

Press Release



Do Prepaid & Postpaid Wireless Customers Represent Separate Markets?

ANDREW EVANS | SEPTEMBER 17, 2018

The proposed merger between T-Mobile and Sprint is facing regulatory scrutiny, with some, including the New York Attorney General, examining the effect of the merger on the prepaid market. AAF's Director of Technology and Innovation Policy William Rinehart examines the overall cellular market and argues that the pre and postpaid segments are part of the same market.

An excerpt:

The prepaid and postpaid distinction isn't due to a difference in markets, but a difference in the contract and consumer choice. In exploring the difference between a prepaid and postpaid contract, the FCC agreed that the difference comes "largely because prepaid subscribers may lack the credit background or income necessary to qualify for postpaid service." Moreover, the [agency previously](#) agreed with this assessment in its analysis of the failed AT&T merger with T-Mobile.

Read more [here](#).