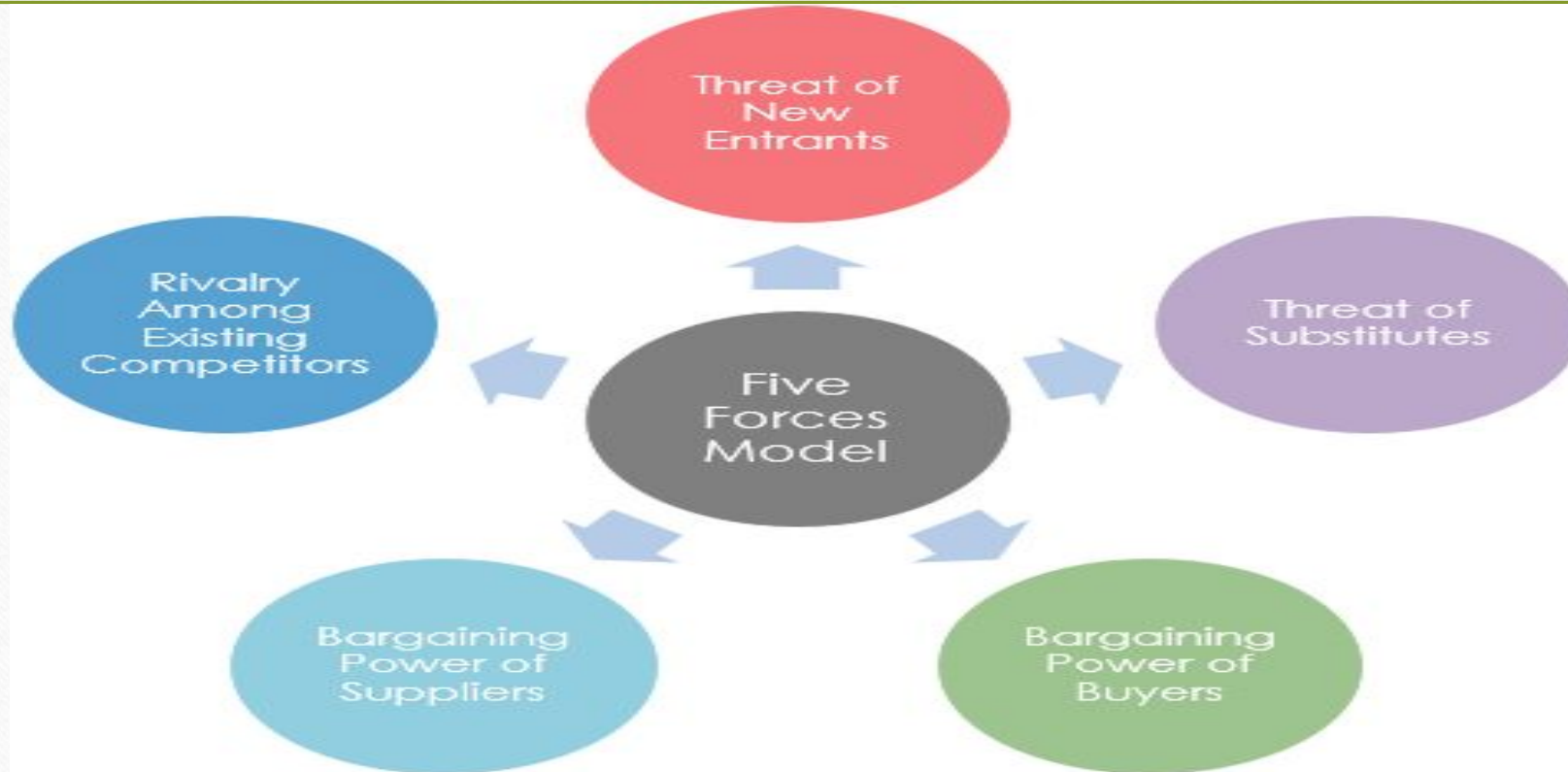


# Porter's Five Forces Analysis



# Threat of new entrants-Low

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- Reasons behind Low threat of new entrants are:-
  1. Strict Government regulations like licensing and operating regulations
  2. Extremely high initial investment like cost of setting up infrastructure, spectrum usage charge, etc.
  3. Already large competitor are present in the industry so it will be difficult to achieve economies of scale
  4. Requirements of proper technology also act as entry barrier
  5. Other factors like pricing, consolidation, etc. decreases threat of new entrants

# Bargaining power of suppliers-Moderate

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- There are sufficient number of suppliers in the market so company choose their suppliers such that their expected profitability is being maintained.
- High cost of switching the suppliers
- There are many fixed costs on supplier side which increases bargaining power of suppliers
- Another factors affecting bargaining power of suppliers are infrastructure issues, licensing issues, etc



# Bargaining power of customers-High

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- Primary reason for high bargaining power of customers is quick and easy portability of mobile number
- Low switching costs also increases the bargaining power of customer
- Similar products (less differentiation) and similar prices gives more power to customers.
- Also, Nowadays most of customers are aware about the other options available which gives them more power

# Competitive Rivalry- High

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- Intensity of competition in the market is quite high due to similar price sensitivity and low switching cost
- High Exit Barriers also intensifies the competition
- There are enough number of players (approximately 6-7 players in each region) which increases the competition
- Almost all plyers have similar prices and products so it increases the competition.

# Threat of substitutes-Low

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- As technology has been evolving at rapid pace which also increased the market share of wireless products in the market which lead to decrease in voice traffic of the wireline telecom operators.
- Few substitutes are instant messaging, email, etc. has affected the voice traffic but the threat of this is quite low at present
- As of now there are no commercially viable substitute present in the market.