سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

# Telecom Market Indicators Report

## Q1, 2013

### Economics Affairs Unit

# Table of Content

## Introduction

In its endeavors to provide latest market information of Telecom Sector to all interested parties including the investors, the TRA has been compiling and publishing basic statistics on quarterly basis. This is the 1st Quarter 2013 reports, which provides a brief update on the status of major telecom services in the Sultanate of Oman. It covers fixed and mobile voice and data services.

This report sources the data collected from the telecom operators and mobile resellers operating in Oman. 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.

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

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# Major Market Observations

- Penetration Rates/100 Inhabitant is 9.15% for Fixed, 145.80% for Mobile. The internet penetration per 100 Households is 31.71% at the end of Q1.

- The Active Mobile Broadband Subscribers' Penetration rate reached 52.43% by the end of first quarter 2013 with total active subscribers standing at 1,899,519.

- The Blackberry Subscribers represent 2.6% of the total Mobile Subscribers base at the end of Q1/2013 as compared to 2.7% of total mobile subscribers as at the end of preceding quarter.

- During the First Quarter 2013, the TRA approved:

- Total of 10 promotional offers.
- 8 Tariff Plan Revisions.
- 8 New tariff plans.

- TRA approved 312 telecom equipments, renewed 84 registrations of telecom dealers and registered 120 new dealers. TRA Issued 372 releases to customs for imported telecom equipments during the Quarter.

- The TRA carried out 227 inspections to check dealership violations .

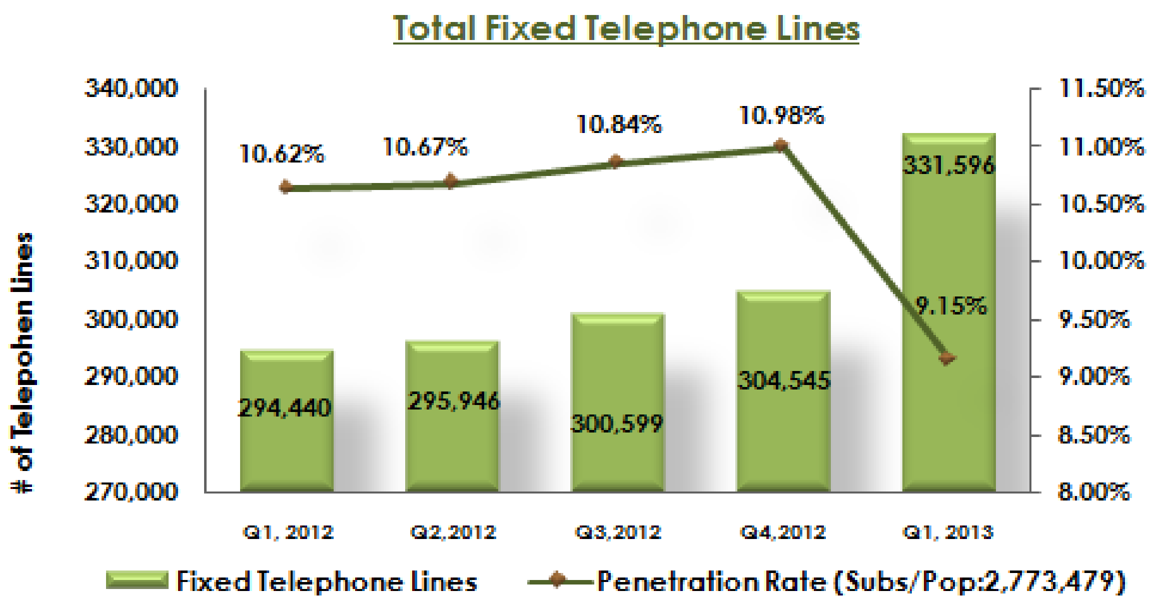
# Summary of Main Telecommunications Indicators

| Indicator | Fixed Telephony Services | Mobile Services | Fixed Internet Services |
|---|---|---|---|
| Subscribers | 331,596 | 5,282,187 | 127,549 |
| Penetration rate | 82.43%<br>Per household | 145.8%<br>Per inhabitant | 31.71%<br>Per household |
| Revenue (Mn.R.O) | 7.821 | 127.663 | 12.319 |
| International Outgoing Voice Minutes, (million) | 7.845 | 243.099 | NA |
| ARPU, (R.O) | 7.86 | 8.1 | 32.19 |
| Service Providers | Omantel, Nawras | Oman Mobile, Nawras, Friendi, Renna, Samatel, Injaz | Oman Mobile, Nawras |

# Fixed Telephone Line Service

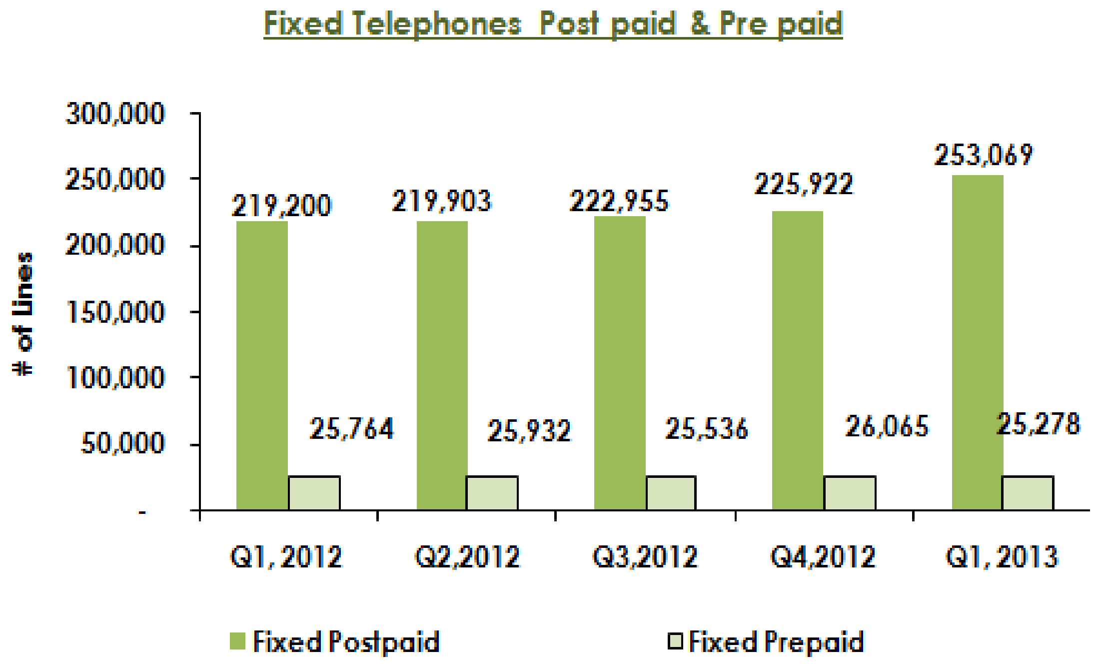
| Type of Service | Q1/2013 | Q4/2012 | % Change |
|---|---|---|---|
| **1. Main Fixed Telephone Lines:** | | | |
| 1.1 Post Paid | 253,069 | 225,922 | **12.0%** |
| 1.2 Pre-Paid | 25,278 | 26,065 | **-3.0%** |
| 1.3 Public Telephone – Payphone | 6,801 | 6,801 | **0.0%** |
| 1.4 ISDN Equivalent Channels | 44,634 | 43,888 | **1.7%** |
| 1.5 WLL Connections | 1,814 | 1,869 | **-2.9%** |
| **Total Fixed Telephone Lines in Operation (1.1-1.5)** | **331,596** | **304,545** | **8.9%** |
| **Fixed Line Penetration /100 Inhabitant** | **9.15%** | **10.98%** | **-16.7%*** |

- **Note: the Q1 penetration rate has been calculated as per latest statistics provided by NCSI of Mid-Year 2012 (3,623,001),**
- *** The last year, the penetration rates were 2,773,479 as per the Census 2010 & Estimated Household: 402,286).**



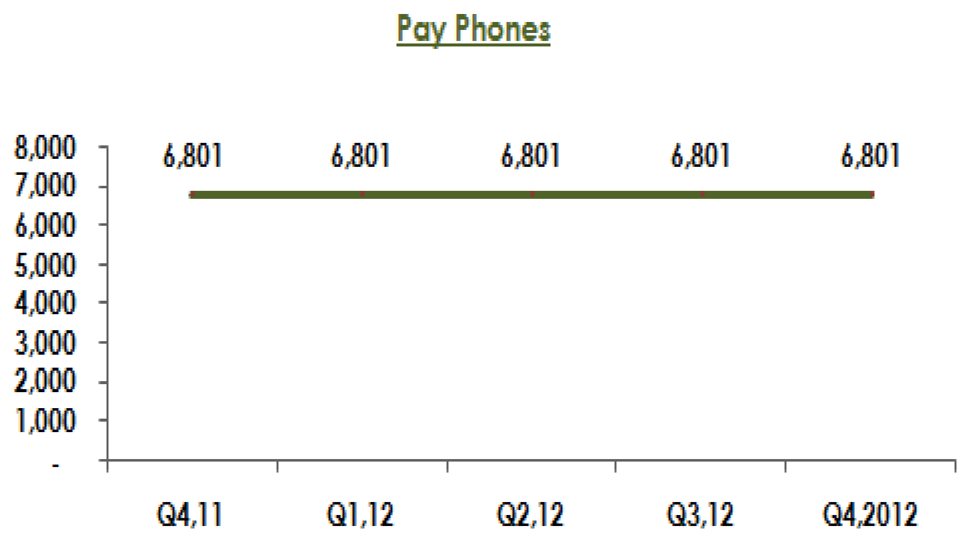

***Note: the decline in penetration is due to revised Population figure published by NCSI.***

- Q1, 2013ended with 331,596 fixed lines, with an increase of 8.9% compared to the previous quarter. However, the penetration rate reduced from 10.98% to 9.15% due to the revised Population estimates by NCSI.

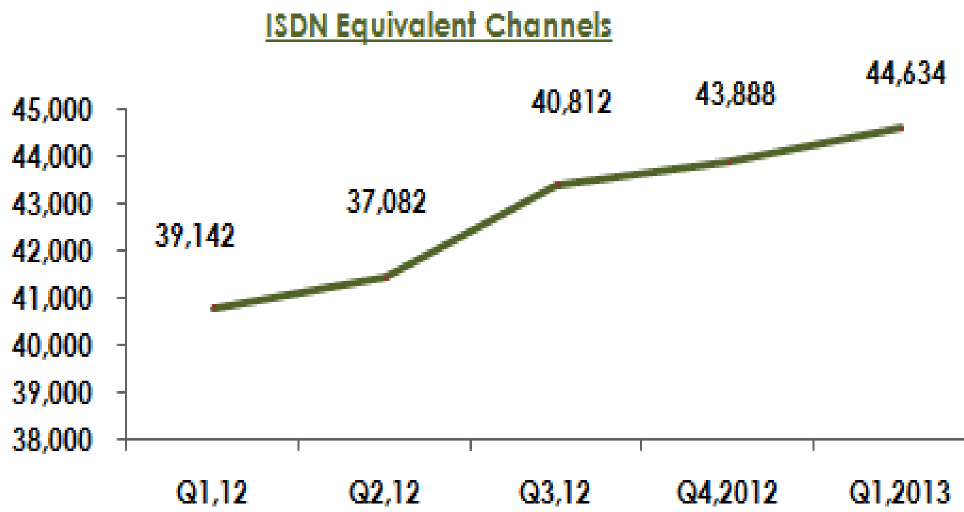



During the 1st quarter 2013 The fixed post-paid lines increased by12% from the 4thquarter 2012, resulting in total of 253,069 post-paid lines.

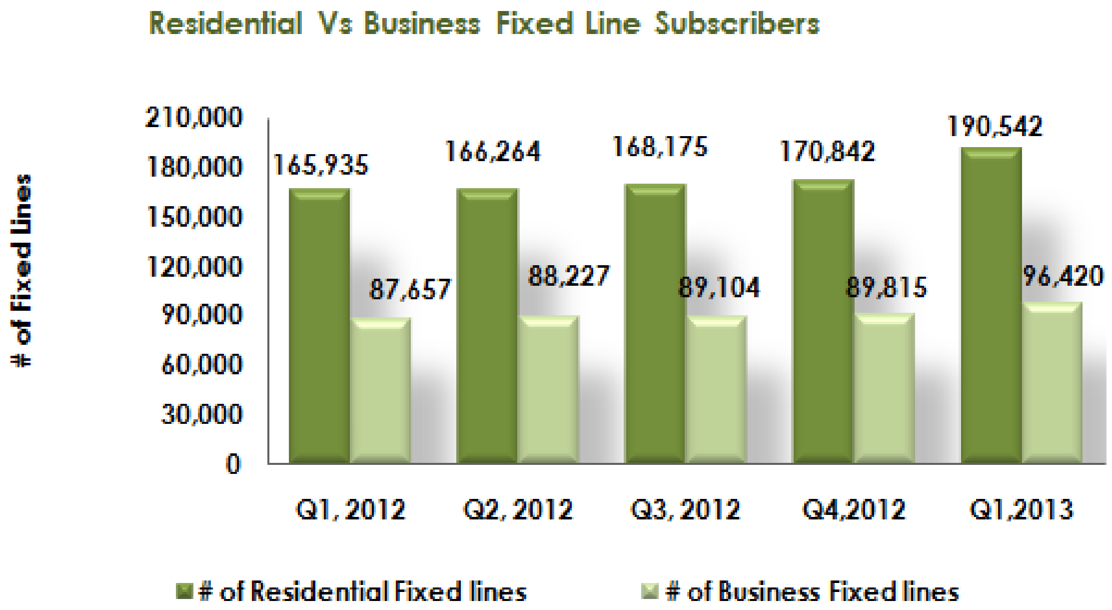
On the other hand, the number of prepaid connections decreased by 3% during the same period.




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




The ISDN equivalent channels showed a slight decline of 1.7% during the first quarter of 2013.



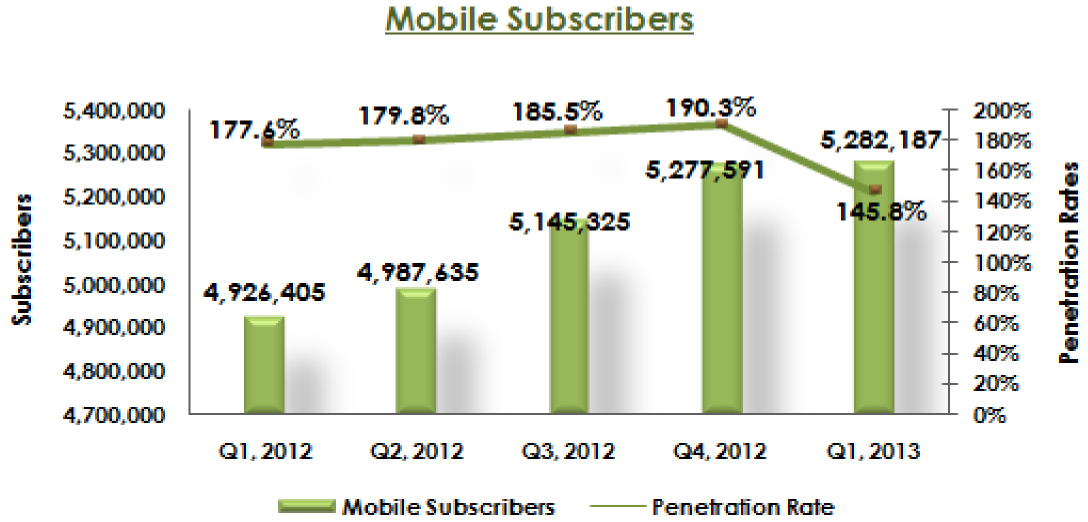

Total residential fixed lines increased to 190,542 during the current quarter recording an increase of 11.53%. This increase is mainly due to correction of some database issues at the operators' level.

The split between fixed residential and business lines stands at 66.4% and 33.6% respectively.

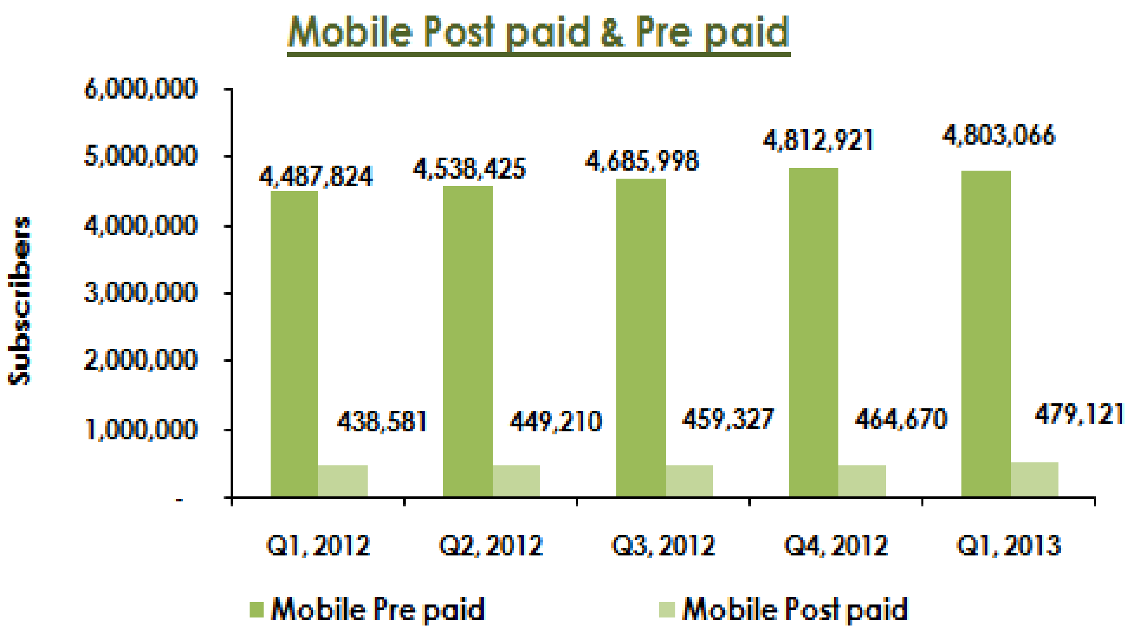
# Mobile Services

| 2. Mobile Subscribers | As of March 2013 | As of Dec 2012 | % change |
|---|---|---|---|
| **2.1 Post Paid** | | | |
| 2.1.1 Operators | 479,121 | 464,670 | 3.11% |
| 2.1.2 Resellers | - | - | - |
| **Total Postpaid Subscribers** | **479,121** | **464,670** | **3.11%** |
| **2.2 Pre Paid** | | | |
| 2.2.1 Operators | 4,306,869 | 4,237,613 | 1.63% |
| 2.2.2 Resellers | *496,197 | 575,308 | -13.75% |
| **Total Prepaid Subscribers** | **4,803,066** | **4,812,921** | **-0.20%** |
| **Total Mobile Subscribers: (2.1+2.2)** | **5,282,187** | **5,277,591** | **0.09%** |
| **Mobile Penetration/100 Inhabitant** | **145.80** | **190.29%** | **-23.4%** |
| **BlackBerry Subscribers:** | | | |
| 3.1 Post Paid | 16,670 | 17,076 | -2.38% |
| 3.2 Pre-Paid | 118,917 | 124,362 | -4.38% |
| **Total BlackBerry Subscribers (3.1+3.2)** | **135,587** | **141,438** | **-4.14%** |
| **% To Total Mobile Subscribers Base in Oman** | **2.6%** | **2.7%** | **-3.70%** |

- Note: the Q1 penetration rate has been calculated as per latest statistics provided by NCSI of Mid-Year 2012 (3,623,001), the last year, the penetration rates were based on the population estimates of 2,773,479 as per the Census 2010.
- * Injaz data for the reported quarter is not available, so Q4, 2012 data has been used.

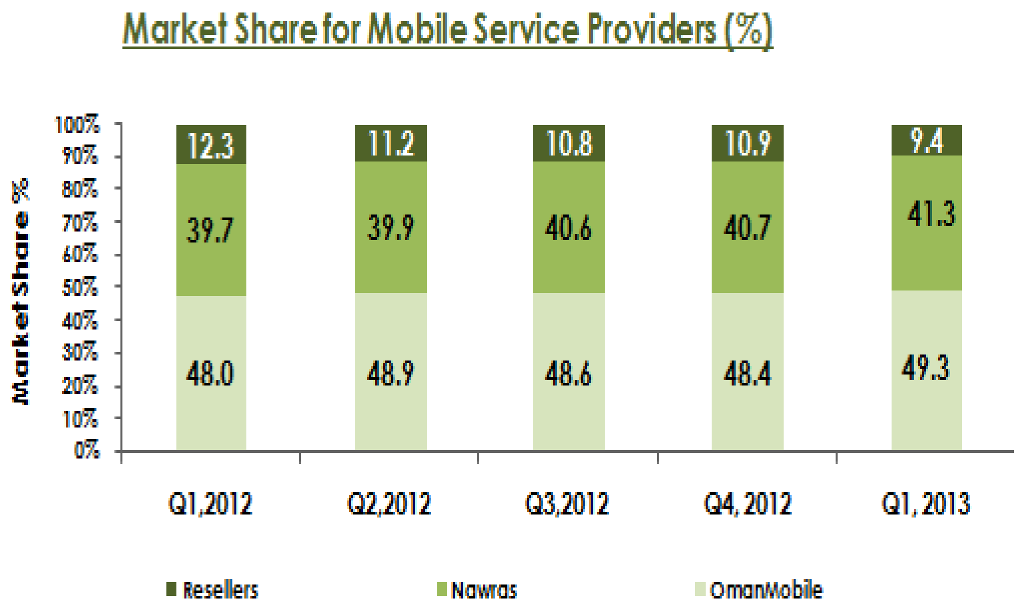



- By end of Q1, 2013 total mobile subscribers stood at 5,282,187 with an increase of 4,596 subscribers during this quarter.
- However, the penetration rate of mobile subscribers during the quarter decreased from190.3% to 145.80% due to revision of the population estimates published by the NCSI.

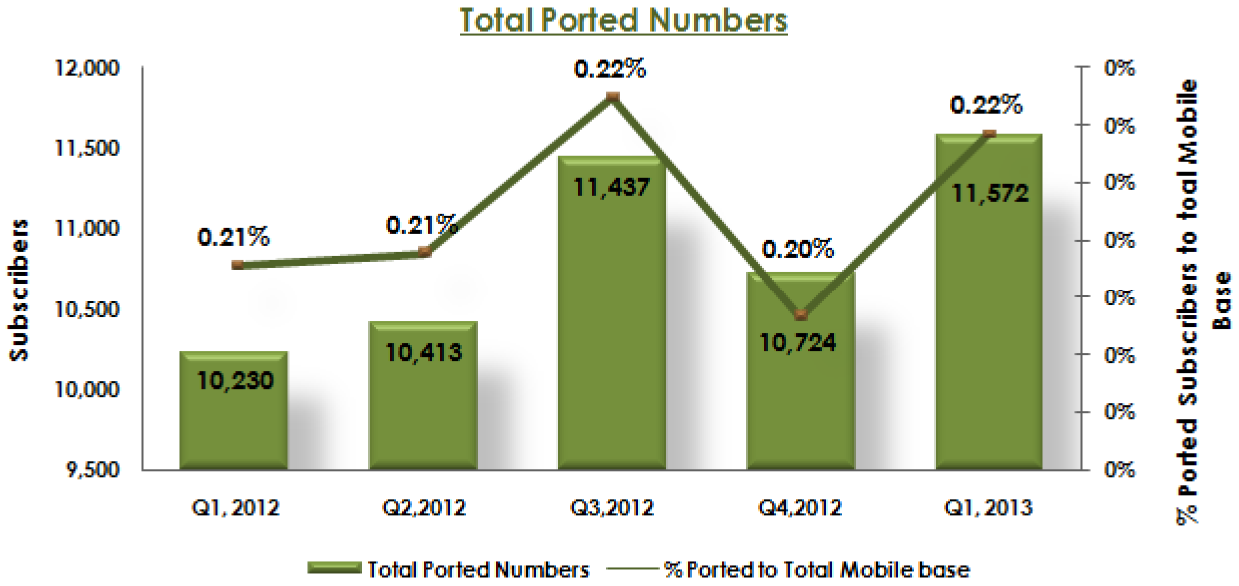



Post-paid mobile subscribers stood at 479,121at the end of 1sth Quarter 2012 showing an increase of 3.11% compared to previous quarter.

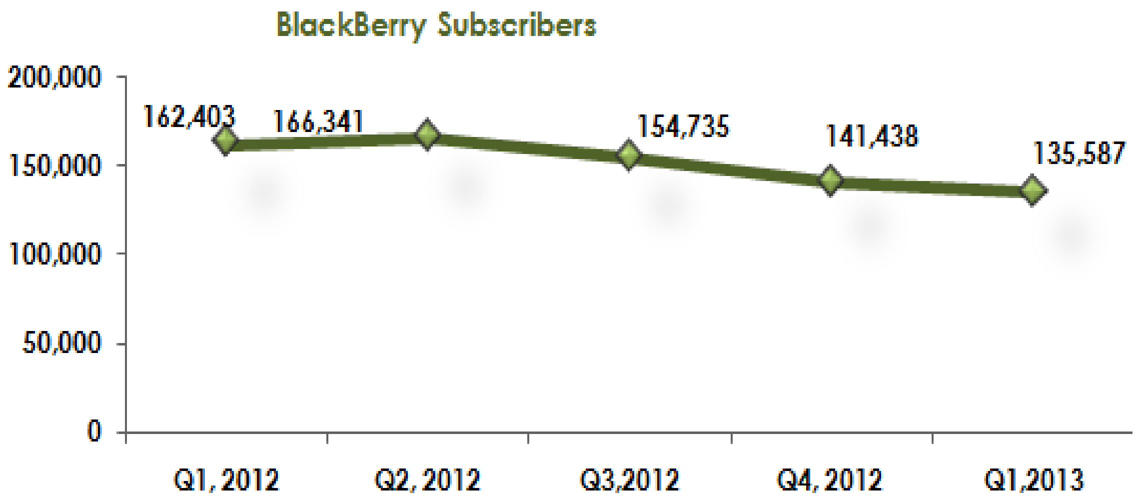
Prepaid mobile subscribers were 4,803,066showing a slight decline of 0.2% compared to Q4, 2012.




As of end of Q1, 2013, Oman Mobile possessed a market share of 49.3% while Nawras had 41.3%. Resellers achieved 9.4% market share during the reported quarter.




Total numbers ported during Q1, 2013 were 11,572 while during Q4, 2012 there were10, 724 with a growth of 7.91% over the previous quarter. During the quarter the ported numbers represented 0.22% of the total mobile subscribers' base.

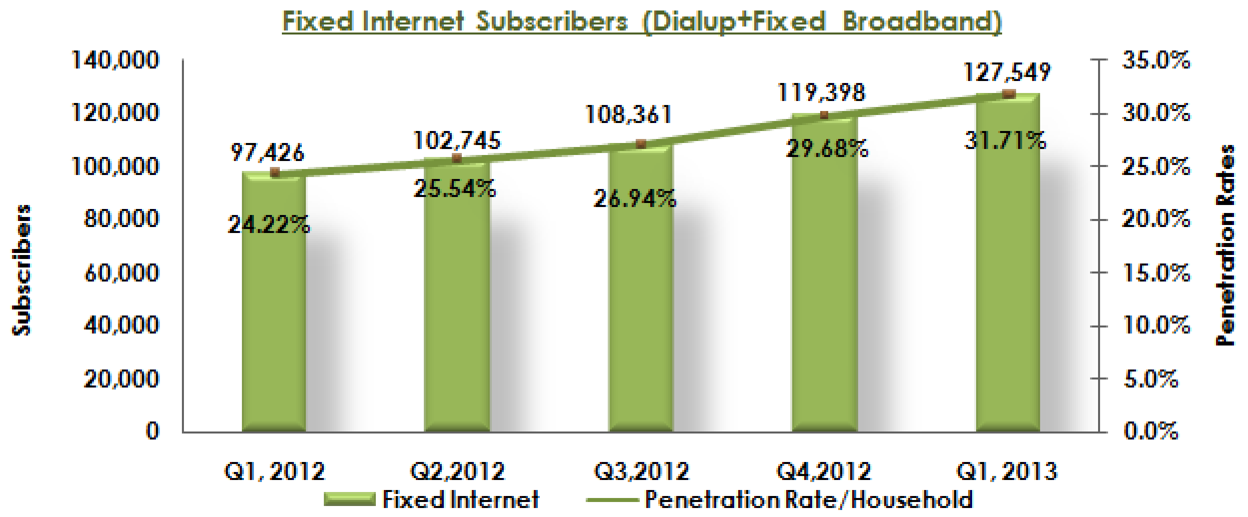



Blackberry Subscribers at the end of Q1, 2013 represented 2.6% of the total Mobile Subscribers base with the total of 135,587 subscribers.

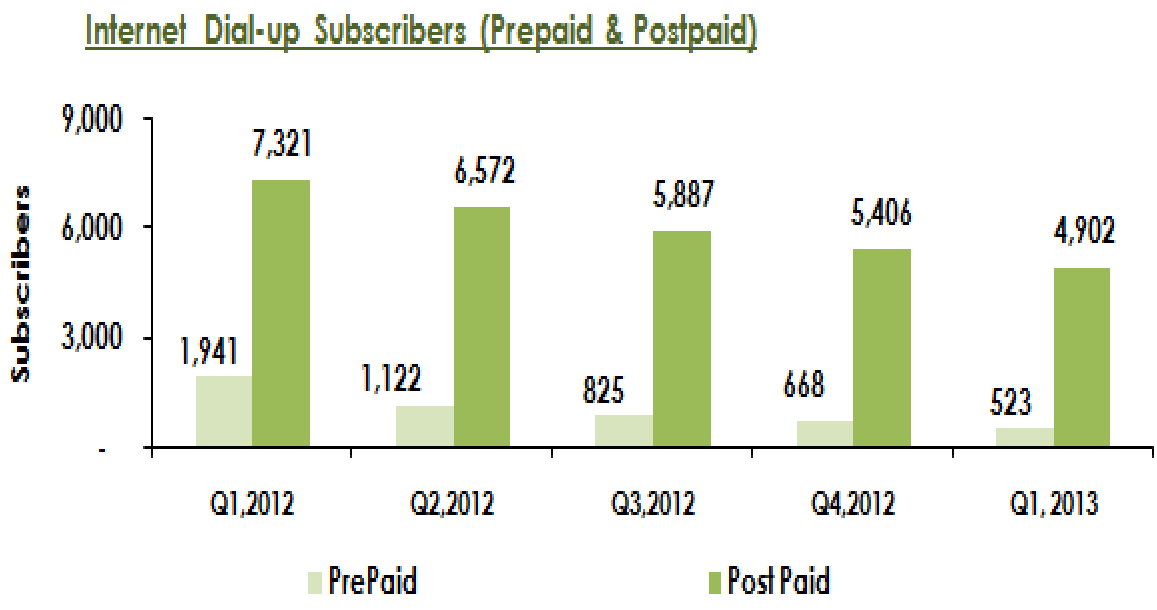
This has registered a drop of 3.7% over the previous quarter when it was 2.7% of the total mobile subscriber base in Oman.

# Internet Services

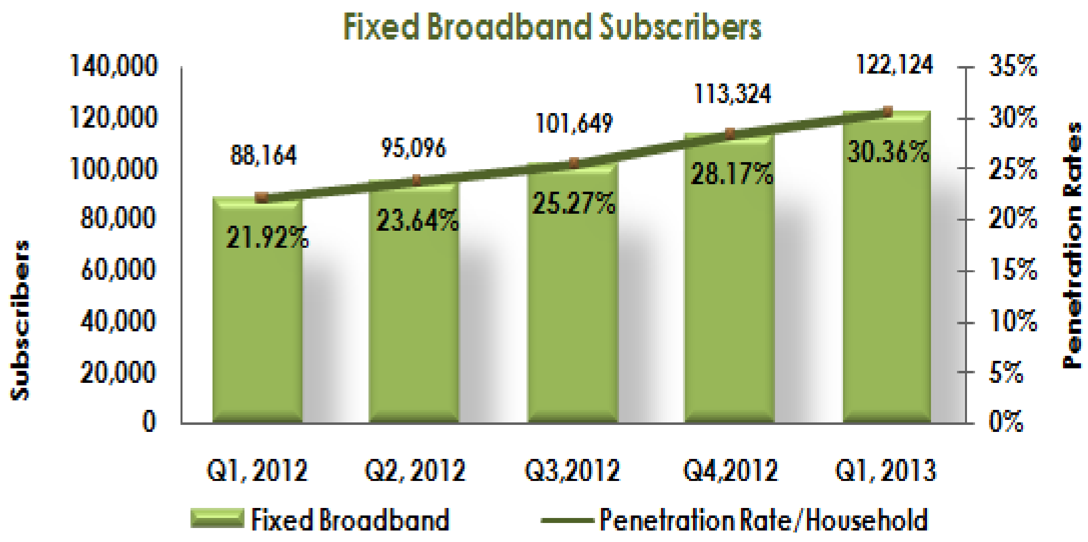
| Type of Service | As of March 2013 | As of Dec 2012 | % Change |
|---|---|---|---|
| **Dial Up Subscribers** | | | |
| 1.1 Post Paid | 4,902 | 5,406 | **-9.3%** |
| 1.2 Pre Paid** | 523 | 668 | **-21.7%** |
| **1. Total Dial-Up Subscribers: (1.1+1.2)** | **5,425** | **6,074** | **-10.7%** |
| **Fixed Broadband Subscribers** | | | |
| **2. Total Fixed Broadband Subscribers** | **122,124** | **113,324** | **7.8%** |
| **Total Fixed Broadband Subscribers Penetration/100 Household** | **30.36%** | **28.17%** | **7.8%** |
| **Total Fixed Internet Subscribers (1+2)** | **127,549** | **119,398** | **6.8%** |
| **Total Internet Penetration /100 Household** | **31.71%** | **29.68%** | **6.8%** |
| **3. Active Mobile Broadband Subscribers** | | | |
| 3.1 Standard mobile-broadband Subscribers | 1,224,176 | 660,336 | **85.4%** |
| 3.2 Dedicated mobile-broadband Subscribers | 675,343 | 985,762 | **-31.5%** |
| **Total Active Mobile Broadband Subscribers (3.1+3.2)** | **1,899,519** | **1,646,098** | **15.4%** |
| **Active Mobile Penetration Rate /100 Inhabitant** | **52.43%** | **59.35%** | **-11.7%** |



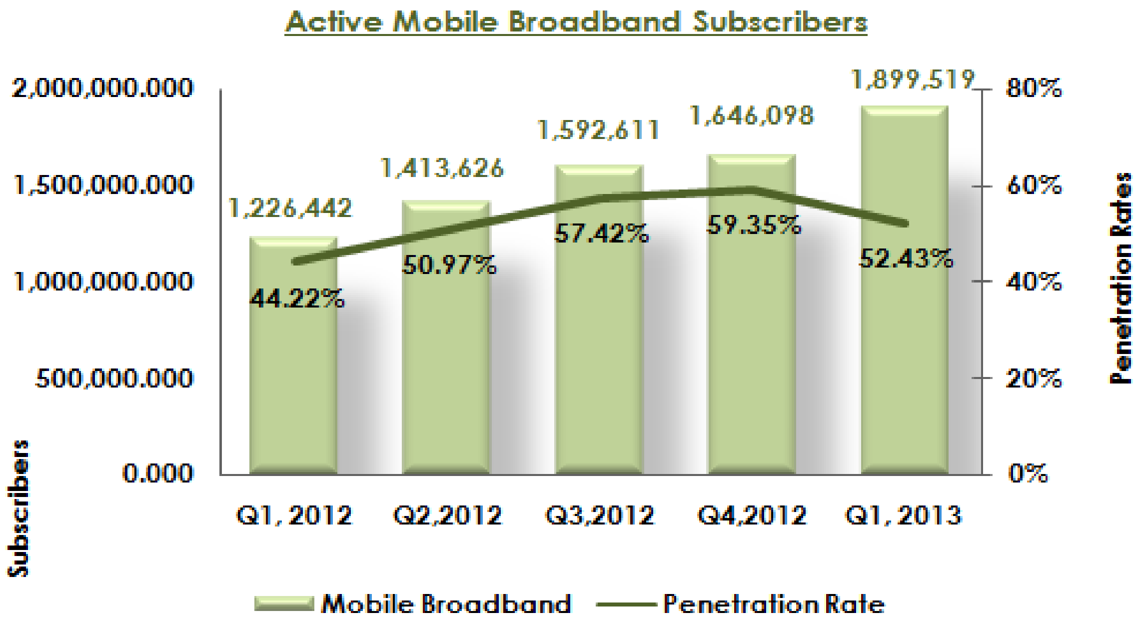

- At the end of Q1, 2013 there were 127,549 total fixed Internet subscribers showing an increase of 6.8%against the previous quarter.
- Fixed internet subscribers' penetration rate per 100 Household increased to 31.71% by end of the first quarter.



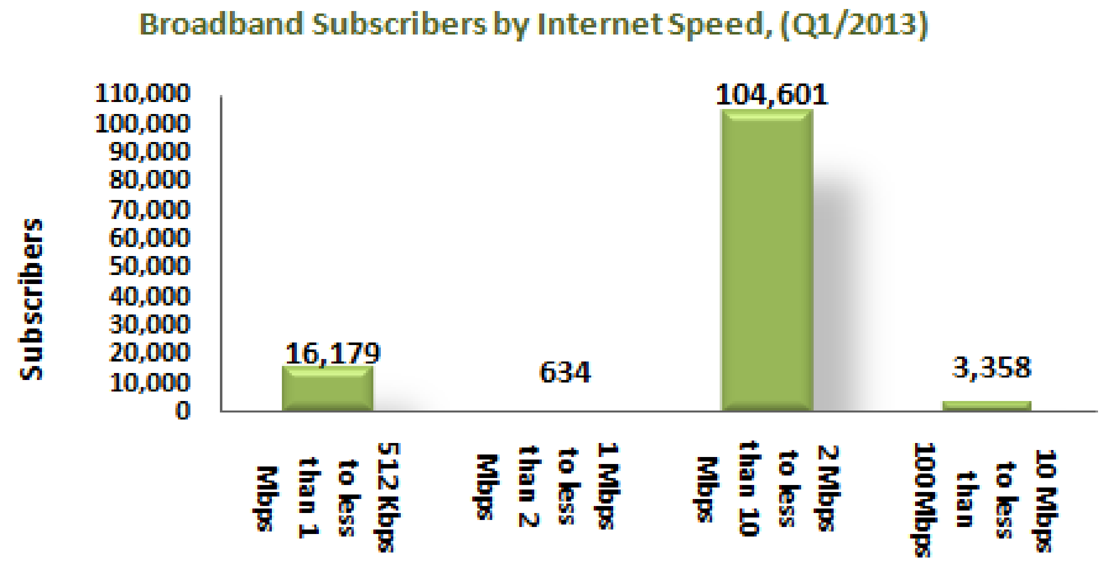

The Dial up subscribers are showing continuous decline since the last year. The Q1, 2013 shows a decline of 10.7% from the previous quarter.



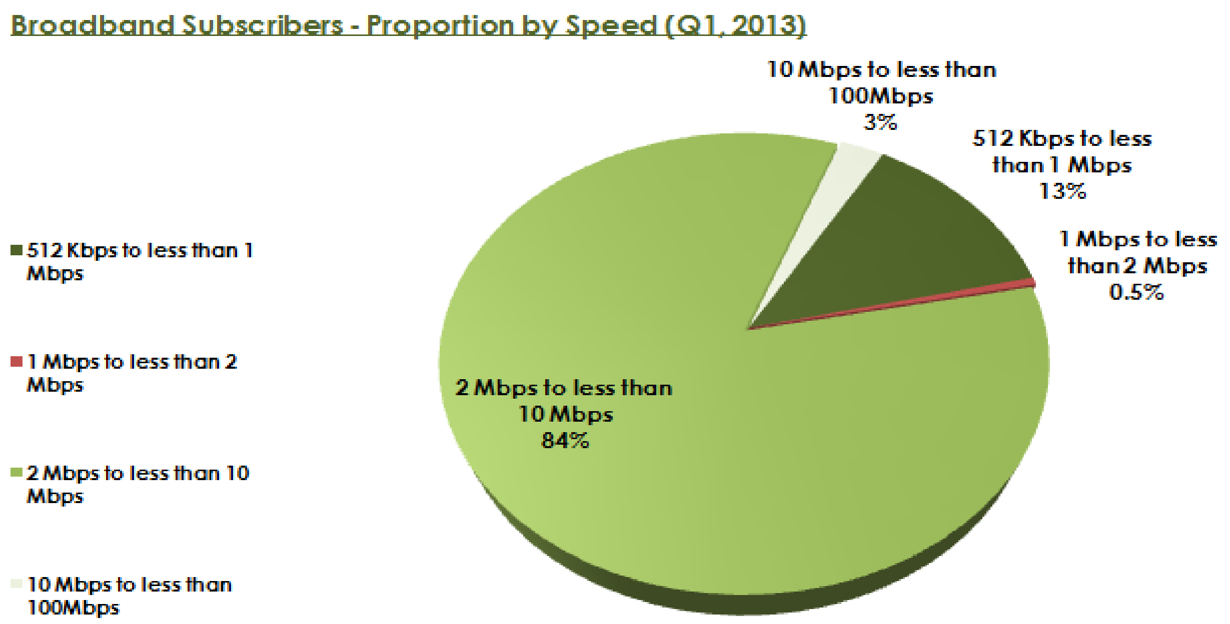

Fixed Broadband subscription increased by7.8% (from 113,324to122,124). Penetration rate per Householdalso increased to30.36% from 28.17% during Q1, 2013.

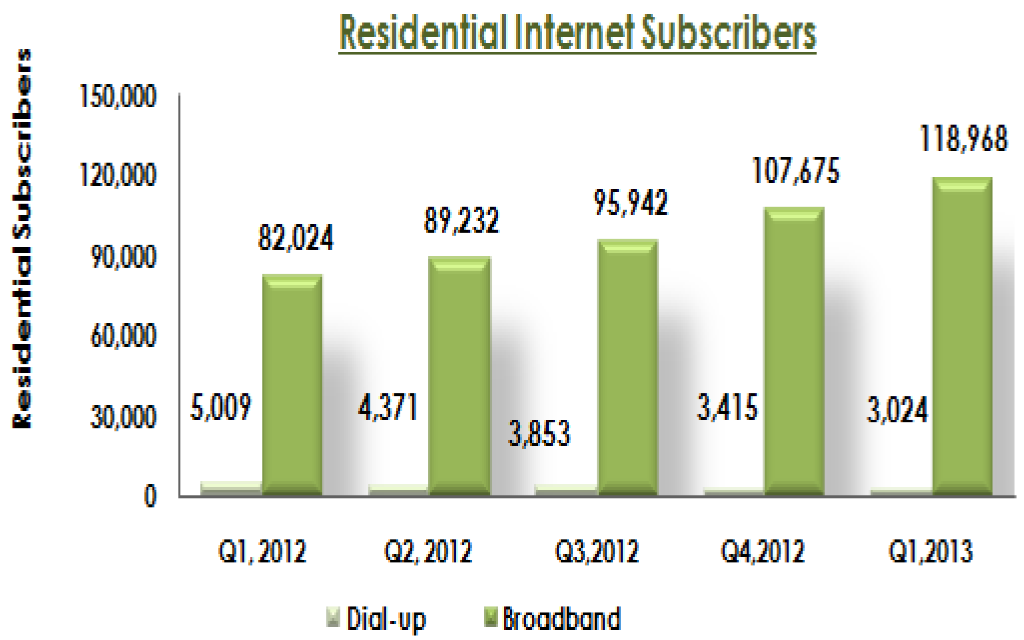



- At the end of Q1, 2013 the Total Active Mobile Broadband subscribers as per ITU definition increased tofrom 1,646,098 to 1,899,519 of Q1, 2013. However, the penetration rate shrunk by 11.7% due to revision of the population estimates and it stood finally at 52.43%.



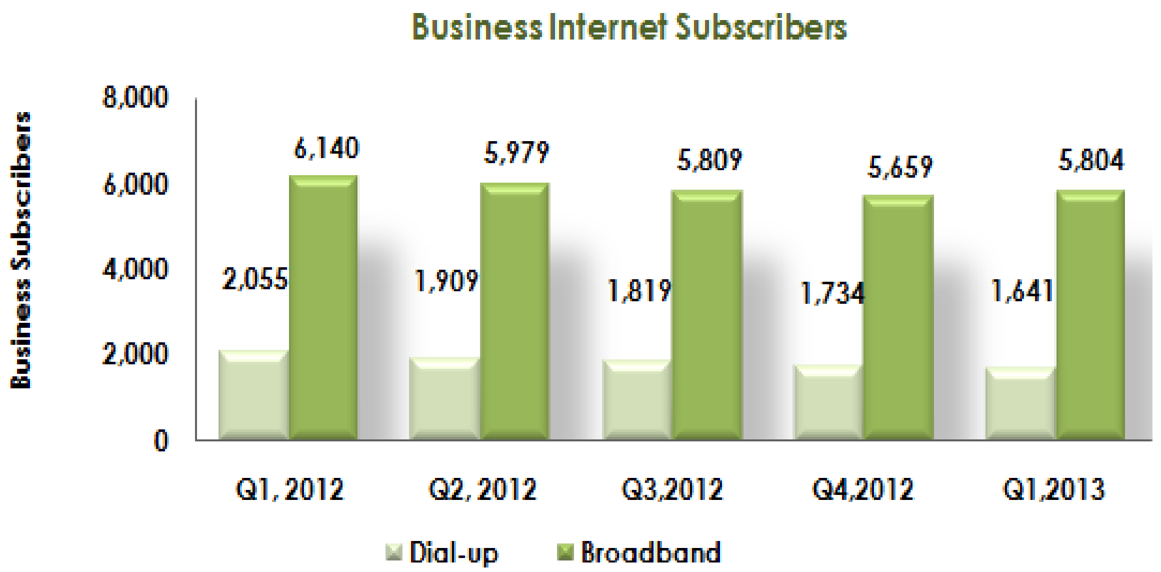

- 13% of Broadband subscribers during Q1, 2013 had access speed of 512Kbps to less than 1 Mbps.
- 0.5% of Broadband subscribers during Q1, 2013 had access speed of 1Mbps to less than 2 Mbps.
- 84% of Broadband subscribers during Q1, 2013 had access speed of 2 Mbps to less than 10 Mbps.
- 2.5% of the broadband subscribers have access to 10 Mbps and above.

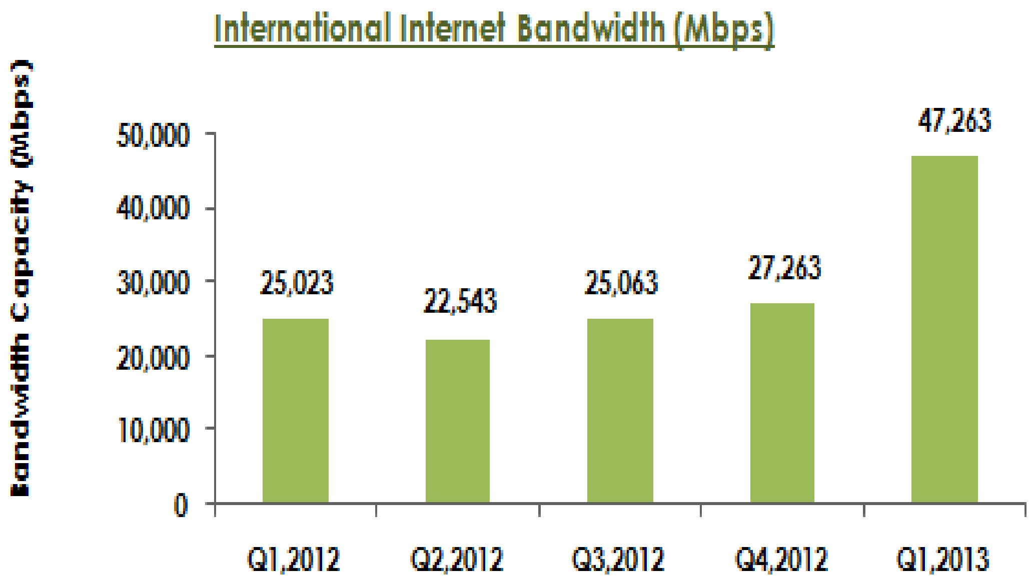




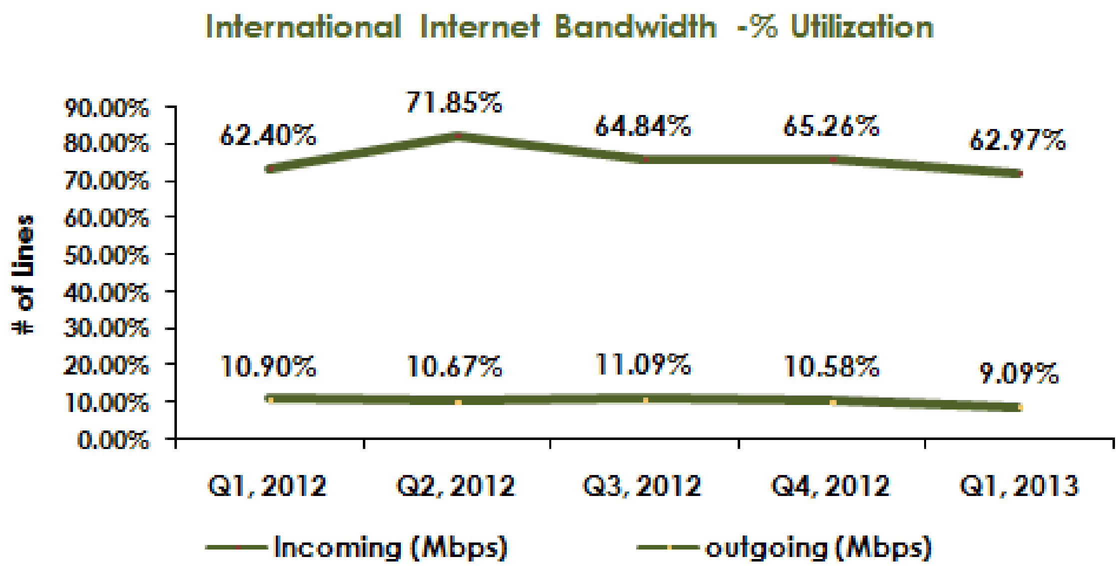

The above Residential and below Business Internet Subscribers' charts shows that:

- The residential and business internet broadband subscribers increased during the first Quarter 2013 by 10.5% and 2.6% respectively.
- On the other hand, the Dial up was showing continuous drop during the last year.



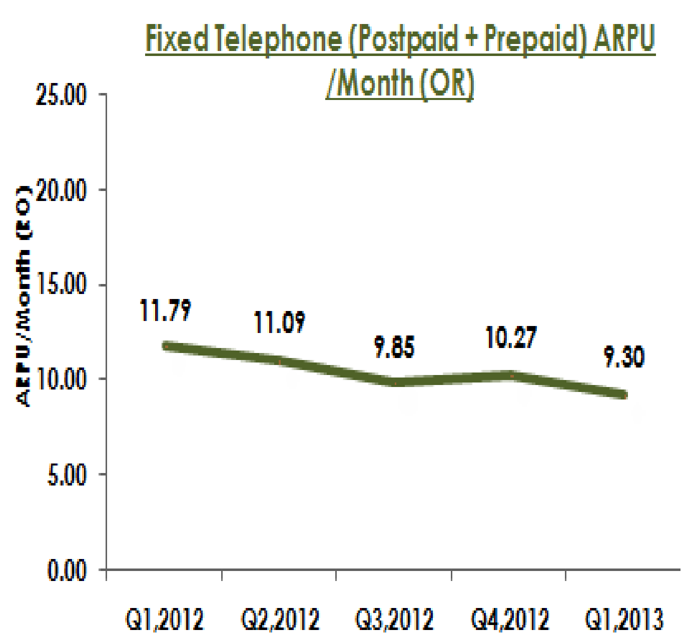



➢ Q4, 2012 recorded 47,263 Mbps as total of international internet bandwidth capacity in the market, an increase of 73.4% over the previous quarter.

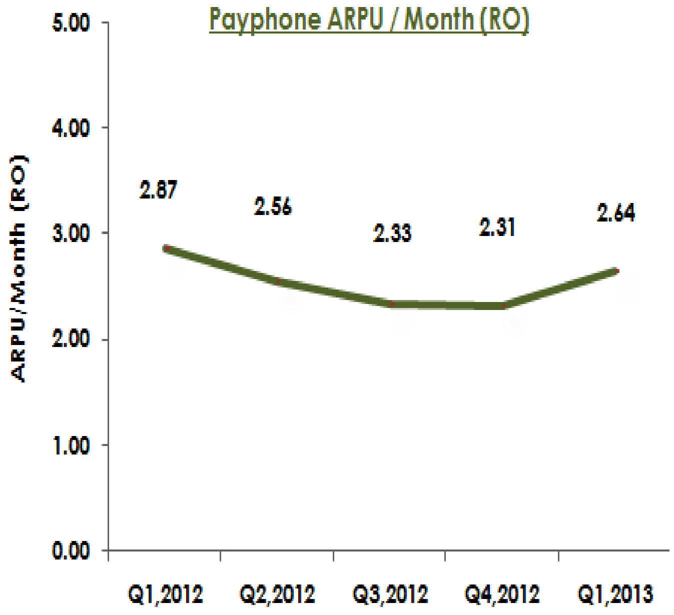



➢ Out of 47,263 Mbps capacity, on an average 9.09% has been utilized for the outgoing and 61.97% for the incoming traffic.

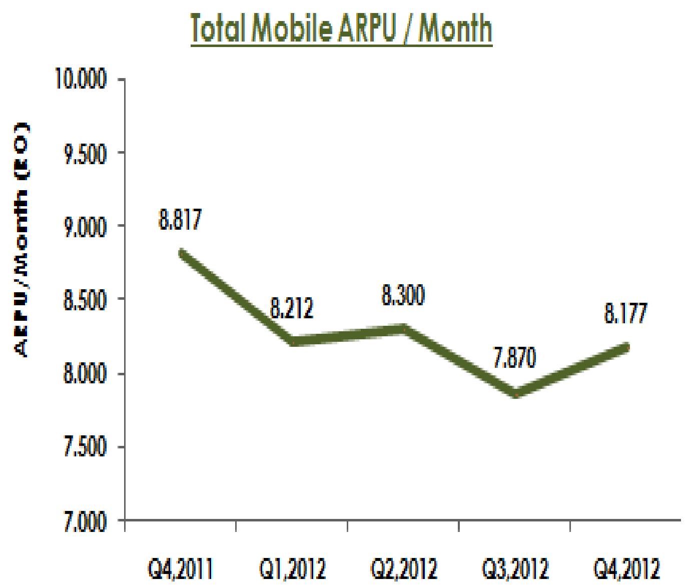
# ARPUs



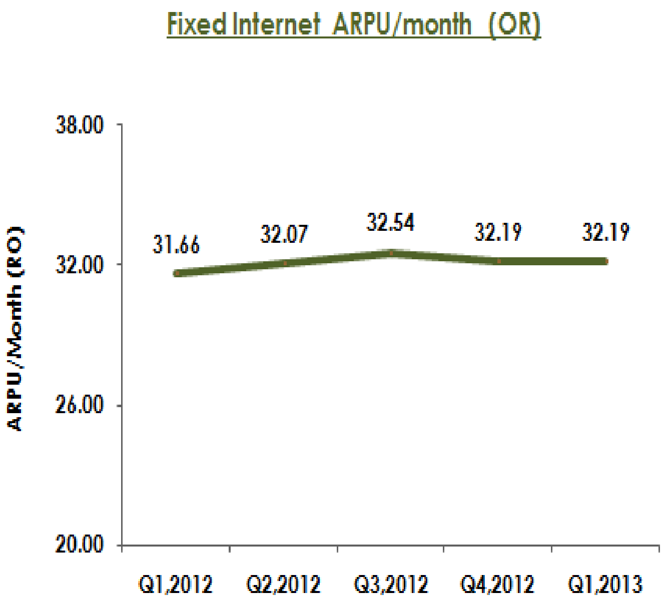
Fixed Telephone (Postpaid + Prepaid) ARPU /Month (OR)
ARPU/Month (RO)
25.00
20.00
15.00
10.00
5.00
0.00
11.79
11.09
9.85
10.27
9.30
Q1,2012
Q2,2012
Q3,2012
Q4,2012
Q1,2013

Payphone ARPU / Month (RO)
ARPU/Month (RO)
5.00
4.00
3.00
2.00
1.00
0.00
2.87
2.56
2.33
2.31
2.64
Q1,2012
Q2,2012
Q3,2012
Q4,2012
Q1,2013

Total Mobile ARPU / Month
ARPU/Month (RO)
10.000
9.500
9.000
8.500
8.000
7.500
7.000
8.817
8.212
8.300
7.870
8.177
Q4,2011
Q1,2012
Q2,2012
Q3,2012
Q4,2012

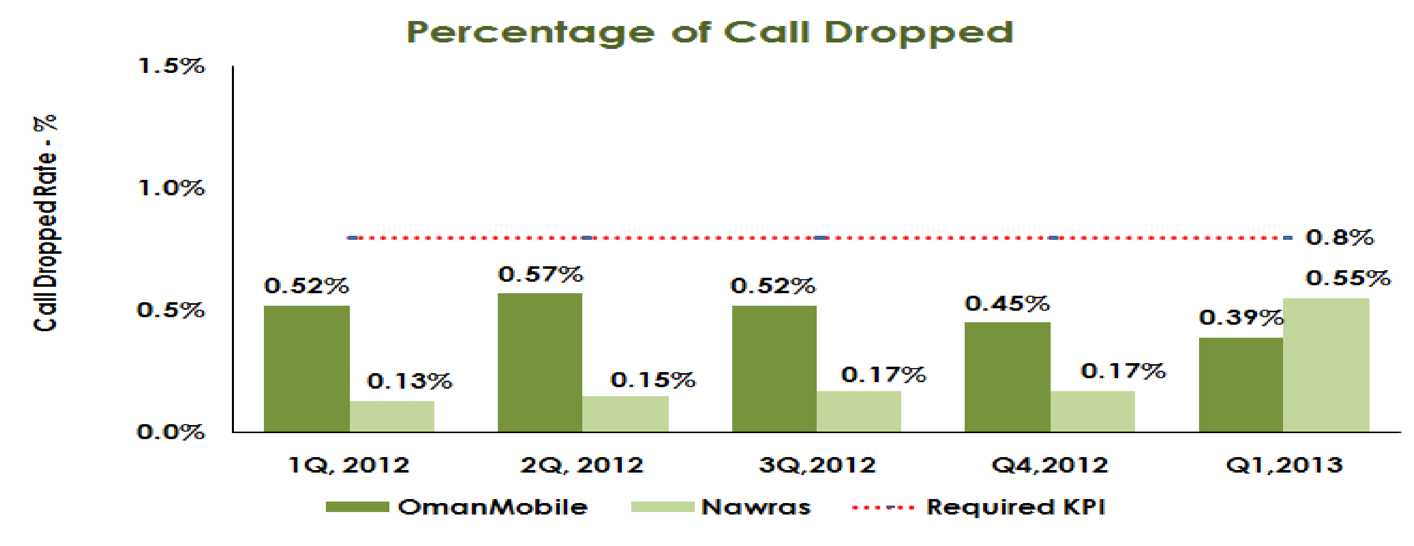
Fixed Internet ARPU/month (OR)
ARPU/Month (RO)
38.00
32.00
26.00
20.00
31.66
32.07
32.54
32.19
32.19
Q1,2012
Q2,2012
Q3,2012
Q4,2012
Q1,2013

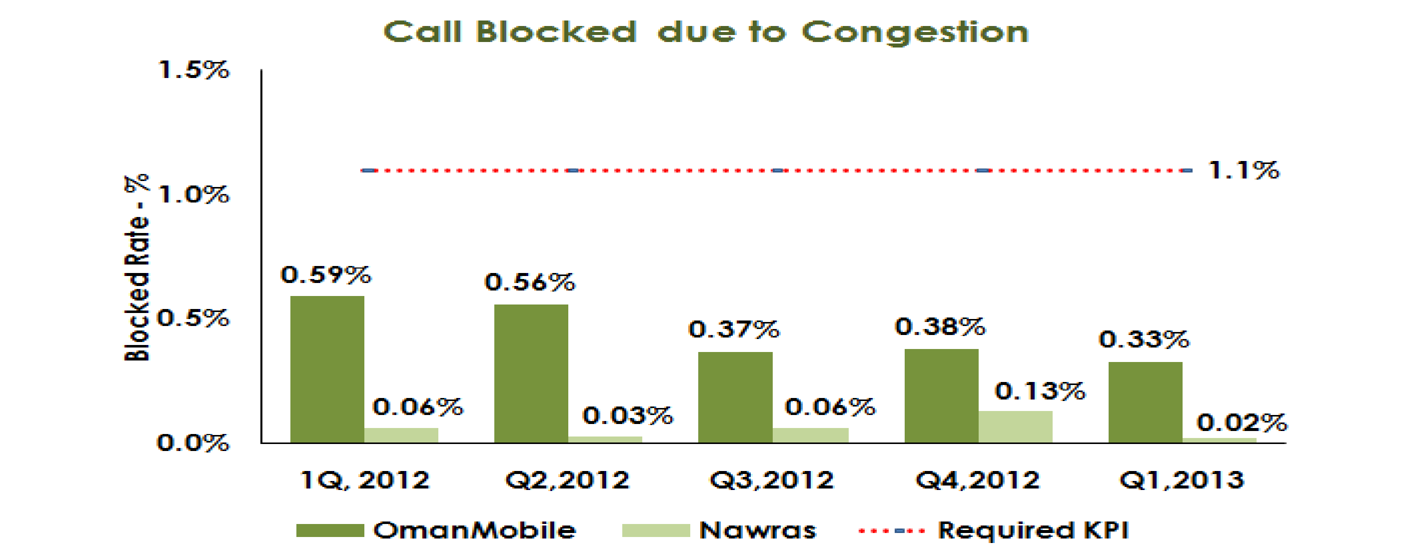
# Quality of Service

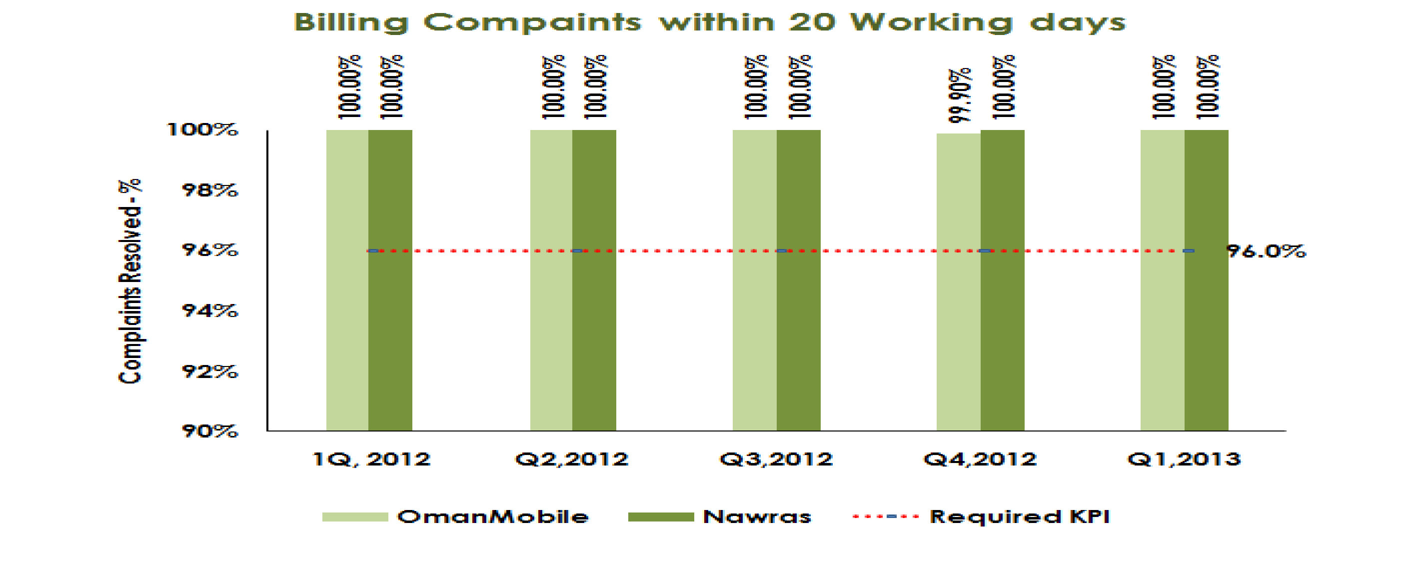
## Mobile Services KPIs*

**(As measured and reported by the operators)**

| Mobile Services KPIs | Required KPI (Bi-Annual) | Q1/2013 | | Q4/ 2012 | |
|---|---|---|---|---|---|
| | | Oman Mobile | Nawras | Oman Mobile | Nawras |
| 1. Percentage of Calls Dropped | Less than 0.8% | 0.39% | 0.55% | 0.45% | 0.17% |
| 2. Percentage of Calls Blocked due to Congestion | Less than 1.1% | 0.33% | 0.02% | 0.38% | 0.13% |
| 3. Percentage of billing complaints resolved within 20 working days | More than 96% | 100.00% | 100% | 99.9% | 100% |


Percentage of Call Dropped
Call Dropped Rate - %
1.5%
1.0%
0.5%
0.0%
0.8%
0.52%
0.13%
0.57%
0.15%
0.52%
0.17%
0.45%
0.17%
0.39%
0.55%
1Q, 2012
2Q, 2012
3Q,2012
Q4,2012
Q1,2013
OmanMobile
Nawras
Required KPI


Call Blocked due to Congestion
Blocked Rate - %
1.5%
1.0%
0.5%
0.0%
1.1%
0.59%
0.06%
0.56%
0.03%
0.37%
0.06%
0.38%
0.13%
0.33%
0.02%
1Q, 2012
Q2,2012
Q3,2012
Q4,2012
Q1,2013
OmanMobile
Nawras
Required KPI

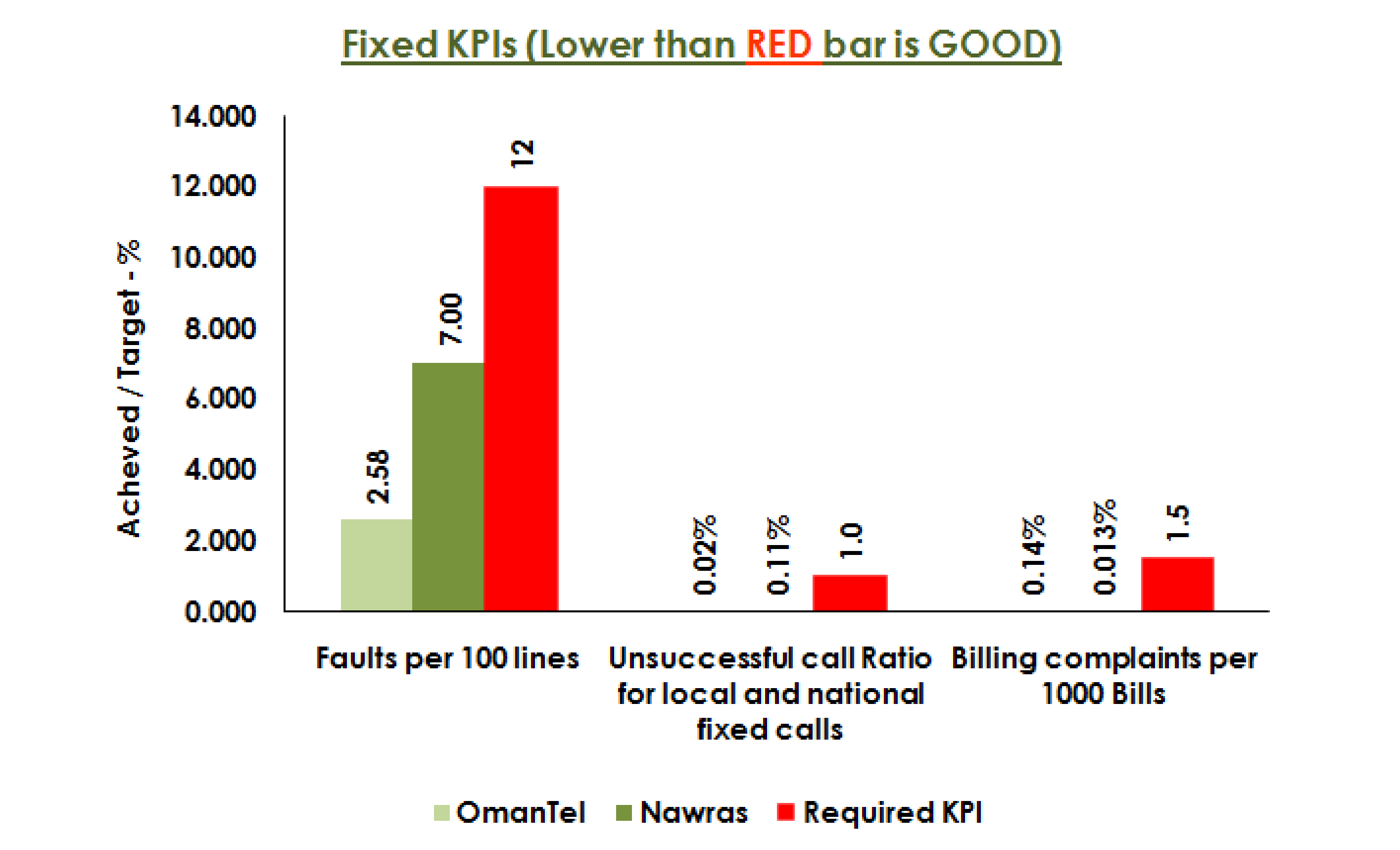

Billing Compaints within 20 Working days
Complaints Resolved - %
100%
98%
96%
94%
92%
90%
100.00%
100.00%
100.00%
100.00%
100.00%
100.00%
99.90%
100.00%
100.00%
100.00%
96.0%
1Q, 2012
Q2,2012
Q3,2012
Q4,2012
Q1,2013
OmanMobile
Nawras
Required KPI

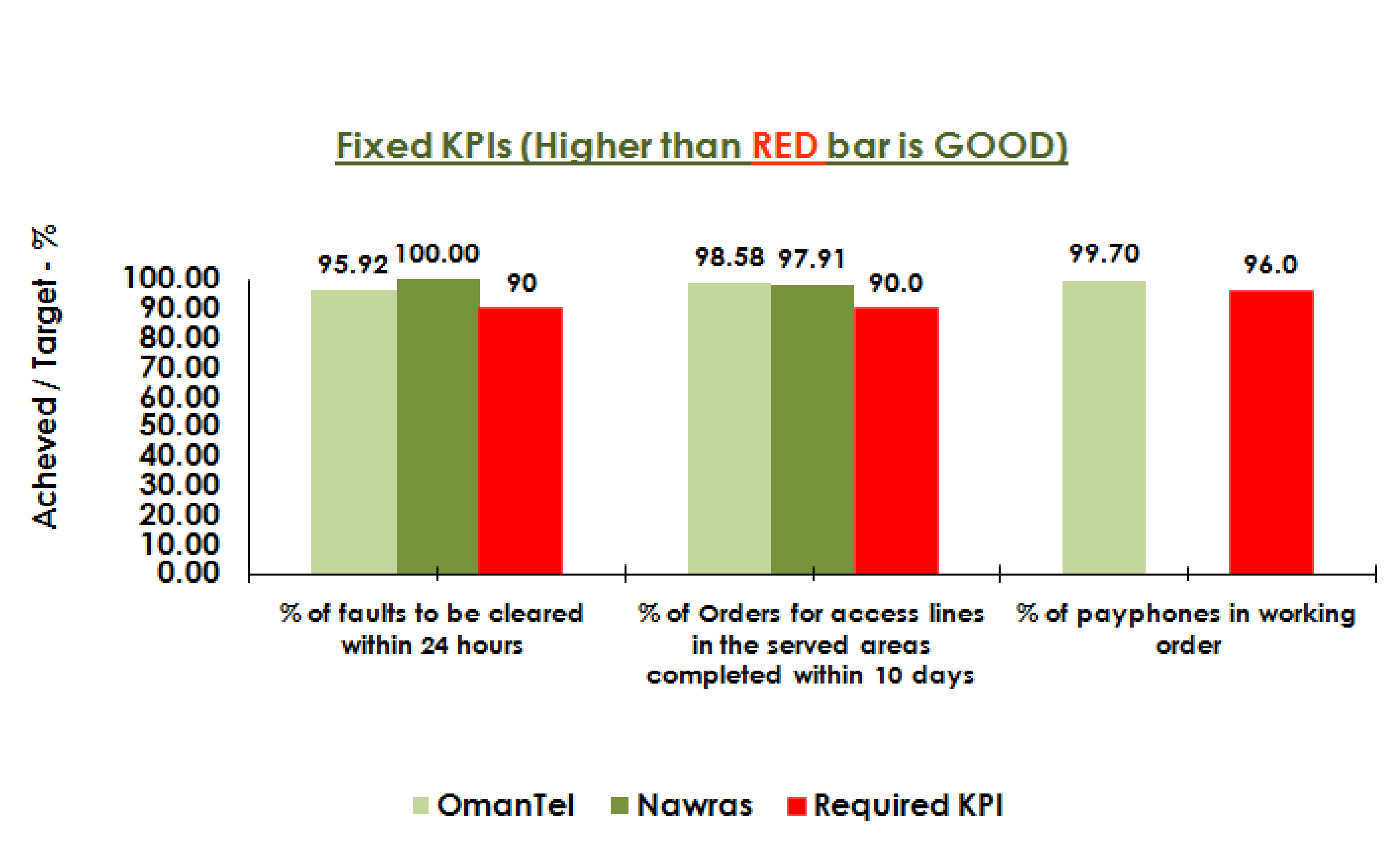
# Fixed Services KPIs

(As measured and reported by the operators)

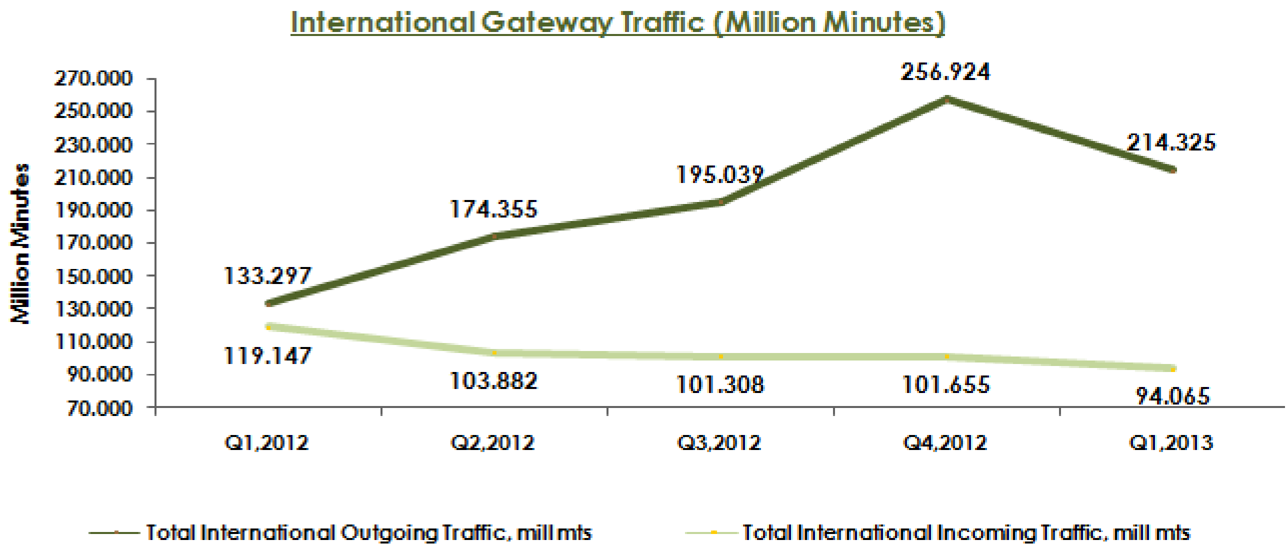
| Fixed Services KPIs | Required KPI (Bi-Annual) | Q1/2013 | | Q4/2012 | |
|---|---|---|---|---|---|
| | | Omantel | Nawras | Omantel | Nawras |
| 1. Faults per 100 lines | Less than 12 | 2.58 | 7.00 | 2.47 | 0 |
| 2. % of faults to be cleared within 24 hours | More than 90% | 95.92% | 100.0% | 96.08% | 100% |
| 3. Unsuccessful call Ratio for local and national fixed calls | Less than 1% | 0.02% | 0.11% | 0.02% | 0.10% |
| 4. Percentage of Orders for access lines in the served areas completed within 10 days | More than 90% | 98.58% | 97.9% | 97.97% | 100% |
| 5. Percentage of payphones in working order | More than 96% | 99.70% | NA | 99.73% | NA |
| 6. Billing complaints per 1000 Bills | Less than 1.5 | 0.14 | 0.013 | 0.343 | 0.60 |
| 7. Percentage of billing complaints resolved within 20 working day | More than 96% | 100% | 100% | 100% | 100% |

*The figures are not audited by TRA.

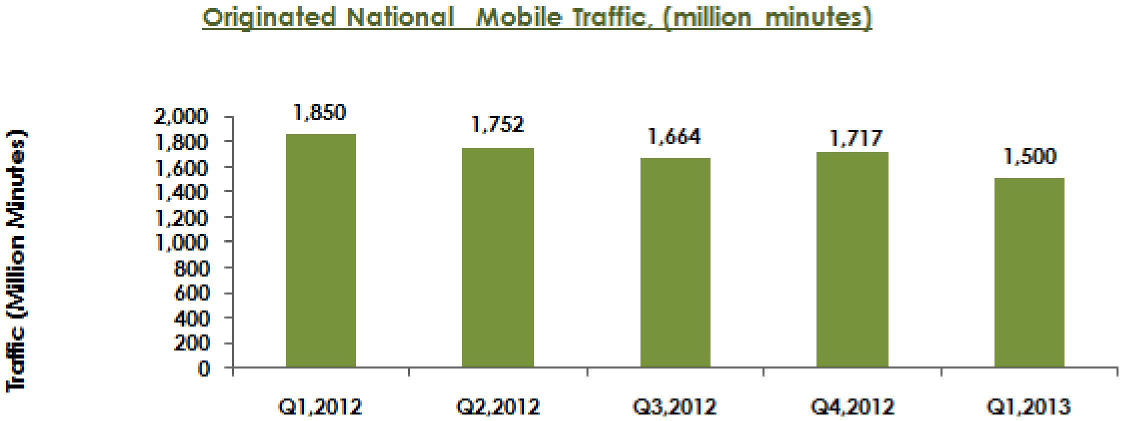

Fixed KPIs (Lower than RED bar is GOOD)
Acheved / Target - %
14.000
12.000
10.000
8.000
6.000
4.000
2.000
0.000
2.58
7.00
12
0.02%
0.11%
1.0
0.14%
0.013%
1.5
Faults per 100 lines
Unsuccessful call Ratio for local and national fixed calls
Billing complaints per 1000 Bills
OmanTel
Nawras
Required KPI


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
95.92
100.00
90
98.58
97.91
90.0
99.70
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

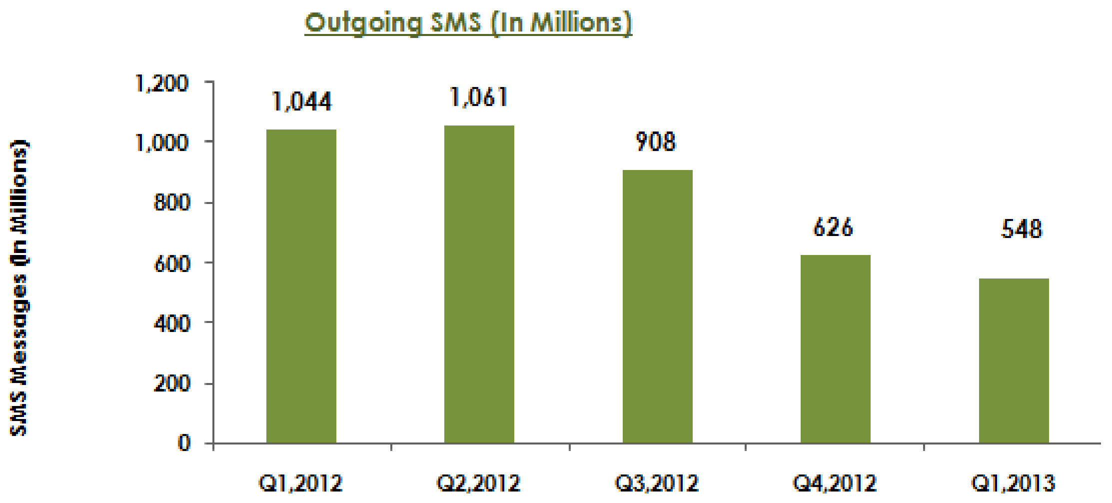
# Traffic



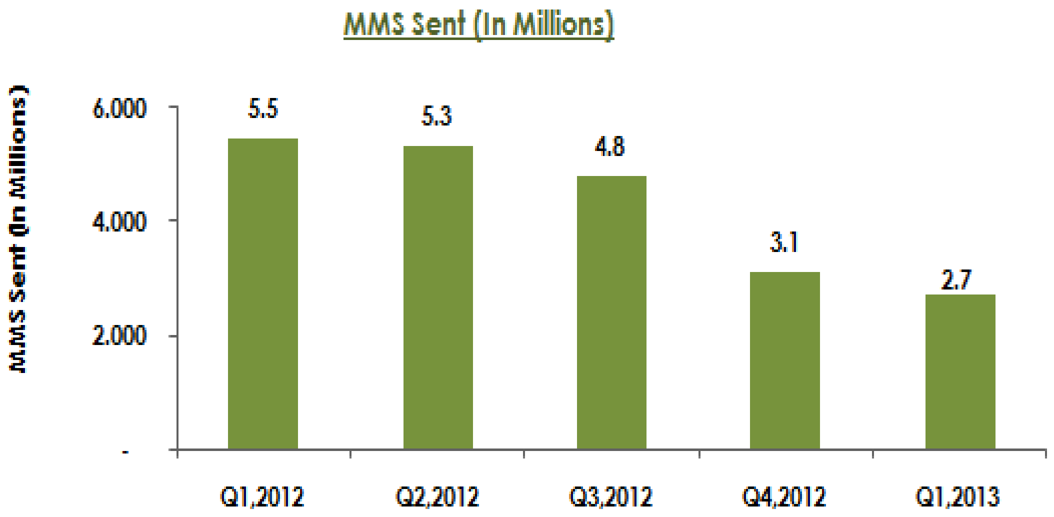

During the first quarter of 2013, the outgoing minutes from the international gateway registered drop of 16.6%. The incoming international traffic has also decreased by 7.5% during the same quarter.




The originated national mobile traffic has been fluctuated during the previous quarters. The first quarter of 2013 has shown a decrease of 12.6% against the fourth quarter of 2012.




During the quarter, the total volume of Sent SMS messages decreased to 548 million from 626 million SMS which is 12.5% less compared to Q4, 2012.




The number of MMS dropped during the Q1, 2013 by 13% against Q4, 2012,reaching to a total of 2.7 million.

# Type Approval

**During the Q1[ST] Quarter 2013, TRA :**

- Approved a total number of 312(Previous Quarter 281) Telecom Equipments.
- Renewed 84 (Previous Quarter: 63) registrations of Telecom Dealers.
- Registered 120 (Previous Quarter: 79) new dealers.
- Issued 372 (Previous Quarter: 385) Releases to Customs for Imported Telecom equipments.
- Inspected 227(Previous month 22) dealerships.