

OUTBURST OF JIO

Mrs. Rajni¹, Ms. Arshi Sultan²

^{1,2}Department of Business Administration,
Rajshree Institute of Technology and Management (India)

ABSTRACT

Jio is an LTE mobile network operator in India. It is a wholly owned subsidiary of Reliance industries headquartered in Navi Mumbai, Maharashtra. The company has reached the sky heights very soon and had captured a great market share. But unfortunately it faced a lot of problems due to cut throat competition in the market with the presence of a number of companies like IDEA, AIRTEL, BSNL, VODAPHONE, TELENOR, etc.

Here we are talking about a small unit of JIO situated at Dadri administering five subunits namely Dankor, Chithara, Kheri Hafispur, Rabupura and Jever. The unit faced a lot of problems for its survival in the market due to competition. It introduces a lot of products and services to the customers, practiced some different promotional strategies to maintain its position in the market.

The Telecom regulatory authority of summoned JIO and the country's existing telecom operators meet and discuss an issue regarding interconnection between the operators. After this JIO complained to TRAI and department of telecom about other operators not honouring their commercial agreements to let JIO use their network resources.

Reliance JIO's customer data was allegedly leaked on the website magicapk.com. The website was suspended shortly after the news of the breach broke out.

The efforts performed by the company proved to be successful and it comes out of every adverse situation and is still ruling the market.

I. INTRODUCTION

Reliance JIO Infocomm Ltd. Or JIO is an LTE mobile network operator in India. It is a wholly owned subsidiary of Reliance industries headquartered in Navi Mumbai, Maharashtra that provides wireless 4G LTE service network and is the only VOLTE-only operator in the country which lacks legacy network support of 2G and 3G, with coverage across all 22 telecom circles in India.

The services were first beta-launched to JIO's partners and employees on 27 December, 2015 on the eve of 83rd birth anniversary of late Dhirubhai Ambani, founder of Reliance industries and later services were commercially launched on 5th September, 2016.

In June 2010, Reliance industries bought a 96% stake in Infotel broadband services limited (IBSL) for 4800 crores. 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 (RIL) in January 2013.

In June, 2015, JIO announced that it will start its operations all over the country by the end of 2015. However 4 months later in October 2015, the company's spokesmen sent out a press release stating that the launch was postponed to the first quarter of the financial year 2016-2017. Later in July, a PIL filed in the supreme court by an NGO called the centre for public interest litigation, through Prashant Bhusan, challenged the grant of pan India license to JIO by the government of India. The PIL also alleged that JIO was allowed to provide voice telephony along with its 4G data service by paying an additional fees of just 165.8 crore which was arbitrary and unreasonable and contributed to a loss of 2284.2 crore to the enchequer.

The Indian department of Telecom however refuted all of CAG's claims. DOT explained that the rules for 3G and BWA spectrum did not restrict BWA winners from provided voice telephony. As a result, the PIL was revoked, and the accusations were dismissed.

I.1 ALLIANCE

JIO announced a global alliance of mobile network operators which include:

- BT group
- Deutsche telecom
- Millicom
- Telia company
- Telecom italia
- MTS
- Orange S.A
- Rogers communication

I.2 PARTNERSHIP

JIO shares spectrum with Reliance communications. The sharing deal is for 800 MHz band across seven circles other than the 10 circles for which JIO already owns. JIO signed a pact with BSNL for intra-circle roaming which would enable users of the operators to use each other's 4G and 2G spectrum in national roaming mode.

In February 2017, JIO announced a partnership with Samsung to work on LTE advanced pro and 5G.

II. PRODUCTS AND SERVICES

4G Broadband: The company launched its 4G broadband services throughout India. JIO offers fourth generation data and voice services, along with peripheral services like instant messaging and streaming movies and music.

The company has a wide network of fiber optic cables in the country, over which it will be partnering with local cable operators to get broader connectivity for its broadband services. With its multiservice operators (MSO) license, JIO will also serve as a T.V. channel distributor and will offer television on demand on its network.

JIO Apps: Jio launched a bundle of multimedia apps on Google play as part of its upcoming 4G services. While the apps are available to download for everyone a user will require a Jio SIM card to use them. Additionally most of the apps are in beta phase.

JIO Net WiFi: Prior to its pan-India launch of 4G data and telephony services, JIO has started providing free Wi-Fi hotspot services in cities throughout India.

III. CONTROVERSIES

3.1 Issue with incumbents

The company has reached the sky heights very soon and had captured a great market share. But unfortunately it faced a lot of problems due to cut throat competition in the market with the presence of a number of companies like IDEA, AIRTEL, BSNL, VODAPHONE, TELENOR, etc.

The Telecom regulatory authority of summoned JIO and the country's existing telecom operators meet and discuss an issue regarding interconnection between the operators. After this JIO complained to TRAI and department of telecom about other operators not honoring their commercial agreements to let JIO use their network resources.

3.2 Alleged subscriber data breach

Reliance JIO's customer data was allegedly leaked on the website magicapk.com. The website was suspended shortly after the news of the breach broke out.

IV. EFFORTS TO IMPROVE SALES

JIO Phone: JIO introduced its first affordable 4G feature phone powered by Kaios, named as JIO phone. The price announced for it is Rs 0 with a security deposit of Rs 1500 which can be withdrawn back by the user by returning the

JIO phone at JIO stores only after 3 years. This phone was released for beta users on 15 August, 2017 and pre booking for regular users started on 24 August, 2017.

LYF smartphones: JIO entered into an agreement with domestic handset maker Intex to supply 4G handsets capable of voice over LTE (VOLTE). However later on JIO announced that it would be launching its own mobile handset brand named LYF.

The company launched its LYF smartphone series starting with Water 1, through its chain of electronic retail outlets, Reliance retail. Three more handset models have been released so far, namely Water 2, Earth 1 and Flame 1.

JIO Fi: It has also launched Wi-Fi routes by the name JIOFI.

V. CONCLUSION

Here it can be concluded that with the introduction of some good promotional efforts and some new products and services JIO has attained a sustainable survival. The steps taken by the company helps to increase its sale which was recorded 16% (16000 customers) in April and later by November it raised up by 81% (1,30,000 customers).