

Device Affordability

Korea's Measurement Approach to International Comparison

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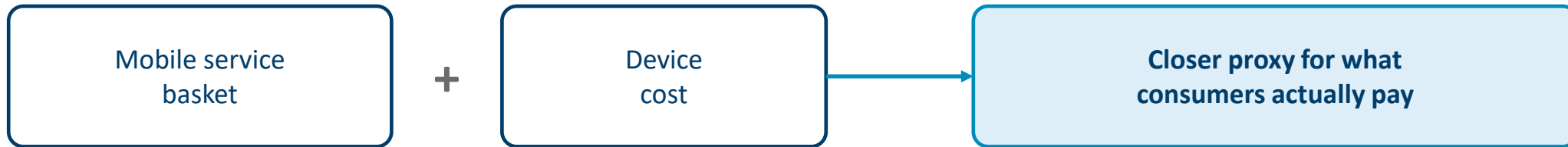
Source: 2024 International Comparison Study by Y. J. Kim at Hankook University of Foreign Studies.



Add the Device to the Price Basket

● MOTIVATION

Most international comparisons already use **price baskets** to compare mobile service prices across countries.



Because the mobile service and the handset are used together, the combined measure gives a more complete picture of affordability.

● THE MEASUREMENT CHALLENGE

Which device?

Which price?

The methodology focuses on **representative device selection** and a **comparable acquisition price**.

Which Device, and Which Price?

● STEP 1 — SELECT REPRESENTATIVE DEVICES

Two flagship models

One Galaxy + one iPhone, reflecting broad market relevance in the survey year

One mid-range model

Galaxy A35, to capture a lower-price device segment across countries

Popular models can differ by country; the principle is representativeness and cross-country availability, not a fixed global list.

● STEP 2 — IDENTIFY THE EFFECTIVE PURCHASE PRICE

Operator-sold
(OEM)

Open-market
(OMD / unlocked)

Manufacturer
direct

Lowest comparable price when combined with the relevant plan

● OBJECTIVE

Approximate the price a consumer can realistically obtain.

Smooth Short-Term Volatility, Then Compare

Device prices are volatile, so Korea averaged prices collected over three relatively stable months rather than relying on a single observation.



What this produces: for each country and device, the survey observes prices by purchase channel and identifies the relevant effective price.

	Operator	Open mkt.	Mfr. direct
Galaxy flagship	✓	✓	✓
iPhone flagship	✓	✓	✓
Mid-range model	✓	✓	✓

● KEY IDEA

Compare the **effective acquisition cost**, not simply the list price.