

# The Success Story Of Jio

From Business Model To Becoming A  
Remarkable Brand In India

*Jio Jee Bhar Ke*



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# Introduction

The industry comprises of transmission and reception of voice, data, and video communications through electronic means.

This includes wired and wireless communication networks, such as telephone networks, cable television networks, satellite networks, and the internet.

The industry provides a wide range of services including voice and video calling, messaging, internet access, and content delivery.

Key trends in the industry include :

5G networks, cloud-based services, Internet of Things (IoT), cybersecurity.

# History of Telecom in India

**1995**

Airtel launched its mobile services in Delhi, and gradually expanded to other cities in India

**2012**

The 2G spectrum auction is held, with the government auctioning off 122 licenses

**2021**

5G is launched with the government auctioning off licenses for the next generation of mobile network

**2002**

The first mobile phone service provider to offer 3G services in India, Hutchison Telecom

**2016**

Jio, entered the Indian telecom industry and disrupted the market with its low-cost 4G data and voice services.

# Challenges in the Telecom Industry



## **Intense Competition:**

The telecom industry is highly competitive, with many companies offering similar products and services

## **Regulatory Challenges:**

The telecom industry is heavily regulated, with numerous regulations and guidelines set by governments and industry bodies.

## **Cybersecurity Threats:**

Cybersecurity threats are a significant challenge for the telecom industry, as the transmission of sensitive information and data over telecom networks is a crucial aspect of the industry.

## **Infrastructure Challenges:**

Building and maintaining telecom infrastructure is a costly and challenging task, particularly in developing countries with limited resources.

# The Launch of Jio

Free Services From 5 September 2016 till 31 December 2016.

By March 2017, we'll cover 90% of India's population.

The JioFi router has been launched at just Rs. 1,999.

New Lyf devices starting at Rs. 2,999.

More than 70% of all devices sold in India support 4G LTE. And that soon that will be 100 percent.

2.8 million songs, 6000 movies and thousands of magazines and newspapers to be added for Jio customers

1 million wifi hotspots across India

25% extra data .

Reliance launched Jio Money for customers to go cashless with the help of this digital wallet

There will be no blackout dates for Jio customers. No extra charges for festive days. Customers can access their bill at real-time after every transaction.

	S	M	M	L	XL	XXL	XXXL
JIO TARIFFS	Rs 149	Rs 499	Rs 999	Rs 1499	Rs 2499	Rs 3999	Rs 4999
FREE VOICE Unlimited Local   STD Roaming to any network in India	✓	✓	✓	✓	✓	✓	✓
4G DATA	0.3GB	4GB + Unlimited 4G at Night	10GB + Unlimited 4G at Night	20GB + Unlimited 4G at Night	35GB + Unlimited 4G at Night	60GB + Unlimited 4G at Night	75GB + Unlimited 4G at Night
Jio Apps Subscriptions worth Rs 1,250	✓	✓	✓	✓	✓	✓	✓
Unlimited SMS*(L+N)	100	✓	✓	✓	✓	✓	✓
WiFi (JioNet Hotspot)	-	8GB	20GB	40GB	70GB	120GB	150GB
Validity of Pack (Days)	28	28	28	28	28	28	28



# Services Offered By Jio





# Products Offered By Jio

## **Mobile Broadband**

Its 4G broadband services started all over India in 2016. It offers voice services, instant messaging, and streaming movies.

## **JioFiber**

In 2018 it started testing new triple play fiber to the home services which was known as Jio GigaFiber, which provide an internet speed ranging from 100 – 1,000 Mbit/s. It launched its services officially in the year 2019 as JioFiber for its third anniversary.

## **JioPhone Next**

On 24 June 2021, Mukesh Ambani announced the launch of JioPhone Next. It is a fully-featured Android smartphone co-developed with Google as part of its long-term partnership. The budget smartphone will be launched in India on 10 September 2021.

# Competitors



- The telecom business had 9 companies at the time of Jio's introduction in 2016
- Now the number has been reduced to four
- The average calling rate at the time was 58 paise/minute
- It has since dropped to 18 paise in 2018 and is now even lower

# Strongest Competitor



- In comparison to Jio, Airtel is the only company in the lead.
- With 350 million subscribers, Airtel is the country's second-largest telecom company.
- Now with the launch of JioPhone Next, the company is targeting small towns and villages to get 2G users shifted to 4G services.

# Business Model

**Loss-leading strategy** : it sold its products or services at a price lower than the actual price in the market to gain market share

## **1. Price Strategy of Reliance Jio**

Jio has adapted the best pricing strategy in the market. Jio modifies its pricing strategies every now and then to provide its customers with the best prices in the market.

## **2. Promotion strategies of Reliance Jio**

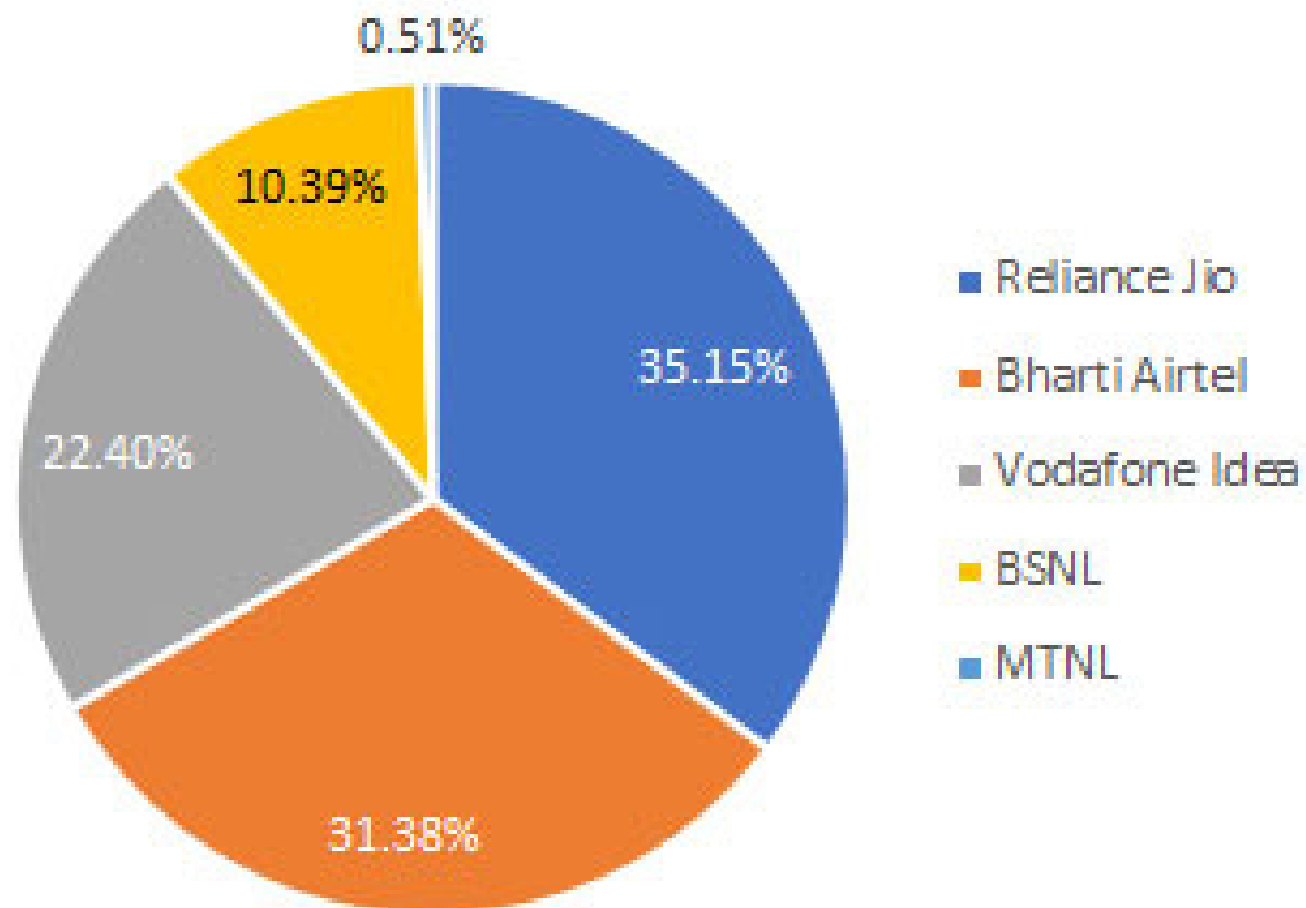
Channels: radio, television, magazines, newspapers, and various social media platforms like YouTube, Twitter, Facebook. This marketing is also used by film industry celebrities, it helps them in doing acting in advertisements and joining their brand to work with them.

## **3. Wide Variety of Products and Services Offered**

# Market Share

As of 31 January 2023, there are 114.3 crore (1.14 billion) wireless subscribers in India

Telecom Market Share FY22



# Marketing and Pricing Strategy

## STP Model of Jio

**Segments:** Price Conscious and Network Conscious

**Target Audience:** Those who possess smartphones

**Positioning:** A cheap alternative with high-quality services

## Pricing

**Penetration Pricing:** Launched with extremely low, unimarginable prices and is now the leading company in the industry

## Bundling:

- Presently, Jio has bundled many services into one with Jio Fiber, where customers get OTT subscriptions free along with other Jio services like JioTV, Jio Music, etc
- Reliance has also launched phones in the past which only work with Jio's sim

# AARRR Strategy



## Acquisition

Free services for 3 months post launch in Sept 2016, helping it gain 16 million subscribers within a month

## Activation

Jio provided unlimited data and calling, way more than any other telecom provider

## Retention

Jio provided additional 3 months of free services as a New Year's gift to its users, being the first company to provide 6 months of free services.

## Referral


Word of mouth spread, and soon almost everyone knew about Jio's unique offering.

## Revenue

Jio reduced the prices to about 1/10th of the pricing that was there before the Jio Era. Owing to the large user base gained post launch, it was easily able to generate revenue.



# How Jio Transformed the Indian Market

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- Owing to the much more affordable pricing of both data and smartphones, the poor got a better shot at accessibility and education and internet services
  - Access to the internet in the hinterland after Jio's launch had grown 35% in 2018.
  - Boosted the growth of several internet-based startups such as Zomato, cab aggregator Ola, UrbanClap, among many other
  - Rise of this ecosystem helped fuel deliveries and cashless payments during the pandemic.
  - The rise of OTT platforms in India such as Netflix and Amazon can also be credited to Jio's data revolution.
  - In 2016, India ranked second after China in terms of app downloads globally.



**THANK**  
**YOU**