

International Business News

Apple, Google score high on customer satisfaction

XINHUA, Los Angeles

Apple and Google, two Silicon Valley companies, garnered exceptionally high scores in terms of customers' satisfaction, according to a survey released on Tuesday.

Apple got a rating of 85 out of 100, and Google garnered an 86, both the equivalent of getting an A-plus when it comes to consumer sentiment, according to the American Customer Satisfaction Index published by the University of Michigan's National Quality Research Center.

Apple and Google experienced an improvement in already-solid reputations among consumers, something that is difficult to do, the center said. Apple had an 8 percent boost in good consumer feelings while the PC industry as a whole suffered a second consecutive drop in satisfaction, falling 1 percent to a rating of 74, while all of its competitors, except for Dell -- up 1 percent -- saw declines, according to the index. Google, which dropped behind Yahoo last year, now leads its rival by a 12 percent margin, winning over more consumers through its powerful technology and growing services, such as news, weather, e-mail and maps, said the index.

Singapore Airlines bullish on Indian market

PTI, New Delhi

Bullish on the Indian market, Singapore Airlines will implement its expansion plans in India despite record-high jet fuel prices forcing several carriers to suspend their operations.

Singapore Airlines General Manager in India CW Foo said India was one of the top five markets across the world for the carrier and it would not allow short term fluctuations to affect its long term strategies in India.

He said the airline, one of the world's biggest by market share, wants to further increase its operation as there were opportunities still to be tapped in the country.

"For India, our strategy is to increase frequency of flights on various routes to offer good choice to passengers and a good spread," he told PTI.

Foo said the carrier was looking at increasing its frequencies from Bangalore, New Delhi and Chennai as these routes have dense traffic.

The airline, known for its "Singapore Girl" flight attendants, will operate double dailies from New Delhi to Singapore, up from the current nine flights to 14 a week from September 1.



AFP

Activists of the Communist Party of India (Marxist-Leninist) take up a march during a protest demanding the resignation of Indian Prime Minister Manmohan Singh and Finance Minister P. Chidambaram as part of a 24-hour industrial strike all over India in New Delhi yesterday. Millions of Indian airport, rail and bank workers went on strike to protest against soaring inflation and the government's "anti-worker" policies.

Millions strike in India over inflation

AFP, Kolkata, India

Millions of Indian airport, rail and bank workers went on strike Wednesday to protest against soaring inflation and the government's "anti-worker" policies, officials and reports said.

The nationwide action called by communist-backed trade unions was also to protest against an average 21 percent wage hike for government officials that the strikers say ignores junior staff, the Press Trust of India reported.

It comes a month after communist parties, bitter critics of what they call the Congress-led government's "anti-labour" policies, withdrew their support after propping up the administration in parliament for four years.

All India Trade Union Congress leader Gurudas Das Gupta said millions of workers, including some in India's fast-growing telecoms industry, were off work and would "make the strike a big success."

"The agitation will be a warning to the government.... not to pamper the corporates and speculators, both domestic and foreign, at the cost of the rights and livelihoods of the toiling people," a union statement said.

China mulls major stimulus package

AFP, Shanghai

China is considering an economic stimulus package of up to 400 billion yuan (58.4 billion dollars) to boost growth, an economist said as hopes of such steps ignited a stock market surge Wednesday.

"The top leadership is carefully considering an economic stimulus package of at least 200 billion yuan to 400 billion yuan, or one percent to 1.5 percent of gross domestic product," IP Morgan Chase economist Frank Gong said in a note.

The Hong Kong-based researcher said this was in addition to the 500 to 600 billion yuan expected to be spent on reconstructing parts of southwest China's Sichuan province, which was hit by a devastating earthquake in May.

Gong did not cite any source for his information on the possible stimulus package. He was not available for comment when contacted by AFP on Wednesday.

INTERVIEW

Banglalink CEO upbeat on future internet

MD HASAN

Bangladesh's mobile market now deserves high-speed wireless broadband internet support to provide more data services for cell phone users, said Rashid Khan, chief executive officer of Banglalink.

"People are talking about more internet-based mobile services. Unfortunately, so far in Bangladesh, the internet penetration is very low," Khan told The Daily Star in an exclusive interview yesterday.

The country's second-largest mobile phone operator's chief feels that steps to roll out the wireless internet will boost the use of mobile phone applications as well.

According to the telecom watchdog, the country's internet penetration is now below 1 percent, the lowest in the South Asian region. To help the broadband internet market grow, Bangladesh Telecommunication Regulatory Commission took a series of steps, including issuing three WiMax licences by next month.

Although mobile operators are not eligible for WiMax licensing, Khan said he felt the country's internet penetration would increase significantly thanks to WiMax, a wireless digital communications system.

"Once internet penetration increases, you would see cellphone applications develop around that," the Banglalink CEO said as he spoke about the company's benchmark of reaching 10 million customers in Bangladesh.

In the six-operator market, Banglalink is the second operator

after Grameenphone that touched a double-digit figure in customer acquisition.

In the 44.8 million customers market, GP holds the top position in the market with 20.84 million customers, followed by Egyptian Orascom Telecom's Banglalink with 10 million. AKTEL finishes third with 7.98 million customers.

Other operators are UAE-based Warid, state-run TeleTalk and lone CDMA operator Citycell.

Speaking of his own field, Khan said: "We have achieved 44.8 million customers. But I feel mobile penetration should be over 50 percent (of the population)."

Not so bad news. Low penetration is a major attraction for prospective telecom investors. "We see a lot of penetration to go and a lot of potential in the market," Khan said.

Khan pointed to the recent visits to Dhaka by representatives of the world's largest telecom operator Vodafone and other world players Etisalat and Orange.

Despite fierce competition, Khan is confident of retaining Banglalink's second position that the company achieved at the end of last year, exceeding AKTEL in subscriber acquisition.

"Now, our goal is to become strong number two in the market," he said.

The Egypt-based Orascom subsidiary Orascom Telecom introduced its mobile services in Bangladesh in February 2005 with Banglalink as the brand name.

From the beginning, the company had followed aggressive marketing to



STAR

Banglalink CEO Rashid Khan

divert customers to its network. All other operators slashed their call tariffs in the aftermath of Banglalink's deeper price cuts.

According to Khan, Banglalink has invested \$800 million (Tk 5,600 crore) and set a target to reach \$1 billion by year-end.

Although the company has clinched a second position, it is yet to touch the breakeven point. Khan said his company's internal strategy was to grow fast.

"Now we look to become profitable and I believe it will happen within very short time."

Like other mobile operators, Banglalink has also plans to list on the country's capital market, but Khan was not sure when.

"We have plans to list on the capital market. But it may happen in a time that suits the company and the market as well."

COLUMN

DURREEN SHAHNAZ

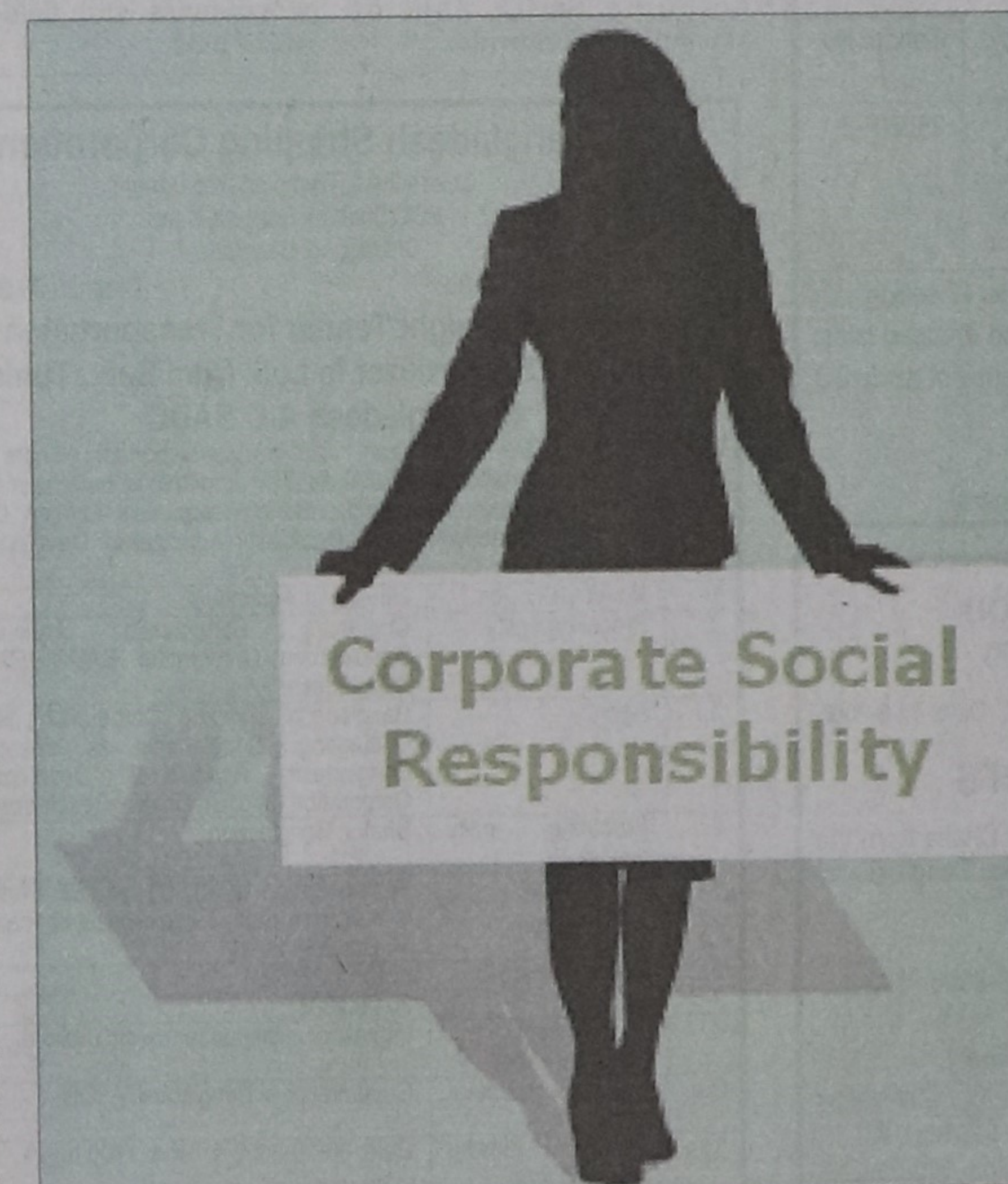
Beyond the buzz of CSR

Corporate Social Responsibility (CSR) is currently the 'buzz' of Dhaka's business sector. Thus, it was no surprise during my recent trip to Dhaka to hear various interesting uses (and abuses) of the term. It was also interesting to hear that the government is taking an active interest in CSR, embracing the concept by considering a tax exemption for corporate spending on CSR. The fact that Bangladeshi business and government are even talking about doing things to assist the society is a good thing. However, the question I found myself asking each time CSR was mentioned, is whether the initiatives being discussed can really be considered CSR, or if what is passing as CSR is just a public relations gimmick that will ultimately tarnish the whole concept of CSR in Bangladesh.

The subject of CSR is still a nascent one. As a concept, CSR is being defined and debated in business and academic circles around the globe. One definition that seems to be gaining credence is that CSR is the practice of a corporation internalising the externalities it creates through its business practices. In layman terms, CSR means corporations taking responsibilities for their actions and doing something about improving them.

With that in mind, it is important to differentiate CSR from corporate philanthropy or charitable work that is unrelated to the corporation's business. CSR is not the same as the work done by a corporation's foundation arm. CSR involves a conscious effort by the corporation to essentially operate differently to change its practices to improve their impact on society, or to actively seek to ameliorate any negative impacts they may have.

In Bangladesh I noticed that the philanthropic work of corporations was being labeled as CSR. Mislabeling philanthropic work as CSR does little to improve unsavoury business practices of a corporation. As a matter of fact, such mislabeling may give corporations a green light to behave as they wish without regard to their impact on society and then try to whitewash their bad behaviour by



merely making a donation to an unrelated cause.

Don't get me wrong, I am not against corporate philanthropy; the more the better! What I am asking for is clear labeling; which leads to clear thinking. While corporate philanthropy is not CSR, it is still a good thing. Philanthropy can be (and is) used as a form of public relations or advertising. As Michael Porter and Mark Kramer argue in their Harvard Business Review article, a company can and should think of philanthropic acts in a strategic way. Such acts can improve the corporation's image and thus their standing in the competitive landscape. The key here is transparency.

Companies can make best use of their philanthropic contributions if they come out clear about what they

are doing and how they are doing it and make clear that these contributions have nothing to do with their business practices.

Two examples from Bangladesh may help to illustrate the difference between corporate philanthropy and true CSR. British American Tobacco Bangladesh (BATB) has an extensive "CSR" programme; however, its CSR efforts seem to be out of sync with its business practices. British American Tobacco Bangladesh's website highlights its responsible business practices, which include supporting IT education and afforestation programs. While these may be laudable charitable programs, they have little to do with BATB's business. Sadly, nowhere on its website does BATB mention the ill effects (social, economic and health-related) of smok-

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ing or what BATB is doing about them.

By contrast, recently a Danish TV documentary showed that child workers were employed by a subcontractor for Grameenphone (another company touting its CSR programs in Bangladesh) and were handling dangerous heavy metals and chemicals with practically no protection. Following this disclosure, Grameenphone took steps to rectify the problems (related to this case). This is an example of modifying the corporation's business practices to improve its impact on society (albeit in a reactive manner).

It is a shame that Grameenphone took action to change its business practice only in response to pressure from the foreign media. How much better it would have been if Grameenphone had taken the initiative based on its own ethical principles; or even if the pressure had come from within Bangladesh. In the west, CSR is being driven by demands from consumers, employees, shareholders and other stakeholders for better business practices. Why shouldn't Bangladeshi consumers and citizens stand up and press our corporations to live up to standards that we dictate? Rather than giving tax breaks to corporations for practicing CSR in

Bangladesh, the government should set policies in place or empower entities to monitor and publish CSR practices of corporations. If a corporation embraces true CSR practices, if there is true transparency in the system, and if consumers have a say in the matter, then the corporation will be rewarded by the market system. These corporations then should have no qualms about publicising their good deeds and reaping the rewards of greater market share.

We as consumers in Bangladesh need to exercise more of a voice and we need to take responsibility in encouraging companies to embrace CSR and ethical practices. We have to demand that businesses 'embed' CSR in the core of their operations, making it part of their corporate DNA so that it influences decisions across the corporation.

We want our companies to succeed and do good deeds at the same time, and why shouldn't we? After all, we possess the ultimate purchasing power to make the company a success. It is about time we Bangladeshi consumers exercised our rights.

The writer is the regional managing director of Asia City Publishing Group and associate professor at Lee Kuan Yew School of Public Policy at National University of Singapore.