THE QUALITY OF MOBILE PHONE SERVICES PROVIDED BY ROMANIAN OPERATORS, FROM CONSUMERS' PERSPECTIVE

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Abstract

The mobile services are distinguished through their quality, either we speak about the way the client is approached and placed in the centre of the operator's actions, or about the services the client benefits in his capacity as a client.

The Romanian mobile operators' services have greatly evolved from their launch in 1997. Along these times, the mobile operators brought more value to these services, due to their need to meet the consumers' expectations with services of high quality and competitiveness.

Usually the Romanian consumers place the price in the forefront of their service/mobile phone services acquisition, but an objective analyze of the quality of the mobile phone services has to take into account both technical aspects of the services and the interfacing services too. Therefore, this paper takes into account technical characteristics of the services such as national telephony coverage, data transmission services coverage, the signal quality, maximum speed of data transfer as well as related services such as distribution network, sales and support sales services, after-sales services, and range of available terminals.

Based on mobile services comprehensive analysis made available to consumers by the major players on the Romanian market, this paper aims to highlight the main reasons of the consumers' satisfaction and dissatisfaction.

Keywords: mobile telephony services, the quality of services, customer satisfaction, the technical characteristics services, related services

JEL classification: D18, L96

Introduction

The mobile telephony has been developed started with its appearance until now more than any expectation, its evolution being progressive accelerated so that, after 16 years from its commercial launch, three generations have already been changed. The first generation

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provided only the voice communication function and the second generation first provided voice SMS and later low speed Internet communication functions. Now, the third generation provides voice, video voice, high-speed Internet, multimedia messaging, map positioning function and many other multimedia functions.

The mobile phone is no longer used just for making calls and sending SMS messages. Nowadays the mobile phones market provides, in addition to these basic services, additional services, such as phone Internet up to 21.6 Mbps speed, dedicated server for mobile email, sending multimedia messages (MMS music, photos, movies), initiating video calls, voice calls, video conference as well other functions of the phone, such as GPS, A-GPS, video cameras, music playback, video playback, photo and video albums and the possibility to upload directly from the phone in some online servers.

Considering that over 80% of world population and 90% of Romanians already use mobile services, the technology spreading speed is very high. Therefore with a so large market the return on investment is obtained in a very short time.

1. The Romanian mobile telephony market

The mobile telephony has been developed in a rapid rhythm started with 1997, when the commercial services market has been launched, nowadays reaching a development stage that the early day's management of the operators never dreamt.

During only in the last 10 years, the number of mobile phone users increased from 6.6 million users in 2003 to 22.7 trillion at the end of 2012 (with 244%). During this period the total traffic of mobile voice grew 7 times, from 4.4 billion minutes in 2003 to 30,800,000,000 minutes in the first half of 2012, the average monthly voice traffic by a mobile user increased with 296%, from 56 minutes in 2003 to 222 minutes in the first half of 2012. SMS traffic grew from 0.4 billion SMS in 2003 to 6,700,000,000 SMS semester 2012 (Lovin, 2012).

The mobile market value has almost doubled, increasing from 0.9 billion Euros in 2003 to 1.8 billion Euros in 2011. The mobile penetration rate of the population increased with 88.3%, from 30.9% in December 2003 to 119.2% in June 2012, which means that a user may have several active cards (Lovin, 2012).

The market development, the technologies and the competition had also a favourable effect on final consumers through diversification of services and lower prices. During the period 2003-2011 the maximum charge per minute decreased with 70% from 9.72 cents to 3.07 cents, and the average payable rate decreased with 84% from 13.9 cents to 2.2 cents.

The economic crisis affected the mobile phones sector, the total number of users decreased from 24,500,000 in 2008 to 22,600,000 in June 2012 (Figure 1).

A research conducted by Gallup Romania (2011) shows that 82% of Romanian households use mobile phones, while, although the share of the urban areas (89%) is higher than the share of rural areas (73%), the purchase of mobile services is growing. As regards companies, 95% of Romanian companies use mobile phones.

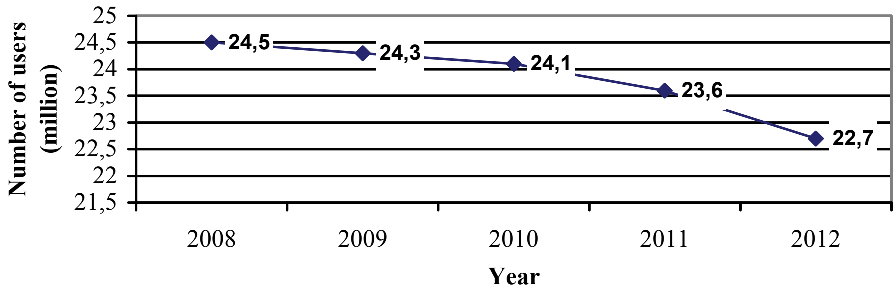

Figure no. 1: Trends in the number of users in 2008-2012
Source: ANCOM reports 2008-2012

Depending on the type of services, the mobile services market can be structured as follows: 48% of users use only services by subscription, 40% use prepaid cards and 12% use both subscriptions as well as cards. The utilization rate of subscriptions is higher in urban areas (66% of users use subscriptions) than in rural (49%), while in the case of prepaid cards the situation is the opposite: 46% of urban users use prepaid cards while in rural areas 62% of users use prepaid cards. Also, the subscriptions utilization rate is significantly higher on segment of people with higher education and the cards utilization is greater on segment of people with maximum 10 years of education. (ANCOM, 2011)

Orange is the market leader on mobile telephony services, at least half of the users using an Orange SIM card. 35% of the mobile telephony consumers use mobile services from Vodafone, 25% from Cosmote, 9% from RDS, and 1% from Zapp. If we analyze the providers by the type of the services, 26% of mobile phone users use an Orange subscription, 27% Orange prepaid cards, 22% Vodafone subscription, 16% Vodafone prepaid cards, 15% Cosmote prepaid cards, 12% Cosmote subscription, 9% RCS & RDS subscription, etc. (ANCOM, 2011).

78% of the mobile phone users use a single provider, 18% have two providers and 4% have three or more providers. The probability of using several suppliers is almost two times higher in urban than in rural areas.

The main reason that a person uses several suppliers is the cost optimization: the client can choose outgoing call supplier depending on the network, thus benefiting from lower tariffs.

17% of the users of more than one provider stated that their SIM cards have been provided free of charge – which is mainly possible for mobile subscriptions offered by RCS & RDS to their own clients for other communications services.

If we take into account only the cases when a physical person is the main user of the SIM cards, at an average level, a client uses 1.23 SIM cards.

The market share of the mobile service providers shows the same hierarchy as the rates of use: Orange holds 44% of active SIM cards in the market, Vodafone 29%, Cosmote 20% and RCS & RDS 6%. The difference between the first two operators is lower on subscription market (Orange - 39%, Vodafone - 31%) while on the prepaid market Orange is a detached leader (49%) and Cosmote is almost at the same level with Vodafone (25% compared with 26%). (ANCOM, 2011).

In 4 of 5 Romanian companies/ institutions (83.5%) are used mobile services paid by the firm. In big companies and institutions, the penetration of mobile telephony increases, reaching almost 100% in companies with more than 50 employees or in those with a turnover more than € 1 million.

As mobile providers Vodafone and Orange have a similar utilization rate (57% and 56%) on segment of businesses and institutions; Cosmote has a utilization rate of 15% and RCS & RDS 3%.

As the companies and institutions are larger, the needs are more diversified and the rigorous cost control determines to use two or more operators of mobile services. Therefore those companies with 1-2 employees have two mobile providers with percentage of 15%, while companies with over 50 employees using two operators at the rate of 32%. The situation is similar when using 3 or more providers (2% vs. 9%).

Regarding the market share based on the number of SIM cards owned by business and institutions, Orange has a 5% higher a market share than Vodafone (45% vs. 40%). The Cosmote's market share is 12%, while RCS & RDS has 2% and Zapp nearly 1%.

The gap between Orange and Vodafone prepaid cards market share increases significantly. Whether the market share of subscriptions on the Orange and Vodafone market is similar (45% versus. 41%), on the prepaid cards market Orange holds 60% of market share, and Vodafone holds only 30%.

63% of the companies and institutions use individual subscriptions from providers and only 19% use group subscriptions. Nearly 40% of the subscriptions are contracted by the user group at Zapp, unlike this subscription of other operators (22% for Vodafone, 16% for Orange and 13% for Cosmote).

2. Consumer confidence in mobile services

According to "The 6th Edition of Scoreboard of consumer markets - October 2011", the mobile telephony market is placed on the last positions of the consumer confidence rating, on the 45th out of 51 monitored consumer markets at EU level. At the question "On a scale from 0-10, how much do you trust that the providers/dealers of services/products meet the requirements of the consumers' protection? 24% of the respondents gave grades from 0 to 4, 40% from 5 to 7 and 36% grades 8 to 10.

"The 6th Edition of Scoreboard of consumer markets - October 2011" also concludes that the telephone services are situated on the second place in terms of consumer complaints as compared with the national operators performing. Out of 143 subjects with positive responses to the question "Have you ever noticed or have reported this problem/any of these problems?" 78 respondents have made a complaint to the dealer/supplier, 10 to the manufacturer, 7 to a third party, 37 to friends or family, and 9 have noticed a problem but they didn't made any complaint. In order to have a term of comparison, the market average for the 27 Member States of the European Union is 128 subjects who positively responded to the above question, 67 claiming the problem to the merchant/vendor, 4 to manufacturer, 7 to third party, 31 to friends and 19% have noticed a problem but they didn't made complaint.

According to the same research, but considering the market performance indicator (PPI), it is found that the Romanian market is better positioned than in the global classification. Romanian market ranks 7 out of the 30 monitored services markets with a value of 105.1 PPI compared to position 22 out of 30 on the European mobile market.

Market performance indicator is a composite index based on the peoples responses, which participated at the survey and answered to the questions on the four key aspects of their experience as consumers:

- friendliness of comparing goods or services;
- the confidence of the consumers in the capacity of the distributors/suppliers to respect the consumers' protection rules;
- occurrence of problems and the extent to which they have led to complaints;
- customer's satisfaction (the extent to which the market answers to the consumer' expectations).

All the four components of the index have the same weight.

In Table 1 are presented for each country of the European Union the performance indicators of market (PPI) and the position of the profile market, in the 30 monitored services markets. It can be seen that our country ranks first both in terms of PPI value as well in terms of the position of the Romanian mobile telephony market compared to the other 29 services markets in Romania.

Table 1: EU countries classification according on the consumer's perception on the mobile telephony market

Country	IPP	Position	Country	IPP	Position
Austria	92,7	27	Lithuania	101,7	15
Belgium	90,8	30	Latvia	102,9	12
Bulgaria	92,2	27	Great Britain	98,0	18
Czech Rep.	98,5	19	Holland	94,4	27
Denmark	87,2	30	Poland	99,2	19
Estonia	101,8	14	Portugal	100,9	14
Germany	98.7	22	**Romania**	**105,0**	**7**
Greece	100,0	16	Slovakia	99,9	19
Finland	90,0	28	Slovenia	100,0	18
France	97,0	29	Spain	85,8	28
Ireland	96,1	20	Sweden	90,3	30
Italy	96,1	24	Hungary	104,7	12

Source: processing after European Commission, Scoreboard of consumer markets - 6th Edition, October 2011, p.44-57

The conclusion is that despite the mobile telephony market is one of the European markets experiencing a lot of problems and implicit mistrust, the Romanian market enjoys a high degree of trust from the consumers.

3. The perception of the Romanian consumers of the mobile telephony services

Following a Gallup Romania study, made at the request of the National Authority for Management and Regulation in Communications - ANCOM, the most of mobile users are satisfied regarding these services: on a scale from 1-5 where 1 means not at all satisfied and 5 means very satisfied, 72% are satisfied or very satisfied with the diversity of services (indicated 4 and 5), 71% are satisfied or very satisfied with the quality of services and 69% are satisfied or very satisfied with the number of operators providing services on this market (figure no. 2).

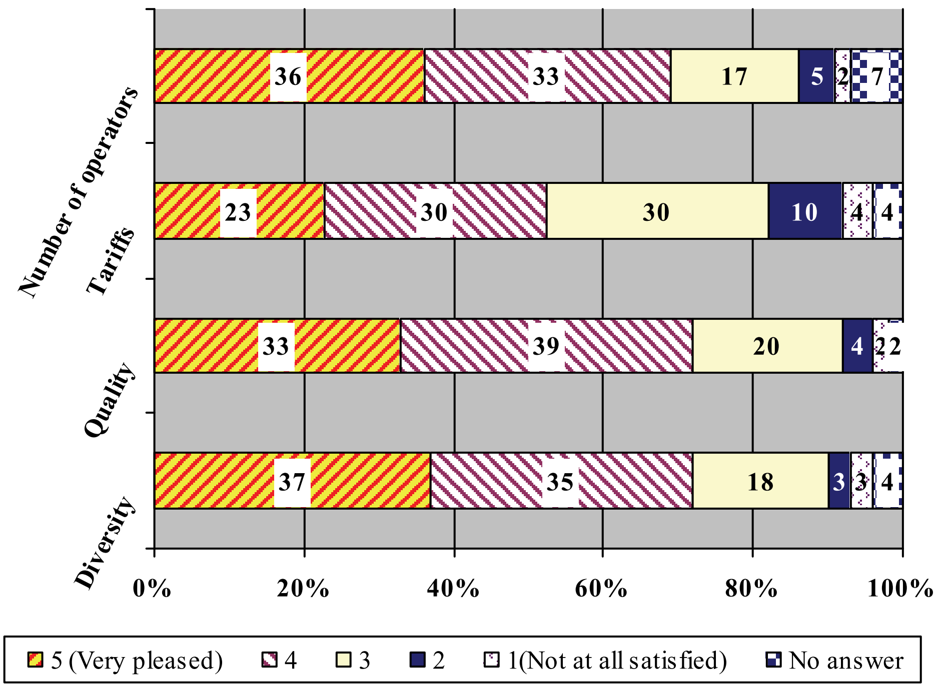

Figure no. 2: Satisfaction degree with the mobile telephony services
Source: ANCOM, 2011

A smaller percentage of the satisfied or very satisfied people (53%) are met when assessing the satisfaction regarding the tariffs of the operators. However, those states that are not at all satisfied with the tariffs represent only 4%.

Although the mobile users by subscription seem to be more satisfied than the users of prepaid mobile services, the differences are not significant.

Depending on the area of residence, the urban respondents are slightly more satisfied with mobile telephony services than those in rural areas.

Due to the large number of mobile telephony operators on the Romanian market, the most of customers who are dissatisfied with the services and prices of one of the operators choose the offer of a competing operator. The number of those who completely give up the mobile telephone networks communication and choose another solution is 10%. Among them 3% choose the phone service from an Internet provider using a fix device, 1% choose fixed telephony services, 1% choose fixed telephony services from another mobile providers, 1% choose Internet telephony services using PC, and 4% choose the complete rejection of electronic communications services (ANCOM, 2011).

6% of the mobile phone users have given up at the services of a provider according to the research conducted by Gallup Romania for ANCOM during June 2010 - June 2011. Among these, 32% had drop out to Vodafone, 24% had drop out to Orange, 11% had drop out to Cosmote, 3% had drop out to Zapp and 1% had drop out to RDS (34% didn't mention the supplier). The percentage of those who gave up a subscription is approximately equal with those who gave up a prepaid card.

Reasons for giving up the mobile telephony providers are various. 28% indicated excessive charges for calls, 22% because their friends/acquaintance have moved to another network, 20% indicated that the subscription or the card is too expensive, also 20% have invoked limited area coverage and 16% have invoked that the emergence of new more favourable rates of mobile service packages caused the abandon of the former provider, etc.

4. The quality of mobile telephony services

In the evaluation of the mobile telephony service quality a variety of factors considered by the consumers to be decisive should be taken into account: the retail network, the relationship with the consumers and the technical aspects relating to the quality of services.

- **The shops network**

At national level the mobile telephony operators have both through their own stores and partner stores network. Their own stores are different from the partners' ones both through internal organization, the workers knowledge as well through the access to internal applications and modifications that can be made on customer accounts.

The Orange mobile telephony operator has a network, such as own stores under direct leadership of Orange, as well as through partner stores who are divided into two broad categories: Orange partners and Orange franchise (Orange Store).

Recently Orange has announced the completion of a franchise program offered to its partners which has been launched in April 2009. This program involved a total investment of over 4 million Euros. The program was designed to help entrepreneurs to get performance on a mature and competitive market, where the penetration rate of mobile telephony services exceeded 130%, and to increase the quality of services offered to their customers. Therefore, Orange consolidates the telecom operator position, with the largest distribution network in Romania.

Beginning with the first franchise opened in Pitești on April 9, 2009, under the name of Orange Store, 171 stores in 82 cities in the country, such as Baia Mare, Bistrița, Botoşani, Braşov, Constanța, Ploieşti, Reşița, etc have been launched. In this way Orange comes closer to its customers and improves its national coverage for its products and services.

The new franchise concept includes an interactive area where customers can test the new handsets and mobile data services via permanently connected laptops to the internet and fixed telephony services.

The entrepreneurs who have opened franchises rely on the expertise offered by Orange, to provide customers professional service at high quality standards. Orange Store employees have the same prerequisites for professional development as Orange employees. The network has over 500 dedicated employees specially trained through courses. Moreover, they can enrol in The Sales Academy, an integrated development program for Orange and partners employees who work directly with the company's customers.

In order to monitor the quality of services every Orange Store participates in the Mystery Shopping program.

Furthermore, following a visit into a store, the customers are invited to evaluate their experience of the Orange Store. In this way Orange ensures the maintenance of the highest quality standards of the support services.

Orange Romania has opened the first "Orange concept store" in Bucharest following an investment of over one million Euros, and nowadays according to the data provided by the company, it holds a total of 31 own stores.

According to the company representatives, Orange Romania has the largest distribution network made of 99 own stores, 171 franchised stores, 117 points of sale within their partnership with retail chain Euro GSM, and 77 within the partnership with Say.

Vodafone holds a nationwide distribution network divided into two categories: Vodafone own stores and Vodafone partners. The distribution network expands especially in the Vodafone partner's area, this partnership model involving fewer financial resources for the company but has disadvantages in terms of the quality of services for sales and staff.

Vodafone, the second mobile operator in the local market, has signed a contract with Fonomat which, until April last year, was the largest Orange dealer. Fonomat has a national network of 166 stores and 60 of them will be rebranded in the next period with Vodafone logo.

The representatives of Vodafone Romania stated that the distribution model for the following year will be based on own stores and exclusive partners.

The Cosmote has the same type of distribution network as Vodafone, divided into own shops and Cosmote partner shops.

Cosmote Romania has the best position in the battle for the telecommunication services distribution channels after the taking over of the Germanos' mobile phones and accessories chain by the Greek mother company. Cosmote thus limited the distribution channels for both principal competitors in mobile telephony market in Romania after it had signed an exclusive contract with Internity network, owned by the Avenir Telecom group from France.

Internity, which had before this transaction a similar agreement with Orange Romania, targets 110 stores by the end of next year. The Greek mobile telephony operator has the lowest number of own stores – 17, but with the Germanos, Internity and other partners, the number of distribution points of its services is about 550 units at national level.

- **The relationship with consumers**

Selling has always been considered to be the most important process in the cycles of activities, not because it is tantamount to the production and maintenance of telecommunications products and services, but simply because it is the one that focuses to bring profit to the company and support other processes in this circle.

The first step to gain the customers' trust is done by the marketing departments of the telecommunications companies. The client will now go to a store to find out more about services. At this point a bilateral purpose statement follows, customer needs and the company supply.

In this moment the negotiation between client and consultant starts, although many can consider that this term of negotiation is much too abrasive for buying a phone, but whether we like it or not, it is. The client tries to find a great value for his money; the consultant is trying to sell the products for highest commission or, tries to sell the product with the largest stock.

Depending on the mobile phone operator policy, the way of sales and of approaching the customer are different, by placing him in the central point of its actions, in the centre of the selling process, conceiving products for this one or focusing on profit maximization, customer remaining on the secondary plan.

In Romania Orange is a market maker, the consultative selling services of this company that customers can benefit were the first of this kind in the telecoms market. In the Orange shops a customer can benefit of an expert advice for choosing a mobile terminal as well to choose appropriate services depending on the communication way.

The mobile services cover all types of customers, from customers who are interested in a simple communication solution which includes only minutes to make calls, to those who want complex communication solutions which in addition include voice services, text messaging services, multimedia messages and Internet traffic. The most complex solutions are sold with Smartphones, for which there are customized solutions for communications in order to use the mobile terminal at the maximum capacity.

Particularly Vodafone has focused on middle and/or low-income population and has introduced the concept that each person can have a cell phone and can use it without too much financial effort. Over the time this concept becomes the Orange mirror, the company developing similar subscriptions to those of the competitors.

As regards the sales and the approaching of the customers in Vodafone stores, one can say it is more assisted sales, than consultative ones, the consultant serving to clarify any misunderstandings of the customers regarding the products or services. The range of communication services offered to customers are as diverse as Orange range, the customers can choose several packages of options, from simple subscriptions services to complex subscriptions with all the services included: voice, internet, video calls, picture text and email solutions by Blackberry.

Cosmote is the only company that focuses on the sales, its main goal being commercialization of services before checking the network quality or the quality of services provided for customers, the consultant principles in a Cosmote shop being just to sell services, without assistance or without a sale advisory. The services sales are focuses on the principle that the offer brings the customers. The level of consultants' professional development and their motivation are much lower than at the Orange and Vodafone.

In order to make a difference among the mobile phone operators in their relationship with the clients, an investigation aimed to highlight their pro-activity and their attitude towards solving a sale, a complaint about network and denunciation of phone services has been made. (Table no. 2) In order to perform this study we have focussed both on customer service advisors and on consultants in their stores, too.

Table no. 2: The quality of relationships with customers

The interface with customers	Sales	Solving the complaint	Denunciation of the contract	Total
Vodafone Shop	10	7	10	**42**
Vodafone Client Service	9	8	8	
Orange Shop	10	6	10	**44**
Orange Client Service	10	9	9	
Cosmote Shop	8	7	6	**38**
Cosmote Client Service	6	6	5	

Source: author

In order to classify the interaction with the consultant and way of solving a we have used a scale from 1-10, 1 being minimal grade's note for a very poor advice and 10 being the highest grade's note for best performance. The main objectives of this research, taking into account the specific request were:

- *Sale:* focusing on customer needs, interactive listening, up sell promotion;
- *Solving the complaint:* proactive listening, empathy with the customer, providing solutions;
- *Denunciation of a contract:* investigating the problem, proactive listening, offering viable alternatives.

The best services according to the characteristics in selling and claims are those offered by Orange. The complaints' registration and solving characteristic being the company's weakness downgraded the store, and on customer service the low grade came due to the problem of the time of the investigation - about 10 minutes and to the high amount of the information required by the operator. The cancellation process was developed with difficulty because of the transfer between departments and the waiting time until actual closing of the contract.

At short distance is situated the Vodafone which it was downgraded at the sale of products/services through the customer service, because of a complicated presentation. With regard to solving the complaints, in Vodafone stores the problem is not fully investigated, the further resolutions being incoherent. The registering of the complaints in customer service is simple but the empathy with the client is missing. The contracts cancellation is made in the same manner as it is at operator Orange.

Cosmote is far behind of the other two operators, being downgraded on every category, starting with the sale of the products and services, because the stores didn't focus on the customer needs, until the ending, at customer service, where all the required characteristics are poorly promoted.

The registering of the complaints is not at all complicated, but the low grades came because the superficial resolutions and the complete lack of answers. As regarding the contract completion, there is an automatic extension time clause, if the cancellation is not announced with 30 days before the contract expiration. The registration method of the contract denunciation is very slow, whether it is performed by Cosmote stores or at customer service. The clause in the contract which automatically extended contract period is perfectly legal and can not be challenged even by the lawsuits, but is a minus in the relationship with company customers.

- **Technical issues regarding the services quality**

The services offered by the three largest Romanian operators are mostly similar, the aspects that differentiate the operators are related to the geographical coverage of the operators, the uniformity of signal quality, the maximum capacity of the network represented by the maximum number of the clients that can simultaneously use the service, and the service trademark that often plays a crucial role in choosing the service by the consumer.

The services offered by the operators are primary or basic services, represented by the voice and complementary services provided by the network operator, which often make the difference between operators. Complementary services are video calls their quality and the data transfer services where a decisive factor is the speed of the data transfer and the transfer rate uniformity all over the Romanian territory.

The Table no. 3 shows a ranking of the main operators taking into account the coverage level, the quality of the signal and the customer satisfaction. In order to establish the level of coverage we have used the coverage maps provided by each operator on their website and for the determining the quality of the signal we took into account the transmitted audio signal in different conditions and missed calls.

Table no. 3 Quality of the major operators' voice networks

The operator	National coverage	The signal quality
Vodafone	1	1
Orange	3	2
Cosmote	2	3

Note: situation at 1 January 2013
Source: determinations and coverage maps made by authors

In the field of the signal quality and of the national coverage, Vodafone is the first operator which is at the same time the only one worldwide certified, with the best mobile telephony and data transfer network, by a world-class independent company, named P3 Communication. The independent measurements research was conducted between June 6, 2010 –and August 17, 2010 in Bucharest, Iaşi, Cluj-Napoca, Timişoara, Constanța, Braşov, Ploieşti, Piteşti and other 43 cities and connecting roads.

Orange is placed on the second position and it holds an efficient network but the coverage of this operator focuses only on the metropolitan areas and on other locations with a telephony potential.

Cosmote Romania has been launched on the market through dumping supplies, which caused the company five, even six-year of decline, non existing profits and even considerable loss.

All the mounted relays in Romania were specially purchased for this area but since with the release of the prepaid cards and the subscriptions with 2000 minutes, the company faced a strong network congestion, which lead to a reduction at a half of the bandwidth, from 64 kbps (the transmission speed used by other operators), to 32 kbps, a low speed that provides a low quality and metallic sound.

Although it has had several years for adaptation the Cosmote Company still encounters problems with the signal, due to the discontinuity of the calls and of the calls that appeared to be missed without the ring of the phone.

As regards the area of coverage Cosmote is situated on a better level than Orange, but due to the connection problems and the discontinuity of the calls the company was downgraded.

Therefore operators classified according to their network characteristics are placed in the following succession: Vodafone first, by far the best network quality, followed by Orange and Cosmote in positions 2 and 3, these being situated at short distance.

As regards the mobile Internet service offered by the three major operators on the Romanian market we can see a major difference in the field of the maximum transfer speed.

Therefore if Vodafone offers 4G coverage in the following cities: Arad, Bacău, Braşov, Bucharest, Cluj-Napoca, Constanța, Craiova, Galați, Iaşi and Timişoara, the Orange offers this service only in Bucharest and Cosmote has not yet implemented it (the services based on this technology will be launched in April 2013).

The recently launched 4 G technology in Romania, offers superior browsing speeds than 3G of up to 100Mbps to download and 50 Mbps to upload.

As someone can see in Table no. 4, all operators offer 3G coverage, but there are differences only regarding the population that has access to this technology. It is found that Vodafone offers 3G access everywhere has voice coverage, while the main competitors use EDGE technology to cover the areas where 3G technology is unavailable.

Table no. 4 Coverage for mobile internet services

Operator	**Technology**		
	4G	**3G**	**EDGE**
Vodafone	10 cities	99,99	99,99
Orange	1 city	99,77	99,99
Cosmote	-	70,00	98,00

Note: situation at 1 January 2013
Source: after data processing from mobile operators websites

Vodafone holds the best network at a speed of 3G+, respectively 21.6 Mbps and in other areas it is the only one which offers a speed of 7.2 Mbps al national level.

Orange and Cosmote offer a speed of 21.6 Mbps only in major cities (most county seats) and in the rest of the territory a speed of 238.6 kbps, respectively 3.6 Mbps in the cities with over 10,000 inhabitants.

Although all the operators seek to convince the consumers in respect with the performance of their networks, specifying the technologies used in mobile Internet services and the maximum data transfer speeds, it is a matter of fact that none specifies a minimum guaranteed speed. It is well known that the maximum transfer speed is a purely theoretical speed that can hardly be achieved in practice for various reasons, some independent of the consumer equipment. As an example, in a big city like Bucharest, you can not get the maximum speed because of the networks loading.

Under the new legal framework in the telecommunications field, beginning with February 25, 2012 all the contracts that include mobile Internet services must contain some data such as nominal speed/maximum data transfer speed, a minimum guaranteed speed and, if appropriate, the delay and transfer delay variation.

In the “General terms and conditions for using the Orange subscriptions – October 2012” document, in paragraph 2.2.1.4 – “The quality of service” it is stipulated that "Orange Romania does not guarantee a minimum speed for providing data services. Orange Romania and the Client accept the Data Service in these circumstances".

In the document "General terms and conditions for individuals-Consumers" Vodafone Romania stipulates to paragraph 2.6.1 "mobile Internet Service does not guarantee a minimum speed of access, but the maximum speed depends on the characteristics of the Vodafone Romania S.A network or of the equipment, as appropriate".

Cosmote operator in “The general terms of contract for data services” document, in paragraph 1.5 stipulates that "the customer declares that he has been informed and has accepted the fact that the speed of data transfer, including minimum speed of data transfer is not guaranteed by Cosmote ... ".

As you can see, all operators have been protected with favourable contractual terms to any consumer complaints regarding the mobile Internet service.

5. The relationship between the consumer and the Romanian mobile telephony operators - dissatisfaction, rights violations

As we pointed out, although the Romanian mobile telephony market enjoys the consumers' confidence, yet the complaints to the National Consumer Protection Authority reveal shortcomings in this field.

A first issue is related to the lack of knowledge regarding the tariffs of their own supplier. For an example, in case of the subscriptions users, only 21% of respondents claim to know what is the cost of a one minute call to the same mobile network, 18% know the cost of a one minute call to other mobile networks and 10% know the cost of a one minute call to a fixed telephone network, other than the network of their mobile operator (if any). Slightly higher percentage we have found in the case of prepaid cards users: 30% of respondents claim to know the cost of a one minute call to the same mobile network and 26% know the cost of a one minute call to other mobile networks (ANCOM, 2011).

Customer subscriptions are optimized contrary their needs, being more advantageous for operators. Operators packed as many services as they can, being aware that the clients do not use them very often. For an example, most tariff plans include, in addition to voice traffic, several types of services: multimedia messaging, Internet traffic, minutes of video telephony and so on, operators being aware, from the very beginning, that some of them will only rarely or never be accessed by the user. Although at first sight the customer is content, enjoying a range of services at reasonable prices, a more detailed analysis of the supply in connection to his needs reveals that the price paid for the services they used is too high.

As technology advances, the terminals become more and more complex, incorporating several functions and therefore are very expensive and more tempting for the thieves. Parallel to the legal market there is a black market of the stolen terminals. This phenomenon could be reduced by blocking the stolen phones and providing information for the police in real time, in order to track the stolen terminal. But, to become operational, the operators have to be willing to cooperate.

Selling the subscriptions together with blocked terminal in the network can be justified during the contract, but beginning with the end of the contractual period, the phones should be unlocked by operators for no extra charge of the consumers.

All the operators declare that their coverage maps are based on simulations and have not a contractual value. There are quite many situations in which the consumers find that they have not signal in open spaces in the specific areas where the signal coverage maps indicate GSM. In this case the operators are protected against any customer complaints through the contractual provisions, too.

The mobile operator's contracts for individuals are adhesion type contracts and their terms cannot be negotiated. A solution to avoid the automatic extension on a similar period would be the assigning of the right to choose whether to automatically extend the contract if it is not denounced within 30 days prior to its end or to extend the contract by an addendum if the customer requests on purpose before the end of the contract.

Another problem reported by the customers targeted the onerous conditions to which the contract may be early unilaterally cancelled. Although the operators justify the higher costs by the price of mobile terminals offered in the moment of the contract resigning, in case of cheap terminals the cancellation fee can not be justified by their price.

According to the study conducted by Gallup for ANCOM, a percentage of 33% of people who wanted to cancel the contracts until the expiration period have answered that the contractual terms hinder them to change the service provider, because of the much to higher cancellation fee.

Conclusions

Mobile telephony services are perceived by the Romanian consumers' as utmost responding to their requirements and expectations. The competition on the Romanian market has forced the operators to work towards improving the quality of services, while decreasing prices, in the customers benefit. It should be mentioned the role of European Commission which has adopted a series of directives that have forced European operators to take some actions against their own interests (e.g. roaming charges).

Even it is low, the degree of the consumers' mistrust is justified, the operators taking advantage of their market position to impose terms and conditions against consumers' interests. Some reported problems were solved by the adopted legal framework, but others are still waiting to be solved (e.g. minimum guaranteed speed for data traffic).

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