

“Measurement of Effectiveness of Marketing Strategies of Satellite Television Channels in Bangladesh”

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ABSTRACT

In today's modern world television is not only a medium of entertainment, it has become edutainment. Satellite channels have enabled people to get knowledge and entertainment together. Realizing the need of people for edutainment different organizations have come forward and tried to meet the unsatisfied need. It has brought the world to our palms. In this paper, the author has tried to analyze the current situation of this industry and the marketing strategies undertaken by selected satellite channels in Bangladesh which include Channel I, RTV, NTV, and Bangla Vision. The channels are selected on the basis of the convenience of the researchers. The Personal interview method is used to collect data regarding the marketing activities of the mentioned channels. The main focus of this paper is to measure and evaluate the effectiveness of those marketing activities and to find out the shortcomings of the usage of marketing tools by these channels.

Key Words: Satellite channels, Edutainment, Marketing Strategy, Current market situation, Marketing tools, Rate card, Infotainment.

INTRODUCTION

Nowadays it is very common for a household to have television. The era of globalization enables consumers to get an idea of different cultures. Although cultural globalization is a contested concept, modernization thinkers consider the transnational horizontal integration of media structure and media interaction as the key features of this globalization process. According to such a theoretical formulation, the world is becoming a single world society through a satellite-based communication network, which contributes in changing the viewer's notion of belongingness and their sense of common experiences by producing diverse as well as pluralistic images and languages (Brown, 2003; Pieterse, 1995: 45). While STV, as a global media, suggest the possibility of continued change by increasing the diversity and offsetting the centralizing tendencies (Herman and Mc Chesney, 1997), the modernization thinkers lighten its de-regulating attribute to bring about freedom of cultural choice and practice (Thompson, 1997).

Different satellite channels are offering a wide range of programs for their viewers. They offer valuable programs and content and serve many purposes in daily life. TV channels not only provide many types of programs with interesting and broad content but also serve to fulfill the needs in terms of entertainment and knowledge. Different TV channels can contribute positively to the education of society and people's awareness of others, and they will continue to have a strong influence for many years to come.

Objective of the study: The objectives of this study are to

- Determine the current situation of TV channels in Bangladesh.

- Determine the way of implementation of the marketing strategy.
- Determine the key industry trends, competitive advantages, and attractiveness of the industry.

METHODOLOGY OF THE STUDY

For conducting the study both primary and secondary data are used. The sources of secondary data include different reports and websites. Primary data have been collected through conducting a survey where the personal interview technique has been used. The personal interview is conducted to collect information from key executives. In this study convenience and judgmental sampling techniques are used where the sample size is 4. The selected 4 channels are NTV, RTV, BANGLA VISION, and CHANNEL I.

Limitation of the study:

1. Sufficient secondary data are not available about the TV channel of Bangladesh.
2. Respondents were reluctant to provide information regarding their organization.
3. Because of the limited channels shown on air in Bangladesh, the sample size is taken to four which may not provide all the required information

Industry Analysis and Current market situation:

The sophistication of telecommunication in a given region depends on the economy of that area. The 'have' nations involve well-developed communication systems while the 'have not' nations are barely able to sustain the system (Huda, 2005). Whereas the rapid growth of cable TV was regarded as a distinctive feature in the Western World in the 1960s (Hillard and Keith, 1996: 88) the residents of an information-poor country, the middle-class viewers, of Bangladesh did not possess any clear insight about STV for prolonged years. They were familiar only with the name Sputnik, which was a satellite of the former Soviet Union (Faisal, 1992: 83). Satellite Television appeared as the 'Talk of the Town' in Dhaka city for the first time in 1991 when the local daily "Bangladesh Times" reported that "CNN" was likely to be on air soon (Holiday, 17-01-1992). STV re-appeared as an issue in the capital city, when middle-class viewers got acquainted with the name of STAR in the form of advertisements in the different daily newspapers of Bangladesh. But as the Wireless and Telegraphy Act of 1933 (which did not include any rule about the dish antenna) was still active in Bangladesh, without the amendment of which it was not possible for the government to welcome Satellite Television in the country during that time (Sanaullah, 1993:69-71).

Although the middle-class viewers of Bangladesh were passionate about viewing foreign programs, particularly Hindi as well as Indian Bengali movies, many of those were totally banned in the country (Faisal, 1993:86). Indeed, in the late 70s the craze for viewing Hindi and Bengali films rose to such an extent that in an attempt to ensure better TV reception from neighboring countries, various kinds of aids (such as booster antennas) were being used (Narunnabi, 1994:202). At that time the penetration of VCR moved from the capital town to the districts and even villages (Huda, 2005). The VCR started to diffuse rapidly in the decade of 1980s, when BTV's black and white broadcasting went colored and the government during that period liberalized the import duties on TV sets (Anonna, 01 July 1992).

There was always transmission of some foreign programs on the state channel of BTV, some of which had been dubbed in Bengali for the target audience. According to a report of Niriksha, BTV imported 32% of programs from abroad (Niriksha, 1980: 31). Finally, their goal was fulfilled with the legalization of Television Receive Only Dish (TVRO) in 1992 by the government of that period (Dainik Bangla 24 July 1992). In a developing country like Bangladesh TV channels can appear as an important instrument for creating awareness and for the people's movement throughout the country by their infotainment which can play a role for the development of the country.

In Bangladesh, different TV channels are broadcasting their programs. The first Television channel in Bangladesh is **Bangladesh Television**, also known by its acronym **BTV**. It is the state-owned Television network in Bangladesh. It started broadcasting Black-and-White transmission on 25 December 1964. About 2 million televisions receive transmissions from the network's 17 relay stations. In 2004, BTV started worldwide broadcasts through its satellite-based branch, BTV World. Bangladesh Television is the only terrestrial channel in the country. Several satellite TV stations have also made headway in Bangladesh. BTV is primarily financed through television license fees. Although it has produced many award-winning programs, it has often been criticized for being the mouthpiece of the ruling government.

Channel I is a privately owned Television network in Bangladesh. It is owned by the Impress Group. It currently broadcasts satellite transmissions using PanAm Sat, which covers most of Asia and parts of Australia and Europe where it started broadcasting in October 2007 on Sky EPG channel 826. Channel I started transmissions on October 1, 1999. This channel runs 24 hours a day and launched the first digital Bangla channel. Since the establishment of this channel, it has grown in popularity as one of the best educational and entertainment TV channels in Bangladesh. The target viewer of this Bangladeshi Channel includes Bangla-speaking individuals from all over the world. Channel I is considered a general entertainment channel, the programs which the entire family can enjoy.

NTV is a Bengali-language satellite television channel based in Bangladesh. It started operation in 2003. It is one of the most popular Bengali TV channels in the country. The channel broadcasts coverage of news, soap operas, and educational, religious, and politics-related programs.

RTV is a satellite television channel broadcast from Bangladesh. It started operation on 26 December 2005. It mainly broadcasts programs in the Bengali language. RTV is now a popular satellite TV channel in the country and they are claiming to be the number one channel under the satellite channel category.

Bangla Vision is one of the newer Bangladesh TV channels to come onto the scene. This satellite **channel** is owned by Shamol Bangla Ltd. Bangla Vision began its formal transmission on 31 March 2006 through satellite Telstar 10. Since then the channel has been continuing nonstop transmission for 24 hours every day and putting on air various programs and news bulletins. The objective of this private channel is to build up the nation by means of wholesome entertainment. Bangla Vision's regular programs include entertainment events such as dramas, music, and dances while they produce and telecast educational, development-oriented, analytical talk shows, religious programs, health programs, and programs for women and children. On special occasions and special days, they arrange special programs of various natures. They also produce some programs based on current news analysis. Bangla Vision is determined not to be politically biased and to offer objective news.

The list of television channels that are continuing their operation in Bangladesh is given in the following table:

Terrestrial networks

	Name	Ownership	Language(s)	Established
1	Bangladesh Television (BTV)	State-owned	Bengali	December 25th, 1964

Satellite networks

Almost every channel is broadcast from the Telstar 10 satellite with the exception of ATN Bangla which is broadcast from Thaicom2/5

	Name	Ownership	Language(s)	Genre	Established	Base
1	ATN Bangla	Private	Bengali	Entertainment	2001	Dhaka
2	Banglavision	Private	Bengali	Entertainment	2005	Dhaka
3	BTV World	State Owned	Bengali	Entertainment	2005	Dhaka
4	Channel I	Private	Bengali	Entertainment	1998	Dhaka
5	Channel One	Private	Bengali	Entertainment	2006	Dhaka
6	Desh TV	Private	Bengali	Entertainment	2009	Dhaka
7	Diganta Television	Private	Bengali	Entertainment	2007	Dhaka
8	Ekushey Television	Private	Bengali	Entertainment	2000	Dhaka
9	Islamic TV	Private	Bengali	Religious	2007	Dhaka
10	NTV	Private	Bengali	Entertainment	2003	Dhaka
11	Rtv	Private	Bengali	Entertainment	2005	Dhaka
12	Boishaki	Private	Bengali	Entertainment	2006	Dhaka

Internet Television

1	Northstar Music Television (NSMTV)	Private	Bengali	Entertainment	June 20th, 2008
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NSMtv is the First Online Bangla Entertainment Television.

FINDINGS

The profitable satisfaction of customer needs has helped firms to achieve success in high-growth, moderately competitive markets. To be successful in markets in which economic growth has leveled and in which there exist many competitors, a well-developed marketing strategy is required. Such a strategy considers a portfolio of products and takes into account the anticipated moves of competitors in the market.

The success of an organization depends largely on the marketing strategy undertaken by the organization. To begin with, it can use all media such as TV, radio, print, websites, mobiles, movie theaters and outdoor for promoting the channel. In Bangladesh satellite television channels used different elements of the marketing mix. The main goal of these channels is to increase the reach and frequency of their programs to satisfy their clients who pay for advertisement to be broadcasted during the program. According to the Sr. Executive of RTV (Sales & Marketing) Mr. Burhan Uddin Nayan, “ Private channels main goal is to increase the TRP (Television Rating Points) of their audio visual products that make interest for the business people to advertise their products and service during this program.”

The main goal of TV channels is to increase the TRP, increase the value of the brand, creating a position that is unique in the industry. To attain these objectives they develop their marketing strategy. Private satellite channels undertake different activities in implementing their strategy. Different elements of the marketing mix are used by them in a number of ways.

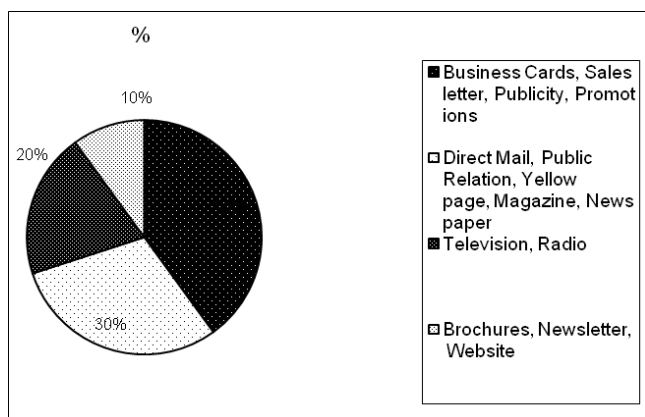
The marketing offers of these organizations include different infotainment programs like drama, musical shows, clients, travel shows, talent hunts, etc. Another offer is broadcasting news. In broadcasting news, they are very much careful about the trustworthiness of the facts. They always try to present the facts faster than their competitors. To convince and satisfy their clients these channels produce popular programs for which they can charge high TRP. Some TV channels had produced such popular programs that may include Close-up 1 in NTV, Meridian Channel I Khude Ganraaz, Super Hero Super Heroine, etc.

The satellite channels also sell time or programs. When the clients purchase time the channel broadcasts their advertisement at different times or in different programs. But when the program has been purchased, the channel is bound to broadcast its advertisement during the program. No other product or service advertisement can be broadcasted in that. In this case, broadcasted programs are not considered how many times it is broadcasted or how much time it is taking.

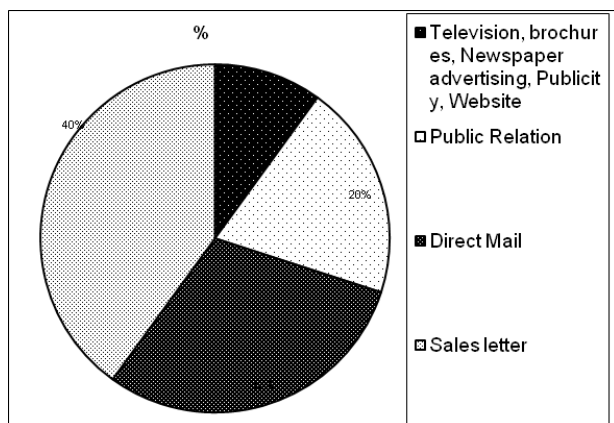
These channels are promoting the producers when they are acting as an intermediary. In this, the producers prepare the program, collect advertisements for them and then sell to the channel. Sometimes other channels are asking for broadcasting footage that is captured by a particular channel. This is another source of their income and it happens when a particular channel possesses the rights to some rare footage.

Private satellite channels have organized different programs like talent hunt programs which may include Close-up 1 or Khude Gaanraaz or prize giving ceremonies like Azibon Sommanona, Sada Moner Manush, Super Hero Super Heroine. This type of program increases the value of the brand. These programs help channels to occupy a place in the mind of their viewers.

The following pie-charts exhibit the graphical proportions of different marketing activities undertaken by the selected STVs in Bangladesh.



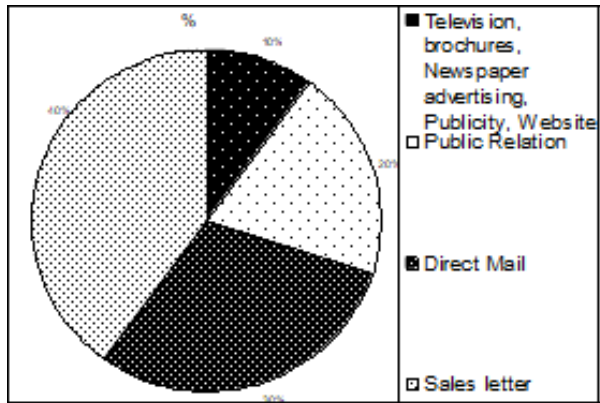
It is seen from the chart that BanglaVision spend less on radio, yellow pages, stationary, pay per click etc. Whereas it relies heavily on Direct mail, Television, Business Card, Sales Letter. It is also clear that Banglavisision invests a remarkable amount on brochures, publicity, public relations, magazine, newsletter, newspaper, press release etc.



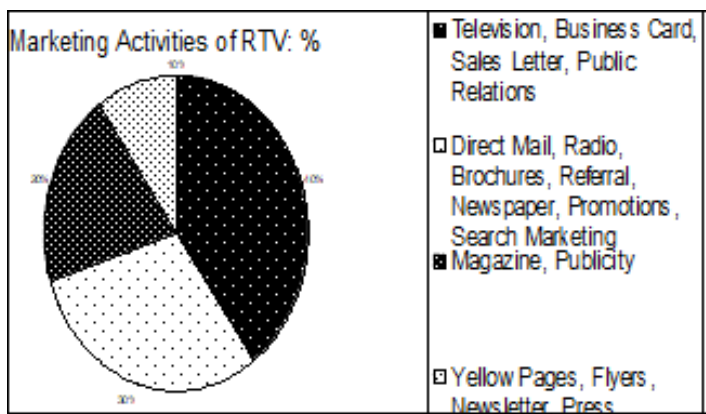
It is clearly depicted from the chart of Channel I that they spend more on business cards, Sales letter, publicity etc. they also spend a notable amount on direct mail, public relation, yellow pages. Channel I puts

relatively less emphasis to spend Television, Radio, Brochures etc.

Consequently the pie-chart of NTV represents that it relies more on sales letter. It spends 40% of its total promotion budget on sales letter, where 30% on direct mail. On the contrary its spending on Television, brochures, newspaper, advertising etc is relatively low (10%). NTV also consider a good amount for public relation (20%).



The graphical presentation of RTV clearly states that it has reliance in Television, Business cards, Sales letter, and Public relations and it spends majority portion of its budget on these activities. Moreover remarkable amount on direct mail, radio, newspaper, and so on. Like some other selected channels it spends less on yellow pages, newsletter, websites, pay per click etc.



From the above explanations it can conclude that the satellite channels have dependence on Sales letter, Business cards, Television, public relations respectively. These channels spend large proportions of its promotional budget on these activities. Meanwhile, their allocation of budget on radio, yellow pages, pay-per-click, newsletter, website, etc is not less negligible.

After taking the answer to the questionnaire regarding NTV, Channel I, RTV, and Banglavisión, the following findings and analysis have been prepared:

A mission statement is vital to the success of a company as a whole. It can unify a company and push them to new heights. Creating a mission statement is just as important for a small company starting out. Satellite channels in our country also develop their mission statement which is reflected in their activities. NTV's mission statement is to "stay with us, we will inform and entertain you." Bangladesh in Heart or "Hridoye Bangladesh", the motto of Channel I is the trend that is used in corporate with its Marketing Strategy.

Again the slogan of RTV is “For Today and Tomorrow.” And the mission statement of Bangla Vision focuses on social responsibility, “Know your society, moral and ethical values.”

Rapidly emerging forces of globalization have compelled firms to market beyond the borders of their home country, making International marketing highly significant and an integral part of a firm’s marketing strategy. This study found that the marketing project of channel I and Bangla Vision is concentrated on internet marketing, and RTV is working with the traditional 7 P’s whereas NTV does not have any specific marketing project for the target market.

Focusing on a particular market segment is a strategy proposed by Michel Porter. This is one of the three generic strategies that provide a good starting point for strategic thinking. Another finding in this study is related to the focus of the telecommunication companies. NTV focuses on keeping a commitment, delivering services, and maintaining quality. On the other hand the focus of channel I is on entertainment, news, development programs, events, and patriotic programs; Whereas Bangla Vision emphasizes advertisement. RTV’s focus is quite different from that of other television channels. It concentrates on increasing TRP, developing a bonus system, and being a cost leader through cost reduction.

The economic recession that began in the United States in December 2007 (and with much greater intensity since September 2008), spread over today’s world, which has caused a pronounced deceleration of economic activity. This global recession has taken place in an economic environment characterized by various inconsistency events and was spread by the outbreak of the financial crisis. Like many other developing countries, Bangladesh has also been affected by this recession. Television channels are playing a vital role by linking the product maker & consumers. The observation of NTV indicates that if economic climate affected the product maker it also affects the business of television channels like in the case of real estate business. If their sales rate becomes low by the economic climate then these organizations have to stop giving advertisements to the channels and only then the channels will lose their business. During the recession time Channel I faced tight competition with other private television channels. It is also expecting a slower impact of economic recession on its business. On the other hand, RTV has faced both economic and political obstacles in doing business. Especially during the period of interim government, it faced the difficulty of making effective decisions since the decision makers were getting harassed at that time. It is also expecting some economic and political impacts on its business in the coming years.

The term business cycle (or economic cycle) refers to economy-wide fluctuations in production or economic activity over several months or years. These fluctuations occur around a long-term growth trend and typically involve shifts over time between periods of relatively rapid economic growth (expansion or boom), and periods of relative stagnation or decline (contraction or recession). Television channels are affected directly and indirectly by business cycles. The study revealed that some products are affected by Government policy and economic fluctuation. We consider the advertisement or sponsorship of any program by any tobacco company which is strictly prohibited by the Government of Bangladesh although they can pay a good amount. Also based on seasons product promotions are affected. For example, during winter the advertisement of refrigerators or air conditioners is minimized which increases during summer. Again during the month of holy Ramadan, television channels cannot telecast much of the entertainment programs, whereas they have to telecast religious programs most of the time. On the contrary, during two Eids, the channels undertake several strategies for their target market and increase their TRP. These channels prepare a variety of programs during that time for their clients to get sponsorship from them. Also, these organizations earn a good amount during the election period by arranging different programs like talk shows.

Nowadays organizations are increasing their incomes through websites. The satellite channels in our country

are also trying to make businesses from their websites. Some of them were very much successful, on the other hand, some of them were not getting as expected. Channels I, a prominent organization in Bangladesh wasn't able to make much impact from their websites, till they are expecting business from it. RTV has made some business by preparing online footage, but these businesses are generated from outside the country. The other channels are also making some business from it.

For developing a marketing strategy each organization must have the target market in their mind. Because based on the target market the organizations have developed the target marketing strategy. Channels I had decided to take a mass marketing strategy since they targeted all segments of the market. Later on, they undertake a differentiated marketing strategy since they segmented the total market and develop different strategies for different segments. The same can be applicable to NTV, RTV, and Bangla Vision.

From the survey, the researcher identified that the clients interested to purchase the services of NTV for their high viewership rating. That's why clients are interested to place their advertisements on this channel to get maximum feedback. Again clients prefer channels I for their publicity, camping, and for its brand identity. The quality of the program, arrangements of these programs, and News schedules has made RTV attract their clients. On the other hand, the clients prefer Bangla Vision for their exposure to the target market.

An organization can get competitive advantages either through cost advantages or differentiation advantages. In comparing the channels the **authors** found that the concerned channels have focused on getting differentiation advantages rather than cost advantages. NTV has achieved it through high broadcast quality, quality programs, and highly entertaining drama, Talk shows based on current situations, popular reality shows, and in-depth news. The services it delivered to its clients maintain its quality standard and they are very strict about it. Channel I was achieved through satisfactory services, a variety of programs, sponsorship, and arrangement of different events, news, and some other services. Bangla Vision focused on getting it by being neutral in presenting news, reliability, quality of programs, etc. This channel also emphasizes social ethics and moral views. RTV has differentiated — itself by broadcasting news after every 2 hours. Their rate card has several packages and bonuses. It also offers a good combination of information and entertainment

Offer delivery methods & procedures

The success of a marketing strategy largely depends on the communication of marketing offerings and promotion information. The way of communication of satellite channels varies from each other. NTV maintains personal communication with its clients. They arrange appointments with their clients visit them personally and communicate the offer to them. Other mediums of communication used by NTV include telephone, direct mail, or e-mail. Bangla Vision also uses direct communication, or by e-mail or telephone. But RTV uses agencies, especially ad agencies to maintain communication with its clients.

For dealing with the clients personally NTV selects a person with a great personality who has very cool-tempered, has patience, great convincing power, has to forecast business trends, and is overall very smart. Again Bangla Vision selects people who are polite, positive, and two ways communicative. Since RTV uses agencies they allow their clients to bargain regarding price.

DURATION OF COMMUNICATION WITH CLIENTS

For the nature of business, the executives of NTV have to speak to their current clients every month. If necessary they also speak to the client frequently. On the other hand, Channel I communicates 3 days every day/ some daily/ weekly, and even monthly. The agencies of RTV communicate with their clients after 3 months or 6 months. Again Bangla Vision meets its clients on a daily/weekly basis.

Pricing structure & Pricing tools

Television channels have a formal pricing structure which they term a “**Rate Card.**” The concerned satellite channels are using this rate card for their client which is understandable to them. When the client faces difficulty in understanding this rate card the concerned executives help them and make it easier for them. Since pricing is very much important for organizations, some of the channels are not negotiating with the price. In the pricing concerned Channel, I emphasize on relationship building and maintaining it. They develop an equally staying at win-win strategy in their pricing.

Barriers to entering a foreign market

The concept of globalization allows organizations to offer their products or services to customers all over the world. NTV is facing some difficulty entering foreign markets due to some kind of barriers. The first barrier is the standard of advertising placement. In foreign markets, the advertising rate depends on TRP. Based on that they increase or decrease their advertisement rate which they face is difficult to cope with. But I was able to remove barriers and run the telecast into foreign markets. Again RTV faces the barrier of different countries’ government regulations. For example, India obstructs our channels to enter their market. Bangla Vision also Identified some obstacles including logistics, financial, infrastructure, and market differentiation. If these barriers can be removed or minimized these organizations can run their operation in the global market.

RECOMMENDATIONS

The study shows that most of the channels have targeted all customer segments. This may be the result of marketing myopia. In this regard, the channels can target a specific group of customers and undertake extensive programs to satisfy the needs of this group. Also, the local channels failed to enter foreign markets. Here the channels can make agreements with different foreign governments through GOB to get permission for broadcasting their programs in foreign countries. More radical innovative ideas are required to be generated in order to increase the demand of the overall industry. The channels must also ensure their credibility by being neutral, especially in placing the news. They must not be biased in broadcasting news. They can also make a proper blend of programs that will include both education and entertainment. Also, they must remember that they have the responsibility to society to protect and preserve the cultural norms, customs, beliefs, and values throughout their programs.

CONCLUSIONS

Different satellite channels have already occupied a distinct position in people’s minds through their programs. The competition in this industry has become intense and channels are facing difficulty in maintaining their positions. In order to remain in the market the marketing strategy of the channels must be customer oriented. They must focus on customer needs and based on their organizational structure they need to prepare a plan to satisfy their customers.

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