

Telecom Regulatory Authority of India
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**TRAI invites Comments of Stakeholders on 'Comparison Shopping' in
Mobile telephony services**

TRAI today released a Paper for Information/Comments on '**Mobile Telephone Tariff Comparison – Preliminary Results of a Research Study**' inviting suggestions, comments and clarifications from the stakeholders.

TRAI had initiated a consultation process on 'Limiting the Number of Tariff Plans offered by the Access Providers' to address issues arising out of plethora of tariff plans on offer in the market creating confusion in the minds of consumers. In that context, stakeholders had suggested that TRAI should launch some initiative on '**Comparison Shopping**' front that would facilitate telecom users to make an informed choice of tariff plans to suit their requirement and affordability. Based on these suggestions and based on prevalent practices in other industries like automobiles where products are compared for their prices, TRAI commissioned a research study through **The Energy and Resources Institute (TERI)**, New Delhi on the subject of tariff comparison.

TERI has since developed a web enabled application software that can facilitate the consumer in identifying the most competitive tariffs given a particular usage profile. The consulting agency has also conducted surveys in Mumbai and Delhi and identified various usage profiles in mobile telephony besides surveying the mobile tariff plans that were on offer in these two circles in December 2004. Based on these, five most competitive tariffs have been identified by TERI for each of the 12 categories of the usage pattern revealed by the survey data in Mumbai and Delhi. This exercise has been done separately for prepaid and postpaid platform in mobile telephony. In the case of prepaid, the competitive tariff plans are ordered strictly in terms of the Maximum Retail Price

(MRP) for a given usage pattern. Postpaid plans are ordered in terms of their likely total monthly expenditure including service tax for a given usage pattern.

These results are now being made available to all the stakeholders for obtaining their comments, suggestions and clarifications. The results of the tariff comparison contained in the report shall not be construed to mean recommendation of TRAI in respect of any tariff plan of any service provider. The results are only indicative and therefore should not be construed as specific professional advice or direction or recommendation of any tariff plan offered by the service provider. The results of the research study are specific to predefined user profiles, **tariff plans on offer in the market during December 2004 in Mumbai and Delhi** and design of the database. Several other combinations of results are possible depending upon the usage pattern and individual needs.

This initiative is intended to demonstrate the possibility of using the computer software for purposes of 'Comparison Shopping' in voice telephony services. The software developed for the purpose **does not** compare the prices of handset used in mobile services.

Your comments, suggestions and clarifications if any may be sent to Secretary or Advisor (Eco.), Telecom Regulatory Authority of India (TRAI), A-2/14, Safdarjung Enclave, New Delhi-110029 Fax No.26103294, email: tra18@bol.net.in.