



COAI Response to TRAI CP on “Review of Telecom Consumers Protection Regulations (TCPR), 2012”.

- a) We thank the authority for providing us with the opportunity to respond to the Consultation Paper. While the Telecom Service Providers (TSPs) aim to enhance transparency and help consumers understand different tariff vouchers, it is also crucial to consider various aspects of these vouchers in accordance with changing market conditions and consumer needs.
- b) The telecom market in India has witnessed significant transformation as technology has advanced from 2G to 3G, then to 4G, and now to 5G. Each technological leap has brought about changes that telcos, have skilfully navigated and adapted to, ensuring they stay relevant and competitive. Initially, with 2G technology, telcos primarily offered voice-only services, but as the industry progressed to 3G and 4G, they expanded their offerings to include SMS and data services. Today, in the 4G era, data has become a central component of telecom packages, often bundled with voice services.
- c) This evolution highlights the telcos' ability to align their product offerings with market trends and consumer needs. As customer demands have evolved, so too have the services provided by telcos, who have consistently delivered products that not only meet but often exceed consumer expectations. By closely monitoring market dynamics and responding with innovative and customer-centric products, telcos have demonstrated their commitment to staying ahead of the curve in an increasingly competitive and fast-paced industry.
- d) The telcos have been providing their products on their websites, apps, Third party websites and providing the information on social media platforms. This has facilitated the customers in easy recharges, getting information on the products, comparing the same with other products, thereby promoting the “Digital India” initiative of the Government.

We have prepared our response to the various questions raised in the Consultation Paper, which we are hopeful would merit your kind consideration.

Q1. How do current tariff plans offered by telecom service providers align with the preferences and usage patterns of consumers, particularly elderly individuals? Please Justify with rationale.

COAI Response

- a) Telecom Service Providers (TSPs) offer a variety of plans/voucher options to meet diverse customer needs and market demands. These include Plan Vouchers (PVs), Top-up Vouchers (TUVs), Special Tariff Vouchers (STVs), and Combo Vouchers (CVs), each with specific benefits and validity periods as prescribed by TRAI regulations.
- b) TSPs have introduced a range of tariff plans and vouchers tailored to market and customer needs, ensuring that all users find suitable and affordable options as per their preference.



- c) A section of elderly consumers may prefer straightforward, easy-to-understand plans, however, with the advent of digital payments and especially UPI, and extensive adoption of social media, many elderly customers opt for plans with data component. At the same time many elderly users may prioritize voice calls over data services as well and use smartphones primarily for basic internet browsing, messaging, UPI, and occasional video calls with family, requiring less data than heavy users. In response, TSPs have introduced simplified plans, offering benefits like unlimited voice calls and data, which appeal to elderly customers for maintaining contact with family and friends. To meet all types of data requirements, TSPs provide a large bouquet of plans with wide range of data quota. The plans with lower data limits are already offered at lower prices.
- d) TSPs have consistently demonstrated adaptability to changing market dynamics, ensuring their offerings evolve in tandem with customer demands. By doing so, they effectively cater to a diverse spectrum of consumer requirements.
- e) TSPs offer a diverse array of plans tailored to meet varying customer preferences. These plans include flexible validity periods, ranging from single-day options to year-long subscriptions (1 to 365 days) and customizable data allocations, accommodating both high-volume users with up to 3 GB daily allowances and light users with as little as 0.06 GB per day.
- f) To simplify payments, some TSPs offer family plans that allow younger family members to manage and pay for their elderly people in the family.

Q2. Is there a need for separate plans for Voice & SMS and data to meet the specific requirements of subscribers. Please justify with reasons.

COAI Response

- a) **Digital inclusion is an important initiative of the Government.** It is pertinent to note that data has become an integral part of the life of common man today wherein the communication, work, learn and entertainment flows through the usage of data. With the advent of 5G services and technological upgradation, data is essential to cater the consumers with advanced technological services such as Telemedicine, Financial Inclusion, Digital Connectivity, Online Remote Education etc.
- b) According to the survey finding on “Consumer survey in respect of Tariffs of Telecommunication services and related issues”, OTT services are provided as bundled offerings are relatively more economical than standalone subscriptions of OTT. The vast majority of customers, 93 percent, express satisfaction ranging from partial to full, with the variety of tariff options available to them.
- c) TSPs have adapted to customer needs by offering abundant voice calls and varied data packages. Data services have become subtly crucial in daily life, as seen in digital payments and online recharges. This shift highlights data connectivity's evolution from a luxury to a near-essential utility in our everyday digital interactions.



- d) According to the report, an overwhelming majority of customers - 91 percent - find telecom tariff plans to be within an affordable range, ranging from somewhat affordable to very affordable.
- e) With regard to SMS, it is pertinent to mention that with the advent of communications apps like whatsapp etc., SMS usage has seen a drastic reduction in the last few years. Moreover, as per industry estimate, approximately more than 90% of the customers send less than or equal to 1 SMS per day. Hence, we believe that SMS only packs will not give any benefit to the customer whatsoever.
- f) **Thus, we do not understand as to why the need for Voice & SMS only pack has arisen. By implementing such plans, we will only deprive a small section of the population a chance to get connected to digital economy and avail the benefits of digital inclusion.**
- g) In light of the above and given the fact that the services in India are already very affordable, we submit that there is no need for a separate Voice & SMS pack for catering to needs of specific segment of customers. These affordable services have spurred wide-spread data usage throughout the nation which has led to the highest data consumption in the country. By maintaining small data components in plans, the possibility of consumers trying out data services will remain and there should be no mandated curb on the same.

Q3. Whether the maximum validity of Special Tariff Vouchers (STVs) and Combo Vouchers (CVs) for consumers should be increased? Please Justify your response with reasons.

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Q4. Are there specific consumer segments that would benefit from longer validity periods for Special Tariff Vouchers (STVs) and Combo Vouchers (CVs)? Please Justify along with rationale.

COAI Response

- a) TRAI has issued a Consultation Paper on “Validity period of Tariff Offers”, dated 13th May, 2021 and COAI responded to the paper.
- b) We reiterate in our submission that TSPs are offering new and innovative tariff products in the market which are designed to provide telecom services at affordable and competitive price to the consumer which also varies from LSA to LSA.
- c) Extended validity plans cater to the diverse needs of various customer groups. They offer economies of scale benefit to consumer, long-term service without hassles, convenience, and uninterrupted connectivity. These features are particularly valuable for specific segments such as elderly users, frequent travellers, students, and non-tech savvy customers.
- d) Further, according to the survey finding, most subscribers felt that the validity of the plans should be extended.



- e) Presently STVs/CVs are limited due to validity restriction till 90 days. This restriction results in major inconvenience to the customer as this increased the frequency of recharges done by the customer. Moreover, such restrictions also result in limiting the scope for innovation in tariff offerings by the TSPs. Hence, **we request Authority to leave the validity of such products to the market forces as this will address customer convenience as well as give scope to TSPs to offer more innovative tariffs by providing higher validity packs** – a space which has not been explored so far due to regulatory restriction, and which otherwise would be in consumer interest.

Q5. In the current scenario, where dealers are doing recharge of vouchers online instead of selling physical vouchers. How relevant is colour coding of physical vouchers? Please justify with reasons.

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Q6. Whether colour coding can be introduced in digital mode to enhance consumer convenience and clarity? Please Justify your response with rationale.

COAI Response

- a) TRAI has also noted in its Consultation paper that **with the changing market dynamics, the physical vouchers are on a decline in the market. As a general practice, dealers are also doing recharge online instead of selling physical vouchers.**
- b) Moreover, as per the survey findings, none of the respondents surveyed were recharging through colour-coded physical vouchers.
- c) As stated in the response to Q5 above, in the current digital era, customers primarily recharge their mobile plans through apps or retailers, rendering color-coded paper vouchers unnecessary. TSPs have already implemented user-friendly websites and mobile apps that clearly categorize vouchers and detail their benefits, making it easy for customers to understand and choose their preferred options.
- d) Moreover, customers look for various offers and tangible benefits and do not have a focus towards the colour coding of the vouchers.
- e) Introducing colour coding for digital vouchers will offer no tangible benefits to customers. Users are unlikely to remember specific colour associations when recharging, rather varying colour codes for different types of vouchers could potentially cause confusion.
- f) In view of the above, it is suggested that the colour coding of vouchers in digital mode should be avoided as this could lead to confusion and impact customer experience in the current streamlined digital recharge ecosystem
- Q7. In the present situation where recharge of vouchers is carried out through digital mode, is there any relevance of reserving denomination of Rupees Ten and multiple thereof only for Top up Vouchers. Please Justify with reasons.**



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Q8. Whether all types of vouchers can be allowed to be offered in any denomination of the choice of service provider? Please Justify along with rationale.

COAI Response

- a) In India's highly competitive telecom sector, TSPs constantly analyse market dynamics and customer demands to create optimized tariff plans. These plans are designed to meet evolving consumer needs. When launching these offerings, TSPs ensure transparent communication about the benefits, as well as any restrictions or conditions such as fair usage policies.
- b) In light of the aforementioned, we suggest that the **current regulations should be changed to allow service providers to offer other products like STV, CV, and Plan vouchers at denominations multiple of Rs. 10, as opposed to only allowing Top-up vouchers in denominations of Rs. 10 and multiples thereof.**
- c) If necessary, **the Authority can mandate MRPs of Rs. 10, 20 , 50, 100, explicitly only for Top Up Vouchers. Since these are in currency denominations, these are likely to have** better recalling with the customers.
- d) Given that a significant number of customers recharge their packs through e-top ups at retail channels and that STVs are predominantly used, these vouchers should ideally feature in round figure values.
- e) Therefore, we recommend reserving the above denominations for Top-Up vouchers and allowing other products like STVs, CVs and PVs at all other denominations of Rs 10 and multiple thereof.

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