

"Impact of economic improvement on the rural community of Pakistan: A study of the marketing effort of telecom operators and USF in rural areas."



By:

<i>Sarah Shafiq</i>	<i>01-221102-059</i>
<i>Zara Jamshed</i>	<i>01-221102-073</i>
<i>Sehrish Ashraf</i>	<i>01-221102-060</i>

MBA (Marketing & HR)

Supervisor:
Shahid Haq

Department of Management Sciences (GS)

Bahria University Islamabad

2012.

ABSTRACT

This research project aims to put forward the efforts extended by Universal service Fund in Pakistan for facilitating the rural region with modern telecommunication services. The main objective of conducting research in this domain was to quantify the successful ventures in the rural region to highlight positive impact i.e. employment generation, source of income for the rural populace.

Furthermore, this research report also endeavors to draw attention towards the dilemma which is the reluctance of the telecom operator's in venturing into new rural regions in spite of funding backing accessible thorough Universal Service Fund. Although most of the rural regions are provided with cellular service but speaking in terms of broadband services provision, many regions are still awaiting for the initiation of these services. In an effort to attract the telecom operators to invest in these regions we administered questionnaires to the rural populace in Mansehra where with the efforts of USF and PTCL broadband services have been started. With the help of data gathered we have quantified the number of businesses started and the average income level generated as result of these efforts.

In the end of the Research report we have tried to highlight the problems currently being faced by USF and the rural consumers. In light of the problems identified we have made recommendations to overcome the obstacles in way of gapping the digital divide.

ACKNOWLEDGEMENT

We are grateful to Allah Almighty who provided us with the strength to complete this project.

We also wish to acknowledge the love and support of our families. No words of gratefulness are sufficient to express our appreciation for the kind attitude and continuous support of our supervisor Sir. Shahid Haq.

We also extend our special gratitude to Mr. Pervez Iftikhar (C.E.O Universal Service Fund) for his support at every step of our project.

Table of Contents

CHAPTER 1.....	6
1.1. Introduction	6
1.2. Broad problem area	8
1.3. Objectives of the study	9
1.4. Research methodology	10
1.5. Scope of the Project	11
1.6. Limitations of the project	12
Chapter 2.....	14
2.1 Contemporary research (literature review)	14
Chapter 3.....	33
3.1. Industrial Overview	33
USOF efforts in India	34
FDT Chile Efforts:	35
USF efforts in Taiwan	36
USF efforts in Pakistan	36
Chapter 4.....	39
4.1 Organizational overview	39
Chapter 5.....	42
5.1. Data collection	42
Chapter 6.....	53
6.1. Identification of issues	53
Chapter 7.....	59
7.1. Action Plan Proposed	59
ANNEXURE 1.....	63
ANNEXURE 2.....	64
Questionnaire Sample 1.....	64
Questionnaire Sample 2.....	66
Call Report.....	66
Bibliography.....	69

List of Tables

Table 1: Project Status- Rural telecom and E-services....	42
Table 2: Expected Wages Generated per Region.....	42
Table 3: Expected PCO Earnings per Region.....	43
Table 4: Expected Monthly Revenue from Mobile Services...	43
Table 5: Project category - Broadband service.....	45
Table 6: Expected Wages Generated per Region.....	45
Table 7: Expected Monthly Revenue from Broadband Services	45
Table 8: Project category- optic fiber.....	46