Research Paper Commerce

# Role of cell phone services in Rural Marketing Development of India

**RANJEET KUMAR JHA** | Research Scholar

**KEYWORDS**

**Introduction**

India's 21.59 million-line telephone network is the largest in Asia. 3rd largest among emerging economies (after China and Republic of Korea) and the 12th largest in the world. Today, India has 22 private companies providing cellular services in 18 telecom circles and 4 metro cities (Delhi. Mumbai. Chennai and Kolkata). Allen & Johnson (1995) made a study on the impact of telecommunication on the quality of life of Americans. Again the same authors jointly with others (1998) examined how rural business is affected by the telecommunication linkage. Andrew and Pet kov (2003) thought of the application of systems approach to the different stakeholders. Armstrong & Fuhr (1993) studied cost considerations for rural telephone service. Cronin & Herbert (1994) tried to quantify the inequities in the benefits and costs of telecommunication across stakeholders groups. Hollifield et al (2000) visited on the effects of rural telecommunications self development projects on local adoption of new technologies. While examining to what extent the farmers have adopted electronic communication they concluded that telecommunication may supplement the traditional methods Of Information rather than replacing them. Torero et al (2003) in identifying the willingness to pay for the rural telephone service concluded that the householders have more capacity to pay. Wolak (1996) assessed the impact of reduction in cross subsidy in telephone service pricey. Alleman et al (1991) conducted a study on the potential impact of telecommunication in the South Africans economic development. Allen et al (1993) undertook a study on rural economic development using information age technology in Nebraska. Allen and Koffler (1999) analysed the state initiative in V.S. South for the implementation of Telecommunication Act. Dymond & Oestman (2002) made a study on the financing of telecommunication development in a liberalized environment. Stolft & Sussman (2001) Wohlbruae & Levy (2001) reexamined that how the rural community could be benefited through participating in telecom technology?[2]

**The Indian Rural Market**

Rural markets in India constitute a wide and untapped market for many products and services which are being marketed for the urban masses. There is a demand for telecommunication services to be provided to in these areas. The government which was trying to reach the villages through various initiates, but the rural teledensity is very poor and can be improved only through the introduction of modern and suitable technology along with participation from the private operators. Telecom and network connectivity are widely seen as key enablers of a nation's socio-economic growth.

**Rural Telephony- The Change Agent**

According to the NCAER Rural Infrastructure Report (2007)? the demand for telecommunication services are surging across rural India, as middle class and upper classes are growing in most villages but the tele-density levels are very low 1.67 per 100 residents compared with average of 8.59 overall and 25.90 in Indian cities. The characteristics of the rural areas, low population density and spread out population, difficult topographical and climatic conditions make it difficult to provide telecommunication service of acceptable quality by traditional means at affordable prices. But with the development of new appropriate technology like wireless technologies have been accepted that it is possible to overcome these difficulties. Wireless technology has been proposed to be the first viable infrastructure to rural and underdeveloped areas have therefore recommended that villages near a larger town can take advantage of the fiber backbone; a remote village can be connected via VSAT link. From the fiber backbone, a point-to-point or point-to multipoint WiMAX link can be used to connect one or more villages near the town, thus enabling WiMAX to distribute locally among all rural community groups in a given village using long distance Wi-Fi technology. The technology angle to providing telecom services has been not been given much attention.

Till recently, the government which made an attempt at providing the services in rural India. The aim was to provide every village in the country with a Village Panchayat Phone (VPTs). But the status and maintenance of the VPTs have been found to be lacking, and a large number of them have been found to be out of order and disconnected due to the non-payment of bills as villager perceive them as a free service provided by the government. And provision of one phone per village might not be able to address the tele-density issues. The private telecom operators have been occupied with the urban market, India being the fastest growing mobile market in the world, but they have to take interest in the rural markets owing to the size and the fact that the rural markets are the ones that would provide them with the growth in future.

**Need of the Study**

The present potential of the Cell Phone services are extensive and can be exploited by the extension system in agricultural extension and transfer of technology. To cope with challenges posed by the globalization of agriculture, the farmers have to produce quality product at par with world market at reasonable price. The extension professionals are required to identify extension approach, which could provide continuous, relevant and modem technological message to the farmers on the technological package, export quality production, processing, value addition, post harvest technology, marketing and price policies, Indian farmers need to be well informed and well trained in the management of natural resources and production of agricultural commodities. Therefore, now, it is the time for the extension agencies to use the modem information technology like mobile communication services in place of traditional extension approach in transfer of agricultural information to the farmers in context of globalization of agriculture. The present potential of the Cell Phone services is extensive and can be exploited by the extension-system in agricultural extension and transfer of technology. The biggest advantage of the Cell Phone services is that it is far more interactive and personalized that can render services particularly the information as per the needs and requirements of the end users.

**Objectives of the Study**

The primary objective of the study has been to analyze the role of Cell Phone in rural customer impulse buying of. The study has been made

I. To analyze the Cell Phone services and rural marketing development in India in order to identify the significant features.
II. To provide conclusion based on the analysis emerged in the study and to highlight the major implications for the Cell Phone services in rural development of India.
III. To estimate and determine the production, employment and income by Cell Phone services in rural India.
IV. To taste the empirical relationship between Cell Phone services and rural marketing development
V. To estimate Cell Phone services for rural marketing development.

**Telecom Revolution**

Telecom Revolution swept the country during the last decade. India has established itself as a leading world player in the telecom sector and today it is second to none – growth wise in this sector. No other sector anywhere in the world has grown so exponentially as the telecom sector in India. It has even surpassed all government projections and surprised many telecom experts with its robust growth.

However, there is another telecom renaissance about to happen in the telecom sector in the next few years- one that would change the common perspective of mobile phone usage. In the years to come it would no longer be a mere a talking device. The wonders of this wonderful device would start appearing on the ground when 3G mobiles penetrate deep into rural India and smart mobile handset come within the range of common man.

It appears unbelievable at the first instance but it is a fact that in the coming days mobile phones would be used more for their other smart features rather for taking or sending SMSes. A decade ago, when the mobile revolution swept in India, it was projected as mere a talking device, or at the most to at the most to make SMSes.

All this is just the beginning of the beginning. In the next few years mobile phone would become an integral part of almost all professionals. To check their e mails, to reply to their e mails, to store important data on mobiles... to chat using TM services.., to make free VOIP (Voice Over Internet Protocol) calls, to use mobile as a navigation device in a new city... to keep record of their expenses.... to maintain their official engagements and sky is the limit...

One look at the software development in the telecom sector reveals the silent revolution in the mobile phone industry. During the past five years, the software industry has developed more software application for mobile users than for the computer users. Today there are very few operating systems (OS) prevalent in the market--- while Microsoft is the leading player; Linux and Apple have a negligible share in the industry.

But in case of Smartphone Mobile Operating Systems (OS) sector, there are many players and all are growing exponentially—there is Nokia's Symbian OS, Microsoft's mobile Windows7, Apple's iPhone software, BlackBerry OS by RIM, and latest in the race is Google Android that has outpaced all operating systems in its growth.

As present, Nokia's Symbian is the leading player with 41.2 % of market share in the smartphone, followed by 18.25% of Blackberry, 17.2% by Android and 15.1 % share of Apple i Phone system. The revolution in the smartphone segment started only after Google Android entered the market and changed the rules of the game. Ever since its inception, Google Android has joined hands with over two dozen mobile manufacturers mainly, Samsung, Sony Ericsson, HTC, Motorola, LG and Vodafone.

In mere three years, the Operating System has made available around 70,000 application programs for Smart phone—and many more are in the line. At Present no other operating system has so many applications.

Leading software engineers and other experts from the sector are of the opinion that smartphones would undergo a complete change in the years to come. With the number of free, downloadable software available, it even has the potential for becoming more useful than a personal computer. In the entertainment sector also mobile phones are becoming very popular. Mobile phones are now called fourth screen—the first three being cinema, TV and computer. It is more affordable, easily assessable, and very mobile. And this has opened a new opportunity in mobile business.

The only handicap for smartphone is the data speed. In the present system the mobile operators on an average offer a data speed of 100-200 kbps (kilobytes per second), where as in developed countries due to 3G and 4G penetration, the data transfer speed is several times more. India is soon going to enter 3G network, which would increase the data transfer speed substantially and it would solve most of the problems service providers and consumers are facing due to less speed.

**Conclusion**

Rural marketing is an evolving concept and as a part of any economy has untapped potential. There is no doubt that great divide between Urban India and Rural Bharat. There are geographical, demographical, statistical and logistical differences. However, a silent transformation has already begun. Developments in telecommunications have changed the lives of millions of people during the last decade as never before. Telecom connects people across length and breadth of the country or respective income bracket and if provides immense benefit to all in the society.

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