

Telecom2 Ltd responses to PSA 'Consultation on new Special conditions for Directory Enquiry Services'

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PSA Consultation Question 1.

Do you agree IVR-based promotions of DQ services on geographic numbers should only be done on numbers that are active and used for other purposes?

Do you agree that the proposed requirement will not impact on the promotion of legitimate DQ services? If not, are you able to provide evidence to demonstrate an impact on legitimate DQ services?

Telecom2 are unable to agree with the proposed condition. There are several reasons why this is the case.

There is no value to the customer in having an IVR reference to a directory enquiry number on an active number. Why should anyone who has dialled an active number need to use a directory enquiry service?

However, placing an IVR on unallocated geographical numbers provides a valuable and legitimate service for consumers that have an urgent requirement to call a telephone number but do not have access to source an alternative method such as access to the internet or a printed directory at that time. As per OFCOM's 'Directory Enquiry (118) Review' published in June 2018, OFCOM found that 82% of consumers said it was important they received the telephone number they were looking for at the time they requested it. OFCOM concluded that although there were a small number of users, directory enquiries provided an important service to consumers.

Telecom2 provide IVR on unallocated geographical numbers and have done so for many years. The number of callers who then go on to call our directory enquiry service is extremely low in volume compared to the overall number of people who called our unallocated geographical numbers as a whole however, we do feel that what we offer is a beneficial and alternative service for consumers

The IVR on the geographic numbers indicates that the number "has not been allocated" and offers the consumer a reasoned choice of ringing a directory enquiry service to try and find the service or person they were seeking, this is compliant with OFCOM's General Conditions of Entitlement 17.2 GC 17.2: "*The Communications Provider may only use a Telephone Number from Part A of the National Telephone Numbering Plan where that Telephone Number has been Allocated to a person, unless the use in question is for the purposes of indicating that the Telephone Number has not been Allocated*"

Removing the IVR facility on unallocated geographical numbers would prevent promotion of a legitimate directory enquiry service and so have a detrimental impact on consumers who, without this type of promotion, will use a directory enquiry number from memory. Due to extensive brand and service promotion, this will likely be a more expensive directory enquiry number within the market. With IVR promotion the consumer has the sole decision as to whether they then make the directory enquiry call. The consumer has made their decision based on the audio which, not only promotes an alternative 118 number, but one which allows for call cost audio to be heard prior to them then making a call to the 118 number being promoted. A 118 dialled purely from memory does not accommodate for a call cost pre-warning audio to the consumer.

This could damage the reputation of other directory enquiry service providers within the market. For Telecom2, we are not only providing a service to consumers we are also offering an affordable alternative compared to other well-known brands within our IVR promotion.

[X]

Our directory enquiry call rates are and have always have been below the cap that is now being suggested by OFCOM. We receive less than one complaint a year about our service, including complaints forwarded by the PSA. In the event that any complaints should arise, Telecom2's complaint and customer service team help consumers with all aspects of their complaint and where applicable a full Service Charge refund is offered.

That many Communication Providers do not currently offer such a service is due to the number of calls and that revenues are very low. Telecom2 feel that provided the service is economic to run and assists consumers that it is worth running.

In the example adjudication quoted by the PSA, the use of an IVR itself was not the issue. The issues were the content of the IVR, pricing, registration and failure to disclose information. The introductory text of the IVR was misleading and manipulative, saying, for example, there was a fault on the line when it was simply not allocated and leaving a gap before the pricing information. People dialled the number not realising the charges applied to it.

None of the complaints quoted mention the use of an IVR as misleading, all complain about the cost and a couple about the wording of the IVR.

There will always be people who will seek to abuse legitimate promotion methods to facilitate wrongdoing. Effective enforcement of regulation, as in the case quoted by PSA, will deter these practices without impacting on Communication Providers and Service Providers who are offering customer focussed services.

PSA Consultation Question 2

Do you agree that mandated provision of pricing information upon onward connection will not impact ongoing provision of either DQ services or the consumer experience when using them? If not, please provide supporting information.

We would support this proposal. Most, if not all, services providing onward connection use such a message with no obvious impact on the service. The customer experience will in most cases be improved by them, some customers dislike these messages but they are in a minority. We already have a pricing message in place but we would hope it would improve perception of directory services generally.