Djuice - Telenor Pakistan – A Case Study of Launching High-Tech Services in Highly Competitive Market

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ABSTRACT

The competitive environment in the telecom sector of Pakistan has become extremely intense, with cut-throat pricing and tactics by all the players to gain more and more market share. Since the industry is approaching its maturity stage, players like Telenor cannot afford to have a reactive strategy. The players must actively find and exploit any and all opportunities to gain a stronger footing in the arena.

Telenor’s brand Djuice dropped to second place when Ufone took the lead with its youth brand. It has been seen that over the years, the consumers have become smarter, more aware, and more informed about their options. Telenor’s strategy now is to provide “customized services” to its clients, since the average consumer rationally thinks about their telecom services and would much rather prefer a brand that gives them tailor-made solutions. This should work well theoretically in an industry dominated by relatively similar services and a wide and diverse target market.

Marketing campaigns are focused aggressively on Djuice’s GPRS services and SMS bundle packages, in light of market trends and demands. All their campaigns and communication for the last two years was focused on the tagline “It’s fun to be young”, and has recently joined hands with Zindagi Trust’s Shehzad Roy and changed their tagline to “Khamoshika boycott”. Djuice has positioned itself as a brand that always tries to grab the attention of the youth in innovative and creative ways. This has often been done in the form of budget offers and fun packages.

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Introduction

The Telenor Group is among the largest mobile operators with over 120 million mobile subscribers worldwide, with the Asian Region contributing 40% to overall subscriber base. The group is not only one of the top 500 global companies by market value but also among the top performers on the Dow Jones Sustainability Indexes\(^1\).

In the Asian Region, Telenor is present in five countries, namely:

- Telenor Pakistan
- Grameenphone, Bangladesh
- Dtac, Thailand
- DiGi, Malaysia
- Uninor, India

In February 2011, Telenor surpassed 100 million subscribers in Asia. At the same time, Telenor is also the parent brand of the world’s largest youth brand, Djuice\(^2\). Not only does Djuice offers a variety of Friends & Family (F&F) community activation platforms like SMS bundles, mobile services, downloads etc, but is also is the pioneer of mobile Instant Messaging which has succinctly brought people together.

In Pakistan, Telenor is the single largest European investor in the Telecom industry, with investments in excess of USD 2 billion and is the 2\(^{nd}\) largest network of Pakistan. It acquired a license in 2004 and began commercial operations in Mar 15, 2005. In a short period of 6 years, Telenor has grown from a new entrant into the third most popular telephony service in Pakistan. In Pakistan, the sub-brands for Telenor\(^3\) are:

- Talkshawk
- Djuice
- Telenor Persona (now known simply as Telenor post-paid)
- Easypaisa

\(^1\)www.telenor.com
\(^2\)www.djuice.com.pk/about-djuice
\(^3\)Interview with ABM Djuice Ahmed Mustafa Haq
In 2008, as per State Bank of Pakistan regulations for telephony firms wanting to the mobile banking market, Telenor Pakistan also acquired 51% shares of Tameer Microfinance bank in order to launch the first Mobile Banking Service in Pakistan, called Easypaisa. Easypaisa facilities include:

- Utility Bill Payment
- Money Transfer (Domestic and International)
- Mobile Wallet
- Airtime top-up (valid internationally too for USA, UK, UAE and Saudi Arabia)

As of October 2010, more than 11,000 Easypaisa shops all over Pakistan were working to serve customers of all financial needs. In this process, over PKR 11 billion (USD 120 million) has been moved in over 6 million transactions.

Telenor covers about 3000 towns and highways throughout Pakistan, and this makes the firm the 2nd largest GSM service provider in Pakistan. Some other interesting Telenor facts are:

1. More than 6000 cell masts (towers for signal transmission) throughout Pakistan thus the 2nd largest network in Pakistan
2. Strategic alliance with Nokia Siemens in Pakistan for expansion of VAS (Value Added Services)
3. Parent firm to number one youth brand in terms of unaided recall and consumer top of mind
4. 1st mobile operator to reach rural areas of Pakistan.

Telenor Pakistan and its sub-brands have received numerous awards for achievement in quality of work and practices. Some awards are:

- Best place to work Award 2010 by Pakistan Society for Human Resources Management and Engage Human Resources
- Best CSR campaign for “KaroMumkin” for the year 2010

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4www.telenor.com.pk
Brand - Djuice

Pakistan has a growing population, 50 percent of which is aged 12 to 25. This segment of the population is very important to telecom providers because more and more young people are having access to mobile phones and are a potentially profitable segment of the market.

Almost all telecom providers are offering youth packages or services catering directly and solely to the young population who have a very different and unique set of demands and needs. This is why telecom providers have all come up with a separate brand for the younger segment. Mobilink, one of the first players in the industry has come up with the Jazz brand, Warid has GLOW and Ufone has the “Uth” package to cater to the needs of this growing and lucrative segment.

Telenor’s now famous Djuice brand was first introduced in Bangladesh and is now in Pakistan. Djuice has become one of the nation’s fastest growing packages and one of the stronger brands in telecom sector and until recently was holding first place among its competitors.

7 Ps of Services Marketing

Product: In 2006, Telenor launched Djuice in Pakistan. Djuice is a subsidiary of Telenor International and is a youth based service operator. Djuice offers various call and SMS packages to its users. Djuice has always been innovative in introducing new technologies for its customers. The Djuice flagship packages are named FnF, which stands for Friends and Family. Djuice was the first youth based service provider that offered the bundle SMS packages to its customers.  

The market for Telenor is more mature and sophisticated than it once was. Consumers are more aware, competition is strong and there are five mobile telecom operators, each providing similar services and charging competitive prices. Bargaining power of customers is high and they have relatively low switching costs, despite efforts by brands to increase loyalty and retain customers. People want a brand that provides them “the perfect blend of attributes, benefits and emotional association.” Djuice offers several packages depending on

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5 Pakistan census Bureau
6 http://www.djuice.com/
7 http://www.djuice.com.pk/about-djuice
various customer needs. These include Djuice Din Raat, DjuiceJagtayRaho. These packages are for two different psychographics:

Din Raat: The first are the kind of people who generally want cheaper rates whether it’s day or night. These people do not distinguish between time of day or want consistency in their call rates. They may be people who don’t want a lot of complications with rates or people who do not have heavy usage.

JaagtayRaho: The second kind of young people that Telenor identified are those who love to talk for long hours of the night. These people prefer to stay awake all night and talk with their friends. This service offers them lower rates at night time, which is when they normally like to make their calls. The benefit this gives Telenor is that it takes burden off from the network during the day, and therefore helps manage traffic.

The core product of Djuice is divided into two categories: Djuice from 8AM to 11PM, and, from 11PM to 8AM. Besides this Djuice also offers two more packages named, Din Raat, and JagtayRaho. As the name suggest, the first package is for those segment of the youth that wants to make short calls to their friends and do heavy texting. The latter package is for those people who prefer to talk long hours in the night with their friend. These packages are designed according to the needs and the preference of the customers. The core services provided in these packages are different rates for Call and SMS. Djuice also offers various supplementary services to offer its customers. These services include MMS, Djuice TV, Friend Finder, Djuice Music Box, Djuice Facebook, etc.8

Over the years, Telenor has always launched innovative services that provide augment and potential benefits to its customers. For instance, Telenor Easy Paisa service helps it in differentiating from its competitors.

Place: Djuice has placed itself extensively across the country both in terms of network coverage and in terms of stores. The Telenor services are available throughout the different cities, towns and villages of the country. Services are offered in shops, retail outlets, general stores, Telenor franchises and Sales and Service Centers. The easy load feature, which has become very popular with the masses, is available at every store. In addition, Djuice services

8 http://www.djuice.com.pk/services
are also sold through mobile vans and through promotions at schools, colleges and universities.

The network coverage of Telenor is considered at par with that of Mobilink Jazz, who is the oldest player in the market. The Telenor and Djuice sims are easily accessible in different parts of the city. The Telenor’s sim can be bought from general stores, mobile phone shops, Telenor franchisees, Telenor sales & customer service center, mobile vans, etc. As of 2008, Telenor has 23 company-owned sales and service centers, around 200 franchisees and more than 100,000 mobile retail outlets.

The Telenor was the first mobile company to launch the EasyLoad concept in the country. In order to make EasyLoad a hit, Telenor had to rely very much on its distribution network. Telenor made sure that this facility is easily available throughout the country backed by its strong distribution network. Telenor provides good signal coverage at even different terrains such as snowy mountains and northern areas; deserts and remote areas of the south.

In terms of network coverage, Telenor is the second in the market, just after Mobilink, who have great financial support from the Egyptian owned Omantel group, and also due to the fact that they have been in the market a lot longer than Telenor. In addition to having the second largest network, Telenor is also the second largest GSM service provider in the country.

Telenor’s strategy was to expand its network in almost all areas of Pakistan in as less time as possible. This meant that they were aggressively trying to outrun Ufone in the race to expand their network and increase reach and coverage. So the result of this hard work and effort was that, despite entering the market a few years after Ufone, Telenor was able to increase its network and expand coverage into areas that Ufone hadn’t reached yet. Telenor quickly increased its reach and penetrated into remote villages in Punjab and high up in the northern mountains of Khyber PakhtoonKhwa (KPK, formerly known as North West Frontier Province or NWFP). By penetrating into remote villages and areas, Telenor was able to capture a significant portion of the pie in the Pakistani telecom market.

Having a vast network has also helped Telenor to monitor and manage its supply chain and distribution. It has to keep everything in check, and make sure the distribution is running smoothly and that the flow of operations and service delivery is not interrupted or hindered.

To achieve this, Telenor, like other providers, has made deals with dealers to form what are known as “non-exclusive distribution” which means that Telenor does not take ownership or responsibility of its retail products and leaves that up to third parties.

**Promotion:** The promotional campaigns are normally aimed at teenagers. The television commercials of Djuice have cool and innovative themes with unique offers, and have aligned themselves with a celebrity like Shehzad Roy for their latest campaign called “Khamoshika boycott”. This campaign has the potential to resonate with the target audience and make an emotional connection. Djuice stays connected with the consumer through SMS, emails and Facebook. They keep their customers informed about day to day offers, rates and promotions. This is a refreshing change for people who are willing to keep in touch with their brand, and don’t want to deal with customer care call centers that are traditionally the only access. Such offerings complement the core service and help to build a strong brand image in the minds of the consumer, and also reduce any possible gaps that might exist (cognitive dissonance).

**Direct Marketing:** Telenor has launched its mobile vans in the metropolitan cities of the country. These are usually present at the shopping centers, where the sales people give information about different packages of Telenor to the general public. Through these mobile vans, the Telenor users can purchase credit and use other supplementary services offered by Telenor such as bill payments, etc.

**Brand Ambassador - Shehzad Roy:** Telenor signed pop musician, Shehzad Roy, as its brand ambassador for Djuice. This was done in move with the latest advertisement campaign of Djuice ‘Khamooshika boycott’. The primary reason for choosing Shehzad Roy isthat he is one of the leading social welfare worker in the country, along with his music background. Shehzad Roy is the founder of the Zindagi Trust, which is a NGO that facilitates poor children in getting education. Since the ‘Khamooshika boycott’ (boycott of Silence) campaign was to raise voice against the injustice and corruption system prevailing in the country, Shehzad Roy’s brand equity and his background could be very useful in synchronizing the campaign. Through his music videos, he is openly criticizing the social problems and policies of Pakistan. Another reason for choosing Shehzad Roy is that Telenor wanted a popular face for its brand. After Ali Zafar leaving Telenor and joining Mobilink Jazz, Telenor needed someone of his caliber to endorse the brand.
Tagline changed from ‘It’s Fun to be Young’ to ‘Khamooshika boycott’: In 2011, Djuice changed its tagline from ‘It’s fun to young’ to ‘Khamooshika boycott’. For last two years, Djuice was using ‘It’s fun to young’ tagline. From just focusing on fun, djuice has now decided to bring a more meaningful direction to youth segment by introducing unique and interactive ideas which results in improvement in different walks of life and overall development of youth.

This tagline was very specific for the teenagers and the youth segment of the society. Through its advertisement and communication messages, Djuice was primarily targeting the youngsters studying in colleges and universities. The target market was youngsters that want to party and hangout usually.

The ‘Khamooshika boycott’ campaign, however, has changed its target group from youngster/ teenagers to youth. The youth includes people who are studying in their colleges and universities and are also concerned towards their society and focused towards their careers. Basically, this new campaign is more towards the mature youth of the country. The campaign when launched came up with advertisement campaigns against bad norms and social problems in our society such as parchi system (Source System), cheating system, bribery and female harassment. Brand Ambassador, Shehzad Roy, talks about the campaigns launched by Djuice:

“Silence against wrong only increases frustration among nations. As the country’s youth, we are responsible for pointing out the wrongs that are prevalent in our society. We must realize that we cannot remain silent. We must speak up. I have done this through my music and my efforts towards education in the country. Now I want this to be taken up by all of you. Djuice can become a means for you to speak out.”

In order to engage general public in this campaign, Djuice through SMS platform encourages the people to text their viewpoint about a particular topic and become a part of the campaign. Such initiatives are considered very beneficial for Djuice in penetrating in the youth segment of the country.

Advertising: In 2009 and 2010, Telenor Pakistan has invested Rs 1.3 Billion and Rs 1.1 Billion, respectively. Currently, Telenor is one of the leading companies spending so much on the ATL activities. Telenor has made its presence felt on all the media elements such as Television, radio, print, etc. Telenor is heavy advertising its brands on the television medium. The reason for this huge amount of consumption is there immense competition in the mobile service industry. Since all the other companies are also investing in their advertising, Telenor in order to sustain its category share has to spend more than that of its competitors.

The Telenor advertisements are not only focusing on sustaining and attracting customers, but also retaining its lost customers. Just like other service providers, a major chunk of its advertisement goes in retention of old customers. Telenor is also spending a huge amount of its spending on the Djuice brand. The reason is for the recent change in its positioning and the amount of spending done by the competitors in that category.

BTL Activities: On ground activities are considerably gaining popularity in Pakistan. Many Mobile Service Providers (MSP) are using on ground as one of the medium to reach its customer base. Many mobile companies have sponsored the entire arenas, where their target market comes. Telenor has always gone for on ground activation in places where youngsters hang out the most. For instance, in Islamabad, Telenor was the main sponsor of a gaming place called Hot Shots Megazone, which is located at the Fatima Jinnah Park. Megazone offers entertaining games to the youth of Islamabad such as arcade game, laser tags, bowling, etc. Telenor also offers a 15% discount on different activities, if the guests have Telenor connections.

Telenor has always tried to give incentive to its service users. Recently, Djuice launched a campaign to exclusively provide its users a 25% discount on shopping from newly opened retail outlet of Levis at Tariq Road, Karachi.

Djuice Events Sponsorship: With so much competition for the target market Djuice is playing for, the brand has always come up with innovative concepts to keep the engaging the youngster. In 2010, Djuice organized a music competition by the name of ‘Young Musicians Competition’ in Lahore. The purpose of this competition was to promote the young musicians

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11 Figures quoted by Mr. Foud Hussain, MD, Mindshare
and give them a platform to showcase their music talent. The participants belonged to the students of different colleges and institutions.

Djuice in collaboration with Red Bull drink, has launched a few youth competitions. One of them was Djuice Street Style competition, which is a platform provided to the youngsters who love to dive fast cars. Similarly, an event Free Style Competition was held for teenagers who could perform freestyle football tricks. Thus, Djuice has also focused on activating different touch points and kept their target market engaging with innovative entertainment.

In 2009, Djuice sponsored a movie, Fast and the Furious 4, followed by a car and bike show at the Cinepax, Rawalpindi. The event attracted more than thousand automobile enthusiasts of the twin cities. The people got an opportunity to see some of the fastest cars and bikes in the town.\(^{12}\)

**EP Music Video:** Djuice is trying to tap into the youth segment from different aspects. From on ground activities to event sponsorships, Djuice is trying to penetrate into its target market and become the most preferred brand for the youth. In August 2010, Djuice sponsored the music video of Entity Paradigm (EP)’s patriotic song, ‘Shor Macha’. The song became a hit in the youth because of its motivational lyrics. The time when this video was launched, Pakistan was going the rehabilitation phase of the flood. So the video encouraged the youth to participate in the volunteer work for the flood victims.

**Internet:** Telenor and Djuice Pakistan have used internet medium to advertise purpose. Telenor has its own website (http://www.telenor.com.pk/) where different brands, packages, events, etc are been mentioned. Telenor also has blogs and an official fan page at Facebook. Similarly, (http://www.djuice.com.pk/) is the official website of Djuice. On this website, different packages of Djuice are mentioned. Different questions related to ‘Khamooshika boycott’ are also posted, where the visitors can vote in their answers. Djuice also has an official fan page on the Facebook, Youtube and Twitter.

**Pricing:** Pricing is the most critical factor in this industry. The target market is very price conscious, primarily because of the availability of substitutes and the global economic crunch.

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Djuice has designed its services and offerings specifically for teenagers and its quality and branding aims to attract mostly this age group. The favourite features of these users are SMS and GPRS, which Djuice provides at very cheap rates.

Djuice offers different pricings for different packages. The pricing of calls and SMS varies to the connection of the friend(s). For instance, the rates are cheaper for Telenor numbers, but are relatively expensive for other network calls. Following are the tariffs for normal Djuice package.

<table>
<thead>
<tr>
<th>Djuice</th>
<th>11 PM to 8 AM</th>
<th>8 AM to 11 PM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telenor FnF</td>
<td>Rs 4/hour</td>
<td>Rs 0.5</td>
</tr>
<tr>
<td>Other national FnF</td>
<td>Rs 1</td>
<td></td>
</tr>
<tr>
<td>International FnF</td>
<td>Rs 0.5 (USA, Canada, UK (L)), Rs 4 (UK (m))</td>
<td></td>
</tr>
<tr>
<td>Telenor to Telenor</td>
<td>Rs 0.5</td>
<td></td>
</tr>
<tr>
<td>Telenor to other networks</td>
<td>Rs 1.25</td>
<td></td>
</tr>
<tr>
<td>Telenor to PTCL networks</td>
<td>Rs 1.25</td>
<td></td>
</tr>
<tr>
<td>SMS (any network)</td>
<td>Rs 0.20 / SMS</td>
<td></td>
</tr>
<tr>
<td>MMS (receiving)</td>
<td>Free</td>
<td></td>
</tr>
<tr>
<td>MMS (Sending – any network)</td>
<td>Rs 5.00 / MMS</td>
<td></td>
</tr>
<tr>
<td>Internet/WAP Usage</td>
<td>Rs 15.00 / MB</td>
<td></td>
</tr>
<tr>
<td>Smart Tunes</td>
<td>Rs 5 / SmartTune</td>
<td></td>
</tr>
</tbody>
</table>

The pricing and tariffs rates are very competitive in the mobile service industry, especially in the youth segment. The rates keep on changing depending on the competitor’s move. The prices of Djuice are at par with the offerings with other service providers. However, Djuice does charge its customer on the first time activation on subscription of its new packages.

The international call rates of Telenor are considered relatively cheap compared to other networks. The primary reason for such cheap rates is that Telenor is an international brand and has its operations in 13 countries.

**People:** The people who are hired in Telenor and thus recruited to the Djuice brand are all put through regressive interview series. The interviews begin with a human resource vetting process in which people with strong team player values and creativity and strong foundations in basic brand management and industry knowledge are given the green light. Following this step, a category manager or someone of equivalent level interviews the potential employee

who is then finally interviewed by a panel comprising Director Marketing, HR concern person and direct line manager.

Djuice as a brand has laid a lot of focus on the people aspect of the job and the latest restructuring in the firm to a FMCG model has seen the merging of functions. This has all the more stressed on the right fit of people working together to provide the right business solutions to customers.

The previous telecom industry model wherein the focus was on ARPU (Average revenue per user) and now the focus on overall brand health by measures other than just revenue has significantly impacted how individuals approach work and thus their quality of job performance has been directly affected. Djuice understands that the introduction of key HR practices in the face of these changes was essential and followed the protocol.

**Processes:** The shift from telecom to FMCG model has also seen changes not only in the HR structure of the firm but also in the other functions. Now, the organization has laid more stress on the bottom line of the firm with special emphasis on the reporting line and the flow of finances in the firm.

Djuice initially worked with one of the largest budgets in the industry but the budgets were apportioned according to the needs of the campaign being run at the time. However now, the budgets are apportioned as are done in the fast moving consumer goods industry.

The organization as a whole is extremely streamlined and from day one employees are taken through a process which introduces to them the best practices of the firm and gives them a code book that facilitates new employees in whatever it is that they need.

Beyond that as in any organization, Djuice looks to day to day handling of issue.

The major learnings achieved from the It’s fun to be young to KKB campaign was in the operational end and the ABM said that at the end of the day a thorough and methodical process to realize the completion of all work is imperative. Thankfully, he said, Djuice contained the operational efficiencies that made all of this possible and didn’t result in too much time loss for the firm.
Physical Evidence

The physical evidence embodying the Djuice brand is displayed throughout the Djuice floor. Telenor as a whole believes in egalitarian practices and a comfortable work environment. Nowhere is this more apparent than on the Djuice floor where, employees have a casual but clean dress code throughout the week – this allows khakis, jeans, polo t-shirts and button down shirts the choice styles for men and whatever fashions are in vogue for women.

Organizational standards are displayed on boards throughout the organization, and are stressed within. The firm took a recent internal marketing effort in which a number of employees from different functions were chosen to become the inter-firm brand ambassadors for social work and returning to society practices.

Competition

Ever since Djuice has captured the youth target market, the other leading mobile service providers have also followed Djuice’s path. Ufone launched its Uth package, Such by Mobilink Jazz and Grow by Warid. The communication medium used by these MSP is almost similar to that of Djuice. This is one reason that Djuice broke the clutter by initiating its ‘KhamooshikaBoycott’ campaign. Besides offering somewhat similar call rate, SMS packages, internet WAP, all the MSP are saturating the youth target market.

The telecommunications industry has started to become saturated in the last few years. Mobile service providers have taken up almost all the space there is in the market. The pie cannot increase anymore, so the players start to fight among themselves, trying to take away market share.

Sometimes, a telecom operator brand comes up with a campaign that is innovative and fresh. Any campaign that becomes successful is quickly replicated by competitors. Zong surprised its competition when it introduced its online service where consumers can choose and customize their own packages, caller tunes and other features. Djuice has always tried to keep ahead of the competition by aggressively marketing its features while keeping rates and prices to a minimum.
The brands which are the major direct competitors of Djuice are Uth (Ufone), Jazz, Octane Jazba (Mobilink) and Glow (Warid). In terms of perception Ufone had strong responses before it decided to launch its Uth package. Uth aggressively tried to grab market share from Mobilink’s Octane, and Warid’s Glow. Mobilink has been in the market for a long time and has gained considerable foothold in the markets. It had a strong brand image, a vast network, and a good subscriber base. Their brands had also been actively working to gain market share. Warid seemed to be lagging behind in terms of share and presence. They still seemed to survive on their limited client base through heavy advertising and promotion.

TEACHING NOTE

Abstract

This case is based on the innovative and unconventional marketing tactics used by the leading telecom operator in Pakistan. The competitive environment in the telecom sector of Pakistan has become extremely intense, with cut-throat pricing and tactics by all the players to gain more and more market share. Since the industry is approaching its maturity stage, players like Telenor cannot afford to have a reactive strategy. The players must actively find and exploit any and all opportunities to gain a stronger footing in the arena.

Case Objectives

1. To illustrate the concepts of Services Marketing especially the 7 Ps of services.
2. To illustrate application of services marketing tactics to compete in highly competitive market.
3. To appraise the importance of unconventional marketing tactics.
4. To appraise marketing skills needed in launching a new services sector.

Target Audience

This case was written for undergraduate students taking course(s) in any one of the subject area namely Principles of Marketing, Marketing Management, and/or Services Marketing. However, it may be used for discussion in Brand Management, Integrated Marketing Communications courses as it highlights various concepts of marketing as well. It provides an excellent opportunity to students to see how managers can use the entrepreneurial spirit while turning around a sick unit.
Case Methodology

A case study is a common research methodology in social science and it may be descriptive or explanatory in nature. It is based on an in-depth investigation of a single individual, group, or event (Yin, 2009). All facts and figures have been taken from the official website of the university (umt.edu.pk) otherwise all other secondary sources are mentioned and appropriately acknowledged. Principally this case is a teaching case and written solely for class room discussion and academic purposes only. It doesn’t intent to illustrate either effective or ineffective handling of managerial situation. Materials or statistics provided cannot be used by third party as evidence. This strategy has been proved fruitful in describing fundamental concepts through case study design in many other cases (Anjam & Siddiqui, 2013; Fahim & Siddiqui, 2013; Husain & Siddiqui, 2013; Mangi & Siddiqui, 2013; Salman & Siddiqui, 2013; Siddiqui & Anjam 2013a; Siddiqui & Anjam 2013b; Siddiqui & Anjam 2013c; Siddiqui & Fahim 2013). More recently the marketing concepts in Pakistan have been illustrated through a single case study design in services sector (Siddiqui & Fahim 2014; Sibghatullah, Siddiqui & Siddiqui, 2016, Latif, Sibghatullah, & Siddiqui, 2016).

Suggested Class Plan – 75 minute

1. What personal factors influence the mobile phone usage?

Djuice recognizes the unique needs of the youth and caters to them in such a way that makes them feel that this is the right brand for them and it makes them feel like Djuice is a brand that they can trust because it is the brand that knows them well. It is intended for young people and it caters to the lifestyles that they have. Its packages and features are solely designed for the segment of the population aged between 12 and 20 and creates solutions with their needs in mind. This segment of the population shows some degree of consistency and the slight variations are predictable and are known to be caused by factors such as age and gender.

2. What is a good market segment for mobile phone industry? How they can be attracted?

Most of the people in this age in Pakistan are living with parents. They are mostly students and have no source of income yet. They get allowance or pocket money, and are generally
price conscious about their mobile use. Therefore, the youth would be very receptive to a brand that offers them low rates. This is also the reason for the rise in youth oriented services offered by mobile service providers and telecom brands in Pakistan and the rest of the region.

Djuice has always harped on the fact that youth is a cheerful time of life, meant to enjoy and have fun. Hence the slogan “It’s fun to be young”. In Pakistan, with the law and order situation and the general lack of security and trust, the youth is usually alienated. They feel oppressed and ignored and brand like Djuice tend to show the lighter side of life to bring them out of negativity and catch their attention. It channels their energy towards positive thoughts and to motivate them and inspire them. It shows them a lifestyle full of laughter and joy which they also like to have.

3. **What social factors may affect the mobile phone usage in Pakistan?**

Pakistani society is divided greatly among the various social classes according to factors like ethnicity, religious beliefs, income levels and even geographic location. Some teens are outgoing and like to hang out with friends, while others spend most of their time at home. The most important thing to these people at this stage in their lives is their friends and family. They like to spend as much time with their friends as possible. Whether it’s going out, eating dinner, shopping or sports, this is the age where social interactions are at their highest and friends and family become a person’s highest motivators and influencers. More recently it has been learned that children of any age have a great influence of their parents on their brand selection and this concept is known as Intergenerational influences (IGI) on Brand preferences. Interestingly mobile phone usage is the only item in the list where parents follow their grown-up children for brand selection (Siddiqui, Bashir, Sarki, Jaffari, & Abbas, 2012). More interestingly women dyads (mother-daughter) have higher IGI on brand preferences (Hussain, & Siddiqui, 2015).

The youth in Pakistan, just like youth in any other part of the world tend to rely on peer groups and social groups for advice and information. These are the people they spend time with, and communicate with and with whom they have a special bond based on trust and friendship. These consumers tend to follow advice about brands from their respective social groups. Most respondents say they choose a certain mobile network because their friends recommended it and some say they would most likely ask their friends for advice regarding a choice of mobile operator or any other service.
4. **How do you see buying decision process for a mobile phone connection?**

A typical consumer’s buying decision goes through several steps, that include all that they think about before contemplating a purchase, how and what do they find out about the brand, and who they ask for advice. Other factors that play a part in the buying decision process are the location of purchase, the medium on which they saw the ad, and the time of day they saw the ad. Such factors culminate to create a unique situation which is different for each individual based on factors like the customer’s opinions, views and beliefs, attitude, personality, needs and past experiences.

5. **What factors influence mobile phone connections buying?**

No matter what the product or service is, there are two factors that are always present when a buying decision is to be made or when a transaction is required. These factors are budget and time. Almost in all situations, the two things that are hindering a consumer’s purchase decision are budget and time constraints. The youth have little pocket money to spend and so must make the decision with the utmost care and must put a lot of thought into deciding which mobile service provider to choose. Most telecom providers realize this and offer lowest possible rates to the younger population. (Except Zong, which seems to provide cheap rates to all customers, rather than having separate brands for different segments).

6. **What is the positioning of Djuice? Its competitor’s?**

The positioning of Djuice is such that it appears as a fresh and innovative product that offers variety and differentiation in almost all its brands and all its activities. It has positioned itself as very different from other competitor brands like Jazz from Mobilink, and Octane, and Jazz also from Mobilink. Another competitor which Djuice differentiates from is Glow, by Warid.

7. **What is most attractive cluster for mobile phone operators in Pakistan? What are their problems?**

The youth is well known for brand switching as soon as something better comes along. The reason for this is that this age is very important in the lives of people. At this age, people are extremely hard to reach, and in order to get their attention you have to really stand out. This problem is further aggravated by the fact that now there are phones available in the market
that have the dual-sim feature, which allows a user to have more than one SIM cards in one phone, in order to conveniently switch from one operator or rate package to the other.

The youth feels that the need for communication is the most important. For every person, no matter where you are in the world and no matter what you do, it is always important to have a cell phone. Thus over the last few years, mobile phones have become a necessity throughout the world and also in Pakistan. Almost everyone nowadays can afford a cell phone thanks to the introduction of cheap hardware and the telecom operators providing cheap services and offering competitive rates.

8. **If someone is looking for a new mobile phone connection what factors he/she will look into?**

He/She might try to determine the best possible service that gives the most value. This includes looking at tariffs and extra features like SMS bundles, internet packages and other applications. After careful evaluation, conducting searches, and weighing all alternatives, a customer makes his or her decision.

9. **What do suggest for the post purchase situation in this case?**

Post purchase evaluation shows that most consumers face cognitive dissonance after selecting a telecom provider or mobile service. This can be removed by careful strategies of customer care, customer support and through promotions, advertising and giving information to the consumer about use and terms and conditions of the company and its brands.

10. **What do you suggest to Djuice management for their biggest challenge i.e., Competition?**

To counter the competition, Djuice needs to continue to build on the brand equity and recall generated by KKB campaign. Attain as a KPI, unaided recall of about 35%

11. **What do you suggest to Djuice management for their responsiveness?**

Because of the high attrition rate of consumers in the pre-paid segment, Djuice needs to continue to work on the hook that it has created from this socially relevant campaign.
12. What do you suggest to Djuice management for their customer Satisfaction?

Because the franchised outlets of Djuice as run on the models of firm operated service centers, franchised outlets and shops as Djuice SIM centers, the firm needs to ensure consistency. At the same time, the firm needs to develop shorter time for call center responsiveness.

13. What do you suggest to Djuice management for their segmentation strategies?

Djuice has to segment the local mobile phone industry in three distinctive segments (a) Trendy (b) Addictive and (c) Thrifty. (Siddiqui, 2011). They are only following Addictive but rest two are still ignore.

14. What do you suggest to Djuice management for their brand core values?

Local mobile phone industry revolve around four items (a) Brand Association, (b) Brand Premium, (c) Brand Communication and (d) Brand Loyalty (Siddiqui, Ali, Sarki, Khuhro, 2015).

Three factors were identified as shaping the telecom branding i.e. Network coverage, Value added services and pricing strategies while in subsequent quests value added services were emerged as major factor for retaining consumer mindset for telecom branding. There is a gender difference for reason for mobile phone selection. Men tend to choose for Value added services while Women tend to choose for network coverage.
References


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