

Case Reference	R/E/I/006
Title	“Why wait 4 years to save on monthly mobile subscription?” Advertisement by StarHub Mobile Pte Ltd
Case Opened	3 August 2001
Case Closed	10 September 2001
Complainant	Singapore Telecom Mobile Pte Ltd (“SingTel Mobile”)
Respondent	StarHub Mobile Pte Ltd (“StarHub Mobile”)
Case Summary	<p>SingTel Mobile alleged that StarHub Mobile has breached Sections 7.4.1 “False or Misleading Claims” and 7.4.4 “Interference with End User or Supplier Relationships” of the Telecom Competition Code (“Code”) in the following ways:</p> <p>a) StarHub’s advertisement headline “Why wait 4 years to save on monthly mobile subscriptions?” followed by the description stating that other mobile providers claimed to provide loyalty discounts on their monthly mobile subscriptions but that in reality, customers had to wait up to 4 years to enjoy them whilst StarHub Mobile’s customers enjoyed savings right away created an impression that customers of the other service providers listed in the comparison with StarHub Mobile did not enjoy savings for the first 4 years. SingTel Mobile explained that its customers started enjoying savings immediately from the moment that they subscribed to the service, i.e., 30% off monthly subscription fee during the 1st year of subscription onwards. StarHub Mobile’s advertisement headline had the effect of misleading the reader into thinking that SingTel Mobile made a customer stay for 4 years before passing back savings to the customer.</p> <p>b) The comparison table in the advertisement was also unfair in that StarHub Mobile compared only the subscription prices and omitted mention of all other factors such as the additional value-added services which SingTel Mobile customers enjoyed with the entire price plan. StarHub Mobile’s comparison table was incomplete for the readers to make informed decisions when choosing price plans for themselves and had placed SingTel Mobile at a great disadvantage as readers would be misled into thinking that the only competitive pricing in town was that offered by StarHub Mobile and would make their choices of mobile services based on the insufficient information given by StarHub Mobile.</p> <p>c) StarHub Mobile had chosen to compare its GSM1800 price plans with SingTel Mobile’s Classic 100 Dualband plan which was neither fair nor</p>

	<p>equitable and only served to mislead the public as to the actual prices they would have to pay for the equivalent SingTel Mobile GSM1800 services. The resultant effect was that customers who may sign up for StarHub Mobile GSM1800 services thinking erroneously that they would pay less for such services provided by StarHub Mobile when in fact SingTel Mobile offered the lower price for the equivalent services. SingTel Mobile was of the view that this unfair comparison hurt SingTel Mobile and induced potential customers into not taking up SingTel Mobile's services as they would be led into believing that SingTel Mobile did not offer a value-for-money proposition for its services.</p>
IDA's Determination	<p>IDA determined that:</p> <ul style="list-style-type: none">a) StarHub Mobile's advertisement did not have the effect of misleading a reader on the savings one would get from SingTel Mobile upon subscription. StarHub Mobile's advertisement was focusing on monthly subscription alone and the comparison table had listed out clearly and accurately the monthly subscription charges (standard and promotional) of those plans by the various mobile operators. There was no false or misleading claim by StarHub Mobile that was not supported by objective evidence. StarHub Mobile had also not attempted to hide any vital information to mislead the consumers as the plans used in StarHub Mobile's comparison were clearly indicated and was consistent with its advertisement headline.b) There was also no conclusive evidence to support SingTel Mobile's claim that StarHub Mobile had sought to induce an end user or supplier to cease doing business with another competing licensee by providing false or misleading information to the end user or supplier. <p>IDA concluded that StarHub Mobile did not breach Sections 7.4.1 and 7.4.4 of the Code.</p>