



A Comprehensive Analysis on the Factors Affecting Acceptance of Reliance Jio

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Abstract— *Telecommunication has occupied an important place in daily life of an average person. Telecom companies are coming up with best of their services to serve their customers better; data is added to mobile plans, Wi-Fi has been built into buses and cars with lot of attractive schemes to offer to their customers. People not only want internet access on the go, they also expect a lot from the telecom companies. It is very easy for them to switch to other telecom companies if they are not satisfied with the services their company offers.*

Reliance has launched its 4G broadband services via Jio throughout India on September 2016. The paper aims to undergo a descriptive study and understand the impact of “Jio effect” on people of Ahmedabad considering a sample size of 385 using a well-structured questionnaire. A comprehensive analysis is done to identify the factors affecting the acceptance of users towards Reliance Jio with the special focus on whether they will continue with Jio or they will shift to other service provider.

Keywords— *telecom, internet, free, jio, network, internet speed, service provider*

I. INTRODUCTION

In this digital era, people need uninterrupted internet on their mobiles for accessing their emails, using social media and for their office work for sharing data and collaborating with their team members. Understanding this dependency of people on Internet Jio has recently offered free data and unlimited calling facility strategically planned by Reliance. Indian scenario is price sensitive where people shift from one vender to another easily because of the change in price. By providing free services to customers Reliance Jio attracted a huge mass thereby affected other telecom companies. According to Times of India report on telecom sector [10] “India's telecommunication network is the second largest in the world by number of telephone users. It has one of the lowest call tariffs in the world enabled by mega telecom operators and hyper-competition among them. India has the world's second-largest Internet user-base”.

The telephony segment is dominated by private-sector and two state-run businesses. Most companies were formed by a recent revolution and restructuring launched within a decade, directed by Ministry of Communications and IT, Department of Telecommunications and Minister of Finance. Since then, most companies gained 2G, 3G and 4G licences and engaged fixed-line, mobile and internet business in India. On landlines, intra-circle calls are considered local calls while inter-circle are considered long distance calls. Telephone companies are installing fibre wire; phones are becoming more compact, moving the telecom business into a primarily wireless business. In 4G systems, the circuit-switched infrastructure is abandoned and only a packet-switched network is provided, while 2.5G and 3G systems require both packet-switched and circuit-switched network nodes, i.e. two infrastructures in parallel. This means that in 4G, traditional voice calls are replaced by IP telephony.

II. THE JIO INTERNET WI-FI

Jio owns spectrum in 800 MHz and 1,800 MHz bands in 10 and 6 circles, respectively, of the total 22 circles in the country, and also owns pan-India licensed 2,300 MHz spectrum. The spectrum is valid till 2035. Table 1 shows the radio frequency of Jio in various states of India [11].

TABLE I
FONT SIZES FOR PAPERS RADIO FREQUENCY OF JIO IN STATES OF INDIA
(source: https://en.wikipedia.org/wiki/Jio#cite_note-21[11])

Telecom Circle	FDD-LTE 1800MHz Band 3	FDD-LTE 850MHz Band 5	TDD-LTE 2300MHz Band 40	Telecom Circle	FDD-LTE 1800MHz Band 3	FDD-LTE 850MHz Band 5	TDD-LTE 2300MHz Band 40
West Bengal	✓	✓	✓	Kolkata	✓	✓	✓
Uttar Pradesh	✓	✓	✓	Himachal Pradesh	✓	✓	✓
Tamil Nadu	✓	✓	✓	Karnataka	✓	✓	✓
Rajasthan	✓	✓	✓	Jammu and Kashmir	✓	✓	✓
Punjab	✓	✓	✓	Kerala	✓	✓	✓
Odisha	✓	✓	✓	Haryana	✓	✓	✓
North East	✓	✓	✓	Gujarat	✓	✓	✓
Maharashtra	✓	✓	✓	Goa	✓	✓	✓
Madhya Pradesh & Chhattisgarh	✓	✓	✓	Delhi	✓	✓	✓
Bihar & Jharkhand	✓	✓	✓	Andhra Pradesh & Telangana	✓	✓	✓
Assam	✓	✓	✓				

The company has a network of more than 250,000 km of fibre optic cables in the country, over which it will be partnering with local cable operators to get broader connectivity for its broadband services [4]. Mukesh Ambani, owner of Reliance Industries Limited (RIL) had revealed about their 4G service named Jio on 12th June 2015 in annual general meeting of RIL. The offers were exciting consisting of data and voice services including services like instant messaging, live TV, movies on demand, news, streaming music, and a digital payments platform. Jio has started providing free Wi-Fi hotspot services in cities throughout India including Surat, Ahmadabad in Gujarat and selected locations of Mumbai in Maharashtra[5], Lucknow in Uttar Pradesh [9], Bhubaneswar in Odisha[1], Collectorate's office in Meerut[8], and at MG Road in Vijayawada[6] among others.

This paper is aimed to study and analyze the customer's preference for 4G services, to analyze factors affecting acceptance of Reliance Jio and to study difficulties faced by distributors and customers.

III. RATIONALE OF STUDY

The research was selected to measure for the customer's preference for 4G services. When Mr. Mukesh Ambani announced free 4G internet data for the customer it's a big step taken by any entrepreneur. After launching Reliance Jio 4G services which kind of difficulties faced by other telecom companies and their customer it's would be find. This questionnaire is to find the different dimension of the Reliance Jio 4G services. We have reached that point when Reliance Jio's customer satisfied and accept Jio services and what kind difficulties faced by customer after the end of free data given by Reliance Jio. Many authors have done research about perception of customer, marketing

strategy of the dominant companies and competitors reaction, while we would like to research about problem facing by distributors as well as customers by Reliance Jio's and also marketing strategy of the Jio's and other telecom companies.

Recently Reliance Jio has made its presence in the market of Telecom Industry. It is offering 4G Internet service and free Internet and voice usage as its launch offer. It is a big game changer in the telecom industry [3]. A fastest growing sector, telecommunication in India is one of the sectors where innovation and intense competition is a key to the progress of the industry [2]. All the players in telecom industry are giving special offers and schemes as per the market conditions to maximize their subscriber base. According to Ratnesh & Kansal [7], the most important determinant for consumers' satisfaction and their foster recommendation to others are Customized VASs, Convenience, Network Coverage and Call tariff. We intend to study the impact of various factors to determine the satisfaction and loyalty of customers to their previous service provide and the reasons for switching to Jio.

The research method is taken as descriptive method as the study is in depth and detailed. To Study the factors affecting acceptance of Reliance Jio and its impact on other's Telecom companies. The approach is quantitative approach as the study is carried out as survey on 4G services provided by Reliance Jio.

IV. DATA INTERPRETATION

The methodology used here is exploratory in nature as the survey was done in March 2017 to know whether people are going to continue with Reliance Jio services after the month of March or not. This study is aimed to find the satisfaction level of users from the services provided by the company and also tries to examine the impact of the free services given by Reliance Jio on other telecom service providers. For registering the opinions of the respondents, a survey is conducted using a well-structured questionnaire considering standard normal sample size of 385. Using non-probability convenient sampling, people of Ahmedabad were chosen to answer the questions on following broad areas:

1. Satisfaction level
2. Reasons of acceptance
3. Impact on other service providers

Respondents consist of males and females including professionals and business people. Responses were also gathered from students as this is the generation which mostly is seen glued to smart phones and can't live without it.

To begin with, respondents were asked the reasons of using Reliance Jio. They were asked about the factors which impelled them to use its services. Out of 385, 174 people are of opinion that they are using Jio because of high speed data, second reason reported by 105 people is free voice chat, whereas free video calling is the next highest response while only around 10% of people stated free roaming is the reason as seen in figure 1.

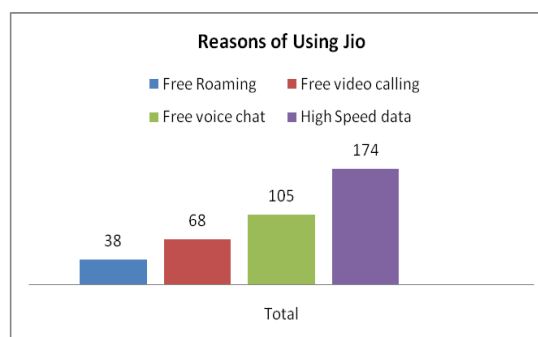


Fig.1 Reasons of using Reliance Jio

Respondents strongly agree that they choose to use Jio because of the availability of 1 GB free high speed data daily. They also believe that the night time spent on internet has increased as speed is higher

in night as compared to the day time. More than 60% of the people revealed that they could connect to old friends, relatives, old colleagues and other acquaintances after long and they talked to them without any special reasons only because of the free voice calls offered by Jio. Figure 2 shows the usage of Jio in months by chosen respondents.

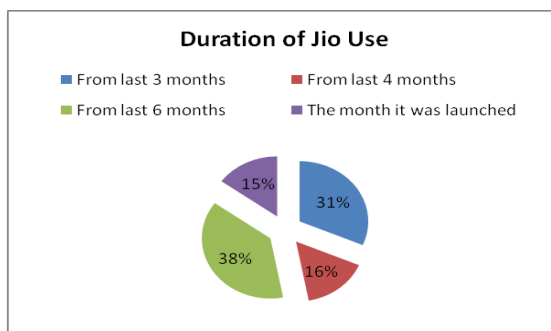


Fig. 2 Duration of Jio Use

The above chart shows that only 15% people started using Jio in the month it was launched but later on more people started using it. The count increased to 38% later for those respondents who are using it for last 6 months. After the month of December, even more customers were tapped in by the Happy New Year offer and 31% more people started using Jio to take the benefits of new offer. This shows that the customer base of Jio is strong from initiation only as majority of the customers are using it from the time it was launched. On being asked whether the customers have any plans to switch back to their previous service provider, around 80% of the respondents declined. We have tried to identify the reasons why customers don't want to go back to their previous service provider. Four major problems were identified viz. call dropping, less margin, low internet speed, network problem. Figure 3 shows the number of respondents reporting above difficulties faced with the previous service provider.

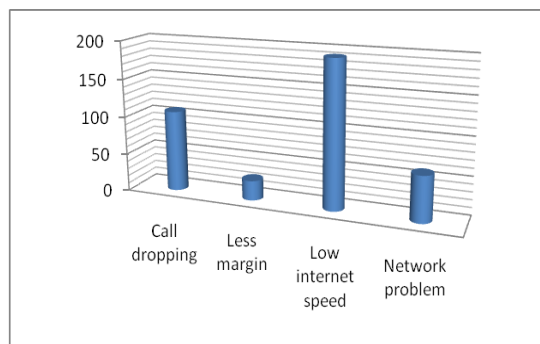


Fig. 3 Difficulties Faced Using Previous Service Provider

From the above chart, it is clear that all people are dissatisfied with their previous service provider because of one or the other reason. In spite of using the best 3G speed data packs, they could not surf internet because the speed of the internet was very low. Majority of the respondents, i.e. 192 people are ready to switch to Jio as it is providing high speed 1 GB internet quota per day and after consumption of 1 GB data, the internet doesn't exhausts but the internet speed reduces to 128 kbps. The next day, the data pack is refreshed back with 1 GB data pack again. Around 107 people said that they could not make long duration calls using their original service provider as there were major problems of call dropping which forms one of the major reasons why they are shifting positively to Reliance Jio. Both these services are provided by Reliance Jio that too free of charge.

As the Happy New Year offer was valid only till March 2017, the respondents were asked whether they would like to continue with Jio even after the scheme is over and its responses are represented by figure 4.

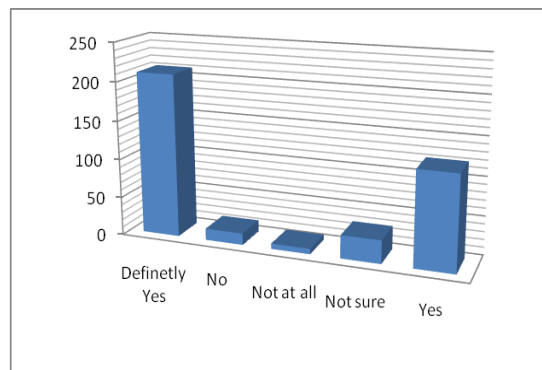


Fig. 4 Continuation of Use

The above chart depicts that around 333 out of the total respondents are positive and they plan to continue the Jio services. Only 14% people either are not sure or they don't intend to use the services and can switch back to the original service provider. Majority i.e. 211 people said definitely yes which talks about the satisfaction of customers from Jio services.

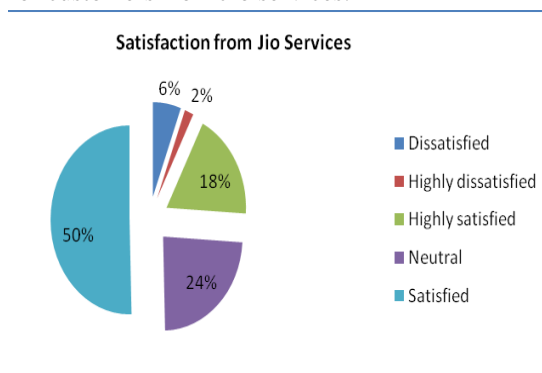


Fig. 5 Satisfaction from Jio Services

Out of 385 respondents, 50% of respondents are satisfied from Jio services while 18% respondents are highly satisfied. These customers are those who responded that they positively are going to continue using the services even after the scheme is over. Around 24% of customers were neutral in their response, who are indecisive about the continuation as well as the satisfactions from Jio. A very low number of respondents are dissatisfied which is ignorable in comparison with the satisfied customers.

V. CONCLUSION

A study conducted on 385 people of Ahmedabad to identify the factors affecting use of Jio services surfaced lots of facts and figures. The research considered factors like network strength, margin of use, call facility and internet availability to understand the acceptance of Jio by these customers. The reason of swift shift to Jio by majority of people is the dissatisfied from the internet services by their previous service provider, low internet speed and call dropping problems. A whopping 86% people are going to continue with Jio even when the scheme gets over on 31st March 2016. This shows that people are highly satisfied from the Jio services. More than 50% of people shifted to Jio in last 6 months clearly shows that this has impacted other telecom companies. After experiencing Jio services, most of the customers don't plan to shift back and are interested in continuing with Reliance which again may result in the loss to other telecom companies.

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