

HELP NOTE

Help Note on Payforit September 2010

About Payforit

Payforit is a form of payment mechanism for WAP and web users, launched jointly by all UK Mobile Network Operators. It provides enhanced pricing transparency by enabling consumers, once they have selected their product or service of choice from a WAP or Web site, to then confirm their intention to purchase within a secure “checkout” area before a charge for that product or service is made to their mobile phone bill or prepaid balance.

The Trusted Mobile Payments Framework scheme rules (‘the Scheme Rules’) formulated by the Mobile Network Operators and which govern the provision of Payforit services, require that consumers are informed of the price of their purchase plus other relevant terms and conditions during the secure “checkout” section of the transaction, prior to commitment, regardless of whether or not pricing information has been provided in marketing material. There is no requirement that consumers are informed of the price prior to “checkout”.

The Payforit payment service - the “checkout” part of the consumers’ transaction - is operated by billing agents, such as Aggregators, on behalf of the UK Mobile Network Operators, who are known as Accredited Payment Intermediaries (APIs). It is the API that serves the relevant pricing and other information to the consumer, processes the consumers’ positive opt-in to charging and marketing and returns the consumer to the information provider / merchant for delivery of the purchased product.

The purpose of this Help Note is to give more detail on how pricing transparency may be achieved using the Payforit payment mechanism.

Pricing Information

Pricing on WAP/Web site

As a best practice approach, we recommend that the price of each product/service offered on a WAP/Web site should be made clear to consumers prior to proceeding to the Payforit “checkout” area/screens.

Where all products/services on a single WAP/Web page/screen are the same price, the price need only be indicated once prominently on the page, and consumers informed that the price applies to all products on that page.

Where products/services on a single WAP/Web page/screen are different prices, then prices should be displayed in such a way as to make it clear what each individual product/service costs.

In the event that clear pricing information is not made available to consumers ahead of the “checkout” screen, then a clear route of exit must be available to the consumer if they choose not to proceed with the purchase upon presentation of the full charge for the service. This clear route of exit is provided within the Payforit payment screens.

Information providers should, as best practice, cater for users returning to their site having rejected the transaction at the point of pricing clarity with a mechanism to review and revisit the purchase, select a lower value product or make a single purchase if the site originally offered a subscription.

Pricing in print advertising/SMS promotions

Where specific products/services are advertised in print, broadcast or promotional SMS, then, as a best practice, pricing should be made clear to the consumer as outlined in the rest of this Help Note. Where multiple products with different prices are advertised, then wording should indicate that prices vary from the lowest price to the highest (e.g. “prices vary from £x to £y”).

Where no specific products are advertised (i.e. the advert is merely to promote the WAP/Web site itself, as a place to browse without a commitment to purchase), then there is no requirement for pricing information in advertising.

As a baseline principle, PhonepayPlus expects that paragraphs 5.7.1, 5.7.2 and 5.7. 6 of the Code will be satisfied by compliance with the Scheme Rules.

Pricing where WAP/Web sites are accessed through a search engine

PhonepayPlus is aware that an increasing amount of consumers discover WAP/Web sites through the entry of keywords into search engines (“search marketing”). PhonepayPlus considers this to differ from more traditional forms of advertising such as print, broadcast or SMS messaging, in that by using “search” consumers have already registered an interest in the products or services on offer. Because of this, there is no requirement for pricing information on the results pages of search engines where WAP/Web sites using Payforit are advertised.

WAP/Web sites that offer a mixture of free and chargeable content should not lead consumers to believe that all content is free or of a lower cost than is otherwise the case.

Network Data Charging

Data Charging refers to the standard costs that may be charged by the network when a user downloads a product or browses a WAP/Web page. Such charges are not unique to Payforit, but may apply to products purchased using the Payforit payment system.

Subscribers therefore need to be reminded that they could face a data charge when using a Payforit service, regardless of whether they completed the purchase of the product or service.

To ensure consistency, the following wording should be used:

“operator data charges may apply”

Compliance advice

Compliance advice is available, free of charge and in writing, from the Executive. Please note that Executive advice is not binding on the Board, although a record of advice is maintained and taken into account should a service later be found to be in breach of the Code.

Further information

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