Name of Course : E1-E2 CFA

Chapter 12

Topic : <u>Project Udaan & Dosti</u>

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PROJECT "UDAAN" & "DOSTI"

Introduction

Under the project Shikhar strategy of BSNL, five individual projects have been rolled out to revitalize the business, build operational excellence and create high performance organization. These are: -

(A) Project Udaan for fixed access growth
(B) Project Dosti for PCO retention
(C) Project Vijay for mobility sales & distributions
(D) Project Kuber for revenue assurance
(E) Project Sanchay for cost efficiency

Project "UDAAN"

Objectives

The overall objective of Project Udaan is to rapidly expand broadband customer base while reducing churn of wire line voice customers and increase usage from existing customers. A pilot Project was started in three areas of Bangalore Telecom District with a view to create new sales force, make customer service processes more friendly and optimize service delivery/fast provisioning. In the pilot Project four teams, lead by DGMs, have been constituted to focus on product & pricing, sales & alliances, customer services and service delivery.

Key Activities

1. Launch of new product/price plans
2. Testing of these plans by BSNL Sales Teams
3. Developing systems & processes to capture and pass on all new customer leads for various channels e.g. call centers, SMS, online interface etc. to sales team.
4. Introducing new monitoring mechanisms using in-house developed tool to ensure all requested services by customers are delivered in a satisfactory and prompt manner.

Sales in BSNL

The three primary reasons identified for decline of landline customer base are poor customer service, un-economical landline tariff and increased mobile penetration. On the other hand, decline in access cost, necessity of internet surfing in day to day life and government promotion for broadband have resulted in significant growth in broadband industry. The key priorities for increasing fixed access business in BSNL will be better marketing and product management, efficient sales & distributions mechanisms, faster service provisioning and grievance redressal and wider coverage. Since the customer experience of a product or a service is the sum of all encounters with the company, it is very important to understand the customer expectations and his emotional requirements. Today, customer is time sensitive, has a lot of options to choose from and extremely educated. In contrast, BSNL's non commendable outdoor support, poor U/G cable management, unsettled billing issues, un-smart CSCs, ineffective advertising initiative and poor franchisee/retailer management have resulted in decline in business.

In today's hyper competitive scenario customer research is the buzzword. Optimal utilization of resources and manpower are other challenges. Target planning, Sales reporting and competition analysis are crucially important to outsmart the competitors.

Target Planning

Setting of targets for yourself that will contribute to overall organizational targets and setting targets for various time intervals within overall time frame are the main components of target planning. Besides, product/service knowledge, thorough idea about features/price/ benefits of the products and latest sales promotional schemes are very important.
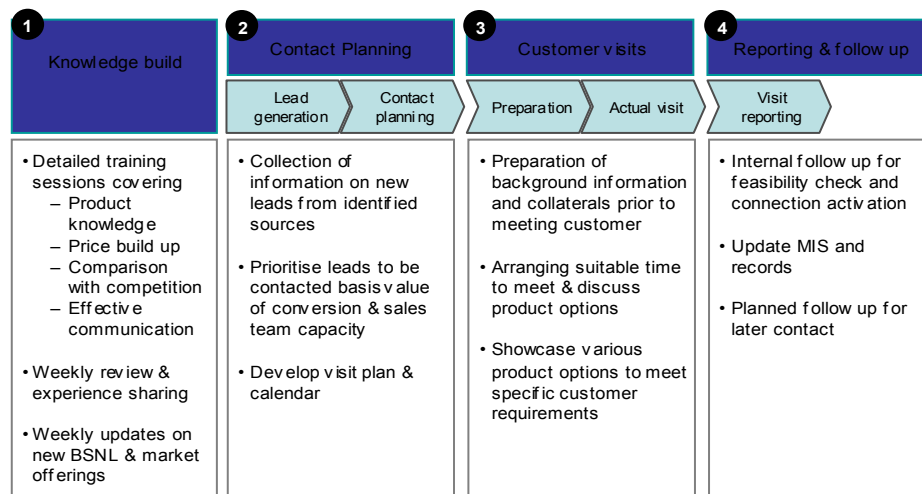
Sales Reporting

Sales professionals serve as the company's link to its customers. They are the face of the company. They convey information about products/services to the customer and bring to the company much needed information about the customer. A sales professional should have extensive knowledge of the product/services, maintain high standards of conduct and be market focus /customer oriented. Consequently proper sales reporting has become very important as it facilitates analysis of information, identifies the areas of strength/ concern, improve performance by taking timely corrective action, monitors the volume of sales and provides planning input to other departments.

Competition Analysis

Here we assess the strengths & weaknesses of current & prospective competitors, identify the potential opportunities & threats and gather complete information about the competitors for enabling us to prepare the 'attack' strategy. Competitors profiling is done by gathering information from magazines, internet, print media, discussion with customers and close monitoring of the activities of the competitors. Competitor strategies help us in our SWOT (Strengths, Weaknesses, Opportunities & Threats) analysis.

Four key processes to ensure high sales team effectiveness

1 Knowledge build	**2** Contact Planning	**3** Customer visits	**4** Reporting & follow up
	Lead generation / Contact planning	Preparation / Actual visit	Visit reporting

• Detailed training sessions covering
  – Product knowledge
  – Price build up
  – Comparison with competition
  – Effective communication
 	
• Weekly review & experience sharing
 	
• Weekly updates on new BSNL & market offerings
	• Collection of information on new leads from identified sources
	
	• Prioritise leads to be contacted basis value of conversion & sales team capacity
	
	• Develop visit plan & calendar
		• Preparation of background information and collaterals prior to meeting customer
		
		• Arranging suitable time to meet & discuss product options
		
		• Showcase various product options to meet specific customer requirements
			• Internal follow up for feasibility check and connection activation
			
			• Update MIS and records
			
			• Planned follow up for later contact

Some sales punch lines

Broadband

- Broadband is a form of high-speed internet, which is better than dial-up connection with speeds up to 8 Mbps
- Broadband provides an "always on" and faster connection to the internet
- Broadband service is based on DSL technology (on the same copper cable that is used for connecting telephone)

Data Card

- Data Card is a device that allows the customer to use internet services on their laptops / PCs without being tied down to a landline or broadband connection
- Goodbye to bothersome copper wires and the problem of dial-up connections like timeouts, blackouts and frequent disconnections
- No separate landline connection required
- No need for an external or internal modem or an ISP account
- Anytime, Anywhere Internet Access
- Hassle Free Connection
- Connect instantly (No line busy / waiting tone)
- Easy to remember username / password (your phone / card number)
- Make & receive Calls while being connected to the Internet

Remember

Present BSNL sales structure ineffective for BB & LL
Need to strengthen direct reaching of potential customers

Channels

Products	Franchisee network	DSA	CSC	Business Associates	Fixed access sales force
Wireless	Effective	Effective	Effective	Effective	
Broadband	Mostly ineffective	Mostly ineffective	Effective	Mostly ineffective	Acquisition, servicing
Land-line					
Target	Retailer	Retail Customer	Retail Customer	Corporate/Bulk Customer	Retails Customer
Modus operandi	Retailer contact Showroom leads	Door to door	Direct approach by customer	Office to Office	Focused door to door

■ Primary focus areas
□ Secondary focus areas

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Concluding Remarks on Project Udaan

The success of Project Udaan lies on each one of us. We must realize that at present BSNL is the market leader in Fixed Access with over 75% market share and Fixed Access contributes to 46% of the operational costs. With ever increasing usage of Internet and massive Copper network of BSNL, only push selling approach is required. Unless we expand our wired broadband market now we may face stiff challenge when wireless broadband becomes fully operational with all its might. We all have to appreciate the following:

Qualifying Customers

A Sales person must qualify a customer in terms of 3 basic criteria's, which are:

M	Money or ability to buy
A	Authority to buy
N	Need or want

Project "DOSTI"

Objectives

The overall objective of Project Dosti is to reduce decline in BSNL's PCO business by reducing churn of existing PCO operators and innovating of PCO business model to generate new revenue sources (both for BSNL and PCO owner). The pilot Project was executed in Bangalore Telecom District. Specific objectives were:

1. Increase PCO connections through reduction in churn & sale of new connections
2. Facilitate sale of 'Broad-Band Enabled' services model to existing and new PCOs
3. Convert PCOs to sell full spectrum of BSNL products & services

Key activities

1. In-depth analysis to identify key issues faced by PCO subscribers
   - MR and group discussions with PCO owners
   - Interviews conducted with dealers / DSA's of various telecom providers
   - Interviews conducted with in-house sales force of competitors and BSNL staff
2. Action plan developed to increase sales and reduce churn
   - Improve management of DSA channel
   - Improve customer service and pricing
3. Plan developed to facilitate sale of 'Broad-Band Enabled' services model
   - Central team to create tie ups with banks, vendors
   - Marketing support team to help create awareness

Today's PCO Business

With a lot of operators now in PCO business, the competition is really cut throat. The service providers are trying to lure away the prospective/existing PCO owners to keep their brands. Commission, call cost, service quality and care of the service provider are some of the factors which the PCO owner of today carefully analyzes before taking a final decision. While most service providers want that the PCO owners should become "one stop solution provider" of their products, the PCO owners are always interested in more profits. With almost identical services and Tariffs, incremental innovation has become the deciding factor. It may be remembered that sometimes some unethical practices are also adopted by a few PCO owners, which result in non-realization of billed amounts. So this aspect has to be particularly taken care by the service providers.

The PCOs in BSNL

BSNL is today offering following types of PCOs: -
  i)   Conventional Landline PCOs (manned)
  ii)   CCB PCOs
  iii)   GSM PCOs
  iv)   WLL or CDMA PCOs
  v)   FLPP PCOs
  vi)   IN PCOs

What needs to be done?

As is evident from above, BSNL is providing all types of PCOs. Despite this, its market share is about 30%. The reason is that we never used to consider the PCO owners our business partners. There was no mechanism of any official feedback from them. The initial registration cost is a bottleneck and paper formalities so cumbersome that the prospective customers almost run away. Further, the after sales service & marketing initiatives about new schemes leave enough scope for improvement.

But, with a tele-density of over 40, the PCO business is almost getting saturated. The thrust areas, which Project Dosti is focusing, are:

  a) Frequent meetings with existing PCO owners to enhance their comfort level
  b) Conducting interviews with PCO owners of other providers to gauge their expectations
  c) Reduction in the initial formalities
  d) Improvement of after sales/servicing facilities to these PCO owners
  e) Awareness creation about new schemes to these PCO owners through direct contacts, pamphlets etc.
  f) Competitive product and pricing
  g) Enhance sale of broadband enabled products through strategic tie ups
  h) Better DSA channel management
  i) Push sale of all products through PCOs
  j) Continuous monitoring of performance of PCOs
  k) Launch of innovative ideas
  l) Attractive commission structure
  m) Flexible bill payment but strict realization of outstanding amounts
  n) Prominent display of glow sign boards towards increased visibility of brand
  o) Loyalty schemes
  p) Faster provisioning
  q) Efficient complaint handling

Questions:

1. Name the projects under project "SHIKHAR".
2. What is the objective of project "UDAAN"?
3. Name the teams under project "UDAAN".
4. What are the key-activities of project "UDAAN"?
5. What are the key-processes to ensure high sales team effectiveness?
6. What are the punch lines for "Broadband"?
7. What are the punch lines for "Data Card"?
8. Which are three basic criteria, a customer must be qualify by Sales person?
9. What are the specific objectives of project "DOSTI"?
10. What are the different types of PCOs offering by BSNL?
11. What are he thrust areas, Project Dosti is focusing on?

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