

SRI RAMAKRISHNA ENGINEERING COLLEGE

ESSENTIALS OF MARKETING

(20BA1108)

CASE STUDY -1

SEMESTER -1

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1.How Reliance Jio disrupted the Indian telecom market with aggressive marketing strategies.

Introduction:

In 2016, Reliance Jio made its grand entry into the Indian telecom market, marking a pivotal moment in the landscape of telecommunications in the country. With a bold vision to provide affordable and high-speed internet access to millions, Jio's launch was accompanied by an aggressive marketing strategy that fundamentally disrupted the status quo.

This case study explores the multifaceted marketing strategies employed by Reliance Jio, including its emphasis on customer-centricity, widespread distribution, and disruptive pricing. By analyzing Jio's approach, we can better understand how it successfully transformed consumer behavior, challenged existing market dynamics, and ultimately reshaped the Indian telecom landscape.

Questions:

1. How did Reliance Jio's disruptive pricing strategies affect the profitability and market share of established telecom operators in India?

By offering free voice calls and aggressively low data rates, Jio attracted millions of subscribers within months, quickly amassing a substantial market share. This influx of new users forced established players, such as Airtel and Vodafone-Idea, to respond by slashing their prices and enhancing their

service offerings to retain customers. As a result, the intense price competition eroded profit margins across the industry, leading to financial strains for many incumbents.

Reliance Jio's disruptive pricing strategies led to a significant decline in the profitability and market share of established telecom players like Airtel, Vodafone, and Idea. By offering free voice calls and affordable data, Jio triggered a price war that forced competitors to lower their tariffs and introduce competitive data packages. This eroded the profit margins of incumbent operators, many of whom had previously relied on premium pricing models.

2.How can Reliance Jio sustain its competitive advantage in the Indian telecom market as competitors continue to adapt to its pricing strategies?

Focus on Data and Analytics:

Leveraging customer data to provide personalized and targeted marketing can improve customer engagement and retention.

Investing in Emerging Technologies:

Exploring advancements in technologies like 5G, IoT, and AI services can position Jio as a leader in next-generation telecom services, attracting tech-savvy customers.

Robust Customer Support:

Providing excellent customer service and support can enhance customer satisfaction and loyalty, mitigating churn rates.

3.What are the key takeaways from Reliance Jio's marketing strategies for other businesses, particularly disruptive pricing and the successful integration of content and connectivity?

Leverage of Digital Platforms:

Jio utilized digital marketing and social media effectively to build brand awareness and customer loyalty. Emphasizing online presence can be crucial for modern businesses.

Scalability and Infrastructure Investment:

Significant investment in technology and infrastructure allowed Jio to deliver robust services. Businesses should ensure they have the right foundation to support growth.

Adaptability and Innovation:

Jio constantly innovated based on market needs, illustrating the importance of being agile and responsive to changes in consumer behavior and technology.

Jio's success offers valuable lessons:

Innovation drives disruption:

Embracing technology can redefine industries.

Customer-centricity:

Understanding consumer needs is crucial.

Aggressive marketing:

Bold strategies can capture market share.

Conclusion:

Reliance Jio's disruptive entry into the Indian telecom market has left an indelible mark on the industry. By leveraging aggressive marketing strategies, innovative technology, and customer-centric approach, Jio successfully transformed the market dynamics. The impact has been multifaceted:

Democratization of data:

Jio made internet access affordable, expanding digital inclusion.

Market share reshuffle:

Jio emerged as the largest telecom operator.

Competitor consolidation:

Smaller players merged or exited.

Tariff wars:

Consumers benefited from reduced prices.

Digital transformation:

Jio accelerated India's digital growth.

2. How CRED used social media and influencer marketing to build a strong brand and loyal customer base.

Introduction:

In the competitive fintech landscape, CRED, a Bengaluru-based startup, has distinguished itself through innovative marketing strategies.

Founded in 2018 by Kunal Shah, CRED revolutionized credit card management and rewards programs. Leveraging social media and influencer marketing, CRED achieved remarkable growth, surpassing 1 million registered users within a year. This success story highlights the power of targeted marketing in building a strong brand and loyal customer base.

Questions:

1. How did CRED's humorous advertisement featuring Rahul Dravid challenge traditional celebrity endorsements and contribute to its brand image?

CRED's humorous advertisement featuring Rahul Dravid challenged traditional celebrity endorsements in several impactful ways. Unlike conventional endorsements that often portray celebrities in a serious or aspirational light, CRED's ad depicted Rahul Dravid in an unexpected comedic role, showcasing his versatility and a more relatable person.

In contrast, CRED flipped this idea by showing Dravid, known for his calm and composed demeanor, in a humorous and exaggerated aggressive role. This unexpected portrayal created an immediate buzz and went viral across social media platforms. This ad became a cornerstone of CRED's brand identity, which thrives on creativity and the element of surprise. By using humor and breaking stereotypes, CRED attracted attention and made its brand memorable.

2.What role did influencer marketing play in building trust and credibility for CRED, and how did it engage potential customers?

By leveraging the influence and authenticity of well-known personalities across various social media platforms.

They engage their potential customers by Managing credit cards efficiently and earning rewards. Influencers provided personal endorsements and testimonials, which were perceived as more trustworthy than traditional advertising.

3.How can CRED maintain customer loyalty and engagement as competition in the fintech sector intensifies?

Personalized Rewards and Offers:

Tailor rewards and offers based on user behavior and spending patterns, providing personalized incentives that resonate with individual preferences.

Customer Support Excellence:

Offer responsive customer support via multiple channels, ensuring prompt resolution of issues and proactive communication with users.

Expanding Services:

CRED can look at expanding its offerings beyond credit card bill payments. It could introduce loan management tools, savings products, or even digital banking features that create a comprehensive financial ecosystem within the app. This diversification could encourage users to stay within the platform for multiple financial needs.

4. What lessons can other startups and businesses draw from CRED's marketing strategies, particularly innovative branding and customer engagement?

Maintain Transparency and Trust:

Clearly communicate policies, pricing, and benefits, ensuring customers feel confident and informed in their interactions with the brand.

Innovate Continuously:

Staying innovative and responsive to evolving customer needs sets a business apart. Whether through new features, services, or marketing approaches, continuous innovation keeps the brand relevant and competitive.

Conclusion:

CRED's bold move to feature Rahul Dravid in a humorous advertisement paid off, challenging traditional celebrity endorsements and significantly enhancing its brand image. By cleverly subverting expectations and leveraging Dravid's reputation, **CRED achieved:**

1. Unparalleled brand recognition
2. Differentiation in the fintech space
3. Emotional connection with the audience
4. Repositioning credit cards as rewards