



慶應義塾大学ビジネス・スクール

GrameenPhone Ltd.

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“Bangladesh will be a good target for investment in the future. . . . With loans available for people to buy cell phones, entire villages are being brought into the Information Age. I want people throughout the world to know this story.”

*Bill Clinton (former president of the United States, in Dhaka, Bangladesh, 2000)*¹

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I arrived at the international airport in Dhaka, the capital of Bangladesh, after 14 hours of flight from Tokyo. I went out of the airport building at one o'clock in the morning. But the air was still stifling hot and steamy. My glasses immediately clouded over dimming my vision, and made myself unable to walk. Although I had already read about Bangladesh's subtropical climate in the guidebook, it really did hit me as soon as I arrived. Through the taxi window on the way to my hotel, I was able to get a glimpse of Dhaka. There were advertising billboards everywhere. I noticed that some of them were for the famous GrameenPhone Ltd., which successfully achieved the diffusion of cell phones in this country.

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There are approximately 4 billion people in the world living on an annual income of less than \$1,500.² These are the people who exist at the base of the economic pyramid (so-called BOP). Most of them are concentrated in Asia and Africa. Bangladesh, of which almost 100% of the population belong to BOP³, is one of the poorest countries in the world, with a per capita gross domestic product of \$554. Around 140 million people live in an area about 40% the size of Japan, and about 48% of the working population is engaged in agriculture.⁴

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In recent years, the diffusion of cell phones in BOP countries has been spectacular, and Bangladesh is no exception. The cell phone diffusion rate has increased rapidly from just 0.2% in 2000 to 6.4% in 2005 and then 27.7% in 2008 (Appendix 1). GrameenPhone Ltd.,⁵ which is the largest

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Masahiro Okada (Associate Professor), Graduate School of Business Administration, Keio University) prepared this case as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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¹ Nicholas P. Sullivan (2007) *You Can Hear Me Now* (San Francisco: John Wiley & Sons), p. vii.

² C. K. Prahalad and Stuart L. Hart, “The Fortune at the Bottom of the Pyramid,” *strategy + business*, Issue 26, First Quarter 2002.

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³ World Resource Institute (2007) *Next 4 Billion: Market Size and Business Strategy at the Base of the Pyramid*: p.111.

⁴ Retrieved on March 1, 2010, from the website of the Japanese Ministry of Foreign Affairs,

<http://www.mofa.go.jp/mofaj/area/bangladesh/data.html>.

⁵ Retrieved on October 15, 2009, from the website of the Bangladesh Telecommunication Regulatory Commission (BTRC),