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Tariff Indicators

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Agenda

- Introduction to Tarifica
- Tarifica Global Database
- Opening Points
- Benchmarking network services
- Benchmarking fixed network services
- Benchmarking mobile network services
- Challenges
- Key Contacts

Introduction to Tarifica

- 30 years experience of tracking all major telecom tariffs: fixed, mobile, Internet & increasingly content such as music, video...
- First-ever 3G/ UMTS pricing service
- Specialist tariff tracking on broadband and leased lines
- Extensive benchmarking of operators in: Asia-Pacific, Europe and Middle-East
- Weekly tariff news & analysis from around the world
- Tariff source: telecom operators
- Collection & verification via web, e-mail & telephone by multi-lingual research team based in London, UK
- Main customers: telecom operators, regulators, banks & consultancies

Tarifica Global Database

Fixed Network Services

- 123 countries/ 176 operators
- Rental & Connection, National & International Usage (over 200 destinations), Discount schemes
- PSTN, Freephone, ISDN, Voice VPN, Leased Lines, X.25, Frame Relay, ATM
- Regional versions: Asia-Pacific, EU, Non-EU, Central & South America, Middle-East & Africa

Benchmark Services: Asia-Pacific, Europe & Middle East

Mobile Network Services

2G/ 2.5G

- 102 countries/ 179 operators
- Post & prepaid, voice & data
- Connection, rental, bundled free time and call charges (national/ international)
- Data transmission, SMS, MMS, GPRS
- Value Added Services

3G/ UMTS

- 29 countries/ 57 operators
- UMTS (biz/ resid.), GPRS, EDGE, Wi-Fi
- Connection, rental, domestic/ international usage, bundles of minutes or messages, time-based options

Benchmark Service: Europe

- Tarifica Alert weekly newsletter covering tariff changes across the world

Opening points

- What ultimately is a 'tariff'?
 - The pricing part of a billing event?
 - 'List' price versus 'Street' price
- Factors affecting a tariff:

Historical pricing, geography, economic indicators, supply & demand, market position of operator, regulation, wholesale pricing, level of competition, technology change...
- What role does/ should a tariff serve?

Sowing confusion about value for money, relation to cost, clear & transparent pricing, creating customer interest...

Benchmarking network services

Key Benefits

- You can produce league tables and charts for easy comparison
- A source of pricing information giving a fixed point against which easy, accurate comparisons can be made

Considerations

- Which currency? All prices usually converted into \$USD or Euro for simple analysis
- Tax – best to exclude tax

Key challenges

- Changes of operator ownership
- Fast change in packages
- Building the benchmark
- Verification of rates
- Smooth and fast update
- Local language and spreadsheet skills

Benchmarking fixed network services

Benchmark Example: Tarifica Fixed – Asia Pacific (11 countries)

Our Segmentation

Fixed Telephony (PSTN, ISDN & ADSL)

- Connection and rental charges
- Local & National usage (peak/ off-peak) including fixed to mobile prices
- International usage to five destinations (peak/off-peak)

Leased Lines (64 kbit/s and higher speeds)

- Connection and rental charges – National
- Connection and rental charges – International

Baskets

- Business telephony:
 - Multinational company in the capital city
 - Indigenous company in the capital city
 - Indigenous company in a provincial centre
- Telephony, residential subscribers
- Leased lines for 64 kbit/s and 2 Mbit/s

Benchmarking mobile network services

Telecoms charges are complex due to the many paid and pre-paid packages that are available to subscribers. Additionally, plans are becoming more complicated.

Benchmark Example: Tarifica Mobile - European markets

(83 mobile network operators in 31 European countries)

Our segmentation

- Postpaid services covering:
 - Low (100 minutes per month),
 - Medium (300 minutes per month) and
 - High volume (600 minutes per month) user profiles
- Prepaid services
- Connection and monthly rental costs
- Voicemail and SMS services
- Peak mobile to fixed national usage charges
- Peak on-net usage charges
- Peak mobile to other mobile network usage charges
- International usage charges for: adjacent country, USA, Japan & South Africa
- Business & residential customer fixed-to-mobile usage charges
- Tariff comparison baskets for: Low, Medium & High & Prepay user monthly costs

Challenges

- 'Free' broadband
- 'Fair Use Policies'
- Digital Leased Lines
- Business and wholesale pricing
- Publication/ stability of tariffs can vary enormously by country
- Mobile definitions especially 3G, 3.5G
- Fixed Network Convergence offers
- Treatment of bonus, free minutes with conditions
- Bundling: Triple & Quadruple Plays

Key Contacts

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