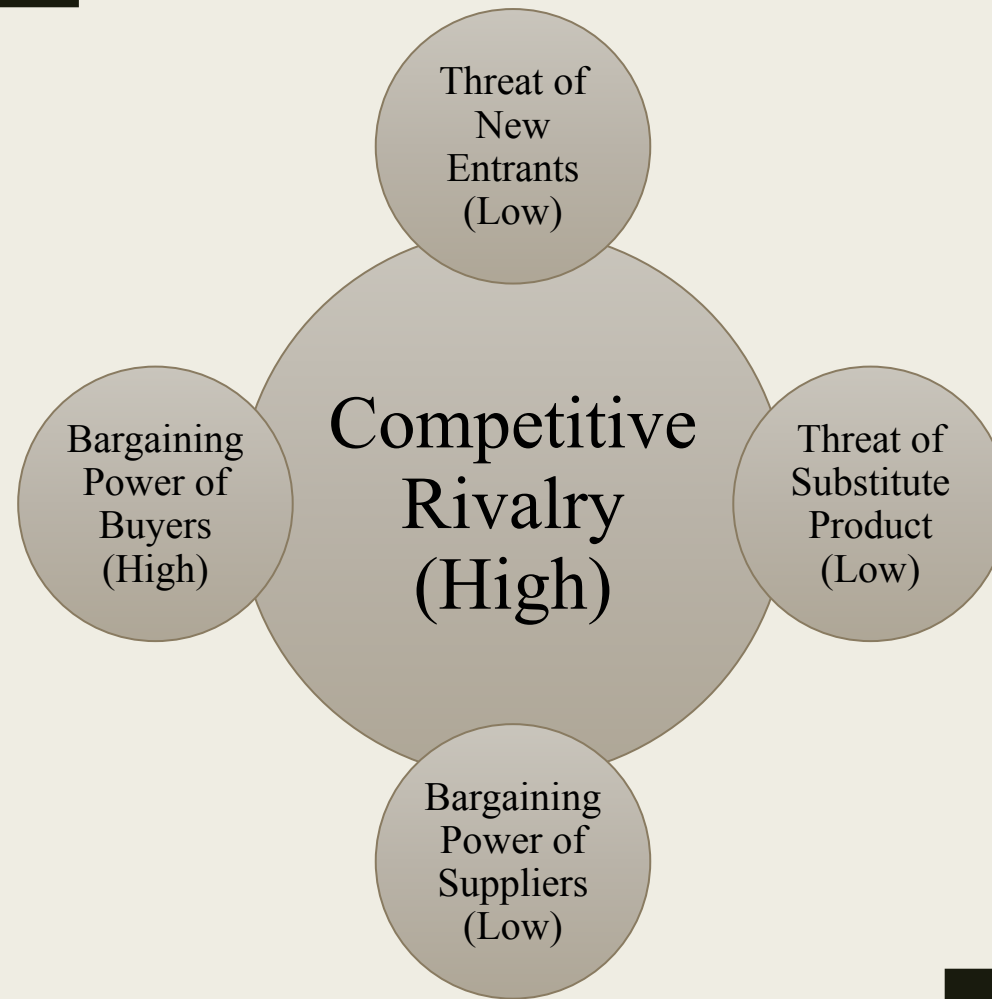


# PORTER'S FIVE FORCES ANALYSIS RELATED TO TELECOM INDUSTRY



# Competitive Rivalry

- Customers' low switching cost and price sensitivity are increasing competition among players.
- High exit barriers are also intensifying competition.
- There are around 6 to 7 players in each region, leading to intense competition.
- Example – Reliance announcement of its free offers creates drastic changes on its rivalry competitors.

# Threats of new entrants

- Strict government regulations.
- Extremely high infrastructure setup cost.
- Difficulty in achieving economies of scale.
- The entire Indian telecom sector redesigned by the new aggressive entrant of Reliance Jio.

# Threats of substitute

- With Emergence of wireless devices and other technological break-through, the market share of wireline companies has dwindled.
- There are hardly any threat of substitute products as there is no substitute available in the market.

# Bargaining Power of Suppliers

- Being suppliers of the mobile services, the players have less bargaining power with the customer.
- This forces the players to offer better services at reasonable price.

Top 4 leading Mobile Phone manufacturers( GSM & CDMA) in India (2019-2020)

Company	Share
Xiaomi	28%
Samsung	21%
Vivo	16%
Realme	10%

- Bargaining power of suppliers is less.

# Bargaining Power of Buyers

- Low switching cost and mobile number portability give customers high bargaining power.
- Customers are price sensitive.
- Customers expect superior quality at lower cost.
- Product differentiation

Airtel, JIO, Vodafone and all other companies have similar prices for similar products and less likely for any one to maintain product differentiation and hence buyers have the option to switch over.