

Assignment On

RELIANCE JIO

For the course

SM722 - MARKETING MANAGEMENT ASSIGNMENT

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1. INTRODUCTION

Reliance Jio Infocomm Limited, Jio, is an Indian telecommunications company and a subsidiary of Jio Platforms, founded by Mukesh Ambani in 2007, headquartered in Mumbai, Maharashtra, India. It operates a national LTE network with coverage across all 22 telecom circles. It does not offer 2G or 3G service, and instead uses only voice over LTE to provide voice service on its 4G network.

Jio soft launched on 27 December 2015 with a beta for partners and employees, and became publicly available on 5 September 2016. As of 31 December 2019, it is the largest mobile network operator in India and the third largest mobile network operator in the world with over 38.75 crore (387.5 million) subscribers.

In September 2019, Jio launched a fiber to the home service, offering home broadband, television, and telephone services. Since April 2020, Reliance Industries has raised ₹152,056 crore (US\$21 billion) by selling 32.97% equity stake in Jio Platforms.

The company was registered in Ambawadi, Ahmedabad, Gujarat on 15 February 2007 as Infotel Broadband Services Limited (IBSL). In June 2010, Reliance Industries (RIL) bought a 95% stake in IBSL for ₹4,800 crore (US\$670 million). Although unlisted, IBSL was the only company that won broadband spectrum in all 22 circles 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.

In June 2015, Jio announced that it would start its operations throughout the country by the end of 2015. However, four months later in October, the company postponed the launch to the first quarter of the financial year 2016–2017.

Later, in July 2015, a PIL filed in the Supreme Court by an NGO called the Centre for Public Interest Litigation, through Prashant Bhushan, challenged the grant of a pan-India licence to Jio by the Government of India. The PIL also alleged that the firm was being allowed to provide voice telephony along with its 4G data service, by paying an additional fee of just ₹165.8 crore (US\$23 million) which was arbitrary and unreasonable, and contributed to a loss of ₹2,284.2 crore (US\$320 million) to the exchequer. The Indian Department of Telecommunications (DoT), however, explained that the rules for 3G and BWA spectrum didn't restrict BWA winners from providing voice telephony. As a result, the PIL was revoked, and the accusations were dismissed.

The 4G services were launched internally on 27 December 2015. The company commercially launched its 4G services on 5 September 2016, offering free data and voice services till 31 December, which was later extended till 31 March 2017. Within the first month, Jio announced that it had acquired 1.6 crore (16 million) subscribers. Jio crossed 5 crore (50 million) subscriber mark in 83 days since its launch, subsequently crossing 100 million subscribers on 22 February 2017. By October 2017 it had about 13 crore (130 million) subscribers.

2. OBJECTIVES

- Jio Platforms Limited (Jio) is creating a massive digital ecosystem for a billion Indians with domain expertise across business verticals in the platform company. The platform company will not just provide world-class fixed-mobile converged connectivity, but also digital solutions across business verticals and the customer life cycle.
- Jio has made investments in excess of US\$50 billion since inception to create the largest and most advanced digital and connectivity ecosystem in India, with a rich bouquet of successful apps and platforms. Jio's services span across connectivity and cloud, media, digital commerce, financial services, gaming, education, healthcare, agriculture, Government to Citizen (G2C), smart cities and manufacturing.
- Jio has created strong internal capabilities across the following key digital technologies: Infrastructure as a Service (IaaS), Platform as a Service (PaaS), Big Data, Augmented Reality/Virtual Reality (AR/VR), Internet of Things (IoT), Blockchain, Artificial Intelligence (AI), Machine Learning (ML), edge computing, speech/natural language, supercomputing, computer vision, robotics and drones. These capabilities will power the creation of reimagined solutions for various ecosystems.
- Jio envisages a significant opportunity in building a digital society for the citizens of the country, which besides catalysing productivity and overall economic growth would also generate shareholder returns over the next several decades. Jio is geared up to touch the lives of over a billion Indians!
- Reliance Jio reached its goal of 100 million subscribers in February 2017, after 170 days of existence. Since then, it has only grown bigger and bigger. By June 2017, the network had reached 200 million subscribers, thus making a record for the fastest growth of users. As of December 2019, Jio is the third-largest telecom service provider in the world and has a network of close to 400 million subscribers.

3. MISSION , VISION , CORE VALUES

3.1 MISSION

JioLife Global Pvt. Ltd is a natural body care company with a mission of enriching lives through the pleasure of our products and the positive impact of our business practices. That impact touches individuals, communities, and the world.

3.2 VISION

- Our goal is to fulfill the beauty and personal grooming needs of the consumer by providing innovative products to help us accomplish success, thereby delivering greater Consumer value and achieving sustainable growth.
- To build a brand that consumers trust, by fulfilling their need through continuous improvement.
- Our Vision is guided by our core values. Achieving our vision requires superior and continually improving performance in every area and at all levels of the Organization.

3.3 CORE VALUES

- Integrity: We must conduct our business fairly, with honesty and transparently.
- Understanding: We must be caring, show respect, compassion, humanity for our Customers and colleagues.
- Excellence: We must constantly strive to achieve the highest possible standards in our day to day work and in the quality of the products and services we provide.
- Unity: We must work cohesively with our colleagues across the Organization and with our customers, building strong relationships based on understanding and mutual cooperation.
- Responsibility: We must continue to be responsible, sensitive to the people and environments with which we work and continue to always increase customer satisfaction levels.
- Corporate Governance: Corporate Governance consists of laws, policies, procedures and most importantly, practices that ensure the well-being of our assets.

4. MARKET POSITION

Market size of Jio is the second telecom player. In which Jio is capturing more than 23% per cent of the Indian market and per some mobile app like True caller and True insights data Jio has grown rapidly in the latter half of 2016 that is over 16.2 million subscribers in November and taking the total subscribers base to 51.87 million after launching the services. And as per telecom Regulatory Authority of India, telecom subscriber has grown over 1.12 billion and large number were credited to Reliance Jio Infocomm Ltd and TRAI data also state that Jio is leading in mobile broadcast segment which is followed by idea, Airtel and Vodafone and in internet data services also Jio leads with the 42 percent users having activated 4G

Telecom industry is a booming industry which contributes 3 billion per day revenue. Some people say that the organization is continuously reducing cost and their expenditure which accelerate growth in some segments of the telecom industry and they are penetrating fiber in the access network and quick development and deployment of associated technologies. At the present era, all telecom operators follow 3 key points: customers who buy the product, operators who sell the product and equipment vendors who make services available .

The future projection of Jio was decided at annual general meeting which included tariff plan and tariff packages focused on specific categories of users and Jio is also planning to file its tariff plans with (TRAI) Telecom regulatory authority of India and special tariff plan for LYF customers to make these handsets more attractive and opened the preview offers to almost all leading smartphone brands. Reliance Infocomm has tied up with around 20 smartphone brands to bundle Jio sim cards and mainly targeting primarily RS 3000-10000 segment smartphone which will still contributes around 75% of sales in India and to raise their share by 45% by value and company is planning to offer services at substantially lower rates than rivals. Jio will make services accessible and affordable to all consumers. Jio, was exhibiting chatbots of its own that could soon discover their way to an Android telephone close to you.

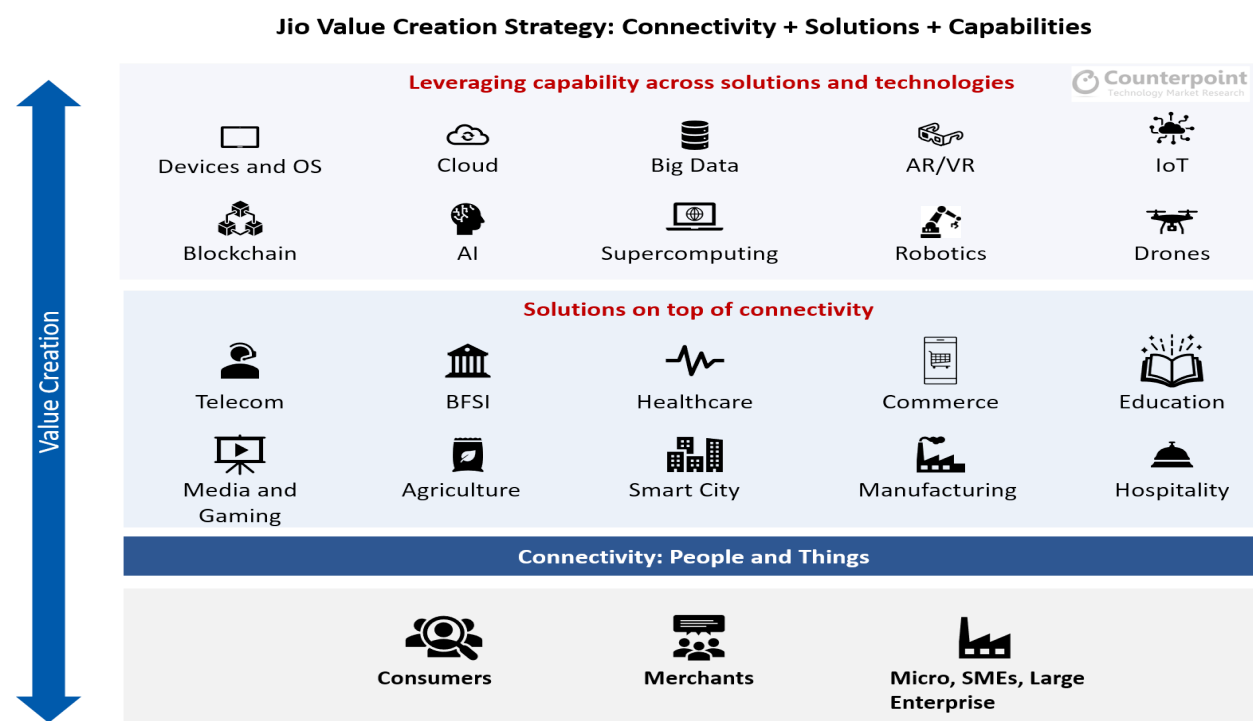
4.1 RELIANCE JIO:FROM TELECOM OPERATOR TO SOLUTIONS PROVIDER

Reliance Industries Limited (RIL), one of the largest conglomerates in the world, held its 43rd annual general meeting (AGM) on July 15. On the occasion, several noteworthy announcements were made for the company's digital service business, showcasing the ambitions to transform Reliance Jio from a telecom operator into a solutions provider building a whole ecosystem. The AGM was held against the backdrop of a massive and unprecedented stake sale which saw over

\$15 billion investments in the past 12 weeks. In fact, during the AGM itself, Google was added to the list of strategic investors.

Starting as a telecom operator, Jio is now moving towards becoming a tech solutions company. Under its digital business, the Jio telecom arm will provide digital connectivity (wireless broadband, NBIOT, fiber for home and business), which can be leveraged by building solutions on top of it for consumers and enterprise, thus enabling new revenue streams and future-proofing the growth in a country which is at the cusp of digital transformation. Currently, Jio has a 4G network covering 99% of the population and the largest customer base. It has the largest data traffic in India with an average per user consumption of 11.3GB per month (smartphone and JioPhone combined) with approximately 5 hours of engagement per day. This scale, user engagement, robust balance sheet, the app and solutions ecosystem and the fact that Jio is now 5G ready will help it deploy these services and solutions even more effectively.

Exhibit 1: Value Creation Strategy of Jio



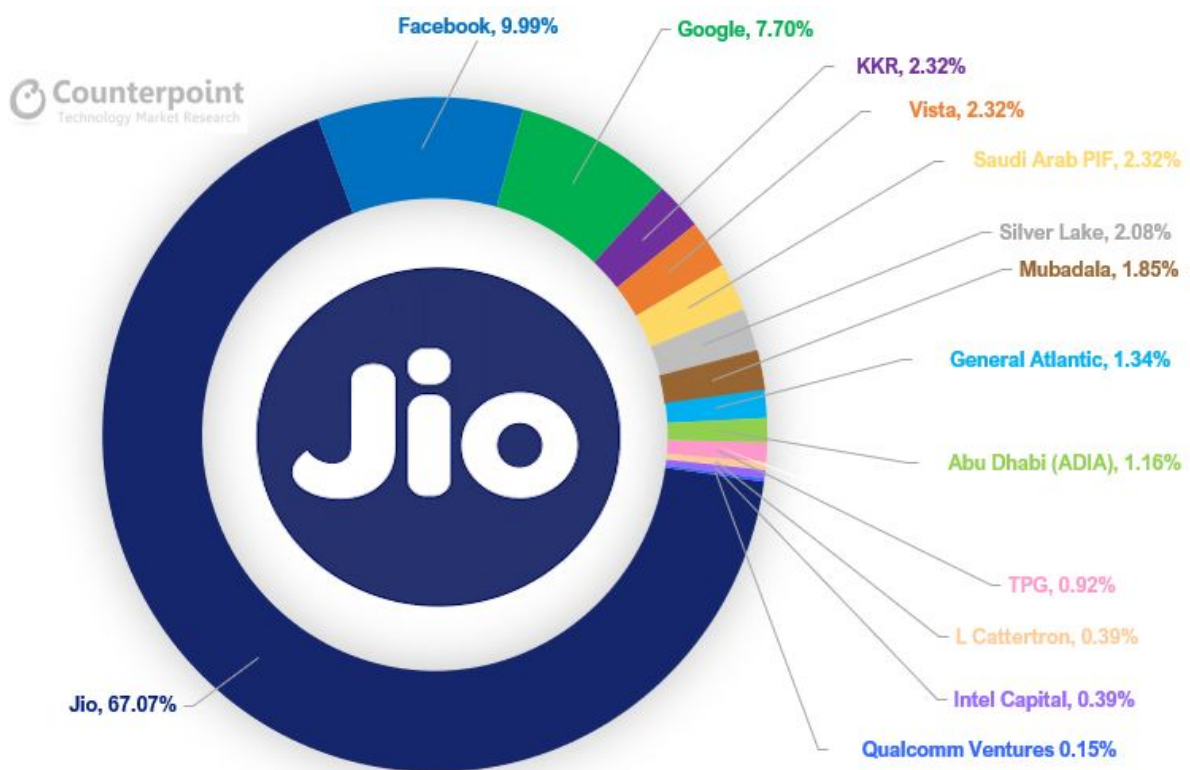
Source: Reliance Integrated Annual Report 2019-20

Over the last few months, there have been some big names like Facebook that have invested in Jio. One of the new investors, and probably one of the most important ones, is Google:

4.2 GOOGLE INVESTMENT: POTENTIAL FOR DISRUPTION

- Google and Jio have entered a binding agreement under which Google will invest \$4.4 billion in Jio, from its \$10-billion India digitization fund.
- Together they will develop an Android-based operating system for smartphones, committing to bring affordable 4G smartphones to propel upgrades of 350 million feature phones.
- There is also a ready base of Jio Phone users which can upgrade to affordable smartphones.
- This will also help bring users online and enhance the experience and monetization opportunities of a host of Jio platform applications and services.

Exhibit 2: Investments in Jio, Including Google



With this partnership, Jio has hinted at targeting the 2G users and upgrading them to 4G. This will become even more lucrative when it comes to Jio's hardware offering. Hence, Jio will be taking another shot at entry-level smartphones, partnering closely with Google. Google's

partnership will give it more flexibility to offer stable hardware and software experience. Individually, both Jio, with its initial 4G smartphone launches, and Google, with its Android One program, tried in the past to capture the entry-level smartphone user base but didn't succeed. India is the second-largest smartphone market in the world and still underpenetrated relative to many other markets (40% smartphone penetration). This presents a big opportunity for ecosystem players and companies including Google are eyeing growth opportunities in this market. Google's investment in Jio is surely not a surprise considering the underlying opportunity. This can be leveraged in many ways, especially with a partner like Jio which has strong platform ambitions to scale up not just in India but globally as well.

Jio was able to disrupt the 4G ecosystem in India with affordable data and devices. With its partnership with Google, Jio has the same potential in 5G as well. It is already ready with its 5G solutions and probably will be the fastest in India to launch a 5G network with scale. This combined with an affordable 5G device has the potential to take significant share away from brands as well as operators eyeing the Indian 5G market in 2021-2022.

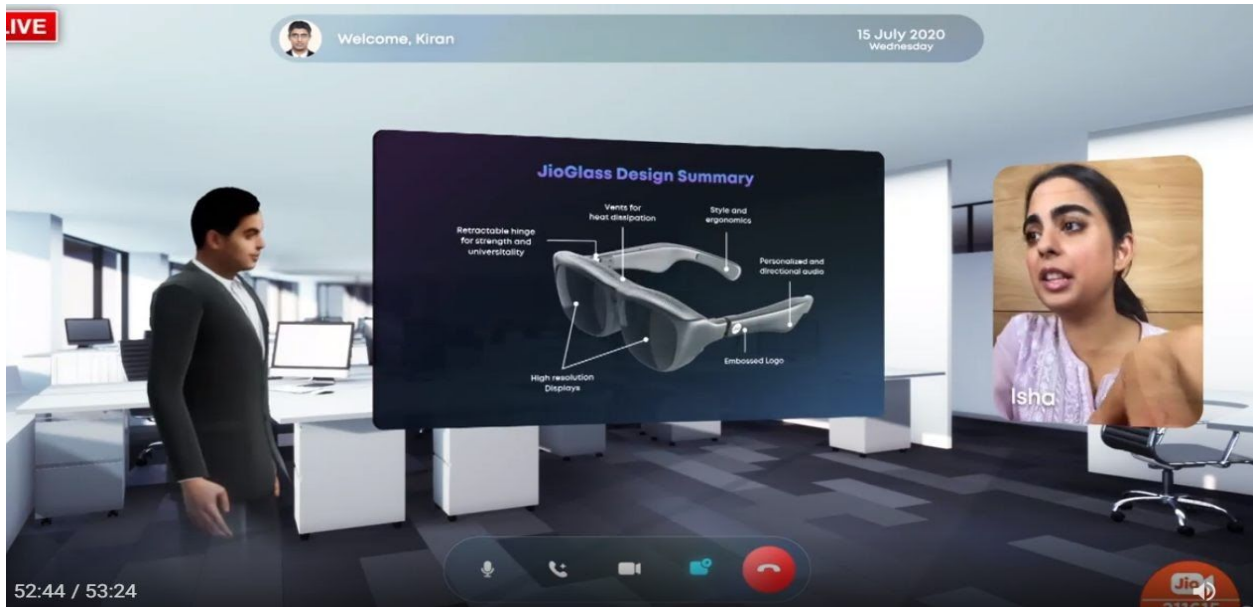
Apart from this partnership, there were some industry and consumer applications and solutions also displayed by Jio during the AGM. This is in line with its strategy to be a platform player in the future. Solutions showcased during the AGM included Jio Set Top Box, Jio Glass, Jio Meet and Jio Mart.

4.3 JIO GLASS: DISPLAY OF CAPABILITY

Jio also unveiled its mixed reality glass, which weighs only 75 grams. It offers support to 25 apps, personalized audio, cable to attach to smartphones, holographic call, and support for the presentation. There are several opportunities and use cases for Jio Glass, some of which are listed below:

- Integration with Jio Meet
- Integration with Embibe (online education app from Jio) to provide classroom experience at home and innovative learning approaches using holograms.
- Jio Glass also has the potential to be integrated with the solutions Jio may bring out for the manufacturing segment.

Exhibit 3: Virtual Meeting Using Jio Glass



Jio Meet: Bringing online collaboration and use cases

Jio Meet is the online meeting platform from Jio. The platform offers no limit on the number of participants and the duration of the call. Several use cases were shown for education and healthcare. The ed-tech sector is growing substantially in India and Jio can leverage this by the integration of Jio Meet with Embibe. Another opportunity is the integration of Jio Meet with Jio Health Hub for online consultation.

4.4 JIO MART: DIGITIZING RETAIL WITH SCALE

Jio Mart is an O2O model (Online to Offline) which will connect the local grocery retailers directly with the consumers and replace the cash-rich business model. The omnichannel tech platform has already registered 250,000 orders a day in 200 cities through its beta version. Jio now plans to expand this both in scale and new offerings (will scale to electronics, fashion, pharma, and health). Jio Mart holds one of the largest potentials for Reliance, especially after investment from Facebook. We have analyzed this in a previous blog ([read here](#)). Reliance is the biggest retailer in India and two-thirds of the Reliance retail stores are in Tier 2 and Tier 3 cities. Jio Mart can act as a single platform for its own retail business to come online and to extend the reach into smaller cities with huge untapped potential.

4.5 COMPETITORS

Reliance Jio has the simplest offering compared to all operators. All Reliance Jio users can subscribe to any plan listed on the company's website without worrying about their telecom circle. Additionally, it is the only operator that offers truly unlimited voice calls and SMS (with a TRAI-mandated 100 SMS/day limit).

Airtel comes in second, thanks to its newly launched offers. There's a lot of room for improvement in Vodafone, Idea and BSNL's offerings. The complexity and price variations from circle to circle can be very confusing.

4.5.1 COMPETITION

Reliance Jio caused the total revenue shares of its competitors to drop by 7% within the first two-quarters of its commencement. Faced with stiff competition, Sunil Mittal-led telecom giant, Bharti Airtel, suffered a 72% decrease in its net income during the quarter ending in March 2017 and recorded a 4.9% decline in its profits. Adversely affected by Jio, Vodafone India, the second-largest telecom operator, witnessed a near 8.3% drop in its service revenue in the first quarter of 2017. The third-largest telecom operator, Idea Cellular, saw its data revenue decline by more than 19% and a decline of over 6.4 million in the fourth quarter. The Telecom Regulatory Authority of India's (TRAI) telecom subscription data for the month of October 2019 suggests that Reliance Jio was the topmost gainer in terms of new subscriptions, highlighting the continued success of the venture.

4.5.2 MARKET STRUCTURE AND STRATEGIES

In order to combat the competition triggered by Reliance Jio Infocomm Limited, British telecom major Vodafone and Aditya Birla group-run Idea Cellular announced the merger of their operations on August 31st 2018, creating the largest mobile operator by customer and revenue market share, and this merger has managed to hold the top spot as of October 2019.

The Vodafone-Idea merger and the other such consolidations in the telecom sector will lead to pooling of vital resources and infrastructure, which will inevitably lead to better service quality and customer experience for consumers. The telecom industry is now composed of three sets of players; Established operators like Airtel, Vodafone and Idea Cellular which have done well in the past and have strong brands; weaker players like Telenor, MTS, RCOM, BSNL, MTNL and Airtel which are either existing or consolidating for survival, and Reliance Jio, which has redefined the technological and strategic landscape of the telecom sector.

4.5.3 SOCIO-ECONOMIC

Considering another angle of the impact of Jio, we may look at a relevant programme- Digital India. Digital India, a campaign launched by the Government of India on July 2nd 2015, aims at making government facilities available to citizens electronically, especially in rural areas, by making the country digitally empowered in the field of technology..

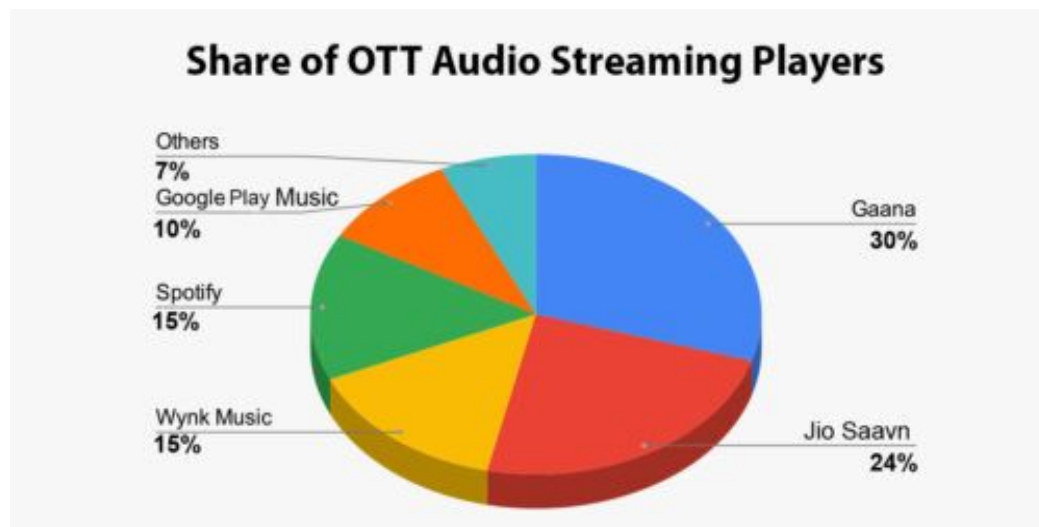
When it comes to Digital India, the high usage of data services by its customers is a plus point for Reliance Jio. According to a recent report by Ericsson, India now leads worldwide in data usage per smartphone at 9.8 GB per month and the usage is set to double by 2024. By offering free 4G services and aggressive marketing, Jio offered more choices to consumers among the existing options. The incumbent operators like Airtel, Vodafone and Idea were also made to improve their quality of services, which was ultimately better for the users. The demand for Voice over LTE (VoLTE) phones in the country has also surged. 80% of LTE compatible smartphones shipped during the July-September quarter (Q3) were VoLTE enabled and 90% of all LTE (4G) enabled phones shipped into India in the first half of 2017 use VoLTE technology.

4.6 TELECOM

Jio leads the market with 33.47 per cent followed by Airtel which stands at 28.31 per cent market share in the wireless subscriber base. Third, comes Vodafone Idea with 27.57 per cent market share, followed by BSNL (10.35 per cent) and MTNL (0.29 per cent).

4.7 STREAMING SERVICE

4.7.1 MUSIC



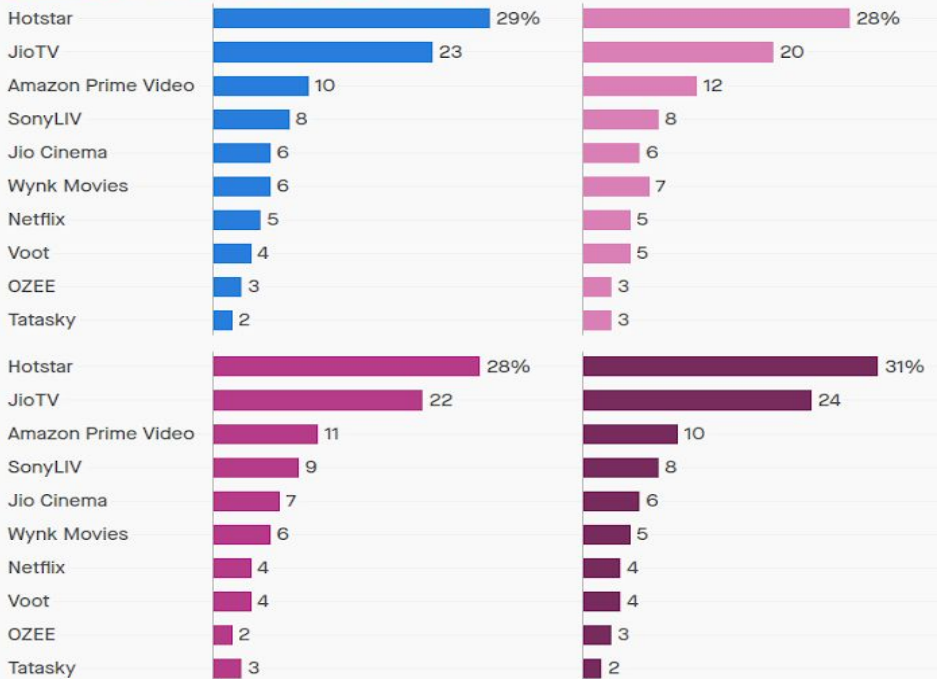
Music Apps Comparison

Apps	Price	OS Supported	Free or Paid	Students or Sharing Plan	Audio Quality
Spotify	Rs 119/month	Android, iOS, Windows	Both	Student	up to 160kbps (free), 320kbps (paid)
Amazon Prime Music	Rs 999/perYear	Android, iOS, Windows	Paid	N/A	256kbps mp3
JioSaavn	Rs 99/month	Android, iOS, Windows	Both	N/A	up to 160kbps (free), 320kbps (paid)
Gaana	Rs 99/month	Android, iOS, Windows	Both	N/A	128kbps (free), 320kbps (paid)
Apple Music	Rs 120/month	Android, iOS, Windows, Mac OS, Watch OS	Paid	Sharing Student	256 kbps flac

4.7.2 VIDEO

Market share of India's video-streaming apps across geographies

■ National ■ Tier 1 cities ■ Tier 2 cities ■ Tier 3 cities



5. CASE STUDY

In an interview a few years ago, Mukesh Ambani said, “Broadband and digital services will no longer be a luxury item, a scarce commodity to be rationed among a privileged few”. Whether it

was Ambani's dream to take over the telecom industry and 4G space in India is unclear, but the fact remains that that is what has happened. From December 2015 when it was first launched, until 2020, the marketing and growth strategies employed by the management team at Jio have enabled this company to emerge with giant-like proportions and establish itself as a leader in the Indian telecom space.

5.1 EARLY DAYS

Companies are not formed overnight; a lot of planning and preparation goes into the development of products and marketing strategies. However, with Jio, it seems as though it suddenly emerged out of nowhere.

The truth of the matter is different, though. Reliance Jio Infocomm Limited was formed in 2007. In 2010, it acquired 95% of Infotel Broadband Services Limited. This lesser-known company was attractive because of the services and opportunities it offered in exchange for the price tag. IBSL is what allowed Reliance to develop its 4G network all over the country.

Reliance Jio's first product was the Lyf smartphone which was launched in the Indian markets in 2015. This product, while hyped and advertised, did not really take to the masses, and failed to generate sufficient demand. 2016 brought Reliance Industries Limited's 42 annual general meetings. It was here that Ambani first announced his plans to take over the 4G space in India, with the launch of the Reliance Jio.

"By March 2017, we will cover 90% of India's population. It will be the largest 4G network today," he said to his shareholders.

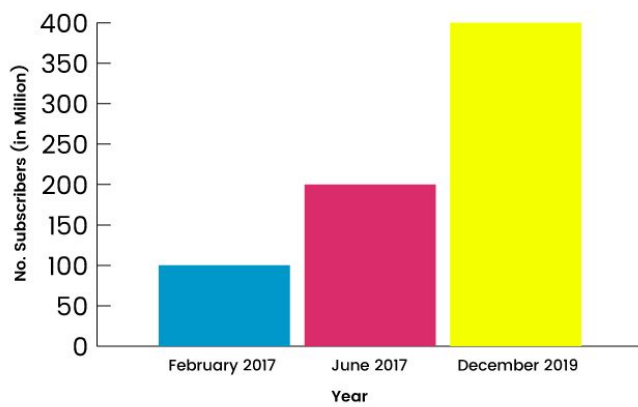
5.2 JIO TAKES OVER THE MARKET

The reasons behind Jio's marketing strategy are based on a simple premise — free is always better.

For any newcomer, breaking into the telecom industry which is typically dominated by a few large companies, much like in an oligopoly structure, is difficult, to say the least. This is one of those industries where users are not very keen to shift from brand to brand. There are certain barriers to changing brands, namely, the mobile number, finding a suitable tariff plan, etc. While these issues can be solved, once you find a company which suits your needs, unless you find something that is drastically better, you would not want to shift.

The one thing that is unilaterally always better, is the same service being offered for free. Or in this case, Jio offered free 4G data to all its subscribers, which, in 2016, was a luxury commodity. The initial scheme that accompanied the launch of Jio was free services till

December 2016. Under this scheme, each individual was given access to free SIM cards and free 4G data to fulfil all their browsing needs. In fact, the free service was not only limited to 4G data; Jio also provided free voice-calling, both local and STD. This kind of scheme was previously unheard of and represented the Utopian mobile plan for every Indian. This aggressive marketing scheme was in line with Ambani's target to reach 100 million subscribers in 100 days. In December 2016, Jio announced that it would extend the premium free service till March 2017. Named as the "Happy New Year" plan, this extension made Jio the first telecom provider in the world to dish out six months of free service.



Reliance Jio reached its goal of 100 million subscribers in February 2017, after 170 days of existence. Since then, it has only grown bigger and bigger. By June 2017, the network had reached 200 million subscribers, thus making a record for the fastest growth of users. As of December 2019, Jio is the third-largest telecom service provider in the world and has a network of close to 400 million subscribers.

5.3 A METEORIC RISE

“If your guiding light is what the customer really wants, then you cannot be wrong.”

Before Jio came to the market, high-speed internet data was a luxury for the majority of Indians. On average, people paid between Rs. 200 and Rs. 500 for limited 3G mobile data. “Digital only” strategies were practically unthinkable.

Jio's approach to this situation was two-fold. In order to answer a need that customers may not be aware of, you first need to provide a sample of what your solution is. This is the fastest and most reliable way of creating demand. Once customers are hooked, the chances of retaining them once you move to a paid model are much higher. In Jio's case, there was an innate advantage. The product being introduced was not only free of all charge, but it also disrupted the entire telecom space in India and brought high-speed data to the general public. People were now streaming movies, watching videos, video-calling others, and much more, all from their mobile phones.

This trial period also serves as an opportunity for the company to test out their product, and then use the data from that period to optimise its network to the needs of the consumers. It serves as the equivalent of a clinical trial, only less intrusive.

Jio moved to a paid model from April 2017. By this time, they had provided six months of free service and had successfully hooked their subscribers. The chances of retention were already high. If you add in the advantage of having disrupted the entire telecom industry in India, it will become apparent why Jio's retention rate was through the roof. There was no other telecom service provider in India who could match Jio in terms of tariff and the uninterrupted supply of high-speed mobile data. Market leaders like Airtel and Vodafone lost out in this regard, and Jio triumphed.

It was also around this time that dual-SIM phones gained popularity. It became exceedingly easy for individuals to retain their Jio SIM cards and use them for mobile data while keeping their original phone numbers for other purposes. Between February 2017 and June 2017, Jio's subscribers doubled in number. Within a span of one year, the telecom industry in India started looking very different indeed. Jio's focus was no longer restricted to only SIM cards. They brought out new products like 4G enabled phones, broadband services, television services, and many others.

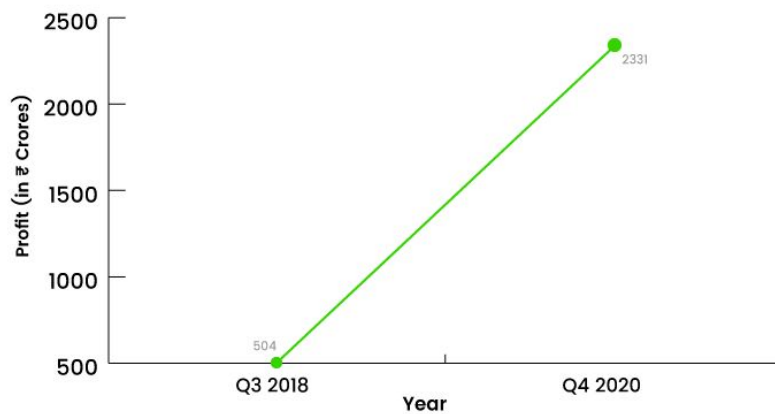
The strategy employed here is very shrewd. The idea is to first develop a core product or service, and convert customers. Then, you can start to roll out the other supplemental products which are based on that core service. In Jio's case, the core product is the 4G network. The supplemental products like 4G enabled phones, smart televisions and others create tangential demand which is based on the original requirement for 4G data. This generates demand on different levels.

5.4 INCREASING NUMBERS

Generating demand and creating a customer base is the first step. Then comes the task of long-term retention. There are several ways of accomplishing this.

First is the bandwagon effect. If you see everybody around you wearing Converse shoes, Now, although this is the prevalent practice, having a large debt burden imposes an ever-present then it creates in you an unconscious desire to fit in and wear Converse shoes. Thus, you start desiring Converse shoes. For Jio, the referral stage was particularly important as other telecom service providers had not caught up with a 4G network

of that magnitude. With coverage in all 22 telecom circles, Jio became the largest mobile network operator in India by 2019.



In the financial year 2019-20 alone, profits have increased by 88%. Revenue increased by approximately 40%, and EBIT rose by 64%. In fact, during the coronavirus pandemic, Jio reported that data usage on their network increased by over 50%.

Second is the timely launch of new products to keep your customers' attention. The original 4G LTE service was launched in September 2016, along with the Jio music app, video streaming app and other accompaniments. The JioPhone was launched in August 2017, with subsequent models being introduced in 2018, and in 2020. These phones are created to answer the complementary demand for affordable 4G compatible phones, generated by the original demand for 4G data. For the manufacture of these phones, Jio has partnered with Google. Apart from this, the company has also launched Wifi routers and other electronics.

Since its introduction in 2016, Jio has introduced at least one new product every year to keep their customers hooked, and to maintain a consistent growth rate in their base of subscribers. Most of the products launched are based on 4G, their original product, and span out from there.

5.5 QUEST TO BECOME DEBT-FREE

Most of the companies we see around us function on debt. They obtain external capital from banks or other investors, use that capital to fund their production activities, wait for the revenue to start flowing in and then repay the initial credit that had been taken. The reason why companies function in this manner is that their main source of income, the revenue, comes after the product has been created and is ready for consumption. It shows up on the company's balance sheet, and brings down the debt-to-equity ratio and others. For larger companies who have a steady and consistently increasing stream of revenue, they try to keep the debt as low as possible and instead, use retained earnings and shareholders' equity to finance their production activities.

Non-current debt liabilities also pose a hindrance to the company's earnings per share and the profit left over after payment of interest and tax, as non-current debt has to be serviced in the form of regular interest payments.

Overall, a debt-free company is more reliable, self-sufficient and presents itself as a safe and sustainable bet to investors. If it was easier to become debt-free, I doubt any company in the world would choose to keep a positive level of debt.

There are a few other reasons which are specific to Reliance Jio as a subsidiary of Reliance Industries, and as a participant in the Indian telecom space.

For starters, in industries like telecom, there is an initial investment in the creation of the network infrastructure. According to Ambani, to get Jio off the ground and into the atmosphere, it took an approximate amount of 150,000 crores. This, of course, includes the amount spent on the acquisition of Infotel, as well as the subsequent investments to develop the optical fibre network in India. Much of this initial investment was diverted from the parent company, RIL.

Apart from that, there is also a growing saturation in the petrochemical industry. History has always been a testament to the fact that entrepreneurs who enjoyed long-term success were the ones who were blessed with the gift of foresight. Ambani realised that there is little scope for new growth in the refinery and petrochemical business, which, so far, has been the primary driver of RIL's revenue stream. With impending saturation, one has to look for new opportunities elsewhere, which is part of the reason why Ambani is now focussing so strongly on the growth of Jio. Part of the reason why he wants to make RIL debt-free is to remove any external stress from his potential star.

At the beginning of 2020, RIL's net debt amount stood at 1.61 lakh crores. Over the past decade, Reliance's debt burden increased by 420%, and interest payments increased by 691%, while the profit earned increased by only 63%.

5.6 ACQUISITION OF INVESTORS

At the annual general meeting in August 2019, Mukesh Ambani announced his plans to make Reliance completely debt-free by March 2021. He achieved this target in a span of 9 weeks, amidst the coronavirus led pandemic.

"I have fulfilled my promise to the shareholders by making Reliance net debt-free much before our original schedule of 31 March 2021," said Ambani.

Funds have been raised through two sources. The first is a rights issue, which means a subsequent offering of shares to the existing shareholders at a discounted price. Similar to an FPO, a rights issue only focuses on existing shareholders, as opposed to the general listing of more shares for anybody.

The Reliance rights issue was oversubscribed by 1.59 times and raised more than 53 thousand crores for the company.

Apart from this, the majority of funds came from the sale of stakes in the Reliance Jio platform. A total of 24.7% of Jio has been sold to external investors like Facebook, Silver Lake, Vista Equity, General Atlantic and others. An amount of close to 1,15,700 crores has been raised from the eleven external investors. The remaining 75.3% of Jio is being retained by Reliance Industries.

5.7 ROAD AHEAD

As of now, Jio is the largest mobile service provider in India, and the third-largest in the world. The company has a base of close to 400 million subscribers and is growing at a very impressive rate. The price of RIL shares has increased from Rs. 875 in March to Rs. 1,700 by the end of June, which means a rise of 94.3%.

Going forward, it is expected that RIL will try to reduce its other liabilities and focus on fortifying its balance sheet and making it even stronger. The company is currently negotiating with the Saudi Arabian company Aramco for the sale of a stake of its original petrochemical and refinery business. It is also expected that Ambani will bring an IPO for Reliance Jio within the next 5 years.

The road ahead for RIL is brightly lit with the potential imbibed in its telecom and retail businesses. Big things are in store for Reliance, and we expect the company to maintain its status as one of the leaders in the Indian business space.

6. 7 P's OF MARKETING

6.1 PRODUCT

If we contrast the item and officeholder players in the Indian Telecom industry then we found these extraordinary things in Reliance Jio

1. RJio works just on 4G and would have the capacity to boost 5G, 6G
2. RJio is completely VoLTE based and that implies voice calls would be made through Data network
3. Free voice calls and free roaming is the core USP (Unique Selling Proposition) of Reliance Jio
4. RJio consumers will appreciate the Free welcome offer till March, 2017. This contains free Data, voice calls and helpful applications and substance. RJio would utilize that opportunity to make consumers familiar with RJio's elements and to moderate the interconnection issues with another administrator. Deliberately, it can be to pick up a piece of the pie as fast as could be expected under the circumstances.
5. eKYC would empower clients to get Jio SIM initiation in 15 minutes. Aadhar card would be utilized for that. In any case, Airtel and Vodafone additionally had this administration.
6. Jio TV, Jio Chat, Jio Cinema, Jio Music, Jio Mags, Jio Xpress News, Jio Money, Jio Security, Jio Newspaper, My Jio, Jio Chat Messenger, Jio 4G voice, Jio Drive and JioSwitch

6.2 PRICE

RJio has guaranteed to its consumers to get the least expensive (low value) Data even after the welcome offer. As low, as in scope of Rs. 50 for each GB. And additionally, giving 8GB of Wi-Fi access at Jio Wi-Fi hotspots, and boundless utilization around evening time, so it unquestionably works out to an exceptionally sensible sum, and under that Rs. 50/GB figure once you consider that.

6.3 PLACE

RJio is an Indian company with a Pan-India presence. For the accessibility of item circulation channels ought to be all around arranged.

1. RJio has arranged circulation procedure in such a way, to the point that, however RJio is a new participant yet at the same time it as of now has a compass to 18000 urban communities and more than 2 lac towns crosswise over country.
2. RJio makes sense to cover around 90 percent of India up-to March, 2017. RJio has an emphasis of having around 1 million of Wi-fi hotspots till the mid of 2017 and duties give clients to have additional information at Wi-fi hotspots.

3. Wi-fi hotspots for system would be school, universities and other open places (that is another methodology to inspire more consumers to change to Jio)

6.4 PROMOTION

RJio has commenced an aggressive marketing strategy to create positive brand awareness, Promotion assumes a notable part in making pull from consumer side, and if your item obliges mass open then ATL (Above The Line) channels are chosen and RJio has made a honorable showing with regards to by making technique much before dispatch of Jio on September, 2016.

1. Reliance assumed control of TV18 organize for around Rs. 4000 centers in May, 2014. Network18 claims TV channels (counting CNBC TV18, CNN-IBN, CNN Awaz), sites (firstpost.com, moneycontrol.com), magazines (counting the permit for Forbes India), stimulation channel (Colors, MTV and Home Shop Entertainment) among different organizations
2. This aided Reliance to get an irregular state of media scope through this(TV18) and other media houses.
3. In the advancement procedure, RJio has made Shahrukh Khan as its brand ambassador. TVC, Banners, hoardings and print media ad. On advanced stages, online networking advancement was additionally done.
4. 'Jio Digital life' is the slogan utilized by brand which is adjusted to #Digital India battle of Modi Government, additionally it is speaking to the youthful generation (18–35 age aggregate) utilizing electronic gadgets and web for its day by day exercises
5. At six cricket stadiums during ICC World Twenty20 RJio offered free internet WIFI and each one of its services free till the end of the financial year 2016. (Lin, 2011) (Bhasin, 2017)

6.5 PEOPLE

Depends on the total employees and training and development and maintaining strong relationships with intermediaries are the focus area to be considered.

1. Jio is service industry and which involves a high level of people interaction and it is one of the important tool to use this resources efficiently to satisfy customer
2. Dedicated and passionate workforce
3. Reward and recognition
4. Employee engagement

6.6 PROCESS

The service process of Jio is very easy customer can avail it very easily

1. Jio has customer care support number which can be dialed from any part of India
2. To smoothen the process flow by IT and Data warehousing. IT will help servicing large numbers of customers efficiently and bring down overheads.

6.7 PHYSICAL EVIDENCE

1. Sim card, recharge voucher
2. Service outlets
3. Digital tv services
4. It also includes signage, reports, punch lines etc.

7. STP

STP stands for Segmentation, Targeting and Positioning. This is a three step marketing strategy such that effective implementation of each step leads to a step close to a company's goal. It implies finding the right set of customers, focusing on them and creating a perception of your brand in their views which has a positive impact on their loyalty towards your brand.

7.1 SEGMENTATION

Different groups of people are present in the market who share similar views regarding particular brands . Doyle (1994, in Proctor 2000) states that a company must decide on the segment it will focus its activities which is based on five factors namely segment size, segment profitability, segment growth , current and potential competitors and the capabilities present in the market. Jio seems to have made most of this strategy since the 4G network in India has great potential for growth and profit. It is in its budding phase and therefore there are chances of making most of it. Besides, the use of Smartphones in the Indian market has shown a tremendous increase and is still continuous, which promises great benefits in this sector. India's 4G market is set for

exponential growth. Smartphone market volumes are projected to be at 326 million by the end of 2016, according to a Gartner and KPMG report (cited in Panday 2016) . Besides, few competitors make this move of Jio even more strategic .

7.2 Targeting

Once, the segment of customers on which focus is to be laid is found, the next step is how to make that segment buy your products or invest in your brand. This is called targeting. Once a target market has been determined, ‘your marketing efforts will remain focused on a particular group of people, ultimately improving your campaign’s success’ (Garberson, 2015). Jio used a great tactic to target its selected segment .

From June to July it offers unlimited high speed internet on 4G network and 4500 minutes for free for three months to those customers who buy LYF Smartphones with a sim card. As in India, there has been a problem with online downloads or other internet related functions due to low speed internet, therefore this tactic has vast opportunities in this market. However, Jio has set a limit to the number of customers who will be able to be able to benefit from this offer in the trial period and plans to provide 4G internet access and services, after the trial period ends, to those customers who will buy these Smartphones during trial months. This way it aims at gaining prospective customers.

7.3 Positioning

Once the market segment to focus on is selected and the tools or techniques to target this segment have been devised and implemented, the next part is positioning in the market. Positioning simply means how your brand is perceived by the customers. Iacobucci (2014, p. 53)states that positioning can be evaluated via perceptual maps which are graphical depictions of where brands are and where competitors are in the minds of the customer. Jio positioned its Smartphones based on price and sales. And the offering of free voice calls minutes and high speed internet, made its identity different from its competitors and thus it gained more popularity. According to the Hindu newspaper, it has already served 500,000 customers and has become the third most selling Smartphone in India.

8. SWOT ANALYSIS

8.1 STRENGTHS

Strengths are defined as what each business does best in its gamut of operations which can give it an upper hand over its competitors. The following are the strengths of Reliance Jio:

- Strongest Customer Acquisition strategy – Reliance Jio probably has the best customer acquisition strategy till date. The brand offered their services for free for 3-6 months to all their users. This resulted in millions of users using Reliance Jio and resulted in one of the best customer acquisition strategies in the history of telecom.
- Strong customer base – Jio boasts of a whopping 100 million subscribers in the first 170 days of its launch, a record which no other provider has been able to register. This has also made Reliance Jio India's largest Internet Service Provider.
- Technology – Jio currently uses the latest 4 G LTE technology which is one of the world's best technologies for the future. This is supported by Voice over LTE which makes it scalable and supportive of 5G and 6 G technologies which are expected to be the future in wireless communication.
- Strong backing of parent company Reliance Industries: Reliance Industries is a credible brand which echoes with Indian sentiments and has high trust amongst customers. The association of Jio with Reliance acts as a core strength.
- Brand Management – The reason for the huge customer base of Reliance Jio is the brand management strategies that it has adopted. The right promotion backed by lucrative offers and credible brand ambassadors like ShahRukh Khan and Amitabh Bachchan have helped in building connectivity with the customers.
- Fast and wide network – Reliance Jio has a presence in all 22 telecom circles in India and is known to be a robust and fast network with zero connectivity issues.
- Multiple offerings under a single name – Reliance Jio offers a variety of services like movies, games, shopping, chats, and messenger etc. giving the customer a lot of options to choose from.

8.2 WEAKNESSES

Weaknesses are used to refer to areas where the business or the brand needs improvement. Some of the key weaknesses of Reliance Jio are:

- Late entry into the market: Reliance Jio has made a late foray into the market which already had established players like Airtel and Vodafone who had occupied a place in the minds of the customer.

- Activation Issues – Reliance Jio faced numerous gestation issues owing to not being able to contain the huge volumes of customers it had acquired. Such was the delay in SIM Card activation during the period that followed its launch.
- Pricing Controversies – Reliance Jio was criticised for having lowered its prices beyond what was ethical to penetrate into the market and this stirred allegations like corruption and money laundering against them.
- Too many freebies – Reliance Jio currently offers many services for free and this was one reason for share increase in sales. However, the company may not be able to afford all of them in the long run which may affect the business negatively.
- Data connection poor – The data connection is many times poor from Reliance Jio and the range is less causing slower loading speeds in selected regions.

8.3 OPPORTUNITIES

Opportunities refer to those avenues in the environment that surrounds the business on which it can capitalize to increase its returns. Some of the opportunities include:

- Future driven technology – Reliance Jio uses VoLTE 4G network which is scalable to accommodate
- 5G and 6G technologies. This offers numerous avenues to Jio or future expansion of bandwidth.
- Apps – Reliance Jio has VoLTE which has a lot of scope in terms of bandwidth. Thus they can offer apps to customers which are chargeable or even free initially and pay per use later.
- Competitive Pricing Strategies – Reliance Jio prides itself on being a low-cost Internet service provider and mobile operator. This can be used as a positioning to target more markets and grow their market share since most of their competitors' cannot afford their prices.
- Expansion to other countries – Currently Reliance Jio is operational only in India. There is, however, a lot of scope for expansion to foreign countries at least in the neighboring regions.

8.4 THREATS

Threats are those factors in the environment which can be detrimental to the growth of the business. Some of the threats include:

- Risk of loss of customers – Customers prefer Jio primarily because of the low prices that they offer. At a stage when the company increases its price there may be a loss of customers.
- Removal of free services – Jio currently is associated with a lot of freebies. Once these are removed there may be a drop in sales for the company.
- Criticism and negative image – Reliance Jio has been embroiled in a lot of controversies from the time it was started. These have resulted in a negative brand image for the company.
- Poor Code of ethics – Many of the strategies adopted by Reliance Jio such as the low pricing, free bandwidth and market penetration strategies have been showcased as unethical and this may affect the goodwill of the business in the long run

9. PESTEL ANALYSIS

9.1 POLITICAL FACTORS

Reliance Jio is a leading telecom operator in India. There are several instances where its business is governed by the political setup. TRAI has come up with a new rule of reducing the call ring to 25 seconds. Reliance Jio has opposed this move saying that the decision of fixing the ringing time should be solely left to the regulator. Being a part of the 'Make In India' initiative, Jio enjoys constant government support. This is evident from the fact that in 2016's newspaper, India's Prime Minister featured in a printed advertisement of Reliance Jio with the company claiming that Jio will help in making realize Prime Minister's plan of making India digital. The next day the same message was very cleverly and subtly shown in the video of connecting 1.2 billion people and making India digital. Also, the government at the centre is quite strong i.e. less dependent upon coalitions which is a good factor for the company in the middle run.

9.2 ECONOMIC FACTORS

With competitors like Airtel and Vodafone Idea being present in the Indian market for quite some time, Reliance Jio has done a commendable job by acquiring more than 31% of the market share in a span of just 3 years. As India is a price sensitive market, Jio provides its services at the

bare minimum prices. This strategy has worked out in its favor. Reliance Jio has decided to charge 6 paise/minute for its outgoing calls. Previously Jio didn't charge any fee for its outgoing calls on a different network. The decision is taken to cover up for the Interconnect Usage Charge. Since Jio provides its services at a low cost, it has been successful in penetrating the rural markets where the scope of expansion is very high.

9.3 SOCIAL FACTORS

With currently more than 300 million subscribers, Reliance Jio aims to "Connecting everyone. Connecting everywhere. Connecting everything." Apart from the fact that Jio provides its internet and call services at low rates, Reliance Jio offers various other services like Jio News, Jio Tv, Jio Cinema and Jio Cloud etc. These services are introduced keeping in mind the interests of the youth which makes majority of its customer base. Having a diverse brand portfolio helps Jio in retaining its customers. Jio's recharge schemes come in various segments depending upon the nature of the customer and his demands. The MyJio application makes it easy for its customers to recharge their phones with a few clicks. Also, Reliance Jio provides with data top ups as well which benefits the customer as he/she won't have to take a regular plan for trivial work.

9.4 TECHNOLOGICAL FACTORS

Reliance Jio was the first network provider in India to introduce the Voice over LTE technology. This technology has a huge potential in the future because it can also support 5G and 6G which means customers will be able to access the data at even better speeds. Also, the Voice over LTE technology improves call quality if both the persons (calling and the receiving end) have this technology in their respective phones. Jio's competitors Airtel and Vodafone-Idea have also introduced Vo-LTE for their networks. Reliance Jio has also come up with a new service, JioFiber which is a dedicated setup focused on providing Ultra-high speed internet. With Vodafone aiming to revolutionize the Sports Industry through 5G, Jio should also keep in pace with the current trends in the market.

9.5 LEGAL FACTORS

Since the arrival of Reliance Jio into the Telecom Sector, it has been in many controversies and has received allegations from its competitors. Firstly, Airtel claimed in 2016 that Jio was tested for around 253 days. During that phase, it had gathered around 3 million subscribers (testers). Airtel claims this was done to acquire a significant share of the customers even before its launch. But, apart from the allegations Reliance Jio didn't receive any legal notice because of the absence of any such rule regarding the number of days of testing of the service. Also, Airtel and Vodafone-Idea accused Jio of using predatory practice of providing its service at extremely low rates. Recently, Jio faced opposition from Airtel and Vodafone-Idea over the call ringing time of

Jio. Reliance Jio till now has been able to overcome these hurdles. But, since jio has caused disruption in the telecom market, its legal department should always be on its toes.

9.6 ENVIRONMENTAL FACTORS

Reliance Jio has come up with various measures to contribute towards the company's Corporate Social Activities. Jio has contributed more than Rs 750 Crore for CSR activities. In one of its CSR activities, Reliance Jio provided free Internet Services to the Indore Police. One of the major sustainable steps taken up by Jio is the setting up of network towers which do not emit any harmful electromagnetic radiations.

10. PORTER FIVE FORCES

10.1 THREATS OF NEW ENTRANTS

Threat of new entrants reflects how new market players impose threats to the existing market players. If the industry will be profitable and barriers to enter the industry will be low, it will attract more players and hence, the threat of new entrants. will be high.

i) Here are some factors that reduce the threat of new entrants for Reliance Jio Revolutionizing Indian Telecom:

- Entry in the industry requires substantial capital and resource investment. This force also loses the strength if product differentiation is high and customers place high importance to the unique experience.
- Reliance Jio Revolutionizing Indian Telecom will face the low threat of new entrants if existing regulatory framework imposes certain challenges to the new firms interested to enter in the market. In this case, new players will be required to fulfil strict, time consuming regulatory requirements, which may discourage some players from entering the market.
- The threat will be low if psychological switching cost for consumers is high and existing brands have established a loyal customer base.
- New entrants will be discouraged if access to the distribution channels is restricted.

ii) Reliance Jio Revolutionizing Indian Telecom will be facing high new entrants threat if

- Existing regulations support the entry of new players.
- Consumers can easily switch the brands due to weak/no brand loyalty.
- Initial capital investment is high.
- Building a distribution network is easy for new players.
- Retaliation from the existing market players is not a discouraging factor.

iii) How Reliance Jio Revolutionizing Indian Telecom can tackle the Threat of New Entrants?

- Reliance Jio Revolutionizing Indian Telecom can develop brand loyalty by working on customer relationship management. It will raise psychological switching costs.
- It can develop long-term contractual relationships with distributors to widen access to the target market.
- Reliance Jio Revolutionizing Indian Telecom can also an investment in research and development activities, get valuable customer data and introduce innovative products/services to set strong differentiation basis.

10.2 BARGAINING POWER OF SUPPLIERS

Bargaining power of suppliers in the Porter 5 force model reflects the pressure exerted by suppliers on business organisations by adopting different tactics like reducing the product availability, reducing the quality or increasing the prices. When suppliers have strong bargaining power, it costs the buyers- (business organisations). Moreover, high supplier bargaining power can increase the competition in the industry and lower the profit and growth potential for Reliance Jio Revolutionizing Indian Telecom Similarly, weak supplier power can make the industry more attractive due to high profitability and growth potential.

i) Bargaining power of suppliers will be high for Reliance Jio Revolutionizing Indian Telecom if:

- Suppliers have concentrated into a specific region, and their concentration is higher than their buyers.
- This force is particularly strong when the cost to switch from one supplier to other is high for buyers (for example, due to contractual relationships).
- When suppliers are few and demand for their offered product is high, it strengthens the suppliers' position against Reliance Jio Revolutionizing Indian Telecom

- Suppliers' forward integration weakens the Reliance Jio Revolutionizing Indian Telecom's position as they also become the competitors in that area.
- If Reliance Jio Revolutionizing Indian Telecom is not well educated, does not have adequate market knowledge and lacks the price sensitivity, it automatically strengthens the suppliers' position against the organisation.
- Other factors that increase the suppliers' bargaining power include-high product differentiation offered by suppliers, Reliance Jio Revolutionizing Indian Telecom making only a small proportion of suppliers' overall sales and unavailability of the substitute products.

ii) Contrarily, the bargaining power of suppliers will be low for Reliance Jio Revolutionizing Indian Telecom if:

- Suppliers are not concentrated
- Switching costs are low
- Product lacks differentiation
- Substitute products are available
- Reliance Jio Revolutionizing Indian Telecom is highly price sensitive and has adequate market knowledge
- There is no threat of forward integration by suppliers.

iii) How Reliance Jio Revolutionizing Indian Telecom can tackle the Bargaining Power of Suppliers?

Reliance Jio Revolutionizing Indian Telecom can strengthen its position against suppliers by decreasing the dependency on one or a few suppliers. It will increase its price sensitivity. Developing the long-term contractual relationships with suppliers from different regions not only lowers their bargaining power but also allows Reliance Jio Revolutionizing Indian Telecom to improve its supply chain efficiency. Finally, Reliance Jio Revolutionizing Indian Telecom can find alternate ways of producing the product if product demand is high enough and the firm has required competencies and expertise. However, it requires detailed cost-benefit analysis to determine its feasibility. Product redesign and diversification of the product lines can also help the organisation reduce the suppliers' power in the market.

10.3 BARGAINING POWER OF BUYERS

Bargaining power of buyers indicates the pressure that customers exert on the business organisations to get high quality products at affordable prices with excellent customer service. This force directly influences the Reliance Jio Revolutionizing Indian Telecom's ability to accomplish the business objectives. Strong bargaining power lowers profitability and makes the

industry more competitive. Whereas, when buyer power is weak, it makes the industry less competitive and increase the profitability and growth opportunities for Reliance Jio Revolutionizing Indian Telecom

i) There are some factors that increase the bargaining power of buyers:

- A more concentrated customer base increases their bargaining power against Reliance Jio Revolutionizing Indian Telecom
- Buyer power will also be high if there are few in number whereas a number of sellers (business organisations) are too many.
- Low switching costs (economic and psychological) also increase the buyers' bargaining power.
- In case of corporate customers, their ability to do backward integration strengthen their position in the market. Backward integration shows the buyers' ability to produce the products themselves instead of purchasing them from Reliance Jio Revolutionizing Indian Telecom
- Consumers' price sensitivity, high market knowledge and purchasing standardised products in large volumes also increase the buyers' bargaining power.

Some factors that decrease the bargaining power of buyers include lower customer concentration (means the customer base is geographically dispersed), customers' inability to integrate backwards, low price sensitivity, lower market knowledge, high switching costs and purchasing customised products in small volumes.

ii) How Reliance Jio Revolutionizing Indian Telecom can tackle the Bargaining Power of Buyers?

Reliance Jio Revolutionizing Indian Telecom can manage the bargaining power of buyers by increasing and diversifying their customer base. It can be done by introducing new products, targeting new market segments and adopting the product diversification strategies. Marketing and promotional strategies can also be helpful in this regard. Building loyalty by embedding innovation and offering excellent customer experience can raise the switching costs, which will ultimately reduce their bargaining power. Reliance Jio Revolutionizing Indian Telecom can adopt these strategies to strengthen its competitive positioning in the market.

10.4 THREAT OF SUBSTITUTE PRODUCTS OR SERVICES

The availability of substitute products or services makes the competitive environment challenging for Reliance Jio Revolutionizing Indian Telecom and other existing players. High substitute threat shows that customers can use alternative products/services from other industries

to meet their needs. Various factors determine the intensity of this threat for Reliance Jio Revolutionizing Indian Telecom

i) The Threat of Substitute Products or services increases when:

- A cheaper substitute product/service is available from another industry
- The psychological switching costs of moving from industry to substitute products are low.
- Substitute product offers the same or even superior quality and performance as offered by Reliance Jio Revolutionizing Indian Telecom's product.

ii) However, this threat is substantially low for Reliance Jio Revolutionizing Indian Telecom when:

- The switching cost of using the substitute product is high (due to high psychological costs or higher economic costs)
- Customers cannot derive the same utility (in terms of quality and performance) from substitute products as they derive from the Reliance Jio Revolutionizing Indian Telecom's product.

iii) How Reliance Jio Revolutionizing Indian Telecom can tackle the Threat of Substitute Products or services?

- Reliance Jio Revolutionizing Indian Telecom can reduce the Threat of Substitute Products or services by clearly emphasising how its offered product/service is better than the available substitutes.
- It should provide convincing reasons to the customers by offering a better experience and high value for money.
- It can raise switching costs by working on loyalty.
- Lastly, it can improve the quality, maximise value for money and set a strong differentiation basis to discourage customers from using the substitute product.

10.5 RIVALRY AMONG EXISTING FIRMS

The Rivalry among existing firms shows the number of competitors that give tough competition to the Reliance Jio Revolutionizing Indian Telecom. High rivalry shows Reliance Jio Revolutionizing Indian Telecom can face strong pressure from the rival firms, which can limit each other's growth potential. Profitability in such industries is low as firms adopt aggressive targeting and pricing strategies against each other.

i) The Rivalry among existing firms will be low for Reliance Jio Revolutionizing Indian Telecom if;

- There are only a limited number of players in the market
- The industry is growing at a fast rate
- There is a clear market leader
- The products are highly differentiated, and each market player targets different sub-segments
- The economic/psychological switching costs for consumers are high.
- The exit barriers are low, which means firms can easily leave the industry without incurring huge losses.

Similarly, there are some factors that increase the Rivalry among existing firms for Reliance Jio Revolutionizing Indian Telecom For example, the company will face intense Rivalry among existing firms if market players are strategically diverse and target the same market. The rivalry will also be intense if customers are not loyal with existing brands and it is easier to attract others' customers due to low switching costs. Competitors with equal size and offering undifferentiated products with slow industry growth tend to adopt aggressive strategies against each other. These all factors make the Rivalry among existing firms a major strategic concern for Reliance Jio Revolutionizing Indian Telecom

ii) How Reliance Jio Revolutionizing Indian Telecom can tackle the Rivalry among existing firms?

Reliance Jio Revolutionizing Indian Telecom should focus on the implicit needs and expectations of its customers to strengthen the differentiation basis. It should raise switching costs by developing long-term customer relationships. The organisation should also invest in research and development activities to identify new customer segments. In some cases, collaborating with competitors can be mutually beneficial. The organisation can look for this option as well.

S.No	Forces	High	Medium	Low
1	Threat of New Entrants			✓

2	Bargaining Power of Suppliers			✓
3	Bargaining Power of Buyers		✓	
4	Threat of Substitute Products or Services			✓
5	Rivalry Among Existing Firms		✓	

11. PROBLEMS FACED BY RELIANCE JIO

Reliance Jio has been stuck in a dispute with incumbent operators over points of interconnectivity. Jio has accused Bharti Airtel, Vodafone and Idea Cellular of providing insufficient points of interconnectivity leading to call drops. Jio put out data for September 22 saying over 12 crore out of 15 crore call attempts by its users failed. Of the 6.13 crore call attempts made to Airtel network on September 22, 4.8 crore or 78.4 percent of the calls failed. The failure on Vodafone network was higher at 84.1 percent with 3.95 crore call drops out of 4.69 crore calls. Calls to Idea saw 3.36 crore call drops out of 4.39 crore calls made.

Bharti Airtel has hit back at Reliance Jio saying network connectivity issues and call drops are due to Jio's own "under-preparedness", insufficient testing efforts and acquiring a large number of customers at the pre-launch stage itself.

- **Decreased internet speed:** With addition of users to the Jio network, the speed of Jio's 4G data services has come down drastically after September 5. Now, the internet speed has come down to 6-10 Mbps from 50Mbps during the launch stage. On paper, the difference is huge but in terms of average customer use, even a speed of 8Mbps should work flawlessly. However, the Jio connection faces frequent fluctuations hampering the user experience. Users have also complained about varying speeds despite no change in location.
- **Buggy Jio apps:** The Reliance Jio apps have not shown consistent performance but the idea of free content sits pretty well with the Indian audience. The Jio TV app is subjected to frequent crashes and has a long boot-time, which is also the case with most apps

released by Jio. In our experience, the Jio4GVoice is one of the most glitchy Jio apps. The app often fails to load and when it does, the experience is pretty laggy.

- **Lack of VOLTE support in older phones:** All those who don't have VOLTE technology-supported phones cannot make voice calls without the use of Jio4GVoice app which, as mentioned above, seems buggy. This one drawback makes the lucrative free voice-calling feature obsolete for most new consumers. Apart from the VOLTE support, most Indian smartphone users are still stuck with 3G phones. The Jio sims won't benefit them in any way.
- **Battery consumption:** Reliance Jio has launched its internet services on the 4G band. With not much difference in the rates of 2G or 3G services and 4G connection, new users are inclining towards Jio. The only constraint with 4G services is that they take a toll on the phone's battery, forcing the user to charge it repeatedly. With no 2G or 3G options, the user can't switch to a slower connection to save battery.
- **Other weaknesses are :**
 - 1. Delay in launching
 - 2. The campaign launch by Jio was controversial because it was showing the image of PM
 - 3. Customer Base not available as commercial services

12. RECOMMENDATIONS TOWARDS SOLVING PROBLEMS

- The merging of Jio's 4G services with Reliance Telecom's 3G and 2G services might solve the problem of battery consumption in the near future.
- Now, when there is a demand there is also supply. So, the internet is full of tricks and tips that will help a Jio user get better speed. Reliance Jio offers 4G on Band 3, Band 5, and Band 40.
Best speed: Band 40 > Band 3 > Band 5
So, Locking the 4G network to band 40 or more speedy bands in near future can solve the problem of decreased network.
- Updating the old version and minimizing the drawbacks of the previous buggy app can solve the buggy jio app problem.

13. CONCLUSION

The entry of Reliance Jio has had many consequences on various sections, both positive and negative. Consumers have reaped huge benefits in terms of lower prices and more options. The price of mobile data is now the cheapest in India, a huge advantage and a sign of modernisation and progress. However, Jio has negatively impacted all the other firms in the industry. It has affected their market share, subscriber base, profit margins and even their survivability. Stiff

competition has also caused price wars, unpredictability, and confusion. The impact also has the potential to further increase differences between urban and rural areas. All in all, in the long run, it is important to see how the future decisions of Reliance Jio Infocomm Limited will affect the economy. In this AGM, Jio has showcased its ambition to transform itself into a tech ecosystem player with an approach to provide industry solutions, some of which were showcased during the event. With the scale and user engagement achieved, the readiness of 5G and strategic partnerships with the likes of Microsoft, Facebook, Google, Qualcomm and Intel, Jio has laid a solid foundation to achieve its ambition in the coming years. The roles of telecom operators and internet giants have been converging over the last few years and Jio is a prime example of this. The telecom operators are now pivoting from being connection providers to transforming themselves into end-to-end players. Jio is transforming into a “Super Operator”.

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