

## VI MAX AMID DELAY IN 5G ROLLOUT

# Voda-Idea Recasts Postpaid Structure to Stem User Churn

Subscribers can now choose benefits across entertainment, food, travel & mobile security

### Our Bureau

**Mumbai:** Vodafone Idea has modified its postpaid plan structure with a feature called Vi Max, which allows the customers to choose the benefits they want with their plan, as the loss-making telco tries to stem rising subscriber losses to rivals in the high-paying postpaid segment, especially in the absence of its own 5G services.

The new structure offers individual and family plans with the choice of benefits across four major segments — entertainment, food, travel and mobile security, the telco said in a statement Saturday.

“Vi Max is not only about connectivity but also designed with an intent to empower our valued customers to determine the features that are most useful for an optimal experience as well as value for money,” said Avneesh Khosla, chief marketing officer at Vi.

Since mobile usage patterns differ from person to person as per their requirement, choice allows the users the ability to choose their preferred benefits across the four segments, the telco said in the statement.

Vodafone Idea CEO Akshaya Moondra has previously said the telco is focussing on the lower volume but higher revenue and mar-

**Feeling the Heat**

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Vodafone Idea CEO

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Analysts, however, maintain that the lack of 5G rollout is beginning to show impact in the higher average revenue per user (ARPU) segment given the telco's struggles with containing both overall and active user churn.

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~123mn 4G subs as Jio/Bharti is offering unlimited 5G data to attract VIL's high ARPU subs, which is yet to roll out its 5G services,” analysts from JM Financial said in a recent report.

Between October 2022, when Bharti Airtel and Reliance Jio launched their 5G services in the country, and end June 2023, Vi has lost 19.6 million subscribers. During this period, Airtel added 9.27 million subscribers while Jio added 18.4 million. Peak churn was seen in October 2022 at 3.5 million, according to monthly subscriber data released by the Telecom Regulatory Authority of India (Trai).

Postpaid users accounted for 10.3% of Vi's total subscriber base of 221.4 million in Q1FY24, according to disclosures made by the telco in its quarterly report. However, estimates peg the contribution of the postpaid users to overall revenue (₹10,655.5 crore in Q1FY24) would be between 25% and 30%, making it crucial for the cash-strapped telco to hold on to this user base.

So far, telcos have offered higher priced postpaid plans with multiple benefits across OTT content platforms and subscriptions to digital services, but they have been pre-bundled with no choice in choosing the benefit to avail.

The number of benefits customers can choose from while using Vi Max depends on the price of the plan.

Vi's partners for these benefits include Amazon Prime, Disney+Hotstar, SonyLiv and SunNXT in entertainment, EazyDiner in the food category, EaseMyTrip and MakeMyTrip in the travel category, and Norton Anti-Virus in the security category.

All plans will continue to offer use of Vi's content features like Vi Games, Vi Music, Vi Jobs & Education, Vi Movies & TV, in addition to features like 'set your own limit', which allows users to set the credit limit on their account, and priority customer service.