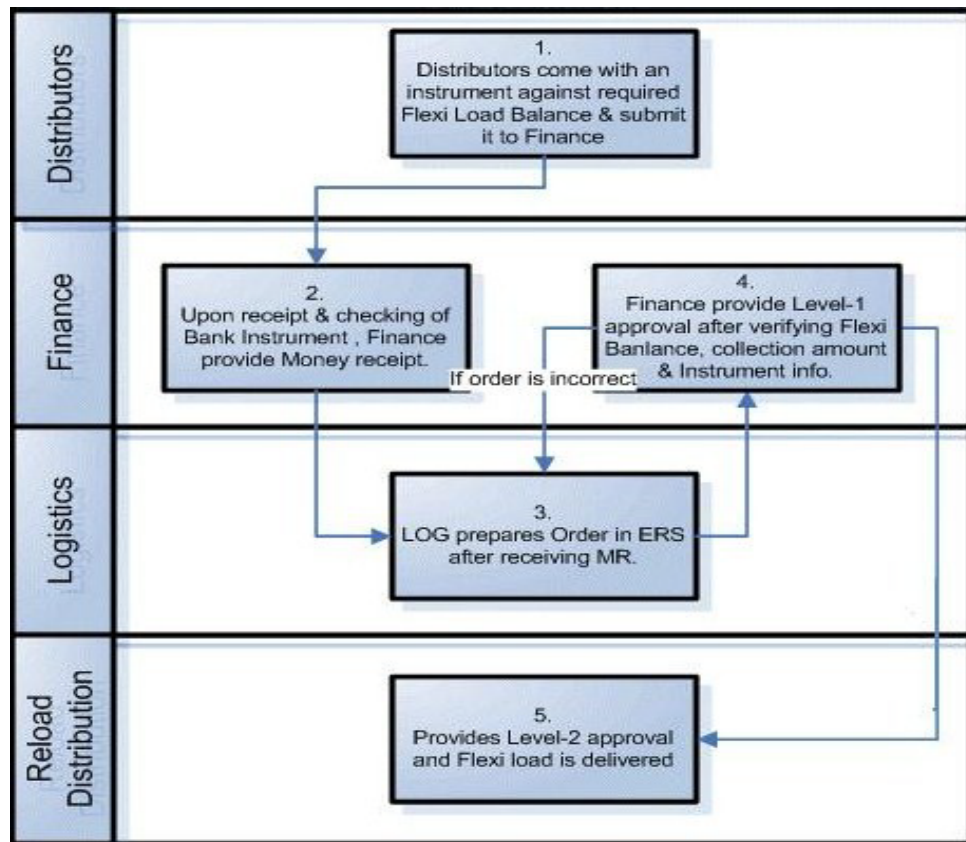


ERS Report → DWH Report → Online Bank Statement → Sends Confirmation to ERS-  
 → Entry on ERP Manual or Automated. In other word, the process is Monthly  
 Reconciliation would be done. ERS → DWH → ERP → Online Bank Statement

**Flexi load Process (Post-paid):**

According Grameenphone FMCD (2009), Grameenphone keeps a mother account for its Flexi load account from this account. This account is knows as ERS. Distributors purchase Flexi load balance. First, the distributor submits the necessary instruments for buying required Flexi load balance. Upon receipt and checking of bank instrument, Finance provides logistics with the relevant money receipt. Logistics prepares the relevant order in ERS after receiving the money receipt. Finance verifies the order, instrument information and if correct, gives approval. This is how Flexi load is delivered to the distributors. The distributors further sells the balance to the retailers, knows as NERO and ERO. Distributers get commission from the retailers and in terns retailers get their share of commission from the end users – the *post-paid* subscribers. This is how the Flexi load is delivered.

Figure: 4.7



## Organizational Structure:

### GP Organogram & Management

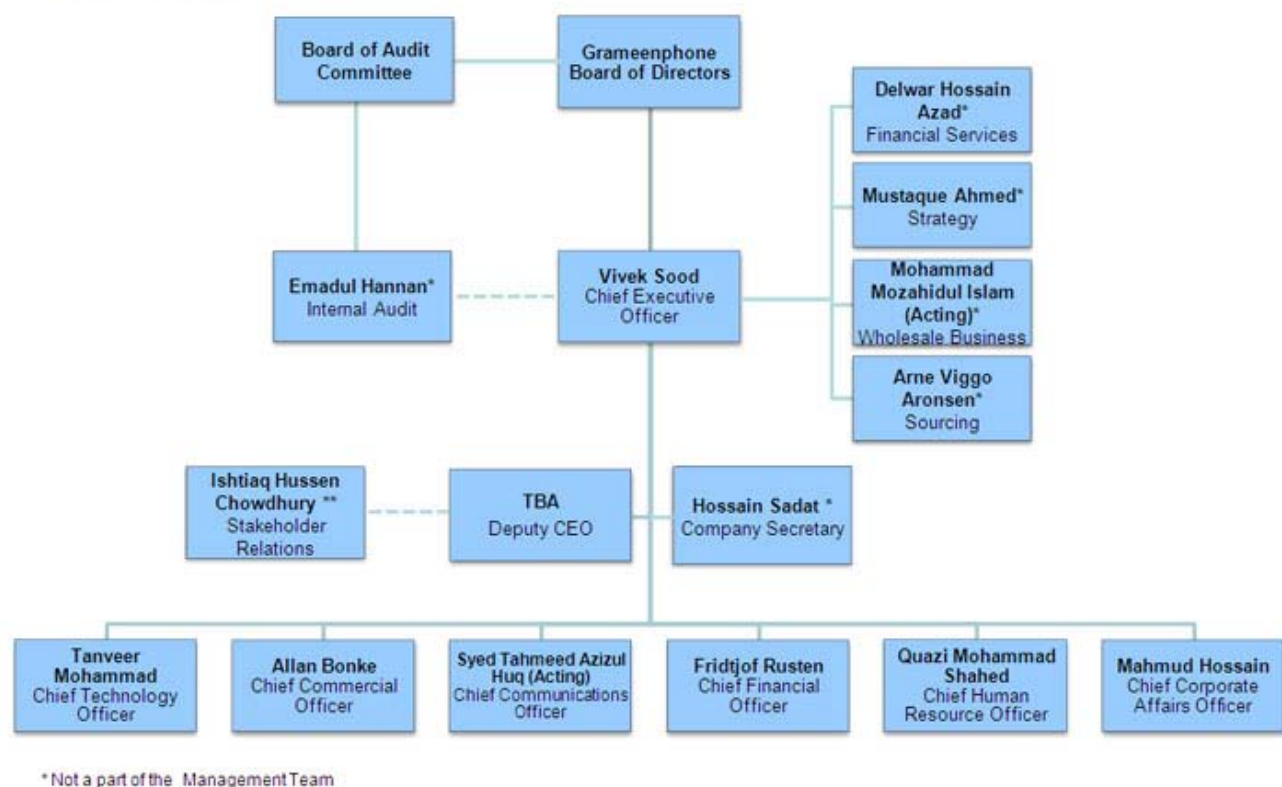


Figure: 4.8

### Board of Directors:

Name	Position	Age	Date of First Appointment
<b>Sigve Brekke</b>	Chairman Director	And 49	September 1, 2008
<b>Mr. Per Erik Hylland</b>	Director	56	June 25, 2007
<b>Mr. Snorre Corneliusen</b>	Director	37	March 23, 2009
<b>Mr. Dipal Chandra Barua</b>	Director	54	June 26, 2006
<b>Mr. M. Shahjahan</b>	Director	53	June 26, 2006

Figure: 4.9

**Management Team:**

<b>Name</b>	<b>Position</b>	<b>Date of Joining</b>
<b>Vivek Sood</b>	Chief Executive Officer	January 7, 2013
<b>Allan Bonke</b>	Chief Marketing Officer	August 5, 2012
<b>Mahmud Hossain</b>	Chief Corporate affair officer	March 8, 2010
<b>Quazi Mohammad Shahed</b>	Chief Human Resource Officer	November 1, 2012

**Figure: 4.10**

**5) Vision for the future, Mission, Objectives and Strategy:**

➤ **Company's Vision for the future:**

Grameenphone's vision is *"We're here to help."* That means Grameenphone Ltd. is always there to help the customers get the full assistance of communications services in their daily lives. They want to make it simple for the customers to get what and when they want it.

➤ **Company's Mission:**

The mission of Grameenphone Ltd is to deliver reliable, widespread, convenient mobile and cost effective telephone services to the people in Bangladesh irrespective of where they live. They are providing a total communication solution to its customers. To do this, the service advance of Grameenphone has extensively developed over the last few years. Grameenphone subscribers now enjoy all the modern data communication and content services. Mobile office, internet access, MMS and modern music and download services are available through the nationwide EDGE enabled network.

### ➤ **Company's Objectives:**

Grameenphone (GP) has been established to provide high-quality GSM cellular service at affordable prices. Grameenphone has a dual purpose:

- ↳ To receive an economic return on its investment
- ↳ To contribute to the economic development of Bangladesh where telecommunications can play a critical role

The Company has developed its strategies so that it earns healthy returns for its shareholders and at the same time, contributes to genuine development of the country. This is why Grameenphone, in collaboration with Grameen Bank and Grameen Telecom, is aiming to place one phone in each village to contribute significantly to the economic benefit of the poor. It is on the way to get a total uprising in the telecommunication field. By accomplishing the success factors, Grameenphone would like to be recognized as a consistent, honest and committed company to its valued subscribers and stakeholders.

### ➤ **Company's strategy:**

Grameenphone Limited's strategy was to effectively become the second national operator in Bangladesh. Instead of focusing on a high-end, niche market; it pursued a low tariff strategy designed to compete directly with BTTB.

#### **Continuously grow subscriber base:**

Grameenphone's strategy is to grow their subscriber base, while seeking to limit declines in APPM, by increasing the availability of their products and services throughout the Bangladesh and by aiming to improve customer retention.

#### **Focusing on high value customer:**

Grameenphone strive to provide superior network coverage, connectivity, quality and reliability, as well as to continue their product and service innovations through continued investment in their network and products. They are focusing on high value customer segment which they expect will grow as Bangladesh population becomes more affluent with their value-added services, in particular Internet access and BlackBerry. They intend to increase their focus on high value business segment customers, given the high usage of voice and non voice services by these customers.

**Achieve capital and operational efficiencies to improve profit margins and cash flow generation:**

Grameenphone's strategy is to continue to exercise strong discipline over their operating costs and capital expenditure to achieve improved efficiency and productivity in their operations and leverage their existing capacity. They have also plan to reduce their operation and maintenance expense by, among other things, using solar power, controlling service agreement pricing and lobbying to reduce the SIM tax.

**Increased Brand Awareness and reinforce brand values:**

Grameenphone intend to support their brand by undertaking brand refreshment exercises from time to time. They have planned to increase brand awareness through various point of sales promotions.

**Increased revenue from non voice services:**

Grameenphone is offering a wide-range of non voice services, including SMS, MMS, games, information services, content download, ring back tones, Internet access and BlackBerry services. They plan to continue increasing their revenue from non voice services, developing additional services and further expanding their presence as one of the largest provider of internet access in Bangladesh.

**Continue to expand their comprehensive distribution network:**

Grameenphone new distribution model is to push sales to retailers by distributing their SIM cards, electronic recharge systems and scratch cards through a network of nearly 100 third-party distributors. Their objectives under this new distribution model are to improve their product availability throughout the country with the establishment of more points of sales, improve inventory management, accelerate distribution of product, provide better support to their customer base, create a strong channel of communication between Grameenphone and subscribers and obtain better market data to allow them to be more dynamic and responsive to the market.



➤ **Company's Value:**

**Make it Easy:**

Grameenphone believes that they are sensible. Everything they create is easy to appreciate and use as they never fail to remember that they are trying to make their customers' lives easier.

**Be Inspiring:**

Grameenphone believes that they are imaginative. They convey energy and thoughts to their work. Grameenphone wants to be a collaborator in the progress of our society. They are passionate about our business, customers and country.

**Keep Promise:**

Everything Grameenphone set out to do should work. If it does not, they are there to put things right. They are about delivery, not over promising - actions not words.

**Be Respectful:**

Grameenphone shows acknowledgement and admiration the local culture. They are courteous and professional in regard to all interactions, both internally and externally. They are open, helpful and friendly.

➤ **Problem Statement:**

This Internship project will be titled as “*Current scenario of post-paid package and 3G licensing& its future prospects- An analysis on Grameenphone.*” In the current business world, particularly in telecommunication sector, long-term customer maintenance, i.e., attaining sustainable market share is a vital issue. My internship project is about analyzing the present status of *post-paid* packages compare to other packages offered by Grameenphone and the future prediction of the product based on organization's aptitude and customer expectations.

➤ **An Assessment of *Post-paid* Connection's Current State and Future prospect:**

From September 7, 2008, Grameenphone brings its post-paid subscribers a completely new range of attractive features so that they never miss a single precious moment of their lives. Although in the early years the mobile services were primarily targeted to the post-paid subscribers, prepaid services have become more and more popular in recent years. By the end of 2012, the proportion of prepaid subscribers became more than 50% of the install base worldwide (Lonergan, Swain, Guy, Yunus, Jackson, Mallinson, Barrabee, Minoru, Hatton, Entner, Putcha, Hoffman, & Quigley). Prepaid subscribers pay in advance for a limited amount of services and if they want to consume more airtime, they just refill their scratch cards by paying service providers or their channel merchants. However, post-paid subscribers usually have long-term contractual relationships with the service provider and pay on a monthly basis according to the usage of services in the previous billing period. Corporate people are mainly the users of *post-paid* connection of Grameenphone and they do not want to switch their connection usually.

Increasing competition among the major private telecommunication companies in Bangladesh is pushing them to undertake various strategic and tactical measures to attract new customers while retaining the existing customers. In this emerging market, both prepaid and post-paid subscribers are not exhibiting strong loyalties or commitment to any particular service provider as they have options of switching to other service provider(s) for more convenient and suitable service offerings. Hence, the major private telecommunication companies have a stake high enough to consider how to create a loyal customer base that will not be eroded even in the face of fierce competition. Therefore, the major private telecommunication companies must realize the emergence of studying and understanding various antecedents of the subscribers' relationship commitment to figure out ways to create a loyal customer base. Prepaid subscribers and post-paid subscribers tend to develop different type of relationships with their service provider because of dissimilar contractual obligation. Prepaid subscribers have low commitment relationship, whereas post-paid subscribers have high commitment relationship with the

service provider. Moreover, average switching likelihood of prepaid subscribers is usually higher than that of post-paid subscribers; which ultimately shapes the subscribers' relationship commitment. Although there is a huge number of post-paid users of Grameenphone, but now a days, Grameenphone put more emphasis on prepaid connection for the increasing demand of prepaid connection.

Therefore, it is important to understand how various antecedents of relationship commitment vary between these two groups of subscribers.

Grameenphone post-paid connection is now providing different offers like-

- ✦ Zero Line rent is one of the key attractions of this new basket of offers. Xplore post-paid subscribers will enjoy 100% waiver on monthly Line Rent if their airtime usage exceeds only BDT 450 per month.
- ✦ If not, there is still good news. From now on, the new monthly Line Rent has been reduced to BDT 50 from BDT 100.
- ✦ The Monthly Commitment Fee of BDT 1000 will no longer be applicable for the “Xplore” package, as the Monthly Line Rent is fixed at BDT 100 (excluding VAT). This fee too will be waived if the subscribers’ monthly airtime usage exceeds BDT 1000.
- ✦ The World Wide Web now is at customer’s fingertips 24/7, with the Unlimited EDGE package at BDT 850 per month offer.
- ✦ Additionally, Xplore post-paid subscribers will enjoy 1 second pulse on all calls, except for calls to F&F numbers. Pulse to make F&F calls will be 60 seconds (from 1st min onwards).
- ✦ The number of F&F numbers has also been increased. Now Xplore post-paid subscribers can call four F&F numbers at 25 paisa per minute.
- ✦ These new features, along with the existing convenient payment methods, exclusive Thank You benefits and more, are expected to add greater value for subscribers and help them stay better connected with their loved ones.
- ✦ Grameenphone has introduced another convenient bill payment method for its post-paid subscribers. From now on, Grameenphone's post-paid subscribers with Xplore, Business Solution Post-paid and Grameenphone Public Phone packages can pay their monthly bills using Grameenphone's scratch cards available in the market at convenient locations all around the country.

## Chapter 2:

I worked with corporate finance team. Their main work was to have a liaison with 2 kinds of their stakeholders. One is Internal and another is External.

Under external stake holders there are Bangladesh Bank and Banking Financial Institutions.

Under internal stakeholders there are internal affairs, such as sponsorship in events like football match, concerts, tree plantation, beatification of famous places, medical campaigns, etc.

### 1) Description/nature of the job:

- ✦ I have been given task of making database of all top managements of banks, like DMDs, MDs, Directors, etc. It will be used as a guideline and an easy way to find someone of bank's high official.
- ✦ Then I am assigned to work with their database containing the time period for call rates and what will be charged for that time period. I was asked to mark all the data that were expired so that they can identify the current rates and the future ones.
- ✦ Then I was given task of working in Microsoft publisher where I had to transfer the bank official's profile and make them individually with picture and bio-data.

### 2) Specific responsibilities of the job:

- ✦ I had to keep copies of my work so that in any sudden call of meeting I could provide my team members with sufficient information.
- ✦ My team's main stake holders there are Bangladesh Bank and Banking Financial Institutions so the copies I collected helped them to go through about the background and position of the stake holders so that they could easily deal with them.
- ✦ This job helped me of knowing about high officials and their job.

### **3) Different aspects of job performance:**

- ✦ I could use my academic background to do my job in grameenphone.
- ✦ As it is mentioned that I had to work with micro-soft word, micro-soft and micro-soft publisher. Except micro-soft publisher the rest of them were taught in university course.

### **4) Critical observations and recommendations:**

- ✦ While making the bank official's database I faced many problems, some of the banks do not have sufficient information, they sometimes do not have director's name in their website, and other new banks do not even have their own website. It was a great challenge to find them using information from newspaper and other articles.
- ✦ While working with the price database. It was really a tiring job to find the time period each and everyone individually and marking them. The job was very sensitive as a miss read of date can make everything haphazard. As a result I had to continuously monitor the dates and rates to mark them.
- ✦ It was first time working with Microsoft Publisher as I have not been introduced to it before. I had to learn its operation to do the task. I could get much information by using Google and from other employees who were also looking at it for the first time.

# Chapter 3:

## 1) Summary:

This report mainly focuses on the, Current scenario of post-paid packages & 3G licensing of Grameenphone and their future prospects. How their packages, offers and, their latest 3G technology has made our life easy and convenient. Now we can stay in touch with our near and dear ones as well as we can be in touch with the latest news and information through internet and features provided by the telecom providers. The services that changed our lifestyle includes voice conversation, Text messaging, internet, news, event alert, health care, krishi bazaar, mobile remittance, results of exams, post paid packages , prepaid packages etc. 3G network was a dream of Bangladeshi people. Recently government has announced for the initial bidding for 3G licensing. To make the infrastructure 3G compatible Grameenphone has got approval and already they have launched this technology in the telecommunication sector.

## 2) Description of the project:

I have just tried to make a comparison among the post-paid packages and 3G technology of Banglalink, Airtel, Robi , citycell, Teletalk with Grameenphone to focus on its current scenario and future aspects. In this report a brief of 3G technology and some necessary information about all these telecommunication companies will be discussed.

### ➤ Objective of the project:

The broad objective of the paper is to observe the current scenario and future aspects of Grameenphone with through post paid packages and 3G technology on the telecommunication sectors of Bangladesh comparing other telecommunication companies. The specific objectives are:

- ✦ To identify the problems, challenges and prospects of the sectors.
- ✦ To find out the things behind Grameenphone's expansion (growth) in this sector in future.
- ✦ To appraise the performance of our telecom sector and its contribution the development of the whole economy.

➤ **Methodology:**

The present study is descriptive as well as suggestive in nature. This study basically covers a period of 5 years starting from 2009 to 2013. An attempt has also been made to include the latest information whenever available.

Both primary and secondary data have been used. However, the major reliance is on secondary data at national and international levels. Primary data were collected through interview and discussions with some officials and interview with some randomly chosen people. Moreover annual reports of different telecom, articles published in newspapers, conference papers and seminars proceedings have been carefully studied to procure the needed information. The report only presents simple frequency and quantitative tables. The findings of the study should be viewed more in a qualitative focus than in absolute quantitative terms whenever necessary, various statistical tools and techniques have been applied for the analysis and interpretation of data.

➤ **Limitations:**

Major limitation of the study is lack of available information and previous workings on the topic. I don't find enough supportive articles to make an extensive literature review. Moreover, most of the secondary data I used were scattered. So I basically tried to assume the current scenario based on the secondary data.

## **Chapter 4:**

➤ **Analysis:**

Here I have focused on the users taking services provided by the telecommunication companies. I randomly picked up 35 people and provided them paper with some questions and asked them to fill it up and that is how I got the answer. From the table given below it is seen that out of 35 people 34.28% people were found satisfied with Grameenphone, 22.85% people use Banglalink, 17.14% people use Robi, 15.28% people use Airtel, 8.57% people use Teletalk and 2.85% people found using Citycell. The thing is why the user percentage rate of Grameenphone is higher comparing others? The reasons are,

- Better network coverage
- Packages are comparatively affordable
- Advertisement

Telecom provider	Number of clients	Percentage of clients based on the usage rate
Grameenphone	12	34.28%
Banglalink	8	22.85%
Robi	6	17.14%
Airtel	5	15.28%
Teletalk	3	8.57%
Citycell	1	2.85%
<b>Total</b>	35	

#### Network coverage is pleasing:

Well some clients agree Grameenphone holds better network coverage. Among 35 people including the clients of Grammeenphone and other tele-communication companies

**Table: 1**

Telecom provider	Number of clients satisfied with network coverage	Percentage of clients satisfied with network coverage
Grameenphone	11	31.42%
Banglalink	9	25.71%
Robi	6	17.14%
Airtel	9	25.71%
Teletalk	0	0
Citycell	0	0
<b>Total</b>	35	

#### **Interpretation:**



From the table, it can be seen that, 31.42% people are happy with the network coverage of Grameenphone. 25.71% are happy with Robi's network coverage which is a very small percentage and Banglalink and Airtel both have 25.71% clients who are satisfied with their network service. The rest two of the telecommunication companies didn't get any response from the questionnaire I provided to those people. It shows that Grameenphone's network service is pleasing.

**✦ Affordable price of packages :**

Based on the affordability of packages of these telecom providers 35 people were chosen randomly and all their answers are given in numbers through the table drawn below:

**Table: 2**

Telecom Provider	Number of clients thinking of affordable price of packages	Percentage of clients thinking of affordable price of packages
Grameenphone	12	34.28%
Banglalink	8	22.85%
Robi	5	14.28%
Airtel	10	28.57%
Teletalk	0	0
Citycell	0	0
Total	35	

**Interpretation:**

From the table, it can be seen that 34.28% users agree that Grameenphone offers packages in affordable price. 22.85% clients think of Banglalink, 14.28% clients think of Robi and 28.57% clients think of Airtel.

**✦ Advertisement:**

Advertisement matters, it was clients point of view. Grameenphone invest a lot on advertisement and as a result they attract clients easily. They follow a small trick they leave no place bare. They use every possible medium for the

advertisement of their packages. Grameenphone has shown creativity on bill board, radio, Television, newspaper.

**Table 3:**

Telecom Provider	Number of clients attracted by advertisement	Percentage of clients attracted by advertisement
Grameenphone	15	42.85%
Banglalink	10	28.57%
Robi	6	17.14%
Airtel	4	11.42%
Teletalk	0	0
Citycell	0	0
Total		

**Interpretation:**

From the table drawn above it is seen that 42.85% clients think that advertisement play an important role and Grameenphone shows creativity in it. 28.57% clients like Banglalink's advertisement, 17.14% people are loyal to Robi and Airtel has 11.42% clients who think that Airtel has better concept.

## Grameenphon's current scenario comparing Banglalink, Robi, Airtel, Citycell and Teletalk:

The total number of Mobile Phone Active Subscribers has reached 97.389 million at the end of January 2013. The Mobile Phone subscribers are shown below:

<b>Operators Name</b>	<b>Active Subscribers (January 2013)</b>	<b>Active Subscribers (December 2012)</b>	<b>Active Subscribers (December 2011)</b>	<b>Active Subscribers (December 2010)</b>	<b>Active Subscribers (December 2009)</b>
Grameen Phone Ltd. (GP)	40.336	36.493	31.982	29.970	23.26
Orascom Telecom Bangladesh Limited (Banglalink)	25.610	23.753	20.126	19.327	13.87
Robi Axiata Limited (Robi)	21.136	16.139	13.259	12.368	9.29
Airtel Bangladesh Limited (Airtel)	7.148	6.026	4.607	3.956	2.99
Pacific Bangladesh Telecom Limited (Citycell)	1.509	1.824	1.787	1.811	1.95
Teletalk Bangladesh Ltd. (Teletalk)	1.650	1.218	1.198	1.211	1.07
<b>Total</b>	<b>97.389</b>	<b>85.455</b>	<b>72.959</b>	<b>68.643</b>	<b>52.43</b>

Source: <http://www.btrc.gov.bd>

## **User's current response and future prospects of post-paid package compared to pre-paid package of Grameenphone:**

I also did research on Grameenphone between its post-paid packages and prepaid packages. From my study it has come out that people are now a days more comfortable with pre-paid package and there are many active users of Grameenphone are not even aware of post-paid packages. Reasons behind the preference of pre-paid packages are briefly described below through the findings of my study

Packages	Number of clients	Percentage of Clients
Pre-paid package	8	66.66%
Post-paid package	4	33.33%

### **Interpretation:**

From the table drawn above we see that 66.66% of their clients switched to pre-paid package and 33.33% clients are still loyal to post-paid package.

### **Reasons that play a vital role switching to pre-paid package from post-paid package:**

- **Attractive offer:** Attractive offer of pre-paid package makes clients to switch from post-paid connection.
- **Flexibility:** Flexibility of Grameenphone prepaid package has led to switch from post-paid.
- **Advertising for prepaid connection:** Advertising for prepaid connections creates a decreasing usage growth for the post-paid connection.
- **Availability of prepaid connection:** Availability of prepaid connection influences the demand for the pre-paid connection.
- **Flexibility (eg: Flexi load, balance transfer):** Flexibility of prepaid connection increases the demand for the pre-paid connection rather than post-paid.

### **3G Technology:**

The 3G (third generation) is also known as UMTS (Universal Mobile Telecommunications System) and this is predicted to be the next generation in the mobile market. This is one of the valuable innovations in mobile technological devices. The 3G capability of an electronic device enables you to have access to information and data at anytime you want and at any place you are. With the 3G technology, mobile phones began to offer high speed internet access along with data, video and CD-quality music. The cellular phones enable a user to surf the web, view the image of the person he is talking to, watch movies and listen to music – just with the handset. When on a 3G phone and the person on the other line also use a 3G enabled mobile phone, the conversationalists can see each other from the display of the telephone. This is amazing but this is just for now. Changes will continue to enhance whatever features there are today.

#### **🔹 Current scenario and future prospects of 3G licensing :**

It is not so long time that Grameenphone has launched 3G. If Grameenphone is compared to Robi Axiata, Orascom Telecom (Banglalink ) and Teletalk we see that Grameenphone has invested a lot in the advertisement to attract their clients .fro promoting any new package advertisement is a necessary element and that is what Grameenphone is doing most. We know that Teletalk was the first to launch 3G in the tele-communication sector but it could not gain satisfactory response. Maintaining the line Robi, Banglalink also launched 3G before. Before Grameenphone launching 3G Banglalink was kind of grabbing the attention of the clients but as from my study that I have mentioned in the previous pages that Grameenphone now has the largest amount of active users so definitely it can forecast that in future Grameenphone will also grab the first position through 3G.

➤ **Results and discussion:**

After collecting data and analyzing, it can be said that at present the total number of Mobile Phone Active Subscribers has reached 97.389 million in the year of 2013. Among the operators at the end of March 2011, Grameenphone grab the highest subscriber with 40.336.

Banglalink is in the second positions with the total subscriber base of 25.610million and then Robi with 21.136million subscribers stands as the third largest mobile phone operator in Bangladesh .Airtel, Citycell, and Teletalk possess 4th, 5th and 6th position respectively. (Airtel Bangladesh had 7.148million subscribers, Citycell's total mobile subscriber base is 1.509million, TeleTalk is the 6th largest mobile phone operator in Bangladesh with 1.650million subscribers.

- ✦ The maximum percentage shows that Grameenphone pre-paid package is successful to satisfy its customer than post-paid package.
- ✦ Call rate is significantly important for Grameenphone users.
- ✦ Continuous advertisement of prepaid package of Grameenphone may affect the demand of post-paid package in future.
- ✦ The post-paid users of Grameenphone will switch their current connection package if they might be offered with attractive offer of Grameenphone prepaid package.
- ✦ Users formerly using post-paid packages see that, availability of prepaid connection may make their life easier.
- ✦ Flexibility of prepaid connection may hamper the increasing demand for post-paid connection of Grameenphone in future.
- ✦ Grameenphone is more emphasizing on advertisement of prepaid connection than post-paid connection.
- ✦ Many of the people do not know about the current post-paid offer because of the easy usage of pre-paid packages.
- ✦ Continuous promotion of Grameenphone prepaid packages influences post-paid users to change their current connection.

### **3) Conclusion:**

From this report we can see that Telecom industry is playing a vital role in development of our country by providing different packages. Especially Grameenphone is now on the top in telecommunication sector. They have managed to bring the whole country under cellular network as a result any one need to be connected for emergency can get immediate solution. Business has become mobile; people from anywhere can contact and instruct others easily as a result saving time and money. They also provided cellular internet connection which allows subscribers to get internet from their mobile phone. As a result people can have internet access from anywhere and get necessary information and to be informed. They have managed to lay down fiber optic network cable to connect the whole country with fast and affordable internet connection. As a result people are enjoying fast internet and can work faster than before. They came up with the best technologies to make clients life easy and convenient. People can communicate very conveniently with clear voice transmission. People can also send short messages whenever they are unable to talk. They can save valuable information, get latest updates and news through their mobile. Internet connection is also provided by telecom companies. Results of board exams are also available as SMS. Health care support is also available through telecom operators. 3G is one of the hot news for Bangladeshi people. It was a dream to have this service. To make this dream come true Grameenphone and other operators has launched 3G.

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