



Commission for
Communications Regulation

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ComReg advises consumers to shop around for best offers

The Commission for Communications Regulation (ComReg) today welcomed the publication of the ESRI's PRICE Lab report. The report contains experiments which investigated how accurately consumers could distinguish good deals from bad deals. The results showed that once consumers had to take into account more than two or three factors at the same time, they struggled to spot good deals and often made mistakes.

“The communications market is highly dynamic and is constantly evolving. Consumers are being offered a wide range of fixed phone, mobile phone and broadband services, often as part of a bundled package. For the consumer, this can represent value and convenience. The range of products and services on offer can often cater for tailored communications usage needs. However, the many plans and multiple service bundle packages on offer can be complex and difficult for consumers to understand. The Price Lab research suggests that in such circumstances consumers may find it difficult to identify the plans and bundled packages that best suit their needs,” ComReg Commissioner, Gerry Fahy said.

“The provision of interactive price comparison guides can assist consumers making choices. ComReg's website, www.callcosts.ie allows consumers to compare tariffs and other key features for home phone, mobile, broadband and combined plans and multiple service bundle packages for telecommunications services. The website provides consumers with results based on their individual usage patterns so the output is highly relevant and tailored to each specific consumer experience. Callcosts.ie brings increased transparency to pricing and other non-pricing features such as contract periods, early contract termination penalties, customer service and billing details.”

“Callcosts.ie is independent, accessible and easy to use and it facilitates consumer empowerment and greater competition by providing relevant information to consumers that enables them to make informed choices about telecommunications products on the market. ComReg is currently working on ensuring that its comparison website evolves in line with technological developments, market offerings as well as consumer behaviour and needs. We are planning to launch a new interactive comparison guide.”

Notes to the Editor

PRICE Lab is a research programme in behavioural economics, jointly funded by the Central Bank of Ireland, the Commission for Communications Regulation, the Commission for Energy Regulation and the Competition and Consumer Protection Commission. Some Tips for Consumers:

Know your usage: this is key to all informed decision making and it focuses the mind regarding finding a plan that suits your needs and pocket. Bill pay consumers can get this from their bill or online account; prepay consumers can set up an account online with most operators and see it there or alternatively contact your operator who can assist you with this. Most prepay plans have great offers if a customer commits to topping up, in one go, by a certain minimum amount every 30 days; €10, €15, €20 etc. This allows the consumer to pick and choose options best suited to their usage (be it free texts, calls, data etc). Similarly, postpaid (bill) plans also offer the consumer the ability to select Add Ons or tailor the plan to their needs (mins, texts, data).

Shop Around: Know your usage and call other operators to see what they can offer you – ask you own operator if they can offer you a plan more suited to you usage, especially if you are regularly exceeding your in-plan allowances (bill pay customers automatically enter a new contract when they change plan or get an upgrade).

Watch out for bundle costs: Whichever plan you are on (prepay, postpay, or landline), once you exceed the included in-plan allowances, you are charged out of bundle costs. This can cause your bill to creep up significantly and if you find that you are regularly exceeding your in-plan allowances, it is a strong indicator that you are on the wrong plan. All operators have facilities or methods by which consumers can check their allowances so they can check and monitor how much they have used and how much they have left. This can be done online, by calling the operator and by sending balance request texts to a number provided by your operator. Finally, always check 'unlimited' references and contractual terms for fair usage policies – there are some offers that are truly unlimited but most are subject to fair usage thresholds (albeit very high ones) – however, if you are a very high user, and you want to compare plans, you might want to take a look at the fair usage thresholds attached to plans before making a decision.

Handsets: For bill pay mobile plans, the monthly cost, the amount of included allowances (mins, texts, data) and the contract length can differ, depending on which handset you choose. In addition, if you buy the handset in part or in full upfront, you can expect to pay a reduced monthly fee for the same in-plan allowance than you would if you choose to pay for the handset as part of the monthly fee, over the length of the contract period. In general, you can expect to pay more for the handset over the contract period if you don't pay any part of it upfront. Although it can be difficult to work out and compare the different costs of handsets and in-plan allowances, consumers should be aware of these aspects when looking at mobile plans.

ENDS

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