

PTCL shifts to customer centric approach

By Sabah uddin Qazi

Pakistan Telecommunication Company Limited (PTCL) is the largest converged services operator in Pakistan. In an exclusive interview with *WinWin*, Mr. Walid Irshaid, President and CEO of PTCL, stated that, PTCL sees the changing of its own monopoly mindset and the perception of customers as a bigger challenge than the financial crisis and competition from peers. See how the 61-year old incumbent is changing people's mind.



Mr. Walid Irshaid, President and CEO of PTCL

Seeing opportunity in crisis

WinWin: How do you comment on the position of Pakistan's telephonic market as world perceptive especially PTCL?

Mr. Walid Irshaid: From the world perspective, Pakistan market is one of the most vibrant and fastest growing markets in the telecom worldwide. For example, we have seen a miracle from 2007 to 2009 in the mobile industry. Over the last two years, we have seen an astonishing monthly new mobile subscriber adds of two millions. Although the growth has slowed down a little bit, we believe Pakistan is still the strategically important growing emerging market in the world.

WinWin: The word for crisis in Chinese language is "WEI JI" that is a combination of two words. "WEI" means crisis and "JI" means opportunities. So in this global financial crisis, how do you see PTCL's "Wei" (Crisis) and "Ji" (Opportunities)?

Mr. Walid Irshaid: First of all we are not in a financial crisis. We don't spend sleepless night because we have not borrowed money. We are self sufficient. Secondly, we are the only company having wireless and fixed-line services in Pakistan. We have nation wide biggest WiMAX license, the dual wireless local loop license, and the GSM Ufone. So, if the industry is talking about synergies and packaging



We are showing the customers that we actually can cater to all the needs and flavours. We can be innovative and our telephony is a real multimedia smart line. Today, we don't invest for acquiring technology but for acquiring services for our customers.



the fixed and mobile in the future, we will be the only company in Pakistan who can provide these converged services to the customers. So, I see the "JI" (Opportunities), I don't see the "WEI" (Crisis).

WinWin: Do you think that mobile telephony with the value added services is a threat to fixed lines telephony?

Mr. Walid Irshaid: I don't look at it as a threat. I see Pakistan still has great potential, as far as the fixed penetration in Pakistan is less than 3% which is much lower than the world average rate of 14%. So for me, this represents a big market in the fixed telephony. Yes, we have seen a phenomenal growth in the mobile and PTCL has found itself fearlessly competing with 5 mobile operators. However, I don't really see we have ended up our fair share. This is how I see it that there is still opportunity to grow and retain customers.

Changing ourselves

WinWin: It seems that you do not see any threat from the financial crisis or the mobile sector, then what is the biggest challenge that PTCL is facing?

Mr. Walid Irshaid: I think it is the most important part I'll talk about PTCL. PTCL is a 61-year incumbent company. We have operated as a monopoly most of the time till 2004. At the time of monopoly, customers had to come, had to wait, and some people had to wait years to get a telephone in Pakistan. They had no other options.

Now, we must change our monopoly mindset and the perception of people that we are an out-dated monopoly company that does not care about the customers, and that the company is sitting anyway seeing the telephone dying obsolete. If we don't change, we will lose the customers, maybe forever. The company can not transform without the spirit of customer centric. So we have to become more

customer oriented, more customer focus, more commercial minded. This is the biggest challenge.

WinWin: So how are you going to make the transformation and change the perception of your customers?

Mr. Walid Irshaid: Coming with this, we are showing the customers that we actually can offer all the choices, and before you come to our door, we dare to make change and come to your door. We can be innovative and our telephone is not the old telephone. It is not an obsolete dying technology. Now we can serve more people, and provide more services. That's why we started the broadband, the IPTV, voice SMS, voice mail, reviving not just the network, but also the services, so that people see us in a different eye. They see us a company that is vibrant, valid and valued.

WinWin: You mentioned broadband services just now. We noticed that last year PTCL's broadband services showed a striking 48% growth. What were the success factors in your view for this achievement?

Mr. Walid Irshaid: Actually, broadband started in Pakistan around 2003 and we were the last to enter into this market. It was quite late entry for the PTCL into the broadband market. However, we were able to capture more than 50% of market share within the first two years of operations. We are operating in a market with 170 million people, and the broadband takeup is surprisingly fast. In addition to the huge market potential, I would also like to contribute this mainly to our network resilience, our capability and the size of footprint development work. So though we started late, we still succeeded in becoming the largest provider of broadband services including fixed and wireless.

WinWin: Would you please share with us the current status of PTCL's IPTV service?

Mr. Walid Irshaid: We were among the first to launch

IPTV in the middle-east region. We have fiber from border to border in this country and being a late entry in broadband, we have to create differentiation to our broadband service. That is by starting offering BUZZ TV (basic TV service) and then offering advanced IPTV services.

Today, we are providing simultaneously 120 live channels on our IPTV and most important thing is that all of these are legal with copyrights. We don't do something like illegal transmission or broadcasting in our network. Even today we are bringing the smart movie and for the first time with advertisements. What we have done this year in Pakistan is very particular for us. We have decided to do our way with the cable as we make our broadband. So we make free upgrade to our 256K and 512K customers to higher mega rates, such as 1M to 2M and 2M to 4M. That is again to create a differentiation and position PTCL as integrated & multimedia company of this country offering voice, data and video services.

Beauty of technology

WinWin: Does PTCL plan to start video call service and other new services like GPON? And do you have plans to adopt new technologies and replace the old network elements in the near future?

Mr. Walid Irshaid: I want to make it clear that we don't invest for acquiring technology. Today we invest on acquiring services for our customer. We are looking at the market. We started mega projects here. We also focus on our corporate customers. For the video conferences, we are looking for various options. One is from Huawei to use IPTV platform to create home to home video conference and I am very excited to know how we can commercialize it.

We are looking at GPON. We have started projects to assess the feasibility of GPON. And there are things we want to replace in terms of transmission part. Again, my emphasis is that technology for me is to acquire customers and technology for us is a method to bring services to our customers. Not for the technology sake, but for revenue and customers.

WinWin: PTCL signed NGN Phase-1 (Network Transformation from TDM to IP) and Network Operation Centre (NOC) "A way to do Operation & Maintenance for whole Network" and also to build a complete nationwide LH DWDM Network for PTCL by introducing the cutting-edge 40G/wavelength (readiness) and ASON technology in the recent-past. How do you see the value of those projects?

Mr. Walid Irshaid: These projects were very strategic for us. First, they were meant to improve our efficiency and our reputation and to enhance our relationship with the

wholesale carriers and with the community. It was really meant to deliver better service. At one instance, people were pressing us to sign SLA, which I couldn't commit, because we have had no capability to commit to that SLA. Today I can say with confidence that with our better resilience and visibility of our network, we can go to our clients and say, "OK. We are ready to sign and commit to our SLA."

Secondly, these projects for me are more strategic in terms of a better control of OPEX rather than making revenue directly. We wanted a better technology, which is more cost-effective for us to operate in long term. That's why I talk about migration of new fiber. We are migrating to new technology and on top of this, to give us a better control, better operation and maintenance capability of our network.

Reliable partner


WinWin: How would you comment on the cooperation with Huawei?

Mr. Walid Irshaid: Huawei has been a reliable partner. Huawei is the company with whom we work very closely in Pakistan. When I say Huawei as a reliable strategic partner, I consider two things about Huawei.

First, Huawei always delivers on time, and always delivers what it has promised. This is what we have seen on every project. Second, Huawei is always very cooperative with us, especially in the critical war areas of Balochistan and NWFP, Huawei takes risks to deliver projects in time. The areas where our own people can't go, Huawei goes there to install the equipment. In those highly-risky areas, we found Huawei is always there around us. Time has spoken, not me. We must keep it on record.

WinWin: Do you have any other expectations to Huawei?

Mr. Walid Irshaid: We have to think about the digestion of new technologies. We want to buy technology but we also want to buy enhanced capability to handle it. We are taking it on pace. That's why we are insisting that vendors provide in-house and local training from day one to the last day of the project. We want our people to be associated with your local team for smooth technology transfer and knowledge house transfer.

Last, I would like to say about alignment of proper team. When the right team works in the right direction, nothing is difficult to achieve. Remember! This is the biggest challenge for us to gather the team and align the team. The challenges which we are facing belong not only to vendors but also to operators and we have to tackle these challenges together. 

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