

# Research Paper on "Strategic Approach Adopted by Airtel to Stand Strongly in the Competitive Telecom Market"

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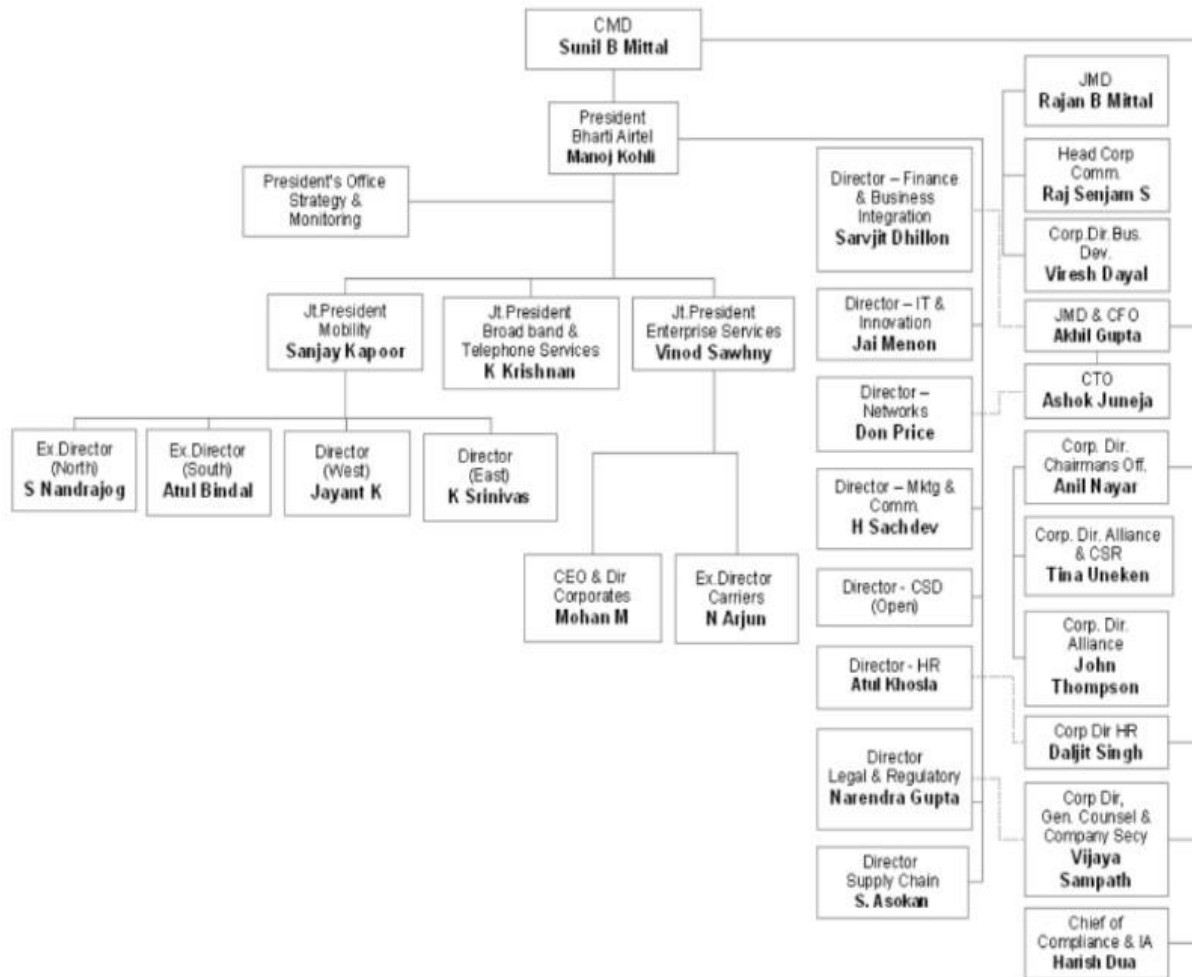
## ABSTRACT

Bharti Airtel's strategy measures to survive in the cutthroat telecom business are examined in depth in this research. Ansoff's Matrix, Porter's Five Forces, BCG Matrix, and SWOT analysis are just a few of the models used to perform a thorough examination of Airtel's marketing strategy. These models' results provide insight into important areas like the company's place in the market and that of its rivals. This study examines Airtel's various marketing approaches in addition to providing insights into the business's operations. Weaknesses in the organization are found and solutions are proposed through the use of SWOT analysis. Similar to this, the Ansoff Matrix is used to investigate Airtel's strategic alternatives in various market scenarios, providing insight into the company's entry into international countries such as South Africa and Seychelles.

## INTRODUCTION

Established on July 7, 1995, Bharti Airtel Ltd, a subsidiary of Bharti Enterprises, operates within two primary strategic divisions: Mobility and Infotel. The Mobility division delivers GSM mobile services across all 23 telecommunications circles in India, while the Infotel division offers telephone and DSL-based internet services in 15 circles. Additionally, the company provides national and international long-distance services and operates a submarine cable landing station in Chennai, connecting Chennai and Singapore. Leveraging its nationwide fiber optic backbone, last-mile connectivity, VSATs, ISP, and international bandwidth access, Bharti Tele-Ventures offers end-to-end data and enterprise services under the Airtel brand. As of September 2005, Bharti Tele-Ventures was the sole provider of mobile services in all 23 telecom circles in India, serving over 14.74 million GSM mobile subscribers and 1.10 million broadband and fixed-line customers by October 2005. Listed on the National Stock Exchange of India Ltd (NSE) and the Stock Exchange, Mumbai (BSE), Bharti Tele-Ventures boasted major shareholders including Bharti Telecom Ltd (45.65%), Singapore Telecom (15.69%), and Warburg Pincus (5.65%). Sunil Bharti Mittal, the founder-chairman of Bharti Enterprises, spearheaded the company's transformation into India's largest telecommunications company since its inception in 1995. Airtel's range of voice and data products and services, including high-speed GPRS services and various prepaid and postpaid mobile offers, reflect the company's commitment to innovation and customer satisfaction. With a presence in over 1,400 towns and numerous pioneering achievements, Airtel remains a leader in the Indian telecom sector, continually investing in expanding its telecom infrastructure and earning accolades for its outstanding performance.

## Corporate Structure



### Literature Review

The leading telecommunications service provider in India is Bharti Airtel, a part of Bharti Enterprises. Three strategic business units (SBUs) comprise the company's operations: enterprise services, mobile services, and broadband & telephone services (B&T). While the B&T business group provides phone and broadband services in 90 cities, Bharti Airtel provides GSM mobile services throughout all 23 telecom circles in India. Under the Airtel brand, the enterprise services segment includes long-distance carriers as well as corporate services providers. The wide range of services offered by Bharti Airtel includes managed data & internet, phone, mobile, satellite, and managed e-business services. With a focus on regions with significant potential for telecommunications, Airtel, the first commercial fixed-line service provider in India, has extended its fixed-line services to critical circles. Furthermore, Airtel has a mobile presence in 21 telecom circles and upholds some of the highest service standards globally. Introducing 32K SIM cards, offering the first complete roaming service on prepaid plans, and implementing cutting-edge technologies to improve speech quality are all noteworthy accomplishments. Along with satellite services, managed data & internet services, and managed e-business services, Airtel Enterprise Services offers complete solutions designed to satisfy a range of business requirements.

## RESEARCH METHODOLOGY

### PRIMARY DATA SOURCES:-

- Observation method, and
- Experiment

### SECONDARY SOURCE:-

- Internet
- Newspaper
- Magazines
- Others

## DATA ANALYSIS

Overall, India revenues for Bharti Airtel reached | 20,913 crore, marking a 5.1% increase quarter-on-quarter (QoQ), primarily fueled by robust performance in its India wireless segment. The Indian margin also saw a QoQ increase of 20 basis points (bps) to 49.8%, driven by expansion in wireless business margins.

In the wireless segment, India's revenues surged by 5.9% QoQ to | 16,092 crore, attributed to the partial pass-through of tariff hikes resulting in higher Average Revenue Per User (ARPU), which stood at | 163, a 5.9% increase QoQ, despite a net subscriber decline of 0.56 million. India's wireless margins also improved to 49.2%, up by 165 bps QoQ, benefiting from the tariff hike.

The subscriber base experienced a decline of approximately 0.56 million QoQ, reaching 322.9 million, largely due to SIM consolidation following tariff hikes across all operators. Notably, Bharti Airtel witnessed a lower subscriber decline compared to its competitors Jio and VIL, which lost 8.5 million and 8.2 million subscribers, respectively, in Q3FY22. Additionally, there was a modest addition of around 3 million 4G subscribers during the quarter, bringing the 4G data subscriber base to 195.5 million, out of an overall data customer base of 203 million. The post-paid subscriber base grew by approximately 321,000, reaching 17.6 million.

In terms of usage, data consumption per subscriber decreased by 1.8% QoQ to 18.3 gigabytes (GB), while voice usage per customer increased by 0.7% QoQ to 1061 minutes. The total minutes on the network increased by 0.9% QoQ to 1029.8 billion minutes.

In the non-wireless domain, broadband revenues saw an 11.8% QoQ increase to | 797 crore, driven by a healthy addition of 341,000 customers, bringing the total to 4.16 million. Airtel's enterprise segment revenues grew by 2.8% QoQ to | 4106 crore, while DTH revenues witnessed a slight decline of 0.8% QoQ to | 791 crore.

Regarding network capacity and capital expenditure (capex), Bharti Airtel continued its expansion efforts, adding approximately 7,750 sites and increasing mobile broadband BTS additions by 30,801 in Q3. Mobile capex in India amounted to | 2973 crore, compared to | 4629 crore in Q2, with overall India capex reaching | 4654 crore, down from | 5799 crore in Q3.

### Business highlights (Africa)

Africa revenues surged by 5.1% quarter-on-quarter (QoQ) to US\$1.22 billion, propelled by robust Average Revenue Per User (ARPU) and subscriber expansion, with EBITDA margins reaching 49.6%, up by 100 basis points (bps) QoQ. Airtel Money experienced a notable 8.3% QoQ revenue growth, reaching US\$140 million. In rupee terms, Africa revenues increased by 6% QoQ, totaling | 9105 crore.

The subscriber base in Africa grew by 3.1 million QoQ, reaching 125.8 million, while ARPU stood at US\$3.3, marking a 4.2% increase QoQ. Additionally, the data subscriber base saw an uptick of 1.19 million QoQ, totaling 45.1 million, with total data usage increasing by 6.7% QoQ to 478.8 billion megabytes (MB). Data usage per subscriber reached 3.5 GB per month, up by 3.8% QoQ.

Africa's net debt, including lease obligations, amounted to US\$3.5 billion, with capital expenditure (capex) totaling approximately US\$188 million. Operating free cash flow for Q3FY22.

## OTHER HIGHLIGHTS

During Q3, Airtel made a substantial payment of | 15,519 crore to the Department of Telecommunications (DOT), settling the entirety of its deferred liabilities related to spectrum acquired in the 2014 auction. This prepayment is expected to yield annual interest cost savings of approximately ~| 1000 crore. Additionally, the company plans to repay or refinance around | 20,000 crore of deferred liabilities, carrying an interest cost of approximately 10%, leveraging its generated free cash flow.

The increase in network costs was driven by an aggressive expansion of the network, including loading charges and energy expenses. Sales and marketing costs rose due to higher sales incentives and channel commissions.

In terms of consolidated debt and capital expenditure (capex), the total capex for the quarter amounted to | 6101 crore, compared to | 6972 crore in Q2. The reported net debt (excluding lease liability) decreased to approximately ~| 1.24 lakh crore, reflecting a decline of around ~| 7434 crore quarter-on-quarter (QoQ), supported by robust free cash flow generation.

Regarding 5G, the company awaits the Telecom Regulatory Authority of India's (TRAI) response on spectrum pricing, expected in March. Airtel's key demand is a reduction in the reserve price and more favorable payment terms. Currently, 5G device shipments represent a small percentage of overall smartphones, while installed 5G devices stand at 3-4%, projected to reach 10-12% by March 2023. On the business-to-business (B2B) front, the demand for 5G applications is limited, suggesting that rapid growth in 5G networks may materialize over the medium term of 5-7 years.

Quarterly Performance Variance Table

	Q3FY22	Q3FY22E	Q3FY21	Q2FY22	YoY (%)	QoQ (%)
Revenue	29,866.6	29,608.2	26,517.8	28,326.4	12.6	5.4
Employee Expenses	1,133.6	1,138.0	1,026.0	1,101.0	10.5	3.0
Marketing Expenses	3,078.6	2,904.0	2,532.5	2,885.9	21.6	6.7
Access Charges	1,723.2	1,712.6	3,063.2	1,670.8	-43.7	3.1
Network Operating License Fee	6,498.6	6,176.3	5,547.9	6,178.8	17.1	5.2
EBITDA	14,702.8	14,706.0	12,053.0	13,810.5	22.0	6.5
EBITDA Margin (%)	49.2	49.7	45.5	48.8	378 bps	47 bps
Depreciation	8,547.2	8,347.2	7,503.1	8,247.2	13.9	3.6
Interest	4,367.1	3,971.4	3,971.9	3,964.1	9.9	10.2
Exceptional Items	-39.8	0.0	-5,250.2	-722.1	-99.2	-94.5
Total Tax	990.8	1,003.0	4,306.7	1,030.8	-77.0	-3.9
PAT	829.6	1,240.4	853.6	1,134.0	-2.8	-26.8
Subscribers (Mn)	322.9	323.8	307.9	323.5	4.9	-0.2
ARPU	163	163	166	153	-2.2	5.9

## Financial Summary

Profit and loss statement				₹ crore
Particulars	FY_21 (₹)	FY_22 (₹)	FY_23 (₹)	FY_24 (₹)
Total operating Income	1,00,615.8	1,17,548.4	1,35,141.6	1,46,906.0
Growth (%)	14.9	16.8	15.0	8.7
Employee Expenses	4,114.6	4,460.7	4,966.7	5,358.0
Marketing Expenses	9,687.1	11,764.1	12,887.8	13,735.1
Access Charges	10,352.1	6,821.0	7,481.7	8,070.8
Network Operating	21,981.9	24,946.8	27,215.0	29,089.4
License Fee	9,108.4	11,184.7	12,949.8	14,121.7
Total Operating Expenditure	55,244.1	59,177.3	65,501.1	70,375.1
EBITDA	45,371.7	58,371.0	69,640.5	76,530.9
Growth (%)	24.4	28.7	19.3	9.9
Depreciation	29,404.4	33,148.6	34,731.4	36,285.8
Interest	15,091.0	16,636.2	13,375.6	11,977.0
Other Income	642.8	710.7	780.0	840.0
Exceptional Items	4,857.8	-792.4	0.0	0.0
PBT	-3,338.7	10,089.3	22,313.6	29,108.1
MI / Profit from associates	2,812.3	838.5	1,200.0	1,200.0
Total Tax	8,932.5	4,106.4	5,801.5	7,568.1
PAT	-15,083.5	5,144.4	15,312.0	20,340.0
Growth (%)			197.6	32.8
EPS (I)	-27.6	8.6	25.7	34.2

Source: Company, ICICI Direct Research

Key ratios					₹ crore
Particulars	FY21 (₹)	FY22E (₹)	FY_23 (₹)	FY_24 (₹)	
Per Share Data					
EPS (Fully Diluted)	-27.6	8.6	25.7	34.2	
Cash EPS	26.2	64.3	84.0	95.1	
BV	108.1	142.9	177.4	211.5	
Operating Ratios					
EBITDA / Net Sales	45.1	49.7	51.5	52.1	
PAT / Net Sales	-1.3	3.7	11.3	13.8	
Inventory Days	0.0	0.0	0.0	0.0	
Debtor Days	13.2	13.2	13.2	13.2	
Creditor Days	101.1	105.0	105.0	105.0	
Return Ratios					
RoE	-2.2	5.1	14.5	16.1	
RoCE	6.4	9.0	12.8	15.0	
RoIC	11.5	18.6	29.3	38.8	
Valuation Ratios					
EV / EBITDA	12.6	9.3	7.3	6.2	
P/E	-26.0	83.3	28.0	21.1	
EV / Net Sales	5.7	4.6	3.8	3.2	
Market Cap / Sales	4.3	3.6	3.2	2.9	
Price to Book Value	6.7	5.0	4.1	3.4	
Solvency Ratios					
Debt / Equity	3.6	2.8	2.0	1.6	
Current Ratio	2.8	1.9	1.3	1.0	
Debt / EBITDA	0.4	0.4	0.4	0.4	
Quick Ratio	0.4	0.4	0.4	0.4	

Source: Company, ICICI Direct Research

<b>Balance Sheet</b>				<b>₹ crore</b>
<b>Particulars</b>	<b>FY_21 (₹)</b>	<b>FY_22 (₹)</b>	<b>FY_23 (₹)</b>	<b>FY_24 (₹)</b>
<b>Liabilities</b>				
Equity Capital	2,746.0	2,977.7	2,977.7	2,977.7
Reserve and Surplus	56,206.7	82,142.3	1,02,643.2	1,22,983.1
<b>Total Shareholders funds</b>	<b>58,952.7</b>	<b>85,120.1</b>	<b>1,05,620.9</b>	<b>1,25,960.9</b>
Total Debt	1,62,785.2	1,65,185.2	1,40,185.2	1,20,185.2
Deferred Tax Liability	1,610.7	1,610.7	1,610.7	1,610.7
Others	38,159.6	34,744.1	30,626.4	26,256.8
<b>Total Liabilities</b>	<b>2,61,508.2</b>	<b>2,86,660.1</b>	<b>2,78,043.2</b>	<b>2,74,013.6</b>
<b>Assets</b>				
Gross Block	3,35,532.5	3,76,231.3	4,04,231.3	4,32,231.3
Less: Acc Depreciation	1,75,483.8	2,08,632.4	2,43,363.8	2,79,649.6
<b>Net Block</b>	<b>1,60,048.7</b>	<b>1,67,598.9</b>	<b>1,60,867.5</b>	<b>1,52,581.7</b>
CWIP	5,726.5	5,726.5	5,726.5	5,726.5
Goodwill	34,619.2	34,619.2	34,619.2	34,619.2
Right of Use	28,811.7	28,811.7	28,811.7	28,811.7
Investments	29,890.6	29,890.6	29,890.6	29,890.6
Debtors	3,637.7	4,249.9	4,886.0	5,311.3
Loans and Advances	14,326.2	16,737.1	19,242.2	20,917.2
<b>Other Current Assets</b>	<b>19,244.8</b>	<b>21,359.3</b>	<b>23,328.3</b>	<b>24,091.2</b>
Cash	13,466.1	47,706.5	55,677.1	67,077.8
<b>Total Current Assets</b>	<b>50,674.8</b>	<b>90,052.9</b>	<b>1,03,133.6</b>	<b>1,17,397.5</b>
Creditors	27,872.1	33,815.3	38,876.3	42,260.6
<b>Other Current Liabilities</b>	<b>56,647.5</b>	<b>66,180.7</b>	<b>76,085.8</b>	<b>82,709.3</b>
<b>Total Current Liabilities</b>	<b>84,519.6</b>	<b>99,995.9</b>	<b>1,14,962.1</b>	<b>1,24,969.9</b>
<b>Net Current Assets</b>	<b>-33,844.8</b>	<b>-9,943.1</b>	<b>-11,828.6</b>	<b>-7,572.4</b>
Others Assets	36,256.3	29,956.3	29,956.3	29,956.3
<b>Total Assets</b>	<b>2,61,508.2</b>	<b>2,86,660.1</b>	<b>2,78,043.2</b>	<b>2,74,013.6</b>

Source: Company, ICICI Direct Research

Cash flow statement				₹ crore
Particulars	FY_21 (₹)	FY_22 (₹)	FY_23 (₹)	FY_24 (₹)
Profit after Tax	-15,083.5	5,144.4	15,312.0	20,340.0
Add: Depreciation	29,404.4	33,148.6	34,731.4	36,285.8
Add: Interest Paid	15,091.0	16,636.2	13,375.6	11,977.0
(Inc)/dec in Current Assets	9,773.9	-5,137.6	-5,110.1	-2,863.2
Inc/(dec) in CL and Prov	-14,186.9	15,476.3	14,966.2	10,007.8
CF from op activities	24,998.9	65,267.9	73,275.1	75,747.3
(Inc)/dec in Investments	-2,067.6	0.0	0.0	0.0
(Inc)/dec in Fixed Assets	-22,165.9	-40,698.8	-28,000.0	-28,000.0
Others	450.5	2,884.5	-4,117.7	-4,369.6
CF from inv activities	-23,783.0	-37,814.3	-32,117.7	-32,369.6
Issue/(Buy back) of Equity	18.2	231.7	0.0	0.0
Inc/(dec) in loan funds	14,557.1	2,400.0	-25,000.0	-20,000.0
Interest Paid	-15,091.0	-16,636.2	-13,375.6	-11,977.0
Others	-3,126.8	20,791.2	5,188.8	0.0
CF from fin activities	-3,642.5	6,786.8	-33,186.8	-31,977.0
Net Cash flow	-2,426.6	34,240.4	7,970.6	11,400.7
Opening Cash	15,892.7	13,466.1	47,706.5	55,677.1
Closing Cash	13,466.1	47,706.5	55,677.1	67,077.8

Source: Company, ICICI Direct Research

## SWOT ANALYSIS OF BHARTI AIRTEL :

### Strengths:

Bharti Airtel boasts a vast customer base of over 65 million (as of July 2008), making it the largest cellular provider in India. It offers a wide array of telecommunications services, including broadband

and telephone services, to both domestic and corporate clients. Collaborations with industry giants like Sony-Ericsson, Nokia, and Sing Tel provide access to valuable knowledge and technology from across the telecommunications landscape. Additionally, the company's extensive network coverage across India has been instrumental in attracting and retaining a large and growing customer base.

**Weaknesses:**

One of Bharti Airtel's initial weaknesses stemmed from its limited understanding of cellular telephone systems when the business was founded over 15 years ago by Sunil Bharti Mittal. Consequently, the company had to rely on outsourcing to industry experts. Until recently, Airtel did not own its own towers, unlike some competitors like Hutchison Essar, which could affect its nationwide coverage capabilities. Additionally, the failure to secure a deal with South Africa's MTN may indicate a missed opportunity for expansion into emerging markets once the Indian market matures.

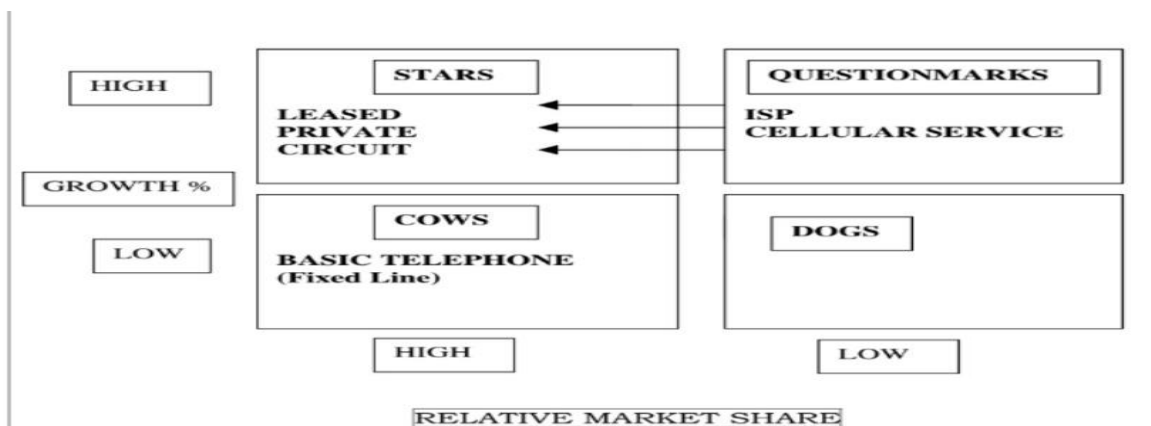
**Opportunities:**

Bharti Airtel's partnership with Google to offer a customized version of the Google search engine presents an opportunity to enhance broadband services and capitalize on advertising opportunities in India. The company's strategic alliances with global telecommunications and technology brands position it as a key player in the Indian market, as evidenced by its distributorship of the new iPhone and partnership with BlackBerry Wireless Solutions. Investments in expanding operations to small villages, along with joint ventures like Indus Towers with Vodafone Essar and Idea Cellular, open avenues for growth and market dominance. Additionally, the potential introduction of IPTV services aligns with the company's long-term strategy.

**Threats:**

The uncertain relationship between Airtel and Vodafone, including Vodafone's divestment of its stake in Airtel, poses a threat as valuable knowledge and technology shift to competitors like Hutchison Essar. Rapid changes in the global telecommunications industry may compel Airtel to pursue acquisitions, potentially exposing it to vulnerabilities during economic downturns. Failed negotiations for the purchase of MTN and competing offers from rivals like Reliance Communication's Anil Ambani highlight the risk of missing out on opportunities in emerging markets. Additionally, Bharti Airtel could become a target for takeover by global telecommunications players seeking entry into the Indian market. Note:-With Africa sales up 6% QoQ at ₹ 9105 crore and Indian wireless revenues up 5.9% QoQ at ₹ 16,092 crore, mostly due to partial pass-through of pricing rise driven higher ARPU, which came in at ₹ 163, up 5.9% QoQ, the consolidated topline came in at ₹ 29,867 crore, up 5.4% QoQ.

**BCG MATRIX**





BCG Matrix is used to find out the relative growth prospects of the product line. Within the Airtel product line leased, private, circuit are among star. Airtel is going to have a submarine cable between Singapore and Chennai with the collaboration of singtel. This will allow Airtel to maintain its position in IPLC market. Right in India only BSNL have such cables.

**ANSOFF MATRIX**

<p><b>MARKET PENETRATION</b></p> <p>ENTERED IN BROADBAND AND FIXED LINE MARKET</p>	<p><b>PRODUCT DEVELOPMENT</b></p> <p>IPLC PRODUCTS</p>
<p><b>MARKET DEVELOPMENT</b></p> <p>LOOKING FOR OVERSEAS MARKET</p>	<p><b>DIVERSIFICATION</b></p> <p>OUTSOURCING</p>

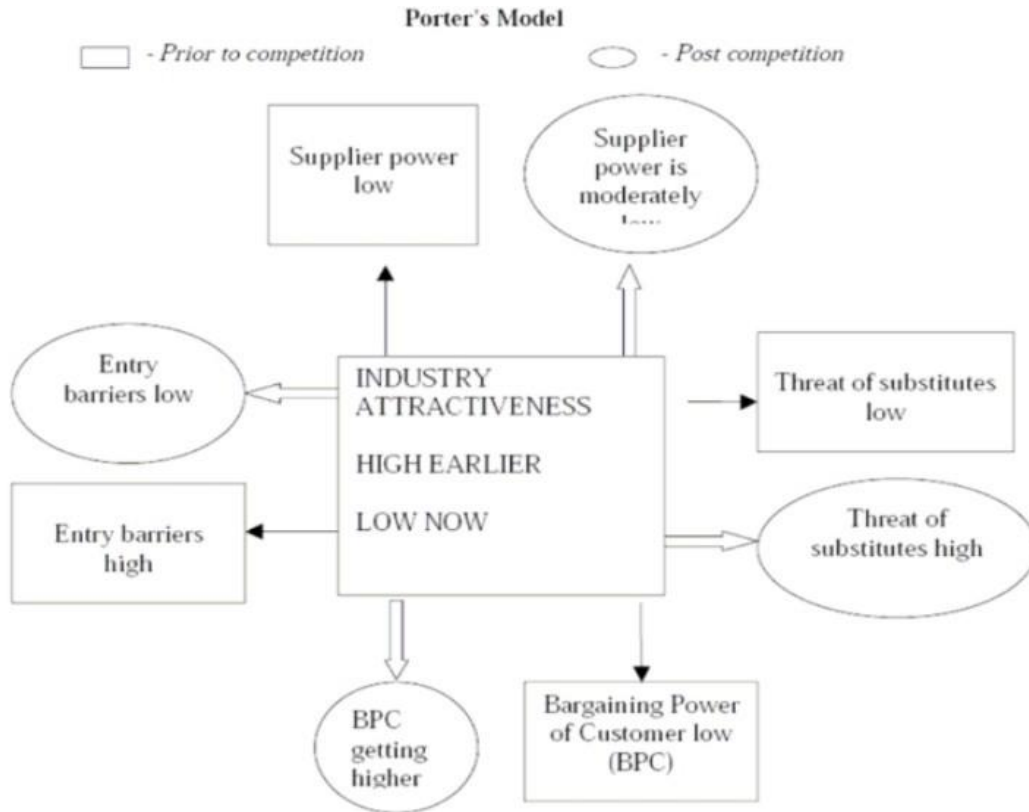
To portray alternative corporate growth strategies, Igor Ansoff conceptualized a matrix that focused on the firm’s present and potential products and markets / customers. He called the four product-market strategic alternatives

- market penetration [existing market + existing product],
- market development [existing product + new market],
- product development [existing market + new product], and
- Diversification [new product + new market].

The company should follow all four strategies depending on the demand and product as indicated in the matrix. The company perhaps needs to focus more on the comparatively neglected area of diversification.

- **MARKET PENETRATION:** Airtel entered in broadband and fixed phone line market.
- **PRODUCT DEVELOPMENT:** IPLC products
- **MARKET DEVELOPMENT:** Airtel is now looking for overseas market. Company has already make his presence in Nigeria and Seychelles
- **DIVERSIFICATION :** Airtel has now outsourcing sum of its services like customer services with IBM

**INDUSTRY STRUCTURE PORTER'S MODEL**



The previous pattern was that the national telecom operator used to hold every sector of the value chain till the international gateway. However, in more recent times, the industry structure has become somewhat unfavorable given the previous monopolistic periods. There was rivalry in almost every market after liberalization. There are businesses that offer long distance and local connectivity, as well as those that just offer gateway links. A few integrated players work across all categories. Tariffs and consumer pricing are showing a downward spiral, which is indicative of the strength of competition pressures across the chain. The value chain for cellular mobile service and Internet Service Providers (other than cable based net connections) are similar in as much as the calls reach the destination through similar local loop, long distance and international gateway.

**Conclusion**

Airtel, a seasoned player in the telecom realm, faces the imperative of reimagining itself to bolster revenues and embrace digital expansion. Navigating the swiftly evolving landscape demands astute strategic decisions. As competition intensifies, staying ahead necessitates agility and the adoption of innovative tactics.

In this report, our analysis relies on secondary research due to the industry's ever-changing nature. Consequently, it's challenging to predict how the proposed recommendations will fare in real-world scenarios.

While Airtel's future appears promising, the looming question is whether it can weather the storm of industry disruption and devise novel strategies to thrive.

Airtel has effectively enhanced its core capabilities, positioning itself favorably in the market. Its commitment to research and development is a key driver of its leading position.

Being the pioneer in the 4G market, Airtel holds a strategic advantage that it must leverage effectively. Expanding into rural areas is crucial for Airtel's growth trajectory, requiring focused efforts and investments.

Establishing a robust strategic framework encompassing vision, mission, objectives, and organizational structure is imperative for any business. These strategic decisions are instrumental in aligning the company towards its overarching goals and ensuring operational efficiency across all facets.

In a competitive landscape populated by giants like Reliance, Airtel, and Vodafone, Bharti Airtel remains vigilant, continually evolving its strategies. As economic and political landscapes shift, the telecom sector experiences fluctuations, necessitating adaptive approaches to maintain its premier position.

This project underscores the importance of differentiation and leveraging strengths while capitalizing on competitors' weaknesses as opportunities. Airtel's ability to enact innovative strategies will be pivotal in sustaining its leadership position amidst dynamic market dynamics.

## **FINDINGS**

### **Strategic Alliances:**

Bharti Airtel has forged strategic partnerships with industry giants such as SingTel and Vodafone, with SingTel's investment marking one of the largest outside Singapore in the company's history. Similarly, Vodafone's investment stands as one of the largest foreign investments in India's telecom sector. The company collaborates with leading mobile network equipment providers like Ericsson and Nokia, while partners such as Siemens, Nortel, and Corning supply equipment for broadband, telephone, and enterprise services. Bharti Airtel also maintains alliances with IBM for group-wide IT needs and with Nortel for call center technology.

### **Outsourcing:**

To streamline its operations, Bharti Airtel has outsourced call center functions for mobile services to reputable firms like IBM Daksh, Hinduja TMT, Teletech, and Mphasis.

**Expansion into Overseas Markets:** Recognizing growth opportunities abroad, Airtel has initiated operations in Nigeria and Seychelles, marking its foray into international markets.

### **Competition:**

Despite technological disparities, Bharti Airtel faces stiff competition from domestic players like MTNL and BSNL, who leverage their extensive reach in rural and urban areas and competitive tariff rates.

### **Brand Ambassadors:**

Bharti Airtel leverages the influence of prominent figures such as Sachin Tendulkar, Shahrukh Khan, and A.R. Rahman to promote its products and services, enhancing its brand visibility and appeal.

### **Leadership in Telecom Market:**

With a commanding 21 percent market share, Bharti Airtel stands as the leader in India's fiercely competitive telecom market, reflecting its strong market position and customer appeal.

## **SUGGESTIONS:**

After a comprehensive analysis of the entire study, we propose the following recommendations:

**Pricing Strategy:-**

To remain competitive in the market and accommodate varying local conditions, Airtel should adopt a flexible pricing mechanism, either centrally or locally managed, based on market conditions and competition from cellular or Wi-Fi mobile service providers.

**Technological Enhancement:-**

Airtel should swiftly transition to third-generation switches to replace its existing c-dot switches. This upgrade will significantly enhance service quality, ensure seamless integration with the nationwide network, and reduce signal coverage gaps by expanding the distribution of transmission towers.

**Expansion of Distribution Channels:-**

To match the visibility and accessibility of competitors, Airtel should establish an extensive and prominent distribution network. This network will ensure that Airtel's products are readily available and visible at convenient locations, thereby enhancing customer reach and brand presence.

**Penetrating the Untapped Rural Market:-**

Given the vast untapped potential in the Indian rural market, Airtel should focus on expanding its presence in these areas. Implementing strategies to penetrate rural markets will enable Airtel to capture new customer segments and expand its market share in previously underserved regions.

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