

## **The unlimited internet was limited – the GVH imposed a fine of hundreds of millions on Telecom and obliged it to compensate consumers**

**10 December 2021, Budapest – The Hungarian Competition Authority (GVH) imposed a fine of 310 million on Magyar Telekom Nyrt. for advertising certain mobile internet package options as unlimited and thus misleading consumers. Furthermore, the undertaking is obliged to provide its customers affected by the infringement with an additional 4 GB of data as compensation.**

The GVH [launched an investigation at the end of 2020](#) into Magyar Telekom Nyrt. (Telecom), in parallel with Vodafone, due to the advertising practices of the undertaking concerning its mobile internet packages. This is because the advertisements of the undertaking promised unlimited data to consumers for example when using social media services, specific chat applications, or certain TV or movie applications (e.g., *‘Our unlimited mobile internet makes you unstoppable. Choose the type of unlimited data fitting you the best.’*, *‘Choose unlimited social media.’*).

The investigation of the GVH discovered that in fact, none of the so-called zero-tariff options, advertised with a large emphasis on being unlimited, provided a full exemption from fees as certain functions, such as the voice and video calls in the case of chat applications or the video content in the case of social media browsing, did use up the data available for the subscribers. The restrictions also applied to popular functions (such as video playback) and were unavoidable in some cases (e.g. automatically playing advertisements) or affected essential components of the services: the voice call options of chat apps (VOIP) was for example used by one-third/one-quarter of consumers in the period under investigation and the ratio of users of video calling features was also significant. Telecom typically did not provide information on the restrictions in its advertisements and where such information was provided, it was not made clear which type of traffic is free of charge and which affect the amount of data included in the package.

The decision of the GVH established that the misleading practice could have had an effect not only on the price-value ratio of the mobile packages in question but could influence the usage habits of consumers as well: e.g. if consumers were aware of the restrictions, they would have used the functions of the applications concerned (which they believed to be free of charge) less intensively or would have switched to Wi-Fi more often.

The Competition Council of the GVH imposed a fine of HUF 310 million on Telekom for the infringement, taking into account the fact that this has been the tenth time in the past 10 years when the undertaking misled consumers, among others. The Authority prohibited the continuation of the practice and obliged the undertaking to implement a package aimed at compensating the consumers, taking it into account as a fine-reducing factor. Within the framework of this package, all consumers who have used after 01.01.2017 and are still using an option advertised as unlimited by Telecom and used up 100% of their data provided in the package at least once will receive 4 GB of additional data, which can be used for 1 month, the value of which is several times higher than the value of the fine reduction. The undertaking will inform those entitled to receive compensation about the additional data in a text message.

Furthermore, Telecom will inform all subscribers using unlimited options about the availability of information on the data traffic limits in question.

The official registration number of the case is: **VJ/32/2020**.

GVH Press Office