

# Virtual Roaming. Real Savings

## Presentation to ACCC Mobile Services Review



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# Why is vRoam interested

- Provide an alternative service to mobile roaming
  - ‘Virtual Roaming’
- Believe that competition is inhibited by carriers’ lack of information

- For competition to exist, consumers require informed choice
- Don't support price controls
- Recommend more information on pricing and roaming in general
- Introduction of Roaming Code of Conduct

## No Price Plan

We only tell you your cost per minute when we send you the bill



# Mobile Plan

## No Price Plan

We only tell you your cost per minute when we send you the bill

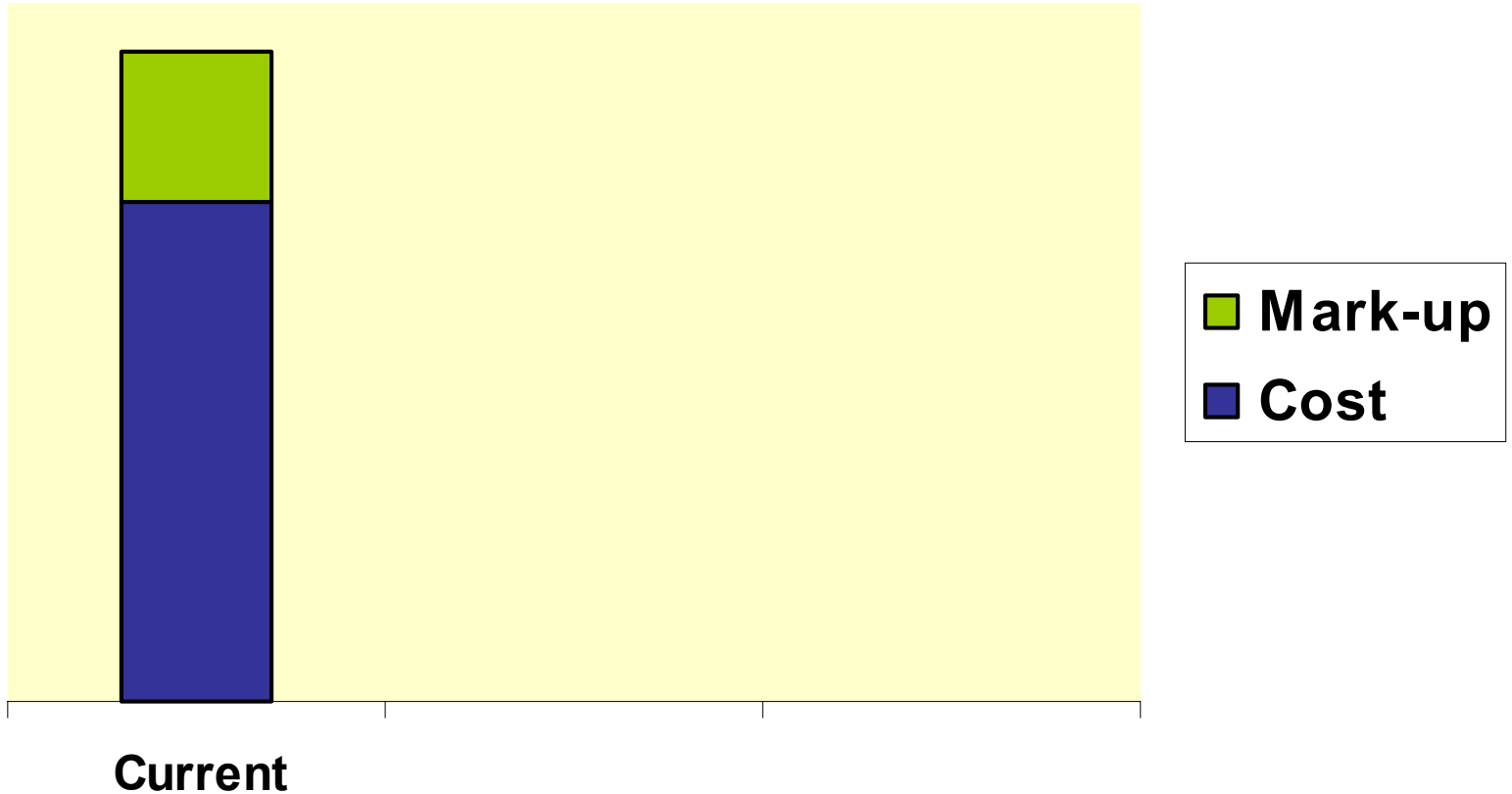
Would you buy/sell this plan?



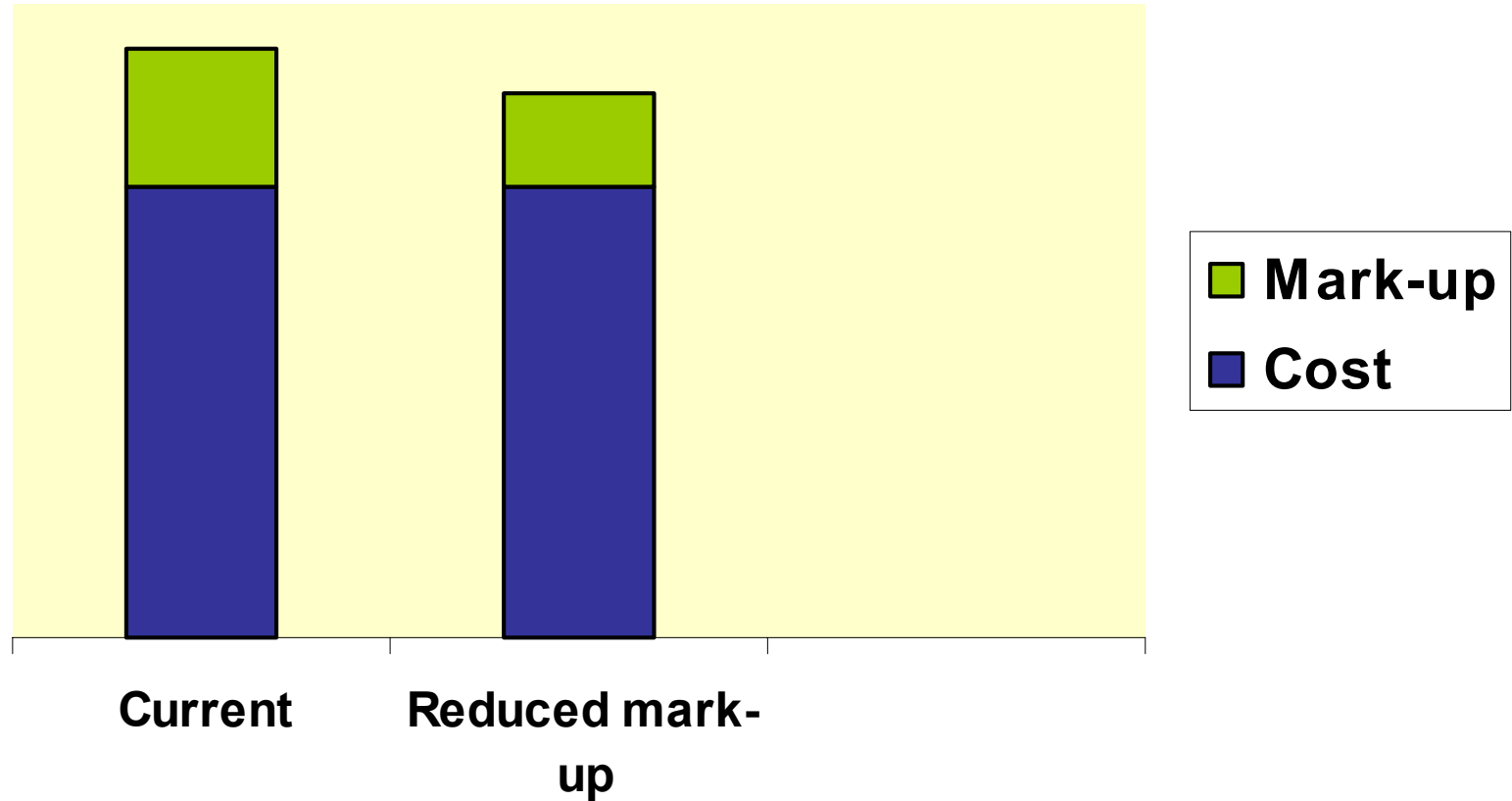
# Roaming Dynamics

- Bulk of retail price is from overseas carrier
- Cost traditionally based on Inter-Operator Tariffs (IOT)
- Australian carriers mark-up between 30% and 35%
- Roaming seen as value add
- Issue: why publish a mark-up margin, not a fixed price

# Impact of Price Controls

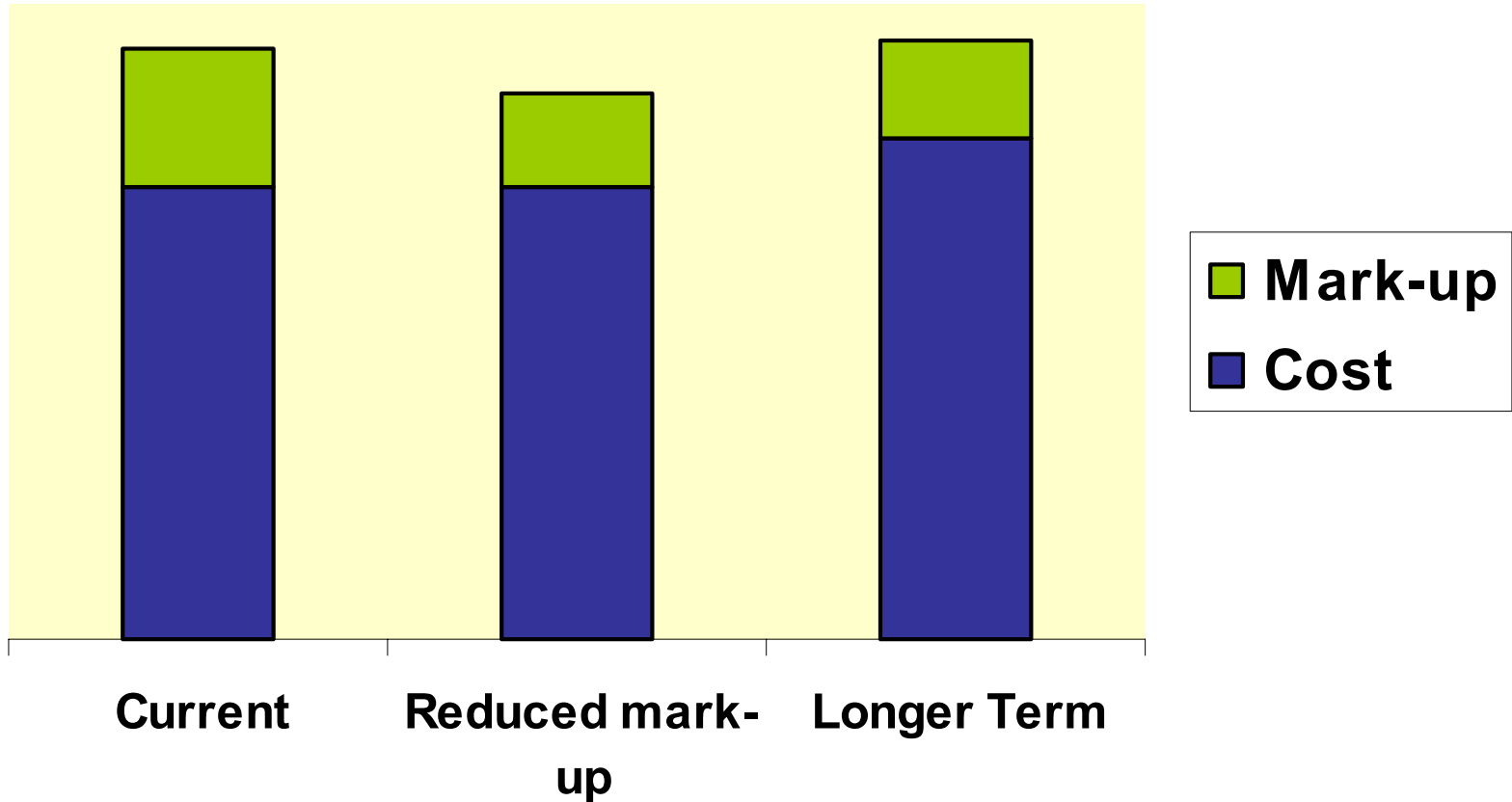


# Impact of Price Controls





# Impact of Price Controls



# Impact of Price Control

- Not Sustainable due to:
  - Tend towards highest price
  - Encourage partners overseas to increase prices
  - Discourages innovative pricing development
- Cannot enforce market price
  - Without information, the market cannot determine a price

# Require Price Disclosure

- Requires accurate carrier pricing
- Need to focus on finding ways for consumers to access lower costs in the long-term
- Can only come about if competition is encouraged

# Current Information

- Inconsistent
- Incoherent
- Incorrect
- Invisible

## Outgoing Call Charges

**Note: Prices quoted are a guide and are subject to change without notice by the foreign network operator. Exact charges will vary depending on international exchange rates. Surcharges and foreign taxes may be applied.**

Per Minute/Peak Time	\$A (approx.)
Local Call	\$0.60
Call from Hong Kong to Australia	\$2.72
	N.B. If no outgoing call charges are displayed, the charges are currently not available.
GPRS Volume rate (per KB)	\$0.02

## Incoming Call Charges

Per Minute/Peak Time	\$A (approx.)
Telstra Mobile charge to receive a call in Hong Kong	\$0.41
Incoming Airtime (Voice, Fax & Data)	\$0.60
Call Setup Fee	\$0.40

## Network Services

Call Forwarding *	Unconditional	✓
	No Reply	✓



## Ask 3

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### Hong Kong roaming prices

Receiving calls when in Hong Kong

Carrier	Rate per increment (GST inc.)	Bill increment	Flag Fall (GST inc.)
Orange	\$0.59	30 seconds	\$0.25

Making calls while in Hong Kong

Carriers	Call to Australia	Sending SMS
Orange (Hong Kong)	\$3.32	\$0.72

**Notes:**

- Estimates only, subject to change at any time
- Talk prices for making calls to Australia are indicative and quoted as rates per minute (GST not applicable)

*Additional items related to "Hong Kong roaming prices":*

[Hong Kong \(Orange\) carrier services](#)

Did this information answer your question?





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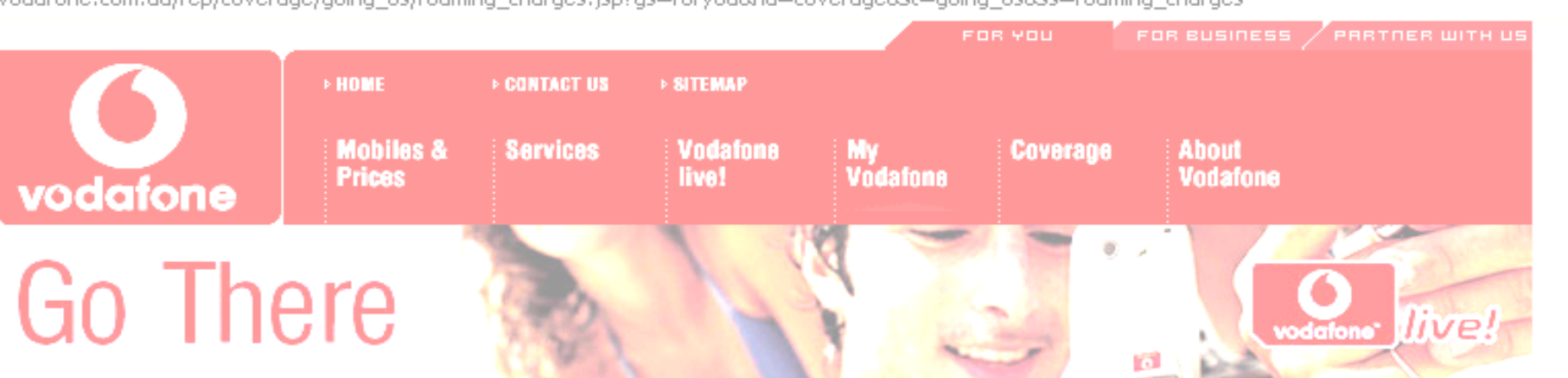
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## Roaming Charges

**Approximate peak rate call charges per minute in the relevant countries local currency.**

Country	Network	Currency (local)	Incoming additional to Ausn. IDD rates	National	Australia	SMS - 0	Fax / Data
Albania	Vodafone	LEKE		77.63	457.72	37.80	service n/a
Austria	PTA Mobilkom	EUR		0.96	1.90	0.41	Same as voice
	T-Mobile (prev. Max Mobil)	EUR		0.84	1.24	0.39	Same as Voice
	Connect	EUR		0.89	1.22	0.41	Same as voice
	Tele.ring	EUR		0.76	1.65	0.34	Same as voice
Bahrain	Batelco	BRD		0.08	0.67	0.05	Same as voice
Bangladesh	GrameenPhone	TAKA	41.45	41.45	139.26	15.53	No data
Belgium	Proximus Belgacom Mobile	EUR		0.95	2.15	0.29	Same as voice
	Mobistar	EUR		0.67	2.15	0.17	Same as voice
	Base NV/SA (prev. KPN Orange)	EUR		0.84	2.01	0.17	Same as voice
Bosnia & ...	PTT	DEM		0.61	5.64	0.19	Same as voice



# Billing information transferred between foreign operators is quoted in Special Drawing Rights (SDRs)

Roaming Charges		Mobile						
		Connect	EUR		0.89	1.22	0.41	Same as voice
		Tele.ring	EUR		0.76	1.65	0.34	Same as voice
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make one call to retrieve your messages - reducing the cost of incoming calls.

### [Divert your phone](#) to VoiceMail

To access your VoiceMail with 321 access code dial + or the international exit then 61 411 000 321 then your full mobile number. Press #, then enter your passcode followed by #.

### **SMS Text Messaging**

If the country and city you are going to has Optus AutoRoam and offers SMS, you can continue to send and receive short text messages to any Mobile Digital Customers as you would in Australia.

### **Fax and Data**

If you wish to use this service while you are overseas, you'll need to check that the country and city you are visiting supports Fax and Data services

### **Call Charges**

When using your mobile phone overseas, you will be charged for making and receiving calls. These call charges are billed back to your Optus account in Australian dollars.

When you make a call you will be charged the AutoRoam rate of the country you are in. This rate is set by the AutoRoam overseas network and includes an applicable surcharge.

When someone calls you from Australia, they will be charged the normal cost of a call to a mobile phone in Australia, as per their long distance or mobile carrier rates. In addition to this, when you receive a call from Australia, you will be charged at Optus 'Yes' International rates (excluding GST). Plus in some countries, the AutoRoam partner carrier may also charge for incoming calls. To reduce incoming call costs you may want to set an unconditional diversion to Voicemail so that you only need to make one call to retrieve your messages. See the Voicemail section for more details.

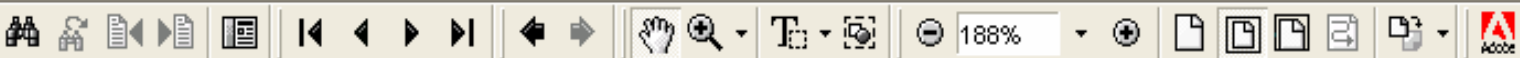
When you use a ~~Fax or Data Service~~ you will be charged the AutoRoam rate. This rate is set by the AutoRoam overseas network and includes any applicable surcharge.

For AutoRoam rates, please contact Optus Customer Care on 1300 300 937

### **CDMA customers**

Please note that this service is not available for Optus CDMA customers

[terms and conditions](#)



## Call Forward made easy

In most cases, call forwarding options for overseas networks are similar to that of Telstra Mobile.

Note however that Call Forward may not work on all overseas networks.

Always remember to include the country code when entering the number to which you are forwarding calls.

The following example shows how you set-up call forwarding to your London hotel if you are in London.

### Forward calls on 'Busy'

To forward calls to your London Hotel, only when your phone is 'busy', enter:

**\*\*67** (call forwarding code for 'Busy') then

**\*+44171** (UK International Country Code and London Prefix without the '0') then

**London Hotel Phone Number # SEND**

This would incur the Telstra Mobile international call rate to the UK, plus the local network operator's call forwarding charges.

### Forward calls on 'Ring No Answer'

To forward all calls to, for example, an answering machine in Melbourne when your phone rings but goes unanswered, enter:

**\*\*61**

(call forwarding code for 'No Answer')

**\*613** (Australian International Country Code/Melbourne Area Code without the '0') then

**Local Phone Number** for the answering machine

**# SEND**

For example:

**\*\*61\***

**+613**

**12345678 # SEND**

This would incur Telstra Mobile international call rate to the UK, plus the local UK network operator's charge for forwarding the call back to Australia.

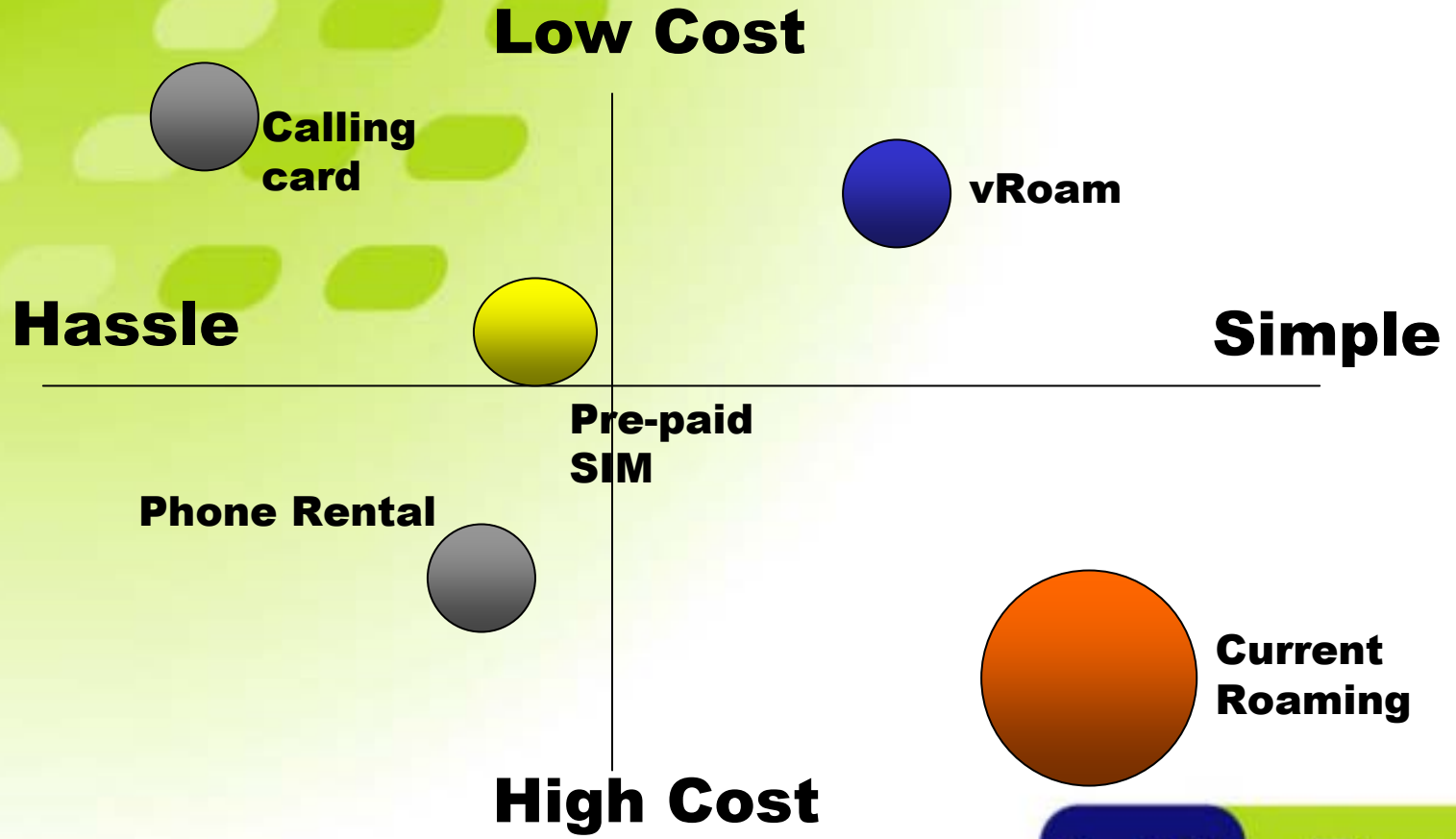
# Impact of Current Disclosure

- Consumers cannot make informed choice
  - Cannot choose between carriers
  - Cannot evaluate alternatives
- No basis for any comparison

# Competition

- Between the carriers
- Plastic Roaming (eg vRoam)
- Pre-Paid simcards
- Phone rental companies
- Calling cards
- Hotel Phones, etc

# Positioning



# Competition Requirements

- Carriers to inform consumers on the exact costs of roaming
- Carriers need to take on the risk of fluctuations due to foreign exchange, not the consumer
- Introduction of Roaming Code of Conduct

# Code of Conduct

- Similar to that adopted in Europe
- Known, accurate pricing
- In agreed format
- Comprehensive
- In Australian Dollars
- Publicly available
- Allows for comparison

- Roaming is a growing market
- Consumers have limited information for comparison
- Competition inhibited by lack of information
- Price controls are not the answer



# Recommendation

- Increase information about pricing
- Carriers to bear risk for fluctuations in costs, not consumers
- Consistent presentation of pricing to allow comparisons
- Uniform roaming information
- Introduction of Roaming Code of Conduct

Thank You

