

ICSTIS – A pre-consultation paper on the regulation of 0871 (NTS) services

Response from: David Lindsay

As a general consumer I would like to give my views to ICSTIS on the subject of regulation of 0871 telephone numbers.

I strongly believe that these numbers should have clear pricing information because they are charged above the price of a geographical call. This pricing information should be given at the point of promotion of the service or as a free announcement before charging commences, but preferably both.

By not disclosing such information is against EU law. The Misleading Advertising Directive requires that the cost of calls must be disclosed beforehand and that consumers must not be misled into thinking that such calls are charged at normal (geographical) rates.

I feel that the issue of call queuing is not so much a question of whether companies do or do not keep people hanging on in a deliberate attempt to generate more revenue, but more what being put on hold means. Put simply, it results in the caller paying more for a service. How can it be right that the amount a caller pays for a service is dependant on whether they are held in a queue?

Indeed, it's quite preposterous that any transparent price competition can really work whilst call rates don't have to be publicised and call queuing is permitted. Failure to provide pricing information means service providers will choose the most expensive pricing point. And even if they don't, a call at a lower call rate may turn out to cost more overall than a higher rate competitor's service due to call queuing. So call charged at 10 pence per minute is not necessarily more expensive than a competitor's 5 pence per minute service.

Call queuing should either be banned, or whilst the call is being queued, the call should be charged at no more than the normal (geographical) call rate. For the portion of the call that is queued to be charged at a higher rate that the service provider decides means that the caller is paying more than the market price for a telephone connection. With no 'value-added' service being provided during this period, such a charging arrangement is therefore anti-competitive.

As an example, take a phone call that lasts for 10 minutes, of which five are spent in a queue. The caller has paid twice what they would have done had they not been put on hold. If the point of a 0871 telephone number is to allow the caller to pay for a service via his/her phone bill, then surely it is of the same value whether there is queuing or not.

If call queuing is not banned, then I expect consumer confidence to go down with respect to these numbers because they will get known as expensive phone numbers, rather than a way of transacting with service providers.