

Telkom tops in Tarifica analysis

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A new analysis of South Africa's prepaid mobile market found that Telkom offers more high value plans for consumers than any other operator in the country.

The study was conducted by telecommunications pricing research firm Tarifica, using the Tarifica Score, an algorithm that weighs every feature of a mobile plan (including usage allotments, geographic coverage, data speeds, value added features and promotional elements) against its total costs, determining its consumer value relative to all other offers in the country.

Scores range from 0 (worst) to 100 (best).

The Tarifica Score has been used to evaluate the consumer value of South Africa's contract plans every month since July 2014 but this is the first time that prepaid plans have also been evaluated. With the addition of the prepaid formula, the Tarifica Score now measures the consumer value of every mobile plan in the country.

Unlike contract plans, prepaid plans generally do not have set usage allotments. Therefore, they are scored based on three user profiles (light, medium and heavy) which define the minimum included usage for voice, SMS and data. Plans with scores above 75 (top quartile) are designated "Top Value Plans" in each user profile.

Across all profiles, 28 plans achieved this distinction, 15 of which were from Telkom, followed by MTN with eight, Cell C with four and Virgin Mobile with one. In addition, Telkom had the Top Overall Value Plans (highest scoring) for both the moderate and heavy user profiles. Cell C took that honour for the light user profile.

"Telkom had strong plans and a variety of options at virtually every price point," says Beth Teitel, Tarifica's South Africa analyst. "MTN and Cell C were each competitive in one or two profiles, but only Telkom's plans provided strong consumer value across the board."

Cell C's plans performed well in the light user profile capturing the Top Overall Value Plan and two other Top Value Plans, based on having the least expensive per-minute calling rate in South Africa and effective bundling.

MTN performed best in the moderate and heavy user profiles capturing four Top Value Plans in each based on its diverse bundle options, relatively competitive per-minute calling rate and generous data promotion.

Telkom captured three Top Value Plan positions in the light user profile, seven in the moderate user profile and five in the heavy user profile. Its success was based on having the second least expensive per-minute calling rate and aggressively priced SMS and data bundles that allow users to easily scale to match their mobile usage.

Virgin Mobile performed best in the light user profile capturing one Top Value Plan based on an effectively priced bundle.

Vodacom did not capture any Top Value Plans due to its relatively high per-minute and per-SMS rates, although it did score significantly better in the moderate and heavy user profiles than in the light user profile.

“In today’s mobile marketplace, consumers are flooded with hundreds of plan variations and constantly shifting promotions and deals – the majority of which come with different costs and services and access networks of differing strengths. Even though consumers can easily switch prepaid plans and operators, Tarifica Scores can help them to quickly identify the prepaid plans in each profile that offer the best value for the money,” says Tarifica program manager Will Watts.