



ESWATINI COMMUNICATIONS COMMISSION

MOBILE TARIFFS ANALYSIS

1 APRIL TO 30 SEPTEMBER 2018

PREPARED BY  
ECONOMIC REGULATION

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## GLOSSARY

TERMS	DEFINATIONS
In-bundle rate	Refers to a package in which a subscriber is offered allocated capacity at a lower price; anything used within this package is charged at in-bundle rates
On-Net (Own network) Tariff	This is the price per minute of a call from a mobile cellular prepaid telephone to a mobile cellular subscriber of the same network
Out-of-Bundle-Rate	This is a rate that a subscriber is charged when they have depleted the allocated capacity purchased( this is also applicable when a customer is not part of a bundle)
Off-Net (Off network) tariff	is the price per minute of a call from a mobile cellular prepaid telephone to a mobile cellular subscriber of another (competing) network
Prepaid Plan	a mobile cellular service in which a subscriber pays in advance for the allocation of voice minutes, SMS and data in fixed amounts.

## **1. INTRODUCTION**

In terms of the requirements stated in Section 10 of the Electronic Communications Services Act of 2013, Individual licensees are required to file notification of tariffs and promotions for consideration and approval by the Commission. The purpose of the report is to highlight the different tariff plans introduced during the period 1 April to 30 September 2018.

The report seeks to ensure Retail price transparency. This is to enable customers to make informed choices, in terms of tariff plan preferences and/or preferred service providers based on their different offerings. The report entails an analysis of the various retail tariff plans and promotions introduced during the period between 1 April to 30 September 2018.

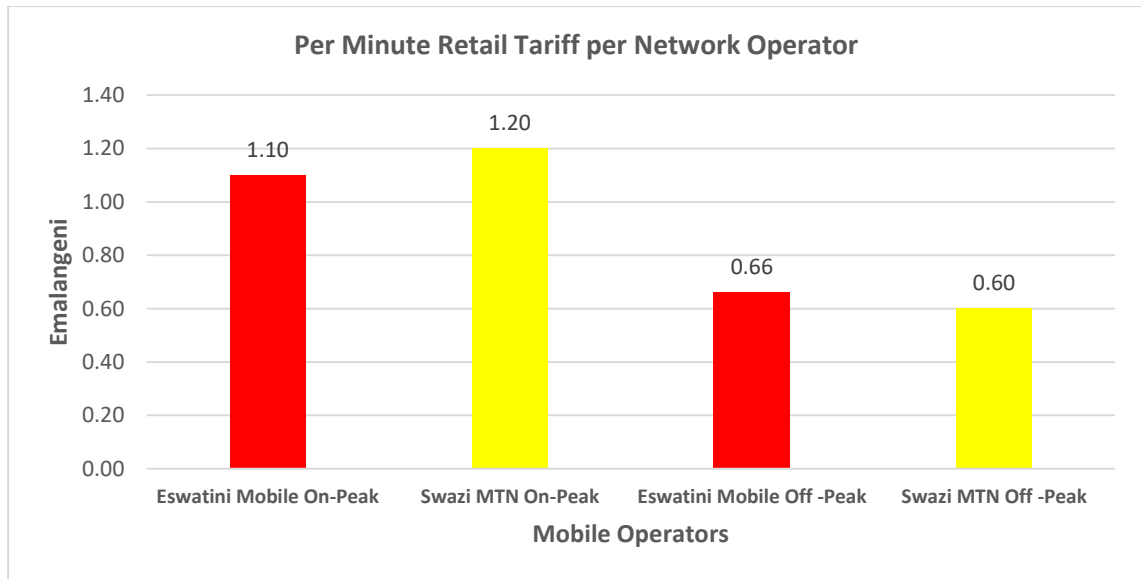
## **2. ANALYSIS OF STANDARD PREPAID VOICE TARIFFS**

For the period 1 April and 30 September 2018 there was no change in standard voice tariffs.

### **2.1 Comparison of Standard Voice Tariff Plan**

All standard voice tariffs are charged on a per second billing structure, thus subscribers only pay for the call duration. Figure 1 shows a comparison of the cheapest per minute tariff plan for Eswatini Mobile and Swazi MTN. Eswatini Mobile has a lower tariff plan during peak hours at E1.10 per minute, where Swazi MTN charges E1.20. For off – peak hours Swazi MTN has a lower tariff plan at E0.60 per minute where Eswatini Mobile charges E0.66.

Figure 1: Per Minute Retail Tariff Per Network Operator



Source: Mobile Operators Website

Table 1: below depicts a scenario of how much a subscriber pays based on the network used and the call duration. An Eswatini Mobile subscriber who makes a 2 minutes’ call, is charged E2.20, where Swazi MTN charges E2.40 for the same call duration.

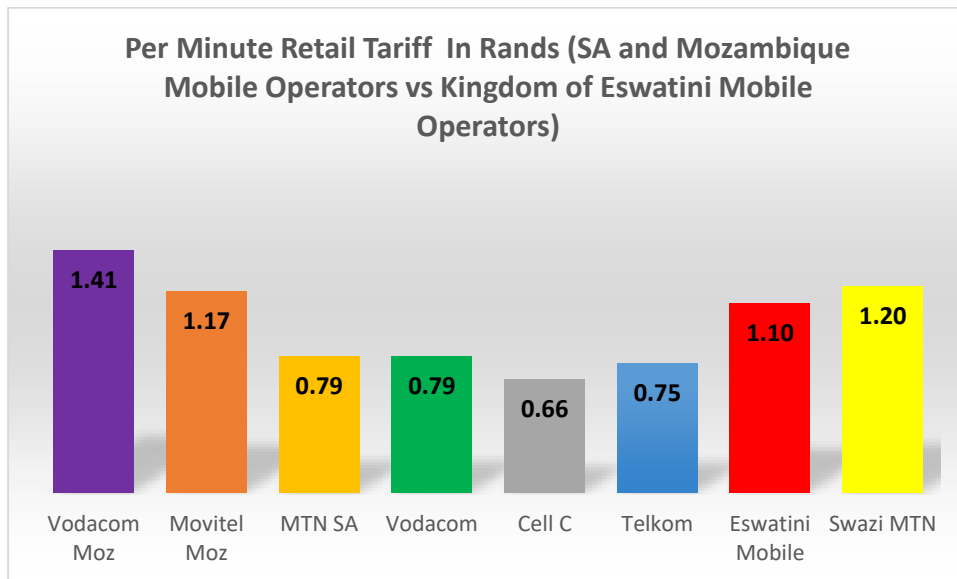
Table 1: The Price of a Call over time per second billing

	SWAZI MOBILE	SWAZI MTN
<b>TARIFF PLAN</b>	<b>STANDARD</b>	<b>STANDARD</b>
<b>PER MINUTE RATE</b>	<b>1.10</b>	<b>1.20</b>
<b>LENGTH OF A CALL (MINUTES)</b>	<b>Eswatini MOBILE</b>	<b>SWAZI MTN</b>
Half a minute	0.55	0.6
One minute	1.1	1.2
One and a half minute	1.65	1.8
Two minutes	2.2	2.4
Two and half minutes	2.75	3
Three minutes	3.3	3.6
Three and half minutes	3.85	4.2
Four Minutes	4.4	4.8
Four and half minutes	4.95	5.4
Five minutes	5.5	6

Source: ESCCOM Database on Tariff Notifications

As shown in Figure 2: below, both mobile operators in the Kingdom of Eswatini have a higher per minute tariff compared to mobile operators in neighbouring South Africa. When compared to mobile operators in Mozambique, Eswatini Mobile has a lower per minute tariff for both Movitel and Vodacom Mozambique. Swazi MTN has a higher per minute tariff than Movitel and a lower per minute tariff compared to Vodacom Mozambique.

Figure 2: Per Minute Retail Tariff in Rands (SA and Mozambique Mobile Operators Vs Kingdom of Eswatini Mobile Operators)



Source: Mobile Operators Website

## 2.2 Voice Tariffs and Promotions (1 April to 30 September 2018)

During the period under review both Operators filed applications relating to products and services for voice.

**Eswatini Mobile** introduced a promotion in celebration of their First Anniversary of operation. With this promotion Eswatini Mobile Customers enjoyed free on-net calls between 6pm and 6am, when they loaded E5.00 airtime on that day. The duration of the promotion was 3 months, starting from 1 July to 30 September 2018.

**Eswatini Mobile** introduced a No Frills Hybrid Contract. This contract is meant to make it easier for customers to access contract services through a simple and affordable package. The product has both prepaid and post-paid features in that, it is a contract that allows the customer to load airtime as a means of payment. A customer will need to produce their ID and proof of residence as part of Know Your Client requirement. A customer will pay one month's subscription upfront (upon signing up) and top up airtime to the value of their selected subscription over 30 days before the monthly cycle expires. Should a customer fail to reach the required top-up amount, they will be reverted to normal prepaid.

The customer will have three options to choose from when they want to sign-up, namely No Frills E50, No Frills E100 and No Frills E195



Table 2: below depicts the characteristics of the No Frills Contract Product.

Table 2: Eswatini Mobile No Frills Contract Products

<b>No Frills Contract 1</b>	<b>Individual</b>	<b>Price</b>	<b>Duration</b>	<b>Voice</b>	<b>SMS</b>	<b>Data</b>
		E50.00	30 Days	250 Minutes On-Net & 50 Minutes Off-Net	50 SMS	0
<b>Name of Package</b>	<b>Package Type</b>	<b>Tariff Structure</b>				
<b>No Frills Contract 2</b>	<b>Individual</b>	<b>Price</b>	<b>Duration</b>	<b>Voice</b>	<b>SMS</b>	<b>Data</b>
		E100.00	30 Days	300 Minutes On-Net & 60 Minutes Off-Net	60 SMS	250MB
<b>Name of Package</b>	<b>Package Type</b>	<b>Tariff Structure</b>				
<b>No Frills Contract 3</b>	<b>Individual</b>	<b>Price</b>	<b>Duration</b>	<b>Voice</b>	<b>SMS</b>	<b>Data</b>
		E195.00	30 Days	600 Minutes On-Net & 120 Minutes Off-Net	120 SMS	1GB

Source: ESCCOM Database on Tariff Notifications

**Eswatini Mobile;** introduced an All in One Wireless Fixed Product. This product enables customers to use both voice and data services from one device. Customers can connect up to 10 users. The fixed phone has a FM radio, Bluetooth, 4G Network and Wi-Fi Hot spot.

Table 3: depicts the characteristics of the All in One Wireless Product

Table 3 Eswatini Mobile All in One Fixed Wireless Products

Name of Package	Package Type	Tariff Structure			
All in One 1	Individual	Price	Duration	Voice	Data
		E395.00	12 Months	Unlimited Minutes On-Net & 100 Minutes Off-Net	20GB Anytime Data
Name of Package	Package Type	Tariff Structure			
All in One 2	Individual	Price	Duration	Voice	Data
		E595.00	12 Months	Unlimited Minutes On-Net & 200 Minutes Off-Net	30GB Anytime Data
Name of Package	Package Type	Tariff Structure			
All in One 3	Individual	Price	Duration	Voice	Data
		E795.00	12 Months	Unlimited Minutes On-Net & 300 Minutes Off-Net	Unlimited Anytime Data Throttle @ 40GB

Source: ESCCOM Database on Tariff Notifications

**Swazi MTN** Introduced the 50/50 promotion. The promotion was a usage based offer which gave customers 50% bonus of their day-time data usage to use at night from 11pm to 5am. Customers received a bonus on total volume consumed during the day. Total data used considered both in and out of bundle usage.

**Swazi MTN** Introduced a Buy for B-Number Voice Bundle Promotion. With this promotion a customer got 25% bonus back when they purchased a bundle for a third party number. Customers who purchased daily or monthly bundles for a third party number received 25% of that voice bundle for own usage valid until midnight. Hourly voice bundles were not eligible for the bonus.

**Swazi MTN** Introduced a new smaller bundle called International Bundle. The bundle targeted out of bundle international callers.

Bundles can only be used for international Calls

- Validity is 30 days
- SMS and Data are excluded from the bundle
- When making international calls, the bundle will take priority over other bundles
- Customers will not be able to use the bundle when roaming
- Bonus airtime will not be used to purchase the bundle

**Swazi MTN** Converted the Saver Combo Night Offer from a promotion to a permanent product. All customers that buy any Saver Combo bundles are eligible. The night Saver Combo bonus carries the same validity as the open market Saver Combo bundle purchased.

- The Saver Combo Night offer applies to Prepaid subscribers
- Night Combos are available for use between 11pm and 5am daily until expiry or depletion
- Night Combos take priority during the night except when a customer has an existing night data bundle

**Swazi MTN** Introduced for a 5-minute bundle valued at E1.00, valid for 24 hours from time of purchase. A customer is able to make multiple purchases.

### **3. ANALYSIS OF STANDARD PREPAID DATA TARIFFS**

During the period 1 April to 30 September 2018 the second phase of the Wholesale price reduction was introduced. Dedicated Internet and Leased lines combos were reduced by an average of 34% and dedicated Internet were reduced by an average 41%. The Wholesale price reduction resulted in the Mobile Operators adopting a pricing philosophy of applying an increase on volumes, while maintaining the price. Where the volumes remained the same the price was dropped.

### 3.1 Prepaid Monthly Data Plans

Table 4: depicts Eswatini Mobile’s monthly prepaid data bundles which were introduced during the period 1 April to 30 September 2018.

Table 4: Eswatini Mobile Standard Monthly Data Package

Eswatini Mobile Monthly Data	
Price	Bundle Size
E2	10.5 MB
E5	30 MB
E10	45 MB
E20	60 MB
E25	105 MB
E30	150 MB
E35	195 MB
E50	300 MB
E90	600 MB
E100	768 MB
E150	1.5 GB
E295	3.6 GB
E500	7.6 GB
E700	11.5 GB
E800	15.3 GB
E1000	Unlimited

Source: ESCCOM Database on Tariff Notifications

Table 5: depicts Swazi MTN monthly prepaid data bundles which were introduced during the period 1 April to 30 September 2018.

Table 5: Swazi MTN Standard Monthly Data Package

Swazi MTN Standard Monthly Data Package	
Price	Bundle Size
E40	200 MB
E60	350 MB
E80	500 MB
E150	1 GB
E250	2 GB
E350	3 GB
E450	5 GB
E550	7 GB
E750	10 GB
E1,100	15 GB
E1,250	20 GB
E1,500	25 GB

Source: ESCCOM Database on Tariff Notifications

Table 6: below shows Eswatini Mobile’s prepaid data plan. The comparison shows what the customer pays for the same volume for an out of bundle rate vis-a-vis an in bundle rate.

Table 6: Eswatini Mobile Out of Bundle Monthly Fee

<b>Eswatini Mobile Standard Monthly Data Package (Comparing Out Of Bundle Monthly fee)</b>		
<b>Price</b>	<b>Bundle Size</b>	<b>Out of Bundle Equivalent Subscription Fee (0.80/MB)</b>
E2	10.5 MB	E8
E5	30 MB	E24
E10	45 MB	E36
E20	60 MB	E48
E25	105 MB	E84
E30	150 MB	E120
E35	195 MB	E156
E50	300 MB	E240
E90	600 MB	E480
E100	768 MB	E614
E150	1.5 GB	E1,210
E295	3.6 GB	E2,880
E500	7.6 GB	E6,080
E700	11.5 GB	E9,200
E800	15 GB	E12,000

Source: ESCCOM Database on Tariff Notifications

Table 7: below shows Swazi MTN prepaid data plan. The comparison shows what the customer pays for the same volume when out of bundle, vis-a-vis an in bundle rate.

Table 7: Swazi MTN Out of Bundle Monthly Fee

<b>Swazi MTN Standard Monthly Data Package (Comparing Out Of Bundle Monthly fee)</b>		
<b>Price</b>	<b>Bundle Size</b>	<b>Out of Bundle Equivalent Subscription Fee (0.99/MB)</b>
E40	200 MB	E198
E60	350 MB	E347
E80	500 MB	E495
E150	1 GB	E990
E250	2 GB	E1,980
E350	3 GB	E2,970
E450	5 GB	E4,950
E550	7 GB	E6,930
E750	10 GB	E9,900
E1,100	15 GB	E14,850
E1,250	20 GB	E19,800
E1,500	25 GB	E24,750

Source: ESCCOM Database on Tariff Notifications

Table 8: below shows the in bundle rate for Eswatini Mobile for a 30-day prepaid plan.

*Table 8 Eswatini Mobile Tariff per Megabyte for a 30-day Pre Paid Data Bundle*

<b>Eswatini Mobile Tariff per megabyte</b>	
<b>Bundle Size</b>	<b>Tariff per megabyte</b>
10.5 MB	0.19
30 MB	0.17
45 MB	0.22
60 MB	0.33
105 MB	0.24
150 MB	0.20
195 MB	0.18
300 MB	0.17
600 MB	0.15
768 MB	0.13
1.5 GB	0.10
3.6 GB	0.08
7.6 GB	0.07
11.5 GB	0.06
15 GB	0.05

*Source: ESCCOM Database on Tariff Notifications*

Table 9: below shows the in bundle rate for Swazi MTN for a 30-day prepaid Data Plan.

Table 9: Swazi MTN Tariff per Megabyte for a 30-day Pre Paid Data Bundle

Swazi MTN tariff per megabyte	
Bundle Size	Tariff per megabyte
200 MB	0.20
350 MB	0.17
500 MB	0.16
1 GB	0.15
2 GB	0.13
3 GB	0.12
5 GB	0.09
7 GB	0.08
10 GB	0.08
15 GB	0.07
20 GB	0.06
25 GB	0.06

Source: ESCCOM Database on Tariff Notifications

### 3.2 Prepaid Daily, Weekly and Social Media Plans (1 April to 30 September 2018)

**Eswatini Mobile** introduced YouTube bundles. Table 10: below depicts the volume, price and validity of the bundles

Table 10: Pre-paid Eswatini Mobile YouTube Bundles

Tariff Structure		
Bundle Size	Price	Validity
1GB	E10.00	Daily
2.5GB	E20.00	Daily
5GB	E35.00	Daily

Source: ESCCOM Database on Tariff Notifications



**Eswatini Mobile** introduced Social Media Bundles. Table 11: below depicts the volume, price and validity of the bundles.

Table 11: Pre-paid Eswatini Mobile Social Media Bundles

Tariff Structure		
Bundle Size	Price	Validity
100 MB	E5.00	Daily
250 MB	E20.00	Weekly
600 MB	E50.00	Monthly

Source: ESCCOM Database on Tariff Notifications

**Swazi MTN** introduced a data plan where customers pay E1000 monthly and receive 1.5GB of data daily. The product is designed for heavy data users.

**Swazi MTN** introduced a weekly data plan as shown in Table 12: below.

Table 12: Pre-paid Swazi MTN Weekly Bundle

Weekly	Price	Anytime
	E17	100MB
	E25	185MB
	E55	500MB
	E70	1GB

Source: ESCCOM Database on Tariff Notifications

Table 13: below shows depicts Swazi MTN's standard daily bundle

Table 13: Pre-paid Swazi MTN Standard Daily Bundle

Tariff Structure		
Bundle Size	Price	Validity
8MB	E2.00	Daily
23MB	E5.00	Daily
47MB	E10.00	Daily
120MB	E25.00	Daily

Source: ESCCOM Database on Tariff Notifications

Table 14: below shows depicts Swazi MTN’s social media and night bundles

Table 14: Pre-paid Swazi MTN Social Media and Night Bundles

<b>Tariff Structure</b>			
<b>Bundle Name</b>	<b>Bundle Size</b>	<b>Price</b>	<b>Validity</b>
Facebook	30MB	E5.00	Daily
	150MB	E20.00	Weekly
	360MB	E40.00	Monthly
WhatsApp	30MB	E5.00	Daily
	150MB	E20.00	Weekly
	360MB	E40.00	Monthly
YouTube	1.5GB	E10.00	1 Hour
	3GB	E20.00	2 Hours
Night Bundles	150MB	E15.00	Monthly
	300MB	E25.00	Monthly
	800MB	E65.00	Monthly
	1.6GB	E130.00	Monthly

Source: ESCCOM Database on Tariff Notifications

#### **4. SUMMARY**

For the period 1 April and 30 September 2018 there was no change in standard voice tariffs. However, this being the first BI Annual Report it was found fitting that an analysis of standard voice tariff should be done. The analysis went further to compare standard voice tariffs with those of Operators in neighbouring Mozambique and the Republic of South Africa.

With phase 11 (two) of Wholesale Price reduction, operators adopted a pricing philosophy whereby an increase in volume the price remained the same and where the volume remained constant there was a drop in price. A direct match for comparison between the two Operators was not possible as the bundles being offered are different.

During the period under review, both operators had promotions and introduced new products. The promotions, new products and services introduced were combination of voice and data