

GRAMEENPHONE LIMITED

Internship Report



Inspiring Excellence

‘The Perspective of Net Promoter Score (NPS) in Grameenphone Ltd.

Internship report

Submitted To

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7th September, 2016

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Lecturer,

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Subject: **Application for Acceptance of the Internship report**

Dear Sir,

This is to inform you that I have completed my report on Grameenphone Ltd. on NPS (Net Promoter Score). The report focuses on the procedure of NPS and perspective of NPS in Grameenphone Ltd., where customer satisfaction levels measured. The paper refers all the content of NPS (Net Promoter Score) as well as the impact of it in the long run.

In writing this report, I have followed your instructions for report analyzing to present my views and understanding in the easiest way. However, I would be glad to clarify any disagreement or unusual point that may arise. According to your guideline the paper has made and tried to clear all the understanding overview.

Thanks with best regards,

Sincerely yours,

Md. Ashikur Rahman

ID: 12104076

BRAC Business School

BRAC University



Acknowledgement

I would like to be thankful to my internship advisor Mohammad Ariful Ghani, Senior Lecturer, BRAC Business School, for giving me the opportunity to work on this project and the privilege to explore the project in writing on NPS (Net Promoter Score) and the effect of this system in GP consumer.

A big thank also goes out to, A.H.M Gulam Azam, Manager of Customer Service Dept., for providing me time to conduct a discussion session with him in order to obtain the information related to the project. Furthermore, we are also thankful to Junaid Ahmed, Specialist, HR business partner, People and Organization, Grameenphone Ltd. for giving me the opportunity to do internship on this organization.

Last, but not the least, thanks to my family and friends, my colleagues for all their support. Without their encouragement, I would not have made it this far. I have made this report with proper guidance that makes efficient statistics.



Executive summery

Customers are the asset of the company so that they are more valuable to serve. Grameenphone Ltd. is concern about the policy and legal obligation where the authority makes the process for better customer satisfaction. In this report, there is mentioned about Grameenphone Ltd. what is the business procedure as well as the perspective and effectiveness of NPS (Net Promoter Score).Net Promoter Score (NPS) measures the loyalty that exists between a provider and a consumer. The provider can be a company, employer or any other entity. The provider is the entity that is asking the questions on the NPS survey. The consumer is the customer, employee, or respondent to an NPS survey. The management of the company uses the tool to measure how the company is loved by customers. Grameenphone Ltd. is the leading telecommunications service provider in Bangladesh. The management of the company is very strong and customer centric. The company uses NPS to make it as one of the most powerful company of the country. In our dissertation report we will discuss how GP uses NPS to make it as a leading organization.

The statistics table refers the accurate point where customers think what. Customers are the core assets to this company where it is essential to give more priority on satisfaction issues. This report will highlight more on customer issues actually what are the demands. Here data represent the ratio about customer thought. Moreover, the report refers the core service of GP that initialized only for customers. The preference of the study is massive for the future supervisors and for the business as well to contest in the modest market to hold the 1st place



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Chapter: 1

Introduction

Origin of the report:

This is an Internship report of Bachelor of Business Administration (BBA) program of BRAC Business School requires a three months attachment with an organization followed by a report assigned by the supervisor A.H.M Gulam Azam in the organization and endorsed by the faculty advisor Mohammad Ariful Ghani. I took the opportunity to do my internship in an international telecom company which is the leading telecom service provider in Bangladesh, “Grameenphone Ltd.”. After accomplishment of the labeled tenancy, intern requisites to acquiesce an internship report, which includes the know-how gained and a modest aspect of the work culture at Grameenphone. As labeled in the Customer service department, this report particularly focuses on Net Promote Score (NPS) tool, due to widespread exposure and experience with customer (Grameenphone, 2016). It is hence titled, “The perspective of Net Promoter Score (NPS) in Grameenphone Ltd.”

Background of the study:

As the leading telecommunications provider in the country, Grameenphone shields a wide consumer base. In everyday customers are getting feedback calls when they call to 121hotine and then they evaluate the system as well as the service according to the marks. NPS is the tool where we can measure customer satisfaction as well as what is the desire of customer.

Organization has the target to make dissatisfied customer to satisfied customer. NPS keep the core value of organization where the authority could work properly.

Premeditated value of Subscriber: Subscribers are the cradle of premeditated value to Grameenphone Ltd. where keep the business in progress with economical point. We treat subscribers as “Customer First” and thought them as ‘King” it refers that they hold the value. Vacillating from the largest businesses to government agencies and different sectors, and usual users are of vast premeditated worth for Grameenphone to make and amalgamate interactions with. These interactions can bring long-term forecasts of conglomerate and business prospectus



for both stakeholders and business partners. NPS would be the reason for premeditated value and it should be in the level.

Commercial value of subscriber: Subscribers are the vital cradle of revenue generates and they keep the main role in this business. If we serve subscribers properly then they will be satisfied and if they satisfied then they will spend for the service and products towards Grameenphone Ltd. To gain the subscriber satisfaction, we need to understand first what customers want, what is the desire for the service. When subscribers are related to revenue generate so we need to think properly and give them more options as if they could be satisfied. Compare to the other telecom company in Bangladesh, Grameenphone gives priority to the customer to achieve the ultimate level of service quality. To give the priority to the customer here revenue could generate more as well as to serve for long term and creating the economy's value, NPS should be customized.

The tool NPS (Net Promoter Score) has been chosen to complete the report due to as a fellow of Management Studies, the individual must be known to the management tool which can define the situation of the company in the market in the parameter of customer satisfaction. To bring the customer in more satisfaction level is the ultimate goal. From the study the individual wants to highlight the relation among NPS, company overall situation and revenue growth of the company as it reflects the total perspective of NPS.

The company "Grameenphone Ltd." has been chosen because the company is the forerunner in the area and market leader of Telecommunication in Bangladesh. Due to the main apprehension of Grameenphone Ltd., NPS has been chosen as topic. Though the company is a prominent one, it needs to improve to fill the market gap in many ways. NPS makes the way to highlight the gap of service of the company accurately and clearly.

The consequence of the learning is vast for the future managers and for the company as well to compete in the viable arcade to hold the 1st position. The study also discusses about the challenges of using NPS in the market of Bangladesh. Most of the people of our country are not aware of being a promoter or detractor of a company. But the scoring is very important to any company because it is the measurement of acceptance or rejection of a company by the customers.



Objectives of the Study:

The objective of the study can be classified to two different ways where the paper would be identifying easily.

- i) Broad Objective
- ii) Specific Objective

They are discussed below.

- i) **Broad Objective:** The broad or overall objectives of the study are to be known with
 - About Company: Grameenphone Ltd. (GP)
 - The NPS (Net Promoter Score)
 - The platform of NPS, how it works.
 - How GP uses NPS as a managerial tool.
 - What do they analyze with the scoring of the customers? After evaluating
 - Perception of NPS in a country like ‘Bangladesh's
- ii) **Specific Objectives:** The specific or niche objectives of the study are to
 - Measuring the NPS to apply in the competitive market with others.
 - Showing the relationship among Customer satisfaction, NPS & Revenue of the company.
 - Verifying the necessities of NPS in the competitive market
 - Impact of service level
 - Value addition by scoring

Scope: The report pertains to the views, observations and knowledge of the NPS (Net Promoter Score). Within the department, strong emphasis is placed on Customer Service, division of Customer service and experiences.

Limitations of the report: The preparation of the report was a part of the Bachelor of Business Administration degree and a very essential work of the academic program. However every work has some limitations. The report is not out of the limitations. The main reason of the limitations behind preparing the report were

- Communication gap between the administrators and system
- Lack of tools NPS software while making the report



- Lack of having updated information
- Lack of customer's response
- Lack of customer interaction
- Lack of enough knowledge about NPS to the customer

Apart from the limitations the report is prepared with intense supervision and office executive. So the limitations have not affected the report too much due to information was available.

Methodology of the Study: Data and Methods

The study data has been collected through diversified sources. Basically the data is collected from primary sources. Such as

- GP Subscribers
- GP Inbound Contact Center Managers
- GP Inbound Contact Center Customer managers
- GP NPS software (Medallia Tool)
- Knowledge Sharing Session on NPS

Besides abovementioned primary sources, there are several secondary data used to prepare the report. Such as

- GP websites (www.grameenphone.com, wowportal.com, GP life2)
- Wikipedia, GP Facebook page
- Research article on Grameenphone Ltd., Annual reports.

Method of studying the report:

The report on NPS (Net Promoter Score) has been studied on practical knowledge sharing session with the supervisors and the reasons of giving scoring to the company were taken directly from the GP subscribers. After studying the feedback the data has been taken from the NPS software which is known as "Medallia". The Medallia gives statistical information to the users. The NPS of last six months have been taken from the tool. In 'Medallia' tool there customer's marking reasons were identified throughout our feedback call.



Chapter: 2

Industry analysis

Bangladesh is one of the developing and most densely populated in the world. Apart from its economic status, major impediments to growth have included cyclones and floods and the slow implementation of much-needed economic reforms. The country has a reputation for the inefficiency of its state-owned enterprises. This report looks at the country's surprisingly energetic telecoms sector, in particular, the effort that has been going into building telecom infrastructure and the progress that has been made on regulatory reforms (BTRC, 2015).

Mahmud (2015), Telecom industry is one of the fastest growing industries in the world. People are nowadays considering having frequent communication among them. So in course of time and with the growth rate of population and also appeal for high standard living, telecom industry is growing in a high pace (S. Mahmud, 2015). This fastest growing industry has already attracted many marketing geniuses, researchers, research companies to explore the opportunities. According to Ariful (2014), Researchers are trying to investigate different markets and potentials of those markets. Marketing geniuses are making theoretical forecast or theoretical model for suitable market investigation. Multinational giants are always in a desire to be extended globally. Observation says telecom multinationals are trying to diversify into the markets with high growth rate (S. Mahmud, 2015). A lot of studies have provided the pathway or the map of reaching into a foreign potential market and Bangladesh telecom industry is such a market which has already attracted lot of researchers to explore the opportunities (BTRC, 2015). (Mahmud, 2015)Grameenphone Ltd. is the market organizer in the mobile telecommunication business of Bangladesh where GP is a shared project between Bangladesh and Norway, Where Telenor has the share of (55.8%), the largest telecommunications service provider in Norway with mobile phone operations in 12 other countries and Grameen Telecom Corporation (34.2%), a non-profit organization of Bangladesh. The other 10% shares belong to General retail and institutional investors. Grameenphone Ltd. is now not only a telecom company rather it is a little bit more to its each subscriber and stakeholders along with GP, RobiAxiata Ltd. Also has a robust position in telecommunication industry in Bangladesh. Axiata (Bangladesh) limited is a dynamic and leading countrywide GSM communication solution provider. It is a joint venture company between Axiata Group Berhed, Malaysia and NTT DOCOMMO INC, Japan, Axiata Bangladesh



limited, formerly known as Telekom Malaysia International (Bangladesh) commenced its operation in 1997 under the brand name Aktel among the pioneer GSM mobile telecommunications service providers in Bangladesh (Mahmud, 2015). Later, on 28th March, 2010 the company started its new journey with the brand name Robi. Robi is truly a people-oriented brand of Bangladesh. Robi, the people's champion, is there for the people of Bangladesh, where they want and the way they want. Having the local tradition as its core, Robi is marching ahead with innovation and creativity. Both, Grameenphone Ltd. and Robi playing a vital role to grow telecommunication industry of Bangladesh, meanwhile the total industry of telecommunication make a great contribution in our economy by helping to increase the GDP (Ariful, 2015).

Telecommunication (Telco) services are no longer a luxury; they have now become a necessity. According to the Bangladesh Telecommunication Regulatory Commission (BTRC), 83 per cent of the total population of Bangladesh is using Telco services.

According to the BTRC, (2016), the total number of mobile phone subscribers in Bangladesh is 128.939 million until the end of July, 2016. There is six different Telco's operating in Bangladesh at this moment. Operator-wise subscriber and tri-month (January-March) revenue distribution has been presented. The Grameenphone Ltd. (GP) tops the list with over 42 per cent subscriber and 86.9 per cent revenue. In terms of subscribers, Banglalink is placed second (25 per cent), Robi third (21 per cent), followed by Airtel fourth (8.0 per cent), Teletalk fifth (3.0 per cent) and CityCell sixth (0.7 per cent). In terms of revenue, Robi is once again placed second (22.6 per cent), Banglalink third (21 per cent), following Airtel fourth (6.3 per cent), Teletalk fifth (2.6 per cent) and CityCell sixth (0.6 per cent) (BTRC, 2016).

Operator-wise spectrum distribution is shown in Table 2. By analyzing the distribution, it is found that GP has 32 MHz (27 per cent), Banglalink 20 MHz (17 per cent), Robi 19.8 MHz (17 per cent), Airtel 20 MHz (17 per cent) and Teletalk has 25.2 MHz (22 per cent). These operators are using GSM technology. Only CityCell uses CDMA technology. Its spectrum is 8.82 MHz in 850 MHz band. The government still has an unsold spectrum of 25 MHz for both 1800 and 2100 band and has also reserved 10 MHz for 2100 Band (BTRC, 2016).

In 2013, an auction took place for 2100 MHz band for 3G service. GP bought 10MHz spectrum for 2100 MHz band. None of the other operators was able to buy more than 5 MHz spectrum.



Therefore, GP subscribers (42 per cent) are enjoying high-speed dual carrier 3G network. On the other hand, the majority (58 per cent) of the subscribers are deprived of this opportunity.

As GP has the large number of subscribers so the spectrum cost of GP is \$ 0.37 per customer. For this, it has reduced the cost and increased the profit for GP. So in the current situation GP dominates the marketplace while Airtel-Robi merger is taking place (BTRC, 2016).

	GP	Banglalink	Robi	Airtel	Teletalk	Citycell
Subscriber in crore	5.648	3.296	2.830	1.035	0.406	0.103
Percentile (%)	42	25	21	08	03	01
Revenue (Tk. in crore)	2,520	1,130	1,216	336	139	31
Percentile (%)	46.9	21.0	22.6	6.3	2.6	0.6

	GP	Banglalink	Robi	Airtel	Teletalk
900 MHz	7.8	5	7.4	5	5.2
1800 MHz	14.6	10	7.4	10	10
2100 MHz	10	5	5	5	10
Total	32	20	19.8	20	25.2
Share (%)	27	17	17	17	22

Table 1: Operator wise spectrum distribution

GP considers its employees to be one of its most important assets. It has an extensive employee benefit scheme in place including Gratuity, Provident Fund, Group Insurance, Family Health Insurance, Transportation Facility, Gym, Recreation Centre, Day Care Centre, Children's Education Support, higher Education Support for employees, In-house Medical Support and other initiatives.

Ownership structure

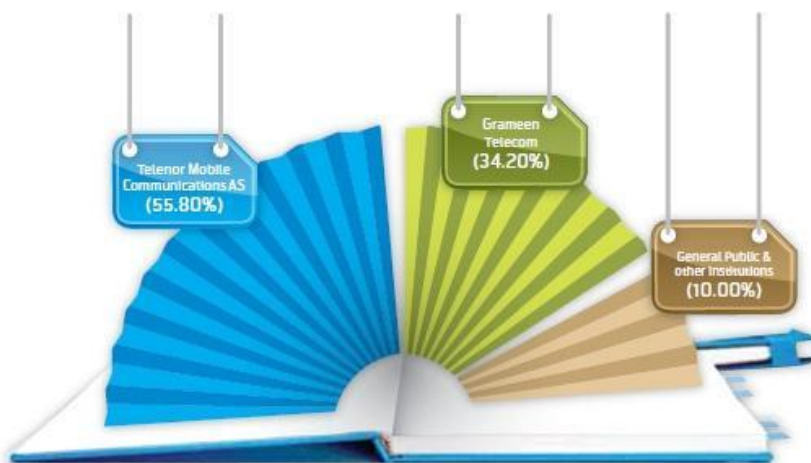


Exhibit: Ownership Structure in Grameenphone Ltd.



Company overview

Company Name: Grameenphone Ltd.

Company Registration No: C-31531 (652)/96

Grameenphone Ltd. a way of communication throughout the different level of people. It is the biggest mobile telecommunications operator in Bangladesh. It is widely known as GP which covers the brand of communication and present a unique formation name and it is also the most vital telecommunications service provider in Bangladesh (Grameenphone, 2015). Grameenphone Limited 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. With more than 35 million subscribers as of October 2010, GP is the largest cellular operator and to cover most part of the country. It is a joint venture enterprise between Telenor and Grameen Telecom.

Telenor is the largest telecommunications company in Norway, owns 55.80% shares of Grameenphone Ltd., Grameen Telecom owns 34.20% and the remaining 10% is General public & other institution (Grameenphone, 2015). Grameenphone Ltd. has stepped into its 19th year of operation, having completed its 18th year on March 26, 2015. It is the leading telecommunications service provider in the country with more than 56.300 Million subscribers as of July 2016 (BTRC, 2016). Grameenphone Ltd. has been recognized for building a quality network with the widest coverage across the country while offering innovative products and services and committed after-sales service. Now it has more than 56 million subscribers who create the revenue for GP. Customers who are main part for this organization as it is mobile connection based service as well as it creates value for customers (Grameenphone, 2015).

Grameenphone Ltd. is a leading provider of telecommunications services of Bangladesh. The company operates a digital mobile telecommunications network based on the GSM standard in the 900 MHz, 1800 MHz and 2100 MHz frequency bands, under license granted by the Bangladesh Telecommunication Regulatory Commission (BTRC) (Grameenphone, 2015). The table below gives an overview of the mobile spectrum licenses held by GP.

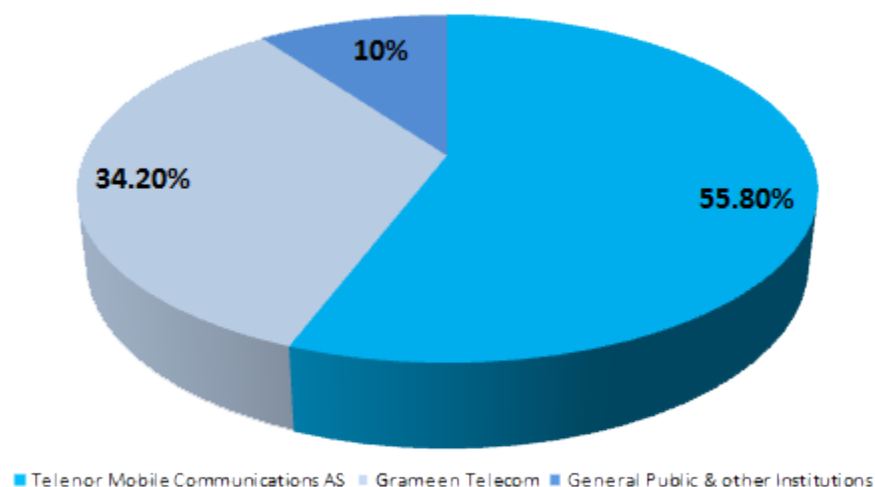


Exhibit: Shareholders of Grameenphone Ltd.

Grameenphone Ltd. serves both rural and urban customers across Bangladesh, where mobile telephony is a major driver of socioeconomic development. The company envisions providing the power of digital communication, enabling everyone to improve their lives, build societies and secure a better future for all. The company also has always been a pioneer in introducing new products and services in the local telecom market.

Grameenphone Ltd. built its network on a nationwide basis. As of December 2015, GP's network covered more than 99% of Bangladesh's population and 90% of the total land area, and the network infrastructure included more than 10,068 sites in operation around the country.

Grameenphone Ltd. has so far invested more than BDT 278 Billion to build the network infrastructure. It is one of the largest taxpayers in the country, having contributed more than BDT 465 billion in direct and indirect taxes to the Government Exchequer over the years.

Legal Form

A public listed company with limited liability. Incorporated as private limited company on October 10, 1996 and subsequently converted to a public limited company on June 25, 2007. Listed in the Dhaka and Chittagong Stock Exchanges on November 11, 2009



The shareholders

The shareholding structure comprises of mainly two sponsor Shareholders namely Telenor Mobile Communications AS (55.80%) and Grameen Telecom (34.20%). The rest 10.00% shareholding includes General Public (2.89%), Foreign (2.10%) and Other Institutions (5.01%) as of 31 December 2015.

Telenor Mobile Communications AS (TMC)

TMC is an indirectly wholly owned subsidiary of Telenor ASA. Telenor ASA is the leading Telecommunications Company of Norway listed on the Oslo Stock Exchange. TMC owns 55.80% shares of Grameenphone Ltd. Telenor's strong international expansion in recent years has been based on leading-edge expertise, acquired in the Norwegian and Nordic markets, which are among the most highly developed technology markets in the world (Grameenphone, 2015). It has substantial international operations in mobile telephony, satellite operations and pay television services. In addition to Norway and Bangladesh, Telenor owns mobile telephony companies in Sweden, Denmark, Hungary, Serbia, Montenegro, Bulgaria, Thailand, Malaysia, Pakistan, India and Myanmar (Grameenphone, 2015). Telenor has 203 million consolidated mobile subscriptions worldwide as of December 31, 2015. Telenor uses the expertise it has gained at its home and international markets for the development of emerging markets like Bangladesh. As part of the conversion of Grameenphone Ltd. from a private limited to a public limited company, Telenor Mobile Communications AS transferred ten (10) shares each on May 31, 2007 to its three (3) affiliate organizations namely Nye Telenor Mobile Communications II AS, Norway; Telenor Asia Pte Ltd., Singapore; and Nye Telenor Mobile Communications III AS, Norway (Grameenphone, 2015).

Grameen Telecom (GTC)

Grameen Telecom, which owns 34.20% of the shares of Grameenphone Ltd., is a not-for-profit Company in Bangladesh established by Professor Muhammad Yunus, winner of the Nobel Peace Prize 2006. According to the Grameenphone website (2015), 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 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 GP provides its services to the fast growing rural customers (Grameenphone, 2015). Grameen Telecom trains the operators and handles all service-related issues. GTC has been acclaimed for the innovative Village Phone Program. GTC and 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. As part of the conversion of Grameenphone from a private limited to a public limited Company, Grameen Telecom transferred one (1) share each on May 31, 2007 to Grameen Kalyan and Grameen Shakti (GP life2, 2016).

1. Mission, Objectives and Strategy

The right and contemporary use of technology is the key to the progress of a nation. Keeping this in mind, Grameenphone always brings the future proof technology in order to facilitate your progress.

The possibilities in this new world are immense and someone as bright as you should not be behind in anyway. At the end of the day, all the individual progresses accumulate to the progress of the beloved motherland.

Grameenphone promises you to bring the best of communication technologies so that you can **Go Beyond.**

Vision

The vision of the company is “We exist to help our customers get the full benefit of communications services in their daily lives. We are here to help.”

Mission

Grameenphone is the only reliable means of communications that brings the people of Bangladesh close to their loved ones and important things in their lives through unparalleled networks, relevant innovations and services.



GP Values

Values create the real scenario of a company where customer could be reliable as well as employee will be bound to obey and maintain the culture of the organization. Values are the term for giving the service where customer would be satisfied more. These are

1. Make It Easy

We're practical. We don't over complicate things. Everything we should be easy to understand and use. No waste. No jargon. Because we never forget we're trying to make customers' lives easier.

2. Keep Promises

Everything we set out to do should work, or if you don't get it, we're here to help. We're about delivery, not over promising actions not words.

3. Be Inspiring

We are creative. We strive to bring energy into the things we do. We produce should look good, modern and fresh. We are passionate about our business and customers.

4. Be respectful

We acknowledge and respect local cultures. We do not impose formula worldwide. We want to be a part of local communities wherever we operate. We believe loyalty has to be earned.

Brand Promises *Go Beyond*

The right and contemporary use of technology is the key to the progress of a nation. Keeping this in mind, GP always brings the future proof technology in order to facilitate your progress. The possibilities in this new world are immense and someone as bright as you should not be behind in anyway. At the end of the day, all the individual progresses accumulate to the progress of the beloved motherland. Grameenphone promises you to bring the best of communication technologies so that you can

Objective & Strategy

'Good Business, Good Development'



GP basic strategy is coverage of both urban and rural areas. The Company has devised its strategies so that it earns healthy returns for its shareholders and at the same time, contributes to genuine development of the country. In short, it pursues a dual strategy of “Good Business, Good Development. Serving the mass market is one of GP's primary goals. By serving the general public as opposed to niche markets, the Company plans to achieve economies of scale and healthy profits.



Exhibit: The journey of Grameenphone Ltd.

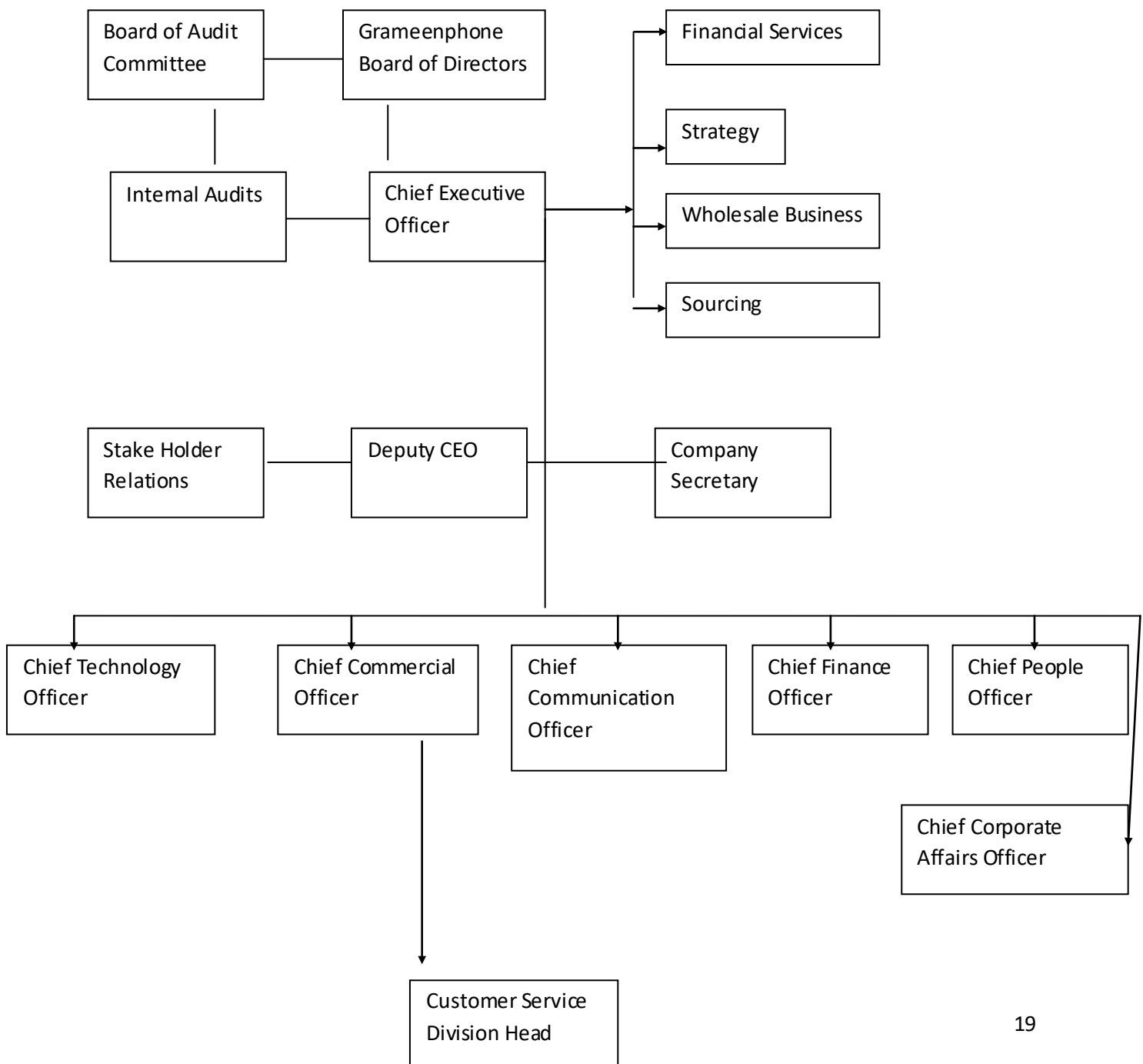


Organization Chart

Grameenphone Ltd. places a high value on human resource development and the contributions made by its employees. They persevere to maintain a productive and harmonious working environment in the whole organization.

Layers (Internal Alignments) Chart:

Exhibit: Internal position of Grameenphone Ltd.



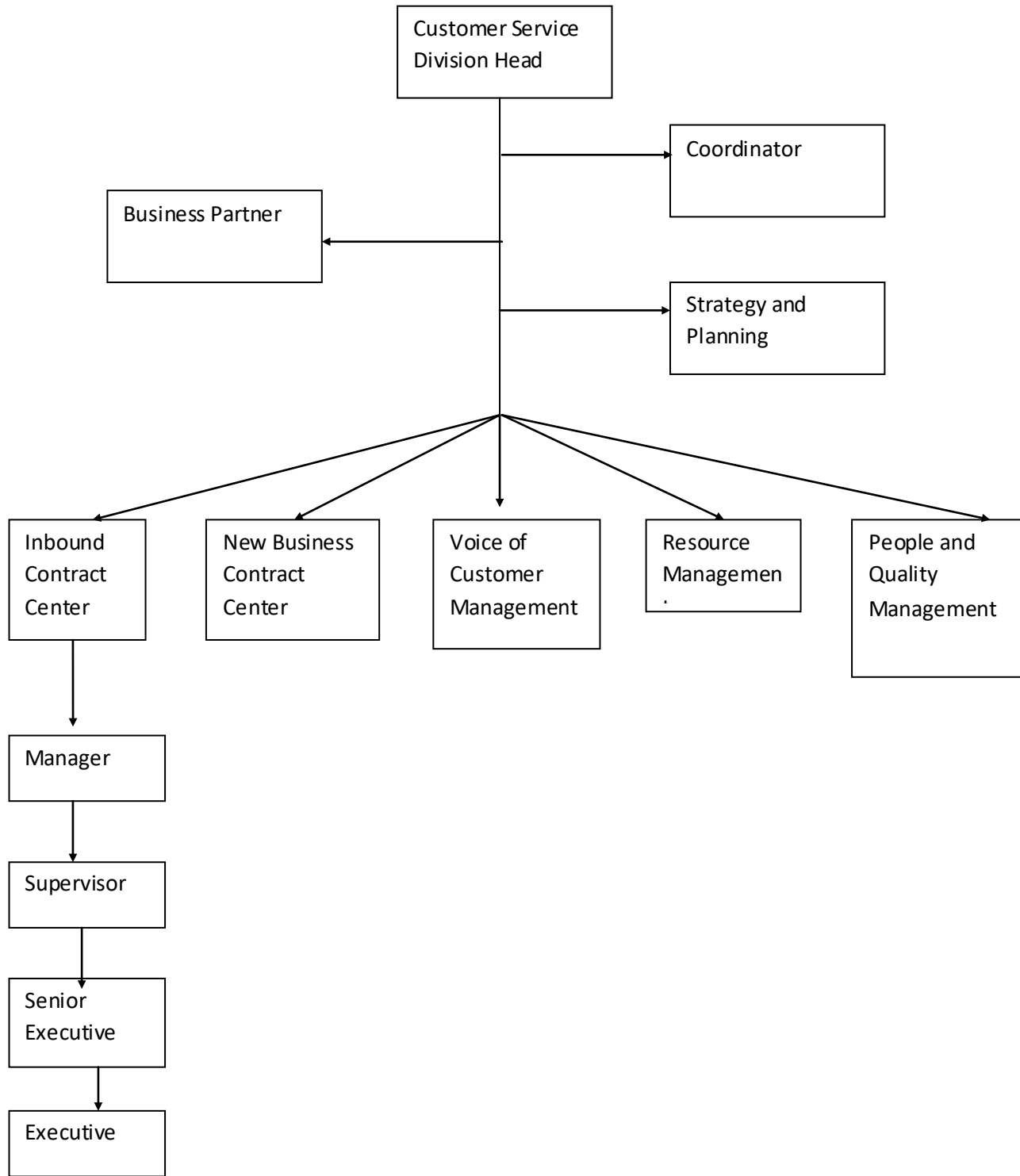


Exhibit: Alignments of Customer service and Experience



Goods and Services

GP doesn't produce any consumer goods rather it provides services to the people of Bangladesh. However, every company has some products to serve customers. Hence, GP has also the service products. We are mentioning the GP products below in a product tree.

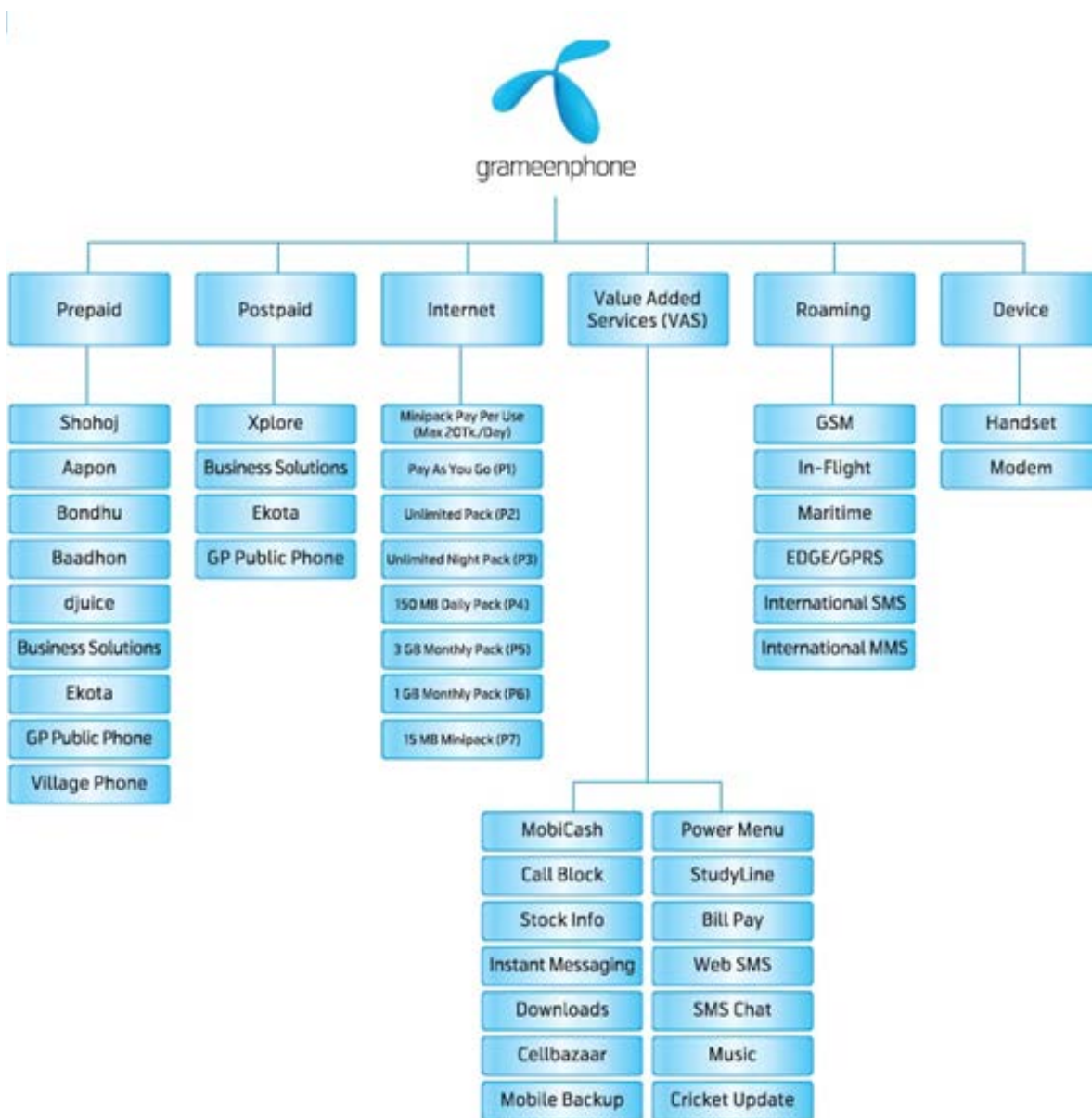


Chart: The service and product line of Grameenphone Ltd.



Chapter: 3

The Perspective of Net Promoter Score (NPS)

The main topic of the report has been discussed from the below mentioned portions.

NPS (Net Promoter Score):

The Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for measuring the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand. It refers the level of customer's satisfaction.

The Net Promoter Score, itself, is calculated based on responses to a single question: **After what type of development you likely to recommend our company/product/service to a friend or colleague?** The scoring for this answer is most often based on a 0 to 10 scale. NPS is a highly regarded loyalty metric that people at companies use to collect the customer feedback they need to inform their business strategy. It's seen by many as a better indicator of customer loyalty than traditional customer satisfaction surveys. With data becoming a commodity, there is very little to differentiate between many operators' pricing and standard data packages on offer. So operators must be able to stand apart from their competitors on service, and increasingly as operators sell more and more digital services, this service is made up of many more diverse elements. In order to get an overall view of customer satisfaction, operators

Why NPS:

- **Net Promoter Score** is an easiest tool to measure customer loyalty
- **NPS** is widely used to measure Customer's advocacy for a company
- **NPS** comes from wide research and owner is Bain & Company Ltd.
- A company's **NPS** correlates with revenue growth
- Net Promoter approach claim the score can be used to motivate an organization to become more focused on improving products and services for customers
- **Companies who are NPS leaders typically grow twice as fast as their competitors**



History of NPS:

Net Promoter Score is a customer loyalty metric developed by (and a registered trademark of) Fred Reichheld, Bain & Company, and Satmetrix. It was introduced by Reichheld in his 2003 *Harvard Business Review* article "One Number You Need to Grow". NPS can be as low as -100 (everybody is a detractor) or as high as +100 (everybody is a promoter). An NPS that is positive (i.e., higher than zero) is felt to be good, and an NPS of +50 is excellent (Satmetrix, 2003)



Net Promoter methodology has always taught that customer feedback should inspire action. Begin by reaching out to customers who take the time to share their thoughts with you and directly addressing their concerns or ideas. We call this process "closing the loop."

NPS takes the closed loop concept to the next level: smart loops. In the smart loop framework, we encourage three types of closed loops support your customer experience management and try to figure it out. Frontline closed loops, in which frontline employees promptly call customers after they have given feedback, have always been a great way to prevent Detractors from taking their business elsewhere (Reichheld, 2003). They become smart loops when you also use them chance to gather insight on root causes. These one-to-one interactions are powerful relationship builders too. Two additional smart loops build on the frontline process. A one-to-many closed loop, for action planning, engages management in overall improvements to customer experiences, while a resource allocation closed loop guides executives to engage in organization-wide prioritization (Reichheld, 2003).

NPS: The Way of working

The NPS of a company is measured in a structured way. At first, it calculates 3 main categories scorers. It specified the level of customer satisfaction as well as ranges of service action towards to the customers. It varies to the customer where it creates the way of conducting. Besides, our core task refers us to stimulate these levels according to the customer, so here we prioritize the level. Apart from invest in customer satisfaction to decrease churn and increase service revenue. For every 1% improvement of NPS we can expect approximately 0.8% decrease in churn or increase in service revenues.



- Promoters 
- Detractors 
- Passives 

Promoters: Those who respond with a **score of 9 or 10** are called Promoters, and are considered likely to exhibit value-creating behaviors, such as buying more, remaining customers for longer, and making more positive referrals to other potential customers. **Promoter = Fond of Service/Product**

Detractors: Those who respond with a **score of 0 to 6** are labeled Detractors, and they are believed to be less likely to exhibit the value-creating behaviors. Need to get back in promoters.

Passives: Responses of **7 and 8** are labeled Passives, and their behavior falls in the middle of Promoters and Detractors.

Calculation of NPS: The Net Promoter Score is calculated by subtracting the percentage of customers who are Detractors from the percentage of customers who are Promoters. For purposes of calculating a Net Promoter Score, Passives count towards the total number of respondents, but do not directly affect the overall net score.

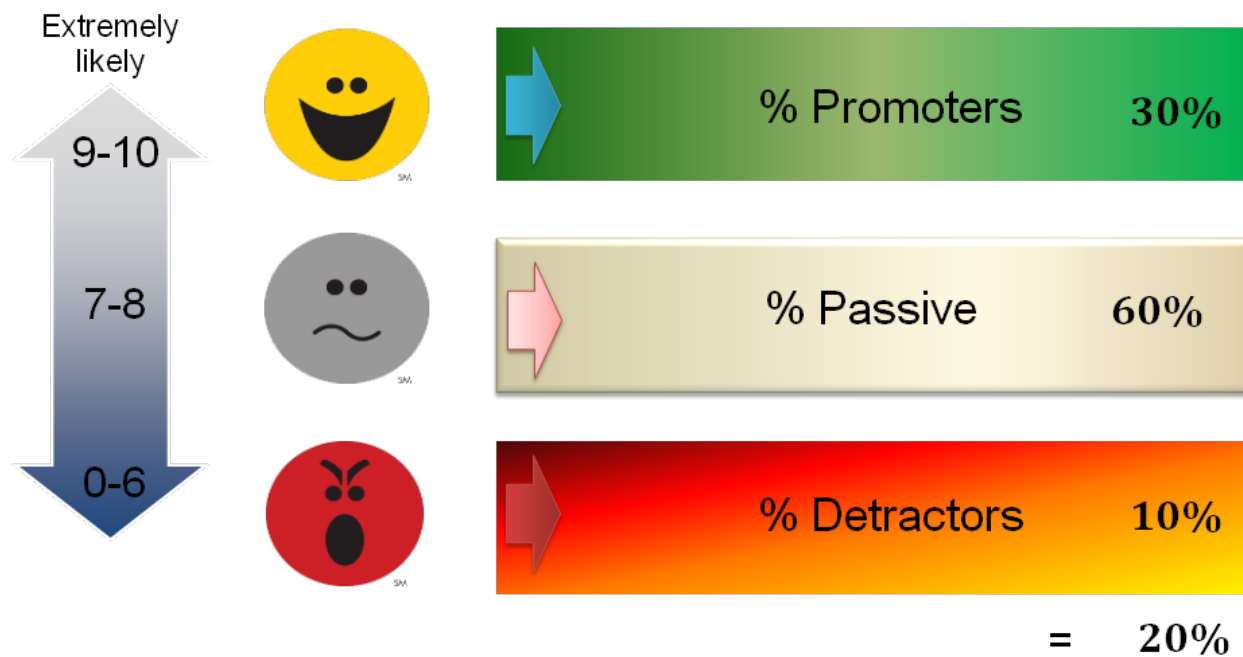


Suppose, in a company, the promoters are 30% and the detractors are 10%. So

Net Promoter Score = % OF Promoters - % OF Detractors

$$= 30\% - 10\%$$

$$= 20\%$$



Calculation of NPS of an Agent	
Total Response	21
Count of Promoter	9
Count of Passive	2
Count of Detractor	10

Percentage of Promoter	$(9/21) * 100 =$	42.85%
Percentage of Passive	$(2/21) * 100 =$	9.52%
percentage of Detractor	$(10/21) * 100 =$	47.61%

NPS (percentage of promoter - percentage of detractor)	$(42.85\% - 47.61\%) =$	-4.76%
---	-------------------------	---------------

Table: Calculation of NPS



NPS terms with GP:

As a leading company in Bangladesh, GP itself is a light holder of telecommunications and technology of our country. The company generally expects better output from the customers. There are too many loyal customers in the company. But as telecommunication is a quick changing market, there are too many rivals to the business area.

Grameenphone Ltd. is also fighting with their rivals to retain the values and reputation of the company. So the company is currently too much concerned to the NPS as it is a strong management tool which directs the way how to get customer satisfaction and grab the market.

GP was the first operator to launch NPS pilot in Asia & 2nd in Group

As NPS is a new tool of management because it was introduced at 2003, Grameenphone has started working on NPS from 2013. Within two years, the company has become the second leader on NPS after Banglalink. As Telenor is the mother company of Grameenphone Ltd., Telenor has 11 Business Units. In each country they want to be the most loved by customers by 2016.

Same for Grameenphone Ltd.:

Grameenphone doesn't want to bother customers with lots of question. They want to use the best practice used around the world, ONE simple question.

“Based on your latest interaction with GP, What is the likelihood that you will recommend GP to your Friends and Family in scale of 0-10 Where 0 is least likely and 10 is most??”

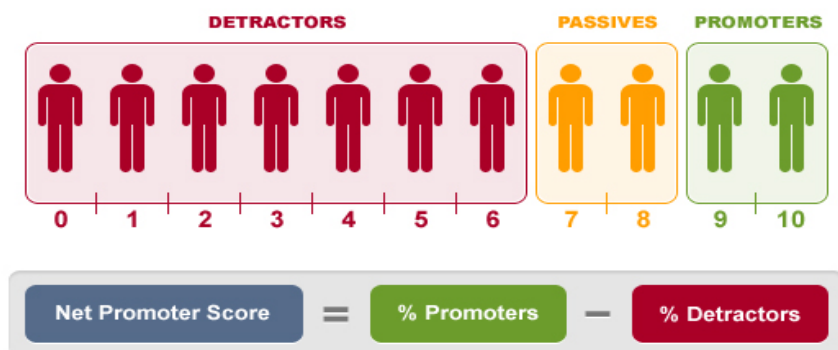


Exhibit: NPS Calculation



In the picture, we can get a bird's eye view of NPS. The 0-6 mark giving portions are Detractors, 7-8 are passive and 9-10 are promoters. The Detractors are the most dangerous for a company's growth. On the other hand the promoters are the most essential for a company's growth.

NPS cover on these points that customers give marks

Tariff
Products
TouchPoint
Internet service
Network
Others

GP to GP call rate (Tariff)
GP to other operator call rate (Tariff)
Tariff - FnF call rate (Tariff)
Charging/billing accuracy (Tariff)
Others (Tariff)
Service activation/deactivation process (Products)
SIM replacement process (Products)
Bonus and offers (Products)
Product or service quality (Products)
Others (Products)
Waiting time (Touchpoints)
Customer manager behavior (Touchpoints)
Efficiency of customer manager (Touchpoints)
Ownership of customer manager (Touchpoints)
Understanding of customer manager (Touchpoints)
Others (Touchpoints)
Internet speed (Internet Service)
Handset settings for internet (Internet Service)
Internet package rate (Internet Service)
Activation/deactivation of packages (Internet Service)
Others (Internet Service)
Network coverage (Network)
Voice clarity (Network)
Call drop problem (Network)
Others (Network)

Table: NPS measurement Criteria



Workflow of NPS in GP

When a customer calls to the customer service hotline of GP, a customer manager (CM) receives the call and serves the customer according to his requirement. The CM has to abide by some business rules and regulations given by the company as well as BTRC while giving service to the customer. The rules and regulations are known as “**Service Modality**”.

Often it is impossible to satisfy the customer because the service will break the service modality guidelines. And sometimes the customer is satisfied to the service of the CM. Within 3 hours of taking the service the customer gets a call to his GP number from where he/she gets the way to score NPS to the overall service of the CM as well as GP. The customer scores to the company as per his satisfaction level.

What customers listens when he /she scores? When the customer gets a call from GP hotline, he listens:

“**प**



The reason for scoring has been categorized under two broad categories.

- i) Reason for scoring (RFS) main category.
- ii) Reason for call (RFS) sub category.

Reason for scoring (RFS) main category: The subscriber is said in which parameter he/she has given feedback to the company. These categories are chosen by the customer by dialing number. It is categorized under:

- Touch point (GP hotline)
- GP Product
- Tariff
- Internet service
- Network
- Others

Reason for scoring (RFS) sub category: After choosing the RFS main category, the customer was asked to choose the why the main category has been chosen. The second category is called RFS sub category. The parameters are:

- Waiting time while taking service
- Behavior of the CM
- Ownership of the CM
- Efficiency of the CM
- Understanding of the CM
- Service activation deactivation
- Bonus
- Product quality
- Service quality

At the same way, the subscribers are said to choose the sub category by dialing the numbers. The NPS feedback is taken in a broad category so that the company gets a full reflection of the customer satisfaction.



Customer Managers communicate when they take feedback from the customer

After giving the score the company the customer gets a call from GP hotline. The customer Managers give a feedback call to the specific customer according to their scoring. The call is named as “NPS Feedback Call”. Each CM is allotted 30 minutes to perform feedback call.

At first, The CM calls to the customer and urges time to the customer. The approach is called **Friendly opening,**

শুভসকল গ্রামীনফোনে থেকে (X) বলছি, স্যার, আপনার ক দু-তিন মিনিট কথ বলার সময় হবে? [Good Morning, (X) is speaking from Grameenphone, Sir May I talk with you for two- three minutes ?]

After taking time the CM asks about the **Reason for call** to customer.

‘স্যার, আপনি গতকল 121 এ কল করছিলেন, এরপর 121 থেকে আপনার কাছ একট কল কর হয় যখনে আপনি শুন্যথেকে দশ এর মাঝে (..) দিয়েছেন। দয় কর বলবেন কি (..) দিয়ের কারণ কছিলি’
Sir, Yesterday you called to 121, then a call has been given from 121 where you gave (..) between zero to ten. Would you like to tell that what was the reason to give that number, please ?

After taking feedback the CM **Asks for feedback** to the service given to him as well as feedback to Gp.

At the end the CM **Sums up and makes sure the CM has understood** the conversation

Later on, The CM **ends the call**

I [**Thank you sir for your valuable time, Satry good.**]

GP uses Medallia to measure NPS & generating feedback call: GP uses software to calculate NPS. The software is called “Medallia”. **Medallia** provides Software-as-a-Service (SaaS) Customer Experience Management (CEM) and Enterprise Feedback Management (EFM) software and services to hospitality, retail, financial services, high-tech, and business-to-business (B2B) companies in the United States and internationally.



As part of a Customer Relationship Management (CRM) program, Medallia's cloud-based Customer Experience (CX) software platform captures voice of the customer feedback across Web, social, mobile, and contact center channels, analyzes it in real-time, and delivers action workflows to executive, central and front-line teams for customer satisfaction, customer loyalty, **Net Promoter scores and overall business performance.**

Medallia was founded in 2001. The founders were consulting to executives of Fortune 500 companies when they saw a direct relationship between customer loyalty and companies' commercial success, which formed their inspiration for Medallia. (GP life2, 2016)

Medallia is a closely held private company. It's headquarter is in Palo Alto, California and it also has offices in London and Buenos Aires. Recently, it has opened new offices in Sydney and Melbourne, Australia, and New York City. As of August 2014, the company has received \$105 million from Sequoia Capital in three rounds of venture funding (2012: \$35 million; 2013: \$20 million; 2014: \$50 million) (Wikipedia, 2016.)

Medallia

	MEDALLIA
Type	Private
Industry	Software
Founded	2001
Headquarters	Palo Alto, California, U.S.
Key people	Borge Hald, CEO Amy Pressman, President Douglas Leone, Board Member
Products	Customer Experience (CX) Software
Website	medallia.com 

Exhibit: Medallia Tools



The NPS practiced by the rest of the world

As NPS is a management tool, it is practiced by the rest of the world. More or less, every company uses the method of measuring customer satisfaction. Though in a narrow way, it is also practiced in Bangladesh.

The most NPS practicing company is “Coca-Cola”. The other companies practice NPS in USA are:

Insurance

Automotive

Position	Company	Score
Leading	USAA	+81
Improving	State Farm	+60
Trailing	Travelers	+28

Financial Services

Banks

Position	Company	Score
Leading	USAA	+81
Second	SunTrust	+45
Trailing	HSBC	-14

Exhibit: Different NPS score in different company

In our subcontinent, India is also a very competitive country to perform NPS with its companies. Even in Bangladesh, we experience that in many restaurants, tobacco companies and Electronics product making companies also use the strategy of NPS to measure the position of the company in the market.



The Statistical presentation of GP Customer service NPS:

As NPS is a management tool, it takes information from the customers and makes statistical presentation to measure the present customer satisfaction level.

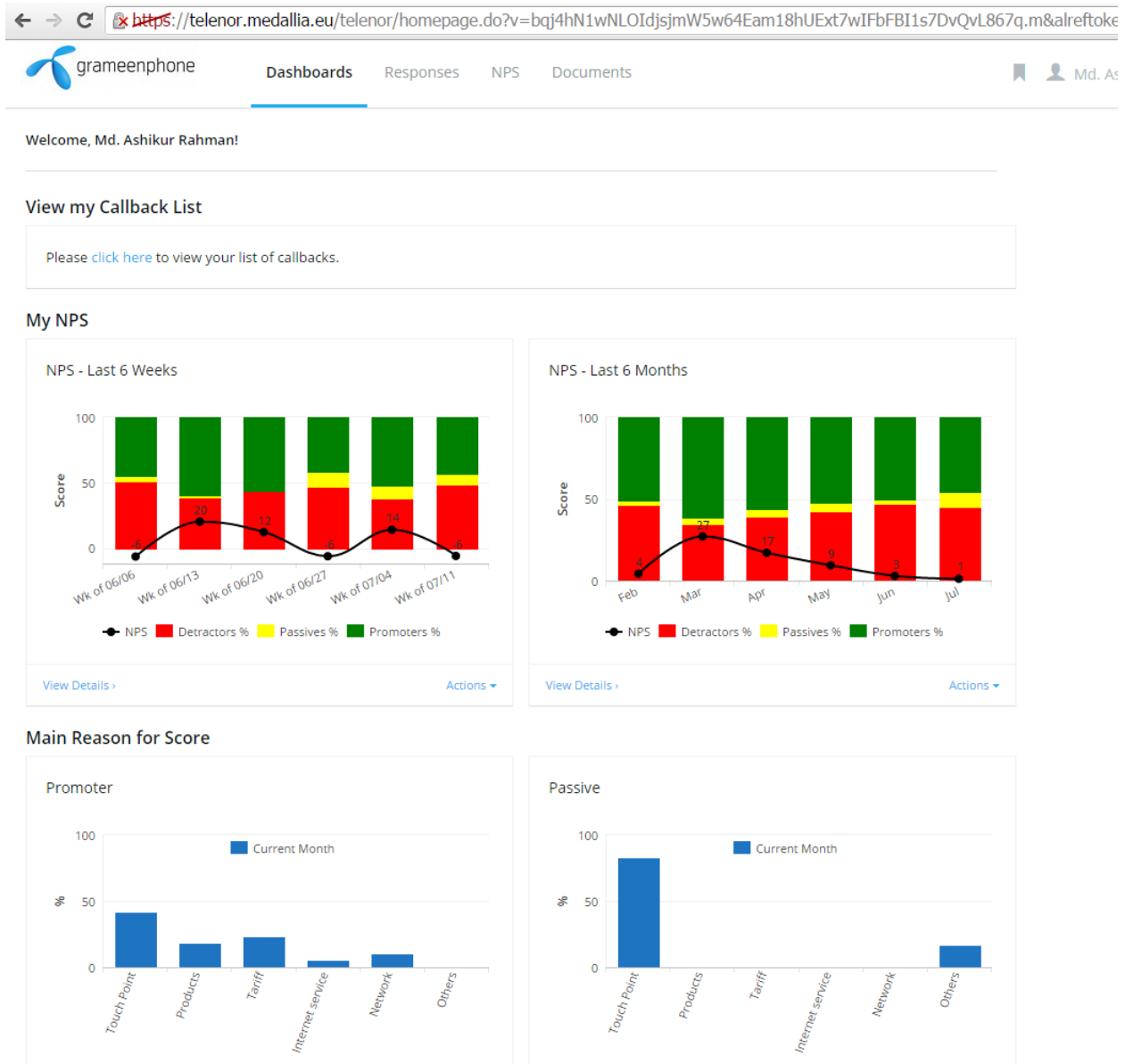


Exhibit: Overall NPS measurement

The abovementioned statistical presentation shows the NPS of last 6 weeks and last 6 months. Below it stated that main reason for score according to the level of NPS. This month is about July, 2016. Here identify the level of service that customer chosen to give marks according to the promoter and passive customer.



The Green portion shows the Promoters

The Red portion shows the Detractors

The Yellow portion shows the Passives

The black row shows the ups and downs of NPS in different weeks and months. The line shows that detractor was become less from week 5th (14) to week 6th (-6) in last 6 weeks. Besides, month ratio, line showed decreasing portion from June (3) to July (1) in detractor. So here promoters were increased as it refers the customer satisfactions were good.

Performance of RFS Main category in calculating NPS: The RFS Main category itself expresses all the requirements of the management. So they need to elaborate the data more specifically. So they use RFS Main category to clarify the data. The RFS Main category is discussed below.

July month's NPS level in different category

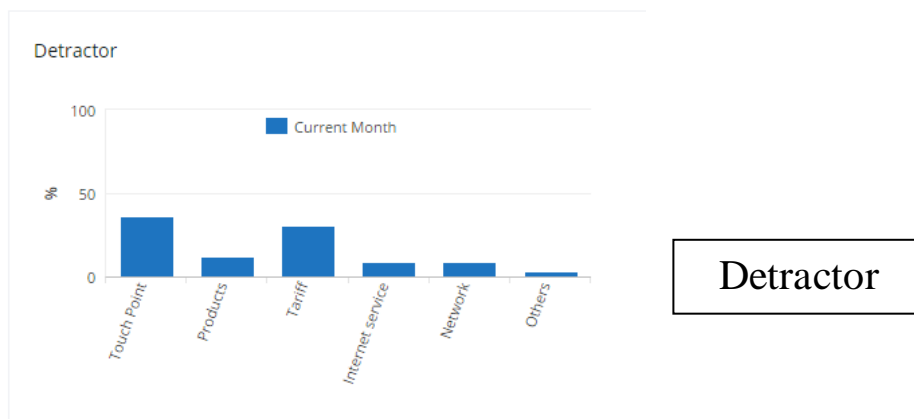
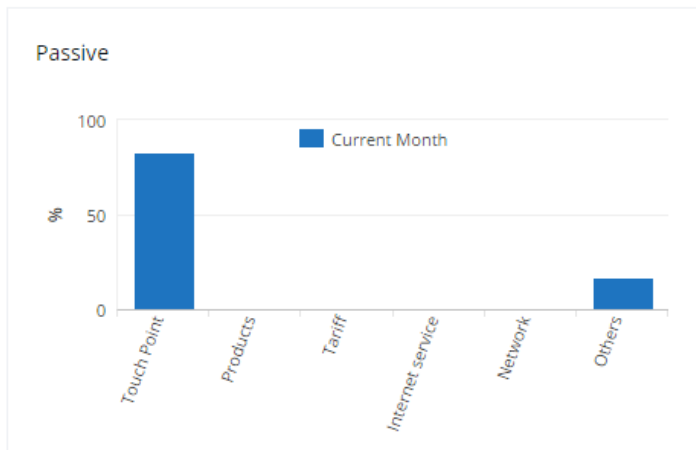


Exhibit: Detractor of current Month

This figure show that detractor were dissatisfied more with touch point or 121 service then tariff plan of GP as it should be less than present rate. So if we want to get back these detractors to promoters then we need to increase our service level with proper care and decrease our tariff plan.

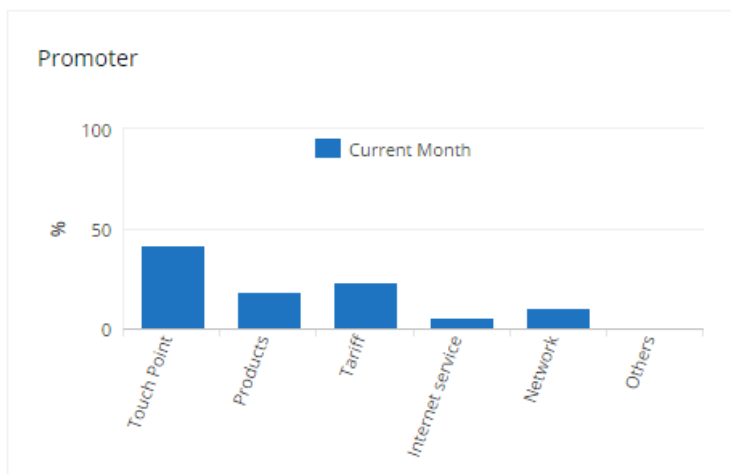


Passive

Exhibit: Passive of current month

Here this figure showed that passive customer is satisfied with service quality of 121 or touch point as they got good attitude and behavior with proper care. Though Passive customers are not the main concern in calculation NPS, the management reserves the data to communicate for better performance and knowledge sharing. In the month of July, the highest % of passive customers was for touch point. The other main categories for RFS were the same in calculating NPS.

Main Reason for Score



Promoter

Exhibit: Promoter of Current month

This figure showed those promoters are satisfied with all fields that NPS captured. So they promote the GP value's towards the others. Here all customers are concerned about more all services that declared in the graph.



The Reasons of customers quickly change their decisions in scoring NPS

From the abovementioned graph, we can see that the percentage of promoters and detractors fluctuates a lot so it is a problem to measure the yearly NPS of the company. The reason behind the quick change in NPS within two weeks may be from the customer end and from the company end. The reason from the customer end and from the company end may be

- Quickness of getting service
- Behavior of the CM while taking service
- Ownership of the CM while taking service
- Efficiency of the CM while taking service
- Understanding of the CM while taking service

Why Passives are not the main concern of NPS?

Till now, we have discussed that the NPS is calculated by subtracting the percentage of promoters from the percentage of the detractors. But the passives are not calculated. Because

- Company main concern is to make more promoters
- Company main concern is to eliminate the detractors
- The passive customer roam around the better option, so they are least likely to be promoters
- Calculating % of promoters and % of detractors are the worldwide accepted rule for calculating NPS

Besides the abovementioned reasons the company wants to demolish the below mentioned flowchart.

Bad Experience >Churn>Detraction>Bad mouth.



Comparing Individual NPS, Team NPS & Channel NPS:

The company is much updated to compare the month wise NPS report with the individual, the team and the channel how the NPS is scored. So they prepare the statistical data in Medallia to communicate it. It is shown below

Benchmark

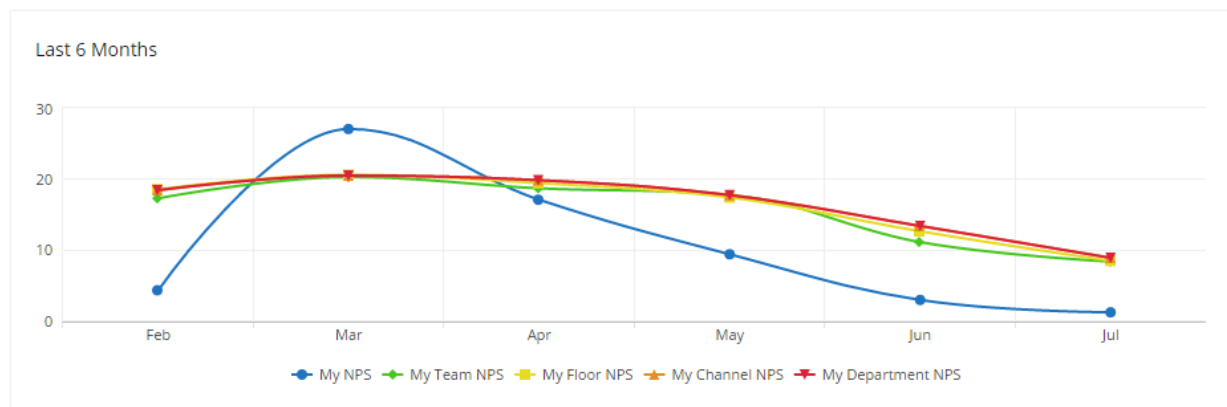


Exhibit: Benchmark of NPS of Last 6 months

Here this figure show the different level line's NPS like my own which was more in march than the others and consistently it goes down till to Month of July. It shows the below 10 and others were in 10. My team's NPS was less than others in month of June. The data is accelerating from the month of February to July, 2016. The average NPS is showing around 10 in month of July, 2016 except my own NPS.

Likewise the previous data, the individual data of NPS is interesting. It is showing that the individual NPS of a CM was the Highest in (27) in March and it became the lowest in the July (1).

Feedback



Comments from Feedback Call

Promoter Expand All

No results

Detractor Expand All

0 Date Feedback Form Completed: 28/5/2016
Feedback to Agent (inner circle) CM behavior was enough good, and got proper service. Customer ... [Read more](#)
May 25, 2016 | [Go to survey](#)

0 Date Feedback Form Completed: 28.5.2016
Feedback to Agent (inner circle) 121 CM behavior was Good. He claimed that CM was new as CM took ... [Read more](#)

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Exhibit: Comments of Detractor Feedback call

The feedback is kept in inner circle out outer circle as this figure shows that detractor gave 0, and CM kept the reason of giving this score. Due to this step the backend or concern team would work on it and bring the new process or change the service level.

NPS Table

All Ashikur Rahman, Md. Units - Global Reporting Date: Last 7 days to date (16/07/16 - 22/07/16)
Customer Segment: Touch Point - Customer Segment 2: All Customers - Benchmark: All Results - Calculation: NPS

Department:	All	Timeperiod:	Last 7 days to date (16/07/16 - 22/07/16)	<div style="background-color: #007bff; color: white; padding: 5px; display: inline-block;">Run</div> or Reset
Channel:	All	Customer Segment:	Touch Point	
Floor:	All	Customer Segment 2:	All Customers	
Team:	All	Columns:	Days	
Agent History:	Ashikur Rahman, Md.	Benchmark:	All Results	
Agent:	All (1)	Calculation:	NPS	

	17 Sun	18 Mon	19 Tue	20 Wed	21 Thu	22 Fri	23 Sat	Total Last 7 days to date (16/07/16 - 22/07/16)	Benchmark All Results
<i>Sample Size (Red = less than 75)</i>	5	1	0	0	0	0	0	6	6
NPS									
Likelihood to Recommend Score	20.0	100.0	-	-	-	-	-	33.3	33.3 -

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Exhibit: NPS Table



This figure refers the NPS table that we identify our customers who have given which number. The amount of feedback is given here and total individual score is point according to the customer marking.

The practice of NPS for Bangladesh

NPS is what we said, a strong management tool to measure the level of customer satisfaction of a company. Grameenphone is also a competitive company to use a newer form of managerial tool to make great changes to the customer service. But as we know, most of the people of our country are not up to that mark of literacy to measure or to justify the company service level and to be a promoter or detractor of the company. Are we getting the real customer feedback to measure NPS?

There are some threats to perform NPS in our country.

- Our countrymen are not so educated to score NPS for a company.
- The users of GP are mostly rural people
- The people are still unaware of NPS
- The company must follow the rules given by the government which directly conflicts with customer service
- The technological advancement is not up to the mark to satisfy the customer with real time solution
- The software/system used by the company may hamper to give customer service which interrupts flawless customer service
- The requirement of all customers can not be fulfilled at a time
- Sometimes the satisfied customers cannot understand what to do in time of scoring
- Dissatisfied customers also can't understand while they get a call to score NPS.



Chapter: 4

Findings

Necessity of NPS for a company: NPS is a management strategy to measure the performance of the company. The satisfaction level of the company is justified by the NPS score. NPS is necessary tool to customize the satisfaction level. As customer manger we have to understand the real problem of customers and work with that point so that we could overcome on the basis of customer satisfaction. Though it is challenging but we have work on it to analyze and find out the core point. The main reasons why NPS is performed are:

- It's the Simple and quick method of ensuring customer satisfaction level
- It can be quantified within a simple steps of calculation
- It is Widely known as the standard for measuring and improving customer loyalty
- It is a yardstick to measure and track the performance internally and against external NPS benchmarks.
- It helps to understand how to compare against the competitors
- It helps to make internal changes
- Promoters account for 80 percent of referrals in most businesses.
- Detractors account for 80 percent of negative word-of-mouth.
- Promoters generally defect at lower rates than other customers, which mean that they have longer, more profitable relationships with a company.
- On average, an industry's NPS leader outgrew its competitors by a factor greater than two times.
- NPS gives the metrics to better effectively measure customer satisfaction so that it can be increased
- NPS 'closes the loop' by encouraging customers to leave additional feedback based on their score
- NPS Reduce customer churn
- It drive revenue growth and boost customer lifetime value



Analyzing: Criticism of NPS

However, NPS has some criticism for which many analysts think that it is unnecessary to measure the customer satisfaction. If the company is satisfactory enough, the customer will automatically be promoters. So it is not mandatory to spend more money to continue NPS. The criticism behind it is noted below:

- NPS does not provide proof of a causal connection between NPS and growth
- NPS does not add anything compared to other loyalty-related questions
- NPS performs worse than satisfaction
- NPS uses a scale of low predictive validity
- Culturally-insensitive
- Less Accurate than Composite Index of Question
- Fails to Predict Loyalty Behaviors "Recommend intention alone will not suffice as a single predictor of customers"
- Customer Satisfaction - The customer experience through the customer's eyes
- Fails to Predict Loyalty Behaviors
- Performs Worse than Satisfaction & Liking Questions
- Customer Feedback Professionals Do Not Believe the NPS Claims
- It's not a good motivator
- Net Promoter Survey is just a hypothetical situation/question
- Stop asking "would you recommend...?" Get a better question
- Net Promoter Response Bias

From the abovementioned discussions we can say that NPS is neither a bad practice of measuring customer satisfaction. There are some drawbacks of it but overall it is the newer form of management of a company. And besides to educate people & to directly communicate with the customer it is important to take feedback from the customers.



Chapter: 5

Recommendations

From the report we can get extensive knowledge about Grameenphone Ltd. & Net Promoter Score of GP. Grameenphone always care about customers and maintain the service process line. But sometime authority fails to accomplish the demand and meet the demand of customers. Actually authority should understand the core thought of customer and process should be change accordingly. For example, customer doesn't need promotional sms offer but daily or many times they get these types of promotional offer which create disturbance. So they complain to stop those sms service. So there need to concern about service that what actually given to customers and what is the demands. Satisfaction comes with strategically and need to change the service structure. The successful completion of the report has given the following recommendations:

- NPS is a powerful management tool, it must be used in a proper manner
- Customers must be educated about NPS and the importance in an organization
- Diversified format of NPS in different companies must be introduced
- The companies must look after the issues where the customers are complaining
- To retain better NPS must be the motto of the companies
- Successful NPS competitions can give better growth to the company, so look after the issues.
- The government must eliminate some hard procedures so that the companies can satisfied the customers
- Rivals must communicate with each other to give better customer service and perform better

Companies of the countries like Bangladesh are developing and they are the newer performers of the market. So they must follow the newer form of management to get the full benefit from the customer. Therefore management should work properly to gain the customer satisfaction properly and customer is for revenue generate. Think twice to impose anything in the market like what would be the ultimate value of the service that given to our core customers. If customer satisfies then the service level will be measured properly.



Conclusion

The world is a village and the countries of the world are like the houses of the village. Everything has been possible by the touch of Globalization. The competitive market is craving for the triumph of excellence in the competition. Keeping that in mind, the management of the organizations has created newer form of managing the firms. Newer tools have been invented. And the practice of those tools has made the situation of the particular company easier and analytical. NPS is such a tool & a creation of modern management. It paves the way to measure the current customer satisfaction level as well as the overall performance of the company. The “Close Feedback Loop” team has the opportunity to work with the customer feedback and eliminate the drawbacks of the particular arena. So the company can eliminate the weakness and can be a competitive one in the market. And all these are happened by the help of NPS. As soon as the customer gives a feedback on an issue of a company such as network infrastructure/ internet service or tariff, the company can work on that. And generally they can overcome the problem and can give the service what the customer wants. It also helps the company to beat the rival companies. It is also experienced that the company having better NPS has twice the revenue amount than the company having lower NPS. Besides if the service guideline provided by the company followed by the employees properly, it will yield to a better NPS. But sometimes it is quite impossible to serve customer and make him satisfied. It is very tough to make a promoter and to retain him.

A customer can be dissatisfied very easily but it is really tough to make him satisfied. And to retain the satisfied customer is also tough because the rivals want to grab the promoters of the other companies. And if the promoters of a company can be satisfied at anyhow, they will remain with the new company. So to retain the better NPS is harder & more important than to have the better NPS.



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