

**8th World Telecommunication/ICT Indicators
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Contribution to WTIM-10 session 5

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English

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TITLE: Wireless Broadband: Counting subscriptions, Malaysia's experience

Wireless Broadband:

Counting subscriptions, Malaysia's experience

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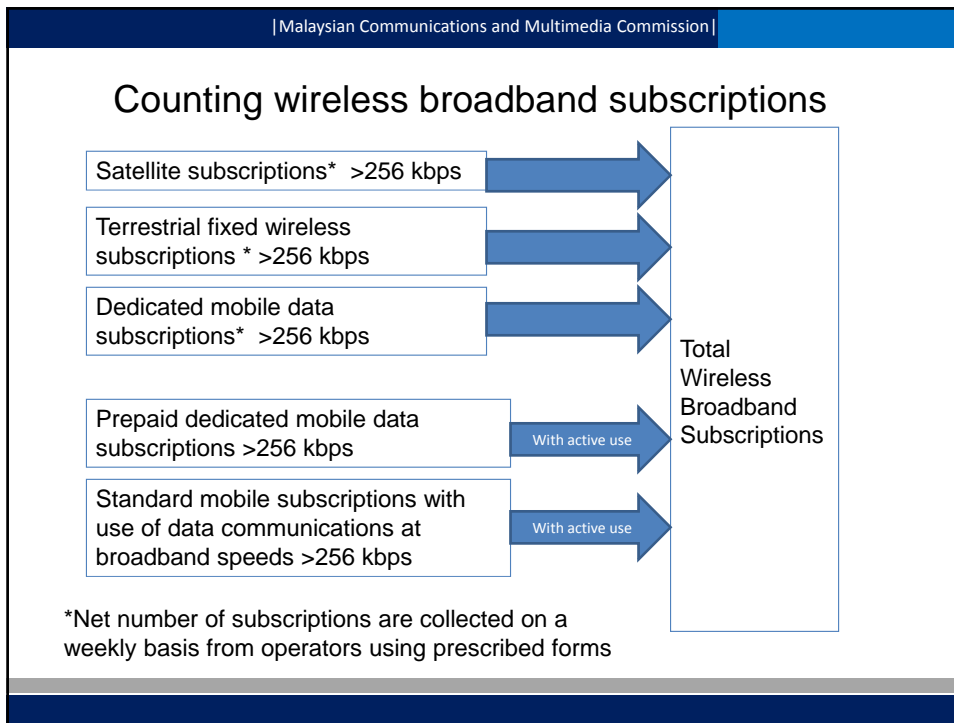
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Introduction

- To share with the 8th WICT meeting, work done by MCMC on wireless broadband indicator drawing from **DEFINITIONS OF WORLD TELECOMMUNICATION/ICT INDICATORS ("ITU Definitions")** released by the ITU in March of this year.
- Prior treatment of satellite, terrestrial fixed wireless and subscriptions to dedicated data services over mobile networks with recurring subscriptions coincide with **ITU Definitions**.
- Release of **ITU Definitions** was timely in helping guide the handling of access through standard mobile subscriptions and prepaid mobile broadband.



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Satellite broadband subscriptions

In Malaysia access via satellite is non-residential only.

('000s)

Year	Non-residential
2006	1.9
2007	2.0
2008	4.9
2009	5.3
Q3 2010	6.2

Terrestrial Fixed Wireless subscriptions

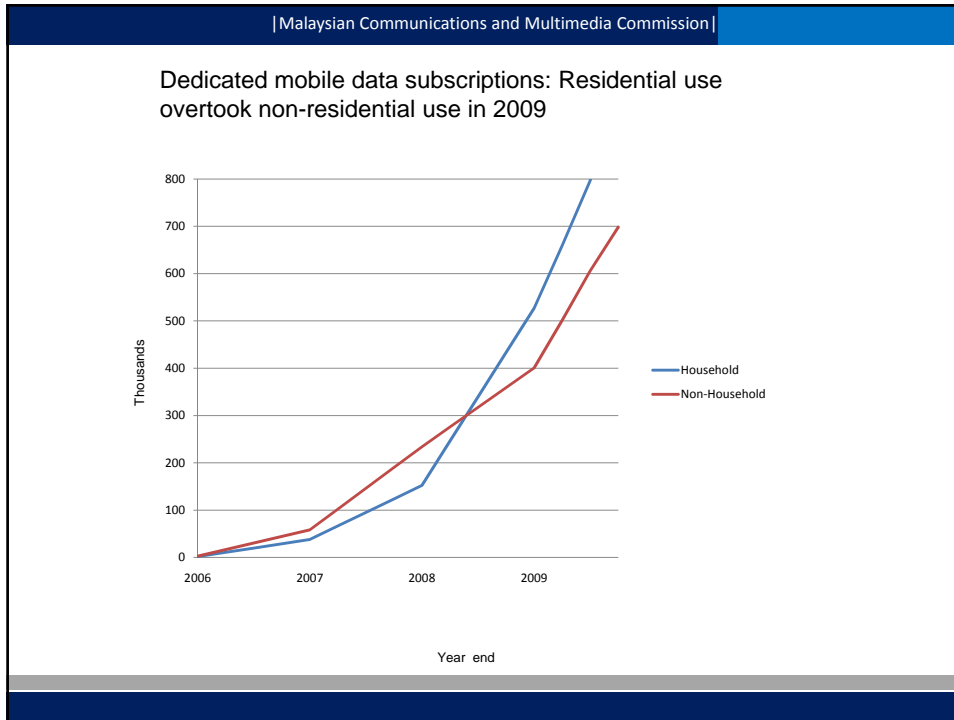
('000s)

Year	Residential	Non-Residential
2006	8.4	0.2
2007	7.7	0.5
2008	5.1	0.8
2009	5.2	1.0
Q3 2010	2.4	2.2

Dedicated data mobile subscriptions

('000s)

Year	Residential	Non-Residential	Total
2006	1.8	2.7	4.5
2007	38.0	58.4	96.4
2008	152.2	234.0	386.2
2009	527.0	400.8	927.8
CAGR	564%	429%	491%
Q3 2010	960.4	698.3	1,658.7



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- Prior to release of ITU Definitions, standard mobile subscriptions with active use were never collected.
- However what was known was that around 11 to 18 % of hand phone users DO use their standard mobile subscriptions to access the larger Internet but not necessarily at broadband speeds.

Internet via hand phones	(% of hand phone users)
2006	18.4
2007	13.7
2008	11.5
2009	16.3

Annual Hand Phone Users Survey by MCMC

- So too, prepaid dedicated mobile data subscriptions, not collected prior to release of ITU definitions
- A start was made at end 2Q 2010 covering the months of April, May and June and counting only unique subscriptions in standard mobile subscriptions and prepaid dedicated mobile data, both with active use.

Prepaid dedicated mobile data subscriptions

Year	Total
2 Q 2010	0.6 million

Standard mobile subscriptions with active use

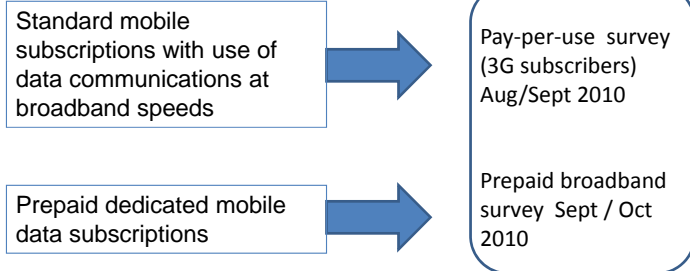
Year	Total
2 Q 2010	3.6 million

- The MCMC proposes to collect these numbers monthly on a rolling 3 month basis.

In addition to the number of subscriptions the MCMC wanted the following:

- An indication of the accuracy of the data provided by the ISPs
- An estimate of the number of subscriptions used in private households as sole means of access.
- The number of subscriptions used in households that have other means of access.
- Reasons for the use of standard mobile subscriptions and prepaid mobile broadband in exclusive .
- Intention to migrate to subscription based broadband.

To answer the questions, two surveys were conducted:



95% Confidence level; +/- 2% Simple random sampling.
 Frame: MSISDN accessing the larger Internet supplied by Internet Service providers.

Summary results from the Pay-per-use survey

From households with no other means of access	From institutional households	From households with other broadband	Frame error	Sample size
782	335	1493	2192	4802
16.3%	7.0%	31.1%	45.6%	100.0%

- The very high percentage of frame error gives cause for concern.
- Combined result for 2 ISPs.
- Frame errors refer to cases where respondents claimed they never used Pay-per-use.

- ISPs reported some 0.6 million active prepaid subscriptions

Summary results from the Prepaid broadband survey

From households with no other means of access	From institutional households	From households with other broadband	Frame error	Sample size
1829	727	1297	886	4739
38.6%	15.3%	27.4%	18.7%	100%

- Combined result for two ISPs.
- Frame error is lower in prepaid.

Issues

- Accidental presence on the WWW is also picked up.
- Presence on the web is just to try out with no serious intentions.
- Apps on smartphones downloading on schedule from the WWW.
- Explaining “pay-per-use”
- Frame error is a cause for concern

Why use pay per use / prepaid over subscription BB

- Convenience and ease of use
- Portability
- Casual need only. Cheaper than fixed monthly subs
- Control over broadband spend
- Poor / no coverage by other alternative mode of access.
- Do not have laptop/computer

Why pay per use / prepaid in addition to subscription broadband

- Can access on the go
- Convenience
- Backup for regular broadband when it is slow or unstable
- When PC / laptop at home is in use

Intention to change to a subscription based broadband

Pay per use

	Change to a subscription based bb	Timeframe		
		This year	Next year	Longer
Yes	50.1%	31.5%	30.5%	38%
No	49.9%			

Prepaid

	Change to a subscription based bb	Timeframe		
		This year	Next year	Longer
Yes	34.2%	31.5%	35.5%	33.0%
No	65.8%			

Some questions in conclusion

- How should data be collected? For the regulator, it will be through administrative records. Primary data collection is not without problems.
- Frequency of collection? MCMC is trying out monthly reporting of active subscriptions on a rolling 3 month period.
- How about reference periods for reporting? Common 3 month period?
- Do we want to weed out frame errors?
- Should active use extend to intentions?

Thank You

