



# Quarterly Report

2009/2010 - Quarter 2

*Published Date: 13 November, 2009*

## Report Summary

### Introduction

- Overall complaints logged have decreased 40% for 2009/2010 Q2 in comparison to Q2 of 2008/2009 (6,029 vs. 3,625)
- Complaints for the mobile sector in 2009/2010 Q2 have decreased 41% in comparison to Q2 of 2008/2009 (5,468 vs. 3,234)
- Call volumes in 2009/2010 Q2 have decreased only 1.5% in comparison to Q2 of 2008/2009 (13,244 vs. 13,047)
- A forensic analysis of 10% of mobile service-related complaints in the last two months of Q2 indicates:
  - WAP services account for 32% of complaints
  - Adult chat and date accounts for 13% of complaints
  - Wallpaper and ringtone downloads account for 31% of complaints

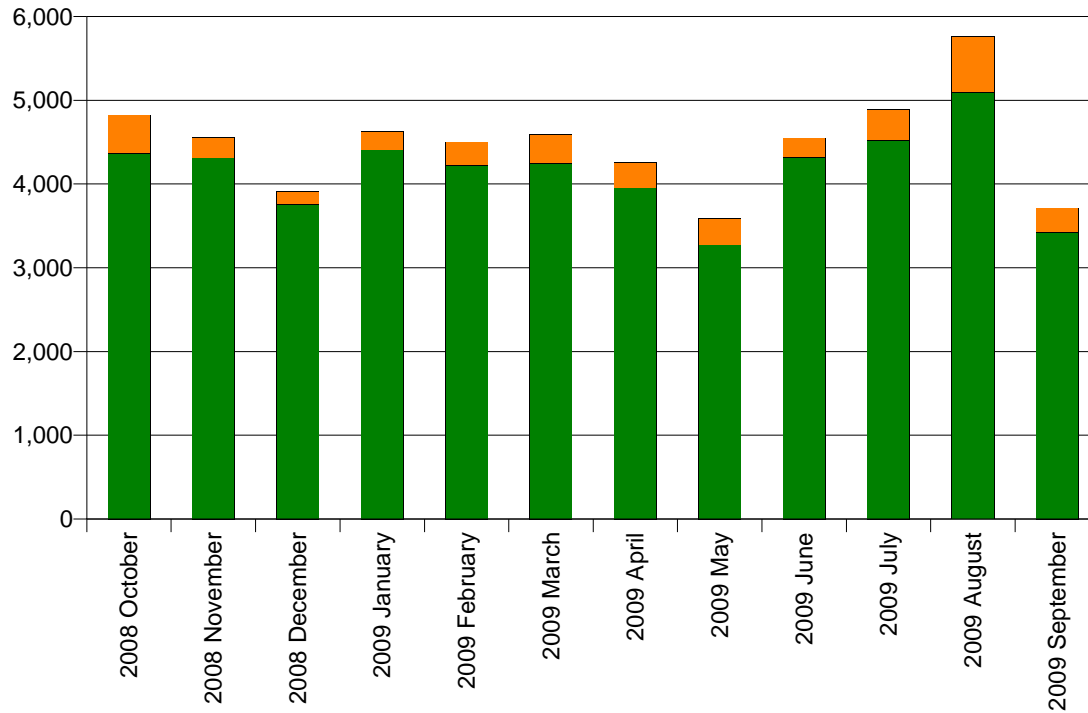
*We are currently making changes to our database to allow this level of complaint data to be recorded each month in the report for all mobile service-related complaints*

- 88% of complainants contacted for our customer satisfaction questionnaire were categorised as being satisfied or above with the outcome of our adjudications
- Of the 304 landline complaints PhonepayPlus received in Q2, 95 complaints logged in Aug and Sept were in relation to 087 numbers
- We have one open 087 investigation relating to the receipt of missed calls

# Quarterly Report - 2009/2010 Q2

**Chart 1.1 - Customer Service Call Volume**

Abandoned  
Calls Answered

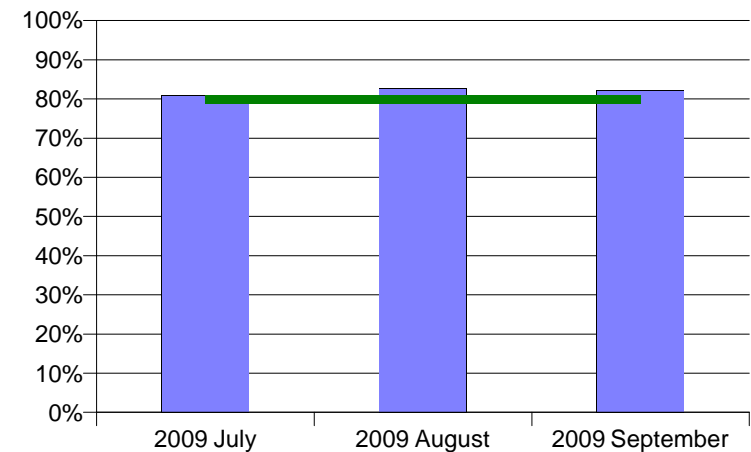


Month	Calls Answered	Calls Abandoned	Total Calls Offered
2008 October	4,366	458	4,824
2008 November	4,314	235	4,549
2008 December	3,759	150	3,909
2009 January	4,410	219	4,629
2009 February	4,223	275	4,498
2009 March	4,251	339	4,590
2009 April	3,960	295	4,255
2009 May	3,276	315	3,591
2009 June	4,320	225	4,545
2009 July	4,525	361	4,886
2009 August	5,101	663	5,764
2009 September	3,421	291	3,712
<b>Totals for Period:</b>	<b>49,926</b>	<b>3,826</b>	<b>53,752</b>

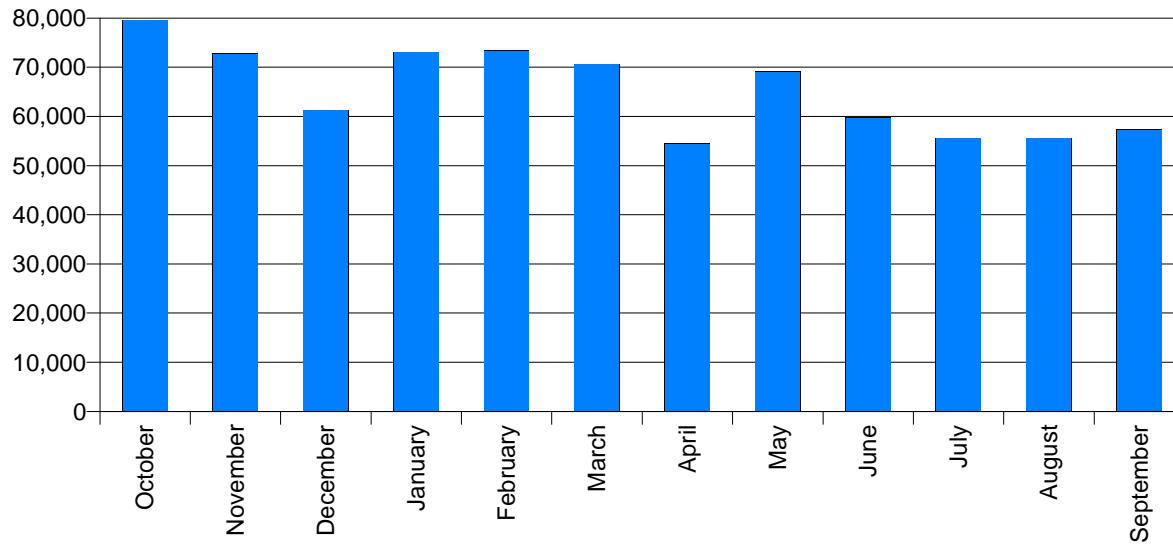
**Comments:**

The significant increase in call volume in August is due to a change in the PhonepayPlus' Customer Help Line menu. The option advising callers of BT contact details was removed. This option was re-instated in late August and the subsequent reduction in calls has been observed. KPI for percentage of calls answered within 30 seconds is 80%.

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



**Chart 1.3 - Number Checker Usage**



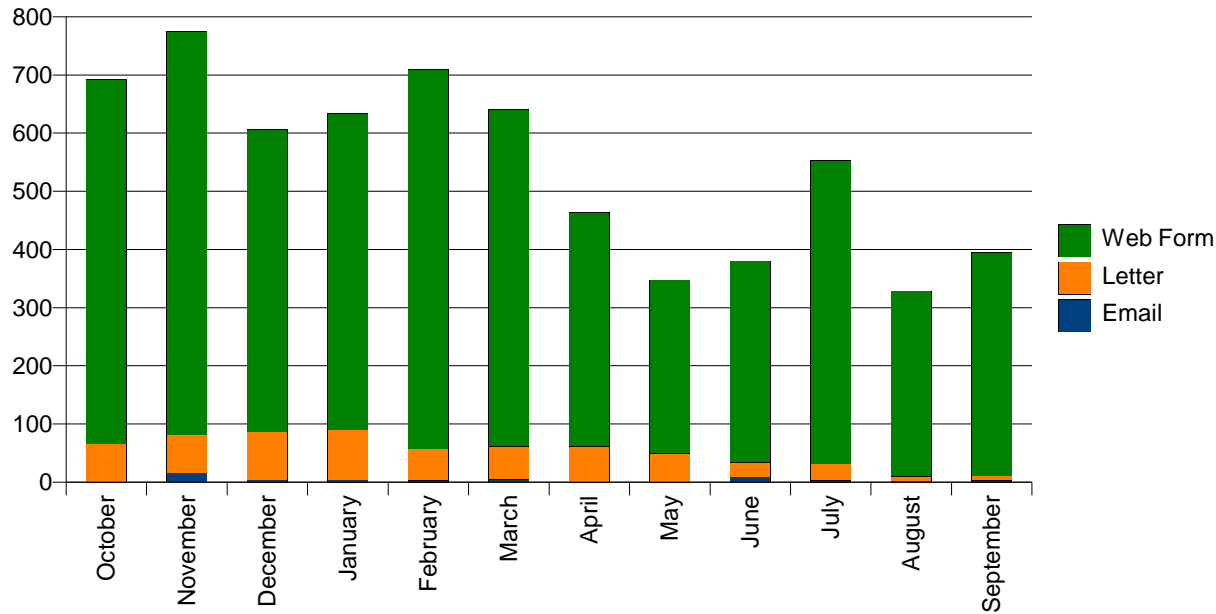
**Comments:**

- 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

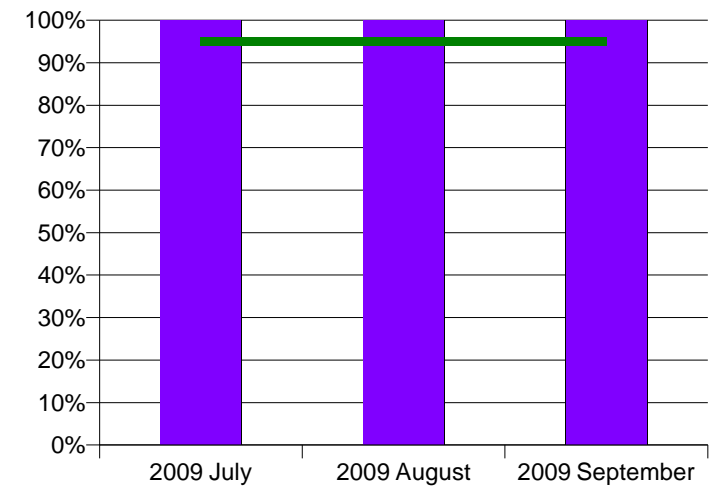
Number Type	PRN	Shortcode	Directory Enquiries	070	087	Other	Month Totals
October	31,368	22,405	326	867	1,764	22,788	<b>79,518</b>
November	27,351	22,623	316	823	1,599	20,077	<b>72,789</b>
December	23,881	18,659	290	731	1,551	16,168	<b>61,280</b>
January	28,737	22,037	369	645	1,749	19,579	<b>73,116</b>
February	27,187	24,382	353	684	1,725	19,112	<b>73,443</b>
March	27,030	21,599	479	669	1,722	19,089	<b>70,588</b>
April	20,644	17,249	368	550	1,310	14,332	<b>54,453</b>
May	28,777	19,341	327	762	1,927	17,945	<b>69,079</b>
June	24,512	18,660	376	583	1,566	14,027	<b>59,724</b>
July	22,731	16,854	419	706	1,486	13,306	<b>55,502</b>
August	23,608	16,647	295	667	1,889	12,397	<b>55,503</b>
September	24,599	15,829	280	804	1,706	14,052	<b>57,270</b>
<b>Totals for Period:</b>	<b>310,425</b>	<b>236,285</b>	<b>4,198</b>	<b>8,491</b>	<b>19,994</b>	<b>202,872</b>	<b>782,265</b>

# Quarterly Report - 2009/2010 Q2

**Chart 1.4 - Contact Centre Correspondence Contacts**

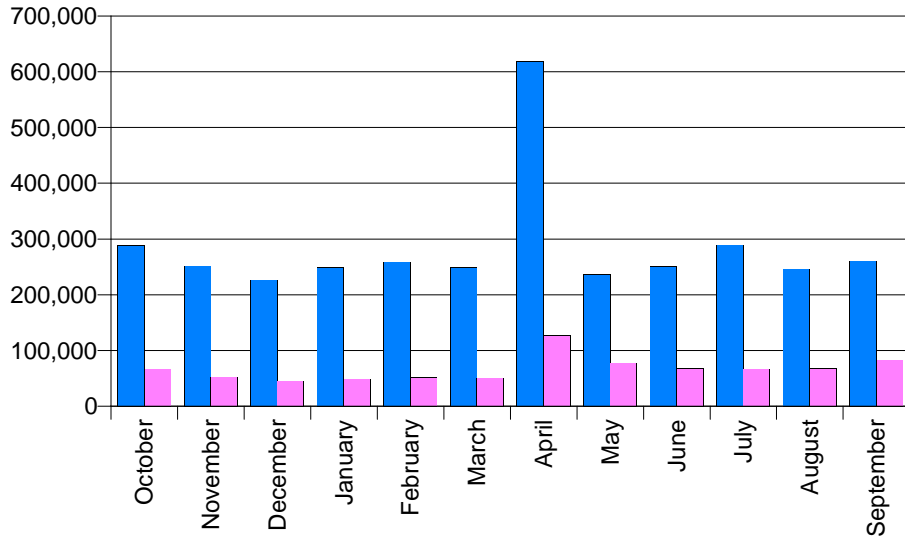


**Chart 1.5 - KPI: Out of Remit Correspondence < 10 Days**

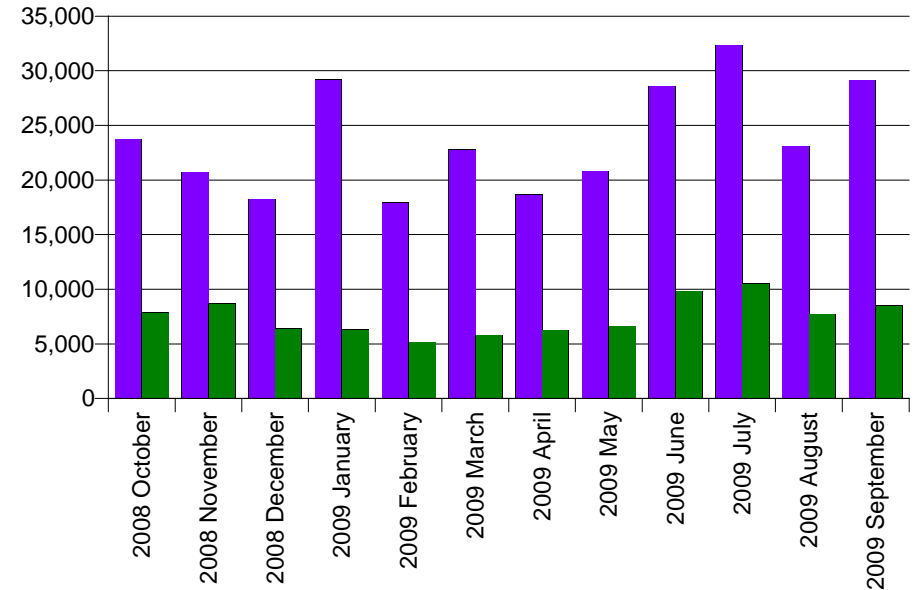


Type of Contact	Email	Letter	Web Form	Month Totals
October	1	65	626	<b>692</b>
November	16	66	692	<b>774</b>
December	4	83	519	<b>606</b>
January	4	86	543	<b>633</b>
February	3	54	652	<b>709</b>
March	5	57	578	<b>640</b>
April		62	401	<b>463</b>
May	1	48	298	<b>347</b>
June	9	25	346	<b>380</b>
July	3	29	521	<b>553</b>
August	2	8	318	<b>328</b>
September	3	8	384	<b>395</b>
<b>Totals for Period:</b>	<b>51</b>	<b>591</b>	<b>5,878</b>	<b>6,520</b>

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



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



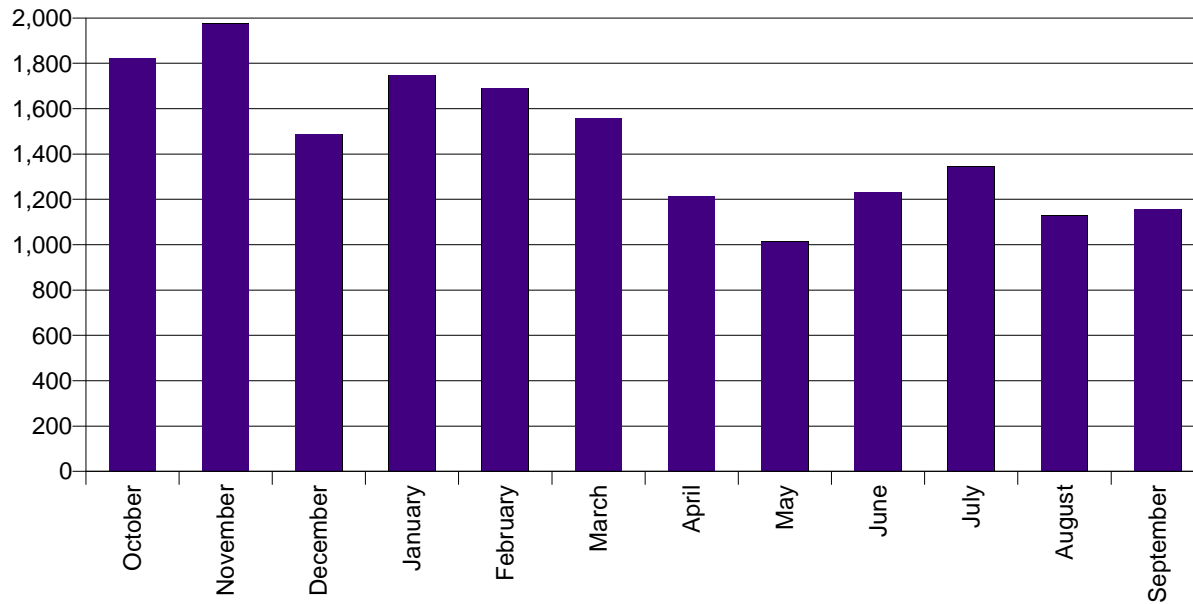
Month	Page Views	Visits
October	287,697	66,233
November	251,144	52,531
December	225,835	44,604
January	247,979	48,799
February	257,944	51,407
March	248,928	49,867
April	617,802	126,528
May	235,240	77,237
June	249,567	66,987
July	288,131	66,407
August	245,671	67,638
September	259,522	82,109
<b>Total for Period:</b>	<b>3,415,460</b>	<b>800,347</b>

#### Comments:

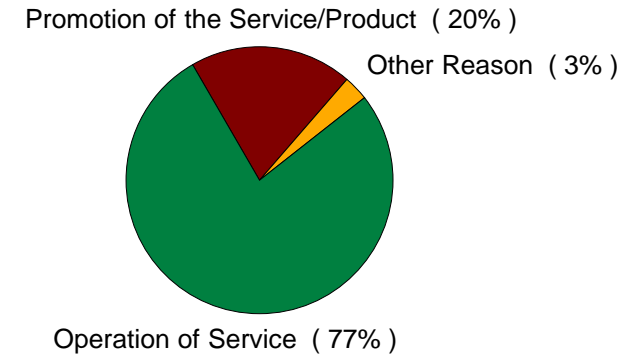
- The spike in activity for April is due to the new PhonepayPlus website launch on April 14
- The method by which page views are calculated needed to be adjusted to match the new site's structure
- Pre-April 14 page view numbers have been modified and will vary from previous published figures

Month	Page Views	Visits
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
2009 April	18,641	6,228
2009 May	20,815	6,612
2009 June	28,591	9,818
2009 July	32,346	10,500
2009 August	23,088	7,709
2009 September	29,115	8,460
<b>Total for Period:</b>	<b>285,060</b>	<b>89,351</b>

**Chart 2.1 - All Complaints Logged**



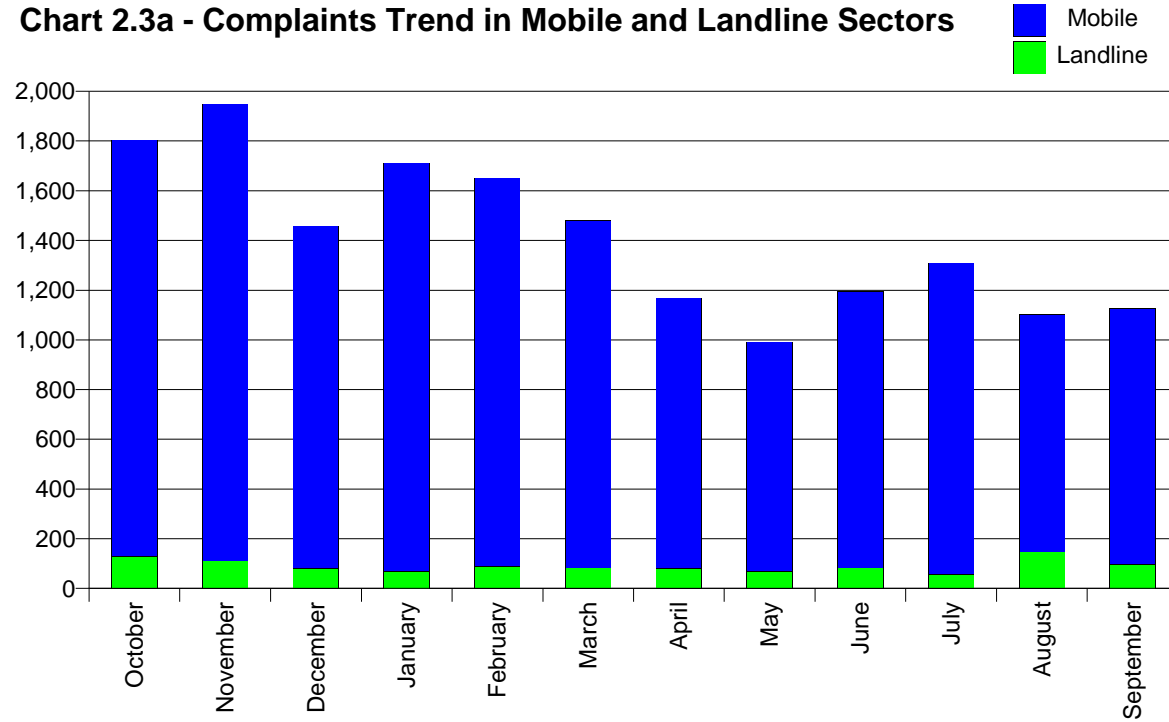
**Chart 2.2 - Reason for Complaint Q2**



Source of Complaint	Phone	Web	Correspondence	Other	Month Totals
October	1,307	491	19	4	1,821
November	1,400	565	6	3	1,974
December	1,073	406	5	1	1,485
January	1,301	438	4	3	1,746
February	1,154	530	4	2	1,690
March	1,078	469	8	3	1,558
April	869	339		7	1,215
May	738	268	3	4	1,013
June	927	286	6	11	1,230
July	944	373	6	20	1,343
August	833	272	2	20	1,127
September	807	330	3	15	1,155
<b>Totals for Period:</b>	<b>12,431</b>	<b>4,767</b>	<b>66</b>	<b>93</b>	<b>17,357</b>

# Quarterly Report - 2009/2010 Q2

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



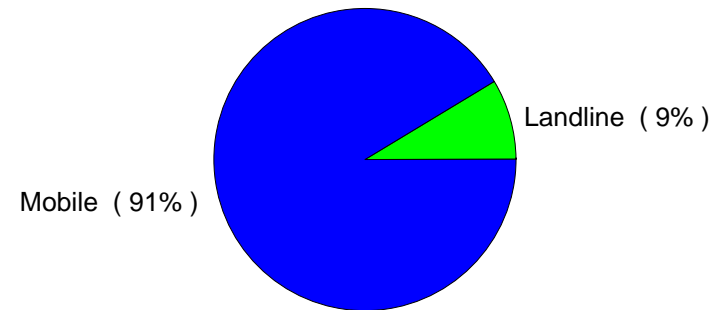
Month	Landline	Mobile	Month Totals
October	130	1,673	1,803
November	112	1,837	1,949
December	82	1,376	1,458
January	68	1,643	1,711
February	89	1,562	1,651
March	83	1,398	1,481
April	82	1,085	1,167
May	69	920	989
June	84	1,110	1,194
July	57	1,250	1,307
August	148	956	1,104
September	99	1,028	1,127
<b>Sum:</b>	<b>1,103</b>	<b>15,838</b>	<b>16,941</b>

Month	070 Complaints
April	46
May	30
June	42
July	31
August	29
September	55
<b>Sum:</b>	<b>233</b>

Month	087 Complaints
August	80
September	15
<b>Sum:</b>	<b>95</b>

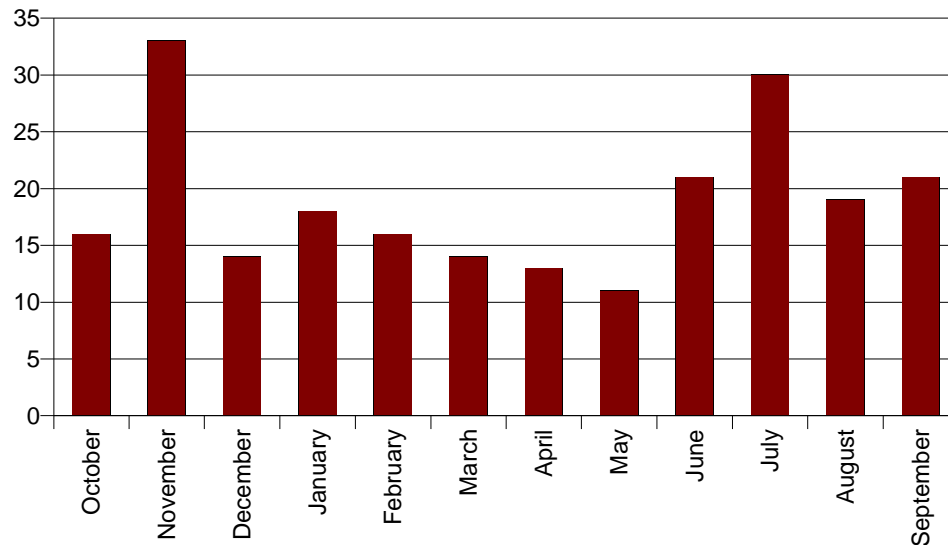
**Note:** PhonepayPlus began regulating 087 numbers 1 August, 2009

**Chart 2.3b - Mix of Mobile vs. Landline Sector Complaints Q2**





**Chart 3.1 - Lead Cases Identified**



Month	Lead Cases Identified
October	16
November	33
December	14
January	18
February	16
March	14
April	13
May	11
June	21
July	30
August	19
September	21
<b>Total for Period:</b>	<b>226</b>

**Current Open Investigations as of November 12th: 49 Cases**

Open Investigations by Sector	Cases
Mobile	33
Landline	3
Directory Enquires	2
Cases Against Associated Individuals	6
Network	5
<b>Sum:</b>	<b>49</b>

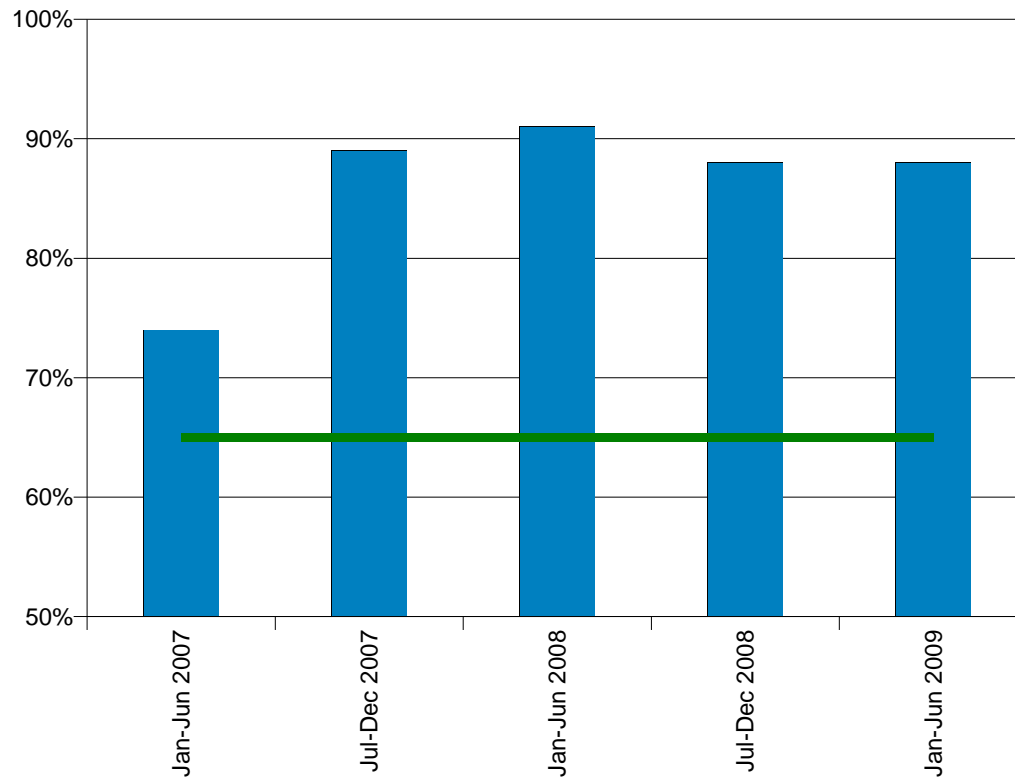
**Key Adjudications:**

**23 July/6 August: Digital Select Limited/Auction Helpline Ltd**

These two cases concerned 'information services' – web-promoted services where consumers were offered information on a £1.50 per minute premium rate number, either recorded or via a live operator, that was freely available elsewhere in the public domain. Examples included 'Benefits Helpline' and a 'Fraud Helpline'. The services utilised sponsored Google searching to place themselves above or near the 'official' version when consumers searched. On 16 September, PhonepayPlus issued a Notice to Industry, detailing clearly how such services must operate in order to avoid misleading the public.

Read more at: [www.phonepayplus.org.uk/output/Adjudications.aspx](http://www.phonepayplus.org.uk/output/Adjudications.aspx)

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

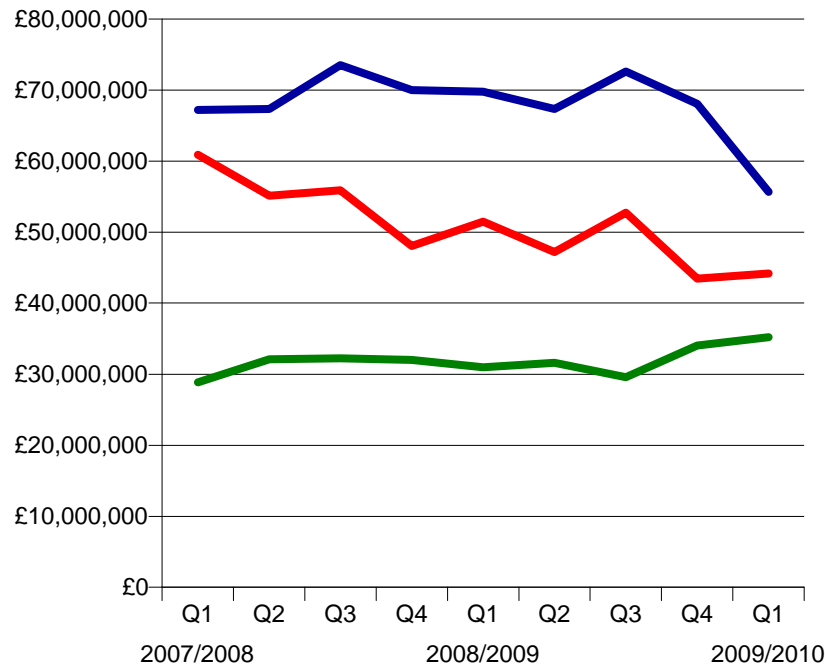


\* This measures the satisfaction levels of complainants sent an adjudication letter.

**Comments:**

- 88% of people surveyed were satisfied or above (Jan – Jun 09)
- 30% of complainants responded to our survey (160 out of 535 contacted for survey)
- 84% felt we met our target timeframe for the investigation
- 62% felt we explained the outcome sufficiently
- 66% did receive an adjudication letter (Currently, all correspondence is sent via post – electronic options are being evaluated)
- 85% of respondents due a refund felt we clearly explained how to obtain it
- 34% of complainants due a refund have attempted to get one (Complainants generally explained that they were happy the company was fined and did not feel compelled to attempt to collect a refund)

### Chart 4.1 - Outpayments per Sector



Financial Year	Quarter	Mobile	Landline	DQ	Totals
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>

Financial Year	Quarter	Mobile	Landline	DQ	Totals
2008/2009	Q1	£69,765,887	£51,458,531	£30,969,598	£152,194,016
	Q2	£67,320,403	£47,198,939	£31,623,026	£146,142,368
	Q3	£72,613,676	£52,713,592	£29,581,514	£154,908,782
	Q4	£68,069,852	£43,457,661	£34,056,721	£145,584,234
	<b>Totals:</b>	<b>£277,769,818</b>	<b>£194,828,723</b>	<b>£126,230,859</b>	<b>£598,829,400</b>

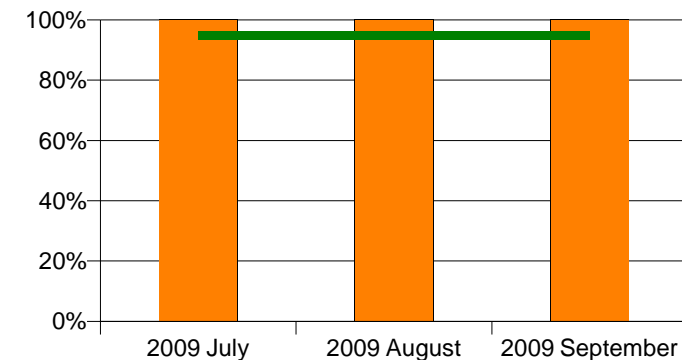
Financial Year	Quarter	Mobile	Landline	DQ	Totals
2009/2010	Q1	£55,672,057	£44,174,819	£35,224,541	£135,071,417
	<b>Totals:</b>	<b>£55,672,057</b>	<b>£44,174,819</b>	<b>£35,224,541</b>	<b>£135,071,417</b>

**Note:** 2008/09 and 2009/10 outpayment figures are based on annual and quarterly returns submitted by networks and are currently being verified.

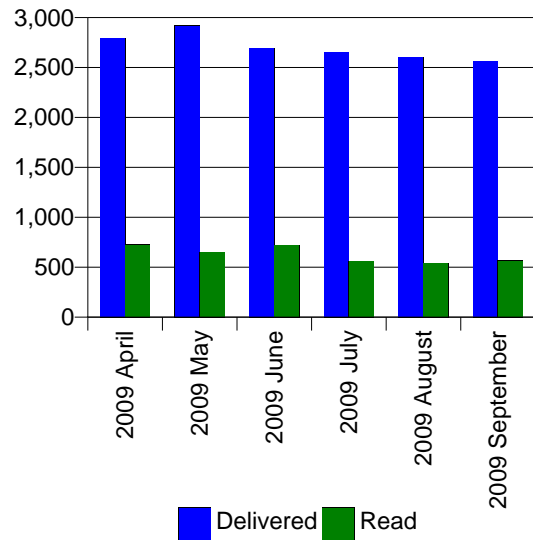
Financial Year	Mobile	Fixed	070	Totals
2009/2010				
Fines invoiced from 01/04/09 - 30/09/09	£2,113,000	£115,500	£1,120,000	£3,348,500
Sanctions suspended	-£400,000	-£50,000	£0	-£450,000
Services barred due to non receipt of payment	£0	-£10,000	-£943,505	-£953,505
Fines not yet due	-£60,000	£0	£0	-£60,000
<b>Fines due</b>	<b>£1,653,000</b>	<b>£55,500</b>	<b>£176,495</b>	<b>£1,884,995</b>
<b>Fines paid</b>	<b>£1,603,000</b>	<b>£55,500</b>	<b>£176,495</b>	<b>£1,834,995</b>

**Collection Percentage: 97%**

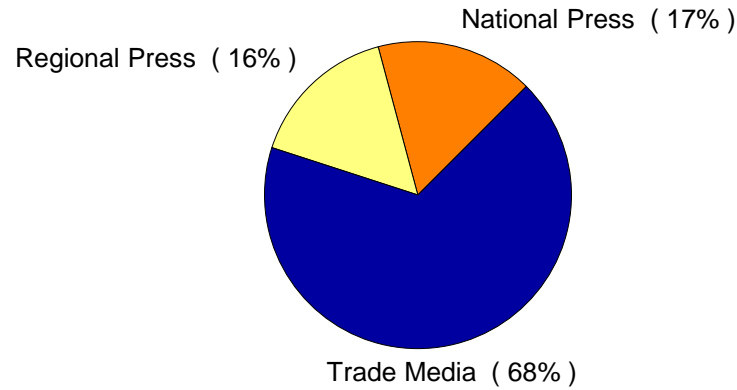
### Chart 4.2 - KPI: Fine Invoices < 10 Days of Tribunal Date



**Chart 5.1 - External PhonepayPlus Newsletter Readership**

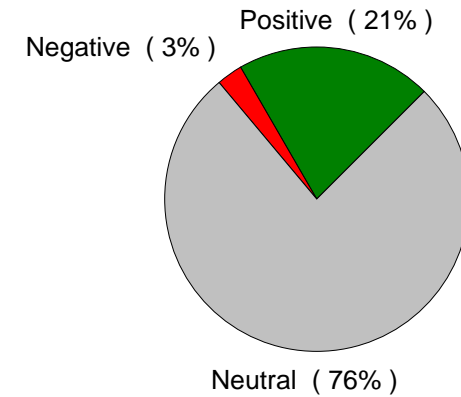


**Chart 5.2a - Press Article Type Q2**



**Articles Published in Q2: 102**

**Chart 5.2b - Press Article Tone Q2**



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

## Communications Team

### 12 announcements:

- 2008/9 PhonepayPlus Annual Report and Mobile Review results published (1 July)
- Notice to Industry: List of service providers barred for non-payment of fines (10 July)
- 118 800 FAQs published on PhonepayPlus website (15 July)
- Bradley Brady appointed new Director of Strategy & Stakeholder Relations at PhonepayPlus (21 July)

*Continued on next page...*

## Communications Team continued

### Announcements continued:

- PhonepayPlus takes over regulation of the 0871/2/3 number ranges (1 August)
- PhonepayPlus fines Abstract Games Limited £100,000 for misleading scratchcard promotions (6 August)
- PhonepayPlus' quarterly operations report for the months of April to June 2009 published (20 August)
- Notice to Industry: Recovery of fines and administration charges (25 August)
- PhonepayPlus highlights importance of industry monitoring of 087 number ranges (1 September)
- MEF/PhonepayPlus joint 'Mobile payments' event invitation (15 September)
- Notice to Industry: Public Information Services (16 September)
- Emergency procedure investigation into 'SMSWinner' service (30 September)

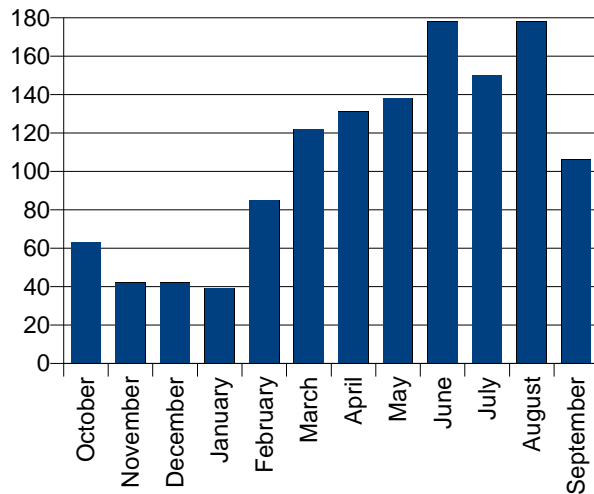
### One event:

- PhonepayPlus Forum: '12th Code of Practice Workshop' (1 July)
  - Held at Savoy Place (IET) in London
  - 90 stakeholder delegates (including consumer bodies, mobile networks, service providers and other regulators)
  - Keynote from Colette Bowe, Chairman of Ofcom; presentations from Sir Alistair Graham, Paul Whiteing and Simon Bates; interactive break-out sessions with delegates

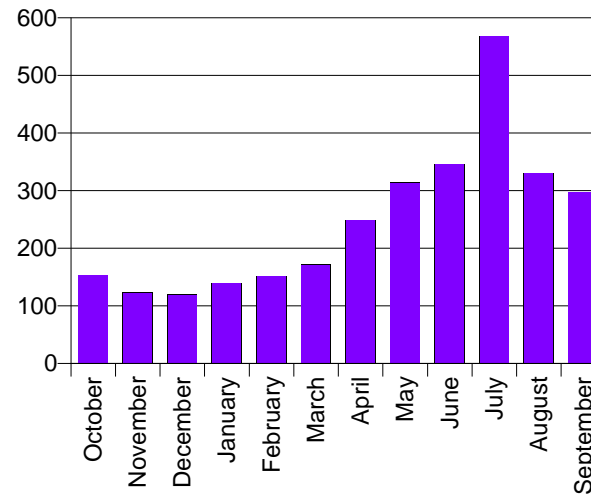
### Other activity:

- 'PhonepayPlus takes over 0871/2/3 regulation' contribution in August edition of Ofcom's *Media Literacy e-bulletin*
- 'PhonepayPlus steps in to protect consumers from copy-cat advice lines' contribution in September edition of Ofcom's *Media Literacy e-bulletin*
- Published three issues of *NewsPlus* – PhonepayPlus' external e-newsletter – on 31 July, 28 August and 25 September

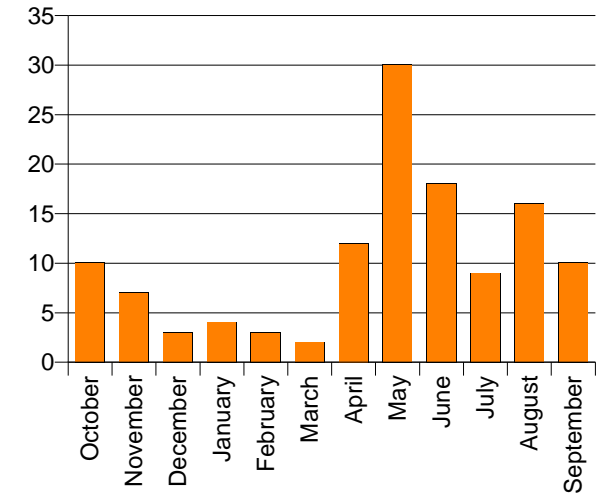
### Chart 6.1 - Industry Advice



### Chart 6.2 - Industry Enquiries



### Chart 6.3 - Industry Applications



#### Comments:

- Enquiries (requests for advice by telephone) reached a peak in July when they were 408% higher than the level of enquiries in January 2009. This was expected due to PhonepayPlus' assumption of responsibility for 087 numbers. Enquiries have since dropped by 48%, but they remain at a level 113% higher than in January 2009.
- Advice requests (requests sent by email or letter) experienced a similar peak in June/July 2009. The July figure of 150 advice requests was 284% higher than in January 2009, and the September figure of 106 was still 171% higher than in January.
- Generally, we are pleased with these figures. At times, this spike in volume has impacted our ability to provide advice within 24 hours (our KPI is within 5 days, but we aspire to clear requests as soon as possible). However, it is indicative of a growing desire on the part of the industry to engage with us prior to running services and reinforces the importance of pre-emptive behaviour on the part of the regulator.
- Prior Permission requests have remained relatively high in comparison with previous years. In addition, we are increasingly receiving requests for Prior Permission that do not apply to a specific service category, but rather permission to operate a service without having to obey an identified provision within PhonepayPlus' 11<sup>th</sup> Code of Practice. This is within the industry's right, as set out at paragraph 5.1.2 of the Code. Such requests would seem to indicate greater service innovation on the part of the providers who make them.
- Work continues on the 12<sup>th</sup> edition of the Code of Practice, with instructions now with lawyers prior to a consultation on the full Code next year. Following Ofcom's recent conclusions in respect of its Scope Review, we are also looking at how a registration database for the industry can best be implemented and provided. In addition, we are still reviewing the impact of previous policy such as the prior permission regime around Participation TV, and the Review of Mobile phone-paid services and their marketing carried out last year.

Month	Advice	Enquiry	Prior Permission
October	63	153	10
November	42	123	7
December	42	119	3
January	39	139	4
February	85	151	3
March	122	171	2
April	131	249	12
May	138	314	30
June	178	346	18
July	150	568	9
August	178	330	16
September	106	297	10
<b>Total for Period:</b>	<b>1,274</b>	<b>2,960</b>	<b>124</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, 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):*

- In-house research into potential risk factors associated with mobile applications.
- Exploration of low-price feature phones to better understand the market and options for monetisation.

*Ongoing monitoring and testing of services:*

In the second quarter of 2009/10, monitoring and testing activities included the following, promoted in mid & top-shelf publications, newspapers, internet and TV:

- Monitoring and testing of virtual chat, contact and dating services.
- Monitoring promotion of mobile content services, with particular attention to subscription services.
- Ongoing compliance testing of a selection of 087 services across all sectors, with in-depth focus on chat, ticket booking and shopping channels.
- Compliance testing of promotional material on late night TV (ongoing).
- Monitoring project initiated to explore “hidden areas” of PRS promotions, and understand PRS services that we have not been testing regularly.