



# Competition: A Review & Update

Author:  
Kathleen A. Pierz  
December 10, 2003



# Competition: A Review & Update

This highly detailed analysis of the European experience with fully competitive directory assistance/enquiry markets provides a country by country analysis of the impacts of competition in both the short and long term. It also outlines the potential for the regulatory changes that would create a directly competitive DA/DQ market in the US.

## Who Should Read This Report?

- All U.S. fixed line carriers
- U.S. Wireless carriers
- Wholesale directory assistance/enquiry providers
- Directory assistance/enquiry providers in competitive markets
- Technology suppliers to the industry
- Regulatory and legal experts addressing telecommunications issues
- Venture capital firms and investors in the information services arena

**Understand the market, understand the players, and leverage trends that will change how you do business. The Pierz Group asks the right questions, you get the answers.**

**Price:** \$2,995; EIDQ members receive a 15% discount

Non-EIDQ members who purchase this report together with “**Wholesale Directory Assistance/Enquiry Today**” will receive a 15% discount on both reports

**Purchase This Report Today:  
Call or Email us: 248-922-1501  
info@pierzgroup.com**

## Table of Contents

<b>Executive Summary</b>	5
<b>What is Competition?</b>	7
A European Definition	8
General Outcomes in Europe	9
The European Experience	11
The United Kingdom	11
DA/DQ Providers in the U.K.	19
U.K. Market Share	21
Spain	22
DA/DQ Providers in Spain	25
Spanish Market Share	27
Norway	28
DA/DQ Providers in Norway	31
Norwegian Market Share Summary	31
Switzerland	32
DA/DQ Providers in Switzerland	34
Swiss Market Share	35
Austria	36
DA/DQ Providers in Austria	37
Austrian Market Share	37
Ireland	38
DA/DQ Providers in Ireland	39
Irish Market Share	40

## Table of Contents (cont.)

Denmark	41
DA/DQ Providers in Denmark	42
Danish Market Share	43
Finland	44
DA/DQ Providers in Finland	46
Finnish Market Share	47
Sweden	48
DA/DQ Providers in Sweden	49
Belgium	50
Belgian Market Share	51
Germany	52
DA/DQ Providers in Germany	53
German Market Share	57
Who's Next?	58
<b>Implications for the U.S. Market</b>	59
Camp #1. The DA/DQ Market is Already Competitive	59
U.S. "Dial Around" Providers and Pricing	60
Camp #2. The DA/DQ Market is NOT Competitive	61
Fixed-line DA/DQ Pricing in the U.S.	63
U.S. Fixed-Line DA/DQ Pricing	65
U.S. Mobile Carrier DA/DQ Pricing	68
U.S. Mobile DA/DQ Price Changes (By Year)	68
<b>Next Steps</b>	69
<b>Related Research</b>	70
<b>About the Author</b>	70

Competition has been introduced through regulatory changes in 11 Western European markets. After nearly two years, the U.S. Federal Communications Commission (FCC) is still in the process of reviewing the possible implementation of a fully competitive directory assistance/directory enquiry (DA/DQ) market in the U.S. While in their design, the European implementations have been fairly consistent, their outcomes have not necessarily been as constant. This report provides an overview of each implementation and its outcome. In addition, this report includes detailed analysis of the key elements necessary for possible introduction of this same model in the U.S.

## Executive Summary

Competition in the DA/DQ market has been rolling across European Union (EU) member countries since 1997. It was originally a concept put forward by wholesale provider Telegate, A.G. in Germany, the first country to create a fully competitive DA/DQ marketplace. Since that time, 10 additional countries have followed suit by implementing similar competitive schemes. However, each implementation has featured its own unique details and outcome. The EU has since passed a directive for all member countries to fully implement competitive DA/DQ and print directory markets.

The U.S. FCC is now considering regulation to implement a similar change in the U.S. market. The first Notice of Proposed Rule Making was issued nearly two years ago and has not moved forward. The original source of support for a fully competitive model in the U.S. market, Telegate, has now chosen to exit the U.S. market, a decision based largely on the FCC's long delay in making a final decision on competition.

There has been some recent interest in this issue by the National Association of Regulated Utility Commissioners (NARUC) and several consumer advocacy organizations. This is not a topic without controversy; there are strong arguments on both sides of this on-going debate. This report presents a detailed view of the implementation process and the outcomes in each of the 11 European nations following implementation of full competition in the DA/DQ space. It also provides a detailed review of the issues surrounding possible implementation in the U.S. market, including the pros and cons of what such a move would entail.

---

### **The Pierz Group**

For more information on this and other topics about the greater Directory Assistance/Directory Enquiry (DA/DQ) market, please contact The Pierz Group. We provide consulting services and high value reports on the key issues facing the greater information services market. Deliverables include detailed, actionable research and analysis, and strategic consulting services. Regular reports cover the issues and trends most likely to influence the current operations as well as future planning of providers of DA/DQ services and the vendor community worldwide.

#### **Please contact us:**

Phone: 248-922-1501

e-mail: [info@pierzgroup.com](mailto:info@pierzgroup.com)

[www.pierzgroup.com](http://www.pierzgroup.com)

## About the Author

### **Kathleen Pierz**

The Pierz Group was founded by Kathleen Pierz in 2003. Ms. Pierz is one of the best known industry analysts in the directory assistance/enquiry space. She has published over 100 insightful reports on the key issues affecting the industry worldwide and is a sought after speaker. With over 25 years of strategic planning and marketing experience and a solid background in the information services industry from both the carrier and the vendor side of the business, she delivers a focused, actionable perspective within this dynamic market.

Prior to founding The Pierz Group, Kathleen Pierz held senior management positions at Zelos Group, The Kelsey Group, IBM and Ameritech (now SBC)

Ms. Pierz holds a Master's degree in International Management from the American Graduate School of International Management (Thunderbird) and a Bachelor of Science Degree in Business from The University of Colorado.