

Press release

Thursday 1 August, 2024

Kiwis losing \$400 million on unused mobile data per year – “Kiwi Mobile is here to make that better”

Kiwi Mobile, a new mobile challenger, wants Kiwis to stop getting ripped off paying for unused mobile data. They are making it better by launching an Endless mobile plan where you get all the fast data you need, but you only pay for what you use.

Research shows Kiwis on postpaid plans have an average of 6.7GB of unused mobile data left over every month - that's 72.4 million gigabytes going to waste every year¹. With over half (59%) of those Kiwis paying for more data than they need¹, it's unsurprising that 68% of Kiwis want more flexibility in their mobile plans².

Kiwi Mobile Chief Executive Luke Blincoe says Kiwi Mobile's purpose is to make things better for Kiwis. It knows Kiwis are willing to pay more to ensure they always have the fast data they need but with Kiwi Mobile, they no longer need to pay a premium for peace of mind.

“We've made things flexible - you can be confident you'll never run out of data while only paying for data as you need it,” Blincoe says. “No more being ripped off by paying for unused data. It's pretty cool and we think Kiwis are going to love it”.

Kiwi Mobile's market-first Choice plan begins at \$1.30 per day with 5GB of max speed data. When a customer has used all of their max speed data, they can continue with endless data at slower speeds or level up to another max speed data tier by increasing their daily rate for the remainder of the billing cycle. There are five tiers allowing customers to use up to 100GB of max speed data each month.

Kiwi Mobile gives Kiwis control of how much data they pay for, rather than forcing them into a mobile plan with inflexible data thresholds. Blincoe says pay monthly mobile plans by the big New Zealand telcos are strategically positioned to make Kiwis pay for more data than they need. Even 'rollover' plans require Kiwis to pay for data upfront before it's needed or eventually expires. It's deliberately confusing, he says.

1 Research commissioned by Kiwi Mobile and conducted by Insight Works between 24 June 2024 - 30 June 2024 with a sample of 1,500 18+ New Zealanders on postpaid plans.

2 Research commissioned by Kiwi Mobile and conducted by Pureprofile in 2022 with a sample of 1,500 New Zealanders.

“We’ve estimated inflexible data thresholds are costing Kiwis on postpaid plans upwards of \$400 million annually in wasted data³. Our Choice plan will start pulling that number way down.”

Kiwi Mobile hopes to lift the lid on mobile data costs and the tactics used by the big New Zealand telcos encouraging Kiwis to commit to more data than they need.

“The big guys are highly incentivised to get people to part with more money - because the actual cost of delivering more data is pretty marginal for them. We are incentivised to make things better and that’s exactly what we intend to do,” Blincoe says.

The tactics of confusion were highlighted in the Commerce Commission’s draft guidelines for telecommunications providers. Announced last year, the guidelines called on providers to increase transparency about their prices and coverage so consumers can make better decisions about what the best plan is for their needs.

Kiwi Mobile’s flexible pricing model makes it easy to see where the best value lies. The plan is designed so you always get a deal that suits you.

For example, a customer on a pay-monthly 15GB endless plan for \$65 pays their full bill even if they only used 9GB in the month. On Kiwi Mobile, that same customer will only pay \$44 for 9GB.

Kiwi Mobile’s online calculator shows how much you will pay for Kiwi Mobile based on your average monthly data usage.

In line with the Commerce Commission’s draft guidelines, Kiwi Mobile’s Choice plan has no hidden costs and no penalty fee for leaving.

“We’re not keen on the sneaky notice periods some of the other guys are into,” Blincoe says.

And with a launch promotion of the first three months free, anyone can give Kiwi Mobile a test drive.

“There’s a bit of a playbook for the big guys which goes something like: extract as much margin out of your customer as possible through confusing plans and then, when competitors put the pressure on, you undergo a rebrand and do it all over again,” Blincoe says.

“We reckon doing the opposite of that could be a pretty interesting business model.”

Kiwi Mobile is founded by one of New Zealand’s most-loved power and broadband brands, Electric Kiwi. Customers will receive the same award-winning service with wait times under a

3 We estimate that wasted data costs Kiwis on postpaid plans upwards of \$400 million annually. This calculation is based on: 72.4 million gigabytes of unused data every year and 1GB costing an average of \$5.96. The average gigabyte cost of \$5.96 reflects the average cost per gigabyte of current data allowances amongst the three main New Zealand telcos weighted by market share.

minute. Kiwi Mobile operates on 2degrees' mobile network, reaching 98.5% of the places Kiwis live and work.

"We are fired up," Blincoe says. "We intend to really bring the challenge to the big guys, and our goal is that Kiwis are the benefactors of that".

To find out more visit: www.kiwimobile.co.nz

-END-

Notes to the editor:

About Kiwi Mobile's Choice Plan:

- The Choice plan is a pay monthly endless plan. You can pay your bill weekly, fortnightly or monthly.
- Experience flexible mobile data by only paying for what you use.
- You have more control - pay for less data one month, more the next - which can save you money.
- You start each month with 5GB of fast data for \$1.30 per day (\$39.54 per month).
- If you run out of fast data, you can use the app to easily level up to the next data tier for a small increase in your daily rate. The fast data tiers are 5GB, 10GB, 20GB, 40GB and 100GB.
- You can also use the app to slow down at the end of any tier if you want to control costs. And you can automate these modes.
- You get unlimited calls and txts to New Zealand and Australian numbers.
- You get free hotspotting.
- Take Kiwi Mobile for a test drive with your first three months free (including all 5 data tiers).
- You can add up to 4 buddies to your plan. Discounts apply for 1 and 2 or more buddies and apply to all of the connections on the account. The benefit is that all users get their own plan and can choose their own fast data tier cap each month (they don't all have to agree on a fast data cap amount or share).
- Experience fast, high-quality customer service by Electric Kiwi's award-winning customer service team.
- Don't pay any penalty for leaving (including sneaky notice periods).
- Kiwi Mobile is a Mobile Virtual Network Operator (MVNO) operating on 2degrees' mobile network.
- See what Kiwi Mobile could cost you based on your average monthly data use: www.kiwimobile.co.nz

Common and confusing mobile plan jargon:

- **'Unlimited plans':** You will never run out of high-speed data but be careful of sneaky terms and conditions.
- **'Endless plans':** You get an allocation of high-speed data and when that runs out, your data will slow down to a max speed of 1.2mbps. Slower speed data typically means longer load times and low-resolution video.
- **'Rollover' or 'Carryover' data:** You pay upfront for an allowance of data and any leftover at the end of the month carries into the next month and risks expiring. If you want to change your plan, or port to another provider, you risk losing any leftover data you have paid for. If your data use varies each month, you will benefit from Kiwi Mobile's Choice plan.

About Kiwi Mobile

Kiwi Mobile is a mobile virtual network operator (MVNO) with the purpose of making mobile better. Our unique endless mobile plan is flexible, fair and designed to save you money. Brought to you by one of New Zealand's most loved brands, Electric Kiwi, our customers receive the same award-winning customer service. We operate on the 2degrees' mobile network, reaching 98.5% of the places Kiwis live and work.

About Electric Kiwi

Electric Kiwi is an independent Kiwi power and broadband provider making power and broadband better. By harnessing smart meter data, Electric Kiwi is innovating the power industry while aiming to offer the best service for customers. In 2023, Electric Kiwi was awarded Canstar Blue Most Satisfied Customers for Electricity, and the 2023-2024 Canstar Blue Most Satisfied Customers for Bundled Utilities Award.

For more information, please contact:

One Plus One Communications

Erin McKenzie, +64 27 339 9531

erin.mckenzie@oneplusonegroup.co.nz