Mobile Broadband Prices in Europe 2017

EXECUTIVE SUMMARY

A study prepared for the European Commission DG Communications Networks, Content & Technology by:

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1. Executive Summary

1.1 Introduction

The current study provides comprehensive data on 2017 retail prices of mobile broadband offers for consumers in the EU28, Iceland, Norway, Turkey, Japan, South Korea, and the USA. The two or three largest Mobile Network Operators (MNOs) in each country were included. Data was collected from ISP websites in February 2017 for offers including telephony and in July 2017 for data-only offers.

Offers were analysed to determine the least expensive offer per country and OECD usage basket.

To support valid cross-national comparison of retail prices of mobile broadband offers in each usage basket, consistent price normalisation procedures were applied. These take full account of contractual features varying between offers which impact on consumer usage costs, such as one-off fees, discounts, contract duration and limits for telephony call time, numbers of SMS and data volumes uploaded or downloaded.

1.2 Results: Average and least expensive price per OECD usage basket and development of prices

Figure 1 shows the average across EU28 Member States of the lowest price found in each Member State, and the lowest price overall, for each of the handset-based OECD usage baskets. Figure 2 shows the EU28 averages and lowest EU28 prices for data-only baskets. In this report, these EU average figures are used in international comparison and as reference when describing the market in an EU Member State.

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<tbody>
<tr>
<td>100MB, 30 calls</td>
<td>4.20</td>
<td>14.11</td>
<td>15.45</td>
<td>-9%</td>
</tr>
<tr>
<td>500 MB, 100 calls</td>
<td>7.45</td>
<td>17.62</td>
<td>21.22</td>
<td>-17%</td>
</tr>
<tr>
<td>1 GB, 300 calls</td>
<td>8.90</td>
<td>23.62</td>
<td>29.7</td>
<td>-20%</td>
</tr>
<tr>
<td>2 GB, 900 calls</td>
<td>10.79</td>
<td>31.39</td>
<td>49.85</td>
<td>-37%</td>
</tr>
<tr>
<td>2 GB, 100 calls</td>
<td>10.15</td>
<td>23.93</td>
<td>43.12</td>
<td>-45%</td>
</tr>
<tr>
<td>5 GB, 100 calls</td>
<td>12.33</td>
<td>31.80</td>
<td>N/A</td>
<td>N/A</td>
</tr>
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</table>
Mobile broadband was significantly cheaper in 2017 than in 2016 in all but the smallest OECD usage basket. However, the slight increase in the lowest basket is mostly due to the fact that some developed markets no longer focus on low data allowances; so offers with higher data allowances had to be taken for this comparison.

1.3 Analysis of the results: Least expensive countries in Europe

Applying the normalised prices in Euro, measured in PPP, it was found that the least expensive countries for mobile broadband in the EU in 2017 were Poland, Italy, Austria, Lithuania, and Latvia. Prices differ considerably between the least and most expensive countries in the EU.

Averaging across all OECD usage baskets and distinguishing the four major clusters reveals the pattern shown in the map (Figure 3) below.

- The **inexpensive** countries are: Poland, Austria, Italy, Lithuania, Latvia, Estonia, Slovenia, and Luxembourg, Sweden and France.
- The **relatively inexpensive** countries are: the United Kingdom, Denmark, Romania, Croatia, Spain, Bulgaria, and Germany
- The **relatively expensive** countries are: Belgium, Malta, Finland, the Netherlands, Portugal, Slovakia, and Ireland.
- The **most expensive** countries are: Hungary, Cyprus, the Czech Republic and Greece.
- No country is in the least expensive or most expensive cluster for every single OECD usage-basket.
1.4 Results: The EU compared with selected non-EU countries

Comparison of EU28 prices with prices in selected non-EU countries in 2017 yielded the following picture:

On average, mobile broadband in the EU28 is about as or more expensive than in the non-EU countries for most of the OECD usage baskets. No offers adapted to the lowest OECD usage levels were found in South Korea and Japan.