سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

# Quarterly Report on Telecom Sector Indicators

## Q3, 2013

### Competition and Tariffs Unit

# Table of Content

## ➢ Introduction

TRA is pleased to present Quarterly Report for the Q3 2013 for the Telecom Sector Indicators. Towards fulfillment of its functions and its endeavors to provide market information of Telecom Sector to all interested parties including the investors, the TRA has been compiling and publishing basic statistics on quarterly basis. The Quarterly reports provide a brief update on the status of major telecom services in the Sultanate of Oman. These reports cover fixed and mobile voice and data services.

This report has been compiled collecting data from the telecom operators and mobile resellers operating in Oman. The TRA would like to acknowledge and appreciate the service providers for their cooperation and support for providing these statistics to TRA, which helped in preparing and disseminating this information. The source data is sometimes delayed by the licensees, which cause a few days delay in publishing the report.

Any suggestion and comments for improvement of the contents and structure of the report are highly appreciated.

This report is published on the TRA website **(www.tra.gov.om).**

## ➢ Disclaimer

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# Major Market Observations

- Penetration of different services stood at the following levels at the end of the 3rd quarter:
  - Fixed line 9.52 %,
  - Mobile subscriptions 153.08%
  - Internet 36.94% of households.

- The Active Mobile Broadband Subscribers' Penetration rate reached 58.51% by the end of third quarter 2013 with total active subscribers standing at 2,119,984.

- The Blackberry Subscribers represent 2.2% of the total Mobile Subscribers base at the end of Q3/2013 as compared to 2.3% of total mobile subscribers as at the end of preceding quarter.

- During the Thrid Quarter 2013, the TRA received and approved:
- Total of 27 promotional tariff offers.
  - 5 Tariff Plans for Revisions.
  - 10 New tariff plans.

- TRA type approved 399 telecom equipments, renewed 92 registrations of telecom dealers and registered 109 new dealers. TRA Issued 461 releases to customs for importing telecom equipments during the Quarter under report.

- The TRA carried out 34 inspections of dealers to check compliance.

# Summary of Main Telecommunications Indicators

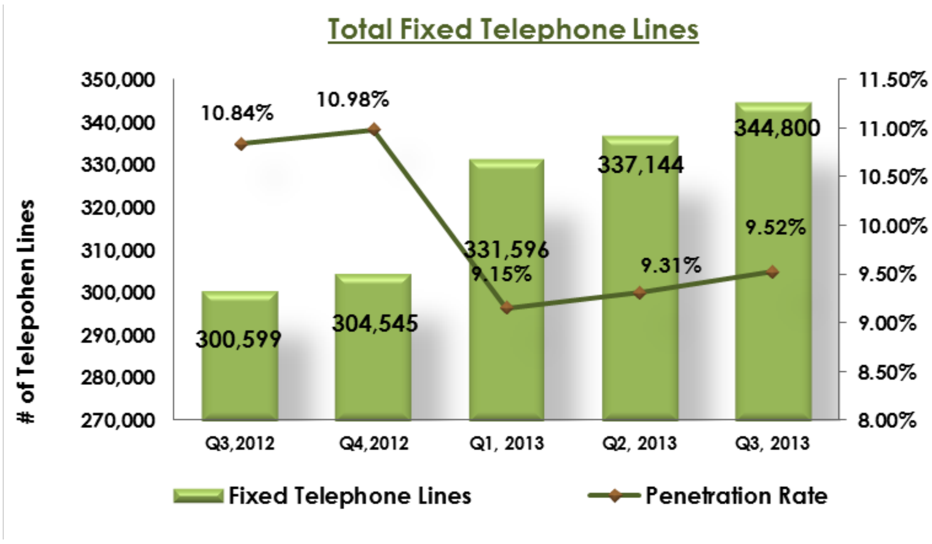
| Indicator | Fixed Telephony Services<br>*(other than Fixed Internet)* | Fixed Internet Services | Mobile Services |
|---|---|---|---|
| **Subscribers** | **344,800** | **148,590** | **5,546,117** |
| **Penetration rate** | **85.71%<br>Of household** | **36.94%<br>of household** | **153.08%<br>of inhabitant** |
| **Revenue**<br>**(Mln.RO)** | **47.345** | **13.839** | **126.476** |
| **International Outgoing Voice Minutes, (million)** | **9.832** | **NA** | **191.617** |
| **ARPU, (RO)** | **7.18** | **31.05** | **7.6** |
| **Service Providers** | Omantel, Nawras, Samatel | Omantel, Nawras | Oman Mobile, Nawras, Friendi, Renna, Samatel |

***The Fixed ARPU is based on revenue for the fixed telephone lines (post-paid and prepaid).**

# Fixed Telephone Line Service

| Type of Service | Q3/2013 | Q2/2013 | % Change |
|---|---|---|---|
| **1. Main Fixed Telephone Lines:** | | | |
| 1.1 Post Paid | 265,194 | 258,191 | 2.7% |
| 1.2 Pre-Paid | 25,630 | 25,451 | 0.7% |
| 1.3 Public Telephone – Payphone | 6,801 | 6,801 | 0.0% |
| 1.4 ISDN Equivalent Channels | 45,346 | 44,876 | 1.0% |
| 1.5 WLL Connections | 1,829 | 1,825 | 0.2% |
| **Total Fixed Telephone Lines in Operation (1.1-1.5)** | **344,800** | **337,144** | **2.3%** |
| **Fixed Line Penetration /100 Inhabitant** | **9.52%** | **9.32%** | **2.1%** |
| **Fixed Line Penetration /100 household** | **85.71%** | **83.81%** | **2.3%** |

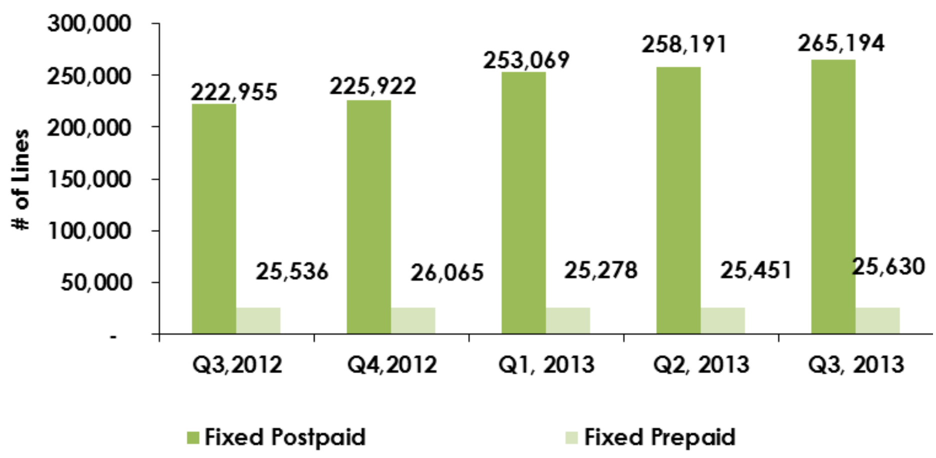
- **Note: the penetration rate has been calculated as per latest statistics provided by NCSI of Mid-Year 2012 (3,623,001), & Estimated Household: 402,286).**




***Note: the steep drop in penetration in Q1was due to revised Population figure published by NCSI.***

- Q3, 2013 ended with 344,800 fixed lines, with an increase of 2.3% compared to the previous quarter. Similarly, the penetration rate in terms of inhabitants grew from 9.32% to 9.52%, and in terms of household from 83.81% to 85.71%.

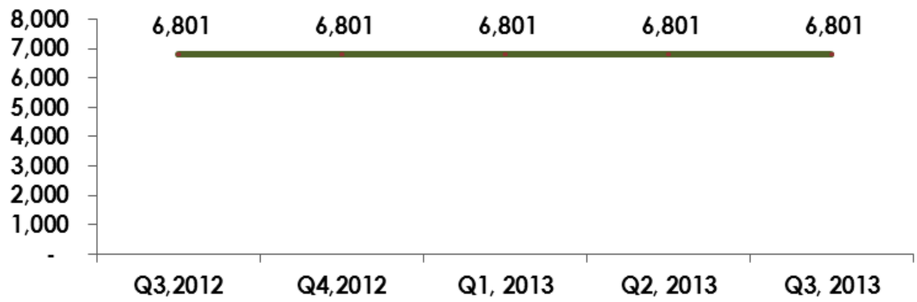
## Fixed Telephones Post paid & Pre paid



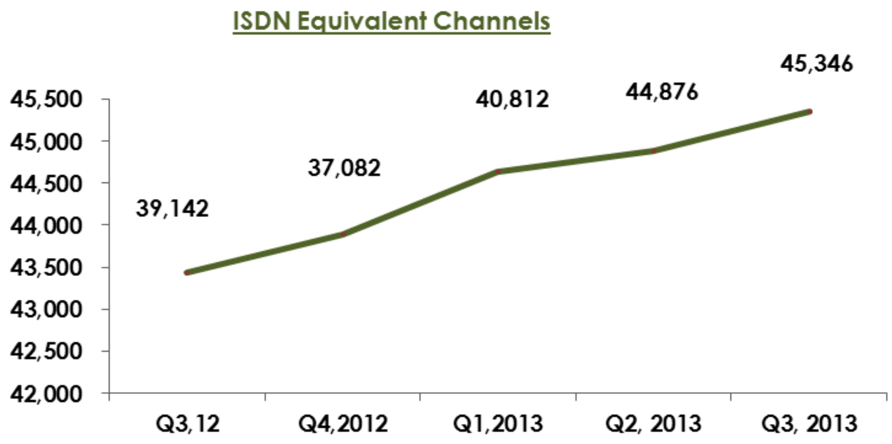

During the 3rd quarter 2013, the fixed post-paid lines increased by 2.7%, resulting in total of 265,194 post-paid lines.

The number of prepaid connections increased by 0.7% during the same period.

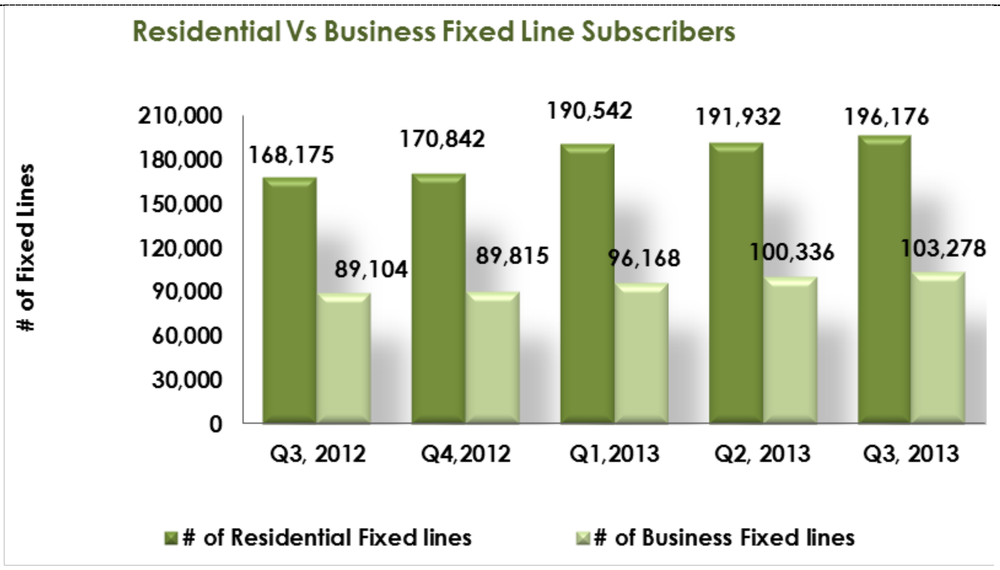
## Pay Phones




Public payphones remained static since last year with the total of 6,801 pay phones in service.




The ISDN equivalent channels showed an increase of 1% during the third quarter of 2013.




Total residential fixed lines recorded an increase to reach to 196,176 during the current quarter, which is equal to an increase of 2.2%.

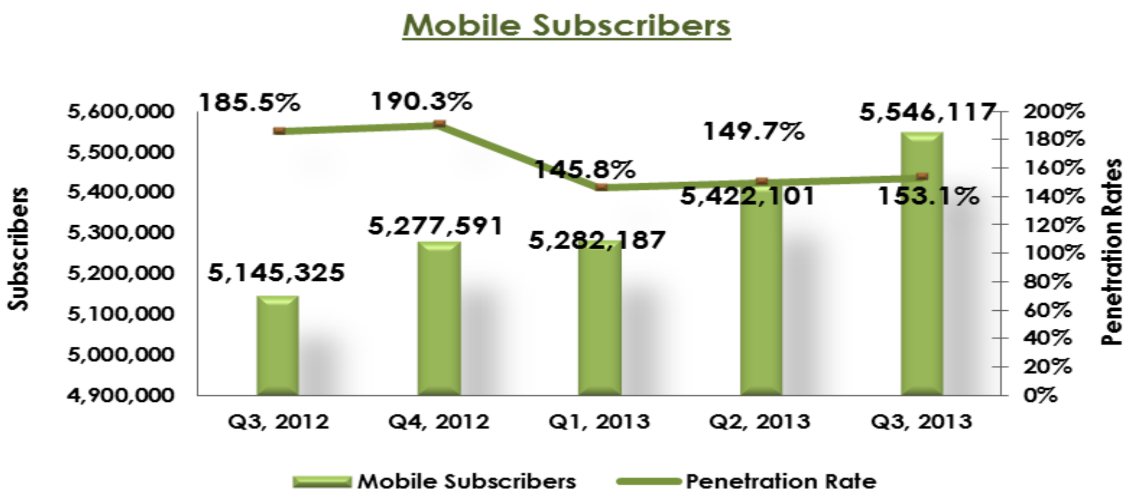
The split between fixed residential and business lines stands at 65.5% and 34.5% respectively.

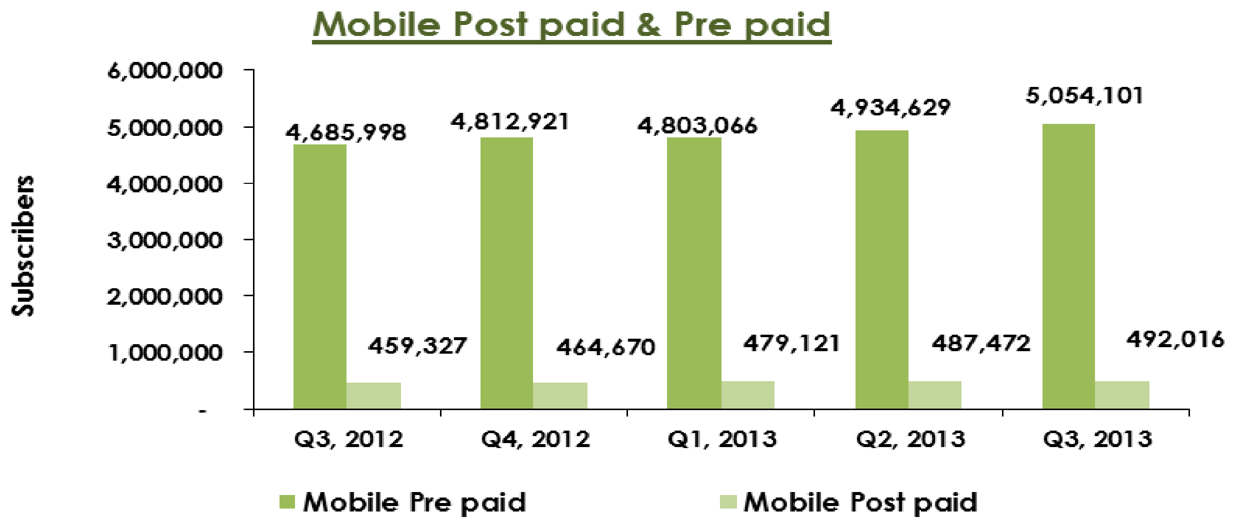
# Mobile Services

| 2. Mobile Subscribers | As of Sept 2013 | As of June 2013 | % change |
|---|---|---|---|
| **2.1 Post Paid** | | | |
| 2.1.1 Operators | 492,016 | 487,472 | 0.93% |
| 2.1.2 Resellers | | | |
| **Total Postpaid Subscribers** | **492,016** | **487,472** | **0.93%** |
| **2.2 Pre-Paid** | | | |
| 2.2.1 Operators | *4,519,277* | 4,420,571 | 2.23% |
| 2.2.2 Resellers | *534,824* | 514,058 | 4.04% |
| **Total Prepaid Subscribers** | **5,054,101** | **4,934,629** | **2.42%** |
| **Total Mobile Subscribers: (2.1+2.2)** | **5,546,117** | **5,422,101** | **2.29%** |
| **Mobile Penetration/100 Inhabitant** | **153.08%** | **149.66%** | **2.29%** |
| **BlackBerry Subscribers:** | | | |
| 3.1 Post Paid | 14,790 | 15,497 | -4.56% |
| 3.2 Pre-Paid | 105,294 | 108,882 | -3.30% |
| **Total BlackBerry Subscribers (3.1+3.2)** | **120,084** | **124,379** | **-3.45%** |
| **% of BlackBerry Mobile Subscribers of total Base in Oman** | **2.2%** | **2.3%** | **-4.35%** |

- **Note: the penetration rate has been calculated as per latest statistics of population provided by NCSI of Mid-Year 2012 (3,623,001).**

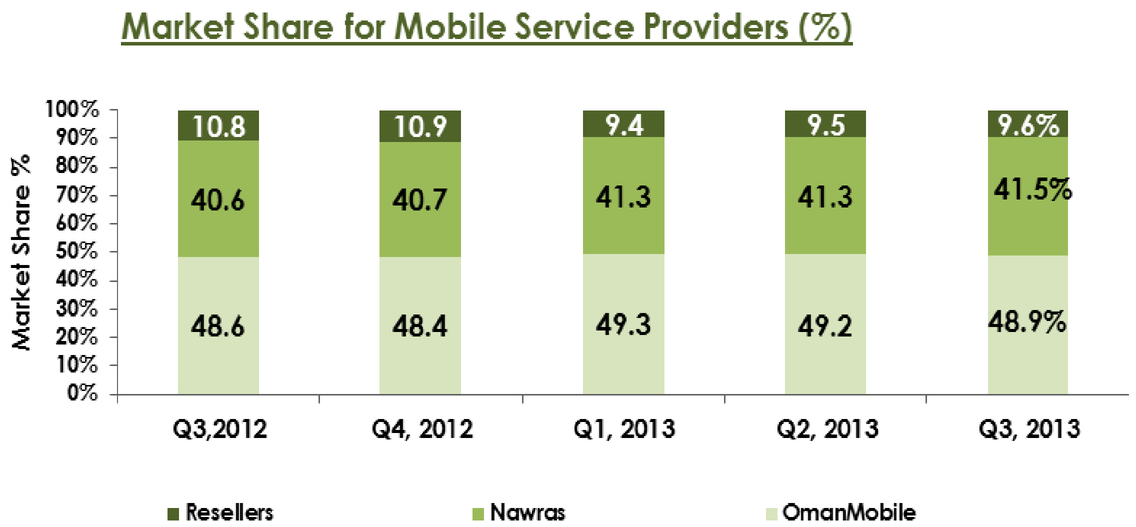
- By end of Q3, 2013 total mobile subscribers stood at 5,546,117 with an increase of 124,016 subscribers during this quarter.
- The penetration rate of mobile subscribers increased from149.7% to 153.08%.



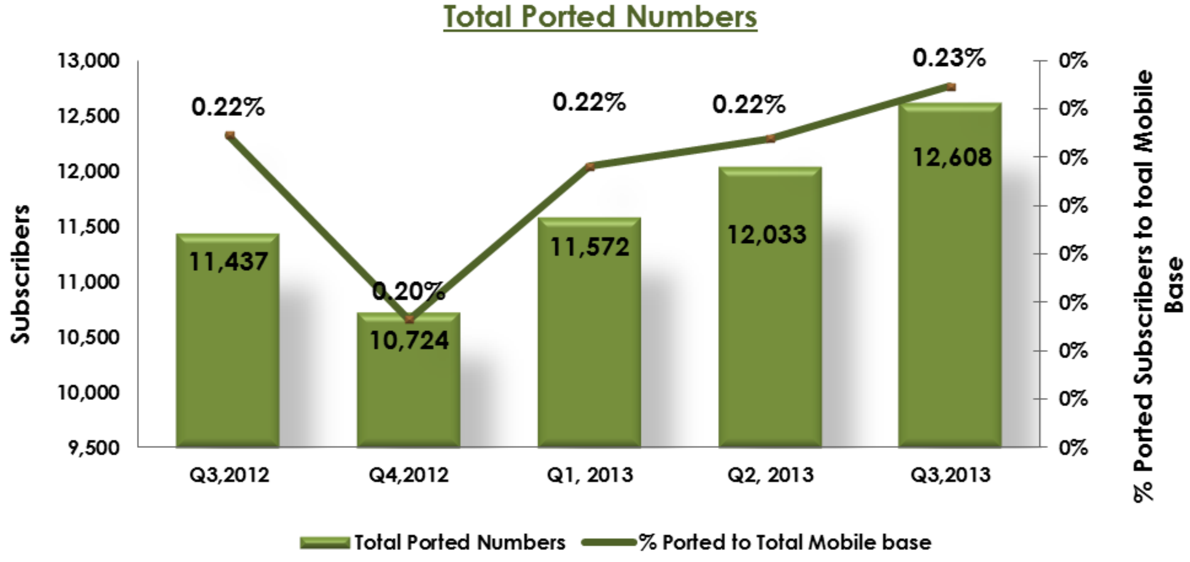



Post-paid mobile subscribers stood at 492,016 at the end of 3rd Quarter 2013 showing an increase of 0.93%.

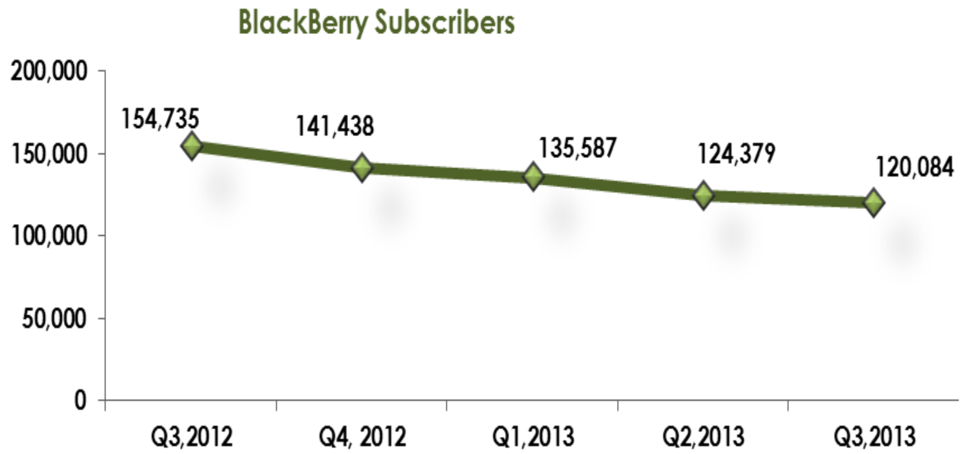
Prepaid mobile subscribers were 5,054,101 at the end of Q3 showing the growth of 2.42% compared to 2nd quarter.




As of end of Q3, 2013, Oman Mobile possessed a market share of 48.9% while Nawras had 41.5%. The resellers achieved 9.6% market share during the reported quarter.




Total numbers ported during Q3, 2013 were 12,608 as compared to 12, 033 numbers during Q2, 2013. This translates a growth of 4.78% over the previous quarter. During the quarter the ported numbers represented 0.23% of the total mobile subscribers' base.

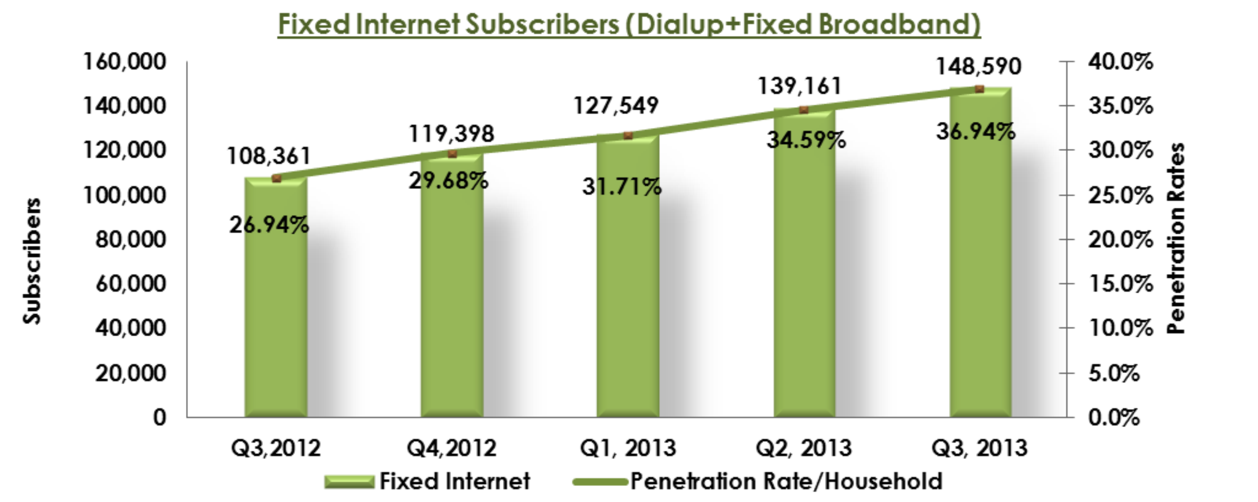



Blackberry Subscribers at the end of Q3, 2013 represented 2.2% of the total Mobile Subscribers base with the total of 120,084 subscribers.

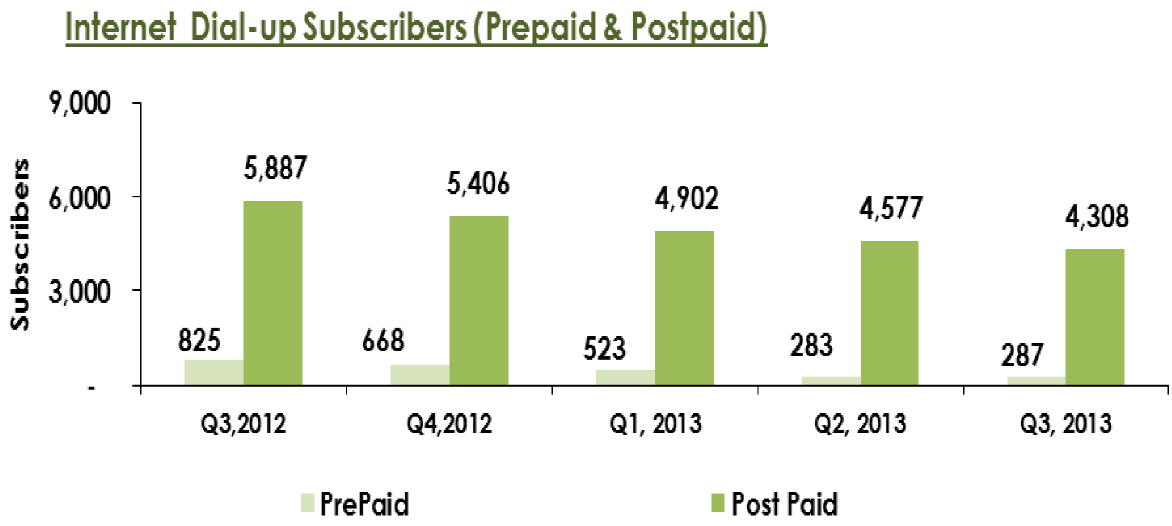
This has registered a drop of 4.35% over the previous quarter when it was 2.3% of the total mobile subscriber base in Oman.

# Internet Services

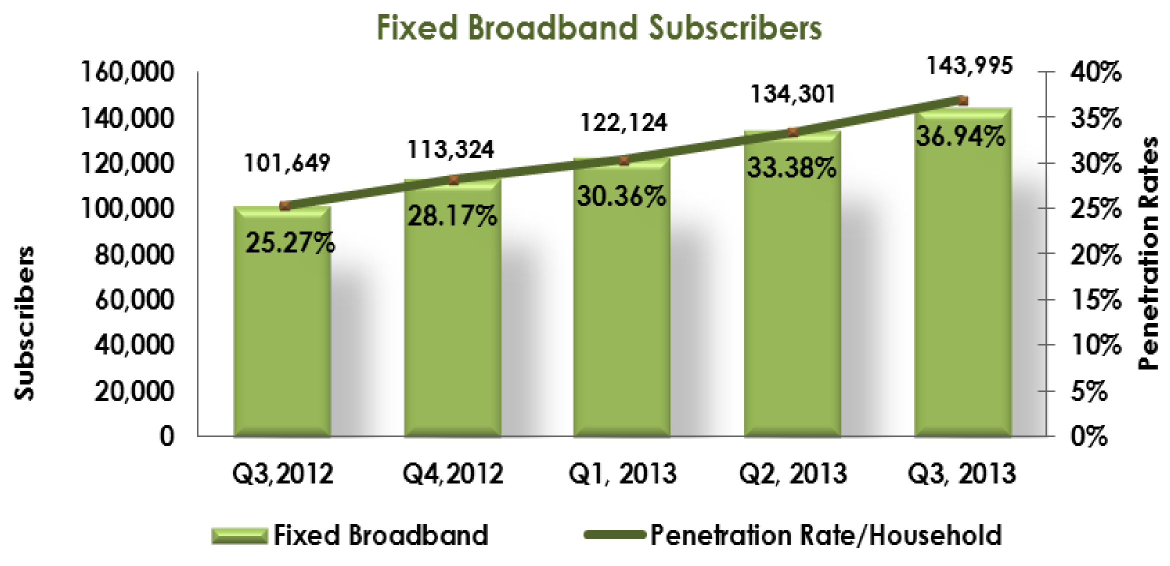
| Type of Service | | As of Sept 2013 | As of June 2013 | % Change |
|---|---|---|---|---|
| **Dial Up Subscribers** | | | | |
| | 1.1 Post Paid | 4,308 | 4,577 | -5.9% |
| | 1.2 Pre-Paid | 287 | 283 | 1.4% |
| **1.** | **Total Dial-Up Subscribers: (1.1+1.2)** | **4,595** | **4,860** | -5.5% |
| **Fixed Broadband Subscribers** | | | | |
| **2.** | **Total Fixed Broadband Subscribers** | **143,995** | **134,301** | **7.2%** |
| | **Total Fixed Broadband Subscribers Penetration/100 Household** | **35.79%** | **33.38%** | **7.2%** |
| | **Total Fixed Internet Subscribers (1+2)** | **148,590** | **139,161** | **6.8%** |
| | **Total Fixed Internet Penetration /100 Household** | **36.94%** | **34.59%** | **6.8%** |
| **3. Active Mobile Broadband Subscribers** | | | | |
| | 3.1 Dedicated mobile-broadband Subscribers | 1,384,256 | 1,354,575 | 2.1% |
| | 3.2 Standard mobile-broadband Subscribers | 735,728 | 720,410 | 2.1% |
| | **Total Active Mobile Broadband Subscribers (3.1+3.2)** | **2,119,984** | **2,074,985** | 2.1% |
| | **Active Mobile Penetration Rate /100 Inhabitant** | **58.51%** | **57.27%** | 2.1% |



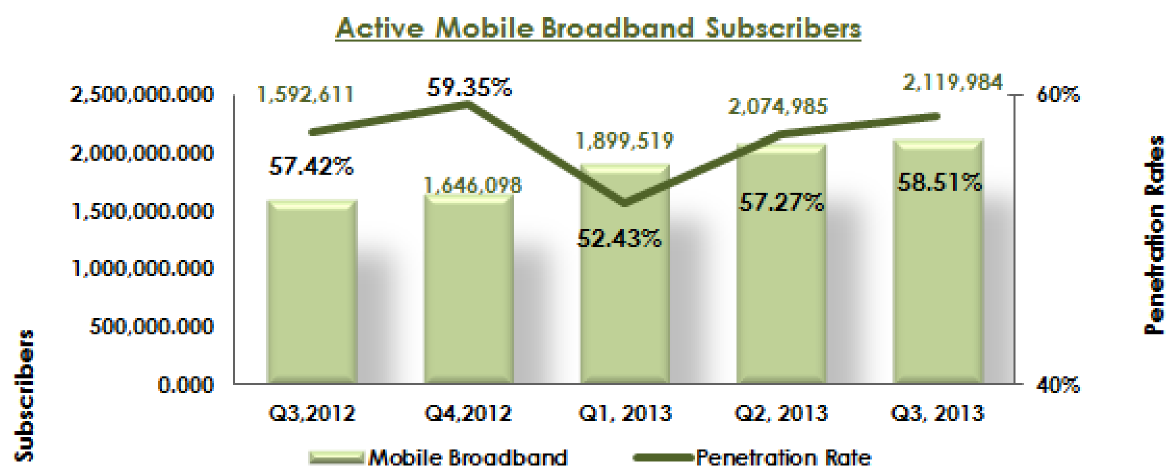

- At the end of Q3, 2013 there were 148,590 total fixed Internet subscribers showing an increase of 6.8% against the second quarter.
- Fixed internet subscribers' penetration rate in terms of Households increased to 36.94% by end of the third quarter.



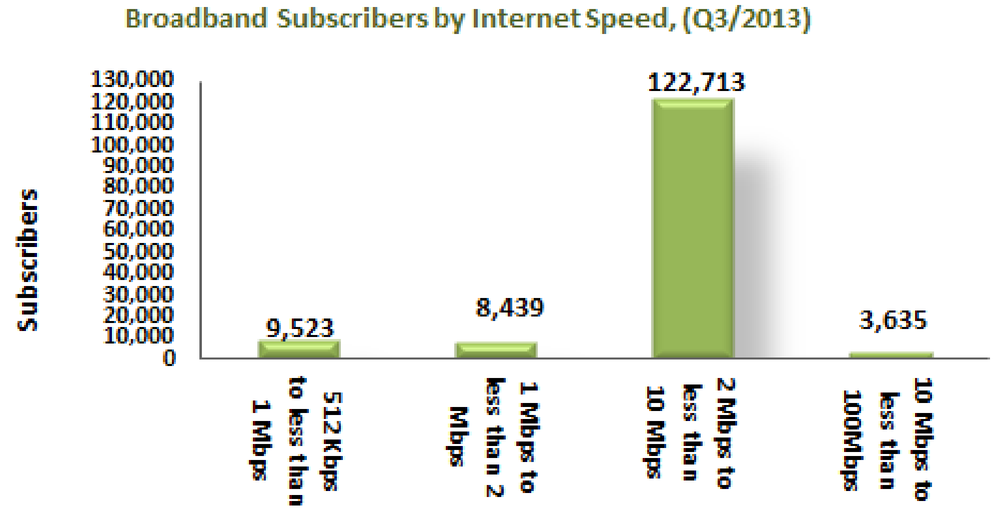

The Dial up subscribers are showing continuous decline since the last year. The Q3, 2013 shows a decline of 5.45% from Q2, 2013.



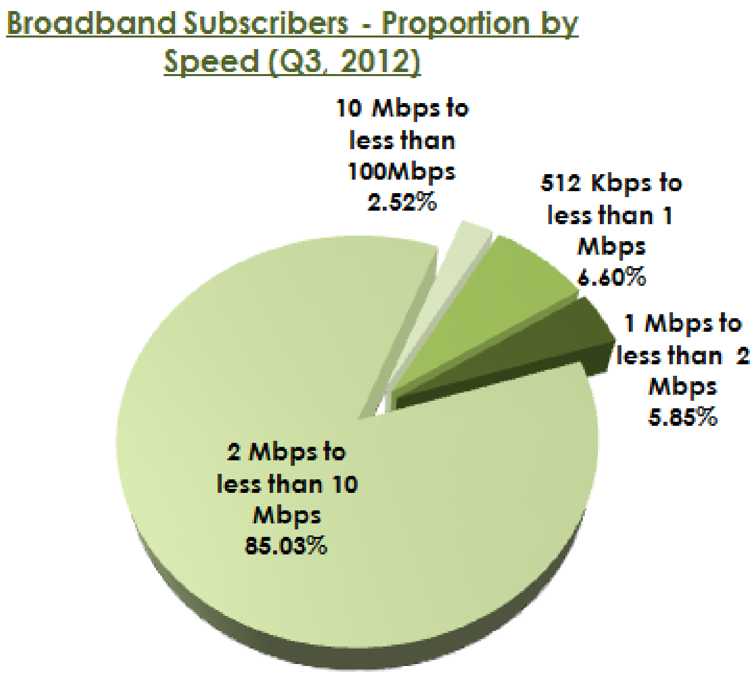

Fixed Broadband subscription increased by 7.2% (from 134,301 to 143,995). Penetration rate in terms of Household also increased to 36.94% from 33.38% during Q3, 2013.

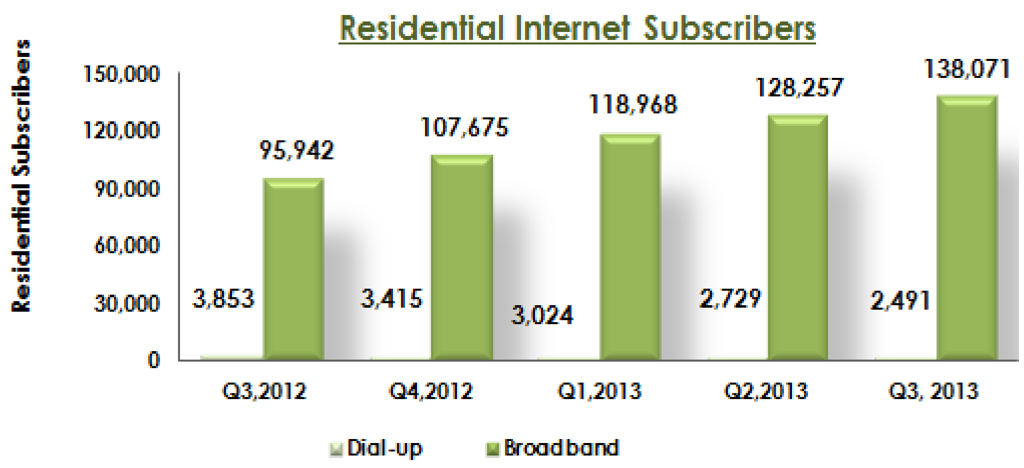



- At the end of Q3, 2013 the Total Active Mobile Broadband subscribers (*measured as per ITU definition*) increased to 2,119,984 from 2,074,985 of Q2, 2013. The penetration rate grew by 2.2% standing at 58.51% of population.




- 6.6% of Broadband subscribers during Q3, 2013 had access speed of 512Kbps to less than 1 Mbps.
- 5.85% of Broadband subscribers during Q3, 2013 had access speed of 1Mbps to less than 2 Mbps.
- 85.03% of Broadband subscribers during Q3, 2013 had access speed of 2 Mbps to less than 10Mbps.
- 2.5% of the broadband subscribers have access to 10 Mbps and above.

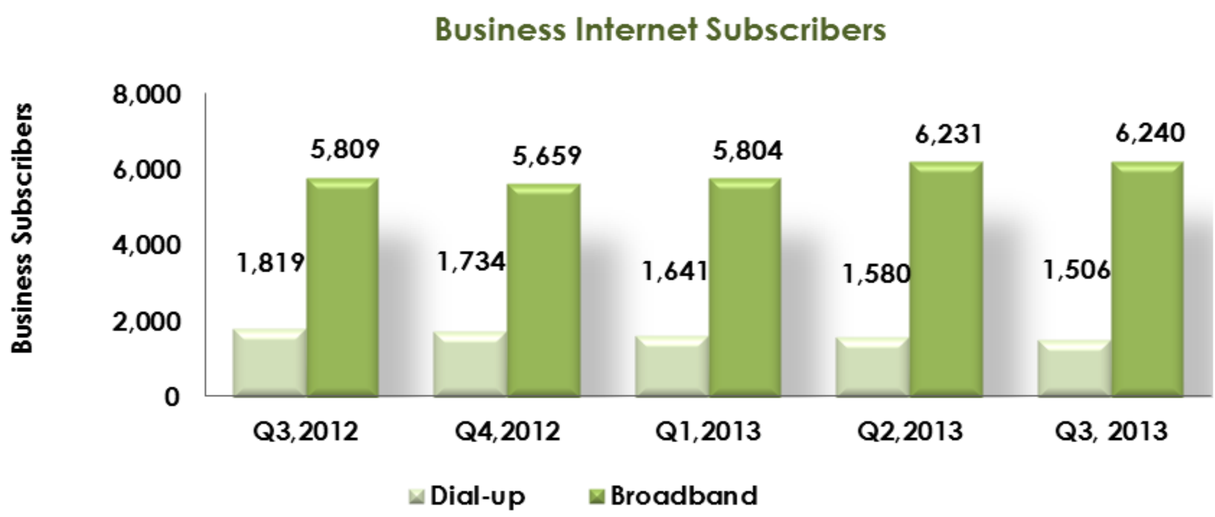


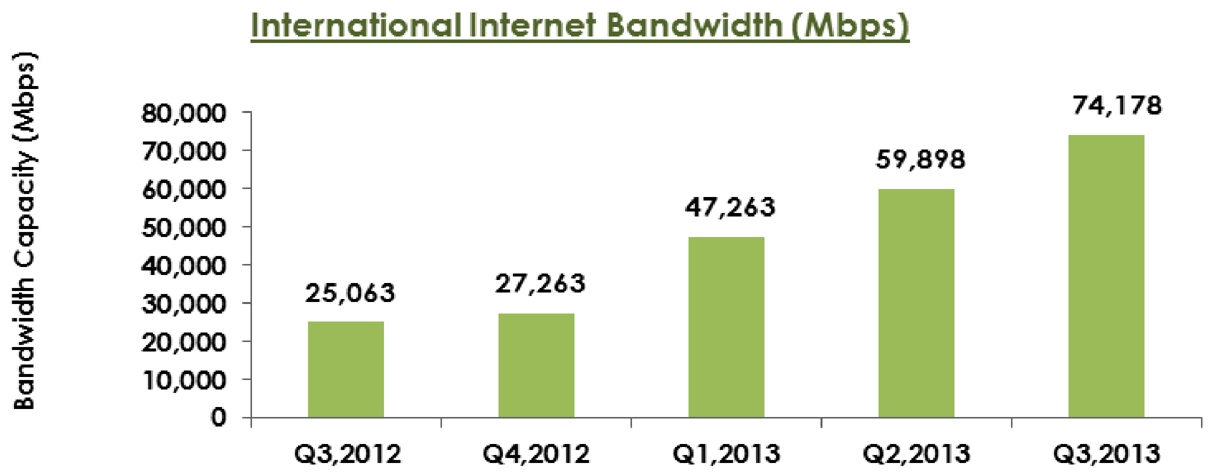



The above Residential and below Business Internet Subscribers' charts show that:

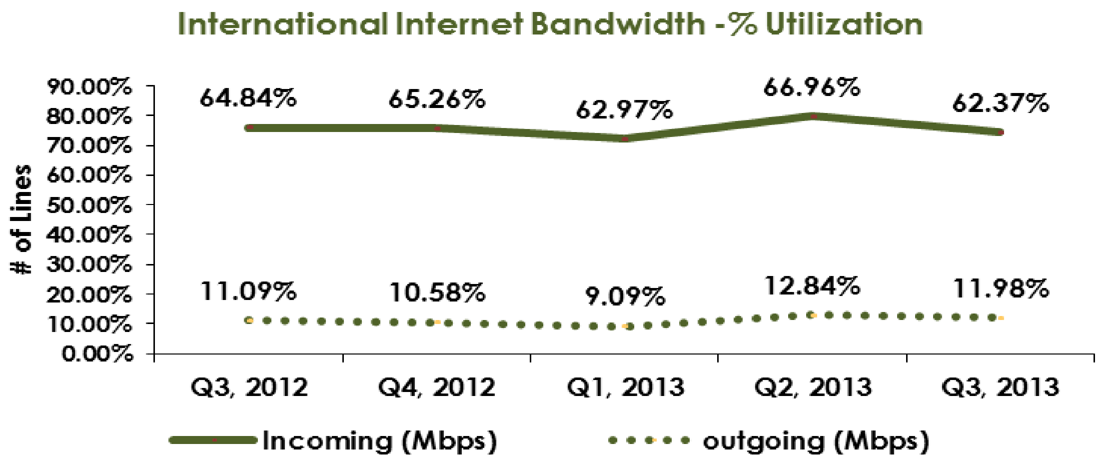
- The residential and business internet broadband subscribers increased during the Third Quarter 2013 by 7.7% and 0.14% respectively.

- On the other hand, the Dial up was showing continuous drop since the last year.



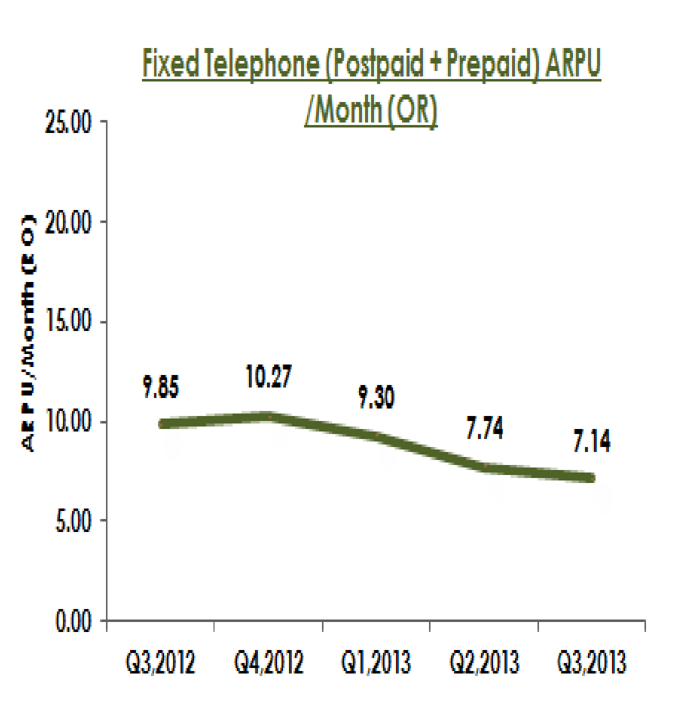


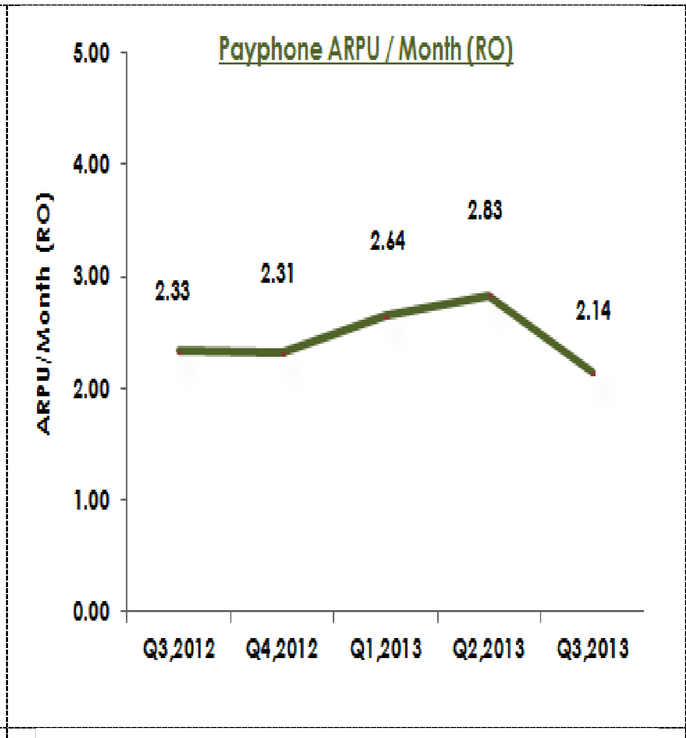

➢ Q3, 2013 recorded 74,178 Mbps as total of international internet bandwidth capacity in the market, which shows an increase of 23.8% over the previous quarter.

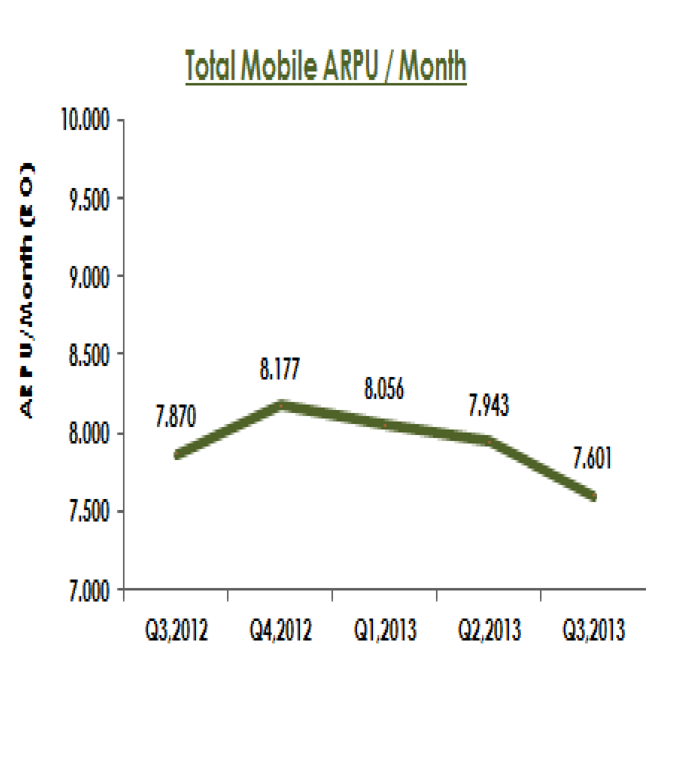


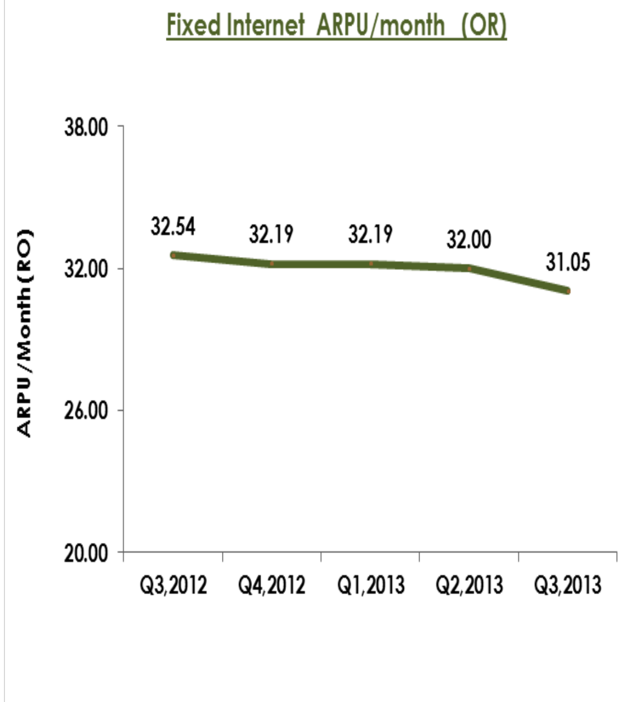

➢ Out of 74,178 Mbps capacity, on average 11.98% was utilized for the outgoing and 62.37% for the incoming traffic.

# ARPUs


Fixed Telephone (Postpaid + Prepaid) ARPU /Month (OR)
25.00
20.00
15.00
10.00
5.00
0.00
ARPU/Month (RO)
9.85
10.27
9.30
7.74
7.14
Q3,2012
Q4,2012
Q1,2013
Q2,2013
Q3,2013


Payphone ARPU / Month (RO)
5.00
4.00
3.00
2.00
1.00
0.00
ARPU/Month (RO)
2.33
2.31
2.64
2.83
2.14
Q3,2012
Q4,2012
Q1,2013
Q2,2013
Q3,2013


Total Mobile ARPU / Month
10.000
9.500
9.000
8.500
8.000
7.500
7.000
ARPU/Month (RO)
7.870
8.177
8.056
7.943
7.601
Q3,2012
Q4,2012
Q1,2013
Q2,2013
Q3,2013

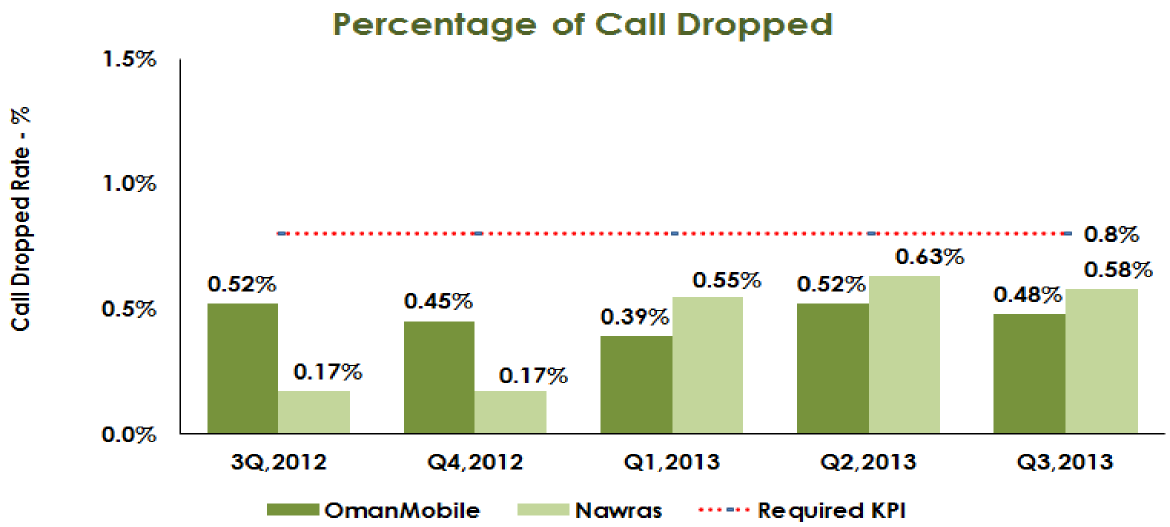

Fixed Internet ARPU/month (OR)
38.00
32.00
26.00
20.00
ARPU/Month (RO)
32.54
32.19
32.19
32.00
31.05
Q3,2012
Q4,2012
Q1,2013
Q2,2013
Q3,2013

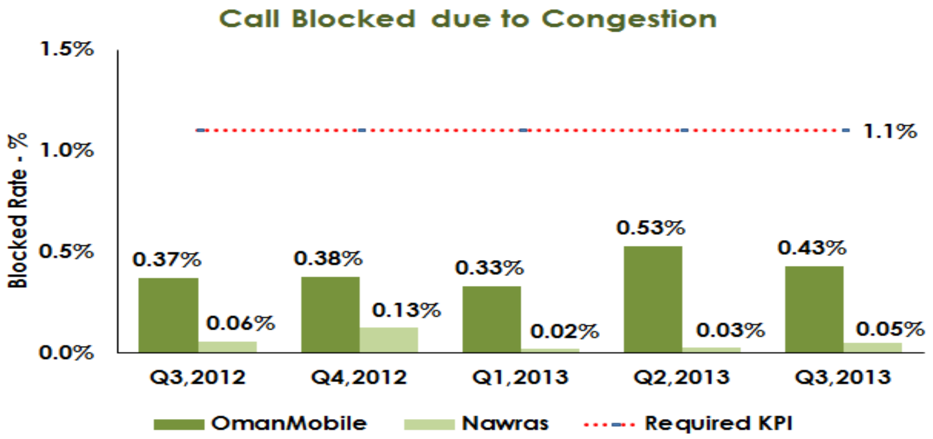
# Quality of Service

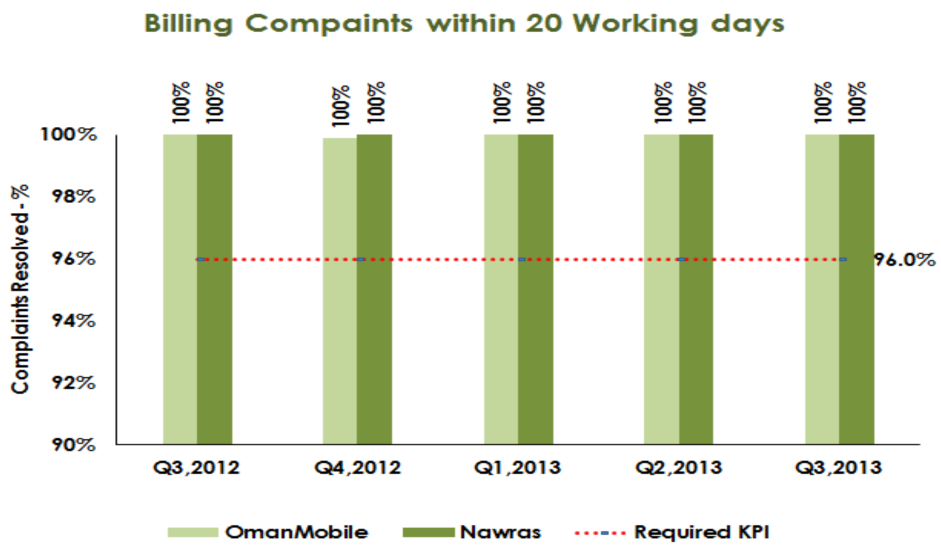
## Mobile Services KPIs*

**(As measured and reported by the operators. These are not audited or verified figures.)**

| Mobile Services KPIs | Required KPI (Bi-Annual) | Q3/2013 | | Q2/2013 | |
|---|---|---|---|---|---|
| | | Oman Mobile | Nawras | Oman Mobile | Nawras |
| 1. Percentage of Calls Dropped | Less than 0.8% | 0.48% | 0.58% | 0.52% | 0.63% |
| 2. Percentage of Calls Blocked due to Congestion | Less than 1.1% | 0.43% | 0.05% | 0.53% | 0.03% |
| 3. Percentage of billing complaints resolved within 20 working days | More than 96% | 100% | 100% | 100% | 100% |


Percentage of Call Dropped
Call Dropped Rate - %
1.5%
1.0%
0.5%
0.0%
0.8%
0.52%
0.17%
0.45%
0.17%
0.39%
0.55%
0.52%
0.63%
0.48%
0.58%
3Q,2012
Q4,2012
Q1,2013
Q2,2013
Q3,2013
OmanMobile
Nawras
Required KPI


Call Blocked due to Congestion
Blocked Rate - %
1.5%
1.0%
0.5%
0.0%
1.1%
0.37%
0.06%
0.38%
0.13%
0.33%
0.02%
0.53%
0.03%
0.43%
0.05%
Q3,2012
Q4,2012
Q1,2013
Q2,2013
Q3,2013
OmanMobile
Nawras
Required KPI

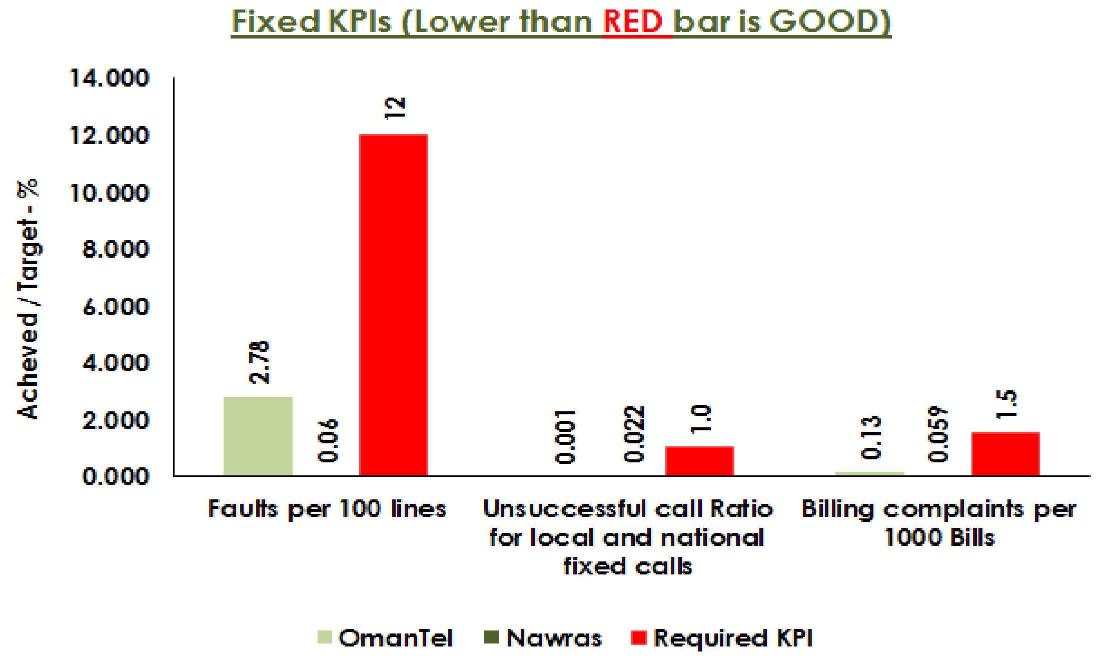

Billing Compaints within 20 Working days
Complaints Resolved - %
100%
98%
96%
94%
92%
90%
100%
100%
100%
100%
100%
100%
100%
100%
100%
100%
96.0%
Q3,2012
Q4,2012
Q1,2013
Q2,2013
Q3,2013
OmanMobile
Nawras
Required KPI

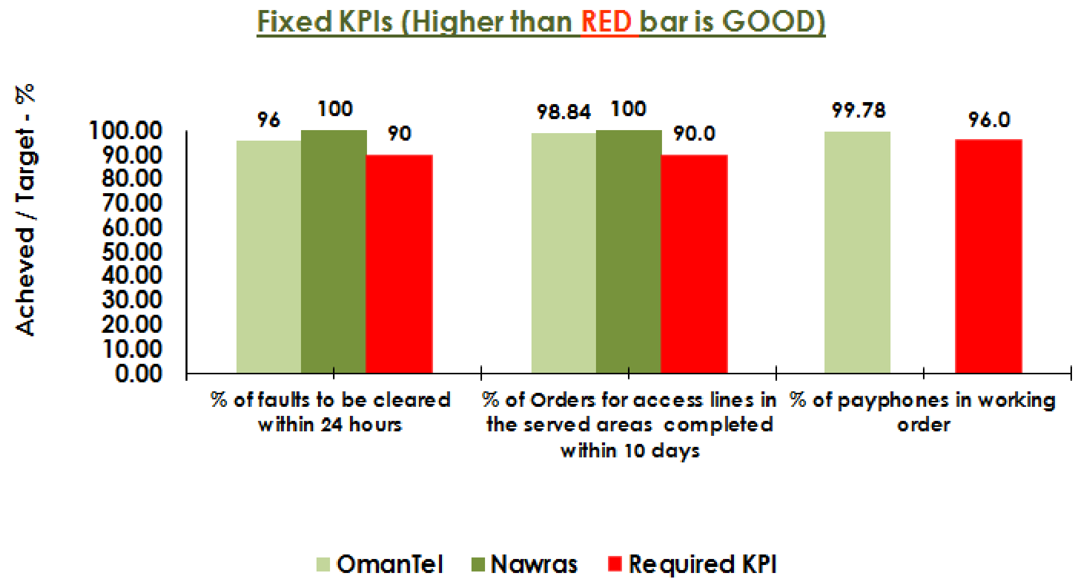
# Fixed Services KPIs

**(As measured and reported by the operators. These are not audited/verified KPIs)**

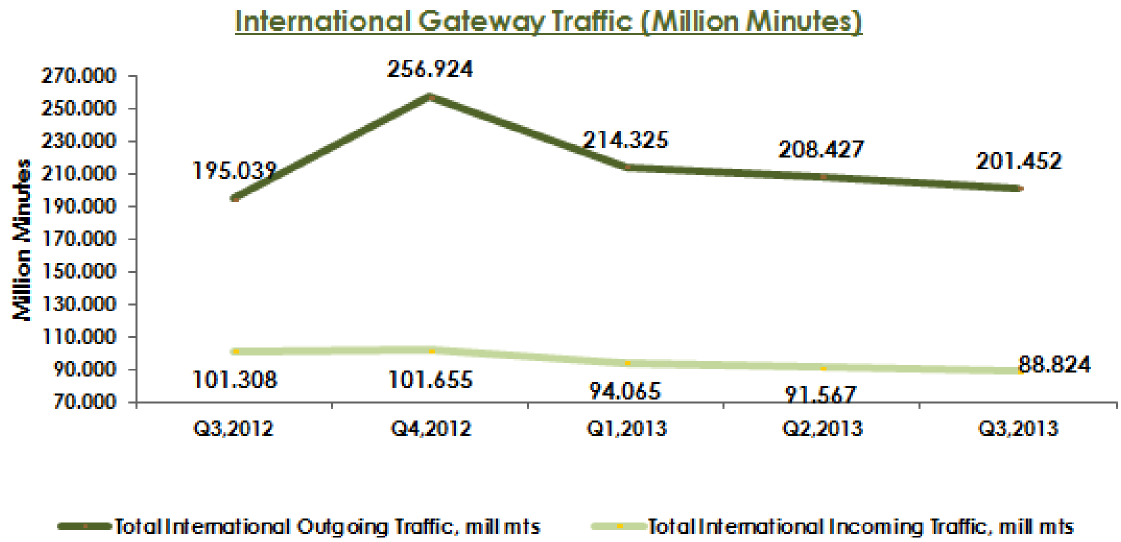
| Fixed Services KPIs | Required KPI (Bi-Annual) | Q3/2013 | | Q2/2013 | |
|---|---|---|---|---|---|
| | | Omantel | Nawras | Omantel | Nawras |
| 1. Faults per 100 lines | Less than 12 | 2.78 | 0.06 | 2.50 | 0.00 |
| 2. % of faults to be cleared within 24 hours | More than 90% | 96% | 100% | 95.92 | 100.00 |
| 3. Unsuccessful call Ratio for local and national fixed calls | Less than 1% | 0.11% | 0.022 | 0.03% | 0.11% |
| 4. Percentage of Orders for access lines in the served areas completed within 10 days | More than 90% | 98.84% | 100% | 98.85% | 100% |
| 5. Percentage of payphones in working order | More than 96% | 99.78% | NA | 99.83% | 0.0% |
| 6. Billing complaints per 1000 Bills | Less than 1.5 | 0.13% | 0.059 | 0.09% | 0.038% |
| 7. Percentage of billing complaints resolved within 20 working day | More than 96% | 100% | 100% | 100% | 100% |

*The figures are not audited by TRA.

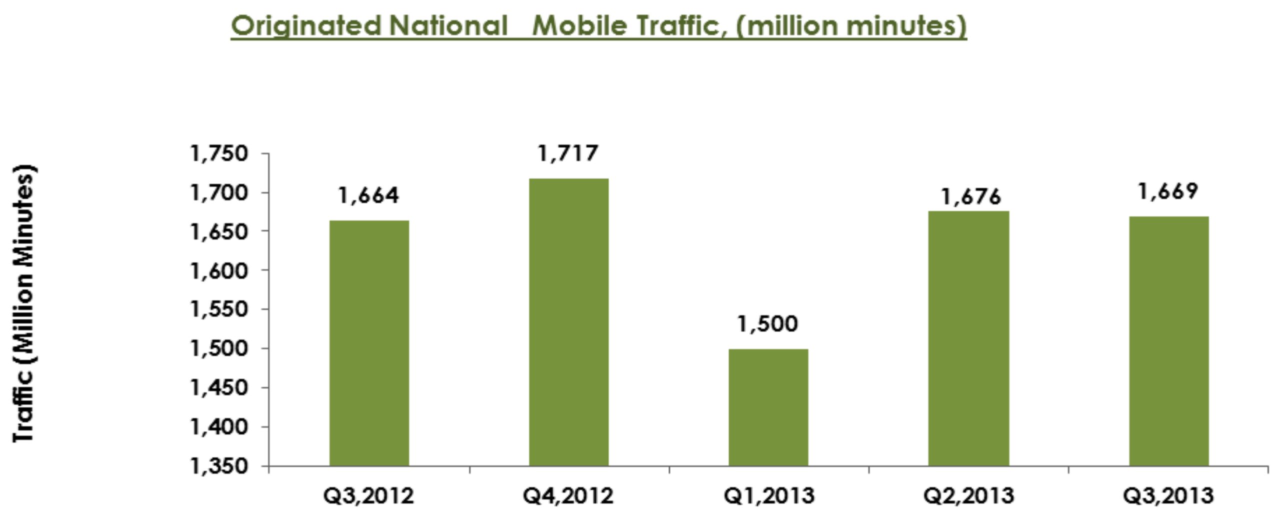

Fixed KPIs (Lower than RED bar is GOOD)
Achieved / Target - %
14.000
12.000
10.000
8.000
6.000
4.000
2.000
0.000
2.78
0.06
12
0.001
0.022
1.0
0.13
0.059
1.5
Faults per 100 lines
Unsuccessful call Ratio for local and national fixed calls
Billing complaints per 1000 Bills
OmanTel
Nawras
Required KPI


Fixed KPIs (Higher than RED bar is GOOD)
Achieved / Target - %
100.00
90.00
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
96
100
90
98.84
100
90.0
99.78
96.0
% of faults to be cleared within 24 hours
% of Orders for access lines in the served areas completed within 10 days
% of payphones in working order
OmanTel
Nawras
Required KPI

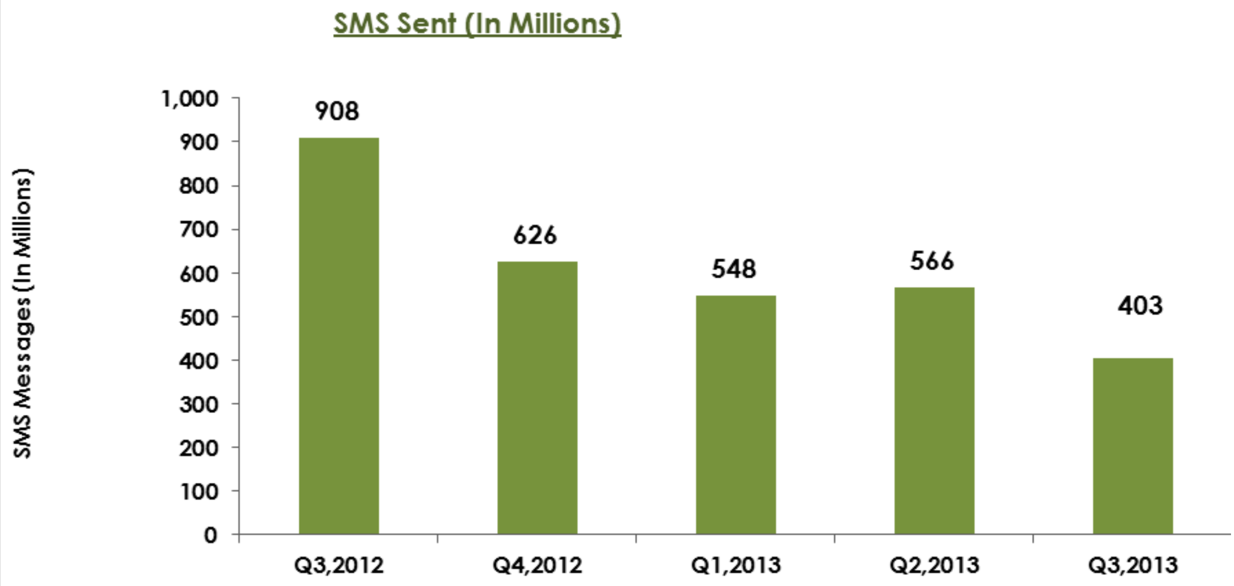
# Traffic



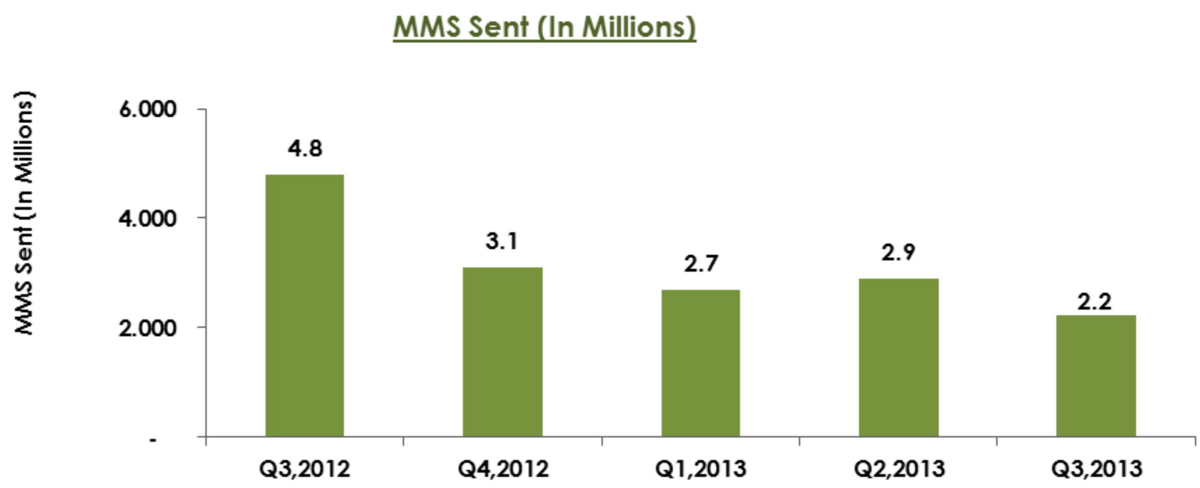

During the third quarter of 2013, both the outgoing and incoming minutes from the international gateway registered a drop of 3.3% and 2.9% respectively.




The originated national mobile traffic has been fluctuating during the previous quarters. The third quarter of 2013 has shown a drop of 0.41% against the second quarter of 2013.




During the quarter, the total volume of Sent SMS messages decreased to 403 million from 566 million SMS which is 28.8% less compared to Q2, 2013.




The number of MMS declined during the Q3, 2013 by 24.1% against Q2, 2013, reaching to a total of 2.2 million.

# Type Approval

**During the Q3 Quarter 2013, TRA :**

- Approved a total number of 399 (Previous Quarter 445) Telecom Equipment.
- Renewed 92 (Previous Quarter: 90) registrations of Telecom Dealers.
- Registered 109(Previous Quarter: 97) new dealers.
- Issued 461(Previous Quarter: 424) Releases to Customs for Imported Telecom equipment.
- Inspected 34(Previous month 148) dealerships.