

EUROPEAN GPRS PRICING SURVEY REVEALS CONTINUED COMPLEXITY WITH AVERAGE PRICE FOR 10MB PACKAGE AT EUR 12.80

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London, 14th October 2004. European GPRS pricing remains highly complex, with an average price for 10MB inclusive volume standing at EUR 12.80 (approximately USD 15.77) according to a new report from BroadGroup.

Inclusive MB pricing is the most commonly used tariff structure by the 83 mobile operators across 31 countries, whose prices are included in the survey. Fewer than 20% restrict their GPRS service offering to usage based charges only.

The report found evidence of a general correlation between pricing and per MB inclusive packages across the tariffs and service providers covered in Europe. Although prices in certain volume categories show examples of dramatic divergences, average prices trended with a reasonable level of consistency up to 50MB. Beyond this volume, pricing behaviour is much more erratic.

Overall however, the report and tariff tables reveal a multiplicity of taxes, excess charging tiers, roaming definitions, and pricing and billing increments that are employed.

Other inconsistencies emerged, including the comparatively cheap GPRS pricing found in former eastern European countries, and Accession States.

As GPRS services experience a new life cycle, supported by EDGE deployment, user familiarity with faster access to web based content will continue to diffuse. The report notes that operators will need to ensure barriers to adoption are proactively removed.

“If it is accepted that customer perception of data is changing, and pricing needs to be accessible, the complexity associated with GPRS pricing must also change. Bundling with Wi-Fi or 3G imposes new constraints on GPRS tariffs, which in turn suggests that current structures are not sustainable if congruence in pricing is to be achieved,” commented Philip Low of BroadGroup.

The report provides several hundred GPRS tariff schedules across 83 operators in 31 European countries.

Editors: contact + 44 (0) 20 7385 9218