

Latest Consumer Alert on Use of Mobile Data Services

With the growing popularity of various types of smartphones, mobile phone service users can now enjoy a wide range of data services in addition to voice services. Charges of mobile data services are generally based on usage volumes. To avoid unnecessary financial loss and billing disputes, consumers should pay particular attention to the charging scheme, service plan particulars, contract details and functions of their smartphones.

We issued a consumer alert entitled “Pay Attention to All Kinds of Charges when Using Mobile Data Services” (http://www.ofta.gov.hk/en/c_alert/c_alert_20080410.pdf) in December 2008. In the light of recent developments of the telecommunications market, we now provide the latest consumer alert on use of mobile data services in the following two aspects:

Fair Usage Policies

At present, mobile network operators generally implement the “Fair Usage Policies” (hereinafter referred to as “Policies”) to ensure that each customer can use the services under fair and reasonable circumstances without affecting other users and to safeguard the stability and safety of networks. Details of the Policies formulated by local operators vary from operator to operator. But generally speaking, additional charges, limitations on upload and download speeds on the networks, or even suspension of services will be imposed by operators on users under certain circumstances (such as when the monthly data usage is in excess of a specified limit; or the mobile data subscription is used for peer-to-peer file sharing; etc.). Recently, an individual operator imposed a monthly usage limit on users. If the monthly usage of a user is in excess of the limit, his upload and download speeds will be substantially decreased.

To avoid the above additional charges and limitations in using networks, mobile service users, when choosing suitable operators and mobile service plans, should:

- Make an enquiry with the mobile service operators about the details and rules of the “Policies” before subscription to services;
- Read carefully the contractual details of the subscribed services. Most of the operators have uploaded detailed contractual clauses onto their

- websites for reference by customers;
- Assess carefully whether any amended ceiling on data usage will still suit their own needs as operators may indicate in the contract their right to unilaterally amend contents of the “Policies”, like lowering the ceiling on data usage;
 - Find out whether the “unlimited internet usage” service plans (if such plans are provided) claimed by mobile service operators are subject to the “Policies”, i.e. whether users can really enjoy unlimited usages under reasonable restrictions.

Voice and Data Services

In addition to voice call service, data service is well supported by smartphones, which have become increasingly popular. Data service enables internet applications such as email, website browsing, video streaming, uploading and downloading of video/music etc.

To facilitate customers to use data services at any time and any where, mobile operators may activate data service without an explicit subscription. Charges on the data service will be applicable when it is consumed by any internet application the user triggers on the handset.

If end users cannot distinguish which are internet applications on the handset, they may trigger the applications unknowingly and be unpleasantly surprised by the data service charges.

To avoid unnecessary financial loss, mobile service users can consider adopting the following measures:

- If mobile data service is not needed in the foreseeable future, you may consider requesting your operator to remove the mobile data service (most mobile network operators would cater for such customer request). If your mobile network operator does not entertain such request, for most handsets, you can alternatively disable the mobile data service function (by manually deleting the Access Points in the handset configuration). Please note that the Access Points may be automatically restored when you re-insert your handset's SIM card;
- Switch off the automatic update functions for emails, RSS, Podcast and other softwares (commonly known as “Apps”) when necessary, especially before activating the mobile roaming function on departure from Hong

Kong;

- Customers should take note of the volume of data service usage. Smartphones usually have a data service usage counter, and mobile network operators can provide customers with recently updated usage figures. If the data usage of a customer exceeds the specified monthly limit of a service plan, the operator may be able to provide the customer with a temporary service upgrade plan at a lower rate if the customer can contact the operator in time;
 - Get hold of information on charging scheme before subscribing to mobile data services. For instance, they should know whether there is any usage limit (if yes, how the usage in excess of the limit will be charged) and whether there is any ceiling on charges (i.e. when the charges are calculated according to usage and when the ceiling on charges is reached, there will be no additional charges).
- ※ Consumers should note that additional roaming service charges are applicable to the above internet applications if they are triggered while roaming. Therefore, in addition to adopting the above measures, users may consider requesting the operators to remove the roaming services or switching off the function of data roaming on their mobile phones (some mobile phones have this option).

On the whole, mobile service users should choose the mobile network operators and the service plans which best suit their individual needs when data services or smartphones are adopted. They should carefully enquire about the service and charging details, and read the contract terms and details before subscribing to the services. In doing so, they will truly enjoy the benefits brought about by data services and the new experience with mobile phones in communications.

Office of the Telecommunications Authority

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