

Marketing strategy of vodafone india

[Business](#), [Marketing](#)



It is a subsidiary of the Avoidance Group Pal, world's leading international mobile communications group with over 404. 6 million customers as of 31 March, 2012. At provides voice and data, wireless and hireling services to help businesses harness the power of total communications solutions. It focuses on providing value through high-quality, innovative solutions, and let our customers do the talking. Its commitment to customers has made it the Most Trusted Service Brand in India.

During this year, it had an 11. 8 % increase in subscriber base and 20% increase in voice usage volume. It continues to actively support Mobile Number Portability (NP) and consider it beneficial for service providers as well as customers. It provides flexibility and choice to the customers to select their service provider, while retaining their mobile number. It is a good test for customer loyalty. From the time that NP was introduced till the end of March 2012, we registered a net gain of around 1. Million customers. SOOT ANALYSIS Strengths Diversified and expanded gee-regions across the world. A strapping international presence and powerful brand image have made it the eating telecommunications company. Avoidance is the most trusted service brand owing to its excellent signal strength and efficient services. Avoidance has well- defined cost reductions structures owing to the vibrant cost cutting initiatives, effective outsourcing and managed purchasing.

This has improved the company's revenues by reducing the operational costs An established presence in mature and emerging markets such as Africa and Asia, which have expanded its market share and revenues Weaknesses Uncertainty in the profits obtained from the HASPS networks attributed to

the slow nonuser take-up of improved 3G networks services Over-reliance in the European market, which has seen its revenues and share decline due to the crisis in Europe. Avoidance does not have network operations in rural areas Avoidance specializes in mobile services that lead to greater churn rates.

Opportunities The growing demand for G networking among businesses globally has seen laptop manufacturers embedding SIMI chip in the laptop. Improve accessibility to wide range of customers Focus on cost reductions improving returns Research and development of new mobile technologies
Threats The telecommunications market is swiftly growing and becoming highly competitive with extremely high penetration rates. Frequent tariff interventions and TRAIT policies put pressure on its revenues. Avoidance still lags behind its major competitors in India.

PEST Analysts Political Avoidance was embroiled in a \$2.5 billion tax dispute with the Indian Income Tax Department over its purchase of Hutchison Cesar Telecoms services in April 2007. Avoidance Group Pal. Entered India in 2007 through a subsidiary based in the Netherlands, which acquired Hutchison Telecommunications International Ltd's (ITIL) take in Hutchison Cesar Ltd (HELL)-? the Joint venture that held and operated telecoms licenses in India. The dispute had been whether or not the Indian Income Tax Department has Jurisdiction over the transaction.

In January 2012, the Indian Supreme Court passed the Judgment in favor of Avoidance, saying that the Indian Income tax department had "no Jurisdiction" to levy tax on overseas transaction between companies

incorporated outside India. In 2012, India changed its Income Tax Act retrospectively and made sure that any company, in similar circumstances, is not able to avoid tax. Economic The net revenue of Avoidance India as of March 2012 was RSI 321, 844 million. Total number of subscribers that Avoidance caters to was equal to 150. 46 million. The total voice usage minutes that Avoidance carried was 680, 611 million minutes.

The total number of messages handled by Avoidance was equal to 81, 099 million. Total number of data users was equal to 30. 2 million. 95% of the users came from prepaid category. It had 463 stores all across the country a on March 2012. Social In line with the government's objective to improve rural penetration of telephony revises, it has worked continuously in the last few years to establish a strong rural presence. We marked a growth of over 21% in our rural subscriber base in the FYI 2011-12 to become the second largest rural wireless operator in the country.

Owing to easier access and lower cost of mobile phones, it is expected that the next billion internet users in the world will access the internet via mobile phones. The work done by it in addressing social and environmental concerns while maintaining profitability and generating economic value had earned them the reputed Golden Peacock Award for Corporate Social Responsibility. It received the Top Green IT Enterprise Award 2012 - CIO Leadership Summit supported by APPC-Schneider Technological It has a total of 110, 004 base stations across India and growing.

It has invested extensively in developing the 3G network in India and it also received the Best G Service Operator - Telecoms Operator Awards 2012 by

tale. Net in 2012 It is also working extensively in using cloud computing for telecoms networks. It is company that has helped in the evolving of data services in India. It was the company that focused heavily on the development of data applications. It was Ranked No 1 in overall customer satisfaction - Hindustan Times' customer satisfaction National Survey 2011 It deployed hybrid solutions (I. E. Diesel generators and batteries working in alternate modes, with intelligent controllers), taking the total site numbers to 2435. Porter's Five Forces Analysis Industry Rivalry The major rivals of Avoidance Cesar are Birth Airtime, Reliance Communication and Idea in terms of market share. Relatively few competitors: Few competitors mean fewer firms would compete for the same customer and resources. Since Avoidance Cesar has shifted its focus on the rural market its faces lesser competition. Government policies: Government policies and regulations restrict the number of competitors for a particular market segment.

Large Industry size: A large industry size allows multiple firms and products to prosper without having to steal market share from each other. Low cost packages: Avoidance's low cost packages as compared to its rivals will give Avoidance a stronger edge over its competitors. Buyers Power Large number of customers: For a telecoms giant like Avoidance Cesar with a huge customer base no one customer tends to have a bargaining leverage. Product is important: When customer cherishes a particular product they end up paying more for that product.

This works in favor of Avoidance. Product customization: Buyers are more interested in an organization that can provide customized products for them.

Thus in case of telecoms a buyer is happy with that service provider who provides tailor-made plans. Low switching cost: This can have both positive and negative impact on Avoidance. Customers willing to switch to Avoidance will have an easy switch. Suppliers Power The suppliers bargaining power has increased influence over on the profitability of the company.

There is a price war happening between different mobile operators, so even the suppliers are chosen carefully so that they do not drag down the profitability of the company. Mobile tower companies: There are two types of tower companies in India - telecoms owned tower companies, independently telecoms tower companies. Out of these 72% of the towers are owned by the telecoms. Simi card manufacturers: Simi cards for Avoidance are mostly manufactured in India. The company doesn't procure Simi cards from a single supplier to avoid delays Mobile phone handsets: There are two types of handsets used CDMA and GSM.

Threat of Substitutes: Buyer propensity to substitute: Internet subscribers base in India is increasing to 18.06% from the earlier 10.6%. If allowed this will open up Indian's voice market to all operators which have a unified access service license such as reliance Infinite and Aircrew to offer voice services along with data to its customers. Relative prices: Internet telephony is eating into the revenues of GSM/CDMA. Flat/fixed rate revenues from internet services are responsible for the centralization of revenues of GSM/CDMA.

Performance of substitutes: Voice quality is an issue with internet telephony. Internet ice services are also limited due to road and construction activities.

Threat of New Entrants: Capital requirements: the cost of active equipment is estimated to be 40% of the total telecoms capex, while the balance is accounted for by passive infrastructure. Strong brand names: Having a strong brand name is critical to set up one's position in any industry. Access to optical fiber network: It is fairly difficult and cost-ineffective for a new entrant to set up his own optical fiber network.

Retaliation by established players: In the telecoms industry the existing players might bundle broadband, voice, wireless and video services as well as other value added content in an effort to remain competitive and attract more customers at less price. Bottom of Form Survey Analysis Based on the survey conducted on the consumer behavior for mobile user and their perception about Avoidance the following analysis was made. The survey was conducted on 43 participants out of which 27 were female and 16 were male.

Total number of males and females in sample Based on the age of sample 31 of the respondents were between the age group of 20-30, 5 between 30-40, 5 between 40-50 and 2 are over 50. Age of respondent in the sample Based on the sample it was found that Avoidance is the most preferred brand among the sample followed by Airtel, BSNL and Idea Brand used by sample Also prepaid user outnumbered the post paid user. While there are 32 prepaid user there are only 11 post-paid user. Type of connection preferred by the sample The monthly bill of various users shows that most of the people about 26 of the responded have bill between 300-1000.

While 14 users have bill less than that of 300. Only 3 users spend more than 1000 per month on mobile use. Monthly usage of people. The survey revealed that about 34% have been using their present connection for less than 3 months. 41% have been using their connection for more than 15 months. Therefore people do not tend to change their service provider very frequently. Duration of using the present service provider On talking about view point of people about their reaction to advertising campaign of Avoidance 53% found it nice while only 5% found it average. 2% found the campaign to be very good. Reaction of respondent to advertising campaign of Avoidance From the analysis of data it has been found that most of the people prefer Avoidance cause of its good coverage area. Also other factors like great tariff plans and the zoo zoo ads have played an important role. Few respondents also preferred Avoidance for its internet packs. While coverage area plays a vital role zoo zoo ads have been successful for young population ranging between age group of 20-30 and also in comparatively older population of 40-50.

The survey also studied the shortcomings of Avoidance. The response of respondent as to why not they prefer Avoidance was also recorded. It was found that Why not Avoidance It was seen that though Avoidance had great coverage area people felt that inactivity was weak. Also it was seen as expensive and lack good and attractive packs for customers. It was also seen that few respondent were reluctant to change their present service provider. Thus to increase its market share Avoidance needs to work on its connectivity and efficiency.

It needs to work in areas which consumer feel it lacks behind namely pricing and good packs. Its advertisement campaign related to zoo zoo can be termed as a successful campaign and can be used further to attract more customers. BRAND POSITIONING Brand positioning is a way by which marketers try to create a distinct impression in the minds of people. It creates an image of the brand in front of consumers and helps them to understand what brand stands for. Hutch before being acquired by Vodafone was already well positioned in the market and was well renowned and appreciated for its ad campaigns.

Vodafone promoted the brand in his own unique style through 'chat recharge' ads. After that they tried to position themselves as a company whose networks are available everywhere. For this they used the ad campaign which said 'Wherever you go our network follows' and it was very well depicted through a boy and his pet dog a pug who followed him everywhere like a shadow. In 2007 when Vodafone took over Hutch, it faced a challenge of not only living up to the people's expectations from the brand but to take it forward leaps and bounds.

Initially they continued with the tag line 'Wherever you go our network follows' giving the customers an indication of the vast network coverage they provide. They have differentiated themselves from their competitors by focusing on customers, meeting their expectations and promoting themselves as a brand who is always ready and 'Happy to help'. Lately Vodafone has started to shift its focus from mobile only to total communication in order to expand the brand. In 2009, Vodafone launched

new characters named Zoo Zoo's in their ad campaigns and used them to position their brand as a total network provider.

Avoidance launched a series of 30 ads featuring these new characters and with each ad they introduced one value added service like internet, roaming, caller tunes, bill payment, unwanted call blockers, music, etc. Theses Zoo Zoo commercials were shown on television during PILL season and were an instant hit among the customers. In the Latest positioning strategy, Avoidance has launched the campaign 'Power to you' which comes with various new services like 36 internet, enhanced user experience of email and social networking on mobile phone.