Fixed and Mobile Indicators

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Learning Initiatives on Reforms for Network Economies

Road map...

- ☐ Why do we need 'good'/robust data
- ☐ What are we measuring: definitions
- ☐ How : sources, reporting time periods, availability
- ☐ Priority actions for NRAs/NSOs

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Why do we need 'good' data…

- ☐ Fact-based/evidence-based policy decisions

- ☐ Investor perceptions ("what they see is what they get")

- ☐ Research for policy actions

- ☐ Credible international comparisons

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What is 'good data'…

- ☐ Clear definitions
- ☐ Transparent collection/source/calculation methodology
- ☐ Standardized reporting periods
- ☐ Comparable across time: performance trends
- ☐ Comparable across countries: benchmarking

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Fixed & mobile indicators

☐ **Fixed sector**

☐ *Fixed Wireline Subscribers*

☐ *Fixed Wireless Subscribers*

☐ *Total Fixed Subscribers*

☐ *Total Fixed Subscribers per 100 inhabitants*

☐ **Mobile sector**

☐ *Mobile Subscribers Pre-Paid*

☐ *Mobile Subscribers Post-Paid*

☐ *Total Mobile Subscribers*

☐ *Total Mobile Subscribers per 100 inhabitants*

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Availability of data…

- **Available…. BUT apples and oranges????**
- **Multiple sources (NRA, NSO, ITU, Companies)**
- **Different reporting periods:**
  - NRAs,NSOs, operators (e.g. India – NSO fiscal year, NRA FY until 2004 quarterly reporting, operators monthly)
  - Accuracy of cross country comparisons : e.g. Pakistan June-end; India March FY, Sri Lanka Jan-Dec

Problem of <u>consistency</u> (cross-country & time series within country)

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Availability of data…

	IN	ID	PK	PH	LK	TH
Fixed wireline subscribers	🟩	🟩	🟩	🟩	🟩	🟩
Fixed wireless subscribers	🟩	🟩	🟧	🟥	🟩	🟥
Total fixed (wireline+wireless) subscribers	🟩	🟩	🟩	🟩	🟩	🟩
Total fixed (wireline+wireless) subscribers per 100 inhabitants	🟩	🟩	🟩	🟩	🟩	🟩

🟩 DATA REPORTED 🟧 REPORTING PROBLEMS 🟥 NOT REPORTED

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Availability of data…

	IN	ID	PK	PH	LK	TH
Mobile subscribers (pre+post)						
Mobile subscribers (pre)						
Mobile Subscribers (post)						
Mobile subscribers (pre+post) per 100 inhabitant						

🟩 DATA REPORTED   🟧 REPORTING PROBLEMS

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What are we measuring…

- ☐ ***User vs. subscriber:***
  - ☐ Shared access
  - ☐ ARPUs or ARPS– what is <u>really</u> being measured?

- ☐ ***Who is a mobile subscriber?***
  - ☐ How useful are market share calculations based on subscriber counts? (e.g. recent debate in Sri Lanka: is Dialog losing market share)
  - ☐ Numbers can be inflated depending on how SIMS are given (companies charge for SIMS vs. give them free)
  - ☐ More precise way to calculate market share – by revenue, by minutes

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What are we measuring…

- **Where does CDMA fit in?**
  - *Sri Lanka: Fixed Wireless; India: Out of "Fixed" category from March 2006*

- **Installed capacity or actual lines in use?**
  - *Philippines: measures BOTH (results of USO policy where new entrants required to install x number of fixed lines with a 10:1 urban to rural ratio)*
  - *Thailand: measures <u>actual lines in use;</u> BUT large number of unused installed lines under urban condominiums (1994-1996 property bubble effect) while long waiting list in rural areas*
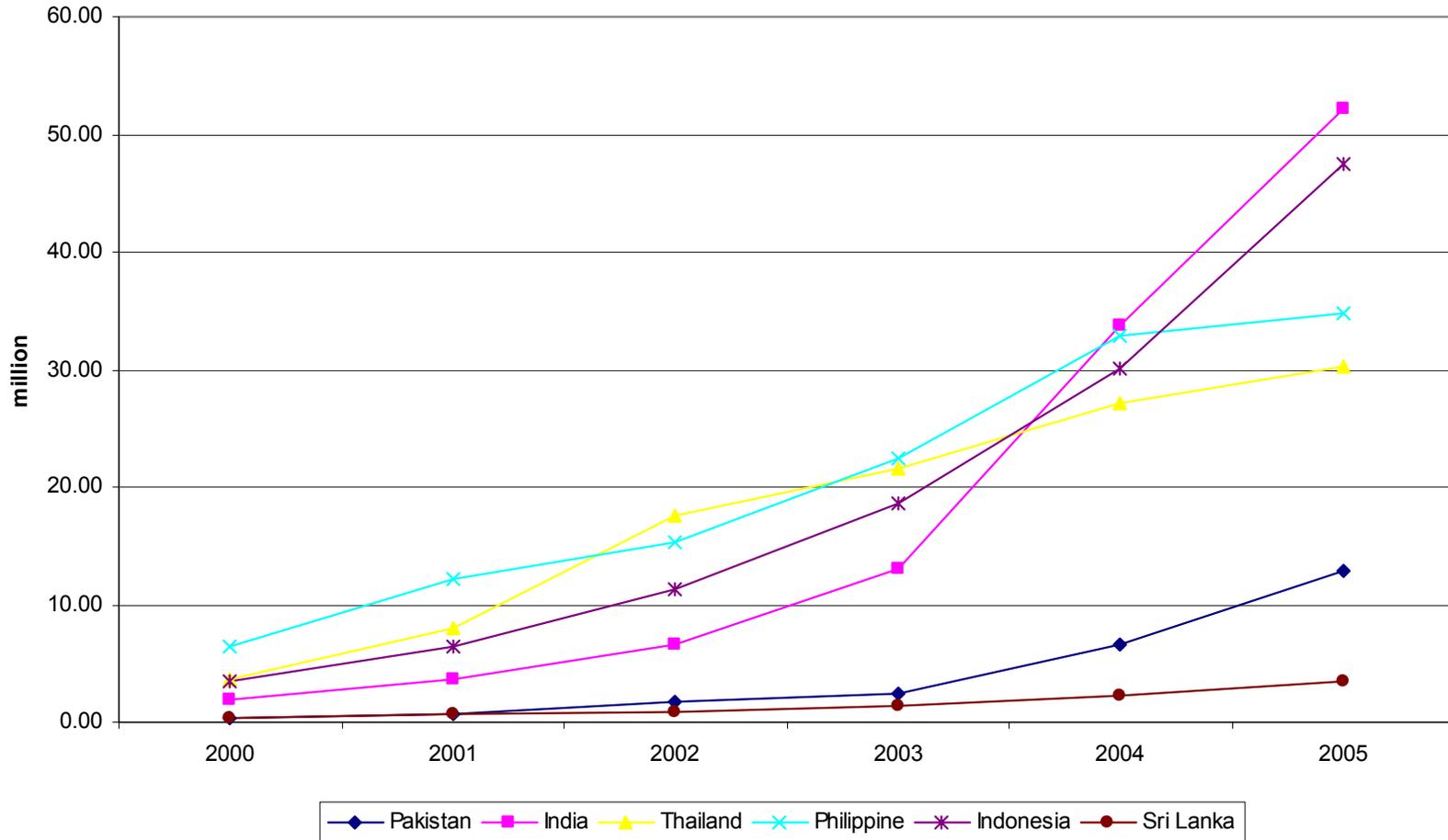
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What are we measuring…

- ***How is a pre-paid subscriber defined?***

- Standardized NRA definition or individual operator definitions? Problem of <u>under/over-counting subscriber base</u>

- *e.g. Indonesia: Indosat 1 year cut-off period vs. other operators*
- *e.g. Lanka: Mobitel: 3 months vs. Dialog varies according to value of card*
- *e.g. Philippines post-June 2004: 4 months down to one month to deal with problem of SIM-swapping; tightening of definition – increased churn rates- slower subscriber base growth*

- **Sources:** varied sources "bundled" together by NRA: e.g. Sri Lanka reports 16% post-paid and 84% pre-paid as at June 2006: *what does this REALLY mean?*

Mobile Subscribers (Pre+Post paid)

Legend: Pakistan · India · Thailand · Philippine · Indonesia · Sri Lanka

Y-axis: million (0.00, 10.00, 20.00, 30.00, 40.00, 50.00, 60.00)

X-axis: 2000, 2001, 2002, 2003, 2004, 2005

What are we measuring…

☐ *Number of fixed wireline connections, Number of fixed wireless connections, Total/Country Population * 100*

☐ ITU: "*Main telephone lines*" (**including public payphones**); "*effective teledensity*" (**higher value of either main telephone lines per 100 inhabitants or mobile cellular subscribers per 100 inhabitants**)

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Actions for NRAs/NSOs

- ☐ Consistent and clear definitions of indicators being measured/collected
- ☐ Reporting period: quarterly reporting to address issues of varied Financial Years
- ☐ Indicate sources even when "bundling"
- ☐ Disaggregated operator-wise reporting of "non-sensitive" numbers – e.g. fixed & mobile subscriber numbers, pre-paid definitions/churn

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Actions for NRAs/NSOs

☐ Get to more meaningful indicators – e.g. revenues, minutes vs. simple subscriber counts

☐ NRA & NSOs need to co-ordinate data collection, measurement, reporting process (economies of scope)

☐ **Consistency, Clarity...Credibility**

☐ **NEED FOR A REGIONAL CO-ORDINATED INDICATOR DATA BASE????**

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