

Project Report

**“An Analytical Study of Customer Satisfaction with reference of
Vi services”**

Submitted to

G. S. College of Commerce & Economics, Nagpur

Affiliated to

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

In partial fulfillment for the award of the degree of

Bachelor of Business Administration

Submitted by

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Under the Guidance of

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G.S. College Of Commerce & Economics, Nagpur

Academic Year 2022 – 23



G.S. College Of Commerce & Economics , Nagpur

Academic Year 2022 – 23



CERTIFICATE

This is to certify that “Aastha Pradip Tembhurne“ has submitted the project report titled “(An Analytical Study of Customer satisfaction with reference of Vi Services)”, towards partial fulfillment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he/she has ingeniously completed his/her project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

Dr. Afsar Sheikh

(Project Guide)

Dr. Afsar Sheikh

(Co-Ordinator)

Place: Nagpur

Date:

G.S. College Of Commerce & Economics , Nagpur

Academic Year 2022 – 23



DECLARATION

I here-by declare that the project with title “**An Analytical Study of Customer satisfaction with reference of Vi Services**” has been completed by me in partial fulfillment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination as prescribed by Rashtrosant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Place: Nagpur

Aastha Tembhurne

Date:

G.S. College Of Commerce & Economics , Nagpur

Academic Year 2022 – 23



ACKNOWLEDGEMENT

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to Dr. Swati S. Kathaley, Principal, G.S. College of Commerce & Economics, Nagpur.

I am extremely thankful to my Project Guide Prof. Dr. Afsar Sheikh for his/her guideline throughout the project. I tender my sincere regards to Co-ordinator, Dr. Afsar Sheikh for giving me outstanding guidance, enthusiastic suggestions and invaluable encouragement which helped me in the completion of the project.

I will fail in my duty if I do not thank the Non-Teaching staff of the college for their Co-operation.

I would like to thank all those who helped me in making this project complete and successful.

Place: Nagpur

Aastha Tembhone

Date:

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CHAPTER NO. 1

INTRODUCTION

INTRODUCTION

Currently, India is the world's second-largest telecommunications market with a subscriber base of 1.16 billion and has registered strong growth in the last decade. The Indian mobile economy is growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP) according to a report prepared by GSM Association (GSMA) in collaboration with Boston Consulting Group (BCG). In 2019, India surpassed the US to become the second largest market in terms of number of app downloads.

- **Market Size**

India is the world's second-largest telecommunications market.

The total subscriber base stood at 1189.15 million in September 2021. Tele-density of rural subscribers reached 59.33% in September 2021, from the 58.96% recorded in September 2020. This increase indicates a potential demand growth from the rural sector.

The total wireless or mobile telephone subscriber base reached 1166.02 million in September 2021, from 1,148.58 million in September 2020. The total number of internet subscribers reached

794.88 million in September 2021. Of this subscriber base, the number of wired internet subscribers was 24.29 million and wireless internet subscribers was 787.94 million.

Gross revenue of the telecom sector stood at Rs. 64,801 crore (US\$ 8.74 billion) in the first quarter of FY22.

The total wireless data usage in India grew 16.54% quarterly to reach 32,397 PB in the first

quarter of FY22. The contribution of 3G and 4G data usage to the total volume of wireless data usage was 1.78% and 97.74%, respectively, in the third quarter of FY21.

Share of 2G data usage stood at 0.48% in the same quarter.

Over the next five years, rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India, creating opportunities for new businesses.

By 2025, India will need ~22 million skilled workers in 5G-centric technologies such as Internet of Things (IoT), Artificial Intelligence (AI), robotics and cloud computing.

While merging companies are typically quite sanguine about synergy benefits, most analysts agree that the Vodafone-Idea merger holds the potential for significant cost savings. With a larger scale and elimination of duplicate costs, margins can rise up statically. However, with the two companies announcing that Vodafone and Idea will exist as separate brands, some analysts are questioning the expected gains from synergies.

Idea and Vodafone individually operate at an EBITDA margin of around 30%, far lower than Bharti Airtel Ltd's margin of around 40% and Reliance Jio Infocomm Ltd.'s targeted margins of 50%.

Ebitda stands for earnings before interest, tax, depreciation and amortization. On their own, Vodafone and Idea's holdings of 3G and 4G spectrum was far lower than that acquired by Airtel and Reliance Jio. This also inhibited their ability to compete effectively, given the shift towards increased data usage by customers. Coming together will enable Idea and Vodafone to operate in the same league, as far as spectrum footprint goes.

The combined entity will also be either the largest cellular services operator in prominent circles, or a very strong No. 2. In a couple of circles, it will upstage Bharti Airtel as the

number one operator, while in some other 'A' and 'B' circles, it will graduate to a strong No. 2. It remains to be seen if the combined entity will retain a half-hearted presence in the relatively smaller 'C' circles, or whether it will up the ante and aim for a strong pan-India focus.

Vodafone's Indian escape act is heavy on the contortions

Never the less, a stronger market share in the majority of circles will also result in better efficiency. One of the reasons margins are relatively lower at both Idea and Vodafone is that these companies run EBITDA losses in some circles where market share is sub-optimal. The merger will also result in a sharp fall in leverage. Idea and Vodafone expect the net debt/Ebitda for the combined entity to fall from around 4.4 times to around 3 times. This will be aided by asset sales both companies intend to sell their tower assets and reduce debt. Besides capex synergies will contain debt to some extent in the future. In addition, opex synergies will result in higher profits.

• Why Organizations Focus on Customer Satisfaction

Businesses monitor customer satisfaction in order to determine how to increase their customer base, customer loyalty, revenue, profits, market share and survival. Although greater profit is the primary driver, exemplary businesses focus on the customer and his/her experience with the organization.

They work to make their customers happy and see customer satisfaction as the key to survival and profit. Customer satisfaction in turn hinges on the quality and effects of their experiences and the goods or services they receive.



Customer Satisfaction

The definition of customer satisfaction has been widely debated as organizations increasingly attempt to measure it. Customer satisfaction can be experienced in a variety of situations and connected to both goods and services. It is a highly personal assessment that is greatly affected by customer expectations. Satisfaction also is based on the customer's experience of both contact with the organization (the "moment of truth" as it is called in business literature) and personal outcomes. Some researchers define a satisfied customer within the private sector as "one who receives significant added value" to his/her bottom line—a definition that may apply just as well to public services. Customer satisfaction differs depending on the situation and the product or service. A customer may be satisfied with a product or service, an experience, a purchase decision, a

Sales person, store, service provider, or an attribute or any of these. Some researchers completely avoid "satisfaction" as a measurement objective because it is "too fuzzy an idea to serve as a meaningful

benchmark.”⁴ Instead, they focus on the customer’s entire experience with an organization or service contact and the detailed assessment of that experience.

For example, reporting methods developed for health care patient surveys often ask customers to rate their providers and experiences in response to detailed questions such as, “How well did your physicians keep you informed?” These surveys provide “actionable” data that reveal obvious steps for improvement. Customer satisfaction is a highly personal assessment that is greatly influenced by individual expectations. Some definitions are based on the observation that customer satisfaction or dissatisfaction results from either the confirmation or disconfirmation of individual expect.

□ **MERGE (VI)**

A merger is an agreement that unites two existing companies into one new company There are several types of mergers and also several reasons why company's complete mergers. Mergers and acquisitions are commonly done to expand a company's reach.

Expand into new segments, or gain market share. All of these are done to increase shareholder value. Often, during a merger, companies have a no-shop clause to prevent purchases or mergers by additional companies.

A merger is the voluntary fusion of two companies on broadly equal terms into one new legal entity. The firms that agree to merge are roughly equal in terms of size, customers, and scale of operations. For this reason, the term "merger of equals" is sometimes used. Acquisitions, unlike mergers, are generally not voluntary and involve one company actively purchasing another.

Mergers are most commonly done to gain market share, reduce costs of operations, expand to new territories, unite common products, grow revenues, and increase profits all of which should benefit the firms' shareholders.

Background of the merger

Vodafone Group

Vodafone is a British multinational company. It is one of the largest telecommunication groups based in the United Kingdom. It provides its services in over 25 countries across the globe, partners with mobile networks in 46 more countries, and has fixed broadband services in 18 markets, majorly in Europe, Africa, the Middle East, and Asia Pacific. The services provided by the Vodafone group range from voice, messaging, data, and fixed communications.

The Vodafone Group had 534.5 million mobile customers and 19.9 million fixed broadband customers as of 2018. This included India and all of the customers of the company including the joint ventures.

Aditya Birla Group

Aditya Birla is an Indian multinational company based in Mumbai. It is in the group of Fortune 500 companies. It has its business operations in almost 36 countries. It has a workforce of 120,000 employees.

Globally it is number one in aluminium rolling, viscose staple fibre, and carbon black.

In India, the Aditya Birla Group leads in several sectors such as fashion, lifestyle, viscose filament yarn, grey, white cement, and concrete. It is the largest producer in the Chlor-alkali sector, as well as in life insurance and asset management.

Idea Cellular was the first multinational company under the Birla group. It was established in 1995. Idea Cellular was the third-largest telecom company in India, with a market share of 15.9%.

Reason for the merger

1. Synergy benefits

Both the companies had said in their statement that the synergy would be extremely cost-effective. The estimated savings annually would go up to 14,000 crores. The savings would be in the form of both capital expenditure as well as operating costs.

2. Domination of the market

Individually, the market share of Vodafone India and Idea was very low as compared to Bharti Airtel and the recent entry of Reliance Jio. Reliance Jio took the telecom industry by storm.

The merged company would gain 400 million subscribers, a customer market share of 35%, and a revenue market share of 40%.

3. Spectrum share

Vodafone and Idea had individual spectrum holdings of 411 MHz and 316 MHz respectively. However, on the other hand, the spectrum hold of Bharti Airtel and Reliance Jio was 860 MHz and 650 MHz respectively. Therefore, effectively competing in the industry individually was proving to be difficult for Vodafone and Idea. The amalgamation of the companies would give, it was expected, the merged company a hold of 728 MHz increasing the chances of the merged company to rank no one or on number 2 in India.

4. Deal structure

The merger was an all-share merger, which later moved on to the deconsolidation of Vodafone operations in India. The deal excluded Vodafone's 42% share in the Indus Towers. The promoters of both companies had equal rights on important matters. Both the companies had joint control over the appointment of the Chief Operating Officer (COO) and the Chief Executive Officer (CEO).

5. Merger ratio

The merger ratio was 1:1. This ratio was based on the price of Idea at 72.5 per unit. Implied enterprise value for Idea and Vodafone was INR 72 thousand crores and INR 82 thousand and 8 hundred crores respectively. The agreement had a break fee of Rs 3,300 crore payable upon certain conditions.

6. Stock transfer

Under the deal, Aditya Birla Group was allotted a stake of 4.9% of the merged company. The stake was given from Vodafone for Rs 109 per share (INR 3900 crores). This brought the shareholding of the Aditya Birla group to 26%, therefore giving Vodafone a stake of 45.2%. 26% stake was given to other promoters of the idea group and the remaining 24% was owned by the public.

7. Lock-in period

Neither company could purchase or sell any shares from or to any third party for a period of 3 years (lock-in period). Vodafone offered an acquisition of 9.5% additional without any premium, enabling the Aditya Birla Group to acquire an additional 9.5% of the shares within the period of the next 3 years at a predetermined price of Rs. 103 per share.

8. Sale at market rate

If at the end of 3 years Aditya Birla group fails to purchase any stakeout of the additional stake of 9.5%, then they will be given the last opportunity to purchase the stake at the prevailing market price for the purpose of share equalization.

9. Sale to third parties

If after four years Aditya Birla Group still hasn't purchased Vodafone shares for equalization, then the shares may be sold to a third party.

10. Net debt

Vodafone contributed net debt of Rs. 55,200 crore to the merged entity, whereas Idea contributed Rs. 52,700 crores. Vodafone contributed net debt of Rs. 2,500 crore more than Idea.

□ **The current status of Vodafone-Idea merger**

In the month of September 2020, Vodafone – Idea rebranded itself. The company used the initials to rebrand itself as 'Vi'. The rebranding took place after almost two years of the merger, however it shows the spirit of integration. The company in its statement said that the name 'Vi' is to be pronounced as 'we'. The long-overdue rebranding was done to commemorate the final lapse of the merger. It marked the consolidation of the two companies after three years of merger talks and execution.

Rebranding created a lot of buzz over social media. The company in a statement said that the pronunciation of 'Vi' reflected the origin of the brands and the collective nature. There have been various advertisements of the 'Vi' across digital platforms. The announcement of the rebranding was however led by the Hon'ble Supreme Court of India directing Vodafone Idea to pay back government dues. Vodafone Idea owes approximately INR 504 billion.

To pay off these debts, the company has to raise 3.41 billion dollars. The company plans to raise capital through a mix of debt and equity. It has received the required Board approval. It also plans to focus on joining the 5G service sector in India.

□ **DIS-ADVANTAGES**

1. Raises prices of products or services

A merger results in reduced competition and a larger market share. Thus, the new company can gain a monopoly and increase the prices of its products or services.

2. Creates gaps in communication

The companies that have agreed to merge may have different cultures. It may result in a gap in communication and affect the performance of the employees.

3. Creates unemployment

In an aggressive merger, a company may opt to eliminate the underperforming assets of the other company. It may result in employees losing their jobs.

4. Prevents economies of scale

In cases where there is little in common between the companies, it may be difficult to gain synergies. Also, a bigger company may be unable to motivate employees and achieve the same degree of control. Thus, the new company may not be able to achieve economies of scale.

□ **ADVANTAGES**

1. Increases market share

When companies merge, the new company gains a larger market share and gets a head in the competition.

2. Reduces the cost of operations

Companies can achieve economies of scale, such as bulk buying of raw materials, which can

result in cost reductions. The investments on assets are now spread out over a larger output, which leads to technical economies.


3. Avoids replication some companies producing similar products may merge to avoid duplication and eliminate competition. It also results in reduced prices for the customers.
4. Expands business in to new geographic areas a company seeking to expand its business in a certain geographical area may merge with another similar company operating in the same area to get the business started.
5. Prevents closure of an unprofitable business Mergers can save a company from going bankrupt and also save many jobs

At a glance

Vodafone Idea Limited is an Aditya Birla Group and Vodafone Group partnership. It is India's leading telecom service provider. The Company provides pan India Voice and Data services across 2G, 3G and 4G platform. With the large spectrum portfolio to support the growing demand for data and voice, the company is committed to deliver delightful customer experiences and contribute towards creating a truly 'Digital India' by enabling millions of citizens to connect and build a better tomorrow. The Company is developing infrastructure to introduce newer and smarter technologies, making both retail and enterprise customers future ready with innovative offerings, conveniently accessible through an ecosystem of digital channels as well as extensive on-ground presence. The Company is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

CHAPTER NO. 2
COMPANY PROFILE

COMPANY PROFILE

Vodafone Idea Limited	
	
Type	Public
<u>Traded as</u>	BSE: 532822 NSE: IDEA
<u>ISIN</u>	INE669E01016
Industry	Telecommunications
Predecessors	Idea Cellular Vodafone India⁽¹⁾
Founded	31 August 2018; 4 years ago
Headquarters	Mumbai (Corp.) ⁽²⁾⁽³⁾ Gandhinagar (Reg.)
Key people	Ravinder Takkar (Chairman) Akshay Moondra (CEO) [4]
Products	Mobile telephony Wireless broadband

	Internet services
Revenue	▲ ₹38,644.90 crore (US\$4.8 billion) ^[5] (2022)
Operating income	▲ ₹16,036.1 crore (US\$2.0 billion) ^[5] (2022)
Net income	▲ ₹-28,245.40 crore (US\$-3.5 billion) ^[5] (2022)
Total assets	▼ ₹194,029 crore (US\$24 billion) ^[6] (2022)
Total equity	▼ ₹-94,088 crore (US\$-12 billion) ^[6] (2022)
Owners	Government of India (32.09%) Vodafone (31.27%) Aditya Birla Group (17.49%) Private Equity (15.97%) American Tower Corporation (3.18%) ^{[7][8]}
Number of employees	8760 (2022) ^[9]
Subsidiaries	YOU Broadband Limited ^[10]
Website	myvi.in

Vodafone Idea (or Vi, and/but stylised as V!) is an Indian telecom operator with its headquarters based in Mumbai and Gandhinagar. It is an all-India integrated GSM operator offering 2G, 3G, 4G, 4G+, Vo LTE, and VoWiFi service. As of 31 October 2022, Vi has a subscriber base of 245.62 million, making it third largest mobile telecommunications network in India and 11th largest mobile telecommunications network in the world. The company was created on 31 August 2018 by the merger of Vodafone India and Idea Cellular, to form a new entity named Vodafone Idea Limited.

Announced in March 2017 that Idea Cellular and Vodafone India would merge. The merger got approval from the Department of Telecommunications in July 2018. On 30 August 2018, National Company Law Tribunal gave the final nod to the Vodafone-Idea merger. The merger was completed on 31 August 2018, and the newly merged entity was named Vodafone Idea Limited. The merger created the largest telecom company in India by subscribers and by revenue. Under the terms of the deal, the Vodafone Group holds a 45.2% stake in the combined entity, the Aditya Birla Group holds 26% and the remaining shares will be held by the public. Vi lost a significant number of gross and active subscribers.

Network consolidation

By March 2019, Vi announced its network consolidation across major circles, easing network issues faced by consumers and also enhancing its 4G coverage. Announcements of Network Consolidation were made as below.

Enhanced Unified (2G, 3G, and 4G) coverage details
Enhanced LTE
(4G) coverage details

Vodafone Idea (Vi) News: Latest Press Releases & Updates

Xiaomi India and Vi partner to offer 5G experiences to users. A wide range of 18 5G enabled Xiaomi and Redmi smartphones have been successfully tested and will be supported on Vi 5G network post launch. Vodafone Idea (Vi) to provide its consumers with a seamless 5G experience. This partnership will enable Xiaomi and Redmi smartphone users to enjoy enhanced data experience on Vi 5G once the services are launched by the operator. A wide range of 18 devices from Xiaomi and Redmi portfolio have been successfully tested on Vi 5G and will support the network post FOTA updates. The consumers would just have to change the preferred network settings from 4G to 5G, once Vi launches the 5G network commercially.

The enabled devices include Xiaomi 13 Pro, Redmi Note 12 Pro 5G, Redmi Note 12 Pro+ 5G, Redmi Note 12 5G, Xiaomi 12 Pro, Mi 11 Ultra, Mi 11X Pro, Xiaomi 11T Pro 5G, Xiaomi 11 Lite 5G, Redmi 11 Prime 5G, Redmi K50i, Redmi Note 11T 5G, Redmi Note 11 Pro 5G, Mi 11X, Mi, Mi 10T, Mi 10T Pro, and Mi 10i.

In pursuit of a connected tomorrow and to unlock the boundless potential of 5G in India, Xiaomi and Vi are coming together to empower their consumers with an unfiltered 5G network on their devices. Xiaomi India and Vi have extensively tested the network in NewDelhi across Xiaomi and Redmi 5G devices.

Vi has been working with technology leaders, domain experts, start-ups and device OEMs to develop India specific 5G use cases for consumers and enterprises.

Xiaomi India remains committed to democratizing technology for consumers across the country by providing them with the best-in-class technology experience at an honest pricepoint.

CHAPTER NO. 3
REVIEW OF LITERATURE

REVIEW OF LITERATURE

An attempt is made to review various studies undertaken in context of Mergers and Acquisitions in India in Telecom Sector. Some of the studies areas: The integration of Idea-Vodafone will be the grand launch of the telecom sector post Reliance

JIO in September 2016. The promoters of Idea and Vodafone Group will be joint ventures of the integrated business and will have equal assurance rights for both promoters on key issues.

(02-Dec-2020)

- Lane et al(2013) analyzed to Merger and acquisitions in the high-tech industry. As a result of the impressive wave of M&A in recent years operations that were traditionally considered to extraordinary have become common business development option. Focuses on technology driver sector. The critical examination of the innovation and value creation processes in M&As in high-tech sectors. The problem was to focus only technology sector.

Ghosh and Dutta(2014) studied about Merger and Acquisition is a strategic tool for restructuring in the Indian Telecom sector And to explore the overall strategic impact of M&A in the telecom industry. Used some paired T-test, secondary data like business daily, ministry of statistics and programme Implementation(MOSPI) and used some ratios. The problem could not be ascertained from the available data whether a broad based, rigorous due diligence procedure was undertaken covering not only financial issues but also employee related issues. As a result, the merged entities might have encountered cultural problems during the integration period.

- Lane et al.(2017) studied about the impact of Reliance Jio on Indian mobile industry- A case study on mergers and acquisitions of idea -Vodafone and Airtel - Telenor. Indian mobile industry is one of the fastest growing industries in the world. In the world India is second largest market for mobile service providers and it is a good avenue for network providers from indigenous and exogenous entrepreneurs. Analyzed Michael porter's 5 forces model. And used secondary data.

CHAPTER NO. 4
RESEARCH STUDY

OBJECTIVES OF STUDY

The setting of objective is the corer stone of a systematic study. The study will be fruitful one when the basis laid down is a concrete one they represent the desired solution to the problem and help in proper utilization of opportunities.

The objectives of the research are:

- 1) To find out which sales promotion tools will increase the sales
- 2) To know the features that attracts the customer to subscribe to Vi cellular.
- 3) To know the level of satisfaction of customers towards “Vi Cellular Services”.

NEED & SCOPE OF THE STUDY

Customer satisfaction survey is a systematic process for collecting consumer data, analyzing this data to make it into actionable information, driving the results throughout an organization and implementing satisfaction survey is a management information system that continuously captures the voice of the customer through the assessment of performance from the customers' point of view.

The merger of Idea Cellular and Vodafone holds the potential for significant cost savings and 3G/4G spectrum gain—crucial in market share battle against Reliance Jio and Airtel.

The success of the mega merger between Idea Cellular Ltd and Vodafone India Ltd depends largely on synergy benefits that can accrue by combining operations. Not surprisingly, the two companies are factoring in huge gains on this count.

Vodafone and Idea said in a statement that annual savings, both in terms of operating costs as well as capital expenditure, will be around Rs 14,000 crore annually by the fourth full year of operations as a combined entity. About two-thirds of this will be on account of savings in operating costs.

PROBLEM OF THE STUDY

- 4) The entity was exceeding the caps on revenue market share, subscriber market share, and spectrum holdings in at least six circles each.
- 5) In the spectrum holding cap, the combined entity was shooting over 25% in Gujarat, Kerala, Maharashtra, Madhya Pradesh, and western Uttar Pradesh.

THE STUDY OF HYPOTHESIS

A supposition; a proposition or principle which is suppose or taken for granted, in order to draw a conclusion or inference for proof of the point in question; something not proved, but assumed for the purpose of argument, or to account for a fact or an occurrence; as, the hypothesis that head winds detainand overdue steamer. A hypothesis being a mere supposition, there are no otherlimits to hypotheses than those of the human imagination.

In this research the hypothesis are:

1. There is perfect compidition in Telecom Sector.
2. Merger of voda phone and idea will enhance the more options to thecustomers.
3. The financial condition of VI (Vodafone Idea) is better as compared to beforemerger.
4. The financial condition of VI (Vodafone Idea) is not better as compare tobefore merger.

RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the problem it may be understood as a science of studying how research is done scientifically. Research is defined as "a scientific and systematic search for pertinent information on a specific topic". Research plays a vital role in human as well as organizational life. Research is the need of today's era as in each and every sphere of life research helps us in getting & understanding the problems with their appropriate solutions. Research is nothing but search for real and original knowledge, no doubt that research might be for personal, societal, organizational and for many more purposes.

□ Research Design

A research design is the specification of methods and procedure for acquiring the information needed. It is over all operation patterns or framework of the project that stipulates what information is to be collected from which source by what procedure, it also refers to the blue print of the research process.

□ Different types of research design

There are four main types of Quantitative research: Descriptive, Correlational, Causal Comparative/Quasi-Experimental, and Experimental Research. Attempts to establish cause-effect relationships among the variables. These types of design are very similar to true experiments, but with some key differences.

TOOL FOR DATA COLLECTION

Data collection is the important aspect for any research. The goal of any research is to collect relevant, reliable and valid data. Data are the basis for all scientific research. Collecting good quality data plays vital role in supplying objective information for the problems under study so that some analytical understanding of the problems and hence better solutions can be obtained. Making decisions on the basis of poor quality data is always risky and may lead to disastrous results, as the situation may be distorted and hence all subsequent analyses and decision making will rest on a shaky ground.

The main purpose of any data collection method is to enhance the decision-making ability of a decision maker & to obtain information to keep on record, to make decisions about important issues, or to pass information onto others.

While deciding about the method of data collection to be used for the study, the researcher should keep in mind two types of data i.e. primary data and secondary data as follows

Primary Data: However primary data is also collected by observation discussing with company officials. This primary data is used to fill in the gaps while preparing this report and to know the latest procedures adopted by the company. This has helped to draw inferences and conclusions.

Secondary Data: The secondary data has been collected by Internet, Website & annual reports. For the present study, the secondary data has been used.

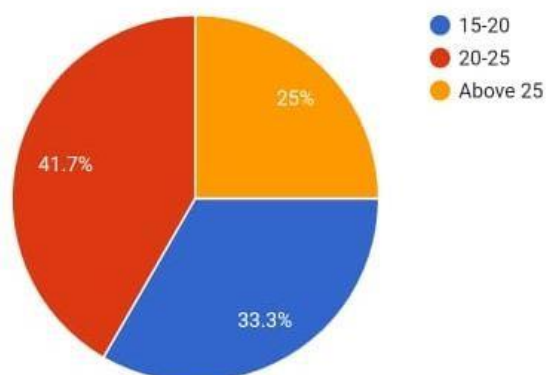
CHAPTER NO. 5
DATA ANALYSIS AND INTERPRETATION

DATA ANALYSIS AND INTERPRETATION

1. Age

 Copy

12 responses

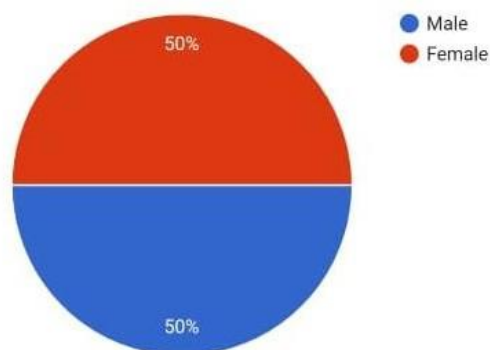


Interpretation: Age group 20–25, which makes up 41.7% of respondents, accounts for the majority of responses. Whereas 15-20 age group has 33.3% contribution of responses.

2. Gender

 Copy

12 responses



Interpretation: Half of the 12 respondents are male, and half are female.

3. Do you own/use a cell phone?



12 responses

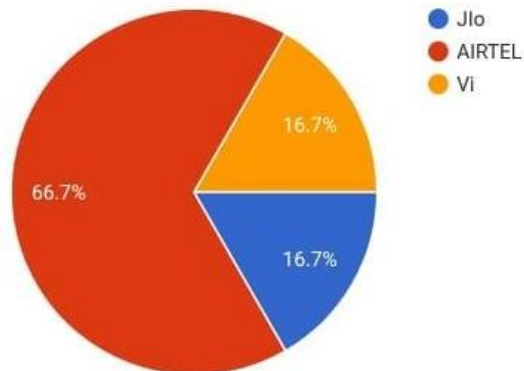


Interpretation: Every respondent owns a cell phone.

4. If you own/use a cell, which service you're using at present?



12 responses

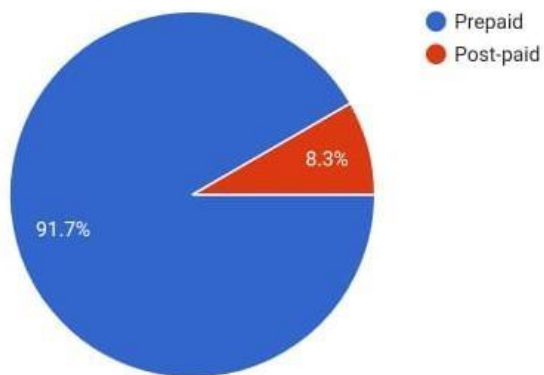


Interpretation: The majority of respondents prefer the Airtel network, while Jio and VI customers are equal.

5. Which type of service do you use?



12 responses

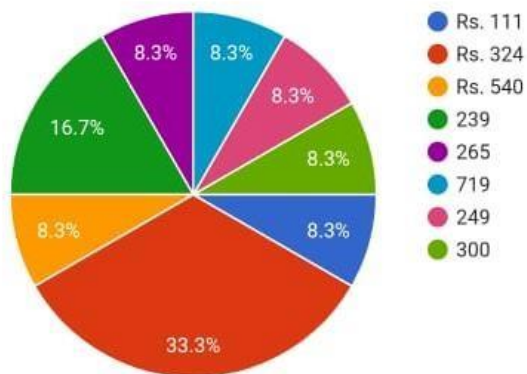


Interpretation: 91.7% uses Prepaid service, while only 8.3% uses postpaid service.

6. If prepaid, which recharge coupon you often use?



12 responses

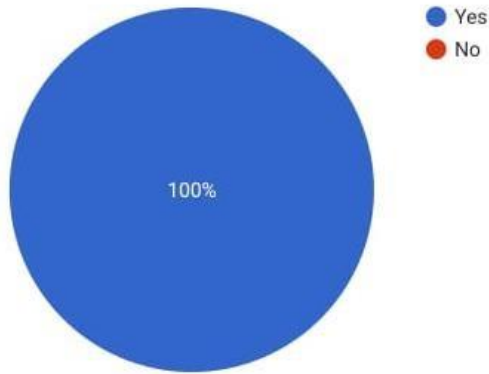


Interpretation: Majority of respondent uses recharge of Rs.324

7. Do you know about Vi?



12 responses

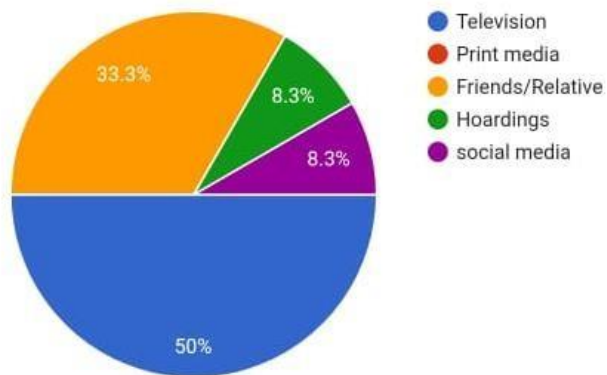


Interpretation: Every respondent is aware of VI

8. If yes, how you came to know?



12 responses

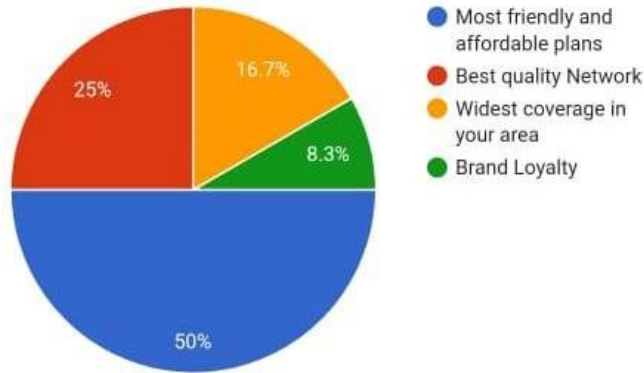


Interpretation: Half of the audience know about VI network through Television and Friends/Relative.

9. What features attract Vi card purchase?



12 responses

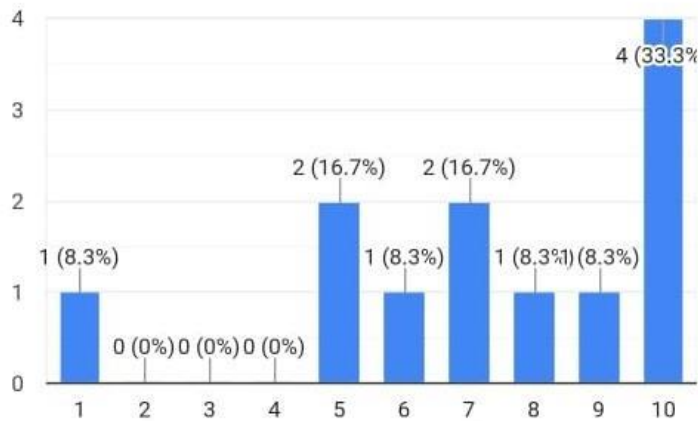


Interpretation: Half of the respondents are attracted toward VI Card because it is most friendly and have affordable plans.

10. How do you rate the services at "Vi"

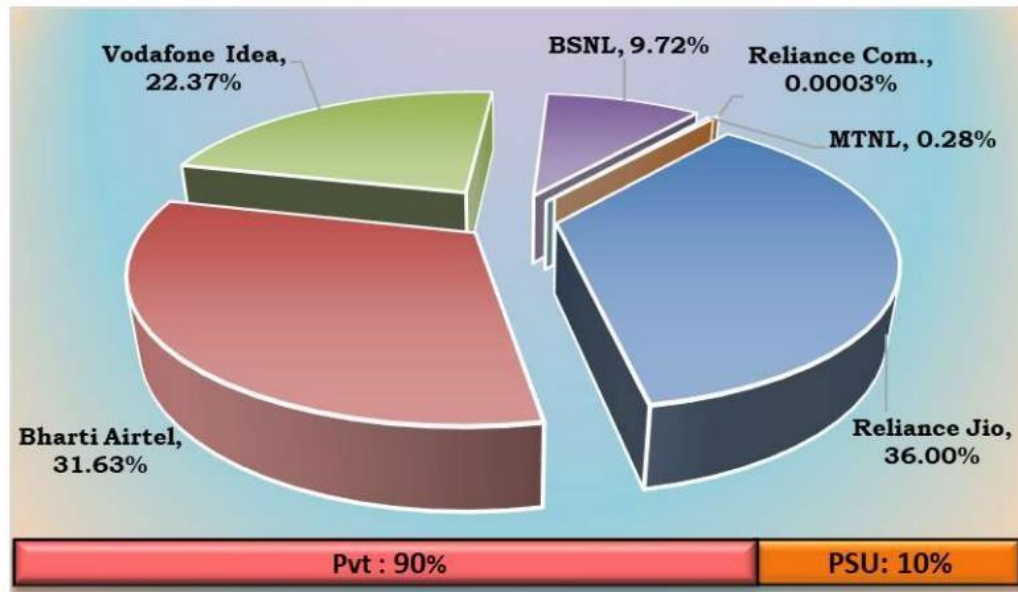


12 responses



Interpretation: Only 1 respondent gave the VI service a negative rating of 1 point, making up 33.3% of those who gave it a score of 10. However the majority of respondents, on average, rated the service as moderate.

Access Service Provider-wise Market Shares in term of Wireless Subscribers as on 30th June, 2022



Rajasthan network consolidation

Vi announced the successful consolidation of its radio network integration in Rajasthan service area. With this, Rajasthan is amongst the first eleven circles to complete integration in the world's largest network integration exercise which is currently underway in India.[citation needed]

According to the telecom regulator's data, the pan India wireless subscriber base of Vodafone Idea at the end of March 2019 stood at 394.8 million. The statement on network consolidation in Punjab, said 4G services have been enhanced for both Vodafone and Idea customers in cities including Chandigarh, Ludhiana, Amritsar, Jalandhar, Patiala, Bathinda, Moga, and Hoshiarpur. And in Rajasthan Jaipur, Jodhpur, Bikaner, Kota, Ajmer, Udaipur among others.[39]

Massive MIMO

Vi deployed technologies such as massive MIMO, small cells, TDD sites to enhance coverage and network capacity in Mumbai and Delhi during March. As part of the modernisation exercise, the company deployed more than 5000 massive MIMO, small cells and TDD sites across Churchgate, Prabhadevi, Pali Hill, Lokhandwala, Versova, Andheri, Jogeshwari, Bandra and Dadar among other regions in Mumbai.[40] The company also deployed more than 4,000 Massive MIMO, small cells and TDD sites across the New Delhi and NCR region.[41]

Giga-Net

Vi has launched "Giganet" 4G services in select cities of Uttar Pradesh, Rajasthan, Karnataka and Rest of Bengal (including Kolkata) circles. The launch of Giganet 4G follows the consolidation of its radio network integration and the deployment of technologies such as Dynamic Spectrum Re-farming(DSR), Spectrum Re-farming, M-MIMO, L900, TDD, and Small Cells to further boost network capacity and coverage across large parts of the country.[42]

Wifi Hotspot

Vi Provides wifi hotspot services in major cities Mumbai, Pune and Bangalore with over 200 locations. It is available for all Vi brand customers

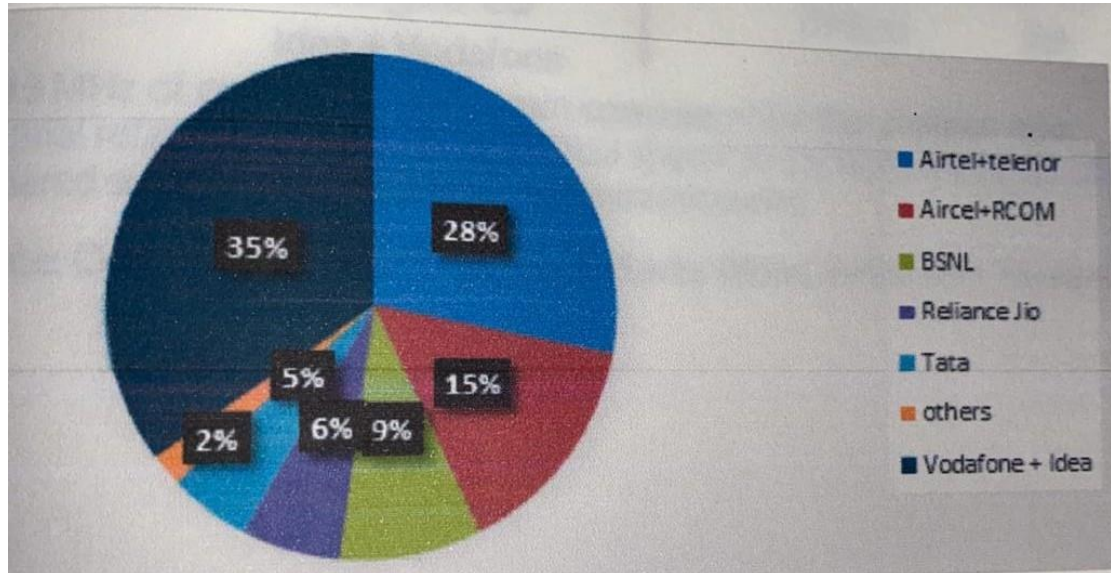
INTERPRETATION

The entry of Reliance Jo Infocomm Ltd in September 2016, with free services for almost seven months and cheap tariffs, had eroded margins and impacted the revenue of rivals. The contribution of Vodafone will be Vodafone India along with standalone towers with 15,400 tenancies without including an 11.5% stake in Indus Towers. According to the agreement between Idea and Vodafone. Vodafone will contribute more amount of net debt, about Rs 2,480 crore than Idea at the completion of the merger. Post-termination of both companies, the combined entity will be a joint venture between Vodafone and

Idea in the Vodafone case study. Which will account for he under the equity method, controlled by both Aditya Birla Group and Vodafone.

Idea promoters hold the rights to acquire a 9.5% additional stake from Vodafone under the Agreed deal to equalize shareholdings over time as per the following proposition

Vodafone: 45.1% - 9.5% - 35.6% and Idea: 26% + 9.5% - 35.6%



With the entry of Reliance to Infocomm Ltd. in the telecom sector with an investment of about Rs 1.5 trillion in the month of September 2016 the Indian mobile industry observed a turbulent phase. Launching of Reliance Jo with its facility of free voice call and free data service created stress on the existing players like Vodafone, Idea, BSNL and the market leader Airtel. This has hindered the growth prospects of the leading telecom Service providers. Though these telecom operators have launched various plans in the form of unlimited calling and bundled data still their revenue is declining. Keeping the long-term strategic goal in mind and to improve its market share and subscriber's share the major players i.e. Idea-Vodafone and Airtel Telenor are planning to gain through Mergers and acquisitions. It is expected that this action will change the dynamics.

CHAPTER NO. 6
LIMITATION

LIMITATIONS

- 1) Time factor was the main limitation for the study as the project was restricted to small period.
- 2) The research was limited only to the Nagpur city so the result can't be generalized to the whole market.
- 3) The sample taken for research was concerned only for 10 customers rather than millions of customers scattered around the world.
- 4) Since the project has to be completed within a short period of time the information collected could be biased.
- 5) Some of the premium segments could not be met due to time lack and by not obtaining prior appointment due to tight schedule of the respondents.

CHAPTER NO. 7
FINDINGS

FINDINGS

There are also several other implications that this merger of Vodafone case study will bring forth on the telecom industry.

1. Firstly, there can be initiatives based on the **renewal of price discipline** for the disruptive entry by Jio has caused some serious misbalance
2. Secondly, the poor financial health of the telecom sector can be observed. And through such mergers, there will be an infusion of health and life. Since India is the fastest-growing market in terms of **subscriber base**.
3. Through the merger, Vodafone and Idea **will overcome their debts** and a large sum of credit will be infused into the system
4. The deal has **also saved both the telecom companies from selling off their business**. As was being planned by them initially and this would directly impact the quality of services being provided by different players in the industry

The merger in the Vodafone case study will surely boost the pace of the telecom sector. It has also been found that the savings, synergies and also the spectrum will have a substantial impact on the escalating growth.

There will be a **saving of over 60 per cent of the cost of the operation** and this will aid in improving the quality and performance of the service through investments from the saved money.

Enhancement in network infrastructure will be observed while the operational efficiencies level a chance to reach excellence. Moreover, the **revenue market share is expected to rise** for the locations and the spectrum of the entity would exceed the initial caps.

CHAPTER NO.8
CONCLUSION

CONCLUSION

It can be concluded that the merger was needed in order to fight the competitive pricing policy taken up by Reliance Jio. The consumer is the most beneficial because of this merger as now all the telecom companies will try to bring in the best technology at the best price and with better customer service in order to maintain customer loyalty.

The merger between Idea and Vodafone will make them a top player. For the benefit of cooperative management, synergies of up to INR 670 billion can be acquired & INR 140 billion on operating costs for 4th year. It will also bring credit for the sale of Towers Assets to a consolidated business.

- The concept of consolidation seems to save costs and financial opportunities that aid financial performance. And whether the company will be able to monetize the remaining spectrum must be seen.

- Aditya Birla Group's promoters are smart enough to integrate with Vodafone in this price war and at the same time they have the rights to measure the pole in stages. So far, there is no benefit for public shareholders and they will hope to benefit from the long-term merger.

Overall, this merger will prove fruitful for both the companies.

HYPOTHESIS TESTING

Above analysis show that the merger of Vi is beneficial for both the companies. So the hypothesis H1 is proved correct.

H1: The financial condition of VI (Vodafone Idea) is better as compared to before merger.

CHAPTER NO.9
SUGGESTIONS & RECOMMENDATIONS

SUGGESTIONS & RECOMMENDATIONS

Reliance Jio is the threat to most of the companies in Telecommunication industry and to survive in this cutthroat competition mergers and acquisitions is seen taking place in industry.

- In the present case of Vodafone-idea it can be said that Synergy benefits would gradually be achieved in coming years which will result in higher profits and leverage is expected to reduce hence resulting in value addition to shareholder.

- Post-merger, there were no gain to public shareholders, it used to be a loss-making company amounting a loss of 5.3 billion in the December quarter of 2016.

- The merger between Idea and Vodafone will make them a top player in the long run. If we look at the other side of the coin as well, not very long ago, India had a booming telecom sector, with number of telecom operators fighting for market share.

Reliance Jio entered the sector which rock-bottom tariffs. A predatory pricing war started and ended up making several companies to exist the market. Therefore, it will not be wrong to say that market dynamics have changed a lot and competition level is not the same and telecom sector is being controlled by three major players.

- In conclusion it can be said that People who are using Idea and Vodafone are now getting better network coverage in cities and towns post-merger. Consumers can expect more diverse services and access to newer and smarter technology like Vo LTE, Digital wallets, and internet of things after the merger.

- The merger between Idea and Vodafone India has made them a leading

player in the Indian telecom sector. As per the benefits that arise from management synergies is 670 billion for cost and capital expenditure 140billion operating expenses by the 4th year. It also decreased the debt onthe Vodafone Idea Ltd with sale of Towers Assets.

- The merger will also lead to cost savings and asset monetization opportunities aiding financial performance. The big question to be answered is whether the company will be able to monetize the surplus spectrum and able to stream the money towards newer technologies andbetter services.

- To be able to gain something out of this huge telecom merger Vodafone-idea, need to develop new strategies to increase their number of subscribers in the market thereby increasing their net Revenue whilekeeping the debt to minimum. The big advantage to the promoters ofAditya Bloup is that the consolidated with Vodafone in this pricing war with Reliance Jio and Airtel at the same time have rights to gradually increase the stake in stages to becomeequal partners.

- According to the current circumstances, there is little to no gain to the public shareholders, and they can only hope that they will be benefited withthe merger in the long term. Keeping in the view of the Current scenario of Indian telecom sector, it will not be prudent for any new player to enter themarket.

Thus, if a company wants to survive in this sector in the long run, it shouldhave either of these two, huge capital investment or business combinations.

CHAPTER NO. 10

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