

Zero rating
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OECD Study

- FB free basic in India – prohibited according to NN regulations (2016)
 - Presumably anticompetitive
 - Seems to be a gateway to the internet
- Unlimited offers – High monthly allowance data – development of 5G
 - Is ZR really a concern? And for how long?
 - Target some specific profiles
- Very diverse ZR offers – where is the main concern?
 - ISP market or CP market ?

RTR study

- Main conclusions:
 - ZR is a price discrimination technique and it is used to segment consumers
 - No global negative effect
 - More data, lower price per GB, no change in the monthly fee
 - No negative effect on the non-ZR offers in the portfolio
 - Positive effect on monthly fee of ZR video/Music that are data intensive
 - There are important (but unexplained) differences between countries
 - Regarding for instance the impact on the monthly fee
 - + and *** in 5 countries
 - - and *** in 5 countries

RTR study

- More controls?
 - Difficult to find time-varying controls
 - Incumbent/dominant player effect of ZR vs. “smaller” MNOs
 - Existence of unlimited offers
 - 4G usage in the country
 - Distinguish ZR for specific apps (unlimited FB) vs. specific service (music or video)
 - Competition between MNOs
 - Effects of competitors introducing ZR
 - Role of market concentration

epicenters.works

- ZR is a tool for discrimination
 - Of consumers that are segmented between different offers according to their mobile use
 - Of content that are no longer accessible at the same price
 - Impact on the content market when the ZR applies to a single app (e.g. unlimited FB)
 - Divert traffic to this app at the expense of the competitors
 - More traffic-> more revenue and more data -> concern for the competitiveness of the content market
 - Strong local / US bias
 - Is this a reason for regulatory intervention ?
 - Competition vs telecommunication watchdogs ?
 - Or data protection?
 - Why should be treated differently than paid prioritization?
 - See Gautier and Somogyi paper

General remarks

1. We need more data
 - Supply side studies -> move to demand side
 - Data on the choice of the consumers
 - How many adopt ZR plans?
 - How do they use data?
2. Does ZR create walled gardens?
 - We need data !
 - ZR content collect more data
 - Offer more service in its ecosystem
 - Competitive advantage
 - Internet is an open garden
3. A big concern is vertical integration
 - ISP are integrating CP (US)