



Internship Report:

“Consumer Perception towards Bulk SMS for the Marketing of Various Products/Services of Robi Axiata Limited.”

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On

“Consumer perception towards Bulk SMS for the marketing of various products/services of Robi Axiata Limited.”



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Letter of Transmittal

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Mr. Ahmed Abir Choudhury

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Subject: Submission of Internship Report.

Dear Sir,

With great pleasure I submit this research paper that was assigned to me as an important requirement of BBS program at BRAC University. My topic was on the ‘Consumer perception towards Bulk SMS for the marketing of various products/services of Robi Axiata Limited.’. The research paper has been completed by the knowledge that I have gathered from my 3 months internship at Robi Axiata Limited in the Market operation departments VAS team.

I have tried my level best to complete this research paper meaningfully and correctly, as much as possible. I do believe that my tiresome effort will be visible to you after reading the research paper. However, if you need any assistance in interpreting this research paper please contact do me.

Thank You

Best Regards,

Fahadul Islam Antu

(ID#13204021)

Acknowledgment

First of all, I would like to express my sincere gratitude to Mr. Ahmed Abir Choudhury, Lecturer, BRAC Business School, BRAC University for providing me detailed guidelines and advices on this research paper. He gave me clear guidelines to make this study as flawless as possible. His guidance and discussion helped me to understand the research activity and analyze it properly. He successfully made me realize the importance of this report in my future endeavors which helped me to get more motivated. I am also thankful and acknowledged to my supervisor Shahana Parvin Shikha, Manager, Business Operation|Market Operation, VAS team, Muhammad Raquibul Basher, along with Mohammad Rafiqul Islam of Robi Axiata Ltd., for their direct help, suggestion, and assistance in helping me understand various aspects of Bulk SMS to complete this report. I am also thankful to each and every single respondent who cared enough to take part in the survey and helped to complete the research successfully. Without their participation it would not have been possible. We have also thoroughly enjoyed while working on the research paper and hope the project is appreciated.

I would also like to thank the authority of Robi Axiata Ltd. for helping me by giving an opportunity to work with them.

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Abstract:

The development of Bulk SMS marketing by operators to reach out to their customers regarding various products and services in Bangladesh is eye catching. The aim of this research is to get the insight of the consumer's perception on Bulk SMS marketing by Robi Axiata limited for their products and services focused towards Robi users. I have identified three major variables that lead to consumer perception on Bulk SMS marketing through secondary research and the survey questions were developed based on that. The variables are increased frequency of Bulk SMS, age relation towards bulk SMS and message relevance to the individual consumers, also one dependent variable which is consumer perception. This research found that increased frequency and age of the consumers are the two dominant factors that have a greater influence on Consumer perception towards Bulk SMS for the marketing of various products/services of Robi Axiata Limited.

Company Background:

Robi started its journey in 1997 as Tlekom Malaysia International (Bangladesh) with the brand name 'Aktel'. In 2010 the company was rebranded to 'Robi' after Ak Khan and company sold their 30% share to Japan's NTT DOCOMO while the remaining was owned by Axiata Group. Than in 2015 the announcement of Robi merging with Airtel Bangladesh Limited came to light and finally in 2016 both the companies officially agreed to merge (Robi Axiata Limited, 2017).

Now the merged company is known as Robi Axiata Limited is a joint venture of Axiata Group Berhad of Malaysia, Bharti Airtel Limited of India (Bharti) and NTT DoCoMo Inc. of Japan (NTT DoCoMo). The entity 'Robi Axiata Limited' merged with Bharti's operation in Bangladesh, 'Airtel Bangladesh Limited', in November 2016 to form the new entity where Axiata holds 68.7% controlling stake, Bharti 25% while the remaining 6.3% is held by NTT DoCoMo (Axiata Group, 20017).

The merged entity is the second largest mobile operator in Bangladesh with 33.8 million active subscribers. It provides the country's widest network coverage, covering 99% of the population with 9,295 2G and 5,192 3.5G sites (Axiata Group, 20017).

Robi is the first operator to introduce GPRS and 3.5G services in Bangladesh. The Company has introduced many first of its kind digital services in the country and has invested heavily in providing mobile financial services to underserved communities in rural and semi-urban areas.

Introduction:

Bulk SMS is one of the most important tool for telecommunication operators to directly reach out to their customers regarding various types of information. It is cost efficient, easy to use and gives quick access to the consumer base. Short messaging service (SMS) is a text message sent from one mobile device to another. So, Bulk SMS is sending a text message to a large number of recipients (Dawson, 2015). The file that includes these large numbers of recipients is known as 'Base'. Although many research has been done regarding SMS marketing which are in the broader perspective very few are focused towards specific telecom operators. Since during my internship part of my job responsible is Bulk SMS configuration for my team which made me realize that we lack consumer insight towards Bulk SMS marketing. I believe that this research will be able to give:

- Clear insights and dynamics of Robi subscribers for better and proper execution of Bulk SMS.
- The primary and most important attributes of Bulk SMS according to Robi subscribers.
- Finding the necessary factors which will need to be adjusted or enhanced in order to influence consumer thoughts and actions through Bulk SMS.

The findings of this study may be used by the telecom operators as well as by the other parties looking to reach customers through Bulk SMS, to develop and make appropriate changes in their strategies. It will also help consumers better understand network operators processes of reaching consumers which will intern improve their decision making towards products/services advertised through SMS . All of which will lead to a quality full and customer-driven Bulk SMS marketing.

Limitations and Scope:

In my research because of the small sample size compared to the quantity of survey questions there is a high probability that the results were not proper representation of the actual situation. Because of the large quantity of questions most of the responses for the questions at the end seems muddling which might have influenced the results from representing actual situation. Also the matter of time and resource constraints needs to be considered. Another factor that needs to be mentioned is that, although a lot of research has been conducted on Bulk SMS marketing but very little research has been done focused on a single operator based on few important criteria's gathered from literature review that I have done. So, I would recommend that more research needs to be carried out on various important factors such as education level, economic status and geography.

Literature Review:

Frequency of Bulk SMS:

Every day several SMS regarding various products/services are sent from Robi to millions of their customers which lead to single customer getting multiple SMS a day. More specifically in this study it means number of times operator touches each of their customer's whit their messages. It is one of the major reason Bulk SMS via mobile operators has become undesired by customers (Fuller, 2005). Sometimes it might be that consumers are using their devices for something important and multiple messages by

operators can hinder their work at the time. Increased frequency of Bulk SMS takes up more device memory which may disturb the recipient and lead to deleting the messages without reading them (Mansour, 2012). There should be consideration for the consumers to what number and type of SMS they get. Also there should be some control in place by the operators to over the number of SMS consumers receive depending on what products/services they desire. If consumers are constantly being bombarded by the Bulk SMS they might consider switching operator (Carroll, J. Barnes, Scornavacca, & Fletcher, 2007). So, from various research studies it could be said increased frequency of Bulk SMS customers get irritated towards their sender in this case their operator.

Hypothesis 01:

H₀: Increased Frequency of Bulk SMS has no impact on consumer choice of Robi services.

H₁: Increased Frequency of Bulk SMS has negative impact on consumer choice of Robi services.

Age Relation:

Mobile phones users consist of diverse age group both young and old use Robi SIM for communication and various services. Young people are constantly on their mobile phones (Scharl, Dickinger, & Murphy, 2005) using them not just for communication but also for various aspects of their life. They are more comfortable in getting Bulk SMS for various products/services as the use their mobile devices for various aspects of life so they naturally would want to be informed about the offers by their operators (Robins, 2003). And since older customers are not as engaged as the younger customers regarding various features offered by their operators it can be assumed that they are less interested in getting SMS regarding different services offered by their operator (Javeed, 2015). Taking these claims in to consideration it can be said that young people show more satisfactory attitude towards Bulk SMS by their operator than older people.

Hypothesis 02:

H₀: Age has no relation in terms of attitude towards Bulk SMS.

H₁: Young people show more favorable attitude towards Bulk SMS than Older folks.

SMS Relevance:

SMS relevance means that messages that are fit and attractive to the consumers and since, mobile phones are personal objects operators can specifically address the targeted group, as well as recognizing their social context, individual preferences, time, and location for sending Bulk SMS (Bamba & Barnes, 2007). It means that messages can be tailored to the customer's desired products/services, only sending SMS to large volume without considering customers wants and needs will cause dissatisfaction which might lead to switching operator (Rittippant, Witthayawarakul, Limpiti, & Lertdejdech, 2009). Robi has a system through which it is possible to know which customer is using what kind of products/services provided by Robi and it helps to target those customers with Bulk SMS about similar products or services that they might be interested in. For example you have subscribed for Robi TV so now you will get SMS regarding Robi TV but also Robi screen and other video on demand related services or products.

Hypothesis 03:

H₀: SMS relevance has no relation towards consumer perception of Bulk SMS.

H₁: SMS relevance has positive relation towards consumer perception of Bulk SMS.

Consumer Perception towards Bulk SMS:

After discussing the above factors, now they can be related to consumer perception. Because of those factors customers will have either a positive or a negative perception towards Bulk SMS marketing by their operator. Like for example: a customer who gets more frequent SMS on daily basis about the same products or services will probably be annoyed by these increased frequency of bulk SMS by his/her operator. Especially older consumers who are not accustomed to using technology as easily as young people will most likely be dissatisfied with the constant bombardment of SMS. As going through many articles regarding bulk SMS it is seen that, for SMS advertising to be effective the text should be attractive, relevant and informative and explicit permission is essential. Also the industry participants should address the customer relevant, requested and interactive content for bulk SMS marketing to be effective and lucrative (Kavassalis, Spyropoulou, Drossos, Mitrokostas, Gikas, & Hatzistamatiou, 2003). So, operators should consider consumer perception in order to get the most benefit from their bulk SMS marketing while being careful about not annoying the consumers so much that they are forced to change the operator.

Methodology of the Study:

A sample of 122 respondents was reached through online survey where 89.3% (109) were Robi users. Among those users most were in Dhaka region and are mostly comprised of students. The assumptions about the respondent were that, all of them had the knowledge or experience about bulk SMS marketing from their operator which will help to gauge their perception. The questioners were composed of 5 point based likeart scale and some screening questions. The survey was online based which was done on Google forms.

Analysis and Findings from the Data:

The analysis was done on the Statistical Package for the Social Sciences (SPSS) software where quantitative data were inserted to generate regression which has been used to interpret the data. I have used 5 point likeart keeping a neutral position in the respondent's decision so that a decision is not forced upon the respondents. Linear regression method was applied to find out the correlation between the hypothesis and the data gathered from the respondents.

The result of the hypothesis test shows that one hypothesis (H2) has failed to reject the null hypothesis that has failed to meet the requirement of having a lower significance rate than 0.05.

Hypothesis	Casual Path	Standardized Coefficient (Beta)	Significance	Result
H1	Increased Frequency of Bulk SMS → Consumer Perception	-.260	.009	Significant
H2	Unfavorable attitude of older Consumers → Consumer Perception	.110	.330	Non-significant
H3	SMS relevance → Consumer Perception	.350	.001	Significant

Table: Summery of Hypothesis Test's Result

The other two hypotheses (H1= 0.009; H3=0.001) have met this condition as they all have less than 0.05 of significance. So, it can be said that null hypothesis in hypothesis one and hypothesis three has been rejected which means both of the alternative

hypothesis have been accepted. Therefore, Consumer perception towards Bulk SMS for the marketing of various products/services of Robi Axiata Limited has a negative effect on H1: Increased Frequency of Bulk SMS and positive effect on H3: Bulk SMS relevance.

Interpretation and Recommendation:

The objective of this study was to determine the primary and most important attributes of consumer perception towards Bulk SMS marketing of Robi Axiata Limited. Also it will help to determine the current position in consumers mind towards bulk SMS marketing of Robi Axiata Limited. In addition finding the necessary factors which will need to be adjusted or enhanced in order to influence consumers effectively without creating discomfort for the users and gain clear insights and dynamics of Robi subscribers for better and proper execution of Bulk SMS.

The findings of this study suggests that according to the hypothesis relating to increased frequency of bulk SMS, if operator can reduce the number of SMS a person gets it will increase their satisfaction level which will lead to not deleting SMS from operator without reading them. In the second hypothesis, although age has no relation towards consumer perception towards bulk SMS various research has found that favorable attitude of younger people towards bulk SMS marketing is higher than older people so operators should target those young customers more by creating a data base separately for both young and the old. In the third hypothesis, SMS relevance based on consumer preference needs to be updated on regular basis by not offering same product/service over and over again even after the change of consumer preference.

Conclusion:

The findings of this study may be used by the existing telecommunication industry as well as by the Bulk SMS marketers to develop and make appropriate changes in their market strategies. It will also help in improved decision making regarding goods and services in order to retain current customers and attract new customers. Even the customers will be benefitting if the industry considers the findings of the study. All of which will lead to a quality full and customer-driven Bulk SMS marketing by the operators.

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APPENDIX

SPSS Output:

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.428 ^a	.183	.160	.999

a. Predictors: (Constant), R_Mean, F_Mean, A_Mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	2.211	.452		4.897	.000	1.316	3.107
	F_Mean	-.346	.131	-.260	-2.646	.009	-.605	-.087
	A_Mean	.166	.169	.110	.979	.330	-.170	.501
	R_Mean	.489	.145	.350	3.383	.001	.202	.775

a. Dependent Variable: CP

Questionnaire:

1. Are you a Robi SIM user? * Mark only one oval.

✓ Yes

✓ No

2. For how long have you been using Robi SIM? * For example: 2 years

3. What is your Occupation? * Mark only one oval.

✓ Student

✓ Jobholder

✓ Businessman

✓ Other: _____

4. Which District do you belong to? * For example: Dhaka

5. On average how many SMS do you get from your operator in a day? *

For example: 2

6. Please mention your age below: *

Statements on Various Components of the study.

Here, Strongly Agree =1 and Strongly Disagree = 5

7. Your level of irritation increases with the number of SMS. * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

8. You feel that the frequency of SMS from Operator is more than it should be. * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

9. Increased frequency of Bulk SMS makes you want to change to a different operator. * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree

Strongly Disagree

10. You do not mind receiving more frequent Bulk SMS from your operator.

* Mark only one oval.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

11. Your attitude towards bulk SMS is affected by your age. * Mark only one oval.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

12. Older people ignore more SMS than young people. * Mark only one oval.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

13. Age has no relation in attitude towards Bulk SMS. * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

14. The SMS that you get is relevant for your age. * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

15. Your operator gives you the opportunity to decide what SMS you get about products/services? * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

16. You get relevant SMS from your operator for product/services as per your need. * Mark only one oval.

- Strongly Agree

- Agree
- Neutral
- Disagree
- Strongly Disagree

17. Operator is aware of your need regarding products/services. * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

18. Most of the Bulk SMS that you get are irrelevant for you. * Mark only one oval.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

19. Rate your satisfaction level with Robi regarding Bulk SMS. *

(Give any number from 1 to 5 where Very positive =1, Very Negative = 5)
