

## Welcome to Teligen's Tariff Outlook Newsletter

### Message From The Editor

Welcome to Tariff Outlook, a fortnightly newsletter brought to you free-of-charge by Teligen's team of tariff analysts and consultants.

This issue of Tariff Outlook covers a variety of tariff related news across all telecom sectors. In France, the incumbent operator has implemented another price reduction. Switzerland will see the introduction of a 10Mbit/s broadband package. In the UK, Vodafone has joined the ranks of operators offering broadband in combination with a mobile subscription. Also, broadband tariffs have been adjusted in both Bahrain and India.

Following EU action, there is usually a mobile roaming price change to report. This month is no exception, with T-Mobile Germany cutting its roaming charges for most European countries. Other mobile news includes French operator Bouygues, which has added to its range of capped price plans aimed at the under-25s.

Our continuing aim is to provide you with up to the minute pricing news and tariff developments. That being said, Tariff Outlook not only serves as an opportunity for us to communicate with you on a regular basis but equally for you to tell us what you think. As such, we would really appreciate any feedback you may have that will help us deliver a newsletter that provides you with real value.

Please feel free to contact us either to obtain further information about any particular story or to give us your feedback. Please see the contact details below for the name of the editor.

We look forward to hearing from you.

**Cora Hackwith** – *Consultant*

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### Need to benchmark prices between different markets and services?

Why not consider T-Basket, the industry recognised tool. T-Basket offers a unique insight into the price relationships between telecom services in OECD (Organisation for Economic Co-operation and Development) member countries. It uses basket methodologies that are OECD based and OECD-authorized, taking pricing information from the Teligen Master Tariff Database. It forms the basis of the official OECD price performance statistics. This unique tool uses proven methodologies to show you numerically and graphically whether an operator's prices are in line with those in the most competitive markets, the most industrialised markets, and those with close geographical or geopolitical proximity.

To find out more or to request a demonstration, [http://www.teligen.com/t\\_basket.asp](http://www.teligen.com/t_basket.asp)

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To find out more or to request a demonstration, [http://www.teligen.com/t\\_world\\_total.asp](http://www.teligen.com/t_world_total.asp)

## Consulting



### This Weeks Top Stories...

- France Telecom Announces Fixed-To-Mobile Price Drop
- Switzerland Gets First 10M Broadband Service
- Vodafone UK Launches Broadband Package
- Batelco Slashes Price of IP Address Service
- BSNL India Adjusts Broadband Charges
- T-Mobile Germany Announces Roaming Price Cuts
- Bouygues Adds to Capped Price Plan Range

## PSTN

### France Telecom Announces Fixed-To-Mobile Price Drop

France Telecom has announced that, for the seventh year running, it is to reduce its charges for calls to mobile operators originating from the fixed network. The operator said that the average price reduction amounted to 12%. The highest reduction, 13.3%, applies to off-peak calls to Orange and SFR, which will cost €0.052 per minute from 18th January. New, reduced, tariffs also apply to calls to, from and within the French Overseas Territories. In either case, there will be no changes to call set-up charges.

The operator will also effect a price reduction on its "Optimales" tariffs from 18th January. These are unlimited bundles, which were introduced in June 2006 and have since attracted 400,000 customers. The actual package price will remain unchanged, but out-of-bundle costs for calls to mobiles will fall in price. In addition, new services will be launched as part of the "Optimales" package. These include "caller waiting" and a call transfer service, which will allow the user to take the call on another fixed or mobile connection in mainland France.

**Bernadette Finn** – *Manager, Tariff Services*

## Broadband

### Switzerland Gets First 10M Broadband Service

In the second week of January, Switzerland's largest cable network operator, Cablecom, announced the launch of a new 10Mbit/s broadband product. The new product, called hispeed 10 000, is the first in Switzerland to offer a 10Mbit/s download rate (with 1Mbit/s upload). For a monthly subscription charge of CHF 65.00, data transfer volumes are unlimited. According to the operator this is roughly one third cheaper than the best ADSL product currently on the market, while the download speed is twice as fast. In addition, with immediate effect, Cablecom is increasing the download rates for its introductory products, hispeed light and hispeed 300, to 500 Kbit/s without any change in price.

As well as the launch of the new broadband service, Cablecom is now also offering television via the Internet ([www.hispeed.ch](http://www.hispeed.ch)) and claims it to be "close to normal television quality". As part of the new hispeed portal, the new "Live TV" option is available free of charge to all Cablecom customers that have a hispeed 2000 subscription or higher.

**Alex Lambert** – *Senior Consultant*

### Vodafone UK launches Broadband Package

Vodafone UK has introduced its new broadband package Vodafone at Home. The service is available to Vodafone contract customers across the UK on 18 month minimum term agreements.

The package offers unlimited broadband (subject to fair usage policy) with download speeds of up to 8 Mb and comes with a free Netgear ethernet modem. Vodafone at Home also includes the monthly fixed line rental as well as free calls to local and national UK fixed networks from the Vodafone landline. For each call, the first 60 minutes are free of charge at any time of the day and night.

**Christine Thode** – *Tariff Analyst*

### Batelco Slashes Price of IP Address Service

Batelco, the incumbent telecom operator in Bahrain, has announced an 80% reduction in the monthly rental rates of its Single Fixed IP Address service for Business and Education Broadband customers from 1st January 2007.

Broadband Business customers will now pay only BD20 as a monthly rental instead of BD100 while Education Broadband customers will pay only BD10 per month instead of BD40. In addition, Business and Education Broadband customers can now register for a new Fixed IP Address service for a BD10 once-off activation fee instead of the previous BD60. (VAT not applicable)

**Nacera Touileb** – *Tariff Analyst*

## BSNL India Adjusts Broadband Charges

From the first of January this year, BSNL Broadband (India) has adjusted its residential broadband tariffs.

The additional usage charges beyond the free download/upload limits have been reduced. On the other hand, the monthly download/upload limits have been revised. All other charges will remain the same until further notice.

Five tariffs are now available, ranging from Home 250, which offers a monthly limit of 1GB, to Home 3300, which provides 20GB. Additional usage charges per MB are between RS0.90 for Home 250 and RS 0.70 for Home 3300.

The broadband provider has also reviewed its business tariffs.

VAT at 12.5% is not included.

**Adriana Rodriguez** – *Tariff Analyst*

## Consultancy

### Teligen Tariff Consultancy – A Case Story

Teligen has a longstanding reputation for high quality price benchmarking, and this has been utilised by many operators and regulators around the world.

One operator in a major country used Teligen to establish the price relationships between its own telephone services, the services of other operators in the same country, and corresponding services in other comparable countries. The OECD price benchmarking methodology was used as a template, but Teligen provided an extended range of service and price elements, and national usage profiles were developed based on traffic information from national operators.

The results from this exercise were used successfully in the price cap negotiations with the national regulator, countering allegations of national telephone services being significantly more expensive than similar services in other countries. The level of detail in both tariff data covered and the results coming out of the price benchmarking were helpful in establishing the price relationships within the country and between countries, for a range of different types of customers and levels of usage.

Price benchmarking results are often easy to discredit if they are not backed by a thorough methodology and know-how, and if any details of the process are withheld by the consultant. The methodology used by Teligen is open and easy to understand, but still comprehensive enough to cater for the majority of tariff structures and a wide variety of usage profiles.

Teligen has extensive experience in building and utilising bespoke price benchmarking tools and will be able to tailor the methodology to the client's needs, still maintaining the all-important neutrality and transparency of the price benchmarking process.

**Halvor Sannæs** – *Director Tariff Services*

## Mobile

### T-Mobile Germany Announces Roaming Price Cuts

Mobile operator T-Mobile has implemented a price reduction for its roaming charges which will deliver discounts of 14.5% off existing roaming rates across 25 EU countries and Croatia. Following the increasing pressure from the EU Commission to reduce roaming rates across the EU, from January, T-Mobile customers are able to make incoming and outgoing calls at the same reduced rate.

T-Mobile's network approach means that customers pay the same rate within any EU country, regardless of the network on which they are roaming. New EU members Romania and Bulgaria are not yet included in this new rate.

**Tamara Stancic** – *Consultant*

### Bouygues Adds To Capped Price Plan Range

French mobile operator Bouygues Telecom has added to its "Forfaits Bloqués" range of price plans with the introduction of an "unlimited texting" option. Users signing up to a "Forfait SMS Illimités vers tous les opérateurs" will receive unlimited cross-net texts all day long on Wednesday and during the weekend, and between 1700 and 2400 on other days. Three bundles are available on either a 12-month or 24-month basis.

Capped or 'hybrid' price plans are popular in France and also, increasingly, in countries such as the UK, as they allow monthly budgeting whilst usually including some form of 'unlimited' communication. These plans are often aimed at students and offer free communications on a Wednesday, when students get time off, and at other off-peak times.

One of Orange France's sub-brands is M6 Mobile, another capped plan which provides free on-net calls at certain times, and ZAP, which is aimed at students who receive free calls and texts to fit in with their timetables.

SFR has its long-standing "Le Compte" price plan, which has not changed much throughout the years, but is subject to regular promotions and loyalty offers. Customers below the age of 25 receive extra benefits and a €2 'emergency credit' is available to all Le Compte users.

**Cora Hackwith** – *Consultant*