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Telecom companies

Prices advertised must be inclusive of all applicable taxes: CCP

RECORDER REPORT

ISLAMABAD: The Competition Commission of Pakistan (CCP) has declared that the failure of telecommunication companies to advertise the exact price that a consumer would have to pay, may result in deceptive marketing practice whereas prices advertised by companies must be inclusive of applicable 'taxes and fees.'

The CCP here on Thursday issued draft 'Marketing Practices Guidelines for the Telecom Sector' pursuant to the provisions of Section 29 of the Competition Act, 2010.

These guidelines replace the previously issued draft "Deceptive Marketing Guidelines for the Telecom Sector". The Guidelines have been issued to provide guidance with respect to Section 10 of the Act 'Deceptive Marketing Practices' to undertakings providing telecommunication services. The purpose of these guidelines is to provide guidance to undertakings providing telecommunication products and services, including broadband, wifi, internet, among others, in Pakistan.

The CCP has asked all interested parties to forward their comments and suggestions regarding the draft guidelines to the contacts provided at the end of the guidelines document by October 8, 2014. The guidelines have been uploaded on the website of CCP.

According to the guidelines, a Telco that makes certain claims through its marketing, representations or warranties regarding the product or service in question or even the performance of the Telco itself, should have some reasonable basis for disseminating such claims, representations or warranties to consumers.

A Telco should ensure that all key terms and conditions relating to the purchase or use of a product or service are disclosed to the consumers prior to the purchase by the consumer of such product or service. These terms and conditions should be clearly stated, easily accessible and published on their websites or in hard copy, in both Urdu and English. These terms, inter alia, should include the duration for which the product

or service is valid, situations in which the Telco or consumer may terminate the contract, etc

In respect of advertisements pertaining to price reductions or discounts, Telco should take care that the actual price reduction or a percentage is advertised and that there is in fact an actual reduction from the former price at which the product or service was being sold.

If a Telco is advertising the price of a product or service as lower than that offered by another Telco for the same product or service, it must ensure that this comparison is based on facts and is not fictitious. The price comparison should also be in respect of prices that are inclusive of taxes.

The practice of advertising prices of products or services offered by telcos in the denomination of paisas will be regarded as deceptive as the one rupee coin is the lowest recognized unit. Paisas are no longer recognized as legal tender in Pakistan. Instead of a price being expressed as 90 paisa per minute, for example, it should be expressed as Rs.0.90 per minute, the CCP stated.

The comparisons should only be made between products or services that meet the same needs or that are intended for the same purpose. Similarly, bundled products and services should be compared with similar "bundles" offered by a competitor to prevent any comparison from being misleading or deceptive. Comparisons have to be truthful and meaningful. The comparative advertising should not in any way discredit the trademarks, trade names or other distinguishing marks of an undertaking.

The CCP stated that when using words such as "free", "gift", "given without charge", or "bonus", Telco should be careful to disclose all relevant terms and conditions of the offer. The product or service being advertised in such a manner should be actually free and the consumer should not have to pay for that product or service in some other manner. If a Telco uses the word "unlimited" in advertising any telecommunication service, it has to clearly define what aspect of the service the term applies to, and also dis-

close any other conditions that may qualify the offer.

When a Telco is advertising a product or service, it should make sure that the product or service is available at the time of the advertisement, all terms and conditions relating to the limited availability of the product or service are disclosed and it must intend to supply the product or service to the consumers, the CCP maintained.

Telcos when advertising promotions should generally disclose the approximate number or nature of the prize, restrictions on entry or the number of entries, the areas in which the consumers can take part in the contest, any information that may affect odds of winning, etc.

As per guidelines, these guidelines apply to telemarketing as to any other conduct in telecommunication markets. Emphasis should be placed on clear and truthful representation of products and services.

The CCP said that telcos providing telecommunication products and services are under a duty to disclose essential and material information to consumers rather than the consumers only being informed if they inquire about it. For example, telcos should inform the consumers of any offers that may be activated on purchase of a service and also give details of the options available to the consumer.

Explaining the accurate description of speed in broadband advertising, the CCP said that the claims should not be made that internet/downloading speed remains constant when it is in fact not the case. Telcos must explain to the customers that the actual speed they will receive will depend on line quality, distance from exchange, load of traffic, among other factors. If possible, the number of people using the internet at any given period in time must be estimated and the contention ratio must be calculated. Internet users must be made aware of this contention ratio through the service provider's website. A Typical Speed Range (TSR) representing the range of speed actually achieved by three fourth of the customers should be used when advertising broadband

on the basis of speed. If a maximum speed is used in an advertisement, the TSR must be equally highlighted.

The guidelines also focus on marketing practices that may violate Section 10 of the Competition Act. However, the list of deceptive marketing practices enumerated here is not exhaustive, and may be expanded and/or amended by the Commission from time to time.

The distribution of false or misleading information in respect of telecommunication products or services may take any form, be it through the print media, television advertisements, brochures, billboards, banners, advertisements on internet, telemarketing and Short Message Service (SMS) offers, among other means of advertising.

The "False information" can be said to include oral or written statements or representations that are contrary to truth or fact and not in accordance with the reality or actuality; usually imply either conscious wrong or culpable negligence; have a stricter and stronger connotation than can be justified and are not readily open to interpretation.

On the other hand, "misleading information" includes oral or written statements or representations that are capable of giving a wrong impression; likely to lead to error of conduct, thought or judgment; tend to misinform or misguide owing to vagueness or any omission; omission of information is also misleading. Omission of material information also constitutes deceptive marketing practice. Omissions include the situations when a telco chooses to omit relevant material information in advertisements, this will be considered as false representation. Half truths may also be considered to be in violation of Section 10, if the effect of the half truth is that the consumer is misled. For example, not disclosing that a certain offer, which entitles the consumer to get discounted rates is only available for a limited period of time or not mentioning the date of expiry, may be regarded as violation of section 10 of the Competition Act, the CCP added.

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CCP issues guidelines to halt routine deceptive advertising by telecom firms

Staff Report

KARACHI: In a bid to halt routine deceptive advertising campaigns by telecom companies to influence gullible consumers, Competition Commission of Pakistan (CCP) has issued marketing practices guidelines for the telecom sector on Thursday.

The CCP has issued draft 'Marketing Practices Guidelines for the Telecom Sector' pursuant to the provisions of Section 29 of the Competition Act, 2010. These Guidelines replace the previously issued draft 'Deceptive Marketing Guidelines for the Telecom Sector'.

These guidelines already existed under previously issued draft, hence the implementation of these guide lines are the main concern rather than issue new guidelines often, a senior telecom expert said. He said as many deceptive marketing campaigns were being run by leading telcos especially after arrival of

next generation technologies in Pakistan without paying any heed to the CCP and Pakistan Telecommunication Authority (PTA)'s instructions and guidelines.

In past CCP took notices of many misleading advertisements by cellular companies issuing show cause notices to them but unfortunately 'powerful corporate giants' ignored much of them whereas CCP having no much weight remained fail to ensure the realisation of its directions.

He urged the government the authorities like CCP, which was being committed to protect consumers' rights since its inception should empower properly so the authority could make possible logical execution of its orders.

The Guidelines have been issued to provide guidance with respect to Section 10 of the Act 'Deceptive Marketing Practices' to undertakings providing telecommunications services, CCP said.

CCP asked all interested parties to forward their comments and suggestions

regarding these draft guidelines to the contacts provided at the end of the Guidelines document by October 8, 2014.

According to the CCP, the purpose of Guidelines 2 is to provide guidance with respect to Section 103 of the Act to undertakings 4 providing telecommunications products and services, including Broadband, Wifi, Internet, among others in Pakistan.

CCP put as much vital issue in its new guidelines concerning regular malpractice mainly by broadband providers as they are misguiding consumers regularly with imprecise advertisement drives those portrays unlike impression to consumer which actually does not exist in real.

CCP emphasised on accurate description of speed in broadband advertising directing claims should not be made that internet/downloading speed remains constant when it was in fact not the case.

Telcos should explain to the

customers the actual speed they would receive depends on line quality, distance from exchange, load of traffic among other factors.

If possible, the number of people using the Internet at any given period in time must be estimated and the contention ratio 11 must be calculated. Internet users must be made aware of this contention ratio through the service providers' website. If a maximum (up to) speed is used in an advertisement, the Typical Speed Range must be equally highlighted, it added.

CCP included as many guidelines in a new draft regarding distribution of information, onus on Telcos, deception-actual versus tendency, net impression, disclaimer and qualifications, substantiation of claim, key terms and conditions. CCP concerning 'Puffery', the expression of an exaggerated opinion-as opposed to a factual representation, has ruled assertions such as, Best in Town and, Best of the Best,

are puffery on account of being general in nature. CCP suggested when using words such as 'free', 'gift', 'given without charge', or 'bonus', Telcos should be careful to disclose all relevant terms and conditions of the offer.

CCP said it a Telco uses the word

'unlimited' is a broadband advertisement, it has to disclose in the advertisement any terms and conditions which apply. Similarly mentioning 'Fair Usage Policy Applies' (FUPs) is insufficient as the consumer may not be aware of FUPs of the respective Telco.

The Nation

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CCP draft marketing practices guidelines for telecom sector

ISLAMABAD (Staff Reporter): The CCP has issued draft 'Marketing Practices Guidelines for the Telecom Sector' pursuant to the provisions of Section 29 of the Competition Act, 2010 on 10th September 2014. These guidelines replace the previously issued draft "Deceptive Marketing Guidelines for the Telecom Sector". The guidelines have been issued to provide guidance with respect to Section 10 of the Act 'Deceptive Marketing Practices' to undertakings providing telecommunications services. CCP asks all interested parties to forward their comments and suggestions regarding these draft guidelines to the contacts provided at the end of the Guidelines document by 8th October 2014.

The Frontier Post

12-Sept-2014

CCP issues guidelines

Posted by: Imran baba in e-Business 1 min ago Comments Off 0 Views

ISLAMABAD (INP): The Competition Commission of Pakistan (CCP) has issued draft Marketing Practices Guidelines for the Telecom Sector pursuant to the provisions of Section 29 of the Competition Act, 2010 on 10th September 2014. These Guidelines replace the previously issued draft Deceptive Marketing Guidelines for the Telecom Sector. The Guidelines have been issued to provide guidance with respect to Section 10 of the Act Deceptive Marketing Practices to undertakings providing telecommunications services. CCP has asked all interested parties to forward their comments and suggestions regarding draft guidelines to the contacts provided at the end of the Guidelines document by 8th October 2014.

The Guidelines have been uploaded on the website of CCP, www.cc.gov.pk.



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ٹیلی کام مارکیٹنگ گائیڈ لائنز کا مسودہ جاری فریقین سے 18 اکتوبر تک آرا طلب

اسلام آباد (خصوصی رپورٹر) مسابقتی کمیشن آف پاکستان (سی سی پی) نے مسابقتی قانون 2010 کی شق 29 کے مطابق ٹیلی کام سیکٹر کیلئے مارکیٹنگ پریکٹسز گائیڈ لائنز کا مسودہ جاری کر دیا ہے۔ مسابقتی کمیشن سے جاری انلایپ کے مطابق یہ گائیڈ لائنز پہلے سے ٹیلی کام سیکٹر کے لیے جاری کردہ گمراہ کن مارکیٹنگ گائیڈ لائنز کی جگہ لیں گی، یہ گائیڈ لائنز قانون کی شق 10 کے تحت ٹیلی کام کمیونی کیشنز سروسز فراہم کرنے والے اداروں کو دھوکہ دہی پر مبنی مارکیٹنگ پریکٹسز کے حوالے سے رہنمائی فراہم کرنے کیلئے جاری کی گئی ہیں۔ مسابقتی کمیشن نے تمام متعلقہ فریقین سے رہنما اصولوں کے مسودے پر 18 اکتوبر 2014 تک رائے اور تجاویز پیش کرنے کی درخواست کی ہے۔

زمانے وقت

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مسابقتی کمیشن نے ٹیلی کام سیکٹر کے لئے

مارکیٹنگ پریکٹیسز گائیڈ لائنز جاری کر دیں

اسلام آباد (نمائندہ خصوصی) مسابقتی پاکستان نے ٹیلی کام سیکٹر کے لئے مارکیٹنگ پریکٹیسز کا مسودہ مسابقتی ایکٹ 2010 کی شق 29 کے مطابق جاری کر دیا ہے۔ یہ گائیڈ لائنز پہلے سے جاری شدہ دھوکہ دہی پر مبنی تشہیر برائے ٹیلی کام سیکٹر کے متبادل کے طور پر استعمال ہوں گی۔ گائیڈ لائنز ٹیلی کمیونیکیشن کی خدمات فراہم کرنے والے اداروں کو مسابقتی کمیشن کے سیکشن 10 کے تحت دہی پے مبنی تشہیر سے متعلق رہنمائی کے لئے جاری کی گئی ہیں۔

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ٹیلی کام سیکٹر کے لیے مارکیٹنگ پریکٹیسز گائیڈ لائنز جاری

اسلام آباد (سٹاف رپورٹر) مسابقتی کمیشن پاکستان نے ٹیلی کام سیکٹر کے لئے مارکیٹنگ پریکٹیسز کا مسودہ مسابقتی ایکٹ 2010 کی شق 29 کے مطابق جاری کر دیا ہے۔ یہ گائیڈ لائنز پہلے سے جاری شدہ دو کوڈ دہی پر مبنی تشہیر برائے ٹیلی کام سیکٹر کے متبادل کے طور پر استعمال ہوں گی۔ یہ گائیڈ لائنز ٹیلی کمیونیکیشن کی خدمات فراہم کرنے والی اداروں کو مسابقتی کمیشن کے سیکشن 10 کے تحت دہی پے مبنی تشہیر سے متعلق زہن سازی کے لئے جاری کی گئی ہیں۔ تمام دلچسپی رکھنے والی پارٹیز 18 اکتوبر 2014 تک ان گائیڈ لائنز پر اپنی آراء اور تجاویز سے آگاہ کرنے کے لئے مسابقتی کمیشن کے فراہم کیے نمبرز پر رابطہ کر سکتے ہیں۔ ان گائیڈ لائنز کو مسابقتی کمیشن کی ویب سائٹ پر اپ لوڈ کر دیا گیا ہے۔