



Independent Communications Authority of South Africa

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**BI-ANNUAL REPORT ON THE ANALYSIS OF TARIFF NOTIFICATIONS
SUBMITTED TO ICASA FOR THE PERIOD 01 JANUARY 2024 TO 30 JUNE
2024 – ABRIDGED REPORT**

1. Introduction

- This is an abridged report of Bi-annual Report on the analysis of Tariff Notifications submitted to ICASA for the Period 01 January 2024 to 30 June 2024. This report is produced for the benefit of those consumers that may not have time to read the full report.
- Section 2 highlights the aim of the tariff analysis report. Section 3 indicates the number of tariff notifications received by ICASA. Section 4 provides key findings from ICASA's tariff notification analysis. Section 5 gives the conclusion.

2. What is the aim of the Tariff Analysis Report?

- ICASA produces two (2) Bi-annual reports on the Analysis of tariff notifications submitted to ICASA by various telecommunications licensees on an annual basis. The first Bi-annual report covered the period 01 January 2024 to 30 June 2024. The second Bi-annual report covers the period 01 July 2024 to 31 December 2024.

- The Tariff Analysis Report gives an overview of the Bi-annual Tariff Notifications as well as an update on tariffs that were filed by various telecommunications licensees during the period under review.
- The aim of the Tariff Analysis Report is to ensure that there is retail price transparency in line with object 2(n) of the Electronic Communications Act, 2005 which is to “promote the interests of consumers with regard to the price, quality and the variety of electronic communication services”.

3. How many tariff notifications were received?

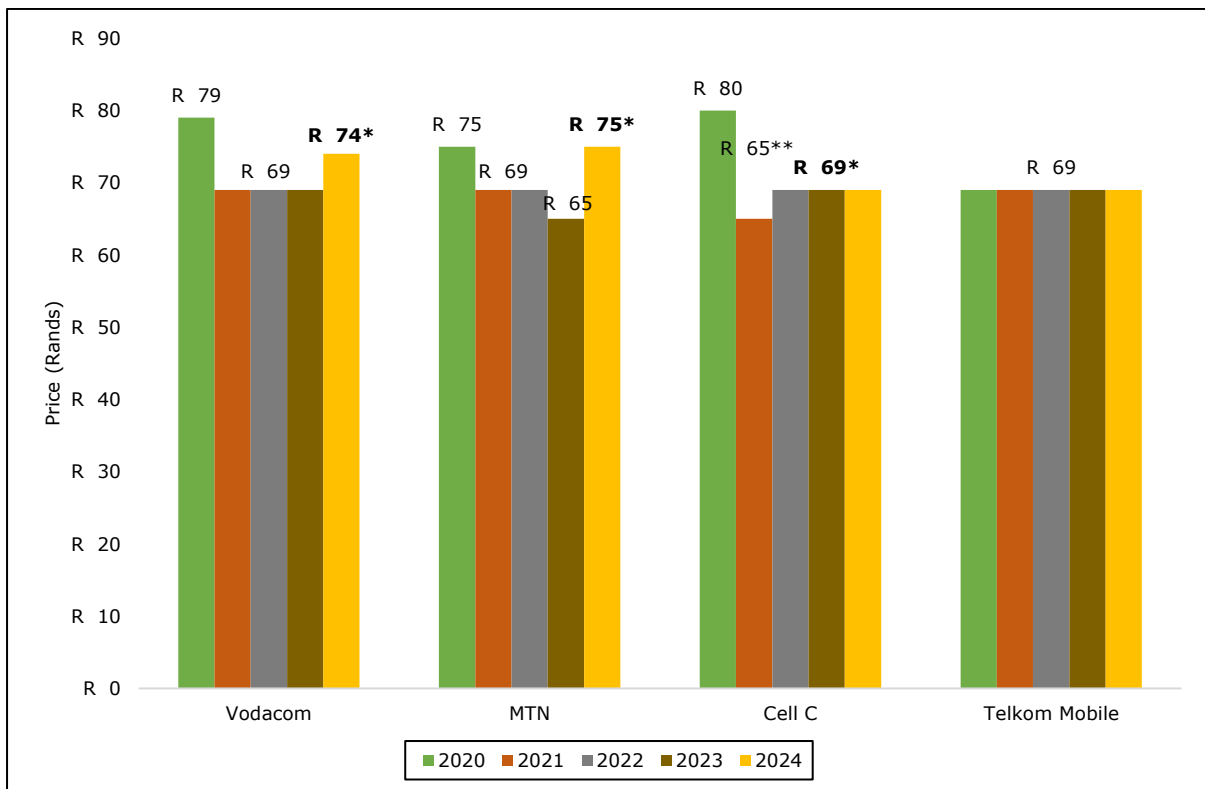
- ICASA received a total of 380 tariff notifications, which consisted of 92 new promotions, 153 amendments, 72 extensions, 8 terminations and 55 new products from the period 01 January 2024 to 30 June 2024.

4. Key Findings from ICASA’s Tariff Notification Analysis

4.1. Mobile Data Services Market

This section provides a price trend analysis of the 30-day standard prepaid data bundles from 2020 to 2024. Figures 1, 2, and 3 below show the prices of the 500MB to 800MB, 1GB to 1.2GB, and 2GB to 2.5GB data bundles offered by the operators, respectively.

Figure 1: 500MB to 800MB Data Bundles Price Trend



*Cell C, MTN and Vodacom currently offer a 600MB data bundle

**Cell C offered an 800MB data bundle in 2021

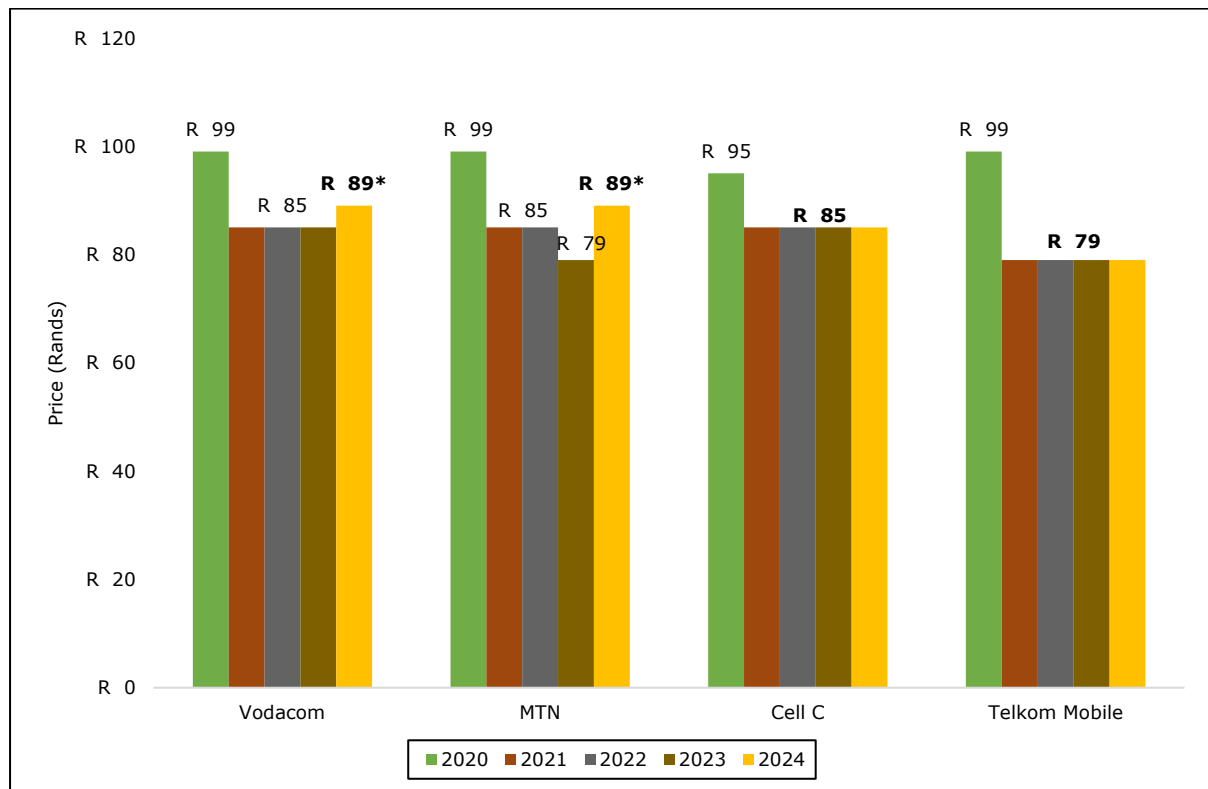
Source: ICASA Database based on Filed Tariff Notifications

Figure 1 above shows prices of the 30-day standard prepaid 500MB to 800MB data bundles and their year-on-year price changes over a five-year period from 2020 to 2024.

From the year 2020 to 2023, MTN has had the largest price reduction over the years, reducing the price by 13.3% from R 75 in the year 2020 to R 65 in 2023. Vodacom had the second largest price reduction on the 500MB data bundle, which has had a 12.7% decrease from R 79 to R 69. The effects of competitive pricing are evident in the figure above, where Vodacom and MTN reduced their prices over the period, matching Telkom Mobile's 500MB data bundle price at R 69. However, during the period under review Vodacom and MTN both replaced their 500MB data bundles with 600MB data bundles which are priced at R 74 and R 75, respectively. Cell C on the other hand, offered different data volumes over the

years, as shown in the figure above. Currently, Cell C offers its 600MB for R 69, which is the lowest priced 600MB among the MNOs. Telkom Mobile still offers its 500MB at R 69, which translates to the highest in-bundle rate of R 0.14 per MB, followed by MTN with an in-bundle rate of R 0.13 per MB. Vodacom and Cell C both have the lowest an in-bundle rates at R 0.12 per MB.

Figure 2: 1GB to 1.2GB Data Bundles Price Trend



*MTN and Vodacom currently offer a 1.2GB data bundle

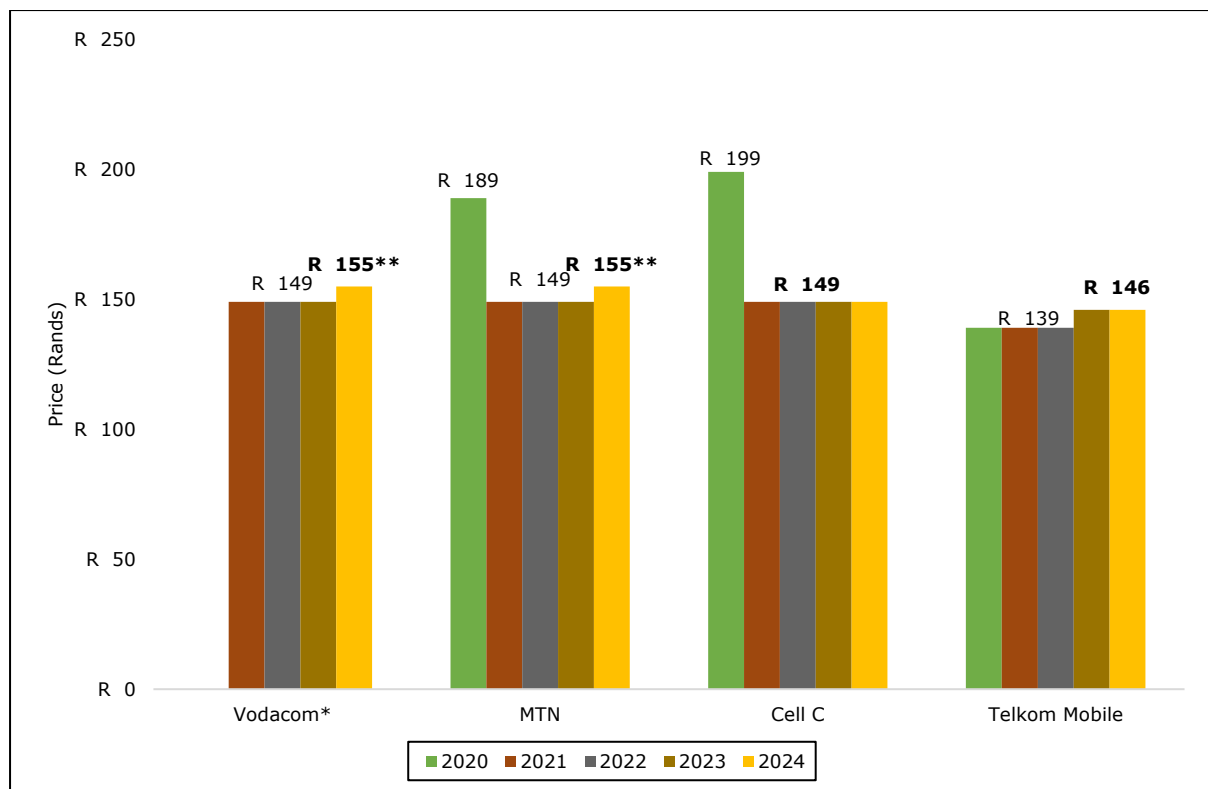
Source: ICASA Database based on Filed Tariff Notifications

Figure 2 above shows prices of the 30-day standard prepaid 1GB to 1.2GB data bundles and their year-on-year price changes over a five-year period from 2020 to 2024.

From 2020 to 2023, Telkom and MTN have had the largest price reduction over the years, reducing the price by 21% from R 99 in 2020 to R 79 in 2023. Vodacom and Cell C reduced their prices by 14.1% and 12.5% over the 4-year period,

(between 2020 to 2023), respectively, to R 85 which indicates convergence of prices due to competitive pricing. However, in the year 2024, MTN and Vodacom replaced their respective 1GB data bundles and introduced 1.2GB data bundles that are both priced at R 89. MTN and Vodacom offer more value for money with their in-bundle rates at R 0.07, while Cell C and Telkom Mobile both have their respective in-bundle rates at R 0.08 per MB.

Figure 3: 2GB to 2.5GB Data Bundle Price Trend



*In the year 2020, Vodacom discontinued its 30-day standard prepaid 2GB data bundle, which was reintroduced in the market in 2021.

**MTN and Vodacom currently offer a 2.5GB data bundle

Source: ICASA Database based on Filed Tariff Notifications

Figure 3 above shows prices of the 30-day standard prepaid 2GB to 2.5GB data bundles and their year-on-year price changes over a five-year period from 2020 to 2024.

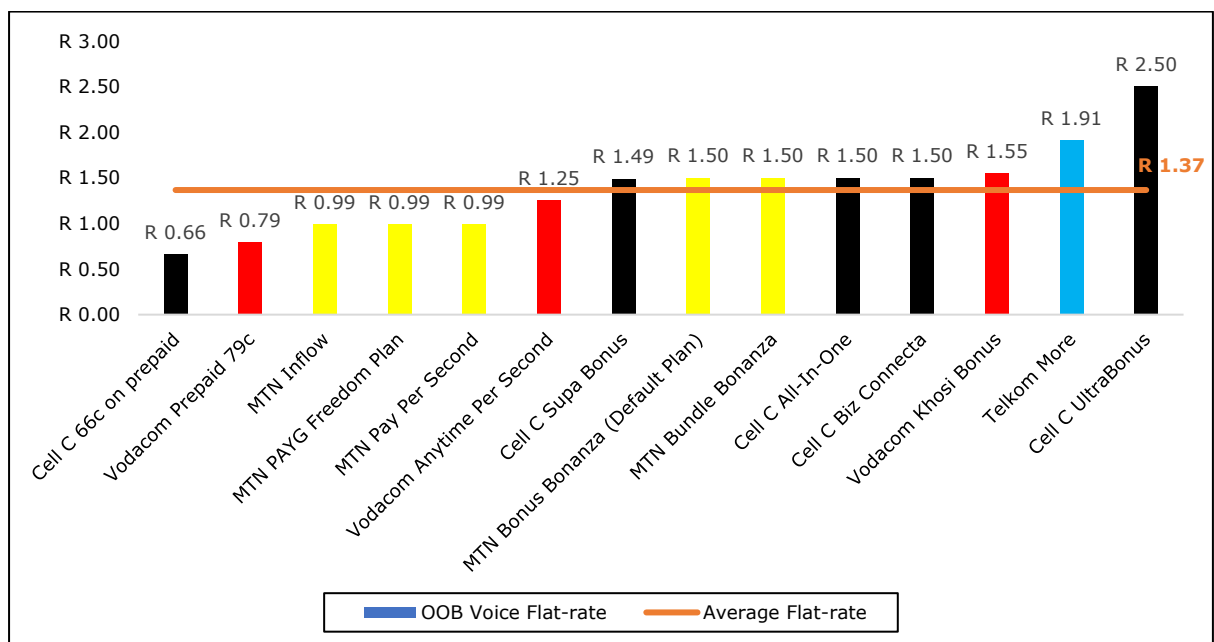
Cell C has had the largest price reduction over the years, reducing the 2GB price by 25.1% from R 199 in the year 2020 to R 149 in 2023, followed by MTN's 2GB data bundle which was reduced by 21.2% from R 189 in the year 2020 to R 149 in 2023. The effects of competitive pricing can be observed from the figure above, where Vodacom, MTN and Cell C reduced their prices over the period of 2020 to 2023, by narrowing the price difference to almost match Telkom Mobile's 2GB data bundle price of R 146. In the year 2023, Telkom Mobile increased its 2GB by 5% from R 139 to R 146, however, it still offers the least-priced 2GB data bundle among the four operators. In the year, 2024, MTN and Vodacom replaced their 2GB data bundles with 2.5GB data bundles that are both priced at R 155. MTN and Vodacom offer more value for money with their 2.5GB in-bundle rates at R 0.06, while Cell C and Telkom Mobile both have their respective 2GB in-bundle rates at R 0.07 per MB.

4.2. Voice Services Market

- Two notifications were filed related to voice bundles and integrated bundles. For example, in the voice services market, MTN increased the OOB voice rate on its Bundle Bonanza Tariff Plan by R 0.30 or 25% from R 1.20 to R 1.50 per minute.
- Telkom increased the OOB voice and data rate on its SIM SONKE tariff plan, with the voice rate increasing by R 0.09 or 11.3%, from R 0.80 to R 0.89 per minute.
- Figure 4 shows flat-rate voice tariffs offered by Vodacom, MTN, Cell C and Telkom.
- Cell C's 66c on Prepaid tariff plan is still the lowest or least expensive flat-rate offered by the MNOs, and the Cell C Ultra Bonus is the highest or most expensive on the depicted flat-rate tariffs. On average, customers are charged R 1.37 per minute on OOB rate voice calls. As shown in the figure above, six of the thirteen flat rates charge below the average flat-rate of R 1.37 per minute.

- On average, customers are charged R 1.37 per minute on OOB rate voice calls.
- MTN’s amended PAYG Bundle Bonanza Plan flat rate ranks 6th (from the least expensive to the most expensive) among the depicted tariffs, which is 2 ranks down from the previous reporting period and is now which is 9.5% above the average rate.
- Six of the thirteen flat rates shown in the figure below, charge flat rates below the average of R 1.37 per minute.

Figure 4: Flat-rates per minute



Source: ICASA Database based on Filed Tariff Notifications

4.3. Fibre Services Market

- The Authority continues to provide a comparative analysis of Fibre-to-the-Home (FTTH) packages provided on 3rd party FNOs to show how different Internet Service Providers (ISPs) price their packages of the same line speeds versus the average market price.

- The analysis shows that during the period under review, the approximated average prices for the 25/25Mbps and 50/50Mbps decreased by 1.5% and 0.7% to R 562.68 and R 777.76 from the previous reporting period, respectively, while the average price of the 100/100Mbps increased by 0.2% to R 942.78. The reduction in the average subscription fee can be explained by the reduction of subscription fees and/or an addition of new fibre packages that are priced below the average subscription fee in the previous reporting period.
- On the 25/25Mbps line speed, MTN's 25/25Mbps FTTH on Zoom Fibre's network had the lowest subscription fee of R 419 which translates to the largest below average price deviation of 25.5%. Among the sampled fibre plans, Cell C's 25/25Mbps package on Purple Forest has the highest subscription fee of R 749, which translates to the largest deviation above the average price of 33.1%.
- On the sampled 50/50Mbps line speed, Cybersmart's 50/50Mbps on Openserve (Uncapped Lite) FTTH has the lowest subscription fee of R 559 which translates to the largest below average price deviation of 28%. Cell C's 50/50Mbps package on Netstream has the highest subscription fee of R 1 049, which translates to the largest deviation above the average price of 35%.
- The average price of the sampled 100/100Mbps line speeds was R 942.78 per month, with Cybersmart's 100/100Mbps FTTH on Openserve Fibre having the lowest subscription fee of R 560 which translates to the largest below average price deviation of 41%. Vodacom's 100/100Mbps package on SADV has the highest subscription fee of R 1 259, which translates to the largest deviation above the average price of 33.5%.

4.4 Over-the-Top (OTT) Service Offerings

- In order to capitalise on the growth in uptake of OTT services, licensed operators continue to launch various product offerings so as to maximise their data revenues.
- During the period under review, MTN added new Social Bundles in the market which comprise of WhatsApp, Facebook and TikTok bundles. Vodacom also introduced its TikTok Bundles during the period under review. These URL-specific data bundles benefit customers with affordable prices which translate to low in-bundle rates.
- MTN introduced its Yellow Phone Price Plan wherein it offers integrated bundles comprising of Anytime data and voice minutes, for example the Yellow Plans Essential package which is priced at R 99 offers 750MB anytime data and 25 minutes all-net minutes.
- Cell C's CVM bundles continue to benefit customers with affordable promotional bundles, and new additional bundles filed with the Authority during the period under review.

4.5 Fixed Wireless Access Services (LTE, 5G and Wireless fibre Internet services)

- The Authority observed a continued competitiveness in the provision of LTE, 5G and Wireless Internet services, with 23 notifications received during the period under review.
- For instance, Telkom Mobile introduced new, and reduced the prices of the already existing prepaid LTE packages in its Prepaid LTE Plan. An example is the price reduction of the 120GB + 120GB LTE Prepaid package by R 250 or 31.3% to R 599.

- On the other hand, MTN introduced its Speed Booster and Speed Recovery Bundles wherein it enables customers on the Home Internet Uncapped Plan to boost their Internet speeds upon reaching the fair usage limit on the Home Internet Uncapped tariff plan, or if they wish to boost or increase their existing price plan speeds to a higher network speed. However, it is worth noting that has reduced the throttling speeds of the plan upon exhausting the fair usage limit.

5. Conclusion

- ICASA observes efforts by operators to charge competitive data with price reductions from various tariff notifications filed by licensees. ICASA will continue to monitor and publish its reports with retail market prices to ensure that subscribers have information on the competitive rates which are prevailing in the market.
- The full Bi-annual Report on the analysis of Tariff Notifications submitted to ICASA for the period 01 January 2024 to 30 June 2024 is available on ICASA's website.