

Call TV Quiz Services Review: Analysis and Consultation Document

**Submitted by the
Premium Rate Association 12th March 2007.**

The Premium Rate Association, a membership driven trade body for the Premium Rate industry welcomes the opportunity to offer its comments on this consultation paper and take this opportunity to state our concerns at the exclusion of trade associations from recent meetings relating to TV services.

We must stress that as an association we have been campaigning for investigation into the mechanics surrounding all forms of Participation TV services and the requirements for higher levels of enforcement of regulation in this area for some 18 months. This is not a sudden threat of consumer harm but a situation that has been allowed to grow unchecked.

We strongly advocate the use of Premium Rate Services across any media, and highlight their ability to allow an audience to participate, have their say and in some cases enter competitions to win desirable prizes. We also note that as shown in ICSTIS' research less than 4 in 10 viewers of these Call TV Quiz services actually phone in to enter. Similar statistics published in the recent Ofcom consultation on Participation TV by Ostrich Media show that they only have a 15-25% participation level when compared to total viewers of their Quiz Call format. This information must reflect that the idea of Call TV Quiz Services and the way that they are presented is highly appealing and entertaining to the viewing audience.

The Premium Rate Association again stresses that they are fully supportive of properly regulated Quiz Call TV and its concept, but we do have some issues which separated into 3 areas.

- 1) The editorial content and production of the shows .
- 2) The promotion and selection process of the Premium Rate numbers used when entering the competitions.
- 3) We asked why in ICSTIS' opinion does its remit not cover the fairness of the competitions themselves when the questions and competition element comprise the promotion and call to action of the premium rate service.

We are aware that this consultation is only concerned with the second point and we will in due course offer our response to Ofcom's forthcoming full consultation regarding all participation TV services. However, we encourage ICSTIS to look further along the route

of what constitutes the promotion of the service and why in some cases they cannot investigate possible breaches under misleading promotions clauses as an example.

The following are our direct responses to your questions

Question 1

Do you agree that the provisions for pricing transparency should be strengthened in the way described above and as set out in the revised statement of Expectations.

The PRA believe that pricing transparency for the viewer/participant is essential for the future of these quizzes. We therefore agree with ICSTIS' proposals to strengthen pricing messages. Pricing information is given in 3 ways for Call TV quizzes. Those being the on-screen message, the verbal message from the presenter and the introduction message upon calling a service.

The On-Screen Pricing Info – We note that this part of the Statement of Expectations remains unchanged but we would urge ICSTIS to insist that the on-screen pricing message remains static and always present for complete transparency of the cost of calling. We welcome the additional stipulation that it must be displayed on-screen that all calls are chargeable, and feel that this information should also appear on screen at all times. We also suggest that perhaps a Teletext based T & C's and info page be promoted on-screen if "providers" feel that the required notices would be undeliverable by on-screen messages alone.

Verbal pricing messages in addition to on-screen messages should be prescriptive in terms of how the message is communicated and the frequency at which the spoken message must be given at regular intervals.

We believe that the verbal message must state the

- a. Cost pm or per call,
- b. That call costs to this number may vary, please check with your network
- c. That all calls are chargeable whether succesful or not
- d. That call selection is random (28% of ICSTIS sample were not aware)
- e. The non-premium rate customer service line number should be given.
- f. Callers must be over 16 and have the bill payers permission to call.

In terms of frequency 10 minute intervals would seem reasonable. We note that ICSTIS has acknowledged that investigation of Service Providers technological capabilities to put these measures in place must be assessed before final expectations are set.

In addition, it would seem to be advisable to research further the viewing patterns of this type of show, ie what is the average audience view time for this genre etc.

With regards to ICSTIS' proposal to insist that call cost warnings are given at £10 intervals we would see these as a step forward, however, we ask for clarification of how the 24 hour period rule will work in practice. Does the 24 hours start at midnight and end at midnight, is it a rolling period or will the period take into account the viewing and participation peaks at lunch time, late evening and through until 3am?

Importantly, and without trying to pre-empt the next media outrage around these services, how will this provision work when there is no RRP across all networks when calling premium rate services. The service providers could and will inevitably be warning callers that they have spent £10 when in reality their network could be charging them a far higher amount. The only way in which call spend level reporting will be accurate is if the statement or warning read “£10 if you are calling from a BT landline, other networks may vary”. The only other solution to give pricing accuracy would be to insist that the Networks are responsible for this monitoring. I would imagine that this is not the sort of obligation that they would like to have thrust upon them

We also remind ICSTIS that if service providers are required to collect callers CLI details then they are obliged under 3.4.3 of the Code to make the caller aware of this practice and its purpose, this would therefore become an additional statement as part of the introductory message upon calling a service.

We would like to understand why the ICSTIS Code of Practice limits the call spends to various types of services delivered through Premium Rate calls, these include adult and financial services but do not limit Call TV quizzes. The obvious differences are that these services generally involve a single call rather than multiple calls, however if the suggestion is to capture the CLI of the incoming calls would it not be possible to set a limit per CLI. In order that the consumer could still participate above this spend level should they wish to do so, they could be directed to call the non-premium rate customer service where they would give a verbal affirmation that they are aware of the costs incurred to that point and are willing to continue to participate. Alternatively, if it is simpler could a key press affirmation do the same job. This would be a responsible course of action and a show of best practice, and could leave the viewer in no doubt of the costs involved. Records of CLI's giving verbal affirmation could then be kept to be produced as evidence if the viewer later questions their spend.

The PRA are supportive of the direction to more clearly identify and be able to contact the “provider” of the service, but for clarity ask that “provider” is defined further. Is it the Information Provider or the Service Provider or either. We also ask whether any obligations will be prescribed as to the operational hours of a live customer service line.

Question 2

Do you agree with our assessment of option 1

The PRA does not believe that the main issues or consumer harm concerns surround the pricing transparency of the call and this is supported by ICSTIS' research which states that 93% of callers were aware of the relative costs involved in participation. The main issue in our opinion is the manner in which the callers are selected, the repeated calls to action and the fairness of the competitions themselves. As stated in the consultation document we are aware that these are issues and those concerning RRP's are ones that need to be raised with Ofcom as they are mainly production matters.

However, any safeguards that can be put in place to increase the level of cost awareness is advantageous and therefore we would see a lack of action not to be an option. The media interest in these areas is immense and will be ongoing as will be the detriment to the industry if nothing changes. In reality if 18% of the total Call TV complainants in 2006 were making their complaint as a result of receiving a high bill after calling these services and 32% thought that their bills were inaccurate and they were charged for more calls than they made, once again could this issue be partially tackled by the introduction of RRP's like with the forthcoming 03 number range. ICSTIS cannot ignore this issue, particularly in light of the OFT estimate that only 5% of those who believe they have suffered detriment will complain to an official body.

Question 3

Do you agree with our assessment of option 2

The Association agree with ICSTIS opinion in relation to Option 2,

Our main concerns here are that quoting "chance" of getting through to the studio brings the services firmly into the realms of gambling. It is noted that ICSTIS have advised the Gambling Commission to avoid labelling the services as gambling by virtue of the fact that they offer free entry routes, even if these routes should be more prominently promoted. I would assume that a non-gambling classified format would be the chosen option for operators of these services and with this in mind distance should be made between the shows and the odds of success whether it be on reaching the studio or otherwise.

Also, if there is to be this type of stipulation of chance, who will be responsible for reviewing the information's accuracy

Would stats from the last show broken down hour by hour not give a better picture of what normally happens rather than figures that can be manipulated by the production team for immediate effect.

Information should state that many callers will not be successful everytime when calling in. To this point we would question whether the prize competition or lotteries status has been discussed to it's full extent. Would it be out of the question to decide that these services are lotteries, and that the existence of free entry routes are not sufficient to define them as prize competitions.

If this reclassification took place, the provider would be licensed and have to abide by a predetermined and well practised set of rules which would offer the consumer a genuine "chance" of success at the first level of the quiz, this being the selection of calls.

In the interests of fairness we strongly urge that all questions with answers and prizes allocated to those answers must be produced and held by an independent body prior to broadcast.

Question 4

We would welcome views, especially but not exclusively from providers, as to the best technical means and media through which this principle could be delivered and promoted with minimum disruption to the service quality and potential for consumer information overload. We would be willing to assist in this process by facilitating a working party to consider the various options.

In terms of Option 3 we are concerned with the issues raised in answer to Question 3, namely, does the idea of quantifying chance of success not take the formats towards the realms of gambling.

In addition we would question the fact that it is the "chance" of getting through to the studio that would encourage or deter a caller to call a show.

Other factors such as the size of the prize, the quantity of prizes and the type of question are great influencers for callers and these can be used to manipulate the callers decision making process. Question- Would you be deterred from calling if the odds of success were greater but so was the prize?

The most useful information for the viewer would be the total callers and the average number of calls going through to the studio from the stats of the same show on its last broadcast. This should be shown on-screen with the other caller information.

This would give transparency to the viewer on what has happened historically and would lead them to make a more informed decision of whether to participate or not but would not and must not allude to be a fixed odds in a specific point in time and should be seen as an average representation.

The danger of showing frequently updated information relating to participation is that this information will still be dynamic and as it could not be anything other than historic it's accuracy and relevance to real-time participation would be questionable.

We would encourage the adoption of a pre-determined script to be voiced by the presenter that would make clear that the many calls will not have a successful outcome, but this message must be balanced against inciting repeat calls which we believe are not in the best interest of the consumer.

We hope that our previous answers and the further comments below cover our responses to Questions 5 and 6.

Supplemental Comments and Suggestions

As stated in our introduction to this response we welcome this long awaited investigation into Call TV quizzes and understand the stated separation of issues between ICSTIS and Ofcom although as noted we believe that ICSTIS does have remit over fairness of competition when considering that the questions and competition itself are the promotion of the Premium Rate Service

In looking at the Premium Rate telephony and promotion thereof, ICSTIS seem have noted that they consider pricing and chance transparency, "provider" identity and method of contact, together with spoken price announcements and call cost warnings are the key changes in the revised Statement of Expectations. These are all valid points and hopefully our comments above are useful in the formulation of the finished document.

However, we would insist that firstly this consultation and focus on Call TV Quizzes in isolation from other forms of editorially driven Participation TV is a blinkered approach. The Statement of Expectations should be able to be applied across all Participation TV shows using Premium Rate Services. Recent well-publicised issues concerning The X Factor and Big Brother show that telephony issues can potentially cause great consumer harm. Would it not be logical that, if you are asking people to send in answers or votes that a set of rules should be flexible enough to cover all areas.

We also contest the fact that the fairness of the competitions is purely an Ofcom issue, with 60% of complainants stating issues with fairness we would be very interested in the actual comments made regarding the actual questions posed. We are strongly of the mind that the questions and answers form the crux of the consumers issues with these shows. With the often reported "rawlplug and balaclava" answers and further allegations regarding the visibility of the actual answers and the monetary prizes attached to them,

would it not seem as if ICSTIS should be investigating these issues as a potential breach of their code of practice as a potentially misleading competition. If transparency is at the heart of this issue then why aren't production companies obliged to lodge questions, answers and prize allocations for the answers with an independent third party.

We would also be very interested to know the results of ICSTIS' monitoring of services, obvious breaches of the Statement of Expectations were identified and noted in the consultation document. Did Informal or Standard Procedures of investigation follow these breaches and what was the outcome.

Finally we must stress the role that Network Operators play in the interests of safeguarding both the consumer and their business. It is in their interests that without verbal agreement to call above prescribed levels that calls and or costs are capped by the service providers. Failure to do so should be seen as breach of contract between Network and Service Provider.

We also believe that Networks should have back-stop systems in place to spot unusually high calling patterns by means of early warning systems and again seek verbal confirmation of the subscribers awareness of the costs associated to the calls. It is our understanding that most networks do have such systems in place, but we are aware that this is not case across the board. This is of course a reactive approach but is vital in light of cases we are aware of where a subscriber has managed to run up a bill of over £9000 in one month purely from Call TV Quiz calls. He won £3000 which he received as per the seemingly standard 30 day payment terms, spent it and didn't receive his phone bill for an extra 2 month. He was not in a position to pay this bill and has suffered the consequences of debt collection. We are very interested as to whether the Network's adopted Memorandum of Understanding would allow for information around this case to be passed across to other Networks so that they might learn from it and protect both the subscriber and their revenues.

In conclusion, we hope that our comments and questions will be deliberated upon and, of course we will make ourselves available should ICSTIS require further comment. We reiterate the fact that we would have welcomed the opportunity to make these comments at a much earlier stage in the proceedings, and would urge ICSTIS to encourage trade association's inclusion in all future events and meeting on such a crucial issue to the industry.