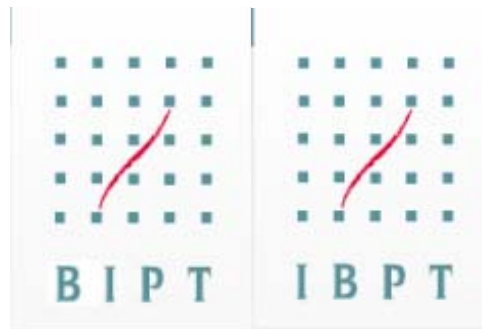


Comparative study into business pricing in Belgium, France, Germany, the Netherlands and the United Kingdom



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Disclaimer: This price benchmarking analysis provides a general view on telecommunications costs for professional users across the study countries, making use of a basket methodology as set forth in this report. It focuses solely on the cost of the various telecommunications services and does not take into account aspects related to quality of service, additional features and conditional discounts.

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1. Executive Summary

Background and methodology

Following the publication of a consumer-focused comparative study on the price level of telecommunications services (“services”) in Belgium compared to other selected European countries, the Belgian national telecommunications regulatory authority BIPT/IBPT has commissioned a similar study to look at the non-residential market and compare business price levels across the same set of countries. This study has been conducted by the Teligen division of Strategy Analytics Ltd. (UK), and reports on the prices of such services for professionals and small and medium enterprises in Belgium compared with France, Germany, the Netherlands and the United Kingdom (“the study countries”).

The study uses a basket methodology to compare the telecommunications charges paid by eight types of business entities, which are constructed to represent different combinations of services and usage levels. These eight businesses can be split into two broad groups, depending on how many active service users there are.

- Business types 1 to 4 consider single user businesses (“SoHos”), comprising the Local-based Individual Business, the Home-based Professional and two types of Mobile Professionals.
- Business types 5 to 8 consider businesses with multiple users, ranging from 5 to 50 users (“SMEs”), including the Retail Outlet, the Local Trading Company, the Local Production Company and the Local Service Company.

The analysis considers costs for each business type when services are purchased singly to make up the communications requirements of the business, as well as costs when multiplay offerings are used (with single services where a multiplay offering does not cover the full business need). A multiplay offering is defined as a set of two or more communications services that are sold together (as a bundled offer) from a provider, typically at a lower cost than if the services were bought individually from the same provider.

While single service purchase is relevant for all business types, multiplay offers are actually only appropriate for SoHos. Although some providers offer business multiplay services for multiple users, there are generally very few published offers, and where they are published, they are often limited to a small number of users only (e.g. less than 5) and do not fit SME requirements. The vast majority of published multiplay business offers are based on a single-user subscription with 1 of each service included. Once a business moves beyond one or two users, there is much more customization of the different service elements and providers will typically not publish such prices, but rather will quote on a case-by-case basis. Details of such quotes are not made public. Because of this, multiplay offers have not been included in the results for SMEs.

The tariff benchmarking analysis focuses solely on the cost of the various communications services for each of the typical Belgian businesses, compared to similar businesses in other countries. It does not take into account aspects related to quality of service (QoS), such as

guaranteed fix times. For completeness, a high level assessment of qualitative factors has been undertaken. It is however not possible to assess these qualitative factors in any quantitative or consistent way, or to draw any conclusions around how important different factors are to an individual business. Additionally, there is a significant variation across services and providers, in terms of what is published and readily available. It is beyond the scope of this study to provide anything beyond general observations on these qualitative factors.

Overall findings

When taking into account typical usage patterns of SoHos and SMEs in Belgium, the telecommunications costs they face are broadly favorable compared to the other study countries, most notably when services are purchased singly, rather than as part of a bundled offering. This is especially true for Local-based Individual Businesses, Home-based Professionals, as well as some multi-user businesses, in particular, Retail Outlets and Local Production Companies. Germany and the Netherlands are generally the most expensive countries across most business types, while the position for France varies between very competitive to mid-range, depending on the type of business. The UK offers a very competitive market for Mobile Professionals, but ranks mid-range for other business types.

The overall rankings from the analysis are consistent with observations seen in line with other studies.

Single service offers summary

When services are bought separately, Belgium is typically either the cheapest or among the cheapest of the study countries, across most of the 8 business types analyzed. This is the case when the cheapest available offer is considered, but also when the average of the 3 largest providers and the average of the 3 lowest-priced providers are analyzed. This is an important consideration, as it shows that the positive cost position for businesses in Belgium is not just restricted to the cheapest set of offers only, which may not be accessible to or appropriate for all businesses, but rather, businesses can achieve comparatively good costs from a wide range of providers. This of course assumes that business users choose a combination of the cheapest tariff plans available in the market to fulfil their telecommunications needs.

Mobile broadband services are especially competitive in Belgium, across all business types. Fixed voice services are generally reasonably competitive for single-user businesses but less so for multi-user businesses. Broadband services at lower speeds appear less competitive than those at higher speeds in Belgium because actual offered speeds are generally higher. At lower speeds, Belgian providers are on par with several of the other countries, and while not expensive, are not as competitive as higher speed services. This is because entry level broadband speeds in Belgium are relatively high, and when compared with lower entry level speeds in other countries, appear more on par, from a cost perspective. In terms of service functionality, the Belgian business user will be getting a higher speed of service for a similar cost as elsewhere. When there is a higher speed requirement for a business, Belgium is consistently among the cheapest across the study countries.

Although most Belgian businesses enjoy a strong position in terms of telecommunications cost, compared to similar businesses in the other study countries, some businesses fare less favourably. The two mobile professional business types, with low and medium levels of mobile usage dominating the two profiles respectively, generally rank third or fourth for single service offers. This illustrates that mobile voice services in Belgium are generally ranked among the more expensive across the study countries in particular in connection to heavy mobile usage, or where the use of mobile dominates. The difference in cost for mobile services in relation to the cheapest result is in such cases very significant. The cost of the other services used by other business types, which are generally competitive for Belgium, balances out the less competitive mobile voice cost element to return a good overall result. For these other business types, Belgium also ranks less unfavorably compared to the other study countries as far as mobile voice costs are concerned. In addition to the less favourable rankings for the two mobile-based profiles, the Local Trading Company is positioned mid-range compared to the other study countries, while the Local Service Company is second most expensive for both the lowest prices and average of the 3 largest provider calculations, mainly as a result of less favourable fixed voice usage costs which dominate usage.

Multiplay service offers summary

Businesses that opt for multiplay services - applicable for single users only - are likely to fare less well relative to the other study countries. Across the four SoHo businesses covered in the study, Belgium ranks second or third cheapest, when the lowest priced available offer is considered. When the average of the 3 largest providers or the 3 cheapest providers is taken into account, Belgium is either most expensive or second most expensive. This is partly because some of the cheapest bundles for Belgium will include mobile voice as part of the bundle, and the costs for these are generally high compared to the (generally single service) offers in the other study countries. Additionally, some providers in Belgium may only offer a high speed broadband connection within a bundled plan - which is a requirement across all but the 2 mobile-based businesses. If the speed of this connection is much higher than the requirement of the particular business, it can compare less favorably to bundles in other study countries where lower speed connections are available within a multiplay offer, and at a lower cost.

Depending on the business and calculation type, multiplay does not deliver any cost savings to businesses in Belgium. The exception here is for a Local-based Individual Business and a Home-based Professional, which can achieve substantial savings of between 26-30%, when the lowest priced offers are taken into account - this as a result of a comparatively low cost fixed/mobile voice bundle.

This result is not particular to Belgium, but one that is regularly seen in this kind of analysis. It is important to note that the benefits of multiplay are not necessarily cost-based but more qualitative in nature and business users may find added value in working with an end-to-end service provider. Multiplay is also beneficial for those users who are less prepared to shop around for the most competitive offers, and who prefer the ease of dealing with as few providers as possible. It does lock users into a single provider for several services, however, and may be constraining for some businesses.

Variation between the 3 largest and 3 lowest-price providers

Where the averages of the 3 largest and 3 lowest providers are identical, as is the case with the multiplay results for the 4 SoHo businesses, then the 3 largest providers are also the 3 cheapest. Such a result can also indicate that only the 3 largest providers can fulfil the requirements of a given business.

Where there is a cost difference between the averages of the 3 largest and the 3 cheapest, it is generally not significant, and ranges from between 1% and 12%, suggesting that the costs faced by a business in Belgium will not vary significantly based on the calculation type.

2 Overview of benchmarking methodology

This section presents a brief overview of the price benchmarking designed and used by Strategy Analytics based on original requirements from Ofcom (UK). A full explanation can be found in the Appendix to this report.

2.1 The business concept

An important part of the study methodology is the concept of “businesses”, covering all telecommunications service requirements of all users and the costs associated with it. For each business, baskets for individual services have been determined to establish how each service is used within that business.

The following telecommunications services (“services”) are covered within the study:

- Fixed voice FV (PSTN, VoIP)
- Mobile voice MV (including SMS and handset data usage)
- Fixed broadband FBB (over DSL, Cable, Fibre)
- Mobile broadband MBB (based on laptop/tablet/dongle modem usage)

As far as telecommunications product offers are concerned, the benchmarking methodology looks separately at both the above mentioned single services, and any bundles/combinations consisting of two to four different services. With bundled services, in order to complete the picture, a multiplay or bundled offer that does not fulfil all the requirements of a business is expanded with the cheapest possible single services in the market, from any provider.

The table below describes in broad terms the telecommunications requirements for each type of business that has been defined for the purposes of this study, reflecting the typical Belgian context. A more detailed description of the businesses is given in the business results summary (section 3), as well as in the appendix to this report.

Figure 1: Communications service requirements for identified businesses

	FBB	MBB	FV nat	FV intrn	MV nat	MV intrn	MV mess	MV data	Users
1 Local-based Individual Business	Low		Low loc		Low	Low	Low		1
2 Home-based Professional	Medium	Medium	Medium nat	Medium	Low	Low	Low	Low	1
3 Mobile Professional 1	Low	High			Medium	Low	Low	Low	1
4 Mobile Professional 2	Low	High			High	Low	Medium	Medium	1
5 Retail Outlet	Medium	Medium	Medium loc	Low	Medium	Low	Low	Low	5
6 Local Trading Company	Medium	Medium	High Nat	High	Low	Low	Low	Low	10
7 Local Production Company	Medium	Low	High loc	Low	Medium	Medium	Medium	Medium	10
8 Local Service Company	Medium x 3	Low	High loc	High	Medium	Low	Medium	Medium	50

Low, Medium and High suggests usage levels per User.

For Fixed Voice: Loc means predominantly local usage, Nat means predominantly national (long distance) usage.

Number of Mobile Broadband users will be half of the total number of users (for business 5-8, where the number of users is greater than 1).

x3 is indication of the number of lines/connections that will be required.

Each business employs one or more people who are telecommunications users. Please note that the number of employees is not (necessarily) equal to the number of users, so that for example Business 7, a "Local Production Company", may have 50 employees, but only 10 are active telecommunications users.

The average Belgian usage profile is identified as "medium" usage. Profiles for lower and higher usage are defined in relation to this medium profile, with usage levels that are typically 1/3 (for "low") and 3 times (for "high") of the medium.

2.2 The baskets

2.2.1 Concept

The usage profile definition for each of the individual services (fixed voice, mobile voice, fixed broadband and mobile broadband) is called a "basket", which describes all important elements the user requires, including, for example usage (call or data) volume, distribution of voice calls, access speed on data services and amount of data transferred.

The contents of the basket will depend on the service type; for example, requirements for a fixed broadband service are relatively simple, while the basket for a mobile voice service can contain many different elements (voice, sms and mobile data).

In addition to usage levels there may be different categories of baskets; for example for fixed voice service with focus on national calls, or international calls.

For the calculation of end user costs, the usage requirements described by the basket are applied to all tariffs from selected providers, calculating the monthly cost which takes into account monthly fixed price elements and usage related price elements, to derive the end user cost per month for each business type.

2.2.2 The Belgian baskets

The main objective of the study is to assess prices in Belgium in relationship to prices in other countries.

For this kind of analysis it is more relevant to use typical Belgian usage profiles and refer any comparisons to those. Using international profiles (e.g. OECD baskets) will not show the results for Belgium in a way that is easily recognizable or sufficiently relevant for the Belgian market. With the Belgian profiles (baskets) the results for Belgium are more in line with what Belgian businesses experience and actually reflect what a Belgian company would pay if it would operate in another country.

The Belgian baskets are developed based on statistics provided by BIPT/IBPT and Belgian providers. Not all baskets are actually used in the eight businesses, but they are shown here for completeness (Figures 2-5). There is also additional information on call distribution etc. with the basket definitions. It is worth noting that the effect of including several users in a business definition is that the costs for fixed voice and mobile voice will dominate the cost picture, as these are directly proportional to the number of users.

There are three sets of fixed voice baskets for low, medium and high usage, each based on the main focus of voice calls. These are outlined in the table below. All data shown is per user.

Figure 2: Belgian Fixed voice baskets

Type of basket	Voice calls SoHo Total calls/month	Voice calls SME Total calls/month
Low usage	40	30
Medium usage	120	90
High usage	240	180

There are three sets of three mobile voice baskets based on low, medium and high usage of voice and three levels of message/data usage. All data shown is per user.

Figure 3: Belgian Mobile voice baskets

Type of basket	Voice calls SoHo Total calls/month	Voice calls SME Total calls/month	SMS/ month	Data (GB)/ month
Low voice, low SMS/data	40	30	25	0.05 (or 0)
Medium voice, low SMS/data	100	80	25	0.05 (or 0)
High voice, low SMS/data	250	160	25	0.05 (or 0)
Low voice, medium SMS/data	40	30	60	0.05
Medium voice, medium SMS/data	100	80	60	0.05
High voice, medium SMS/data	250	160	60	0.05
Low voice, high SMS/data	40	30	120	0.25
Medium voice, high SMS/data	100	80	120	0.25
High voice, high SMS/data	250	160	120	0.25

There are three basic baskets for fixed broadband, mainly varied by speed requirements.

Figure 4: Belgian Fixed broadband baskets

Type of basket	Data usage GB/month	Hours used/ month	Minimum speed (Mb/s)
Low usage	20	80	10
Medium usage	50	240	15
High usage	150	240	30

There are three basic baskets for mobile broadband, mainly varied by data usage volume and the number of hours and days the service is used per month. All data shown is per user.

Figure 5: Belgian Mobile broadband baskets

Type of basket	Data usage GB/month	Hours used/ month	Days used/ month
Low usage	0.1	5	10
Medium usage	0.5	20	20
High usage	2	20	20

2.3 The rational user

In order to ensure consistent analysis of all offers, one of the main rules is that the business makes rational buying decisions based on price only, without preference to brand or provider. The analysis will assume that the cheapest available service in the market is used in each separate case.

While quality of service (QoS) factors may play a part in provider selection (for example guaranteed fix times or additional service features such as online bill analysis or usage monitors), it is not possible to attach a cost value to these elements in any objective way seeing that different users will place different emphasis on such qualitative factors. Additionally, such information is not always available from providers. Since it is not possible to incorporate this in the benchmark in any meaningful way, qualitative aspects of offerings will be considered separately (see section 4).

2.4 Geographical scope of the study

For this study BIPT/IBPT has chosen to cover 5 countries:

- Belgium
- France
- Germany
- Netherlands
- United Kingdom

This includes three of the larger countries in Europe, as a comparator group for Belgium, and the Netherlands with close relations to Belgium.

2.5 Provider selection

Providers have been chosen based largely on market share information. The basic “rule” is that the providers covered will between them have at least 80% market share in a given service market. Providers with the highest market shares are considered first until the 80% market share threshold is fulfilled. As there is little published data specifically on market shares for the business market, and as residential services are expected to be purchased by several of the business types, total market shares have been used, for all services and countries.

A full list of providers for which tariff plan information has been collected, is given in the appendix to this report.

2.6 Tariff data

Prices for all services are taken from information available in the public domain and listed on provider websites in February / March 2014, with data taken from provider websites. The system contains over 3.600 single service tariffs (520 FV, 2.404 MV, 289 FBB and 431 MBB) and over 2.600 multiplay service offers across the five countries. Mobile providers offer by far the largest number of tariff plans, reflecting the competitiveness of the market and also the complexities in service combination. Offers/tariffs that are presented to the professional market may be subject to further negotiations and additional discounts, but that aspect cannot be taken into account as a study like this has to rely on publicly available information across the study countries.

The results of the analysis are based on the tariff plan information collected related to offers available at the time of data collection. The tariffs collected are in the national currencies of the respective countries. Although most of the study countries use the Euro, the UK does not, and all UK results have been converted to Euro. Information on the exchange rate used can be found in the Appendix to this report.

Although often used in international benchmarking studies, there has been no conversion of exchange rates based on Purchasing Power Parities (PPPs) within this report. This conversion is more typically used for consumer-focused benchmarking and hence has not been considered relevant for this particular study. All results for the business baskets are presented exclusive of value-added tax (VAT).

For some of the services it is also relevant to include residential services as business users may also opt for a residential fixed internet and/or mobile voice and/or mobile broadband product rather than a professional product, since the qualitative specifications of the residential offer will in many cases meet the demands of (mainly small) business users. Residential fixed voice services are less likely to be used by business users, as they will typically require a dedicated business line. Similarly residential fixed broadband services are not considered relevant for larger companies.

2.7 Single and multiplay services

The analysis considers costs for each business on the one hand when single services are purchased to make up the communications requirements of the business and on the other hand when multiplay offerings are used (combined with single services where a multiplay offering does not cover the full business need).

A multiplay offering is defined as a set of two or more communications services that are sold together (as a bundled offer) from a provider, typically at a lower cost than if the services were bought individually from the same provider. Examples of bundled offers include double play offers such as fixed broadband and fixed voice, or fixed broadband and mobile broadband, as well as triple play offers (e.g. fixed broadband, mobile broadband, fixed voice), and quadruple play (e.g. fixed and mobile broadband plus fixed and mobile voice).

While single service purchase is relevant for all business types, multiplay offers are actually only appropriate for single user profiles (SoHos). Although some providers offer business multiplay services for multiple users, there are generally very few published offers, and where they are published, they are often limited to a small number of users only (e.g. less than 5) and do not fit SME requirements.

The vast majority of published multiplay business offers are based on a single-user subscription with 1 of each service included, so, for example, a business user requiring 1 broadband line and 5 voice lines would need to take 5 subscriptions to a bundled broadband and fixed voice line offer to fulfil its voice and broadband requirements, which in reality would be vastly over-specified and costly. Once a business moves beyond one or two users, there is much more customization of the different service elements, and providers will typically not publish prices in such a way as to allow prospective users to build a true-to-life cost for a bundled offer. Rather, businesses with multiple users will be required to contact the provider to obtain a customized quote. Such quotes will take into account a number of factors, such as the revenue potential and the strategic importance to the provider. The above is however beyond the scope of this study and costs for multiplay offers will therefore not be included in the results for SME's (business type 5 to 8).

Some providers offer their broadband and fixed voice services on the basis of a cable television service, and the television element may be offered as part of the service even for business offers. Because of this, the tariff data collected may include the bundles with television. Where this is the case, it is assumed that there are no additional charges for television, e.g. in the form of more advanced channel packages.

3 Results by business type

This section considers the results of the analysis, based on the methodology outlined in section 2. The results take into account the following considerations:

- Only providers with a total market share of at least 3% are considered for each service type. This is in addition to the general condition that only providers with up to at least 80% combined market share per service for each service type are included. This is to exclude potential market distorters that may have very low priced offers, but may not be widely available, and will typically not be used by the vast majority of businesses.
- Promotional offers are not included, as these are often short term proposals that are less relevant to the business market.
- Non-recurring costs, e.g. connection charges, are not included, to allow the analysis to focus solely on month-on-month costs faced by the businesses.
- Pre-paid mobile voice services are not included, as these would not typically be used by a business user. Pre-paid mobile broadband services are considered a valid proposition for business use.

We hereby also iterate some of the key methodological aspects to ensure a correct understanding of the results:

- The results take into account residential services for some business types only, i.e. those where there is only one user. Residential services considered for such business types include fixed broadband, mobile voice and mobile broadband. Residential voice services, offered either as a standalone service or as part of a bundled offer are not considered valid for businesses, as a typical business will require a dedicated business line/number.
- For businesses with more than one user, the use of residential fixed broadband services is not considered valid, and for these business types, only business services are taken into account. Residential mobile services are still considered, however, as it is assumed that mobile can be purchased on an individual basis.
- Services are considered relevant and valid for the analysis, irrespective of where they are available geographically within a country. I.e. the analysis does not take into account any regional constraints of any given provider.
- Although some international benchmark comparisons will 'normalize' costs to take into account cost of living differences across countries, using a purchasing power parity (PPP) conversion based on comparative price levels (CPL) in different countries, this is typical a conversion used in residential benchmark studies and is less relevant for a business cost comparison. Additionally, the study countries are broadly comparable from a cost of living perspective, hence all results are presented in Euro, and no PPP conversion has been applied.

- As the results relate to business communications costs, all costs are presented exclusive of VAT.

The analysis includes the following sets of results for each of the business types. Please note that for business types 5 to 8, which address businesses with more than one user, results for multiplay are not included as generally, this is not a valid proposition for this type of business. Multi-user businesses will typically negotiate offers on a case by case basis, and it is not possible to include data for such bespoke deals in this study.

- Lowest priced single service offers per country, i.e. services that are purchased separately, rather than as part of a bundled offering
- Lowest priced multiplay offers per country, supplemented by the lowest priced single services, where relevant or necessary. The lowest priced multiplay results are - when applicable - shown on the same graph as the lowest priced single service offers, to facilitate comparison between the two.
- The weighted average of the (up to) three largest providers for single service offers per country. Results are weighted according to each provider's market share for each of the individual services.
- The weighted average of the (up to) three largest providers for multiplay offers per country. The weighted average for the three largest providers for multiplay is calculated in the same way as for single service offers. The multiplay monthly recurring subscription portion is weighted according to the provider's market share for fixed broadband. The results are - when applicable - shown on the same graphs as the weighted average of the three largest providers for single service offers.
- The weighted average of the (up to) three lowest-priced providers for single service offers per country. Results are weighted according to each provider's market share. In order not to distort the results for lowest price comparisons, if any of the second or third lowest priced offers are more than 300% of the lowest, they are excluded from the calculation of the average.
- The weighted average of the (up to) three lowest-priced providers for multiplay offers per country. The weighted average for the three lowest-priced providers for multiplay is calculated in the same way as for single service offers. The multiplay monthly recurring subscription portion is weighted according to the provider's market share for fixed broadband. The results are - when applicable - shown on the same graphs as the weighted average of the three lowest-priced providers for single service offers. In order not to distort the results for the comparisons, if the costs for the second or third lowest priced offers are more than 300% of the lowest, they are excluded from the calculation of the average

Results are presented graphically, with accompanying analysis. In addition, a summary table of country rankings across the various calculation types is included for each business type.

While the cost of each business profile in each country is given, this is meant to be indicative rather than absolute. The analysis of the results is focused on the comparative levels across the 5 study countries, rather than drawing conclusions based on the absolute values.

3.1 Local-based Individual Business

This business describes a business individual primarily working from one location, e.g. a butcher shop or a barber. Such a business is not communications-intensive. It will have a low requirement for fixed broadband, to support general search enquiries and possibly a small web presence. Similarly both fixed and mobile voice use will be low, while there will be no requirement for mobile broadband due the relatively static nature and low data requirements of the business. A summary of the communications' usage for this business is shown in the table below.

Business type 1: Local-based Individual Business		# of communications users:		1		
	Usage level	Value		Additional info		
Fixed broadband	Low	20	GB/month	Minimum speed	10	Mb/s
Mobile broadband		0	GB/month	Minimum speed	0	Mb/s
Fixed voice, national	Low loc	40	Calls/month	Call duration	180	seconds
Fixed voice, international		0	Calls/month	Call duration	180	seconds
Mobile voice, national	Low	39	Calls/month	Call duration	126	seconds
Mobile voice, international	Low	1	Calls/month	Call duration	126	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data		0	GB/month			

3.1.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive. The ranking is determined based on the detailed results, i.e. prices up to two decimal places.

Figure 6: Country rankings by calculation type, Local-based Individual Business

	Belgium	France	Germany	Netherlands	UK
Lowest priced single service offer	1	2	3	5	4
Average across up to 3 largest providers - single service	1	3	5	4	2
Average across up to 3 lowest priced providers - single service	2	1	4	5	3
Lowest priced multiplay offer	2	1	4	5	3
Average across up to 3 largest providers - multiplay	5	1	2	3	4
Average across up to 3 lowest priced providers - multiplay	5	1	3	4	2

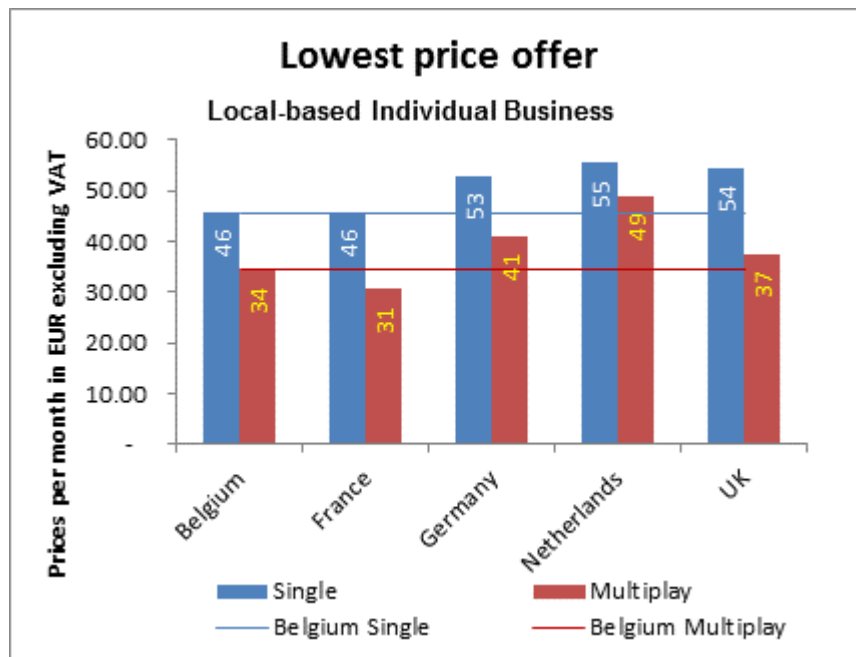
When considering costs based on single service offers, Belgium is either the lowest or second-lowest cost across the five study countries. For multiplay offers, the overall position for Belgium varies between second lowest and most expensive, depending on whether the cheapest overall offer or the average across three providers is considered. The Netherlands ranks as either most expensive or second to third most expensive across all calculation types.

The results are analyzed more in-depth below.

3.1.2 Lowest priced offer

The results for the Local-based Individual Business basket calculation based on the lowest priced offers available are shown in the graph below. Both single service and multiplay results are shown. These results cover generally low use of fixed broadband, as well as low use of fixed and mobile voice.

Figure 7: Lowest priced offer, Local-based Individual Business



For a local-based individual business buying services individually, Belgium together with France are the lowest-priced countries. For Belgian companies with this usage profile, all single services are generally competitively priced compared to the other study countries. Germany, the Netherlands and the UK are on par and between 15-19% more expensive than Belgium.

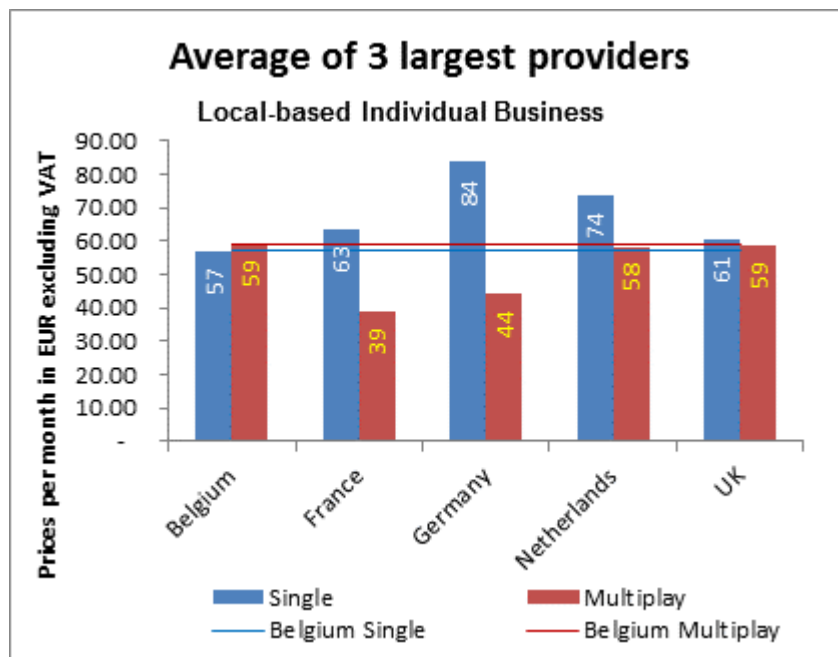
When the lowest-priced multiplay offers are considered, only France is cheaper. Belgium remains competitive, particularly compared to Germany and the Netherlands, the two most expensive study countries. This is mainly a result of a low priced fixed/mobile voice bundle.

Multiplay is a cheaper option than buying services singly for all study countries, with this type of business achieving the greatest reduction in France and the UK, with multiplay services almost a third cheaper than services bought singly.

3.1.3 Average three largest providers

The graph below shows the results for the Local-based Individual Business basket, taking into account the weighted average across the three largest providers. Both single service and multiplay results are shown.

Figure 8: Average across three largest providers, Local-based Individual Business



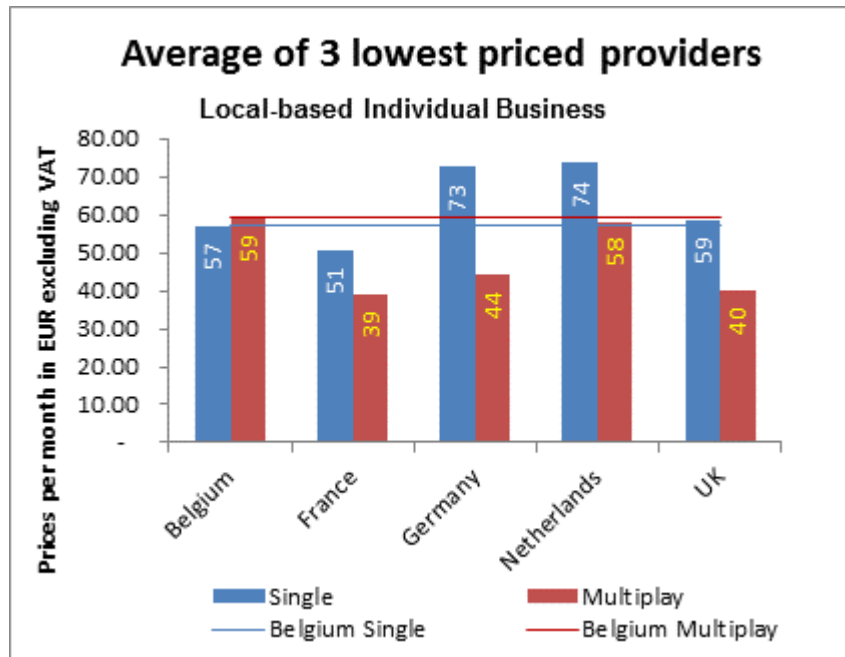
When the average across the three largest providers is considered, Belgium still remains the lowest priced country for single service offerings, and the variation between Belgium and the most expensive country, in this case Germany, widens, with a Local-based Individual Business purchasing single services in Germany paying almost 50% more for its communications than the same business in Belgium while multiplay is however less expensive. Additionally, the increase over the lowest-priced single service result is comparatively lower for Belgium, suggesting that the spread of prices over the three largest providers is not overly significant compared to the other countries except the UK.

For multiplay services, Belgium falls together with the UK into fifth position. There is only a slight difference compared to the Netherlands (only €1 per month). Notably, for a Local-based Individual Business in Belgium, and when considering offers across the 3 largest providers, multiplay is not the cheapest way to buy services, unlike the other study countries where multiplay is cheaper than single service purchase. This is partly due a comparatively expensive bundle from one provider, which includes broadband at a significantly higher speed than that required by the business. This is a feature of the Belgian market, where starting speeds for broadband tend to be higher than in other countries, and will be competitively priced for that speed, but obviously may not be when lower speed alternative are available elsewhere, as required by this particular business. Additionally for this calculation, mobile services from one of the providers (which have to be purchased separately from the bundle) are relatively high.

3.1.4 Average three lowest priced providers

The graph below shows the results for the Local-based Individual Business basket, taking into account the weighted average across the three lowest priced providers. Both single service and multiplay results are shown.

Figure 9: Average across three lowest priced providers, Local-based Individual Business



When the results for the average of the 3 lowest-priced providers are considered, the absolute values for Belgium do not change, indicating that the largest three providers are also the cheapest. This is a similar picture for the Netherlands, which is the most expensive of the study countries for this calculation type. For the remaining study countries, the results do vary between the average of the 3 largest and the 3 lowest-priced providers, indicating that more competitive offers are available from smaller providers, and resulting in a slightly less favorable position comparatively for Belgium. Notably, when multiplay offers are considered, Germany is on par with the lowest-priced countries, namely France and the UK, while for single service offerings, it is on par with the most expensive, the Netherlands.

3.2 Home-based Professional

This business describes a business individual primarily working from home, e.g. a home based consultant. The Home-based Professional will be much more communications-intensive than the Local-based Individual Business, with a significant proportion of time spent in outbound/inbound communications activities. As a result, there is moderately high use across all services, with the exception of mobile voice which is relatively low due to the more static nature of the business. A summary of the communications' usage for this business is shown in the table below.

Business type 2: Home-based Professional				# of communications users:		1
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	15	Mb/s
Mobile broadband	Medium	0.5	GB/month	Minimum speed	3	Mb/s
Fixed voice, national	Medium nat	109	Calls/month	Call duration	240	seconds
Fixed voice, international	Medium	11	Calls/month	Call duration	240	seconds
Mobile voice, national	Low	39	Calls/month	Call duration	126	seconds
Mobile voice, international	Low	1	Calls/month	Call duration	126	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Low	0.05	GB/month			

3.2.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive.

Figure 10: Country rankings by calculation type, Home-based Professional

	Belgium	France	Germany	Netherlands	UK
Lowest priced single service offer	1	2	5	3	4
Average across up to 3 largest providers - single service	1	2	5	4	3
Average across up to 3 lowest priced providers - single service	2	1	5	4	3
Lowest priced multiplay offer	3	1	5	4	2
Average across up to 3 largest providers - multiplay	4	1	2	5	3
Average across up to 3 lowest priced providers - multiplay	5	1	3	4	2

When considering costs based on single service offers, Belgium is either the lowest or second-lowest cost across the five study countries. For multiplay offers, the overall position for Belgium varies between third lowest and most expensive, depending on whether the cheapest overall offer or the average across three providers is considered. Germany ranks as most expensive, for single service calculations, as well as for the lowest priced multiplay offer, while the Netherlands is the most expensive for the multiplay average calculations.

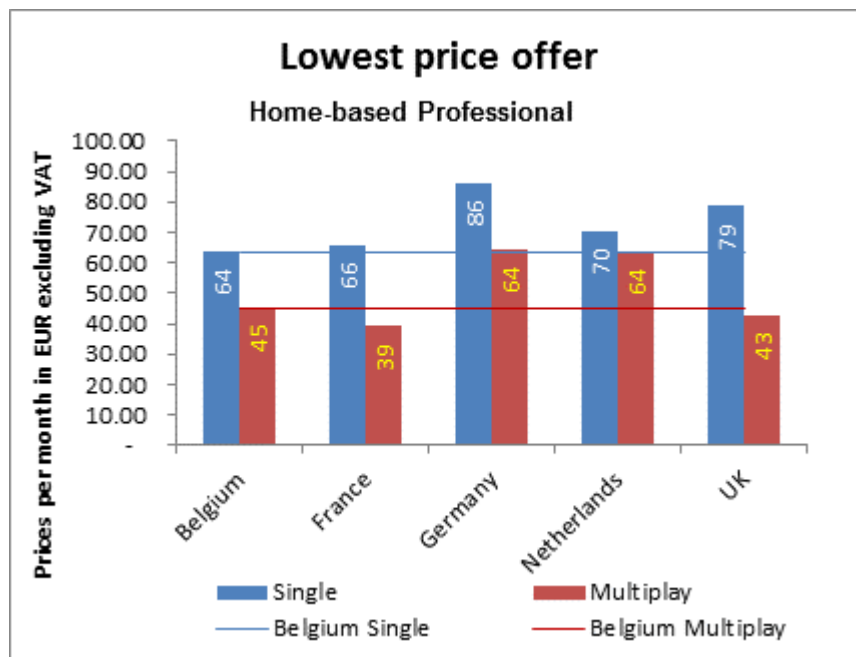
The results are analyzed more in-depth below.

3.2.2 Lowest priced offer

The results for the Home-based Professional basket calculation based on the lowest priced offers available are shown in the graph below. Both single service and multiplay results are

shown. These results cover medium use of fixed and mobile broadband, as well as medium use of fixed voice, plus low use of mobile voice.

Figure 11: Lowest priced offer, Home-based Professional



Similar to the results for business type 1 (Local-based Individual Business), a home based professional based in Belgium will benefit from the lowest priced communications across the study countries when buying services individually. It is however on par with the two countries following, France and the Netherlands. Germany is most expensive, 35% above Belgium. Mobile voice and mobile broadband services are particularly competitive for this user in Belgium, and to some degree fixed voice, while fixed broadband costs, although not the lowest, are on par with several of the other study countries.

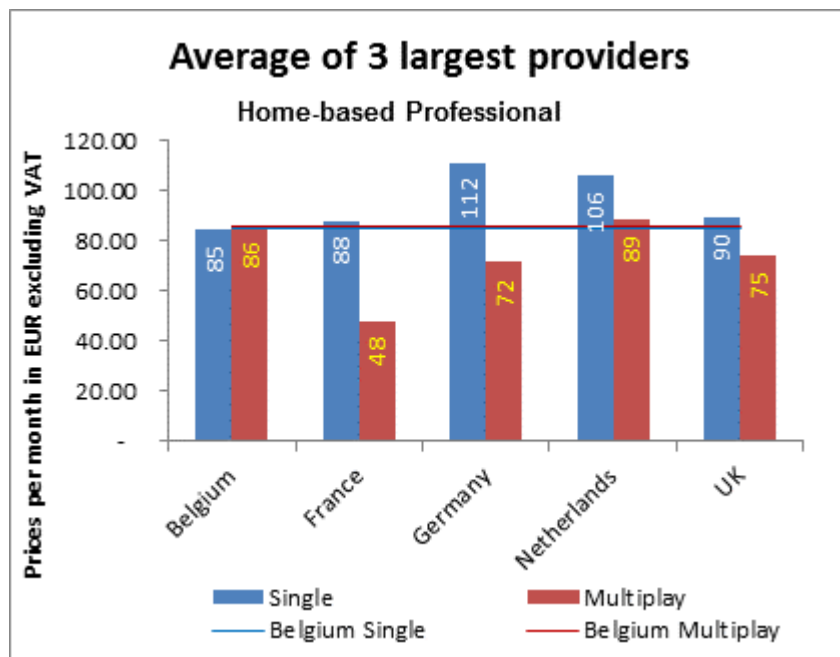
For multiplay offers, although Belgium ranks third, behind France and the UK, it is very much on par with these two countries.

For the home based professional, multiplay is a lower cost option than when services are purchased singly, across all the study countries. The cost variation between single service and multiplay is smallest for the Netherlands, where multiplay is just over 9% cheaper than single service purchase, and greatest for the UK, where the difference is over 45%. For Belgium the difference is just under 30%.

3.2.3 Average three largest providers

The graph below shows the results for the Home-based Professional basket, taking into account the weighted average across the three largest providers. Both single service and multiplay results are shown.

Figure 12: Average across three largest providers, Home-based Professional



Belgium remains the lowest priced country for single services when the average of the 3 largest providers is considered, with the second lowest, France, just under 4% more expensive, and Germany, the most expensive country for single service purchase, over 30% more expensive.

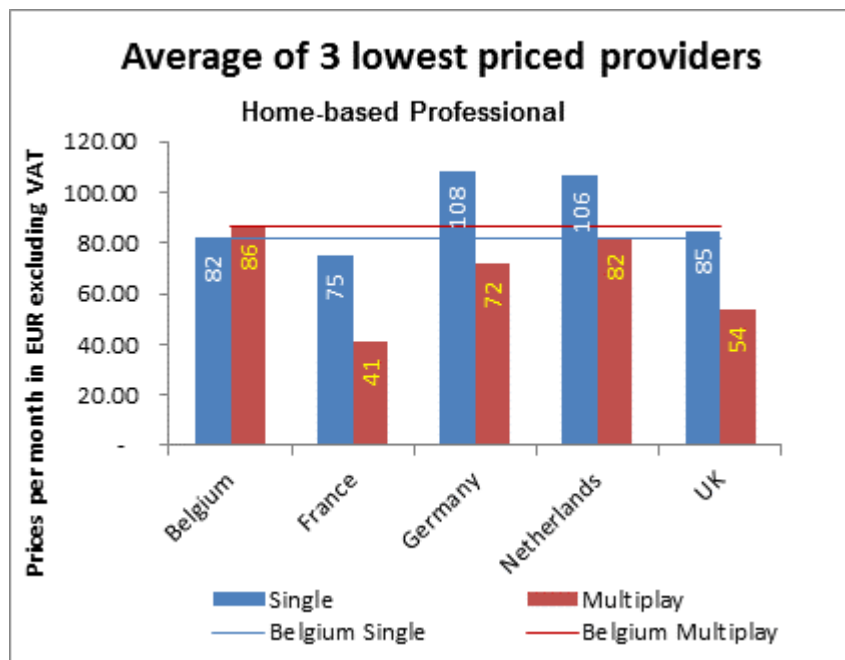
The substantial variation between the cheapest single service offer and the average of the 3 largest providers indicates that there is a significant variation in costs across the different providers. The exception to this is the UK, where the variation between the two costs is much less significant.

For multiplay offers Belgium ranks 4th, close to the most expensive, the Netherlands. For all the study countries except Belgium, multiplay is a cheaper option than buying services singly, although in Belgium the difference between single service and multiplay cost is minimal.

3.2.4 Average three lowest priced providers

The graph below shows the results for the Home-based Professional basket, taking into account the weighted average across the three lowest priced providers. Both single service and multiplay results are shown.

Figure 13: Average across three lowest priced providers, Home-based Professional



For almost all the study countries, for both single service and multiplay calculations, the costs for the average of the 3 lowest priced providers are typically below those for the average of the 3 largest providers, indicating that a broader range of competitive offers exist for this business type beyond the dominant market players.

Belgium continues to rank among the cheapest countries when services are purchased singly, on par with the slightly cheaper France and the slightly more expensive UK. For multiplay services, Belgium ranks most expensive, however, it has costs close to the Netherlands, which ranks fourth.

Again, multiplay is a more attractive proposition compared to single services for all the study countries but Belgium; again, the variation between cost for single service purchase and multiplay is not significant for Belgium.

3.3 Mobile Professional 1

This business describes a business individual primarily working while on the move, e.g. a plumber or contractor. The communications requirements for this business are much more focused towards mobile services, to reflect the need for 'on-the-move' communications. For example, the user would take calls while on the move, but also might call customers to alert them of a change of schedule. Mobile broadband is used to support activities such as solution searches and ordering goods while at client premises. There is no need for fixed voice for this business, however, low use of fixed broadband is required, for web-searching for the business, and to support a web-presence. A summary of the communications' usage for this business is shown in the table below.

Business type 3: Mobile Professional 1		# of communications users:		1		
	Usage level	Value		Additional info		
Fixed broadband	Low	20	GB/month	Minimum speed	10	Mb/s
Mobile broadband	High	2	GB/month	Minimum speed	6	Mb/s
Fixed voice, national		0	Calls/month	Call duration	0	seconds
Fixed voice, international		0	Calls/month	Call duration	0	seconds
Mobile voice, national	Medium	98	Calls/month	Call duration	138	seconds
Mobile voice, international	Low	2	Calls/month	Call duration	138	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Medium	0.05	GB/month			

3.3.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive.

Figure 14: Country rankings by calculation type, Mobile Professional 1

	Belgium	France	Germany	Netherlands	UK
Lowest priced single service offer	3	2	4	5	1
Average across up to 3 largest providers - single service	3	2	5	4	1
Average across up to 3 lowest priced providers - single service	3	2	5	4	1
Lowest priced multiplay offer	3	2	4	5	1
Average across up to 3 largest providers - multiplay	5	2	3	4	1
Average across up to 3 lowest priced providers - multiplay	5	2	3	4	1

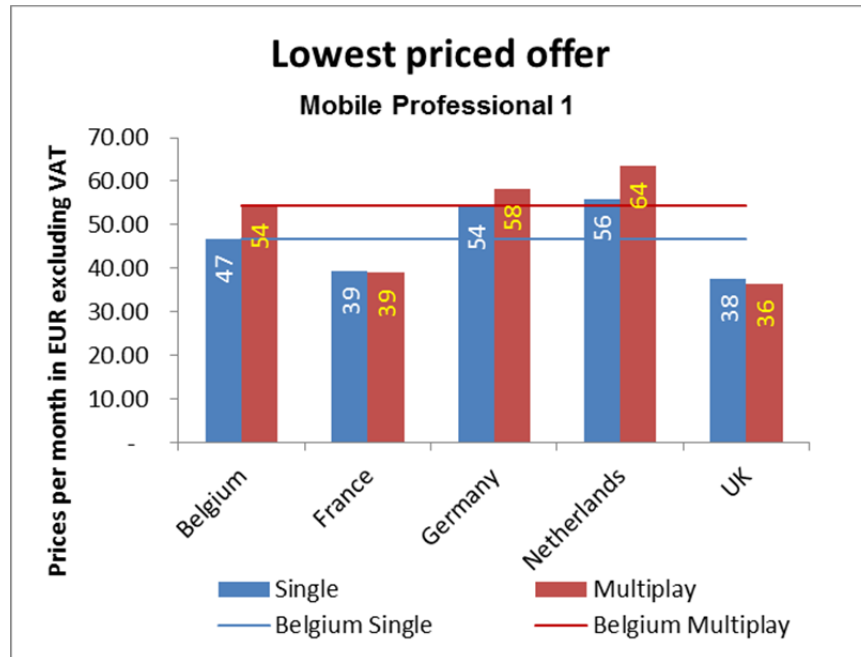
When considering costs based on single service offers, Belgium ranks third across the across the five study countries. It maintains this position for the lowest priced multiplay offer, however, when the averages across the 3 largest and 3 lowest-priced providers are considered, Belgium is the most expensive country. The UK, which generally has low costs for mobile services, ranks cheapest across all calculation types for this business type, which has a higher reliance on mobile compared to other services.

The results are analyzed more in-depth below.

3.3.2 Lowest priced offer

The results for the Mobile Professional 1 basket calculation based on the lowest priced offers available are shown in the graph below. Both single service and multiplay results are shown. These results cover a mainly mobile user with medium voice and handset data requirements, and high mobile broadband use, with low fixed broadband needs, and no requirement for fixed voice.

Figure 15: Lowest priced offer, Mobile Professional 1



For single service offers, Belgium ranks mid-range across the study countries for the Mobile Professional 1 user, with costs for this user almost 24% more expensive than the cheapest country, the UK, and around 16% cheaper than the most expensive, the Netherlands. Higher mobile costs have contributed to Belgium's ranking, although costs here are on par with several of the other study countries.

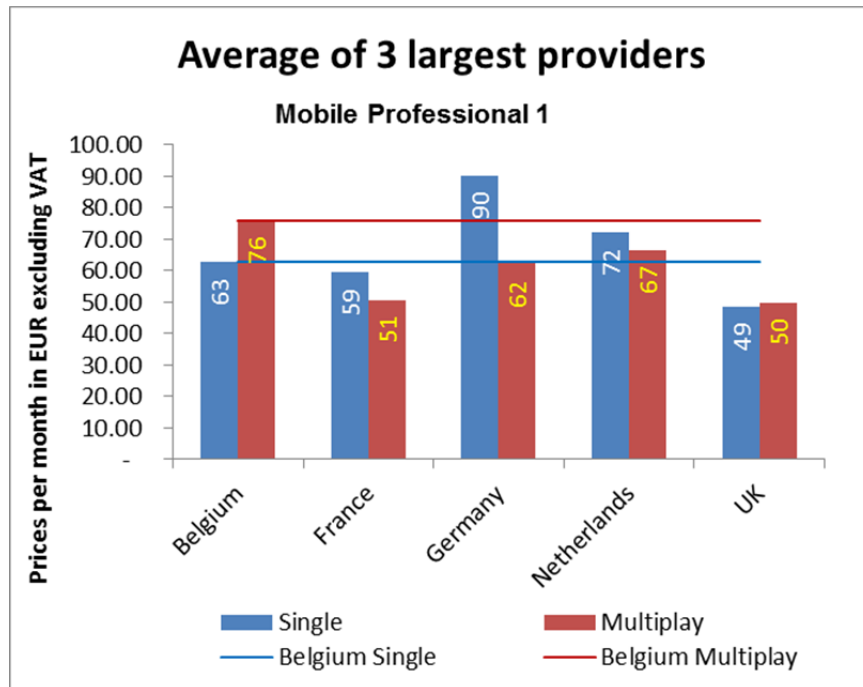
When multiplay offers are considered, while it still ranks mid-range across the countries, from a cost perspective, is it much more on par with the two most expensive countries, Germany and the Netherlands, and is 50% more expensive than the UK, which is has the lowest costs for this particular user.

What is notable about the costs for the mobile user is that multiplay generally offers limited, if any benefits over single service purchase. In 3 of the 5 study countries, multiplay is a more expensive option, while in the remaining 2 countries, multiplay offers only small cost benefits. Compared to more traditional multiplay bundles, offerings based around mobile are less well suited to multiplay, and typically do not bring as much from a cost benefit perspective.

3.3.3 Average three largest providers

The graph below shows the results for the Mobile Professional 1 basket, taking into account the weighted average across the three largest providers. Both single service and multiplay results are shown.

Figure 16: Average across three largest providers, Mobile Professional 1

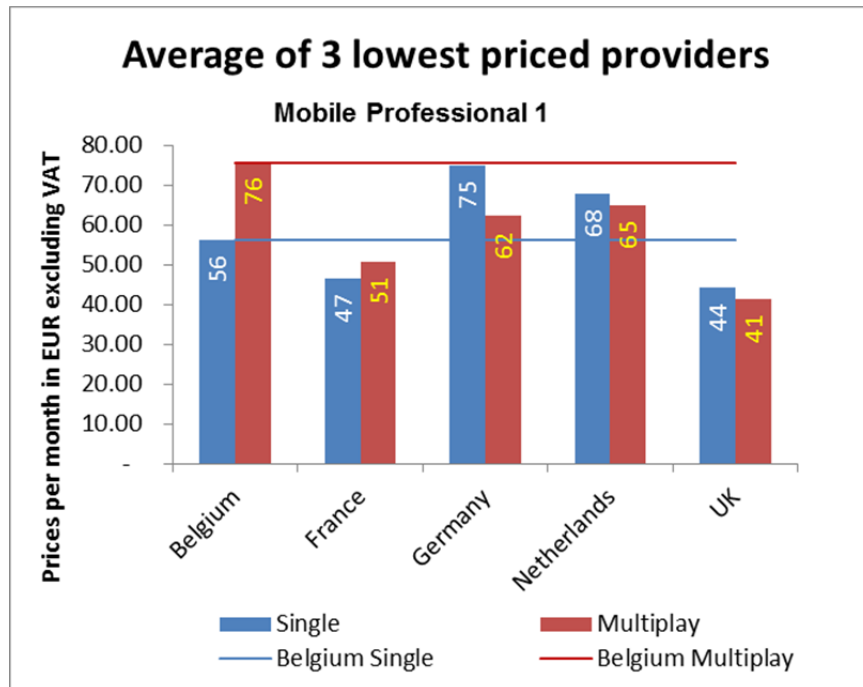


When the average of the 3 largest providers is considered, Belgium’s remains in third position from a cost perspective, however, it is much closer in cost to the second least expensive country, France. For multiplay, however, it is the most expensive country, and is over 50% more expensive than the cheapest country, the UK. For 3 of the 5 countries, multiplay is a more attractive option, based on this calculation. This is more as a result of a broader cost variation across the 3 largest providers for single service pricing, however, particularly for Germany and the Netherlands

3.3.4 Average three lowest priced providers

The graph below shows the results for the Mobile Professional 1 basket, taking into account the weighted average across the three lowest priced providers. Both single service and multiplay results are shown.

Figure 17: Average across three lowest priced providers, Mobile Professional 1



Similar to the result for the average of the 3 largest providers, Belgium sits in the middle for the single service offers, behind the UK and France, but is the most expensive country for multiplay. Additionally, it has the widest variation between single service and multiplay pricing in the study countries. As already mentioned, multiplay is a less attractive proposition for users with more mobile-intensive requirements.

3.4 Mobile Professional 2

This business describes a business individual primarily working while on the move, e.g. a sales person. Communications requirements for this business are highly mobile and relatively intensive, with the sales person needing to communicate with customers and the main office on a frequent basis. Mobile broadband requirements are similarly high. In addition to the high mobile requirements, there is a need for low use of fixed broadband, to support email and general web activities when the Mobile Professional is not on the road. A summary of the communications' usage for this business is shown in the table below.

Business type 4: Mobile Professional 2		# of communications users:		1		
	Usage level	Value		Additional info		
Fixed broadband	Low	20	GB/month	Minimum speed	10	Mb/s
Mobile broadband	High	2	GB/month	Minimum speed	6	Mb/s
Fixed voice, national		0	Calls/month	Call duration	0	seconds
Fixed voice, international		0	Calls/month	Call duration	0	seconds
Mobile voice, national	High	245	Calls/month	Call duration	150	seconds
Mobile voice, international	Low	5	Calls/month	Call duration	150	seconds
Mobile voice, messages	Medium	60	SMS/month			
Mobile voice, data	High	0.25	GB/month			

3.4.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive.

Figure 18: Country rankings by calculation type, Mobile Professional 2

	Belgium	France	Germany	Netherlands	UK
Lowest priced single service offer	4	2	3	5	1
Average across up to 3 largest providers - single service	3	2	5	4	1
Average across up to 3 lowest priced providers - single service	3	2	4	5	1
Lowest priced multiplay offer	3	2	4	5	1
Average across up to 3 largest providers - multiplay	5	2	3	4	1
Average across up to 3 lowest priced providers - multiplay	5	2	3	4	1

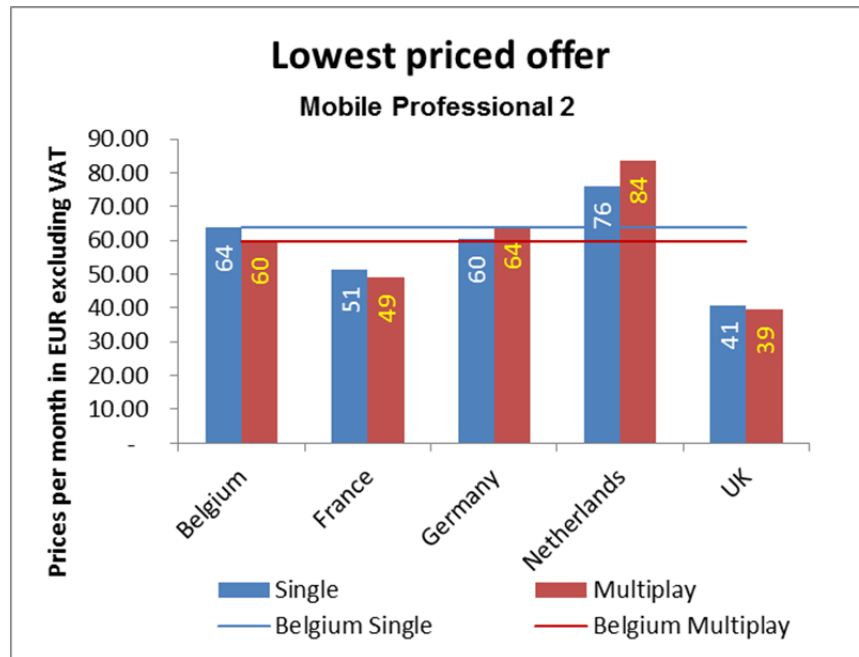
Similar to the Mobile Professional 1 user, the overall position for Belgium for both single service and multiplay is mid-range to expensive, compared to the other study countries. When considering costs based on single service offers, Belgium ranks third or fourth across the five study countries, while for multiplay, it ranks as mid-range when considering the lowest-priced multiplay offer only, and is the most expensive country when the average calculations are considered. As with Mobile Professional 1, for this mobile user, the UK ranks cheapest across all calculation types.

The results are analyzed more in-depth below.

3.4.2 Lowest priced offer

The results for the Mobile Professional 2 basket calculation based on the lowest priced offers available are shown in the graph below. Both single service and multiplay results are shown. These results cover a mainly mobile user with generally high mobile voice and handset data requirements, and high mobile broadband use (tablet, dongle or laptop-based), with low fixed broadband needs, and no requirement for fixed voice.

Figure 19: Lowest priced offer, Mobile Professional 2



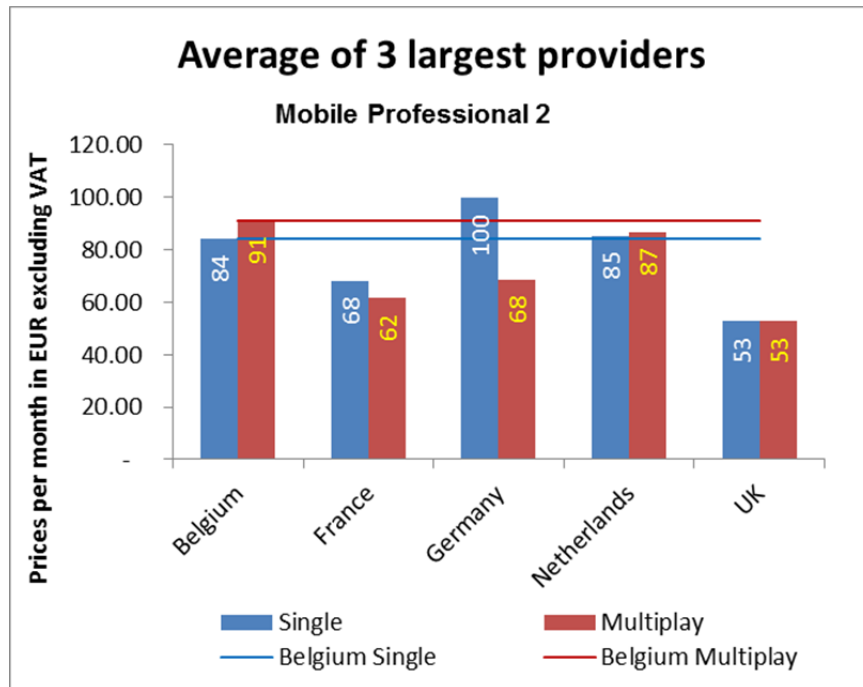
As mobile voice and handset data usage increases, the position of Belgium compared to the other study countries becomes slightly less favorable for single service offers, where Belgium is the second most expensive. For this mobile user with greater mobile needs, the UK, with its low mobile costs, is the least expensive, while the Netherlands is most expensive - for both single service and multiplay offers. The increased mobile use makes the overall position for Belgium less favorable, coupled with mid-range fixed broadband costs. Mobile broadband costs, by contrast, are the lowest in Belgium.

The higher mobile use makes multiplay a more attractive proposition over single services, compared to the previous business type (Mobile Professional 1), although the benefits over single service purchase, where they exist, are still small. When considering the lowest-priced multiplay offer, Belgium ranks mid-range, at just over 50% more expensive than the cheapest country, the UK, and just under 30% cheaper than the most expensive, the Netherlands.

3.4.3 Average three largest providers

The graph below shows the results for the Mobile Professional 2 basket, taking into account the weighted average across the three largest providers. Both single service and multiplay results are shown.

Figure 20: Average across three largest providers, Mobile Professional 2

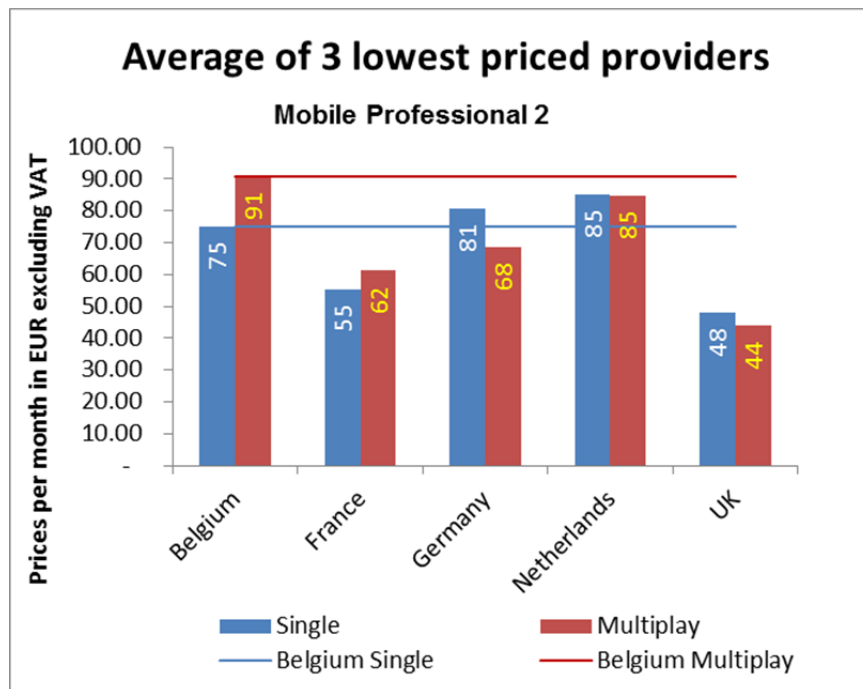


When considering the average of the 3 largest providers, Belgium ranks third for single service offers, and is the most expensive for multiplay. The increase in costs compared to the lowest-priced offer only suggests that the largest providers do not offer the most competitive deals. The high mobile use of this business type means that multiplay generally does not offer any significant cost benefits over single service offers. The exception to this is Germany, and this is mainly because of the high cost of single services from the large providers.

3.4.4 Average three lowest priced providers

The graph below shows the results for the Mobile Professional 2 business type, taking into account the weighted average across the three lowest priced providers. Both single service and multiplay results are shown.

Figure 21: Average across three lowest priced providers, Mobile Professional 2



When considering the average of the 3 lowest-priced providers, Belgium ranks third for single service offers, although its costs are broadly on par with the two most expensive countries, Germany and the Netherlands, and over 50% more expensive than the cheapest country, the UK. It is also the most expensive for multiplay. The less favorable result suggests that the range of competitive offers for primarily mobile use in Belgium is not as attractive as in other study countries.

3.5 Retail Outlet

This business describes a retail business location with 5 users, e.g. a DIY or furniture store, each with communications needs covered by both fixed and mobile services. Note that this business (as well as the following three business types) can have more employees than the number of communication users. Voice call usage pattern focusses on local calls. The nature of the business means that fixed broadband usage is relatively high, to support email communication, web searching and ordering, and maintaining a web presence. Similarly, fixed voice communications is also relatively high, predominantly for local calls to other businesses (for example to place orders) and to locally-based customers. Mobile needs are moderate, reflecting the fact that employees are not desk-bound, and will move around, both on-site and away from the site. The local nature of the business means that international communications are very low. A summary of the communications' usage for this business is shown in the table below.

Business type 5: Retail Outlet		# of communications users:		5		
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Medium	0.5	GB/month	Minimum speed	3	Mb/s
Fixed voice, national	Medium loc	85	Calls/month	Call duration	120	seconds
Fixed voice, international	Low	5	Calls/month	Call duration	120	seconds
Mobile voice, national	Medium	78	Calls/month	Call duration	126	seconds
Mobile voice, international	Medium	2	Calls/month	Call duration	126	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Low	0.05	GB/month			

3.5.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive. Only single service results are shown as multiplay is not an appropriate proposition for this business. A more detailed explanation for this can be found in section 2.7.

Figure 22: Country rankings by calculation type, Retail Outlet

	Belgium	France	Germany	Netherlands	UK
Lowest priced single service offer	1	3	5	2	4
Average across up to 3 largest providers - single service	1	2	5	3	4
Average across up to 3 lowest priced providers - single service	1	4	5	2	3

The overall position for a Retail Outlet in Belgium is particularly favorable, with Belgium ranking as the lowest-priced of all the study countries, irrespective of calculation type. Germany is the most expensive.

The results are analyzed more in-depth below.

3.5.2 Lowest priced offer

The results for the Retail Outlet basket calculation based on the lowest priced offers available are shown in the graph below. These results cover 5 users, with medium use across fixed and mobile broadband, and fixed and mobile voice.

Figure 23: Lowest priced offer, Retail Outlet

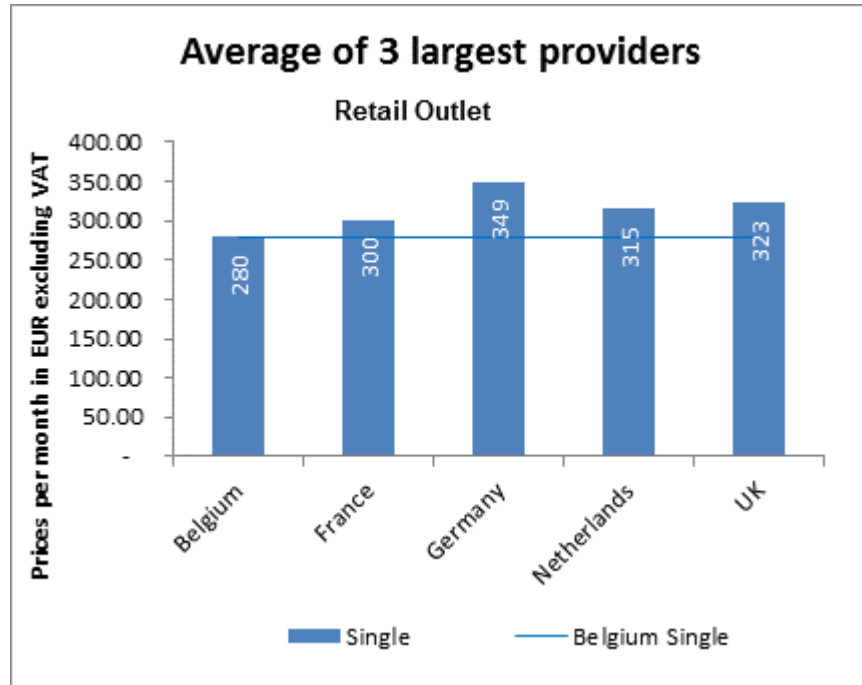


Belgium is the lowest-priced country overall when considering the cheapest available services. A Retail Outlet in Belgium will benefit from costs that are around 7% lower than those faced by the second cheapest country, the Netherlands, and almost 30% cheaper than the most expensive, Germany. The low costs for Belgium are a result of particularly favorable pricing for fixed and mobile broadband, and mobile voice services. Although not the cheapest across the study countries for all services, prices are generally low.

3.5.3 Average three largest providers

The graph below shows the results for the Retail Outlet business type, taking into account the weighted average across the three largest providers.

Figure 24: Average across three largest providers, Retail Outlet

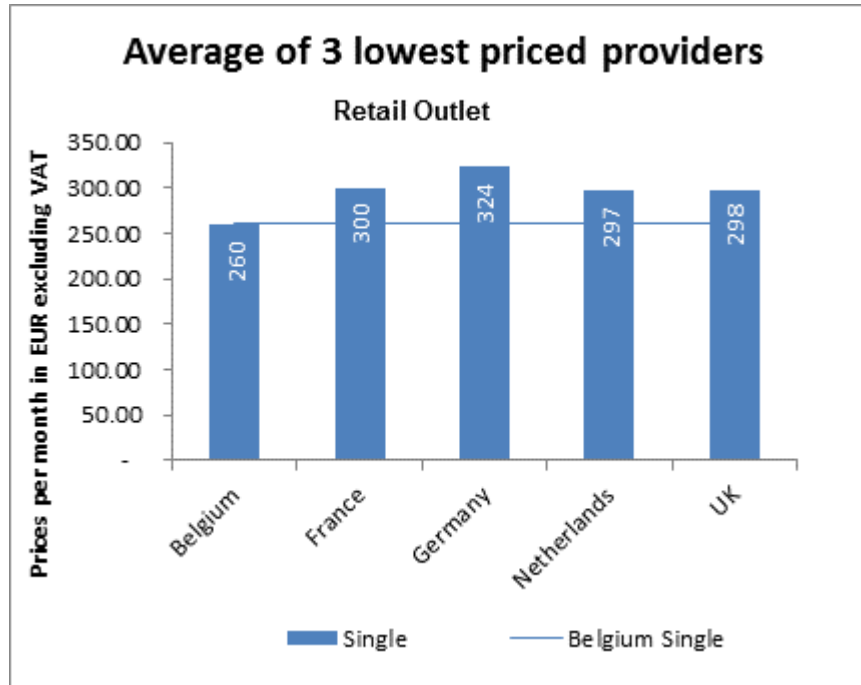


For the average of the 3 largest providers, Belgium is the lowest-priced country, although the gap between the countries is much smaller than for the lowest-priced only result, with Belgium just under 20% cheaper than the most expensive country, Germany. The variation between the costs for the 3 largest providers and the cheapest overall offer is greatest for the Netherlands and Belgium, suggesting that the costs for the 3 largest providers are less closely aligned than in the other study countries. The smallest cost variation is the UK, at 12%, indicating a much closer alignment of costs across the large providers, although the UK ranks mid-range to more expensive across the study countries for a Retail Outlet.

3.5.4 Average three lowest priced providers

The graph below shows the results for the Retail Outlet business type, taking into account the weighted average across the three lowest priced providers.

Figure 25: Average across three lowest priced providers, Retail Outlet



Belgium remains the cheapest country for the average of the 3 lowest-priced providers, with a similar spread of costs as for the average of the 3 largest providers. Germany is, again, the most expensive country for this calculation, with costs for Belgium 20% cheaper. As with the 3 largest providers, the variation in costs with the cheapest single service for Belgium is second only to the Netherlands, indicating a wider spread of costs among the cheapest providers. The UK shows the least variation, with the average of the 3 lowest-priced providers only 3% higher than the overall cheapest result.

3.6 Local Trading Company

This business describes a trading company with 10 users, e.g. an import/export or logistics company, doing business from a fixed location, with significant national and international contacts. For this business, fixed broadband usage is relatively high, to support email communication, web searching and information exchange, and maintaining a web presence. Both fixed national and international voice communications are high, reflecting the fact that users are more likely to be desk-bound, with much of their communications taking place at their desk. By contrast, and for the same reason, mobile needs are moderate. A summary of the communications' usage for this business is shown in the table below.

Business type 6: Local Trading Company				# of communications users: 10		
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Medium	0.5	GB/month	Minimum speed	3	Mb/s
Fixed voice, national	High nat	157	Calls/month	Call duration	240	seconds
Fixed voice, international	High	23	Calls/month	Call duration	240	seconds
Mobile voice, national	Low	29	Calls/month	Call duration	108	seconds
Mobile voice, international	Low	1	Calls/month	Call duration	108	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Low	0.05	GB/month			

3.6.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive. Only single service results are shown as multiplay is not an appropriate proposition for this business. A more detailed explanation for this can be found in section 2.7.

Figure 26: Country rankings by calculation type, Local Trading Company

	Belgium	France	Germany	Netherlands	UK
Lowest priced single service offer	3	2	5	1	4
Average across up to 3 largest providers - single service	3	1	5	4	2
Average across up to 3 lowest priced providers - single service	3	2	4	5	1

The overall position for a Local Trading Company in Belgium is reasonable, with Belgium ranking as number three of the five study countries, irrespective of calculation type. Germany is either the most expensive, with the exception of the average of the 3 lowest-priced providers, where the Netherlands is the most expensive.

The results are analyzed more in-depth below.

3.6.2 Lowest priced offer

The results for the Local Trading Company business type calculation based on the lowest priced offers available are shown in the graph below. These results cover a business with 10 users, needing medium levels of both fixed and mobile broadband, and high levels of fixed voice, both national and international.

Figure 27: Lowest priced offer, Local Trading Company

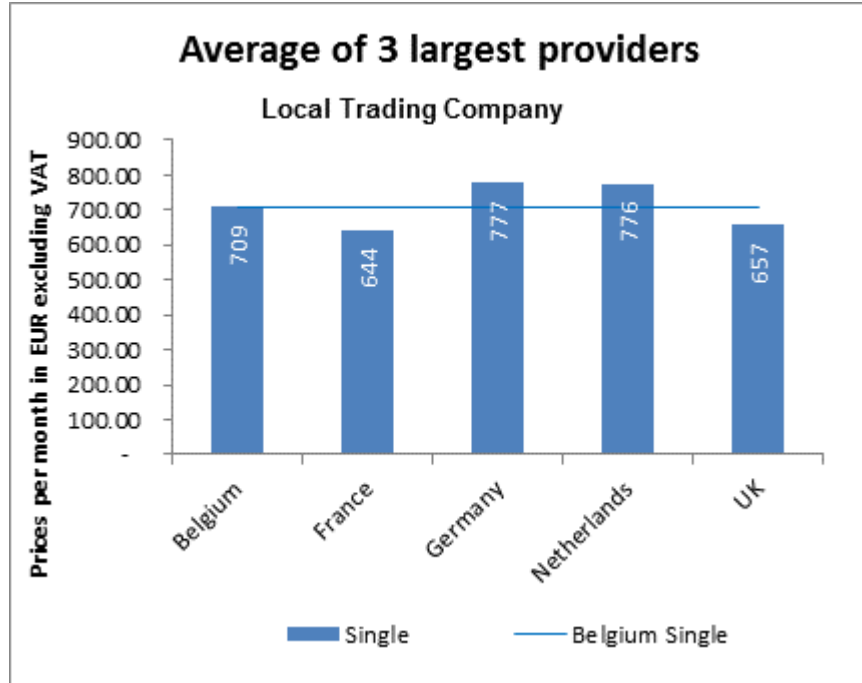


For the Local Trading Company, Belgium ranks in the middle of the study countries; with the Netherlands as the cheapest 24% below and Germany as the most expensive 21% above. Belgium benefits from competitive costs across fixed and mobile broadband and mobile voice, while fixed voice costs are mid-range.

3.6.3 Average three largest providers

The graph below shows the results for the Local Trading Company business type, taking into account the weighted average across the three largest providers.

Figure 28: Average across three largest providers, Local Trading Company

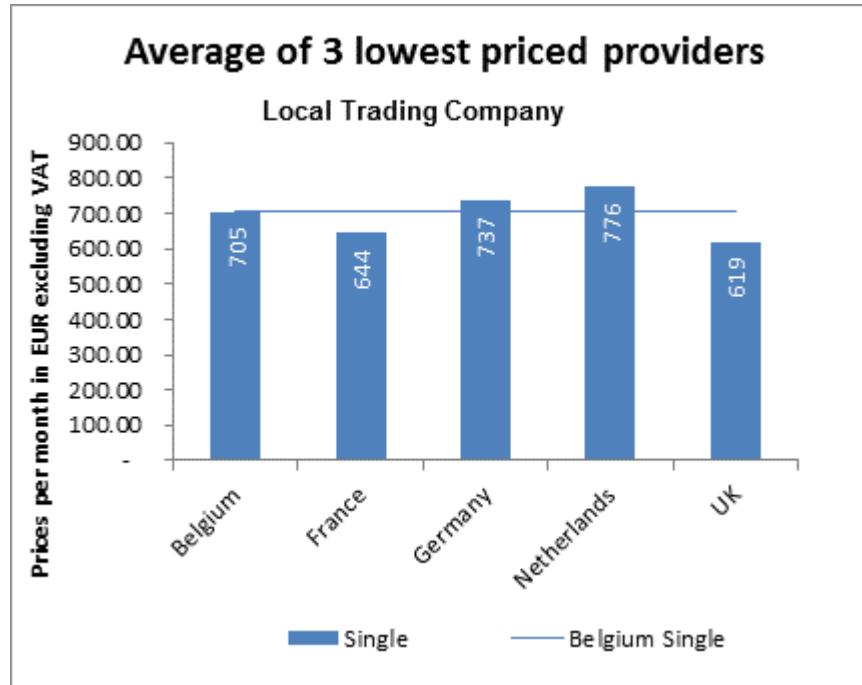


For the average of the 3 largest providers, the costs for the Local Trading Company are considerably higher than when the cheapest single service only is considered. For Belgium, the difference is 25%, indicating a large variation in costs across the 3 largest providers here. The smallest variation is the UK, at 9.3%. In terms of overall cost, Belgium again ranks mid-range across the study countries, after both France and the UK. The difference in cost is not overly significant, however, with Belgium a relatively modest 10% more expensive than the cheapest country France.

3.6.4 Average three lowest priced providers

The graph below shows the results for the Local Trading Company business type, taking into account the weighted average across the three lowest priced providers.

Figure 29: Average across three lowest priced providers, Local Trading Company



Belgium again ranks mid-range when the average of the 3 lowest-priced providers is considered, and is a relatively modest 14% more expensive than the cheapest country, the UK. The difference between the average of the 3 lowest-priced providers and the lowest overall price for Belgium for the Local Trading Company is 24%, indicating a relatively broad spread of prices here. The smallest variation is in the UK, where the difference is only 3%.

3.7 Local Production Company

This business describes a production company with 10 users, mainly local connection needs. The nature of the business means there is a high use of fixed voice for local-based communications, as well as fairly extensive use of fixed broadband, which supports email communication, web searching and ordering, and maintaining a web presence. As the business does not need staff to be particularly mobile, there is generally little reliance on mobile communications, both nationally and internationally. A summary of the communications' usage for this business is shown in the table below.

Business type 7: Local Production Company				# of communications users: 10		
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Low	0.1	GB/month	Minimum speed	1	Mb/s
Fixed voice, national	High loc	171	Calls/month	Call duration	240	seconds
Fixed voice, international	Low	9	Calls/month	Call duration	240	seconds
Mobile voice, national	Medium	78	Calls/month	Call duration	108	seconds
Mobile voice, international	Medium	2	Calls/month	Call duration	108	seconds
Mobile voice, messages	Medium	60	SMS/month			
Mobile voice, data	Medium	0.25	GB/month			

3.7.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive. Only single service results are shown as multiplay is not an appropriate proposition for this business. A more detailed explanation for this can be found in section 2.7.

Figure 30: Country rankings by calculation type, Local Production Company

	Belgium	France	Germany	Netherland	UK
Lowest priced single service offer	2	3	5	1	4
Average across up to 3 largest providers - single service	1	3	5	4	2
Average across up to 3 lowest priced providers - single service	2	4	5	1	3

A Local Production Company in Belgium will generally face low communications costs compared to similar businesses in the other study countries. Belgium ranks as the second lowest-priced of all the study countries for the lowest-priced single service result and the average of the 3 lowest priced providers, and lowest for the average of the 3 largest providers. Germany is the most expensive country, across all calculation types.

The results are analyzed more in-depth below.

3.7.2 Lowest priced offer

The results for the Local Production Company business type calculation based on the lowest priced offers available are shown in the graph below. These results cover a business with 10 users where fixed broadband use is moderate, as is mobile voice use, and national fixed voice use is high. Mobile broadband is not used extensively by this business.

Figure 31: Lowest priced offer, Local Production Company

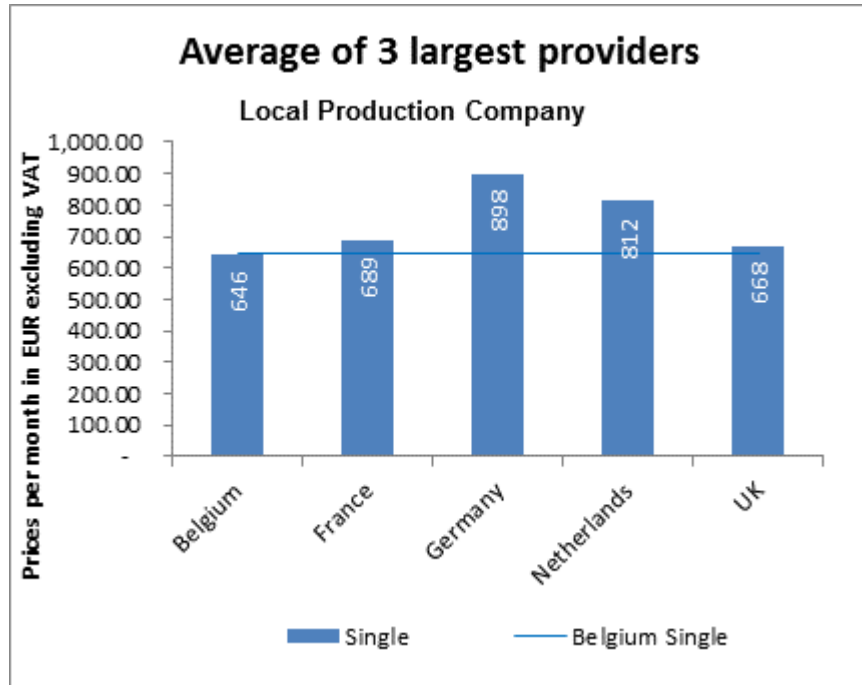


As with other small and medium multi-user business types in Belgium, the costs for the Local Production Company in Belgium are on par with similar companies in France and the Netherlands for services purchased singly. Belgium is 8% more expensive than the Netherlands, and around 38% cheaper than the most expensive, Germany. Belgian businesses with this profile benefit from the lowest costs for the fixed and mobile broadband services, and reasonable prices for fixed and mobile voice.

3.7.3 Average three largest providers

The graph below shows the results for the Local Production Company business type, taking into account the weighted average across the three largest providers.

Figure 32: Average across three largest providers, Local Production Company

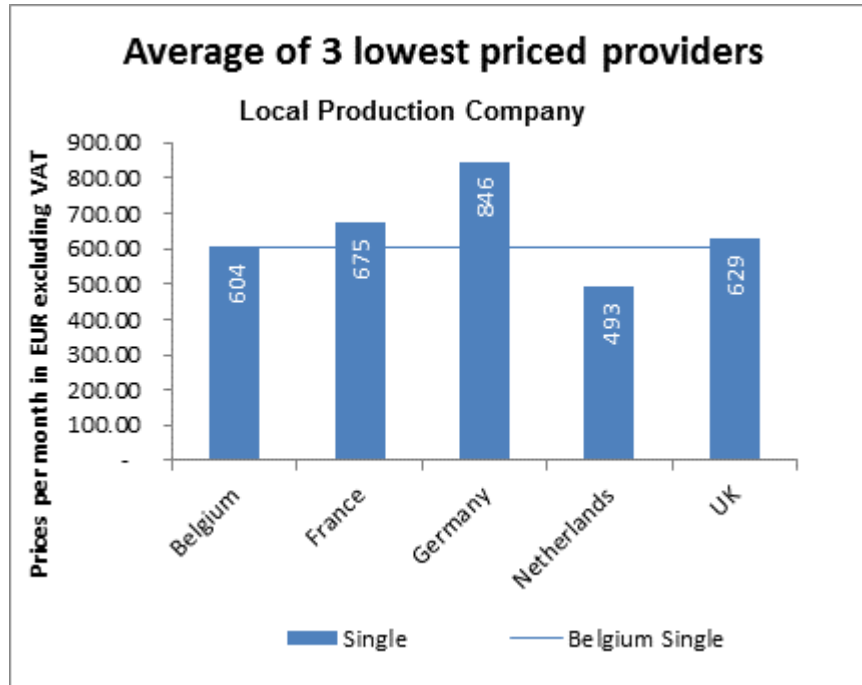


Belgium is the cheapest country when the average of the 3 largest providers is taken into account, although the overall picture presents a more even playing field. For this comparison, Belgium is 3% cheaper than the second lowest-priced country, the UK, and 28% cheaper than the most expensive, Germany.

3.7.4 Average three lowest priced providers

The graph below shows the results for the Local Production Company business type, taking into account the weighted average across the three lowest priced providers.

Figure 33: Average across three lowest priced providers, Local Production Company



Belgium ranks second cheapest for the average of the 3 lowest-priced providers. It is 22% more expensive than the cheapest country, the Netherlands, and 28% cheaper than the most expensive country, Germany.

3.8 Local Service Company

This business describes a Local Service Company with 50 users who are both on the move and in the office, with mainly local connection needs. For this business, both fixed and mobile communications are important, due to the mix of employee types. The high number of users in the company means that several broadband connections are required, to support typical day to day activities such as email, information search and exchange, and maintaining a web presence. As some users are more desk-based, while others may be more mobile, both fixed and mobile voice needs are relatively high. The local nature of the business means that more emphasis is placed on fixed local as opposed to long distance calls, however, international fixed calls are also high, to support international trading activities. A summary of the communications' usage for this business is shown in the table below.

Business type 8: Local Service Company		# of communications users:		50		
	Usage level	Value		Additional info		
Fixed broadband	Medium x3	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Low	0.1	GB/month	Minimum speed	1	Mb/s
Fixed voice, national	High loc	157	Calls/month	Call duration	240	seconds
Fixed voice, international	High	23	Calls/month	Call duration	240	seconds
Mobile voice, national	Medium	78	Calls/month	Call duration	138	seconds
Mobile voice, international	Medium	2	Calls/month	Call duration	138	seconds
Mobile voice, messages	Medium	60	SMS/month			
Mobile voice, data	Medium	0.25	GB/month			

3.8.1 Country rankings summary

The rankings of the prices in different countries for this business are shown in the table below. The countries are ranked for each basket calculation from 1 to 5, where 1 represents the lowest price, highlighted in green, and 5 the most expensive. Only single service results are shown as multiplay is not an appropriate proposition for this business. A more detailed explanation for this can be found in section 2.7.

Figure 34: Country rankings by calculation type, Local Service Company

	Belgium	France	Germany	Netherlands	UK
Lowest priced single service offer	4	2	5	1	3
Average across up to 3 largest providers - single service	4	2	5	3	1
Average across up to 3 lowest priced providers - single service	3	2	5	4	1

A Local Production Company in Belgium will generally face medium to high communications costs compared to similar businesses in the other study countries. Belgium ranks as fourth of all the study countries for the lowest-priced single service result and the average of the 3 lowest-priced providers, and third for the average of the 3 largest providers. Germany is the most expensive country, across all calculation types.

The results are analyzed more in-depth below.

3.8.2 Lowest priced offer

The results for the Local Service Company business type calculation based on the lowest priced offers available are shown in the graph below. These results cover the largest business in the analysis, with 50 users, and a requirement for moderate fixed broadband use (3 broadband lines) and moderate mobile voice use for both national and international calls. Use of fixed voice is high, both nationally and internationally. Fixed voice is also the most significant cost driver in this profile, based on the number of lines assumed.

Figure 35: Lowest priced offer, Local Service Company

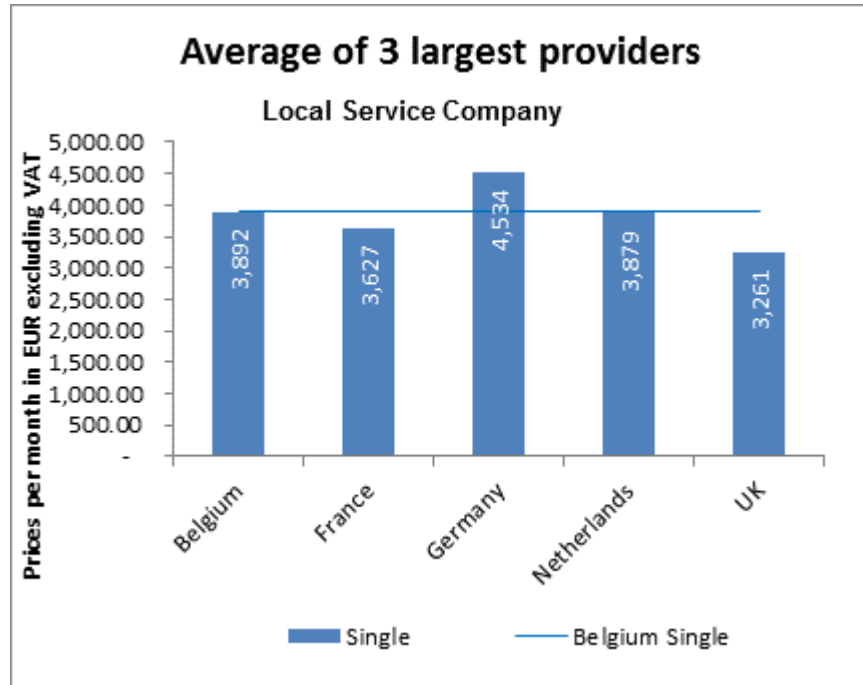


A Local Service Company in Belgium will face costs on par with a similar company in the UK, and approximately 20% above those in France and the Netherlands. Costs in Belgium are 22% below those of the most expensive country, Germany. Belgium's position is as a result of the dominant fixed voice costs for this business type.

3.8.3 Average three largest providers

The graph below shows the results for the Local Service Company business type, taking into account the weighted average across the three largest providers.

Figure 36: Average across three largest providers, Local Service Company

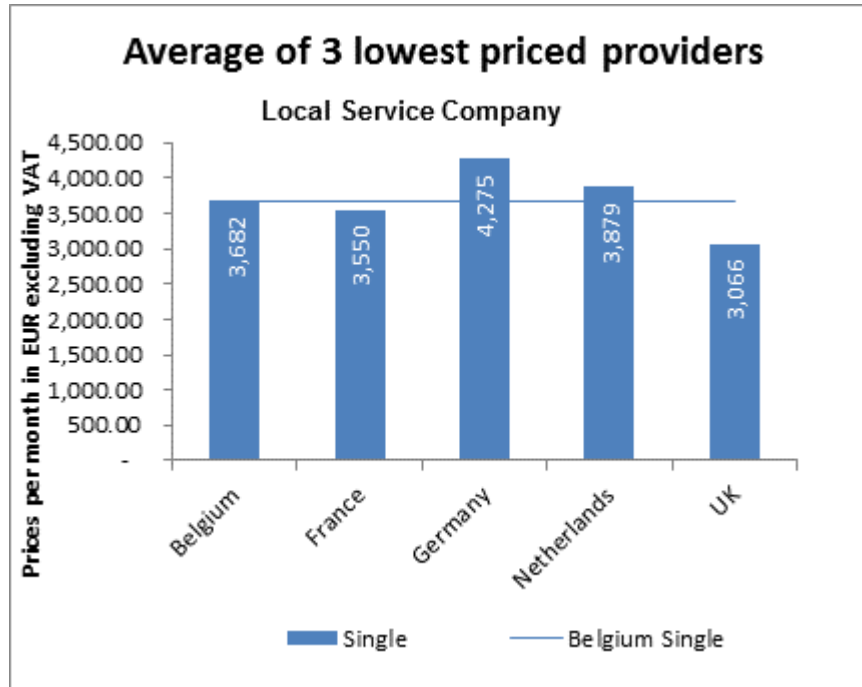


When the average of the 3 largest providers is considered, Belgium is on par with the Netherlands and below Germany. The difference in cost between the cheapest country, the UK, and Belgium is 16%. Belgium is almost 14% cheaper than the most expensive country, Germany.

3.8.4 Average three lowest priced providers

The graph below shows the results for the Local Service Company business type, taking into account the weighted average across the three lowest priced providers.

Figure 37: Average across three lowest priced providers, Local Service Company



When considering relevant offers for the average of the 3 lowest-priced provider calculation, Belgium ranks third across the study countries. Belgium is over 20% more expensive than the cheapest country, the UK, and 14% cheaper than the most expensive, Germany. All service costs in Belgium are generally low for this calculation type, except for fixed voice.

4 Qualitative observations

4.1 Introduction

This section provides an overview of a range of service related qualitative factors offered across the study countries in connection to business tariffs only as well as a snapshot of the Wifi hotspot and homespot coverage.

The former is generic in nature as this is not intended to be an in-depth, exhaustive comparison across providers, but rather an assessment of the key qualitative factors offered across the study countries, with a view to identifying the extent to which business users have access to the various features.

For some providers and some countries, there is very limited availability of published information. Additionally, service related qualitative factors may vary by offer, and a single provider may offer multiple levels of a given qualitative factor within a range of offers.

4.2 Service related qualitative factors

4.2.1 Fixed voice

The table below considers the qualitative factors applicable to fixed voice, and shows the extent to which these are offered by country

Figure 38: Summary of fixed voice qualitative factors, by country

Fixed voice	Belgium	France	Germany	Netherlands	UK
Customer service	Generally specified: Professional, dedicated service on most offers with 24/7 helpdesk. Multiple levels from some operators	Generally specified: professional, dedicated service on most offers, with 24/7 helpdesk	Specified, but limited information	Specified, but limited information available. Extended hours customer service, with 24/7 fault reporting.	Generally specified: Professional, dedicated service on most offers with 24/7 helpdesk. Multiple levels from some operators
SLA/fix time	Generally unspecified	Generally unspecified	Mostly unspecified. Where specified, 8 hours (chargeable)	Generally unspecified	Generally unspecified
Call options	Standard range generally offered free of charge, e.g. call waiting, call forwarding	Standard range generally offered free of charge, e.g. call waiting, call forwarding	Standard range generally offered free of charge, e.g. call waiting, call forwarding	Standard range generally offered free of charge, e.g. call waiting, call forwarding	Standard range generally offered free of charge, e.g. call waiting, call forwarding

The information available for fixed voice is very limited across all countries. Presentation format varies, at time significantly, from offer to offer and provider to provider.

Customer service offerings appear generally as standard across the study countries, with business services generally attracting a 24/7 helpdesk-type service. While most providers do not offer differentiated levels of customer service, some do, most notably in Belgium and the UK.

Service Level Agreement (“SLA”) information is not readily available, and most providers do not publish information about guaranteed fix times or back up options for fixed voice

services. Some information is published for Germany, with some services from one provider offering an 8 hours fix time. This is a chargeable option.

The range of call options across the study countries does not vary widely, and this is to be expected, as voice is a commodity service with options having been in place for a relatively long time, and generally free of charge.

Text continues on next page

4.2.2 Mobile voice

The table below considers the qualitative factors applicable to mobile voice, and shows the extent to which these are offered by country

Figure 39: Summary of mobile voice qualitative factors, by country

Mobile voice	Belgium	France	Germany	Netherlands	UK
Customer service	Generally specified: Typically standard offerings, with business levels available as standard for business offers.	Generally specified: Typically standard offerings, with business levels available as standard for business offers. Varying levels available with one operator	Generally specified. Where specified, standard offerings, with dedicated customer service for businesses	Limited information, but where available standard, with dedicated customer service for businesses	Limited information. One operator offers business specific customer service
SLA/fix time	Generally unspecified	Generally unspecified. Chargeable options available e.g. for device and SIM card replacement and dedicated customer service (€9-€15/line/mth)	Generally unspecified	Generally unspecified	Generally unspecified
Call options	General standard range, e.g. call transfer, missed call notification, conference call, caller ID, handling 2 calls at one, call barring (some operators charge for this e.g just under €5/month from 2 operators)	Limited information on either options or pricing. Where specified, business services include selected cloud services (MS Office 365), data share on multiple devices, visual voicemail and conference call facilities.	Limited information on either options or pricing. Add on security option for 1 operator (€2 per month)	Limited information on either options or pricing. One operator offers business specific voicemail as standard for business.	Limited information on either options or pricing.
Cost control options	Available from some operators for business, e.g. data monitor and alert, roaming filter (€2.5/mth), invoice splitting (allowing business calls to be grouped separately)	Limited information available.	Invoice splitting on business contracts from some operators, plus multi-SIM options (may be chargeable depending on contract). Online bill viewing and tariff management	Various cost control options available. From one operator, access to Customised call profiles for different employees. From another operator, onlin access to call records with option to set budgets and monitor and block specific users. From 3rd operator, cost and usage control pack included in all business subscriptions plus multiSIM options	Limited information available, but various options depending on operator. Online bill management typically offered
Usage monitor	Available from some operators, specifically data usage	Limited information available.	Online access from some operators for call and data usage monitoring. Data check application	Online access from some operators for call and data usage monitoring.	Limited information available.

The availability of qualitative information varies widely, from provider to provider, and from country to country.

As might be expected, there is generally more information available for business offerings compared to consumer services. For the latter, customer service hours are typically standard working hours, over 5 or 6 days a week. Business levels, offering longer hours (e.g. 24/7) are standard with some offers and/or providers. Generally, a single level of customer

service for businesses is available, with the exception of France, where multiple levels are available. Information for both the Netherlands and the UK is much less readily available.

Similar to fixed voice, SLA information is generally unspecified - unsurprisingly, mobile providers will not offer guarantees around network availability. Some French providers have options available for device and/or SIM replacement, along with dedicated customer service, although these are chargeable, and relatively costly.

Information on call options is relatively sparse, with many providers not explicitly stating what call options are available - either free of charge or at cost. It is unclear whether some options are regarded as default, and therefore there is no need to list (e.g. caller ID), or whether they are genuinely unavailable. Typically, however, many call options have always been included as part of a GSM/LTE standard offer. Belgian providers provide the most comprehensive list of call options, including call transfer, conference call, caller ID, dual call handling and call barring. While most options are free, call barring is typically a chargeable option (two providers charge just under €5 per month each for this option).

Information available on cost control options is varied. In France and the UK there is generally little information published. In Belgium, Germany and the Netherlands, there is more information. In Belgium, data monitors, and usage alerts are offered, plus other options such as roaming filter (to block certain calls when roaming - this is a chargeable option), and invoice splitting, to allow separation of personal calls from business, for example. In Germany, invoice splitting is also available, as are facilities such as online bill viewing and tariff management. Netherlands, similar to Belgium, has a wide range of cost control options, including customized call profiles for different employees, and online access for budget setting and monitoring and potentially blocking users. One provider includes a cost and usage control pack as standard in business subscriptions, which also include multi-SIM options (to allow more efficient use of data by sharing it across multiple devices).

While usage monitor options are available, the specifics of offers are less so. In both France and the UK, there is limited information published on how users can monitor their usage levels. In Germany and the Netherlands, online access is available from some providers for call and data usage monitoring.

4.2.3 Fixed broadband

The table below considers the qualitative factors applicable to fixed broadband, and shows the extent to which these are offered by country

Figure 40: Summary of fixed broadband qualitative factors, by country

Fixed broadband	Belgium	France	Germany	Netherlands	UK
Customer service	Generally specified: Professional, dedicated service on most offers with 24/7 helpdesk. Multiple levels from some operators	Generally specified: professional, dedicated service on most offers, with 24/7 helpdesk	Specified, but limited information	Specified, but limited information available. Extended hours customer service, with 24/7 fault reporting.	Generally specified: Professional, dedicated service on most offers with 24/7 helpdesk. Multiple levels from some operators
SLA/guaranteed fix	Range from best efforts to 4 hours. 3G back up from some operators. Premium SLA may be chargeable	Average offered 4 hours	Average offered 8 hours	Response within one day. Free remote assistance from one operator.	Very limited information published.
Cloud services	Limited information published. Storage available as standard from one operator - 10GB. Optional from a second operator - start price €7.95/month for 10GB (1GB for free as trial)	Limited information published. Storage, where available, average is 5-10GB per month included	Limited information published. Where indicated, 5GB for free, option for €3.99/month for 100GB	Limited information published. For storage, one operator offers 2GB for free, 50GB of €6/yr, plus server backup and €24.95/yr for 50GB (other options available)	Limited information published on storage limits. Some cloud services available at cost from selected operators.
Security	Specified as standard in 55% business offers	Specified as standard in 33% business offers	Specified in 60% of business offers. Some operators / subscriptions chargeable (e.g. €4.99/mth from one operator)	Specified as standard in 64% of business offers. Typically free to some chargeable (€3.98 /mth from one operator)	Specified in 55% of business offers. Chargeable at £4.99/month
IP addresses	Typically one as standard (offer dependent). Some operators offer dynamic as standard with static at optional cost (e.g. €20/month for 1 static address, €25/month for 4-32)	Typically one as standard. Either dynamic and static depending on the operator.	Typically one as standard. Either dynamic and static depending on the operator.	Typically one as standard. Either dynamic and static depending on the operator.	Where information is published, one dynamic address is typically offered as standard. One operator offers between 1-5 static addresses for £5.50 per month. A second offers one free static address, with >1 chargeable
Email addresses (average)-bus only	5	12	90	13	9

As might be expected, the amount of qualitative information published for fixed broadband services is much greater than for other services. There are a greater number of options that can be more easily measured, and providers will typically offer more comprehensive SLAs around fixed broadband.

Most providers will offer a professional level of customer service for businesses, with extended hours and 24/7 fault reporting. Multiple levels are available for some providers,

most notably in Belgium and the UK. The level of customer service is typically defined by the type of subscription and is included as part of the offer.

Guaranteed fixed time range from 4 hours (in Belgium and France, for some offers), to best efforts (Belgium - this is for a lower grade business offer). In Belgium, one provider offers 3G as a back-up solution in the event that there is a problem restoring service. Premium SLAs here may attract a charge. For example, in Belgium one provider charges between €10 and €50 per month, depending on whether a business requires a next business day response or a 24/7 response. In the UK there is very little information published. In the Netherlands, information is also fairly limited. One provider states a response within one day, but no guarantees around fix time.

Information on cloud services is generally limited, although many providers will offer cloud storage. There is no consistent picture as to how cloud storage is offered. Where available, many providers offer a certain amount (typically 5-10GB) for free within a given broadband subscription, and charge beyond this. Some providers do charge for relatively low levels of storage. For example, one Belgian provider offers 10GB of storage for €7.95/month.

Security is included in many business offers, with the extent to which it is included varying from country to country, but generally, it is offered in around 55-64% of business plans, with the exception of France, where it is specified as offered in around 33% of plans. In Germany, Netherlands and the UK, depending on the subscription type, and provider, security is a chargeable option, ranging from €4-€5/month.

IP addresses are typically offered as dynamic, with some more advanced offers including one or more static addresses as standard. In Belgium, for example, a static address can cost €20/month, while in the UK it can cost £5.50/month (for up to 5 addresses). Some providers may offer dynamic as standard with a 'free' upgrade for the first static address.

The number of email addresses varies depending on provider and offer. The average across the study countries ranges from 5, in Belgium, to 90 in Germany. The high average in Germany is due to a number of plans from 2 providers including a large number of addresses (52 for one provider, and 200 for the other).

4.2.4 Mobile broadband

The table below considers the qualitative factors applicable to mobile broadband, and shows the extent to which these are offered by country

Figure 41: Summary of mobile broadband qualitative factors, by country

Mobile broadband	Belgium	France	Germany	Netherlands	UK
Customer service	Generally specified, with typically standard offer. Business customer service available for business offers	Generally specified, with typically standard offer. One operator offers business customer service for business offers	Generally specified, with typically standard offer.	Information not available from all operators. Where available standard, with dedicated customer service for businesses	Information not available from all operators. One operator offers business specific customer service
SLA/guaranteed fix	Where specified, same or next day (package dependent)	Generally unspecified	Generally unspecified	Generally unspecified	Generally unspecified
Cost control options	Available from some operators for business, e.g. data monitor and alert.	Limited information available.	Online bill viewing and tariff management	Various cost control options available. From one operator, online access to set budgets and monitor and block specific users.	Limited information available, but various options depending on operator. Online bill management typically offered
Usage monitor	Data usage monitors available from some operators	Limited information available.	Online access from some operators for data usage monitoring. Data check application	Online access from some operators for data usage monitoring.	Limited information available.

Similar to mobile voice, there is generally more information available for business offerings compared to consumer. For consumer services, customer service hours are typically standard working hours, over 5 or 6 days a week. Business levels, offering longer hours (e.g. 24/7) are standard with some offers and/or providers. Generally, a single level of customer service for businesses is available, with the exception of France, where multiple levels are available. Information for both the Netherlands and the UK is much less readily available.

SLA information is generally unspecified. Again this is similar to the picture for mobile voice. Unlike fixed providers, mobile providers will generally not offer guarantees around network availability.

Information available on cost control options varies from provider to provider and from country to country. In France and the UK there is generally little information published, while there is more available in Belgium, Germany and the Netherlands. In Belgium, data monitors, and usage alerts are offered, while in Germany, users can benefit from facilities such as online bill viewing and tariff management. Netherlands has online access for budget setting and monitoring and potentially blocking users.

Data usage monitor options are essentially an element of cost control. While these are generally indicated as being available, the specifics of offers are less so. In both France and the UK, there is limited information published on how users can monitor their usage levels.

In Germany and the Netherlands, online access is available from some providers for call and data usage monitoring.

4.3 WiFi hotspot and homespot coverage

The table below shows WiFi hotspot and homespot coverage, by provider and country, where this information is available. Some providers will use hotspots from other providers or other approaches. For example, a number of providers are increasingly partnering with FON, a global WiFi community. Customers of provider partners share a portion of their bandwidth with other FON members who are in range of another member's connection, which greatly increases the number of access points available. The approach is based on a system of dual access wireless networks. .

Figure 42: Summary of WiFi hotspot and homespot coverage, by provider

	# WiFi hotspots (excl homespots)	WiFi homespots
Belgium		
Belgacom/Proximus	N/A	700,000
Mobistar	N/A	N/A
Base	N/A	N/A
Telenet	1,500	1,250,000
France		
Orange	40,000	30,000
SFR	2,000	4,000,000
Bouygues	N/A	N/A
Free	N/A	4,000,000
Germany		
Telekom/T-Mobile	12,000	2.5M planned by 2016
Vodafone	N/A	N/A
O2	3,000	N/A
E-Plus (Base)	N/A	N/A
Netherlands		
KPN	N/A	1M planned by end 2014
Vodafone	N/A	N/A
T-Mobile	N/A	N/A
UK		
BT	200,000	5,200,000
EE (incl Orange and T-Mobile)	WiFi from BT	5,200,000
O2	15,000 (based on forecast)	N/A
Vodafone	WiFi from BT	5,200,000
3 UK	N/A	N/A

Based on information collected during May 2014

Many providers do not publish information on the number of owned WiFi hotspots. The use of homespots is increasingly prevalent, and this information is much more readily available (although gaps still exist). Across the study countries, Proximus (Belgium), SFR (France), Deutsche Telekom (Germany), KPN (Netherlands) and BT (UK) are confirmed FON members.

5 Conclusion

When taking into account typical usage patterns of professional customers and businesses in Belgium, the telecommunications costs they face are broadly favorable compared to the other study countries. This is especially true for Local-based Individual Businesses, Home-based Professionals and all multi-user businesses (SMEs), and in particular, for businesses that purchase services individually, rather than opting for bundled offerings. Germany and the Netherlands are typically the most expensive countries across most business types, while the rankings for France vary between very competitive to mid-range, depending on the type of business. The UK offers a very competitive market for Mobile Professionals, but ranks mid-range for other business types.

While the study is primarily focused on the costs faced by typical Belgian businesses, compared to similar businesses in other countries, a high level assessment of qualitative factors has also been undertaken. It is however not possible to assess these qualitative factors in any quantitative way, or to draw any conclusions around how important different factors are to an individual business. Also, there is a significant variation across services and providers, in terms of what is published and readily available. It is beyond the scope of this study to provide anything beyond general observations on these qualitative factors.

5.1 Price ranking

The overall rankings from the analysis are consistent and in line with observations seen in other studies.

The figure below summarizes the ranking for Belgium for each business type, and for each of the 3 calculation methods considered in the analysis. "1" indicates that Belgium has the lowest cost, while "5" indicates that costs in Belgium are the highest across the study countries.

Figure 43: Rankings for Belgium, by business type and calculation method.

	Lowest priced		Average 3 largest		Average 3 lowest-priced	
	Single service	Multiplay	Single service	Multiplay	Single service	Multiplay
Local based individual business	1	2	1	5	2	5
Home-based Professional	1	3	1	4	2	5
Mobile Professional 1	3	3	3	5	3	5
Mobile Professional 2	4	3	3	5	3	5
Retail Outlet	1		1		1	
Local Trading Company	3		3		3	
Local Production Company	2		1		2	
Local Service Company	4		4		3	

When services are bought separately, Belgium generally compares favorably not just when the lowest priced offer is considered, but also when the average of the 3 largest providers and the average of the 3 lowest-priced providers are taken into account. This is an important consideration, as it shows that the positive cost position for businesses in Belgium is not just restricted to the cheapest set of offers only, which may not be accessible to or appropriate for all businesses, but rather, businesses can achieve comparatively good costs from a wide range of providers. This of course assumes that

business users choose a combination of the cheapest tariff plans available in the market to fulfil their telecommunications needs.

Although most Belgian businesses enjoy a strong position in terms of telecommunications cost, compared to similar businesses in the other study countries, some businesses fare less favorably. The two Mobile Professional business types, with low-to-medium and medium-to-high levels of mobile usage respectively dominating the two profiles, illustrate the somewhat higher cost of mobile voice services in Belgium, compared to the other study countries. That is particularly true for multiplay purchases.

Although there are also mobile requirements for the other business types, the cost of the other services, which are generally competitive for Belgium, balance out the overall cost to return a broadly favorable result for these Belgian businesses. Additionally, for some usage types, mobile costs in Belgium are competitive, as a result of low cost business offers from selected providers.

It is worth noting that the Local Trading Company is positioned mid-range compared to the other study countries, while the Local Service Company is second most expensive for both the lowest prices and average of the 3 largest provider calculations, mainly as a result of less favorable fixed voice usage costs which dominate usage.

Mobile broadband services are particularly competitive, and Belgian businesses often benefit from the lowest costs for these. Fixed voice services are also relatively competitive, for single and smaller businesses.

Broadband services at lower speeds are less competitive than those at higher speeds in Belgium. At lower speeds, Belgian providers are on par with several of the other countries, and while not expensive, are not as competitive as higher speed services. This illustrates the fact that broadband speeds in Belgium are relatively higher, and when compared with lower speeds in other countries, appear more on par, from a cost perspective. In terms of service functionality, the Belgian business user will be getting a higher speed of service for a similar cost as elsewhere. When there is a higher speed requirement for a business, Belgium is consistently among the cheapest across the study countries.

5.2 Multiplay vs. single service

Businesses that opt for multiplay services - applicable for single user businesses only - are likely to fare less well relative to the other study countries. The cheapest bundles for Belgium will typically include mobile voice as part of the bundle, and the costs for these are generally high compared to the (generally single service) offers in the other study countries. Additionally, some providers in Belgium may only offer a high speed broadband connection within a bundled plan. If this is much higher speed than the requirement of the particular business, it can compare less favorably to bundles in other study countries where lower speed connections are available within a multiplay offer, and at a lower cost.

Multiplay offers do not necessarily provide a cheaper solution than single play services. The figure below shows the extent to which multiplay is cheaper or more expensive than single

service purchase. A negative percentage indicates that multiplay is cheaper than single play (and by how much), while a positive percentage indicates that multiplay is more costly.

Figure 44: Extent to which multiplay is cheaper or more expensive than single service offers for Belgium

	Lowest priced	Average 3 largest	Average 3 lowest-priced
	Multiplay: single play	Multiplay: single play	Multiplay: single play
Local based individual business	-26%	3.5%	3.5%
Home-based Professional	-30%	1.2%	4.9%
Mobile Professional 1	15%	21%	36%
Mobile Professional 2	-6%	8.3%	21%

In general, multiplay does not deliver significant cost savings to businesses in Belgium. The two exceptions here are for the local-based individual business and the home-based professional, both of which enjoy some significant cost savings with multiplay, based on the cheapest overall offer.

This result for multiplay is not surprising, and one that is regularly seen in this kind of analysis. It is important to note that the benefits of multiplay are not necessarily cost-based but more qualitative in nature and business users may find added value in working with an end-to-end service provider. Multiplay is also beneficial for those users who are less prepared to shop around for the most competitive offers, and who prefer the ease of dealing with as few providers as possible. It does lock users into a single provider for several services, however, and may be constraining for some businesses.

5.3 Cheapest vs. largest providers

A final observation on the price benchmarking analysis is the variation in pricing between the average of the 3 largest and the average of the 3 cheapest providers in Belgium, as show in the figure below.

Figure 45: Cost variation between average of 3 largest and average of 3 cheapest providers, Belgium

	Single service	Multiplay
	Av 3 largest: Av 3 cheapest	Av 3 largest: Av 3 cheapest
Local based individual business	0%	0%
Home-based Professional	3%	0%
Mobile Professional 1	12%	0%
Mobile Professional 2	12%	0%
Retail Outlet	7%	
Local Trading Company	1%	
Local Production Company	7%	
Local Service Company	6%	

Where there is no difference (0%), this indicates that the 3 largest providers are also the 3 cheapest. It can also indicate that only the 3 largest providers can fulfil the requirements of a given business. The multiplay results are notable in this regard.

Where there is a variation in costs between the average of the 3 largest and the average of the 3 cheapest, it is generally not significant, and ranges from between 1% and 12%. Care has to be taken with any interpretation of these numbers, as these are total communications costs, comprising several services, and for any given service, there may be a wide variation in costs across both providers. It does suggest, however, that the costs faced by a business will not vary significantly based on the calculation type.

Appendix: Methodology

6 The Business concept

An important part of the study methodology is the concept of “businesses”¹, covering all telecommunications service requirements of all users and the costs associated to it. For each business, baskets for individual services have been determined to establish how each service is used within that business.

The following telecommunications services (“services”) are covered within the study:

- Fixed voice FV (PSTN, VoIP)
- Mobile voice MV (including SMS and handset data usage)
- Fixed broadband FBB (over DSL, Cable, Fibre)
- Mobile broadband MBB (based on laptop/tablet/dongle modem usage)

As far as telecommunications product offers are concerned, the benchmarking methodology looks separately at both the above mentioned single services, and any bundles/combinations consisting of two to four different services. With bundled services, in order to complete the picture, a multiplay or bundled offer that does not fulfil all the requirements of a business is expanded with the cheapest possible single services in the market, from any provider.

The table below describes in broad terms the telecommunications requirements for each type of business that has been defined for the purposes of this study, reflecting the typical Belgian context.

Figure 46: Communications service requirements for identified businesses

	FBB	MBB	FV nat	FV intrn	MV nat	MV intrn	MV mess	MV data	Users
1 Local-based Individual Business	Low		Low loc		Low	Low	Low		1
2 Home-based Professional	Medium	Medium	Medium nat	Medium	Low	Low	Low	Low	1
3 Mobile Professional 1	Low	High			Medium	Low	Low	Low	1
4 Mobile Professional 2	Low	High			High	Low	Medium	Medium	1
5 Retail Outlet	Medium	Medium	Medium loc	Low	Medium	Low	Low	Low	5
6 Local Trading Company	Medium	Medium	High Nat	High	Low	Low	Low	Low	10
7 Local Production Company	Medium	Low	High loc	Low	Medium	Medium	Medium	Medium	10
8 Local Service Company	Medium x 3	Low	High loc	High	Medium	Low	Medium	Medium	50

Low, Medium and High suggests usage levels per User.

For Fixed Voice: Loc means predominantly local usage, Nat means predominantly national (long distance) usage.

Number of Mobile Broadband users will be half of the total number of users (for business 5-8, where the number of users is greater than 1).

x3 is indication of the number of lines/connections that will be required.

¹ The concept was originally developed for “households”, analysing the services used by a home, including television services.

Each business employs one or more people who are telecommunications users. Please note that the number of employees is not (necessarily) equal to the number of users, so that for example Business 7, a “Local Production Company”, may have 50 employees, but only 10 are active telecommunications users.

The average Belgian usage profile is identified as “medium” usage. Profiles for lower and higher usage are defined in relation to this medium profile, with usage levels that are typically 1/3 (for “low”) and 3 times (for “high”) of the medium.

More detailed definitions follow in sections below.

6.1 The business definitions

The following tables describe the key basket parameters in more detail. Please note that some numbers are rounded for clarity, and that some additional parameters may be included in the actual definitions used.

Business types 1 to 4 refer to a SoHo (Single Office/Home Office) business, while business types 5 to 8 refer to an SME (Small and Medium Enterprise).

6.1.1 Bus1: Local-based Individual Business

This business describes a business individual primarily working from one location, e.g. a butcher shop or a barber. Such a business is not communications-intensive. It will have a low requirement for fixed broadband, to support general search enquiries and possibly a small web presence. Similarly both fixed and mobile voice use will be low, while there will be no requirement for mobile broadband due the relatively static nature and low data requirements of the business.

Business type 1: Local-based Individual Business			# of communications users:		1	
	Usage level	Value		Additional info		
Fixed broadband	Low	20	GB/month	Minimum speed	10	Mb/s
Mobile broadband		0	GB/month	Minimum speed	0	Mb/s
Fixed voice, national	Low loc	40	Calls/month	Call duration	180	seconds
Fixed voice, international		0	Calls/month	Call duration	180	seconds
Mobile voice, national	Low	39	Calls/month	Call duration	126	seconds
Mobile voice, international	Low	1	Calls/month	Call duration	126	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data		0	GB/month			

6.1.2 Bus2: Home-based Professional

This business describes a business individual primarily working from home, e.g. a home based consultant. The Home-based Professional will be much more communications-intensive than the Local-based Individual Business, with a significant proportion of time spent in outbound/inbound communications activities. As a result, there is moderately high use across all services, with the exception of mobile voice which is relatively low due to the more static nature of the business.

Business type 2: Home-based Professional				# of communications users:		1
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	15	Mb/s
Mobile broadband	Medium	0.5	GB/month	Minimum speed	3	Mb/s
Fixed voice, national	Medium nat	109	Calls/month	Call duration	240	seconds
Fixed voice, international	Medium	11	Calls/month	Call duration	240	seconds
Mobile voice, national	Low	39	Calls/month	Call duration	126	seconds
Mobile voice, international	Low	1	Calls/month	Call duration	126	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Low	0.05	GB/month			

6.1.3 Bus3: Mobile Professional 1

This business describes a business individual primarily working while on the move, e.g. a plumber or contractor. The communications requirements for this business are much more focused towards mobile services, to reflect the need for 'on-the-move' communications. Mobile usage is relatively modest, as the business is not heavily reliant on communications. For example, the user would take calls while on the move, but also might call customers to alert them of a change of schedule. Mobile broadband is used to support activities such as solution searches and ordering goods while at client premises. There is no need for fixed voice for this business, however, low use of fixed broadband is required, for web-searching for the business, and to support a web-presence.

Business type 3: Mobile Professional 1				# of communications users:		1
	Usage level	Value		Additional info		
Fixed broadband	Low	20	GB/month	Minimum speed	10	Mb/s
Mobile broadband	High	2	GB/month	Minimum speed	6	Mb/s
Fixed voice, national		0	Calls/month	Call duration	0	seconds
Fixed voice, international		0	Calls/month	Call duration	0	seconds
Mobile voice, national	Medium	98	Calls/month	Call duration	138	seconds
Mobile voice, international	Low	2	Calls/month	Call duration	138	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Medium	0.05	GB/month			

6.1.4 Bus4: Mobile Professional 2

This business describes a business individual primarily working while on the move, e.g. a sales person. Communications requirements for this business are highly mobile and relatively intensive, with the sales person needing to communicate with customers and the main office on a frequent basis. Mobile broadband requirements are similarly high. In addition to the high mobile requirements, there is a need for low use of fixed broadband, to support email and general web activities when the Mobile Professional is not on the road.

Business type 4: Mobile Professional 2				# of communications users:		1
	Usage level	Value		Additional info		
Fixed broadband	Low	20	GB/month	Minimum speed	10	Mb/s
Mobile broadband	High	2	GB/month	Minimum speed	6	Mb/s
Fixed voice, national		0	Calls/month	Call duration	0	seconds
Fixed voice, international		0	Calls/month	Call duration	0	seconds
Mobile voice, national	High	245	Calls/month	Call duration	150	seconds
Mobile voice, international	Low	5	Calls/month	Call duration	150	seconds
Mobile voice, messages	Medium	60	SMS/month			
Mobile voice, data	High	0.25	GB/month			

6.1.5 Bus5: Retail Outlet

This business describes a retail business location with 5 users, e.g. a DIY or furniture store, each with communications needs covered by both fixed and mobile services. Note that this business (as well as the following three business types) can have more employees than the number of communication users. Voice call usage pattern focusses on local calls. The nature of the business means that fixed broadband usage is relatively high, to support email communication, web searching and ordering, and maintaining a web presence. Similarly, fixed voice communications is also relatively high, predominantly for local calls to other businesses (for example to place orders) and to locally-based customers. Mobile needs are moderate, reflecting the fact that employees are not desk-bound, and will move around, both on-site and away from the site. The local nature of the business means that international communications are very low.

Business type 5: Retail Outlet				# of communications users:		5
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Medium	0.5	GB/month	Minimum speed	3	Mb/s
Fixed voice, national	Medium loc	85	Calls/month	Call duration	120	seconds
Fixed voice, international	Low	5	Calls/month	Call duration	120	seconds
Mobile voice, national	Medium	78	Calls/month	Call duration	126	seconds
Mobile voice, international	Medium	2	Calls/month	Call duration	126	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Low	0.05	GB/month			

6.1.6 Bus6: Local Trading Company

This business describes a trading company with 10 users, e.g. an import/export or logistics company, doing business from a fixed location, with significant national and international contacts. For this business, fixed broadband usage is relatively high, to support email communication, web searching and information exchange, and maintaining a web presence. Both fixed national and international voice communications are high, reflecting the fact that users are more likely to be desk-bound, with much of their communications taking place at their desk. By contrast, and for the same reason, mobile needs are moderate.

Business type 6: Local Trading Company				# of communications users: 10		
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Medium	0.5	GB/month	Minimum speed	3	Mb/s
Fixed voice, national	High nat	157	Calls/month	Call duration	240	seconds
Fixed voice, international	High	23	Calls/month	Call duration	240	seconds
Mobile voice, national	Low	29	Calls/month	Call duration	108	seconds
Mobile voice, international	Low	1	Calls/month	Call duration	108	seconds
Mobile voice, messages	Low	25	SMS/month			
Mobile voice, data	Low	0.05	GB/month			

6.1.7 Bus7: Local Production Company

This business describes a production company with 10 users, mainly local connection needs. The nature of the business means there is a high use of fixed voice for local-based communications, as well as fairly extensive use of fixed broadband, which supports email communication, web searching and ordering, and maintaining a web presence. As the business does not need staff to be particularly mobile, there is generally little reliance on mobile communications, both nationally and internationally.

Business type 7: Local Production Company				# of communications users: 10		
	Usage level	Value		Additional info		
Fixed broadband	Medium	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Low	0.1	GB/month	Minimum speed	1	Mb/s
Fixed voice, national	High loc	171	Calls/month	Call duration	240	seconds
Fixed voice, international	Low	9	Calls/month	Call duration	240	seconds
Mobile voice, national	Medium	78	Calls/month	Call duration	108	seconds
Mobile voice, international	Medium	2	Calls/month	Call duration	108	seconds
Mobile voice, messages	Medium	60	SMS/month			
Mobile voice, data	Medium	0.25	GB/month			

6.1.8 Bus8: Local Service Company

This business describes a Local Service Company with 50 users who are both on the move and in the office, with mainly local connection needs. For this business, both fixed and mobile communications are important, due to the mix of employee types. The high number of users in the company means that several broadband connections are required, to support typical day to day activities such as email, information search and exchange, and maintaining a web presence. As some users are more desk-based, while others may be more mobile, both fixed and mobile voice needs are relatively high. The local nature of the business means that more emphasis is placed on fixed local as opposed to long distance calls, however, international fixed calls are also high, to support international trading activities.

Business type 8: Local Service Company		# of communications users:		50		
	Usage level	Value		Additional info		
Fixed broadband	Medium x3	50	GB/month	Minimum speed	30	Mb/s
Mobile broadband	Low	0.1	GB/month	Minimum speed	1	Mb/s
Fixed voice, national	High loc	157	Calls/month	Call duration	240	seconds
Fixed voice, international	High	23	Calls/month	Call duration	240	seconds
Mobile voice, national	Medium	78	Calls/month	Call duration	138	seconds
Mobile voice, international	Medium	2	Calls/month	Call duration	138	seconds
Mobile voice, messages	Medium	60	SMS/month			
Mobile voice, data	Medium	0.25	GB/month			

6.2 Profiles by service

The tables below consider an alternate view to that shown in the previous section. For each of the four services, a summary of how each business profile uses the service is provided. All usage is specified per month.

6.2.1 Fixed voice

	Fixed voice	Users	Profile	Total calls	Local %	National %	F2M %	Intn %	Dur F2F	Dur F2M	Dur Intn
1	Local-based Individual Business	1	FV Single Low Local / No intn	40	50%	25%	25%	0%	3.0	3.0	3.0
2	Home-based Professional	1	FV Single Medium National / Medi	120	23%	45%	23%	9%	4.0	4.0	4.0
3	Mobile Professional 1										
4	Mobile Professional 2										
5	Retail Outlet	5	FV Medium Local / Low intn	90	49%	23%	23%	5%	2.0	2.0	2.0
6	Local Trading Company	10	FV High National / High intn	180	22%	49%	16%	13%	4.0	4.0	4.0
7	Local Production Company	10	FV High Local / Low intn	180	54%	25%	16%	5%	4.0	4.0	4.0
8	Local Service Company	50	FV High Local / High intn	180	49%	22%	16%	13%	4.0	4.0	4.0

6.2.2 Mobile voice

	Mobile voice	Users	Profile	Total calls	Fixed %	On-net %	Off-net %	Voicemail	Intn %	SMS	Data GB	Dur M2F	Dur M2M	Dur Intn
1	Local-based Individual Business	1	MV Low (per user)	40	17%	40%	39%	2%	2%	25	0	2.1	2.1	2.1
2	Home-based Professional	1	MV Low (per user)	40	17%	40%	39%	2%	2%	25	0.05	2.1	2.1	2.1
3	Mobile Professional 1	1	MV Medium (per user)	100	17%	40%	39%	2%	2%	25	0.05	2.3	2.3	2.3
4	Mobile Professional 2	1	MV High (per user)	250	17%	40%	39%	2%	2%	60	0.25	2.5	2.5	2.5
5	Retail Outlet	5	MV Medium (5 users)	80	17%	40%	39%	2%	2%	25	0.05	2.1	2.1	2.1
6	Local Trading Company	10	MV Low (10 users)	30	23%	37%	36%	2%	2%	25	0.05	1.8	1.8	1.8
7	Local Production Company	10	MV Medium (10 users)	80	17%	40%	39%	2%	2%	60	0.25	2.3	2.3	2.3
8	Local Service Company	50	MV Medium (50 users)	80	17%	40%	39%	2%	2%	60	0.25	2.3	2.3	2.3

6.2.3 Fixed broadband

	Fixed Broadband	Lines	Profile	Minimum speed Mb/s	Data GB	Hours
1	Local-based Individual Business	1	FBB Low (per line)	10	20	80
2	Home-based Professional	1	FBB Medium (per line)	15	50	240
3	Mobile Professional 1	1	FBB Low (per line)	10	20	80
4	Mobile Professional 2	1	FBB Low (per line)	10	20	80
5	Retail Outlet	1	FBB Medium (per line)	30	50	240
6	Local Trading Company	1	FBB Medium (per line)	30	50	240
7	Local Production Company	1	FBB Medium (per line)	30	50	240
8	Local Service Company	3	FBB Medium (per line)	30	50	240

6.2.4 Mobile broadband

	Mobile Broadband	Users	Profile	Minimum speed Mb/s	Data GB	Hours	Days used
1	Local-based Individual Business						
2	Home-based Professional	1	MBB Medium (per user)	3	0.5	20	20
3	Mobile Professional 1	1	MBB High (per user)	6	2	20	20
4	Mobile Professional 2	1	MBB High (per user)	6	2	20	20
5	Retail Outlet	3	MBB Medium (per user)	3	0.5	20	20
6	Local Trading Company	5	MBB Medium (per user)	3	0.5	20	20
7	Local Production Company	5	MBB Low (per user)	1	0.1	5	10
8	Local Service Company	25	MBB Low (per user)	1	0.1	5	10

6.3 “The rational user”

The study focuses specifically on a comparison of costs across the five study countries. The purpose of the study is to consider how the telecommunications costs faced by typical Belgian business types compare to the same businesses in other countries.

In order to ensure consistent analysis of all offers one of the ground rules is that the business makes rational buying decisions based on price only, without preference to brand or provider. The analysis will assume that the cheapest available service in the market is used in each separate case.

While quality of service (QoS) factors may play a part in provider selection (for example guaranteed fix times or additional service features such as online bill analysis or usage monitors), it is not possible to attach a cost value to these elements in any objective way seeing that different users will place different emphasis on such qualitative factors. Additionally, such information is not always available from providers. Since it is not possible to incorporate this in the benchmark in any meaningful way, qualitative aspects of offerings have been considered separately in the main report (see chapter 4).

6.4 Type of tariff

For businesses where there is only one user, residential services may also be considered relevant. The residential services that are considered for such business types include fixed broadband, mobile voice and mobile broadband. Residential voice services, offered either as a standalone service or as part of a bundled offer are not considered valid for businesses, as a typical business will require a dedicated business line/number.

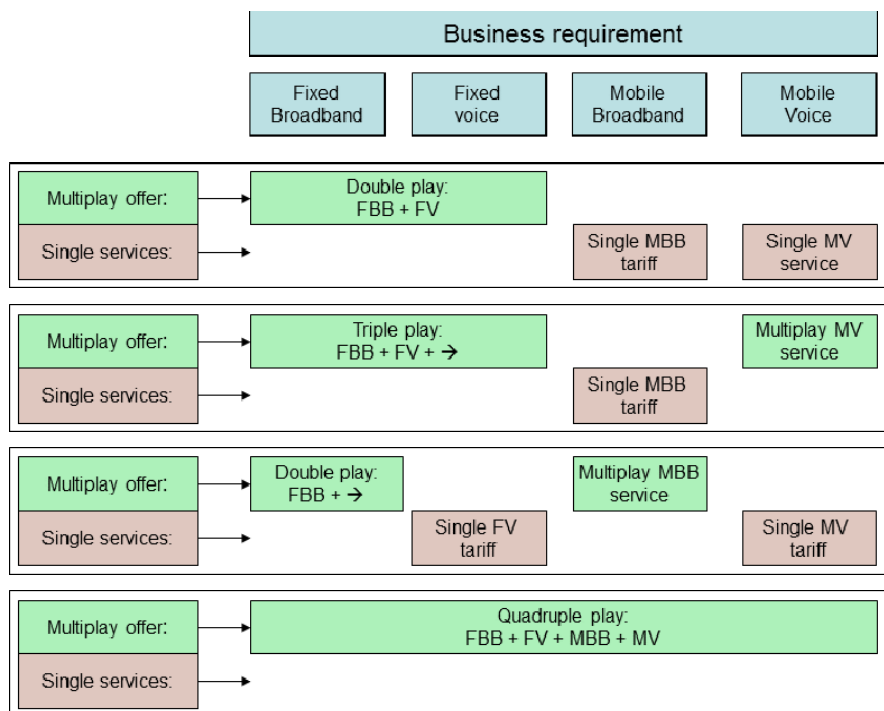
For businesses with more than one user, the use of residential fixed broadband services is not considered valid, and for these business types, only fixed business services are taken into account. Residential mobile services are still considered, however, as it is assumed that mobile can be purchased on an individual basis.

6.5 Single service and multiplay

The communications services covered in this study were traditionally offered on an individual basis, where the customer is free to select from any provider. However, in recent years the concept of “multiplay” (double play, triple play, quadruple play) has become more common, to the extent that it can be difficult today to find certain services offered on their own. This is particularly true for fixed broadband services, which in many cases are offered with a fixed voice service or a television service bundled in.

In order to analyze the prices of such offers it is necessary to cover a wider range of services, which is exactly what the business concept allows. In principle the multiplay services will be combined with other single services to cover the communications requirements, as shown below.

Figure 47: Typical multiplay / single service combinations



Any combination is possible

Whenever the multiplay offer does not cover all required services, these gaps will be filled by individual, single services from any provider. The cheapest offer found in the market will be assumed.

In some cases there will be requirements for using additional services from the same provider, and this will be “hard-coded” into the selection logic.

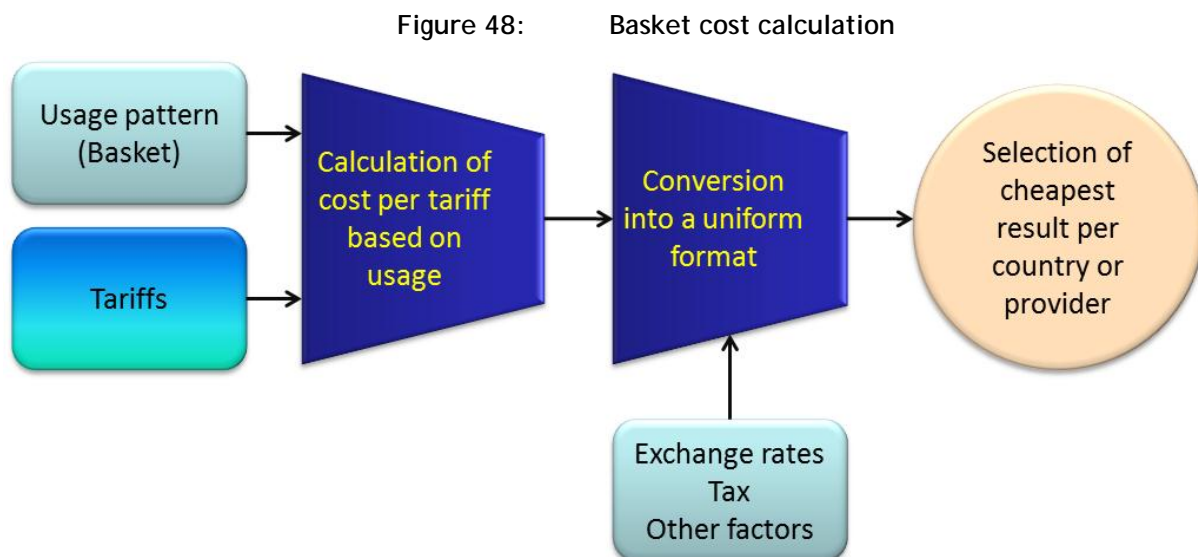
It is worth noting that some providers offer their broadband and fixed voice services on the basis of a cable television service, and the television element may be offered as part of the service even for business offers. This study will include the bundles with television, but will not assume any additional charges for television, e.g. in the form of more advanced channel packages.

7 Baskets

The usage profile definition for each of the individual services (fixed voice, mobile voice, fixed broadband and mobile broadband) is called a “basket”, which describes all important elements the user requires, for example:

- usage (call or data) volume
- distribution of voice calls
- access speed on data services
- amount of data transferred

The contents of the basket will depend on the service type; for example, requirements for a fixed broadband service are relatively simple, while the basket for a mobile voice service can contain many different elements.



For this study the baskets for each service have been divided into three usage levels to encompass a wider proportion of the population: A medium usage which largely corresponds with the average usage in Belgium, a low usage which is about a third to a half of the medium usage, and high usage which is about two to three times the medium.

In addition to usage levels there may be different categories of baskets; for example for fixed voice service with focus on local calls, or international calls. These differences have been based on statistics provided by BIPT/IBPT and Belgian providers.

For the calculation of end user costs the usage requirements described by the basket is applied to all tariffs from all providers, calculating the monthly cost which takes into account initial one off price elements, monthly fixed price elements, and usage related price elements. In total this will give the end user cost per month for each business type, with one off charges depreciated over a time of 3 years for all services. It is possible to

exclude the one-off price elements in the system, through an on/off switch, and for the purpose of this study, these have been excluded.

The basket calculations, and the tariff data, will assume a new client who does not have a history with the provider, and who will not have existing services that relate to previous tariffs offered by any provider.

7.1 The Belgian baskets

The main objective of the study is to assess prices in Belgium in relationship to prices in other countries.

For this kind of analysis it is more relevant to use typical Belgian usage profiles and refer any comparisons to those. Using international profiles (e.g. OECD baskets) will not show the results for Belgium in a way that is easily recognizable or sufficiently relevant for the Belgian market. With the Belgian profiles (baskets) the results for Belgium are more in line with what Belgian businesses experience and actually reflect what a Belgian company would pay if it would operate in another country.

The caveat to this is that the results for other countries based on the Belgian profiles will not be correct as seen by the consumers in those countries, but that is not the objective here. Applying the Belgian profiles to for example the UK tariffs will give results as if a Belgian business moved to the UK and used the services in the same way as in Belgium. Thus the cost experienced will be comparable to that in Belgium, but not necessarily optimal for the UK market.

It is never possible to have a completely neutral comparison, as usage profiles and prices work together in any market. However, providing this is borne in mind when reviewing the results, this is the best way to show the price levels in other countries as seen from one particular country.

Please note that results from a national basket will change from study to study, i.e. the results from this BIPT/IBPT study using Belgian baskets will not be comparable with the results from e.g. an Ofcom study using UK baskets, even though the basic methodology is the same. This is because the typical usage patterns tend to vary by market.

The Belgian baskets are developed based on statistics provided by BIPT/IBPT and Belgian providers. Not all baskets are actually used in the eight businesses, but they are shown here for completeness in the tables below. There is also additional information on call distribution etc. with the basket definitions.

As already mentioned in earlier in this appendix, SoHo (Single Office/Home Office) businesses are covered by business types 1 to 4, while refer to a, while SMEs (Small and Medium Enterprise) are covered by business types 5 to 8.

There are three sets of fixed voice baskets for low, medium and high usage, each based on the main focus of voice calls. All data shown is per user.

Figure 49: Belgian Fixed voice baskets

Type of basket	Voice calls SoHo Total calls/month	Voice calls SME Total calls/month
Low usage	40	30
Medium usage	120	90
High usage	240	180

There are three sets of mobile voice baskets based on low, medium and high usage of voice and message/data. All data shown is per user.

Figure 50: Belgian Mobile voice baskets

Type of basket	Voice calls SoHo Total calls/month	Voice calls SME Total calls/month	SMS/ month	Data (GB)/ month
Low voice, low SMS/data	40	30	25	0.05 (or 0)
Medium voice, low SMS/data	100	80	25	0.05 (or 0)
High voice, low SMS/data	250	160	25	0.05 (or 0)
Low voice, medium SMS/data	40	30	60	0.05
Medium voice, medium SMS/data	100	80	60	0.05
High voice, medium SMS/data	250	160	60	0.05
Low voice, high SMS/data	40	30	120	0.25
Medium voice, high SMS/data	100	80	120	0.25
High voice, high SMS/data	250	160	120	0.25

There are three basic baskets for fixed broadband, mainly varied by speed requirements.

Figure 51: Belgian Fixed broadband baskets

Type of basket	Data usage GB/month	Hours used/ month	Minimum speed (Mb/s)
Low usage	20	80	10
Medium usage	50	240	15
High usage	150	240	30

There are three basic baskets for mobile broadband, mainly varied by data usage volume and the number of hours and days the service is used per month. All data shown is per user.

Figure 52: Belgian Mobile broadband baskets

Type of basket	Data usage GB/month	Hours used/ month	Days used/ month
Low usage	0.1	5	10
Medium usage	0.5	20	20
High usage	2	20	20

8 Tariff data

Prices for all services are taken from information available in the public domain and listed on provider websites in February / March 2014, with data taken from provider websites. The system contains over 3.600 single service tariffs (520 FV, 2.404 MV, 289 FBB and 431 MBB) and over 2.600 multiplay service offers across the five countries. Mobile providers offer by far the largest number of tariff plans, reflecting the competitiveness of the market and also the complexities in service combination. Offers/tariffs that are presented to the professional market may be subject to further negotiations and additional discounts, but that aspect cannot be taken into account as a study like this has to rely on publicly available information across the study countries.

The results of the analysis are based on the tariff plan information collected related to offers available at the time of data collection. The tariffs collected are in the national currencies of the respective countries. Prices for all services have been taken from provider websites, and entered into the price benchmarking system. Data checking takes place after the entry based on website screen shots recorded during the updating process.

Data was collected based on the assumption that usage in a profile was for a new user, rather than an existing customer. This is an important distinction; existing customers of a given service provider may be eligible for extended and different offers from the service provider, if they sign up for additional services or extension of contract. Inclusion of such offers may create distorted results, as certain conditions may apply that cannot be taken into account in the basket definition. For this reason, any data valid for new clients only in that period was recorded. Promotions offered in the stated period, and with a validity expiring after that period, were also included in the data for completeness, although they were not included in the results.

8.1 Multiplay services with multiple users

The analysis considers costs for each business on the one hand when single services are purchased to make up the communications requirements of the business and on the other hand when multiplay offerings are used (combined with single services where a multiplay offering does not cover the full business need).

A multiplay offering is defined as a set of two or more communications services that are sold together (as a bundled offer) from a provider, typically at a lower cost than if the services were bought individually from the same provider. Examples of bundled offers include double play offers such as fixed broadband and fixed voice, or fixed broadband and mobile broadband, as well as triple play offers (e.g. fixed broadband, mobile broadband, fixed voice), and quadruple play (e.g. fixed and mobile broadband plus fixed and mobile voice).

While single service purchase is relevant for all business types, multiplay offers are actually only appropriate for single user profiles (SoHos). Although some providers offer business multiplay services for multiple users, there are generally very few published offers, and

where they are published, they are often limited to a small number of users only (e.g. less than 5) and do not fit SME requirements.

The vast majority of published multiplay business offers are based on a single-user subscription with 1 of each service included, so, for example, a business user requiring 1 broadband line and 5 voice lines would need to take 5 subscriptions to a bundled broadband and fixed voice line offer to fulfil its voice and broadband requirements, which in reality would be vastly over-specified and costly. Once a business moves beyond one or two users, there is much more customization of the different service elements, and providers will typically not publish prices in such a way as to allow prospective users to build a true-to-life cost for a bundled offer. Rather, businesses with multiple users will be required to contact the provider to obtain a customized quote. Such quotes will take into account a number of factors, such as the revenue potential and the strategic importance to the provider. The above is however beyond the scope of this study and costs for multiplay offers will therefore not be included in the results for SME's (business type 5 to 8).

8.2 Countries

For this study BIPT/IBPT has chosen to cover 5 countries:

- Belgium
- France
- Germany
- The Netherlands
- United Kingdom

This includes three of the larger countries in Europe, as a comparator group for Belgium, and the Netherlands with close relations to Belgium and a country generally faring well in the international (OECD) price comparisons.

8.3 Exchange rates and currency conversion

All tariffs are collected in local currency, which is the Euro for all countries apart from the UK, where the currency is the British Pound.

As most of the study countries share a common currency, and as results are presented in Euro, there is no need for any currency conversion for these countries. For the UK, the exchange rate: £1=€1.22 has been used, and has been taken from the Oanda web service on 1 March 2014.

8.4 Provider selection

Providers have been chosen based largely on market share information, where this is available. The basic “rule” is that the providers covered will between them have at least 80% market share in a given service market. Providers with the highest market shares are considered first until the 80% market share threshold is fulfilled. As there is little published data specifically on market shares for the business market, and as residential services are expected to be purchased by several of the business types, total market shares have been used, for all services and countries. The market shares are based on subscriber numbers. In the case of mobile broadband it is often difficult to establish accurate market shares, and, where this is the case, alternative information may have been used.

As some of the market share information used in this study is confidential, market share numbers are not included in this report.

As Belgium is the primary study country, tariff plans published by a number of niche business providers have been collected. The providers in question are listed below.

- EDPNet
- 3 Stars Net
- United Telecom
- Belcenter

Please note that the tariff plans of the above niche players are not necessarily included in the results.

A summary of the providers for which tariff plan information has been collected for each service is shown in the figure below. With the exception of fixed voice, where it is assumed that a dedicated business line and therefore business tariff plans will be required, both business and residential service prices have been considered, where these are available and published.

Figure 53: Provider and service overview

	Fixed voice	Mobile voice	Fixed broadband	Mobile broadband
Belgium				
Belgacom/Proximus	✓	✓	✓	✓
Telenet	✓	✓	✓	✓
Numericable	✓		✓	
Mobistar	✓	✓	✓	✓
Base	✓	✓	✓	✓
Voo	✓	✓	✓	
EDPNet	✓		✓	
3 Stars Net	✓			
United Telecom	✓	✓	✓	
Belcenter			✓	
France				
Orange	✓	✓	✓	✓
SFR	✓	✓	✓	✓
Bouygues	✓	✓	✓	✓
Free	✓	✓	✓	
Numericable	✓	✓	✓	
Germany				
Telekom/T-Mobile	✓	✓	✓	✓
United Internet (1&1)	✓		✓	
Unity Media	✓		✓	
Vodafone	✓	✓	✓	✓
O2	✓	✓	✓	✓
E-Plus (Base)		✓		✓
Kabel Deutschland	✓		✓	
Netherlands				
KPN	✓	✓	✓	✓
Ziggo	✓	✓	✓	
UPC	✓		✓	
Vodafone	✓	✓	✓	✓
T-Mobile		✓		✓
UK				
BT	✓	✓	✓	
TalkTalk	✓		✓	
EE	✓	✓	✓	✓
Orange (EE)		✓		✓
T-Mobile (EE)		✓		✓
O2		✓		✓
Vodafone		✓		✓
3 UK		✓		✓
Virgin Media	✓	✓	✓	✓
Sky	✓		✓	

NB. Cells shaded in grey indicate where no information has been gathered, either because it falls outside of the agreed list of providers, because there is no published data available or because the service is not offered by the provider.

Please note that not all providers will appear in all results, as the services they provide may or may not fit with the business requirements. In general the cheapest results, or an average of a selection of results, will be presented.

8.5 Data issues

This section contains clarification around a number of issues relating to the data collected and included within the system.

8.5.1 Inclusion of residential tariffs

Although the study focuses on the business market, due to the way that some businesses, particularly smaller businesses, purchase services, residential pricing has been included as follows:

Fixed Broadband: Although there is a clear delineation between residential and business services, there is a strong indication that residential broadband is extensively used by the business community; hence residential services have been included in the system, for consideration.

Mobile Voice: There is an increasing blur between residential and business mobile voice services, with many individuals using one phone and one tariff for both work and personal use, and businesses increasingly allowing employees to use their own phone and tariff within the workplace (BYOD - Bring Your Own Device) - this is particularly true for small and medium sized businesses. For this reason, it is important to include residential pricing alongside business offers. It is assumed that pre-paid offers are not relevant for business use, and are not included.

Mobile Broadband: Similar to mobile voice, there is often little to differentiate between consumer and business services, at the small and medium-sized business level. Furthermore, many providers do not specify whether tariffs are aimed at business or residential users, and hence all published offers for mobile broadband for the specified providers have been included. Both pre- and post-paid offers have been collected for mobile broadband, as it is often consumed in a different way to mobile voice (which is assumed to be post-paid only).

Fixed Voice: For fixed voice, business- only pricing has been considered, as a business will typically require a dedicated line for business use. Residential pricing may still be included for some providers, however, where it is part of a bundle with a fixed broadband service.

8.5.2 SIM-only pricing vs subsidized offers

Although the requirement is to include SIM-only offers, this may severely limit the analysis, and cause some providers to fall out of the analysis altogether. To ensure that all relevant providers are considered, prices for plans which include a handset subsidy have also been collected. In principle this should not adversely affect any output, as such plans will only feature when there is no (usually cheaper) SIM alternative available. A separate cost for the handset has not been included for any tariff. Please note that plans that include a handset subsidy are not necessarily included in the results.

8.5.3 Discounts/promotions

Information on promotions and discounts has been collected for completeness, but is not necessarily included in the results.

8.5.4 Hardware

Some hardware costs are included in the benchmark, e.g. modems or routers for fixed broadband. Information on such hardware related costs (rental fee and/or purchasing costs) are included separately where they are not included in the monthly subscription. Handsets for fixed and mobile voice are not included.

8.5.5 Installation fees

Information on installation fees has been collected, but is not necessarily included in the results.

8.5.6 Inclusion of bundles with television

As television is not included in the business profiles, any bundles that include television have generally been disregarded. However, for certain providers, most notably cable providers, where it is not possible to buy any telecoms service unless it is accompanied by television, some tariffs are included which do include this. Where this is the case, the most basic television service has been selected, with no add-ons of channel packages, in order to ensure that these providers are included.

8.5.7 International calls

In order to ensure that the benchmarking analysis is not over-complicated, international calls are assumed to be to fixed networks. Furthermore, the international destinations for calls are assumed to be the same for calls from both fixed and mobile. Roaming is not included, as it is unlikely to produce a significantly different result for each country.

The international call destinations are listed in the table below, and traffic is assumed to be distributed in varying proportions over these countries. As some of the traffic distribution data has been provided confidentially, the actual proportions used for the study are not published in this report.

Figure 54: International call destinations

From/To -->	Belgium	France	Netherlands	Germany	Italy	Morocco	Spain	UK	USA	Japan
Belgium										
France										
Germany										
Netherlands										
United Kingdom										

8.5.8 Regional offers

Some providers, typically (but not exclusively) cable providers may provide regional offers only, based on their primary coverage area. In this study, abstraction is made of such regional availability in the sense that all tariff plans are considered in a certain country, even if these are not available in the entire country. In other words, the location of the business customer is not taken into account in order to filter out tariff plans that are not

available at that location. Inclusion of such constraints would introduce unnecessary complexity into the model.

8.5.9 Differences in provider peak/off peak definitions

No corrections are made to address differences in peak hour ranges as to fine tune to this degree is very complex.

8.5.10 Optional tariff plan features

Broadband tariff plans that optionally offer increased download speeds and/or higher data transfer volumes as an option are captured as two separate tariff plans, i.e. the original standard plan as well as the enhanced version including the option.

8.5.11 Depreciation and contract term

The overall depreciation period of any one off costs is defined in each basket, and is normally set to 5 years for fixed voice, 3 years for fixed broadband and mobile voice and 1 year for mobile broadband. This is according to the OECD basket definitions.

Information on contract term periods have been collected for each service. In the analysis, the contract term filter is set to "any", as the longest possible contract term is preferred in the data. This will normally give the lowest price.

8.5.12 Line rental issues

For fixed broadband and fixed voice there can be an issue with double counting of the line rental in bundled services. Hence it is common to exclude the line rental for the fixed broadband elements of a bundle, and rather include it in the bundle price.

8.6 Qualitative data

A number of qualitative factors are being considered separately, some of which are service specific, while a small number will relate to a provider and will cover one or more services.

The qualitative factors being considered at an individual service level, and which are being included in the benchmarking system are shown below:

Figure 55: Qualitative factors by service

Qualitative measure	FV	MV	FBB	MBB	Type of information gathered/input
Customer service	✓	✓	✓	✓	Type of customer service offered and details
SLA/Guaranteed service fix	✓	✓	✓	✓	Yes/No, timescale, alternative when service down
Cost control		✓		✓	Ability to manage costs and monitor accounts
Usage monitor		✓		✓	Availability of usage monitoring tool
Call options	✓	✓			Options included in the package
Cloud services			✓		Included as part of offer
Security			✓		Included as part of offer
IP addresses			✓		Number and type of IP addresses

For each of these qualitative factors, the following elements are being considered:

Figure 56: Qualitative factors - individual elements

Qualitative measure	Fields				
Customer service	Standard	Enhanced	Hours of operation	Additional cost	
SLA/Gtd service fix	SLA offered/published	Guaranteed fix time	Alternative/back up offered		
Cost control	Online bill access	Online bill analysis	Online sub management	Online fleet mgmt	Ability to set spend by a/c
Usage monitor	Usage monitor available				
Call options	Call forwarding	Caller display	Second call	Number block	
Cloud services	# GB				
Security	Type and name				
IP addresses	Dynamic or fixed, number	# dynamic	# static		

Where information is published and readily available, this has been included and analyzed separately. It is not possible to include this within the price benchmark itself, due to the varying nature of the information and the fact that it is qualitative rather than quantitative data.

In addition to the above, the number of WiFi hotspots and homespots available from individual operators has been considered where this information is available. This has been presented in a separate side-by-side overview, by country/provider.