

# **The experience of the Russian Federation in the field of design the telecommunication/ICT services tariffs**

**Arseny Plossky,  
Radio Research & Development Institute (NIIR)  
(Russian Federation),  
Rapporteur of ITU-D Question 4/1,  
ITU/BDT Expert**

# Evolution of tariffs

- **2G Era** - prepayment model with per-minute or per-second billing for voice traffic and per message for SMS with or without monthly subscription fee. Traditional services (voice, SMS) are predominant. Share of value-added services is low.
- **3G Era** - Traditional services are still predominant but the share of value-added services are growing.
- **4G Era** – Value-added services (mobile broadband access first of all) start to prevail.
- **5G Era** – Mobile broadband is the new traditional service.

# Evolution of bundles

- 1. Voice services + SMS (base bundle tariff, typical for the 2G mobile communications)**
- 2. Voice services + SMS + mobile broadband (more contemporary bundle tariff, typical for the 3G mobile communications)**
- 3. Voice services + SMS + mobile broadband + mobile television (contemporary bundle tariff, typical for at least 4G mobile communications)**

# Tariffs evolution drivers

**What are the main drivers of telecommunication/ICT tariff evolution?**

- **Change of consumer consumption patterns influenced by increasing of quality and quantity of presented content.**
- **Consolidation of mobile and fixed broadband access models and transition of large operators' business models (from one-service to multiservice).**
- **Emergence of additional services such as mobile television, dissemination of various OTTs.**

## Modern approaches to design the telecommunication services tariffs

- **Convergent tariffs**
- **Target tariffs**
- **Custom tariffs**

# Convergent tariffs

1. Voice services + SMS (base bundle tariff, typical for the 2G mobile communications)
2. Voice services + SMS + mobile broadband (more contemporary bundle tariff, typical for the 3G mobile communications)
3. Voice services + SMS + mobile broadband + mobile television (contemporary bundle tariff, typical for at least 4G mobile communications)
- 4. Voice services + SMS + mobile broadband + fixed broadband + television (contemporary convergent bundle tariff, typical for at least 4G mobile communications and fiber-optical communications)**

# Convergent tariffs (Russian example)

“All-in-One” tariff which was launched by PJSC VimpelCom (the Beeline brand) in 2016.

Service	Initial version (cheapest bundle)		Current version (cheapest bundle)	
	Volume	Price	Volume	Price
Mobile broadband	5 GB	501 Russian Rubles (less than 10 USD)	15 GB	600 Russian Rubles (still less than 10 USD)
Voice	550 minutes		500 minutes	
SMS	300 SMS		300 SMS	
Fixed broadband	Unlimited, up to 40Mbit/sec		Unlimited, up to 50Mbit/sec	
IPTV	25	less than 5 USD	50	
Additional	antivirus software license, rent of Wi-Fi router	less than 1,5 USD	antivirus software license, rent of Wi-Fi router	less than 1,5 USD

# Target tariffs

- **Tariffs according to the devices**
- **Tariffs according to the kind of services**
- **Tariffs according to the content**
- **Tariffs according to the territory**



# Tariffs according to the devices

- **Tariffs for smartphones**
- **Tariffs for tablets**
- **Tariffs for mobile broadband routers**

## Tariffs according to the kind of services

- **Tariffs towards voice services**
- **Tariffs towards mobile broadband service**

**Russian example: PJSC MTS uses a similar categorization to select the optimal tariff for voice calls or for Internet access.**

## Tariffs according to the kind of services

- **Tariffs towards listening the music**
- **Tariffs towards watching the video**
- **Tariffs towards using the social networks**
- **Tariffs towards using the messengers.**

**Zero rating: Tariffs of this category do not count the data traffic for certain target service.**

# Custom tariffs

**Custom tariffs allow the subscriber to choose the bundles of voice services and data traffic that is necessary for him/her personally.**

**For example, the Tele2 operator provides an opportunity to choose these bundles on its website and if necessary to convert voice traffic to data traffic and vice versa via its mobile application.**

# Interactive actions

**Operators can provide interactive actions in which the subscriber can get additional bundle of services or the content for free when certain requirements are met.**

**An action “Gigabytes for Steps” launched by PJSC VimpelCom (the Beeline brand) is an example of such interactive actions in the Russian Federation.**

**According to this action the subscriber receives bonus 100 Megabytes of Internet traffic for free by making 10,000 steps per day. Steps should be counted via Health Kit (The "Health" app for IOS devices) or Google Fit applications.**

## **Influence of modern models of tariff on telecommunication/ICT services on the services market**

**Mobile market of the Russian Federation grew by 3.4% in 2017 compared with 2016 which was the massive growth since 2013, including the drop in 2014-2016. This growth confirms the efficiency of using the above-mentioned tariff models.**

A large, faint, light blue globe is centered in the background of the slide. It has a grid of latitude and longitude lines.

**Thank you very much!!!**