CHAPTER- I
INTRODUCTION

1.1 General Background

Telecommunication is the devices and systems that transmit electronic or optical signals across long distances (Encarta, 2008). Telecommunication enables people around the world to contact one another, to access information instantly, and to communicate from remote areas. Telecommunication usually involves a sender of information and one or more recipients linked by a technology, such as a telephone system, that transmits information from one place to another. Telecommunication enables people to send and receive personal messages across town, between countries, and to and from outer space. It also provides the key medium for delivering news, data, information, and entertainment.

Telecommunication devices convert different types of information, such as sound and video, into electronic or optical signals. Electronic signals typically travel along a medium such as copper wire or are carried over the air as radio waves. Optical signals typically travel along a medium such as strands of glass fibers. When a signal reaches its destination, the device on the receiving end converts the signal back into an understandable message, such as sound over a telephone, moving images on a television, or words and pictures on a computer screen.

Telecommunication messages can be sent in a variety of ways and by a wide range of devices. The messages can be sent from one sender to a single

receiver (point-to-point) or from one sender to many receivers (point-to-multipoint). Personal communications, such as a telephone conversation between two people or a facsimile (fax) message, usually involve point-to-point transmission. Point-to-multipoint telecommunication, often called broadcasts, provide the basis for commercial radio and television programming.

With the unprecedented innovations in the field of telecommunication services and rapid telecommunication development in the world, it has become necessary to bring with the same pace development and expansion in this sector in Nepal also. Keeping in harmony with the currently evolving new technological developments, the emerging craze for globalization and liberalization of market economy concept, it is felt that the resources and efforts of Nepal government alone cannot fulfill the steadily increasing demand of the telecommunication services in a competitive environment. Even though the private sector entrepreneurs are interested in investing in the novel sectors, flow of private sector capital in productive areas could not be made effective due to unfavorable environment and lack of opportunities. Taking this scenario into account, the National Communication Policy 1992 envisaged the concept of encouraging the private sector participation for providing telecommunication services to the public and to assist to the extent possible as is deemed necessary in an easily available, simple and well planned manner for the development, expansion and operation of this sector inside the kingdom of Nepal as well as abroad.

1.2 Brief History of Telecommunication

1.2.1 Nepal Telecom

In Nepal, operating any form of telecommunication service dates back to 94 years in B.S. 1970. But formally telecom service was provided mainly after the establishment of MOHAN AKASHWANI in B.S. 2005. Later as per the plan formulated in First National Five Year Plan (2012-2017); Telecommunication Department was established in B.S.2016. To modernize the telecommunications services and to expand the services, during third five-year plan (2023-2028), Telecommunication Department was converted into Telecommunication Development Board in B.S.2026. After the enactment of Communications Corporation Act 2028, it was formally established as fully owned Government Corporation called Nepal Telecommunication Corporation in B.S. 2032 for the purpose of providing telecommunication services to Nepalese People.

With this concept, using liberalization policy and involving the private sector in a competitive environment for the development and expansion of telecommunication sector in Nepal, His Majesty's Government of Nepal's (cabinet's) decision dated December 25, 1995 has initiated the involvement of the private sector in the development of the telecommunication services. Nepal Telecommunications Authority as an autonomous regulatory body has been established on March 4, 1998 as stipulated within the framework of the Telecommunication Act 1997 and Telecommunication Regulation 1998 to make this work more systematic and regular.

After serving the nation for 29 years with great pride and a sense of accomplishment, Nepal Telecommunication Corporation was transformed into Nepal Doorsanchar Company Limited from Baisakh 1, 2061. Nepal Doorsanchar Company Limited is a company registered under the companies Act 2053. However the company is known to the general public by the brand name Nepal Telecom as registered trademark.

1.2.2 NCell

Spice Nepal Private Ltd., popularly known under its brand name "Mero Mobile and is named NCell from 2066. It is the first private GSM mobile operator in Nepal. The Company was established in 2004 and commercially launched on 17th September 2005.

Spice Nepal Private Ltd. bagged the award for the “Best Consumer Pull in Mobile operator” and “Most Innovative Mobile Operator” at the CEO Conclave Award-2006, organized by Voice & Data, India’s leading information and communication magazine, in Colombo, Srilanka. The winners were chosen among the best mobile operators in the South Asian (SAARC) region for their contributions in cellular mobile phone development, innovation products and services. Also in 2007 NCell was rewarded for "Best Consumer Pull in Mobile Operator" and the event was held at Kathmandu, Nepal.

From Starting moment of commercial launch NCell has extended its services in major areas of Nepal such as: Dhulikhel, Banepa, Nagarkot (surroundings of Kathmandu Valley) Chitwan, Hetauda, Birgunj, Simara, Biratnagar, Itahari, Birtamod, Chandragadi, Kakarvitta, Dharan, Duhabi, Rajbiraj, Lahan, Malangawa, Nijgadh, Dhalkebar, Janakpur (Eastern part of

Nepal); Pokhara, Butwal, Bardagath, Bhairahawa, Nepalgunj (Western part of Nepal), Dhangadhi and Kanchanpur. It is one of the most fast growing companies known for its better quality and innovative services.

NCell Mobile has already tied up with many different international Operators of more than 31 countries adding up to 74 operators around the world and is in process of extending roaming services (partners) for the convenience of the roaming subscribers.

NCell Mobile is the first GSM Company in Nepal to introduce services like GPRS (General Packet Radio Service), MMS (Multimedia Messaging Service), PRBT (Personal Ring Back Tone) to its users. NCell Mobile started its service with Voice call and SMS and in the short period of its operation has introduced services like Voice Mail, Sms2Email, Missed Call Notification, GPRS, MMS, PRBT and many more value added services. NCell Mobile has two dedicated customer care centers located in Kathmandu and Lalitpur and has plans to open customer care centers in different parts of the country where it has its network.

It is a youth focused brand and the most innovative operator. Its customer base, however, largely remains among those with less spending capacity (Example: students), probably also because of its aggressive customer pull campaigns and easy availability. It has GSM Pre-paid and Post-paid services and operates in 35 districts (out of total 75), covering all the 14 zones Of Nepal with almost 13, 00,000 subscribers.

NCell Mobile GSM is constantly expanding its coverage, adding new cities and regions to its country-wide network. Powered by our commitment to setting new service standards the GSM network coverage will extend

through out the country gradually. NCell Mobile is providing different kinds of Services to the public like Voice messages, Text messages, Call Forwarding, Call Waiting, Fax Call Conference etc.

1.2.3 UTL Mobile

United Telecom Ltd, a joint venture between Videsh Sanchar Nigam Ltd. (VSNL), Mahanagar Telephone Nigam Ltd. (MTNL), and Telecommunication Consultants India Ltd. (TCIL), and Nepal Ventures Private Ltd. (NVPL) plans to offer telephony services in Nepal, based on the wireless local loop (WLL) technology. After exhaustive deliberations & extensive scrutiny, UTL was declared successful bidder by NTA in the bid for basic telephone service based on WLL technology and letter of internet was awarded on 21st June 2001 & finally, the license was issued on 4th October 2002. UTL provides (WLL) wireless phone services and is presently operating in the Five Development Region. The present network is in 7 zones and 12 districts which includes 15 cities. And has a fair customer base of about 200,000 subscribers owing mainly to its low tariff and easy availability.

UTL Mobile is providing different kinds of Services to the public like Voice messages, Text messages, Call forwarding, Call waiting, Fax Call Conference SMS, E-mail and Internet etc.

1.3 Statement of the Problem

Statement of the problem is the main question to researcher to draw out the conclusion or to get the destination. In this research, the researcher will attempt to identify the satisfaction of the customer with the

telecommunication services. For that purpose this research has presented the service rendered by Nepal Telecom, NCell and United Telecommunication. Recently, Nepal Telecom has overall 25,81,687 subscriber's [1]. At present Telecom market is a market leader by holding a huge part of Nepalese communication market. However, Nepal Telecom is not able to fulfill its customers' overall demand even after introducing multi providers in telecom market. It is also true fact that Nepal Telecom is being first choice of customers beyond present time.

"Nepal Telecom has been most successful entity in the country since its establishment. It has been popularly known Nepal Telecommunications Corporation or NTC in the short .It has the highest market share in the contest of Nepal and it has operated services nearly all over the nation. It has operated various types of services. However, the customers are not satisfied with its services.

"Nepal Telecom will explore and use new information systems to improve customer's service and extend relationship in order to simultaneously save money and do better job of making customers happy. Company needs to take action before it's too late by learning more about its customers, finding a partner to help with the technology and creating a plan to continually improve the system. A seamless system that records all customer contacts in a single solution allows customer to effectively them, gives customer service agents the information they need, save money and improves customer satisfaction. Such a system could include any tool that provides customers with online access to information and self service activities. It could also use

[1] MIS 2010

interactive voice response (IVR) to route telephone requests to appropriate agents and provide the agent customer's information before the call arrives. Nepal telecom in its course of time will make its customer loyal in such level that they will say; "The employees in Nepal Telecom are always friendly. This company goes the extra mile for me. The employees sincerely care about my concerns.

"NT's vision is to unshackle the internet and to deliver the promise of wireless data communications. There is an increasing demand from users across the whole country that require high speed internet access from multiple location which are dictated by their business and personal needs and not dictate by a fixed location. In doing so NT hopes to put Nepal in the map of information communication and Technology as leaders of future technology."[2] After introducing competition in Nepalese Telecom sector Nepal Telecom has been improving in customer care than that of the past. It is not sufficient to aware all kinds of customers about every services operating by the company. Many customers are still unknown about Nepal Telecom's services. Sujeet Ratna Kansakar (former M.D.) told in one reference about lack of consideration on Marketing Management, research, survey, and publicity. "It can not be agreed in the fact of Nepal Telecom that it had not concentrated in research , analysis and Marketing survey, from last many years, planning department had effective role play by door to door demand survey for getting data about telephone demand and to aware information about new technology for formulation of planning."

NCell has started its service in Far Western Region from B.S.2065. It is easily available to the customer. However, is is a bit more expensive and does not have access to remote area (far from town). It has conducted various programs to attract the custoers such as free SIM with Rs 99 with Rs 99 balance at Rs. 100 twenty hours talk time free from NCell mobile to Ncell mobile, internet facility and many more. However the customers are not satisfied with its price of all.

On the other hand the United Telecom has started its services in Far Western Region from B.S. 2066. Also it has been conducting various programs to attract the customers such as call price to India at Rs. 3, operating data access or internet facilities , however it does not have to the remote area and the call price from UTL to other is high. Therefore, customers are not fully satisfied with the service of communication in Far Western Region.

In this context, this research aims to seek the answer of the following questions:

(i) What is the market status of Telecommunication business in Nepal?

(ii) What is the opinion of customers about the Telecommunication services?

(iii) To what extent customers are satisfied towards telecommunication services provider.

(iii) What are the different tariff rates charged by different Companies.

1.4 Objectives of the Study

The main objective of this study is to find out the potential market for the emerging telecommunications in Nepal. The specific objectives of the study are as below:

(i) To analyze the market status of Nepal Telecom, NCell and UTL mobile Companies.

(ii) To evaluate the opinion of customers' services quality of Nepal Telecom, NCell and UTL Mobile Companies.

(iii) To identify the Tariff rate of Nepal Telecom, NCell and UTL Mobile companies.

(iv) To suggest and recommend to the stockholders and upcoming Companies on the basis of major finding of the study.

1.5 Scope of the Study

The developing countries like Nepal are far ahead in the infrastructure development and technologies too. Among types of industries in Nepal the telecommunication industries is also the one. The telecommunication industries in Nepal are limited and have the monopoly market so the development of Telecommunication industries in Nepal is far better appreciable. Mainly the study is based on the customer opinion which has wide scope to the existing telecommunication industries as well as the new mobile industries. The scopes of mobile industries are listed below in points.

For the existing Mobile industries

1. To see the real picture for the growth of their industry in Far Western Region Market
2. To analyze the weakness of mobile service providers towards customers, and Far Western Region.
3. To understand the strategy about the customers.
4. To Find out the actual market for the development of Telecommunications.

For the New mobile industries

1. To Find out the strategies followed by the existing mobile industries
2. To Find out the possibility of new market
3. To motivate them to invest in new market than existing one.
4. To compare the between Nepal Telecom, NCell Mobile and UTL Mobile.

1.6 Significance of the Study

The research work is mainly based on the interest and opinion of the customer who is the real user of the product of Telecommunication industries. The study is done to find out the customer opinion regarding pros and cons of telecom industries. This study is also the primary survey for the potential market for the new emerging telecommunication industries in the opinion of Customer. The main aspect of this study is to promote the industries in the field of telecommunications. The dissatisfaction regarding the network coverage, services,. Facilities and rates of the customer should be decreased by introducing innovative services in mobile. The monopoly of limited telecommunications regarding rates,

facilities, services should be removed. The importance of this study is to introduce the real problems of customers.

1.7 Limitations of the Study

Like other studies, this study is not free from some limitations. The limitations for this study are mentioned below:

(i) This study has been conducted spically within Far Western Development Region with reference to the Nepal Telecom, Ncell and UTL Mobiles. So the study result can not be generalized.

(ii) The Primary data collected from respondents through questionnaire survey are assumed to be representative of the population.

(iii) The primary data are collected from Dhangadhi, Mahendranagar, Attariya, Tikapur and other limited places.

(iv) The secondary data are collected from Journal, bulletin, and Annual report books but these materials are not sufficient for research.

(v) Because of lack of research in this topic, secondary data are limited within few researchers.

1.8 Organization of the Study

As specified format of the research study, this study also comprises of five major chapters. They are following.

Chapter one: Introduction

This chapter contains the brief introduction of the subject matter i.e. general background, brief History off Telecommunications, significance of the study, Statement of the problem, objectives of the study, limitations of the study.

Chapter Two: Review of Literature:

This chapter describes towards the review of literature of related studies. It contains conceptual review and major studies related with this research.

Chapter Three: Research Methodology:

This chapter acknowledges the research methodology used in this study. It includes research design, nature and source of data, period covered, data processing procedure and tables and diagrams used for the study.

Chapter Four: Presentation and Analysis of Data:

In this chapter various data (primary and secondary) data are gathered from different sources and presented as required by the research objective. In this chapter data are analyzed and interpreted with the help of various tables and diagrams.

Chapter Five: Summary, Conclusion and recommendations:

This chapter states summary, conclusion and recommendations of this study.

CHAPTER-II
REVIEW OF LITERATURE

Review of Literature means reviewing research studies or other relevant propositions in the related area of the study so that all the past studies their conclusions and deficiencies may be known and further research can be concluded. It is an integral and mandatory process in research work. {Joshi P.R.2003}. It supports the researcher to explore the relevant and true facts for the reporting purpose in the field of study. It also helps to find out his lacuna in the earlier research work and to stop duplication of the previous work. It may be in various forms like book, booklet, thesis reports etc.

This chapter highlights the available literature related to the present study. This chapter has been divided into two sections, review of conceptual framework and review of previous related studies.

2.1 Review of Conceptual Framework

These are the general concepts of market analysis which are listed below:-

2.1.1. Market:

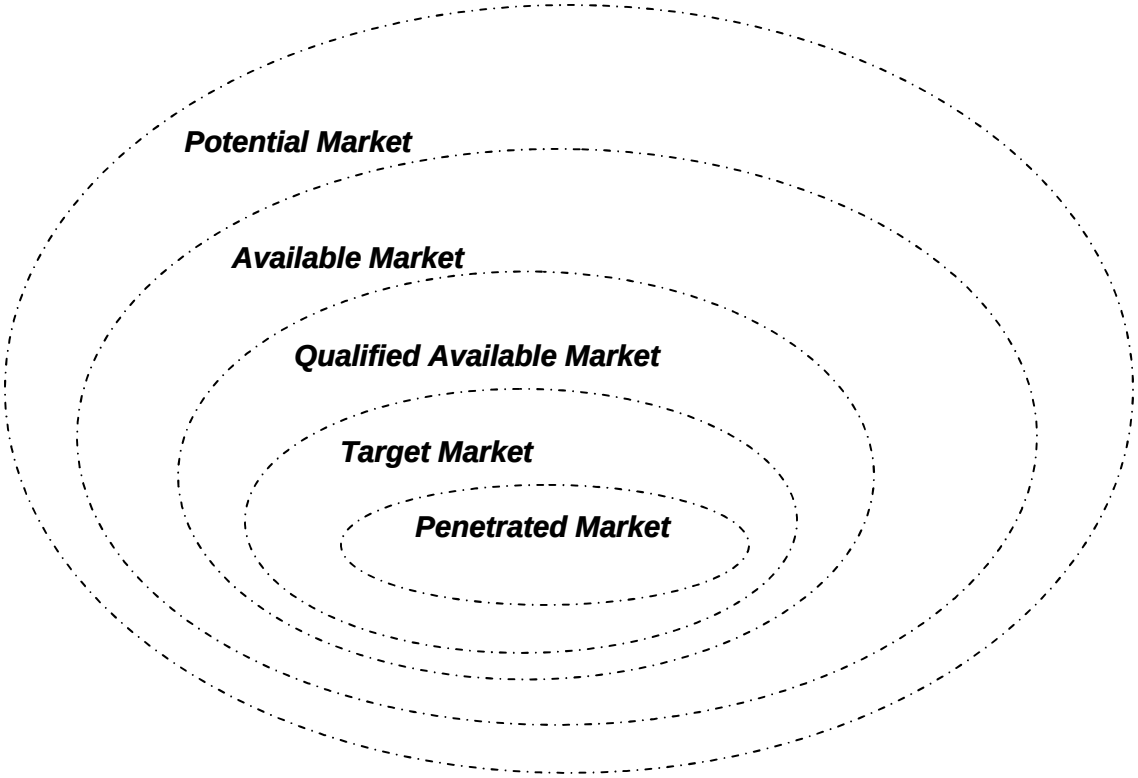
The term Market Refers to the group pf consumers or organizations that is interested in product, has the resource to purchase the product, and is permitted by law and other regulations to acquire the product.

Defining the Market is the first step in analyzing it. Since the market is likely to be composed of consumers whose needs differ, Market

Segmentation is useful in order to better understand those needs and to select the group within the market that the firm will serve.

Market Definition

Fig. No 1
Total Population



Beginning with total population, various terms are used to describe the market based on the level of narrowing:

Total Population:

- **Potential Market** – those in the total population who have interest in acquiring the product.

- **Available Market** – those in the potential market who have enough money to buy the product.

- **Qualified Available Market**- those in the available market who legally are

permitted to buy the product.

- **Target Market**- the segment of the qualified available market that the firm has decided to serve (the served Market).

- **Penetrated Market**- those in the target market who have purchased the product

In above definitions product refers to both physical products and services.

The size of the market is not necessarily fixed. For example the size of the available market for a product can be increased by decreasing the product's price, and the size of the qualified available market can be increased through changes in legislation that result in fewer restrictions on who can buy the product.

Defining the market is the first step in analyzing it. Since the market is likely to be composed of consumers whose needs differ, Market Segmentation is useful in order to better understand those needs and to select the groups within the market that the firm will serve.

A market is any one of a variety of different systems, institutions, procedures, social relations and infrastructures whereby person's trade, and goods and services are exchanged, forming part of the economy. It is an arrangement that allows buyers and sellers to exchange things. Markets vary in size, range, geographic scale, location, types and variety of human communities, as well as the types of goods and services traded. Some examples include local farmers' markets held in town squares or parking lots, shopping centers and shopping malls, international currency and

commodity markets, legally created markets such as for pollution permits, and illegal markets such as the market for illicit drugs.

2.1. 2. Market Segmentation

Market Segmentation is the identification of the portion of the market that is different from one another. Segmentation allows the firm to better satisfy the needs of its potential customers.

★ Need for Market Segmentation

The marketing concept calls for the understanding customers and satisfying their needs better than the competition. But different customers have different needs, and it rarely is possible to satisfy all customers by treating alike.

Mass marketing refers to the treatment of the market as a homogeneous group and offering the same marketing mix to all customers. Mass marketing allows economies of scale to be realized through mass production, mass distribution and mass communication. The drawback of mass marketing is that customer needs and preference differs and the same offering is unlikely to be viewed as optimal by all customers. If firms ignored the differing customer needs, another firm likely would enter the market with a product that serves a specific group, and the incumbent firms would lose those customers.

Target marketing on the other hand recognizers the diversity of customers and does not try to please all of them with the same offering. The First step in target marketing is to identify different market segments and their needs. Generally segmentation is done according to characteristics of Market.

★ **Bases for Segmentation in Consumer Market**

Consumer market can be segmented on the following customer characteristics

- Geographic
- Demographic
- Psychographic
- Behavioralistic

★ **Bases for segmentation in Industrial Markets**

In contrast to consumer Industrial customers tend to be fewer in number and purchase larger quantities. They evaluate offerings in more detail, and the decision process usually involves more than one person. These characteristics apply to organizations such as manufacturers and service providers as well as resellers, governments and institutions.

Many of the consumer market segmentation variables can be applied to industrial market. Industrial markets might be segmented on characteristics such as:

- Location
- Company Type
- Behavioral Characteristics

2.1.3 Market Analysis

The goal of Market analysis is to determine the attractiveness of a market and to understand its evolving opportunities and threats as they relate to the strengths and weaknesses of the firm.

David A Aaker outlined the following Dimensions of a market Analysis:

- ❖ Market Size
- ❖ Market Growth Rate
- ❖ Market Profitability
- ❖ Market Trend
- ❖ Key Success Factors

★ **Market Size**

The size of the Market can be evaluated based on present sales and on potential sales if the uses of the product were expanded. The followings are some information sources for determining market size:

- ⁾ Government Data
- ⁾ Trade Associations
- ⁾ Customer Survey

★ **Market Growth Rate**

A simple means of forecasting the market growth rate is to extrapolate historical data into the future. While this method may provide a first order estimate, it does not predict important turning points. A better method is to study growth drives such as Demographic Information and sales Growth in complementary products. Such drivers serve as leading indicators that are the most accurate than simply extrapolating historical data.

★ **Market Profitability**

While different firms in a market will have different levels of profitability, the average profit potential for a market can be used as a guideline for knowing how difficult it is to make money in the market Michael Porter devised a useful framework for evaluating the attractiveness of an industry

or market. This framework known as Porter's five forces identifies five factors that influence the market profitability.

- Buyer Power
- Supplier Power
- Barriers to entry
- Threat of Substitute Products
- Rivalry among Firms in the industry

★ **Market Trends**

Changes in the market are important because they often are the source of new opportunities and threats. The relevant trends are industry- dependent, but some examples include changes in price sensivity demand for Variety, and level of emphasis on service and support, regional trend also may be relevant.

★ **Key success Factors**

The key success factors are those elements that are necessary in order for the firm to achieve its marketing objectives. A few examples of such factor include:

- Access to unique resources
- Ability to achieve economies of scale
- Access to distribution channel
- Technological progress

2.1.4 Communication

Communication is the process of sharing ideas, information, and messages with others in a particular time and place. Communication includes writing and talking, as well as nonverbal communication (such as facial expressions,

body language, or gestures), visual communication (the use of images or pictures, such as painting, photography, video, or film), and electronic communication (telephone calls, electronic mail, cable television, or satellite broadcasts). Communication is a vital part of personal life and is also important in business, education, and any other situation where people encounter each other.

Businesses are concerned with communication in several special ways. Some businesses build and install communication equipment, such as fax (facsimile) machines, video cameras, CD players, printing presses, personal computers, and telephones. Other companies create some of the messages or content that those technologies carry, such as movies, books, and software. These companies are part of the media or telecommunications industries. Organizational communication is important in every business. People in organizations need to communicate to coordinate their work and to inform others outside the business about their products and services (these kinds of communication are called advertising or public relations). The communication methods are following:

2.2 Review of Related Studies

This part is a descriptive presentation of the literature work done by various authors and previous researchers. The main objective of this part is to analyze the previous research study. The purpose of literature review is thus, for finding out what research studies have been conducted in one's chosen field of study. And what remains to be done. It provides the foundation of developing a comprehensive theoretical framework from

which hypothesis can be developed for testing. The literature survey also minimizes the risk of pursuing the dead ends in research.

So far as known to the researcher, studies on market analysis of telecommunications in Nepal based on customer opinion are very few. NCell studies have been made in the area of effectiveness of sales planning in Nepal Telecom, human resource planning in Nepal based on Nepal Telecom, profit planning and control in public utilities sector based on Nepal Water Supply Corporation and Nepal telecom but the detail study on market analysis of telecommunications has not been conducted till this date. So, some of the notable literatures relevant to the study are reviewed in this study to identify the relevance of the present study. Some reviews are as follows:

2.2.1 Tripathi Purushottam

Mr. Tripathi (2007) has conducted a research on the topic "Effectiveness of sales planning in Nepal Telecom (with special reference to Nepal Telecom) was submitted to central department of Management T.U.

The main objective of this research works are as follows:

- To analyze the existing sales planning system of Nepal telecom with seasonal demand.
- To study the relationship between sales plan with production Plan.
- To analyze the relationship between sales and profit.
- To analyze BEP of Nepal Telecom
- To provide suitable suggestion and recommendation on the basis of study

The major findings of Mr.Tripathi related with this study are as follows:

* The total actual sales units of NT are in increasing trend. It exceeds budget In F.Y. 2060/061 and 2062/063. Actual sales revenue is always higher than target except F.Y. 2061/062
* The actual sales units of PSTN telephone service of NT is fluctuated every year.
* There is high degree of positive correlation of total sales units, but low degree of positive correlation of PSTN sales units.
* The cost volume profit analysis of NT shows that BEP is satisfactory.
* Internal and external variables providing opportunities, threats, strengths and weaknesses are not identified clearly.

2.2.2 Adhikari Mandita

Mrs. Adhikari (2009) has conducted a research on the topic "The effectiveness of promotional strategy of Mobile services in society with SP (with special reference of NCell Mobile Services) was submitted to central department of Management T.U.

The main objectives of this study are:

- To identify response of target audience of NCell Mobile
- To Identify the brand awareness of NCell mobile
- To identify the promotional tools adopted by NCell Mobile

The major findings of Mrs. Adhikari are stated in brief

* Numbers of respondent used NCell Mobile service. It has least network problem, and it provides lots of facilities like free talk time, MMS and ramaro Tariff. No body has enough time to involve in same

problem for long time. So, hassle free is also most effective service of NCell Mobile.

* The sales promotion and advertising is the most attractive strategy used by NCell Mobile service while performing promotional strategy. One hour talk time, ramro tariff is the most successful campaign.

* The total no of subscribers which the NCell Mobile has achieved till date stands at 1710000. As per the table 1575000 no of subscribers are achieved from the consumer promotion and the rest are from other activities.

2.2.3 International Telecommunication Union (ITU)

It has conducted a small tactical survey "Background Information on the ICT Static of Nepal: the state of ICT collection and disseminations concludes like NTA is collecting and disseminating the telecommunication indicators those defined By ITU which are comparable across countries although this is being done at a regular interval, difficulty in obtaining data on time has been a major concern in our effort to make those indicators available to the stake holders without delay. NTA reports the data available from the operators but doesn't validate the authenticity of such data. However after several years' effort NTA has been able to bring out the report that solely reflects the ICT static, which carries much significance for the development of ICT in the country. NTA also feels that there is a need for a regular study/ research on the impact of the ICT in socio-economic as well as overall national development of the country. NTA needs technical assistance to build this capacity. It is believed that periodic reporting of ICT

related data is a significance contribution for bringing out a reliable static for the general public.

2.2.4 Telecom Network of the Country

[2] According to quarterly performance of Nepal telecom conducted on April 2008 with the introduction of new telecom operators, the same tempo of growth continues with the number of distributed lines increasing from approximately 65,000 in 1992 to over 8, 05,061 (PSTN + WLL), post-paid Mobile subscribers 1, 13,742 and Pre-paid Mobile Subscribers 28, 82,555 till 12April, 2008 (30 Chaitra, 2064). Nepal Doorsanchar Company Limited, the only wire line operator in Nepal has 233 Telephone exchanges in operation at 224 different locations in 72 districts of Nepal. There are a total of 4575 International telephone circuits in operation including microwave circuits.

2.3 Review of Articles

Senior Engineer Mr.Bimal Aacharya has written as a conclusion on his Research Article "Telecommunication and Mobile Development: Comparative Study of SAARC Countries." (Sanchar, TEAN Year 9 Volume 11) "The average percentage of the SAARC is 22.8% which significance that Nepal can invest 4.0 Millions additional mobile or fixed subscribers just to meet the average percentage of the SAARC." He recommended that more operators are to be invited in the SAARC countries in Nepal, India, Bangladesh, Bhutan and Afghanistan to expand the mobile expansion. There is an ample opportunity for investors in Telecommunications business in the SAARC regions. Similarly other countries like Pakistan, Maldives and Srilanka shall give priority on quality of services and then

expansion of the network in their countries. Nepal will make plan to add 6.5 millions additional lines in next three years. As per present market price considering 30 US $ per line total budget estimations can be 120 Millions dollars. Two or three additional private operators can still be added for mobile network expansion so that Nepal can achieve the average penetration of the SAARC by the end of 2010.

Mr: Shiv Bhushan Lal (Regional Director Birjunj) describes about customer care in his article "ACHIEVING EXCELLENCE THROUGH CUSTOMER SATISFACTION."(4th Anniversary Souvenir 2008)

"Nepal Telecom's customer base in all regions of country continues to grow annually and we now serve around 2 million customers – in businesses, the emergency services, homes, cities, towns and villages. Especially, Mobile services have changed the way we communicate. We keep people in touch with each other like never before. But that places a big responsibility on

us as a telephone operator - to provide customers with a service they can genuinely trust.

We have to concentrate on our responsibility to our customers through a culture we call **'customer centricity'**. This means that we put our customers first and we try to understand their needs and opinions and to respond to them. We also know that in today's world the purchasing capacity of a consumer has grown and he is the king in a consumer market which is full of highly of competitive products and services. So what makes the consumer decide in favour of a particular product / service through or why do a particular product/ service enjoy greater demand in the market. The

answer is Customer Satisfaction. Thus, we can achieve excellence through customer satisfaction.

There are few steps to know through which we can identify and by following these, excellence can be achieved. The watch words are:

1. Identify Customers: Internal & External
2. Organize Customer Service
3. Loyal for Life
4. Serving You First."

Mr. Sugat Ratna Kansakar (Exe Managing Director, Nepal Telecom) has written in a Message for Annual Report 2007). "Until the year 2003/03 more than 50% VDCs did not have any kind of telecom services; till density was just 2% with huge gap between supply and demand of Telecom services in urban as well as rural areas. By the end of the year 2006/07, Nepal Telecom has 5,20,000 PSTN susbricers,12,19,000 mobile subscribers, 3,11,000 CDMA subscribers, and 25,000 internet subscribers. Consequently, Nepal Telecom alone succeeded to increase total tell- density to the present Ratio of 7.8%, similarly in the same period VDCs with telecom service increased from 1900 to 2850. Presently out of total 75 districts 71 districts are served with CDMA system and 55 districts with GSM mobile. this means 71 districts and about 2006 VDCs have connectively for both voice and internet access, which is sure to bring revolutionary changes in socio- economic life style in those remote villages. Our urban front, Nepal Telecom is equally aware of ever – increasing demand for latest technologies and newer services, and accordingly Nepal Telecom has initiated steps to go along with fast-paced technological development in the rest of the world. As per the strategy,

Nepal Telecom introduced 3G Mobile (WCDMA) in first quarter of the year 2007, Which made Nepal the first country in South Asia to introduce 3G mobile (WCDMA) service. Similarly, broadband service, triple play service, and host of other value added services are in the offering in near future. "An Era of Customer Care an, article written by Shiv Bhushan Lal (D.M.D. Nepal Telecom Birjung Regional Directorate) says "Nepal Telecom is moving for customer care from customer satisfaction to customer delight from customer bond relationship to customer loyalty."(Third anniversary Souvenir 2007)

Er. Rajesh Joshi has mentioned about customer feed back and customer retention in his article " Learning to Change: A suggestive Outlook" (First anniversary Souvenir 2005).

Customer Feedback: taking feedback from customers through surveys to gain their input on the change process would make them feel part of it. However they would feel " Wasting Time" if feedbacks were taken but no implementation towards that direction are visible in the expected timeframe.

Website is the perfect way to make the customers informed of the changes but there should as well be some sort of feed back &/ or their suggestions to help the organization serve them better.

Customer retention: Customer retention is normally not an issue in monopoly. But in competitive environment, customer's retention is equally important as customer attraction. The present day customers are comparatively more aware both technically and financially than that of the past. The theme dissatisfaction in piece or quality with the present provider

may be the reason for them to switch to another provider. Tailored services and personalized delivery of product s or services would help retain customers even if the price tag is a bit higher.

2.4 Research Gap

There are many research reports on marketing field related with this subject matter but there is no previous research found on market analysis of Telecommunications of Far Western Development Region Nepal based on customer survey. The study tried to find out the probability of market for the emerging Telecommunication industry in Nepalese market by doing customer survey. The study tries to find out the status of landline and mobile users, habit of monthly expenditure on mobile services, satisfaction level of customers regarding network, tariffs, and services. By analyzing these elements of existing telecommunications of Nepal the study tries to find out the potential market for rising telecommunication. In This study the existing market trend, growing status, factors influencing customers for using telecommunication services are studied and analyzed. Researcher has attempted to prepare and present this report with full enthusiasm and all possible primary as well as secondary data. Sources are collected analyzed and presented here in respective manner.

CHAPTER-III
RESERCH METHODOLOGY

The main objective of this chapter is to present the details of research design followed during the case Study. The chapter mainly includes description of research design, nature and source of data, populations and sample and technique of analysis research design

3.1 Research Design

The main objective of this study is to analyze and evaluate the market of Telecommunications of Far Western Development Region. Especially the Telecommunications included in this study are **Nepal Telecom, Spice Nepal so called (NCell) and United Telecom of FWDR, Nepal**. The primary objective of this study is to search for the potential market for emerging Telecommunication in FWDR. In order to meet the primary as well as secondary objectives, it adopts the descriptive case study research design.

3.2 Nature and Sources of Data

In this study, both primary and secondary data have been used. The primary data have been collected through the customer survey. The identical locations have been based on, primarily, intending to cover the 9 districts of the Far Western Development Region.

Secondary data have been collected from annual report of Nepal Telecom, Ncell, and UTL, websites of concerned telecommunications, Journals, News, Bulletins, and published articles and books.

3.3 Population and Sample

All the total people of Far Western Development Region are above the 15 years are involved in this study. The population have been consisting the total consumer whether they are male or female mobile users or non users. The people other then mobile users have also been included in the sense that they are the potential buyers of NTC Mobile, NCell and UTL Mobile.

Among, the mobile users 200 respondent have been selected as sample for representing the whole population by using a stratified random sampling method. First the total population was divided into three strata's. The stratification has been made on the basis of the respondent's characteristics whether they use Nepal Telecom, NCell Mobile and UTL card or they don't use mobile. Then the data was collected equally from within each stratum on the basis of judgmental sampling method.

3.4. The Sample Characteristics

The sample comprises 50 PSTN users, 100 Namaste Mobile, 25 NCell Mobile and 25 UTL Mobile users. The attempt was to equalize male and female respondents from within each stream, but the sample was taken from 100 male and 100 female respondents., All the sample data were taken from within 10 cities. Sample respondents were comparatively more educated and mostly from middle and lower class family. No respondent in the sample was below the age of 15 years.

3.5 Processing of Data

After collected the data, it is necessary to processing the data analyzing the collected data has to be ordered and carefully processed only it helps to bring out the viable output using staticall tools.

3.5.1 Sorting

The dispensable data and irrelevant topic are removed. Sorting helps data pertinent, consistent and perfect for tabulating.

3.5.2 Coding:

There are used to many symbols, numbers, series and signs for coding in this thesis.

3.5.3 Classification

The scatter data are managed with consistent and grouping the data for easy to understand. It makes possible to generalize and tabulate the data.

3.6 Technique of Data Analysis

The collected data are logically and systematically considered and tabulated in different format. Basically the percentage is calculated to draw the inference. The key information is received during the period of working in an advertising agency, called ANS creation. The informations are carefully considered and analyzed during the interpretation of facts and figures. The data collection from the consumers through questionnaire is analyzed through following test.

3.6.1 Percentage:

It is a technique to represent the total respective respondents. 100 respondents are presented as 100 percentages. It is given by %. It helps to compare the easy to data analysis easily.

3.6.2 Chi- Square test

Chi-square test of goodness of fit is used for this study. Chi-square test is analyzing more then two populations. It is helpful test whether a preference of a certain product differ from state to state and region to region. It also enables to determine whether a group data described by the normal distribution does conform to the patterns.

3.6.3 Regression Analysis

Regression is another popular tool. This analysis is mathematical measure of the average relationship between two or more variables in terms of original units of data. It also clearly indicates the causes and effect relationship between the variables. The variables corresponding to causes are taken as independent variables and the variables corresponding to effect is taken as dependent variables.

CHAPTER-IV
PRESENTATION AND ANALYSIS OF DATA

The chapter presents and interprets the various data gathered from the application of different methods and presented and decorated as required by the research objective. In this chapter, data are interpreted and analyzed with the means of collected questionnaires and interviews.

In this chapter the data collected from respondents by using questionnaire method has been presented and analyzed simultaneously to fulfill the research objectives. While developing questionnaires, respondents were provided different points to tick mark whether they Very good, good, satisfactory and not satisfactory. From this method it is easy to tabulate and analyzed the data. First of all the findings are tabulated and presented in table and later on the finding is shown on graphical representation, for the market analysis, customer survey is performed preparing the questionnaire. To meet the primary objective of the study the survey questionnaire tries to find out the status, opinion of customer service and tariff rate and satisfaction level of PSTN and Mobile users.

4.1. Market Status

4.1.1 Nepal Telecom

Nepal Telecom has introduced its important and popular services in Far Western Region, such services are PSTN (Landline), GSM (mobile), CDMA (fixed and mobile) and ADSL have high popularity in Far Western Region .In this report the researcher is try to give brief introduction of

telecommunication, status and satisfaction level of customers. According to MIS Report Nepal Telecom is distributes following services of communication.

★ Status of PSTN

PSTN land line service is available in nineteen places include all district headquarters of this region. Total line capacity of this service is 24602 among them 19070 lines are distributed till. Exchange wise capacity and distribution of telephone lines are tabulated as below.

Table No.4.1

Distribution of PSTN Lines in Far Western Development Region

S.N	District	Location	Capacity	Distributed Line	Total	Percentage
1	Kailali	Dhangadhi	7708	6931		
2		Tikapur	2048	1171		
3		Attariya	1536	1024		
4		Lamki	512	477		
5		Bhajani	512	124		
6		Geta	512	326	10,053	52.7
7	Kanchanpur	Mahendranagar	6144	4907		
8		Belauri	352	311		
9		Jhalari	312	163		
10		Brahmdev	150	62		
11		Tribhuwanbasti	752	202	5,645	29.6
12	Dadeldhura	Dadeldhura	768	673	673	3.5
13	Baitadi	Baitadi	512	499	499	2.6
14	Darchula	Darchula	512	454	454	2.3
15	Doti	Dipayal	512	488		
16		Silgadhi	624	605	1,093	5.7
17	Bajhang	Bhagang	512	239	239	1.25
18	Achham	Mangelsen	368	269	269	1.41
19	Bajura	Martadi	256	145	145	0.76
	Total		24602	19070	19,070	

(Source: MIS Report Dec. 2009)

The above table shows that, Nepal Telecom has extended their service in all area of Far Western Development Region. Among them the highest users of landline phone are in Kailali district and then in Kanchanpur. But in the hilly area of Far Western Region there is no high ratio of landline users. The above data shows that 52.7 % users are in Kailali, 29.6 % in Kanchanpur, 5.7 % in Doti and 3.5% users are in Dadeldhura. Likewise 2.6 % in Baitadi, 2.3% in Darchula, 1.41% in Achham, 1.25 % in Bajhang and 0.76 % users are in Bajura. The data shows that maximum users are in Kailali and then in Kanchanpur and minimum users are in Achham, Bajhang and Bajura. From this study the researcher find out the status of PSTN Phone. Basically, the market of PSTN is there in urban and tarai area.

★ Status of GSM Mobile

The Nepal Telecom has extended GSM Mobile service in Far Western Region from 2060 B.S. It was a little number of Post-paid GSM service located in Dhangadhi and Mahendranagar only. Now a days the market of GSM mobile is expand widely from B.S.2064 by introducing Pre-paid service in ten places of eight districts. Total numbers distributed in Far-Western Region is 1,33,689 among them 1,907 are post-paid and 1,31,782 are pre-paid. Following table gives brief information to location wise distribution of GSM services.

Table No.4.2

Distribution of GSM Mobile In Far Western Development Region

S.No.	District	Location	Post-paid	Pre-paid	Total	Percentage
1	Kailali	Dhangadhi	1407	44456		
2		Tikapur		17443		
3		Attariya		6855		
4		Lamki				
5		Bhajani		1298		
6		Geta			**71459**	**53.45**
7	Kanchanpur	Mahendranagar	488	29398		
8		Belauri	7	2510		
9		Jhalari				
10		Brahmdev				
11		Tribhuwanbasti			**30143**	**22.54**
12	Dadeldhura	Dadeldhura	5	5359	**5364**	**4.01**
13	Baitadi	Baitadi		3741	**3741**	**2.79**
14	Darchula	Darchula		1864	**1864**	**1.39**
15	Doti	Dipayal		5418		
16		Silgadhi		2640	**8058**	**6.02**
17	Bhagang	Bhagang		2618	**2618**	**1.95**
18	Achham	Mangelsen		5166	**5166**	**3.86**
19	Bajura	Martadi		3016	**3016**	**2.25**
		Total	**1907**	**131782**	**133689**	

(Source: MIS Report Dec. 2009)

From above table Nepal Telecom had distributed GSM Mobile service in all nine districts of Far Western Region. The highest distribution ratio of GSM (53.45%) in Kailali and Second highest distribution ratio of GSM (22.54 %) is in Kanchanpur. Likewise, the other district Dadeldhura has 4.01%, Baitadi has 2.79%, Darchula has 1.39%, Doti has 6.02%, Bajhang has 1.95%, Achham has 3.86% and Bajura has 2.25%. This ratio shows that in the hilly area of Far Western Region there is only a single number percentage of mobiles.

★ Status of CDMA Phone

CDMA service was started in Far Western Region from Kartik 2063 B.S. In starting phase it was distributed post paid fix-phone located in Dhangadhi and Mahendranagar only. Till today the market of CDMA expanded widely from Poush 2063 B.S. By introducing prepaid fix phone service in different places of all nine districts. The total numbers distributed in Far Western Region are 38,347, among them 589 are postpaid Fix-phone, 13,498 are prepaid fix-phone and 24,260 are sky phones. Following table gives a brief information to location wise distribution of CDMA services.

Table No. 4.3

Distribution of CDMA Phone in Far Western Development Region

S.No.	District	Location	Post paid	Pre-paid	Total	Percentage
1	Kailali	Dhangadhi	347	4510		
2		Tikapur		1510		
3		Attariya				
4		Lamki				
5		Bhajani				
6		Geta			**6,367**	**43.12**
7	Kanchanpur	Mahendranagar	255	3366		
8		Belauri				
9		Jhalari				
10		Brahmdev				
11		Tribhuwanbasti			**3,621**	**24.52**
12	Dadeldhura	Dadeldhura	1	760	**761**	**5.15**
13	Baitadi	Baitadi	1	957	**958**	**6.48**
14	Darchula	Darchula	2	860	**862**	**5.83**
15	Doti	Dipayal		621		
16		Silgadhi		0	**621**	**4.20**
17	Bhagang	Bhagang		660	**660**	**4.47**
18	Achham	Mangelsen		551	**551**	**3.73**
19	Bajura	Martadi		363	**363**	**2.45**
	Total		**606**	**14158**	**14764**	

(Source: MIS Report Dec. 2009)

From above table Nepal Telecom has distributed CDMA line service in all area of Far Western Region. The highest distribution ratio of CDMA (43.12%) is in Kailali and Second highest distribution ratio is (24.52 %) in Kanchanpur. Likewise, Dadeldhura has 5.15%, Baitadi has 6.48%, Darchula has 5.43%, Doti has 4.20%, Bajhang has 4.47%, Achham has 3.73% and Bajura has 2.45% distribution of CDMA line phone. Basically, the hill area of Far Western Region there is no high ratio of getting the CDMA line service. The explained ratio of CDMA line is lowest then GSM Mobile.

★ Status of CDMA (Sky) Mobile

Nepal Telecom has started Sky Mobile service in Far Western Region from 2064 B.S. In the begning, it was a little number of GSM and high number of CDMA service located in Dhangadhi and Mahendranagar only. But from Mansir 2064 B.S. the market of Sky mobile is expanding widely in all area of Far Western Development Region. Now a days, Nepal Telecom has explained its service in 12 places of nine districts. The distribution of total number is 43,441, among them 3253 are post-paid and 39547 are pre-paid. Following table gives brief information about the distribution ratio of Sky phone

Table No. 4.4

Distribution of CDMA(Sky) Phone in Far Western Development Region

S.No.	District	Location	Post paid	Pre-paid	Total	%
1	Kailali	Dhangadhi	1088	5473		
2		Tikapur	26	2032		
3		Attariya		3535		
4		Lamki				
5		Bhajani				
6		Geta			12,154	27.97
7	Kanchanpur	Mahendranagar	341	9578		
8		Belauri				
9		Jhalari				
10		Brahmdev				
11		Tribhuwanbasti			9919	22.83
12	Dadeldhura	Dadeldhura	245	4097	4342	9.99
13	Baitadi	Baitadi	153	3600	3753	8.63
14	Darchula	Darchula	482	1398	1880	4.32
15	Doti	Dipayal	150	2885		
16		Silgadhi	74	1557	4666	10.74
17	Bhagang	Bhagang	272	1465	1737	3.99
18	Achham	Mangelsen	159	1964	2764	6.36
19	Bajura	Martadi	263	1963	2226	5.12
	Total		**3253**	**39547**	43441	

(Source: MIS Report Dec. 2009)

According to above table, Nepal Telecom has extended Sky phone service in all area of Far Western Development Region. Among them the highest users of Sky phone in Kailali district and then in Kanchanpur. But in the hill area of Far Western Region there is no high ratio comparison to CDMA and GSM mobile, it is high ratio. The above data shows that 27.97 % users are in Kailali, 22.83 % in Kanchanpur, 10.74 % in Doti and 9.99 % users are in Dadeldhura. Like wise 8.63 % in Baitadi, 4.32% in Darchula, 6.36 % in Achham, 3.99 % in Bajhang and 5.12 % users are in Bajura. The data shows that, maximum users are in Kailali and then in Kanchanpur and minimum users are in Baitadi and Achham.

4.1.2. Status of NCell

Spice Nepal Private Ltd., popularly known under its brand name **"NCell Mobile",** is the first private GSM mobile operator in Nepal. The Company was established in 2004 and commercially launched on 17th September 2005.

The Spice Nepal Private Ltd. has started GSM Mobile service in Far Western Region from 2065 B.S. In the beginning, it has not expanded its service properly because of frequency problems and there is no high ratio of customer. It has already tied up with many different international operators of more than 31 countries adding up to 74 operators around the world and is in process of extending roaming services (partners) for the convenience of the roaming subscribers. Till today, the company has extended its services in Kailali and Kanchanpur district. It has at least 6 service centers and 6 SIM/RIM distribution center in Kailali and Kanchanpur. in near future, It will be expanding its service in Tikapur, Bhajani, Lamki, Attarai, Jhalari, Bramadew, Bhajani and other possible places. Now it has distributed only pre-pad services. The total number of GSM phone is 1,100.

4.1.3 Status of UTL Mobile

United Telecom Ltd, a joint venture between Videsh Sanchar Nigam Ltd. (VSNL), Mahanagar Telephone Nigam Ltd. (MTNL), and Telecommunications Consultants India Ltd. (TCIL), and Nepal Ventures Private Ltd. (NVPL) plan to offer telephony services in Nepal, based on the wireless local loop (WLL) technology. The Company was established in 21 June 2001 and finally the license was issued on 4th October 2002. UTL is a first wireless local loop (WLL) company in Nepal.

The United Telecom Ltd. has started GSM Mobile service in Far Western Region from 2065 B.S. In the beginning, it has expanded its service properly because of joint venture. It has one customer care and repair center. Till today, the company has extended its service only in Kailali and Kanchanpur district. Near future, it will be expanding its service in Tikapur, Bhajani, Lamki, Attarai, Jhalari, Bramadew, Bhajani and other possible places. The company has distributed 2,500 subscribers. Among them 1800 in Kailali and 700 in Kanchanpur districts with post- paid and pre-paid services.

According to above analysis, the researcher has tried to explain the status of PSTN and Mobile services different tariff rates and satisfaction level of Nepal Telecom and other mobile companies in Far Western Development Region. The total Population in this region is 21,83,175. Among them 10,81,523 male and 11,01,652 is female. But 19,070 has taken land line (PSTN Service), 1,91,894 Namaste Mobile, 2,800 UTL Mobile and 1700 has taken NCell Mobile services. Among them, the researcher is concern with 200 respondents with questionnaires. They are different age group, educational level and income level people. The status of respondent is following:

Table No. 4.5

Status of Landline Users (Respondents)

	Particular	No of Respondent	Percentage
Gender Wise	Male	110	55.0
	Female	90	45.0
Age Group	20-29	30	15.0
	30-39	105	52.5
	40-49	60	30
	50 and above	5	2.5
Occupation of Respondent	Government Service	41	20.5
	Business	39	19.5
	Agriculture	62	31.0
	Student	17	8.5
	Private service	15	7.5
	others	26	13.0
Educational status of Respondent	Intermediate/+2 Level	68	34.0
	Bachelor Level	41	20.5
	Masters Level	11	5.5
	Literate	80	40.0
Monthly Income of Respondent	1,000 - 9,999	6	3.0
	10,000 – 19,999	31	15.5
	20,000- 29,999	91	45.5
	30,000 – 39,999	55	27.5
	40,000 above	17	8.5

(Source: Field Survey Jan, 2010)

Table 4.5 depicts the general usage pattern of landline phone. It found that the ratio of PSTN users. The above table shows that the males use 55% and females use 45 % PSTN phone. Further more the age group of 30 to 39 uses highest landline phone then other age group peoples. Because this age group have more spending capacity then after 40 to 49 and 20 to 29 age group peoples.

Literate people with ability of only reading and writing use more landline phone. Basically, they are busy in household work and agriculture work. They are not busy any new creative activities. So they are living in house and use PSTN phone. The trend of using mobile is increasing in intermediate student's educational group. This group is not revenue generator. They generally use land line for informal communication and friendship. Bachelors and Masters Level use mix of both. Generally, they are also earning group and have capacity to spend. They use mobile phone.

In occupational group division, agriculture groups are using more landline phones. In the similar manner, government job holders and housewives use landline phone. The base Income of mobile users is 10,000 to 40, 000 above. But among them the highest ratio Mobile users is 20,000 to 29,999 incomes, than 30,000 to 39,999. The income of 1,000 to 9,999 also use landline but their ratio is 3 percentage. They have a little income.

Table No. 4.6

Status of Mobiles Users (Respondents)

	Particular	No. of Respondents	Percentage
Gender	Male	105	52.5
	Female	95	47.5
Age Group	15-24	24	12.0
	25-34	62	31.0
	35-44	50	25.0
	45-54	37	18.5
	55+ above	27	13.5
Educational level	Literate	14	7.0
	SLC	23	11.5
	+2/Certificate	53	26.5
	Bachelor	80	40.0
	Masters	30	15.0
Occupation of Respondent	Agriculture	52	26.0
	Business man	65	32.5
	Government service	80	40.0
	Private service	40	20.0
	Housewife	60	30.0
	Student	55	27.5
Monthly Income of Respondent	1,000- 9,999	15	7.5
	10,000- 19,999	25	12.5
	20,000-29,999	55	27.5
	30,000-39,999	65	32.5
	40,000 and above	40	20.0

(Source: Field Survey Jan, 2010)

Table 4.6 depicts the general usage pattern of mobile phones. It can be found out that in general male uses more mobile than that of female. Further the age group of 25- 34 years use maximum mobile phone. They have income source and spending capacity. Secondly, the age group of 20-24 and 35-44 years are high percent of mobile users. Age group of 15-19 uses mobile phone to show off. Generally this age group use mobile for SMS and miss call.

Educationally, the Bachelors level is highest percentage of mobile users. Then Masters and Certificate level use high mobile. They have services and other income sources. Masters level students are matured and conscious. So the percentage is high.

The researchers find out the users percentage by occupationally. Occupationally the government job holders are maximum mobile phone users. Than businessmen and housewives have highly mobile phone. They are using the mobile for contact, business transportation, family relation, and purchase and selling for agriculture items. A little ratio of mobile users are private job holders, students and other related fields people. Basically, they haven't more income source. So they use minimum mobile.

The monthly income of respondent is 5 categories. They have 1,000 to 9,999, 10,000 to 19999, 20,000 to 29,999, 30,000 to 39,000 and 40,000 and above. Among them, the maximum mobile users, who has earned 30,000 to 39,999. and minimum users, who has earned 1,000 to 9,999.

4.2. Service Quality

4.2.1 .Service Quality of Nepal Telecom

In Far western Region the quality of service is not very satisfactory. After customer survey in different places we can draw a conclusion that there are major issues for improving in service quality. Here researcher has tried to maintain aggregative result of customer survey in PSTN, CDMA. and GSM services separately.

★ PSTN Service Quality

PSTN is the common and most popular service of Nepal Telecom. So that in Far Western Region this service goes to comparatively realizable and permanent nature because of its quality. In comparison to other services, quality of this service going well. In survey of 200 customers in different locality , researcher has found result as below.

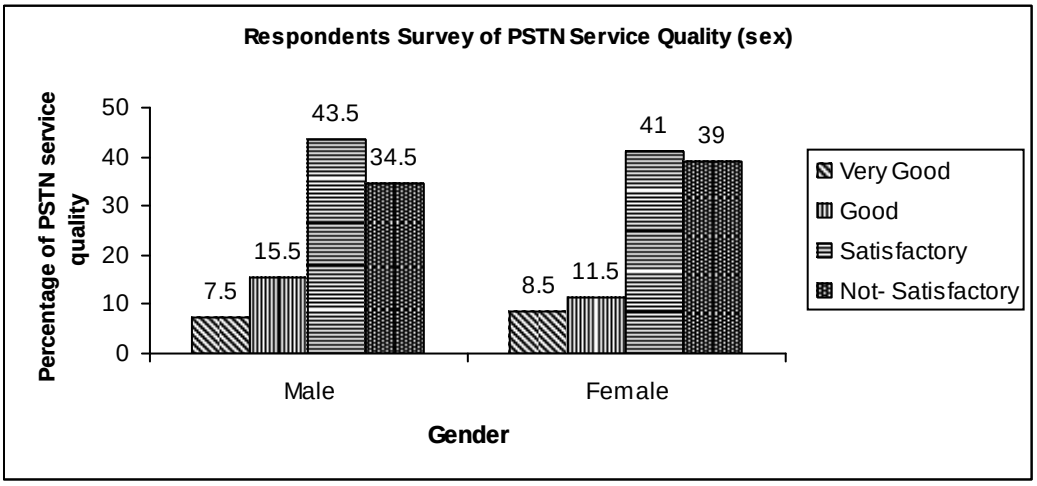
Table No. 4.7

Respondents Survey of PSTN Service Quality (sex)

	Male	Percentage	Female	Percentage
Very Good	9	7.5	8	8.5
Good	18	15.5	10	11.5
Satisfactory	51	43.5	38	41.0
Not- Satisfactory	40	34.5	36	39.0
Total	118		92	

(Source: Field Survey Jan, 2010)

Fig. No. 4.1



Above table and figure shows the status of PSTN service quality. According to gender wise respondent, the maximum male and female are both positive and negative of service quality. From above table there are 43.5 % male and 41.0 % females in terms of satisfaction. Among 200 respondents maximum males and females not satisfied with PSTN service quality. 34.5 % males and 39.0 % females respondents are not satisfied. There is not high differences between satisfactory and not satisfactory respondent.. But 15.5% and 11.5% respondents say about good PSTN service quality.

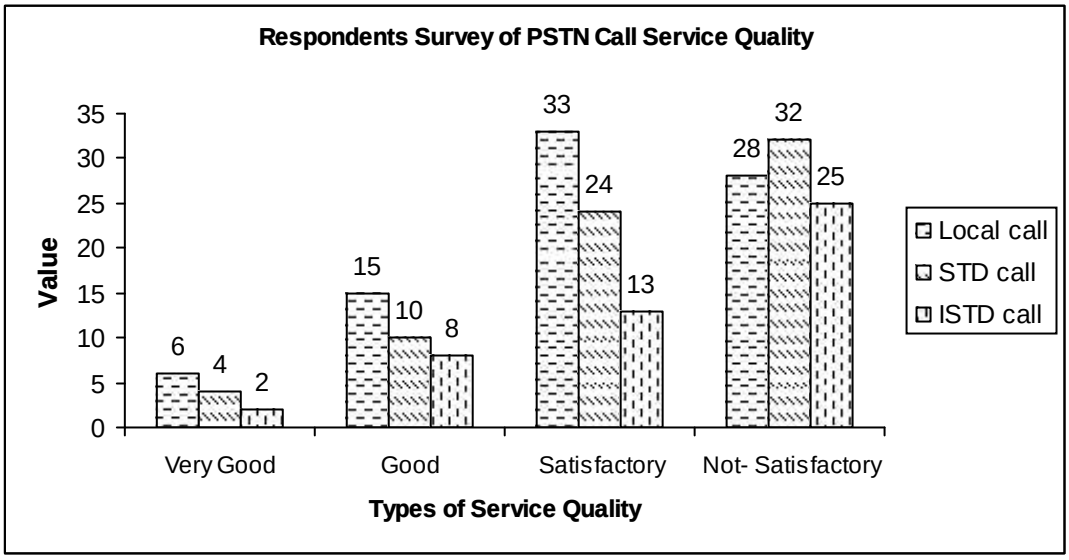
Table No. 4.8

Respondents Survey of PSTN Call Service Quality

	Local call	STD call	ISTD call	Total	Percentage
Very Good	6	4	2	12	6.0
Good	15	10	8	33	16.5
Satisfactory	33	24	13	70	35.0
Not- Satisfactory	28	32	25	85	42.5
				200	

(Source: Field Survey Jan, 2010)

Fig. No. 4.2



Above table and figure show the status of PSTN call service quality. Telecom gives the local, STD and ISTD call service. Among these services maximum respondents are not positive of quality services. But they are satisfied on the local call. According to above table 42.5% respondents are not satisfied and 35.0 % are satisfied. Secondly 16.5% respondents give the good opinion and 6.0% respondents give very good opinion for the service quality.

★ GSM Service Quality

Demand of GSM Mobile service in Far western region is extremely high. The market of GSM mobile has been expanding widely since B.S.2064 by introducing pre-paid service in ten places of eight districts. After survey of 200 customers related different locality, researcher has found that the quality of this service is not satisfactory .This is presented in the following table.

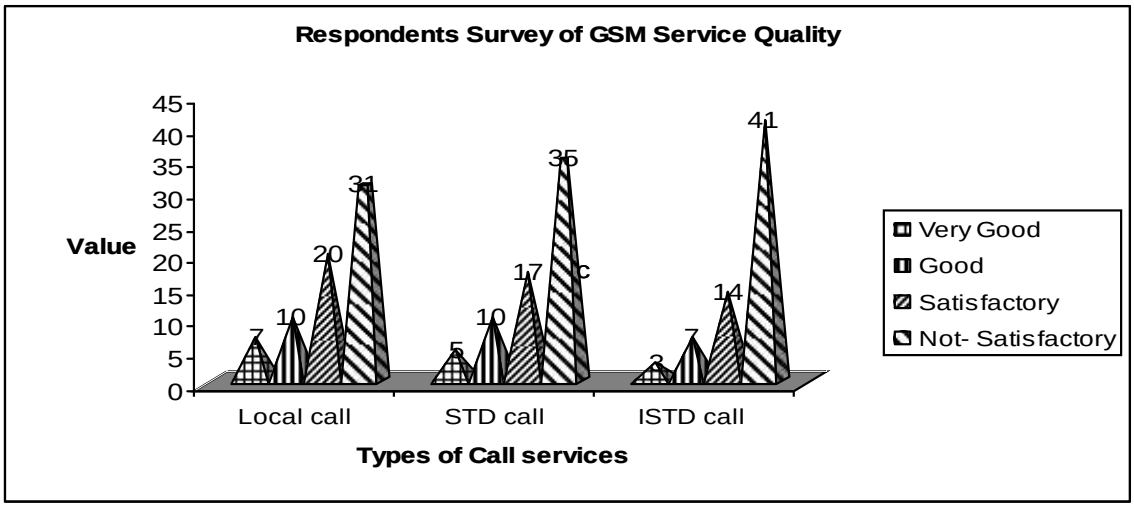
Table No. 4.9

Respondents Survey of GSM Service Quality

	Local call	STD call	ISTD call	Total	Percentage
Very Good	7	5	3	15	7.5
Good	10	10	7	27	13.5
Satisfactory	20	17	14	51	25.5
Not- Satisfactory	31	35	41	107	53.5
				200	100

(Source: Field Survey Jan, 2010)

Fig. No. 4.3



Above table and figure show the status of GSM call service quality. GSM mobile service also gives the local, STD and ISTD call service. in these services maximum respondents are not satisfied. According to this table 53.5% respondents are not satisfied and 25.5 % respondents are satisfied. Like wise, 13.5% respondents says good service quality and 7.5 % respondent say very well. This is very poor result because of its connectivity from central level. It was caused by not reliable transmission links between these regions to Kathmandu,

★CDMA Services Quality

Demand of CDMA service in Far Western Region is extremely high. The market of CDMA has expanded widely since B.S.2063 by introducing prepaid fixed set service in different places. After survey of 200 customers related different locality, researcher has found that the quality of this service is improving. This is depicted in be drawn by the following table:

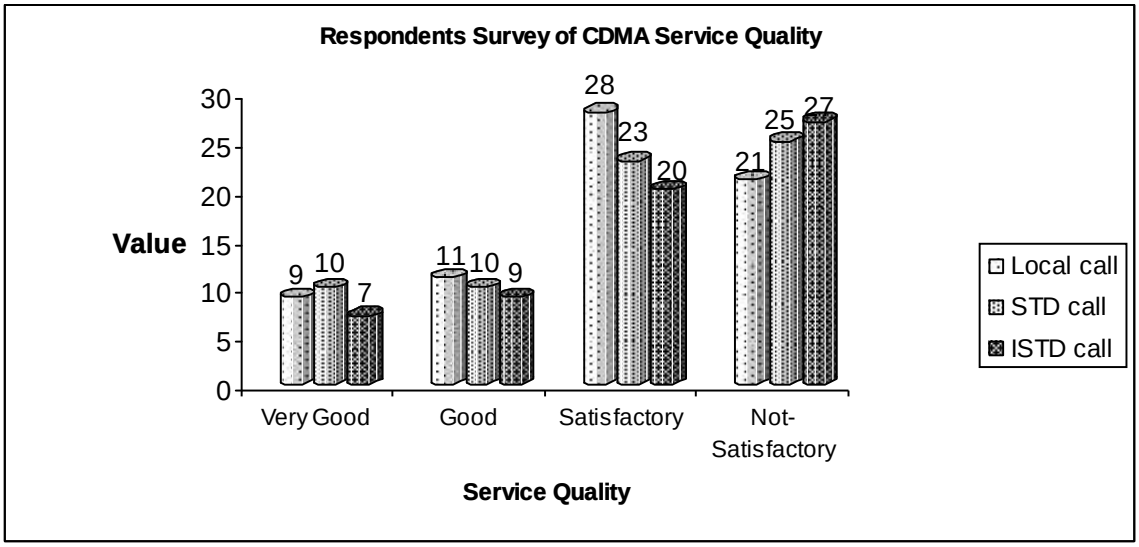
Table No. 4.10

Respondents Survey of CDMA Service Quality

	Local call	STD call	ISTD call	Total	Percentage
Very Good	9	10	7	26	13.0
Good	11	10	9	30	15.0
Satisfactory	28	23	20	71	35.5
Not- Satisfactory	21	25	27	73	36.5
				200	100

(Source: Field Survey Jan, 2010)

Fig. No. 4.4



According to above table and figure 36.5 % respondents are not satisfied about the quality services of CDMA mobile and 35.5% respondents are satisfied. This is not very well result because of its connectivity from Bhairahawa. It was caused by not reliable transmission links between this region to Bhairahawa. There is also 15.0% good and 13.0% very good opinion about the quality service of CDMA.

★ CDMA (SKY) Services Quality

Demand of SKY service in Far Western Region is extremely high. Now the market of SKY expands widely from B.S.2063 by introducing Prepaid Fixed Set service in different places. After survey of 200 customers' related different locality, researcher has found that the quality of this service is improving. This is drawn in the following table:

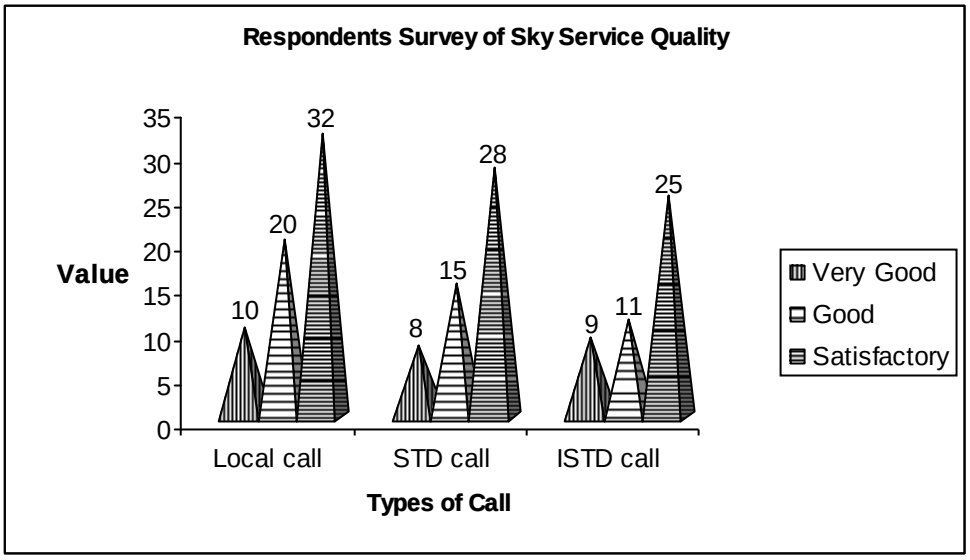
Table No. 4.11

Respondents Survey of CDMA(Sky) Service Quality

	Local call	STD call	ISTD call	Total	Percentage
Very Good	10	8	9	25	12.5
Good	20	15	11	46	23.0
Satisfactory	32	28	25	85	42.5
Not- Satisfactory	13	19	12	44	22.0
				200	

(Source: Field Survey Jan, 2010)

Fig. No 4.5



Above table and figure shows the status of SKY service quality. 42.5% respondents say that the service of SKY is satisfactory. The sky mobile is depending on the satellite system. So its service is fast and regular. Sometime it shows the long time busy and does not connect the line. So 22.0% respondents say the quality of SKY is not satisfactory. Among the 200 respondents there are 23.0% respondents who say the service of sky is good and 12.5% say very good.

4.2.2 Service Quality of NCell

NCell Mobile had been launched in Far Western Development Region in 2065. The public demand of NCell mobile is extremely high. But Spice Nepal P.Ltd can not extend there service in all area of Far Western Development Region. The Company has extended service only in Kailai and Kanchanpur district. Now, the Company gives the local service in all area of Nepal. The status of NCell mobile service quality is following.

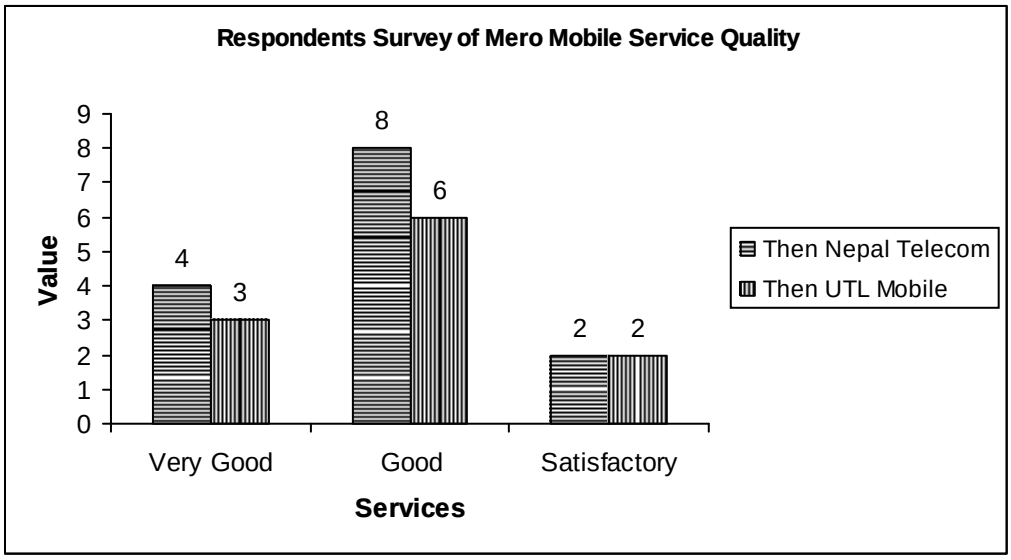
Table No. 4.12

Respondents Survey of NCell Service Quality

	Then Nepal Telecom	Then UTL Mobile	Total	Percentage
Very Good	4	3	7	28.0
Good	8	6	14	56.0
Satisfactory	2	2	4	16.0
			25	100

(Source: Field Survey Jan, 2010)

Fig. No.4.6



Above table and figure shows the status of NCell Mobile service quality. Maximum respondents are positive of NCell mobile services. Among the 25 respondents 56.0% say the service of NCell Mobile is good, 28.0% say very good and 16.0% say satisfactory than Telecom and UTL mobile services.

4.2.3 Service Quality of UTL

UTL Mobile was started in Far Western Development Region in 2065. The public demand of UTL Mobile is extremely increasing day-by-day. More people are attractive in the mobile. The UTL mobile as also connected with Nepal Telecom. So it's service is flexible. From UTL mobile we can have low cost connectivity in SAARC country than NCell Mobile. It has one scheme buy one RIM/SIM, get another RIM/SIM free. So this free system attracts the youths. The researcher says the 200 respondents about the UTL quality service. They say following.

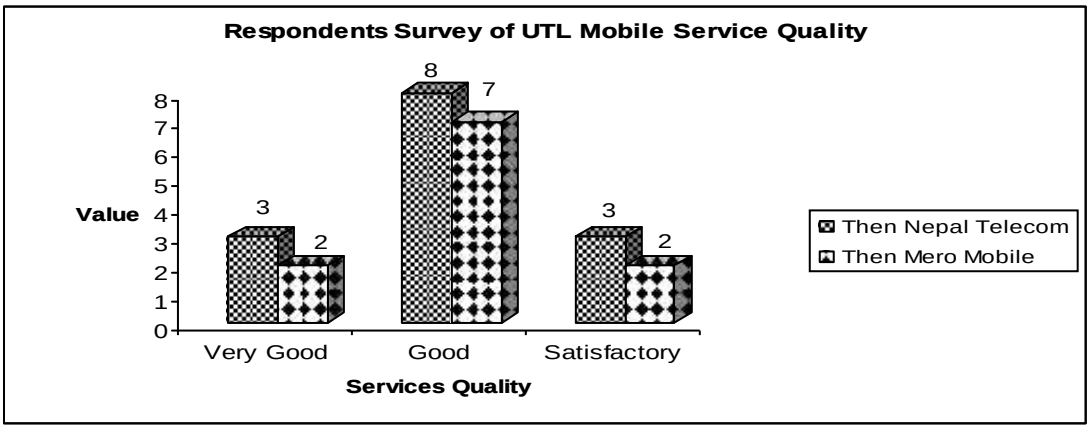
Table No. 4.13

Respondents Survey of UTL Mobile Service Quality

	Then Nepal Telecom	Then NCell Mobile	Total	Percentage
Very Good	3	2	5	20.0
Good	8	7	15	60.0
Satisfactory	3	2	5	20.0
			25	100

(Source: Field Survey Jan, 2010)

Fig. No.4.7



The above table and figure show the service quality of UTL Mobile. Among the 25 respondents 60.0 % good services quality of UTL mobile than Nepal Telecom and NCell mobile. Similarly, the ratio of very good and satisfactory is equal.

4.3 Tariff rate

4.3.1 Tariff Rate of Nepal Telecom

Before 7 years ago, there was only one communication organization in Nepal that was called Nepal Dursanchar Sansthan (Nepal Telecom). The Company could not give the well service. Its Tariff rate, connection charge and services charge was expensive. But, when the Spice Nepal (NCLL) and United Telecom started there services Nepal Telecom changed service system. Nepal Telecom has been decreasing its Tariff rates. International trend of global village by information technology makes cheap in communication sector. In this periphery Nepal Telecom's effort also goes into matching globally by tariffs. Recent tariff rates of different services provided by Nepal Telecom are submitted in Appendix A. In this chapter, researcher has tried to present the view of customers about tariff rates from customer survey.

⋆ PSTN Tariff Rate

PSTN is a first service of Nepal Telecom. It has extended Local, STD, and ISDT services. In PSTN service Tariff rate is different. There are included rental charges, Local charges, STD charges and ISD charges. Neal Telecom has reduced its STD and ISD rates time to time. The PSTN Tariff rate is following:

Table No. 4.14

PSTN Tariff Rate (Local Call)

Call Hour	Time	Call Minutes	Tariff rate
Business Hour call	8.00- 18.00	2 min./call	Rs. 1
Normal Hour call	6.00-8.00 18.00-22.00	4 min./call	Rs. 1
Off hour call	22.00- 6.00	8 min./call	Rs. 1

(Source: MIS Report 2009)

Above table shows the Tariff rate of PSTN service. Nepal Telecom has classified the total hour in three categories. Among them, off hour is reliable period. It denotes 8 minutes equal to 1 call. Similarly, a business hour is maximum costly period. But normal hours call is normal period. The rate of local call is Rs. 1.

Table No. 4.15

PSTN Tariff Rate (STD Call)

		Business Hour Call (8.00-18.00)		Normal Hour Call (18.00- 22.00) (6.00-8.00)		Off Hour Call (22.00-6.00)		Rs. Per Pulse
		Rs./Min	Puls Duration (Second)	Rs./Min	Puls Duration (Second)	Rs./ Min	Puls Duration (Second)	
Calls made from one district to another district within one zone		1.00	60	1.00	60	1.00	60	1.00
Group A	Sun-Fri.	2.00	30	1.50	40	1.00	60	1.00
From 0 to 50 KM *	Sat.	1.00	60	1.00	60	1.00	60	1.00
Group B	Sun-Fri.	3.00	20	2.00	30	1.50	40	1.00
Above 50 KM**	Sat.	2.00	30	2.00	30	1.50	4.	1.00

(Source: MIS Report 2009)

* Group A: Distance within 50 KM from districts in a zone to districts in another zone.

** Group B: Distance above 50 KM from district in a zone to districts in another zone.

Above table shows the system of PSTN tariff rates in STD call. The maximum tariff rate is Sunday to Friday above the 50 kilo meter distance. The company gives the facilities in Saturday.

Table No. 4.16

PSTN Tariff Rate (ISTD) only SAARC Country.

Countries	Tariff Rs./Min.	No of Pulse/Min	Pulse duration	Charging (Rs/Pulse)	Including Tax (Rs. Pulse)
India	12	10	6	1.2	1.49
Pakisthan	12	10	6	1.2	1.49
Srilanka	12	10	6	1.2	1.49
Bangladesh	12	10	6	1.2	1.49
Maldives	15	10	6	1.5	1.86
Bhutan	15	10	6	1.5	1.86
Afghanistan	24	10	6	2.4	2.98

(Source: MIS Report 2009)

The table shows the Tariff rate of Nepal Telecom in ISTD calls. The researcher shows the only SAARC counties Tariff rate. Among the all 8 counties Afghanistan's rate is maximum than other countries and secondly the Bhutan's rate is high. Other countries rate is same. So, Nepal Telecom has been reducing the Tariff rate day by day. The Researcher shows the respondents views of PSTN Tariff rate which is following:

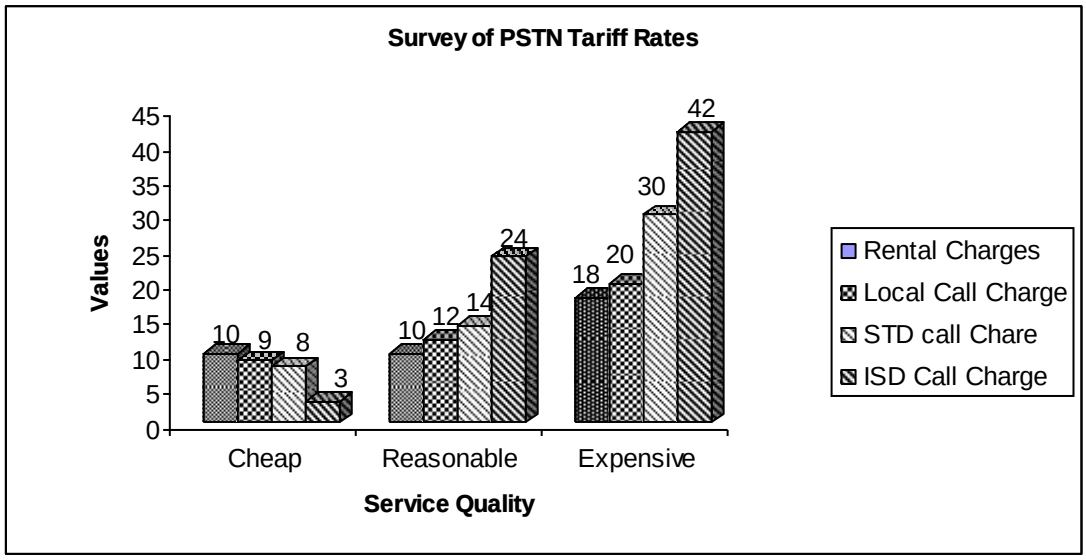
Table No.4.17

Survey of PSTN Tariff Rates

S.N.	Service Quality	Rental Charges	Local Call Charge	STD call Chare	ISD Call Charge	Total	Percentage
1	Cheap	10	9	8	3	30	15.0
2	Reasonable	10	12	14	24	60	30.0
3	Expensive	18	20	30	42	110	55.0
						200	

(Source: Field Survey Jan, 2010)

Fig. No.4.8



The table shows the Tariff rate of PSTN service. According to above table \- 55.0% respondents said that the tariff rate is expensive. It is necessary to reduce the rate. 30.0% said its rate is reasonable and 30.0% said cheap. Actually, the Tariff rate is highest.

⋆ GSM Tariff Rate

In GSM services, there are included rental charges, (post-paid only), local charges, distance charges and ISD charges. These all charges are regulated by PSTN charge. Nepal Telecom has reduced its STD and ISD rates time to time. It has also determined single rate in mobile to mobile. In customer view survey about mobile tariff in 200 customers related different locality and different services researcher has found the result as below:

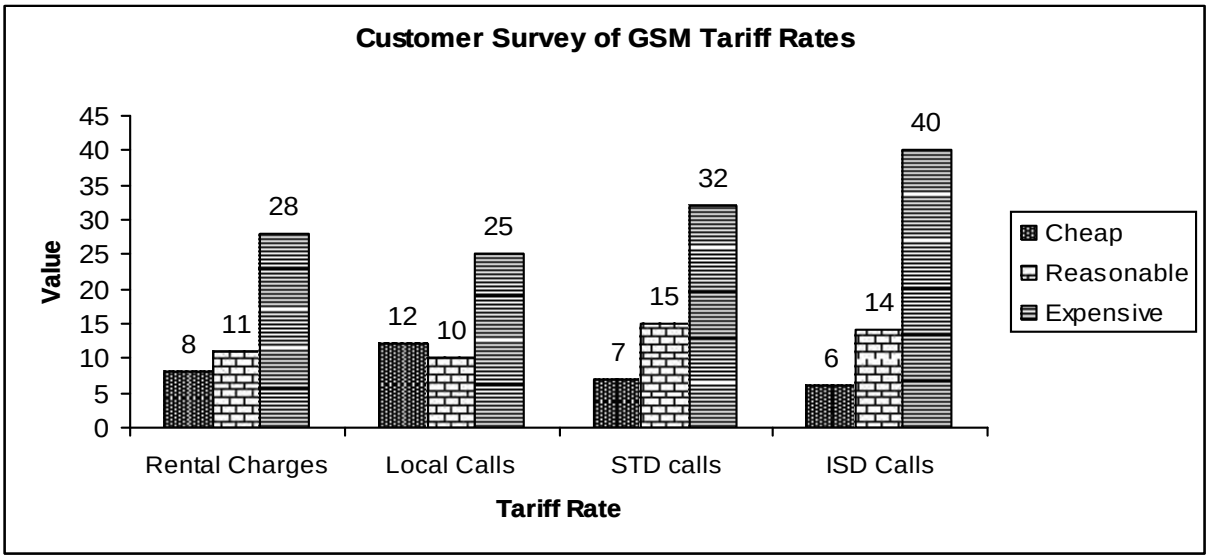
Table No.4.18

Customer Survey of GSM Tariff Rates

S.NO.	Service Quality	Rental Charges	Local Calls	STD calls	ISD Calls	Total	Percentage
1	Cheap	8	12	7	6	35	17.5
2	Reasonable	11	10	15	14	50	25.0
3	Expensive	28	25	32	40	125	62.5
						200	100%

(Source: Field Survey Jan, 2010)

Fig. No.4.9



The table shows Tariff rate of GSM Service. According to above table 62.5% respondents said the tariff rate is expensive. The Tariff rate is high so there is necessary to reduce the rate. 25.0% said its rate is reasonable and 17.0% said cheap. Actually, the Tariff rate is highest. But Nepal Telecom reduces tariff rate time to time.

⋆ CDMA Tariff Rate

In CDMA Fix Phone services include rental charges, Local charges, STD charges and ISD charges. CDMA sky phone includes local charges, distance charges and ISD charges. Nepal Telecom has reduced its STD and ISD rates time to time. It has also determined single rate in mobile to mobile in sky phone services. In customer view survey about CDMA tariff in 200 customers related different service and locality researcher has found result as below:

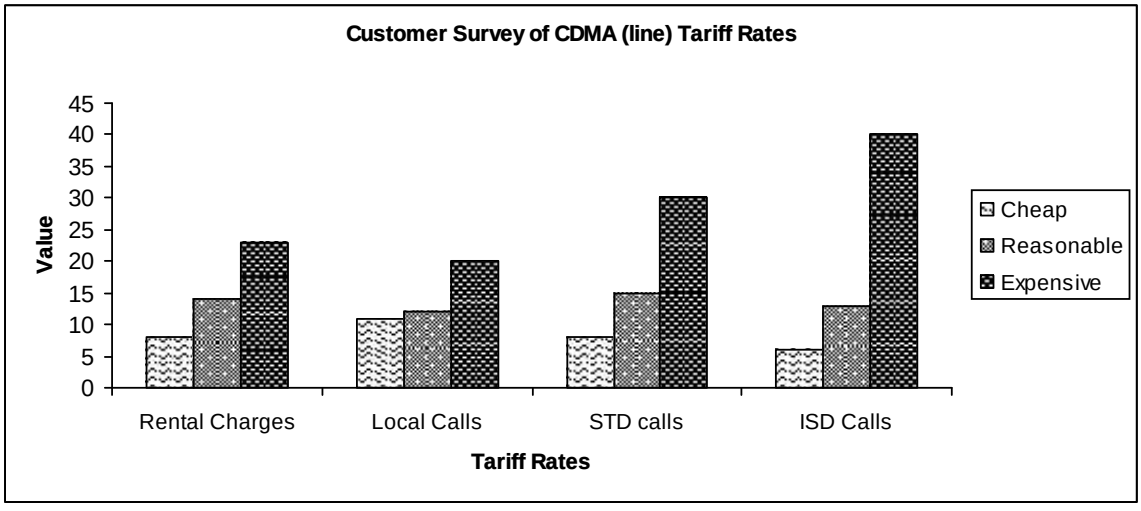
Table No.4.19

Customer Survey of CDMA (line) Tariff Rates

S.NO.	Service Quality	Rental Charges	Local Calls	STD calls	ISD Calls	Total	Percentage
1	Cheap	8	11	8	6	33	16.5
2	Reasonable	14	12	15	13	54	27.0
3	Expensive	23	20	30	40	113	56.5
						200	100%

(Source: Field Survey Jan, 2010)

Fig. No.4.10



The table shows the tariff rate of CDMA (line) service. According to above table 56.5% respondents said the tariff rate is expensive. The Tariff rate is high so there is necessary to reduce the rate. 27.0% said its rate is reasonable and 16.5% said cheap. Actually, the tariff rate is highest. But Nepal Telecom reduces tariff rate time to time.

⋆ CDMA (Sky) Mobile Tariff Rate

CDMA Fix Phone services include rental charges, local charges, STD charges and ISTD charges. CDMA sky phone includes local charges, distance charges and ISD charges. Nepal Telecom has reduced its STD and ISD rates time to time, it has also determined single rate in mobile to mobile in sky phone services. In customer view survey about CDMA tariff in 200 customers related different service and locality researcher has found result as below:

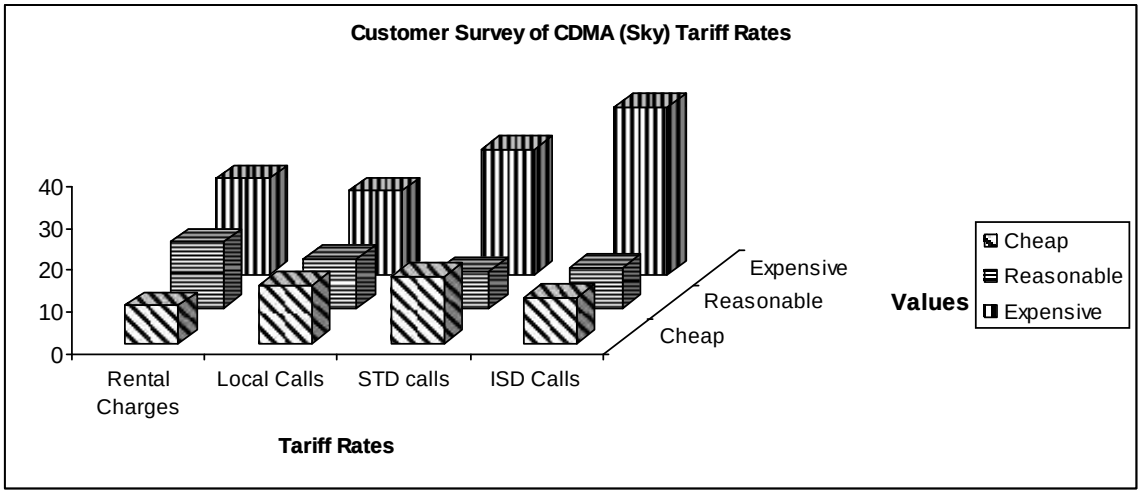
Table No.4.20

Customer Survey of CDMA (Sky) Tariff Rates

S.NO.	Service Quality	Rental Charges	Local Calls	STD calls	ISD Calls	Total	Percentage
1	Cheap	9	14	16	11	40	20.0
2	Reasonable	16	12	9	10	47	23.5
3	Expensive	23	20	30	40	113	56.5
						200	100%

(Source: Field Survey Jan, 2010)

Fig. No. 4.11



The table shows the tariff rate of CDMA (Sky) Service. According to above table 56.5% respondents said the tariff rate is expensive. The tariff rate is high so that is necessary to reduce the rate. This is not reasonable rate for customers. Similarly, 47.0% said its rate is reasonable and 40.0% said cheap. Actually, the Tariff rate is highest. But Nepal Telecom is reduces tariff rate time to time.

4.3.2 Tariff Rate of NCell

NCell Mobile has started its service since 2004. In that period there was not GSM services in Nepal. Mero Mobile which is called NCell Mobile, is only one GSM distributed company in Nepal. Now it has started its service in Far Western Development Region. It has started services in Kailali and Kanchanpur districts since 2065. Their service is very good. There is no STD and ISTD charge. This mobile company has also provided its services in SAARC countries in local charge. Its tariff rate is low than Nepal Telecom and high than UTL. The Tariff rate is following:

Table No. 4.21

Tariff Rate of NCell

Out going local calls (Pulse rate 20 second)	**Rate**
NCell to 3 favorite numbers	0.99 per min.
NCell to NCell	1.99 per min.
NCell to NTC GSM/CDMA Mobile	2.53 per min.
NCell to other network local fixed lines (NTC, PSTN, NTC CDMA fixed, UTL CDMA fixed)	2.79 per min.
NCell to other network calls with in different zones NTC PSTN/NTC CDMA fixed, UTL CDMA fixed)	2.81 per min.
NCell UTL LMS local charge (calls with in same district)	2.33 per min
NCell UTL LMS different charging area (calls with in different districts and zones)	2.83 per min.
Incoming calls	**Rs.**
All Networks to NCell	Free

Source: (Office Report 2009)

Above table shows the tariff rate of NCell Mobile. The services rate of this Mobile company is reasonable than Nepal Telecom and UTL company. It has taken only local charges.

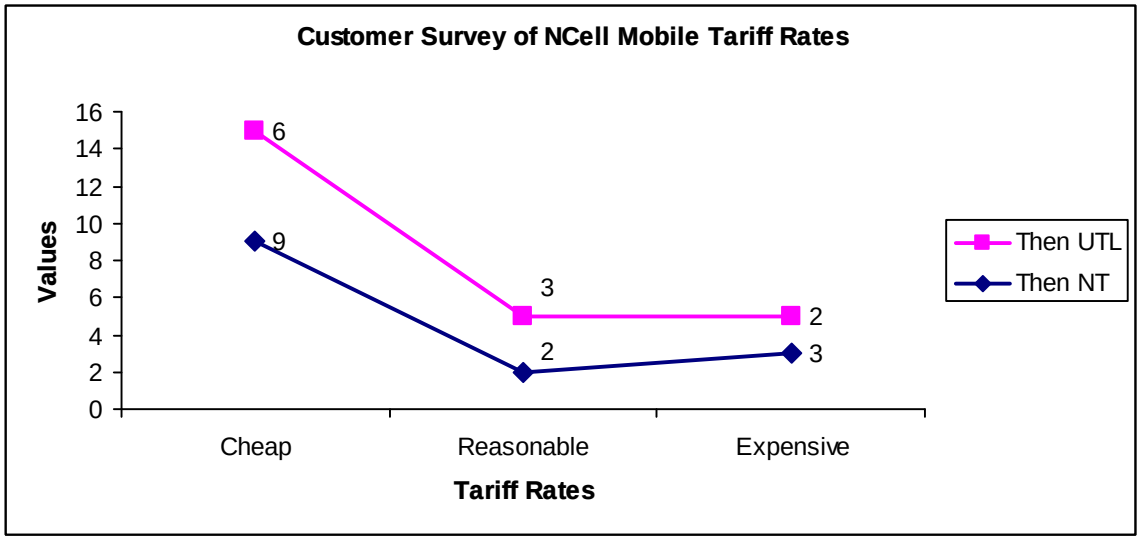
Table No. 4.22

Customer Survey of NCell Tariff Rates

S.No.	Service Quality	Then NT	Then UTL	Total	Percentage
1	Cheap	9	6	15	60.0
2	Reasonable	2	3	5	20.0
3	Expensive	3	2	5	20.0
				25	100%

(Source: Field Survey Jan, 2010)

Fig. No. 4.12



Above table and figure shows the ratio of NCell Tariff rates. From this rate customers are satisfied. Among the 25 respondents 60.0% said that the tariff rate is cheap than Nepal Telecom and UTL mobile. 20.0% said it is reasonable and 20.0% said it expensive. Thus, the customers views is positive with NCell mobile.

4.3.3 Tariff Rate of UTL

UTL mobile has started its service since 2005. Its service mobile, is only on GSM distributed company in Nepal. Now it is started there service in Far Western Development Region. It has started services in Kailali and Kanchanpur districts since 2065. Their service is very good. There is no STD and ISTD charge. This mobile company has also provided services in SAARC countries in local charge. Its tariff rate is very low then Nepal Telecom and NCell. The tariff rate is following:

Table No.4.23

Tariff Rate of UTL (local Call) Services.

	Business Hour 8.00-18.00		Normal Hour 18.00-22.00/ 6.00-8.00		Off Hour 22.00-6.00		Rate/ Pulse
	Rate/min	Pulse	Rate/ min	Pulse	Rate/ min.	Pulse	
To UTL FWT/HHT	0.9	60	0.9	60	0.6	60	0.9
To NT PSTN/C-Phone	1.3	60	1.3	60	1.3	60	1.3
To SIM	1.3	60	1.3	60	1.3	60	1.3
Too NTC Sky-Phone/GSM	1.5	60	1.5	60	1.5	60	1.5
To Mero Mobile	1.5	60	1.5	60	1.5	60	1.5

Source: (Office Report 2009)

According to above table there is reasonable rate between UTL to UTL phone. They can use Rs. 0.90 per minutes every moment. This mobile company classified the whole hours in 3 times and all hours rate is same. Similarly the table shows that if customers use to UTL to NT/C-Phone they pay Rs. 1.30 per minutes and if they use UTL to NCell Mobile they pay Rs. 1.50 per minutes.

Table No. 4.24

Tariff Rate of UTL,HHT to UTL FWT/HHT (STD) Services.

Network KM		Business Hour 8.00-18.00		Normal Hour 18.00-22.00 6.00-8.00		Off Hour 22.00-6.00		Rate/ Pulse
		Rate/min	Pulse	Rate/ min	Pulse	Rate/ min.	Pulse	
0-50 KM	Sun-Fry	1	60	1	60	1	60	1
	Sat.	1	60	1	60	1	60	1
Above 50 KM	Sun-Fry	2	30	2	30	1	60	1
	Sat.	1	60	1	60	1	60	1

Source: (Office Report 2009)

The table shows hour classification and rate of them. All telecommunication companies are defines all 24 hours in three hours. Among them business hour is costly and normal hour is cheapest. But peoples are use to business hour in maximum.

Table No. 4.25

Tariff Rate of UTL,HHT to NT PSTN, C.Phone, Sky-Phone/GSM (STD) Services.

	Business Hour 8.00-18.00		Normal Hour 18.00-22.00 6.00-8.00		Off Hour 22.00-6.00		Rate/ Pulse
	Rate/min	Pulse	Rate/ min	Pulse	Rate/ min.	Pulse	
With in same zone (category A)	2.2	27.27	2.2	27.27	2.2	27.27	1
With in same zone (category B)	2.4	25.0	2.4	25.0	2.4	25.0	1
Outside zone (category A)	3.2	18.75	3.2	18.75	1.6	37.5	1
Outside zone (category B)	3.4	17.65	3.4	17.65	1.7	35.29	1

Source: (Office Report 2009)

Table No. 4.26

Tariff Rate of UTL, Mobile (ISTD) Services.

Countries	Business Hour 8.00-18.00		Normal Hour 18.00-22.00 6.00-8.00		Off Hour 22.00-6.00		Rate/ Pulse
	Rate/min	Pulse	Rate/ min	Pulse	Rate/ min.	Pulse	
India	6	10.0	6	10.0	6	10.0	1
Pakisthan	15	4.0	15	4.0	15	4.0	1
Srilank	15	4.0	15	4.0	15	4.0	1
Maldives	15	4.0	15	4.0	15	4.0	1
Bangladesh	15	4.0	15	4.0	15	4.0	1
Bhutan	15	4.0	15	4.0	15	4.0	1
Afghanistan	15	4.0	15	4.0	15	4.0	1

Source: (Office Report 2009)

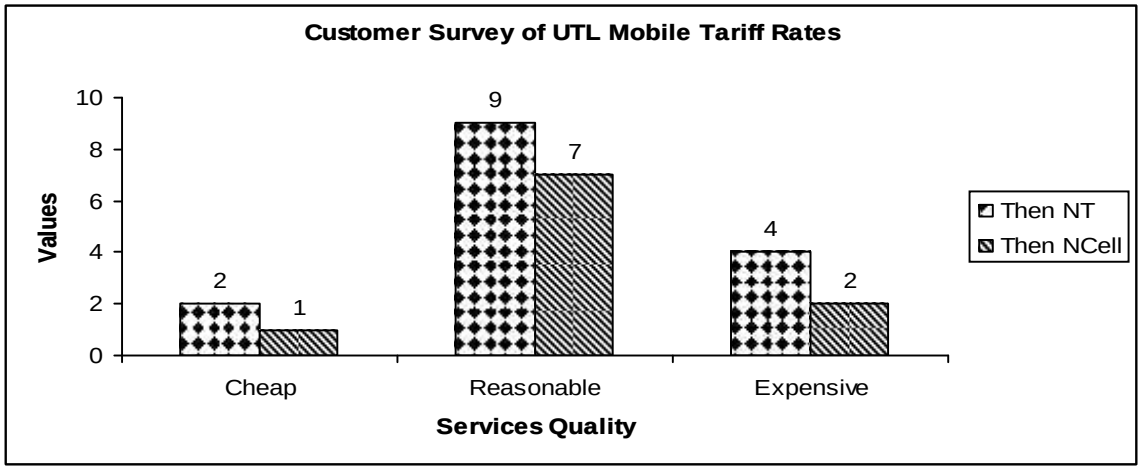
Table No. 4.27

Customer Survey of UTL Mobile Tariff Rates

S.No.	Service Quality	Then NT	Then NCell	Total	Percentage
1	Cheap	2	1	3	12.0
2	Reasonable	9	7	16	64.0
3	Expensive	4	2	6	24.0
				25	100%

(Source: Field Survey Jan, 2010)

Fig. No. 4.13



Above table and figure shows the tariff rate of UTL mobile. According to above table 64.0% respondents said its rate is reasonable and 24.0% said expensive, 12.0% said it is cheap.

CHAPTER V
SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter presents the state of the whole research process, its prospects as consequence. The study is carried out to assess the potential market for emerging telecommunication in Nepal. The whole research process is concentrated on the services provided by top telecommunication industries of Nepal (NTC, NCell Mobile, UTL) The study mainly focuses on the opinion of customer of different zones about the services and Facilities provided by the current telecommunications of Nepal. This chapters summarizes the study and presents summary, conclusion and the main recommendation based on the whole study process and analysis of the data.

5.1 Summary

This is the age of science and Technology. In the modern period, the technological development is conscious about the overall development of human beings. It is mental and physically. After late, 80's there has been a rapid development in the filed of information technology and communication. The latest outcome of the development was cell and ADSL phones. Both these phone are becoming the part of human lives. Basically, cell phone has made our life more comfortable and easier. In our country, Nepal Telecom, NCell and United Telecom Ltd. are provided cell phone.

Nepal Telecom is one of the most popular and pioneer company in telecommunication industry in Nepal. In ancient time NTC has its monopoly in its services and its tariff rates. Earlier people use to wait for the schedule of distribution of the services and connection offered by NTC. Then on the day of distribution people had to wait in a long queue. But with the entrance of spice mobile (later got popular and accepted as NCell Mobile) and the United Telecommunication Limited (UTL), the market turned out a bit competitive and sensitive for NTC. Responding to the scenario NT made its connections and services available at anytime.

At present it has also introduced a new scheme called friend and family offer where the customers talk to three numbers at 75% of the actual rate for per minute. It has also introduced a value added service called Nepal Telecom Notice Board Service targeting the school, hospitals, corporate houses and financial institutions by giving them important notices, airlines by giving their customers update regarding flight arrival/departure/delay flights, media houses by broadcasting them the breaking news, traffic police by providing traffic updates, stock exchange by updating them with the market price of the shares.

Spice Nepal Private Ltd., popularly known under its brand name "NCell Mobile", is the first private GSM mobile company in Nepal. At Present NCell Mobile introduce many scheme plans which are as follows:

No STD Charges: NCell mobile gives the call made by its mobile subscribe to landlines and other networks across the city within Nepal at local call

rates. Therefore, there is no STD charge for any calls made to mobile or landline, anywhere within Nepal. All outgoing calls will be at local rates.

It has introduced from November 1st, 2008, NCELL MOBILE new "Free Talk Time" scheme that will be implemented for Access, Smart, Light tariff plans.

Free talk time will be provided to the subscriber in accordance to his/her spending on any chargeable services such as outgoing calls, SMS, MMS, GPRS or PRBT during one week.

Free Talk Time will be provided to subscriber according to the following scheme: Subscriber will get 15 minutes free NCell to NCell time and 4 SMS only in case he/she spends not less than NRs. 50 during the previous week. Validity period of 15 minutes free talk time and 4 SMS is one week. 1 week is a period from Sunday to Saturday. In total during one month period subscriber can get 60 minutes free NCell to NCell talk time and 16 SMS.

Free USSD Service: Unstructured Supplementary Service Data (USSD) is a GSM technology, used to send text between a mobile phone and an application in the operator's network. USSD provides session-based communication, enabling a variety of applications.

Free Missed Call Notifications: Missed Call is the unique feature in mobile, which enables you to know when and who called during your busy hours, out of coverage or your mobile is switched off.

United Telecom Ltd, a joint venture between Videsh Sanchar Nigam Ltd. (VSNL), Mahanagar Telephone Nigam Ltd. (MTNL), and Telecommunication Consultants India Ltd. (TCIL), and Nepal Ventures

Private Ltd. (NVPL) plans to offer telephony services in Nepal, based on the wireless local loop (WLL) technology. After exhaustive deliberations & extensive scrutiny, UTL was declared successful bidder by NTA in the bid for basic telephone service based on WLL technology and letter of intent was awarded on 21st June 2001 &, finally, the license was issued on 4th October 2002.

Along with regular calling services, it also offers voice mail, call forwarding, call waiting, conference call and data transfer facilities. It is compatible for fax and internet services as well. UTL provides WLL wireless phone services and is presently operating in the central development region and has a fair customer base of about 200,000 subscribers owing mainly to its low tariff and easy availability.

The main objective of this study is analyzing the status of the market, customers' opinion of services and Tariff rate of all companies.

Analyzing the market is one of the most crucial parts before launching the product and fixing the target group. The task on market analysis is segmentation of customer based on age, gender, population, income, etc. Beyond this feedback and response about the similar products should be studied. And the limitations of the existing products should be made key factor for the purchasing of new product to the target Group

This is a consumer survey study based on this topic “Market Analysis Based on existing Telecommunications of Nepal” where primary data are collected from public through customer survey and secondary data are collected from concern organizations.

In the First Chapter analysis, background of the study, statement of the problems, scope, objectives and limitations of the study is presented. Need of Market analysis for the growth of organization is presented.

In the second chapter, the review of literature is made. This chapter briefly deals with conceptual frameworks of the study and review of thesis.

In the third chapter, research design, data collection method, sources of data populations and samples, data collection procedures, technique of data analysis are presented.

The fourth chapter examines about the services rendered by existing telecommunication to the target customers. Satisfaction level of people, tariff rate, services to be included, motivation factors, reasons of using phones are presented and analyzed.

Taking into account the top telecommunication industries of Nepal the services provided by these companies are analyzed from the mouth of users. In this study three telecom industries are taken into account they are mainly NT, NCell, and UTL. This study mainly focuses the status, opinion of customer and Tariff rate of Nepal Telecom, NCell and UTL Mobile. About the existing services and facilities provided by these industries, from their demand and desire and from the secondary datas the study tries to find out the market for the new telecommunication industry. In this study people's interest about new telecommunication, existing services, tariff rates, services, satisfaction rate, people spending habit, motivational factor etc are discussed and analyzed.

5.2 Conclusion

From the analysis and interpretation of data, it is concluded that NT, NCell mobile and UTL services are different between each others. They are giving the expensive service. maximum customers are not satisfied from their services. They haven't small scale SIM/RIM cards. Just like In India there is below 25 rupees SIM/RIM cards. So it is a main defect of NT, UTL and Ncell companies.

There is a wide area in Far Western Development Region especially outside the Kailali and Kanchanpur which is yet to experience the convenience of mobile phones and the people there have both curiousness and capacity to use the mobile phones.

In Far Western Development Region among the 21,83,178 population only 2,08,704 populations use PSTN and mobile phones. There is major gap seen in the users and non users.

Especially prepaid mobile phones are most preferred by the customers in Tarai area.

Customers have lots of expectations from the value added services in mobile phones. Mostly people are satisfied with NCell mobile because most of the time the industry has added some value for its customers.

People generally use mobile phones to be in touch with the family members. This is also because majority of the population had been displaced from their usual place of living. Most of the people have also left their

family members due to the nature of their jobs and mobile phones have been the convenient way for them to be in touch with their loved ones.

5.3 Recommendations

Based on the result of the study some recommendations are presented here for marketing manager, NCell, UTL and NT itself.

1. In the Far Western Region only Kailali and Kanchanpur have active markets. So the companies have to give effective services always.
2. Mainly the mobile companies have provided small scale SIM/RIM cards.
3. The initial price of SIM/RIM card is only the strength of Mero Mobile in Kailali and Kanchanpur . Hence to compete with Nepal Telecom, Ncell and UTL has to provide quality, dependable and reliable mobile service.
4. UTL and NCell mobile are operating only in Kailali and Kanchanpur but they have to distributed their service in hill area of Far Western Development Region.
5. The service charges have been perceived high by consumers for NTC, Ncell and UTL Mobile.
6. in the data, the reason of using mobile phone reveals that, among different reasons for using mobile phone, the most common reasons are - to be in contact with the family and for business purpose. Except in few cases, more than 50% of the respondents in different categories use mobile phones to be in direct contact with the family.

Hence It can be concluded that it is the primary and most common reason for the use of mobile phones.

7. The second important reason is business and agriculture purpose. Students also use mobile for SMS and other services.

8. Hence the communication should capitalize the primary and secondary reasons and build strategy focusing on the same. But it does not mean that the other factors are neglected a time it is also important to focus on those minute factors too in fact, and in other words the basic focus which would also work as a motivational factor is the first two important and common factors.

9. In relation with Ncell, UTL and NT has fully dominated the market and has better goodwill. Thus NT has to provide more and more additional services to maintain its competitive advantage.

10. Majority of the respondents in all categories preferred news update the most which is followed by other services like television viewing system and exam result viewing system. So, customer preference should be given high priority for the new industry.

11. Maximum customers are not satisfied with the customer service of Nepal Telecom but the NCell customers are satisfied their service and The UTL customers are positive with its services.

12. Service quality is also not better of Nepal Telecom. Customers give the suggestion about the quality improvement. But the quality of NCell is average.

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APPENDIX-I

Questionnaire for Customers

Dear Respondents, I am Mr. Ghanshyam Bhatta, student of Master of Business Studies at Kailali Multiple Campus. Tribhuvan University has been conducting a field study in the level of Masters of Business Studies (MBS) . Being the students of that level I got chance to prepare a thesis entitled Market analysis of Telecommunication (A Case Study of Far Western Development Region) . So I request you to answer the following questions to the best of your knowledge. I am assured you that all the information provide by you will be treated as strictly confidential and be used strictly to my educational purpose only.

Respondents Name:…… Address:……..

Mobile No:…….Email:……

1) Are you the user of Mobile? (i) Yes (ii) No

2) Gender: (i) Male (ii) Female

3) Age: (i) 15 to 24 years (ii) 25 to 34 year (iii) 35 to 44 years
(iv) 45 to 54 years (v) 55 above

4) Education: (i) literate (ii) SLC (iii) +2 level
(iv) Bachelor (v) Masters

5) Occupation: (i) agriculture (ii) business man
(iii) government Service (iv) private service
(v) house Wife Ivi) student

(6) Income: (i) Rs. 1,000- 9,999 (ii) Rs. 10,000 - 19999
(iii) Rs 20,000 - 29,999 (iv) Rs 30,000- 39,999
(v) 40,000 above

(7) How much of your Average Monthly expenses spent on Mobile Phones?
(i) Rs. 100- 500 (ii) Rs 500 – 1000
(iii) Rs 1000 – 1500 (iv) above 1500

(8) What types of Phones are used by your Total Family Members?
(i) Postpaid (ii) Prepaid (iii) both

(9) What types of prepaid phone used to your family members?

(i) NTC Line (ii) NTC prepaid (iii) NCell prepaid (iv) all

(10) What types of postpaid phone used to your family members?

(i) NTC CDMA (ii) NTC Postpaid (iii) NCell Postpaid

(iv) UTL CDMA

(11) Individually, what types of Mobile do you use?

(i) Prepaid (ii) Postpaid (iii) CDMA (iv)

(12) For what reason do you use mobile?

(i) Because of Perks, Friends and Family (ii) To be in contact with family

(iii) For Business Purpose (iv) To be Safe

(v) To show the status in Society (vi) all the above

(13) Do you prefer New Mobile service in Market or Some correction to the existing one?

(i) New One (ii) Correction to the existing one

(14) Whose investment do you feel would be believable?

(i) Domestic Investment (ii) Foreign Investment (iii) Both

(15) What are the facilities do you prefer in your Mobile service?

(i) to delivery message (ii) to play games (iii) to talk important message

(iv) Internet facilities (v) To listen songs/Radio (vi) to take photo

(16) How is the PSTN call service quality?

	Local call	STD call	ISTD call
Very Good			
Good			
Satisfactory			
Not- Satisfactory			

(17) How is the Mobile call service quality?

	Local call	STD call	ISTD call
Very Good			
Good			
Satisfactory			
Not- Satisfactory			

(18) Which is the best service quality of Telecommunication?

(i) NTC (ii) NCell (iii) UTL

(19) Which tariff rate is appropriate?

(i) NTC (ii) NCell (iii) UTL

(20) Which type of tariff rate are using to Mobile Companies?

(i) Rental charge (ii) local charge (iii) STD (iv) ISTD

(21) Do you agree with the tariff rate?

(i) yes (ii) no

APPENDIX-II

Questionnaire for Dealers and Agents

Dear Respondents,

I am a student of MBS from Kailali Multiple Campus Dhangadhi, Kailali and going to conduct a survey for partial fulfillment of Master Level. So I request you to take a few minute times , I assure you that all your response will be kept confidentially and will be use only for my study.

Agents/Dealers Name:……

Address:……

Mobile No ……..

(1) How many years you are having this Job?

(i) from 1 year (ii) From 2 year (iii) from 3 year

(iv) from 4 year (v) from 5 year (vi) above 5 Year

(2) How you are felling about the purchasing pattern of Mobile of the public?

(i) increasing (ii) constant (iii) decreasing

(3) Which Mobile is people prefer first?

(i) NTC (ii) NCell Mobile (iii) UTL

(4) Why the peoples prefer first?

(i) easy to available (ii) Low tariff rate (iii) high facilities

(iv) efficient network (v) easy process of payment (vi) Free Talk Time

(5) What is the average sale per day?

(i) below 500 (ii) Rs. 500 to 1,000

(iii) Rs.1,000 to 1,500 (iv) Rs. 1,500 to 2,000 (v) above 2,000

(6) What is the probability of telecom growth in Nepal?

(i) High (ii) Low (iii) Moderate

(7) What type technical errors people are facing regarding telecom products?

(i) network (ii) extra facilities (iii) availability of SIM/RIM cart