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**INTRODUCTION**

“India is the world's second largest telecommunications sector, with solid growth over the last decade and a half.”[[1]](#footnote-1) “The Indian mobile economy is constantly developing and will have”a major impact on the country's GDP. India has 1.2 billion internet users and is ranked third in the world's internet market.  As the number of Android users in India have expanded, the country has risen to the fourth place in the global app economy. “With an inherent investment of nearly Rs 1.5 lakh crore and one of the best green-field advanced ventures, Reliance's JIO is being pointed to as one of the world's largest start-ups.”

JIO reported that it had gained 16 million customers in the first month of it's commercial operations. This is the world's shortest ramp-up time for any mobile network operator to grow. On February 22, 2017, JIO hit a milestone of ten million subscribers.  Reliance JIO's arrival had prompted service providers such as Airtel, Vodafone - Idea to drop their original plans and adapt and come up with new plans to suit the new market. Every second of every day, 7 customers are said to subscribe to JIO, according to reports.

**Research Aim:**

The aim of this paper is to examine and evaluate how the telecom industry was before Jio hit the market, and how the industry was impacted after Jio’s entry. It also aims to learn more about people's perceptions of Jio, as well as the challenges that the competitors encountered when Jio entered the telecom industry.

**Research Objectives:**

The objectives of this paper are as follows:

1. To study the position of the telecom industry before 2016.
2. “To research and study the about the entry of Jio into the telecom market and the impact of Jio on the telecom industry as well as its competitors.”
3. To identify the strategies adopted by Jio to enter into the telecom industry and compete with its competitors.
4. To research and understand people’s feedback about Jio’s entry into the telecom market.

**Research questions:**

1. What was the position of the telecom industry before the entry of Jio in the market?
2. How did Jio enter into the market and make its place among its competitors?
3. How has Jio become the largest mobile network supplier in India? What were the business strategies followed by the company?

**Research methodology**

For the purpose of this paper the researcher has used both primary as well as secondary research.

***Primary Research***

The primary research was done with the help of a google form by conducting a survey. The survey was carried out with the help of a questionnaire to which answers and opinions were collected.

The form was sent out to family, neighbors and friends and about 300 respondents were collected which included people from all age groups with an aim to broaden the researchers understanding. The google form had a list of questions asking the respondents about their views about Jio and asking them questions based on whether Jio’s main competitors, Airtel and Vodafone will be able to withstand Jio or not.

***The following questions were:***

1. What is your name?
2. What age group do you fall into?
3. Have you been using Mobile Data & Calling services since before Jio entered the market? (That is before 2016)
4. On Jio entering the market, what happened to the prices for data & calling?
5. Did you switch to Jio when Jio entered the market?
6. Did your mobile operator (Airtel/Vodafone-Idea) reduce their prices in response to Jio's entry into the market?
7. Are Jio’s prices cheaper than the normal market rates of Vodafone & Airtel?
8. Has speed, connectivity, and network generally become better / worse since Jio entered the market?
9. Did Vodafone & Airtel increase their service quality and reduce rates after Jio entered the market?
10. Have you availed of the Free Sim Card / Connectivity offer brought by Jio?
11. In your best opinion, are Airtel & Vodafone Idea struggling to survive the tough competition Jio is putting them up with?
12. Which is the largest mobile network brand in India according to you at the moment?
13. Even for a non-Jio user, Was the entry of Jio in 2016 , into the telecom market a boon or a bane?
14. Even for a non-Jio user, Has Jio in any manner affected their mobile bills and services in a productive manner?
15. If Jio were to become a monopolist in the future in the mobile telecom market, would it be ideal?
16. Do you think Airtel & Vodafone will be able to withstand the enormous fight Jio will give them in the future?
17. “In the mobile network market, the price war will be won by Jio over Vodafone & Airtel”- do you agree with the following statement?

***Secondary research***

Owing to the nature of the topic, the researcher has used the method of secondary research. Several websites and blogs have been researched, as well as a number of academic articles, in order to gain a comprehensive understanding of the topic. Furthermore, the author used doctrinal analysis by referring to the company's strategy to enter into a market already dominated by such strong competitors, as well as numerous articles and newspapers have been read to gain a more comprehensive understanding of the topic chosen.

**Hypothesis :**

Hypothesis 0 – The competitors were not affected by the entry of Jio into the market

Hypothesis 1 – The competitors were not affected by the entry of Jio into the market

**Review of Literature**

* Haq Noorul in “*Impact of Reliance Jio on the Indian telecom industry*” talks about the strong competition faced by companies in the telecom industry and under this intense competition, it talks about the manner in which Jio paved its way into this market and elaborates on the effect it had on the entire industry. It also analyses the impact of Jio on the customers and the Indian market and it evaluates the market condition of the telecom industry as well as the competitors after the entry of Jio. Besides this, the paper also researches about the future prospects of Jio and the effect it will have on the industry in the years to come.

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| |  |  |  |  |  | | --- | --- | --- | --- | --- | | |  |  |  |  | | --- | --- | --- | --- | | |  |  |  | | --- | --- | --- | | * Hrishi B &Kacker D in “Entry of Reliance Jio in the telecom industry: a ripple in the ocean” talk about the Ambanis’s marketing strategy to enter into the telecom industry. It elaborates the problems and opportunities faced by Jio’s competitors when Jio entered into the market. Mukesh Ambani viewed the telecom industry in a different manner. He used the opportunity to provide them the customers with exactly what they needed- Cheap Internet. It elaborates upon the marketing strategies adopted by Jio to enter into the business and it also analyses the operational changes made by Jio’s competitors due to this entry * Gupta Adiitya & Raghav Kusagra in the paper “*The Effect on the Telcom industry and consumers after the Introduction of Reliance Jio*” “studies the impact of Jio on the telecom industry and the changes that took place in the market”due to Jio’s introduction. It also elaborates and surveys about the effect of Jio on the lives of people and understands consumer response to the entry of Jio into the market. It also attempts to follow up on the business strategy that was adopted by Jio at its inception to enter into the market and gain a good amount of customer base and market share. elaborate on the direct impacts of reliance Jio on the telecom industry through quantitative analysis using primary and secondary research. It has been noted that the consumers were tempted to shift to Jio because of the tariff plans offered by it. It also discusses how Jio has been able to make data a necessity among the people. The average data consumption has reached worldwide high in India because of this. The findings and analysis of this paper show that the market structure remains unchanged even after the launch of Jio but the competitiveness has reached new heights in the sector which has resulted in market consolidation also. * Rajinder Singh, in the paper “*Impact of Reliance JIO on Indian Telecom Industry: an empirical study”* discusses about the Indian telecommunications industry and the rapid growth of the industry in today’s world. It talks about the various schemes and unlimited network reach with good quality services that was provided by Jio to the consumer market, which helped India become a more digital economy. The paper discusses the ways in which Jio ensured it’s dominance over the Indian telecom market and also elaborates on the competitors reaction to the entry of Jio.  |  | | --- | |  |  * KR Mahalaxmi & Suresh Kumar In the paper “*Changing the Indian telecom sector: Reliance Jio*” attempts to analyse the consumer preferences through a survey and attempts to understand the reasons why majority of the consumers shifted from their previously used mobile operating networks to Jio , when Jio had entered the market back in 2016. It also determines the level of customer satisfaction. It aims to understand the ways in which Jio gained a large market share in a short period of time and was able to gain a large number of customers just in a period of 170 days. * KR Mahalaxmi & Suresh Kumar In the paper “*Changing the Indian telecom sector: Reliance Jio*” attempts to analyse the consumer preferences through a survey and attempts to understand the reasons why majority of the consumers shifted from their previously used mobile operating networks to Jio , when Jio had entered the market back in 2016. It also ascertains the satisfaction level of the costumers from Jio. It aims to understand the ways in which Jio gained a large market share in a short period of time and was able to gain a large number of customers just in a period of 170 days.   **ABOUT JIO**  “JIO" is the market call of the Reliance JIO Info Comm Network (RJIL). Jio as a company began in 2015, under the ownership of Mukesh Ambani backed by Reliance industries with an aim to create a digital revolution in India. After its beginning, Jio entered the telecom market in 2016 and has grown 100 times since.  “It is headquartered in Mumbai & it operates a vast network telecom service with coverage of all 22 Indian telecom circles.”  JIO goals to provide 4G LTE service without 3G/2G based service. As a company, it began with its predatory pricing and took the market by rush. With free SIM cards, data, and even calling, the Indian masses had never seen something like it. In the initial rollout, over 40 million Indians armed themselves with a Jio sim card and Jio has now grown to be India’s largest mobile network service provider. Every competitor was forced to follow suit, some merged while some even left the market entirely. The data prices & telecom rates were at free fall due to this display of cheer magnanimity by India’s most powerful industrialist, warning the veterans, that Jio meant business. Ambani has 1 vision with Jio and 1 only, a complete digital revolution for the country. From cutting costs in telecom to setting up GigaFibre to make every form of digital communication enriched, the dreams are just beginning to turn into reality. Jio is now one of India’s fastest growing & highly valued companies, with investments pouring in from global technological leaders such as Google & Facebook. Jio has penetrated into every telecom-based consumer market from Television to Wifi to broadband to mobile service, its even en route to enter physical consumer spaces such as shopping malls, trade centers, grocery deliverers, and a lot more. With India’s fast-growing economy & even faster-growing market, Jio has provided the average Indian with durable data & network. The cost of 1 GB data has fallen to 10% of its original cost before Jio entered the market back in 2015. The endgame of Jio forming a consumer chain network ranging from digital to physical fronts will be an absolute game-changer for the country & reliance industries themselves. Jio has a wide range of products & apps, which makes it one of the largest tech-based companies not only in India but also in the world.  **Background of Jio**  “Jio, a company wholly owned in majority by Mukesh Ambani backed Reliance Industries is a tech company having operations in Infocomm, broadband, fiber, data, telecom and practically every wireless communication medium under the sun.  “In November 2019, when Mukesh Ambani, Asia’s richest and the world’s fourth-richest person and chairman and managing director of Reliance Industries Ltd (RIL), created Jio Platforms, a wholly-owned subsidiary of his oil-to-telecom empire, he not only set an unimaginable plan in motion but also laid out his vision and strategy how he planned on achieving his short & long term goals, with the help of Jio.”  “Jio Platforms acquired Reliance’s telecom arm, Jio Infocomm, and with that one of India’s most successful and large by volume company’s transformed itself from a telecom based company into a digital one dealing in more than 20 services.”  In simpler words, Jio is Mukesh Ambani’s digital arm that rests its software-based, tech- based & digital products.  However, in addition to this, it’s is also one of Ambani’s greatest plays to dilute his revenue dependence from oil and generate more revenue from his sizeable consumer business that currently contributes less than 30% of the overall revenue.  At the penultimate core of the vast Jio empire, is Jio Infocomm or the mobile network service provider that has almost 400 million users in a record time of fewer than 3 years from inception, that no company let alone in India, in the world has achieved so soon.  This is practically what makes every enterprise started by Jio so much more valuable. The direct connect & confidence of over 400 million users who can offer ready time updates, service fixes and act as a ready market for penetration without even trying to advertise any product.  The network's relay is the fundamental core for offering telecom services to a billion Indians. Through its superior technology and vast reach, the giant offers wireless networks, broadband, fiber, television & many other services.  Apart from the outreach & network services, Jio also has monopolized access to the infinitely deep tech capabilities that reliance has silently been cultivating over the years through its vast network. These services and techs include real-time peaks into artificial intelligence, the internet of things, machine matics, and much more.  Along with being so rich in technology and having its arms so deep into the game, reliance & Jio have invested, gained control, or ended up outright purchasing more than 20 tech-based startup’s that have offered them cutting edge clarity & insight into almost every field that they have chosen to enter. From music to video to security to home solutions to digital communication, the partnerships & strategic alliances that Jio has managed to create are priceless.  “Lastly, Jio Platforms has an ecosystem of apps that provides digital services across segments such as communication, video, music, gaming and entertainment, home solutions, security, and health, among others.”  “The ultimate aim of Jio Platforms is to offer”“anything and everything digital.”  Reliance Jio is leading the country on various fronts, in the race for 5G, in the race for AI & even in the race for a more digital India. Even in the case of splinternet, India, and Asia are being led in research and development by reliance’s digital baby, Jio. Internet-based consumer services like Amazon, Flipkart even Snapdeal have already taken stock of such developments and are upping their game for an uphill battle that reliance’s “JioMart” will soon bring up.  **MARKETING MIX OF JIO**   * ***PRODUCT MIX***   “Reliance Infocomm Jio is India’s most leading telecom and mobile network operator.”  Jio offers a large number & variety of “products & services in its marketing mix.”  On September 5th , 2016 Jio launched its 4g services free of cost for the Indian population. It offered the fourth generation data services along with voice services.   1. ***Jio Phone:***   On 21st July 2017, Jio launched its first and the countries most affordable phone which included the 4G feature, powered by KaiOS. It became one of the most popular products of Jio as it was the first phone in the Indian market which such an affordable price which had the 4G feature. It was sold at a rate of 0 INR with a security deposit of 1500 INR, which could be refunded to the owner after a period of three years until the phone was returned. It was primarily aimed at the Indian rural market.   1. ***LYF smartphones:***   In 2015 , Jio formed an agreement with Intex , the handset producer , to supply them with 4G smartphones which had the ability of Voice over long term evolution (VoLTE). However a few months later in 2016, Jio launched its own line – LYF smartphones.  It launched its first series of LYF smartphones namely – “Water 1 , Water 2 , Earth 1 , Flame 1.” Reliance has by far launched around 15 variants of this LYF smart phone. [[2]](#footnote-2)  It gained massive response from the customers due to its low price starting from INR 5,490 to INR 19,999. Jio was successful with selling 1.5 million phones in a period of 3 months.  According to the president, Sunil Dutt , the reason for the massive success of LYF smartphones was that they were the first ones in the market who committed their entire range of products for voice over long term evolution (VoLTE). [[3]](#footnote-3)They also were fortunate enough to have an already set up distribution channel which is one of the largest and best distribution network. Their products are available for their customers at all times.   1. ***4G broadband services:***   Jio’s 4G broadband voice & data services was one of the game changing products of the company. In September of 2016, the company unveiled its 4G broadband services across India. This data offered instant access to people to send messages , stream movies and shows with a 2300 Hz spectrum for 4G all over India – becoming one of the fastest and widest provider of data services in India at very affordable prices.   1. ***JioNet WiFi:***   JioFi – the WiFi router is a portable broadband device by Jio , which allows multiple users to access the high speed internet service by creating a personal WiFi hotspot. It helps users to have access to WiFi services wherever they are , and it also helps users with 2G or 3G smartphones have access to 4G which has a high speed of 150 Mbps.[[4]](#footnote-4) About 10 WiFi enabled devices can connect to one personal JioFi hotspot at one time.  Out of the many services provided by Jio , it also initiated the provision of free Wifi in cities all over India to promote digitization , penetration and adaptation of internet among the cities.  **5) *Jio Applications*:**In 2016, Jio had launched a number of applications on “*google play*” which include :   * *Music Player – JioMusic* * *Live TV channel services – JioTv* * *HD video library – JioCinema* * *Secure File Transfer – JioSwitch* * *Messenger and video calls – JioChat* * *Free Cloud Storage – JioCloud* * *Live News, TV Magazine – JioNews* * *For everything related to a Jio account – MyJio* * ***PRICE MIX***   “Mukesh Ambani, Asia's richest man, lauched his newest company, a 4G broadband network, in September 2016.”  “In this era, if you are not digital, and if you don’t have globally competitive digital tools and skills, you simply will not survive,”[[5]](#footnote-5) said Ambani , in his speech. “You will get disrupted. You will be outcompeted. You will be left behind. You will become irrelevant.” [[6]](#footnote-6)  “Ambani guaranteed that, after Jio’s public launch, for the average Indian, the internet would soon cost no more than a *Vada pav*, one of the fried potato dumplings sold on the streets of his hometown, Mumbai, which costs about 12 rupees.”[[7]](#footnote-7)  Even with all of his wealth and influence, Ambani's dream seemed unlikely to any Indian. Prior to Jio's entrance into the market in 2016, “1 gigabyte of data in India cost about 225 rupees ($3) in the cities. Internet penetration in rural areas of the country remained at about 17%.” “Ambani was taking on India's biggest mobile telecoms companies, including Bharti Airtel, Vodafone, Idea Cellular, and the state-owned BSNL, which had previously dominated the market.” Jio's aggressive pricing pushed these providers to cut data prices around the board, but it also resulted in declining sales and mounting debts for the sector as a whole.  “Despite this, according to the Nokia Mobile Broadband India Traffic Index, Jio is India's biggest telecoms company, with the lowest mobile broadband tariffs in the country.” This is how Mukesh Ambani went about it.  JIO followed a pricing strategy known as “predatory pricing” with no intention but to completely bombarde the Indian telecom market & emerge as a monopolist.  On the  debut, he set a one-year goal of 100 million new clients. Jio completed the stated goal in just 170 days.  As a result, Bharti Airtel sold off portions of its non-core companies, as well as many of its physical outlets, in 2017. Airtel had partly left East African markets by December of that year in order to raise margins and concentrate on retaining market share in India. In 2018, “Vodafone and Idea Cellular, which mainly sold in non-competing regional circles, combined to consolidate their customer base and combat off Jio's advances with a pan-Indian market operation.”  Jio did not follow such cutting pricing strategies only for the telecom market, it did so in all other sectors as well. In mobile Internet, portable WiFi, TV services, even Jio handsets were all priced far below the prevalent market rate, making it very tough for any competitor to survive without reacting equivalently.  Jio followed a pricing strategy like no other, with infinitely deep pockets soaring from the oil business, unlike competitors, Jio had enough to lose before appearing as the only monopolistic form standing in the market.  Pricing & Strategic Costing has been the key to Jio’s unfathomable success in all forms. Nothing would differentiate Jio from its competitors unless it was the price factor.  By far, Jio has transformed the Indian telecom market and is splurging forward to enter multiple sectors day in day out. The pricing; being the crux of its offers, never fails to surprise the industry.   * **PLACE MIX**   Jio is a company with a large pan-India footprint, owing to the company's exceptionally well-developed infrastructure.  Reliance Jio has a well-developed and widespread delivery network.  The network is available in all of India's twenty-two telecom markets, which cover all of the country's regions. Any province, as well as major cities, has been covered by the company. “Jio has reached around 18000+ cities and across more than two lakh villages within the country.”[[8]](#footnote-8)  “The company's headquarters are in city Mumbai located in Maharashtra, and it has a broad and successful distribution network.”  Jio owns spectrum in the 850 MHz and 1,800 MHz bands in India's 22 rings, as well as licenced 2,300 MHz spectrum throughout the country.[[9]](#footnote-9)  “Prior to launching voice and data services, Reliance Jio provided cities with free Wifi hotspots all across India, including Surat and Ahmedabad in Gujarat, Indore, Jabalpur, Dewas, and Ujjain in Madhya Pradesh, and Visakhapatnam in Andhra Pradesh.”[[10]](#footnote-10)  “Reliance Jio has launched free WiFi Hotspot services in Mumbai, Kolkata, Lucknow, Meerut, Mussoorie, and Bhubaneswar, among other cities.”   * ***PROMOTION MIX***   Jio had adopted an extremely aggressive marketing strategy at the inception of the company’s operations in India to create a positive brand image of the company as well as promote their products and services among customers in this industry which already had very strong competitors.  Jio launched several Advertisement campaigns in television, newspapers, radio, magazines, and billboards all accords India.  They promoted themselves on social media platforms like Instagram, Facebook, Twitter as well as YouTube.  Jio tied up with a number of companies including the “*BT group, Milicom, Orange S.A”*  In 2016, December, Jio collaborated with the - *Pokemon Go*. Pokemon Go is a location-based – Augmented reality online game that was launched in India in 2016. [[11]](#footnote-11)  A large number of Jio stores such as “Reliance Malls, Reliance Trends, and Reliance digital” were funded “*Poke-stops”* where youngsters could go and collect Pokemon Go.  The game earned massive popularity amongst youngsters which help promote Jio among the younger section of the Indian society.  Jio also partnered with Samsung and Apple to launch the LTE advanced Pro and 5 G in the country.  Knowing the popularity of cricket and Bollywood in the lives of Indians ranging from villages to metropolitan cities, Jio chose to grab the opportunity and feature many popular celebrities in its advertisement campaigns and their launch party by associating them with the brand and influencing people’s mind towards adapting to Jio and popularizing and promoting the company among the common people.  In 2015, Shah Rukh Khan and Amitabh Bachchan, one of the top actors of the Indian film industry were announced as the company’s brand ambassadors.  Jio offered free Wifi and internet services to six cricket stadiums while the ICC 20 World Cup was on & these services were provided free of cost until 2016.  **TELECOM INDUSTRY**“   |  | | --- | |  | | | | |

The telecommunications market is one of the world's fastest expanding industries, with enormous potential to serve millions of individuals.” “The telecom sector provides citizens with business and job opportunities while also contributing to the country's GDP growth.” Since the last five years, India's telecom sector has flourished and expanded at a rapid rate. The demographic of the country has an effect on sectors such as telecommunications, education, and hospitals; “India has a very high population base in contrast to other countries.” “India is the world's second-largest telecommunications industry, with the third-largest number of internet users.” “The telecommunications sector has a number of partners that help to complete the picture, including Indian and international smartphone producers, as well as foreign firms with manufacturing units in India or exporting to India.” Companies that have a licence to use the telecom spectrum to offer voice and data services to the Indian market. Other associates come into the support category, such as “telephone repairing and recharging voice and data services to mobile”users. “As technology progresses, new mobile devices are added to the market, and shops selling smartphones from multiple suppliers, such as multiband shops and branded shops for particular mobile products, open up.”

“India is the world's second-largest telecommunications sector, with solid growth over the last decade and a half..”“According to a study prepared by the GSM Association (GSMA) in conjunction with the Boston Consulting Group, India's mobile economy is steadily growing and would add significantly to the country's Gross Domestic Product (GDP) (BCG).” “According to research company IDC, the overall telecom services industry size in India is forecast to reach US$ 37 billion in 2017, with a Compound Annual Growth Rate (CAGR) of 5.2 percent between 2014 and 2017.”“Based on increasing affordability and improved data infrastructure availability, India is estimated to have over 180 million smartphones by 2019, adding about 13.5 percent to the global smartphone industry.”

“There are many players in the Indian telecom market like, Aircel/Dishnet, Bharti Airtel, Loop Mobile (BPL Mobile), Idea/Spice, Reliance Communications, Tata Teleservices, Vodafone Essar, Uninor (Unitech), Videocon, S Tel, Bharti Telenet, Reliance Infocomm, Tata Teleservices, Sistema (Shyam Telelink), Swan Telecom, Videsh Sanchar Nigam Ltd (VSNL), Bharat Sanchar Nigam Ltd (BSNL), Mahanagar Telephone Nigam Ltd (MTNL).” [[12]](#footnote-12)

“The telecom industry has increased the entrance and exit hurdles for entrants, demanding a substantial investment in both physical and human capital.” “Bharti Airtel cancelled its plans to purchase the assets and subscribers of Loop Mobile; this left Loop in an impossible situation, inevitably exiting the market.” [[13]](#footnote-13) Customers are becoming increasingly knowledgeable and technologically advanced, which raises the bar for service companies to deliver better offerings at the most affordable prices. The telecom industry segmentation varies from “rural to urban, and from person to corporate; it is a broad population base with a number of preferences”and choices.

**ENTRY OF JIO**

“India has the world's second-largest cell phone user population and the third-largest internet user base.”“The telecom market in the country is understandably highly competitive, with numerous players competing for the biggest piece of the market.”“The newest player in the competition, Reliance Jio Infocomm Limited (or Jio for short), is not only winning the game but also rewriting the rules.”

“The commercial launch of Reliance Jio in September 2016 shook the Indian telecom industry.”“The Mukesh Ambani-led firm debuted its offerings with an incredible first offer: free 4G internet, voice calls, and SMS for all customers.”“Jio would never bill for voice calls after the trial phase ended, and its data speeds would be among the lowest in the world, according to Ambani.”

“Fearing Jio's uncontested dominance (around 70% of the industry's sales come from voice), India's largest mobile network operators filed an illegitimacy complaint with the Telecom Regulatory Authority of India (TRAI).”“TRAI, on the other hand, considered Jio's bid to be legitimate and fined Bharti Airtel, Vodafone, and Idea Cellular for attempting to disrupt the Reliance Industries Limited (RIL) subsidiary by failing to provide enough points of interconnect to its SIM card customers.”

“Reliance Jio was built on Mukesh Ambani's conviction that mobile internet is the century's most disruptive technology.”And, although it would certainly experience several improvements, the fundamental technology will remain intact, which was the crux of his policy.

“Jio has effectively built the largest just 4G and LTE networks not just in India, but also in the world, thanks to an expenditure of Rs 1,50,000 crore and collaborations with eight global carriers” -“British Telecom, Deutsche Telecom, Millicom, MTS, Orange, Rogers, Telia Sonera, and Tim. A 2,50,000-kilometer fibre optic cable network and 90,000 environmentally sustainable 4G towers operate together to offer unrivalled 4G coverage throughout India's 22 telecom circles (call zones which differentiate between local and STD calls).”

“Although all established network operators in India are using a revamped 2G/3G system to offer 4G, Jio has developed a Greenfield network (from the ground up) that provides more spectrum and higher speeds.”“Jio's network is also future-proof, with the ability to have 5G and 6G access when and when the hardware becomes accessible.”

“Reliance Jio is also the first telecommunications firm in India to operate a ‘VoLTE-only' (Voice over LTE) network.” “This system avoids the 2G/3G network's fluctuations in favour of high-speed data transmission, resulting in more stable coverage and smoother voice calls.”

“Reliance Jio's next problem was acquiring consumers after building this infrastructure.” And they achieved so by providing the Indian people with what they really needed: inexpensive high-speed broadband internet. Prior to Jio's commercial launch, only around 15% of India had connections to 4G broadband, a number the telco expects to raise to 90% by the end of 2017.

**BUSINESS STRATEGIES ADOPTED BY JIO**

Jio entered the market with offers, prior to its launch.

Jio's pre-launch deal includes two components: Reliance voice and data, and mobile devices called "LYF." “It is a pre-launch deal as well as the most ambitious and lucrative startup project.” The Jio effect was clearly noticeable in the market, where people started going wild to get a Jio SIM and take advantage of the related discounts, as well as another deal with LYF smart devices that will run until 2017. This bid creates a tumultuous trading climate, prompting rivals to devise counter-strategies. Proven players in the industry, such as Vodafone and Airtel, had “to defend their markets by providing new deals to new consumers who access their voice and data networks.”

“The three-pronged focus on broadband networks, affordable smartphones and data services, and the accessibility of rich content and applications has enabled Jio to develop an integrated business process from the start, and the company is now capable of providing an exceptional mix of telecom, fast information, computerised trade, media, and payment services.”[[14]](#footnote-14)The following are Reliance JIO's various strategies for capturing the Indian market:

1. ***Marketing Disruption***

Free calls, JIO applications, SMS, and Sim cards were originally given away for free to entice consumers. Customers were originally allowed to use as much data as they wanted, although this was later changed to a limit of 1GB per day. Customers were made accustomed towards data by making it available for free and this made a lot of customers to shift from their usual mobile network operator to Jio. Due to this strategy , within just 170 days since its inception, this approach had attracted 100 million subscribers to JIO.

Other than that the users were exposed to a number of JIO applications for entertainment. Subscribers of Reliance JIO were given access to a large number of digital resources such as the News, music, film, financial resources, healthcare, education, and communications are all included.

Reliance Jio in its initial days spent a significant amount of money on physical advertisements such as flyers and posters in most parts of the world. It has also sponsored competitions such as the “Indian Super League (ISL)” and the “Indian Premier League (IPL)” , which helped them draw a huge number of future Jio subscribers. These services helped to improve Reliance Jio's overall brand image and create an awareness about their brand among every Indian.

Another strategy adopted by Jio was to provide the Indians with exactly what they had been looking for. Every Indian wanted an affordable phone. Hence Jio’s game changing strategy was to launch low-cost cell phones: The bulk of India's rural population uses low-cost mobile phones with a 2G and 3G technology. Jio's mission was to hit the Indian rural customers by launching a low-cost cell phone but with a 4 G technology. This helped Jio get a lot of customers and a large number of people ended up purchasing the Jio phone.

1. ***Pricing Disruption***

Customers' consumption patterns and pace of recharges have shifted as a result of Reliance Jio's entry into the telecom industry. Jio changed the traditional pricing schemes which had 12 billing cycles (recharges), which was decreased to 3 or 4 billing cycles when Jio entered the market (recharges).

Following their free offerings, Reliance JIO provided cheap phone calls, data roaming, unlimited calling facilities, internet at rural areas and a lot more. Every year, Reliance JIO received 100Rs from each customer for prime a membership. JIO provided its customers with a variety of new packages which included unlimited data and phone calling at very affordable prices which made customers shift from Airtel / Vodafone to Jio. Jio with this pricing strategy made Airtel and Vodafone to change their packages as well, if they intended to co-exist in the market which was now being dominated by Jio.

1. ***Capacity strategy***

Construction of towers and laying fibre optic cables

Jio made numerous arrangements with Tower Vision, ATC, and Viom networks for the building of sixty thousand new towers in India prior to its launch. By 2018, Reliance Jio aimed to lay more than 2.5 lakh kilometres of fiber-optic connections, connecting 18,000 urban societies and another one lakh townships, with the aim of a  total coverage of 100 percent of the country's population. Fiber is the backbone of a telecom specialist organization's capacity to offer high-end services to customers. Reliance Jio has a system of fibre optic cables that connects to a full IP network that spans over 250,000 kilometres.

This way Jio covered towns and villages in India which were uncovered before by providing access of internet and network to every individual in the country.

In this way , people in rural areas and villages were forced to shift to Jio sims for better connectivity and reach.

Reliance Jio was active in the creation of a multi-terabit global grid and a 8,100-kilometer cable infrastructure known as BBG, or Bay of Bengal Gateway. The Bay of Bengal Gateway provides end-to-end unified interconnection with existing cable networks to the Middle East and Southeast Asia, as well as Africa, Europe, and Far East Asia. This was strategically relevant because it the BBG has an undersea cable landing facility in Chennai that can provide a low-latency, high-speed, and high-capacity network connecting India to the rest of the world.

**REACTION OF THE COMPETITORS**

* ***Idea***

“Idea Cellular is a subsidiary of the Aditya Birla group, established in 1995.”[[15]](#footnote-15) It has continued to accumulate a 33 percent market share in the“last three years. Idea provides 3G and 4G LTE networks on its own spectrum in 13 telecom service areas”(also known as circles) that span approximately 340 towns across India. After the Department of Telecommunications launched Mobile Number Portability (MNP), Concept reaped the rewards in terms of expanded consumer base. It is currently“India's third-largest telecom network, with 191 million subscribers, revenues of Rs.354 billion (US$5.3 billion), and a net profit of Rs. 31.92 billion (US$470 million) for the fiscal year ending March 31, 2016.”It revealed its intention to merge with Vodafone-India in January 2017.

* ***Vodafone***

Vodafone is a British international telecommunications corporation that was founded in 1991 and is currently the world's second largest mobile service provider by number of connections. “It runs networks in 76 countries and delivers IT services to its business customers in nearly 150 countries.”Vodafone agreed to join India in September 2007 and has since expanded its footprint across the country, serving approximately 203 million customers in all 22 telecom circles. Its expansion shows Vodafone's determination and performance in India's intensely competitive and price-sensitive telecom communications market. However, as a result of Reliance Jio's recent price battle, Vodafone's losses nearly doubled to $5.5 billion in 2017, in comparison to the last 2 quarters of 2016.

***MOTIVES FOR MERGER OF IDEA CELLULAR WITH VODAFONE INDIA***

In 2017, Vodafone and Idea announced their merger, which had a major effect on the Indian telecom industry. The key motivation for the Vodafone-Idea merger was to counter  Jio's growing supremacy in the telecom industry. Jio's successful entrance into the market with an 8-month long campaign drive sparked a pricing war between all the big players of the industry.

Other big players have taken precarious measures to preserve their place in the Indian telecom industry as a result of Jio's cruising domination.

“On March 20, 2017, Idea Cellular (Idea), India's third largest mobile telephony firm, reported a US$ 23 billion merger with Vodafone India Limited (Vodafone), the country's second largest mobile operator, to create India's largest mobile telecom company with expected sales of US$ 12.5 billion.”[[16]](#footnote-16) The business will have 394 million customers with a 35 percent and 41 percent consumer and sales market share, respectively.

Both businesses continued to act as independent corporations before the transaction was completed, which was projected to take 24 months. “Idea and Vodafone would together build a very valuable business provided our complementary strengths,” – “Kumar Mangalam Birla (Birla), Chairman of Aditya Birla Group (A B Group),”. “After India's largest private sector firm Reliance Industries Limited, controlled by Mukesh Ambani, unveiled Reliance Jio Infocomm Limited (Jio) in September 2016, the two fierce rivals in the Indian telecom sector agreed to merge.” Jio debuted with competitive pricing, including“free voice calls and the world's lowest data tariffs.” It wreaked havoc on the country's telecom market, which depended on voice calls for 70% of its income.

Due to the problematic entry of Reliance Jio, which created some significant imbalance, the merger company took various steps, such as price renewal. India's massive customer base has rendered it the world's fastest growing industry, and the merger of major telecom companies would give the sector new life and health. The combination helped Idea Cellular and Vodafone India get out of debt, and a significant volume of credit was pumped into the joint venture.

* ***Airtel***

Airtel was founded in 1995 by Sunil Bharti Mittal. The company has been ranked as the third largest telecommunications company in the world, with operations in 18 countries and 400 million customers using 3G, 4G LTE, and GSM networks. In their first ranking of Indian brands, Milliard Brown and WPP PLC rated Airtel as India's favourite and most important brand. Airtel is credited with inventing the outsourcing market strategy, which involves contracting out all of its business activities to a single factory model in order to decrease costs and maximise capacity. “Airtel posted a 55 percent decrease in third-quarter net income to Rs. 504 crore in 2016, as a result of Jio's abrupt arrival.”

**RESEARCH FINDINGS**

Although depicted precisely and in detail by individual graphs & analysis’ in the google form responses, the aggregated effect showcased by all responses points out more clearly, the devastating effect that Jio had on the telecom industry. The cheer mammoth with which it entered the market & the significant volume of investment with which it showered data & services onto the Indian consumer economy is unparalleled. 100% of the people agree that prices have fallen despite advancement in technology since Jio has entered the market, even 5 years later. A staggering 83% of responders shifted to Jio or availed additional services of the giant when it entered the market. These numbers speak for themselves. Not only did Jio introduce cheap packages, but it also forced every competitor in the industry to offer 1/5th of their normal charge rates, agree more than 80% of responders. Not only has Jio brought about cheaper services but almost all responders agree that connectivity, transmission, and data services have upgraded since Jio has to lead the market into a price-free-fall. More than 40% of people acknowledge and agree that their telecom providers such as Airtel and Vodafone are finding it devastatingly tough to compete with Jio in the Indian market & have even experienced difficulties due to this show of strength. Every responder also agrees that even without being a direct Jio user, Kio has indirectly reduced everyone’s expenses on data and mobile network services by pushing all competitors to such an edge, that they’d have to shut shop unless they reduced the price. Finally, 70% of people agree that in the mobile data price war, Jio will push out Airtel and Vodafone-Idea one day or another.

The numbers are staggering and shocking. Such promise, such expectation, and such delivery have never been achieved by any company that has entered the market not even 5 years back. It takes generations to build a monopoly, and it may not take Jio less than a decade & for that, the Indian consumers could not be less eager.

**RESEARCH SUGGESTIONS**

Airtel & Idea Vodafone must also gain additional investment and have a more solid funding channel that can react to said contingencies more adequately.

* Drive transparency along with control and leadership, as many tech companies have fallen prey to the transparency and privacy concept, It would be advisable for Jio to steer clear of any ill activities and make its privacy transparency policy crystal clear.
* Airtel & Idea should either follow a reduction in prices or will be pushed out by the oligopoly but should continue to mirror Jio’s prices and destabilize it as much as they can.
* Focus on increasing network satisfaction along with quantity. Despite achieving 300 million consumers, Jio’s quality of services is questionable in certain areas and that would surely be where Jio would want to start its reconciliation process.
* Special schemes and discounts should be employed to induce the rural market of India to take maximum advantage of this data-free fall. Jio needs to tap the rural Indian market in a more comprehensive manner, as cities and towns are already over-concentrated and tapped.
* Jio should be promoted in a more localized manner instead of on the international platform as India is the backbone of its consumer base. Promote Jio more regionally rather than universally, have a more targeted approach to marketing such as local newspapers, magazines, and old school marketing means.

**CONCLUSION**

Despite the fact that the planet had come to a halt due to the pandemic, Reliance Jio was able to become debt-free thanks to an iconic sequence of acquisitions by the global giants. It could be able to do so in just 58 days. In other terms, it is seeking to capitalise on both the present and the future by acting as India's digitalization torchbearer. It launched special data plans for citizens who operate from home and generate vast volumes of data. The business is in discussions with Facebook over launching an online grocery shopping site with the help of WhatsApp, thanks to a Facebook investment. Reliance Jio's long-term target has always been to transform Indian households into digital households by allowing home automation. Jio is attempting to create applications that are comparable to widely popular products such as Apple TV set-top boxes and Amazon's Alexa. According to Reuters, Jio's digital interface architecture criteria documents include requirements that are close to those of Apple and Amazon-like software giants. But the most critical and defining characteristic of Jio is that they have these features at a slightly lower rate than the competition, which allows them to succeed and become PJAEE, 17 (6) (2020) 4459 the market leader in India. For eg, Apple TV 4K costs between Rs. 15,500 and Rs. 17,500, while Jio's set-top box is used with their internet connection and costs just Rs. 8,200 a year. This boosts Jio's adoption in India.

Jio is expected to be the first operator to offer 5G technology in India, since it was the first to adopt VoLTE in India. The manner in which Silver Lake Partners re-invested in Reliance Many multinational firms are interested in acquiring a piece of Jio's high-performing and future-oriented company. It is dedicated to retaining its role as India's largest telecom operator while also increasing its offerings in other digital fields.

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