

Aircel eyes pre-paid data services for growth in East

Telco looks to tap youth hooked to social media, chat

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Telecom service provider Aircel is planning an aggressive pricing-strategy to enhance market share in the pre-paid data services segment in the East.

For Aircel, the eastern region comprises Kolkata, West Bengal, Assam and the North-East telecom circles. Aircel has around 8 million subscribers (out of 40 million) or 20 per cent market share in the region.

With voice revenue nearly stagnating, the company has come up with smaller value Internet packs targeting the youth and first-time net users. Also on the cards are bundling offers.



Ring: File photo of a telecom subscriber in Kolkata.

According to Virad Kaul, Regional Manager-East, Aircel, each data user is expected to use at least 300 MB. Focus will be on those hooked to so-

cial media and online chat platforms.

“When you are the 5th or 6th player, then you have to look beyond value subscribers (post-paid). What we lack in value, we make up in volumes,” Kaul told *Business Line*.

PRICING

Market sources maintain that Aircel is focussed on entry-level recharges of lesser value for its 3G data packs compared to competing operators who look for higher-value subscribers.

Typically, a student will prefer a smaller recharge of say Rs 23 compared to a service person who can afford a higher value data pack of say

Rs 100.

“Focus on entry level data charges of smaller value mean that an operator is looking for volumes,” a telecom analyst said.

Nearly 95 per cent of Aircel's subscriber base in the east is prepaid. Market sources maintain that the average revenue per prepaid user (ARPU) stands at Rs 100-123 per month. ARPU from post-paid users stands at Rs 300/month.

NEW INITIATIVES

Aircel has tied up with several city-based premier institutions such as St Xavier's College, Calcutta Medical College and Jadavpur University for promotional activities.

Recharge points through its

dealer network has also been created near these colleges. It has around 44 dealers in Kolkata and 84 across West Bengal.

According to Kaul, one of the limiting factors in 3G penetration here has been the lack of “affordable 3G-enabled handsets”.

While a number of top telcos have improved their devices portfolio and enhanced bundling deals, Aircel is in the process of establishing one.

The company has tied-up with Magicon and Gionee (two low-cost smartphone manufacturers) to provide data bundling offers. Bundled devices are priced between Rs 6,000 and Rs 11,000.

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