

ICSTIS' response to Oftel's consultation on the future use of legacy directory enquiry numbers

Introduction

ICSTIS, the premium rate communications regulator, who now has responsibility for the regulation of new Directory Enquiry Services, very much welcomes the opportunity to respond to the above consultation.

General comment

Section One of the consultation paper outlines some evidence of DQ liberalisation and numbering parity from other parts of Europe. As part of the final statement, it would be useful if Oftel could clarify the information it has sought and referred to in paragraph 1.17.

Comments on specific consultation questions

Set out below is our comments on each of the questions posed in the consultation paper:

Q1 Do stakeholders agree that the end of parallel running should remain as currently scheduled i.e. 12.01am on 24 August 2003, regardless of the option chosen for the future use of legacy DQ numbers? Do stakeholders agree that any network message on the legacy number should be removed six months after it is introduced?

Insofar as Oftel has previously made public announcements to the effect that parallel running will end on the Bank Holiday weekend in August 2003 already then it would appear to ICSTIS, in the absence of compelling evidence to the contrary, that this date seems to provide certainty to operators and consumers alike.

Q2 What comments do stakeholders have on the criteria proposed by Oftel for evaluation of the options for the future use of the legacy numbers? Are there any additional criteria that Oftel should take into account? What relative weight should Oftel place on each factor?

ICSTIS understands the logic of the criteria and sees how they fit with Oftel's broad remit and objectives set down elsewhere in other Oftel statements. Insofar as Directory Enquiry Services provide for the information needs of consumers when searching for telephone numbers of individuals or businesses, or other ancillary services, then we are of the view that the criterion relating to consumer interests, including the potential to minimise consumer confusion, should take precedence. We believe this is justifiable and consistent with Oftel's stated goal which is "to make sure you receive the best quality, choice and value for money for all your telephone services". We are also of the view that some consumers, when using a Directory Enquiry Service, may be doing so in order to obtain socially valuable and necessary information and any confusion (and subsequent loss of such a service, however temporary) may make them more vulnerable or socially excluded.

Q3 What comments do stakeholders have on the desirability of implementing Option A? Do stakeholders agree with Oftel's initial assessment of Option A against the proposed criteria?

ICSTIS is of the view, notwithstanding the fact that parallel running will have operated for some 9 months, that this option will cause a great deal of consumer confusion and annoyance and as such it does not satisfy one of the key criteria set out for the evaluation of the options. Whilst this may be short-term, it may nevertheless have a detrimental impact on the most vulnerable that may need to access such a service for important social reasons and for who the loss of such a service may impact considerably on their ability to resolve their concerns.

Q4 What comments do stakeholders have on the desirability of implementing Option B? Do stakeholders have any preference as to which sources of information should be referred to in the network message (i.e. (i), (ii) and/or (iii)? Do stakeholders agree with Oftel's initial assessment of Option B against the proposed criteria?

Option B clearly has certain merits, albeit the precise success of any implementation of such an option could hinge on precisely how Oftel determined what information sources were provided and by which originating networks. As it stands there seem to be too many choices and this in itself may lead to confusion for consumers. Taking the information, we have the following comments:

- (i) Web address – on its own this will be of no use whatsoever to a consumer without Internet access, still a significant section of the UK residential population. For this reason we do not presently accept web addresses alone as an acceptable form of address for promotions for premium rate services, including Directory Enquiry Services.
- (ii) Referral to the network customer services number – Oftel have recognised that if this option is permitted then networks are likely to want promote their own number, or that of a partner, here. If this is not allowed, on competition grounds, then what would customer services representatives meaningfully advise consumers to do?
- (iii) A reference to a freephone number for the caller to obtain an impartial listing – on its own this has merit, but at this point the consumer has (a) dialled 192 and been referred to (b) a freephone number in order to be provided with (c) a 118 XXX number so that they may access a Directory Enquiry Service. They may be forgiven for thinking that this causes them unnecessary confusion. If the freephone number was not free to certain consumers, e.g., those dialling from a mobile telephone, this may further exacerbate the annoyance.

Should Oftel opt for this option, then ICSTIS would urge that further consideration be given to how the consumer confusion issues that are likely to arise could be minimised.

Finally, depending on what is agreed upon, there could be implications for compliance with ICSTIS' Code of Practice insofar as the provision of information to the public about specific 118 XXX numbers is deemed a "promotion" for the purposes of ICSTIS' Code. This means that DQ providers will have certain obligations upon them when publishing or making available such information, such as the need to ensure that clear and accurate pricing information is provided. Oftel's final Statement on this should usefully draw this point out should it be relevant in the context of the decision reached.

Q5 What comments do stakeholders have on the desirability of implementing Option C? Do stakeholders agree with Oftel's initial assessment of Option C against the proposed criteria?

Oftel acknowledge early on in this consultation under “Evidence from other number changes” that research from elsewhere may suggest that many consumers will not change their dialling habits until it is forced upon them. On the assumption this is correct for this number change (and Oftel will have evidence to validate this), then it is highly likely that this option will not provide any significant stimulation to effective competition. Judged against the evaluation criteria, ICSTIS fails to understand how Oftel could come to the view that “the modification is proportionate in that it will contribute to the goals of effective DQ service competition...” (Paragraph 3.33 of the consultation paper)

Q6 What comments do stakeholders have on the desirability of implementing Option D? Is it technically feasible to configure high-volume call announcement platforms such that an announcement is chosen at random from a pre-set list? Do stakeholders agree with Oftel's initial assessment of Option D against the proposed criteria?

While acknowledging the competition benefits that may arise from this Option, like Oftel, ICSTIS shares Oftel's concerns about how this option may operate in practice and that there may be scope for “free-riding” abuse in, or around, the period of switch-over. ICSTIS also accepts that this option would not contribute strongly to raising consumer awareness or achieving rapid change in consumer dialling behaviour as hearing the same 118 number on each occasion.

ICSTIS is not in a position to offer a technical view on the feasibility of this option.

Should Oftel eventually decide on Option D, then ICSTIS asks that the final statement to this effect reminds stakeholders of the need, under this option, to comply with the ICSTIS Code of Practice insofar as any number provided is deemed a “promotion” by ICSTIS.

Q7 What comments do stakeholders have on the desirability of implementing Option E? Do stakeholders agree that if Option E is chosen, then the legacy DQ numbers should be allocated to the MoU Group? If not, do stakeholders have any other proposals as regards to whom the legacy DQ numbers should be allocated? Do stakeholders agree with Oftel's initial assessment of Option E against the proposed criteria?

ICSTIS would make the following general observations about this Option having regard to Oftel's commentary and initial assessment:

- ❑ Oftel is right to observe that this Option would allow all DQ services providers to participate and contribute an appropriate proportion of the costs of the service and it would allow for an equal opportunity to win market share. From the perspective of competition, Option E appears to be superior to Option C and possibly Option A.
- ❑ This Option on its own would not contribute to strongly raising consumer awareness of particular services. (Para 3.61). However, this needs to be off-set against the need to achieve effective competition in the market and the fact that many DQ service providers will not rely on this channel alone to build consumer awareness of their numbers.
- ❑ Finally, in one regard, this option may have benefits beyond that of the preferred Option B – the consumer when dialling a legacy number will, having made one call (to the legacy

number), be given an immediate alternative 118 XXX number. The consumer will only need to re-dial one more number. Under Option B, depending on how it is configured, consumers may be dialling at least two more numbers to get to a 118 XXX number and/or also needing to have access to the Internet.

Should Oftel eventually decide on Option E, then ICSTIS asks that the final statement to this effect reminds stakeholders and the MoU Group of the need, under this Option, to comply with the ICSTIS Code of Practice insofar as any number provided is deemed a “promotion” by ICSTIS.

Q8 Do stakeholders agree with Oftel’s initial view that Option B is likely to be the best option for the future use of the legacy DQ numbers? If not, which option do stakeholders consider to be the best option and why?

ICSTIS understands how Oftel has reached the conclusion that Option B seems to best match the criteria set for assessment. That said, from a qualitative perspective, depending on how Option B is configured, it could prove to be very confusing and annoying for consumers to actually use, especially if they have to cross many hurdles in order to obtain and dial a 118 XXX number. ICSTIS would ask that Oftel re-consider Option B from the perspective of “consumer practicability” and satisfy itself as to the likely consumer reaction to this option.

Finally, in order to minimise consumer confusion further after 24 August, ICSTIS would suggest that Oftel give consideration to how it could best use its good offices to further promote the forthcoming change to consumers and so raise awareness and minimise confusion and calls to legacy numbers after that date.

Q9 Are there any other options that Oftel should consider and how do these options rate against the proposed criteria?

ICSTIS cannot identify any other option beyond the five presented in this paper which it believes that Oftel ought to consider.

Q10 Do stakeholders have any comments on the text of the proposed modifications to the annex to the General Conditions and the Plan as set out in Annex A?

ICSTIS has no specific comments on Annex A.