



# Quarterly Report

2008/2009 - Quarter 4

*Published Date: 18 May, 2009*

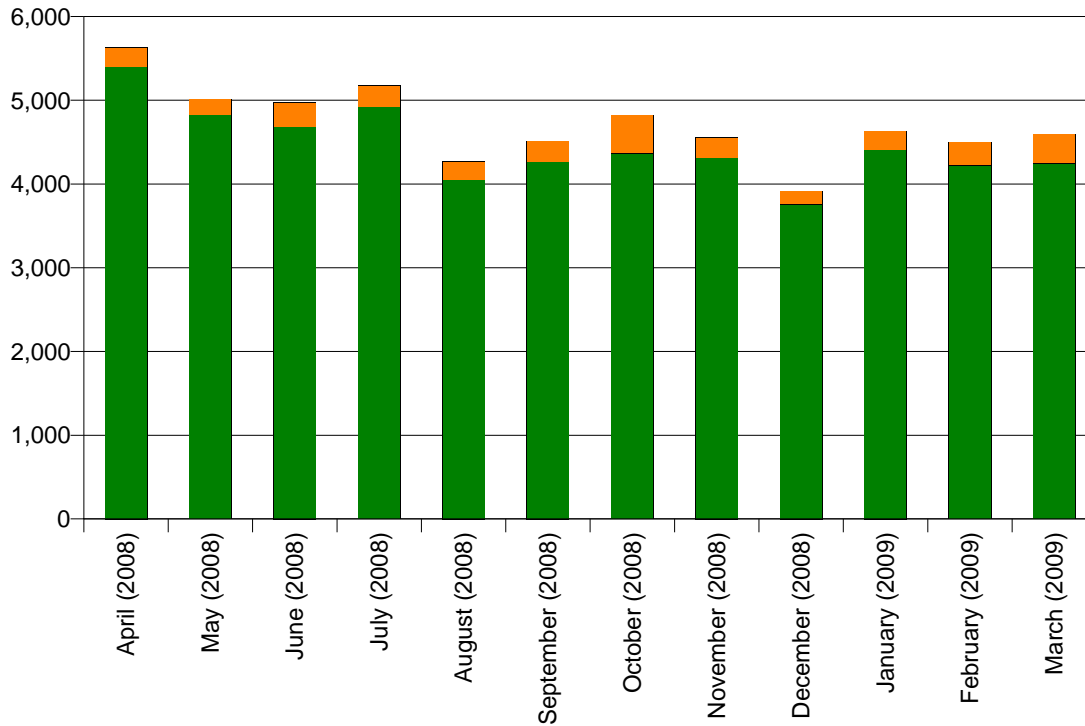
## Report Summary

### Introduction

- A total of 15,095 contacts were made by consumers in Q4 2008/09 via answered Contact Centre calls, web, e-mail and written correspondence. This is an increase of 3.0% from Q3 when 14,652 contacts were made.
- Overall Contact Centre call volume was up 3.3% (13,282 calls in Q3 compared to 13,717 in Q4).
- Of the 15,095 serviced contacts, 4,995 (33%) resulted in actual complaints being logged in Q4.
- Complaints about mobile services accounted for 92% of all complaints logged in Q4 – this matches Q3's mobile complaint mix ratio of 92%.
- In preparation for PhonepayPlus' regulation of 087 numbers in August 2009, enquiries regarding these numbers are being logged:
  - Q4: 106 contacts
  - Q3: 117 contacts
  - Q2: 193 contacts
  - Q1: 187 contacts
- The volume of numbers checked on the PhonepayPlus website has remained relatively stable from Q3 to Q4 – 217,147 total checks for Q4 versus 213,587 in Q3.
- Total fines invoiced in Q4 amounted to £1,028,000.

### Chart 1.1 - Customer Service Call Volume

Abandoned  
Calls Answered

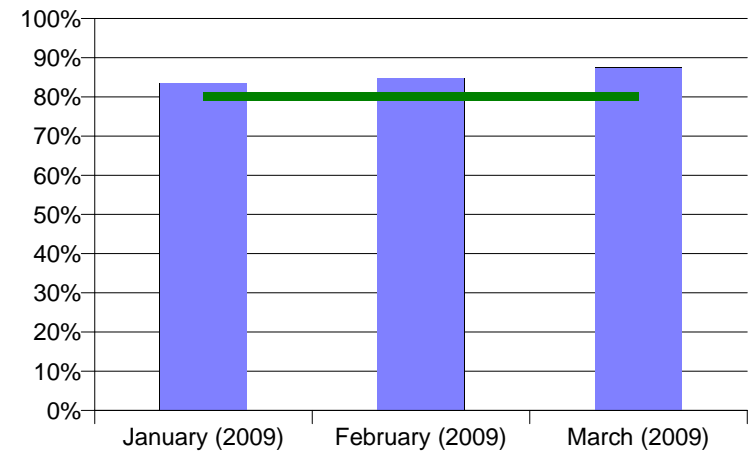


**Comments:**

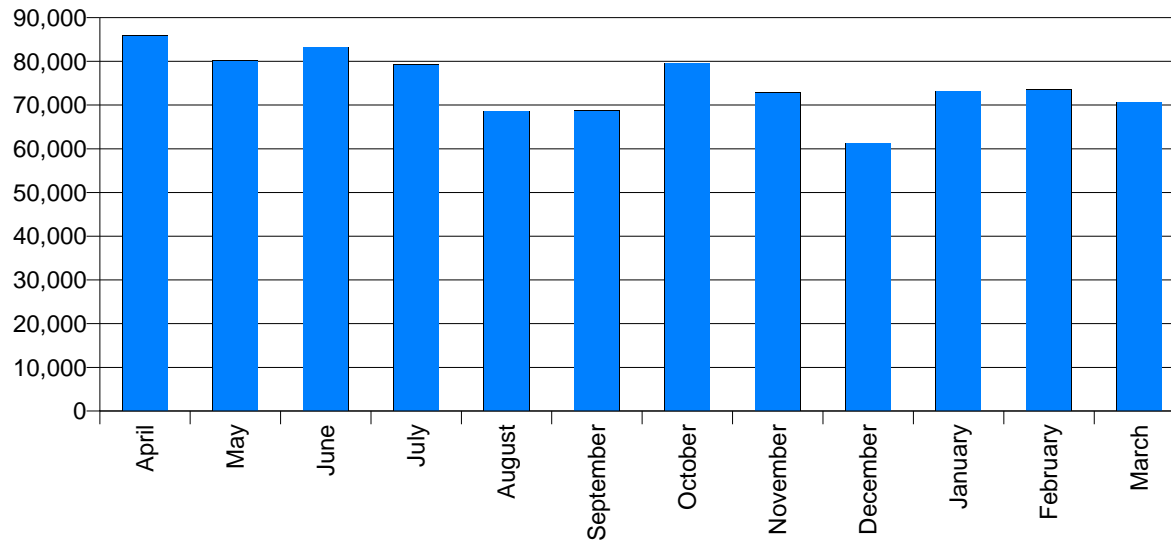
This report contains abandoned calls (calls coming in that hang up before a advisor has a chance to answer) as a measure of the Contact Centre's ability to handle call volume. KPI for percentage of calls answered within 30 seconds is 80%.

Month	Calls Answered	Calls Abandoned	Total Calls Offered
April (2008)	5,404	224	5,628
May (2008)	4,826	186	5,012
June (2008)	4,687	287	4,974
July (2008)	4,921	252	5,173
August (2008)	4,056	210	4,266
September (2008)	4,267	244	4,511
October (2008)	4,366	458	4,824
November (2008)	4,314	235	4,549
December (2008)	3,759	150	3,909
January (2009)	4,410	219	4,629
February (2009)	4,223	275	4,498
March (2009)	4,251	339	4,590
<b>Totals for Period:</b>	<b>53,484</b>	<b>3,079</b>	<b>56,563</b>

### Chart 1.2 - KPI: % of Calls Answered < 30 Sec



### Chart 1.3 - Number Checker Usage

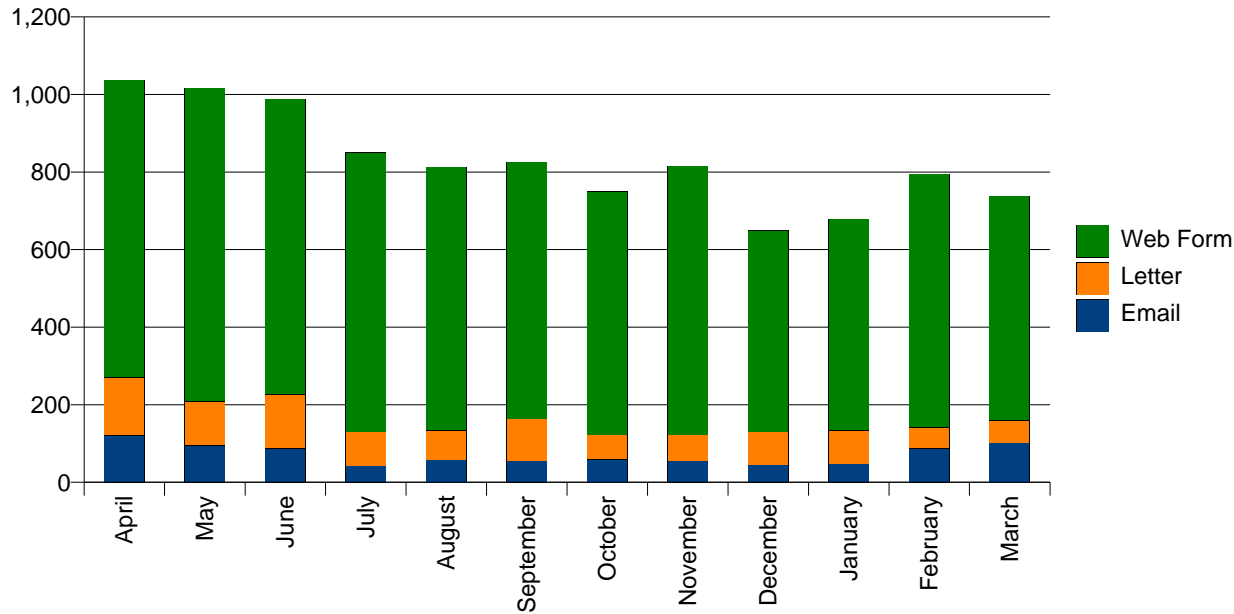


#### Comments:

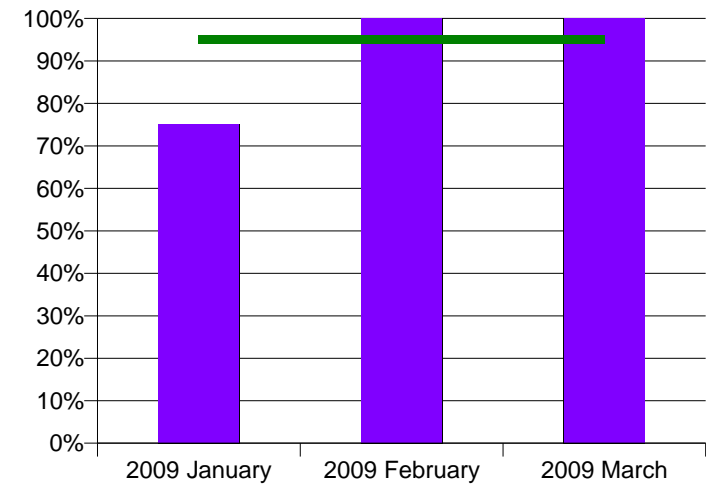
- Chart 1.3 - Number Checker Usage includes web, IVR, and SMSus number checks.
- PRN = Premium Rate Numbers that are not SMS shortcodes.
- The "Other" category contains out of remit, National, and mobile numbers along with mistyped number searches.

Number Type	PRN	Shortcode	Directory Enquiries	070	Other	Month Totals
April	29,337	29,845	339	1,736	24,599	<b>85,856</b>
May	27,552	28,218	297	1,659	22,340	<b>80,066</b>
June	30,635	28,690	315	1,463	22,173	<b>83,276</b>
July	28,895	26,283	360	1,487	22,208	<b>79,233</b>
August	26,122	21,071	346	1,468	19,611	<b>68,618</b>
September	26,908	21,451	327	1,325	18,646	<b>68,657</b>
October	33,236	23,120	342	1,242	21,578	<b>79,518</b>
November	28,929	23,213	331	1,223	19,093	<b>72,789</b>
December	25,263	19,180	301	1,083	15,453	<b>61,280</b>
January	30,344	22,723	389	1,029	18,631	<b>73,116</b>
February	29,016	24,709	370	1,049	18,299	<b>73,443</b>
March	28,624	22,006	500	1,122	18,336	<b>70,588</b>
<b>Totals for Period:</b>	<b>344,861</b>	<b>290,509</b>	<b>4,217</b>	<b>15,886</b>	<b>240,967</b>	<b>896,440</b>

### Chart 1.4 - Correspondence Contacts



### Chart 1.5 - KPI: Out of Remit Correspondence < 10 Days

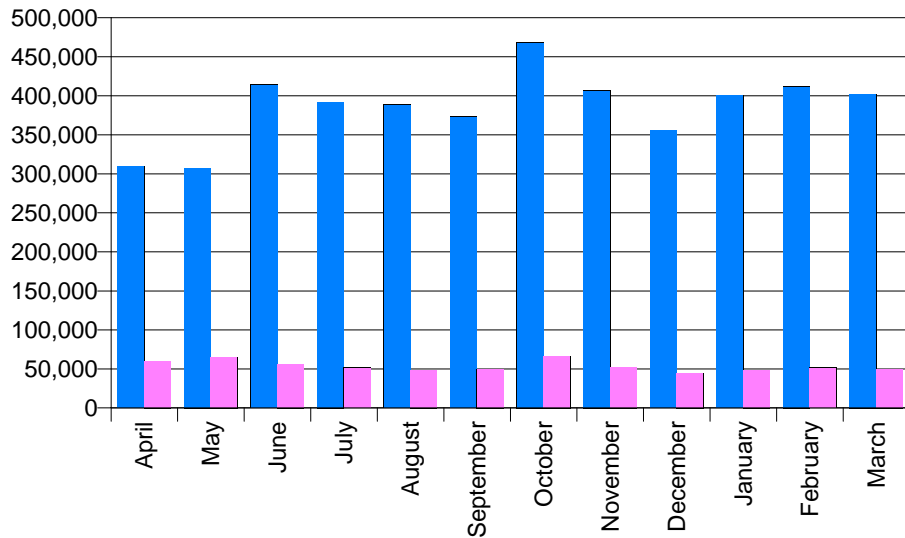


**Comments:**

KPI: A member of staff, who has since left, was responsible for a backlog of correspondence. This has since been cleared and the process has been modified to alert managers should the problem arise again.

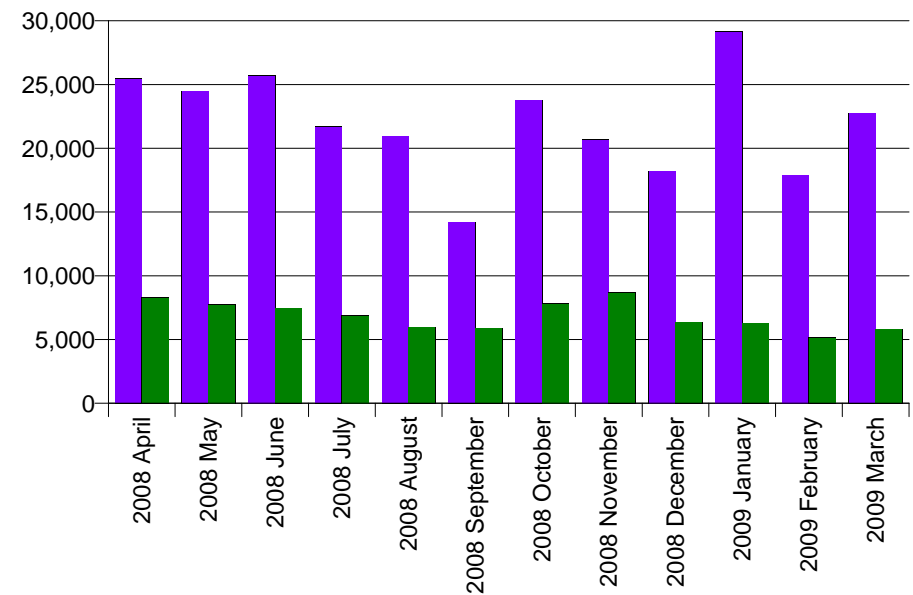
Type of Contact	Email	Letter	Web Form	Month Totals
April	122	149	766	<b>1,037</b>
May	95	114	807	<b>1,016</b>
June	88	139	760	<b>987</b>
July	43	88	719	<b>850</b>
August	59	76	677	<b>812</b>
September	56	109	661	<b>826</b>
October	59	65	625	<b>749</b>
November	57	66	692	<b>815</b>
December	46	84	519	<b>649</b>
January	48	86	544	<b>678</b>
February	88	55	652	<b>795</b>
March	102	58	578	<b>738</b>
<b>Totals for Period:</b>	<b>863</b>	<b>1,089</b>	<b>8,000</b>	<b>9,952</b>

### Chart 1.6a - PhonepayPlus Web Site Page Views & Visits



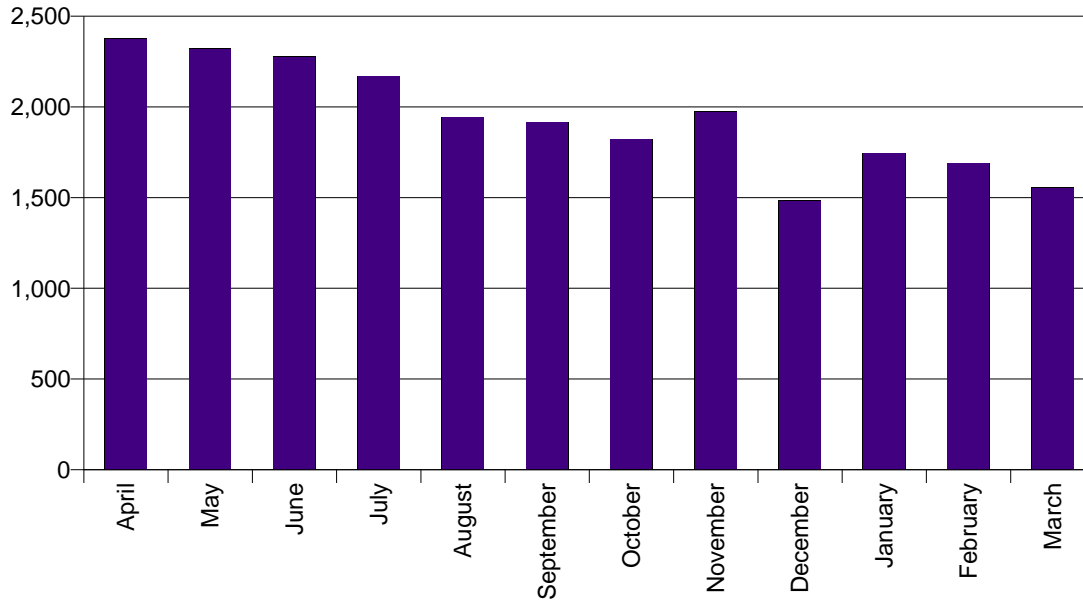
Month	Page Views	Visits
April	309,358	59,730
May	307,146	64,872
June	414,283	55,709
July	391,898	51,296
August	388,321	48,839
September	372,953	49,437
October	468,020	66,233
November	406,328	52,531
December	355,551	44,604
January	400,779	48,799
February	411,544	51,407
March	402,175	49,867
<b>Total for Period:</b>	<b>4,628,356</b>	<b>643,324</b>

### Chart 1.6b - PhoneBrain Web Site Page Views & Visits



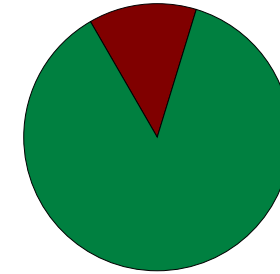
Month	Page Views	Visits
2008 April	25,430	8,271
2008 May	24,478	7,722
2008 June	25,692	7,426
2008 July	21,670	6,864
2008 August	20,923	5,978
2008 September	14,206	5,892
2008 October	23,726	7,821
2008 November	20,676	8,652
2008 December	18,233	6,351
2009 January	29,154	6,280
2009 February	17,909	5,129
2009 March	22,766	5,791
<b>Total for Period:</b>	<b>264,863</b>	<b>82,177</b>

### Chart 2.1 - All Complaints Logged



### Chart 2.2 - Reason for Complaint Q4

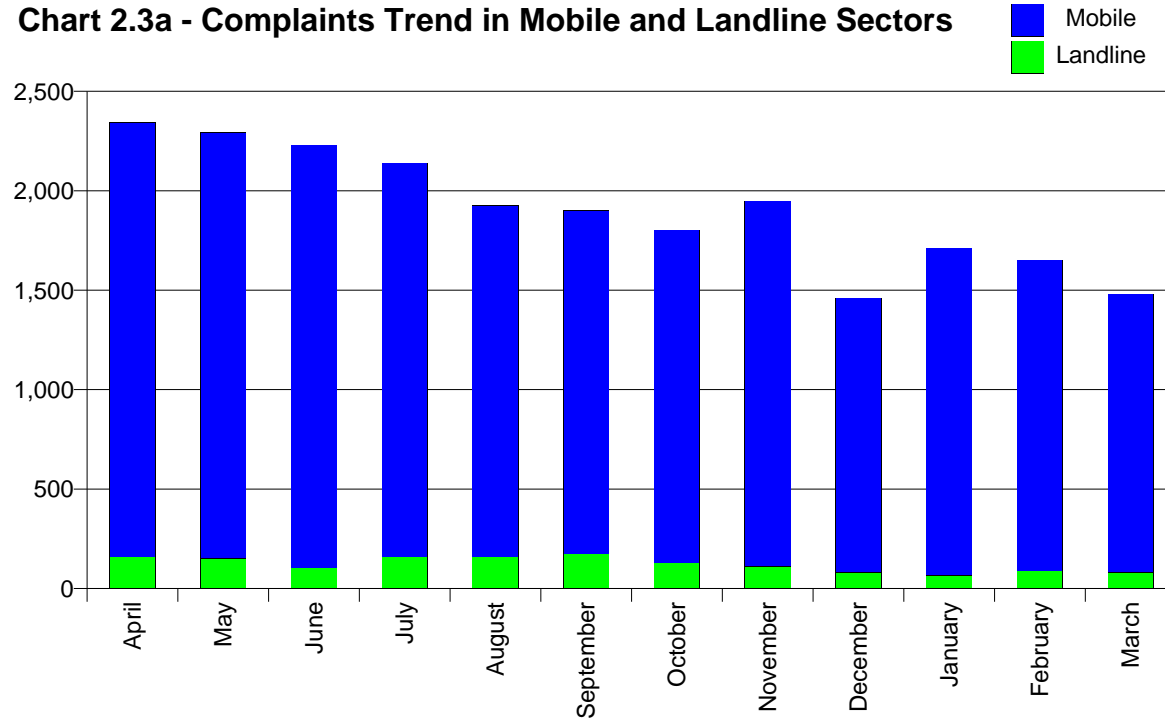
Promotion of the Service/Product ( 13% )



Operation of Service ( 87% )

Source of Complaint	Phone	Web	Correspondence	Other	Month Totals
April	1,681	645	39	13	<b>2,378</b>
May	1,569	719	26	7	<b>2,321</b>
June	1,621	622	28	4	<b>2,275</b>
July	1,540	615	14	1	<b>2,170</b>
August	1,376	546	15	6	<b>1,943</b>
September	1,363	524	28	1	<b>1,916</b>
October	1,308	490	19	4	<b>1,821</b>
November	1,400	565	6	3	<b>1,974</b>
December	1,073	406	5	1	<b>1,485</b>
January	1,301	439	4	3	<b>1,747</b>
February	1,155	530	4	2	<b>1,691</b>
March	1,078	468	8	3	<b>1,557</b>
<b>Totals for Period:</b>	<b>16,465</b>	<b>6,569</b>	<b>196</b>	<b>48</b>	<b>23,278</b>

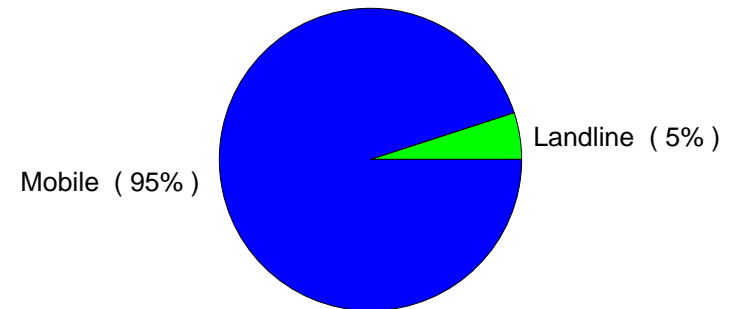
**Chart 2.3a - Complaints Trend in Mobile and Landline Sectors**



Month	Landline	Mobile	Month Totals
April	161	2,182	2,343
May	153	2,138	2,291
June	104	2,125	2,229
July	160	1,979	2,139
August	160	1,765	1,925
September	176	1,724	1,900
October	130	1,672	1,802
November	112	1,837	1,949
December	82	1,376	1,458
January	68	1,644	1,712
February	89	1,563	1,652
March	83	1,397	1,480
<b>Sum:</b>	<b>1,478</b>	<b>21,402</b>	<b>22,880</b>

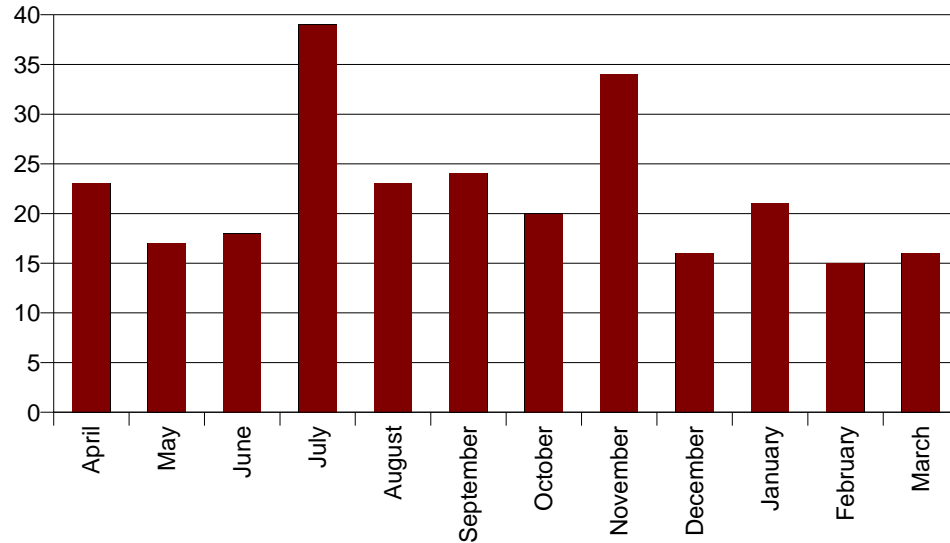
**Chart 2.3b - Mix of Mobile vs. Landline Sector Complaints Q4**

Month	070 Complaints
October	57
November	50
December	34
January	27
February	38
March	23
<b>Sum:</b>	<b>229</b>





**Chart 3.1 - Lead Cases Identified**



Month	Lead Cases Identified
April	23
May	17
June	18
July	39
August	23
September	24
October	20
November	34
December	16
January	21
February	15
March	16
<b>Total for Period:</b>	<b>266</b>

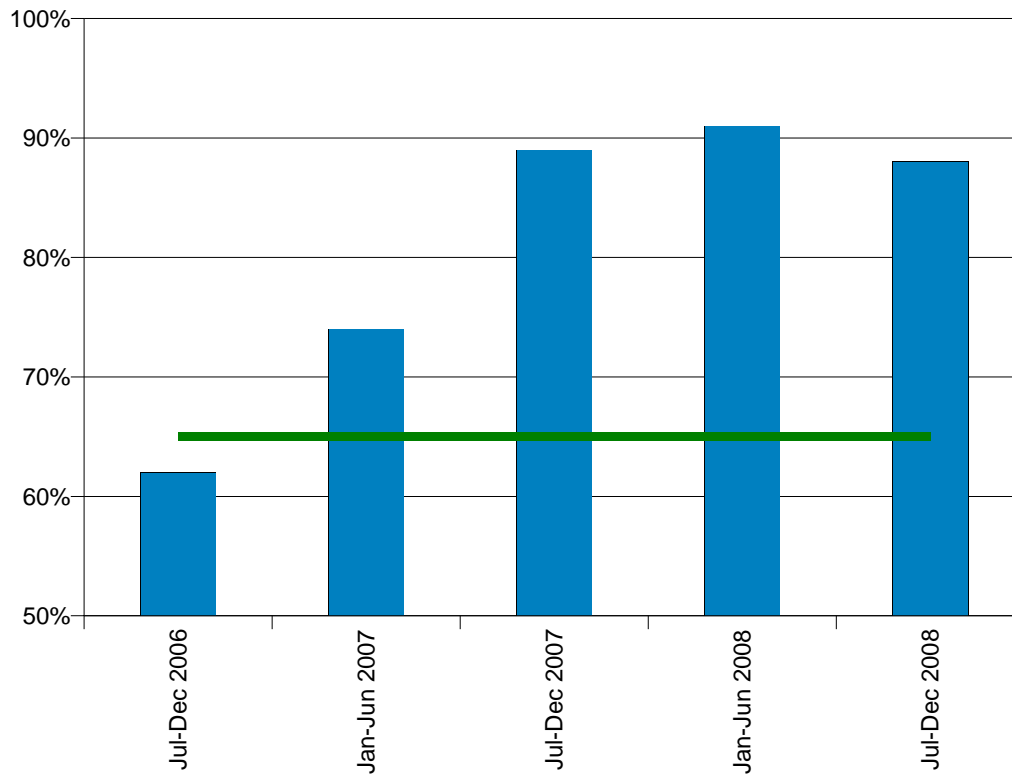
**Current Open Investigations as of May 13th: 70 Cases**

Open Investigations by Sector	Cases
Landline	4
Mobile	66
<b>Sum:</b>	<b>70</b>

**Comments:**

The rate of allocation of new cases remains steady with the total number of open lead cases sitting at just below the target figure of 72. Recently allocated cases include a number of referrals from Ofcom but centre mainly upon continuing issues relating to affiliate-promoted web-based subscription services and virtual chat.

**Chart 3.2 - KPI: Customer Satisfaction \***



\* This measures the satisfaction levels of complainants in receipt of an adjudication letter.

**Comments:**

- 88% of people surveyed were satisfied or above ( July – Dec 08)
- 39% of complainants responded to our survey (80 out of 206 Contacted for survey)
- 61% felt we met our target timeframe for the investigations (a decrease from 82% over the last 6 months)
- 83% felt we explained the outcome sufficiently
- 65% of respondents due a refund felt we clearly explained how to obtain it
- 11% of complainants attempted to retrieve a refund and were successful

## Outpayment Amounts

Fiscal Year	Quarter	Mobile	Landline	DQ	Totals for Quarter
2007/2008	Q1	£67,209,538	£60,879,308	£28,869,040	£156,957,886
	Q2	£67,324,028	£55,100,297	£32,111,315	£154,535,640
	Q3	£73,490,259	£55,883,148	£32,225,116	£161,598,523
	Q4	£70,003,933	£48,057,125	£31,993,216	£150,054,274
	<b>Totals:</b>	<b>£278,027,758</b>	<b>£219,919,878</b>	<b>£125,198,687</b>	<b>£623,146,323</b>

Fiscal Year	Quarter	Mobile	Landline	DQ	Totals for Quarter
2008/2009	Q1	£70,279,646	£48,909,495	£30,920,841	£150,109,982
	Q2	£67,589,657	£45,685,347	£32,029,480	£145,304,484
	Q3	£71,204,735	£53,505,883	£27,755,970	£152,466,588
	<b>Totals:</b>	<b>£209,074,038</b>	<b>£148,100,725</b>	<b>£90,706,291</b>	<b>£447,881,054</b>

**Total fines levied Financial YTD: £2,359,309**

**Total fines paid Financial YTD: £1,332,564**

**56% Collection Rate of Fines Levied**

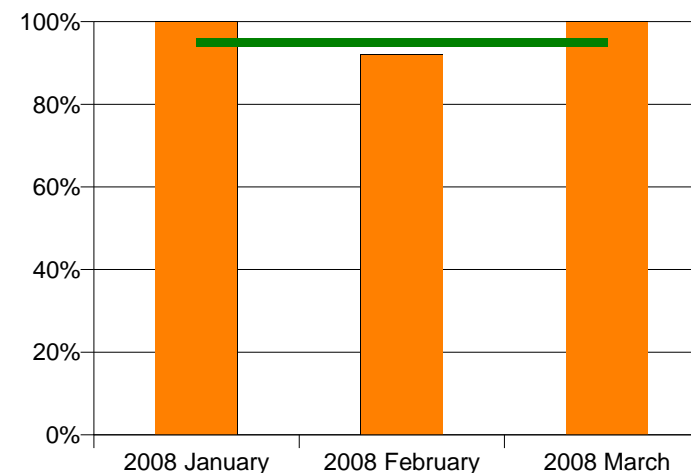
### Aged Debt Analysis:

> 90 Days: £ 506,745  
 61 – 90 Days: £ 135,000  
 30 – 60 Days: £ 150,000  
 < 30 Days: £ 235,000

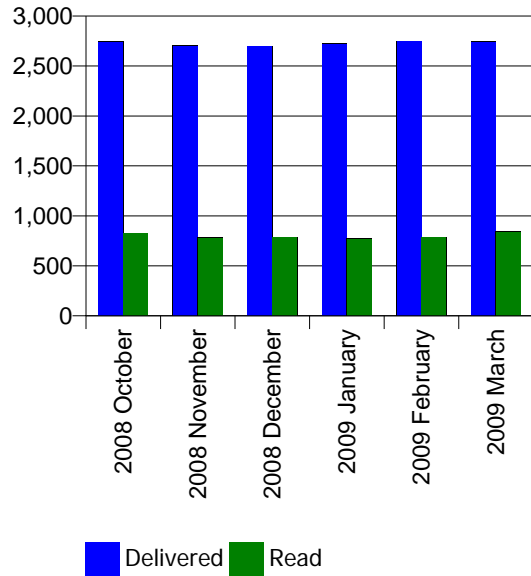
### Comments:

Fine invoices missed the KPI target of 95% in February due to low Legal resources in February.

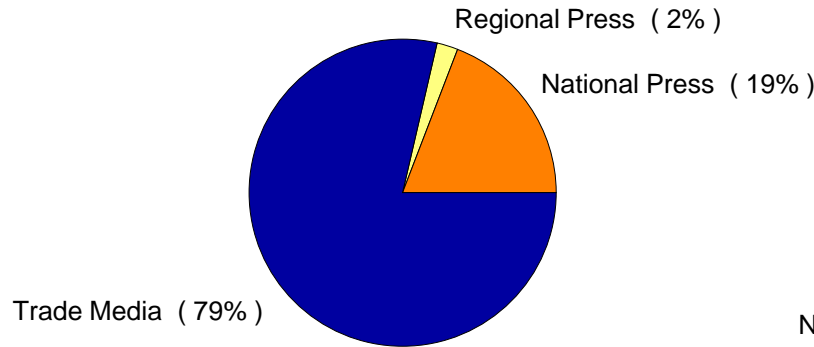
**Chart 4.1 - KPI: Fine Invoices < 10 Days of Tribunal Date**



**Chart 5.1 - External PhonepayPlus Newsletter Readership**

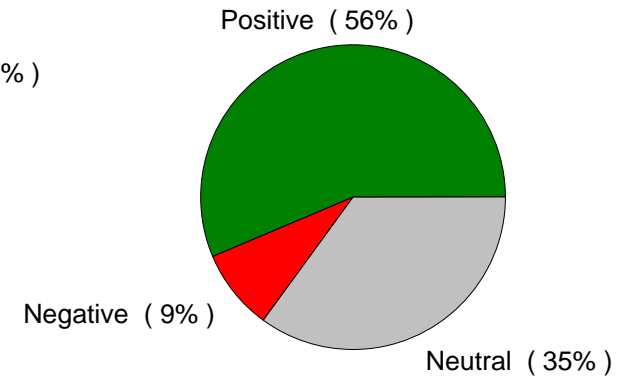


**Chart 5.2a - Press Article Type Q4**



**Articles Published in Q4: 94**

**Chart 5.2b - Press Article Tone Q4**



**Note:** Article Tone is measured internally by our Communications Team

## Communications Team

### 10 announcements:

- PhonepayPlus announces nine more companies awarded permission to provide phone-paid broadcast services (12 January)
- Nick Cracknell prohibited from running phone-paid services for two years (14 January)
- New measures for mobile phone-paid services and their marketing (22 January)
- Notice to Industry: Virtual Chat and Date services advertising that consumers can meet others through the service (30 January)
- PhonepayPlus outlines transition to premium rate regulation of 087 (5 February)
- PhonepayPlus issues guidance on how and when PhonepayPlus will deal directly with an information provider (5 February)
- Notice to Industry: Reminder about prior permission deadline for mobile subscription and charge per page services (25 February)
- Paul Whiteing appointed Chief Executive of PhonepayPlus (3 March)
- PhonepayPlus announces levy for 1 April 2009 – 31 March 2010 (11 March)

## Communications Team continued

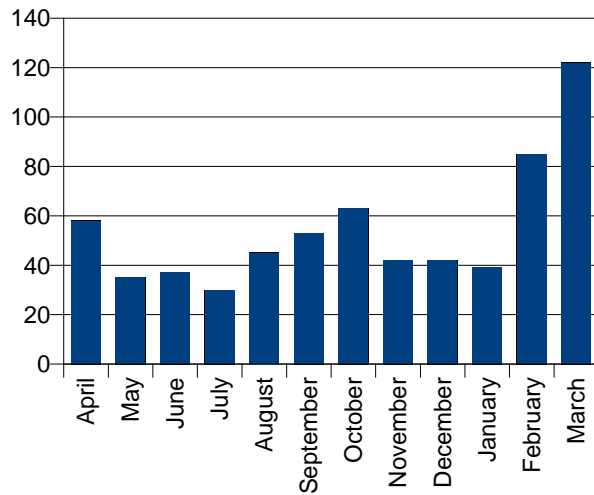
### 3 events:

- PhonepayPlus Forum 'The marketing of phone-paid services'
  - Held at Novotel Tower Bridge, London
  - 90 stakeholder delegates (including consumer bodies, mobile networks, service providers and other regulators)
  - Presentations from Mike Parsons, Tribal DDB UK; Caroline Roberts, Direct Marketing Association; Paul Whiteing, PhonepayPlus; Jacqui Brookes, Industry Liaison Panel (ILP). Mobile Marketing Association and Technology & Innovation Panels were conducted
  
- PhonepayPlus 087 Workshops
  - Held in Manchester and London
  - 110 stakeholder delegates (including networks, service providers and information providers)Workshops consisted of:
  - information on PhonepayPlus, its regulation and how it will apply to the 087 number range
  - an in-depth look at PhonepayPlus' Statement of Application for 0871, 0872 and 0873 services
  - break-out sessions focusing on specific compliance areas

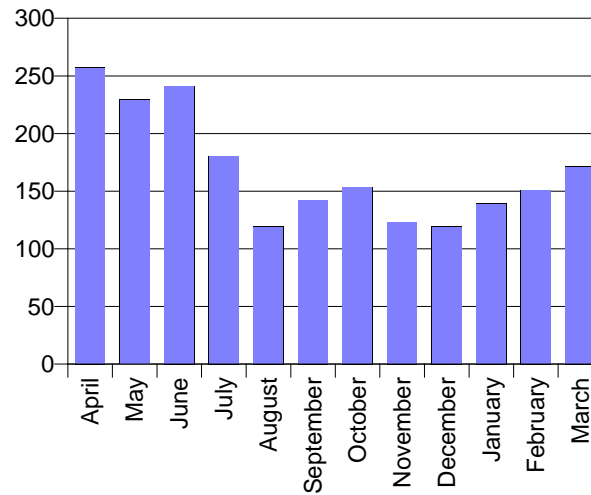
### Other activity:

- PhonepayPlus in attendance at Communication Management Association (CMA) Annual Conference (24-25 February)
  
- PhonepayPlus in attendance at Office of Fair Trading (OFT) conference on self-regulation and industry led compliance (18 March)

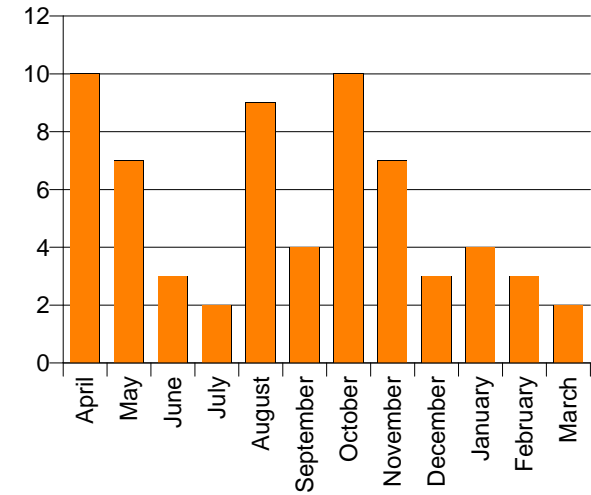
### Chart 6.1 - Industry Advice



### Chart 6.2 - Industry Enquiries



### Chart 6.3 - Industry Applications



#### Comments:

- While the number of Prior Permission applications appears to be relatively low for the quarter, around 50 applications were received, but not logged until April. These were in respect of two new Prior Permissions regimes: 1) for subscription services which cost more than £4.50 in any given seven day period and 2) for services which charge per page or image viewed.
- Industry Advice has spiked by more than 200% between January and March. This can be partly explained by better discipline regarding the logging of advice which the ISP Team dispenses, but there are a variety of other factors such as new Prior Permissions regimes, and an increase in the use of forced compliance advice as a sanction by the Code Compliance Panel. We expect two other factors to continue into the next quarter: 1) Enquiries about 087 regulation before it commences in August and 2) Greater general visibility for the ISP Team on the revamped PhonepayPlus website.
- Industry Enquiries are currently at their highest point since July 2008, and continue to rise at present.
- In terms of other work, ISP continues to lead in terms of the review of the PhonepayPlus Code of Practice, and in preparation for 087 regulation. We have run workshops for networks and service providers in the 087 sector (alongside Communications Team), and will shortly commence workshops for Information Providers. In addition we have begun, or will shortly begin, reviewing a number of existing policy areas.

Month	Advice	Enquiries	Applications
April	58	257	10
May	35	229	7
June	37	241	3
July	30	180	2
August	45	119	9
September	53	142	4
October	63	153	10
November	42	123	7
December	42	119	3
January	39	139	4
February	85	151	3
March	122	171	2
<b>Total for Period:</b>	<b>651</b>	<b>2,024</b>	<b>64</b>

## Research Team

Research undertaken by and on behalf of PhonepayPlus is used to increase our understanding of market and industry trends in order to improve our operations and policy-making and market risk management. A programme of service monitoring and testing also identifies emerging trends and issues with platforms and services. Problems identified with specific services are passed onto the Investigations Team and Industry Support and Policy Team for further work.

*Research conducted in-house and commissioned research (including ongoing projects):*

- 087-based phone services market report and consumer experiences. Research carried out by Analysys Mason, due to be published on the PhonepayPlus website in the near future
- Analysis of consumer experiences prior to contacting PhonepayPlus and following closure of their query or complaint. This work is intended to increase our understanding of the consumer's journey and experience when they have a query or complaint about a phone-paid service. Research being carried out by Recom
- Research project being undertaken in-house to give us a comprehensive understanding of adult verification procedures and how these work in practice.
- Review of services promoted on UK-based foreign language TV programmes
- A review of compliance advice given when setting up premium rate services
- Investigating monetisation and promotion of phone-paid services through social media
- Analysis of the subscription services market and compliance following the review of the regulation of mobile phone-paid services and their marketing
- Video and Voice Shortcodes – Investigating their prevalence and workings

*Ongoing monitoring and testing of services:*

In the fourth quarter of 2008/09, monitoring and testing activities included the following:

- Services advertised in mid-shelf, top-shelf publications and newspapers
- Mobile content services in general
- Service billed using Payforit
- Virtual chat, contact and dating services
- Services promoted through adult participation TV shows