

# **Chapter 1**

## **Project Vijay**

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### **Introduction**

Globalization has made the market competitive but the recession has the competitive market more challenging. This situation has forced companies to increase their revenue by increasing market share. BSNL is not exception to it.

BSNL is providing various kinds of services. Consumer Mobility is one service which has rising trends. To capture the market share in consumer mobility, BSNL has created some new roles and made some changes in its old strategies and processes for marketing its product to face the today's turbulent environment. .

This handout deals with the strategies and processes adopted by BSNL to increase market share of the one of the product i.e. consumer mobility.

### **Learning Objectives**

At the end of session, the trainees will be able to

- Describe Project Vijay Objectives
- Define key terms used in Project Vijay
- Explain revised structure of Franchisee channel
- Explain team structure for Project Vijay
- Explain the concept of market retailer survey
- Describe role description of Project Vijay Team
- Describe proposed process for ordering and delivery

### **Present status of BSNL**

**BSNL is an organization with much strength as**

- Largest fiber and copper network
- Widest geographical reach
- Large base of mobile towers
- Significant potential to monetize assets through broadband
- Large existing customer base
- Long customer relationships
- Leading broadband provider
- Large , geographically distributed and experienced manpower
- Cash reserves to support bold moves

**Yet, it has many challenges as**

- Slowing growth leading to poor financial performance
- Facing an extremely competitive environment
- Lacking some critical skills to succeed in current market scenario
- Organization structure and processes that are not attuned to market needs
- Low employee motivation and involvement

To achieve one of the aspirations of BSNL as **“to be the leading telecom service provider in India with global presence”** Project Vijay has been implemented to increase the market share in consumer mobility.

The Project Vijay is concerned with consumer mobility. It is being implemented with a view to expand reach and capture significant share of retailers counter sales. This builds the distinctive channel management capabilities and nurture and build strong and viable channel partner.

**Objectives of Project Vijay**

1. Expand reach – ensure availability of BSNL products at more than 95% of telecom retail outlets
2. Capture significant share (25-30%) of retailer's counter sales (increase extraction)
3. Build distinctive channel management capabilities Nurture and build strong and viable channel partner network

**Definitions of Key terms used in Project Vijay**

**FoS:** Feet on street:

Franchise's employees

- who will visit retailer shops,
- deliver material and
- collect CAF (Customer Application forms ) forms

**Primary Sales:**

Sales of product from BSNL to franchise are defined as 'Primary Sales'.

**Secondary Sales:**

Any sales from franchise unit to retailer are defined as 'Secondary Sales'.

**Tertiary sales:**

Product sales from retailer to end-customer are defined as 'Tertiary Sales.'

**Reach:**

Reach defined as the ratio of telecom retail outlets (multi-brand telecom outlets) that sell BSNL products to the total number of telecom retail outlets in a particular geographical area.

For example, if total number of multibrand telecom retail outlet that sell BSNL product is M and total number of multibrand telecom retail outlet is N in a particular geography then

BSNL Reach= $M/N$

If M=4 and N=8 then BSNL Reach= $4/8=.5$  or  $.5 \times 100=50\%$

**Extraction:**

Extraction defined as the share of BSNL sales in the total sales of a particular multi-brand telecom outlet

- By number of SIMs
- By value of recharge

For example, if BSNL sell is M (i.e. Number of SIM or value of recharge) and total sales of a particular multi-brand telecom retail outlet is N (i.e. Number of SIM or value of recharge) then

BSNL Extraction= $M/N$

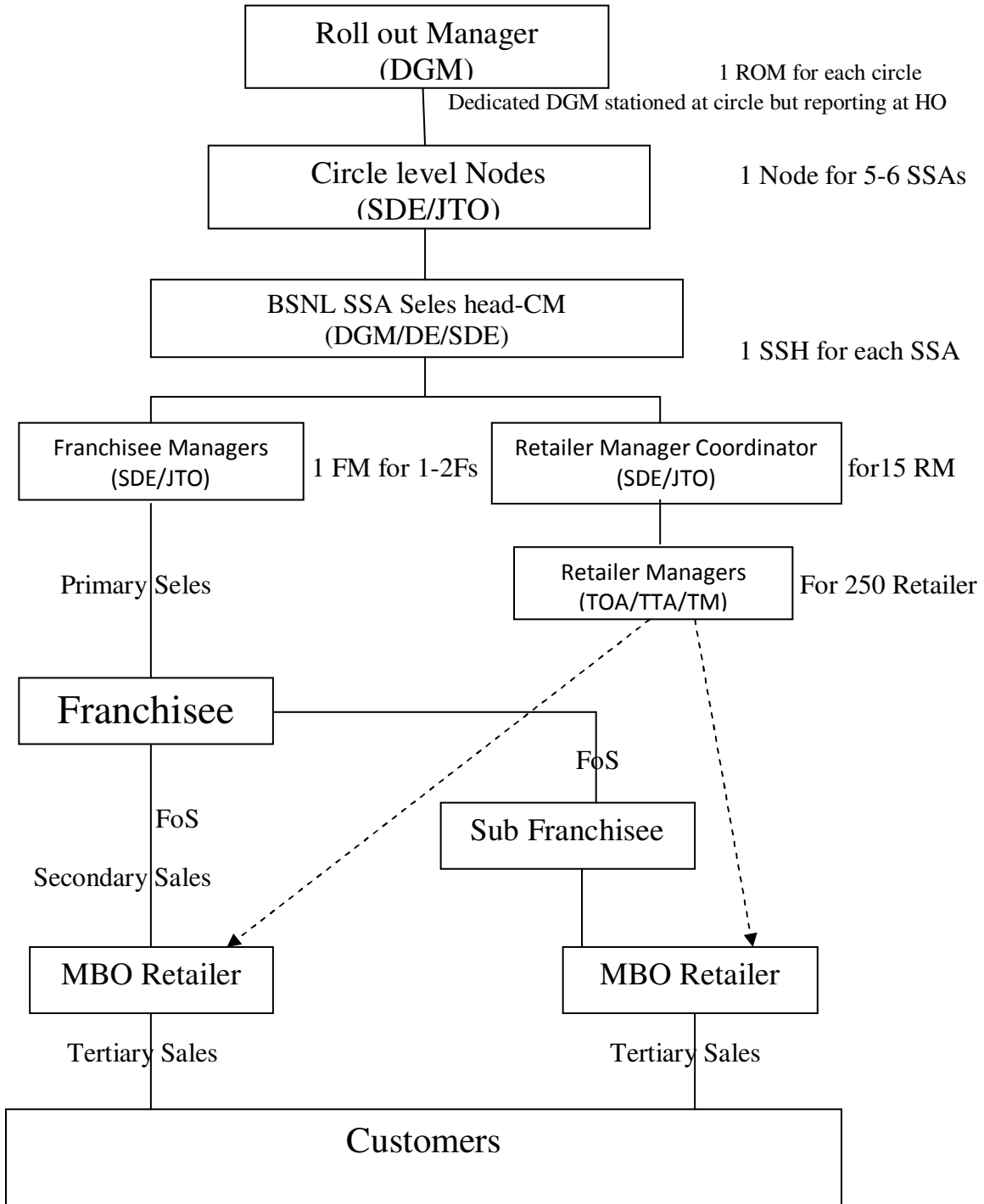
If M=4 and N=10 Then BSNL Extraction= $4/10=.4$  or  $.4 \times 100=40\%$

**MBO:** multi-brand telecom outlets

**Revised structure of Franchisee channel**

- Primary sales will be made from BSNL SSA to Franchisee.
- Franchisee will make the sales to Sub Franchisee and also to MBO retail Outlets through FoS.
- Sub Franchisee will also make sales to MBO retail Outlets in its area.
- MBO retail Outlets will make the sales to customers.

**Revised structure**



**Team structure for Project Vijay**

Roles	Designation	Details
Roll Out Mangers (ROM)	DGM	Dedicated DGM stationed at Circle but reporting at HO
Circle level Nodes	SDE / JTO	One node for 5-6 SSA's
SSA Sales Head – cons. Mobility	DGM / DE/ SDE	One per SSA /Region
Franchisee Manger (FM)	SDE/JTO	One Franchisee Manger per Franchisee
Retailer manager Coordinator (RMC)	SDE/JTO	One RMC for upto 15 RM's
Retailer manager (RM)	(TOA/TTA/TM)	One RM for upto 250 retailers

**Concept of market retailer survey**

In the beginning a survey of retailers selling telecom products in a particular geographical area will be made by BSNL survey team with a purpose

- To baseline existing retailer universe before pilot launch
- To develop channel norms for franchisee FOS #s and service frequency, based on analysis of retailer universe
- Survey to be conducted in each SSA of circle
- Both urban & rural areas to be covered
- Survey to be completed in 3-4 weeks duration

The surveyor will make survey with the help of a questionnaire in the form of a printed survey form containing details as shown below.

Details which are contained in the printed survey form in brief

1. Details of the surveyor
2. Details of the retailers with phone numbers
3. Do you sell SIMs of any brand? yes/no
4. Do you sell recharge voucher of any kind? Yes ?No
5. Do you sell BSNL SIM? yes/no

6. Who sell BSNL SIM to you?
7. Details of monthly sale of telecom product.
8. Comments about BSNL services to the retailer?

### **Categories of retailers**

The category of retailers are different according to the characteristics which depends on number of SIMs sold per month or amount of Recharge sales per month. These categories are

- Class A
- Class B
- Class C
- Class D

#### **Class A:**

The Retailers who sold more than 100 SIMs per month or Recharge sales more than Rs. 3 lakhs per month come under this category. For examples large multi-brand telecom outlets comes under this category.

#### **Class B:**

The Retailers who sold between 50-100 SIMs per month or Recharge sales between Rs.1-3 lakhs per month come under this category. For examples large kirana shops, medium multi-brand telecom outlets, STD/ PCO shops, etc. comes under this category.

#### **Class C:**

The Retailers who sold less than 50 SIMs per month or Recharge sales Between Rs. 0.5-1 lakhs per month come under this category. For examples medium kirana stores, small multi-brand telecom outlets, etc. comes under this category.

#### **Class D:**

The Retailers who sold negligible (mostly nil; may sell 10-30 SIMs per month) or Recharge sales less than Rs. 50,000 per month come under this category. For examples small kirana stores, paan shop, tea stall, etc. comes under this category.

### **Service frequency by class**

- Class A: Daily
- Class B: Every alternate day
- Class C: Twice a week
- Class D: Once a week

**Describe role description of Project Vijay Team**

Roles	Role Description
Roll Out Mangers (ROM)	Responsible for overall roll-out of Project Vijay in circle  Expected to drive on-the-ground implementation in circle and escalate unresolved issues at the circle level, to HO
Circle level Nodes	Guide SSA teams with best practices, key risks at a particular stage, etc.  Help SSA teams resolve and escalate issues
SSA Sales Head – cons. Mobility	Responsible for overall roll-out of Project Vijay in Region/SSA, incl. team formation, process changes and value outcome  Act as Sales head, Mobility at SSA/ Region
Franchisee Manger (FM)	Provide support and manage franchisees and sub-franchisees
Retailer manager Coordinator (RMC)	Provide support and manage retailer managers
Retailer manager (RM)	Act as retailer survey team, to map retailer universe (up-front)  Directly interact with and provide support to retailers on an ongoing basis

**Describe proposed process for ordering and delivery:**

- The franchisee need not come to SSA office.
- She/he will deposit the amount in bank and intimate the Franchisee manager and AO SALES) about money deposited in BSNL account to supply the telecom product and place an order on phone or through email.
- AO (Sales) will verify whether the amount has been credited in BSNL account or not.
- After verifying, AO (Sales) and Franchisee manager will deliver the material at the door of the Franchisees.



**Incentive, Awards & Facilities:** There is a provision of incentives & awards to the members of PROJECT VIJAY team. A detail of incentives is given below:

Role	Reimbursement type Travel/meal/mobile	Reimbursement amount per month
Franchisee manager	Travel & Meal	Rs 1800
	Mobile (if not already provided)	Rs 500
Retailer Manager coordinator	Travel & Meal	Rs 1300
	Mobile (if not already provided)	Rs 500
Retailer Manager for visits up to 40kms/day average	Travel & Meal	Rs 1800
	Mobile (if not already provided)	Rs 500
Retailer Manager for visits beyond 40kms/day average	Travel & Meal	Rs 2600
	Mobile (if not already provided)	Rs 500

- Franchisee Manager is expected to manage up-to 2 Franchisees and visit them every alternate day; Franchisee Manager is also expected to visit each sub-franchise once a month.
- Retailer Manager Coordinators expected to manage up to 15 Retailer Managers and does 1 inspection visit per Retailer Manager per month.
- Each retailer manager is typically assigned -200-300 retailers, depending on area geography and is expected to visit each retailer -2 times a month.
- Final decision on which category the retailer Manager falls in should be made by the SSA sales head, advised by the Retailer Manager Coordinator.
- The base reimbursement will be paid to Franchisee Manager and Retailer Manager Coordinator upon meeting a minimum of 10% achievement on Primary sale (# of SIM and Recharge value).The base reimbursement will be paid to Retailer Manager upon meeting a minimum of 30% achievement on no. of retailers visits done as a proportion of the total no. of retailers visits assigned.

**Awards:**

Award	Level	Frequency	Amount	Criteria
Best Franchisee manager	Circle	Quarterly	Rs 3000	Highest average score on KPAs
Best Retailer Manager coordinator	Circle	Quarterly	Rs 3000	-do-
Best Retailer Manager	SSA	Quarterly	Rs 750	-do-
Best Sales Head	Circle	Quarterly	Rs 5000	-do-

- In case of a tie, the award amount may be equally split.
- In order to qualify for an award the Franchisee Manager or Retailer Manager coordinator must meet a minimum of 10% achievement on Primary sale (# of SIM and Recharge value), Similarly in, order to qualify for the award, the Retailer Manager must meet a minimum of 30% achievement on no. of retailers visits done as a proportion of the total no of retailer visits assigned.
- The final decision on awards at the circle levels should be made by the PGM/GM (Consumer Mobility) at circle level at the end of the month, after taking in to the account the average score on KPAs received from SSAs'.

**Facilities:**

SSA Sales Head	Office space, Desktop with broadband GSM SIM or WLL phone (if not available)
Franchisee Manager	-do-
Retailer Manager Coordinator	-do-
Retailer Manager	GSM SIM or WLL phone (if not available)

## **Sancharsoft**

Sancharsoft is a SIM Inventory Management Application is jointly designed and maintained by IT Cell Chennai Telephones and ITPC Hyderabad.

SIM Inventory Management is a web based application for integrated management of O&M and Sales & Distribution Channels. Software is designed based on actual work flow for O&M and SIM/RC sales network.

Application is hosted on Zonal WEB server with oracles 8i server at back end, User access control, security features are in built. It is possible to trace all transactions. This application will be accessible on both CELLONE/Dotsoft network and MPLS networks. It is proposed to provided Sales and MIS reports through intranet WEB SITE for all the circles.

## **SIM Inventory Management**

Sancharsoft is SIM and RC, other Prepaid Inventory Management tool, Incorporates workflow like no other tool available in the market. It has been integrated to IN and HLR to ensure that all the activities related to SIM and RC are automated. Entire Setup is mapped to workflow right from procurement of SIM to Sale at Point of Sale, with Roles and Responsibilities well defined as per Corporate Guidelines.

## **Important Features**

- Procurement, allotment, distribution and sale through online transactions.
- Enabling/Activation of SIM based on sale, CAF data
- CAF monitoring can provided alert to Franchisee, Retailers and customer through SMS
- Reconciliation of Sold inventory v/s stock by Scheduled Synchronization/querying of IN and HLR
- Integration of Franchise and commission calculation based on SIM activation info as per guidelines.
- Access to Franchisee for monitoring retailers Sales if SIM card activation of SIM commission, Invoices, CAF submission status
- Handling of Damaged/Lost RC and SIM inventory. Blocking of Damaged to RC/SIM to issue replacements and their accounting
- Stock Reports to ensure availability of stores at POS
- Performance report of CSR/CSC/SSA/franchises/DSA

- Performance of various marketing schemes and live reports on day-to-day basis.
- System is configured to send this sale info to activation server, and CAF info to Billing server.
- System can be configured to accept IN info on SIM activation and deactivation, which will be used for SSA wise net additions closer analysis as per SSA. Franchises commission is computed based actual activation. Retention bonus, retention of mobiles connection as per franchise can also be computed.

**Conclusion:** The project Vijay will take care of market share in consumer mobility. The market share is the product of reach and extraction. Project Vijay will increase the reach and extraction of consumer mobility in the market through dedicated channel management. As the reach and extraction will be increased, the market share will go up. All depends on the sincerity and hard work of Project Vijay team members.

### Questions

1. What is Project Vijay and objective of Project Vijay?
2. Define the key term used in Project Vijay:
  - i. FoS
  - ii. Primary Sales
  - iii. Secondary Sales
  - iv. Tertiary Sales
3. Define BSNL Reach and also calculate BSNL Reach if total number of multibrand telecom retail outlet that sell BSNL product is 50 and total number of multibrand telecom retail outlet is 100 in a particular geography.
4. Define BSNL Extraction and also calculate BSNL Extraction, if SIM of BSNL sell is 61 and total sales of SIMs multi-brand telecom retail outlet is 100.
5. What is revised structure of Franchisee channel? Clearly Define each term.

6. Define Team structure of Project Vijay?
7. What is the Concept of market retailer survey? Define the BSNL survey team purpose. What are the Details which are contained in the printed survey form?
8. Describe categories of retailers.
9. Describe role description of Project Vijay Team and also describe proposed process for ordering and delivery.
10. Why Incentive, Awards & Facilities are required for Project Vijay Team? What are the Incentives, Awards & Facilities for Project Vijay Team?
11. How Sancharsoft related to Project Vijay?

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