



Economic Effects of Mobile Internet Access - Evidence from Roam-Like-At-Home

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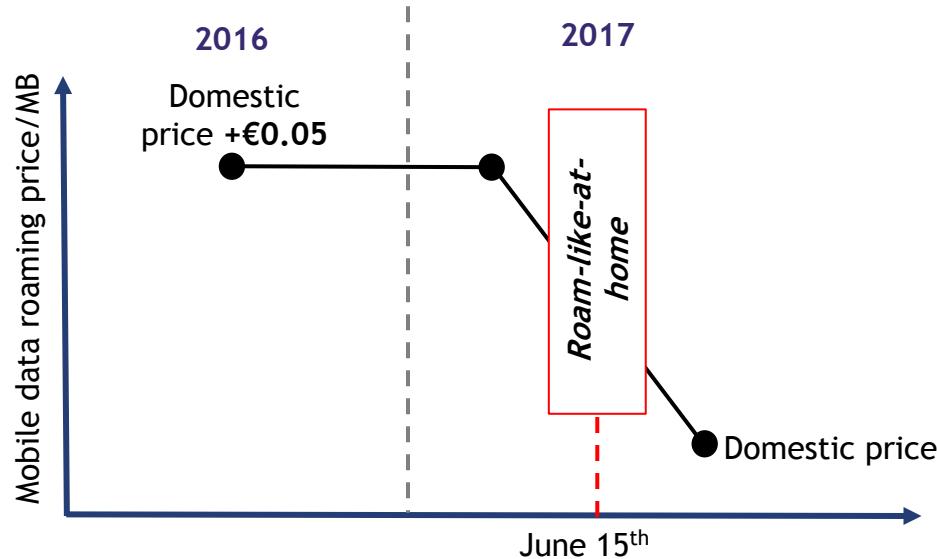
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Context and background

- Digitization and the internet are associated with economic growth and productivity
- Mobile internet is becoming a central tenant of internet access
- The European Union changed prices of mobile internet data while roaming in legislation initiative that is known as **Roam-Like-at-Home**

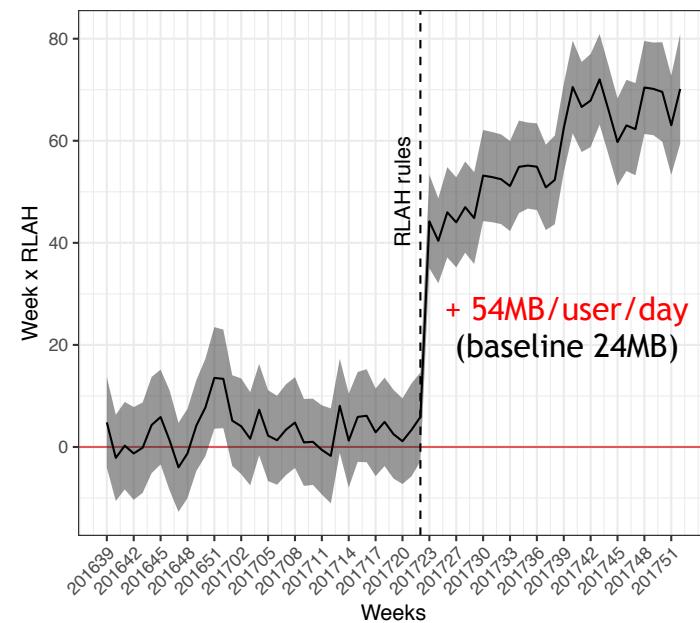
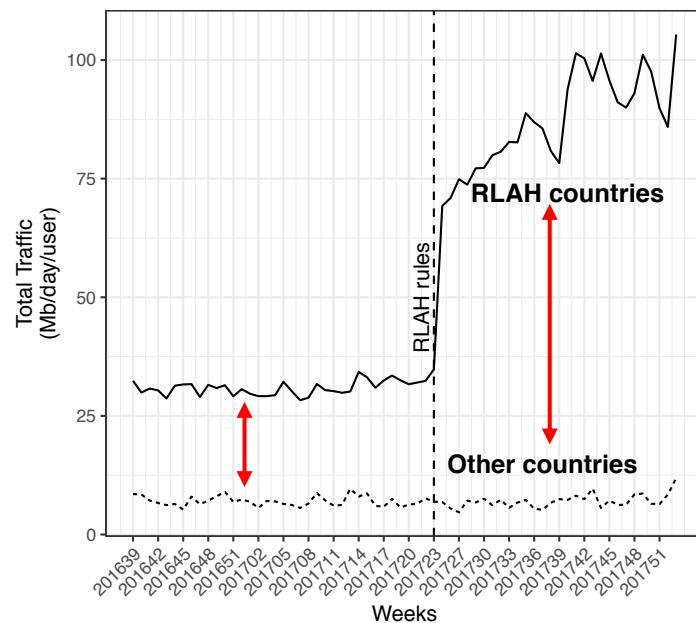


- We use this regulatory change to study **what are the consumer surplus gains from using mobile internet?**

Empirical Analysis

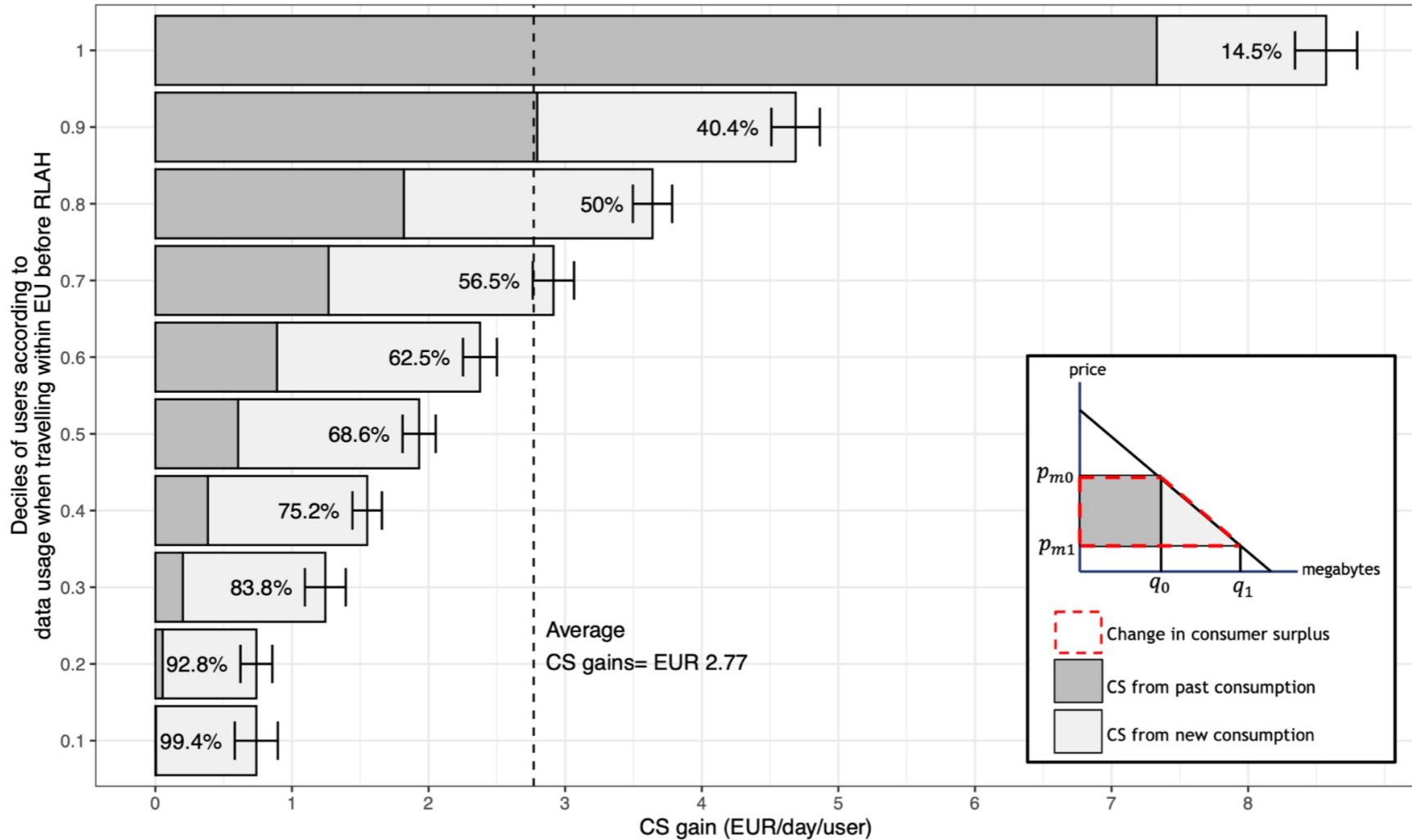
- Data from 90k mobile phone numbers from a EU country between September 2016 and December 2017
- Differences-in-differences to identify the impact of of roam like at home on individual mobile internet consumption while traveling

$$MobileData_{it} = \alpha_1 after_t \times EUtravel_{it} + \theta_t + a_i + v_{it}$$



Consumer surplus of the average traveler increased by **-2.77€** per day

Decomposition of Consumer Surplus gains



Conclusion

Sum-up: we estimate and decompose consumer surplus generated by the RLAH regulation.

Other things that we do:

How much CS gains in total?

- Using Eurostat data on tourism: +B2.3€ for 2017

How were other actors affected?

- Online content providers
- European network operators

Robustness checks

- We provide robustness checks on our content providers estimation
- Evidence that WIFI usage/SIM card sales did not change with the regulation

Questions? → Martin Quinn (martinquinn@ucp.pt)