

ADSL Pricing & Promotions

2011 Edition

TERMINUS

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BUY THIS REPORT TO:

- **Maximize Profit**
- **Increase subscriber acquisition while reducing churn**
- **Keep track of the latest pricing strategies implemented by leading players across the globe**

ADSL PRICING AND PROMOTIONS 2011 Edition

An all encompassing guide to grow service provider revenue and profits through the introduction of innovative tariff structures

Key features of this report:

- Analysis of leading DSL price plans from across the globe with impact on key performance metrics
- Learn from the best – Covering over 50 case examples of some of the most successful pricing strategies in the market today
- Protect yourself from the advent of mobile broadband and fixed mobile substitution
- Learn how innovative players are adding new bundles to drive growth
- Key insights on successful bundling and promotion packages from developed and emerging markets.
- Youth focused broadband plans that have resonated with their target market...

What makes this 150+ page report stand out:

- The best of the best of over 800 ADSL plans analyzed from across the globe
- Over 50 detailed case examples with impact analysis
- In-depth insight focusing on the critical parameters of the ADSL market
- Over 70 graphs and tables depicting vital data!

ADSL PRICE PLANS THAT MAXIMISE PROFIT

The Assessment

The success of the Home and Advanced Packages is due to their intuitive bundling and inclusions that otherwise may have been overlooked by operators. These plans increase the customer usage due to the variety of devices and data limits across the globe.

The Home Package, though offering unlimited fixed broadband, comes with a 1 GB usage limit which allows the operator to charge at standard usage rates once the prescribed limit has been crossed.

The Advanced Package gives users the freedom of the internet with unlimited data plans on both their fixed and mobile broadband connection, but does not include any mobile phone usage, allowing customers to be billed for any usage apart from the monthly NS LMS.

This set again proves that bundling of services, through agreed retailers, is more than the services independently.

Key operators benchmarked their for revenue growth.



Telecom

Telecom Australia has introduced new revenue service packages which bundle together fixed and mobile internet with home and mobile voice services, creating the company's first fully integrated communications bundles centred on the top-rated 3G service and satellite broadband networks. The new packages are designed to provide customers the ultimate value and better experience of home and mobile connectivity and of our powerful services with maximum convenience and measurable savings.

Source: Telecom Australia, 2011

ADSL PRICE PLANS THAT MAXIMISE PROFIT



Graph 9: ADSL Revenue (2008-2010) and Subscribers (2008-2010)

From the graph above, it is evident that Maxis witnessed a steady growth in both broadband subscribers and revenues. ARPU is however been tapering off towards the last few quarters, representing an increasing subscriber base. Maxis attributes the addition of 70,000 new subscribers in Q2'09 due to the strong uptake of the new packages on offer. Broadband revenue also grew 32% quarter-on-quarter in 2010, with total broadband revenue in 2010 growing to MYR 124 million from MYR 101 million in 2009.

The concept of offering 'freebies' to customers has been an innovative marketer's oldest trick with its ability to induce a customer's adoption of a plan. Offering free wireless broadband bundled with fixed broadband creates an additional revenue stream for Maxis consisting of heavy wireless broadband users. With a 1.5 GB usage cap on its wireless broadband, such customers are more than likely to purchase additional data, thereby earning the operator additional revenue.



Graph 10: Subscribers (2008-2010) and ADSL Revenue (2008-2010)

ADSL PRICE PLANS THAT MAXIMISE PROFIT

Time period	Per MB cost			
	3G	3G+	4G+	4G+
30 days	0.000000	0.000000	0.000000	0.000000
	0.000000	0.000000	0.000000	0.000000
	0.000000	0.000000	0.000000	0.000000
	0.000000	0.000000	0.000000	0.000000

Table 1: Maxis' Broadband Post packages



3Connect offers differential pricing based on the time of usage, making use of latent network capacity during off peak hours. Super Sunday offers customers reduced surfing rates every Sunday from 12am to midnight, while 'Happy Hour' is from 5pm to 8pm on a daily basis, allowing users the advantage of further reduced data costs while can be utilized every single day.

Time period	Per MB cost			
	3G	3G+	4G+	4G+
Normal Rate	0.000000	0.000000	0.000000	0.000000
Super Sunday	0.000000	0.000000	0.000000	0.000000
Happy Hour	0.000000	0.000000	0.000000	0.000000

Table 2: Maxis' off-peak data usage charges



Case Examples in this report include:

- ✓ A Swiss provider that witnessed a 50% increase in subscriber numbers in two straight quarters!
- ✓ Why 75% of new subscribers in an European market opted for this one single broadband plan
- ✓ An Asian service provider that grew its subscriber base by 35% due to one plan...
- ✓ How an European provider snatched 4% market share from its competition in just 4 quarters....
- ✓ How a South East Asian operator added 75,000 subscribers in the last quarter of 2009 through a promotion package.
- ✓ What an Australian provider did to grow its subscriber base by 76% in 2 years !

AND MUCH MORE ... ALL
THROUGH THE
INTRODUCTION OF
INNOVATIVE PRICING TARIFFS
AND PROMOTIONS



A list of service providers profiled in this report

AfriHost Africa

AlbTelecom Albania

ALTONet Africa

AOL Broadband

AOL Broadband

AT&T

Batelco

BE There UK

Beeline Russia

BT UK

Comcast

DartyBox France

Deutsche Telekom

DO Broadband Closer

EFTEL Australia

Etisalat UAE

Farmside New Zealand

GConnect South Africa

GO Malta

iiNet Australia

Lynx Lebanon

Malaysia Streamyx

Maxis Malaysia

Mobi Turkmenistan

O2 UK

OmanTel

Orange Jordan

Orange Slovakia

Orange Switzerland

Oz Online

Qwest USA

SFR France

Singtel

Sri Lanka Telecom

Sri Lanka Telecom

StarHub Singapore

STC

Swisscom

TEData Egypt

Telecom Italia

Telecom Namibia

TelstraClear

TPG Australia

TTNet Turkey

UnityMedia Germany

UPC Austria

VIVACOM Bulgaria

Vodafone Ireland

Windstream Communications



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What Service Providers have to say about our included price plans...

“We are thrilled that 200,000 Singaporeans have chosen Mio TV for their home entertainment. Since its launch in 2007, Mio TV has created waves in the pay TV market in Singapore, which was dominated by a single player for over a decade.”

-Tim Carmichael, Vice President of Mio Tv - SingTel

“In an increasingly digitally convergent world, availability of high internet bandwidth is a primary need and with our new broadband packages we are offering more choice, greater value and an unmatched user experience for our residential and business customers.”

- Amanda Hauuanga, Telecom Namibia General Manager, Sales & Marketing

“As of December 31, 2010, 15% of our customer base subscribed to our Unity3play services, whereas 2% opted for double play. The remaining 83% of our customer base is on single play (video, internet or telephony), clearly highlighting the large up-sell potential for our bundled products.”

-Unity Media, Germany Annual Report

“Throughout the year, we witnessed a significant growth of 31% in the Internet market, driven mainly by the growth in Home Pack. I am pleased to say that the decline in fixed line services as been significantly curtailed and we have managed to retain our market share, albeit with reduced revenues.”

– Excerpt from GO Malta Annual Report 2009



“In ADSL we launched an innovative offer, with a daily internet offer enabling customers to choose to have internet access on a daily basis rather than committing a full month of usage. In addition.....and almost 40,000 customers have purchased customers in September from the Turk Telecom dealer network.”

- Hakam Kanafani, Group CEO, Turk Telecom

Chapter 1: Introduction and Executive Summary

Chapter 2: Successful Discounting Strategies That Drive Customer Acquisition

- 2.1 Bundled Discount Packages
 - Vodafone Ireland Home Broadband
 - Orange Bundled Discount Offers
- 2.2 Discounting strategies to extend customer relationships
 - 2.2.1 Discounting to reward contract length
 - TE Data Egypt
 - Unity Media Germany
 - 2.2.2 Innovations in Customer Loyalty Initiatives
 - Orange Jordan
 - GConnect South Africa
 - Malaysia StreamyX
 - Singtel
 - Beeline
 - 2.2.3 Winning over customers:
 - SFR France
- 2.3 Promotions that drive revenue
 - Maxis Malaysia
 - Telecom Namibia

Chapter 3: Time-led Pricing Strategies

- Lynx Lebanon
- iiNet Australia
- Telecom Italia
- Alice Free
- Alice Nights & Weekends
- Swisscom Switzerland
- Etisalat UAE
- Turkey TTNNet
- EFTEL Australia
- ALTONet Africa
- OmanTel

Chapter 4: Inventive Multi-play pricing offers

- 4.1 Successful Quad & Triple Play Pricing Structures
 - Go Malta
 - Orange France
- 4.2 Triple play plans that have taken the market by storm
 - Vivacom Bulgaria
 - Deutsche Telekom
- 4.3 Successful Dual Play Pricing Structures
 - DO Broadband
 - Farmside NZ
- 4.4 Youth Focused Price Plans
 - Malaysia StreamyX
 - UPC Austria

Chapter 5: Other Successful Innovative Pricing Tariffs

- 5.1 AT&T U-Verse
- 5.2 Oz On Line
- 5.3 AlbTelecom
- 5.4 Build Your Own Bundle
 - BEThere UK
 - Qwest Communications International
 - WindStream Communications
- 5.5 Staggered Connection Fees
- 5.6 Other Innovative Offers
 - Demon Games Pro
 - O2UK and BT UK
 - AOL Broadband
 - Orange Slovakia

Chapter 6: Recommendations to Drive Innovations in ADSL Pricing

- Do Fixed Line Players Really Need to Worry About 3G?
- Fixed Line Substitution – An opportunity for fixed players
- Recommendations

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