



THINKTANK

INSPIRED RESEARCH WORLDWIDE

Code 12: The view from consumers

Debrief – FINAL REPORT

Prepared for PhonepayPlus

June, 2010

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EXECUTIVE SUMMARY

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Project background

WHAT

Project set out to evaluate consumer response to the draft, principles-based Code 12 regulatory code for premium rate services and gain understanding of how it can best be applied for consumers

HOW

This was done by

- going through former research to mine existing knowledge
- qualitative research with 8 groups, 3 mini-groups and 3 paired interviews in 3 locations in the UK

WHO

We spoke to a cross-section of UK society – representing a range of occupations, interests and life-stages as well as different levels of experience with and attitudes to phone-paid services

Code well received, existing safeguards liked

Code seen to be

- covering the important areas
- not too restrictive
- and where discussed, consumers agreed with concept of principles-based regulation

Consumers overall appreciate existing safeguards

- eg information texts for subscription services
- STOP command
- age verification
- spend reminders

But substantial lack of knowledge about regulation

Consumers typically do **not** know about any regulation or any of the existing safeguards

- apart from STOP, known by perhaps half in our groups
- and no knowledge of PhonepayPlus (or ICSTIS)



Results in industry viewed as a bit of ‘wild west’, where no regulation really applies

- significant cynicism around many un-branded services
 - *Important to note that services from big brands viewed as ‘inherently trustworthy’*

Concern since PRS can lead to feeling of Lack of Control for consumers - eg companies ‘in the ether’ who can bill ‘without my knowledge’

Areas of most concern/debate

- **Lack of transparent information** around price and charging mechanisms
 - within this, concern remains about unwittingly entering into subscriptions
 - and perceived deliberately misleading information from providers
- **Privacy** - personal details being shared, used by other parties
- Protection of **vulnerable**
 - in particular, in family groups concern around children accessing services

Response by key area

Price & Transparency

- Pricing information must be clear
 - but currently often confusing in ads
- How personal details are used also essential info
- Other info needs to be available but not as important
- Subscription 'tie-ins' remain a concern
- Charges from non-BT lines not top-of-mind, but when considered, believe info should be readily available

Fairness

- Consumers generally do accept they have responsibility to inform themselves
 - however information must be available/accessible
 - and should not mislead
- But this isn't the case when it comes to the vulnerable!
 - Small fonts an issue for some
 - and children seen to be targeted in way that is not fair
- STOP command well regarded; STOP ALL quite confusing

Response by key area

Privacy

- Control over personal details major point of discussion
- Generally believe any use beyond the specific service purchased should require separate, specific opt-in
- Concern here also greater around less well-known companies, brands

Redress/Complaints Handling

- Ideal process here involves person taking responsibility for a customers' complaint – eg not being passed around, being updated and aware of process
- Here clear current system around PRS is lacking:
 - very limited information from comms providers
 - no real knowledge about where to turn
 - consumers often don't/wouldn't bother to complain due to 'hassle' and presumed cost involved

Background & brief

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Talking to consumers

We set out get input from consumers about key areas that Code 12 is looking to address:

Pricing

Transparency

Fairness

Privacy

(Avoidance of harm)

Redress/Complaint handling

(Flexibility of regulatory enforcement)

And as part of this, understand a range of issues around how to best apply it for consumers

Talking to consumers

In our discussions with consumers, we looked at issues within context of a number of user journeys



Presenting the response

Both directly in our discussions and of course as part of our analysis, we've looked at each key area

This debrief is intended to enable you to look at the response to each in separation, if required

This means that you will find some overlap in the detailed sections on each key area

- Pricing & Transparency
- Fairness
- Privacy
- Redress/Complaints handling

Sample & sources

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Meeting consumers

The major part of our work consisted of meeting and speaking with consumers about premium rate services

- Mainly in group discussions
 - a core sample of 8x2-hour groups of users
 - Pre-family
 - Family
 - Teens
 - boost sample of 3xmini-groups of additional segments
 - non-users and those with problems
 - adult content users
- with some interviews of pairs of children
 - 3x in-home, 45-minute discussions

Groups were run in London, Manchester & Glasgow

Core Sample

Segment	Groups	Criteria	Location
Teens (6 th form)	2x2 hour groups of friendship pairs: 1x male 1xfemale	Mix of light/medium/heavy users	Greater London
Parents/Carers	3x2 hour groups mixed gender 1xParents with children aged 6-12* 2xParents with children aged 10-18	2x Light/Medium users 1xHeavy users	1x London 1xManchester 1xGlasgow
Pre-family life stage	3x2 hour groups mixed gender 1x20-30 years old 2x25-35 years old	1xLight/Medium users 2xHeavy users	1xLondon 1xManchester 1xGlasgow

- All groups of 7-8 respondents
- Good mix of contract and PAYG mobile users
- Good mix of service type usage
- Good mix of social classes

**plus additional mini-group, 90 minutes, 5 parents in London*

Boost Sample

Segment	Research	Age	Criteria
Children	3 x 45 minute in-depth interviews	1 x 12-13 year old girls 1 x 11-12 year old boys 1 x sibling pair	Have own mobile phone
Non-users/users with problems	2 x mini-groups	2 x 50-65 yrs mixed gender	1xnon-users but own mobile phones 1xusers who have had problems with services
Adult entertainment users	1 x mini-group	1 x 30-40 yrs male	Users of premium rate adult entertainment services

Additional sources

In addition, we have drawn on insights from previous research – in particular:

- Thinktank qualitative (4 groups, October, 2009) and quantitative research (5,001 respondents, December 2009) for the Current and Future market report
- Thinktank stakeholder interviews with consumers who had contacted PhonepayPlus, for Stakeholder Review, July 2009
- Recom qualitative and quantitative research, June 2009
- Interviews with children carried out for Phonebrain

The majority of this report is based on this specific work with consumers – where other sources are used, the relevant source is cited

About our consumers

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About our consumers

A good range of social classes and occupations

- Both public and private sector workers
 - from nurse to teachers and civil servants, policemen
 - from graphic designer to call centre manager, reflexologist, painter/decorator to import/export manager
- With child interviewees lower-to-upper middle class

With hobbies and interests typically in line with lifestage...

- eg parents often centred around family
- while pre-family interested in exercise and a bit more hedonistic pursuits
 - out eating, drinking, socialising, clubbing...

...and smattering of quite specific big passions

- eg triathlete, poker player...

About our consumers

Attitudinally, in response to the Code, also a range

- From the more rational, considered
 - perhaps more ‘liberal’-minded
 - often more prepared to accept personal responsibility
 - tended to be younger, could be more affluent
- to those with a bit more emotional, ‘conservative’ and reactionary response
 - in general tended to be a bit older
 - parents here naturally more protective of their children
 - and could be the less affluent

Phone-paid service usage

Most commonly, core groups of users had accessed mainstream services

- TV voting
- Directory Enquiries

With a range of other services tried or more frequently used, eg

- football alerts
- games or music downloads
- Any Questions Asked type services
- entering competitions by text

On more basic level, mix of both fixed and mobile phone providers throughout groups

Phone-paid service problems

In majority of groups, 1-2 people had experienced problems with PRS...

- often un-knowingly signing up to a subscription when expecting to buy one item, or being sent MT SMSes they had never signed up to

...and typically everybody knew somebody who had had problems



This is the single biggest factor fueling reluctance to use content subscriptions and similar services

The problems with TV voting, though occasionally recalled, don't often inhibit usage

Phone-paid service problems

Some additional (and perhaps less common) problems in our group of users with PRS issues:

- Operator promising free downloads and then charging for them
- PRS call failing to disconnect despite caller hanging up
- User being told 'STOP' needed 28 days to take effect

Overall, quite consistent response

No major differences of opinion obvious between different parts of the sample...

- overall, perhaps surprising level of consistency of response

...apart from some preoccupations naturally coloured by lifestage...

- here parents predictably more concerned about child protection
- but even children quite conscious of need to protect vulnerable

....and across lines of sample groups, by awareness and usage of services

- trust in services they have used
- often a bit more understanding of price levels in these cases

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Contextual factors affecting response

Not a coherent market

Most of our groups consisted of users of some form of phone-paid services...

...but as in our previous projects, consumers are attracted to specific services rather than perceiving 'phone-paid services' as a "market"



So, their reactions to advertising and the information required is strongly coloured by brand perceptions – and the overall "image" projected by an ad

Strong distinction in consumers' minds...

**Trusted services
from reputable
brands**

TV channels
Newspapers
DQ providers (for some)
CAN include 'companies
advertising in reputable'
channels'

VS

**Expensive,
irreputable, 'small
time' services**

Unclear, messy ads
Unknown providers
At 'back of papers'
etc

Consumers see no real link between these

TEXT



Danniella & Matthew 09016 16 10 01
 Votes cost 35p from a BT Landline. Calls from other networks may be higher and from mobiles will be considerably more.
 Votes cast before lines open and after lines close will not be counted but may still be charged. * Lines open at the e

Text: VOTE SHAYNE to 83322
 Texts cost 35p plus normal operator rates. T.C.S: tv.com/xfactor

Southwell 19 Hakenham, Lingfield, Sandown, Wolverhampton

TOMMO'S BUZZ LINE
 NO FUSS AND NO LONG INTRO! GET THE BUZZ IN SECONDS! CALL NOW...

09041 600 081
 ROI: 1517 303 011
 SUBSCRIBE TO TOMMO'S DAILY BUZZ TIPS
 TEXT **RPBUZZ TO 84080**
(LOCAL RPBUZZ TO 57656)

RAPID RACELINE
 LIVE COMMENTARY
 FAST RESULTS
 CALLERS FROM IRELAND

09066 505 221
09066 505 231
1560 927 283

sky SPORTS Text Alerts

- Club News
- Latest Transfer Gossip
- Upto the Minute Goal Alerts

Text SKY AND YR CLUB NAME TO **66330**

OPTION 1: CARA

ONLY 35p
0905 468 1000
MOBILES 60121 PER MIN

1 2 3

REALITONES
 Text REALIT to 62929

It's Christmasmmmmmmmm!!!
 Text XMAS to 62929

ROBIE GAMES
 Text GAME to 62929

ROBIE WALLPAPERS
 Text WALL to 62929

RINGTONES
 Text RING to 62929

Psychic Tarot
 ONLY 60p
 LIVE 1-2-1
09049 555 507
DAILY STARS
 Text HORO14
 Followed By DD/MM/YY To **83888**
 E.G HORO14 05/05/11

SEX BUDDIES
 GENUINE LOCAL WOMEN

GET CONTACTS WITHIN 5 MINUTES OR CLAIM **£10 CASH BACK!**

GET A DATE TONIGHT
 GRAB YOUR MOBILE NOW
TEXT FUN TO 69200
 CALL 69200 TO CHAT LIVE WITH SEXY GIRLS

NB Obviously personal views/experiences colour view of which brands and providers are 'trusted'

This shapes their perception of information available

Trusted services from reputable brands

- “Above board”
- Assume will not rip me off
- Small print what’s ‘necessary for them to cover themselves’

↓
Less perceived **NEED** for info

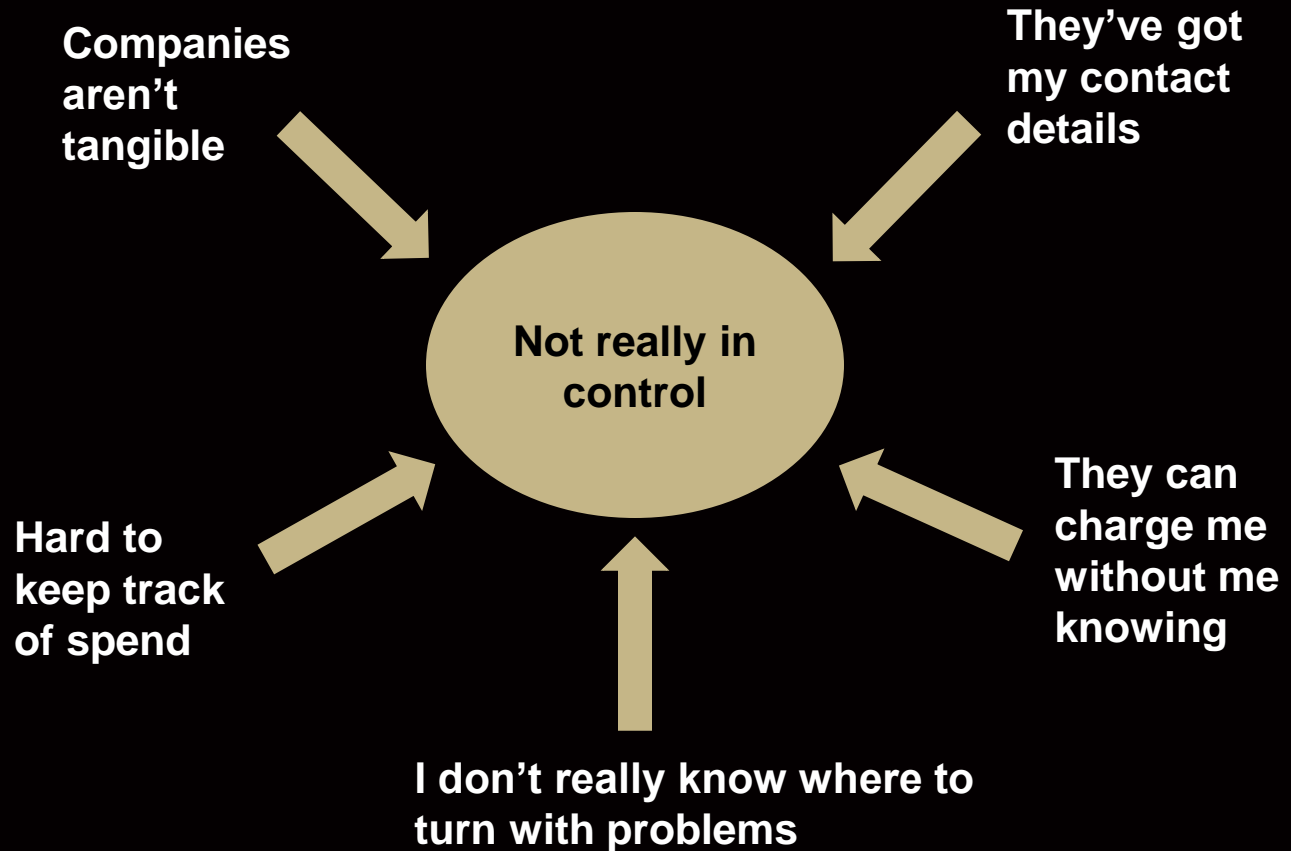
VS

Expensive, irreputable, ‘small time’ services

- “At own risk”
- Assume unscrupulous
- Assume ‘trying to hide price’
- Small print more likely to be regarded as ‘attempt to mislead’

↓
Need info/reassurance to use

PRS *can* leave consumers feeling they lack control



Awareness of PhonepayPlus very low

Respondents hadn't heard of PhonepayPlus (nor ICSTIS)

- at best, some awareness of Ofcom as regulating telecoms area as a whole

On consideration, assume some organisation is responsible, but most hadn't consciously thought about this

At worst, can be a bit incredulous

- if regulator in place, why are these ads allowed?

When explored, consumers often like safeguards that are in place

- but had no idea they were there

So often assumption of 'no real control, regulation'

Consumers tend to have a spontaneous assumption that the sector isn't really regulated

**Still assume it's a bit of 'WILD WEST'
(when it comes to companies they don't trust)**

'These companies will just try to make money and there's nothing we can do about it'

Topline response to code

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Response generally consistent

Overall, response was broadly consistent across our groups and interviews

Although of course some expected variations according to respondents'

- attitudes
- usage habits
- experiences
- lifestage

A positive response overall

Consumers feel the important aspects are covered in the principles outlined

- on a top-line level, nothing seems too ‘nanny-ish’
- though of course it comes down to how it’s implemented in detail!
- topline ‘typical’ regulatory fare and hard to disagree with...

“This is just regulator chat, isn’t it? Every regulator should probably have that stuff down”

Pre-family, Glasgow

Here pricing transparency seen as particularly important

- and an area where most feel a lot of services are fudging things at present (“hiding” important info!)

A positive response overall

Also pleased that the services are regulated – and believing it's necessary

Overall, however, most are predictably more comfortable with using services from brands they know

Brands affect view of regulation requirements

Clear that consumers have completely different demands and perceptions of services from brands or organisations they trust

- assume these companies won't 'try to rip you off'
- small print then often becomes something the companies are required to use in order to 'cover themselves'
 - whereas from non-trusted sources, seen as attempt to mislead
- here even our non-users would be happy to call the NI car vehicle information premium rate number

Safeguards well received, but limited knowledge of them

The existing safeguards are often popular but consumers typically don't know that they are there...

- this fuels suspicion of un-branded services

...so often more of an information challenge than changing of safeguards in place?

Perhaps additional focus needed for vulnerable?

In our Northern family groups, some believe that protection of vulnerable should be more prominent

- core ‘principle’ in itself rather than part of ‘fairness’
- here were predictably particularly focused on children and the need to protect them effectively
- but others also point out that a range of people could struggle with some font sizes

Principles-based regulation

Where discussed, consumers felt a flexible code was desirable...

- from a consumer protection point of view
- and given the issues experienced with premium rate services

...but also believed safeguards should be in place to prevent too-harsh regulation from limiting consumer choice

- perhaps with actions based on consumer harm/complaints received
- and enforcement in conjunction with industry

**Topline response – take-outs
for business**

Awareness of regulation can be good for business

Because consumers are overwhelmingly suspicious of services that don't come from a "trusted source", awareness of regulation can also be positive for the provider



Has the potential to turn services from something you'd 'never try' to 'might consider'

Companies could gain by being clearer with consumers

Certain services are clearly hugely mistrusted

- although lack of trust is not the main reason why users don't use PRS **overall***

Sense that unknown providers try to 'hide' price and conditions fuels existing suspicions

- Clear that lack of trust very often comes from perception of the ads
 - eg looking 'suspicious' to our consumers
 - packing in lots of copy to confuse
 - with pricing and other key information perceived as hard to find or decipher



Most of our consumers wouldn't even consider using services advertised in this way

Lack of clarity fuels lack of trust

“They should put the cost in big print...if it’s not a scam, then there’s nothing to hide”
Adult entertainment user, London

“The more open people are and the more concise and to the point about what it is, the happier you are. The more detail like that that you’re liable not to go in to reading, is the one where you become more concerned”
Family group, Manchester

Pricing & Transparency

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What information must be clear & prominent?

Clear essentials emerging across groups:

PRICE – fully defined, eg:

- What the price is
- How that price is charged (eg per minute/per text/per week)
- What agreement it applies to (eg if it's a subscription)
- Any additional charges I will incur
- If not consistent across providers, link to or info enabling consumers to find out price for them should be included

Also **clarity over how personal details may be used** – if they are used for marketing or passed on

Further details are important but can be less prominent

Company name and contact details

- gives respondents further trust in the service
- important to be able to refer to if something goes wrong
- ideally something that indicates a ‘bricks and mortar’ presence
- and phone line at regular cost (or free)
 - note here often confusion over cost of free numbers!

How to stop a service

- opinions vary here, but if “Stop” info features in texts received, not as important to keep ‘out of fine print’
- otherwise should be more prominent
 - and from commercial standpoint, may encourage usage!

If information is clear in texts *can be* less important in ads

Overall, for PSMS-paid services, as long as information clear on texts received, what is in the ads can be less important...

...but for pricing information, this would only be acceptable if no payment is made until user has **confirmed payment** after receiving the first text

- in particular pushed by some of the children we interviewed

Consumers often find pricing information confusing

This leads to both complaints and lack of usage

45.1% of 2009 quant study respondents said they were typically uncertain of how much they'd be charged*

– (though 37.6% said they were certain)

And for most, this had caused them not to use services*

Concerns around what premium rate calls can end up costing holds usage back for many consumers in our groups**

Sources: *Quantitative research, December 2009; **Consumer groups, October 2009

Clarity of pricing not sufficient in many ads explored

Price is by far the most important piece of information to our consumers

- Should be prominent/stand out in ad
- EG certain font size/proportion of total ad
- suggestion in some groups for universal ‘price sign’ symbol

As part of pricing information, the key details of what price covers and what agreement is entered

- eg per minute, per text, per week?
- subscription or one-off

Pricing info often too hard to decipher

Typically pricing information not prominent enough, not clear enough, not in large enough font

- with particular cynicism about price being in the small print
- immediately assume company is pulling a fast one

“My dad couldn’t read this!”
6th form girls

**“There should be a
minimum font”**
6th form girls

**“The price should be clearly stated in
BIG letters and in a prominent position”**
Recom research

Charges from non-BT lines

Overall, some awareness that premium rate numbers would be more expensive from non-BT lines

- remember hearing and seeing this message on TV
- so typically would cast TV votes using landline

BUT many understand this as focusing on mobiles

- underlying assumption that fixed lines are the same, or very nearly same

Often believe mobiles can be up to double the price

- but this is not consistent!
 - eg some, including 13-year old interviewee, assumed price would be stated charge + normal mobile network call rate

Charges from non-BT lines

Many consumers think it is their responsibility to find out the details of how much they may have to pay..

...but believe the information should be readily available, eg

- at least accessible on red button if show is on TV
 - though not insignificant proportion would like to see the full list of charges on-screen
- on the advertiser's website
- on PpP's website
 - here one group saw this as possibility for PpP to also be better known

Here clearly view the service advertiser as being primarily responsible for ensuring this information is available

Consumers not clear where to get info for their network...

A few had contacted network to check

- but this was not commonplace

Most, on consideration, thought they would find information online or by calling their network's customer services

...and 09 pricing info isn't readily available

A quick check of a few providers showed

- Vodafone only has 'minimum charge' (and unclear whether refers to 09 or premium text)
- O2 does have a list of PRS costs on website
 - but took 3 emails back and forth before O2 sent the link
 - and list is quite unclear from consumer point of view
 - eg not full numbers, just a range of first sets of digits

About this plan		Other costs	
Out of bundle charges	Cost	Out of bundle charges	Cost
Fixed lines, Vodafone mobiles, voicemail (per minute) once you've used your inclusive minutes	20p	To other mobiles (per minute) once you've used your inclusive minutes	35p
Text messages (per message) once you've used your inclusive texts	12p	Picture message (per message)	36p
Video message (per message)	60p	Browsing the Mobile internet and data usage **	50p per day
Premium rate services (minimum charge)	50p - £2	0845 and 0870 numbers (per minute)	35p
Non-geographic 0845, 0870, 0844, 0871 (per min, 20p min charge applies)	Up to 35p	Freefone 0800, 080, 0500 (per min, 20p min charge applies)	20p

But often not a top-of-mind issue, in particular for TV

Information from well-known brands often not interrogated

- In particular TV voting seen as harmless, cheap bit of fun
 - with prices often not really contemplated carefully

When contemplated, lack of detailed information does mean pricing isn't clear to consumers

- but it is not typically a real worry for them in case of TV

Clearly can be to much greater degree in case of print ads, other

- which consumers regard as less 'obviously trustworthy'

Overall, brand power and a sense that TV services now *do* 'work well' provide most reassurance for consumers

In case of TV services, maybe because implicitly trusted

“You can trust that, can’t you...[those big TV channels]...and you know they’re not going to take your money every week”

6th form girls

“I think it’s more reliable on things like TV ‘cause there are a lot of people watching...they can’t afford to make any mistakes; there’s too much to lose.”

6th form guys

Nevertheless, want easy to understand language

Clear, simple English

- no terms that can cause confusion

Calls from other networks may be higher

~~**Calls from other networks may vary**~~

~~**Additional network charges may apply**~~

So typically felt wording on TV example fairly clear

While not easily legible, is reinforced by being read out
– underpinned by inherent trust in broadcaster



“Calls from other networks may be higher and from mobiles will be considerably more”

But font too small to catch without the audio

Directory Enquiries

Consumers often aren't clear over how much they will be charged for DQ calls...

- assumptions of cost ranged from £0.50-1.50, approx
- with most feeling they have a 'vague idea' of cost

...but typically they aren't too concerned about this, either

DQ providers typically trusted – especially by regular users

- know it will be 'more than regular call' but not very concerned

Directory Enquiries

Less frequent users often regard assumed cost as 'worth it' given use comes from situation of need

- use when no access available to other means of finding numbers

But at worst, non-users can see these services as 'close to scams' as well

- far less prevalent view
- but some regard as service which 'should be' free
 - as it was previously
- and assume high costs and companies 'out to make money'

Directory Enquiries

Less frequent users can also be more suspicious, however

- a few bring up practices such as providing only one single number per call

On balance, many agree cost should be made clearer...

- in advertising – as for other services
- but perhaps ideally stated at beginning of call

...but it's most often NOT top of mind or a concern

- like some other services, for many DQ clearly helped by
 - brand position
 - presumed level of trust
 - assumption that cost is not prohibitive

Directory Enquiries

Quite different attitude to ability to 'get connected' to number, however!

- vast majority would never use this feature
- because cost presumed very high
- and expect to get the number by text anyway

Here, experience of pricing clarity and practices varies

- some say providers do state cost of connecting
- but also **some** experiences of being connected before having a chance to agree to the process
 - and here very clearly a sense this should not be allowed

Overall believe cost for connected call should be stated and operator must wait for agreement before proceeding

Subscription services remain particular concern

Ringtone/games subscriptions rejected by most

- many felt they'd 'never' use
- and didn't see the point in such a subscription (rather than one-off)

But some used alert services

- could also be a concern
- eg when not certain how many alerts you might receive
- here some indication of maximum or average price desirable

Here 'subscriptions' and 'alert services' often viewed as quite separate

- and 'alerts' does not as readily lead to concerns about 'being cheated'

Subscription services remain particular concern

“They should remind you every other message...’do you still want to be subscribed’....a bit like you get on emails...more opting out clauses”

Pre-family, Manchester

“I wouldn’t subscribe to anything on my phone, because it feels a lot more out of reach if you want to stop it because there’s probably, like hidden charges...if you want to stop it, you’d have to pay a fee or something”

6th form guys, London

Fairness

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Accept responsibility, but expect accessible info

Price and terms of engagement all need to be prominent and clear

But importantly, beyond, many consumers do believe it is their own responsibility to inform themselves

- eg ‘I don’t read the small print but I know I should’

But that information should be easily accessible

- in language that doesn’t confuse
- if not in ad, in a location that’s easy to find
 - for example, only way some of our consumers could think of to get info on how much they’d pay from ‘non-BT line’ was to call provider
 - but many had no idea at all of how they might find out

Different story with vulnerable

Where the onus shifts, however, is where services target children

- very strong feelings around this in our family groups
 - sense this should be more closely monitored
- other vulnerable groups, eg the elderly, also mentioned

Putting “16+” on the ad is not sufficient if content is clearly aimed at younger audience

- eg all our child interviewees (oldest 13 years) thought content subscription ad was aimed at their age group
- and clearly that kind of ‘age check’ would be ignored

Parents could agree that to some degree it’s up to them to oversee what their children do

- but it’s not always possible – so need some help!

Access for children particular concern in family groups

“Children...can go into a shop and buy some sweets but they can’t organise buying a comic every week and they shouldn’t be able to do that on phones either”

Family group, Glasgow

“Too accessible for children”

**Clare, Family group London
Pre-task answer re any worries or concerns
around services**

“I would not want my children to access chat lines or subscribe to ring tones/pictures”

**Gill, Glasgow
– pre-task answer re any worries or concerns
around services**

Vulnerable are seen to be at risk

Many of our consumers spontaneously note that vulnerable groups currently are susceptible to being 'tricked' into PRS

- applies to both children and other vulnerable groups

Some argued that protecting vulnerable should be even more prominent in the code

- here, again, more prominent advocates in family groups

Existing advertising is seen to be targeting children in a way that is unfair

1 SEND PRODUCT CODE VIA SMS TO 62929 **2 WE'LL SEND YOU AN SMS WITH A LINK** **3 CLICK THE LINK AND START DOWNLOADING!** Weekly subscription service at £4.50 16+ and need bill payer's permission Stop by texting STOP to 62929 2 Bonus items in the first week!

REALTONES*
Text REAL*** to 62929

Sexy Chick David Guetta	REAL867
She Wolf Shakira	REAL811
Sweet Dreams Beyonce	REAL852
Bodies Robbie Williams	REAL855
Remedy Little Boots	REAL829
Sex On Fire Kings Of Leon	REAL887
Bad Michael Jackson	REAL894
My Life Would Suck... Kelly Clarkson	REAL838
	REAL804
	REAL870
	RING467
	RING468
ave You	RING477
	RING406
	RING413
	RING411
	RING436
	RING498
	RING485
	RING403
	RING401
Cheryl Cole - Fight For This Love	RING499
Westlife - What About Now	RING474
Dizzee Rascal - Dirty Cash	RING409
Sugababes - Get Sexy	RING440
Mika - We Are Golden	RING481
Lady Gaga - Lovegame	RING462
Pixie Lott - Boys & Girls	RING478
Jason Mraz - The Love Train	RING430
	RING455

Love Calculator
Got a crush? Are you made for each other?
1 Enter your name
2 Enter your crush's name
3 Press "Calculate"
4 Get a percentage AND a prediction
Text EROS to 62929

MOBILE GAMES
Text GAME*** to 62929

GAME299	GAME234	GAME276
GAME288	GAME284	GAME204
GAME212	GAME248	GAME211
		GAME209

It's Christtimmaaaaaa!!!!
Text XMAS*** to 62929

GAMES **WALLPAPERS**

RINGTONES*

Mariah Carey - All I Want For Xmas Is You	XMAS378
Wham - Last Xmas	XMAS307
Frankie Goes To Hollywood - The Power Of Love	XMAS306
Shakin' Stevens - Merry Xmas Everyone	XMAS345
Melanie Thornton - Wonderful Dream	XMAS394
Pogues And Kirsty MacColl - Fair Play New York	XMAS311
Wig - Santa Claus Is Coming To Town	XMAS313
Tori Amos - Have Yourself A Merry Little Xmas	XMAS321
Ray Charles - Rhapsody The Red Kneezed Reindeer	XMAS355
Silent Night Chorus	XMAS303
Deck The Halls	XMAS399
The Holly And The Ivy	XMAS393
Jingle Bells	XMAS374
12 Days Of Xmas	XMAS318
Slade - Merry Xmas	XMAS340

HANNAH MONTANA
Text HM*** to 62929

Hannah Montana - Butterfly	HM131
Hannah Montana - Dream	HM132
Miley Cyrus - Party In The USA*	HM135
Miley Cyrus - Hoodown Throwdown	HM136

RING TONES

Jonas Brothers - Fly With Me*	JB162
Jonas Brothers - Paranoic*	JB168
Jonas Brothers - Play My Music	JB169
Jonas Brothers - Kids Of The Future	JB171

HANNAH MONTANA QUIZ GAME
Take a behind the scenes peek of today's hottest rock band, JONAS! See if you have what it takes to help Nick and Kevin juggle the demands of school, fashion and music!

Text JB 168 to 62929

“Little girls might see this and they want those cute things on their phone”
Boy, 11

“It’s got a price for the games but not for any of the other stuff”
Boy, 12

“It’s got Hanna Montana so it would be aimed at people my age”
Girl, 10

“There should be a price by each thing”

“You wouldn’t read that”
Girls, 12

But existing safeguards do help, to a degree

Our child-interviewees thought the subscription information text message was pretty good

- but some felt they should have received clear information on price before they started being charged
 - so that they could opt out first
- since by the time they got the info text, it had already cost them £4.50
- and without clear pricing by each item in the ad, they wouldn't have known that

“STOP” command

Less than half of respondents have heard of “Stop”

- Often through word of mouth
- Some have tried to use it unsuccessfully
- others chosen not to because of fears that it would cause further costs

But many not aware - or not aware of it being a universal command

When discussed seen as a positive which should be publicised much more widely

“STOP” command

Expectation when using it is that it should stop everything from that provider

- including marketing
- on consideration, also think any marketing as a result of that company passing on your details should also cease

“STOP ALL” command

“Stop All” not known among our respondents

Typically seen as confusing and not necessarily useful

- given that assumption is that ‘STOP’ should stop all traffic from that provider, don’t see a need for “stop all”

Acknowledging that you might want certain services

- so stopping ‘everything’ makes less sense to them

An exception here may be for children

- who may have signed up for services unknowingly
- although if ‘Stop’ forms part of each message received, should still be enough?

“STOP ALL” command

Worth noting that the **actual** effect of ‘stop all’ would also likely be quite confusing to the end-user

- who doesn’t know or understand how the PRS industry works
- so would assume it would stop EVERYTHING (not just any traffic from one aggregator)

Misleading information

Consumers did have the sense that companies at times deliberately tried to mislead

- by using unclear language
- by hiding or burying important information in the fine-print
- here in particular reacting negatively to price not being prominent
 - but also with this underlying assumption that ‘they would do that’ because ‘they’re trying to make money’
 - and a sense that nothing can be done about that

Quality of service also a concern

Can be about services simply not being 'good value'...

- which results in them not being tried – or re-used

...but often expectation/experience of being kept on hold if calling premium rate line

"You pay them so much, and they dawdle so much...they say, can you hang on a minute and literally they mean a minute - they're gone for like quite a bit"

6th form guys

"They say it will only last two minutes, but actually you're on there for five or six minutes"

Thinktank group for current/future market

"You're out of control with phone calls 'cause you don't know what they're gonna ask"

Thinktank group for current/future market

'Opting in' simply by signing up regarded as unfair

A lot of concern around personal details being passed on among our consumers

- often point generating considerable amount of discussion!

Importantly, clearly not seen as 'fair' to have opt-in marketing permissions as part of signing up to a paid service

- in particular the passing of details to other providers
- and these details being stated in the small print

Ownership and control of personal details was a major issue for our consumers, often making such practices clear 'breaches' of trust in their minds

Worries about charging problems persist

Pre-task question: “Is there anything that worries you about these kinds of services?”

“Taking credit from my Pay as you go phone, as most of the time I would not even notice ”

Glen, Family group, London

“The recent publicity about competitions that you pay for but are not entered ”

Lisa, Family group, London

“Being ripped off”

Michelle, Manchester

Some services require you to sign up for a period of time or for a certain number of downloads which isn't always clear at first which can lead to a large unexpected cost”

Donna, Glasgow

Spend reminders seen as a positive...

Idea of spend reminders received favourably by many

- because conscious that recurring charges of this kind could be easy to forget
- or even worse, when you are not aware you're being charged, or how much

But clearly concern is greater with services they don't actively want!

- eg willing subscribers to specific alert services can feel they know what they get and pay for

...but limits can be down to individual, service

As expected, harder to pin-point right limits for all

- depends on individual, service used and attractiveness of that service to the person
 - if something you don't want, costing too much, obviously greater need!
- In ideal world, consumers like to decide when they'll be alerted
- but on balance, £10 spent or monthly reminder often seems reasonable

“A month is a long time to go when you don't know how much something is costing you”

Pre-family, Manchester

More problematic for voice

A little bit more difficult with voice-based services

- though understanding cost clearly a need here!

£30 seems a lot but idea of being cut off doesn't always appeal

- What if calling a useful service and cut in middle of solving plumbing issue?

Some sort of 'beep' reminder after each £10 batch of spend favoured by some

- but adult users don't really want spend reminders on calls at all

Privacy

THINKTANK
INSPIRED RESEARCH WORLDWIDE

Privacy often top of mind

Concern about personal data being circulated was substantial in our groups

- frequently cited in pre-tasks
- raised as concern in groups
 - one of most hotly debated topics
- clearly a reason not to access some services

and mobile number is clearly part of this!

- hindering some consumers from replying ‘stop’ to some unwanted services*
 - eg worried that if you interact, you may get more or your details spread further
 - so better just to ‘delete as fast as possible’

*Note also similar findings in Recom research

Felt active agreement should be necessary

Could be permissible for same service to contact them if they had bought something...

...but strong feeling anything beyond this should require active opt-in

- not ‘if you buy you agree to...’

Overall both children and adults relatively savvy around ticking boxes and studying what they’d agree to

- but clearly overly long texts in fine-print tended to be bypassed none the less
- here could feel it was ‘their own fault’
 - but also sense that companies were actively trying to ‘tie them in’ in this way

Privacy often top of mind

“Anything that’s beyond your natural expectation, they need to make clear (away from the small print).”

Pre-family, Manchester

“As long as there’s an additional question about ‘we may also like to give your details to our sister company or whatever’ and then you have the option to tick that box or not tick that box, then I think that’s fine, as long as you have a clear choice about what you want to do.”

Family, Glasgow

“That’s personal details so I think they have to make that very, very clear that they are going to do that.”

Pre-family, Manchester

Also clear from earlier work...

Some consumers really don't want to divulge any information about themselves, being worried about unwanted marketing

- some choose PAYG for that reason

“Certain industries sending on your details to other companies, which is just infuriating...when you get these calls and it's not even a person talking to you, it's just a machine ”

Thinktank group for current and future market

“I am very fearful of identity fraud...not sure whether I was told about choice to opt in our out”

Recom research

More concern around firms viewed as less ‘substantial’

Here there is clearly greater concern and uncertainty around companies perceived as “in the ether”

- eg not perceived as “substantial”, like bricks and mortar
- so uncertain how to reach them, stop them

A substantial share of our consumers do find any unwanted texts intrusive

- worryingly, one of our child interviewees felt uncomfortable and worried after receiving unsolicited test marketing
- however, for others, if not too frequent, some ‘text spam’ wasn’t such a big deal
 - would simply delete and move on
 - as long as they weren’t charged for texts!

PRS also offers a clear privacy benefit to some users

As clear in particular from our earlier groups for the 'current and future market' - this can happen on a range of levels...

- Texting in means no need to part with credit card details, or speak to anyone to, for example, donate to charity*
- Adult content users think it's good to use mobile because their 'other half' won't see charges or what they have been looking at
 - In this case, additional details on bills can be less desirable
 - Certainly view of adult content users but also acknowledged in other contexts

Redress/Complaint handling

INSPIRED RESEARCH WORLDWIDE
THINKTANK

Gold standard complaints handling

Examples from our consumers included financial compensation...

- impressed with compensation beyond what's expected

...but important factors were far more emotional

- being listened to (and presumed innocent!)
- being treated politely
 - so that you don't waste more time and energy on getting more angry!

Here also important that somebody takes ownership of the problem

- not being passed around, having to explain the same thing to lots of different people
- not having to call different places, chase

Gold standard complaints handling

Speed of resolution/redress is important, but even more crucial to be kept informed

- eg contact every few weeks, or every month to inform about what's going on
 - gives reassurance that matter is progressing
- consumers understand that things may take a little while – that's ok if you keep them in the loop!

Clear that process around PRS complaints handling doesn't measure up at present

Reasons why consumers complain

Rationally, top of mind can often be the desire to get financial redress

- eg get lost money back

BUT it is clear that there are a whole host of other reasons too

- “the principle of it”
- making sure nobody else has the same problem
- getting an apology
- being heard

Clear also from our conversations with PpP call centre staff that need to complain has less to do with size of financial loss than a person’s attitude to the problem

A lot of consumers simply wouldn't bother

Too much hassle for small sum of money

- it will cost more than it's worth to pursue a matter

Also often assume it will cost them financially

- through calls which often are presumed to be premium rate and expensive (0870, other)
- clear here that knowledge of cost of these numbers is limited

Attitude can be more prevalent among – but is not limited to – younger respondents

Expectations from comms provider

As we know, consumers typically start by calling their communications provider if something's wrong

In many ways, a natural "reaction"

- often first realising there's a problem when gets bill, or PAYG credit runs out fast
 - and so contact the company who's billing you!
- or assume phone company can stop unwanted texts

Some also believe phone company really IS responsible after considering it further

- eg, their role is akin to credit card provider
- if they bill it, they should sort it out
- roughly same amount believe it's mobile provider vs advertiser in quant study for market report

Expectations from comms provider

If there was a problem, consumers expected (or at least wanted!) their comms provider to either provide them with redress directly...

...or, if they couldn't help, provide them with information about where they could take it further

- contact for the company/provider responsible
- and (once they were aware of regulator) informing them about where to go

Experience is that often this isn't given – a case for set 'script' for telcos giving advertiser info + PpP details?

Comms providers often don't provide enough information

Among those who had had problems, experience when contacting telecoms provider varied. At best helpful...

- giving information and contact details for company that has charged you
- or even refunding on the spot

...but at worst, not helping with much at all!

- assuming caller was at fault
- often give unclear or incorrect information

In groups, NONE of those who had PRS problems had been told about PhonepayPlus by their communications provider

On reflection, advertiser can be seen as responsible

But consumers don't necessarily hold comms providers responsible

When considering services/problems separately from idea of getting bill, often imagined they'd contact the service advertiser

- here would like to see similar range of information – eg if they can't help, should refer to those who can

Consumers want more clarity – and fast!

Both these groups and earlier work shows consumers are keen to find out their rights and who to direct complaints to easily...

...and speak to someone competent, who will listen, understand and help find a solution fast – and get the refunds fast

Understand the process

- how it all works
- know how the complaint will be logged
- how they will be refunded

Redress

'A response and a solution should be sorted within a week'

"[Provider]" should be shut down for a start, and they should not be able to send me that stuff – the law should legislate against them'

'At first I wasn't getting anywhere, I wanted to get my money back, they stated 48 hours to receive the final response in what would happen, but it took 6 weeks to finally get my money back'

"Ideally 02 should block these companies from contacting you and the regulator should keep an eye on those companies and proactively check on them a couple of times a month"

Thinktank interviews with consumers who had contacted PpP – for stakeholder audit, summer 2009

Awareness of regulator very low

Respondents hadn't heard of PhonepayPlus (nor ICSTIS)

- at best, some awareness of Ofcom as regulating telecoms area as a whole

And while on consideration, assume some organisation is responsible, most hadn't consciously thought about this

At worst, can be a bit incredulous

- if there is a regulator, how come such obviously misleading ads from companies that seem to try to 'rip you off' are around?

Consumers don't know about safeguards, regulation

Consumers often think the safeguards in place for them are good, eg

- Info-message at start of a subscription service gives all the info they need
 - though language perhaps can be clearer?
- spend warning messages are roughly in the right ballpark
 - with some variations in opinion here depending on age, affluence, interest in services
- want to be told at start of premium call how much they'll be charged

But apart from scattered knowledge of STOP command, they had no idea these safeguards were in place

- widely assumed subscription services are same as before
- and consumers just wouldn't use them for that reason

Would quite like to have more visible evidence

Many believe that PhonepayPlus should have a higher profile...

....in particular considering the low confidence in a relatively large part of the premium rate sector

- awareness of an active regulator would make consumers more confident about using services

Also would like to see proactivity and clear evidence of regulation in place

- eg real clarity of pricing in ads

Overall positive to idea of 'regulated by' featuring in ads

- even some spontaneous mention of 'registration number' with regulator to feature

Would quite like to have more visible evidence

Here felt this could only serve to help build confidence

- especially for services they considered less trustworthy
 - here no real ‘risk’ about ‘reminding’ that there might be problems – since that is the ingoing assumption for our consumers anyway
- but overall also can’t see how it could be negative

And would help make PhonepayPlus better known

- so they’d know where to turn IF there was a problem

At present, consumers are not clear on how they might find out

- many say they’d google, but are not sure what for!

Range of suggestions for raising profile

Suggest a range of places where PpP info could be usefully shown

- on the phone bill, or website for non-paper bills
- as part of info you get with new mobile phone
- on all ads for PRS services (as above ‘regulated by’)

Also often believe service advertisers should have links to PpP on websites

Families and children often suggest school- and leisure related information

- eg schools/teachers to inform directly
 - specific suggestion that should come from technology teacher
- or ads at leisure centres, similar, where families go

Additional insights

INSPIRED RESEARCH WORLDWIDE
THINKTANK

Positive response to 'unknown' Payforit

Consumers unaware of Payforit

- not heard of brand
- no recall of using it on-screen

When taken through process, typically positive response

- quite clear
 - some feel consent info etc more palatable when broken down across several screens
- not too cumbersome
 - only our teen girls thought at least one screen could be cut

Positive response to age verification

Positive reception overall...

- awareness that there are services on phone that younger people shouldn't see

...but again near-complete lack of awareness of current mechanisms in-place

- including users of adult services who had never encountered age verification on phones

Typically, current method seen as a good compromise

- difficult 'enough'
 - admit can never be completely 'safe'!
- but doesn't cause TOO much hassle

Positive response to age verification

Here some parents preferred PIN

- because kids might play with their phone
- while adult content users wanted a more simple system

Simply confirming your age seen by all as 'useless'

Recommendations

INSPIRED RESEARCH WORLDWIDE
THINKTANK

Code works with consumers, but visibility could be better

Aims of the code clearly right for consumers

- provides good safeguards
- not too intrusive

But concern that lack of awareness (and, at worst, evidence) of regulation hampers legitimate services

- consumers more reluctant to try
- probably also negative impact on business!

Here 'regulated by PhonepayPlus warmly received by consumers



**Perhaps use simple tools to raise awareness and trust:
eg PpP identity visible on ads?**

Also improve awareness of existing safeguards

Often very positive response when existing safeguards are suggested to consumers

- but they are often not aware these are in place

Consumers also suggest nature of some ads make them assume there isn't much regulation

- 'otherwise, why would this be allowed'



Explore ways of increasing awareness of regulation already in place – make it noticeable?

Would also help to combat the sense of 'lack of control'/slight sense of helplessness around PRS

Pricing transparency needs some improvement

Clear that pricing transparency currently isn't always sufficient for our consumers

- and can mean considerable lack of clarity around ultimate price to be paid



- 1. Increase clarity of pricing information**
 - Minimum font/share of ad?
 - Consider 'symbols' (see example, next slide)
 - Always clearly stated
- 2. Differences in network charges key area to address**
 - Of course this is an area for Ofcom...
 - but currently hard for consumers to even find out what their network might charge
 - perhaps as minimum advertiser to inform how?
 - or charges from 'all networks' hosted by PpP?

Consider clear symbols or labels?

eg.

£1.50 per minute

**Average call:
5 minutes, £7.50**

**One-off charge
£1.50 (BT line)**

**All prices:
www.callcharge.org.uk**

**Subscription
service
Each text alert 25p**

**Weekly cost range
£1-3.50**

**Charge for one
item only**

**£1.50
pay by text**

As alternative/addition – change info texts?

For text-based services, consumers often like clear info sent by text

- this can be sufficient – eg less detail than required in ad
- but **only if no charge or agreement is made until the consumer actively accepts these terms by responding**



If more easy to enforce clear guidelines on text information than in-ad info:
consider mandating active agreement from consumers to text prior to any charges/marketing opt-ins?

Further safeguards for vulnerable?

Addressing transparency will help cater for many vulnerable groups

But appears that children can still easily access premium services

- including subscriptions
- eg age question safeguard isn't sufficient
- and services appear to be marketed to them

While children often quite savvy and parents do take responsibility here, could use assistance?



Information for young people welcome – but are further safeguards needed?

Complaints handling can be improved

Limited consistency in information from telecoms companies at present

- no mention of PhonepayPlus in our groups

And generally among consumers, no knowledge of where to go, how process might work



Case for more consistent/agreed script for operator customer services teams around PRS complaints as first step?
More clarity from advertiser info about where to go?
Clarified process – with details to consumers about where to find out about this?

Thank you!

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