

Attachment to:

Mobile internet prices falling in Papua New Guinea

by Amanda H A Watson and Moses Sakai

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This research project monitors the single-service, standard tariff 'data plans' offered to mobile internet users in Papua New Guinea (PNG) with the following durations: 1 day, 3 days, 7 days and 30 days.

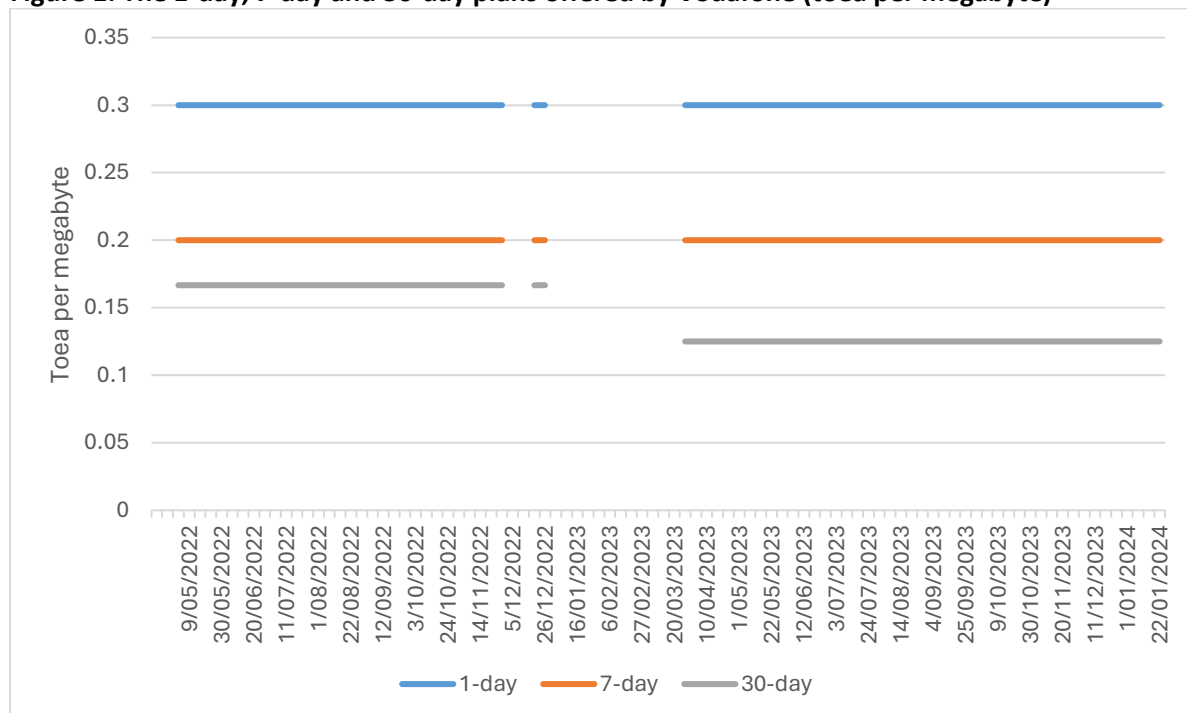
Initially, we conducted a weekly check of the prices offered by three providers: Digicel, Telikom and bmobile. Due to a [merger](#), the latter two companies offer the same prices as each other. Although we continued to monitor both companies for a long time, we no longer do so. In May 2022, we added new entrant Vodafone.

While Digicel offers multiple options for each plan duration, Telikom and Vodafone do not have many options in their 1-, 3- and 7-day plans. In cases where there are multiple options available for each plan duration, we select the most accessible option (which requires the smallest initial outlay), a middle option and a high-end option. The latter is the least accessible option because it requires the largest initial outlay.

When Vodafone began offering mobile services in PNG in the first half of 2022, it offered 1-day, 7-day and 30-day long data plans. As can be seen in Figure 1, Vodafone prices have remained consistent, although the value of 30-day offerings has improved.

In March 2023, the company introduced 3-day long plans. In January 2024, Vodafone began offering an additional choice for 1-day users and an additional choice for those buying 7-day data bundles. Although the new choices for 1-day and 7-day data bundles are not shown in Figure 1, they represent better value than the existing 1-day and 7-day offerings.

Figure 1: The 1-day, 7-day and 30-day plans offered by Vodafone (toea per megabyte)



Those of Vodafone’s customers who are able to make the highest initial outlay access the best value in terms of toea per megabyte, compared to customers of the same operator who can only make a small payment. This matches the pricing structures of the existing market operators.

Since Vodafone entered the PNG market, the incumbents’ offerings have been reducing in price and thus improving in value. In the first week of May 2022, soon after Vodafone commenced operating, there was a sudden drop in the prices of Telikom data plans, but this was only for a short while (it was picked up in just one of our weekly readings) before the Telikom prices moved back up to their earlier level. The Telikom prices have moved around since then, as can be seen in Figure 2 and Figure 3, with a general improvement in the value for money [for customers](#).

As can be seen in Figure 2, Telikom prices have decreased over time for 1-, 3- and 7-day plans. Telikom offers just one choice for its 1-day and 3-day data packages. From January 2020 to mid-October 2023, Telikom offered just one choice for buyers of 7-day plans. It now offers two choices for 7-day plans. Both 7-day offerings price data at a rate of 0.20 toea per megabyte.

Figure 2: The 1-day, 3-day and 7-day plans offered by Telikom (toea per megabyte)

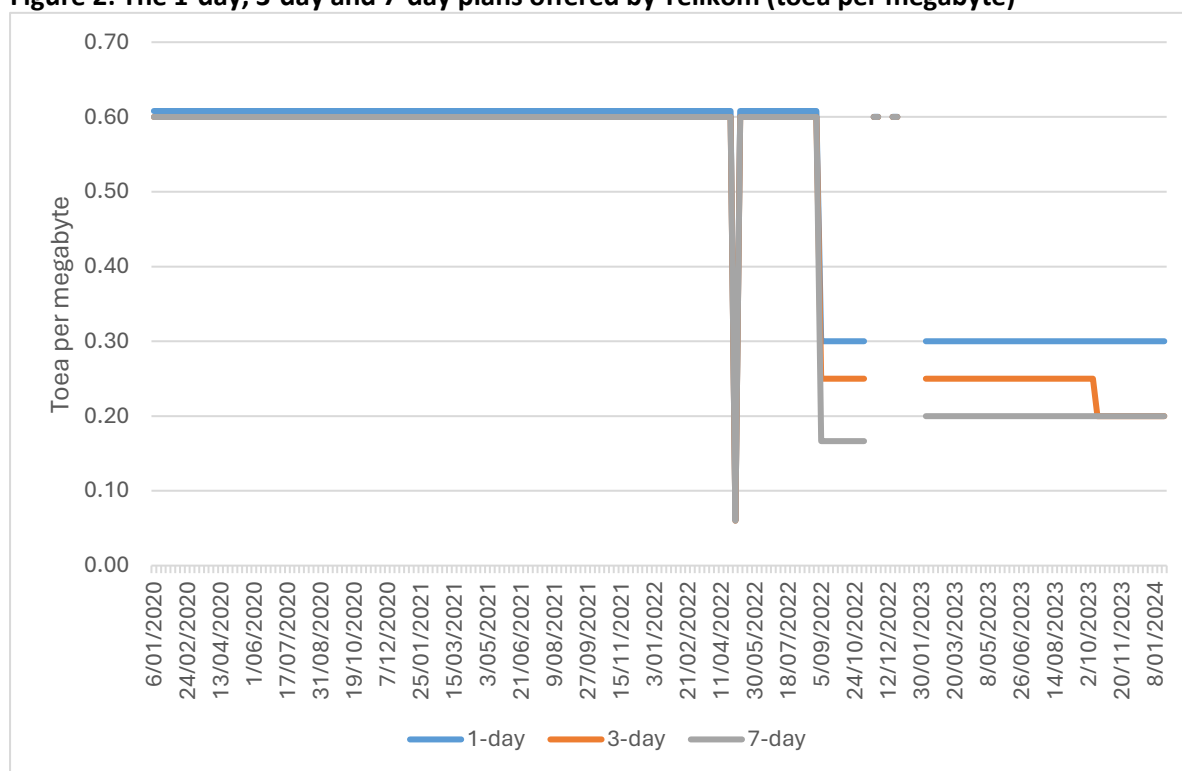
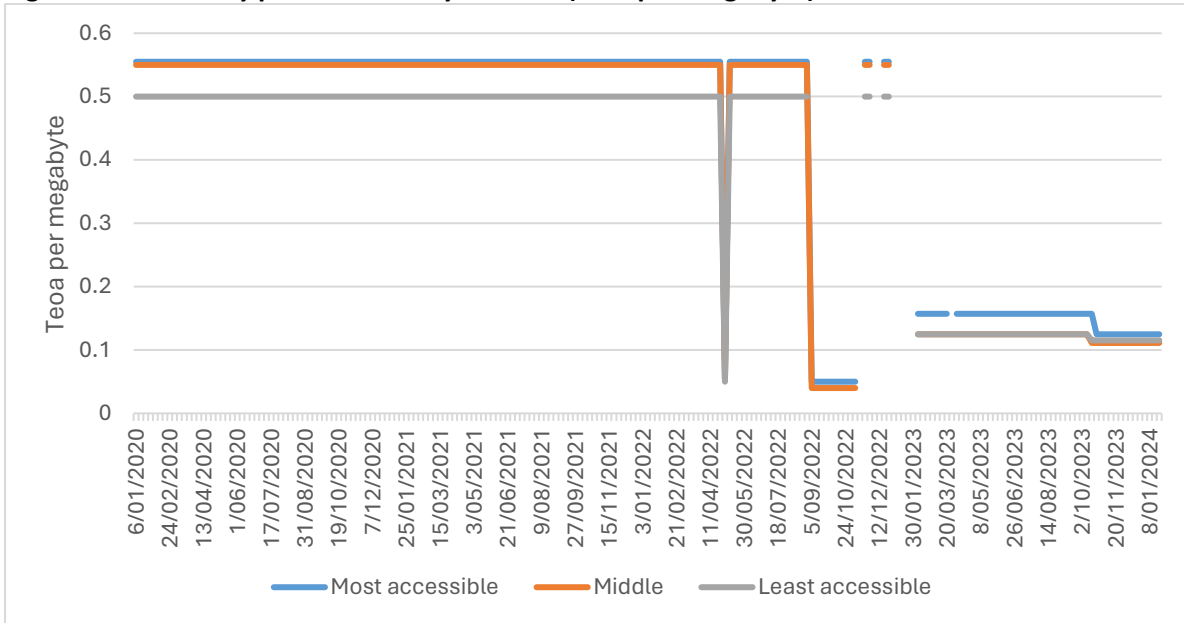


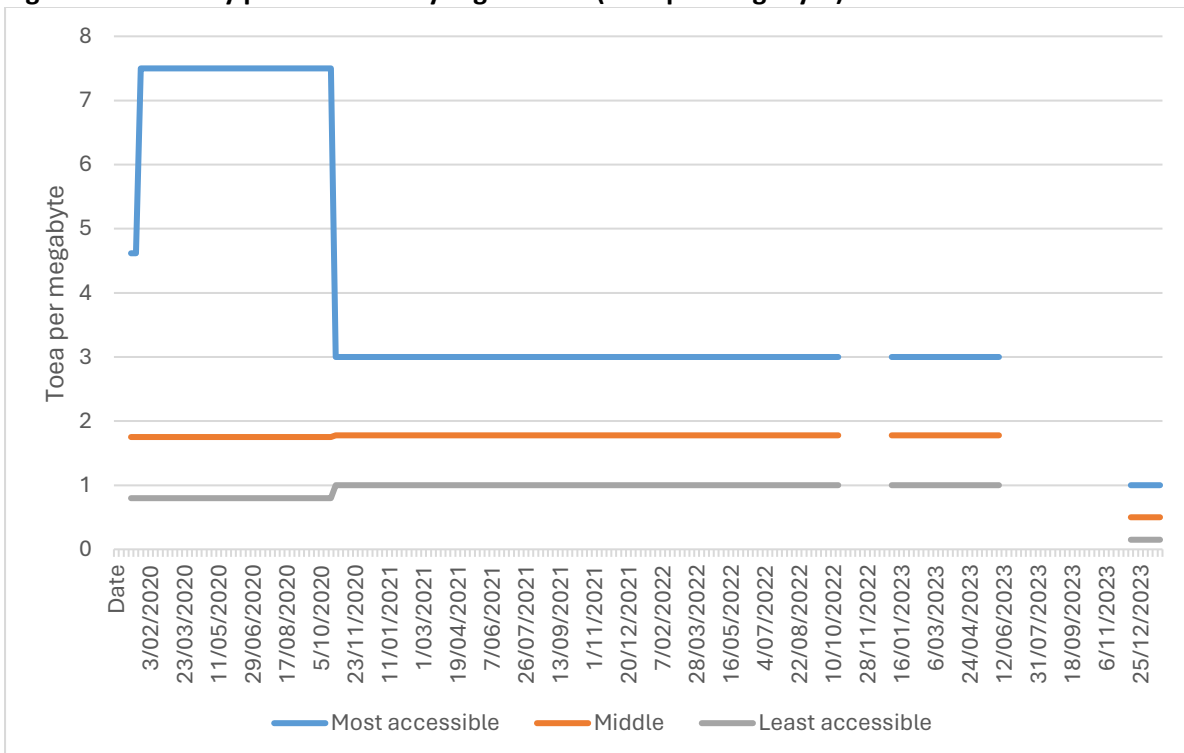
Figure 3 shows the 30-day options available through Telikom. In Figure 3, the most accessible option (which requires the smallest initial outlay), a middle option and a high-end option are shown. In January 2024, the most accessible 30-day option cost fifty kina for 40,000 megabytes (or 40 gigabytes), representing a toea per megabyte value of 0.125. The middle option was one hundred kina for 90,000 megabytes (or 90 gigabytes), representing a toea per megabyte value of 0.111. The high-end option cost one hundred and fifty kina (K150) for 130,000 megabytes (or 130 gigabytes), with a toea per megabyte value of 0.115. It tends to be the case that the high-end options represent the best value for money, and that was so for most of our monitoring period for Telikom’s 30-day offerings. However, in January 2024 the middle option was the best value for customers.

Figure 3: The 30-day plans offered by Telikom (toea per megabyte)



While Digicel has substantially reduced its prices and improved the value of its offerings, its data plans come with strings attached. For example, Figure 4 shows the value of the 1-day data plans, which are now much better value than they were for most of our monitoring period. Nonetheless, for a Digicel mobile user purchasing any of the 1-day plans, 75 per cent of the data must be used from 6am to 6pm while 25 per cent can be used at any time. For instance, 100 megabytes costs one kina under Digicel’s most accessible 1-day option. Out of the total, 75 megabytes must be used between 6am and 6pm while 25 megabytes is available anytime within the 24 hours. Similar time-of-day restrictions apply to Digicel’s 3-, 7- and 30-day plans. Such conditions commenced when Digicel dropped its data prices to their current levels.

Figure 4: The 1-day plans offered by Digicel PNG (toea per megabyte)



Note:

Telikom prices were not checked during January 2023. Vodafone prices were not checked during January or February 2023. Digicel prices were not checked for two months late in 2022 or for several months in the latter half of 2023.