

# Measures Designed to Assist U.S. Wireless Consumers to Avoid “Bill Shock”

Presentation to

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October 1, 2010

# Carriers Compete in the Provision of Account Management Tools

- The wireless industry already provides consumer tools for account management, including text-based alerts, applications, operating systems and websites to monitor use.
  - e.g., AT&T Smart Limits, SouthernLINC Budget Manager, Sprint-Nextel Spending Limit, T-Mobile Use Controls, U.S. Cellular Overage Protection, Verizon Wireless Family Allowances; Blackberry Mobile Minutes Tracker, Android Tapp.
- Carriers have incentives to meet customers' needs in a competitive market.
  - With approximately 25% churn in 2009, customer service is key factor.
- Carriers compete vigorously in the provision of such consumer tools.
  - Account management services are part of the myriad ways carriers differentiate from one another to compete.
- The FCC should not prescribe – and ultimately limit – carriers' ability to provide effective consumer account management tools. These competitive initiatives are inherently more effective and responsive than formal regulatory processes.

# The Market is Innovating to Bring Consumers New Tools

- Wireless carriers and app developers are constantly providing additional methods for alerting customers regarding their usage to avoid unexpected charges.
- Mandating fixed approaches through regulation is not the best means for ensuring customers receive the most useful and most timely information.
  - Prescribing particular methods for providing use information may cause carriers to offer only mandated alert services and divert resources away from evolving notifications that may be more useful or pertinent to carriers' constantly evolving services and subscribers' use.
- Prepaid is an excellent, and increasingly popular, alternative for those customers concerned with monthly bills that may increase.

# International Roaming

- Wireless carriers and independent application developers provide numerous tools for consumers to monitor their use of international services on their devices, on the web, and through alerts.
  - Most providers offer guidance to consumers on how to limit their use or to control wireless costs when travelling internationally.
  - Many providers allow customers shut off data services on their device to prevent international data roaming.
- Smartphone users can download applications that track international use, e.g., Blackberry “e-office Mobile Data Alerter.”
- But international roaming data generally is not available in real time. Thus, wireless carriers in many cases may not have access to “real-time” information that would permit usage-based alerts.

# Technical and Regulatory Issues Must Be Carefully Considered

- The FCC must carefully consider the implications and feasibility of “real-time” use alerts similar to those required under EU roaming regulations.
- “Real-time” notifications must be informed by the technical characteristics of short message services (“SMS”).
  - Further, the FCC must resolve prior written consent issues relevant to receipt of SMS.
- Along these lines, “real-time” carrier alerts for consumers approaching voice service overages may not be received in time to prevent the overage, and may be extraordinarily difficult and costly to implement.
- International roaming data generally is not available in real time to the “home” carrier in the U.S.
- The Commission must in particular consider the implementation challenges and cost impact on Tier II and Tier III carriers.