# THINK INDIA JOURNAL

ISSN:0971-1260
Vol-22- Issue-14-December-2019

# Major Challenges in Terms of Price and Quality of Services Management with Various Telecom Operators in India: A Critical Analysis

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***Abstract***-*Telecommunication industry thrivesto be a largest and driving venture of the modern contemporary world, assimilating the various parts of the country's state through different modes like mobiles, Wire line connectivity through Fiber& Copper, Radio Connectivity through RF as well as Microwave, Satellite, RF and web i.e Internet. The "TRAI" ("Telecom Regulatory Authority of India") regulates the industry by giving a deliberate framework. The Indian telecom industry is considered as the second largest in the world because of fast progression and advancement. The services provided by the telecom industry are aimed to be made accessible through all the regions of the nation. This present study highlights the analysis of the price and quality of services offered by major Telecom Operators in India.*

***KEYWORD: Telecommunications Industry, India's telecom, Telecom Regulatory Authority of India.***

## I. INTRODUCTION

The telecommunication industry in India is quickly developing and witnessing numerous improvements in terms of technological advancement in both Wireless and Wire line services. In Wire line industry it has completely migrated fom Operator based manual Exchanges to fully automated NGN ( Next Generation Network ) , whereas in Wireless part it has witnessed migration from 2G ( Mainly Voice based System ) to 4G ( Complete IP based System ) which supports high speed data .5G commercial launch has also started in various part of World. Advancement of various transmission system has increased multifold data carrying capacity of Optical Fiber which in turn playing a major role in digitalization of various Citizen Centric services and online services through provision of MPLS( Multiprotocol Level Switching), P2P ( Point to Point ) intranet services and ILL ( Internet Leased Line ) In service industries, customers' satisfaction plays a vital role in attracting and retaining customers. Satisfaction of customers primarily depends on the quality of service and price. It has experienced a few changes that have prompted extreme challenges in the industry focusing the quality and price. This article accentuates on significant changes in the Indian telecommunication part. Besides, the article additionallyillustrates about the new technology deployed bymajor players like – BSNL/MTNL Vodafone Idea, Jio, and Airtel. The article further attempts to give information on the ongoing advancements in part and will help to understand featureavailable in the telecommunication industry present status. [1]

## II. RESEARCH METHODOLOGY

**a. Objectives of the Study –**

The objectives of the study are as follows:

1. To study the telecom scenario in India.
2. To study and analyze the changes in Indian Telecommunication Industry.

b. **Sources of Data –** Secondary Source

c. **Universe of the Study –** BSNL , MTNL , Vodafone – Idea , Airtel , Jio

## III. TELECOM SCENARIO IN INDIA

With the introduction of "New Economic Policy" in the year 1991, the telecom industry was open for private players. In the year 1994, the organization pronounced the 'National Telecom policy', which further highlights the improvement of the business.In order to provide better monitoring, guidelines and regulations "Telecom Regulatory Authority of India" TRAI, was set up by the Govt. With implementation of new rules sporadically, TRAI successfully changed the once monopolistic government structure into a multi-chaired telecom authority, having a strong market base.

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After a few years, "New Telecom Policy" was introduced in the year 1999, which hadestablished guidelines for future by channeling all the segments of mass communications to private companies. During that time, different arrangement activities and advancements have given an enhancement and lift to the telecom division. The accompanying segment shows a portion of the significant changes in the scheduled time. [2]

## IV. A BREAKTHROUGH OF THE INDIAN TELECOM INDUSTRY

The Indian Telecom industry has witnessed major advancement in its technical endeavors.The fixed and mobile communication forms the major sections of telecommunication sectors. Some major advancements in the industry are illustrated below:.

- "MTNL" was established on April 1st, 1986, by the 'Government of India" for the metro urban society of Delhi and Mumbai.
- “Bharti Airtel” is one of the prominent telecommunications organizations worldwide, incorporating 2G, 3G and 4G services, Enterprise Services, fixed-line services, broadband, and many more.
- In June 2010 Reliance Industries bought 96 % stake in infotel Broadband services Limited which won Broadband Spectrum in all 22 Circles .Later Continuing as RIL’s telecom subsidiary , Infotel Broadband Services Limited was renamed as Reliance Jio Infocom Limited in year 2013.Jio launched its commercial services on 5th September 2016 and as of September 2019 its customer base has increased to 355 Million.
- Vodafone Idea- Vodafone India is an auxiliary of Vodafone Group. It commenced in the year 1994 under the initiative of “Hutchison Telecom” and gained the cell permit for Mumbai. Vodafone" gained a significant stake of “Hutchinson Essar” in May 2007. Starting off with a small base of around 31 million clients, , the organization extended its base throughout the nation to reach over 22 telecom circles. Later on due to consolidation in industry Vodafone and Aditya Birla Group company Idea has merged on 31.08.2018 and new consolidated company is now having subscriber base of 372 million as on September 2019.
- BSNL, known as "Bharat Sanchar Nigam Ltd." was fused on 15th September 2000. It assumed control over the matter of telecom services from the “ Central Government Departments of Telecom Services” (DTS) and “Telecom Operations” (DTO), with impact from first October' 2000. [3]

## V. COMPARATIVE ANALYSIS OF COMPETITION AND MARKET STRUCTURE OF FUNDAMENTAL TELECOMMUNICATION SERVICES IN INDIA

The advancing business sector structure and elements of primary telecom benefits in India, fabricate a techno-monetary model with adherence to the different elements influencing essential telecom administrations.

Telecom services offered in the country may be divided in two parts:-

1.Retail Business :-

a) Wireless Voice & Data Services.
b) Wireline Basic phones/Broadband Services.
c) FTTH ( Fiber to the Home Broadband Services).

2.Enterprise Business :-

a) Wireless Corporate CUG
b) MPLS (Multiprotocol Level Switching)
c) P2P (Point to Point Services)
d) VSAT ( Very small Aperture terminal Services)
e) ILL ( Internet Lease line Services)

All major telecom service providers are offering both the services to the customer. State owned Telecom Company BSNL has some edge in providing lease line services due to its wide reach and vast network of copper and Fiber through out the length and breadth of the Country.

In Wireless service RJIO is having edge due to deployment of latest 4G technology through out the country and is catering both voice and data on same 4G technology, whereas for other operators still 2G & 3G is working for Voice and data respectively and

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deployment of 4G Services is in few pockets only due to very high debt on the industry and lack of capital amount due to high pressure on profit margin. All Major operators are in loss due to very low pricing , which is badly affecting the service quality also in terms of maintenance as well as network expansion.

In order to compensate their falling revenue and ARPU operators are now concentrating on collaboration with content service provider to increase their revenue.

## VI. THE CRITICAL ANALYSIS GAPS IN CUSTOMER SERVICES – A STUDY OF CHOSEN TELECOM SERVICE PROVIDERS IN NCR

With the advancement and ensuing reposing business model in the telecom services in India, the telecom sector has encountered a significant procedure of change as far as its development, Technology up gradation , and market structure in last decade. The energy of these progressions has transferred at a quicker pace. The market structure changed from single to multiple sellers; the client's expectations have increased. The buyers have increased the need for services as per the advancement in Telecom Industry services. The telecom industry has mostly been responsive to client's needs, which has been fundamental cause of their growth. The comparative analysis elucidates the fact that existence of a competitive telecom market has rendered fulfillment of choices for the clients and kept the price of the products reasonable.[5]

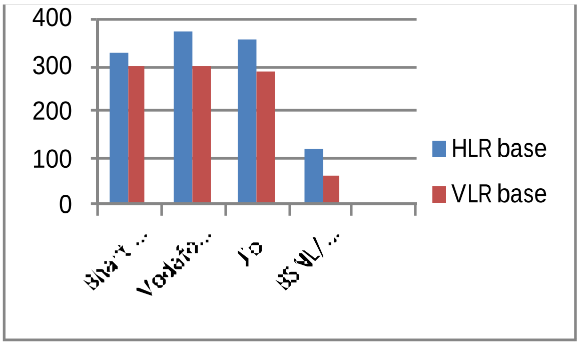
## VII. COMPARATIVE STUDY OF MAJOR TELECOM PROVIDERS IN INDIA

The changing times have witnessed increased competition to acquire focused edge over one another. Business lattices like exclusive sales deals, profitpercentage after-tax, Total Income (Capitalization), Total expenditures, and level of fulfillment of the clients are significant pointers with regard to market organizations.

A close analysis of significant telecom service providers like "BhartiAirtel Limited", "Reliance JIO infocom", "Vodafone Idea Limited" and" Bharat Sanchar Nigam Limited" (BSNL) in India has been displayed in this paper based on auxiliary information which incorporates most recent comparisons of Active wireless subscriber bases vs. registered Subcriber base as well as comparison of adjusted gross revenue of the Service providers.

Figure :-1

**Comparision of Wireless Subscriber base (Million) as on 31.09.2019.**




Comparison of change in adjusted gross revenue operator wise in Crores:-

| Sl No | Service Provider | QEJune 19 | QE March 19 | % Change |
|---|---|---|---|---|
| 01 | Voda Idea | 6721.06 | 7133.40 | -5.78 |
| 02 | Airtel | 7468.63 | 5920.22 | 26.15 |
| 03 | Jio | 10800.44 | 9838.91 | 9.77 |
| 04 | BSNL | 2598.61 | 2031.07 | 27.14 |
| 05 | MTNL | 407.19 | 466.74 | -12.76 |

This information has been gathered to gauge the level of satisfaction (LOS) of the Indian media transmission clients. This LOS was assessed for different variables like system inclusion, client service, tariff rates, plan, and responsibility of bill. The investigation was conducted on an online field. The online poll was conveyed to cell phone clients via social networking sites and email for this reason. The gathered information was analyzed through programming. "Bharti Airtel" thrived in all the aspects of business lattices referenced previously. [6]

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## VIII. CONSUMERLOYALTY TOWARDS TELECOMMUNICATION SERVICE PROVIDER - A GLIMPSE OF RELIANCE JIO

Consumer loyalty is classified as a client's general assessment. Consumer loyalty is a term that has received a lot of consideration and enthusiasm among researchers and professionals due to its significance as a critical component of the business system and objective for all business exercises, particularly in the competitive market (Anderson et al., 1994). Fulfillment, on the other is seen as a "general assessment of the purchase, with utilization over a period of time. (Anderson et al. 1994)

It appears that more than significant part of the respondents is contended with the Jio's administration set up. Respondents seem profoundly satisfied with the internet services rendered by JIO. However, the Customer care services has not acquired client's satisfaction.Thus , it is evident that the customer care service needs administrative priority to address client's issues and concerns, and giving arrangements. Itmay be further observed that there is no distinction in the assessment of male and female respondents on the JIO Tele correspondence. [7]

## IX. PRICE PERCEPTION OF CONSUMER

Price is obviously one of the most significant marketplace cues. The unavoidable impact of price is expected, to some extent, to the way that the price sign is available in all buy circumstances and, at the very least, speaks to all consumers the measure of financial expense that must be yielded so as to take part in a given buy trans-activity.

A comprehensive model was proposed by Wang and Lo (2002) for customer retention fusing service quality discernments, price recognitions, customer lack of interest and inertia. Data from a large-scale postal review of phone clients in England indicated that view of service quality have a direct linear relationship with customer retention even in mass services with low customer contact. Price recognitions and customer lack of concern also were found to have a direct linear impact on retention. Besides, it was likewise perceived how both price observations and customer lack of concern directed the relationship between service quality recognitions and customer retention. A linear relationship among inertia and customer retention was not found. Besides, there was proof to demonstrate that inertia was a generally unstable condition and that dependence by service providers on inertia to hold customers could to be sure be a risky procedure.

Consumer discernment on price influences the Telecom Sector. Since, impression of the price prompt for certain consumers can be described all the more barely as reflecting price consciousness however the expression "price consciousness" has been utilized by various specialists to allude to an assortment of price-related discernments. Reliable with this point of view, a few analysts have contended that a price decrease may create an expansion in consumer reaction past that which would result an identical lower price.

## X. CRITICAL CHALLENGES OF TELECOM SECTOR IN INDIA

The "Indian telecom" has advanced exponentially over the period of its commencement. All Telecom service providers are at cut throat competition after the entry of Jio in the market. It is evident from the present situation that the Voice services alone would not be adequate to create income, and subsequently, the center is required to be inclusive towards different service requirements..

The essential obligation lies with the telecom administrators to build a competitive platform, merging the telecom services along with Internet services. .Further, mobile handset makers, hardware organizations, and content providers and portable applications delivering organizations, online platforms like Facebook/WhatsApp and computer game makers likewise have to play an essential role in providing a qualitative and a competitive telecom market.

- *Innovative Constraints*

Having a versatile options or range of services is a rare asset. However the accessible range available for business is considerably low.Since the service providers expect to sell products at maximum profit range, regulation of price at low price is adifficult possibility. Along these lines, it gets difficult for them to offerat an adequate costs that empower appropriation and utilization. The likelysupplementary arrangement is not to depend

ISSN:0971-1260
Vol-22- Issue-14-December-2019

entirely on the authorized spectrum, but also is to rely upon unlicensed ranges.

- *Handsets Constraints*

The cell phones have numerous differentpurposes that go beyond the accessto Internet. The high cost of cell phonesstill appears to be an obstacle to appropriation. This telecom area is a mechanically robust industry as the new items and innovations forms an essential part of the industry.

The mobile phone costs are required to decrease further, and made available at reasonable range. Imperatives with Contents, an ever-increasing number of VAS (Value added services) are to be made accessible in all of the local dialects. English language is still spoken by a little portion of the individuals in India.

Additionally, utilizing the Internet or browsing is not a pleasant experience on the little screens of a cell phone. So its use significantly restricted to use of applications like WhatsApp and Facebook. With increasingly more utility-based applications making its mark, Internet information use is on the expanding pattern. Applications are making the Internet accessible through different Internet pages.

- *Price*

Service quality surpasses meets or falls below expectations, there would be a common ground for continuation or improvement of the service quality level alongside their price. The customers' desires from the Telecom service providers are higher than the apparent quality of the services gave by them in lower price. In an aggressive market, service providers are relied upon to contend price and quality of service, it is additionally important for the service providers to meet the consumer needs, price and quality of the service (Melody, 2001).

Applications offer simpler solutions to the clients.Applications have found prominence in major banking and business platforms. Taxpaying organizations have also made substantial use of application in their capacity. The utilization of applications, therefore, makes the experience of utilizing the Internet simpler for a wide range of prospects.[8]

## XI. SERVICE QUALITY AND GAP MODEL: CONCEPTUAL VIEW OF TELECOMMUNICATION INDUSTRY

Today , the dynamic service industry is an essential aspect for functioning of a successful marketing. The customization of services needs to adhere to client's needs and accessibility. Network around the world prevail in a competitive scenario; the networks compete on the grounds of quality of service Fast provisioning, free market, innovative technologies etc. Telecommunication sector has significantly impacted the business prospects , in terms of efficiency, productivity and discovering new markets. This expansion in media transmission capacities enables the business to profit by the data upset from numerous points of view, for example, changing their inventories, expanding efficiency, and recognizing new markets. The GAP model which identifies few variables in telecom industry: Knowledge gap, Service design and standard gap, Service performance gap and communication gap. Taking these variables under consideration is essential for uninterrupted relationship with customers. [9]

## XII. CONCLUSION

The telecom sector in India has to deal with several implications with government DOT ( department of Telecommunication and market regulator TRAI( Telecom Regulatory Authority of India). The challenges of managing the spectrum are the most significant. The adoption of new policies & technologies plays a crucial in keeping the market competitive. The technologies and features still need to be furtherupdated. The issues of Regulatory government agencies should be modified, where users should get benefits, and access the quality of services. The challenges are mainly focused on the market structure and regulatory environment.

There should be an effective plan of policymakers of the country, which can eradicate the problems of the Regulatory environment between users and companies. It is noteworthy to address the reformation and to improve on the subject of spectrum division across the companies. The issue of spectrum band harmonization needs to be resolved in order for the use quality mobile services through out the country. Comprehensive accommodation of

ISSN:0971-1260
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telecommunication and Internetservices has never been more imperative than the present.

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ISSN:0971-1260
Vol-22- Issue-14-December-2019