

## **Fifteen Years of a Revolution.**

India is 63 years old and in 63 years has seen many revolutions, the Green revolution of the 60 s , the White revolution of the 70s, the Family Entertainment revolution of the 80 s and the Mobility revolution of the millennium.

Strong infrastructure investments in power, roads, ports and airports led the demand for cars, durables, travel, television entertainment in the US and Europe.

However, India started with National television in 1984, heralding a family entertainment revolution even as the country struggled with infrastructure.

Television in 1984 opened up the hungry Indian consumer market, especially rural markets. Suddenly brands could reach millions and Television advertising built strong brands amongst 'literacy poor' but 'audio visual rich' consumers. India in 1984, with Chitrahaar and Hindi feature film as diet, was about fifty years behind the developed world: but in about twenty years India bridged that gap in television entertainment and one now with IPL, and the various Television led talent hunt shows on air, India could be at the leading edge of many entertainment concepts. The concept of celebrity advertising has taken a whole new meaning with Television in India. All the big stars endorse brands and host a significant television property. That's not common anywhere else in the world. Television had an impact on story telling, on production values in films etc. Even our TV news is entertaining!

Let's look at the mobility revolution.

Two politicians, Shri Jyoti Basu in Kolkata and Shri Sukh Ram in Delhi spoke to each other on July 31, 1995 and heralded a revolution that few visualized. The call, the first mobile phone call, made on a Nokia phone and a Nokia network transformed a country, and provided a significant engine for India's economic growth.

**Fifteen years is a short time in the history of a nation. However, the timing of these fifteen years is significant. Fifteen years is a quarter of independent India's life, and seventy five percent in the life of the liberalization journey started by Shri Manmohan Singh.**

**How and why did Mobility become so big in India? Telecom is one of the basic pillars of a nation's infrastructure. Mobility is the icing on the cake in strong infrastructure markets like Europe. In a country like India mobility became the cake and compensated for many an infrastructure gap.**

**India has 637 million subscribers today according to the telecom data pundits. So, half the country has mobile phones. The rapidity of this level of penetration has not happened in any category in India in fifteen years! This happened because the government and the telecom bureaucracy took a pragmatic approach, the Indian operators developed a unique business model and the handset brands provided the right value innovation. Mobility succeeded in India because it killed distance, mobility was a digital organizer for the self employed and mobility was an extension of personality for young people. No digital product offered Indians so much for so less.**

**In fifteen years, mobility empowered the ordinary Indian, diluted the power of the middle man, made everyone a citizen journalist, and was the consumer's window to the world. The mobile phone symbolized power, status, security and coolness. For many, the very meaning of life centered on their mobile phone.**

**The economic benefits are staggering. Every ten per cent jump in mobility penetration contributes to more than a percentage point of GDP growth. Five years ago, telecom contribution in the GDP was on an average 3.6% (2001-08), today it is 8.8% (2009-10), and in the next five years it could to be 15.4% (2014-15). We saw many innovations, innovations from the consumer like the 'missed call', innovation from operators like the infrastructure tower business model, paise per second tariff plan, innovation from the government like the**

migration from fixed license fee to revenue sharing arrangement, calling party pays, and innovation from handset brands like language capability, digital radio and camera in a phone and recently the multi sim.

Where is Mobility headed in the next fifteen years? The entertainment revolution was about the family, mobility is about the individual. Mobility puts emphasis on individual productivity and India will see productivity gains in the next decade. The Consumer will be pampered by the telecom value chain. The consumer will see 3 G networks soon. Network speed will accelerate data and entertainment options for the consumer. New technology networks will accelerate the consumer choice of cell phones. The cell phone of the future will be more a 'computer with voice' and not a 'screen with voice'. The cell phone will be the primary connectivity to the internet, social networks, etc.

People come to work today to a desk in a building because that's the place where information is stored, retrieved and discussed with people face to face. With fast networks and a 'computer with voice', employee work concept will change as they will no longer be shackled to a desk in a building. We could well see the beginnings of a mobile work force in India!

As networks and devices get smarter, so will applications that will run on the devices. India will see many data bases sprouting up, e.g. UID. In a country like India the number of applications developed for mobility will explode and this will give rise to a new industry, an industry that could rival the BPO industry in a decade. This industry will be about creativity and not outsourcing. Think of an application over and above the usual ones like Cricket, Action and Racing and you can have it, an application to sing a lullaby to your children, to send reminders to your parents about their medicine, to help you with homework!!

**What are the challenges on this voice to applications journey? Entertainment and applications will need to be managed in the spectrum bandwidth allocated, requiring inventiveness from the operator and the developer. We know we need five years before we are able to agree on a spectrum policy, direction and its release. The government needs to think about scarce spectrum and its sourcing. The industry needs to be regulated for some basic standards of delivery and product quality. The concept of privacy will be a challenge. Laws and disputes around privacy will grow exponentially! The mobility revolution will be creative and challenging in the next decade.**

**The mobility revolution has benefited all. The government spent about 2 to 3 billion dollars to get the entertainment revolution going. The government earns 2 billion dollars per annum from the mobility sector and has collected another 22 billion dollars from licensing 3G and BWA. A revolution that has benefitted the government, the private enterprise and the consumer is a rare case of a win win situation!!!**