

GENERAL GUIDANCE NOTE

Promoting Premium Rate Services

Who should read this?

All Networks operators and providers involved in the provision of premium rate services (PRS) to consumers.

What is the purpose of the Guidance?

To assist Network operators and providers when creating and using promotional material, and / or assessing the quality of third party promotional material for PRS prior to its use. The guidance clarifies PhonepayPlus' expectations in relation to various outcomes and rules within PhonepayPlus' Code of Practice that concern promotions or promotional material.

What are the key points?

The rules set out in the PhonepayPlus Code of Practice cover a range of different elements around promotion. The main issues covered in this guidance are:

Section numbers

- 1) Desired outcomes – establishing confidence in PRS with high quality promotions
- 2) Transparency in promotions
- 3) Pricing information
- 4) Promoting on radio broadcast
- 5) Freemium models and using the word 'free' in promotions
- 6) Promoting via the internet
- 7) Misleading promotions
- 8) Inappropriate promotions
- 9) Direct marketing to a consumer's mobile phone
- 10) Using affiliate marketing

1. Desired outcomes – establishing confidence in PRS with high quality promotions

- 1.1** Consumers want to purchase digital and non-digital products and services quickly and easily. The PRS industry offers a great opportunity to discover such products and services and purchase them making payment via their phones, putting the charges onto their landline or mobile phone bill. One of its strengths is the speed and ease with which consumers can make a purchase, and yet consumers in a fast moving world still want to know what they are getting from the product or service, how much it costs, and how the payment will work.
- 1.2** This guidance will enable those in the PRS industry to consider the following issues:
- How to offer consumers information transparently and what information is important from the consumer's perspective
 - How to treat consumers fairly and equitably from first contact throughout the consumer experience
 - How to avoid causing harm and offence (avoiding inappropriate promotions)
 - How to prepare consumers so they are able to ask for help or raise complaints when issues arise (increasing brand awareness and equipping consumers to raise complaints effectively)

2. Setting out key information and promoting transparently

- 2.1** There is a vast range of different types of PRS. Each of these may need to give slightly different information to a consumer within their promotions, in order to ensure consumers have all the information they would reasonably need before purchasing.
- 2.2** In addition, there are a range of different types of promotional material, ranging from promotions that are self-contained (such as a print-based advert, inviting a consumer to call or text an access number), to promotions that have a number of components that lead a consumer toward a purchase. An example of this would be a text message with a link to a mobile website, where the consumer subsequently makes purchases using a secure payment method. In this latter case, there would be a number of steps between the first promotion and a purchase. This results in a number of stages at which a provider can act to ensure consumers were aware of all information necessary, prior to purchase.
- 2.3** Because of this complexity, PhonepayPlus recommends that providers familiarise themselves with the entire contents of this Guidance and especially the parts relevant to the promotional mechanics they use. However, as a basic starting point, the following information is considered key to a consumer's decision to purchase any PRS, and so should be included in promotional mechanics for any PRS:
- Cost
 - Brand information
 - Product or service information
 - How it is delivered or used
 - How it is paid for – one off payment, recurring charges, etc.

- How to get help where necessary

Services accessed across multiple devices

- 2.4** In cases where a consumer participates in a service, or receives content, via one device, but is billed for the service via another device, it should be clear to the consumer they will be charged in this way. Confirmation of a purchase should be sent to both the device that delivers the service and the device to which the charge is attributed.

Virtual currency

- 2.5** Premium rate services that invite consumers to purchase a form of virtual currency should be absolutely clear as to the service(s) in which this currency can be used, and as to whether unused currency carries an expiry date. Where services automatically 'top up' a consumer's virtual currency account once all the currency has been spent (with another PRS charge to the consumer), this should be clear to the consumer, prior to purchase.

Cross-promotional activity

- 2.6** From time to time, providers may insert promotions for other services within service messages to a consumer who is already subscribed to a PRS. These promotions may appear within messages that carry a PRS charge, or within free reminder or access messages.
- 2.7** Where this happens, consumers will sometimes become confused as to which part of a message relates to the promotion, and which part relates to the service to which they are already subscribed. This can cause them to miss spend reminders, or other information that would inform them about the service they are subscribed to. In order to build consumer trust we set out the following expectations as a guide to compliance in this area:
- Promotions within reminder or service messages should ensure that the promotional material is placed after the information concerning the service the consumer has already subscribed to.
 - In addition, the promotional part of the message should be clearly flagged as being separate from the other information with the message. To do this effectively, we would strongly suggest that the words 'ADVERT' or 'PROMO' are inserted directly before the promotional part of the message.

3. Pricing information

- 3.1** Pricing information is one of the fundamental pieces of information that promotional material for PRS must display. This is to ensure that consumers are fully and clearly informed of how much the premium rate service is likely to cost them, before they commit to purchase. The principle rule around transparency of pricing information in the PhonepayPlus Code of Practice is rule 2.2.7, which states the following:

2.2.7

In the course of any promotion of a premium rate service, written or spoken or in any medium, the cost must be included before any purchase is made and must be prominent, clearly legible, visible and proximate to the premium rate telephone number, shortcode or other means of access to the service.

- 3.2** As a starting point, pricing information will need to be easy to locate within a promotion (i.e. close to the access code for the PRS itself), easy to read once it is located and easy to understand for the reader (i.e. be unlikely to cause confusion). Loose or unclear descriptions of price are not acceptable, as they are unlikely to provide a sufficient understanding to consumers of how much they are being charged. Examples of unclear descriptions would include the following:
- ‘premium rate charges apply’,
 - ‘100ppm’,
 - ‘1.50 GBP’
 - ‘50p/min’
- 3.3** PhonepayPlus strongly recommends the price should be expressed in conventional terms, such as ‘50p per minute’, ‘£1.50/msg’ or ‘£1.50 per text’. PhonepayPlus accepts there may be different conventions, based upon the amount of space available (for example, in a small print ad, or a single - SMS - promotion); however, pricing should remain clear. Variations on this, such as charges being presented in per second formats, or without reference to a ‘£’ sign (where the rate is above 99p), may breach the [PhonepayPlus Code of Practice](#).
- 3.4** We consider it best practice to inform the consumer of the price at every stage of a promotion, where it is technically possible to do so, but not to do this would not necessarily be considered a breach of the PhonepayPlus Code of Practice. In the case of banners and WAP links (both of which take a consumer to a website when they are clicked on), and WAP-push (which immediately directs the consumer to a website without them first clicking), we accept that there may be no practical way of informing the consumer of the price at that stage. In such cases, provided the consumer is then redirected (without charge) to a website or other promotional mechanic where they are clearly informed of the price prior to making a purchase, this is unlikely to breach the [PhonepayPlus Code of Practice](#).

Network access charges

- 3.5** The overall charge to a consumer for calling a PRS will often exceed the actual cost of the PRS advertised by the provider or promoter. This can be for one of two reasons:
- Because many non-BT networks, both mobile and fixed, levy supplementary charges on voice-based calls.
 - The possibility exists that consumers could incur data charges when downloading content to a mobile device, or when browsing a mobile internet site beyond the landing page.
- 3.6** While consumers may have a general awareness that calls from mobile phones and some landline networks may cost more than others, or that they may incur data charges if they do not have a data-inclusive contract with their Mobile Network Operator, it is necessary to include information in the promotional material, stating these possibilities to consumers.

<i>Cost type</i>	<i>Example wording</i>
Standard per minute PRS	Calls cost [x]p per minute plus 'Access Charge'
Standard per minute PRS where duration is known	Calls cost [x]p per minute and should last no more than [x] minutes, plus 'Access Charge'
Single drop charges	Calls cost [x]p plus 'Access Charge'
Standard per minute PRS or single drop charge during a Broadcast event	Calls cost [x]p from a BT landline. Calls from other networks may vary and from mobiles will cost considerably more (this wording is currently agreed by major broadcasters)
Premium rate texts	Wording to cover: Cost per text/download; clear statement of how many texts need to be sent to complete the task (if more than one, state how many). An indication that the text cost is in addition to 'Access Charges' (if applicable)
Interactive red button services	Cost per use (prior to pressing red button), including a statement, if appropriate, that network extras may apply

Prominence and proximity

- 3.7** Pricing information ought to be put where consumers will easily see it, not where it is hard to find. This is because the price ought to be part of what attracts consumers into making a purchase. The rules in our Code are there because consumers want this information so they can choose what they buy and how much they pay for it. It is likely to be judged as 'prominent' if the information is clearly visible when a consumer makes their purchase and triggers the payment. Both the font size and use of colour are important to establishing prominence, and information on this is found at paragraphs 3.12 to 3.15 of this guidance.
- 3.8** 'Proximate' is a key term within the PhonepayPlus Code of Practice, and can be defined as being next to, or very near, the means of consumer access to a service. The most common example of pricing information being proximate is when it is provided immediately before or above the call to action (i.e. the telephone number, shortcode or other access code or means of payment for the service) within the promotion.
- 3.9** Lack of prominence, or proximity, most often takes place online (both web and mobile web), where the price is provided in small print elsewhere on the page from the call to action. We have sometimes seen the following examples of bad practice in promotions:
- Pricing information is placed in the middle of the terms and conditions of a service, promotion or product, rather than as clear and correct 'standalone' information;

- The price is provided separate from the page with the call to action, or lower down on the page in such a way as to make the consumer have to scroll down to see the price.

- 3.10** For both web and mobile web, if ordering a service entails activating a button (or similar function), the labelling of the button should make the obligation to pay absolutely clear, for instance by using only the phrase 'pay now'. This wording on the button should be easily legible. A failure to label the button in this way may result in the provider not complying with the law (Regulation 14 (4) of the Consumer Contracts (Information Cancellation and Additional Charges) Regulations 2013. Note that consumers are not bound by orders for services which do not comply with this legal requirement.
- 3.11** Lack of prominence, or proximity, also takes place in print, where, as online, the price is provided in small print elsewhere on the page from the call to action. As with online advertising described in the paragraph directly above, we have sometimes seen pricing information in the middle of the terms and conditions of a service, promotion or product, rather than as clear and correct 'standalone' information. As before, in such cases, a PhonepayPlus Tribunal is likely to uphold a breach of [PhonepayPlus' Code of Practice](#) for lack of pricing prominence.
- 3.12** In some cases, PhonepayPlus accepts that prominence may take precedence over proximity. An example would be a print or web page which clearly and prominently stated that all numbers/shortcodes/other access codes on the page cost £X/£X per minute or Xp/Xp per minute. In this case, there would be no need for there to be an individual price in close proximity to all the numbers/shortcodes/other access codes on the page. However, we stress that examples of prominence and proximate being mutually exclusive in this way are rare, and that providers who have any doubt should contact PhonepayPlus before they begin to provide services.

Font size and presentation

- 3.13** Pricing information should be presented in a horizontal format and be easily legible in context with the media used. It should be presented in a font size that would not require close examination by a reader with average eyesight. In this context, 'close examination' will differ for the medium, for example a static webpage, a fleeting TV promotion, in a print publication, or on a billboard where you may be at a distance or travelling past at speed.
- 3.14** The use of colour (see immediately below) also needs to be considered, as this could affect the need for close examination, regardless of font size.

Use of colour

- 3.15** There are a number of instances when the combination of colours used in promotional material reduces the clarity of information and the ease with which it can be seen. Providers should take care to ensure that the colour combinations (including black on white) used for the presentation of the price do not adversely affect the clarity.

- 3.16** In addition colours should not be diluted – for example, the slight colouring of white text with other colours – so that lettering appears to stand out slightly less against a different colour background. Shadowing small text can equally reduce the level of visibility or legibility of text.

4. Radio broadcasting and promoting PRS

- 4.1** Those promoting PRS on the radio should ensure that pricing information, and any other key information, is clearly and plainly spoken in close proximity to the PRS being promoted. Providers ought to consider the following when developing such promotional campaigns:

- Where a PRS is advertised during on-air commercial slots, pricing and other key information should be provided on every occasion the commercial airs.
- Where a PRS is advertised during a radio programme, PhonepayPlus accepts that there is no need to mention the price every time the PRS is mentioned. However, the price should be mentioned in close proximity to the service at least once during the average listening time for that radio station (e.g. if a radio station knows that the typical length of time listeners tune in is 25 minutes, pricing and other key information should be mentioned, in close proximity to a promotion, at least once every 25 minutes). Radio broadcasters may be asked to provide evidence of their average listening time as part of an investigation by PhonepayPlus.
- Where a radio station broadcasts wholly or principally in a foreign language, it may be acceptable to provide pricing and other key information in that language, rather than English. However, we would recommend that providers contact PhonepayPlus for further advice before beginning a promotion of this type.

5. Freemium models and use of the word ‘free’ in promotions

- 5.1** For avoidance of doubt, ‘freemium’ refers to services which offer PRS free for a specified period, or part of a PRS for free – such as one level of a video game – with subsequent access being charged. In these cases, PhonepayPlus would consider it acceptable to promote the free element of the service, provided the following was also true of the service:

- The promotion should clearly state what is and isn’t free – i.e. any use of the word ‘free’ (or variations) must be clearly qualified in a way that is immediately visible, understandable, and proximate;
- The consumer must be in no doubt before they opt into a service as to when they will begin to be charged, and be given a clear method of exit before charging commences. If both of these have been clearly provided before the consumer consents to the free trial, then there is no need to remind the consumer before charging commences;
- Charging should commence immediately, or as near as is reasonably practicable, after the defined free element or time period of the service is at an end. Charging should not commence sometime after this point, where the consumer may be likely to have forgotten their initial opt-in to the free element.

- 5.2** Where an app is not related to PRS at all, save for the opportunity to promote PRS paid services within in-app advertising, the promotional material relating to PRS must be clearly distinguishable from any free content offered within the app, and clearly indicate charges apply to the promoted service.
- 5.3** Promotions should not state that a service is free of charge, or imply such, when the service (or any part of it), in fact, carries a charge. An example would be promotional material which promoted a PRS, stating something along the lines of:
“No credit card needed. Just a short call to hear your password.”
- 5.4** Where a service offers bonus or extra downloads once a consumer has made a purchase, or has entered into a subscription, then it should be clear and prominent that this free element is conditional upon a purchase. Providers should not use words, such as ‘free’, ‘extra’ or ‘bonus’, in promotional material, in a font that is bigger or more prominent than the cost of the service, when the two are on the same page.
- 5.5** As the web is now the fastest growing form of advertising for PRS, websites offering PRS may seek to ensure their site appears at, or near, the top of a list of search engine results. One way of doing this is to ensure a website promoting premium rate services contains the metatag ‘free’ (or variations) in order to attract the ‘crawler’ software used by search engines.
- 5.6** Where a metatag, such as ‘free’, is used, and none of the content on the actual website it relates to is actually free, then this is highly likely to be found to be misleading, and in breach of the PhonepayPlus Code of Practice. If only part of the material on the website it relates to is free of charge, then it is likely a PhonepayPlus Tribunal may still consider the initial promotion to be misleading. For this reason, in such a case we recommend the following step is taken:
- When a consumer clicks on the search engine link, the first webpage they are directed to clearly ought to explain that not all products or services are free of charge, and explain which aspects are free and which are not.

6. Web-based promotion of PRS

- 6.1** Web-based promotion is arguably now the most dominant area of PRS promotion, especially for mobile-based PRS, both in terms of market share and innovation. Increasingly, PRS is promoted on websites and social networking brands, such as Facebook and Twitter, and consumers are often invited, or required, to enter their mobile phone number in order to access content. Below we clarify expectations around web-based promotion, in terms of likely compliance with the PhonepayPlus Code of Practice.
- 6.2** Once on a webpage that promotes a PRS, consumers should not have to scroll down (or up) to view the key terms and conditions (especially, but not limited to, the price – see section 2 of this Guidance), or click on a link to another webpage. The PhonepayPlus Tribunal is likely to take the view that scrolling up or down to read key terms and conditions, or requiring the

consumer to click on a link to view them, is in breach of Rule 2.2.7 of the PhonepayPlus Code of Practice.

- 6.3** PhonepayPlus often receives significant complaints regarding unsolicited messages. These arise, in part, from a consumer's phone number having previously been entered on a website, but are often as a result of unsolicited promotion to consumers, often masked by the existence of a website on which a provider claims the consumer has entered their phone number.
- 6.4** PhonepayPlus recognises that there are risks associated with web opt-in which are separate from promotion – i.e. proving a consumer's consent in an independently auditable way. For more information on how an opt-in, to either charging or future marketing, can be proven in a way that is acceptable to PhonepayPlus, please refer to the General Guidance Note on 'Privacy and consent to charge'.
- 6.5** PhonepayPlus is also mindful of other guidance relating to the use of check-boxes for the purposes of obtaining consent. While the action may be distinct, the concept of consent and the process by which it is obtained and audited are very similar whether it is for consent to charge or consent to market. In relation to the latter, the Information Commissioners Office (ICO) has issued guidance relating to Privacy and Electronic Communication Regulations 2003.
- 6.6** PhonepayPlus recommends the use of unchecked boxes where consent is being obtained as this holds less risk for providers when seeking to prove a consumer's intentions. When obtaining consent for marketing, for example, the following wording may be presented:
"I want to hear from companies X, Y and Z so that they can send me offers to my phone. Please pass my details onto them so that they can contact me."
- 6.7** Where this text is placed next to an unchecked box which the consumer checks, and where there is a robust and independent audit trail of the data which supports the consumer having provided their consent, then it is likely this would be regarded as compliant.
- 6.8** However, it is important to not only be able to prove consumer consent to marketing for PRS, but also make the process of opt-in, where a consumer enters their number, as transparent as possible. With this in mind, PhonepayPlus recommends that, where consumers are required to enter their mobile phone number online, transparency can be achieved by structuring the page as outlined below:
- A brief statement that confirms where any service content (e.g. an IQ test result or horoscope) will be displayed (e.g. mobile handset, next screen, etc.);
 - A brief summary of the key terms and conditions. For example, subscription services should state that it is a subscription service and the full cost of participating in the service.
- 6.9** After prompting a consumer to enter a mobile telephone number onto a website, the next page of that website generally then requires a user to text a keyword to a shortcode. PhonepayPlus

would expect all key terms and conditions, pricing and any subscription information to be included on this page.

Promotion through social networking sites

- 6.10** Where social networking sites (e.g. Facebook, Twitter, etc.) have been used to promote PRS, PhonepayPlus has noticed that personal data (which is available elsewhere on the social networking site) is sometimes manipulated in order to make promotional statements that are misleading. Such promotions are highly likely to be considered misleading by a PhonepayPlus Tribunal.
- 6.11** For example, consumers should not be invited to participate in a premium rate service on the grounds that their social networking friend (e.g. 'John Smith', whose connection to the consumer would be publicly displayed on the social networking site) has challenged them to an IQ service, when 'John Smith' has never participated in the service."

Viral marketing

- 6.12** Viral marketing can be defined as marketing where a potential consumer is invited, or offered an inducement, to forward the marketing onto friends or contacts in order to ensure the marketing reaches the maximum possible number of people.
- 6.13** The most common form of viral marketing seen with regard to PRS is where consumers are either invited, or incentivised, to forward a promotional SMS, multimedia messaging service (MMS) or binary message to others; less common is a form of marketing where consumers are invited, or incentivised, to input the mobile numbers of others on a provider's website. The risk with both these mechanics is that those who have been forwarded marketing by other consumers will see this as unsolicited, and/or an invasion of their privacy.
- 6.14** Providers should be clear that, where PhonepayPlus receives complaints regarding the forwarding of viral marketing, it will still regard this as the provider's responsibility. However, we would suggest the risk can be mitigated by taking the following steps:
- To include sufficient warning, especially on any websites used for the promotion, that anyone to whom a promotion is being forwarded should be interested in the PRS on offer;
 - To take steps to ensure that the full name (i.e. first name and surname) of the consumer who has forwarded a promotional SMS, MMS or binary message (e.g. "John Smith thought you would be interested in this") is provided at the start of it;
 - To state words to the effect in any promotional SMS, MMS or binary message to be forwarded that "if you have received this message in error, then please ignore it".
- 6.15** Lastly, where PRS services are promoted through 'Twitter', we would strongly recommend that any access codes provided within the 'tweet' are accompanied by clear pricing and other key

information, where the 'tweeter' is an employee of the provider, has clear links to the service or may otherwise financially benefit from the service.

7. Misleading promotions

- 7.1** If consumers are to have trust and confidence in using PRS, it is important that they have available all the key information about a service as part of their consideration of whether to make a purchase or not. For this reason, it is important that promotions do not mislead consumers by stating an untruth or half-truth. It is also important that promotions do not omit, or make insufficiently prominent, an important term or condition likely to affect a consumer's decision to use the service. Rule 2.3.2 of the Code states the following:

2.3.2

Premium rate services must not mislead or be likely to mislead in any way.

- 7.2** PhonepayPlus expects that all promotions must be prepared with a due sense of responsibility to consumers, and promotions should not make any factual claims that cannot be supported with evidence, if later requested by PhonepayPlus to do so.
- 7.3** For subscription services, no promotion, with particular emphasis on SMS- or MMS-based promotion, should state or imply that the consumer will be making only a one-off purchase.
- 7.4** An example of this would be a service that advertised itself as an 'IQ test' or 'love match', where the consumer was then invited to text or click to obtain more in-depth results, only to find that these results carry a further charge, or enter the consumer into an unexpected subscription.

8. Inappropriate promotions

- 8.1** Rules 2.5.6 and 2.5.7 of the Code state the following:

2.5.6

Level 2 providers must ensure that their services are not promoted in an inappropriate way.

2.5.7

Level 2 providers must use all reasonable endeavours to ensure that promotional material is not targeted at or provided directly to those for whom it, or the service which it promotes, is likely to be regarded as being offensive or harmful.

- 8.2** In determining whether promotional material or content are likely to be inappropriate, PhonepayPlus will seek to take a pragmatic approach. We are aware of the need to balance innovation in promotion to as large an audience as possible, with the need to prevent consumers, especially children, from seeing or receiving inappropriate material. Examples of where promotions might be considered inappropriate include, but are not limited to, the following:

- Inappropriate services being advertised in children's publications (such as live chat, chat and dating, virtual text chat services, or other services where usage is restricted to over-18s).
- Inappropriate imagery or language/text in children's publications (e.g. sexual, violent, or adult images or language).
- Targeted promotions (e.g. text messages) which are inappropriate to the consumer's previous opt-in. For example, a consumer who had previously taken part in a competition, or subscribed to a football score update, should not be sent adult promotional material or promotions for adult services.
- Promotional material that directly or indirectly takes advantage of vulnerability (e.g. an illness, bereavement or financial difficulty) or vulnerable groups (e.g. children, older people, people with learning difficulties, those who have English as a second language).

9. Direct marketing to a consumer's mobile phone

9.1 PhonepayPlus' previous research has indicated that consumers take greater caution with marketing sent directly to their mobile handsets than they do with other promotions in general. Their biggest concerns can be summarised as follows:

- They will be charged as soon as they open a message, and so sometimes consumers do not open a message, even to opt out of future marketing.
- Where a message contains a WAP link (i.e. an SMS, MMS or, most often, a binary message containing only a link to a mobile website, which the consumer has to click in order to access it) or a 'WAP-push' (i.e. an SMS, MMS or binary message which contains coding that immediately directs the web browser on the consumer's phone to a mobile website), then consumers are worried that they will be charged as soon as they click on the WAP link, or have already been charged as a result of the 'WAP-push'.
- They have no easy way of opting out of future marketing – this is especially true of 'WAP-push' messages. For further detail around marketing opt-in, please see the General Guidance Note on 'Privacy and consent to charge'.

9.2 In order to alleviate these concerns and build consumer trust we set out the following expectations as a guideline to compliance in this area:

- Where promotional text messages (SMS, MMS or binary) contain a link or a 'push' to a mobile website, and there is a charge beyond normal network data rates for accessing that website, then the consumer should be informed of this charge before they click on the link.
- Similarly, promotional messages containing a link to a mobile website should not contain any information which would be likely to mislead a consumer.
- Promotional text messages should make it clear if a reply to them will result in a consumer incurring a PRS charge.
- Where consumers are sent text messages which promote a PRS and do not carry any charge, then the consumer should be clearly informed, either within the title of the message or in the first words of the message itself, that the promotional message is free. A PhonepayPlus Tribunal is likely to regard the words 'FreeMsg' as acceptable to do this.

10. Controlling risk when using affiliate marketers

10.1 Rule 2.5.7 of the Code (inappropriate promotion) refer to usage of 'reasonable endeavours' by Level 2 providers. While other rules governing promotion do not specifically refer to reasonable endeavours, we accept that a Level 2 provider will often subcontract promotion to affiliates (who are not required to register with PhonepayPlus).

10.2 In these circumstances, PhonepayPlus recognises that the Level 2 provider, while retaining responsibility for the promotion under the PhonepayPlus Code of Practice, may not have immediate, day-to-day control of each individual action that an affiliate takes. However, the use of affiliates to market PRS products on a provider's behalf does carry a greater risk than marketing which is under the direct, day-to-day control of the provider. For further detail

around affiliate marketing, please see the General Guidance Notes on 'Digital Marketing' and 'Due Diligence Risk Assessment and Control'.

The role of general guidance

General Guidance does not form part of the Code of Practice; neither is it absolutely binding on PhonepayPlus' Code Compliance Panel Tribunal ('the Tribunal'). However, we intend for it to assist all Network operators and providers as to how compliance with the Code can be achieved.

Network operators or providers are free to disregard Guidance where they feel that the same standard and expectation of consumer protection can be met by some other means. Should consumer harm occur, the Tribunal may examine the provider's alternative actions (including no action), and whether those actions have achieved compliance with the Code. If they have not taken any action to comply with the Code, then the behaviour is likely to be regarded as a serious breach.