A STUDY ON BRANDING STRATEGIES OF VODAFONE IDEA (VI)

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ABSTRACT

The Indian telecommunication industry is the world’s fastest growing industry with 1,171.80 billion active mobile connections in March, 2021. Vodafone Idea (VI) has 284.26 million mobile phone customers on its network. The mergers, takeovers and price war between the subscribers are increasing day by day, subscribers are the ultimate beneficiaries of the competitive war. India’s telecommunication network is the second largest in the world based on the total number of telephone users. It has one of the lowest call tariffs in the world enabled by the mega telephone networks and hyper-competition among them. India posses a diversified communications system, which links all parts of the country by telephone, internet, Radio, television and satellite.

KEY WORDS: Telecom, Branding, Customer preference

INTRODUCTION

India is currently the world’s second-largest telecommunications market with a subscriber base of 1.17 billion and has registered strong growth in the past decade and half. The Indian mobile economy is growing rapidly and will contribute substantially to India’s Gross Domestic Product (GDP), according to report prepared by GSM Association (GSMA) in collaboration with the Boston Consulting Group (BCG). The country is the fourth largest app economy in the world. The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The government has enabled easy market access to telecom equipment and a fair and
proactive regulatory framework that has ensured availability of telecom services to consumer at affordable prices.

The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest growing and a top five employment opportunity generator in the country. The changing needs of information communication and telecom have paved the way for innovative marketing strategies this papers deals with the marketing mix strategies adopted by Vodafone Idea (VI) cellular service provider in Coimbatore City.

**STATEMENT OF THE PROBLEM**

The important role of branding has been studied extensively. The popular view has been that brand has positive impact on consumer behavior. The effective branding strategies and its subsequent influence on consumer decision depends on developing new organizational norms, so that the brand would report directly to the top of the organization; creating new organizational entities, such as responsible for branding; motivation and reward system for employees and effective internal communication.

**SCOPE OF THE STUDY**

The study is purely based on the survey conducted in Coimbatore city and has focused on cellular network users. The study convers the information about the mindset which may varies from situation & where the respondents may not be able to give required and accurate information.

**OBJECTIVES OF THE STUDY**

- To know the socio economic characteristics of the sample respondent
- To identify the perception level of the customers on Vodafone Idea (VI) mobile service provider
- To assess and know the present level of service offered by Vodafone Idea (VI)
- To provide measures for improving the customer level of satisfaction
- To understand the profile of Vodafone Idea (VI) telecom service provider

**RESEACH DESIGN**

A research design is the arrangement of condition for collections and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. Descriptive study is a fact-finding investigation with adequate interpretation. It is simplest aspect or dimensions of the problem studied.
SOURCE OF DATA

• Primary data
  The study is based on primary data collection. To collect the primary data questionnaire is framed in a simple and understandable way to the telecom users.

• Secondary data
  The secondary data was collected from the articles, journals, newspapers and various websites.

SAMPLING DESIGN OF THE STUDY

The sampling technique in this study is convenient sampling. The sample size is comprises of different type of users who are using telecommunication service.

SAMPLE SIZE

The sample size is 120 respondents in the present study.

AREA OF THE STUDY

The data have to be collected from the respondents in Coimbatore city.

PERIOD OF THE STUDY

Period of this study is December 2020 to April 2021

TOOLS FOR ANALYSIS

• Simple Percentage Analysis
• Chi - Square Analysis
• Rank Analysis
LIMITATIONS OF THE STUDY

- The Study reveals the responses towards customer only and not employee
- Validity and reliability of the data are obtained depends on the responses from the customer
- Structured questionnaire are based on the data collection, it may have disadvantages of not being to probe deep into the respondents thoughts.

REVIEW OF LITERATURE

Purkayastha kumar & Lu (2017) with the base of 1.19 billion subscribers, the Indian telecom industry is the second largest telecom sector in entire world.

According to Sharma & Pandey (2015) the Indian government has taken almost very possible step to boost up the performance and growth to the telecom industry.

As per view of Dhar (2016) the Indian government is supporting the telecom sector because it is directly contributing to the growth and development of the country’s economy.

Arun (2018) has critically argued that at present the Indian telecom sector is passing through the most challenging era.

As per the view of Singh (2017) declining sales profitability and market share is also a critical impact which BSNL and other players in the market had because of the entry of Jio.

According to De Pelsmacker (2001, 38), a brand strategy starts with the decision whether or not to put a brand name on a product. Briefly, the strategies applied are the use of individual brand names, family brand (or house brand) names, and the combination of those with single products and/or product lines.

Mahalaksmi & kumar (2017) in the modern era, the only and most convenient was to sustain in highly competitive marketplace is to retain customers in every possible manner.
DATA ANALYSIS AND INTERPRETATION

SIMPLE PERCENTAGE ANALYSIS

TELECOM SERVICE USED BY THE RESPONDENTS

<table>
<thead>
<tr>
<th>S.no</th>
<th>Factors</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Airtel</td>
<td>47</td>
<td>39.1%</td>
</tr>
<tr>
<td>2</td>
<td>Jio</td>
<td>48</td>
<td>40%</td>
</tr>
<tr>
<td>3</td>
<td>Vodafone Idea (VI)</td>
<td>21</td>
<td>17.5%</td>
</tr>
<tr>
<td>4</td>
<td>BSNL</td>
<td>2</td>
<td>1.7%</td>
</tr>
<tr>
<td>5</td>
<td>Other</td>
<td>2</td>
<td>1.7%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>120</td>
<td>100%</td>
</tr>
</tbody>
</table>

INTERPRETATION

From the above table out of 120 respondents 47(39.1%) of them are using Airtel, 48(40%) of them are using Jio, 21(17.5%) of them are using Vodafone Idea (VI), 2(1.7) of them are using BSNL and 2(1.7%) of them are using other.

It is founded that majority 48(40%) of the respondents are using Jio
RANKING ANALYSIS

<table>
<thead>
<tr>
<th>Factors</th>
<th>1(5)</th>
<th>2(4)</th>
<th>3(3)</th>
<th>4(2)</th>
<th>5(1)</th>
<th>Total</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service charges</td>
<td>21</td>
<td>46</td>
<td>36</td>
<td>14</td>
<td>3</td>
<td>120</td>
<td>I</td>
</tr>
<tr>
<td></td>
<td>105</td>
<td>184</td>
<td>108</td>
<td>28</td>
<td>3</td>
<td>428</td>
<td></td>
</tr>
<tr>
<td>Customer care service</td>
<td>10</td>
<td>49</td>
<td>46</td>
<td>11</td>
<td>4</td>
<td>120</td>
<td>III</td>
</tr>
<tr>
<td></td>
<td>50</td>
<td>196</td>
<td>138</td>
<td>22</td>
<td>4</td>
<td>410</td>
<td></td>
</tr>
<tr>
<td>Additional benefits</td>
<td>13</td>
<td>41</td>
<td>48</td>
<td>18</td>
<td>0</td>
<td>120</td>
<td>IV</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>164</td>
<td>144</td>
<td>36</td>
<td>0</td>
<td>409</td>
<td></td>
</tr>
<tr>
<td>Online services</td>
<td>13</td>
<td>49</td>
<td>42</td>
<td>11</td>
<td>5</td>
<td>120</td>
<td>II</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>196</td>
<td>126</td>
<td>22</td>
<td>5</td>
<td>414</td>
<td></td>
</tr>
<tr>
<td>Network availability</td>
<td>8</td>
<td>46</td>
<td>46</td>
<td>10</td>
<td>10</td>
<td>120</td>
<td>V</td>
</tr>
<tr>
<td></td>
<td>40</td>
<td>184</td>
<td>138</td>
<td>20</td>
<td>10</td>
<td>392</td>
<td></td>
</tr>
</tbody>
</table>

INTERPRETATION

From this Ranking analysis, it is understood that, the “Service charges” has been ranked as 1, “Online services ” has been ranked as 2, “Customer care service” has been ranked as 3, “Additional benefits” has been ranked as 4 and “Network availability” has been ranked as 5.

It is founded that majority of the respondents choose Service charges as first rank.
CHI-SQUARE ANALYSIS

RELATIONSHIP BETWEEN GENDER AND OFFER REQUIREMENTS

NULL HYPOTHESIS

There is no significant relationship between gender and offer requirements.

<table>
<thead>
<tr>
<th>Gender / Offers</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>DATA</td>
<td>6</td>
<td>26</td>
<td>32</td>
</tr>
<tr>
<td>Offers</td>
<td>6</td>
<td>19</td>
<td>25</td>
</tr>
<tr>
<td>Price</td>
<td>8</td>
<td>14</td>
<td>22</td>
</tr>
<tr>
<td>Talk time</td>
<td>11</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td>Validity</td>
<td>5</td>
<td>18</td>
<td>23</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>36</strong></td>
<td><strong>84</strong></td>
<td><strong>120</strong></td>
</tr>
</tbody>
</table>

Calculated value of chi-square = 1.75

Degree of freedom \( r = \text{Row} - \text{Column} \)

\[ = (2-1) \times (5-1) = 1 \times 4 = 4 \]

Table Value= 9.488

CHI – SQUARE RESULT TEST ANALYSIS

<table>
<thead>
<tr>
<th>Calculated value</th>
<th>Degree of freedom</th>
<th>Table value</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.75</td>
<td>4</td>
<td>9.488</td>
<td>ACCEPTED</td>
</tr>
</tbody>
</table>
INTERPRETATION

The above table shows the relationship between gender and offer requirements. The calculated value 1.75 is lesser than the table value 9.488 so the null hypothesis is accepted. We can conclude that there is no significant relationship between gender and offer requirements.

FINDINGS

SIMPLE PERCENTAGE ANALYSIS

- Hence, majority 70% of the respondents are male.
- Majority 77.5% of the respondents are in age group 16-30 years.
- Majority 80% of the respondents are unmarried.
- Majority 60.8% of the respondents education qualification is under graduate.
- Majority 43.3% of the respondents occupational status is other.
- Majority 44.1% of the respondents monthly income is below Rs.10000.
- Majority 32.5% of the respondents chosen Airtel as best telecom service provider.
- Majority 40% of the respondents use Jio.
- Majority 80.8% of the respondents use pre-paid services.
- Majority 63.3% of the respondents are aware about Vodafone Idea.
- Majority 26.7% of the respondents are attracted to the DATA.
- Majority 59.2% of the respondents use mobile application for recharge.
- Majority 37.5% of the respondents are averagely satisfied by the tariff plans.
- Majority 36.7% of the respondents prefer jio for caller tunes.
- Majority 38.3% of the respondents prefer jio on roaming.
- Majority 38.3% of the respondents are satisfied by charges charged.
- Majority 30.8% of the respondents are requested long validity.
- Majority 29.2% of the respondents rated 3 out of 5.
- Majority 60% of the respondents will suggest VI.
RANKING ANALYSIS

- Service charges has been ranked as 1.
- Online services has been ranked as 2.
- Customer care service has been ranked as 3.
- Additional benefits has been ranked as 4.
- Network availability has been ranked as 5.

CHI-SQUARE ANALYSIS

- There is significant relationship between services provider and paid services.
- There is no significant relationship between gender and offer requirements.

SUGGESTIONS

- The DATA pack of Vodafone Idea can be increased to attract customers.
- Different offers can be made to increase the subscribers.
- Vodafone Idea can launch their own online music streaming service to survive the competitors.
- The basic caller tunes or free trial period can be provided to subscribers.
- Sponsoring in many events may help to attract new customers.
- Network signal can be strengthened as per customer opinion

CONCLUSION

This research is particularly interested in investigating subscriber’s behaviors and perceptions towards Vodafone Idea. In this study I conclude that Vodafone Idea Company moderately satisfies the customers, but one of the problem is with price of the plan. So, as per study in my opinion based on project, I can say that Vodafone Idea should think about price of the tariff rates provided by them in order to capture the maximum subscriber base.
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