

A study on Telecom Sector in India through the culminating Upgrade

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Abstract

With the advent of technology, Mobile phones became more affordable, due to which the number of mobile phones per household increased tremendously. This led to higher demand for data and calls and many telecom players entered the Indian market to grab the huge opportunity. The honeymoon period that all telecom companies were enjoying was cut short with the entry of Jio into the market. This Exploratory Study aims at identifying the Problems and challenges of telecom sector and finding out the strategies used by the telecom sector for their Survival.

Keywords: Telecom sector, competition, customers, Service, technology, sustainable growth.

1. Introduction(Advent of mobile phones made this sector attractive)

Telecom industry started booming as mobile phone became affordable. Way back 1990's BSNL with Landline phones connected people from 2.5 Million to 5.07 Million in 1991. The Demand was increasing and the government had huge pressure in investment from private players. As a part of LPG policies, the government accepted it.

2. Players in the market(Big opportunity led to the influx of many players)

Telecom is highly competitive in India. It is essential to look upon all the major players like Airtel, Vodafone, Idea, Tata Docomo, Aircel, Telenor, NTT, Sistema, Singtel, Maxis, Etisalat, who were leading the market till 2017. The introduction of the pager in 1995 brought in huge change with Motorola and other companies. But declined overtime and vanished by the introduction of cellphones.

The cellphones got better with time and continuously upgraded. from 900 MHZ Bandwidth GSM to CDMA then the introduction of 3G/4G changed the telecom era Customer's desire is satisfied with different offers and plans. There is a huge difference in the telecom industry when compared to the last 20 years. It is also evident to realise that these transition and transformation are quite a lot to consume over a short period of time. Every transformation that showed a profitable and sustainable growth till 2017. This transformation is fast, yet hit the pinnacle in a short period of time.

3. Stable period of good profitability (Good support from govt, etc . All players were having good profits. Customers were taken for a ride)

There are two points of views to discuss stable Period of good Profitability.

Company View:

All the telecommunication sectors had good profitability but then cannot compete had less market share over the other.

Top players like Airtel, Vodafone, Idea had Prominent Market share and had competition within themselves. Sales and service outlets brought in huge change and gave opportunities for so many people with good sales and Profit Margin than expected.

Internal Customers and Firm had a great time with Lot of Monetary and Non-Monetary Benefits

Customer View:

Customers enjoyed the benefits of Mobile phone. Comparatively, Customers felt Mobile phone made there life easy and paid for incoming, outgoing and messages.

A huge amount was paid to enjoy the services because the market was most likely like Oligopoly.

TRAI and DOT are the important Statutory body set up by the government of India. TRAI mission is to create and nurture conditions for growth of telecommunication in India to enable the country to have a leading role. One main objective is to provide fair Competition in the Market.

4. Jio disrupts market

When there is inflation in other products in the Indian market there is an only product which is in deflation that is none other than sim cards, offers and plans. This is due to one operator which made all changes in the Indian market that is Jio. As we discussed above, 70% rural customers

and prepaid users especially were the initial target base of Reliance Jio to cover and conquer the prepaid market which is more than 70% which they eventually achieved. After so many changes in the world of the telecom industry, telecom subscribers' base in India reached 116.8 crores at the end of June, with Reliance Jio adding the highest number of new customers to its mobile network, according to a Trai. We saw a drastic improvement in the number of telephone subscribers in India which is 1,153.51 million (115.35 crores) and counting, at the end of May.

The establishment of Jio was the eye opener to all the customers from which they came to know the real value of plans and offers and sooner or later the other sectors were forced to come up with similar plans and offer to sustain in the market. There might be some questions regarding the development of the telecom industry wondering what is the necessity to have a service sector in this kind of market?. Wherein Jio, who already penetrated the market, does not have any exclusive service sector and there is always a talk that it is coming up with a chain of showrooms all around India and they have initiated the process. The researcher also highlights the measures taken by Vodafone and Airtel to survive in the market by using merger concept and certainly have their sales and service drive frequently as always.

The researcher came across some early 2012-17 Articles and brought out some interesting changes which brought a tremendous transformation in the telecommunication industry. The reason behind this change is Jio. Way back in

2017, an article which clearly portrayed about three important customer expectation like, customer need hassle-free data service, customer needs better call centre interaction and customer need control in hands were taken into consideration but lacked true response as people were not aware to the real value of the money they invest in the Telecom industry. At the end of the day, even a small amount matters when it becomes an investment. These three major expectations are satisfied by Jio. More importantly, data service went ahead of expectation and usage of 1 GB a month turned out to be 1 GB a day.

According to the Cisco report 2016, there will be 990.2 million (71% of India's population) mobile users in India by 2020, up from 798.4 million in 2015, a CAGR of 4.4%. Also as per the report, the video will account for 72% of India's mobile data traffic by 2020, compared to 40% at the end of 2015. At the same time, cloud applications will account for 90% of total mobile data traffic by 2020, compared to 76% at the end of 2015. But the recent study in 2019 says that overall telecom user base is 119.2 crore, according to Trai data released Wednesday. Reliance Jio and BSNL jointly added over 1.08 crore new mobile phone customers, while rest of the operators—Vodafone Idea, Bharti Airtel, Tata Teleservices, MTNL and Reliance Communications—lost more than 1.01 crore customers. Reliance Jio alone added over 1 crore and BSNL added 3.66 lakh customers.

5. How companies reacted to the post-Jio time

There are some strategies to overcome the difficulty in the market. As it is said

that 'when in Rome be a Roman', it is very important to note that Jio has taken over the empire over one night. So the wisest choice made by the entire telecommunication sector is introducing similar plans to compete with each other. When Jio introduced free offers, other networks had a drastic churn in the prepaid and postpaid count. Within 2 months, all other networks introduced new offers and plans which is similar to Jio which is a good move but not a profitable one. This move only sustained other networks from getting chunked out of the market.

To compete with Jio both large telecommunication sector like Airtel and Vodafone used service showrooms as USP to retain customers. When a customer compares both Airtel with Jio or Vodafone with Jio, customer service executive responded that even though Jio has similar sales, Airtel or Vodafone have exclusive service showrooms for any issues and resolutions at doorstep too, which was a smart implementation to reach the satisfaction of the customers.

The difference in Offers:

Telecommunication sectors started giving all offers for porting customers especially to retain them. Lifetime offers and plans went viral and other customers also started getting them. Customers who were using 499+ Plans got a better offer at 199 and 249 with a lot of benefits to avoid losing the customers.

Employee Motivation:

Customer Service executives started losing hope, as customer satisfaction is the heartbeat of any business, customer service should not leave its pulse.

Customer executives were forced to employ people to reach out to all the customers with a problem. As far as other networks are concerned this is one of the USPs that they have to maintain their standard. Zones around India facilitated motivational training to front line associates to keep them motivated and to deliver their service to the fullest of their skill and commitment. Even though companies met with an unusual loss, to keep the balls moving in the court they didn't compromise in incentive privileges for the employees. Employees had attractive incentives, outings and contest. In a way, this helped the employees to work hard as they were rewarded according to the work to do. As they sowed so they reaped.

More Promotional Activities

Many different advertisements and sales promotion which were the result of comparisons between networks were in the market and media to change the mindset of customers. Executives were cross-selling the products. Usually, different levels of staff members were there in showrooms but many employees started doing the works out of the showrooms and personal selling happened through cross-selling and up-selling.

Internal Decisions

The organisation had a lot of cost-cutting operations to minimize the running cost of showrooms. Simultaneously employee engagement and employee motivation happened to keep them satisfied which empowered and recharged them to give their best in the field. The companies concentrated more on the satisfaction of the employees and

made sure they are provided with the right rewards to the work and commitment that they engage with. More offers, incentives and sales promotion were given for salesmen through different sources and that hyped them to bring more profit to the company. At the end of the day as far as the employees are concerned it is not about the profit of the company, but about the stress-free job environment with the rightful reward which eventually ended up with the companies gaining their profit. It is a cycle, a person who understands it would be the successful businessman in this market.

External Factor:

The company did not compromise the same in merchants and retailers. In India all the products and country as a whole had inflation. Telecommunication is the only sector in recession i.e., the price of the product has an immediate dip, but in no way affected their business, the only element of surprise which bothered them is someone better existing ahead of them.

Retention Strategies

Customers were confused in choosing the provider they have to own and to believe as everyone had their own pros and cons, but in the case of Jio, it was different and new. As it was new it was not quite reliable at first. Due to that, the customers started getting Jio as a secondary number but when the years went by due to the rooted stability of the network customer started having it as a primary contact number and more precisely for data usage. Companies used different retention strategies to retain customers with many offers and customer engagement Programs.

Jio works in 4G Phone due to Volte. This turns out to be a major reason for consumers to upgrade their mobile phones too. This helped them in purchasing new mobiles and other devices causing a huge positive difference in the world of technology. Many customers started comparing the data charges and free data and its uses to get a 4G phone in spite of any basic phones. This is the reason and point of difference for other sectors to retain the customer.

New Ideas

Many telecommunications started investing in application to boost up service and promotion through a mobile app to create a unique selling point to attract the customers which never gave a blow in the business warfare. But it became one of the parameters in sales at showrooms which became a trend in all the industry. To make a business out of a trend, even though app download is free, sales executives got incentive privileges for mobilizing and reaching out to the customers to gain access to that particular application. then the needs of future customers and the ways to implement it.

6. Future of telecom

When compared with the study in 2016 with 2019, researcher expected 990.2 million in 2020 but it has already crossed 1190 million and hence if we forecast the same it will touch 1400 Million by the end of 2020. When we calculate the Indian population with telecom users, 90% of Indians are telecom users. There is a drawback in finding the accurate number of users because customers have more than one contact numbers. Some Telecom Sectors started 5G Discussions in India but

India is still not ready because cases not available Still. Telecom news says that DOT is expected to hold the next round of Spectrum auction after August.

Conclusion :

In the case of manufacturing companies, the goods are manufactured and then sold. To customers, in the services sector, the customer is a part and parcel of the process that provides the service. This is especially true of telecom services. So, it becomes all the more important for a provider to meet the needs of the customer no matter what it is regarding the product.

It is very important for a mobile phone service provider to concentrate on the various dimensions of service quality from the customers' perspective. If a new product is implemented, the provider must expect feedback from the customers to update and upgrade as the customer expects it to be. With rapidly changing technologies, customer needs and awareness have increased, it becomes imperative to review the quality of service parameters for mobile communication.

As because the base is increasing enormously, the service sector in Telecom is important to resolve any customer issues and it should be addressed on time to reduce chaos and confusions. Telecommunication business has different phases in the last 20 years. In India especially telecommunication was booming in early 2000 till late 2015 but after a huge change in the business, the revenue loss affected all the organisations but even after that company sustained

through best practices and because it is the service industry. In terms of intelligence and implementation, telecommunication has marked its place among mankind in developing itself and making it all easy for a human to receive, find and explore. Although everything is in one click away, it is the network which acts as the pulse of this era. The whole transition might be new to man but certainly not new to his habitat as he is the master of this intelligence. There are two kinds of people who are involved in it. One who controls

technology and one who is controlled by technology and you know who you are.

Works Cited

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