Competency of Telecommunication in India with Airtel

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Abstract - This Report Shows Telecommunication in India with help of Airtel and Comparing it with other Telecommunication company i.e. Vodafone and Reliance Jio.
This report show Product Portfolio, SWAT Analysis, Porters 5 forces, BCG matrix and etc to how to overcome you Competiton.

1.INTRODUCTION

Communication is of great significance in the present world. Without proper communication it would be really very difficult to co-ordinate and manage even the smallest possible thing. Thus, I have selected this topic due to increasing importance of telecommunication and the greater competition that exists among the different companies. This report on Bharti Airtel is done to find out certain objective regarding the strategic approach adopted by Airtel to stand strongly in the competitive telecom market. Airtel's marketing strategies are analyzed using various models like SWOT analysis, BCG Matrix, porter's five forces, CRM etc. The outcomes of these models are properly analyzed to find out the various aspects like companies position and competitors position in the market.

This report on Airtel does not only give description about the company but also talks about the various marketing strategies adopted by the company. SWOT analysis of Airtel helps to find out the weak points of the company and in finding out the ways to overcome that problem. The project was undertaken during two months summer training at Airtel Limited in my capacity as a management student with marketing specialization.

Further the study also reveals the scope of expansion for the telecom company and the level of expectations which the customer has from the quality of services provided is increasing constantly.

Airtel Introduction.

Telecom giant Bharti Airtel is the flagship company of Bharti Enterprises. The Bharti Group, has a diverse business portfolio and has created global brands in the telecommunication sector. Bharti has recently forayed into retail business as Bharti Retail Pvt. Ltd.

Airtel comes to you from Bharti Airtel Limited, India's largest integrated and the first private telecom services provider with a footprint in all the 23 telecom circles. Bharti Airtel since its inception has been at the forefront of technology and has steered the course of the telecom sector in the country with its world class products and services.

Reliance Jio Introduction.

Reliance Jio Infocomm Limited, doing business as Jio, is a LTE mobile network operator in India. It is a wholly   owned subsidiary of Reliance Industries headquarteredin NaviMumbai, Maharashtra thatprovideswireless 4G LTE service   network (without 2G/3G based services) and is the only 'VoLTE-only' (Voice over LTE) operator in the country which lacks legacy network support of 2G and 3G, with coverage across all 22 telecom circles in India. The services were first beta-launched to Jio's partners and employees on 27 December 2015 on the eve of 83rd birth anniversary of late Dhirubhai Ambani, founder of Reliance Industries, and later services were commercially launched on 5 September 2016. In June 2010, Reliance Industries (RIL) bought a 96% stake in Infotel Broadband Services Limited (IBSL) for ₹4,800cr. Although unlisted, IBSL was the only firm to win broadband spectrum in all 22 zones in India in the 4G auction that took place earlier that year. Later continuing as RIL's telecom subsidiary, Infotel Broadband Services Limited was renamed as Reliance Jio Infocomm Limited (RJIL) in January 2013.

Vodafone Introduction.

VodafoneGroup isBritish multinational telecommunications conglomerate, with headquarters in London and Newbury, Berkshire. It predominantly operates services in the regions of Asia, Africa, Europe, and Oceania. Among mobile operator groups globally, Vodafone ranked 4th in the number of mobile customers as of 2018.

Vodafone owns and operates networks in 25 countries, and has partner networks in 47 further countries. Its Vodafone Global Enterprise division provides telecommunications and IT services to corporate clients in 150 countries.

SWOT Analysis

STRENGHT
Very focused on telecom.
➢ Leadership in fast growing cellular segment.
➢ Pan-India footprint.
➢ The only Indian operator, other than VSNL, that has an international submarine

WEAKNESS
➢ Price Competition from BSNL and MTNL
➢ Untapped Rural market

OPPORTUNITY
➢ The fast-expanding IPLC market.
➢ Latest technology and low cost advantage.
➢ Huge market.

THREATS
➢ Competition from other cellular and mobile operaters.
➢ Saturation point in Basic telephony service

SWOT Analysis (strength, weakness, opportunities, threats analysis) is a framework for identifying and analyzing the internal and external factors that can have an impact on viability of project, product, place or person.

SWOT analysis is most commonly used by business entities, but it is also used by nonprofit organization and, to a lesser degree, individuals for personal assessment. Additionally, it can be used to assess initiatives, can be used to assess initiatives, products or projects.

The Framework is credited to Albert Humphrey, who tested the approach in the 1960s and 1970s at the Stanford Research Institute. Developed for Business and based on Data from Fortune 500 companies, the SWOT analysis has been adopted by organization of all type as an aid of making decisions.

WHEN AND WHY SWOT ANALYSIS IS DONE.

A SWOT analysis is often used at the start of or as part of a strategic planning exercise. The framework is considered a powerful support for decision-making because it enable an entity to uncover opportunities for success that were previously unarticulated or to highlight threats befores they become overly burdensome.

ELEMENTS OF A SWOT ANALYSIS

As its name states, a SWOT analysis examines four elements:

Strengths: Internal attributes and resources that support a successful outcome.
Weakness: Internal attributes and resources that work against a successful outcome.
Opportunities: External factors that the entity can capitalize on or use to its advantages.
Threats: External factors that could jeopardize the entity's   success.
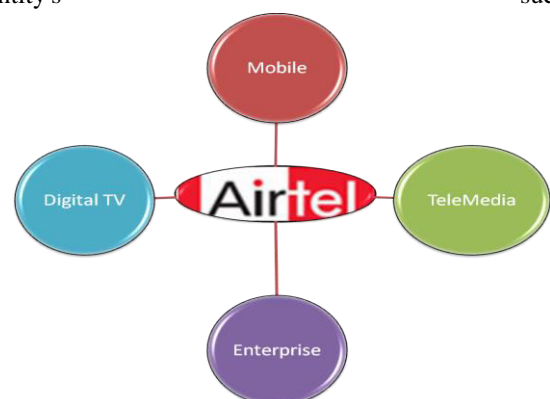
PRODUCT PORTFOLIO

The company is structured into four strategic business units - Mobile, Telemedia, Enterprise and Digital TV. The mobile business offers services in 18 countries across the Indian Subcontinent and Africa.

BCG MATRIX

Boston Consulting Group (BCG) Matrix is a four celled matrix (a 2 * 2 matrix) developed by BCG, USA. It is the most renowned corporate portfolio analysis tool. It provides a graphic representation for an organization to examine different businesses in it's portfolio on the basis of their related market share and industry growth rates. It is a two dimensional analysis on management of SBU's (Strategic Business Units). In other words, it is a comparative analysis of business potential and the evaluation of environment.

According to this matrix, business could be classified as high or low according to their industry growth rate and relative market share.

Relative Market Share = SBU Sales this year leading competitors sales this year.

Market Growth Rate = Industry sales this year - Industry Sales last year.
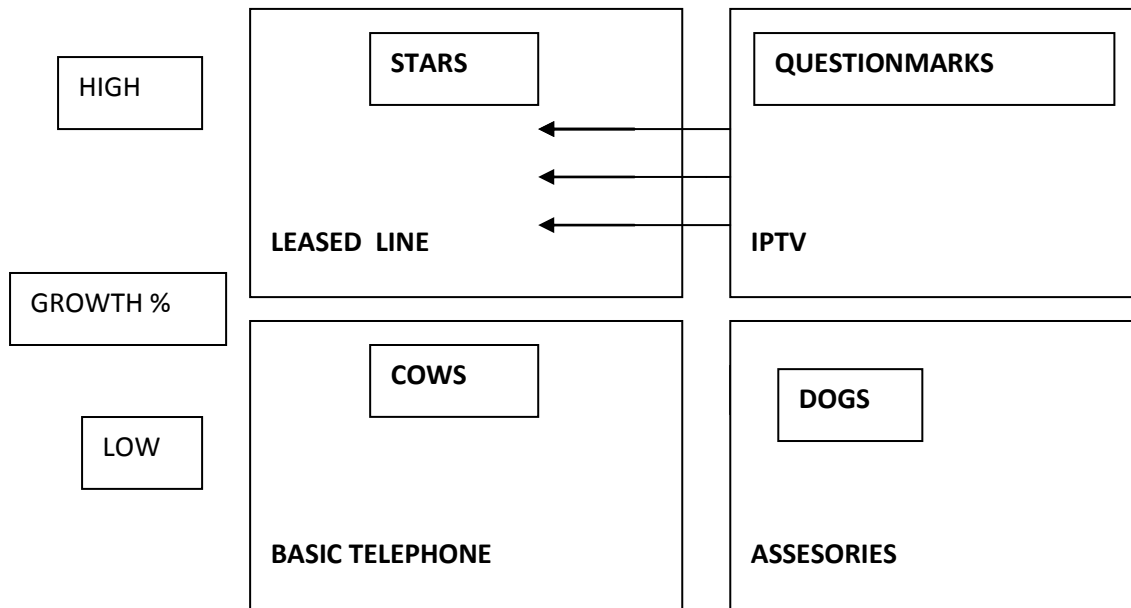
The analysis requires that both measures be calculated for each SBU. The dimension of business strength, relative market share, will measure comparative advantage indicated by market dominance. The key theory underlying this is existence of an experience curve and that market share is achieved due to overall cost leadershi

ELEMENT OF BCG MATRIX.

1. **Stars-** Stars represent business units having large market share in a fast growing industry. They may generate cash but because of fast growing market, stars require huge investments to maintain their lead. Net cash flow is usually modest. SBU's located in this cell are attractive as they are located in a robust industry and these business units are highly competitive in the industry. If successful, a star will become a cash cow when the industry matures.

2. **Cash Cows-** Cash Cows represents business units having a large market share in a mature, slow growing industry. Cash cows require little investment and generate cash that can be utilized for investment in other business units. These SBU's are the corporation's key source of cash, and are specifically the core business. They are the base of an organization. These businesses usually follow stability strategies. When cash cows loose their appeal and move towards deterioration, then a retrenchment policy may be pursued.

3. **Question Marks-** Question marks represent business units having low relative market share and located in a high growth industry. They require huge amount of cash to maintain or gain market share. They require attention to determine if the venture can be viable. Question marks are generally new goods and services which have a good commercial prospective. There is no specific strategy which can be adopted. If the firm thinks it has dominant market share, then it can adopt expansion strategy, else retrenchment strategy can be adopted. Most businesses start as question marks as the company tries to enter a high growth market in which there is already a market-share. If ignored, then question marks may become dogs, while if huge investment is made, then they have potential of becoming stars.

4. **Dogs-** Dogs represent businesses having weak market shares in low-growth markets. They neither generate cash nor require huge amount of cash. Due to low market share, these business units face cost disadvantages. Generally retrenchment strategies are adopted because these firms can gain market share only at the expense of competitor's/rival firms. These business firms have weak market share because of high costs, poor quality, ineffective marketing, etc. Unless a dog has some other strategic aim, it should be liquidated if there is fewer prospects for it to gain market share. Number of dogs should be avoided and minimized in an organization.

HIGH	**STARS**	**QUESTIONMARKS**
GROWTH %	LEASED LINE	IPTV
LOW	**COWS**	**DOGS**
	BASIC TELEPHONE	ASSESORIES

Marketing Strategies of Airtel

• We positioned Airtel as an inspirational and lifestyle brand, in a way that

trivialized the price in the mind of the consumer. It was pitched not merely as a

mobile service, but as something that gave him a badge value.

• Airtel strategy as to be a leader in

-Innovations

-network

-offers and services

Targeting strategy

• They are targeting a group or class of persons enjoying superior

intellectual or social or economic status

• It can be justified by up market professionals

• Elite

• Entrepreneur with business plans

• Low income mass category

• Youth

• Women and senior citizens by post paid connection

Positioning strategy

• Airtel is focused on functionally and efficiency.

• Airtel choose to use music, which is not nearly as effective.

Mobile Strategy

Capture maximum telecommunications revenue potential with

minimum

geographical coverage to maximize its revenues and margins. Build high quality

mobile networks by deploying state-of-the-art technology to offer superior

services.

Use the experience it has gained from operating its existing mobile networks to

develop and operate other mobile networks in India and to share the expertise

across all of its existing and new Circles.

Attract and retain high revenue generating customers by providing competitive

tariffs, offering high quality customer support, proactive retention programs and

roaming packages across all of its mobile circles.

They bring all above strategy by

1. Promos (Aid, Audio visual, Banner / Hoardings, Flex/glow shine)

2. Customer benefit scheme.

3. Network

 Promos

The Company promoting their product and service through the Aid, Audio

visual, Banners, Hoarding, Flex board, etc. though this costumer taking information about new schemes to customer

 Customer benefits Scheme:

The company Strategy is to provide good service to their customer .The company provide lot of scheme for this like life time benefit, full recharge

Scheme etc.

Network

The company provides the tower in every area whose population is near 3000

or the place is historical values.

BACK AND FRONT MARKETING

Airtel with its brilliant moves is been able to win the customer trust by following their two marketing funda ie back and front marketing. Let us first talk about back marketing followed by Airtel.The company always formulates their strategies to get feedback from their existing customers about their services through various methods either through questionnaire and account card. Through this process they easily know about the queries and feedback about their services offered to them. The sales person visits the different offices and talk to them. The account card actually covers various points which reflect the present status of customers and upcoming needs and demands. This data is proved to be very useful in making future strategies by making possible changes in their schemes and plans to be offered which gives the customers a wide

range to select from the alternatives. This makes the company a trustable brand forever. Now talking about the front marketing, the company used to their product and service through the DSA, Audiovisual, Banners, Hoarding, Flex board, etc. through this customer taking information about new schemes. Most importantly the real work is done by the sales executives which are the best medium for the company to bring their new ideas in front of customers. Face to face interaction with the sales person provides the customers a better idea to know about the new schemes and plans. Also they can solve their problem by interacting with them.

AIRTEL'S MARKETING ORIENTATION

➢ Since this is a high-involvement expensive product, the service provider has to fully take care of the customers.

- o They take personal responsibility to "get" the answer for any problem faced by the customer
- o They anticipate customers' problems and take pro-active steps to prevent them
- o They give answers to the questions & requests, quickly & efficiently.
- o They have a positive tone & manner while interacting with customers.
- o They end the interaction on a positive or a humorous note-making the last 30 seconds count.

➢ Airtel realises that attracting people 'Is easy but converting them into loyal customers is hard, hence emphasis is on maintaining a 'Smiling and a Friendly Atmosphere' to please and retain the customer.

➢ **PRICE AND PRICING POLICY**

AIRTEL has realised that the Indian market is price sensitive. Therefore it care of the has come up with various innovative tariff schemes to take needs of different category of customers- Generally, the cellular services are more expensive than the land line based telephone services. This is due to the reason that the operating companies are required to pay a fee to the government for using airtime.

FACTORS RESPONSIBLE FOR MARKET SUCCESS

According to my analysis, the Airtel is very keen with their marketing strategy in the competitive world. There are certain parameters which tell us about that how Airtel became the market leader.

FIRST MOVER ADVANTAGE:

➢ They targeted the elite, up market professionals and entrepreneurs as customers. Airtel was positioned as an asp rational and lifestyle brand.

➢ The taglines like "Airtel celebrates the spirit of leadership" and "The first choice of the corporate leaders" emphasized that stance.

➢ The „Leadership" campaign was reportedly successful and resulted in a marginal improvement in Airtel performance .

HIGHLY FOCUSED ON TELECOM

Bharti Airtel is largely focused on the telecom; around 93% of the total revenue comes from telecom (Total telecom revenue Rs 3,326).

LEADERSHIP IN FAST GROWING CELLULAR SEGMENT

Airtel is holding leadership position in cellular market.. Bharti Airtel is one of India's leading private sector providers of telecommunications services based on an aggregate of 27,239,757 customers as on August 31, 2006, consisting of 25,648,686 GSM mobile and 1,591,071 broadband & telephone customers.

## HEAVY BRAND PROMOTION STRATEGY

Hence Bharti decided to „humanize" the brand „Airtel" to gain competitive advantage. In august 2000 Bharti launched its new „Touch Tomorrow" campaign which aimed at strengthening its relationship with its customers and make the brand softer to cater a wide variety of people across the society.

PROMOTIONAL EFFECTIVENESS

Most of the respondents said that Promotional campaign influenced their decision to shift to the Airtel

CRM in Airtel

Airtel's CRM consists of two parts : **Analytical and operational.**
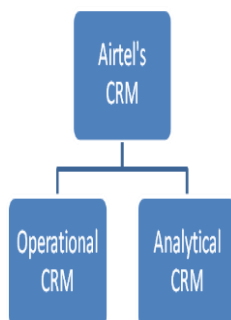
Operational CRM includes customer facing applications such as tools for sales force automation, call center and Customer Service support. The operational CRM makes sure everyday customer transactions hum along efficiently and the Analytical module pieces together data based on customer habits that can help market a variety of services. The **analytical module** sits on a data warehouse, which contains customer profiles, usage patterns, demographics, revenue per customer, and other information. It analyze customer data generated by operational CRM to provide information for improving business performance.

CONCLUSION

This research report is conducted to compare the two biggest competitors in all time in the telecom sector. In this research we find that the both Airtel Vodafone and Jio are the well-established companies in the market. Customers are aware about the name of the companies. They prefer to buy Airtel.

Airtel is the more popular then the Vodafone. Airtel is preferred by the every class and it established itself as a better quality and better service provider than its competitors.

But Vodafone is no fear of it because the young customers are more attracted by it, now the Vodafone takes over Vodafone and now they give the new schemes in the market and for the customers.

And Jio is Best for Pocket Friendly People.

Last but not the least, we can say that the Airtel Vodafone and Jio are going equally to the customer and they choose and at the time of purchasing. The result is that the Airtel is better then the Vodafone in the Delhi NCR. But Customer thinks that Jio have better plan.

BIOGRAPHIES
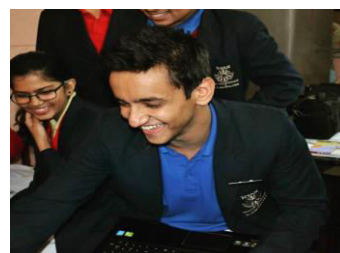
Prateek Prashar is a student pursuing BBA from Amity University and wishes to do something for his country and resolve society problems and be entrepreneur in his life.

Arpan Sinha is a Professor and Program leader in Amity University He always motivate students and go out of his way to help them.