

TNM makes subscribers shoulder their growth

By Gregory Gondwe: @Kalipochi

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[Telecoms Networks Malawi \(TNM\) Limited](#) has announced that it will be increasing base tariff by an average of 19.5% from 1 August 2012 in order to be able to fulfill its plans to expand its coverage and upgrading the older infrastructure by investing more that US\$20 million per annum over the next five years.



"It is essential for TNM to maintain the profitability of the business to support our continued investment program in telecommunications infrastructure in Malawi," says a statement from the company management justifying the increment.

"TNM must operate on the correct level of profitability to be able to fund these expansions," it adds.

With such increments the TNM Standard prepaid tariff, which is nicknamed 'Yaboo', will be adjusted as follows:

- Calls during peak period from TNM subscriber to another TNM subscriber will be billed at 87 tambala per second which will be equivalent of MK52.20 while the off-peak period will be MK28.20 per minute.
- Calls during peak period from TNM subscriber to any other Malawi network will be billed at 108 tambala per second which will be equivalent of MK63.80. The off-peak period will be MK32.30 per minute.

The company says an SMS to any destination in Malawi will remain unchanged at MK10 per SMS and so will be the standard data tariff which will also remain unchanged at MK10.24 per MB.

"TNM will continue to offer affordable tariffs for international calls from as low as 70," the company says. "All the tariffs for postpaid and Value Added Services will also increase, TNM will inform concerned customers directly to relevant changes."

The company management says this tariff adjustment announcement is done ahead of time because the company believes in the rights of their consumers to be informed about any changes in tariffs.

"The changes will also be published in the newspapers and communicated through other media," according to the statement.

Why the changes?

It further states that the recent exchange rate adjustments and subsequent rise in the cost of utilities, goods and service resulted in a direct increase in major parts of our expenditure.

The mobile phone service provider says in the past two years it has consistently reduced tariffs, to the advantage of customers. During the period from the year 2010, TNM to TNM calling tariffs have been reduced by 36% while tariffs for calling other networks have been reduced by 22%.

"TNM is proud of the fact that, during this period, our tariffs on most products were the most affordable in Malawi. TNM will continue to apply this strategy to give more benefits to subscribers," says the company.

In order to palliate the effects of this hike, TNM says it will be launching very innovative products during the next few months, which will enable their customers to manage their cost of communication at affordable levels, while enjoying a high standard of services.

The company says it's 'Mtolo range of products', where customers are advised to buy calling time bundles at lower prices, 'will continue to provide value for money to our customers with affordable tariffs.'

"It is important for our customers to note that even after all the changes, the cost of a call between TNM subscribers during the peak period, calculated in USD, and has effectively decreased from USD25 cents in April 2012 to 19 US cents in August 2012," says the company.

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