



A STUDY ON SWOC ANALYSIS OF RELIANCE JIO

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Abstract:

Reliance Jio Infocomm Limited, started business as Jio, is a LTE type of mobile network operator in India. It is a subsidiary fully owned by Reliance Industries. Its headquarters situated in Navi Mumbai, Maharashtra; it provides wireless 4G LTE service network without 2G or 3G based services and it's became countries first 100% VoLTE operator, plus it covers nearly 22 telecom circles coverage in India. Jio's partners and employees enjoyed services of first beta-launched to on 27 December 2015 on the eve of 83rd birth anniversary of late Dhirubhai Ambani, founder of Reliance Industries, and later on 5 September 2016 services were commercially launched. Jio subsidiary is LYF mobiles launched in beginning of 2016. India is a largest internet user's country. Most of the communication companies are already utilizing the benefit of countries population. In India, Airtel, Idea, Vodafone, Reliance, Docomo, Aircel and BSNL are major mobile operators. In that, Airtel holds largest market share by providing free internet services, lowest data 2G, 3G and 4G data packs with high speed of internet, low call rate packs etc. Secondly, Vodafone is a second largest market share holding mobile operator company. When android operating system launched the new revolution began in mobile industry, smart phones pulled high demand over mobile market segment. Due to Social media like Whatsapp, Facebook, Instagram etc demand for smart phones increased continuously. Internet is a heart of smart phones by this reason operators took an advantage and hiked the rate of data packs. In the name of 2G, 3G and 4G packs network providers continuously fleeced money of customers. Any way demand for data packs are connected with different types of apps available in App market. So, mobile operators started race towards high speed internet. Now CEO of Reliance Industries Mukesh Ambani launched high speed internet 4G service in the name of JIO Digital life. Jio is wireless telecommunication includes Mobile telephony and Wireless broadband products. In 25th January 2016, Jio launched its LYF smartphone series starting with Water 1, to supply 4G handsets enabled with voice over LTE (VoLTE) feature. Jio has started providing free Wi-Fi hotspot services in cities throughout India. At present Jio offers 90 days of free internet, free call, free SMS and Jio app services till December 31st 2016 in the name of Jio welcome offer. Youths are highly attracted with this offer. This paper aim is to provide strengths, weakness, opportunities and challenges are to be faced by Reliance Jio.

Index Terms: Introduction, Strengths, Weakness, Opportunities and Challenges of Reliance Jio and LYF Mobiles

1. Introduction:

Mumbai, 1st September 2016: Reliance Jio Infocomm Limited ("Jio") declared the start of its digital services with Jio Welcome Offer. It was succeeded from 5 September, 2016. As segment of the Jio Welcome Offer, users will benefited to use unlimited LTE internet (data) and national voice, video and messaging services by including full package of Jio applications and its content free of cost till 31 December 2016. The Company also announced its tariff plans with the Telecom Regulatory Authority of India ("TRAI"). The Chairman of Reliance Industries Limited, Shri Mukesh D. Ambani, made this announcement at the Annual General Meeting of RIL. Shri Ambani made special importance to the benefits of digitalisation and said in his speech that Jio is devoted to realize the Prime Minister's inspiring vision of "Digital India" for 1.2 billion Indians. Shri Ambani also declared that national voice calls to any network across the nation would be free for Jio subscribers even to the further side of Jio Welcome Offer. There are no roaming services charged separately. Average data prices would be around Rs. 50/GB, which would be surrounded by the lowest in the world. Jio is flowing out a state-of-the-art pan India digital services business. In addition to superior voice and data services on an all-IP network offered on fixed and wireless broadband connectivity, Jio will also offer end-to-end relief that readiness the entire value chain across various digital services in key domains such as education, communication, healthcare, financial services, security, government-citizen interfaces and entertainment. Jio Info communication comprehensive about the various strategic led by Mr. Mukesh Ambani, chairman of RIL to promise a successful reentry in the sector Shri Ambani talked about the five fundamental objectives of the Jio ecosystem:

- ✓ The highest capacity holding broadband network with the best quality;
- ✓ A world of inexpensive, cutting-tine devices;
- ✓ Strong and effective applications and content;
- ✓ Eminent digital service experiences; and
- ✓ Inexpensive and simple tariffs.

Shri Ambani also told that the key brand status for Jio included inexpensive, high quality and plentiful data; connected intelligence; simple, smart and secures services; and bringing people altogether. Shri Ambani also promised that Reliance Retail Ltd has introduced a line-up of super inexpensive 4G LTE smartphones under the LYF brand, starting at Rs. 2,999. More highly feature-rich models will be available at developing gradually higher price-points like Rs. 3999, Rs. 4999 and soon. As per the promise LYF smart phone know available in Market. Jio assured to setting-up of the Jio Digital India Start-up Fund. Jio will worked on creating Jio Digital Ownership Hubs in key cities and towns of India. The Jio Digital India Startup Fund has kept aside Rs. 5,000 crores to be invested over the next 5 years. After successful launch, the first month of commercial operations, Jio announced that it had happy 16 million subscribers with its boulder. This is the fastest growth in any mobile network operator in whole world. In 83 days Reliance Jio crossed 50 million subscriber mark while Airtel took 12 years to get 50 million subscribers milestone, Vodafone and Idea took 13 years each. However, the Indian telecom market is featured by one of the cheapest call tariffs in the world due to teeming competitiveness with increased participation by some of the huge players in the world telecom space. This is resulting into huge losses and decreasing profitability of the operators in India. The telecom sector however facing lacks proper infrastructure, which has seized its growth to only 2G and 3G network deployments while developments in the LTE space is still belated. Government has permitted 100 per cent foreign direct investment (FDI) in the telecom sector, approach a key demand of the fund-starved industry. The history of the Indian Telecom sector goes way back to 1851, The British Government in Calcutta brought first operational landlines. After independence, all foreign telecommunication companies were nationalized to form Post, Telephone and Telegraph, a monopoly run by the Government of India.

2. Objectives of the Study

- ✓ To identify what is Jio welcome offer and happy new year offer?
- ✓ To find Tariff Plans and Structure of jio?
- ✓ To study Jio Digital Life Features
- ✓ To analyze basic Tariff
- ✓ To know what are strengths, weakness, opportunities and challenges

3. Jio Welcome Offer:

The Jio Welcome Offer gives a chance to every Indian to learn, try, customize and feel high quality digital services, without contributing for the services up to 31 December, 2016 later which the applicable tariffs will apply. The Company also makes an offer to use this time period to fine-tune its services as well as for resolution of interconnection and MNP related problems that it has faced with many other operators. Jio may impart the period of free services in case Jio subscribers are not able to get plentiful experience of smooth and without seams connectivity across network due to POI congestion and MNP restrictions and the quality of service parameters are not as per the benchmarks wanted by RJIL management. The other terms and conditions of these special merits under the Jio Welcome Offer have been placed by the Company to TRAI as well as given on its website 'jio.com'. The present test users of the Company, who have registered for the Jio Preview Offer, will be undergoing to the Jio Welcome Offer under the terms thereof.

4. Tariff Plans:

The Company filed its detailed tariff plans with TRAI on launch day. Shri Ambani mentioned the following principles used for creating the tariff plans:

- ✓ Advantages of technology would be moved onto customers. All national voice calls for Jio customers will be absolutely free, across the nation at any time. National roaming charges will not apply in Jio tariffs.
- ✓ Data tariffs have been made highly inexpensive, with full transparency, without any connected conditions. The Company is proposing the lowest LTE data rates in the world. Additionally it would propose unlimited night time LTE data.
- ✓ The Jio-Apps package, which is worth Rs. 15,000 for a yearly subscription, will be available free of cost for all active Jio customers till 31 December 2017. This has been done to make Digital Life available to each and everyone.
- ✓ A special student discount offer will proposed with 25% more data on the main tariff plans would be offered to each and every student.
- ✓ Jio has started a simple tariff structure with only 10 main plans, made to fit every budget, as against the 22,000 tariff plans present in the country today.

5. Jio Happy New Year Offer:

Reliance Jio's Welcome Offer, which given unlimited data, voice and video calls and messaging to user access on the Jio SIM is expired on 31 December 2016. According to the facts Reliance Jio's Welcome offer was supposed to end on December 31, and January 1, 2017 was supposed to be the day when paid services came into effect. But Jio continued their free services by replacing Welcome Offer into Happy New Year offer, which still offers free voice calls, video calling, messaging and data. The main modification that users need to keep in mind is that in the Welcome Offer there was a daily Fair Usage Policy limit of 4GB. In Happy New

Year offer, this limit is decreased to 1GB. According to terms and conditions if user cross 1GB limit of daily consumption, then his speed will be cut off to 128KB/ps. With this new offer, reliance jio also introduced a paid element for post 1GB daily limit consumption to get 4G speed. Rs. 51 recharge will give 1GB extra 4G per day and by recharging Rs. 301 to get 6GB post consumption 4G speed for 28 days validity. However, the Happy New Year Offer promises that the Reliance Jio SIM and its combined services will remain free for users till March 31, 2017. While Reliance has enlarged the free services by another three months, telecom regulator TRAI has questioned for an explanation on why this shouldn't be considered a miscarriage. On December 29, Jio sent a detailed note explaining how its 'Happy New Year Offer' was different from the launch offer and does not qualify to be termed as predatory. According to a report, Jio assert the latest Happy New Year offer is essentially different from the Jio Welcome Offer, which came with 4GB of free data per day. Reliance Jio proved to be the fastest growing technology company in the world, and it had close to 52 million successful subscribers in the beginning of December 2016, which is great considering the service was rolled out in September. Reliance Industries Limited (RIL) Chairman Mukesh Ambani had also interpreted why they took a decision to cap the FUP at 1GB per day, in the announcement of the Happy New Year offer. According to him, this was done because some users were misleading their free data benefits and disturbing the network for rest of the people. Reliance has also announced free home delivery of Jio SIMs for customers for better service. Reliance Jio has confirmed that it will always keep voice calling and messages free for customers.

6. Jio Projected Simple Tariff Structure Summarised Here:

| No | Main Plan | I | II | III | IV | V | VI | VII | VIII | IX | X |
|----|---|--|---------------|-----------|---------------|---|------|------|------|-------|-------|
| 1. | Maximum Retail Price (Rs)* | 19 | 129 | 149 | 299 | 499 | 999 | 1499 | 2499 | 3999 | 4999 |
| 2. | Benefits | | | | | | | | | | |
| | (i) Local and STD voice calls | All local and STD voice calls free in home and national roaming | | | | | | | | | |
| | (ii) Local and STD video calls | All local and STD video calls in home and national roaming will be charged only for data usage | | | | | | | | | |
| | (iii) 4G LTE data | 100MB | 750MB | 300MB | 2GB | 4GB | 10GB | 20GB | 35GB | 60GB | 75GB |
| | (iv) 4G LTE data - night time (2am to 5am) | Unlimited | | - | Unlimited | | | | | | |
| | (v) Free WiFi data (post expiry, WiFi data will be charged at Rs.50/GB) | 200 | 1.5GB | - | 4GB | 8GB | 20GB | 40GB | 70GB | 120GB | 150GB |
| | (vi) Free Local and national SMS | 100/day | | 100/month | 100/day | | | | | | |
| | (vii) Subscription of Jio apps | Free Subscription of Jio Apps (data used for Jio applications, video calls and other content available on internet would be uniformly debited against plan data allocation) | | | | | | | | | |
| | (viii) ISD tariffs | - | - | - | - | Discounted ISD tariffs in 61 select countries | | | | | |
| | (ix) ISD tariffs (free minutes) | - | - | - | - | | | 30 | 50 | 80 | 100 |
| 3. | Validity of Benefits -- Prepaid (days) | 1 | 7 | 28 | 21 | 28 | 28 | 28 | 28 | 28 | 28 |
| 4. | Validity of Benefits -- Postpaid (days) | Not Available | Not Available | 1 month | Not Available | 1 month | | | | | |

* In case of post-paid plans, MRP is exclusive of applicable taxes.

7. Jio Digital Life Features:

HD Voice and Video Calling: HD voice and video calling Connect calls almost instantly, switch between voice and video calls, this facilitates to enjoy voice conference with upto 5 friends and video conference with up to 3 friends on the go. It is possible to make calls over Wi-Fi. Only a compatible phones support this benefit. www.jio.com. Website gives solution to check user's phone compatibility.

True 4G High Speed Internet: True 4G high speed internet gives a benefit of browsing, downloading, sharing data instantly, and to watch favorite HD videos without buffering with True 4G high speed internet. At present people are enjoying Welcome offer, after end of this offer users need to subscribe any postpaid tariff plans, prepaid special tariff vouchers, combo vouchers or add-on packs. To activate mobile data users need to call 1925 or SMS START to 1925.

National Roaming: National roaming is already activated with activation of SIM card. Activated users can enjoy these services across all major cities at ease. As per DOT directions, prepaid customers from other circles cannot roam in J&K.

International Roaming: International roaming helps to make or receive calls, send or receive message and use mobile data while travelling to all major countries around the world. For this service people need sufficient

deposit or prepaid balance to availability of this benefit. Jio's own website gives full information regarding international roaming coverage and applicable charges.

Value Added Services:

Jio Tunes – Jio tunes helps to Set up Jio tunes on users mobile and greet user's callers with a song or status message from an extensive library.

Missed Call Alert - Missed call alert helps when user's phone is not reachable, switched off or out of battery. Jio alerts with an SMS on the calls have missed. Also the caller gets a notification when user is back in coverage to get back in touch.

E-Bill – Go green, subscribing to e-bill and get itemized bill free of charge on email or MyJio to view E-Bill anytime.

Jio Broadcast – Jio broadcast brings HD quality live sports, movies, popular TV shows and curated HD content based on location. User's phone should be compatible to avail this benefit.

Jio Care - If user is facing any issues, he needs to call 198 which is toll free from Jio network. Alternatively he can also email to care@jio.com or visit nearest JioStore. For registered complaint user will get unique docket number and complaint will be resolved within the timelines as prescribed by TRAI. If a user is unsatisfied with the response, he can make further appeal to the Appellate Authority in nearest region with complaint docket number. The docket number of appeal will be communicated within 3 days of filing appeal. The appeal will be decided within 39 days from the date of filing appeal.

Digital Services - Jio's digital services help to get the best out of Jio's True 4G network

Jio Drive – Digital storage locker

Jio Play – Anytime and Anywhere Live TV in HD

Jio On Demand – Movies at fingertips

Jio Beats – Online Music repository

Jio Mags – Personal magazine library

Terms and Conditions:

User's usage will be rounded up to the next higher pulse for voice and data usage. As per TRAI regulations, the tariff is charged depending upon the duration of the call which is recorded to be within +/- 1 second, traceable to an appropriate time reference. No free or discounted SMS/calls will be available on special days of the year. On these days opted tariff plan will be applicable for all SMS/calls. In the case of non-usage means no voice/video/data calls, outgoing SMS, usage of value added services or payment of rental for postpaid for a continuous period of 90 days or more services to the mobile number will be deactivated at the discretion of Reliance Jio Infocomm Ltd. The Jio mobile number can be reactivated by making a payment of Rs. 20 within 15 days of deactivation due to non-usage. All value added services and digital services are optional and will be activated as per the applicable regulations and Terms and conditions.

Postpaid:

In postpaid credit limit will be intimated in advances and advised to make sufficient interim payments in case expect to exhaust credit limit before the end of billing period. The security deposit will be refunded within 60days of termination subject to clearance for all dues. There is an option for the safe custody scheme in case of continued non-usage of jio number by paying Rs.150 for every three months or part thereof.

Prepaid:

Prepaid users will continue enjoying the benefits of incoming calls and SMS after balance expiry till the end of the validity period. Unused monetary balance will be carried forward in case the recharge is done within the validity or specified grace period. In case the available balance in account is more than Rs.20 at the expiry of 90 days of non-usage period, Rs. 20 will be deducted from account and the non-usage period will be extended by 30 days. The process will continue till the balance in your account is less than Rs. 20 after which number will be deactivated.

Basic Tariff:

For Postpaid customers, Tariff is as per the tariff enrolment form (TEF) that need to filled and signed at the time of subscription.

Base Tariff for Prepaid Customers:

Home:

- ✓ 2p/sec – Call (Local and National)
- ✓ Rs. 1/SMS – SMS (Local and National)
- ✓ Rs. 5/SMS – International SMS

National Roaming:

- ✓ 45p/min – Incoming Call
- ✓ 80p/min – Outgoing Local call
- ✓ Rs. 1.15/min – Outgoing National Call
- ✓ 25p/SMS – Local SMS
- ✓ 38p/SMS – National SMS

- ✓ Rs. 5/SMS – International SMS

Home and National Roaming:

- ✓ 0.5p/10KB – Data
- ✓ 5p/sec – Video Call

8. SWOC Analysis of Reliance Jio:

Strengths of Jio:

- ✓ LTE Network: The Jio network benefits only LTE network. Because of this, the user doesn't have to think about the network dropping to 2G or 3G. So unlike the other services, these shifts down to 2G or 3G when there is no network, the Jio network clearly over steps them all.
- ✓ Voice over LTE calls: In Jio Since the customers pay only for data, by the feature called Voice over LTE the voice calls are also made available. This feature is relatively new in the country but assures good clarity in the audio. But the problem is service can be availed ONLY if your phone supports VoLTE. The normal 4G LTE phones doesn't support this. And added to this, the data should be switched on all the time to receive or make voice calls.
- ✓ No Charges for SMS and Calls: Voice calls with the service are absolutely free and coming to the SMS, the network also offers some free SMS with all their packs
- ✓ The free Wifi data network: Other than 4G network Jio is offering the Wifi data system. This Data system provides free Wifi data from specified Wifi hotspots across the country by Reliance.
- ✓ Free Roaming Services Nation Wide: First time in the country Jio network provides free national roaming services. This is the first time any service is providing. Previously, the high roaming charge was a nightmare for almost everyone. This would be best offer by the Jio Network.
- ✓ VoLTE calls through Jio4G Voice App: Reliance has a solution for Non 4G LTE supported phones and asks every user to download their Jio4GVoice app for not-interrupted voice calls.

Weakness of Jio:

- ✓ There is no pack of Rs. 50/GB: Before launching the Jio service there is news speeded that there is a tariff of Rs.50/GB. But after official launch there is no such plane announced. Instead, the company said that the normal data charge cost is 1MB/5 paise, which further means Rs. 50/GB.
- ✓ Unlimited Night Data has a hold: As Reliance is providing unlimited night data with all its tariff plans. But the problem is Night data time space will only be limited from 2AM to 5AM, but other telecom services offering night data time space from 11PM to 7AM.
- ✓ No calls for non-VoLTE phones: Another demerit is that a user with 4G LTE supported smartphone can able to use the Jio SIM card, otherwise user won't be able to make any voice calls.
- ✓ Welcome offer comes with data cap: First Welcome offer had the daily data cap of 4GB/day. But New Year welcome offer giving only 1GB/day there after speed will be capped to 128/kbps.

Opportunities of Jio:

- ✓ First time in India, Jio provides only LTE network. This is biggest opportunity to grab users. In India 4G is fastest network over 3G and 4G. Jio covers maximum number of 4G internet users.
- ✓ Free call, SMS, Data and Jio apps through Welcome plus New Year offer which is 6 months validity attracted millions of customers.
- ✓ Jio planned to hold up 90% of 4G coverage by end of first half of 2017.
- ✓ Ambani confirmed that, Reliance Jio network is already made available for more than 18,000 cities and towns, and over 2 lakh villages.
- ✓ Reliance Retail's offering lowest priced smart phones named Lyfphones offer a low cost option starting from Rs. 2,999, though user can buy any phone that supports VoLTE and use it.
- ✓ For fast SIM activation, any customer with an Aadhaar card may walk out to Jio store with a working connection in 15 minutes through eKYC.

Challenges of Jio:

- ✓ Jio Network Largest Challenge is to reach 90 percent of the Indian population by March 2017.
- ✓ Issue regarding interconnection between the different operators like Airtel, Idea etc
- ✓ In December Airtel Challenges TRAI Decision Allowing Reliance Jio to Continue Free Services Offer
- ✓ In January Idea challenges Trai's bid to impose Rs950 cr fine over Reliance Jio interconnections
- ✓ Jio is keeps only 4G network, they are planned to carry voice over their LTE (VoLTE) but as usual very few smartphones currently support it.

9. Conclusion:

Jio is here to inspire, empower and enable every Indian to live their many dreams. Jio network is the first of its kind to provide consistent 4G experiences across India that lets user to make voice call in HD, enjoy high speed internet, transform Smartphone into a secure wallet and offers a wide range of TV channels, movies, songs, news and secure cloud storage too. India has huge chances for telecom operators and it is one of the best markets for telecom business. However it is equally instinct with challenges like intense competition, Infrastructure requirement & Rigorous Regulatory framework (License fees, Spectrum allocation & auction etc.)

RJIL has created a legacy free, next-generation voice and broadband network which can be seamlessly upgraded even to 5G and beyond. It will be the only company in the world providing next generation digital services over an end-to-end all-IP network at this scale. Reliance Jio is tribute to realize the digital India vision of honorable Prime Minister Shri Narendra Modi. He already told that Digital Revolution will take India to top 10 globally through Digital India. At present Jio is fastest growing network by holding good number of Market share. Competition always keeps alert in business. Due to Jio's Welcome offer all service providers reduced their tariffs. This is biggest advantage for other network users also.

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