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Does Grameen Phone Need to Rethink Promoting Its Value Added Services for Users of Sylhet in Bangladesh?

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ABSTRACT

Bangladesh has one of the fastest growing consumers in mobile communication sector and Grameen Phone Ltd. is standing in top position. Value-added services (VAS) help mobile phone operators go beyond typical voice services to earn more revenue. This paper identifies 69.3 percent Grameen Phone (GP) users belong to 21-30 age group, 57 percent users are student, 58 percent is using smart phone while almost 48 percent is using Nokia as preferred cell phone brand. 44 percent users are using GP more than six years while 38 percent users spent Tk. 501 – 1000 per month. Almost 47 percent users got informed about VAS via GP's bulk SMS and 21.2 percent via newspaper. From plenty of VAS, SMS (33 percent) and call waiting/hold (52 percent) are used a great deal by the users. The study depicts significant and strong positive association with users' age and usage (Tk.) per month, and users' profession and call conference and opera mini.

Keywords: Grameen Phone (GP), Value-Added Services (VAS), Percentage, Correlation, Chi-Square Test.

INTRODUCTION

In Bangladesh, value-added services (VAS) were basically introduced by the short message service (SMS). But now a day, VAS has spread and people can even get emergency help from the telecom operators.VAS helps operators go beyond typical voice services to earn more revenue. According to government data, about 90 percent of total internet use in the country is through the mobile network.

Table I: Mobile phone subscriber in Bangladesh

Operators	Subscribers (in millions)
Grameen Phone Ltd. (GP)	51.50
Banglalink Digital Communication Ltd.	30.90
RobiAxiata Ltd. (Robi)	25.30
Airtel Bangladesh Ltd. (Airtel)	7.51
Teletalk Bangladesh Ltd. (Teletalk)	3.87
Pacific Bangladesh Telecom Ltd. (Citycell)	1.29
Total	120.35

Source: BTRC, as on December 2014

Table II: Internet subscriber in Bangladesh

Category	Subscribers (in Millions)
Mobile internet	42.17
ISP + PSTN	1.24
WiMAX	0.233
Total	43.64

Source: BTRC, as on December 2014

Table III: Mobile-Cellular subscribers per 100 populations

South Asia	Per 100 population			% change per annum
	2000	2008	2012	2008-2012
Afghanistan	0.0	26.5	53.9	19.5
Bangladesh	0.2	30.7	63.8	20.1
Bhutan	0.0	36.1	74.7	19.9
India	0.3	29.1	68.7	23.9
Nepal	0.0	14.5	52.8	38.1
Pakistan	0.2	52.6	66.8	6.2
Sri Lanka	2.3	54.1	95.8	15.3
Maldives	2.8	141.6	172.8	5.1

Source: Statistical Yearbook for Asia and the Pacific 2013

Table IV: Internet users per 100 populations

South Asia	Per 100 population			% change per annum
	2000	2008	2012	2008-2012
Afghanistan	-	1.8	5.5	31.2
Bangladesh	0.1	2.5	6.3	26.0
Bhutan	0.4	6.6	25.4	40.4
India	0.5	4.4	2.6	30.2
Nepal	0.2	1.7	11.1	59.3
Pakistan	-	7.0	10.0	9.2
Sri Lanka	0.6	5.8	18.3	33.3
Maldives	3.8	34.4	45.1	7.0

Source: Statistical Yearbook for Asia and the Pacific 2013

LITERATURE REVIEW

In Bangladesh due to increase in the mobility and the emerging complex business environment people are moving from one place to another. Therefore, they want to talk with the connected people for taking the right decision at the right time during their movement. So in a country like Bangladesh where the land line is very hard to come by most of the consumers now a day's depend on cell phone to communicate with each other [7].

The people of Bangladesh are now dreaming of a digital Bangladesh. Faster development of telecommunications network coupled with improved quality of service in line with the national development is a must for the fulfillment of the vision and aspiration of digital Bangladesh and also to take her to a position of honor in the community of nations in the 21st century. Mobile phone operators have been playing an important role in this regard [8].

The last decade has brought the first wave of the truly mobile generation which is built around mobile phones, short messaging service (SMS), and portable electronic assistants. But now there is strong evidence to suggest that there is an even bigger wave to come driven by the increasing worldwide technological trend towards mobility and technology integration [9].

Bangladesh is one of the fastest growing cell phone markets in the world. Major network companies are providing the operators in Bangladesh with low-cost offers, in an attempt to reach a new segment of the population that previously was unable to afford cell phones. The cell phone sector is a boon to industrial development in the

country. Within 10 to 15 years it may contribute as much to the economy as the garment industry, and Bangladesh will most likely head towards being a middle level income country [3].

In the year of 2008, Mobile content had a market of more than Tk. 600 crore, which contributed Tk. 296 crore to the government in taxes in Bangladesh. The most common services that most operations give include SMS, MMS, mobile internet, missed call alert, call block, voice mail service, Flexiload services, music, dial and ring tone downloads, back up contacts, breaking news, emergency health service, mobile money transfer or mobile wallet and so on [1].

In 1997, only three out of the country's 64 districts were under mobile network coverage, which reached 30 in 2000, 61 in 2004 and now all districts are under the wireless network. In 2010, telecom sector contributed 10 percent of the country's total revenues [2].

In Bangladesh's mobile telecoms industry with average revenue per user (ARPU) at $3, the numbers are closely following India, which has the lowest ARPU in the world. 80 percent of the Bangladeshi population still lives in rural areas. The average monthly servicing cost for a rural user is around 25 percent higher than for an urban one. Rural areas, partly because of their remoteness, commonly have a greater dependence on mobile communications for being connected, a greater need for channels to deliver them all range of services and goods [4].

Access to data services encourages local content, allowing users to learn about local services such as health care, agri-service, general standard of education, knowledge of current affairs, protections against dangerous conditions (such as diseases, surgery times, vaccinations etc). One of the most consistent messages to emerge was the benefit of the timely spread of information in response to a disaster [5].

A number of mobile phone service providers companies in India, competing to provide efficient and quality services to their customers. Government and private service operators are competing at close margin and are trying to provide multiple value-added services to people. Therefore, mobile phone service operators need to provide customized services in order to satisfy and delight their consumers [6].

OBJECTIVES

- To highlight the demographic profile of the Grameen Phone users in Sylhet city To demonstrate the different types and brands of cell phone used by the Grameen Phone users
- To show up a comprehensive usage pattern of Value-added services (VAS) by the Grameen Phone Users

- To measure the correlation of Grameen Phone users' usage pattern with its users' demography

RESEARCH METHODOLOGY

Research type	Descriptive
Sources of information	Primary and secondary
Types of data	Primary
Sampling design process	Questionnaire with two parts: Part A, Demographic and General information of consumers of Grameen Phone such as name, cell phone number, type of cell phone, age, gender, marital status, profession, education, brand of the cell phone, connection (duration) with the Grameen Phone, sources of information about value-added services (VAS) Part B, Usages of Value-added services (VAS) Thirty-two variables were designed in a Likert scale format which is given five point rating scale ranges from never to a great deal
Target population	Grameen Phone users of Sylhet city in Bangladesh.
Sampling technique	Convenient Sampling
Sample Size	571
Sampling frame	Users of Grameen Phone from different professionals staying in different areas of Sylhet city in Bangladesh
Method of administering questionnaire	Personal interview with Grameen Phone user; average interviewing time was 20-25 minutes
Execution	The survey was conducted over a period of 70 days in the month of June - August 2014
Statistical tools employed	Frequency table, Crosstab, Correlation, Chi-Square test.
Data analysis and interpretation	Statistical Packages for Social Sciences (SPSS) version 20

FINDINGS AND ANALYSIS

Table I shows that 45.5 percent Grameen Phone users age group belongs to 21 – 25; users belongs to the age group 26 to 30 is 23.8 percent. So, 69.3 percent users are in the age group 21 to 30.

Table II depicts 80. 7 percent users are male and 19.3 percent users are female. So, male users are the majority respondents in this study.

As 69.3 percent users' age group is 21-30, table III shows 74.4 percent users are unmarried and 25.4 percent users are married.

Table IV represents type of cell phone such as 58.1 percent users are having smart phone, 35.7 percent is having conventional phone and 6.1 percent is using QWERTY style phone. Thus smart phone is leading in the cell phone market.

Table V describes 57.1 percent is student, 17.3 percent is businessperson, 9.6 percent is teacher. This table certainly shows diverse professional in the sample unit.

Cell phone brand is very important for many professionals. Table VI represents 47.5 percent users are using Nokia, 20.5 percent users are using Samsung, 13.1 percent is using Symphony and 7.5 percent is using Apple i-phone.

Majority of the users are HSC passed, a good portion is graduate and masters. Table VII shows 54.3 percent is HSC passed, 15.2 percent is completed graduate, and 13.5 percent is completed masters. Thus 93.5 percent users' academic qualification is above SSC.

Table VIII shows what is the major source of getting inform about value-added services (VAS) of Grameen Phone, almost 47 percent users got informed about VAS via Grameen Phone's bulk SMS, 21.2 percent used newspaper for that and 15.4 percent got informed through watching TV commercials.

Table IX represents 44 percent users are using Grameen Phone more than six years, almost 31 percent is using for 4 to 6 years, and 20.7 percent is using for 1 to 3 years.

Users are spending money through Grameen Phone for not only to talk but also for various value-added services. Table X depicts 38 percent users spent Tk. 501 – 1000 per month, almost 30 percent users spent Tk. below 500, almost 18 percent users spent Tk. 1001- 1500 per month and 8.1 percent users spent Tk. 1501- 2000 per month.

Major findings on Usages of Value-added services (VAS)

Table VAS I: Messaging services (Frequency at valid percent)

Usage pattern	SMS	MMS	Voice SMS	INT'L SMS	INT'L MMS	FB SMS	WEB SMS
Never	4.7	37.5	70.4	59.8	80.9	33.8	71.6

Rarely	11.9	25.1	15.2	21.1	10.7	8.8	10.0
Sometimes	31.3	20.0	11.0	14.7	5.8	10.0	7.9
A moderate amount	19.4	11.6	2.1	2.5	1.4	14.5	5.4
A great deal	32.6	5.8	1.2	1.9	1.2	32.9	5.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Data pasted from frequency table no. 11-17

Table VAS-I, messaging services, shows 32.6 percent users use short message service (SMS) a great deal, 19.4 percent users use a moderate amount, 31.3 percent users use sometimes/occasionally. It also represents almost 33 percent users use facebook SMS a great deal, 14.5 percent users use a moderate amount whereas almost 34 percent never use this service. Majority of the users never use services such as voice SMS (70.4 percent), international SMS (almost 60 percent), web SMS (71.6 percent) and MMS (37.5 percent).

Table VAS-II: Call Management Services (Frequency at valid percent)

Usage pattern	Call block	Call conference	Call waiting/hold	Call forward/divert	Missed call alert
Never	74.0	22.2	8.1	65.0	54.0
Rarely	11.2	27.0	9.5	16.5	13.5
Sometimes	9.1	34.3	15.6	10.4	11.8
A moderate amount	1.6	9.3	14.9	4.2	6.1
A great deal	4.0	7.2	52.0	3.9	14.6
Total	100.0	100.0	100.0	100.0	100.0

Source: Data pasted from frequency table no. 18 – 22

Table VAS-II, call management services, depicts 34.3 percent users use call conference sometimes/occasionally, 7.2 percent use a great deal, 9.3 percent use a moderate amount. It also shows 52 percent users use call waiting/hold a great deal, almost 15 percent use a moderate amount and only 8.1 percent of them never use this service. Majority users never use several call management services such as call block (74 percent), call forward/divert (65 percent) and missed call alert (54 percent).

Table VAS-III: Data services (Frequency at valid percent)

Usage pattern	Internet 3G	Internet 2G	Smart plan	Wi-Fi	Internet modem	Opera mini	Data optimization
Never	37.7	35.7	55.7	52.0	62.3	22.6	71.4
Rarely	7.4	17.8	12.5	12.6	8.4	5.3	9.8
Sometimes	13.5	17.6	14.2	16.3	11.4	7.5	9.3
A moderate amount	10.3	12.0	9.8	8.6	7.2	12.1	6.3
A great deal	31.2	17.0	7.7	10.5	10.7	52.5	3.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Data pasted from frequency table no. 23 – 29

Table VAS-III, data services, describes 31.2 percent users use internet 3G a great deal, 10.3 percent use a moderate amount and almost 14 percent use sometimes/occasionally. It also shows almost 53 percent users use Opera mini for internet browsing, 12.1 percent of them use a moderate amount and almost 23 percent never use this service. A high percentage of users never use several data services such as internet 2G (35.7 percent), smart plan (55.7 percent), Wi-Fi (52 percent), internet modem (62.3 percent) and data optimization (71.4 percent).

Table VAS-IV: Tune and Download Services(Frequency at valid percent)

Usage pattern	Welcome tune	Ring tones	Ichehhe tune	Music radio	Music news
Never	62.2	58.1	85.6	70.3	79.0
Rarely	14.1	13.9	8.5	10.0	7.6
Sometimes	13.5	11.1	3.9	8.6	6.5
A moderate amount	3.2	7.5	1.1	6.2	4.0
A great deal	7.0	9.5	1.1	4.9	2.8
Total	100.0	100.0	100.0	100.0	100.0

Source: Data pasted from frequency table no. 30 – 34

Tune and Download services, table VAS-IV, represents five services but majorities of the users never use these services such as welcome tune (62.2 percent), ring tones (58.1 percent), ichehhe tune (85.6 percent), music radio (70 percent) and music news (79 percent). Very few users use these services among them almost 10 percent use ring tones service a great deal.

Table VAS-V: Info services (Frequency at valid percent)

Usage pattern	News service	Sport news	Job news	Islamic service	Directory service	Health line	Study line	Agri-info
Never	63.2	53.8	68.2	66.6	81.6	70.3	73.6	87.3
Rarely	14.5	18.4	12.3	9.8	5.3	14.2	7.9	5.6
Sometimes	14.2	16.3	11.6	13.0	6.0	10.4	9.5	4.0
A moderate amount	3.7	7.0	4.9	5.6	3.5	3.2	5.1	2.5
A great deal	4.4	4.6	3.0	4.9	3.7	1.9	3.9	.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Data pasted from frequency table no. 35 – 42

Info services, table VAS-V, represents eight services but majorities of the users never use these services such as news service (63.2 percent), sport news (53.8 percent), job news (68.2 percent), Islamic service (almost 67 percent), directory service (81.6 percent), health line (70.3 percent), study line (73.6 percent) and Agri-info (87.3 percent). Very few users use these services among them almost five percent use Islamic service and sport news a great deal.

HYPOTHESES

		Correlation Coefficient	Sig. (2-tailed)	N	Findings
H_1	There is association with Grameen Phone users' age and usage (Tk.) per month	.345	.000	571	Supported
H_2	There is association with Grameen Phone users' gender and usage (Tk.) per month	-.200	.000	571	Supported
H_3	There is association with Grameen Phone users' marital status and usage (Tk.) per month	-.256	.000	571	Supported
H_4	There is association with	-.362	.000	571	Supported

	Grameen Phone users' profession and usage (Tk.) per month				
H_5	There is association with Grameen Phone users' connection phase and usage (Tk.) per month	.352	.000	571	Supported
H_6	There is association with Grameen Phone users' age and types of cell phone	-.126	.000	571	Supported
H_7	There is association with Grameen Phone users' profession and types of cell phone	.132	.002	571	Supported
H_8	There is association with Grameen Phone users' age and short message service (SMS)	-.253	.000	571	Supported
H_9	There is association with Grameen Phone users' profession and call conference	.102	.014	571	Supported
H_{10}	There is association with Grameen Phone users' profession and opera mini	.251	.000	571	Supported

Source: Data compiled from correlation table no. 43 – 52

From the Hypothesis and test table, it is obvious that out of ten hypotheses each of the null hypothesis is rejected; so it is certain that there is significant association between Grameen Phone users' usage (Tk.) per month and its users' age, gender, marital status, profession (Hypothesis I-IV). Only user's age has significant strong positive association and rest of the three has significant but negative association. H_5 shows fairly significant and strong positive relationship between users' connection phase and usage (Tk.) per month. There is significant but negative correlation (H_6) between users' age and types of cell phone, but H_7 suggests a significant and positive correlation between users' profession and types of cell phone. As short message service (SMS) is used a great deal (33 percent) by the users, we had checked association with users' age and SMS. There is significant but negative correlation (H_8 between users' age and SMS. H_9 shows a significant and strong positive relationship between users' profession and one of the call management services such as call conference. H_{10} shows a significant and strong positive relationship between users' profession and one of the data services such as opera mini.

CONCLUSION

Grameen Phone Ltd. is the leading mobile phone operator in Bangladesh with more than five million customers. It has taken several strategies to promote its value-added services, because VAS is the unique approach to generate revenue while keeping existing customers intact, retaining customers and motivating new customers from other operators to connect with the top operator. Although Grameen Phone provides widening types value-added services to its users all over Bangladesh; but users in Sylhet city as if not very much accustomed to (as found in frequency table) most of the value-added services. Grameen Phone management needs to rethink its strategies on users of Sylhet if the company wants optimal utilization of value-added services therein.

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