

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.

In this edition of Tariff Outlook we look at changes to fixed line calls in Israel and Turkey. European roaming charges continue to be a hot topic and T-Mobile UK announced that it is reducing tariffs for data roaming and the European consumer group BEUC has hit out at operators for not lowering roaming charges. TDC Denmark has launched TDC TV and Forthnet in Greece is now offering a 3play service of broadband, calls and TV in co-operation with AEK. We hope that these and the other stories in this issue of Tariff Outlook will be of interest.

Our colleague Alex Lambert is leaving Teligen after almost 10 years of great service. We would like to take this opportunity to thank him very much and wish him all the best for the future.

If these stories, or any others featured in our newsletter are of interest, further details of the tariffs and services can be found in our comprehensive subscription based databases, the T-Products. Go to: www.teligen.com for further details and request a copy of our demo CD. You will also notice that we have included a short case study looking at an example of Teligen's consultancy services – if you are interested in learning more about this, just click on the banner on the right.

Please feel free to contact the editor if you have any questions about a particular story, or even just to give us your comments.

We look forward to hearing from you.

Jóhanna Helgadóttir – Senior 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-authorised, 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

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T-World Total is the most advanced information system and calculation tool of its kind. It will answer your questions about tariffs, their structures and levels. It will allow you to compare prices among operators and countries in customisable list formats. In addition it has an in-built Analyser, with an integrated global location database. It allows the user to show price developments of a call with duration, or a circuit with distance and it also allows easy calculation of national distances and corresponding circuit prices. With so much to offer this makes T-World Total the only choice for your market intelligence needs.

To find out more or to request a demonstration, http://www.teligen.com/t_world_total.asp

Consulting



This Weeks Top Stories...

- Turk Telecom Announces New Tariffs.
- Bezeq, Israel, Reduces Prices For Calls to Mobile
- New "AEK3play" Broadband Service From Forthnet and AEK in Greece
- Skype Announces Launch of Skype Pro in Europe
- TDC Denmark Offers 35 TV Channels Via Broadband
- Teligen Tariff Consultancy – A Case Study
- T-Mobile UK Reduces Data Roaming Charges
- Consumer Group Hits Out Over High Roaming Fees
- E-Plus Germany Revamps its Time & More Packages

PSTN

Turk Telecom Announces New Tariffs

The Turkish telecoms regulator has approved new tariff changes for the incumbent operator Turk Telecom. These are the first tariff changes Turk Telecom has made to PSTN since July 2004.

The changes include an increase of up to 25% on fixed charges and local call charges. However, there is good news on national call charges and international calls which are reduced by between 4.5% and 57% depending on distance and destination.

These new changes come into effect on 1st March 2007.

Bernadette Finn – *Manager, Tariff Services*

Bezeq, Israel, Reduces Prices for Calls to Mobile

The Israel Telecommunications Corporation Bezeq, has announced that it is going to reduce the cost of fixed line calls to mobiles for the third time in two years. The charges will be reduced by approximately 10.5%.

The price reduction is effective from 1st March 2007 and the new per minute charge will be fixed at 37.43 agorot (VAT at 15.5% included). Furthermore, customers will not need to sign up for a special package.

Adriana Rodriguez – *Tariff Analyst*

Broadband

New "AEK3play" Broadband Service From Forthnet and AEK in Greece

AEK has recently introduced a new Broadband service through collaboration with Forthnet called "AEK3play". The new service offers unlimited broadband Internet at speed of 1 or 4Mbps. It also offers unlimited local and long-distance calls all day every day through the user's telephone number and free subscription to AEK TV. AEK TV was created by Forthnet especially for AEK with unique content.

The new "AEK3play" service is available at all AEK shops and Forthnet's offices at €39.00 per month (including 19% VAT).

Nacera Touileb – *Tariff Analyst*

Skype Announces Launch of Skype Pro in Europe

Global VoIP company Skype has announced the launch of Skype Pro, a new Internet communications package offering calls to domestic landlines for a flat call connection fee of €0.039 per call (no per minute charge) along with a series of premium features and discounts on hardware. For a monthly subscription cost of €2, customers also benefit from free Skype Voicemail and a discount on SkypeIn numbers (a dedicated number that enables the customer to receive calls from landlines and mobile phones).

For a limited period, Skype Pro is available on a five-month basis for €10, including a free €5 Skype credit. After this introductory period, customers can continue with their subscriptions at the standard €2 per month. Skype Pro will initially be available across 15 European countries and it will be rolled out to other countries worldwide later in 2007. 15% VAT is added to all charges where applicable.

Alex Lambert – *Senior Consultant*

TDC Denmark Offers 35 TV Channels Via Broadband

As of 20th February 1.6 million of TDC's broadband customers have the option to sign up for TDC TV. The new service is based on broadband and the programmes are distributed digitally via the fixed network. According to TDC the service is available to about 65% of homes and TDC is aiming to reach 70% of homes by the end of 2007.

To be eligible for TDC TV customers will have to be TDC Broadband subscribers and customers must rent a digital set-up box at DKR 69 per month. TDC TV, including TDC Film (video on demand) is available in four packages starting with the Basis package at DKR 109 per month with 6 channels up to the largest package Basis+Family+Viasat DKR 486 per month. All prices include VAT at 25%.

Jóhanna Helgadóttir – *Senior Consultant*

Consultancy

Teligen Tariff Consultancy – A Case Study

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 commissioned 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 the tariff data covered and the results produced by 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 supported by thorough methodology and know-how, or 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 is able to tailor the methodology to the client's needs, while maintaining the all-important neutrality and transparency of the price benchmarking process.

Halvor Sannæs – *Director Tariff Services*

Mobile

T-Mobile UK Reduces Data Roaming Charges

T-Mobile UK has reduced data roaming charges for new and existing business users. The 60% reduction applies to customers who travel from the UK to eight other European countries plus the USA and use the T-Mobile networks in those countries. The reduction is valid from 14th February and applies to data sent as well as received.

On the occasion of the launch, T-Mobile stated that business customers are its heaviest data users so it made sense to offer a roaming reduction to this market first. However, a similar initiative is planned for residential customers, with a prospective launch date in time for this year's summer holidays.

Cora Hackwith – *Consultant*

Consumer Group Hits Out Over High Roaming Fees

European consumers' group BEUC has claimed that telecom operators have failed to make any real reductions in charges for using a phone abroad. A recent study published by the group maintains that "excessive" roaming fees have not come down despite the introduction of new schemes by operators last summer under threat of an EU-wide price limit. The report further condemns operators such as Vodafone, T-Mobile and Orange, saying that new roaming products "are very complex, difficult to use, and have no appreciable effect on charges overall."

Furthermore, the report recommends a cap for retail prices of €0.33 per minute for a customer calling home from abroad, in contrast to the average of €1.15 that operators currently charge consumers. Last year, UK based Vodafone said that the average cost to its customers for calls in Europe would fall from more than €0.89 per minute to less than €0.55 per minute by April 2007.

Alex Lambert – *Senior Consultant*

E-Plus Germany Revamps its Time & More Packages

From the 1st March 2007 E-Plus customers can opt for the new Time & More packages.

The new tariffs are available in sizes of 50, 100, 200 and 1000 inclusive minutes. Monthly rental starts from €9. There is a connection charge of €25 and a minimum contract duration of 24 months applies.

Customers who chose one of the tariffs before the 30th of April 2007 will receive bonus minutes to other E-Plus connections within the first 12 months of their contract.

Tamara Stancic – *Consultant*