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## **1.1 INTRODUCTION**

DiGi is a leading mobile communications company providing a comprehensive range of affordable, convenient and easy to use wireless services to simplify and enrich the lives of its customers. They create value for their customers by selecting the most appropriate cutting edge technology so that users benefit from products and services that give them choice, convenience and control.

They have an established presence as a leader in voice and data prepaid services with a number of first that have set industry benchmarks for creativity and innovation. These services are offered under the DiGi Prepaid brand name. Their Postpaid services under the DiGi Postpaid brand name delivers high quality voice as well as value added mobile content and data services to both individual and corporate customers.

## **1.2 MISSION**

Your needs are at the centre of everything we do. Whoever you are, wherever you go and whatever your needs may be, we're there for you.

## **1.3 VISION**

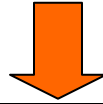
DiGi's aspiration is to be the industry shaper by taking leadership positions through series of innovative value propositions, simplicity and excellent execution.

## **1.4 CORPORATE MILESTONE**

### **1995**

**24 May**

- ✓ First telco in Malaysia to launch and operate a fully digital cellular network.



### **1996**

**28 March**

- ✓ First GSM 1800 operator to offer International Roaming facilities.

**9 April**

- ✓ First digital cellular network to be operational in Sabah and Sarawak.

**3 June**

- ✓ First operator to offer enhanced information services, in the form of interactive DiGi Stock Services with DiGi Stock Alert.



### **1997**

**28 May**

- ✓ First operator to offer DiGi Guarantees, an exclusive customer benefits programme.

**6 October**

- ✓ First operator in Asia to be part of the International Roaming Platform (IRP) and to commercially launch the use of the dual-band mobile phones for use in GSM 900, 1800 and 1900 networks by offering the first Global Cellular services (GCS) in Malaysia.

✓



### **1998**

**1 January**

- ✓ First operator in Malaysia to launch the highly popular prepaid mobile phone service, DiGi Prepaid.

**18 May**

- ✓ First operator to offer innovative call programmes that are designed for customer usage of mobile phones.



## **1999**

### **1 February**

- ✓ First GSM operator in Malaysia to offer Automatic International Roaming service to the United States of America.

### **9 September**

- ✓ First prepaid service provider to introduce the new generation prepaid services which include Quickmail services, Voicemail and International Roaming.

### **18 September**

- ✓ First telco to launch an innovative and interactive website in Malaysia as well as Asia. Known as @DiGi, it is slated to be one of the most interactive websites in the telecommunication market.

### **7 December**

- ✓ First telco to introduce the e-pay system for convenient airtime reloads for customers as e-pay terminals are made available at venues with easy accessibility.



## **2000**

### **20 January**

- ✓ The strategic alliance with Telenor, International AS was formed.

### **18 April**

- ✓ The name DiGi Swisscom Bhd, the holding company of DiGi Telecommunications Sdn Bhd, was changed to DiGi.Com Berhad.

### **23 May**

- ✓ First telco in Malaysia to align itself with MTV Asia, the top music channel in Asia, to bring to consumers an interactive and exciting music programme that marries technology and entertainment.

### **4 September**

- ✓ DiGi Telecommunications Sdn Bhd (DiGi) entered into an agreement with Yahoo! Asia (Yahoo) to jointly create WAP-enabled online services.

### **18 October**

- ✓ First telco in Malaysia to launch a revolutionary mobile service in line with full deregulation. Known as DiGi Mobile One, this latest roll-out promises substantial savings for all mobile customers.

### **30 October**

- ✓ An RM800 million contract was signed with Ericsson (M) Sdn Bhd (Ericsson) for the expansion of DiGi's existing GSM 1800 network, to boost both coverage and quality of service. The contract also includes the supply and implementation of GPRS technology.

### **15 December**

- ✓ The launch of iDiGi, DiGi's new Internet Dial-up Access Service in the Klang Valley, which ensures faster access speed and reliability.

### **18 December**

- ✓ The unveiling of djuice, DiGi's unique mobile Internet portal, with its highly entertaining, informative and useful services for customers who need and want greater mobility.



## **2001**

### **Early March**

- ✓ DiGi reaches its one million mobile customers mark due to the combined success of its innovative prepaid and postpaid mobile services.

### **16 March**

- ✓ DiGi's first-ever MTV licensed SIM Card Package and Reload Coupons was launched nationwide. The DiGi-MTV SIM Pack and DiGi-MTV Reload Coupons are the first of their kind to be released anywhere in the world.

### **19 March**

- ✓ Introduction Of the innovative DiGi Mobile Movie Booking Service, available on DiGi's djuice WAP, STK and SMS platforms, which enables DiGi subscribers to make bookings of movie tickets at selected Golden Screen Cinemas, anytime and anywhere using their mobile devices.

### **24 July**

- ✓ DiGi & GHL Systems launched Whoops!, a prepaid reload service that allows prepaid customers to reload their mobile talktime credit without any physical prepaid reload coupons or pin numbers at terminals located nationwide.

### **23 August**

- ✓ DiGi signs agreement with convenience Shopping Sdn Bhd, allowing customers to obtain DiGi Prepaid Plus reloads purchase chatz cards 24 hours a day, at all 7-Eleven stores located in Peninsular Malaysia.

### **10 September**

- ✓ An alternative reload method using a new interactive medium, "Star Codes" is launched by DiGi to enable prepaid credit reload for its DiGi Prepaid Plus customers.

### **14 September**

- ✓ DiGi becomes first majority foreign-owned service provider in Malaysia with Telenor's increased shareholding in DiGi.Com to 61%.

### **1 October**

- ✓ DiGi opens up inter-operator Short Messaging Service (SMS) with all telcos in Malaysia.



## **2002**

### **4 June**

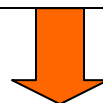
- ✓ First telco in Malaysia to offer Automatic International Roaming and General Packet Radio Service (GPRS) to its prepaid mobile subscribers nationwide, and simultaneously launch an exclusive Loyalty Programme to reward its prepaid subscribers. DiGi is the first operator in the Asian region to commercially launch General Packet Radio Service (GPRS) service on both prepaid and postpaid platforms.

### **23 September**

- ✓ DiGi establishes an e-commerce milestone through signing a strategic agreement with MOL Access Portal Berhad to enable Malaysia's first automatic online reload service for DiGi Prepaid Plus and the purchase of chatz, its international Calling Card.

### **13 November**

- ✓ First telco to offer DiGi's prepaid customers the country's first auto reload service via an alliance with Citibank. The service allows DiGi's prepaid customers to perform automatic reloads using their credit card.



## **2003**

### **27 May**

- ✓ DiGi signs a strategic agreement with Siemens Malaysia to upgrade its GSM/GPRS mobile network to next-generation wireless technology, introducing Enhanced Data Rates for Global Evolution (EDGE) in the Klang Valley.

### **Early August**

- ✓ DiGi hits its two millionth mobile subscriber mark, through increasing customer recognition of its innovative mobile communications products and services.

### **27 August**

- ✓ DiGi becomes the first mobile communications service provider to launch Multimedia Messaging Service (MMS) for both its prepaid and postpaid mobile customers in Malaysia.

### **22 September**

- ✓ The launch of beyond prepaid, DiGi's new prepaid mobile service with its intelligent automatic adjusting rates features that automatically reduces call rates as the number of calls increase. Beyond Prepaid comes with a host of innovative features which include automatic international roaming, MMS, faster internet connection via DiGi's GPRS network, call waiting, call divert and multi-party conferencing.

### **18 November**

- ✓ DiGi launches its straight forward and simple horizon postpaid service, offering postpaid customers an attractive choice between its easy-to understand horizon optimum and horizon premier price plans. Horizon optimum utilizes DiGi's popular auto adjusting rates feature which allows the rate per minute to be reduced with the amount of calls the user makes, while horizon premier allows customers to enjoy a value-for-money nationwide flat rate.



## **2004**

### **6 January**

- ✓ First communications service provider to offer a mobile service customized for SMIs with the launch of discover – a practical, cost saving and simple mobile service to meet increasing demands of SMI business customers and to increase their efficiency levels. Two discover plans are available - discover prime and discover classic both offering simple and straight forward mobile communications solutions, with affordable monthly fees plus a one flat-rate tariff plan across the nation.

### **16 April**

- ✓ DiGi opens up inter-operator Multimedia Messaging Services (MMS) with all telcos in Malaysia.

### **14 May**

- ✓ Launch of Malaysia's fastest mobile network with services on DiGi's EDGE (Enhanced Data Rates for Global Evolution) enhanced network in the Klang Valley, promising the highest quality and fastest data transfer speeds offered in the country. Available to both DiGi's prepaid and postpaid customers, EDGE-enabled 3G services promise broadband speed up to 384 kbps.

### **19 August**

- ✓ First mobile communications service provider to launch Mobile TV™ on its Enhanced Data for Global Evolution (EDGE) network in Malaysia. DiGi customers are able to enjoy a variety of entertainment services anywhere and anytime of the day.

## **25 October**

- ✓ Flexi e-load and Talktime Transfer are DiGi's two first-of-its-kind prepaid services that offer greater convenience to customers. Flexi e-load allows DiGi prepaid customers to reload their credit at a dealer by any amount above RM5. Talktime Transfer (TT) is an emergency 'sharing' solution which allows customers to transfer a fixed micro denomination of RM3 to into their friends and family DiGi's accounts.



## **2005**

### **January**

- ✓ Launch of DiGi's Amazing Malaysians, a corporate social responsibility programme aimed at supporting the preservation of Malaysian heritage by involving youth and children living mainly in rural areas. DiGi's Amazing Malaysians for 2005 are : Balu Perumal, the Wetland Restorer of Perak; Raja Dato' Kamarul Bahrin Shah, the Traditional Architect of Terengganu; Siow Ho Phiew, The Lion dancer of Johor; Diana Rose, The Knowledge Keeper of Sarawak and Romli Mahmud, The Storyteller of Perlis.

### **14 January**

- ✓ DiGi now has the widest and best mobile data coverage in Malaysia with the launch of EDGE in Penang and Johor Bahru. More customers now can enjoy high speed mobile internet, Mobile TV, Java and multiplayer games, news, financial services, and traffic information service.
- ✓ Another industry's first is LifeLogger, an exclusive website that allows DiGi subscribers to upload their multimedia content from their mobile phone to the websites page via MMS. The multimedia content of LifeLogger can then be shared with an unlimited number of people.

### **13 April**

- ✓ DiGi introduced its new Caller Tunes. This new service enables customers to customize their caller tunes with a variety of options, such as music clips, sound effects, personalized messages and advertisements instead of the Conventional electronic call connecting ring-ring tone.
- ✓ The selected caller tunes can be assigned by managing the personal Jukebox, TimeZone and CallerGroup Ring service. This new service is made available to all DiGi's postpaid and prepaid customers nationwide.

### **5 May**

- ✓ First of its kind in Malaysia, DiGi together with MTV Networks Asia launched its new youth service package. The DiGi Prepaid MTV Powerpack is bundled with attractive offers including FREE unlimited SMS to Friends & Family numbers all day long, FREE unlimited MTV downloads, FREE daily MTV gossips via SMS, an exclusive WAP portal, exciting web portal, and special invites to parties, movies and concerts.

### **2 June**

- ✓ Mobile communications innovator, DiGi together with MTV Networks Asia launched its new youth service package. The DiGi Prepaid MTV Powerpack package is bundled with attractive offers including FREE unlimited SMS to Friends & Family numbers all day long, FREE unlimited MTV downloads, FREE daily MTV gossips via, an exclusive WAP portal,

exciting web portal, and special invites to parties, movies and concerts.

### **21 September**

- ✓ DiGi announced its partnership with ING Insurance Berhad to provide high speed network access for the ING insurance agents who are always on the move to be able to access the agency network portal wherever they are in the country.
- ✓ This is the first such partnership between a telco and an insurance company where the technology is adapted to gain a competitive business advantage.
- ✓ Using DiGi's technology, ING Insurance agents can now use a mobile phone, a laptop/PC via PCMCIA card or a PDA to access customer information, policy status and related matters, enquires, commission information and check on the policy status, sales achievements versus incentive trip information instantly. This will enable the agents to provide better services to their customers, as information is literally at their fingertips.

### **24 October**

- ✓ DiGi scored another first with the recent launch of DiGi-dedicated cinema halls known as the DiGi Movie Halls to pamper customers with privileges that make them the envy of others.
- ✓ To celebrate this, DiGi customers were treated to a movie Marathon Carnival in Kuching, Miri, Penang and Johor Bharu over three Saturdays, with each hall showing three consecutive blockbuster movies.

### **11 November**

- ✓ DiGi submitted its application for a 3G spectrum, confident a success will give the company a new powerful engine of growth. DiGi Telecommunications Sdn Bhd Chief Executive Officer Morten Lundal handed over the 1,070 page documents in 4 volumes at the Malaysian Communications and Multimedia Commission's headquarters in Cyberjaya.
- ✓ Lundal said "DiGi aims to use 3G to create a vibrant, exciting and enriching experience for the Malaysian Mobile consumers. It will complement DiGi's existing engines of growth built upon a passion to innovate".

### **9 December**

- ✓ DiGi in partnership with MTV Asia announced the launch of Malaysia's first merchant WAP portal – MTV Powerpack Merchant Discounts- to reward DiGi Prepaid MTV Powerpack customers.
- ✓ It hosts selected branded retailers, whose products and services are offered to customers at attractive discounts. This service is an enhancement of the existing Mobile Vouchers benefit which has over 100 merchants.

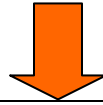
### **15 December**

- ✓ DiGi once again added value to simplify everyday life for our customers by offering peace of mind with mEve™ in partnership with iNavigate Sdn Bhd.
- ✓ mEve™ is a very simple and inexpensive home monitoring solution that enables customers to use their mobile phone to access web cams at home or office – anywhere and anytime. It provides either still image or 10 seconds video clips mEve™ is the latest in broadband wireless solutions, including high speed multimedia and mobile Internet access, that DiGi supports using its broadband EDGE-enabled Widest HighSpeed Mobile Coverage.

### **19 December**

- ✓ DiGi endorsed an industry standard on mobile broadband service that will enhance consumer's confidence in the quality of 3G service.
- ✓ The draft code, "Quality of Service for Voice, Short Message Service and Packet-Switched traffic for Public Cellular Services", sets performance measures on the three most common bearer service; voice, sms and packet data. This is one of six technical codes approved by the board of directors of Malaysia Technical Standards Forum Bhd (MTSFB) on Friday.





## **2006**

### **5 January**

- ✓ DiGi flexed another first with DiGi Flexi E-Load for postpaid. Customers can now enjoy hassle-free payment with over 2,000 Flexi e-load locations nationwide. Customers only pay upon receipt of payment that will be sent via SMS on their mobile phones, subject to a minimum payment of RM20.
- ✓ DiGi's Chief Marketing Officer, Chee Pok Jin, said "We want to free our customers from long queues just to stay connected. With Postpaid Flexi e-load, DiGi customers can truly experience the power of mobility and utilize the time saved more positively".

### **13 January**

- ✓ DiGi.Com Berhad Chairman Arve Johansen appointed as Head of Telenor in Asia as the region becomes increasingly important to the Telenor Group. Johansen will continue as DiGi.Com Berhad Chairman and Telenor Senior Executive Vice-President.

### **19 January**

- ✓ DiGi presents the world's first Mobile Massively Multiplayer Online Game (3MOG), HinterWars in partnership with Nokia. DiGi customers will be global leaders in this cross-platform, cross boundary gaming experience.
- ✓ Once commercialized, Malaysian gamers are able to use their mobile phone anywhere in the country to combat with friends and foes on their PCs or mobile phones internationally.

### **24 February**

- ✓ Announced the 2006 DiGi's Amazing Malaysians 2006 as the Champion of Pahang's Lake Chini (Bishan Singh); The Shadow Player of Kelantan (Eddin Khoo); The Woodcraft Warrior of Selangor (Rashid Esa); The Heritage Architect of Kedah (Laurence Loh) and Madame "Heritage Heboh" of Penang (Janet Pillai).
- ✓ DiGi's Amazing Malaysians is DiGi's corporate social responsibility (CSR) programme, launched in 2005, to support the preservation of Malaysia's heritage, namely natural, cultural, art, built and social heritage, by involving youth and children living mainly in rural areas.
- ✓ Via individual projects, DiGi hopes to contribute in a real and meaningful way to strengthening the links between Malaysia's past and its present as well as future.

### **3 March**

- ✓ The following is a statement by DiGi's Chief Executive Officer, Mr. Morten Lundal; We have noted a press release from the Ministry and press reports of an announcement on the rewarding of the 3G spectrum. This reportedly states that spectrum has been awarded to 2 other groups and not to DiGi. DiGi has not received any official communication on this.
- ✓ We would be extremely surprised by such a decision if this is confirmed, and we will immediately seek clarify from the MCMC on this matter.

### **7 March**

- ✓ DiGi received a letter from the Malaysian Communication and Multimedia Commission informing that the company has not been successful in its application for 3G spectrum.
- ✓ DiGi is and will continue to explore all options to the fullest in order to deliver on its commitment to be the most exciting mobile broadband provider in Malaysia.

### **17 March**

- ✓ DiGi and Nokia's first in the world Mobile Massively Multiplayer Online Game (3MOG)

cross-platform game, HinterWars, was today commercially launched. All DiGi users can now experience this breakthrough technology in gaming and communication. HinterWars monthly license will just cost RM10, with data charges levied according to usage.

#### **20 March**

- ✓ DiGi adjusted its logo by taking away the “sail” in the spirit of simplicity and lifting the upper right corner as a statement of aspiration.

#### **21 March**

- ✓ DiGi introduced new mobile numbering prefix of 014-6 to meet increasing demand in new subscribers. The new numbering prefix applies to both DiGi Prepaid and DiGi Postpaid. It offers the same starter-pack pricing, the same charges, the same quality of service and the same benefits as 016.

#### **5 April**

- ✓ DiGi today announced a second round of capital repayment (proposed 2<sup>nd</sup> capital repayment) to its shareholders after it first announced its 1<sup>st</sup> round of capital repayment on 26 October 2005. DiGi is delivering on its promises to return excess cash to shareholders as part of its ongoing capital management initiatives. The company is proposing a further capital repayment of RM0.60 per ordinary share which will be carried out via a reduction in its share capital and share premium account in order to return RM450 million to its entitled shareholders.

#### **12 April**

- ✓ DiGi sets a new industry precedent through the DiGi Talktime Extend and Talktime Advance services introduced. The new Talktime extend service allows prepaid customers to exchange airtime balance for validity. Talktime Advanced however, assists prepaid customers who constantly run out of airtime credit and need to make one last call. Through Talktime Advance, customers will be able to receive airtime credit from DiGi whenever the need arises.

#### **3 May**

- ✓ DiGi.Com Berhad (“DiGi”) increased its pre-tax profit to RM257 million in the first quarter ending 31 March 2006 up 203% from the corresponding period last year. This is largely attributed to a 38% increase in revenue, improved margin on earnings before interest, tax, depreciation and amortization (‘EBITDA’) and lower depreciation costs, in a statement on the Group’s performance in the first quarter, DiGi Chief Executive Officer Morten Lundal said : “We successfully grew our mobile customer base to 5.1 million and enhanced operational cost efficiency, generating RM861 million in revenues. Despite keen competition, we held blended average revenue per user at RM54”.

#### **6 May**

- ✓ DiGi launches first in Malaysia WAP service in Taqwa for religious inspiration and guidance. The DiGi Tagwa WAP Portal was launched by YB Dato’ Dr Abdullah bin Md. Zin, Minister in the Prime Minister’s Office at the official launch ceremony of Muzakarah, organized by Lembaga Tabung Haji. Tagwa service is available nationwide to both DiGi prepaid and postpaid subscribers. Other features of Tagwa also include SMS packages where DiGi subscribers can obtain religious quotes and guides such as ‘Pedoman Adam’ and ‘Pedoman Hawa’ for adults, and ‘Pedoman Remaja’, respectively for teenagers.

#### **11 May**

- ✓ DiGi Telecommunications Sdn Bhd and Maxis Communications Berhad (“Maxis”) today launched and inter-operator Friend Finder service, enabling cross-tracing of friends and loved ones. With this, DiGi and Maxis customers can locate the whereabouts of users across the two networks that connect over 12 million people nationwide. The Friend Finder is a permission-based service activated only after the person whom the customer wishes to locate

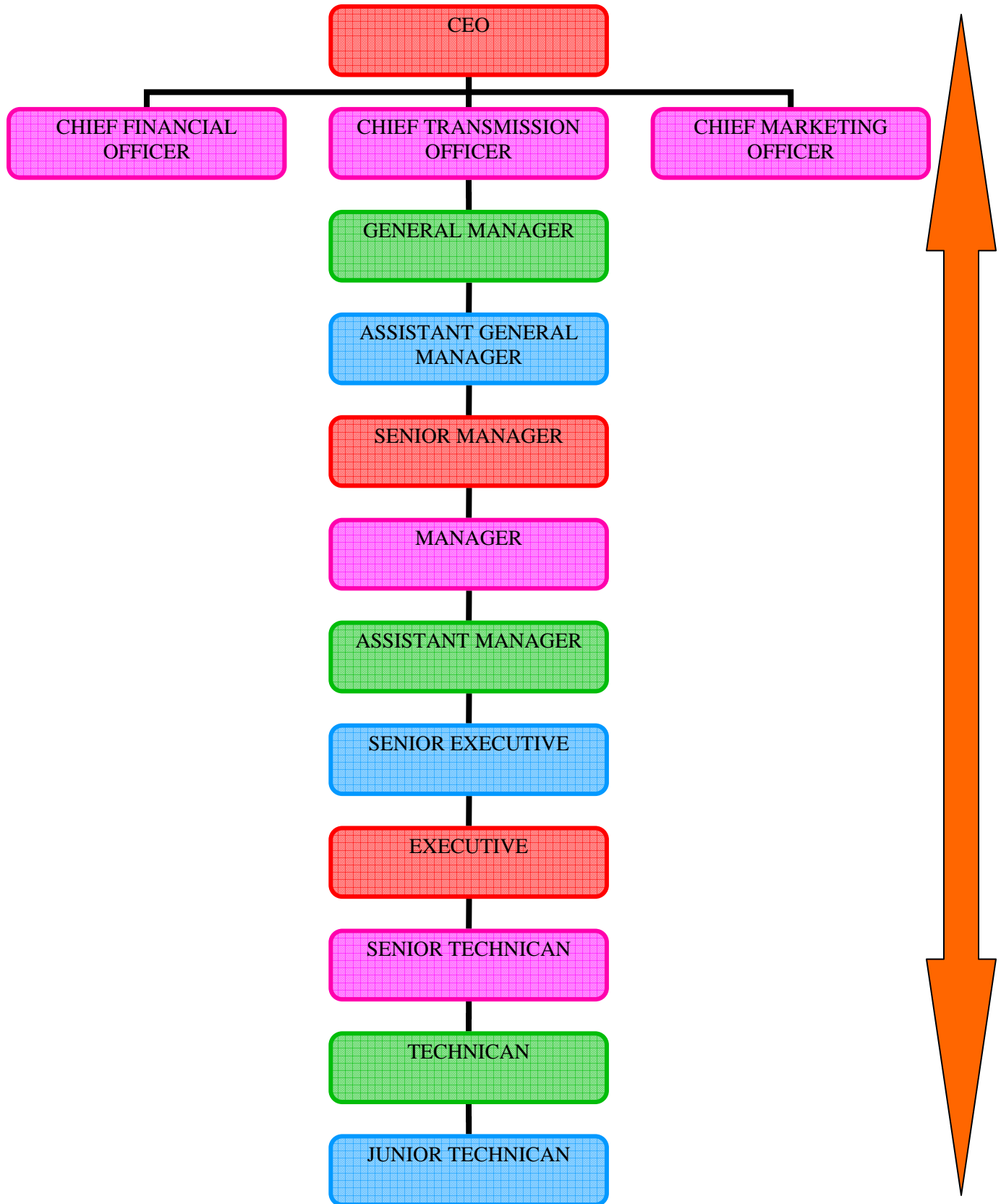
gives consent. This permission can be revoked at anytime and the service can also be temporarily disabled.

**30 May**

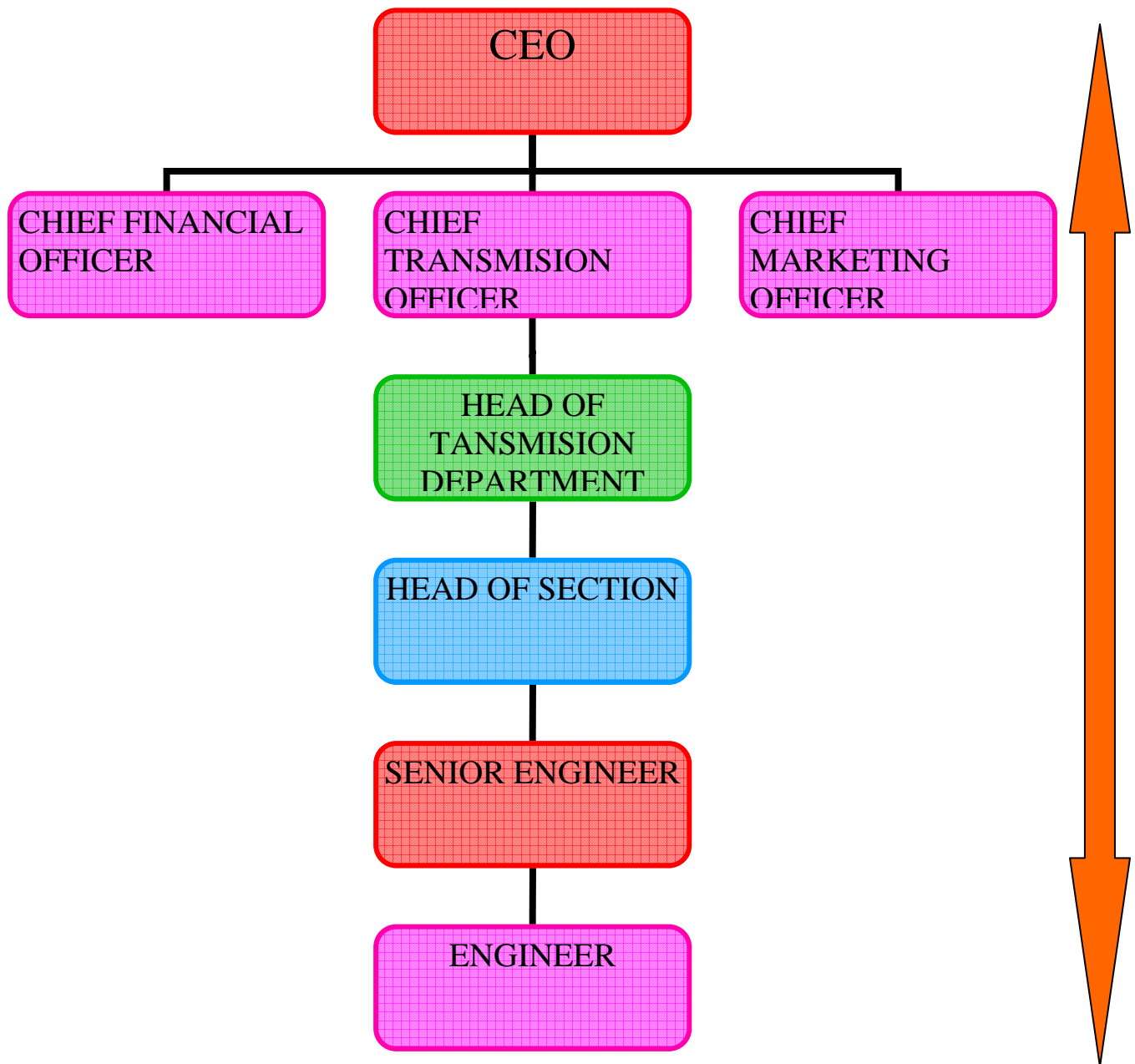
- ✓ DiGi Telecommunications Sdn Bhd has credited RM250,000 worth of talktime to Indonesian customers for them to call their loved ones in Yogyakarta. DiGi leveraged on its data and technology to target the Indonesian Prepaid customers who have registered their lines. The special relief credit is in addition to DiGi's waiver of SMS charges for its customers making donations to the Yogyakarta Quake Fund organized by RTM. The waiver is for a two-week period.

# 1.5 COMPANY ORGANIZATION CHART

## Company Previous Organization Chart



## Company Current Organization Chart



As in DiGi Telecommunications Sdn Bhd there are two types of organization chart which is the previous and the current organization chart. In the previous organization chart there are 12 stages of hierarchy from the CEO to the Junior Technician. The decision making process and the communication method is very slow, unreliable and difficult. This hierarchy can effect upward and also downward communication. At the previous hierarchy each staffs are being classified into groups as their position in the company whereby the higher you are the higher benefits such as medical benefit, allowances and bonus will be given. Each staff will be given a place to do their job and have a desk to keep all their files.

The current organization chart has only 6 stages of hierarchy from the CEO to the Engineer. This chart will enable the decision making and the communication will move fast, efficiently and with better reliability. As the motto of DiGi Telecommunication is one simple plan for anybody and from anywhere which is not only being shown to the customers but also to the staffs as they practice openness in their working environment. The DiGi has changed its concept of working with the employees by reducing the communication stages and also have implemented a new working environment which has its own uniqueness whereby each staff could sit anywhere they like in the office. There are no barriers for communication in this new organization chart where by all the employees will be working in the same place with an open environment. The benefits for the staffs in the same flat are the same. There are no Senior Manager, Manager and Assistant Manager but there are all complied in the same flat where there are no difference in the their position in the company but everyone is in the same position.

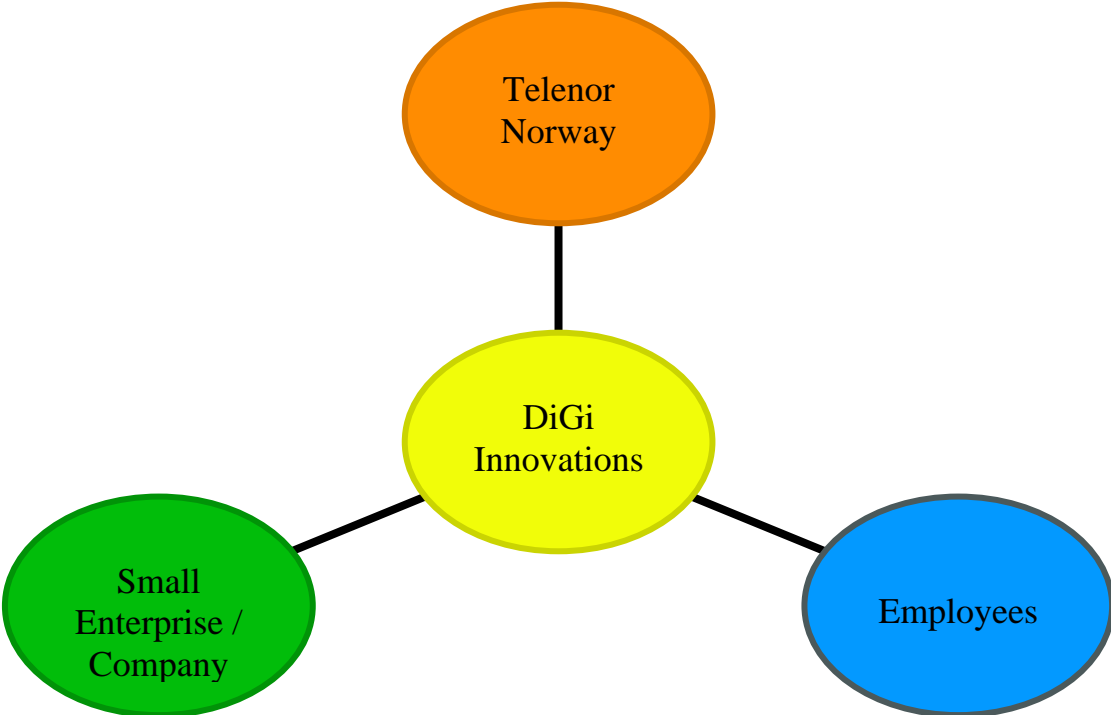
## **1.6 INNOVATIONS OF NEW SERVICES**

As seen in the below chart all the innovation of new services into the telecommunication industry by DiGi is created by the employees, small enterprise and also invented from Norway. DiGi Telecommunications Sdn Bhd does not conduct R & D to generate new innovations but they use this method.

Employees come up with new innovation of services in the market and are rewarded by the DiGi telecommunications Sdn Bhd for their creativeness and innovativeness. This step has been taken by the DiGi to ensure that as the employee of the company and user of DiGi service knows what they want to be new and convenient for the customers and that is the purpose of DiGi is in Malaysia which is to cater the needs and wants of the customers. This is one method to know the needs and demands of the Malaysian customers to the telecommunication industry which is one the leading telecommunication industry.

DiGi also generates new innovation from small enterprise and companies who has the equipment and technology to run the service. In this method the small enterprise and companies will have an agreement with DiGi to use their company name on their new service. This will reduce the expenses in developing the technology to use the service. This step was taken to ensure that small companies which have the technology and equipment could use the innovations with the best purpose which caters to the needs and demands of the customers.

The other new innovation of service are created and used from Norway as the majority shareholders with 61% of DiGi Telecommunications Sdn Bhd shares. New services which are used in Norway are being introduced in the Malaysian telecommunication industry. Some of the DiGi's innovations has been introduced and succeeded in our countries telecommunications industry. Even though there are great risk for DiGi in introducing new services with greater technology whereby some innovations come from employees, some from the small enterprise or companies and most of it from Norway which could cause a great drawback from the customers on the service but with the company does not take this as a risk but as a challenge in innovating new services to the customers. DiGi is taking the lead in being the industry leader with new innovation to capture the market.





## **1.7 TYPES OF SERVICES PROVIDED**

There are two types of services that are provided by DiGi to the customers. DiGi provides voice and data services.

### **1. Voice services**

#### **a) Prepaid**

<p><b>Call Features</b></p> <ul style="list-style-type: none"> <li>• Call waiting</li> <li>• Multi party Conferencing</li> <li>• Coverage</li> <li>• Automatic International Roaming</li> <li>• Call Divert</li> <li>• International Direct Dial (IDD)</li> <li>• Caller Line Identification Presentation (CLIP)</li> <li>• Voicemail</li> <li>• Missed Call Alert™</li> </ul>	<p><b>Data Features</b></p> <ul style="list-style-type: none"> <li>• Multimedia Messaging Service (MMS)</li> <li>• GPRS / EDGE</li> <li>• Wireless Application Protocol (WAP)</li> <li>• Short Messaging Services (SMS)</li> </ul>
<p><b>Better Value</b></p> <ul style="list-style-type: none"> <li>• 90 days incoming calls</li> <li>• Friend &amp; Family™</li> <li>• Auto Adjusting Rates</li> <li>• Itemized Statement</li> <li>• Free Credit Balance Retrieval</li> <li>• Tariff Charges for Premium Services</li> </ul>	<p><b>More Innovations</b></p> <ul style="list-style-type: none"> <li>• Talktime Services</li> <li>• *128# Info Access</li> <li>• Online Customer Service (OCS)</li> <li>• Automatic Reloads</li> <li>• Flexi e-load™</li> <li>• Community Zone™</li> </ul>

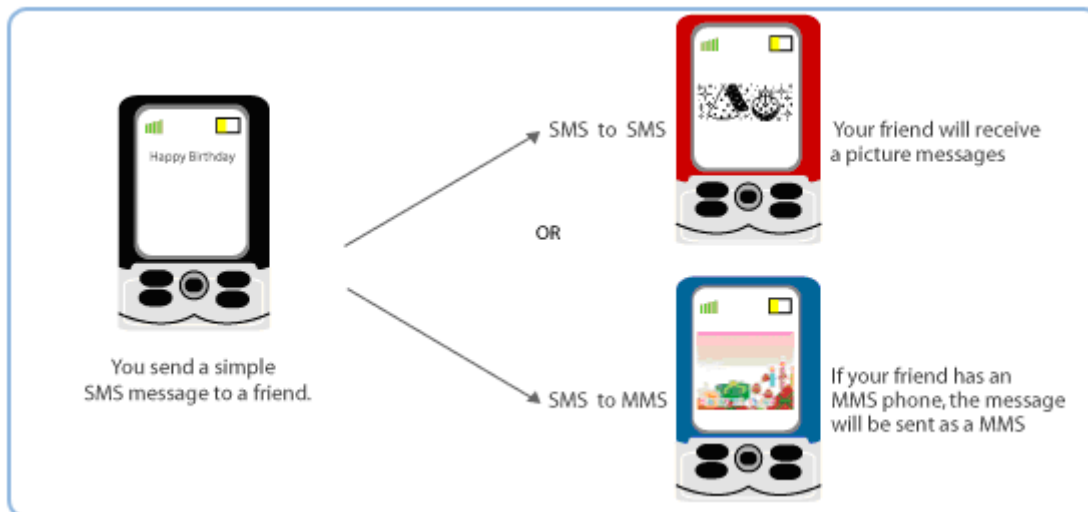
#### **b) Postpaid**

<p><b>Call Features</b></p> <ul style="list-style-type: none"> <li>• Missed Call Alert™</li> <li>• International Roaming</li> <li>• International Direct Dial (IDD)</li> <li>• Voicemail</li> <li>• Domestic Roaming</li> <li>• Coverage</li> <li>• Automatic Credit Limit Alert</li> <li>• Bundled Offerings</li> </ul>	<p><b>Data Features</b></p> <ul style="list-style-type: none"> <li>• Multimedia Messaging Services (MMS)</li> <li>• GPRS / EDGE</li> <li>• Wireless Application Protocol (WAP)</li> <li>• Short Messaging Services (SMS)</li> <li>• Data and Fax</li> </ul>
<p><b>Better Value</b></p> <ul style="list-style-type: none"> <li>• Preferred bill statement date</li> <li>• Tariff charges for premium Services</li> <li>• Itemized Billing</li> <li>• Friend &amp; Family™</li> </ul>	<p><b>More Innovations</b></p> <ul style="list-style-type: none"> <li>• Flexi e-load™</li> <li>• Online Customer Service (OCS)</li> <li>• Mobile Vouchers™</li> <li>• *128#</li> <li>• Automatic Payment</li> </ul>

## 2. Data Services

### a) Messaging

- ❖ Multimedia Messaging Services (MMS)
  - Share your pictures and have fun with anyone. Just snap the photo and send it to your loved ones.
- ❖ Bubble Talk™
  - Record a message, and send it across to a recipient whereby you have up to 30 seconds to record your voice-SMS. With conventional SMS, you “type, send and read” your messages, with Bubble Talk™, you “talk, send and listen”.
- ❖ eXpressive Messaging Service™ (XMS)
  - A sender sends out a message in plain text while the intended recipient receives a spiced up message with colour, animation and sound. DiGi’s highly intuitive XMS™ platform interprets an incoming message and produces a multimedia that is forwarded to the recipient. This multimedia message is designed on the fly from a repository of various designs, tunes and animations. If the recipient does not own a phone that supports colour, the recipient gets a picture message instead.



- ❖ Short Messaging Services (SMS)
  - Short message service (SMS) is the best alternative to keeping it simple and sweet. Stay in touch via SMS locally or send SMS worldwide.

### b) GPRS / EDGE

- ❖ DiGi introduces HighSpeed Mobile Coverage™ powered by EDGE. This is a first in Malaysia, whereby you can now access WAP and the internet at impressive data speeds from your mobile phones. Alternatively, the user can opt for a data card and utilize HighSpeed Mobile Coverage™ powered by EDGE to access the internet for the user’s notebooks or PCs.
- ❖ EDGE is triple the speed of GPRS. HighSpeed Mobile Coverage™ powered by EDGE can be fast as up to 384kps, delivering quality and media rich contents and services to DiGi

users. The users will be able do all that and still receive call on their mobile phone, and the user only need to pay when you make a data transfer. HighSpeed Mobile Coverage™ is powered by EDGE whereby when the user moves out of the EDGE coverage area, it automatically switches to GPRS, ensuring the connection without ant interruption.

c) WAP

- ❖ Wireless Application Protocol (WAP) is where the users could surf to their mobile phone to DiGi's WAP portal, packed with content, contests, activities and fun. If the user's phone supports colour icons, be amazed at the rich icons that serve as a guide on the journey of discovery. Sometimes, having the power of information in the palm of your hands is not only handy, but visually satisfying.

## **1.8 THE IMPORTANCE OF BRANDING**

As for DiGi Telecommunication Sdn Bhd branding plays a major role in the development of its company in leading the market share of the telecommunication industry. DiGi has generated its branding process through various stages and especially the advertisement has played the major role in developing the brand. In developing their brand they have made their logo and motto of the company to be simple and effective. They have chosen yellow colour as their major coloring of their advertisement and their logo. Their recent advertistment which has created a major branding achievement in their industry as it's so simple, attractive, innovative and yet effective in delivering their message to their customers. As in this advertistment their message was simple which stated that their coverage is everywhere in Malaysia and it's always the smarter choice to use DiGi as their communication method with their loved ones.



## **1.9 PRICING**

As a telecommunication shaper, DiGi has always become the first to compete with big rival in this industry by giving cheap, affordable and convenient type of communication service. DiGi has become the leader in determining the price with new innovations and creativeness which has made the major players to compete with them on the pricing with has lead a great benefit to the customers. DiGi used psychological pricing system in capturing the huge telecommunication industry in Malaysia. DiGi played a major role in pricing with many benefits to the customers as unlimited call plan, flexi e-loads whereby DiGi users could reload as low as RM5.00. Even though DiGi introduced low price but that did not affect the marketing strategy of DiGi as they gave the users many benefits together with the new sim-pack which the users purchased. DiGi has break the barriers of telecommunication target group as now everybody has a hand phone and a prefix number of their choice as before this the barrier was only to the working group but now the youths have taken the lead in the communication usage.

## **1.10 HOW DOES DiGi MOTIVATES ITS EMPLOYEES**

As a big organization to achieve their goals, mission and vision the employees plays a major role in the achievements of the companies. As in DiGi, employees are the main success from the company to be the market shaper of today's telecommunication industry in Malaysia. There are different types of people with different types of attitude and behavior but to make them all to work with different people with the same objective is difficult but for DiGi their take this as a challenge to groom their employees to be a part of the companies family in achieving their objectives.

DiGi rewards their employees when they have made major revenue with salary increment, giving bonus, education funds to further their knowledge, motivation courses to push the staffs to perform better. In DiGi they have introduced a new method to motivate their staffs by sticking the company objectives in ach of the staffs laptop, to ensure that anywhere and anytime when the staff is doing the job the will always be focused by the objectives of the company. Below are the objectives of the DiGi towards the staffs.

### **Passion for business**

- Deep understanding of the market
- Deep understanding of ourselves
- Never be different to either

### **Charge & Constant Renewal**

- Challenge what is
- Visible renewal
- Never defensive

### **Integrity**

- No second agenda
- Respect for the individual
- Never compromise our codes of conduct

### **Empower People**

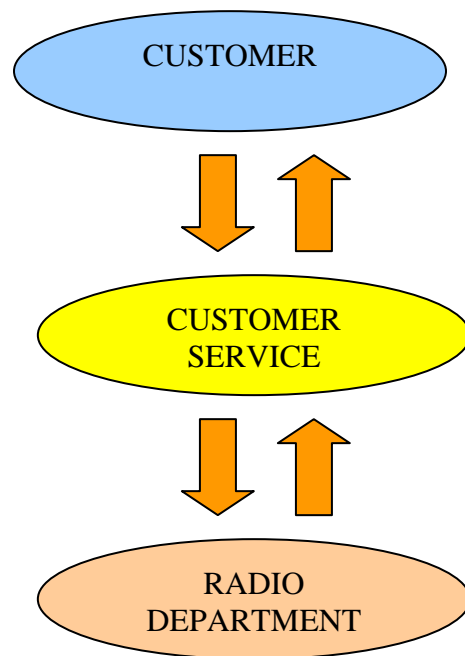
- Setting clear expectation
- Supporting and coaching
- Have trust and give responsibility

### **Operational Excellence**

- Raising the bar
- Reaching targets
- Professional Pride

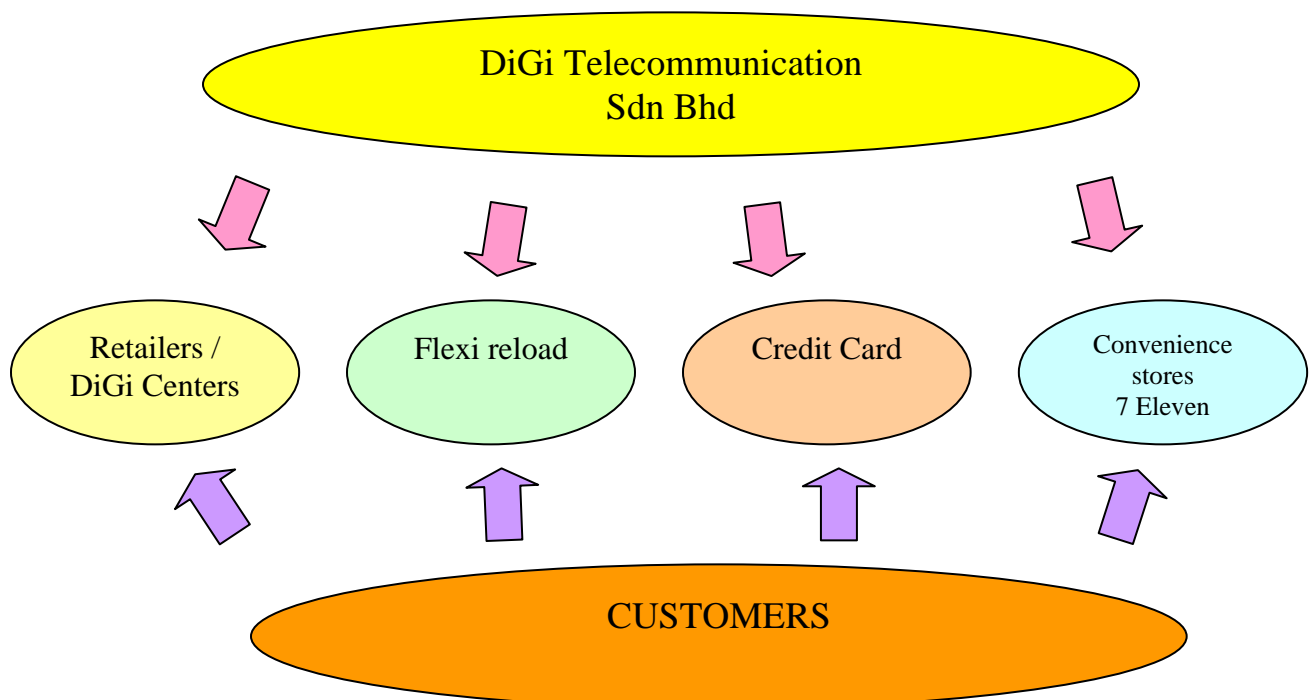
## **1.11 HOW DiGi REACTS TO THE CUSTOMERS COMPLAINTS**

DiGi as being the market leader needs to capture the users by offering them with the best service which the competitors will not be able to give for their users. DiGi takes great interest on the customer affairs and their complaints. At DiGi each complaint that is being reached out by the customer needs to be closed within 3 days. When a customer complaint to the customer service department that the DiGi's network coverage is bad at a certain area, the customer service department needs to prepare a report and inform the radio department on the complaint. Radio department will reset the network from their system and if still the customer has the same problem incurred, the radio department will send an engineer to visit the site and prepare a report and act accordingly to solve the problem. As soon as the complaint has been solved the customer service department will then make a call to the customer to ensure that the problem has been solved. This creates a value of ethical by the company towards their customers.



## 1.12 HOW DOES DiGi REACHES TO THE CUSTOMER

As an organization to reach to the target customers whom are the potential customers a lot of advertisement needs to be done to prove to the customers that they have a very strong base in Malaysia. In this DiGi has taken a very wise decision which has enabled them to tackle 5 million customers within 10 years. This is a very huge number of customers that DiGi has captured. DiGi has made the way of getting their customers as easy as it could without creating much of hassle to the customers. As seen below DiGi has taken many ways in approaching the customers but the four steps are the major steps that has been taken. DiGi has opened up many DiGi Centers at least one in each state. This has made them to be more stabilized in the industry as the customers put their trust when there are physical DiGi centers around Malaysia. DiGi has also tied up with the retailers by giving them consistent information on their new services and easier license agreement to sell DiGi's product. Good commissions are given to them when they sell DiGi's product. DiGi has also introduced flexi reload whereby DiGi customers could reload their airtime for as minimum as RM5.00 which is a cheap and convenient process and the amount will be transferred using a e-commerce devices and it is also done within seconds without making any hassle for the customer. Customers could also reload by using credit card from anywhere and anytime which is one of the most convenient way to pay the airtime or reload the airtime. DiGi has also signed an agreement with 7-Eleven to sell their airtime in all the convenience stores using the terminal device which is convenient to the convenience stores and as well as to the customers.



# ***CHALLENGES IN THE INDUSTRY***

## **2.1 PERCEPTION OF PEOPLE**

The major challenge that is faced by DiGi is the perception of the people. DiGi is still considered being a new player in the market because they have been in Malaysian telecommunication industry for the past 12 years. The market leader has captured the majority market share of the telecommunication industry and customers feel that the market leader has a better facility offered to them. Their major perceptions are on DiGi's coverage whether DiGi has the network or coverage facility as they are still a new player in the market. People have many perceptions on the capability of DiGi as being the industry shaper even though they are a new player in the market. Corporate customers feel that competitor gives them larger area of coverage without being interrupted while they are communicating with their clients.

## **2.2 PRICING**

Price wars between the competitors of telecommunications industry has given the benefit to the customers to differentiate each of the advantages provided by the telcos to its customer with different types of new innovations. As to maintain a low price and becoming the pricing leader, DiGi needs to reduce its cost of production to the maximum as to maintain in the competition together with the other competitors.

## **2.3 FREQUENCY**

DiGi was given the frequency of 1800Hz. This frequency means that DiGi only a small area of coverage with higher technology equipment which high cost for the company to maintain. Other players have been awarded with the license of 900Hz whereby it gives a huge area of coverage but with smaller and cheaper technology equipment. This factor is one of the major problems that currently DiGi is facing which is an added advantage to the competitors. Even though they are only been given the 1800Hz but DiGi is always being in the market shaper by over coming each obstacles.



## **2.4 THIRD GENERATION (3G) LICENSE**

3G or "third generation." It is aimed at delivering high-speed services and is targeted to offer access speeds of about 144 Kbps, later moving up to 2.4 Mbps. 3G will allow for mobile-based bells and whistles – like graphics on the users cell. Currently voice data service is being used higher compare to the data service but very soon data service will increase drastically and voice service will decrease as the users will be more keen on using data services. Competition in the telecommunication are becoming more greater as Maxis and Celcom the two competitors to DiGi has been awarded with the 3G license but DiGi's application for the license has been rejected and this is also a very good advantage for the competitors to create a better customer base.

# ***OPPORTUNITIES IN THE INDUSTRY***

## **3.1 EMPLOYEES**

Job opportunities will be created for the people and reduce the unemployment rate in Malaysia by this telecommunication industry as it is a big organization which generates many manpower to run the operation. Job seekers will benefit from this creation of new industry in the market. Graduates who have completed their studies in various fields can also help the organization to develop and grow their market share in Malaysia and learn the industry functions in the telecommunication industry.

## **3.2 MNP (Mobile Number Portability)**

Mobile Number Portability is a service which will be introduced in the market soon by DiGi as users of the other telco such as Maxis and Celcom could switch to DiGi with the original number without the need to buy a new prefix DiGi number. This is an opportunity for DiGi and the people whom are afraid to change to DiGi from other telcos due to their unwillingness to change their number due to unavoidable circumstances. This will create a greater competition among the industry players as to maintain their existing customers. In this way there are opportunities for a positive growth in the development of new innovations to have a strong customer base.

## **3.3 PRICING**

Pricing will give an opportunity to the customers for easy access for the customers to investigate on the pricing and the services provided by each telecommunication company. This will increase each company's quality on their services and will create a better innovativeness within the telecommunication industry to offer a better service to their customers.

## **3.4 GOVERNMENT REVENUE**

As the profit of each company in the industry grows, the taxation that they need to pay is also high and this will increase the government revenue. When the people are spending more in Malaysia using their services it increases the revenue of the government as well. When the government incomes are more it's a positive growth for the country and the money can be used for various functions of developing the country.

### **3.5 COMMUNICATION**

It's an opportunity for the communication to grow as there are cheaper, easier and fast access within the country or even overseas. Communication is very important for a country to grow and to have the trust of the investors who are investing in Malaysia. The competition between the rivals of telecommunication industry has created many new innovations which are new in the Southeast Asia and also in the world.

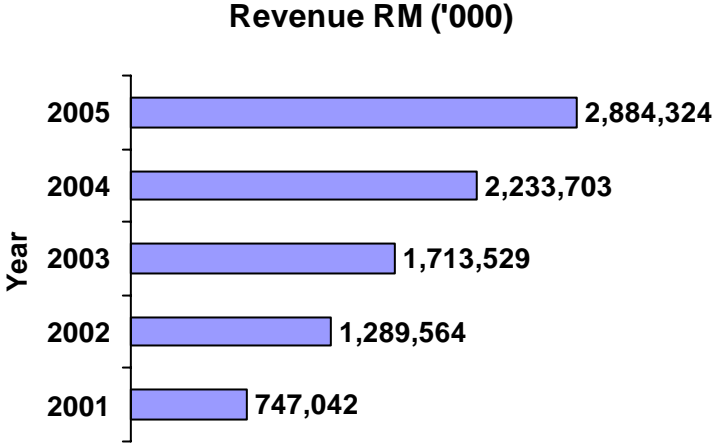
## **CONCLUSION**

As the communication is getting better and faster with cheaper cost and better data and voice services the demand to keep the customers connected all the time with their clients, friends and also their loved ones will always be the objectives of DiGi. DiGi as the industry shaper has created many new innovations and more to come in the coming years is always the smarter choice.

## ***REFERENCE***

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Below is the graph showing on the growth of the revenue for DiGi Telecommunications Sdn Bhd from the year 2001 until 2006. As seen below the customers has drastically increased from 2001



Below is the graph showing on the growth of the customer base for DiGi Telecommunications Sdn Bhd for the year 2001, 2003 and 2006. As seen below the customers has drastically increased from 2001

