



BELGIAN INSTITUTE FOR POSTAL SERVICES AND TELECOMMUNICATIONS

B I P T

PRESS RELEASE

BIPT publishes a study benchmarking the telecom product prices on the business market

Brussels, 14 July 2016 - For the third time, BIPT publishes a study comparing the prices for telecom products on the business market in Belgium with the prices in our neighbouring countries (Germany, France, the United Kingdom and the Netherlands). Compared to the other study countries the Belgian companies' telecommunications costs have evolved from average to rather expensive over the past year, mainly as a result of the price decreases in the other countries. Companies benefit from comparing to ensure that they choose the best possible offer from the series of individual competitive offers, which can result in considerable savings.

In the BIPT study the prices for fixed and mobile telephony as well as fixed and mobile Internet were compared for a number of user profiles (individual businesses and SMEs) that are typical of the Belgian business telecommunications use. The study revealed the following findings.

Companies that use more mobile communication, generally obtain a lower position in the country rankings as the Belgian prices for mobile data particularly are relatively expensive in comparison with the neighbouring countries. This is seen most clearly in the rankings for the mobile professionals. Just like in the other study countries the demand for mobile data increases in Belgium. In the neighbouring countries the maximum download volumes allowed within the tariff plans since last year have increased considerably more than in Belgium, without the accompanying proportionate increase in price. In Belgium the demand, the download volumes and the prices have evolved less notably up until today.

Fixed telephony is still an important part of the portfolio of numerous business services. Belgium is doing relatively well in the field of fixed telephony with higher consumption levels. The availability of attractively priced packs for international calls provided by certain operators in Belgium benefits business types with a high consumption of international calls.

As for fixed broadband, Belgium has a rather favourable position for individual businesses. France presents itself as the cheapest country. For SMEs the prices for fixed broadband services in Belgium are less competitive than in the other study countries. This less favourable position is explained because for such companies only the business broadband services are considered and these are generally more expensive in Belgium.

It is interesting to note that multiplay¹ for the individual businesses is not the cheapest way to purchase services in Belgium, with the exception of the individual business at a fixed location. In the other study countries multiplay often results in cost savings compared to the purchase of single-play services. This study also analyses the costs of two pure bundle types². For these services the Belgian operators are more expensive than the operators of other countries where this type of offer is available. In this context the study does not include a number of non-price related advantages customers might experience when purchasing bundled products.

Globally speaking, the telecommunications services from Belgian businesses compared to the other study countries have evolved from average to rather expensive over the past year, mainly as a result of the price decreases in the other countries. In certain cases the difference with the neighbouring countries regarding the total telecommunications costs is small in terms of absolute amounts. In addition it is important to also consider qualitative elements such as the availability and performance of fixed and mobile networks and additional services such as homspots/hotspots or cloud services.

In short, companies benefit from comparing individual competitive offers to ensure that they choose the best possible offer, which can result in considerable savings. What companies can save on their telecommunications costs through a careful selection of operators' tariff plans mainly depends on the business type and the type of telecoms service.

Business types with a proportionally high consumption of fixed telephony can save the most if they opt for the most advantageous operator in terms of prices for this service. This is chiefly the case for wholesale businesses and local service companies, and to a lesser extent for the home-based professional. Companies that often use mobile broadband can also benefit from a well-considered choice, although this service generally only represents a small part of the total costs. In the field of fixed broadband and mobile telephony the price difference between operators can become considerably large as well.

For more information (for journalists), please contact:

Dirk Appelmans
Spokesman
Tel.: 02 226 87 67

More info: www.bipt.be
BIPT
Ellipse Building – Building C – Boulevard du Roi Albert II, 35
1030 Brussels

¹ Multiplay includes a combination of two or more communication services to which individual services can be added in cases where the bundle does not cover all business needs. A multiplay result may include offers from different operators such as a double play offer including fixed broadband and fixed telephony provided by operator X, a separate service for mobile telephony provided by operator Y and a separate mobile broadband service provided by operator Z.

² A double play offer with fixed broadband and fixed telephony on the one hand and a triple play offer (fixed broadband, fixed telephony and mobile telephony) on the other.