**TELECOM INDUSTRY**

**What is Telecom Industry?**

Industry comprising of products containing telecommunication, which ranges from telephone, television, radio, wireless network, computer network. The industry comprises of companies that make hardware, and software products. Hardware products comprises of telephone handsets, video broadcasting sattelites, fiber-optic transmission cables. Software products include applications ranging from sending messages over the world through internet viz. email, Whatsapp, Messaging, video Calling. Addition to Hardware and software products the telecom industry also contains the Service Providers, who basically provide the various services of calling, messaging, video calling to the customers.

**Telecom Industry in India.**

The telecom industry in India is governed by the TRAI (Telecom Regulatory Authority of India), which sets various policies for the telecom operators. It also governs various factors ranging from Political, Economic, Socio-Cultural, Technological for setting policies for the telecom operators in India. The major telecom operators in India are the following: Vodafone-Idea(Merged recently), Airtel, Jio(Reliance), BSNL Mobile, Aircel, Reliance Communications, Telenor India, Tata DoCoMo, MTs India, MTNL. The number 1 telecom operator currently in India is Vodafone-Idea with market share of 34.4% (Vodafone-17.86% & Idea- 16.54%). The common technologies used by telecom operators in India are: GSM, LTE, Voice Over LTE.

**How the Telecom Industry works?**

Telecom Industry works through various means: Hardware Products, Software Products, Service Providers. The industry mainly generate revenue from all the above three areas, major being the Service Providers and the Hardware Products. The Service Providers/Telecom Operators generate revenue through various services viz. calling, internet ,messages. The service providers provide these service through various new technologies viz. 2G, 3G, 4G. Major services providers in India generate revenues through services provided with 4G technology with 86.77 million subscribers in 2016. The total revenue the telecom industry generated in India (2014-2015) is US$34 billion. The revenue generation is distributed among the following : Telephony, Internet, Broadcasting. The statistics for the following is given below:

**Telephony:**

Total Telephone Subscribers: 1.2 billion (Mobile Subscribers: 1 billion, Fixed Line Subscribers: 24 million)(2017)

**Internet:**

Internet Users: 462.12 million (2017)

Broadband Subscribers: 290 million(2017)

**Broadcasting:**

Television channels: 882

Radio stations: 345

Other than the service providers, the other way the telecom industry generates revenue is through Hardware Products that is through mobile handsets, modem, Bluetooth devices. Major mobile handsets sold in India in 2017 is of Samsung (26%(market share)).

**Revenue Analytics Terms in Telecom Industry:**

Churn Rate: The rate at which the customers leave for a competitor.

Average Revenue Per User (ARPU): Gives the telecom operator’s subscriber base.

Price to-sales Ratio: Market Capitalization of the company divided by the sales over the past 12 months.