

Counter comments on Consultation Paper on Free Data

We thank the Telecom Regulatory Authority of India for providing stakeholders the opportunity to review responses received by TRAI with respect to the Consultation Paper and provide counter-comments to these responses.

The Internet is playing a key role in India's economic growth. We believe that providing entrepreneurs the ability to offer free data or incentivized Internet access to consumers will foster the growth of the Internet and the digital ecosystem by bringing online a new section of untapped consumers. In addition, it offers entrepreneurs the opportunity to promote their platforms so as to create a level playing field with between foreign companies and Indian entrepreneurs. Accordingly, we respectfully disagree with certain positions taken by other stakeholders:

1. Stakeholder Comments: Telecom Service Provider ("TSP") agnostic platforms should not be permitted

Hike's Response: We believe there is a large opportunity in this market for a TSP agnostic platform to exist that allows start-ups to purchase data in bulk. A TSP agnostic platform, which allows data purchase from all TSPs in the market and has a very transparent approval process and a pricing plan/rate card, would allow start-ups the flexibility to offer data from multiple TSPs without engaging with each of them individually and eliminate the possibility of TSPs restricting or giving preferential access to a select set of players. This is in line with the principles of net neutrality.

2. Stakeholder Comments: This would only benefit content owners/aggregators with deep pockets and has the potential of throttling small players

Hike's Response: We respectfully disagree with this position. Content owners/aggregators with deep pockets have several means of promoting their product and service offerings which smaller players are not in the position to offer, whether in the form of discounts on products and services, though advertisements etc. The impact of such promotions is far greater than that which may be caused by offering free data. Hence it would not be correct to assume that smaller players would lose business simply because other players may be able to offer free data to consumers.

3. Stakeholder Comments: Incentives should be provided only in cash

Hike's Response: We believe that all entrepreneurs should have the opportunity to offer free data in whatever manner they choose, i.e., whether in the form of actual data or in the form of cash re-imburement for such data. A 'one size fits all' model is not the best way forward.

Further, unlike in free data schemes which directly links back to the use of the Internet, cash incentives/reimbursements do not guarantee that the users will spend the cash reward on accessing the Internet. Hence, we believe rewards in the form of data will be more effective in enhancing Internet penetration in India.