

Serbia

Private mobile phone usage in Serbia

Have you ever thought about life before and after mobile phones appeared in our lives? Can you imagine your everyday life without that small device? Has the mobile phone improved our lives in some way or is it just one more unnecessary item in our daily budget? All those questions may come to mind when we look at the data reported in the April wave of the Omnibus survey.

Within the Omnibus survey conducted by GfK Belgrade in July of 2008 and again in April this year there was a special section dedicated to mobile phone usage.

According to the results reported in this survey, it seems that the mobile phone is definitely not a luxury item in Serbia. In fact, more than 83.7% of people aged 15+ possess and actively use a mobile phone for private purposes whilst some of them (16%) possess two mobile phones, bringing us to a total number of almost 5 million mobile phone users. Furthermore, the average monthly expenditure for private users is 813 RSD (EUR8.75). A majority of users think that their expenditure for mobile phones will stay the same in the future.

Penetration

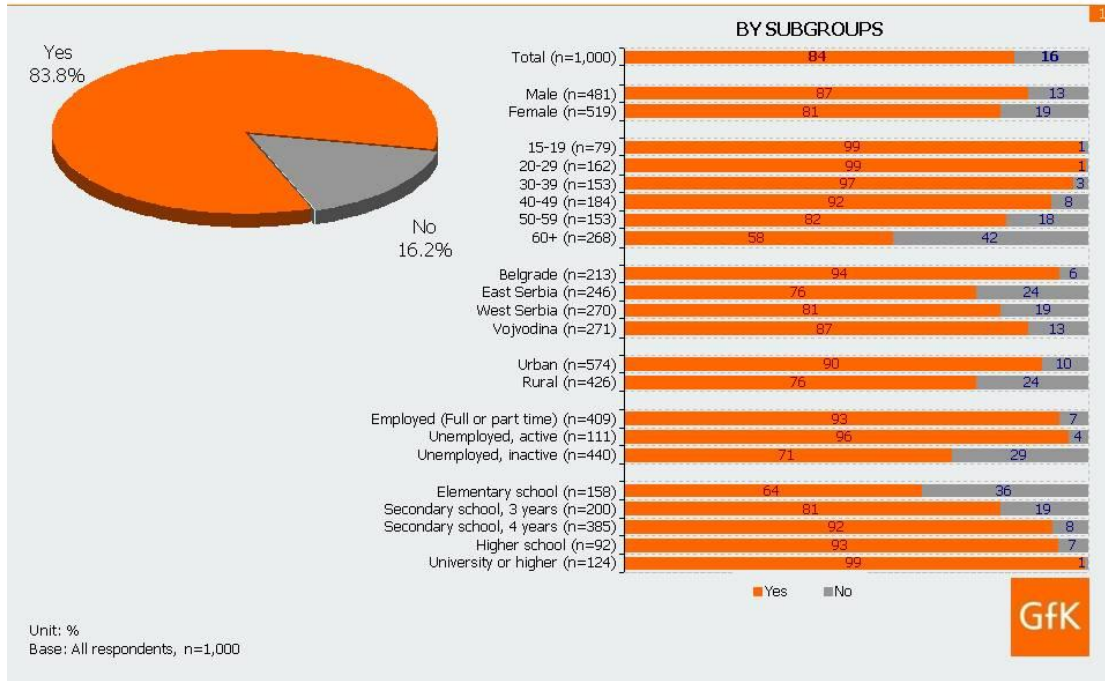
Penetration of mobile phone usage in Serbia varies across the different age groups and it is highest amongst the population aged between 15 and 29 years at more than 98%. On the other hand, as we move towards older age groups it is noticeable that the level of penetration is lower, especially in the 60+ age group where we find the lowest percentage of users (57.8%). As a result, when we look at the structure of the non-user group, most of them, i.e. more than three quarters of them, are older, inactive and aged 50+.

Regionally, a lower usage penetration is reported in eastern and western Serbia, which implies that there may be growth potential in these regions compared to Belgrade and Vojvodina region.

Analysis also shows some interesting data when we go deeper into demographic factors. It seems that there is a correlation between the level of education and mobile phone possession and usage. It seems that more highly educated people cannot imagine their life without a mobile phone; 99% of people with university degrees possess a private mobile phone and the figure then falls with decreasing educational levels, the lowest being 28.3 % among the people who did not complete primary education.

Private mobile phone possession

Do you have an active private mobile phone, i.e. a mobile phone that has an active SIM card and which is possessed by you personally?



Expenditures

The average total monthly expenditure on all private mobile phones for all users amounts to RSD813 (EUR 8.75). Men spend more money on mobile phones, RSD925 (EUR9.94) than do women, RSD703 (EUR7.55), as do users in the Belgrade region, RSD994 (EUR10.7) compared to other regions, particularly eastern Serbia, RSD680 (EUR7.31).

The biggest spenders are among the age group between 20 and 39 years (RSD1,027) and the lowest spenders are among the older population, persons aged 60+ (439 RSD). There is also a clear correlation between expenditure, educational level and working status. Those with a higher level of education and the more active working people spend more money on private mobile phones. Significantly higher expenditures have been reported for owners of companies compared to users with other qualifications (RSD5,500, i.e. EUR59.1).

It is clear that there is a correlation between the type of subscription used with a main private mobile phone and expenditure. Those who spend more than RSD1,000 (EUR10.7) per month are more likely to have monthly contract type subscriptions than pay-as-you-go contracts. Therefore, the average monthly expenditure for such users is RSD1,295 (EUR13.9) which is almost twice as much as the figure spent by prepaid users RSD698 (EUR7.5 euro). It is interesting to compare these data with the previous year, where we can see that average expenditure decreased in 2009 for both pay-as-you-go and monthly services. It seems that either the economic crisis has caused people to restrict their mobile phone budgets or the mobile phone service providers have decreased their prices. However, 29% of monthly contract users said that their expenditure increased compared to the period six months ago and 70% of prepaid users thought that their expenditure was about the same. These numbers show that although average expenditure decreased in 2009, monthly contract users still have the feeling that their expenditure has increased in the last six months.

It may be that their disposable income in the crisis period is lower and this may be the main reason for this conclusion.

Generally, 63% stated that their expenditure was at the same level and 20%, particularly the employed and users in eastern Serbia, said that what they spent had increased somewhat in the past six months. With regard to estimates of future expenditure, the youngest population group is not very optimistic with 25.7% thinking that it will increase. The users in Belgrade are of the same opinion. On the other hand, the members of the oldest age group think that their expenses for that purpose will stay the same (82.8%). Both prepaid and monthly contract users believe that their expenditures will stay the same in the future.

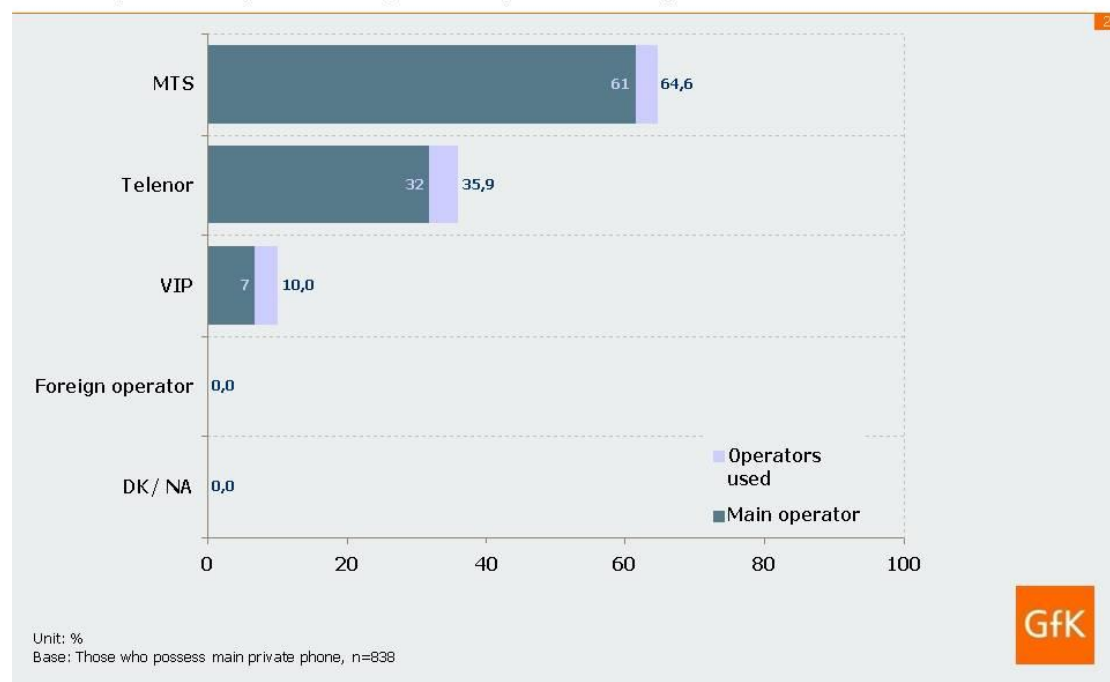
Mobile providers

The mobile provider used by the highest percentage of users is MTS (64.6%), followed by Telenor (35.9%) with VIP Mobile trailing in the third place (10.0%).

Use of Operators

Which operators do you use with your private mobile phones?

Which operator do you use with your main private mobile phone?



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