ITU price data collection rules

February 2015

A. Rules applied in collecting fixed-telephone prices

- 1. The prices of the operator with the largest market share (measured by the number of fixed-telephone subscriptions) should be used.
- 2. Prices should be collected in the currency they are advertised, including taxes. If prices are not advertised in local currency, a note should be added specifying the currency.
- 3. Only residential, single user prices should be collected. If prices vary between different regions of the country, prices applying to the largest city (in terms of the population) should be provided. If that information is not available, prices applying to the capital city should be reported. The selected city should be mentioned in a note in the monthly subscription indicator.
- 4. From all fixed-telephone plans meeting the above-mentioned criteria, the cheapest postpaid plan on the basis of 30 local calls (15 peak and 15 off-peak) of three minutes each should be selected. If there is a price distinction between residential and business tariffs, the residential tariff should be used.
- 5. In case operators propose different commitment periods, the 12-month plan (or the one closest to this commitment period) should be used. If the plan selected requires a longer commitment (i.e. above 12 months), it should be indicated in a note.
- 6. The same price plan should be used for collecting all the data specified. For example, given Plan A is selected for the fixed-telephone service, according to the criteria mentioned above, the elements in Plan A apply to the monthly subscription, and to the price per minute (peak and off-peak).
- 7. Prices should be collected for a regular (non-promotional) plan and should not include promotional offers or limited or restricted discounts (for example, only to students, or to already existing customers, etc.) or plans where calls can only be made during a limited number of (or on specific) days during the month.
- 8. Local calls refer to those made on the same fixed network (on-net) within the same exchange area.
- 9. Peak is the busiest time of the day, usually during working hours of weekdays. If there are different peak prices, the most expensive one during the daytime should be selected.
- 10. If there are different off-peak prices, then the one that is the cheapest before midnight should be used. If the cheapest daytime price is on the weekend, then this should be used. If the only

off-peak period is after midnight (valid during the night), then this should not be used. Instead, use the peak rate.

- 11. If no distinction is made between peak and off-peak prices, then the same price should be used for the peak and off-peak indicators.
- 12. For plans that include a certain number of minutes, the price advertised per additional minute should be used to calculate the price of a three-minute local call (i.e. the price per minute is not calculated based on the number of minutes included in the monthly subscription).
- 13. When the price per minute is not available, but rather per 'units' of a certain number of minutes are charged, the price per three minutes should be calculated and a note should be added, indicating the price per unit and the number of minutes included in the unit. For example, if the price is given per 'units' of two minutes, then the price for three minutes should be 2 times the price per 'unit'.
- 14. With convergence, operators are increasingly providing multiple (bundled) services, such as voice telephony, Internet access and television reception, over their networks. They often bundle these offers into a single subscription. This can present a challenge for data collection, since it may not be possible to isolate the prices for one service. It is preferable to use prices for a specific service; but if this is not possible, then the additional services that are included in the price are specified in a note.

B. Rules applied in collecting mobile-cellular prices

- 1. The prices of the operator with the largest market share (measured by the number of subscriptions) are used. If prices vary between different regions of the country, prices refer to those applied in the largest city (in terms of population) or in the capital city.
- 2. Prices should be collected in the currency they are advertised, including taxes. If prices are not advertised in local currency, a note should be added specifying the currency.
- 3. Prices refer to prepaid plans. Where the operator offers different packages with a certain number of calls and/or SMS messages included, the cheapest one on the basis of 30 calls and 100 SMS should be selected. In countries where prepaid subscriptions account for less than 2 per cent of the total subscription base, postpaid prices may be used. In this case, the monthly subscription fee, plus any free minutes, will be taken into consideration for the calculation of the mobile-cellular sub-basket.
- 4. If per-minute prices are only advertised in internal units rather than in national currency, the price of the top-up/refill charge is used to convert internal units into national currency. If there are different refill prices, then the 'cheapest/smallest' refill card is used. If different refill charges exist depending on the validity period, the validity period for 30 days (or closest to 30 days) is used.
- 5. Prices refer to a regular (non-promotional) plan and exclude special or promotional offers, limited discounts or options such as special prices to certain numbers, or plans where calls can only be made during a limited number of (or on specific) days during the month.
- 6. If subscribers can chose "favourite" numbers (for family, friends, etc.) with a special price, this special price will not be taken into consideration, irrespective of the quantity of numbers involved.
- 7. Prices refer to outgoing local calls. If different rates apply for local and national calls, then the local rate is used. If charges apply to incoming calls, these are not taken into consideration.
- If prices vary between minutes (1st minute = price A, 2nd minute = price B, 3rd minute = price C), the sum of the different prices is divided by the number of different prices (for example: price per minute = (A+B+C)/3).
- 9. If prices vary beyond three minutes, the average price per minute is calculated based on the first three minutes.
- 10. If there is a connection cost per call, then this is taken into consideration in the formula for the mobile-cellular sub-basket, based on 30 calls.
- 11. If there are different off-peak prices, then the one that is the cheapest before midnight is used. If the only off-peak period is after midnight, then this is not used. Instead, the peak price is used.
- 12. If there are different peak prices, the most expensive one during the daytime is used.

- 13. If there are different weekend prices, the price that applies Sundays during the daytime is used (or the equivalent day in countries where weekends are not on Sundays).
- 14. If there is no weekend price, the average peak and off-peak price that is valid during the week is used.
- 15. If peak and off-peak SMS prices exist, the average of both is used for on-net and off-net SMS.
- 16. If calls are charged by call or by hour (and not by the minute), the mobile-cellular sub-basket formula will be calculated on the basis of 30 calls or 50.9 minutes. Similarly, if calls are charged by call or by number of minutes for a specific network/time of the day, this will be taken into account for that particular network/time of the day.
- 17. Where monthly, recurring charges exist, they are added to the sub-basket

C. Rules applied in collecting fixed-broadband Internet prices

- 1. The prices of the operator with the largest market share (measured by the number of fixedbroadband subscriptions) should be used.
- 2. Prices should be collected in the currency they are advertised, including taxes. If prices are not advertised in local currency, a note should be added specifying the currency.
- 3. Only residential, single user prices should be collected. If prices vary between different regions of the country, prices applying to the largest city (in terms of the population) should be provided. If that information is not available, prices applying to the capital city should be reported. The selected city should be mentioned in a note in the monthly subscription indicator.
- 4. From all fixed-broadband plans meeting the above-mentioned criteria, the cheapest one on the basis of a 1GB monthly usage and an advertised download speed of at least 256 kbit/s should be selected. If there is a price distinction between residential and business tariffs, the residential tariff should be used.
- 5. If the plan selected has no limit for the monthly data usage, the cap should be set at 0 and a note added to that indicator specifying "Unlimited".
- 6. In case operators propose different commitment periods, the 12-month plan (or the one closest to this commitment period) should be used. If the plan selected requires a longer commitment (i.e. above 12 months), it should be indicated in the note of the monthly subscription. Furthermore, if there are different prices (for example, a discounted price for the first year, and a higher price as of the 13th month), then the price after the discount period should be selected (e.g. the price as of the 13th month). The discounted price charged during the initial period should be indicated in a note under the monthly subscription charge. The reason is that the initial price paid is considered a limited/discounted price, while the other one is the regular price.
- 7. Prices should be collected for the fixed (wired)-broadband technology with the greatest number of subscriptions in the country (DSL, cable, etc.).
- 8. The same price plan should be used for collecting all the data specified. For example, given Plan A is selected for the fixed-broadband service, according to the criteria mentioned above, the elements in Plan A apply to the monthly subscription, to the price of the excess charge, the volume of data that can be downloaded, etc.
- 9. Prices should be collected for regular (non-promotional) plan and should not include promotional offers or limited or restricted discounts (for example, only to students, or to already existing customers, etc.).
- 10. With convergence, operators are increasingly providing multiple (bundled) services such as voice telephony, Internet access and television reception over their networks. They often bundle these offers into a single subscription. This can present a challenge for price data collection,

since it may not be possible to isolate the prices for one service. It is preferable to use prices for a specific service (i.e. unbundled); if this is not possible, then the additional services that are included in the price plan should be specified in a note.

The cost of a fixed-telephone line should be excluded, if it can be used for other services as well. If a monthly rental for the physical line is not required (e.g. naked DSL), this should be mentioned in a note. If a monthly rental of a fixed-telephone line is required, this should also be explained in a note.

D. Rules applied in collecting mobile-broadband prices

- 1. Prices should be collected based on one of the following technologies: UMTS, HSDPA+/HSDPA, CDMA2000, and IEEE 802.16e. Prices applying to WiFi or hotspots should be excluded.
- 2. Prices should be collected in the currency they are advertised, including taxes. If prices are not advertised in local currency, a note should be added specifying the currency.
- 3. Only residential, single user prices should be collected. If prices vary between different regions of the country, prices applying to the largest city (in terms of population) or to the capital city should be provided.
- 4. Prices should be collected for both: a) handset-based mobile-broadband subscriptions and b) computer-based mobile-broadband subscriptions.
- 5. Mobile-broadband prices should be collected from the operator with the largest market share measured by the number of mobile-broadband subscriptions. If this information is not available, mobile-broadband prices should be collected from the mobile-cellular operator with the largest market share (measured by the number of mobile-cellular subscriptions) in the country.
- 6. Different operators can be chosen, for different mobile-broadband services if: a) there are differing market leaders for specific segments (postpaid, prepaid, computer-based, handset-based); b) there is no offer available for a specific sub-basket
- 7. Prices should be collected for prepaid and postpaid services, for both handset and computerbased plans. If there are several plans, the plan satisfying the indicated data volume requirement should be used.
- 8. Where operators propose different commitment periods for postpaid mobile-broadband plans, the 12-month plan (or the closest to this commitment period) should be selected. A note should be added in case only longer commitment periods are offered.
- 9. Price data should be collected for the cheapest plan, with a data volume allowance of a minimum of:
 - 1. 1GB for USB/dongle (computer-based) subscription
 - 2. 500MB for the handset-based subscription

The selected plan should not necessarily be the one with the cap closest to 500 MB or 1 GB, but include a minimum of 500 MB/1 GB. This means, for example, if an operator offers a 300 MB and an 800 MB plan, the 800 MB plan or twice the 300 MB plan (if the package can be purchased twice for a monthly capacity of 600 MB) should be selected for the 500 MB sub-sub-basket. The cheapest option should be selected.

Data volumes should refer to both upload and download data volumes. If prices are linked to 'hours of use' and not to data volumes, this information should be added in a separate note. **Note:** ITU will most likely not be able to include these cases in a comparison.

- 10. The validity period considered for the basket is 30 days or four weeks. If a plan with a validity of 15 days is selected, it will be taken twice to cover the whole period. Likewise, if a plan with a validity of a day or a week is selected, it will be taken as many times as necessary to cover a period of four weeks. The cheapest plan on the basis of a validity period of 30 days or four weeks should be selected.
- 11. Preference should be given to packages (including a certain data volume). Pay-as-you-go offers should be used when they are the cheapest option for a given basket or the only option available. If operators charge different pay-as-you-go rates depending on the time of the day (peak/off-peak), then the average of both should be recorded. If the off-peak rate is after midnight, it will not be taken into account.
- 12. Even if the plan is advertised as 'unlimited', the fine print should be carefully read since most often there are limits in the data volumes, either applied by throttling (limiting the speed) or by cutting the service.
- 13. Non-recurrent fees, such as installation/set-up fees are not collected.
- 14. Preference should be given to the cheapest available packages even if this is bundled with other services (with voice services, for example). If the plan chosen includes other services besides mobile broadband access, these should be specified in a note.
- 15. Prices refer to a regular (non-promotional) plan and exclude promotional offers and limited discounts or special user groups (for example, existing clients). Special prices that apply to a certain type of phone (iPhone/Blackberry, iPad) should be excluded. Allowances during the night are not included.

E. Entering mobile-broadband prices in the online questionnaire

How to enter mobile-broadband price basket data:

- 1. All data entered (capacity, price, validity, etc.) should refer to the base plan. In case the base plan includes less capacity than the minimum data allowance required (500 MB or 1GB) the final price will be calculated based on the data entered. This could be by multiplying the price of the base plan (if the package can be purchased multiple times) or by adding an excess usage fee (to be entered for indicator "price of excess usage"). In case an add-on package needs to be added to the base plan to meet the requirements of the sub-basket, this needs to be specified in a note (see Box 1). It should be explained in the notes how the requirement of the basket is reached should the base plan include less than the minimum data allowance.
- 2. The same applies for plans with a validity period of less than 30 days. The base plan will be entered and the final price will be calculated based on the data entered. This could be by multiplying the price of the base plan (if the package can be purchased multiple times) or by adding an excess usage fee (to be entered for indicator "price of excess usage"). In case an add-

on package needs to be added to the base plan to meet the requirements of the sub-basket, this needs to be specified in a note. It should be explained in the notes how the requirement of the basket is reached should the base plan include less than the minimum validity period.

- 3. To enter an unlimited data allowance, enter the required cap for sub-sub-basket (500 MB or 1GB) and add "unlimited" in notes for the cap.
- 4. To enter a pay-as-you-go offer, enter the price for 1 MB for the price of the plan and 1 MB as the cap.

Box 1: How to enter mobile-broadband prices in the ITU ICT Price Basket Questionnaire

<u>Case A</u>: the base plan fits the minimum requirements of the basket in terms of data allowance and validity. Enter the data for the base plan.

Example1: 10\$ for 500MB and 30 days validity, and no cheaper plan for 500 MB -> data entered in the database for the 500 MB plan: price 10\$, capacity 500MB and validity 30 days.

Example2: 12\$ for 700MB and 30 days validity, and no cheaper plan for 500 MB -> data entered in the database for the 500 MB plan: price 12\$, capacity 700MB and validity 30 days.



<u>Case B</u>: the base plan does not fit the requirements of the basket in terms of data allowance, validity period, or both and thus needs to be multiplied several times. Enter the data for the base plan and add in a note how to calculate the basket.

Example1: 5\$ for 250 MB and 30 days validity, and the cheapest option for a 500 MB monthly consumption is to take this plan twice -> data entered in the database for the 500 MB plan: price 5\$, capacity 250 MB, validity 30 days.

Example2: 3\$ for 200 MB and 30 days validity, and the cheapest option for a 500 MB monthly consumption is to take this plan thrice -> data entered in the database: price 3\$, capacity 200 MB, validity 30 days.



<u>Case C</u>: the base plan does not fit the requirement of the basket either in terms of data allowance, validity period or both and thus and one or several add-on packages must be added. Enter the data for the base plan and add in a note how to calculate the basket.

Example1: the cheapest option for 500 MB is to combine a plan for 8\$, 400MB and 30 days validity, and an add-on for 2\$, 100MB and 30 days validity -> data entered in the database for the 500 MB plan: price 8\$, capacity 400MB and validity 30 days -> in the note it is specified "To be combined with add-on package: 2\$, 100MB and 30 days validity".

