ORIGINAL RESEARCH PAPER
Management
Volume : 6 | Issue : 9 | September 2016 | ISSN - 2249-555X | IF : 3.919 | IC Value : 74.50

An Analytical Study of Mobile and Telecom Segment of Indian Organised Retailing Industry

KEYWORDS: Retailing, Retailing Industry, Organized Retailing Segment, Unorganized Retailing Segment, Mobile and Telecom Segment.

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ABSTRACT *Across the globe retailing activities has been recognized as an industry which is divided into two segments known as organized retailing segment and unorganized retailing segment. At present retailing is gaining the attention of people as there are huge potentialities of overall development of any country by promoting / recognizing it as an industry. The dominance of either organized retailing segment or unorganized retailing segment differs from country to country. In India there is dominance of unorganized retailing segment having contribution of above 90 % in the retailing industry. Year by year organized*

Retailing segment is gaining the attention of people as the corporate sector has entered in the retailing industry after 1992. At present the share of organized retailing segment of Indian retailing industry is approximately 5% but it has been increasing gradually and it is estimated that the market share of organized retailing segment will be 24 % in 2020. In the paper researcher has tried to analyze mobile and telecom segments of Indian Organized Retailing Industry which include the market size & growth, market segmentation, SWOT Analysis and some key players of the segment.

INTRODUCTION: Retailing Industry is divided into two sectors: Organized Retailing Sector and Unorganized Retailing Sector.

ORGANIZED RETAILERS - Organized Traders/Retailers are those who are licensed for doing trading activities and registered to pay different taxes to the government.

UNORGANIZED RETAILERS – Unorganized Retailers are those consisting of unauthorized small shops - conventional Kirana shops, general stores, corner shops among various other small retail outlets selling different items in small quantity, normally not paying tax to the government and majority of them are managed or controlled by the local government authorities.

In this paper, efforts have been made in analyzing the mobile and telecom segment of Indian Organized Retailing Industry.

METHODOLOGY: The analytical study is based on secondary data collected from reports and websites of different Indian companies engaged in mobile and telecom *segment* of Indian Organized Retailing Industry.

UTILITY: This secondary data based analytical study will be useful to researchers, academicians and corporate officers for getting the idea about present status of mobile and telecom Segment of Indian Organized Retailing Industry.

AN ANALYTICAL STUDY OF MOBILE AND TELECOM SEGMENT OF INDIAN ORGANISED RETAILING INDUSTRY.: The following part of the research paper concentrates of analytical study of mobile and telecom segment of Indian Organized Retailing Industry which includes market size of the segment, market segmentation, SWOT Analysis and some key players.

INTRODUCTION: At present telecommunications market in India is currently the world's second-largest market of the world has registered positive since last two decades which is contributing lots to the GDP of the country. Economic reforms taken by Indian government in 1991 and strong demand of the consumer has been considered as the bases for the growth of this segment in India .At present domestic as well as international players has been offering variety of services to the market. This segment has been providing direct and indirect employment to large no of people in the country. India has the fastest growing telecom network in the world with its high population and development potential. Airtel, Vodafone, Idea, Telenor India, Reliance, Tata DoCoMo, BSNL, Aircel, Tata Indicom and MTNL are the major operators in India. However, rural India still lacks strong infrastructure. India's public sector telecom company BSNL is the 7th largest telecom company in world.

MARKET SIZE & GROWTH: As per the Indian Retail Report 2015 published by Images Multimedia Pvt. Ltd., New Delhi total retail market is worth Rs. 203,981 Cr (US$ 34 bn) growing at 11-12% and is expected to cross Rs. 281,000 Cr (US$ 46.9 bn) by 2017.Modern retail is estimated at 19% of this total market and is expected to grow by 22-28%. . As per IBEF this market will to reach US$ 103.9 billion by 2020. Total mobile services market revenue in India is expected to touch US$ 37 billion in 2017. Smartphone subscription in India is expected to increase four-fold to 810 million users by 2021, while the total smart phone traffic is expected to grow 15-fold to 4.5 exabytes (EB) per month by 2021. According to a study by GSMA, smart phones are expected to account for two out of every three mobile connections globally by 2020 making India the fourth largest smart phone market. According to GSMA, the broadband services user-base in India is expected to grow to 250 million connections by 2017. nternational Data Corporation (IDC) predicts India to overtake US as the second-largest smartphone market globally by 2017 and to maintain high growth rate over the next few years as people switch to smart phones and gradually upgrade to 4G. The Indian telecom sector is expected to generate four million direct and indirect jobs over the next five years according to estimates by Randstad India. The employment opportunities are expected to be created due to combination of government's efforts to increase pene-

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tration in rural areas and the rapid increase in smartphone sales and rising internet usage.

MARKET SEGMENTATION: The entire mobile and telecom market is constituted by handset, accessories and value added services. This market can be segmented on different bases like region or geographical area, density of population, age of the customers, income of the customers, e.g. post paid and prepaid, targeting areas like professionals by giving free calls in postpaid connections, entrepreneur by giving various plan in which they may get internal calling free, youth with the „FRIENDZ" Scheme, targeting Students by introducing postpaid connection only for students and with zero rentals.

SWOT ANALYSIS

STRENGTHS : There is huge customer / market potentiality. Rural Telidensity is very low compare to other countries. The broadband subscribers rate is increasing. Wireless subscribers growing. Government has allowed FDI limit ranging from 74% to 100%. There is high rate of return on investment in this segment. Liberal efforts by government for the development of this segment. Dominance of private sector in this segment .

WEAKNESS: Still poor telecommunication infrastructure and large number of call drops. Late in the world to get access to 3G technology. Dominance of few companies offering mobile services in most parts of the country. Lack of financial resources for companies to expand.

OPPORTUNITIES: Yong generation exposed to mobile features & internet. Growing m-commerce. Integration of mobile with internet

THREATS: Potential health hazards identified with excess usage may prevent. Fear of data loss or privacy interruption. Growing spying may kill the fun factor

KEY PLAYERS OF MOBILE AND TELECOM SEGMENT IN INDIA:

(1) Bharat Sdanchar Nigam Limited (2000)

Services / Operations: BSNL is the only service provider in India making efforts to bridge the rural-urban digital divide in ICT sector. Any telecom operator in the country cannot beat its reach with its wide network giving services in every nook & corner of the country & operates across India except New Delhi & Mumbai. Whether it is inaccessible areas of Siachen glacier or North-Eastern regions of the country, BSNL serves its customers with a wide bunch of telecom services namely Wire line, CDMA mobile, GSM mobile, Internet, Broadband, Carrier service, MPLS-VPN, VSAT, VoIP, IN Services, FTTH, etc.

(2) Bharti Airtel Limited.(1995)

Services / Operations: Bharti Airtel Limited is a leading global telecommunications company with operations in 19 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 3 mobile service providers globally in terms of subscribers. In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G, 4G wireless services and mobile commerce. Bharti Airtel had nearly 358 million customers across its operations at the end of June 2016

(3)Vodafone India Limited (1994)

Services / Operations: Vodafone India is a 100% subsidiary of Vodafone Group. It commenced operations in 1994 when its predecessor Hutchison Telecom acquired the cellular license for Mumbai. Brand Vodafone was launched in India in September 2007, after Vodafone Plc. acquired a majority stake in Hutchinson Essar in May 2007. From a single operation base with 31 million customers, the company has expanded its operations across the country to cover all 22 telecom circles and service 180 million customers.

(4) Aircel (1999)

Services / Operations: Aircel is the fastest growing pan India Telecom Service Provider jointly owned between Maxis Communications of Malaysia and Apollo Hospital of India, with Maxis Communications holding a majority stake of 74%. In October 2010, Aircel completed its Pan India footprint, presence in all 23 telecom circles, with the launch of GSM mobile services in Rajasthan. Aircel democratized internet on mobile with innovative services like Aircel Pocket Internet and Aircel Pocket Apps and quickly established itself as a market leader.After winning the 3G and BWA spectrum, required for high speed data and multimedia services, in 13 and 8 circles respectively, Aircel became the largest operator in India with spectrum secured for next generation wireless technologies.

(5)The Mobile Store Limited (2006)

Services / Operations: The The MobileStore is India's largest mobile telephony retailer that provides multi-brand handsets, tablets, accessories, connections, repairs, easy EMI solutions and VAS, across more than 450 outlets in 75-plus cities, covering every major town in every state.

(6)Idea Cellular Limited (1995)

Services / Operations: Idea Cellular (commonly referred to as simply **Idea**, and stylised as ***!Idea***) is an Indian mobile network operator based in Mumbai, Maharashtra. Idea is a pan-India integrated GSM operator offering 2G,3G and 4G mobile services. Idea is India's third largest mobile operator by subscriber base. Idea has 182 million subscribers as of 31 December 2015

(7) Micromax Informatics Ltd(2000)

Services / Operations: Micromax is an Indian consumer electronics company headquartered in Gurgaon, Haryana. The company was established as an IT software company operating in the embedded devices domain; it later entered the mobile handset business. By 2010, it was one of the largest domestic companies making handsets in the low-cost feature phone segment in India.

(8)Tata Teleservices Limited (1996)

Services / Operations: Tata Teleservices Limited is the pioneer of the CDMA technology platform in India, embarking on a growth path after the acquisition of Hughes Tele.com (India) Ltd renamed Tata Teleservices (Maharashtra) Limited by the Tata Group in 2002. Over the last few years, the company has launched significant services CDMA mobile operations in January 2005 under the brand name Tata Indicom, market-defining wireless mobile broadband services under the brand name Tata Photon in 2008 and 2G GSM services under the brand name Tata DOCOMO in 2009.

CONCLUDING REMARKS: At present telecommunications market in India is currently the world's second-largest market of the world . As per the Indian Retail Report

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