

# A Study on Marketing Strategy adopted by leading Players of Telecom Sector in India (With special reference to Gujarat State)

Narola Jayesh<sup>1</sup> G. and Prof. Dr. Kailash P. Damor<sup>2</sup>

<sup>1</sup>Research Scholar: Geetanjali College of Computer Science And Commerce (BBA)

<sup>2</sup>Professor: Department of Commerce, Saurashtra University, Rajkot.

## Abstract

The Indian Telecom Sector has grown exponentially and has transformed into the second greatest framework on the planet. Availability of moderate progressed cells and lower rates expected to drive improvement in the Indian Telecom Industry. The pro association, which gives benefits better the extent that quality and cost, will be the one before various brands in the engaged market. If the organization quality and cost is extraordinary and sensible when diverged from various brands, by then the brand, which is better, urged by the reference get-together to people, which will make the brand progressively notable, and help in securing and holding more clients. The fundamental point of this paper is to characterize the promoting technique of telecom division. India right presently is the greatest media transmission feature. This is an immediate aftereffect of the growing adaptable economy in India. Advertising methods are fundamental for the turn of events and accomplishment of any association. This is progressively pertinent to telecommunication industry, which generally set apart by tense experiment as system supplier's battle for subscribers.

**Key words:** Marketing, Marketing strategies, Telecom sector.

## 1. Marketing

Marketing is a halfway point dimensions inside any association as it is in charge of reflecting client request once more into an association and guaranteeing the Organization conveys its customers what they need. The Marketing Discipline handles different exploration systems and ideal models to examine buyer fundamental authority, judgment and purchase direct. It discovers the effect of extensive, macro-level variables like socioeconomics, social class and family socialization forms, similarly as the effects of promoting factors, for instance, publicizing, marking, and store design.

## 2. Promoting Strategy

Promoting Strategy incorporates picking, analyzing of the goal markets, making, and keeping up a legitimate advertising mix that satisfies the target market and the affiliation. Advertising Strategy expresses a course of action for the affiliation's assets and methodologies to meet its objectives. Affiliation must not search after techniques that are not dependable with their objectives or that would broaden basically their assets.

## 3. Kinds of Marketing Strategies

Go through the Value Creation procedure may not bring the essential marks. There are three styles of marketing strategies set forward by Michael Porter that are vital to consider at whatsoever point developing the value creation and conveyance grouping process. They are Low-Cost Strategy, Diversity Strategy, and Focus Strategy.

- **Low-Cost Strategy:** An organization or a SBU (Strategic Business Unit), normally expansive, looks to fulfill a wide market by conveying a standard item or administration at a lower cost and later

undervaluing contenders. Such Strategy will go for lessening the cost of creating the item or administration and cost along the store network of the item or administration.

- **Diversity Strategy** : Through this sort of strategy, an association makes an unmistakable, maybe one of a kind, item through its fantastic quality, creative plan, or some other constituent and consequently, can charge a higher than normal price. It very well may be used to seek after either a broad or restricted target market. The assistances of separation strategy are the making of brand faithfulness and higher benefit for the time being and long haul. Its interference is hazard as extraordinary misfortune brought if consumers do not care for the item or service.
- **Focus Strategy**: A firm or a SBU emphasizes on portion of a market and tries to fulfill it with either a remarkably low-priced or an unmistakable item. The objective market is separate by certain factors as concentrated needs.

## 1. Review of Literature

**Panigrahi (2017)** –the researcher has contended that it is a result of the expanding rivalry, which has constrained the current market players to offer high caliber of services at low prices to continue in the marketplace. Aside from this, the arrangements and guidelines of Indian government have likewise assumed a basic role in upgrading the development rate of the Indian telecom industry or sector. It has been identified that the strategies have brought about completing change in the whole industry as the organizations were urged to improve their services in the most ideal and each way. The Indian government has been strong to the telecom sector, and this has additionally brought about completing the smooth stream everything being equal and exercises in the sector.

**Gochhait & Tripathy, (2016)** –the researcher has contended that the fast development of Jio inside such limited capacity to focus time in the Indian market has come at the cost of different brands or system suppliers in the nation. In August 2017, the best three market players in the telecom industry of India have lost in excess of 5 million clients, and this was the effect of Jio's entrance in the sector. It can likewise be communicate that declining productivity and client base have risen as the two most critical issues for brands, for example, Airtel, Vodafone, Idea and BSNL in view of Jio's entrance in the Indian market. The brand has had the capacity to enter the Indian telecom industry in the ideal way through its strategy of offering profound limits and low price services.

**Sharma & Pandey (2015)** - the Indian government has made every conceivable move to help up the execution and development of the telecom industry. The statement can be support by the way that Indian government has created compelling strategies with a target to guarantee simple openness of the telecom equipment.

**Kavaldeep, Neha (2014)** - the author talks about the different telecom services providers providing different services and different services and different marketing strategies just like idea provide strategies for quick problem solving, customer complaint, proper customer care and various other value added services.

**Anuradha, Prabhjot (2013)** -the author said that customer is the king of market. He is the one who purchase any product after analyzing the quality and prices of product. Customer trust is very much important for all for services providers. So, they should develop significant marketing strategies to maintain the trust.

## **5. Objectives of the Study**

1. To Review the marketing strategy implemented by prominent players in Gujarat State.
2. To Review the variations in the subscribers base in India.
3. To review the changes in the Wireless and Wire line subscribers in Gujarat State.
4. To find out the data usage per subscriber every month because of change in the marketing strategy.
5. To derive at conclusion.

## **6. Research methodology**

### **6.1 Research Problem**

Research is a search for knowledge. It is a movement from recognized to unidentified. Research issue of this study is "A Study on Marketing Strategy adopted by leading Players of Telecom Sector in Gujarat State"

### **6.2 Type of Data**

This research is built on the secondary data. The data gathered is of last seven years.

### **6.3 Source of Data**

The data gathered from the Annual reports of Respective Telecom service providers and Performance Indicators Report of Telecom Sector from the year March 2014 to March 2020.

## **7. Data Analysis**

### **▪ Trends of Telecom Sector in India**

**Table 1: Telecom Subscribers in India**

<b>Year</b>	<b>Subscribers in India (in million)</b>	<b>Rate of change %</b>
March 2014	933.01	3.90
March 2015	996.49	6.80
March 2016	1058.86	6.25
March 2017	1194.58	12.81
March 2018	1206.22	0.97
March 2019	1183.51	1.88
March 2020	1177.97	0.47

(Source: Telecom India statistics reports)

### **Analysis**

Indian telecom subscribers' base expanded at reaching 1194.58 million during FY March 2017. In March 2016, the development rate of Indian Telecom subscribers is 6.25% whereas In March 2017 the development rate in subscribers' base is 12.81%, which is higher than the past year. The number of cellular phone subscribers in India increased from 1,179.83 million at the end of Feb-18 to 1,206.22 million at the end of March-18, thereby viewing a periodic growth rate of 0.97%. The number of telephone subscribers in India declined from 1,205.40 million at the end of Feb-19 to 1,183.51 million at the end of March 19, thereby presenting a cyclic decline rate of 1.88%. The number of telephone subscribers in India decreased from 1,180.84 million at the end of Feb-20 to 1,177.97 million at the end of Mar-20, thereby showing a monthly decline rate of 0.47%.

**Table 2: Service Provider Wise Subscribers in India [In Million]**

Service providers	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019
Bharti Airtel	208.75	229.43	254.90	277.51	308.12	329.36
Vodafone	166.62	183.88	198.04	209.20	222.92	395.17
IDEA	135.79	157.81	175.07	195.37	211.21	
Reliance	112.13	110.65	103.58	84.68	1.11	0.75
Reliance Jio	---	---	---	84.68	186.56	306.72
Tata	64.55	67.99	61.82	50.74	33.07	17.68
Aircel	70.15	81.40	87.09	90.90	78.92	0.00
Loop mobile	2.90	0.00	0.00	0.00	0.00	0.00
Quadrant	2.39	2.96	3.42	0.26	0.24	0.22
Sistema	9.09	8.92	7.75	4.97	0.00	0.00
Videocon	4.99	7.13	6.56	0.00	0.00	0.00
BSNL	113.14	93.64	101.58	115.09	124.75.68	126.81
MTNL	6.91	7.06	7.06	7.09	6.90	6.70
Telewings/Uninor	35.61	45.62	52.45	50.49	37.98	0.00
<b>Total</b>	<b>933.01</b>	<b>996.49</b>	<b>1058.86</b>	<b>1194.58</b>	<b>1087.03</b>	<b>1183.41</b>

Note 1: Aircel mobile data is still February 2018

Note 2: Subscription figure for Vodafone and Idea as a merged entity since 2019

(Source: Telecom India statistics reports)

### Analysis

Dependence Jio came in to the market in September 2016 yet inside a brief timeframe range, it catches the market with 84.68 million endorsers toward the finish of March 2017.

- Vodafone and Idea have lost in excess of 53 million endorsers over the most recent a half year and 119 Million subs over the most recent 2 years.
- Bharti Airtel has had the option to expand the endorser base yet they likewise obtained Aircel which had near 74 Million Subscribers. Taking into account that Bharti has additionally lost near 50 Million Subscribers over the most recent 2 years. Nonetheless, there is a 2.3 Million subs expansion over the most recent a half year.
- Reliance Jio is an on binge and has included more than 191 Million Subscribers over the most recent 2 years and 32.28 Million over the most recent a half year.
- It may look odd however BSNL is developing regardless of exceptional rivalry from rivals.

**Table 3: Data usage per subscriber per month in India**

Year	Data usage
March 2014	<b>61.66 MB</b>
March 2015	<b>99.46 MB</b>
March 2016	<b>147.12 MB</b>
March 2017	<b>1000 MB</b>
March 2018	<b>7.69 GB</b>
March 2019	<b>9.06 GB</b>
March 2020	<b>10.9 GB</b>

**Analysis**

In March 2014, the data usage for every subscriber every month is 61.66 MB. In March 2016 the data usage for each subscriber every month were increase to 147.12 MB. In March 2017, the data usage for each subscriber every month has increased to 1000 MB. Then after the usage of data per month is to be increased from 7.69 GB to 10.9 GB due to technological improvement and there is also one reason and that is the India move forward to 5G technology. On the other side, the government is now doing all the activities relates with finance on digital mode.

- **Trends of Telecom Sector in Gujarat**

**Table 4: Telecom Subscribers in Gujarat**

Year	Subscribers (in million)	Rate of change %
March 2014	56.22	5.12
March 2015	60.12	6.93
March 2016	63.67	5.90
March 2017	73.19	14.95
March 2018	73.20	0.01
March 2019	70.53	- 3.65
March 2020	69.18	- 1.91

(Source: Telecom India statistics reports)

**Analysis**

The Telecom subscribers in Gujarat also show the remarkable growth of 73.19 million subscribers at the end of March 2017 with the growth rate of 14.95% as compared with the previous year March 2016. After 2017, the growth rate. In the report made public on July 24, Gujarat's decline was 1.64 percent in wireless subscribers in April. While the country was under Covid-19 lockdown since March 25 till May 31, TRAI data indicates a nationwide decline in wireless subscribers for March, too, when the subscribers in four circles, including Gujarat, reported an increase.

**Table 5: Service provider wise Wireless Subscribers in Gujarat (in million)**

Service providers	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020
Vodafone (GSM)	1.72	18.66	19.35	20.04	20.78	31.64	27.07
Idea (GSM)	9.32	10.98	12.08	13.16	14.57		
Bharti Airtel (GSM)	7.40	7.94	8.53	9.18	9.70	11.52	10.99 (including Tata commu.)
Aircel (GSM)	0.028	0.01	0.01	0.01	----	----	----
Reliance (GSM)	6.19	3.65	4.82	5.44	13.20	19.48	23.07
Reliance (CDMA)		1.23	1.09	----			
Reliance Jio		----	----	8.05			
Tata (GSM)	2.96	2.63	2.57	2.25	1.59	0.68	----
BSNL (GSM)	4.13	3.05	3.55	4.84	5.81	5.95	6.11
Telenor	----	7.35	8.90	8.47	0.62	----	-----

(GSM)							
<b>Total</b>	<b>31.748</b>	<b>55.5</b>	<b>60.9</b>	<b>71.44</b>	<b>66.27</b>	<b>69.27</b>	<b>56.25</b>

**Note: 1.** The subscribers of M/s Bharti Airtel includes subscribers of M/s Tata Teleservices Ltd. (March 2020)

(Source: Telecom India statistics reports & Annual reports of the company)

### Analysis

The above table describes service provider wise subscribers in Gujarat state. Total wireless subscribers (2G, 3G & 4G) 56.25 million at the end of Mar-20 in Gujarat state. Upto the year 2017, it was showing increasing trend but then after it was start declining. Vodafone-Idea's policy to retain its pole situation in the industry revolves around simplified tariff plans, faster integration and strengthening its balance sheet. The company will spend in vital and cost-effective areas, focus on controlling costs in non-priority ones, reduce number of Price plans and maintain a minimum low value recharge for subscribers in order to raise their ARPU. The company is also pointing to use big data and analytics to improve ARPU. The company is focusing on expanding 4G as India is not yet 5G ready. In 2017, the wireless subscribers were registering a periodic growth rate of 0.51%. it is to be noted that, As on 31st March, 2020, the private access service providers held 89.36% market share of the wireless subscribers while BSNL and MTNL, the two Public sector unit (PSU) access service providers, had aoverall industry of just 10.64%.

**Table 6: Service provider wise Wireline Subscribers in Gujarat**

Service providers	March 2014	March 2015	March 2016	March 2017	March 2018	March 2019	March 2020
Vodafone	1590	2460	2910	8149	13427	55670	32052 (Vodafone Idea)
Bharti Airtel	57703	61720	72192	76409	80744	91049	99478
Reliance	94892	81413	74762	72642	29886	19608	9725
Reliance Jio	---	---	---	---	---	---	130278
Tata	76052	84098	86802	88529	94004	155756	85404
BSNL	1459828	1322712	1172423	1110425	1050516	1009423	643726
<b>Total</b>	<b>1690065</b>	<b>1552403</b>	<b>1409089</b>	<b>1356154</b>	<b>1268577</b>	<b>1331506</b>	<b>1000663</b>

(Source: Telecom India statistics reports & Annual reports of the company)

### Analysis

The above table indicates that the service providers wise wireline subscribers in Gujarat. Wireline subscribers decreased from 20.26 million at the end of Feb-20 to 20.22 million at the end of Mar-20. Net decrease in the wireline subscriber base was 0.04 million with a periodic decline rate of 0.20%. BSNL, the PSU access service provides, held 58.47% of the wire linegrowth rate as on 31st March, 2020. It was 21.70 million at the end of March'19. Net decline in the wireline subscriber base was 0.02 million with a periodic decline rate of 0.09%. Before above situation Wireline subscribers further was declined from 22.97 million at the end of Feb-18 to 22.81 million at the end of Mar-18. Net decline in the wireline subscriber base was 0.15 million with a monthly decline rate of 0.67%. In 2017 Net expansion in the wireline subscriber base was 0.05 million with a periodic growth rate of 0.22%.

## **8. Marketing Strategy in the Telecom Sector**

### **8.1 Marketing Strategy of BSNL**

- BSNL Services
- Value Added Services
- M-Secure

- My-Moments
- Digital India Project
- Digital India Initiative
- Rationalizing the Manpower
- BSNL Buzz
- BSNL Speed-Pay
- Make In India Initiative
- Wi-Fi Hot Spots
- Unlimited Free Night Call Scheme

### **8.2 Marketing Strategy of Airtel**

- Marketing Mix
- Mobile Services
- Airtel Money
- Digital TV
- Digital India
- My Plan for the Entire Family
- Airtel Talk
- Voice Free For Broadband Customers

### **8.3 Marketing Strategy of Vodafone**

- Product
- Price
- Place
- Promotion
- Mobile Services
- Fixed Services
- Employee Training

### **8.4 Marketing Strategy of Idea Cellular Ltd.**

- Knowing the Customers Requirement
- Sharing the Information
- Hiring the Employees
- Technological Improvements
- Recruitment Strategy



- Customers Segmentation
- Post-Paid Tariff Plans
- Promotional Strategy
- Easy Share Plan
- Safe Custody Scheme

### **8.5 Marketing Strategy of Reliance- Jio Info. Comm. Limited**

- Digital Communication
- Jio Drive
- Reliance Jio Prime
- Digital Currency
- Digital Entrepreneurship
- Digital Health Care
- Quality Subscribers
- 100 Million Mark
- Oligopolistic Market

## **9. Government Initiatives in 2020**

The Government has optimized changes in the telecom segment and keeps on being proactive in giving space to development for telecom organizations. A portion of the key activities taken by the Government are as per the following:

- In January 2020, Government of India permitted 100 percent FDI in Bharti Airtel.
- The Government of India intended to reveal another National Telecom Policy 2018 in lieu of fast mechanical progression in the segment in the course of recent years. The approach expected to draw in ventures worth US\$ 100 billion in the division by 2022.
- The Department of Information Technology means to set up more than 1 million web empowered normal assistance communities across India according to the National e-Governance Plan.
- FDI top in the telecom segment has been expanded to 100 percent from 74 percent; out of 100 percent, 49 percent will be done through the programmed course and the rest will be done through the FIPB permitted course.
- FDI of up to 100 percent is allowed for groundwork earners offering dark fibre, electronic mail and voice mail.
- The Government of India has presented Digital India program under which all the parts, for example, medical care, retail, and so on will be associated through web.



## **10. Conclusion**

As data, networks expand and internet enabled devices become affordable more and more Indians are accessing the internet through their cell phones. Telecom operators are working on a segmented approach to know the market potential and then to achieve their targets. Department of Telecommunication is planning to serve the nation in its diversity, modern telecommunication facilities will be facilitate to all the rural and wireless corners of the nation. A major development in the last year in Telecom sector is launch of Digital India initiative. It aims to prepare Knowledge Economy nation by leveraging Information Technology for bringing transparency in the functioning of Government Departments. This initiative helps in penetration of digital communication services through broadband. The analysis of the data shows that as tremendous as the Indian Telecom market seems to be, it still has an enormous potential to develop and this can be attribute to the low tele-density in the nation. The companies can explore the development avenues like infrastructure sharing, enterprise telecom services, virtual private networks and most importantly rural telephony. All these avenues can be completely misuse only if the consumers are aware of the kind of services given by the companies, this is possible by having a sound marketing strategy, and the internet boom means that they need an online presence and use it in the best possible way to attract customers.

## **References**

- Gochhait, S., &Tripathy, P. C. (2016) – “The game changer strategy of reliance jio—a case study on predatory pricing”, ICTM 2016, p. 104.
- Panda, R., &Shastri, D. (2016) – “Telecom Regulation and Its Impact on the Growth of the Economy: An Indian Perspective”, IUP Journal of Information Technology, 12(4), p. 48.
- NasitAlpesh A. (2011) -”An empirical study on Marketing strategy of telecom sector in Gujarat”, Ph. D. thesis, Saurashtra University Pg.35-70. pp. 300 -310
- Telecom Statistics India – 2019, department of telecommunications, ministry of communication, government of India-new Delhi.
- <https://www.ibef.org/industry/indian-telecommunications-industry-analysis-presentation>
- [www.traai.gov.in](http://www.traai.gov.in)
- [https://niti.gov.in/planningcommission.gov.in/docs/reports/genrep/bkpap2020/1\\_bg2020.pdf](https://niti.gov.in/planningcommission.gov.in/docs/reports/genrep/bkpap2020/1_bg2020.pdf)