

Response to PSA SMS Virtual Chat Consultation

Name	Scott McEntee-Rattigan
Job Title	Key Account Executive and Commercial Manager
Company	Dynamic Mobile Billing Ltd
Contact	[REDACTED]

Your details: We will keep your contact number and email address confidential. Is there anything else you want to keep confidential?	NO
Your response: Please indicate how much of your response you want to keep confidential	NONE
For confidential responses, can the PSA refer to the contents of your response in any statement or other publication? Your identity will remain confidential.	N/A

Q1. Do you agree with our analysis of the costs and benefits associated with the different options? Are there any other factors that need to be considered?

Ensuring that the Virtual Chat services operate in the way that they currently do, which appears to have produced minimal service queries and complaints over a significant period of time would seem the quickest and least costly route to success. By enshrining the current spend reminder allowance for Virtual Chat services into Code 15 by way of General Guidance ruling for the service type, that would appear to be a zero cost option ensuring that the status quo of service operation (and attendant exceptionally low complaint levels) are maintained.

Any addition to those requirements will create a cost, especially around service build/operation for Merchants and Third Party service suppliers, and that cost is likely to outweigh the benefits. If we consider that 6 complaints were received in the last 12 months by the PSA, of which 3 related to pricing, are the proposed additional requirements to service likely to decrease the number of service queries and complaints that the PSA receive? In our opinion, and the opinion of our Merchant and Intermediary clients, that is not likely, and so the additional costs to chat service providers is likely to be significant, for little perceived cost:benefit gain to Consumer, Regulator or Service Providers.

There remains some confusion in the industry, even following the consultation with PSA, AIMM and industry members, around the proposed receipt structure, and whether the requirement is, or should be, for a lifetime accrued spend on the service. Additionally, increased receipting requirements means increased costs by way of bulk messages sent to consumers, and if messages are beyond the character limit, concatenation of messages could potentially double the bulk messaging requirements of a given service.

Q2. Do you agree that the preferred option provides consumers with the ability to monitor and control their spend at least equivalent to the option of strict adherence to Requirement 3.2.12?

There are concerns that the accrued spend requirement will potentially cause confusion for consumers, leading consumers to believe they have spent more in a chat session than they actually have (by giving them an accrued total from previous chat sessions, rather than a set of spend reminders as they go), especially where consumers might be engaging with more than one service from a service provider, or multiple services from multiple providers.

Having the current £10 spend reminder, recreated as a receipt, would be equivalent to the requirement at 3.2.12. This option has worked very well for many years and draws no complaints. Service users receive spend reminders that are timely, coinciding with their use of service, but the additional receipt requirement after a window of inactivity is likely to cause confusion for consumers, certainly beyond the limited number of complaints and queries around the current operational process of virtual chat services.

There were also questions from wider industry around privacy elements, at having the receipts delivered some time after service usage (with 24 hours being the timeline utilised for discussion), and concerns around sensitive interaction with the type of virtual chat service, whether adult or psychic, for example, and with service reminders causing unsociable-hours message requirements so far removed from the period of service usage.

Q3. Are there any other options that we should consider as an alternative to the preferred option?

Our clients believe that the recrafting of spend reminders into the proposed receipts satisfies the desired outcome of 3.2.12, in that consumers remain informed about their purchase, and ensures service provider and spend information is at hand for consumers, throughout their use of the service.

This protects consumers privacy, continues with a system of keeping consumers informed at point of purchase that already works very well and attracts no complaints, and keeps costs down (in contrast to the cost of implementation of the full proposal).

Q4. We intend that providers should be able to benefit from the General Permission as soon as it is published. Is there any reason to specify a later date for the General Permission to come into effect?

No, however, pending the requirements of the General Permission, there might be technical requirements which would not be congruent with an 'immediate effect' requirement, where services may need to be redesigned and redeveloped by Service Providers.

