

Publication: The Hindu Business Line

Date: January 5, 2013

Aircel uses sport to connect with youth

Our Bureau

Chennai, Jan. 4

It's that time of the year for mobile service provider Aircel. When Chennai is at its coolest and the buzz is electric with the country's only ATP tennis tournament to follow a rich season of music concerts.

Aircel has been the title sponsor of the Chennai Open for three years now and Anupam Vasudev, Chief Marketing Officer, Aircel, for whom Chennai is the first and most important operating circle, is looking to leverage the tournament and gain greater visibility for the brand. Vasudev says, "The Chennai Open attracts a certain kind of crowd, very different from cricket, and we can't target them together through any other methods."

Vasudev says the brand is looking to engage with the tennis-loving audience through various initiatives: a wackiest fan contest (who stands to win a phone through the seven-day tournament), meet and greet players' events for customers, contests for subscribers to win tickets. And, the promotions, he points out, are huge on social media. Aircel has also developed a pocket app on the tournament for subscribers to keep track.

YOUTH POPULARITY

He says that tennis has been gaining popularity with the youth and associating with tennis fits its brand proposition



Tennis is becoming popular with the youth and Aircel's association has helped it gain visibility. — R. Ragu

and has helped the company gain visibility and recall among the youth, a big target audience for the brand.

But, the big one for Aircel is the IPL season, where it is the sponsor of the Chennai Super Kings. "Cricket has bigger spin-offs but there is a lot of noise and clutter; it's a high entry fee and mega bucks game," says Vasudev. More than 50 per cent of Aircel's marketing budget for sport is earmarked for cricket. Apart from the CSK, Aircel also sponsors the Lajong football club in Shillong.

Vasudev says Aircel is a national player now, with a presence in 23 circles but rolled out in many circles only in 2010. With a subscriber base of 66.7 million, different markets are in various stages of evolution, he points out. Chennai is its largest market where it has a 20 per cent share and claims an all-In-

dia revenue market share of 5.3 per cent. Apart from Chennai and Tamil Nadu, its other main profit-generating markets are J&K and the North-east region. "The top line has been growing 22 per cent for us but there is pressure on the bottom line. The challenge is to ensure profitability."

Value-added services constitute only 15 per cent of revenues with the bulk, 85 per cent, from voice-based services. "The telecom industry will have newer avenues for revenue generation, such as mobile VAS, cloud and data centre services. Thus, it is expected that the dependency on voice will get lower and other services such as data and innovation in VAS will serve as true enablers for subscribers. We aim at increasing the VAS revenues to 20 per cent this year," he elaborates.

vinay.kamath@thehindu.co.in