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PSA

Phone-paid Services Authority

**CUSTOMER CARE AND COMPLAINT
HANDLING**

A MARKET RESEARCH STUDY

FINAL REPORT

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1. Executive Summary

1.1 BACKGROUND AND OBJECTIVES

The Phone-paid Services Authority (PSA) is first and foremost a consumer protection body. Its mission is to protect consumers from harmful practices and to further their interests through promoting competition, innovation and market growth. A major consideration in this is the need to increase consumer confidence and trust.

Against this background, research was required to gain a better understanding of consumer experiences of customer care and complaint handling. The overall aim in this was to assist the PSA and the industry with identifying practical ways to improve post-purchase experiences and the complaints process itself.

Specifically, the overall aims of this study were to:

- Understand consumer experiences of customer care and complaint handling in the phone-paid services market
- Draw conclusions from the consumer perspective that help the PSA and the industry to improve the effectiveness of customer care and complaint handling.

Further details on the background and objectives may be found in Section 2.

1.2 OVERVIEW OF METHOD AND SAMPLE

The research was conducted in two stages: an initial larger-scale online survey followed by a series of in-depth qualitative telephone interviews. The initial online survey was designed to identify and assemble a fully representative sample of phone-paid service Complainants for the main qualitative assessment. The online survey comprised 1,174 Complainants. The qualitative assessment comprised a total of 56 Complainants drawn from a good cross-section of the main phone-paid service types.

Full details of the method and sample achieve may be found in Section 2.3 and Appendix 5.1.

1.3 SUMMARY OF MAIN FINDINGS

1.3.1 Consumer context

Based on how Complainants in this study described their behaviour, it is clear that we live in an increasingly friction-free world. Many in our sample found that it was now very easy to share personal data online and, in doing so, provide consent and authorisation for paid services without really knowing or realising.

The problem of actual or perceived uninformed consent was exacerbated by two behavioural factors: (i) a reported level of low diligence amongst many in terms of not checking their phone bills regularly, and (ii) lack of vigilance by not, for example, reading Terms & Conditions or the 'fine print' that warns of costs prior to purchase.

Overall, a negative experience could be seen to have a negative impact on whether consumers use a service again. Ease of sharing information about this, via social media and review / complaint forums, could be seen to have repercussions for the phone-paid services industry as a whole, and not just at an individual level.

1.3.2 Estimated market size of phone-paid service complaints

The data from our initial online survey indicates that over a quarter (27%) of all adults claim to have complained about at least one phone-paid service in the last three years. In population terms this suggests (very approximately) an average of around 2 million complaints each year.

While customer care services comprise the largest complaints category, in terms of the use of phone-paid services there is a significant body of complaints grouped around digital content and online services, including adult content, online competitions and some betting services.

1.3.3 Effort required to resolve phone-paid service complaints

All complainants in this study claimed that they made some degree of effort, or that some degree of effort was needed, to pursue their case. Four different levels of effort were identified: These were: 1) 'No great effort needed', 2) 'Not worth much effort', 3) 'Very determined, up to a point', and 4) those who described themselves as 'hell-bent', i.e., a willingness to almost 'stop at nothing' to resolve their complaint.

Overall, the indications are that a very considerable amount of effort was needed or expended, i.e., 85% of Complainants were either 'Very determined, up to a point' or 'Hell-bent' in their effort to resolve their complaint.

1.3.4 Success in resolving their complaint

Complainants' actual success in resolving their complaint varied across the sample as a whole and in relation to the amount of claimed effort needed or expended.

Around half the total sample reported a satisfactory resolution to their complaint. A further quarter claimed that their complaint had been resolved but were left feeling dissatisfied.

For the most part, claims of satisfaction related to a feeling of restitution, i.e., they got a refund, or the problem they experienced ceased in some way. For many, given the perceived effort involved, satisfaction did **not** mean a renewed faith in the service they were charged for, or the merchant that charged them. In many cases, the experience of great difficulty tended to reduce their level of confidence and trust in the phone-paid service industry as a whole.

Broadly, for text donation and broadcast voting, Complainants' effort needed (and expended) tended to be lower, and success in resolving their complaint tended to be higher. By contrast, for phone-paid content services¹, effort needed (and expended) tended to be higher, and success lower. For mainstream Directory Enquiry services effort and success tended to be more mixed.

1.3.5 Initial motivations and triggers for complaining and their journeys

Around 7 out of 10 Complainants (73%) stated that the key trigger was some form of 'bill shock'. The remaining 27% of Complainants stated that the key trigger was unwanted communication or lack of satisfaction with the content or service purchased.

Six main Complainant journeys were identified. In summary, just over half of Complainants (56%) contacted their Telco or MNO in the first instance. The remainder (44%) contacted a Merchant in the first instance. From this point on, the Telco / MNO or Merchant handled the complaint directly or the Complainant was either referred elsewhere or chose to go elsewhere. The most common referral was by Telco / MNOs to Merchants. The least common was a referral by Merchants to Telco / MNOs.

Whether Complainants contacted their Telco / MNO initially, or after contact with a Merchant, for most the primary reason for doing so was to seek help and advice, rather than to complain. In this, the great majority of Complainants considered that the Merchant was responsible.

¹ Our use of the term 'phone-paid content services' encapsulates both Premium Short Messaging Services (PSMS) and Operator Billing.

Some Complainants held stronger views regarding the role and responsibility of their Telco / MNO. A defining feature of around half of all Complainant journeys is the experience of an *impasse* or deadlock.

In instances of having exhausted all possible avenues, without success, many of these most determined Complainants considered that their Telco / MNO had a 'duty of care', at least, to protect them. Typically, the strong desire was to see their Telco / MNO do more to prevent the problem from occurring in the first place.

1.3.6 Complainant experiences of complaint handling

Several case studies are provided in Section 3.5.3 of this report. These describe a full range of complaints in terms of service type and satisfaction levels. Broadly, lower satisfaction levels and loss of trust were most evident for phone-paid content and call connection services. Conversely, satisfaction and trust tended to be higher for text donation and voting.

In-depth assessment of these experiences allows us to draw out a number of conclusions, from the consumer perspective, that indicate the need for assistance and remedy in specific areas. These are detailed in Sections 3.5.2, 3.5.4 and 3.5.6 and summarised in Section 4.

1.3.7 Awareness, knowledge and engagement with the PSA

Among Complainants without experience of the PSA, awareness is low by comparison to other regulatory bodies. 8% of Complainants claimed to be aware of the PSA. This compares with 56% for Ofcom and 44% for the Advertising Standards Authority.

Among those who were aware of the PSA, knowledge of the authority varied from a detailed and accurate understanding of its role to a largely misconceived perception. Many in the sample considered that the PSA was there to handle their complaint, much like an ombudsman.

Amongst users, views of PSA's website were generally very positive, as a source of help and advice. A major complaint was lack of follow-up, after having received a confirmation of receipt of Complainants' correspondence.

1.3.8 Conclusions from the consumer perspective

This sub-section summarises conclusions that have been drawn from the consumer perspective. Full details of these conclusions may be found in Section 4. In essence, many complainants stated a number of expectations of Telco / MNOs and Merchants that were aimed to bring about better outcomes for customers and, in so doing, increase confidence and trust.

Stated expectations of Complainants, as customers of Telco / MNOs, were to make it easier to find / locate the Merchant and resolve their enquiries or concerns relating to their complaints. This included alerting customers to recurring charges or warning them when they reached a certain limit.

Stated expectations of Complainants, as customers of Merchants, related to the consistent application of a set of policies and principles to ensure that customers are treated fairly. This included referral to an Alternative Dispute Resolution (ADR) service in the event that a dispute could not be resolved between the Complainant and the Merchant.

Finally, expectations of Complainants who engaged with the PSA related in particular to being consistently informed of the outcome of cases that were relevant to their complaint.

2. Introduction

2.1 Background

The Phone-paid Services Authority (PSA) is first and foremost a consumer protection body. Its mission is to protect consumers from harmful practices and to further their interests through promoting competition, innovation and market growth.

The PSA commissioned Futuresight, an independent market research company, to assess consumer experiences of customer care and complaint handling in the phone-paid services market. Based on the findings of this research, the PSA's aim is to improve the effectiveness of customer care and complaint handling by ensuring that consumers get better outcomes when things go wrong.

As things stand, the current status of the phone-paid services market is mixed, with evidence that strong potential for growth is held back by a number of factors including high complaint levels and low levels of trust. The market's key defining features are:

A dynamic and fast-changing market

PSA's Annual Market Review (2015-16) reports that the market for phone-paid services is currently worth £678.1 million. This represented a decrease of 0.26% compared to revenues in 2014-15. It was nonetheless a mini-recovery given the extent of decline since 2010, and there has been a further recovery in 2016-17 with the latest report indicating the market is worth £708.7 million. More broadly, the market for Premium Rate Services (PRS) is a dynamic and changing one, driven not least by the dramatic rise in the use of smartphones. Mobile-based services now represent 70% of the PRS market. Changes are also evident in the level of service take-up. Internet-based services contribute significantly to phone-paid services take-up, whereas traditional voice-based services appear to be in decline.

Low levels of confidence and trust

PSA's Annual Market Review also points to the continued problem of mistrust, with 29% of all users claiming that their trust had been compromised when using a phone-paid service. This is considered likely to have had a significant impact on the rate of potential for growth in the industry.

Complaint levels

PSA has experienced increasing numbers of complaints in recent years, receiving around 34,000 complaints in 2016/17. There has been a decline in the last few months and a forecast from PSA data suggests approximately 21,000 complaints likely to be recorded in 2017/18. That said, the actual number of complaints made throughout the value chain is significantly higher than the number that the PSA receives. Our own research figure suggests that the actual number of phone-paid service complaints made by consumers each year is in the region of 2 million. (See Figure 1 on page 10.)

2.2 Research objectives

Against this background, and in summary, the overall aims of this study were to:

- Understand consumer experiences of customer care and complaint handling in the phone-paid services market
- Draw conclusions from the consumer perspective that help to improve the effectiveness of customer care and complaint handling.

Further detail of how these objectives were addressed in this study may be found in Appendix 5.1.

2.3 Method and Sampling

The research comprised two main stages:

Stage 1: Initial online survey n=4,347

An initial online survey was designed and conducted to identify and assemble a fully representative sample of phone-paid service complainants for our main qualitative assessment at Stage 2 (below).

Based on a nationally-representative sample frame, a total of 4,347 consumers were polled. Of these, 1,174 phone-paid service complainants were identified.

Our survey, at Stage 1, included a range of questions² that related to:

- Service type (i.e., complaints made in one or more of the 19 types³ that comprise the phone-paid services market as a whole)
- When the most recent complaint was made
- The current status of the complaint, i.e., on-going, resolved or unresolved
- What triggered the complaint
- Expectations regarding the outcome
- The type of organisation that they had initial contact with
- The type of organisation, if any, that eventually handled the complaint
- Expectations regarding the complaints process
- Actual experiences of the complaints process
- Satisfaction with key aspects of the complaints process experienced
- Key demographics, for the purposes of profiling.

² Please see Appendix 5.3 for the full version of the questionnaire that was deployed at Stage 1.

³ See Appendix 5.2 for a full list of the 19 service types represented, plus an abridged list of the 19 types in Section 2.4.

Stage 2:
In-depth
telephone
interviews
n=56

From the 1,174 phone-paid service complainants identified and profiled at Stage 1, a good cross-section of 40 complainants (representative of 9 main service types amalgamated from the original 19 individual types used in the online survey⁴) were interviewed in depth by telephone.

In addition, 16 complainants, drawn from lists provided by the PSA, for the main service types, were added to this sample, to bring the total to 56.

Our interviews, at this Stage 2, covered the following main topics⁵:

- Complaint triggers and initial motivations
- Complainants' journeys: from initial contact with an organisation, any referral and the type of organisation (if different) that eventually handled the complaint
- Their experience of the complaint-handling process across the journey
- Satisfaction with the outcome
- Awareness and consideration of the PSA versus other authorities contacted or referred to.

2.4 A note on interpretation, analysis and reporting of qualitative data

It is important to note that the qualitative findings of this report are not statistically representative of the views of the general public. Qualitative research is designed to be illustrative, detailed and exploratory and provides insight into the perceptions, feelings and behaviours of people rather than conclusions drawn from a quantitative sample.

The perceptions of participants make up a considerable proportion of the evidence in this study. As far as possible we have stated the prevalence of feeling about a particular point across the participants, although in some cases it has not been possible to provide a precise or robust indication of the prevalence of a view. This is a generally accepted characteristic of qualitative research.

Verbatim comments have been used throughout this report to help illustrate and highlight key findings. Where verbatim quotes are used, they have been anonymised and attributed with relevant characteristics of gender, user-type and phone-paid service purchased / complained about. All verbatim comments reflect both spontaneous views and views after deliberation. Where relevant we have indicated which types of views are represented. The comments can be taken to reflect genuine views held by participants.

⁴ The 19 individual phone-paid service types that were used in the online survey were amalgamated into 9 main service types. These were digital content, call connection services, betting or gambling, broadcast voting and competitions, adult, online competitions, directory enquiries charity donations and 'other', i.e., premium rate customer service numbers, low-cost international or reverse-charge calling, voice-based information services and tarot / astrology services. See Figure 1 on page 10 and Appendix 5.2 for full details.

⁵ Please see Appendix 5.3 for the full version of the questionnaire that was deployed at Stage 1.

2.5 Phone-paid services covered in this study

Complainants in each of nine main service categories were fully represented in this study. These are summarised in Figure 1 below. A full list of each individual service is provided in Appendix 5.2.

Figure 1: Abridged list of the main service types represented in this study

1.	Online	Quizzes and competitions
2.	Broadcast (TV and Radio)	Competitions, voting and interaction
3.	Charity	Donations via text (one-off-donations or subscriptions)
4.	Digital content	Apps, in-app purchases, digital media (one-off purchases or subscriptions)
5.	Directory enquiries	118 XXX
6.	Adult services	Chat, dating, video, images, via numbers starting 09 or by text
7.	Betting or Gambling	Including lottery scratch cards (via text or direct charging)
8.	Call Connection services	087 or 09 numbers that connect a caller to a customer service department
9.	Other services	Premium rate customer service lines (for advice or sales), voice based information services (e.g., weather, tarot, astrology) low-cost international or reverse charge calls

3. Main Findings

3.1 Consumer context

In this section, we draw out a number of general observations based on Complainants' reports of their experiences and behaviour. The section aims to set the scene and highlight the main themes identified in this research.

3.1.1 An increasingly friction-free world

Based on how Complainants in this study described their behaviour, it is clear that we live in an increasingly friction-free world. Many in our sample found that it was now very easy to share personal data online and, in doing so, provide consent and authorisation for paid services without really knowing or realising.

This perceived or actual lack of informed consent could be seen to lead to major problems further down the line. It made it very difficult for consumers to prove that they did not consent, and relatively easy for Merchants to avoid having to prove that consumers did consent. It is, as one Complainant put it: *"a case of my word against theirs"*, making it virtually impossible to resolve.

3.1.2 Lack of diligence and vigilance

The problem of perceived or actual uninformed consent was exacerbated by two behavioural factors: (i) a reported level of low diligence amongst many in terms of not checking their phone bills regularly, and (ii) lack of vigilance by not, for example, reading Terms & Conditions or the 'fine print' that warns of costs prior to purchase.

It is clear in this research that only a minority of consumers were diligent. Some had adopted a strict routine of checking their bills on a regular basis. Others did so because of a bad experience in the past. Some used an app that made regular bill-checking easier.

It was also the case that only a minority felt that they knew how to be vigilant. This meant that even the more sophisticated and digitally savvy of consumers were vulnerable to harm.

3.1.3 The impact on confidence and trust

These behavioural factors could be seen to be exploited by some Merchants, in at least three main ways: (i) using subscription models to debit relatively small amounts of money on a regular basis, (ii) lack of prominence and clarity in how to exit a service without being charged, and (iii) relying on the fact that many people delete subscription service spend reminders thinking them to be spam texts, rather than using them as a trigger to stop a recurring charge.

This could be seen to lead to a serious erosion of confidence and trust, not just in the service itself, but in the phone-paid services market as a whole. Claims of loss of trust were very evident in this study.

By the same token, it was clearly evident that confidence and trust was either maintained or increased by Merchants who operated in a way that is entirely fair to consumers.

3.1.4 The potential impact on the phone-paid services market as a whole

Another feature of the friction-free nature of online interaction is the fact that it is very easy to post negative reviews of goods and services via social media and review / complaint forums. There are several examples of such negative reviews of individual phone-paid services which provide a permanent record for Complainants to easily find and refer to.

Overall, a negative experience could be seen to have a negative impact on whether consumers use a service again. Ease of sharing information about this could have repercussions for the reputation of the phone-paid services industry as a whole, and not just at an individual level, which could in turn lead to consumers being turned off phone-paid services altogether.

3.2 Key characteristics of phone-paid service Complainants:

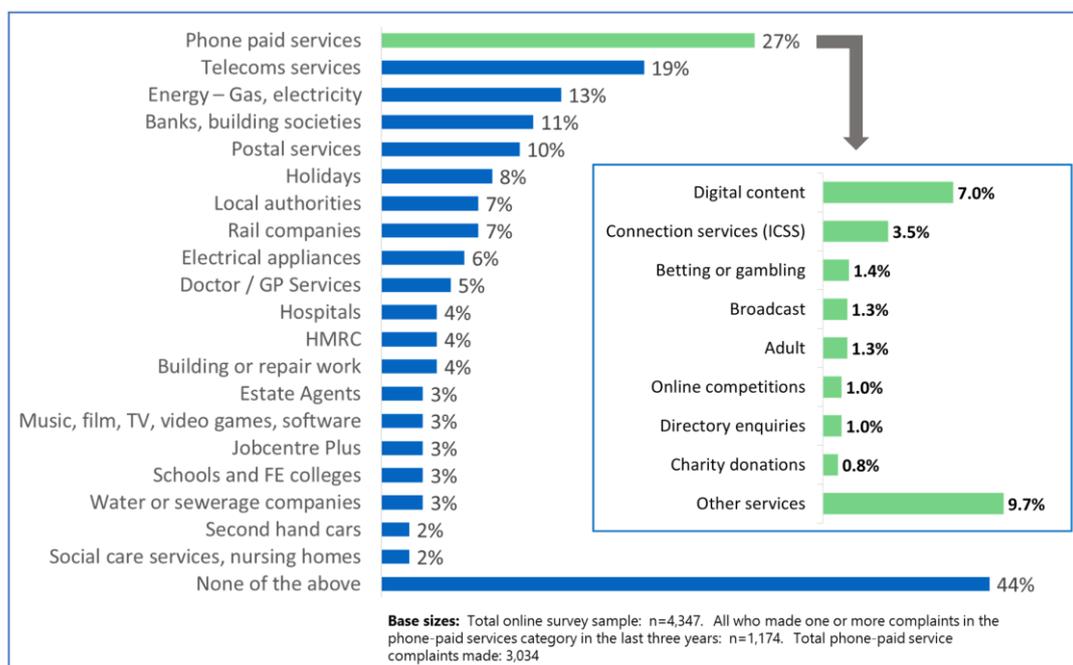
In this section, we describe the basic characteristics of the Complainants in terms of demographic profiles of the sample as a whole and for each of the main phone-paid service types.

3.2.1 Complaints for phone-paid services compared with other service categories

All 4,247 respondents in our initial online survey were asked to state whether they had made any kind of complaint in the last three years about one or more services in a range of categories, including phone-paid services.

Figure 2, below, shows that, at 27%, phone-paid services is the largest category.

Figure 2: Online Survey Benchmark



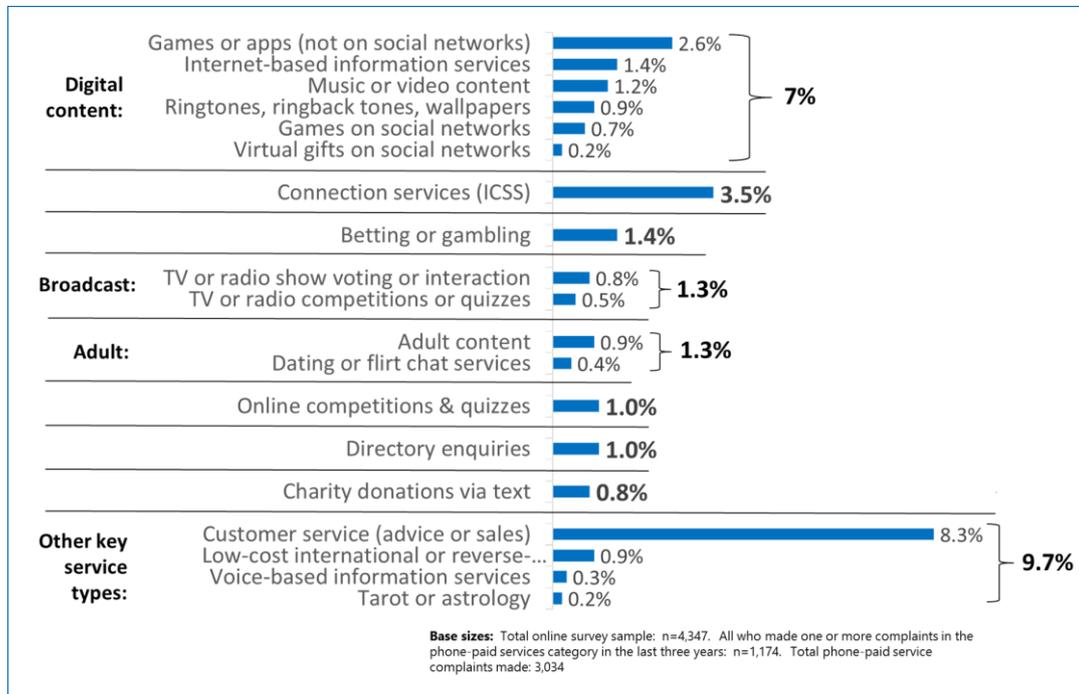
This means that over a quarter of all adults in the UK claim to have complained about at least once phone-paid service in the last three years. 13.5% claimed to have made one complaint. The remaining 13.5% claimed to have made two or more complaints. Digital content and call connection services appear to be some of the largest complaint phone-paid service categories which, when combined, account for around 40 percent of all phone-paid service complainants.

In terms of population numbers, this puts the total of all phone-paid service complainants in the region of 6.2 million over three years, i.e., an average of around 2.07 million per year.

3.2.2 Complaints for phone-paid services, in detail

Figure 3, below, shows a more detailed breakdown of the 27% of phone-paid service complainants for each individual service type:

Figure 3: Breakdown of all phone-paid service complainants



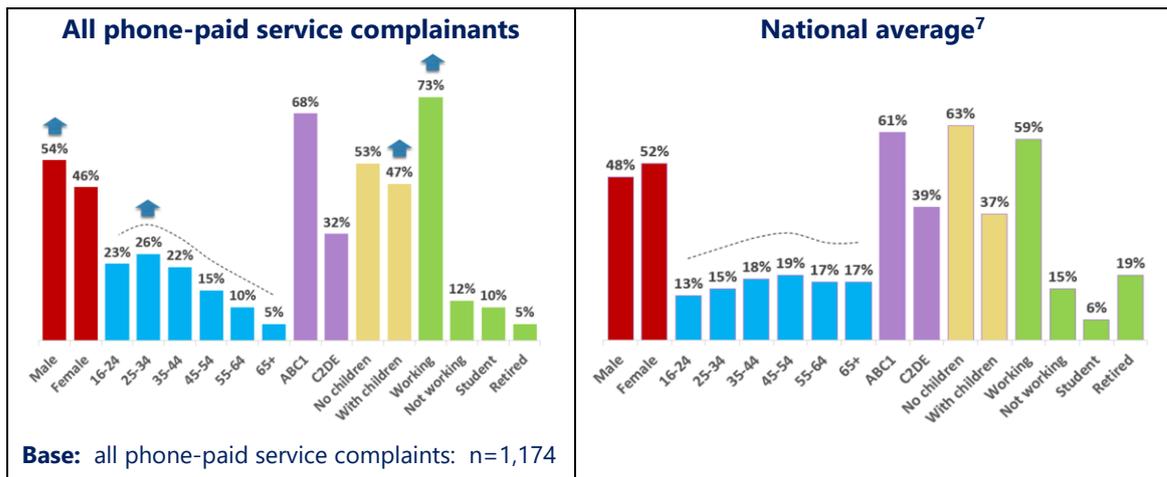
As can be seen from Figure 3, calls to customer service lines⁶ (for advice or sales) represents the largest individual complaints category at 8.3%. Call connection services represents the second largest category at 3.5%. Digital content services, including games or apps that are not on social networks, represents the third largest category.

3.2.3 Key demographic profiles for phone-paid service complainants

Figure 4, overleaf, shows the profile of all phone-paid service complainants based on a range of demographic indicators, compared to the national average.

⁶ This category includes calls to the 084-number range which is not regulated by the PSA.

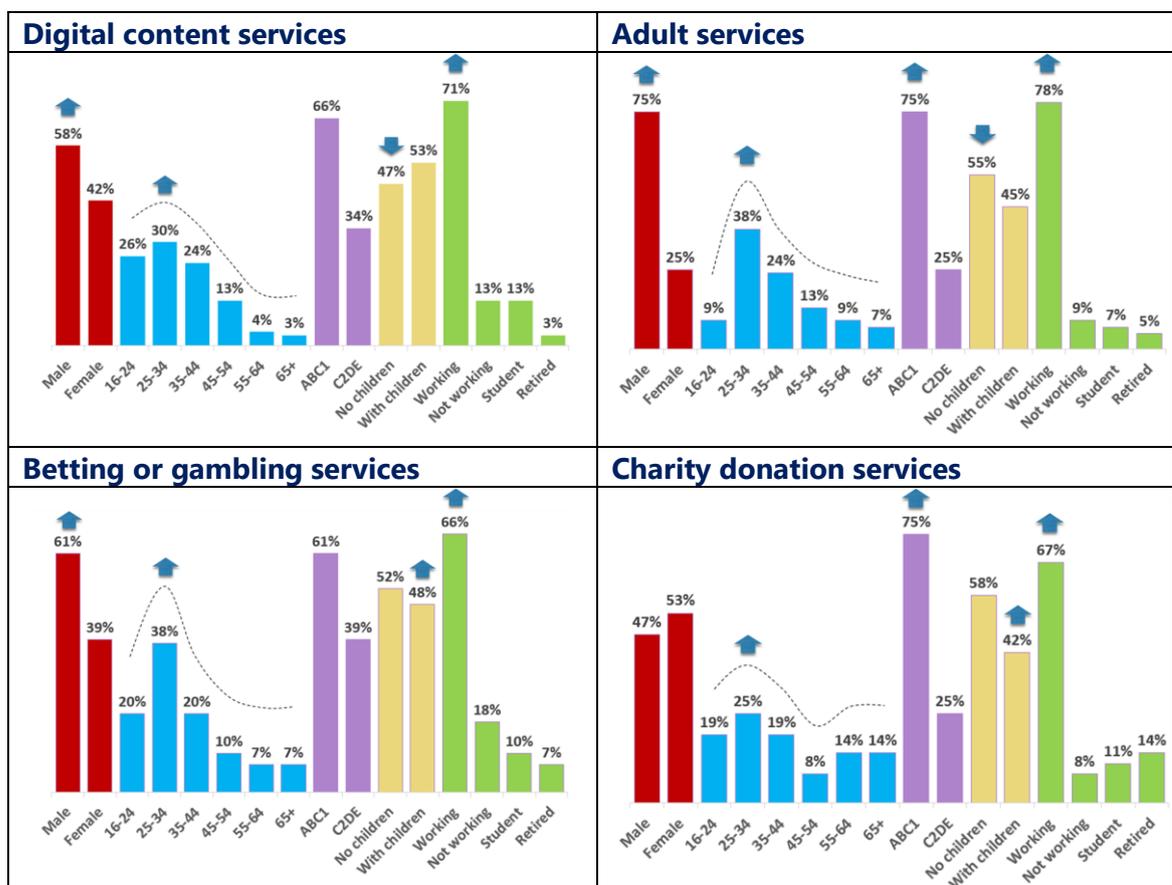
Figure 4: Key demographic profile indicators



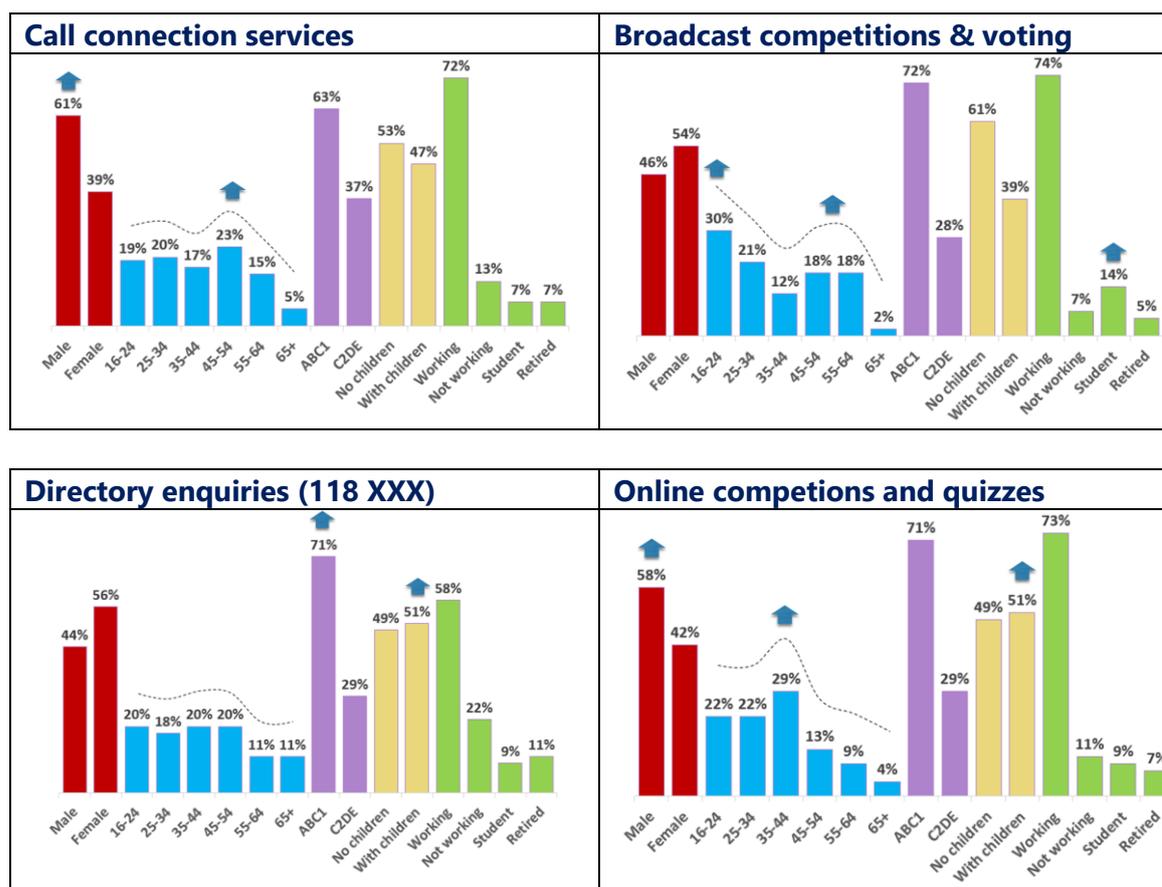
As can be seen, compared to the national average, the profile of phone-paid service complainants tends to be skewed towards younger people and those in paid employment.

Figure 5, below, shows the demographic profiles of Complainants for each main service.

Figure 5: Key demographic profile indicators for individual services



⁷ Based on current population statistics. Source: Office of National Statistics.



In summary, the key characteristics by main service type are as follows:

- **Digital content services:** Strongly skewed to male, younger (16-24), students and those in paid employment
- **Adult services:** Skewed to male and younger (25-34)
- **Betting and Gambling:** More strongly represented among males, 25-34 and those in paid employment
- **Charity donation:** Close to the national average for all demographics. More strongly represented among older people (retirees)
- **Call Connection services:** Close to the national average for all demographics with a tendency for strong representation among the middle-aged (41-54)
- **Broadcast competitions and voting:** More strongly represented among females and people towards each end of the age spectrum, i.e., 16-24 and 45+
- **Directory enquiries:** Close to the national average for all demographics, with a tendency for stronger representation among ABC1 and families
- **Online competitions and quizzes:** More strongly represented among males and those in the 35-44 age bracket.

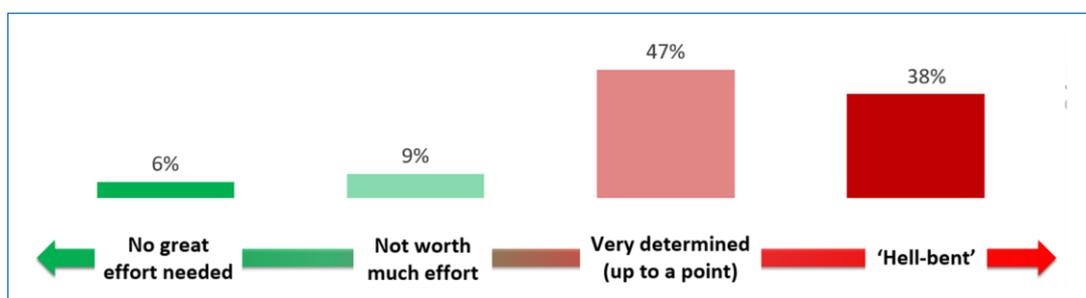
3.3 Reported effort needed / expended for complaint resolution

In this section, we focus on a major theme in this study, i.e., the degree of reported effort needed, and expended, by Complainants to resolve their complaint. We look first at the degree of effort across the whole sample and then explore differences for the main service types.

3.3.1 Key Complainant types

All complainants in this study claimed that they made some degree of effort, or that some degree of effort was needed, to pursue their case. As can be seen in Figure 6 below, the claimed degree of effort needed or expended varied across the sample. This ranged from 'no great effort needed' to those who described themselves as 'hell-bent', i.e., a willingness to almost 'stop at nothing' to resolve their complaint.

Figure 6: Effort needed / expended for complaint resolution – key types identified



As indicated by the percentage figures in Figure 6, the great majority of Complainants in the sample claimed that a very considerable amount of effort was needed (or had to be expended) to resolve their complaint. i.e., 85% of Complainants were either very determined or 'hell-bent' in their effort to resolve their complaint.

Each of these Complainant types and their behaviour / attitudes is described in more detail in section 3.3.3.

3.3.2 Success in resolving their complaint

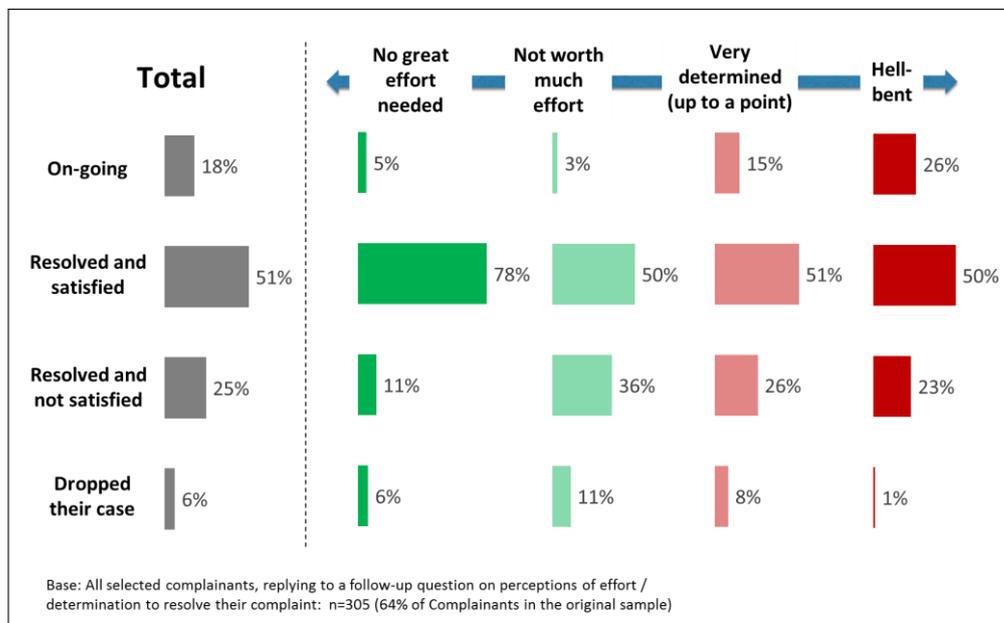
Complainants' actual success in resolving their complaint varied across the sample as a whole and in relation to the amount of claimed effort expended.

As shown in Figure 7, overleaf, around half the total sample reported a satisfactory resolution to their complaint.

A quarter claimed that their complaint had been resolved but were left feeling dissatisfied. For just under a fifth (18%), the complaint was on-going. For this latter group, 38% claimed that their complaint was triggered more than 3 months ago. In 6% of cases, the claim was that it was triggered more than a year ago.

For the most part, claims of satisfaction related to a feeling of restitution, i.e., they got a refund. For many, given the perceived effort involved, satisfaction did **not** mean a renewed faith in the service they were charged for or the merchant that charged them. In many cases, the experience of great difficulty tended to reduce their level of confidence and trust in the phone-paid services industry as a whole.

Figure 7: The status of complaints, as reported by Complainants



When related to effort needed (or expended), the pattern in Figure 7 varies significantly by Complainant type. For the 'Very determined' and 'Hell-bent' (85% of the sample), complaints for around 4 in 10 were on-going. For around 1 in 10, the complaint had been on-going for over 6 months. Around half of this segment succeeded to resolve their complaint and claimed that they were satisfied. When questioned in depth, satisfaction related, in the main, to success in getting a refund, whilst at the same time many claimed that they would never consider a phone-paid service in the future.

Compared to the average of 51%, around 8 out of 10 (78%) of those who claimed that 'no great effort was needed', complaints were resolved to their satisfaction. When questioned in depth, it was evident that swift resolution gave rise to a deeper level of satisfaction, i.e., no obvious erosion in confidence or trust, and in some instances, greater confidence and trust.

3.3.3 The Complainant types in detail

Each of these Complainant types and their behaviour / attitudes identified is described in more detail as follows:

3.3.3.1 Complainant type: 'No great effort needed'

These Complainants were sometimes surprised (and relieved) by the apparent ease with which their complaint was resolved. Some expected that it would be more difficult. Nearly 8 in 10 of these Complainants claimed that their complaint had been resolved to their satisfaction. (See Figure 7 in section 3.3.2 above.)

Cases of this kind tended to be related more strongly to broadcast (voting), text donation and service / fulfilment issues for digital. In some instances, no charge was involved, e.g., unwanted text communications, or a failure to receive a phone-paid mobile game upgrade.

In other cases, complaints were resolved more quickly by what were described by Complainants as 'known' merchants with 'a reputation to protect'.

"Pretty straightforward really. I called [Merchant] and they stopped the texts straightaway. It's a well-known charity and so I guess they wanted to avoid any bad publicity."

Female, Text Donation Service

Alternatively, some Complainants reported that their Telco or Mobile Network Operator (MNO) handled the complaint on behalf of a merchant, most typically for broadcast (voting) services. Other Complainants claimed to find it easy to get their Telco or MNO to resolve their complaint by threatening to leave. This was most typically when the Complainant was either out of contract or close to the end of it.

"I called [Telco] really to query the charge on my bill rather than to complain. They were very helpful and said they would investigate. The next thing I knew, there was a refund on my phone bill."

Male, Broadcast Voting Service

"They refused at first, but then I started getting quite angry and threatened to leave. It took a supervisor to step in and give me the refund."

Female, Call Connection Service

3.3.3.2 Complainant type: 'Not worth much effort'

Typically, the phone-paid charges incurred by these Complainants were perceived to be relatively small. The amounts ranged between £3 and £10, across a wide range of phone-paid service types. At the same time, many of these Complainants described themselves as time-poor. This led to a view that the financial loss was not sufficient to merit any major effort to recoup it. Added to this, few Complainants in this segment claimed to be motivated to pursue their case as a point of principle.

Others claimed that they made some effort but gave up relatively quickly when it became clear that a considerably greater amount of effort and time would be required.

"I gave up once I knew what it was going to involve. For £4.80 it just wasn't worth the hassle. I just put it down to a bad experience."

Male, Directory Enquiries Service

Some felt that they were convinced by their Telco / MNO or merchant that they were 'to blame', i.e., they 'didn't check their bill quickly enough', or they 'must' have consented to the purchase in some way, despite the Complainant having no recall that they did so. It was the case for many that their complaint was resolved despite their effort rather than because of it.

"It was their word against mine, and oh, I thought, to hell with it. I'm never going to convince them!"

Female, Online Competition Service

3.3.3.3 Complainant type: 'Very determined (up to a point)'

This Complainant type comprised nearly half of the sample. The phone-paid charges incurred were perceived to be moderate to substantial. Amounts varied between £4.50 and £180.

Complaints relating to phone-paid content services, i.e., adult, digital, online competitions and some betting services, plus some directory enquiry services were most strongly represented in this segment.

Describing themselves as very determined, many were driven by worry and sometimes anger given a resolute belief that they did not consent to the charge. Some also claimed to be driven strongly by principle. This stemmed from a perception that others, more vulnerable than themselves, could suffer harm.

"It wasn't the money so much. It became a bit of a mission, to try to put a stop this kind of thing happening. I think of my elderly parents, who would be deeply worried if this happened to them."

Male, Adult Service

Despite strong levels of determination and, in many cases, considerable effort to pursue their case, around half of these Complainants claimed that their complaint had either **not** been resolved or was still ongoing. Around a third (34%) claimed that their complaint was now resolved but that they were not satisfied. See Figure 7 in section 3.3.2 above.

Typically, Complainants in this segment claimed to be very determined but only up to a point. Despite considerable effort in many cases, the tendency was to 'give up' at a certain point for a variety of reasons, i.e., lack of time, a feeling of defeat (there being no further avenues to pursue) and lack of know-how in how else to pursue. In some cases, a feeling of stigma could be a barrier to pursuing a case further. This was most evident for adult services, given a feeling of embarrassment when raising the nature of their complaint with call handlers, particularly in the telco / MNO space.

"I pushed as hard as I could, but I've got a life. There comes a point when it's just not worth spending the time on it."

Male, Adult Service

Finally, among the 51% of the Complainants in this segment who resolved their complaint, and claimed they were satisfied: the main reason for satisfaction was that they got a refund.

Satisfaction, in this case, amounted to a feeling of restitution rather than renewed faith in the service, the merchant that charged them, and the phone-paid service industry as a whole. Given the effort involved, many felt that it was a 'pyrrhic' victory: they got their money back, but it cost them to do so with no reassuring sense that it would never happen again, either to them or to others.

"It was a palaver and really shouldn't have taken so long. I'm relieved I got my money back, but I'll be much more careful in future to check my bills and avoid 09 numbers."

Female, Call Connection Service

3.3.3.4 Complainant type: 'Hell-bent'

These so-called 'Hell-bent' Complainants comprised 38% of the sample and may be characterised as a more extreme form of the 'Very Determined'. They stood apart in terms of their behaviour, which amounted to a steadfast determination to almost 'stop at nothing' to resolve their complaint.

Many claimed that they went to enormous lengths, and some were continuing to do so. They did this, variously, by extensive online searching (to find evidence of others who had experienced the same problem), detailed investigation of the Merchant (where they were located, what other companies they were connected to, the names of directors, etc.), writing to Ofcom, talking to Citizens Advice, getting advice from Which?, sending the details of their complaint to an Ombudsman service, and so forth.

Some were also driven to contacting consumer watchdog TV programmes and writing to their local MP. A few had considered the involvement of a solicitor.

"There's no way I am going to let this drop. I'll close my accounts, write to Watchdog . . . you name it. There's no way I'm going to let them get away with this."

Male, Call Connection Service, charge: £7.18

For many, the key driver of this amount of time and effort was principle rather than financial loss. These Complainants were entirely convinced of their case and were often angry that they had (as they saw it) been 'caught out'. In some cases, the phone-paid charges that had been applied were relatively small, e.g., £4.50. The full range that was sampled was stated as from £4.50 to £1,155. These charges were, for the most part, related to phone-paid content services (adult, online competitions, digital and some 'no-name' betting services⁸).

In the first instance, resolution amounted to getting a refund. However, for many, it was much more than this: the desire was to attempt to address the cause of the complaint and stop it from happening again. For many, the principle related to perceptions of harm to others more than themselves.

Despite intense effort, around a quarter (24%) in this segment failed to resolve their complaint and were dissatisfied. For 26%, the complaint was on-going (at the time when the survey was conducted). Around half succeeded (to get a refund), but, when questioned, many were left feeling entirely distrustful of the phone-paid services market, as a whole.

"I don't think I could've prevented it from happening, but I'll be extremely wary [about any kind of phone-paid numbers] from now on."

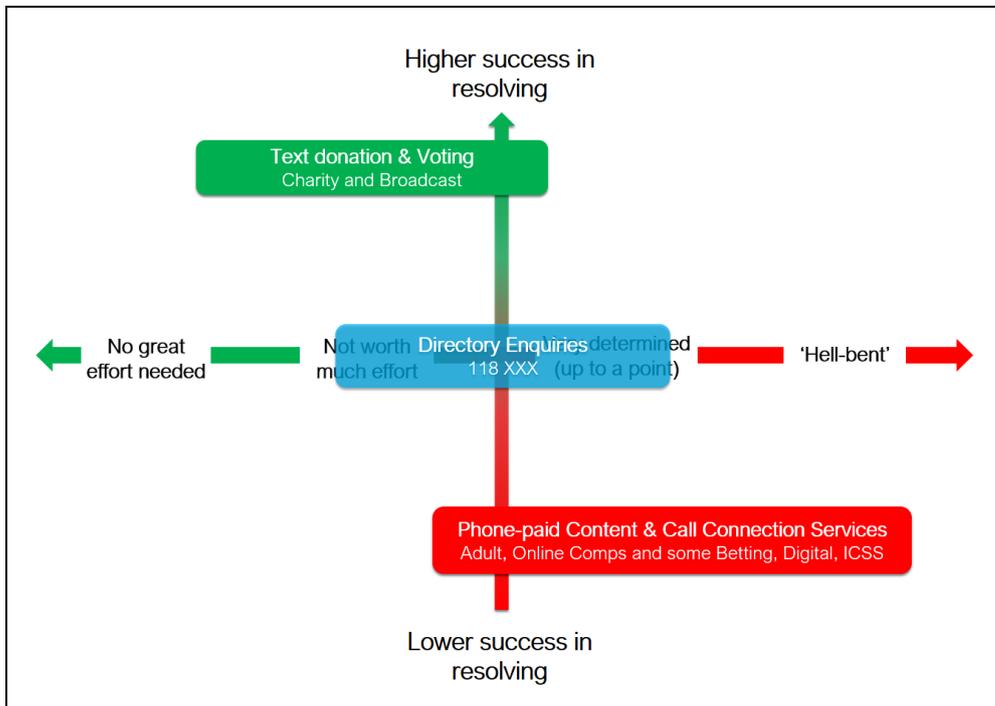
Male, Customer Service Line

⁸ In our in-depth interviews, a clear pattern was evident in Complainant responses between 'well-known' and 'unknown' Merchants. Typically, complaint resolution for well-known merchants tended to be more straightforward and easier to resolve. Very typically, well-known Merchants tended to be more responsive, were felt to have 'a reputation to protect' and had a formal complaints process in place. Compared to unknown or 'no-name' Merchants, this led in more cases to better outcomes and higher levels of satisfaction.

3.3.4 The Complainant types by main service type – in summary

Figure 8, below, summarises the overall pattern of responses across the four main Complainant types identified, and their success in resolving their complaint for each of the three main categories of phone-paid services.

Figure 8: The four main Complainant types by main service type



Broadly speaking, for text donation and voting (green box), Complainants’ effort needed (and expended) tended to be lower, and success in resolving tended to be higher. By contrast, for phone-paid content services⁹ (red box), effort needed (and expended) tended to be higher, and success lower.

For mainstream Directory Enquiry services (blue box) effort and success tended to be more mixed.

These three main service categories are described in more detail as follows:

⁹ It should be noted that our use of the term ‘phone-paid content services’ encapsulates both Premium Short Messaging Services (PSMS) and Operator Billing, in addition to Call Connection Services.

3.3.4.1 Text donation and voting

This category included text-based Charity and Broadcast TV and Radio voting services. Complaints ranged in nature from unwanted communications (post purchase) to either a higher than expected charge or recurring charge that was (according to the Complainant) unauthorised.

Typically, Complainants in this category reported a more straightforward process. In many cases, the Merchant was well-known, a charge of some kind was normally expected, complaint handling was found to be fairly simple and responsive, and the response from both Merchants and Telcos / MNOs tended to be described as good or at least satisfactory.

In all, 74% of complaints in this category had been resolved. Of these, two-thirds of Complainants claimed that they were satisfied with the end result. The remaining third were not satisfied¹⁰.

3.3.4.2 Directory Enquiries

This category comprises complaints about a 118 XXX service. For the most part, these services were provided by 'mainstream' 118 XXX Merchants in the marketplace. These Merchants were well-known and a charge of some kind was normally expected, i.e., most Complainants were conscious of having made use of the service.

118 XXX complaints tended to relate to a higher than expected charge and / or a perceived lack of prominence of charge rates prior to purchase.

By contrast to the above text donation and voting category, successful complaint resolution for 118 XXX was lower. 77% of complaints in this category had been resolved but only around half (52%) were satisfied. The main reason why satisfaction levels were lower (in relation to relatively higher levels of resolution) was that part refunds rather than full refunds were given.

3.3.4.3 Phone-paid content and call connection services

This category comprises Complainants for phone-paid content related to adult services, online competitions and some digital and betting services¹¹. Unlike text donation, voting and mainstream directory enquiry services, most Merchants in this category were **not** known to Complainants.

¹⁰ We examine the reasons given for satisfaction and dissatisfaction in detail in Section 3.4, including case studies.

¹¹ See Footnote 8 on page 22.

Complaints in this category related in the main to an unexpected charge and lack of awareness that a charge had been authorised.

Typically, for Merchants that were not known to the Complainants, complaint resolution required considerably greater effort.

This was for a range of reasons: Complainants claimed not to be aware of having purchased the service and often reported difficulty in determining what the charge was for and where it had come from. When the merchant was eventually identified, many Complainants reported a range of difficulties in terms of: contacting them, getting a reply (or getting a reply that was satisfactory to them), and proving that they had not authorised the charge.

In all, 73% of complaints in this category had been resolved and, of these, 68% were satisfied. These rates appear to be on a par with text donation and voting. However, the figures mask three key factors: (i) complaints for phone-paid content and call connection services typically required considerably greater effort and determination (with a greater number of Complainants succeeding because of this), (ii) the figures include some well-known Merchants with higher resolution success rates¹² and (iii) reported satisfaction largely relates to success in getting a refund rather than increased trust or confidence in phone-paid content and connection call services.

3.4 Complainant journeys:

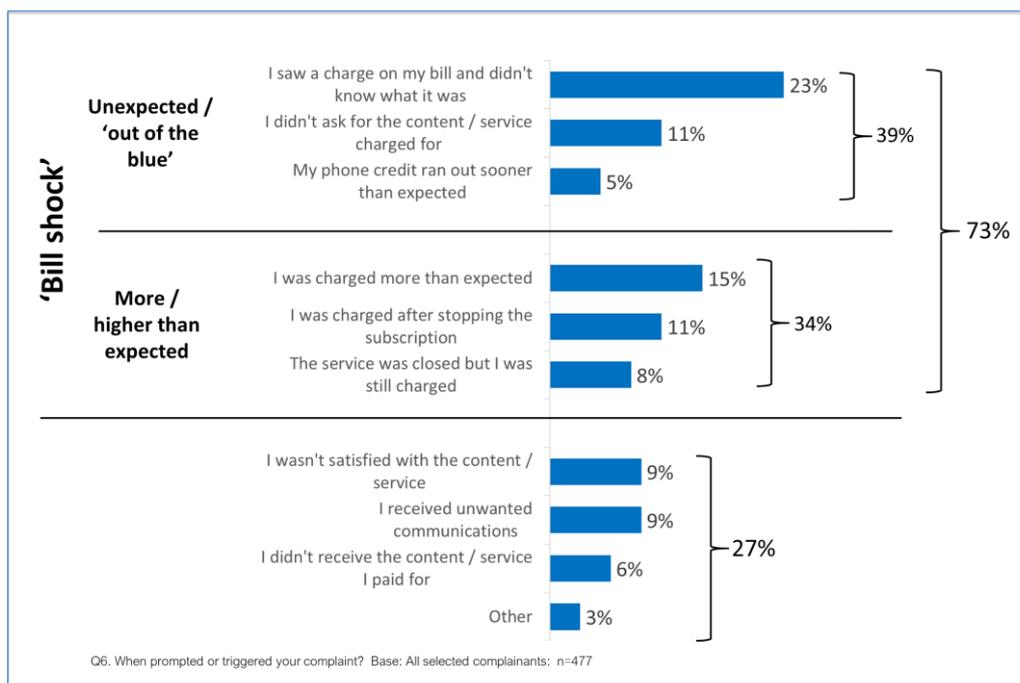
This section describes the main types of journey that Complainants experienced. It starts with an assessment of initial motivations and 'triggers' for complaining and then sets out the detail of six main journey types. These six types explore the perceived role and experience of both Telco / MNOs and Merchants.

3.4.1 Initial motivations and triggers for complaining

In our initial online survey, Complainants were asked what triggered or prompted them to make an enquiry or lodge a complaint. Figure 9, overleaf, shows Complainants' first mentions when presented with a list of possible options. As can be seen, around 7 out of 10 Complainants stated that the key trigger was some form of 'bill shock'.

¹² It is not possible, in our online survey data, to separate out complaints for 'known' and 'unknown' Merchants in this category. The key distinctions between 'known' and 'unknown' Merchants emerged in our in-depth qualitative interviewing, conducted after the online survey.

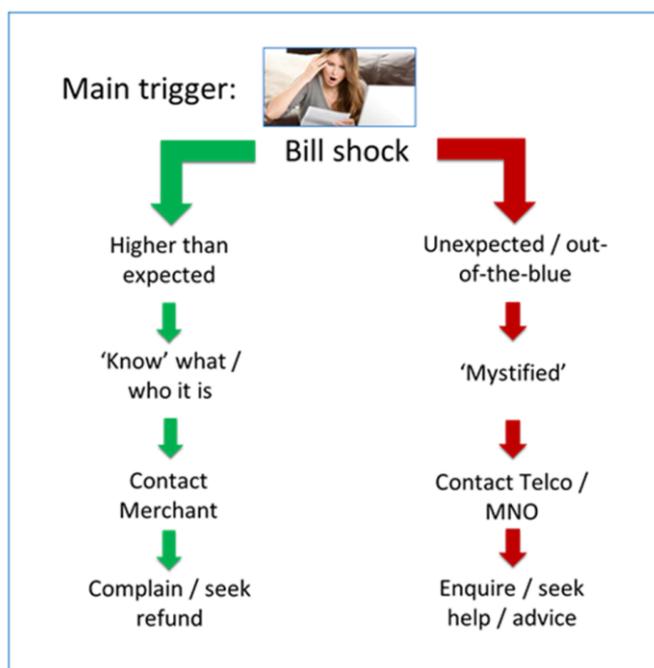
Figure 9: Key factors that trigger complaints – 1st mentions



The remaining 27% of Complainants stated that the key trigger was unwanted communication or lack of satisfaction with the content or service purchased.

In summary, for the majority who experienced bill shock, two different journey start-points were identified, as shown in Figure 10. For the green start-point in Figure 10,

Figure 10: 'Bill shock': Initial journey start points



Complainants were aware that they had made a purchase, knew what it was, and also knew the Merchant that they had made the purchase from. For most, the most immediate instinct in this instance was to complain to the Merchant and seek a refund.

For the red start-point in Figure 10, these Complainants claimed that the charge was unexpected, with no awareness of what the charge was, and often no idea of where the charge had come from. Unless

it was clear who the Merchant was, the instinct for most was to contact their Telco / MNO to query the charge and get advice. Some claimed to make efforts to identify the Merchant before contacting their Telco / MNO.

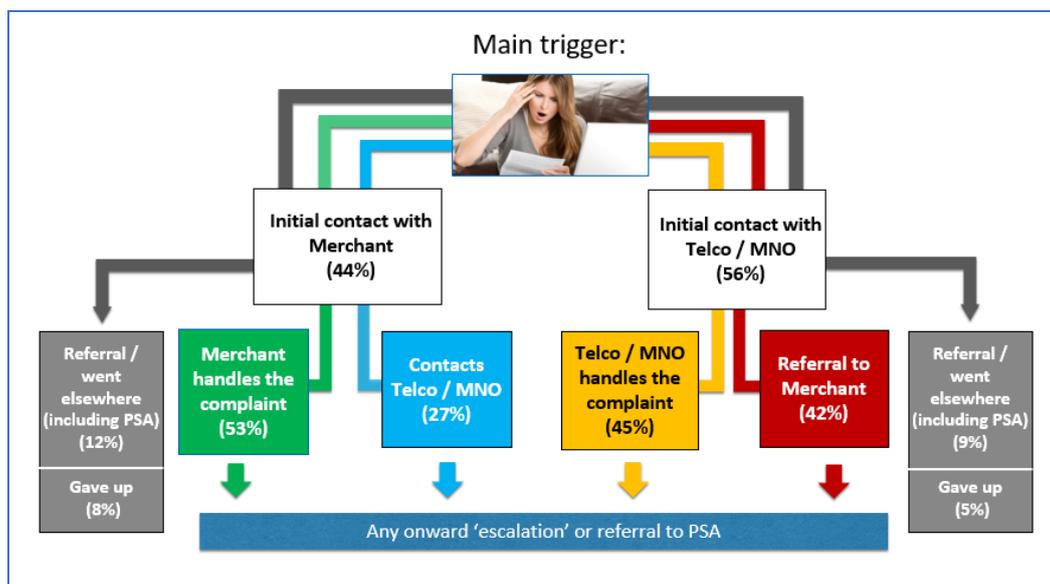
When explored with Complainants in depth, it was clear that the green start-point above was more straightforward and predictable, i.e., a shorter route that tended to be easier to navigate, with generally higher expectations of a satisfactory resolution. The key factor in this was identification and ease of contact with a known Merchant.

For the red start-point above, Complainants tended to report a more unpredictable and time-consuming process, with some finding the experience to be stressful. Typically, expectations were lower regarding a satisfactory resolution to their complaint. The key factor in this was the difficulty in identifying the Merchant and type of service being charged for.

3.4.2 Complainant journeys in detail

In all, six main Complainant journeys were identified. These are summarised in Figure 11 below. Overall, once triggered to complain, just over half of Complainants (56%) contacted their Telco or MNO in the first instance. The remainder (44%) contacted a Merchant in the first instance. From this point on, the Telco / MNO or Merchant handled the complaint directly or the Complainant was either referred elsewhere or chose to go elsewhere.

Figure 11: The six main Complainant journeys identified

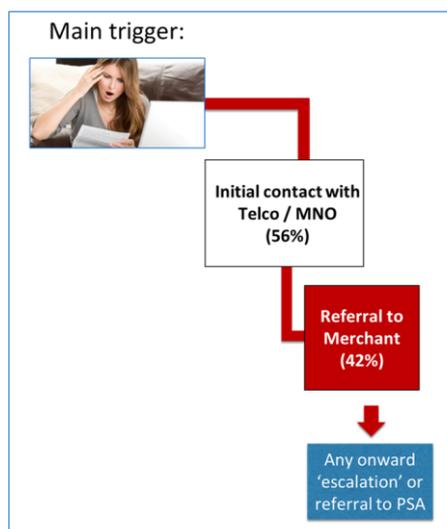


Each of these journey types is described in more detail overleaf:

3.4.2.1 Complainant contacts their Telco / MNO and is either referred or told simply to contact the Merchant

In this scenario (shown in Figure 12), of the 56% of Complainants who initially contacted their Telco / MNO, around 4 in 10 (42%) were referred to a Merchant.

Figure 12: Telco / MNO referral to Merchant



In some instances, Complainants were asked to look back to the date when the charge was made and try to identify the Merchant from call and internet activity around that date. In a very few instances, Complainants claimed that the call-handler was reluctant to divulge the name of the Merchant.

"They [MNO] said that it was their policy not to do so."

Female, 'Hell-bent', Adult Service

Overall, levels of assistance by Telco / MNOs appeared to be very mixed:

"They were pleasant enough, but [MNO] really wasn't able to do anything about it. They suggested I contact [Merchant] directly."

Female, 'Not Worth Much Effort', Digital Service

From this point, the journey was straightforward for some and reported as difficult for many. Many Complainants claimed that they could not locate the Merchant (or could not get a response from the Merchant they had found). This prompted them to go back to their Telco / MNO, either to seek further advice or attempt to raise their complaint directly.

Some Complainants anticipated that it would be difficult to locate and / or get a response from the Merchant. This was either because they felt that they had been 'scammed' in some way, or had seen reports online from others who had experienced considerable difficulty. This prompted many to re-contact their Telco / MNO and seek to exert pressure on them to resolve their complaint by, for example, threatening to leave.

"We had a lot of stuff with them – TV, internet, phone – and they caved in once I said I was going to switch. I was out of contract which I think worked in my favour."

Female, 'Very Determined', Digital Service

Failing this, or alternatively, some Complainants sought advice elsewhere online (e.g., forums, news sites, Citizens Advice, Ofcom). When searching, a few came across the PSA by chance and visited the PSA site to get further advice and / or lodge their complaint.

Finally, in a minority of cases, call-handlers from their Telco / MNO would refer the Complainant to the PSA, for further advice or as a method of escalating their complaint.

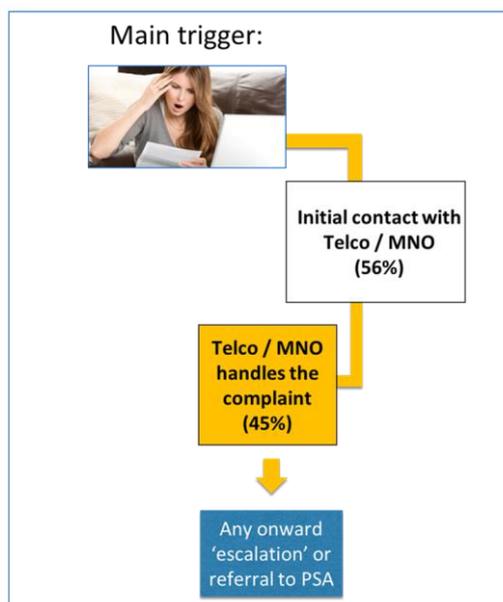
"They said I needed to fill in a form online with something called PhonepayPlus. I know what it is now, but didn't know at the time."¹³

Male, 'Very Determined', Betting Service

3.4.2.2 Complainant contacts their Telco / MNO and the Telco / MNO handles the complaint directly

In this scenario (shown in Figure 13), of the 56% of Complainants who initially contacted their Telco / MNO, 45% reported that their Telco / MNO handled their

Figure 13: Telco / MNO handles the complaint



complaint directly. This happened in one of two ways: (1) For many complaints relating to text voting services (via live TV or radio broadcast), Complainants reported a willingness on the part of the Telco / MNO to investigate the problem. This often led to a fairly straightforward process, with the Telco / MNO seeking to handle the complaint directly and refund the Complainant, without any need for the latter to contact the Merchant. Sometimes, a refund was made by the Telco / MNO without investigation or explanation.

¹³ Among Complainants who were aware and had contacted the PSA, most referred to the PSA's former name 'PhonepayPlus'. This was given that the name changed relatively recently, i.e., Nov 2016.

"Quite easy really. I made one call, explained the problem and they said they'd look into it and get back to me in a couple of days. They didn't actually call me but I called them and then I got a refund."

Female, 'No Great Effort Needed', Broadcast TV Voting Service

(2) For many complaints relating mainly to phone-paid content and call connection services, Complainants could be so strongly convinced of their case (i.e., that they had been 'scammed') that they did not anticipate that the Merchant would respond. Rather than attempt to resolve their complaint with the Merchant, some Complainants succeeded instead to resolve it with their Telco / MNO. This was done through extended dialogue and a willingness on the part of their Telco / MNO to refund them. In other cases, the Telco / MNO was put under pressure to resolve the complaint directly by the Complainant's threat to leave.

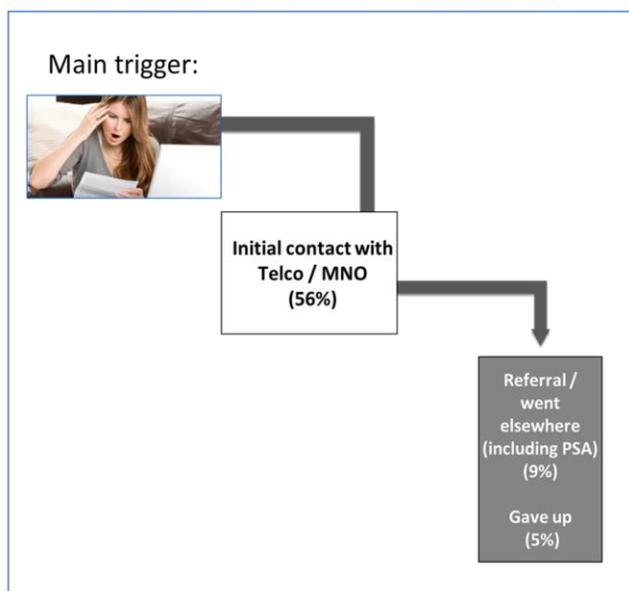
"I was just going to carry on calling them. Anyhow, eventually I got to speak to a manager and, finally, after a lot of hassle, I got a refund. It was a part refund which I settled for."

Male, 'Very Determined', Online Competition Service

3.4.2.3 Complainant contacts Telco / MNO and is then referred, chooses to go elsewhere, or gives up

As shown in Figure 14, Complainants initially contacted their Telco / MNO and in 9% of cases were either referred or chose to go elsewhere. In 5% of cases,

Figure 14: Telco / MNO referral / went elsewhere



Complainants gave up at this point. Referral by the Telco / MNO was nearly always to the PSA. Complainants also chose to seek advice and / or escalate their complaint via Ofcom, the ASA, Citizens Advice, the Financial Conduct Authority and the Payment Services Regulator. In one or two cases, Complainants wrote to their local MP or contacted a solicitor. Many of these Complainants also sought advice online and by

telephone from consumer advice bodies, e.g., Which?, Money Saving Expert, plus a range of online forums (via Google). A few Complainants also contacted Ombudsman Services and were referred to the PSA.

"I was really surprised. They [Ombudsman Services] said they wouldn't deal with it. I thought: who else is there?"
 Male, 'Very Determined', Adult Service

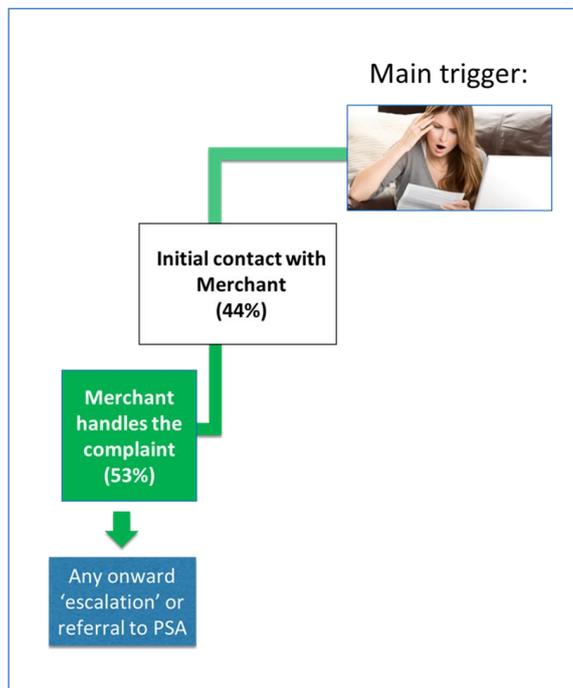
Typically, the main spur to seeking advice elsewhere was a belief in the 'futility' of resolving their complaint with the Merchant. Many of these Complainants had come to the view, either before or after contact with the Telco / MNO that they would not succeed without redress to some kind of 'higher authority'.

"I saw some complaints online and knew that it'd be a waste of time. I thought that maybe by saying to [Merchant] that I'd reported it to PhonepayPlus, that would scare them, but no, nothing so far."
 Male, 'Hell-bent', Online Competition Service

3.4.2.4 Complainant contacts the Merchant and the Merchant handles the complaint

As shown in Figure 15, 44% of Complainants initially contacted a Merchant. For around half of these, the Merchant handled the complaint directly.

Figure 15: Merchant handles the complaint



In these instances, Complainants, for the most part, reported that the Merchant was well known or at least easy to identify. Most in the category were aware that they had made a purchase, knew what it was, and also knew the Merchant that they had made the purchase from. The complaint itself often related to a higher than expected charge, rather than the fact that a charge had been made.

"I knew what it was. It was just that it was higher than I expected."
 Male, 'No Great Effort Needed', Betting Service

In many of these cases, Complainants claimed to have fairly high expectations that the problem would be resolved. This related in part to the perceived reputability of the Merchant and when finding that the Merchant had a formal complaints process in place. In this regard, some Complainants found Merchants to be very responsive and easy to deal with, with higher satisfaction levels with the outcome (even if the complaint was not resolved in the way they original wanted it to be).

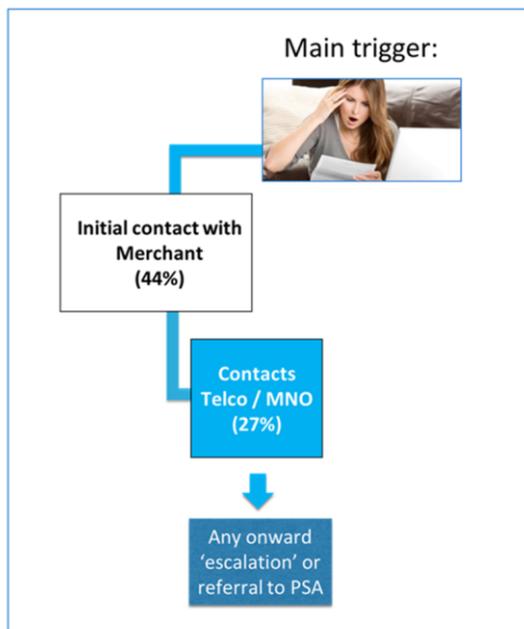
"They were pretty reasonable. They looked into it properly, came back to me when they said they would. They didn't accept my complaint but gave me some free credits. I think they said it was for goodwill."
 Male, No Great Effort Needed, Betting Service

In a few cases, Complainants were not satisfied with the Merchant's response and chose to escalate their complaint in some way. For most, this initially meant a search online for advice on forums, consumer watchdog sites, and bodies like Which? and Citizens Advice. A few came across PSA when searching.

3.4.2.5 Complainant contacts Merchant and then contacts their Telco / MNO

As shown in Figure 16, of the 44% of Complainants who initially contacted a Merchant, 27% followed this by contacting their Telco / MNO.

Figure 16: Contacts Telco / MNO after initial contact with Merchant



When explored with Complainants in depth, it was clear that few, if any, were actively referred by the Merchant to the Telco / MNO. Rather, Complainants chose to contact their Telco / MNO, after perceiving that the Merchant was either unresponsive or unwilling to resolve their complaint.

"I called [Merchant] and got no reply. I emailed them and that didn't work. So, I called [MNO] to see what they could suggest I do."

Male, 'Very Determined', Adult Service

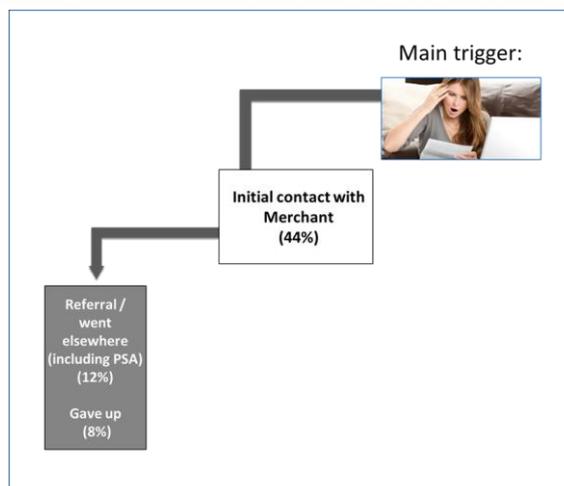
In some instances, Complainants called their Telco / MNO for advice.

In other instances, attempts were made to get the Telco / MNO to handle the complaint directly.

3.4.2.6 Complainant contacts Merchant and is then referred, chooses to go elsewhere, or gives up

In this final journey, as shown in Figure 17, of the 44% of Complainants who initially contacted a Merchant, 12% sought to escalate the complaint elsewhere, and 8%

Figure 17: Merchant referral / went elsewhere



gave up at this point. A few Complainants were referred to the PSA.

Some Complainants claimed that they had considered approaching their Telco / MNO, mainly for advice, but decided instead to seek help elsewhere, i.e., online forums, Citizens Advice, Which?, Ofcom, etc. 8% of Complainants gave up after their initial contact with the Merchant.

For many, contacting their Telco / MNO was not a consideration, i.e., it did not occur to these Complainants that a Telco / MNO could be of help. The perception instead was that the Merchant was responsible.

"No, I didn't call [Telco]. It didn't occur to me. Not sure why I would really."

Female, Not Worth Much Effort, Directory Enquiries Service

3.4.3 Complainant journeys – in summary

Looking at patterns across all Complainant journeys, two key observations, from the consumer perspective, are noted as follow:

3.4.3.1 The perceived role, responsibility and expectations of Telcos and MNOs

Whether Complainants contacted their Telco / MNO initially, or after contact with a Merchant, for most the primary reason for doing so was to seek help and advice, rather than to complain. In this, the great majority of Complainants considered that the Merchant was responsible.

"[MNO] is not the place I'd go to complain. It was clear on the bill who was responsible."

Male, directory enquiries service

Some Complainants sought to put pressure on their Telco / MNO to handle the complaint with the Merchant on their behalf. This was particularly in cases when Complainants experienced or perceived that the Merchant would not assist them.

Pressure was applied, variously, by attempts to exert their influence as customers, leverage their 'loyalty', or, ultimately, threaten to terminate their contract. This was more prevalent for complaints related to phone-paid content and call connection services and for Merchants across all services that Complainants had difficulty locating and reaching.

In other instances, Telco / MNOs were found to be receptive and willing to handle their complaint. This was normally in the context of Broadcast (voting) services, where it was clear to the Complainant that their Telco / MNO would act to resolve the complaint on their behalf.

In general, Telco / MNOs were regarded widely as helpful, and often sympathetic, but not normally willing to take ownership of the complaint.

*"They tried their best to help, and gave me advice,
but weren't able to do more than that."*

Female, 'Very determined', Online Competition Service

Some Complainants in the sample held stronger views regarding the role of their Telco / MNO. These views tended to develop over the course of their journey, when it became apparent to them that, despite very determined effort, they were not going to resolve their complaint.

Having come to the view that they had exhausted all possible avenues, many of these most determined Complainants considered that their Telco / MNO had a 'duty of care', at least, to protect them. Typically, the strong desire was to see their Telco / MNO do more to prevent the problem from occurring in the first place.

*"I really feel strongly that [MNO] could do
more to protect me."*

Male, 'Hell-bent', Adult Service

Finally, a few of the most determined Complainants in the sample went further: to consider that Telcos and MNOs were *complicit*, i.e., that, by collecting phone-paid revenues on behalf of Merchants, and being paid a commission to do so, Telcos and MNOs were benefiting from Merchants who, at worst, were perceived to be acting illegally or, at best, were perceived to be treating consumers unfairly.

*"It's obvious to me that it's a scam and [MNO]
is turning a blind eye to it. I think it's disgusting.
I put it to them and they just kept refusing
to do anything about it."*

Female, 'Hell-bent', Betting Service

3.4.3.2 Alternative methods of dispute resolution

A defining feature of around half of all Complainant journeys is the experience of an *impasse* or deadlock. For these people, despite considerable effort and determination, there seemed (to them) to be no options left to bring about a satisfactory resolution.

A major part of the difficulty in this was the fact that the Complainant could not prove that they not had authorised the purchase, and the fact that the Merchant was *perceived* to be either unable or unwilling to prove that they did. It was, as one Complainant put it: *"an impossible case of their word against mine"*.

Attempts to escalate the complaint, by appealing, for example, to some form of 'higher', independent authority, was not found to be an effective option. Regulators like Ofcom and the PSA were not found to be well placed to handle individual complaints. Ombudsman Services, when considered, was found to be unable to handle phone-paid services. Recourse to a small court or solicitor was felt by many to be too costly (and sometimes too daunting). Other organisations, like Which?, Citizens Advice and Trading Standards, were found to offer advice but were not able to act on their behalf. None in the sample was aware of ADR for phone-paid services.

3.5 Complainant experiences and complaint-handling by service type:

In this section, we present a number of case studies for each of the main service types. These studies provide a good representation of the full range of complaints in terms of service type and satisfaction levels. Commentary is included to describe Complainant experiences and the quality of complaint handling. A summary table is included at the end of each of the following sub-sections:

3.5.1 Phone-paid content and Call Connection services

This sub-section provides case study examples of phone-paid content services and Call Connection Services. For content services, we refer to 'content' as an umbrella term that includes a mix of Premium Short Messaging Services (PSMS) and Operator Billing. Individual services that fall under this category are mainly Adult (video clips, chat, images, etc., plus dating or flirt chat), Online competitions or quizzes, Digital (including video, music, games), and some 'no-name'¹⁴ betting or gambling services.

For call connection services, these relate to a Merchant's use of premium rate 087 or 09 numbers that connect a caller (with or without their knowledge) to a customer service department.

¹⁴ See footnote 8 on page 22.

Five case studies are presented overleaf which focus on the outcome for the Complainants and provide insight into how experiences can lead either to major loss or at least moderate gain in confidence / trust in phone-paid services. These studies are described in detail over the following five pages. For ease of reference, they are briefly summarised here:

	Outcome	Satisfaction with outcome	Confidence / Trust (in PRS)
Case Study #1 Digital services	Resolved		
Case Study #2 Online competition	Resolved		
Case Study #3 Digital services	Resolved		
Case Study #4 Call Connection	Unresolved		
Case Study #5 Adult services	Ongoing, unresolved		

<p>Case Study #1</p> <p>Tom: Building Facilities Manager Type: 'No Great Effort Needed'¹⁵ Device: Mobile phone Total charges: £60 His claim: No consent given to the subscription Status: Resolved</p>	<p>Content service: Digital Music</p>
<p>The details:</p> <ul style="list-style-type: none"> • Tom discovered a series of charges on his phone bill • Unaware of what these charges were for, he called her MNO to query them • The MNO call-handler was described as extremely pleasant, identified the Merchant and called them on Tom's behalf whilst he was on the call, allowing Tom to listen in • The call-handler explained to the Merchant that Tom had not subscribed • The Merchant initially refused to refund the charges but agreed to do so after a request by the call-handler to do so • Tom was fully refunded on the same day 	<div data-bbox="970 398 1230 833" data-label="Image"> </div> <p data-bbox="906 878 1305 1079"><i>"I was taken aback, because of the effort of [MNO] to handle it all on my behalf and get me a refund straightaway. I thought it was brilliant. The best experience of complaining I've ever had."</i></p>
<p>Tom's residual feeling: Extremely satisfied, surprised by the service she got from her MNO. No loss of confidence.</p>	

¹⁵ See Section 3.3.3.1 on page 19 for a full definition.

Case Study #2	Content service: Online Competition
<p>Julie: Retail store manager Type: 'Very Determined, Up to a Point'¹⁶ Device: Mobile phone Total charges: £10 Her claim: No consent given for recurring charge Status: Resolved</p>	<div data-bbox="970 465 1230 902" data-label="Image"> </div> <p data-bbox="895 943 1315 1115"><i>"Initially quite difficult but fine once I got through to someone who had the authority to do something about it. Really happy that they put a block on the number so quickly."</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • Julie looked at her mobile phone bill and saw two charges of £5 • She knew that she had made one purchase, but then sent a text to 'STOP' any recurrence of the charge • Julie called her MNO and complained that she had sent a STOP text • In this call, the call-handler was described as 'dismissive', suggested it was her responsibility and stated that nothing could be done • Julie called her MNO again and asked to speak to a supervisor • This second call-handler apologised, accepted that she should not be charged, put a block on the number and credited her account 	
<p>Julie's residual feeling: Satisfied and open-minded about the idea of signing up to an online competition again.</p>	

¹⁶ See Section 3.3.3.3 on page 20 for a full definition.

Case Study #3	Content service: Digital videos
<p>John: Student</p> <p>Type: 'Very Determined, Up to a Point'¹⁷</p> <p>Device: Mobile phone</p> <p>Total charges: £62</p> <p>His claim: That he had said 'yes' to the app that he downloaded, but didn't say 'yes' to the subscription</p> <p>Status: Resolved</p>	<div data-bbox="970 371 1230 808" data-label="Image"> </div> <p data-bbox="906 853 1302 920"><i>"I said yes to the app. I didn't say yes to the subscription."</i></p> <p data-bbox="906 958 1302 1025"><i>"[MNO] said that [the PSA] have a 100% record of getting refunds"</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • John spotted that his direct debit amount for his mobile phone was higher than normal • He called his MNO and they said they could do nothing about it. The MNO suggested that he should take his case to the PSA, indicating that he would be certain to get a refund. John did some research online, found the Merchant, and called them • The Merchant refunded him within 3 days 	
<p>John's residual feeling: Satisfied about getting a refund, annoyed about the difficulty in tracking down the Merchant, and convinced that the Merchant relied on people not bothering to complain.</p>	

¹⁷ See Section 3.3.3.3 on page 20 for a full definition.

Case Study #4	Connection service to HMRC
<p>Pauline: Teacher</p> <p>Type: 'Very Determined, Up to a Point'¹⁸</p> <p>Device: Landline phone</p> <p>Total charges: £28</p> <p>Her claim: That she was misled, believing that her call was at the normal call rate</p> <p>Status: Unresolved</p>	<p style="text-align: center;">HMRC 09XX XXX XXXX</p> <p style="text-align: center;"><i>"I did make a call to HMRC, but had no idea it would cost me."</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • Pauline discovered a charge of £28 on her landline phone bill • She called her Telco to query the amount and was referred to the Merchant • She went online to search for advice and found that others had experienced the same problem • Pauline sent an email to the Merchant and got no reply • She went back to her Telco who said that there was nothing that they could do about it • After further attempts to contact her Telco and complain, she eventually gave up 	
<p>Pauline's residual feeling: Now wary and distrustful of all phone-paid services</p>	

¹⁸ See Section 3.3.3.3 on page 20 for a full definition.

Case Study #5	Content service: Adult videos
<p>Barbara: Retired accountant Type: 'Hell-bent'¹⁹ Device: 4G dongle Total charges: £180 Her claim: No consent given, and no evidence of consent provided by Merchant Status: On-going</p>	<div data-bbox="970 436 1230 875" data-label="Image"> </div> <p data-bbox="890 913 1315 1088"><i>"[MNO] must know it's a scam. And yet they are turning a blind eye to it. That's dishonest. They're putting profit before the care of their customers."</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • Barbara discovered a number of charges on her mobile phone bill • She called her MNO to query the amounts and was referred to the Merchant • She went online to search for details and found 'numerous' complaints • Barbara then wrote to the Merchant, setting out the details of her complaint • She received a list of transactions from the Merchant together with screenshots of the consent process (including thumbnail images of an adult nature) 	
<p>Barbara's residual feeling: 'violated' and angry</p>	

¹⁹ See Section 3.3.3.4 on page 21 for a full definition.

3.5.2 Satisfaction and trust levels for Phone-paid Content and Call Connection services

Drawing on Complainant experiences in the above case studies, a number of conclusions from the consumer perspective can be drawn. These focused on customer-handling factors that lead either to low satisfaction and loss of trust or higher satisfaction and greater trust. The factors are summarised as follows, from the point of view of both Telcos / MNOs and Merchants:

	 Low satisfaction / loss of trust	 Higher satisfaction / greater trust
<p>Telco / MNO experience:</p>	<ul style="list-style-type: none"> • Unable or sometimes apparently unwilling to identify / locate the Merchant • Unwilling or sometimes slow to stop a recurring charge or bar the service. <p><i>"[MNO] refused to give me the name of the company. I managed to find it online."</i></p> <p><i>"They said they would stop it and then nothing happened. I got more and more scared that the charges were continuing."</i></p> <p><i>"They said I'd have to take it up with the Merchant to stop it, but I couldn't find them."</i></p>	<ul style="list-style-type: none"> • Help to identify the Merchant • A willingness to assist via liaison between Complainant and Merchant • Barring the service immediately (on request) • Pointing the Complainant to an ADR if the Complainant cannot get a satisfactory reply from the Merchant • Routine referral to the PSA site for additional help / guidance. <p><i>"As one of their customers, they have a duty of care to protect me."</i></p>
<p>Merchant experience:</p>	<ul style="list-style-type: none"> • No response / reply to the complaint • No proof of consent provided • Lack of clarity in how to exit a service • Poor misleading call cost information. <p><i>"They couldn't prove that I did, and I couldn't prove that I didn't, so it was hopeless really."</i></p> <p><i>"Sending me a list of transactions doesn't say anything. I have got them already on my bill."</i></p> <p><i>"I thought that typing STOP would validate me in some way, so I deleted it."</i></p> <p><i>"It's what I expected. Nowhere to be found. It was impossible to contact them."</i></p> <p><i>"Where do I start! Just about everything I went through needed to be improved. A major overhaul I would say."</i></p>	<ul style="list-style-type: none"> • Published contact details, a choice of contact methods, an 0800 number • Documentation and mechanisms that provide proof of consent • Prominence of call costs prior to purchase • An easy and reliable method of stopping a recurring cost • A published complaints policy and guidance on how to complain • Details of an ADR service in the event that a dispute cannot be resolved • Routine referral to the PSA site for additional help / guidance.

3.5.3 Directory Enquiry services

This sub-section provides case study examples of Directory Enquiry services. The services relate to mainstream 118 XXX service providers.

Two case studies are presented overleaf which focus on the outcome for the Complainants and provide insight into how experiences can lead either to major loss or at least no major change in confidence / trust in phone-paid services. For ease of reference, they are briefly summarised here:

	Outcome	Satisfaction with outcome	Confidence / Trust (in PRS)
Case Study #6 118 XXX	Resolved		
Case Study #7 118 XXX	Unresolved		

Case Study #6	Directory Enquiry service
<p>Paula: Chef</p> <p>Type: 'Very Determined, Up to a Point'²⁰</p> <p>Device: Mobile phone</p> <p>Total charges: £9.20</p> <p>Her claim: Call charge higher than expected and no prior warning of a connection charge</p> <p>Status: Resolved</p>	 <p style="text-align: center;">118 XXX</p> <p><i>"I felt that [the Merchant] had their reputation to protect and would respond. I knew that they would have a complaints process of a sort and that I had a good chance of getting a refund."</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • Paula was locked out of her house and needed to contact a locksmith urgently • She called [the Merchant], thinking that the call charge would be low. She asked to be put through • Later in the month she checked her phone bill and saw a charge of £9.20 • She called the Merchant to complain that the charge was excessive • After asking to speak to a supervisor, and complaining further that she was not warned about the connection charge, Paula succeeded to get a part refund of the charge, i.e., £6 	
<p>Paula's residual feeling: Satisfied that the actual amount paid was in line with her expectations. Will avoid being connected in the future.</p>	

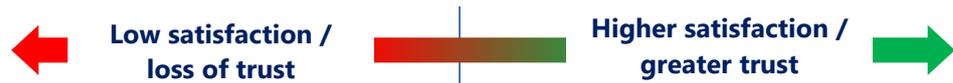
²⁰ See Section 3.3.3.3 on page 20 for a full definition.

Case Study #7	Directory Enquiry service
<p>Mohammed: Accountant Type: 'Not Worth Very Much Effort'²¹ Device: Mobile phone Total charges: £6.20 His claim: That advertising for the call charge rate was misleading Status: Unresolved</p>	 <p style="text-align: center;">118 XXX</p> <p style="text-align: center;"><i>"The complaints process was ridiculous. Too much hassle for the money involved. I think they make it difficult to put people off."</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • Mohammed saw a print advertisement and felt that he was led to believe that his call cost would be 'under £2' • A month later, he checked his bill and saw a 118 XXX charge for £6.20 • He called his MNO to query the amount and was referred to the Merchant • Mohammed called the Merchant and was told that he must provide hard copies of his bank statement, proof of identity and residence. He was then told that it would take 6-8 weeks to receive a decision 	<p>Mohammed's residual feeling: He claims that he will never use a 118 service again</p>

²¹ See Section 3.3.3.2 on page 20 for a full definition.

3.5.4 Satisfaction and trust levels for Directory Enquiry services

Drawing on Complainant experiences, in the above case studies, a number of conclusions, from the consumer perspective, can be drawn. These focus on customer-handling factors that lead either to low satisfaction and loss of trust or higher satisfaction and greater trust. The factors are summarised as follows, from the point of view of both Telcos / MNOs and Merchants:



Telco / MNO experience:

- Telco / MNO not considered to be responsible
- No major satisfaction / trust issues were evident
- Complainants accepted that they made the calls
- No perceived case for Telco / MNO to answer

Merchant experience:

- Perceived lack of prominence of call costs
- Perceptions of an onerous complaints process in some cases.

"I thought it was going to be £1 max. The ad said it was from 50p a minute. Very crafty I think."

"They said they'd investigate but I needed to send paper bills and statements. All designed to put me off."

"If the process was fast and simple, I'd have more respect for the decision."

- Actual call costs made clear prior to purchase
- A simple, streamlined complaints process.

"I don't mind paying over the odds, especially in an emergency, but I need to know what it costs before I agree to it."

3.5.5 Text donation and Voting services

This sub-section provides case study examples for Text Donation and Voting Services.

Two case studies are presented overleaf which focus on the outcome for the Complainants and provide insight into how experiences can lead either to moderate loss or moderate gain in confidence / trust in phone-paid services. For ease of reference, they are briefly summarised here:

	Outcome	Satisfaction with outcome	Confidence / Trust (in PRS)
Case Study #8 Broadcast voting	Resolved		
Case Study #9 Text donation	Resolved		

Case Study #8	Live broadcast voting service
<p>Jamie: Bank Clerk Type: 'No Great Effort Needed'²² Device: Mobile phone Total charges: £11.60 His claim: Charged twice instead of one charge of £5.80 Status: Resolved</p>	 <p><i>"Obviously, it was not [MNO]'s fault, though they should have stopped it. They took ownership of the problem and gave me a refund."</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • Jamie text-voted during a live TV broadcast • He checked his phone bill on his app and saw that two amounts of £5.80 had been debited from his account • He called his MNO to query the amounts and was told that they would investigate • About two weeks later, Jamie noticed that £5.80 had been credited by his MNO to his account • He called his MNO again to find out what happened and was told that it was a technical error 	<p>Jamie's residual feeling: Satisfied, and claims to see no reason why he would not vote again.</p>

²² See Section 3.3.3.1 on page 19 for a full definition.

Case Study #9	Charity text donation
<p>Jennie: Retired Type: 'No Great Effort Needed'²³ Device: Mobile phone Total charges: Not applicable Her claim: Unwanted communication Status: Resolved</p>	 <p><i>"I was getting bombarded with texts. They just don't leave you alone. It puts you off donating."</i></p>
<p>The details:</p> <ul style="list-style-type: none"> • Jenny made a donation to a charity on her mobile phone • She then received a number of unwanted texts and felt that she was being 'bombarded' • She went online and found that others were warning people about the number • She looked at her MNO's forum and spotted a link to an organisation that could block the texts • After calling this organisation, the texts stopped after about two days 	
<p>Jennie's residual feeling: Satisfied but now claims to be put off from donating by text.</p>	

²³ See Section 3.3.3.1 on page 19 for a full definition.

3.5.6 Satisfaction and trust levels for text donation and voting services

Drawing on Complainant experiences, in the above case studies, a number of conclusions, from the consumer perspective, can be drawn. These focus on customer-handling factors that lead either to low satisfaction and loss of trust or higher satisfaction and greater trust. The factors are summarised as follows, from the point of view of both Telcos / MNOs and Merchants:

	 Low satisfaction / loss of trust	 Higher satisfaction / greater trust
Telco / MNO experience:	<ul style="list-style-type: none"> No major satisfaction / trust issues were evident. 	<ul style="list-style-type: none"> In many cases, a consistent level of willingness to investigate and resolve the complaint on behalf of the Merchant. <p><i>"I got on to web-chat with [MNO] and they said they'd look into it."</i></p> <p><i>"Really helpful. Got onto it straightaway. They took responsibility."</i></p> <p><i>"Got my refund from [MNO] but no explanation. Just a credit to my account."</i></p>
Merchant experience:	<ul style="list-style-type: none"> Difficulty in finding / locating a dedicated complaints department, phone number or email address. <p><i>"[TV broadcaster] is such a large organisation. I wouldn't know where to start to find out who to complain to."</i></p> <ul style="list-style-type: none"> Receiving unwanted (post-donation) communication <p><i>"I felt betrayed as I'd given a certain amount but was then pressured to give more."</i></p> <ul style="list-style-type: none"> Slow to stop unwanted communications. 	<ul style="list-style-type: none"> Immediate resolution when it is clear that the charge was due to an error <p><i>"I felt confident that I'd get a refund. They don't want the bad publicity."</i></p> <ul style="list-style-type: none"> A simple, streamlined complaints process. <p><i>"I called them and they apologised and stopped it. Really easy."</i></p>

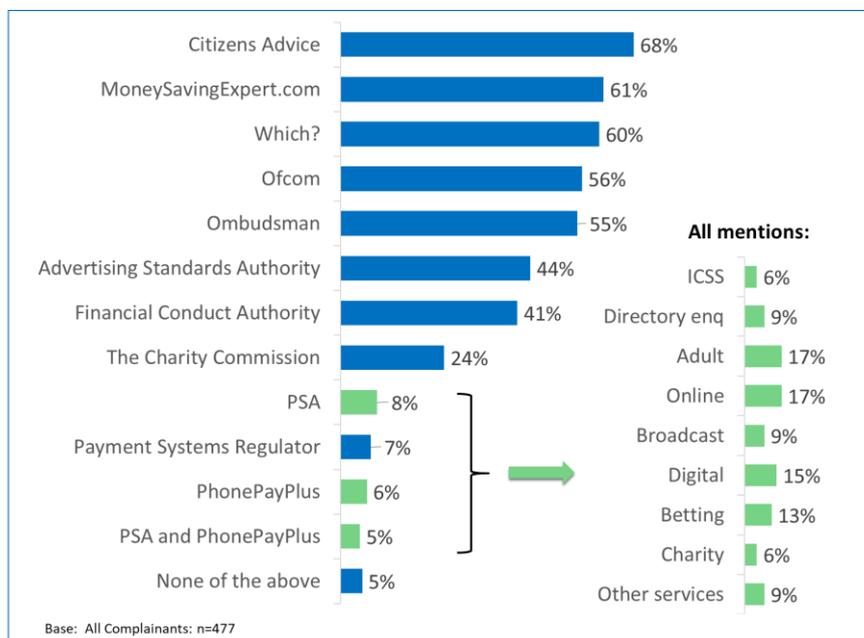
3.6 Taking the case further – the role of the PSA

In this section, we describe Complainants' awareness, understanding and level of engagement with the PSA, over the course of their complaint journey. We also describe how the PSA is perceived.

3.6.1 Awareness and understanding of the PSA

As Figure 18, below, shows, among Complainants with no experience of the PSA, awareness of the PSA is low by comparison to other key organisations, albeit higher than the average for Complainants related to phone-paid content services, i.e., adult, online competitions, digital and some betting services.

Figure 18: Awareness of key organisations



When those who were aware of the PSA were questioned, knowledge of its role was generally poor. Despite awareness of the name, many had no real understanding of the PSA as the regulator for phone-paid services. By contrast, other organisations were considerably better known, but were felt by many to offer advice but no role in handling their complaint.

Despite relatively high awareness of Ombudsman services (55%), many did not consider using the service. Perceptions were that it would be a lengthy process (and 'probably' overwhelmed with other kinds of complaints) meaning that they would not get an immediate reply or resolution. Very few in the sample were aware that Ombudsman services did not handle phone-paid service complaints unless the provider had chosen to offer ADR. The general expectation was that they would.

"I did think of the Ombudsman, but it would probably take a long time."

Male, 'Very determined', Online Competition Service

3.6.2 Perceptions of PSA among users

Among Complainants who had been in direct contact with the PSA, a primary route to the PSA was via referral from Telcos and MNOs. In addition, many of the most determined in the sample came across the PSA when researching online.

Perceptions of the PSA among these users varied significantly. Some, particularly the most determined in the sample, demonstrated a well-developed knowledge and understanding of the PSA's role.

Others were confused, thinking that the PSA was a body that acted like Ombudsman Services and would handle their complaint.

Some clearly had unrealistic expectations that the PSA would get them a refund. To a large extent, these expectations had been developed when talking to Telco / MNOs. This said, some Complainants considered that mentioning the PSA when contacting a Merchant would help, i.e., it would put pressure on the Merchant to respond.

"[MNO] said that PhonepayPlus had a 100% record of getting customers refunds."
Male, 'Very determined', Digital Service

"I thought that [Merchant] would be terrified [of the PSA] and would give me my money back. But it seems not."
Female, 'Very Determined', Digital Service

"I was under the impression that they would handle my complaint and I've heard nothing."
Male, 'Hell-bent', Online Competition Service

"This is the first time I have used an Ombudsman (sic), and I've less respect for them now. They didn't do anything."
Female, 'Hell-bent', Betting Service

The PSA website itself was spontaneously commented on by some of the Complainants. Views were generally very positive regarding the advice and guidance on the site along with the number-checking service. The list of 'key questions' to ask Merchants was also valued highly.

"They were brilliant, so helpful, and their detailed advice had a big effect on [Merchant]."
Male, 'Hell-bent', Adult Service

Overall, the PSA was generally viewed as positive for content but not for action on their behalf. Disappointment was widespread when it was discovered that the PSA's role was not to resolve individual disputes or make refunds.

Some of these Complainants were not aware of this and, at the time they were interviewed for this study, were still waiting for a 'decision' from the PSA regarding their complaint.

Overall, a major complaint against the PSA was lack of follow-up. All recalled receiving a confirmation regarding their initial communication with the PSA, but very few had heard anything more from the PSA.

"Very disappointed. I got a confirmation but nothing else."

Male, 'Very Determined', Online Competition Service

4. Conclusions from the consumer perspective

In this section, we summarise conclusions that have been drawn from the consumer perspective in this research. Specifically, we set out Complainants' suggestions for ways in which Telco / MNOs and Merchants can assist phone-paid service customers more effectively. The aim in this is to bring about better outcomes for customers and by doing so increase confidence and trust in the phone-paid services market.

4.1 Consumer expectations of assistance from Telco / MNOs

Drawing on suggestions from Complainants, the following is a list of ways that Telco / MNOs may more effectively assist customers, with a view to developing greater trust and confidence over time.

Making it easier for customers to find / locate the Merchant

In situations where the Merchant is not known or readily identifiable, Complainants expected Telco / MNOs to be able to confirm the identity of the Merchant and provide contact details. Knowing the right Merchant to go to, and knowing that their complaint went to the right address, saved time and put Complainants more in control. It gave them more confidence and certainty that the time and effort spent would not be wasted.

Stopping charges / blocking the number when the customer requests this

Most Complainants expect that charges should be stopped and / or the number be barred when they request this. Whilst it is clear to most that the 'contract' is between themselves and the Merchant, there is an expectation that Telco / MNOs can and should assist to protect them in instances where they cannot get a response or reply from the Merchant. The evidence suggests that some Telcos / MNOs do refund Complainants and bar numbers, and others don't. At the same time, there is a tendency for most Telcos / MNOs to be more inclined to do these things for broadcast services. By the same token, the tendency is for most Telco / MNOs to be less inclined to do so for phone-paid content services.

Automatically alerting customers to a recurring phone-paid service charge / warning when they have reached a certain limit

The PSA requires customers of subscription services to be notified by the Merchant of the details of their subscription at least once a month, or when cumulative charges of £20.45 have been reached.²⁴ It is clear however, that many Complainants do not recognise warning texts from Merchants. Many delete them. Most Complainants expect their Telco / MNO to assist in this given that texts from Telco / MNOs are seen by consumers as comparatively more salient and trustworthy. The new Digital Economy Act 2017 contains a requirement for MNOs to offer customers the opportunity to set a billing limit and to notify customers if that limit is likely to be reached or indeed, has been reached.

Acting against Merchants who fail to respond to customer complaints

Many Complainants expect Telcos / MNOs to act on their behalf to protect them, particularly in cases where it is clear in their view that the Merchant is not acting fairly. Many consider that Telco / MNOs are in a position to act in a way that increases confidence and trust.

4.2 Consumer expectations of assistance from Merchants

Based on Complainants' experiences, it is considered by many Complainants that some Merchants do not treat customers entirely fairly. This can be seen to bring about a major loss of trust and confidence in the PRS market as a whole and not just the particular service being complained about.

From this research, Complainants indicate strong expectations regarding fair treatment, drawn not least, from many other service categories, e.g., energy, telecommunications, banking, etc. Specifically, these expectations relate to:

- Access to, and the full application of a well-publicised complaints process and policy
- Ease of identification of the Merchant and contact
- Fast and efficient response times
- Simplicity of the process itself
- Referral to an ADR service in the event that the dispute cannot be resolved between the Complainant and Merchant
- Referral of the case itself to the PSA.

²⁴ See PSA Notice of Specified Service Charges and Durations of Calls. Please see: [PSA Notice](#).

It is clear that some Merchants almost fully meet these expectations. It is equally clear that some Merchants don't. This suggests a need for the current Code of Practice to be more strongly enforced, if trust levels are to be improved. This also suggests a need to examine whether more can be done to meet consumers' expectations in areas such as ADR, which are outside the scope of the current legislation.

4.3 Consumer expectations of assistance from the PSA

A strong expectation among Complainants who engaged with the PSA was for the organisation to follow-up with information on the outcome of their investigations into cases that were relevant to their complaint.

5. Technical appendices

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5.1 Detailed method and sample achieved

The research was conducted in two stages:

Stage 1: Online Survey

This stage was designed to identify and profile recent phone-paid services Complainants for re-contact with in Stage 2. The survey polled a nationally representative sample of 4,347 consumers. From these, a total of 1,174 phone-paid services Complainants were identified. The questionnaire used at this stage comprised a total of 35 questions, covering the following subjects:

- Complaints made in the last three years in one or more of 19 service categories, including phone-paid services
- Complaints made in the last three years in one or more of 19 phone-paid service types
- Their most recent complaint
- When complaint made
- The current status of the complaint (on-going, closed and resolved, closed but not resolved, and dropped by the Complainant before being closed or resolved)
- What triggered their complaint
- What Complainants expected to happen as result of making their complaints
- The type of provider contacted in the first instance
- Which type of provider actually handled the complaint
- Expectations regarding the complaints process
- Actual experience of the complaints process
- Satisfaction levels regarding their complaint handling experience
- Reasons for their level of satisfaction
- Awareness of related organisations, including the PSA
- Contact, if any, with the PSA.

Please see Appendix 5.3 for a copy of the actual questionnaire used.

Stage 2: Qualitative in-depth telephone interviews

This stage comprised a total of 56 qualitative in-depth telephone interviews conducted among recent phone-paid services complainants. The interviews were conducted by senior qualitative research practitioners and last for around 45-60 minutes (depending on the complexity of the case).

These 56 interviews comprised 40 that we were drawn from the contacts identified at Stage 1 and 16 drawn from lists of contacts provided by the PSA. The contacts from Stage 1 and from the PSA were selected to represent a good cross section of Complainants in each of the 9 main phone-paid services types.

The final selection by phone-paid services types is shown in Figure 19 below:

Figure 19: Stage 2 sample:

Phone-paid service type:	Contacts from Stage 1	PSA list sample	Total
Charity donation	2		2
Broadcast voting	4		4
Online competitions	4	4	8
Adult services	6	4	10
Digital content	5	2	7
Directory Enquiries	6	2	8
Gambling and betting services	6	2	8
Call connection services	3	2	5
Other	4		4
Total:	40	16	56

Our interviews, at this Stage 2, covered the following main topics:

- Complaint triggers and initial motivations
- Complainants' journeys: from initial contact with an organisation, any referral and the type of organisation (if different) that eventually handled the complaint
- Their experience of the complaint-handling process across the journey
- Satisfaction with the outcome
- Awareness and consideration of the PSA versus other authorities contacted or referred to.

Please see Appendices 5.4 and 5.5 for full versions of the topic guides used at Stage 2.

5.2 Detailed list of phone-paid service types covered in this study

1	Online competitions or quizzes (e.g., 'Win an iPad', Win £3,000 to spend at M&S, etc.)
2	TV or Radio competitions or quizzes (e.g., Chance to win £100,000 cash, Win a prize worth over £80,000, etc.)
3	TV or Radio show voting and interaction (e.g., voting on live TV shows)
4	Charity donations via text (one-off-donations or subscriptions)
5	Internet-based information services (books, magazines, newspapers) charged to your phone bill
6	Games or apps (not on social networks) charged to your phone bill
7	Games on social networks charged to your phone bill
8	Virtual gifts on social networks (e.g., Swapits) charged to your phone bill
9	Music or video content charged to your phone bill
10	Tarot or astrology charged to your phone bill
11	Ringtone, ringback tones, wallpapers, etc.
12	Directory enquiries (e.g., numbers starting with 118)
13	Adult content (e.g., video clips, chat, images, via numbers starting 09 or by text)
14	Dating or flirt chat services charged to your phone bill
15	Betting or gambling (including lottery scratch cards) via text or direct charging to your phone bill
16	Voice-based information services (e.g., weather hotline, text alerts, etc.)
17	Low-cost international or reverse charge calling
18	Customer service call (e.g., advice or sales, that is paid for and charged to your phone bill)
19	A connection service (i.e., a 087 or 09 number that connects you (with or without your knowledge) to a customer service department, which is then charged to your phone bill)

5.3 Copy of online survey questionnaire

CUSTOMER CARE & COMPLAINT HANDLING

Stage 1 – Online Survey

INTRODUCTION

Hello [first name]. We are conducting some research on behalf of the Phone-paid Services Authority, a regulator, and would like you to answer a few questions. The survey will take no more than 15 minutes of your time.

All information is strictly confidential and will be dealt with in accordance with the Market Research Society Code of Conduct. Your details will not be passed on to any third party and you will receive no marketing material as a result of completing this questionnaire.

If you are happy to continue, please click below.

WHAT'S THE SURVEY ABOUT?

Our survey is about '**phone-paid services**'.

A phone-paid service is when any goods or services that you purchase are charged directly to your telephone bill or to your Pay-As-You-Go credit. You make a purchase, and the cost of it is added to your bill or taken off your credit.

This may include billing to your house phone (if you have a fixed landline) as well as to your mobile phone. It depends, of course, on which phone you use.

For our survey, we are interested in **complaints** that people make about these phone-paid services and how well these complaints are handled. We are **not** interested in what people buy or the reasons why they buy. Our questions are solely related to the complaint itself and how it was handled.

LET'S GET GOING:

Q1. Thinking carefully, have you made any kind of complaint (or any kind of enquiry that led to your need to make a complaint) about one or more of the following phone-paid services in the last three years?

Please note: Your complaint (or enquiry that led to a need to complain) may have been to the company that provided the goods or services, or to your telephone service operator, or to a regulator or ombudsman.

Any complaint you made may now be fully resolved or still be underway. It may have been passed on to another organisation. It may also include a complaint that you 'gave up' pursuing.

MULTI-CODE. ROTATE ORDER

1	Online competitions or quizzes (e.g., 'Win an iPad', Win £3,000 to spend at M&S, etc.)	[]	GO TO Q2
2	TV or Radio competitions or quizzes (e.g., Chance to win £100,000 cash with Good Morning Britain. Win a prize worth over £80,000 with The Voice UK, etc.)	[]	
3	TV or Radio show voting and interaction (e.g., voting on X-Factor, Britain's Got Talent, Strictly, I'm a Celebrity, Get Me Out of Here, etc.)	[]	
4	Charity donations via text (one-off-donations or subscriptions)	[]	
5	Internet-based information services (books, magazines, newspapers) charged to your phone bill	[]	
6	Games or apps (not on social networks) charged to your phone bill	[]	
7	Games on social networks charged to your phone bill	[]	
8	Virtual gifts on social networks (e.g., Swapits) charged to your phone bill	[]	
9	Music or video content charged to your phone bill	[]	
10	Tarot or astrology charged to your phone bill	[]	
11	Ringtone, ringback tones, wallpapers, etc.	[]	
12	Directory enquiries (e.g., numbers starting with 118)	[]	
13	Adult content (e.g., video clips, chat, images, via numbers starting 09 or by text)	[]	
14	Dating or flirt chat services charged to your phone bill	[]	
15	Betting or gambling (including lottery scratch cards) via text or direct charging to your phone bill	[]	
16	Voice-based information services (e.g., weather hotline, text alerts, etc.)	[]	
17	Low-cost international or reverse charge calling	[]	
18	Customer service (e.g., advice or sales, that is paid for and charged to your phone bill)	[]	
19	A connection service (i.e., a 087 or 09 number that connects you (with or without your knowledge) to a customer service department, which is then charged to your phone bill)	[]	
20	A complaint about any other type of phone-paid service, not mentioned above (please specify)	[]	GO TO Q28 IF ONLY CODE 20 MENTIONED – ELSE GO TO FILTER ABOVE Q2
21	None – No complaint of any kind made about phone-paid services, in the last three years	[]	GO TO Q28

FOR INTERNAL PURPOSES: The above services (Codes 1-19) fall into the following main service types (for the purposes of meeting the required maximum / minimum quotas):

Main Service type	Q1 codes	n
Online quizzes and competitions	1	~35-65
Broadcasted competitions, voting and interaction	2 & 3	~25-55
Charity donations via text (one-off-donations or subscriptions)	4	~25-55
Digital content (e.g., apps, in-app purchases, digital media, one-off purchases or subscriptions)	5, 6, 7, 8, 9, 11	~45-75
Directory enquiries (118 XXX numbers)	12	~35-65
Adult services (e.g., chat, dating, video, images, via numbers starting 09 or by text)	13, 14	~35-65
Gambling (betting or gambling, including lottery scratch cards, via text or direct charging to your phone bill)	15	~35-65
Other services paid for with your phone (e.g., information services like weather, tarot, astrology, low-cost international or reverse charge calls, ICSS)	10, 16, 17, 18, 19	~35-65
	Total:	400

INCLUDE FOLLOWING QUESTION AND SCRIPTING IF MORE THAN ONE SERVICE MENTIONED AT Q1, ELSE GO TO Q3:

Q2. Of the phone-paid services that you say you have enquired or complained about in the last three years, which ONE of these have you enquired or complained about **most recently**?

SHOW SERVICES SELECTED AT Q1 – SINGLE CODE ONLY

For the rest of our survey questions, please think only about this phone-paid service that you say you complained about **most recently**.

INCLUDE FOLLOWING SCRIPT IF CODED 13 OR 14 (ADULT SERVICES): All of our survey questions relate entirely to your complaint and how it was handled. Please be reassured, we are not interested in the service itself or your reasons for purchasing the service. We will never ask for any details of a personal nature. All of your answers are treated in absolute confidence.

ASK ALL

Q3. Thinking about the [(most recent) service selected at Q1] you enquired or complained about, when did you **first** make your phone-paid services enquiry or complaint?

1	Within the last 3 months	[]	CONTINUE
2	3-6 months ago	[]	
3	7-12 months ago	[]	
4	More than 1 year, but less than 2 years ago	[]	
5	2-3 years ago	[]	
6	More than 3 years ago	[]	SKIP TO Q28

Q4. Which one of the following statements best describes the current status of your enquiry or complaint?

1	On-going	[]	GO TO Q6
2	Closed and resolved to your satisfaction	[]	
3	Closed but not resolved to your satisfaction	[]	
4	Dropped by you before being closed or resolved	[]	ASK Q5

ASK Q5 IF DROPPED BY THEM (CODE 4 AT Q4), ELSE GO TO Q6

Q5. You have said that you dropped your complaint (or enquiry) **before** it was closed or resolved. Which ONE of these statements best describes why you did this?

Rotate order – single code

1	It took too long to get a response	[]	CONTINUE
2	There was no complaints process to speak of	[]	
3	It was taking up too much of my time	[]	
4	My complaint was not being taken seriously	[]	
5	There were too many people involved in the process	[]	
6	The process was too complicated	[]	
7	I did not think I would get any worthwhile resolution to my complaint	[]	
8	The cost of the problem to me was not worth the effort of going on with the complaint	[]	
9	I discovered (or came to the view) that there were no real grounds for making a complaint	[]	SKIP TO Q28
10	I was worried about how the organisation would treat me after my complaint	[]	CONTINUE
11	Other (please specify)	[]	

Q6. Which one or more of these descriptions best describe what **triggered or prompted** you to make an enquiry or launch a complaint? Please select all that apply.

Rotate order - Multi-Code

1	I saw a charge on my bill and didn't know what it was for	[]	CONTINUE
2	My phone credit ran out sooner than I expected	[]	
3	I wasn't satisfied with the goods or services I was billed for	[]	
4	I was charged more than I expected to be charged	[]	
5	I didn't receive the goods or services that I paid for	[]	

6	I saw a charge on my bill even though I had stopped my subscription	[]	
7	I didn't ask for the goods or services that I was being charged for	[]	
8	The service was closed, but I was still charged for it	[]	
9	I got unwanted communications from the service provider	[]	
10	Other (Please specify)	[]	
11	Don't know / Can't say	[]	SKIP TO Q28

Q7. Once you discovered a problem, what did you hope or expect to happen as a result of making an enquiry or complaint? (This is irrespective of the actual outcome). Please select all that apply.

Rotate order - Multi-Code

1	To receive a full refund	[]
2	To receive financial compensation over and above the amount I was charged	[]
3	To receive the goods or service I paid for	[]
4	To stop a recurring charge	[]
5	To stop unwanted communications	[]
6	To receive an apology	[]
7	To receive reassurance that steps would be taken to prevent this happening again	[]
8	To stop this from happening to other people	[]
9	To try to put the organisation out of business / stop them trading / get them banned	[]
10	To bring about a change of policy made by the organisation	[]
11	To stop the organisation trading in this particular way	[]
12	To try to bring about an improvement to their service	[]
13	Other (Please specify) _____	[]

Q8. Which one of these descriptions best describes who you **FIRST** enquired or made your complaint to?

1	The provider of the goods or services that you purchased	[]	GO TO Q11
2	Your telephone service provider (e.g., BT, Vodafone, O2, etc.)	[]	
3	Other	[]	ASK Q9 & Q10

ASK Q9 & Q10 IF FIRST CONTACT WAS NOT WITH THE MERCHANT OR TELEPHONY SERVICE PROVIDER (CODE 3 at Q8) ELSE GO TO Q11

Q9. Which, if any, one of these people or organisations did you **first** make contact with about your complaint?

Rotate order

1	The Phone-paid Services Authority (PSA)	[]
2	PhonepayPlus	[]
3	Ofcom	[]
4	The Charity Commission	[]
5	Which?	[]
6	Solicitor	[]
7	Member of Parliament	[]
8	Citizens Advice	[]
9	MoneySavingExpert.com (Martin Lewis)	[]
10	Payment Systems Regulator (PSR)	[]
11	Financial Conduct Authority (FCA)	[]
12	The Advertising Standards Authority (ASA)	[]
13	Other (Please type in the name or type of organisation you first contacted) _____	[]
14	Not sure / can't recall the name	[]

Q10. Which one of the following statements best describes what happened after making contact with this person / organisation?

1	They handled the complaint on my behalf and did not refer me elsewhere	[]	GO TO SCRIPT BEFORE Q13
2	I was told to contact (or was passed on to) the provider of the goods or services that I purchased	[]	
3	I was told to contact (or was passed on to) my telephone service provider	[]	
4	Other (Please specify)	[]	

ASK Q11 IF CODED 1 OR 2 AT Q8 – ELSE GO TO Q13

Q11. Which one of the following statements best describes what happened after making contact with this organisation?

1	They handled the complaint on my behalf and did not refer me elsewhere	[]	GO TO SCRIPT BEFORE Q13
2	I was told to contact (or was passed on to) the provider of the goods or services that I purchased [IF CODED 2 at Q8]	[]	
3	I was told to contact (or was passed on to) my telephone service provider [IF CODED 1 at Q8]	[]	
4	I chose (or was told) to go elsewhere to escalate my complaint	[]	ASK Q12
5	I gave up at this point	[]	GO TO SCRIPT BEFORE Q13
6	Other (Please specify)	[]	

ASK Q12 IF CODE 4 AT Q11 – ELSE GO TO SCRIPT BEFORE Q13

Q12. Which, if any one of these, did you then make contact with in order to escalate your complaint?

Rotate order

1	The Phone-paid Services Authority (PSA)	[]
2	PhonepayPlus	[]
3	Ofcom	[]
4	The Charity Commission	[]
5	Which?	[]
6	Solicitor	[]
7	Ombudsman	[]
8	Member of Parliament	[]
9	Citizens Advice	[]
10	MoneySavingExpert.com (Martin Lewis)	[]
11	Payment Systems Regulator (PSR)	[]
12	Financial Conduct Authority (FCA)	[]
13	The Advertising Standards Authority (ASA)	[]
14	Other (Please type in the name or type of organisation you first contacted) _____	[]
15	Not sure / can't recall the name	[]

EXPLAIN: This next section asks you some more questions about what you expected BEFORE you went through the process of complaining about [(most recent) service mentioned at Q1]. When answering these questions please continue to think about what you thought beforehand and not on the basis of the actual experience itself.

ASK ALL

Q13. How easy or difficult did you EXPECT it to be to contact / get through to the organisation that you thought would handle your complaint?

1	Very easy	[]
2	Fairly easy	[]
3	Neither easy nor difficult	[]
4	Fairly difficult	[]
5	Very difficult	[]

Q14. How many different people did you EXPECT you would have to talk to before getting the complaint resolved?

1	One person only	[]
2	Two people	[]
3	Three to five people	[]
4	More than five people	[]

Q15. Before making the complaint, which ONE of the following statements best describes how you imagined you would be treated by the organisation who would handle your complaint?

Single code

1	As a valued customer	[]
2	Just another case number	[]
3	Ignored altogether / hope you will go away	[]

Q16. How high or low were your expectations about the organisation who would handle your complaint with regard to each of the following: **Rotate order**

	Your level of expectation that:	Very high	Fairly high	Neither high nor low	Fairly low	Very low
1	You would be informed about the timeline for completion	[]	[]	[]	[]	[]
2	You would be sent regular updates on progress	[]	[]	[]	[]	[]
3	You would be dealt with by a dedicated personal case handler	[]	[]	[]	[]	[]
4	You would be listened to and only have to state your case once	[]	[]	[]	[]	[]

5	The organisation would be concerned to resolve your complaint to your satisfaction	[]	[]	[]	[]	[]
6	The organisation would take responsibility and not refer you to another organisation	[]	[]	[]	[]	[]

EXPLAIN: For the questions in this next section, please think about the ACTUAL experience you had when complaining about [(most recent) service mentioned at Q1] Please also base your answers on the organisation who was actually responsible for handling your complaint (as opposed to any other organisation you contacted, or were referred to, for help or advice).

Q17. Just to be clear, which ONE of the following organisations ended up handling your complaint?

Single code

1	The provider of the goods or services that you purchased	[]
2	Your telephone service provider	[]
3	Other (Please specify)	

Q18. How easy or difficult was it to contact / get through to the organisation who was responsible for handling your complaint?

1	Very easy	[]
2	Fairly easy	[]
3	Neither easy nor difficult	[]
4	Fairly difficult	[]
5	Very difficult	[]

Q19. Which one of the following methods did you use to contact the organisation who was responsible for handling your complaint?

1	Email	[]
2	Phone	[]
3	Letter / written correspondence	[]
4	Other (Please specify)	[]

Q20. How many different people did you have to talk to when making the complaint?

1	One person only	[]
2	Two people	[]
3	Three to five people	[]
4	More than five people	[]

Q21. Which ONE of the following statements best describes how well were you treated when making the complaint?

Single code

1	As a valued customer	[]
2	Just another case number	[]
3	Felt ignored / that they were hoping you would go away	[]

Q22. How good or bad was your experience with each of the following: **Rotate order**

		Experience:					
		Very bad	Fairly bad	Neither good nor bad	Fairly good	Very good	Not applicable
1	Being informed about the timeline for completion	[]	[]	[]	[]	[]	[]
2	Receiving regular updates on progress	[]	[]	[]	[]	[]	[]
3	Access to a dedicated personal case handler	[]	[]	[]	[]	[]	[]
4	Noting all of your details / only having to state your case once	[]	[]	[]	[]	[]	[]
5	Their care / concern to resolve your complaint to your satisfaction	[]	[]	[]	[]	[]	[]
6	Their taking responsibility / not referring you to another organisation	[]	[]	[]	[]	[]	[]

EXPLAIN: This next section asks you questions about your overall satisfaction – with the experience you had as a whole and with specific aspects of your experience.

Q23. Overall, thinking of the experience you had as a whole, how satisfied or dissatisfied are you with each of the following: **Rotate order**

		Satisfaction:					
		Very dissatisfied	Fairly dissatisfied	Neither satisfied nor dissatisfied	Fairly satisfied	Very satisfied	Not applicable
1	Ease of making the complaint	[]	[]	[]	[]	[]	[]
2	Speed until completion	[]	[]	[]	[]	[]	[]

3	Quality of information provided during the process	[]	[]	[]	[]	[]	[]
4	Frequency of communications throughout	[]	[]	[]	[]	[]	[]
5	The tone of the response	[]	[]	[]	[]	[]	[]
6	The organisation's understanding of the issue	[]	[]	[]	[]	[]	[]

CHECK Q4: IF COMPLAINT ON-GOING, RESOLVED OR DROPPED BY THE RESPONDENT:

ASK Q24 IF CODE 2 AT Q4 ('RESOLVED TO YOUR SATISFACTION') – ELSE GO TO FILTER ABOVE Q25

Q24. You have said that your complaint has been resolved to your satisfaction. Which of these statements best describe the reason or reasons why you feel the complaint has been resolved to your satisfaction? Please select all that apply.

Rotate order - Multi code

1	I received a full refund	[]
2	I received financial compensation over and above the amount I was charged	[]
3	I received the goods or service I paid for	[]
4	I received an apology	[]
5	I was reassured that steps would be taken to prevent this happening again	[]
6	It helped to stop this from happening to other people	[]
7	The organisation was put out of business / stopped trading / banned	[]
8	My recurring charges were stopped	[]
9	A change of policy was made by the organisation	[]
10	Other (Please specify) _____	[]

ASK Q25 IF CODE 3 AT Q4 ('NOT RESOLVED TO YOUR SATISFACTION') – ELSE GO TO Q26

Q25. You have said that your complaint was not resolved to your satisfaction. Which of these statements best describe the reason or reasons why you feel the complaint has not been resolved to your satisfaction. Please select all that apply.

Rotate order - Multi code

1	I didn't get a refund	[]
2	I didn't receive financial compensation over and above the amount I was charged	[]
3	I never received the goods or service I paid for	[]
4	I didn't get an apology	[]
5	I was not reassured that steps would be taken to prevent this happening again	[]
6	It didn't help to stop this from happening to other people	[]
7	The organisation was still in business / still trading / not banned	[]
8	No change of policy was made by the organisation	[]
9	My recurring charges continued	[]
10	It was concluded in a way that provided no benefit to me or to future customers	[]
11	Other (Please specify) _____	[]

ASK ALL

Q26. Which, if any, of the following organisations are you aware of? Please select all that apply.

Multi-code. Rotate order

1	The Phone-paid Services Authority (PSA)	ASK Q27
2	PhonepayPlus	
3	Ofcom	
4	The Charity Commission	
5	Which?	
6	Ombudsman	
7	Citizens Advice	
8	MoneySavingExpert.com (Martin Lewis)	
9	Payment Systems Regulator (PSR)	
10	Financial Conduct Authority (FCA)	
11	The Advertising Standards Authority (ASA)	
12	None of the above	

ASK Q27 IF AWARE OF PSA / PHONEPAYPLUS – ELSE GO TO Q28

- Q27.** May we check, have you (or did you have) any contact with the Phone-paid Services Authority (PSA), formerly known of as PhonepayPlus, in connection with any kind of enquiry or complaint about a phone-paid service? This applies to any time in the past, rather than in the last three years. **Single code**

1	Yes	[]
2	No	[]
3	Not sure / can't recall	[]

ASK ALL

- Q28.** Have you made any kind of complaint in the last three years about one or more of the services in any of the following categories? Again, this may include any complaint that you have made to the company or service themselves or a regulator or ombudsman. The complaint may be fully resolved, dropped by you, referred to someone else or still be underway. Please select all that apply.

Multi-code. Rotate order

1	Energy – Gas, electricity	[]
2	Banks, building societies, insurance companies, credit / loan companies, other financial service companies	[]
3	Rail companies	[]
4	Telephone services – fixed / landline, mobile or broadband	[]
5	Postal services – Royal Mail, parcel delivery companies	[]
6	Water or sewerage companies	[]
7	Second hand cars	[]
8	Building or repair work	[]
9	Electrical appliances - audio visual devices, small or large domestic appliances, computers	[]
10	Music, film, TV, video games, computer software or other content purchased (downloaded or streamed) from the internet	[]
11	Holidays	[]
12	Estate Agents, house purchase services, letting and property management services	[]
13	Local authorities	[]
14	Schools and further education colleges	[]
15	Hospitals	[]
16	Doctor / GP Services	[]
17	Social care services, nursing homes, care homes	[]
18	Her Majesty's Revenue and Customs (HMRC)	[]
19	Jobcentre Plus	[]
20	None of the above	[]

CLASSIFICATION (Phone-paid Service Complainants identified at Q1 only)

Explain: We have just a few final questions to ask about you. Please be reassured, these questions are purely for classification purposes. They do not identify who you are.

- Q29.** Are you . . .

1	Male	[]
2	Female	[]

Q30. Which one of the following age categories do you fall into?

1	Younger than 16 years	[]
2	16 to 24	[]
3	25 to 34 years	[]
4	35 to 44	[]
5	45 to 54	[]
6	55 to 64	[]
7	65 to 74	[]
8	75 or older	[]

Q31. Which ONE of the following statements best describes your current work situation?

1	I am currently in paid employment (full or part time, or self-employed)	[]	ASK Q32
2	I am not currently in any form of paid employment, and live with a partner who is in paid employment	[]	
3	I am retired	[]	
4	I am a full-time student	[]	GO TO Q33
5	I am of working age, but no-one, including myself, in my household is in paid employment	[]	

ASK Q32 IF CODES 1-3 AT Q31, ELSE GO TO Q33

Q32. Thinking of the chief wage earner in your household, which one of the following statements best describes the kind of job they do (or used to do, if now retired)?

1	Higher managerial / professional / administrative	[]
2	Intermediate managerial / professional / administrative	[]
3	Supervisory or clerical / junior managerial / professional / administrative	[]
4	Skilled manual worker	[]
5	Semi or unskilled manual work	[]

ASK ALL

Q33. Which one of these statements best applies to you:

1	Parent, with a child or children living with you at home	[]
2	Parent, with a child or children who have all now left home	[]
3	Not a parent	[]

Q34. Which one of the ethnic groups shown on this card do you consider yourself to belong to?

WHITE:		
1	British	[]
2	Irish	[]
3	Other (non-British or Irish)	[]
MIXED OR MIXED BRITISH:		
4	White and Black Caribbean	[]
5	White and Black African	[]
6	White and Asian	[]
7	Any other mixed ethnicity	[]
CHINESE, ASIAN OR ASIAN BRITISH:		
8	Indian	[]
9	Pakistani	[]
10	Bangladeshi	[]
11	Chinese	[]
12	Any other Asian ethnicity	[]
BLACK OR BLACK BRITISH:		
13	Caribbean	[]
14	African	[]
15	Any other Black ethnicity	[]
ANY OTHER ETHNIC GROUP		
16	Any other ethnic group, not listed above	[]
17	Would rather not say	[]

Q35. Which one of the following nations or regions do you live in?

1	Scotland	[]
2	Wales	[]
3	Northern Ireland	[]
4	East of England	[]
5	East Midlands	[]
6	West Midlands	[]
7	North East of England	[]
8	North West of England	[]
9	The South West	[]
10	The South East (outside of London)	[]
11	London	[]

RE-CONTACT REQUEST**(Phone-paid Service Complainants identified at Q1 only)**

The Phone-paid Services Authority may want to contact you again (by phone) to ask you some more questions about your complaint. As with this survey, all information you provide is strictly confidential and will be dealt with in accordance with the Market Research Society Code of Conduct. Your details and information will never be passed on to any third party and you will receive no marketing material as a result of taking part. Our sole interest is in the complaint and its handling and not the service itself.

If selected to be re-contacted, and you agreed, we would pay you £30 for your time. The call would take between 30 and 60 minutes, depending the complexity of your case.

May we have your permission to be re-contacted?

1	Yes	[]	COLLECT CONTACT DETAILS
2	No	[]	THANK AND CLOSE

CONTACT DETAILS:

Name, landline number, mobile number, email address, and best day and time of day to call.

5.4 Copy of qualitative topic guide – Re-contacted sample from Stage 1

CUSTOMER CARE & COMPLAINT HANDLING

Stage 2 – Topic guide for re-contacted Sample from Stage 1

1. MODERATOR INTRODUCTION

Who we are: what we do, our independence as market researchers

Explanation of purpose of research via Invite sent in advance, but re-iterate briefly (see full Invite appended):

General 'rules' of conduct: need for honest feedback, feelings as well as thoughts, audio recording.

Very important: Naturally, we are interested in the complaint you made itself, but we want to go through this with you, step by step, starting at the very beginning and looking at each step you took and what happened along the way. As such, please don't be offended if I interrupt you now and again and take you back a step. You can be sure that by the time we get to the end of our conversation, I will have given you every opportunity to tell me everything you want to say.

Remember also: I am only interested in your complaint. I won't be asking you any questions about your use of the service itself. Our purpose is to learn about how the complaint was handled and what improvements, if any, you feel could be made.

3 mins

2. Start with a quick overview of their 'journey'

Explain: I want to start by just getting a quick overview of all the steps you took, from start to finish. We can then talk about each of these steps in more detail as we go on.

CHECK against their main survey responses, and prompt if necessary

- When you started / when you first felt a need to complain
- The key trigger – what first prompted you to feel a need to complain?
- Who you first contacted (telephone service or goods / service provider or 'other')
- Who eventually took responsibility and handled your complaint
- The status right now: closed and resolved satisfactorily, closed and resolved but not satisfactorily, on-going, dropped by you

5 mins

3. Complaint trigger and initial motivations

Explain: Let's look at the steps you took, one at a time, in more detail. Starting with the initial thing that triggered or prompted you to want to complain. Tell me more about that.

Explore responses fully at a spontaneous level, and then probe if necessary:

- How did you find out that there was a problem?
- Did you come across the problem by chance or would you normally have spotted it?
- How did you feel at this moment in time? Why?

Explain: Let's turn to what you **hoped or expected** to happen as a result of making a complaint. What did you want to achieve?

Explore responses fully at a spontaneous level, and then probe if necessary:

- **Interviewer:** Refer to their response(s) at **Q7**.
- If more than one response given at **Q7**, explore the order / priority, e.g., if the aim was to receive a full refund and stop this happening again, which was the main motivation – and why?

Check also:

- How high or low were your expectations at this point in time? What makes you say that?
- How **strongly** or otherwise did you feel about the need to complain? Why?

5 mins

4. Making initial contact

Explain: Let's move on to the next step. Once you understood there was an issue, what did you do? What happened next?

Who did you **first** contact, to enquire or lodge your complaint? Tell me more about that.

Explore responses fully at a spontaneous level, and then probe if necessary:

- What was it that made you contact this particular organisation **first**? What made you do that?
- Why not contact [telco / merchant] in the first instance?
- How did you make the contact (phone, email, letter, etc.)? Why?
- Was it easy or difficult to get through? How many people did you have to speak to before getting to someone who listened and acted on your behalf?
- In retrospect, did you feel that this organisation contact was the 'right' one to contact first? Why? Why not?
- What, if anything, might you have done differently, at this stage? Why?

Explain: Okay, so you got through to someone who listened to you. What happened next? Tell me more about this **first** conversation you had

Explore responses fully at a spontaneous level, and then probe if necessary:

- How did you feel you were being treated at this stage?
- What could have been better? **PROBE here fully**

Probe further for their expectations more specifically:

- Being informed about how long it would take. Did they plan to ask about this?
- Being dealt with by a dedicated personal case handler? Did this matter or not?
- Only having to state their case once
- The organisation showing concern to resolve the problem
- Taking responsibility and not referring you elsewhere

Check: having thought more, what could have been better at this stage?

INTERVIEWER CHECK: DID THE ORGANISATION THEY FIRST CONTACTED TAKE FULL RESPONSIBILITY AND HANDLE THEIR COMPLAINT, FROM END TO END?

IF YES (DIRECT), CONTINUE TO SECTION 4 AND THEN SECTION 6 ONWARDS

IF NO (REFERRAL), SKIP TO SECTION 5 AND THEN SECTION 6 ONWARDS

10 mins

5. Direct - handling of their complaint

Explain: Okay, so you got through to someone at the first organisation you called who handled your complaint.

Before we go into this, just to check:

- Did they suggest you should complain elsewhere, at any point?
- In your estimation, did you feel that the organisation you were talking to was actually responsible for the problem?
- Or, were they taking responsibility on another organisation's behalf? What gave you this impression?

Interviewer: Explain further if necessary: If they called [telephone service provider], were they resolving the problem on behalf of [merchant]? (Or vice versa)

CHECK: If the organisation who dealt with their complaint was their telephone service provider, ask: How long did it take for [telephone service provider] reach a decision?

- There and then, when speaking to them?
- Sometime later, after speaking to [merchant] on your behalf?
- Was the decision to give you a full refund?
- If so, how easy or difficult would you say it was to get the refund? Why?

5 mins

6. Referred – handling of their complaint

Explain: Okay, so [name of organisation], the organisation you first contacted, didn't handle your complaint. The organisation that did handle your complaint was [name of organisation].

Before we go into this, just to check:

- Did you **choose** to contact [organisation] or were you **told** to contact them?
- If **told** to go elsewhere:
 - What reasons did the first organisation give for suggesting you go elsewhere?
 - How did you feel about this? Why? Tell me more
- If you chose to go elsewhere:

- Why did you choose to contact [organisation] instead?
- How did you feel about this? Why? Tell me more
- Did [first organisation contacted] help in any way? If so, how?
- Overall, in retrospect, would you have done things differently? For example, would you have contacted [second organisation] first? Why?

5 mins

7. Handling the complaint – their experience

Explain: I want to focus now on the experience you had with the organisation who handled your complaint. Tell me about that. How would you describe your experience?

Explore responses fully at a spontaneous level, and then probe if necessary (and compare against expectations):

- Were they informed about how long it would take?
- Were they dealt with by a dedicated personal case handler? Did this matter or not?
- Did they have to state their case more than once?
- Did they get regular updates?
- How much concern did the organisation show to resolve the problem
- How much did you feel valued? If not, how were you made to feel?

Probe in particular: For all (above) that apply, how good or bad was your experience?

Refer to scores they gave in the online survey (Q22) and probe for reasons why they scored the way they did

10 mins

8. Overall satisfaction and the final outcome

Explain: Okay, so we have talked about your experience of the way that the complaint was handled. What happened then? How was your complaint resolved?

Explore responses fully at a spontaneous level, and then probe:

- What was the final outcome? (**Refer to their answer at Q25 and explore what was most instrumental if they gave more than one reason**)
- How well did you feel that [organisation] resolved your complaint? What makes you say that?
- How easy or difficult do you think it was to get your complaint resolved, if indeed it was resolved? Why do you say that?
- How long did it take for your complaint to be resolved? How did this compare to:
 - Your initial expectations?
 - The timeframe the [organisation] gave you upfront (if a timeframe until resolution was given)?

Interviewer: REFER to survey results for status and satisfaction (Q4)

You said that your complaint was / is [closed and resolved to your satisfaction] / [closed and not resolved to your satisfaction] / [ongoing] / [dropped by you].

Tell me more about that. What did you mean when you said that?

- In what way do you feel satisfied / not satisfied?
- **Or:** What made you drop your complaint?

Probe more specifically for their underlying reasons for the scores they gave for satisfaction at Q23:

- Ease of making their complaint
- Speed until completion
- Quality of information provided during the process
- Frequency of communication throughout
- The tone of the response
- [Organisation]'s understanding of the issue

Overall, taking all of your views and experiences into account, what could be improved?

_____ 10 mins

9. Awareness and consideration of PSA vs other authorities

Explain: Coming to the end of our conversation, may I ask: if you felt you were unable get your complaint resolved fully, where else could you turn to? **Prompt if necessary: I am thinking of other kinds of organisations who may be able to offer you advice or even act on your behalf.**

Explore responses fully at a spontaneous level, and then probe if necessary, REFERRING to the list of organisations at Q26:

- You said you were aware of [x, y, z]. What do you think about the idea of talking to [x, y, z]? What would you expect them to do? Why?

If aware of PSA / PPP: You mentioned **PSA / PPP**, tell me more about them

- How did you know about them?
- Have you had any contact with them?
- What do you think they are there to do?
- Any views on what you feel about them?
- What do you think their role is (and should be)?

If not aware of PSA / PPP, explain: the Phone-paid Services Authority (formerly known as PhonepayPlus) is the regulator for content, goods and services charged to a phone bill.

Check:

- What are your views of this, now you know?
- What, if anything, would you have done differently, if you had known about PSA from the outset?

_____ 5 mins

10. Collect respondent details

If not emerged already, ask for / check on (if willing, but not essential):

- Age (range)
- Location (City / Region)
- Background / work
- Ethnicity
- Work status

2 mins

THANK AND END

INVITE (SENT TO CONTACTS)

We are conducting a survey and want you to help

Hello [first name],

Recently, you filled in a survey for us about Phone-paid services. The survey asked you questions about a complaint you had about particular phone-paid service. The survey was conducted on behalf of the Phone-paid Services Authority (the PSA), formerly known as PhonepayPlus. At the end of the survey, you kindly gave us permission to re-contact you so that we could ask you some more questions about your complaint and how it was handled.

Futuresight, an independent market research company, will be attempting to contact you over the next three weeks. I hope that you agree to take part. Futuresight will ask you some questions about the complaint you made. The survey should take no more than 45 minutes of your time. If Futuresight succeeds to contact you and you agree to take part, we will pay you £30 as a thank you for your time.

All information you provide is strictly confidential and will be dealt with in accordance with the Market Research Society Code of Conduct. Your details will not be passed on to any third party and you will receive no marketing material as a result of completing this questionnaire.

Please see below if you would like further information about our survey.

Thanks for your help.

Kind regards,

5.5 Copy of qualitative topic guide – PSA list sample

CUSTOMER CARE & COMPLAINT HANDLING

Stage 2 – Topic guide for PSA list Sample

1. MODERATOR INTRODUCTION

Who we are: what we do, our independence as market researchers

Explanation of purpose of research via Invite sent in advance, but re-iterate briefly. Be sure to mention PhonepayPlus as the previous name and possibly better known to them):

General 'rules' of conduct: need for honest feedback, feelings as well as thoughts, audio recording.

Very important: Naturally, we are interested in the complaint you made itself, but we want to go through this with you, step by step, starting at the very beginning and looking at each step you took and what happened along the way. As such, please don't be offended if I interrupt you now and again and take you back a step. You can be sure that by the time we get to the end of our conversation, I will have given you every opportunity to tell me everything you want to say.

Remember also: I am only interested in your complaint. I won't be asking you any questions about your use of the service itself. Our purpose is to learn about how the complaint was handled and what improvements, if any, you feel could be made.

3 mins

2. Start with a quick overview of their 'journey'

Explain: I want to start by just getting a quick overview of all the steps you took, from start to finish. We can then talk about each of these steps in more detail as we go on.

- When you started / when you first felt a need to complain
- The key trigger – what first prompted you to feel a need to complain?
- Who you first contacted (was this your telephone service provider, the goods / service provider, the PSA / PhonepayPlus, or someone else?)
- Who, if anyone, eventually took responsibility and handled your complaint?
- [If PSA / PhonepayPlus not first contacted], at what point did you contact the PSA / PhonepayPlus?
- The status right now: closed and resolved satisfactorily, closed and resolved but not satisfactorily, on-going, dropped by you

5 mins

3. Complaint trigger and initial motivations

Explain: Let's look at the steps you took, one at a time, in more detail. Starting with the initial thing that triggered or prompted you to want to complain. Tell me more about that.

Explore responses fully at a spontaneous level, and then probe if necessary:

- How did you find out that there was a problem?
- Did you come across the problem by chance or would you normally have spotted it?
- How did you feel at this moment in time? Why?

Explain: Let's turn to what you **hoped or expected** to happen as a result of making a complaint. What did you want to achieve?

Explore responses fully at a spontaneous level, and then probe if necessary:

- **Interviewer:** Use list at **Q7 in the online survey** as prompts if necessary.
- If more than one response, explore the order / priority, e.g., if the aim was to receive a full refund and stop this happening again, which was the main motivation – and why?

Check also:

- How high or low were your expectations at this point in time? What makes you say that?
- How **strongly** or otherwise did you feel about the need to complain? Why?

5 mins

4. Making initial contact

Explain: Let's move on to the next step. Once you understood there was an issue, what did you do? What happened next?

Who did you **first** contact, to enquire or lodge your complaint? Tell me more about that.

INTERVIEWER: IF THE FIRST CONTACT WAS WITH THE PSA / PHONEPAYPLUS, THEN ADJUST WORDING BELOW ACCORDINGLY.

Explore responses fully at a spontaneous level, and then probe if necessary:

- What was it that made you contact this particular organisation **first**? What made you do that?
- Why not contact [telco / merchant] in the first instance?
- How did you make the contact (phone, email, letter, etc.)? Why?
- Was it easy or difficult to get through? How many people did you have to speak to before getting to someone who listened and acted on your behalf?
- In retrospect, did you feel that this organisation contact was the 'right' one to contact first? Why? Why not?
- What, if anything, might you have done differently, at this stage? Why?

Explain: Okay, so you got through to someone who listened to you. What happened next? Tell me more about this **first** conversation you had

Explore responses fully at a spontaneous level, and then probe if necessary:

- How did you feel you were being treated at this stage?
- What could have been better? **PROBE here fully**

Probe further for their expectations more specifically:

- Being informed about how long it would take. Did they plan to ask about this?
- Being dealt with by a dedicated personal case handler? Did this matter or not?
- Only having to state their case once
- The organisation showing concern to resolve the problem
- Taking responsibility and not referring you elsewhere

Check: having thought more, what could have been better at this stage?

INTERVIEWER CHECK: DID THE ORGANISATION THEY FIRST CONTACTED TAKE FULL RESPONSIBILITY AND HANDLE THEIR COMPLAINT, FROM END TO END?

IF YES (DIRECT), CONTINUE TO SECTION 4 AND THEN SECTION 6 ONWARDS

IF NO (REFERRAL), SKIP TO SECTION 5 AND THEN SECTION 6 ONWARDS

5 mins

5. Direct - handling of their complaint

Explain: Okay, so you got through to someone at the first organisation you called who handled your complaint.

Before we go into this, just to check:

- Did they suggest you should complain elsewhere, at any point?
- In your estimation, did you feel that the organisation you were talking to was actually responsible for the problem?
- Or, were they taking responsibility on another organisation's behalf? What gave you this impression?

Interviewer: Explain further if necessary: If they called [telephone service provider], were they resolving the problem on behalf of [merchant]? (Or vice versa)

CHECK: If the organisation who dealt with their complaint was their telephone service provider, ask: How long did it take for [telephone service provider] to reach a decision?

- There and then, when speaking to them?
- Sometime later, after speaking to [merchant] on your behalf?
- Was the decision to give you a full refund?
- If so, how easy or difficult would you say it was to get the refund? Why?

5 mins

6. Referred – handling of their complaint

Explain: Okay, so [name of organisation], the organisation you first contacted, didn't handle your complaint. What happened after that? Who did you next contact?

Before we go into this, just to check:

- Did you **choose** to contact [organisation] or were you **told** to contact them?
- If **told** to go elsewhere:
 - What reasons did the first organisation give for suggesting you go elsewhere?
 - How did you feel about this? Why? Tell me more
- If you chose to go elsewhere:
 - Why did you choose to contact [organisation] instead?
 - How did you feel about this? Why? Tell me more
 - Did [first organisation contacted] help in any way? If so, how?
- Overall, in retrospect, would you have done things differently? For example, would you have contacted [second organisation] first? Why?

5 mins

INTERVIEWER CHECK: DID THEY CHOOSE TO CONTACT PSA/ PHONEPAYPLUS? OR, WERE THEY REFERRED THE PSA / PHONEPAYPLUS AT THIS POINT?

IF NO, THEN CONTINUE

IF YES, SKIP SECTION 6 AND GO TO SECTION 7 ONWARDS

7. Handling the complaint – their experience

Explain: I want to focus now on the experience you had with the organisation who handled your complaint. Tell me about that. How would you describe your experience? How far did you get?

Explore responses fully at a spontaneous level, and then probe if necessary (and compare against expectations):

- Were you informed about how long it would take?
- Were you dealt with by a dedicated personal case handler? Did this matter or not?
- Did you have to state their case more than once?
- Did you get regular updates?
- How much concern did the organisation show to resolve the problem
- How much did you feel valued? If not, how were you made to feel?

Probe in particular: For all (above) that apply, how good or bad was your experience?

5 mins

8. Focus on PSA / PhonepayPlus

Explain: Let's talk [some more] about the PSA / PhonepayPlus.

Unless covered in depth already, probe in detail as follows:

- How did you find out about the PSA / PhonepayPlus? Were you referred to the PSA / PhonepayPlus? If so, by whom?
- What did you expect or hope that PSA / PhonepayPlus would do?
- Did you know about the PSA / PhonepayPlus before your complaint? What did you think their role was?
- What was your understanding of the PSA / PhonepayPlus before you made contact?
- What happened then? What did you do having contacted the PSA / PhonepayPlus?
- How, overall, did you feel about the experience you had with the PSA / PhonepayPlus? Was it what you expected? If not, why not?

5 mins

9. Overall satisfaction and the final outcome

Explain: So we have talked about your experience of the way that the complaint was handled. What happened then? How was your complaint resolved?

Explore responses fully at a spontaneous level, and then probe:

- What was the final outcome?
- How well did you feel that [organisation] resolved your complaint? What makes you say that?
- How easy or difficult do you think it was to get your complaint resolved, if indeed it was resolved? Why do you say that?
- How long did it take for your complaint to be resolved? How did this compare to:
 - Your initial expectations?
 - The timeframe the [organisation] gave you upfront (if a timeframe until resolution was given)?

Earlier, you said that your complaint was / is [closed and resolved to your satisfaction] / [closed and not resolved to your satisfaction] / [ongoing] / [dropped by you].

Tell me more about that. What did you mean when you said that?

- In what way do you feel satisfied / not satisfied?
- **Or:** What made you drop your complaint?

Probe more specifically for:

- Ease of making their complaint
- Speed until completion
- Quality of information provided during the process
- Frequency of communication throughout
- The tone of the response
- [Organisation]'s understanding of the issue

Overall, taking all of your views and experiences into account, what could be improved?

5 mins

10. Collect respondent details

If not emerged already, ask for / check on (if willing, but not essential):

- Age (range)
- Location (City / Region)
- Background / work
- Ethnicity
- Work status

2 mins

THANK AND END

INVITE (SENT TO PSA CONTACTS BY EMAIL)

We are conducting a survey and want you to help

Hello [first name],

Sometime ago you were in touch with us here at the Phone-paid Services Authority (the PSA). You may know or remember us better as PhonepayPlus before we changed our name to the PSA. At the time when you contacted us, you gave us permission to contact you for the purposes of market research.

We are conducting some research over the next three weeks and hope that you will consider taking part. An independent market research company, Futuresight, may call you to ask you some questions about the enquiry you made when you spoke to us. The survey should take no more than 45 minutes of your time. If Futuresight contacts you and you agree to take part and complete the survey, we will pay you £30 as a thank you for your time. Futuresight will arrange this with you at the end of the call.

All information you provide is strictly confidential and will be dealt with in accordance with the Market Research Society Code of Conduct. Your details will not be passed on to any third party and you will receive no marketing material as a result of completing this questionnaire.

Naturally, if you don't wish to take part, please just say so when Futuresight calls you. They will take your name off their list and will not call you again.

Please see below if you would like further information about our survey.

Thanks for your help.

Kind regards,

PSA

