

## FLEDGING BSNL COMPANY: A NEW PATH TO BIG PROFIT AND MARKET DOMINANCE

**Dr. Rakhi Gupta\***

Assistant Prof, Faculty of Commerce Banaras Hindu University, Varanasi UP India  
Email:[rakhigupta15@gmail.com](mailto:rakhigupta15@gmail.com)

**Dr. Divya Gupta Chowdhry\*\***

Director, Jagran Institute of Management, Kanpur  
Email:[divya201234@gmail.com](mailto:divya201234@gmail.com)

---

### ABSTRACT

India is one of the leading countries in the world which is quite competitive in various sector segments of the telecom world. It was in the year 1992 that the value added services were opened up .It was in the year 1977 that TRAI (Telecom Regulatory Authority of India ) was set up and it is the body that regulates the telecom business in India. Slowly and Gradually many telecom firm entered the industry thereby reducing the profit margins of many companies. BSNL the Government telecom company is one of the oldest and most trusted telecom companies in India. the state owned telecom company Bharat Sanchar Nigam Limited (BSNL) remains as the pioneer in the telecom market of India, private operators obtained a high market share (Arun, 2011)In this paper the authors have tried to delve into the possibilities of BSNL expanding its business in broadband and various its market strategies in Kanpur and Lucknow areas.

*Keywords: Telecom, business, market dominance, business potential*

---

### INTRODUCTION

India is one of the world largest countries in Asia with a population above 900 million. One of the most striking feature of this country is that there is a huge consumer base thus has a huge consumer market. As per the reports India stands second in the world in terms of telecommunications market with around 1.206 million subscribers in 2017.

We know for the rapid modernization and growth it is the telecommunication is the prime and paramount support. It has been notices that there has been an exponential growth in the sector and it intends to grow further in coming years. It is important to bring about the structural changes in the segment and ensure that the telecommunication services are not only available at the base level but at the macro level. This is for the rapid growth of the sector and economy as whole. We have to ensure that the quality and cost of the segment is in line with the requirement of a modern and structured economy. India recently witnessed a scandal in the telecom ministry that has changed the nature and environment of foreign investment flowing into the country

Telecommunication has picked up a lot of pace in the recent years and is one of the prime support in the modernized economy of India. There is a competitive environment which ensures the improvement of the quality and services of the same. We should be aware that the de regulation and competition in the field are the key inputs in the telecommunication reforms. These will help in the evolution of the policy in all the coming years. The telecom industry is an interesting industry to study, not only due to its volatile nature in terms of technological breakthrough and its policies, but also due to the high growth rate of this industry over the past few decades and the significant contribution of the industry to the economies of these nations<sup>1</sup>. In emerging markets, established multinationals typically take the early lead in the high-end consumer and high-performance industrial segments, whereas local companies do so in the low-end and low-performance segments<sup>2</sup>. However, as the economy develops, both customers and competitors evolve<sup>3</sup>. The methodology used to benchmark the performances of service providers in order to create a loyal customer base as well as to retain it, and they claim customer service is one of the factors that influences the revenue growth of the telecom industry<sup>4</sup>. China is now the world's largest telecom market and according to analysts' there are more than 1.25 million cellular subscribers signing up every week<sup>5</sup>. India has become the most competitive and one of the fastest growing telecom markets with an expected growth rate of over 26% and generated employment opportunities for about 10 million people.<sup>6</sup> The effects of market liberalization and privatization on Chinese Telecommunications, from which, they give an insight into the current state of the Chinese Telecom industry has been demonstrated<sup>7</sup>. India has also taken the privatization path in the telecommunications sector and the market is now mainly dominated by private companies with two state-run operators only

**PRIMARY OBJECTIVES:-**

- To study the marketing strategies of BSNL in UTTAR PRADESH.
- To analyze the market share of BSNL along with customer satisfaction survey of BSNL mobile & broadband services.
- To compare and analyze the cellular products of the other companies.

**RESEARCH METHODOLOGY****Hypothesis**

Null Hypothesis

H<sub>0</sub>: BSNL holds a strong brand image amongst service users

Alternate Hypothesis

H<sub>1</sub>: BSNL does not hold a strong brand image amongst service users

**Types of Errors**

**When a statistical hypothesis is tested there are four possibilities:**

1. The hypothesis is true but the test reject it (Type 1 error)
2. The hypothesis is false but the test accept it (Type 11 error)
3. The hypothesis true and the test accept it
4. The hypothesis is false and the test rejects it.

**Test of Hypothesis****Whether the consumers are satisfied with products of BSNL**

Customer Satisfaction	Mobile Service	Internet Service	TOTAL
Satisfied	65	63	128
Dissatisfied	35	37	72
TOTAL	100	100	200

**Hypothesis:**

Ho: Telecom Consumers are satisfied.

Ha: Telecom Consumers are not satisfied.

Level of Significance: 5%

Degree of Freedom (DOF) = (R-1) (C-1) = (2-1) (2-1) = 1

Tab = 3.841

Test of Statistics:

$$X^2 = (O-E)^2 / E$$

Observed Value (O)	Expected Value (E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
65	61	16	0.262295
35	39	16	0.410256
63	67	16	0.238806
37	33	16	0.484848
TOTAL	200		1.3962044

Calculated = 1.3962044

Tabulated = 3.841

Calculated < Tabulated

### CONCLUSION AND INTERPRETATION

From the above tabulation we can see that the calculated value is less than the value tabulated hence null hypothesis is accepted and the alternate is rejected. It implies that the customers are satisfied with the services of BSNL.

### Research Approach

In this research quantitative approach has been used. It will be more appropriate to say that it is an inferential quantitative approach; a database was generated from which characteristics and different relationships were inferred. It means that the survey research is conducted on a sample

population i.e. questioned personally to determine various factors. The ultimate conclusions have been based on this approach.

### **Research Design**

It is exploratory in nature. It includes surveys and a fact finding of different types.. The data collected through these surveys is interpreted in many ways to find out the results, which are vital for framing the strategies. It is also a onetime research

- Phase 1

Comprehensive market study and analysis has been carried out to find the major players operating in the current market.

- Phase 2

Questionnaire designing and development.

Planning of the primary research phases and activities of the project.

- Phase 3

Surveying the customers and filling up of the questionnaire and than interpreting the filled questionnaire.

### **Scope of the Study**

One of the limitation of the study was that it was limited to research of BSNL in generally two areas of UP. The study provides us a detailed analysis of customer satisfaction and market dominance of BSNL in few selected areas .The research was divided into two parts. In the first part the information was collected on the services of BSNL. The CRM strategies of BSNL were collected through interviews of the officials of BSNL. Also information was collected on competitor's services. The competitors taken for the study are:

1. AIRTEL
2. IDEA
3. VODAFONE

In the second part the survey was undertaken for 200 customers of BSNL in Uttar Pradesh (Kanpur, Lucknow).

### **Modes of Data Collection**

**Primary Data:** This was collected through questionnaire survey and interviews. The questionnaire design was closed ended and few open ended. Since, the thrust of the study was towards customer satisfaction level with BSNL Services therefore few questions related to the same were used.

Sample area	Uttar Pradesh
Sample size	200 respondents
Sample technique	Random sampling
Sample Selection	The selection was a random and were approached BSNLService outlets in various areas of Uttar Pradesh; Kanpur and LucknowSwaroop Nagar, Kakadev, RS Puram. - Char bag, Kesar bag, Hazrat Ganj, Gomti Nagar, Maha Nagar.

**Data Analysis:** The collected information has been analyzed and presented in the final reports. The survey results have been tabulated and presented using bar graphs and pie charts. On the basis of the results conclusions have been drawn.

### **Limitations of the Study**

Following are the limitations of the study:

- (1) Sample size so taken is not the correct representative of the entire population.
- (2) One of the biggest limitation is the unwillingness of the respondents to give answers.
- (3) At times the respondents are unable to answer correctly.
- (4) Respondent's unavailability is another big limitation.
- (5) It is both taxing for the respondents and interviewer hence time pressure .
- (6) Big player Jio has been excluded from the study.

### **FINDINGS & ANALYSIS**

From the above study we can infer that we have got a clear understanding of the telecom environment in India. The data has been collected through questionnaires which have to led to unexpected findings. These findings was restricted to the scope of the study but yes has been successful in the understanding the dynamics of consumers.

The primary questions to be answered, from a customer’s point of view, while initiating this study were

What exactly are my telecom needs?

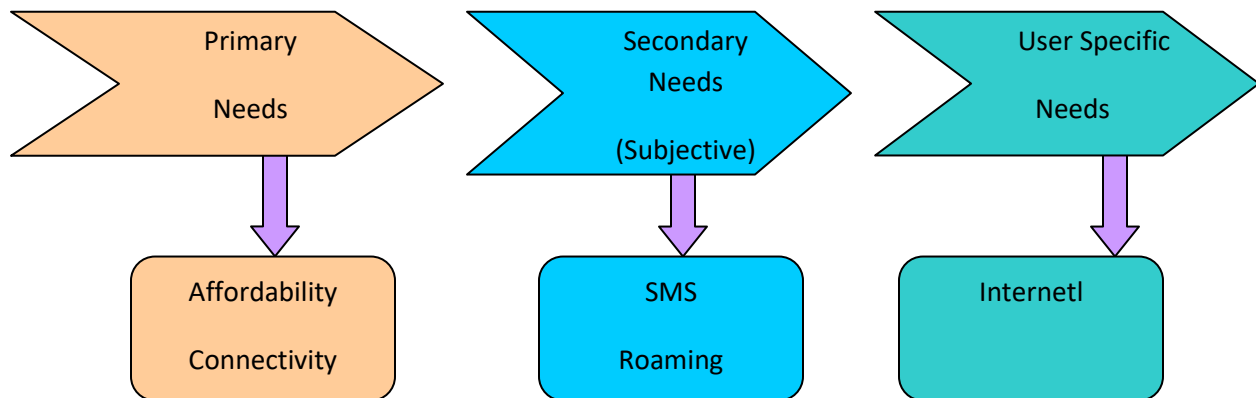
- What is the market Share of BSNL in mobile sector?
- Customers who are using BSNL, whether they are satisfied with service or not?
- What is the opinion of customers about BSNL’S services & network?
- What is the market share of BSNL in broadband internet?
- What is overall need of the customer?

Authors have made certain recommendations on the basis of the findings.

The company should define the needs in an objective manner

Secondly the secondary needs have to identified with respect to the SMS and roaming services.

BSNL should actively focus on the internet facilities that it intends to offer in the cut throat competition



**CONCLUSION**

One has to bear in mind that we require constant feedback from the customers to understand the utility of the ongoing activities. We cannot deny the fact that the rate of change in current environment is very rapid .Therefore there is always an invention of the customer’s needs and can be obsolete very soon. Authors have found out that the there are many services which are offered by the companies but they cannot be utilized in the best ways by the changing customers. It is at the discretion of the customer to decide about the usage of the services. We cannot deny the fact that BSNL holds a strong brand image. But in the age of competition where there are so

many major mergers taking place it has to yet carve a niche for it self in terms of the various services provided by it .The services provided by BSNL in terms of CRM has strengthen its image. It cannot be denied that the constant efforts made by the company towards innovation is appreciable .Thus BSNL has maintained its Leadership in certain aspects of its services even today. BSNL is making best possible efforts to encash the latest technology and also to main long term relationships with its customers by providing better services and thus leading the flagship in Telecom segment!

## REFERENCES

- Arun Prabhudesal, 2011, “Top 20 Mobile Operators in World”, [Online] Available from: <http://trak.in/tags/business/2011/05/27/top-20-mobile-operators-world-bharti-airtel-5-17/>
- Business customer’s satisfaction what happens when suppliers downsize? Original Research Article Industrial Marketing Management, Volume38, Issue3, April2009, Pages283-299Jeffrey E. Lewin
- Kate and Leila 2012Mobile phone feature preferences, customer satisfaction and repurchase intent among male users Original Research Article Australasian Marketing Journal (AMJ), Volume 19, Issue 4, November 2012, Pages 238-246
- PTI, 20017, “Indian Telecom market to be at Rs 344,921 crore by 2020”, The Economic Times Pyramid, 20013, “Telecommunications Markets in China”, Pyramid publications
- Pankaj and Thomas Hout, 2008, “Tomorrow’s Global Giants? Not the Usual Suspects”, Harvard Business Review, The Magazine.
- Roma Mitra Debnath, Ravi Shankar, 2008, "Benchmarking Telecommunication service in India: An application of data envelopment analysis", Benchmarking: An International Journal, Vol. 15 Iss: 5 pp. 584 – 598
- Shilin Zheng and Michael Ward R., 2011, “The Effects of Market Liberalization and Privatization on Chinese Telecommunications”