

# Leverage of E-Marketing: A Case Study of Reliance Jio

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## INTRODUCTION

Reliance Jio started with broadband services entered into 3G and 4G and expanding its mobile services through e-marketing. Their innovative plans made stiff competition in the mobile market. The company created such tough competition that Airtel and Vodafone have seen double digit rate of decrease in their revenues. This case study is about Reliance Jio from its inception, the team behind the company, marketing mix adopted by the organization; SWOT analysis; competition, market segmentation, and positioning. This case also describes e.marketing strategies adopted by Reliance Jio.

## INCEPTION OF RELIANCE JIO

In 2005 when Reliance Industries Limited split, there was one major demerger, that of Reliance Jio Infocomm Ltd <sup>1</sup>which became a part of Anil Dhirubhai Ambani Group. The company was previously known as Infotel Broadband a broadband service provider which gained license for operating across India<sup>2</sup> It is popularly known as Reliance Jio, the dream project of Mukesh Ambani. Slowly Lyf phones made foray into the market with Jio preview offers. Free unlimited data for 3 months and free voice calls and sms was the way they entered the market. Lyf phones seemed a decent deal, but it was Jiosim that caught people's eyes.

## THE JIO TEAM

The Jio team consists of Shailender Nath Sharma as the CEO, Sanjay. U. Mashruwala as Managing Director, and Rajneesh Jain as Chief Financial Officer. Mathew Oommen, President of Global Strategy and Service Development and Director. In 2013 a couple of senior professionals from the telecom equipment industry also joined the organization. A few to name are Manoj Modi, Sandip Das, Arvind Rao etc. became a part of the Jio's management team.

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<sup>1</sup> RIL Subsidiaries & Associates' RIL.com.Retrieved 20 August 2013

<sup>2</sup> Times of India 122 June 2010. Retrieved 22 August 2013.

Products and services offered by Reliance Jio:

The products and services offered by Reliance Jio are Jio Phone, 4GBroadband, LYF smart phones, Jionet Wifi, Jio apps, Affordable 4Gphones, Jio Fi a few to name. The new year of 2017 Reliance Jio introduced 9 more products Jio TV, Jio chat, Jio Cinema, Jio music, Jio Mags, Jio Xpress News, Jio Money, Jio security, Jio Newspaper. Reliance 4G Jionet, Reliance Pan-India 4G spectrum service.

Jio Phone a 4G feature phone powered by KaiOS was introduced in 2017; in September 2016 the company launched their 4G broadband services throughout India, along with voice services and peripheral services like instant messaging and streaming music and movies<sup>3</sup>. The company has a network of 250,000 km of fiber optic cables in the country. LYF smart phones, with the brand name 'LYF' was with which Reliance introduced their own mobile handset<sup>4</sup>. Reliance Jio is expected to launch their direct to home (DTH) TV series trough which the y will broadcast native TV channels and stream online content with the help of Jio's broadband services<sup>5</sup>.

## MARKETING MIX ADOPTED

### PRICE

The pricing strategies adopted by Jio are most attractive. They have priced their various products to satisfy individual but have also dominated the current telecom market. Their premium 4G services offered at affordable prices are causing rivals to modify their pricing strategies.

Reliance Jio Infocomm Ltd has come up with their latest tariff revision. The company is offering an unlimited voice plan to its feature phone users, with 1GB of data being provided, at just Rs49 for a 28-day billing cycle. Earlier it had unveiled a similar plan for smart phone users, with 2GB of data usage, at Rs98<sup>6</sup>. These prices are their latest.

### PROMOTION

Reliance Jio has been a bit aggressive with their marketing strategy, in order to create positive brand awareness. They have launched ad campaigns on television, radio, newspapers, magazines, and billboards and social media platforms including Instagram, Facebook, Instagram, Twitter and YouTube. Reliance Jio has used the importance of star power and has roped in several celebrities to act in its commercials and become associated with its brand.

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<sup>3</sup> Reliance to launch Jio set to kick off pricing war', Business Standard 2015.

<sup>4</sup> Reliance to sell smart phones under the brand name LYF', Economic Times 2015.

<sup>5</sup> Reliance Jio to expand operations', Business Standard April 2017.

<sup>6</sup> Reliance Jio goes for the kill', Livemint January 30 2017.

## **PRODUCTS**

They offer telecomm products, high speed internet and exclusive services.

## **PLACE**

Through their wide spread distribution channels, Jio products and other digital products are sold at the various Jio stores located across 700 cities in India. Within a short span of time Reliance Jio stores have become India's largest chain. This chain of stores is increasingly becoming a platform for distribution for a large number of national and international brands.

## **RELIANCE JIO'S SWOT ANALYSIS, USP, COMPETITION, SEGMENTATION, TARGETING, POSITIONING**

The segment that Jio concentrated upon were; people with smart phones looking for high speed internet and good mobile services. The target Group they targeted were Urban & tier 2 middle and upper class segment. They are trying to uniquely position themselves and transform India into a digital and tech savvy country.

## **RELIANCE JIO'S SWOT ANALYSIS**

### **Strengths**

- Parent company being Reliance Industries
- Marketing and advertising
- Innovative technology-4G LTE services along with VoLTE.
- Strong presence—spread out to more than 22cities.
- Jioapps.
- LYF—smartphones

### **Weakness**

One of their ad campaigns. Opportunities:

Threats:

## **MARKETING STRATEGY ADOPTED**

Reliance Jio has gained a significant amount of user base. Reliance Jio acknowledged the universal truth and a new industry norm through their strategy—that consumers in telecommunication industry either pay for calls and chat messages or for data; but not for both. Hence they charged 1/10<sup>th</sup> of the industry's telecommunication charges and their policy of 'absolutely free.

Reliance Jio is all set to lay down a pathway for themselves in the e.market arena too. The team is working at creating an operational model through which consumers will be able to buy at the corner stores popularly called as 'kirana' using digital coupons via Jiomoney.

Jio also has tieups with wallets like Freecharge, Mobikwik, and Paytm to offer cashback to JioPrime users on recharge. After changing the face of telecommunications in India, Jio now sets sight on grand entry in e.commerce. In e.commerce the biggest threat to Amazon and Flipkart would be Reliance retail, as Reliance Jio has spread throughout India and connections to smaller retailers can be built through Reliance Jio. Jio net WiFi, was the product released prior to the launch of 4G data. Reliance had started free WiFi hotspots services in a few cities in India.

### A BRIEF COMPARISON AMONG PLANS BROUGHT FORWARD BY JIO AND THEIR COMPETITORS AIRTEL AND VODAFONE (EARLY 2018)

#### Strategies Adopted

SI. No.	Reliance Jio	Bharti's Airtel	Vodafone
The low Budget plan	100% cash back, Happy New Year 2018 plan: Reliance Jio's Rs 199 plan: 33.6 GB 4G data for 28 days with a daily data limit of 1.2GB + Unlimited calls and SMS	Bharti Airtel's Rs 199 plan: 1GB 4G data per day for 28 days + unlimited local/STD calls and 100 SMS per day.	Vodafone's Rs 198 plan: 1GB 4G/3G data per day for 28 days + 300 unlimited* local/STD calls per day and 100 SMS per day. (The daily call limit is 300 minutes and it may vary)
2. The Mid Budget Plan	Jio's Rs 459 plan: 1GB data per day for 84 days with unlimited calls and SMS	Bharti Airtel's Rs 448 plan: 1GB 4G data per day for 70 days + unlimited local/STD calls and 100 SMS per day.	Vodafone's Rs 458 plan: 1GB 4G/3G data per day for 70 days + unlimited local/STD calls with 100 SMS per day. (The daily call limit is 300 minutes and it may vary)
3. The High end Plan	Jio's Rs 799 plan: 3GB data per day for 28 days with unlimited calls and SMS	Airtel's Rs. 799 plan: 3.5GB data per day for 28 days with unlimited calls (non-commercial) + 100 local/STD SMS per day	Vodafone's Rs 859 plan: There is no Rs 799 plan in Vodafone. However, it has a Rs 859 plan in which it offers 11 GB 3G data & free Wi-Fi @ 1 GB - for 2G/3G/4G for 28 days.

Source: [/economictimes.indiatimes.com/news/company/corporate-trends/reliance-jio-vs-airtel-vs-vodafone-latest-plans-and-offers-you-may-opt-for-in-2018/articleshow/62335307.cms](http://economictimes.indiatimes.com/news/company/corporate-trends/reliance-jio-vs-airtel-vs-vodafone-latest-plans-and-offers-you-may-opt-for-in-2018/articleshow/62335307.cms)

## MARKET SEGMENTATION

Reliance Jio has concentrated upon both lower end consumers as well as high end consumers, this gets reflected in their products and services too. The rural consumers also have a major part among Jio's targeted group.

## CONCLUSION

Reliance Jio started with huge investments and set up stores in several cities in India. It has been a very good initiative for the consumer base in India, expanding its business with innovative e-marketing strategies, products and services. The Reliance group is yet to see the ROI (return on investment) of their most revolutionary venture 'Jio'.

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