

SamoaTel's bemusing new GoSurf Data Plans

Background and Review

With the newly proposed GoSurf Data Plans perhaps it is time to cast new light on the subject of accessing internet via mobile phone. Do you remember all those references by SamoaTel to high speed technologies (EDGE), competitive pricing and no need for additional equipment or modem for the past two years or so? None turned out to be true! All along we've cautioned against the hype of mobile phone, including - as is the pertinent subject here - access to data (internet) via mobile, when used as a substitute for expansion of basic landline telephone services. As you may recall, in a surprise marketing snippet published in the local newspapers, back on 8 March of this year the GoSurf product was "officially" launched. This product, despite the initial technical problems for months, proved so popular (or much needed) that within a period of only a few months all 1000 user licences were apparently allocated, so that no new users could sign up. At launch also a rate of 40 sene per Megabyte was established. It is important to note that data services (internet access) via mobile (GPRS) inherently cannot be billed per minute/hour, thus billing per Megabyte, that is billing based on cumulative downloads/uploads rather than the time one is online. This dichotomy of billing (per megabytes vs per minutes) makes a comparison of rates offered via traditional ISP's and GoSurf (and for that matter also ADSL) somewhat difficult, if not impossible - the solution is to take a guess to come up with a somewhat "fair" rate. The initially established 40 sene per minute seems to have been devised in such a way - really nothing scientific about it - somewhat overpriced, it has been a novelty and so far we, "the captive audience" have put up with it, and have even been grateful for having the service at all! But look, there are new rates out there! Or are there?

5,000% Increase in GoSurf Rates!?

It's gotta be a joke! And we are sure it is! But let's for a second assume that these plans are for real and already approved and ready to go - after all, they are already published in a way, as they have been lingering on SamoaTel's official website for a while now (though like all the other rates, without an effective date - another recurring issue). In case you have not had a chance to see them (or soon not be able to) here's how it goes: A whopping 50-fold (5,000%) increase on the already high casual rate - from 40 sene per Megabyte to 2 sene per Kilobyte (which is 20 *tala* per Megabyte)! Do you know what this means? Just logging into Hotmail and checking one or two emails, spending only a few minutes on the net for a school project (or whatever) would cost you - are you sitting down - about 60 *tala*. Attach a small photo to your email and you pay an additional 10 *tala*. Try to download your favourite mp3 song and you'll be reaching into your pocket for yet another 80 *tala*. Going on a plan and paying a minimum amount per month (whether or not you use the service) will get you somewhat lower rates, but these are still much higher than the current 40 sene per Megabyte until you get up to the most expensive one (329 *tala* per month for 1 Gigabyte).

Justified? Think again!

If this was only a matter of charging premium prices for sending pictures through mobile phones (referred to as “pxting” which actually doesn’t use the internet), or for those choosing to pick up their emails or surf the net “on the go,” there wouldn’t be such a problem. After all, mobile phone “pxting” is basically a luxury toy rather than an essential service, and sometimes it’s worth paying more for the convenience of connecting from outside the office. However, for a considerable number of people in rural Samoa (where three quarters of us live), basic land-line telephone services are still not available, which means that the only way they can access the internet at the present time is by connecting via mobile phone (GPRS) – that is for personal, educational or business use. Needless to say in this day and age, internet access, (in contrast with “pxting”) not only globally but also firmly in Samoa is recognised as the impetus for economic growth and social opportunity. But with drastically high rates, internet access (via mobile) only becomes a privilege for the few wealthy and essentially beyond the reach of the majority. But then again, maybe this is also by design, since the number of user licences should be limited anyway due to limited resources. There is a reason for it: given the limited bandwidth capacity, the number of users that can be on the GPRS system before it slows to a screeching halt should also be limited. Therefore, a general license, as with proposed new casual access (basically allowing anyone on board) is simply irresponsible. Would it be possible there is a cunning plan to charge over-the-top rates, knowing that the much sought product is immensely scarce, and oh, there’s no competition?

Back in the Saddle!

Doesn’t this seem to put SamoaTel back in a monopoly provider position? The very thing that was intended to be dismantled by opening up the market to competition – only this time monopolising on internet services in areas not provided with landline telephones. Not provided, that is, by SamoaTel itself... does anybody else get the feeling that there is a major conflict of interest here?

Now What?

Thank goodness we now have a telecommunications regulator! But what can the regulator do about this? Well, there are a few options established in international practice:

- a) Enforce competitive pricing and price caps for the monopoly service (e.g. separate data plans for HomeZone customers). This is probably the best option given an effective regulator in place. It prevents cost-shifting/cross-subsidisation (i.e. when the provider diverts resources from the service it holds a monopoly on, towards services it must compete on).
- b) Mandate a separate subsidiary requirement. In which case the provider with monopoly power is only allowed to provide such service only through a separate

subsidiary or affiliate, which would be given the same conditions as any competitor – no preferential treatment. This is a good option, but hardly realistic given the current situation in the telecommunications scene in Samoa.

- c) An outright prohibition on providing such service. This option is generally a bad idea as it deprives the public of an important service.

If again, these GoSurf plans have already been approved and are ready to be implemented (and it sure seems so) then obviously something is drastically wrong with the picture. If no one else cares about these (and so many more) gross irregularities and aberrations, at least we do, and so should anyone disadvantaged at the receiving end. For those who have the benefit of internet access we encourage you to contribute with your comments at our website: www.CCATSamoa.info or just write a letter to the editor.

Citizens' Coalition for Accountability in Telecommunications in Samoa (CCATS) is a non-partisan group of Samoans whose goal is to provide public awareness on telecommunication issues that adversely affect the public. See their website: www.CCATSamoa.info for more details, other articles and contact information.

gomobile
GO SURF Data Plans

	Per KB
Go Surf Casual ¹	2 <small>senes</small>

Data Plans ²	Monthly Data Cap	Monthly Charge	Average Charge <small>senes per KB³</small>
Go Surf Data 5MB	5MB	\$9	0.194 <small>senes</small>
Go Surf Data 30MB	30MB	\$49	0.175 <small>senes</small>
Go Surf Data 200MB	200MB	\$149	0.079 <small>senes</small>
Go Surf Data 1GB	1GB	\$329	0.034 <small>senes</small>

Text Pricing	Per Text
Text to Go Mobile	Free! ⁴
Text to Digicel	20 <small>senes</small>
Text International	20 <small>senes</small>

1. Go Surf Casual is by default configured on all Go Mobile Prepaid and Postpaid Plans.
2. Go Surf Data Plans are available only to Postpaid Plans and Go Mobile authorised external/internal modem units.
3. Charging is on a per KB basis.
4. FREE Texting to Go Mobile Phones until 31st December 2007.
*Acceptable Use Policy applies. For personal use only.
Not to be used for unwanted or unsolicited messaging or spam.

(All Prices Inclusive of VAGST)

Above Rate Plans as appearing on SamoaTel Website (as of the publication date of this article)