

# THE IMPACT OF RELIANCE JIO ON DIGITAL INDIA INITIATIVE

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## **ABSTRACT**

*Digital India Initiative introduced by Ministry of Electronics and Information Technology of Government of India ensures that government services are made available to citizens electronically. It aims to improve the online infrastructure and to increase the internet connectivity in rural areas. Telecommunication market had seen a tremendous change after the emergence of Reliance Jio. It provided free calling, free data with 4G network and promoted digital services. Jio promises to bridge the rural-urban digital divide. The purpose of this study is to examine the impact of Reliance Jio on Digital India. The primary data was used for the study collected using structured questionnaire. The study also analyses the market potential of Reliance Jio.*

**Key words:** Digitalization, Reliance Jio, Network connectivity.

## **I. INTRODUCTION**

Telecommunication industry is one of the rapid growing industry which witnessed numerous developments in last decade. India's telecommunication network is the second largest in the world with 1.183 billion telephone subscribers (both fixed and mobile phone) as on 31 May 2019. There are 460.24 million broadband internet subscribers in the country i.e.; the second largest internet user-base in the world. Telecommunication had kept up the socio economic development of India and has played a crucial role in rural-urban digital divide.

Reliance Jio backed by Mukesh Ambani created a new choice to mobile users by providing free calling, free data and 4G network. The telecom industry got tremor after the launch of Reliance Jio and other service providers found it difficult to face the new conditions. Reliance Jio Infocomm Ltd is a wholly owned subsidiary of Reliance Industries, with an initial investment of Rs 1.5 lakh crore. Reliance Industries bought a 95% stake in Infotel Broadband Services Limited (IBSL) for Rs 4800 crore in June 2010. Jio's headquarter is in Navi, Mumbai, India. It offers mobile phones and wireless broadband products. Jio aims for a pan-India digital revolution through state-of-the-art wireless broadband 4G services, promising to bridge the digital divide. Jio covered a subscriber base of 370 million on 31 December 2019. Reliance Jio promotes digital services like Digital Healthcare, Affordable Devices, Jio Drive, Digital Education, Digital Currency, Digital Entertainment and Social Connectivity. These services can boost the 'Digital India' Initiative.

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The Government of India introduced the 'Digital India' initiative for digitally developing the country in the field of technology. The motto of this initiative is to "Power to Empower" with the vision to transform India into a digitally empowered society and knowledge economy electronically. The Digital India Program empowers the growth of the economy by covering the agricultural, industrial and service sectors. The major components of this initiative are development of secure and stable digital infrastructure, delivering government services and universal digital literacy. The main objective of Digital India is to connect the rural areas with high-speed Internet works. The programme came up with huge investments in the technology sector with Rs1.13 lakh crore. This will rise the usage of technology to connect people in the areas relating to health, labor, education, employment, commerce etc.

By the introduction of Jio, it brought a massive change to the area of digital infrastructure of India by initiating the net access to millions of people in India and by opening an economical network. The entry of Reliance Jio in the Indian Telecom market has dropped the subscribers of other telecom operators like Airtel, Vodafone which give rise to a huge market share. This study focuses on the impact of Reliance Jio on Digital India Initiative and to ascertain the market potential of Reliance Jio.

## II. LITERATURE REVIEW

AISWARYA VIJAYAN (2019) conducted a research on "Digital India – A Roadmap to Sustainability" This article examines the impact of digital India in economy and to know how far its objectives are attained in major sectors. It revealed that the initiative is in the infant stage and it requires sometime to measure its impact on the economy.

RAJESH KUMAR, BIJENDRA KUMAR(2019) "Comparative analysis of Reliance Jio with Airtel, Vodafone telecomm service". The study reveals that most of the telecomm users are youngsters and Reliance Jio is the mostly used service provider due to its cheap tariff rates when compared to other service providers.

VANITA, KARUNA SACHDEVA(2018) "Digital India - Opportunities and Challenges". The study indicates that several scheme of the initiative have been successful. It boomed the business by gaining higher productivity, an improved ease of doing business and productivity and promoting innovation and investment in India.

TANYA DAGA, VIPUL CHANDRA AND ANAS MALIK(2018) "Effect of Reliance Jio on Digital India" The paper focus on the role of government blend with Reliance Jio towards the digitalization of India and it found that the Paytm, Amazon, Myntra etc. plays an inevitable role in the digitalization and to see how these platforms combined with Jio have an impact on the 'Digital India' campaign.

KR MAHALAXMI AND SURESH KUMAR V(2017) "Changing the Indian Telecom Sector: Reliance Jio" examines the factor which makes a customer to opt Reliance Jio service provider and their satisfaction level in Trichy region. Though there was a rapid growth in Reliance Jio, it may fluctuate in the near future by other service providers introduces innovative marketing strategy.

P.RAJESHWARI AND S.HEPSIBAH(2017) “A Study on customer satisfaction towards Jio services in Ranipet”. The study states that majority of its consumers choose Jio services due to its unlimited data services. Jio has to improve its service network and call drop. By resolving this issue, it can capture more areas of the Indian Market.

JYOTI SHARMA(2016) “A Study on ‘Digital India’ and its impact on the society” ‘Digital India’ initiative is considered as a beginning of a digital revolution as it improved the social and economic condition of the people and can create more opportunities for the citizens, if it properly implemented.

### **STATEMENT OF PROBLEM**

Reliance Jio Infocomm Ltd was established with the motto ‘Digital Life ‘and provided free calling and free data for its subscribers for almost one and half years after its launch. Jio announced that they are in the route where ‘Innovation-led Growth Continues’. It promises to bridge the rural-urban digital divide and promotes digital services like Affordable devices, Jio Drive, Digital Education, Digital Currency, Digital Entertainment and social connectivity.

The ‘Digital India’ initiative was introduced by the Government of India with a motive to transform the entire system of public services through the use of information technology. It focuses on creating more e-government facilities and thereby reducing paper work. It also aims to increase internet connectivity especially in rural areas with high-speed internet works and to digitally empower the country in the technological field. Hence the research problem which is been analyzed is the impact of Reliance Jio on Digital India initiative.

### **SCOPE OF THE STUDY**

The purpose of this study is to analyze the impact of Reliance Jio on Digital India Initiative. Customer satisfaction level is required for every company for its existence and future growth. It also provides an opportunity for its greater improvement of services. This study covered the respondents from the main areas of Cochin.

### **OBJECTIVES**

- To study the role of Jio Telecomm Network in digitalization.
- To analyze the market potential of Jio Telecomm.
- To understand the competitive strategy of Jio with other cellular networks.
- To evaluate the current market scenario and customer satisfaction level of Jio.

## **III. RESEARCH METHODOLOGY**

This is a descriptive research which helps to understand about the impact of Reliance Jio on Digital India. Primary data were collected with the help of survey method through structured questionnaire with opened and closed ended questions. Questions were based on demographic profile, Reliance Jio and Digital India Initiative. The sample size is 155 and the sampling method adopted is convenience sampling. Secondary data is obtained from sources such as research papers, newspapers, articles, websites, government official sites etc. For analysis purpose pie charts, graphs, tables etc. have been used.

## HYPOTHESIS

**H 0**:- There is direct relationship between the augmentation of Jio and Digital India initiative

**H 1**:- There is indirect relationship between the augmentation of Jio and Digital India Initiative.

## Analysis and Interpretation

**TABLE 1: MODE OF TRANSACTION**

MODE OF TRANSACTION	FREQUENC Y	PERCENTA GE
Online	133	85.8%
Manual	22	14.2%
<b>Total</b>	<b>155</b>	<b>100%</b>

**Interpretation:** Out of total 155 respondents, 133 people (85.8%) prefer online transactions due to convenience, safety, ease and timeless etc. whereas 22 people (14.2%) prefer manual transactions as they are not comfortable with online transaction as it may cause e-fraud, loss of money etc.

**TABLE 2: DATA USAGE PER DAY**

DATA USAGE	FREQUENCY	PERCENTAGE
Less than 1GB	23	14.8%
1GB-2GB	117	75.5%
2GB-3GB	13	8.4%
3GB-5GB	1	0.6%
Above 5GB	1	0.6%
<b>Total</b>	<b>155</b>	<b>100%</b>

**Interpretation:** Most commonly used data is 1GB - 2GB covering 117 respondents. 13 people use 2GB- 3GB, 23 people use less than 1GB. At the same time, it shows only 1 person who use above 3 GB and 5 GB.

**TABLE 3: OVERALL PERFORMANCE OF JIO**

PERFORMANCE	FREQUENCY	PERCENTAGE
Excellent	14	11.8%
Good	64	53.8%
Fairly good	27	22.7%
Average	10	8.4%
Poor	4	3.4%
<b>Total</b>	<b>119</b>	<b>100%</b>

**Interpretation:** Out of total respondents 64 rated the performance of Jio as good, 14 as excellent, 27 as fairly good, 10 as average and 4 as poor.

**TABLE 4: INFLUENCE OF JIO ON DIGITALISATION**

CATEGORY	FREQUENCY	PERCENTAGE
Strongly agree	16	10.3%
Agree	62	40%
Neutral	64	41.3%
Disagree	5	3.2%
Strongly disagree	8	5.2%
<b>Total</b>	<b>155</b>	<b>100%</b>

**Interpretation:** Majority of the respondents ie.64 are neutral with the opinion that Jio paved the way for a better digitalization but there is only a slight variation of 1.3% between agree and neutral. At the same time 16 respondents strongly agree as per the above statement.

**TABLE 5 : QUALITY OF HIGH SPEED NETWORK**

CATEGORY	FREQUENCY	PERCENTAGE
Strongly agree	21	13.5%
Agree	58	37.4%
Neutral	62	40%
Disagree	6	3.9%
Strongly disagree	8	5.2%
<b>Total</b>	<b>155</b>	<b>100%</b>

**Interpretation:** Among 155 respondents, 21 respondents strongly agree and 58 respondents agree the above statement whereas majority of them are neutral i.e.; 62. 6 and 8 respondents voted the statement as disagree and strongly disagree respectively.

**TABLE 6: SOURCES FOR DIGITAL INDIA AWARENESS**

SOURCES	FREQUENCY	PERCENTAGE
Newspapers and Magazines	69	44.5%
New Mass Media	52	33.5%
Relatives and Friends	22	14.2%
Broadcast	12	7.8%

Others	0	0%
<b>Total</b>	<b>155</b>	<b>100%</b>

**Interpretation:** There are different types of sources about awareness of digitalization. Among these newspapers and magazines is the prominent source followed by new mass media. The other relevant source of Medias is relatives and friends and broadcast.

**TABLE 7: SERVICES USED THROUGH MOBILE INTERNET**

SERVICES	FREQUENCY	PERCENTAGE
Mobile Banking	33	21.3%
Stock/Shares	2	1.3%
Job Opportunities	26	16.8%
Shopping	38	24.5%
Entertainment	54	34.8%
Others	2	1.3%
<b>Total</b>	<b>155</b>	<b>100%</b>

**Interpretation:** Majority respondents prefer internet for entertainments like social media, online movies etc., 38 people uses for shopping, and 33 for mobile banking.

**TABLE 8: JIO SERVICES**

SERVICES	FREQUENCY	PERCENTAGE
Jio 4G Voice Over	27	25%
My Jio	44	40.7%

Jio Money Wallet	4	3.8%
Jio Saavn	12	11.1%
Jio Net	16	14.8%
Others	5	4.6%
<b>Total</b>	<b>108</b>	<b>100%</b>

**Interpretation:** Majority of respondents are having My Jio application. 27 respondents use Jio 4G voice over application. 12 respondents use Jio Saavn, 16 uses Jio Net and the rest 5 uses other applications like Jio TV, Jio Cinema etc.

**TABLE 9: SERVICES TO BE IMPROVED IN RELIANCE JIO**

SERVICES	FREQUENCY	PERCENTAGE
Network Coverage	52	48.1%
Customization of usage Plans	30	27.8%
Call-out in middle	13	12.1%
Unclear Voice	9	8.3%
Poor value added services	4	3.7%
<b>Total</b>	<b>108</b>	<b>100%</b>

**Interpretation:** Majority of respondents that is 52 suggested to improve network coverage service, 30 suggested for improving customization of usage plan, 13 suggested to improve call-out in middle, 9 suggested unclear voice and the least 4 for poor value added services.

#### **IV. Findings**

- Majority of the Jio users belongs to the age group 15-25 that is up to 59.35%.
- 96.1% of the respondents use 4G connectivity smart phone.
- 92.3% are aware about the Digital India Initiative and newspapers and magazine had a big role in creating this awareness.
- More than 85% prefers online transaction due to its ease, convenience, safety and meanwhile most of them are aware of e-government facilities, e-file returns, renewal of ID, online payments etc.
- Universal access to internet created more awareness that is 47.7% among the 9 pillars of Digital India.
- Most of the respondents use 1GB-2GB per day that is up to 75.5% for various purposes like entertainments and shopping being the most preferred followed by mobile banking.
- More customers are not switching to other connections whereas a few respondents have switched to Jio because of its wide network connectivity with 68.6%.
- Majority of the respondents are using Jio for more than 1 year that is 46.2% and still customers are rising for Jio.
- More than 50% of the users came to know about Jio through New Mass media.
- Majority of the respondents that is up to 86.5% uses My Jio applications provided by Jio.
- 60.2% and 9.3% are satisfied and highly satisfied customers of Jio.
- The users suggest that the network coverage and customization of usage plan should be improved in Jio.
- 53.8% of users voted the performance of Jio as good and 11.8% as excellent.
- 82.4% of the Jio users mentioned that they are willing to recommend the Jio to others.
- On the question of Jio paved the way for a better digitalization process in India, 41.3% are with the opinion neutral and 40% agrees with the opinion.
- Majority of the respondents are of neutral opinion that Jio is a reason for the quality of high speed network for other connections and 37.4% agrees with the same.
- Hence the hypothesis stating that there is a direct relationship between Jio and Digital India Initiative has been true as it resulted in digital literacy, but it has not reached upto the digital revolution expectation due to network access in certain rural areas and call congestions.

#### **V. SUGGESTIONS**

- Ensure that all the citizens are aware of the upcoming digital revolution.
- Connect every area, both rural and urban area.
- More awareness campaign regarding digital platform should be promoted through advertisements.
- Make sure that digital services provided by Jio reaches the targeted customers to empower digitalization in economy.
- Improve network connectivity.
- Remove the calling congestion and call drop.
- Reliance Jio should develop their competitive strength to meet the challenges.

- Introduce new offers to maintain loyal customers.
- Price should not always fluctuate and it should be affordable to its customers.
- Customer feedback should be considered for the betterment of its services.

## VI. CONCLUSION

Reliance Jio with the 'Digital Life' has played a pivotal role in the Digital India vision. They emerged in the market by providing free services and compelling its competitors to fix up with better services to its customers. The hypothesis framed has been true as the data consumption has increased after introduction of Jio which helped the people to be more digitally literate. Providing customer satisfaction is the most crucial stage of any company which Jio has succeeded to a greater extent but slight coverage issues in certain areas has disappointed few customers. A good number of applications like Google pay, Flipkart, Amazon, Paytm, video streaming websites such as Hotstar and Netflix etc. play a significant role in digitalizing our nation. From the details it can be concluded that Reliance Jio now plays a catalyst role to the Digital India Initiative and with a long run it may accomplish the Digital India vision.

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