

VoIP Tariffs for ISPs

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In February 2006 a broadband network monitoring company, Sandvine, published a report stating that in Europe a Voice over Internet Protocol (VoIP) service provided by an Internet Service Provider (ISP) as part of a broadband package had become a more popular means of offering VoIP than one available directly from a VoIP provider. Only twelve months previous Skype had represented 90% of all VoIP minutes, whereas in the last quarter of 2005 VoIP provided with an ISP represented 51.2% of all VoIP calls whilst Skype accounted for 45% of VoIP minutes. Vonage, the leading US VoIP provider, accounted for less than 1% of the market whilst other VoIP providers totalled 3.5% of all VoIP minutes. The situation in Europe mirrors that of North America where VoIP provided with an ISP represents 53% of all VoIP minutes compared to Vonage with 21.7% and Skype with 14.4%, whilst other VoIP providers totalled the remaining 10.9%.

To investigate this further ten ISPs who provide a VoIP service as part of their broadband package have been compared. Eight ISPs have been drawn from a list of 23 compared for their broadband service in the September 2005 edition of Computing Which? InterViVo were described in the March 2006 edition of .net magazine and The Primex Internet Group Ltd were found from the results of a Google search.

The ten ISPs are now introduced. BT Communicator with Yahoo! Messenger, www.bt.com/btcommunicator, needs no introduction and BT Communicator is the software arm of BT Broadband Talk. Force 9, www.f9.net.uk,

Freedom2Surf, www.freedom2surf.net, InterViVo, www.intervivo.net, Nildram, voip.nildram.net and PlusNet, www.plus.net are all established ISPs looking to improve their share of the market and achieve greater commercial awareness. The Primex Internet Group Ltd, www.primex.co.uk, specifies it is aimed at the serious home user offering a quality service at a higher price. Tesco, www.tescointernetphone.com, continue to diversify their business and have now ventured firmly into the home computing market. Tiscali, www.tiscali.co.uk, and Wanadoo, www.wanadoo.co.uk, are leading ISPs established nationally with healthy shares of the market and considerable customer numbers.

The following ten tables present prices for each of the ten ISPs relevant to various important aspects of the VoIP service. There is a distinction made between the setup of broadband and VoIP and between the monthly rental of broadband and VoIP so as to separate the two individual services for clarity. Tables are given to indicate the cost of calls to recognised countries covering three continents and encompassing the globe. The tables act as a comparison with which to aid the decision as to which ISP may be most suitable for a particular situation.

The following table lists the initial cost when signing up for a broadband service with the ISP.

Broadband setup

BT	Free	
Force 9		Free
PlusNet		Free
Tesco	Free	
Tiscali		Free
Wanadoo	Free	
Nildram		£47
Freedom2Surf		£49.99

Primex	£59.99
InterViVo	£60

The following table lists the on-going monthly cost for using the broadband service with the ISP.

Broadband monthly rental

Tesco	£13.97
Nildram	£13.99
Force 9	£14.99
Freedom2Surf	£14.99
PlusNet	£14.99
Tiscali	£14.99
BT	£17.99
Wanadoo	£17.99
Primex	£19.99
InterViVo	£24.50

The following table lists the initial cost when signing up for a VoIP service with the ISP.

VoIP setup

BT	Free
Force 9	Free
Freedom2Surf	Free
Nildram	Free
PlusNet	Free
Tiscali	Free
Wanadoo	Free
Primex	£10
Tesco	£19.97
InterViVo	£75

The following table lists the on-going monthly cost for using the VoIP service with the ISP.

VoIP monthly rental

BT	Free
Freedom2Surf	Free
Nildram	Free
Tesco	Free
Tiscali	Free
Wanadoo	Free
Force 9	£2.99
PlusNet	£2.99
InterViVo	£4
Primex	£10

The following table lists the cost per minute for national calls to UK landlines where the following abbreviations are used: peak (P), off-peak (OP), day (D), evening (E) and weekend (W).

Calls to UK landlines (per min)

Force 9 E & W	Free
PlusNet E & W	Free
Wanadoo OP	Free
BT OP 1hr	0.1p
Freedom2Surf E and W	0.1p
Primex W	0.85p
Primex OP	0.95p
Nildram E & W	1p
Tiscali	1p
Primex P	1.25p
Force 9 P	1.5p
PlusNet P	1.5p
Tesco	2p
Nildram P	2.5p
Wanadoo P	2.5p
Freedom2Surf D	2.7p
BT P	3p
InterViVo	N/A

The following table lists the cost per minute for national calls to UK mobiles.

Calls to UK mobiles (per min)

Freedom2Surf W	3.2p
BT W	3.61p
Force 9 W	6p
Nildram W	6p
PlusNet W	6p
Freedom2Surf E	6.9p
BT E	7.84p
Primex W	8.5p
Primex OP	9.5p
Force 9 E	10p
Nildram E	10p
PlusNet E	10p
Tesco	10p
Wanadoo	10p
Freedom2Surf D	11.3p
Primex P	11.99p
Tiscali	12p
BT D	12.41p

Force 9 D	15p
Nildram P	15p
PlusNet D	15p
InterViVo	N/A

The following table lists the cost per minute for calls to Europe to landlines in Germany.

Calls to Germany landlines (per min)

Primex	1p
BT	1.25p
Tesco	2p
Force 9	2.5p
Nildram	2.5p
PlusNet	2.5p
Freedom2Surf	3p
Tiscali	3p
Wanadoo	4p
InterViVo	N/A

The following table lists the cost per minute for international calls to US landlines.

Calls to US landlines (per min)

Primex	1p
BT	1.25p
Tesco	2p
Force 9	2.5p
Nildram	2.5p
PlusNet	2.5p
Freedom2Surf	3p
Tiscali	3p
Wanadoo	4p
InterViVo	N/A

The following table lists the cost per minute for international calls to landlines in Australia.

Calls to Australia landlines (per min)

Primex	1.2p
BT	1.25p
Tesco	2p
Force 9	2.5p
Nildram	2.5p
PlusNet	2.5p
Freedom2Surf	3p

Tiscali	3p
Wanadoo	4p
InterViVo	N/A

The following table lists the cost per minute for international calls to landlines in Japan.

Calls to Japan landlines (per min)

BT	1.4p
Primex	1.73p
Tesco	2p
Nildram	2.5p
Freedom2Surf	4.2p
Force 9	5p
PlusNet	5p
Tiscali	5p
InterViVo	N/A
Wanadoo	N/A

The tables offer a guide to the prices available for each ISP. Competition is strong and the decision to choose a particular ISP maybe one made on intuition or personal preference. It can be seen that the call tables to landlines in Germany, US, Australia and Japan all have a similar look. BT and Primex compete for the best prices with Tesco sitting comfortable in third. Force 9, Freedom2Surf, Nildram and PlusNet fill the middle positions in the tables with Tiscali and Wanadoo taking up the lower places. Prices for InterViVo were unavailable at the time of compiling this report, but should be comparable to those of Primex if prices for broadband and VoIP setup and monthly rentals are adhered to. Primex would appear to offer the most expensive prices for setup and monthly rental, but then provides possibly the best prices for call costs. Commercial ISPs such as Tiscali and Wanadoo provide minimal setup and monthly rental fees, but their call costs can be seen to be higher. The cost of calls to UK landlines and UK mobiles becomes blurred due to the fragmenting of calls by ISPs to peak and off-peak, and daytime, evening and weekend.

If 3G have targeted Skype's use of Video Calling as of relevance to their own success with video telephony then they must hope that ISPs offering a VoIP service will implement their own Video Calling feature to

enable them to compete successfully with Skype. As ISPs continue to enhance their services the inclusion of additional features and functionality into their VoIP facility can only be of benefit to video telephony and 3G.

