



Premium Rate Services Research Presentation of Findings of Qualitative Phase

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Commission for
Communications Regulation

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Introduction

- The range of premium rate services (PRS) has grown consistently in recent years, allowing access to information, advice and entertainment services as well as facilitating audience participation in TV and radio shows.
- Whilst the Code of Practice introduced by RegTel in 2008 has played a significant role in ensuring fairness for PRS users and many providers appear to be complying with the code in the strictest sense, there are currently approximately 300 complaints a week being received in relation to PRS.
- Following the transfer of PRS regulation from RegTel to ComReg from July 2010, the Code of Practice is due to be updated. Part of this process involves a consultation exercise conducted by ComReg into which consumer research will feed.
- It is with this in mind that ComReg commissioned Ipsos MRBI to conduct research in two phases:
 - 1) Quantitative Phase: To establish market size, incidence & usage behaviour of PRS
 - 2) Qualitative Phase: To explore PRS usage & issues more in-depth

Interview Details and Respondent Profile

- In total, twelve respondents were recruited for face-to-face interviews
 - Each respondent was recruited following their participation in an online survey on PRS, also conducted by Ipsos MRBI
 - **In order to qualify for participation in the qualitative phase of the research, respondents had to be predisposed to PRS and ideally needed to have made a complaint relating to a PRS provider**
- An honorarium of €50 was paid to respondents upon completion of the 45 minute interview
- Stimulus materials, in the form of text, visual and video sources were utilised throughout the interviews
- All recruitment was conducted in house
- Interviews took place between 6th December 2010 and the 25th of January 2011
 - Fieldwork delays were incurred as a result of the bad weather in December and the Christmas holiday period.

	Gender	Age	Social Class	Location
1	Male	25-34	DE	Kildare
2	Male	35-44	C1	Kildare
3	Male	35-44	C1	Cork
4	Male	25-34	C2	Cork
5	Female	25-34	B1	Dublin
6	Male	65+	C2	Dublin
7	Male	55-64	B1	Cork
8	Female	35-44	C2	Dublin
9	Male	18-25	C2	Dublin
10	Male	35-44	DE	Dublin
11	Female	35-44	C2	Louth
12	Female	35-44	C1	Louth

Research Objectives – Qualitative Phase

- Key objectives from this qualitative phase of the research are as follows:
 - To understand consumers' experiences and general views of PRS
 - To ascertain the extent to which consumers understand PRS, at a general, subscription and non subscription level
 - To assess how users find out about PRS and where they see them advertised
 - To determine the degree to which problems were encountered when using PRS and the nature of these problems
 - To establish how problems were resolved by consumers
 - What support mechanisms were used in each incidence
 - To obtain feedback on how their experiences have shaped their future behaviour

The main goal was to build a story around each person's experience of PRS by learning about the motivations for their interaction, the nature of their usage behaviour, their level of engagement with PRS in general and the circumstances surrounding their ultimate PRS related complaint/problem.

Findings

The Role of the Landline

- **A tool to facilitate broadband**

- Typically part of a bundle with free calls so is used in conjunction with other services

- **Carefully managed to avoid incurring costs**

- Many will use it to call other landlines (often for free landline to landline calls) rather than mobiles
 - May actively avoid using landline to contact mobiles (barring mobile calls)
- Evidence that some switching of providers has taken place
 - Providers are actively targeting customers with many availing of bundled deals
 - Some evidence that previously lapsed eircom customers are returning



- **Tends to sit in the background**

- Generally in minimal use compared to mobile
 - *“It’s now our secondary phone, the mobiles would be our first phone” [Male, 35-44]*
 - *“It’s there but it isn’t even connected. I don’t think I even have a phone for it. I just use the mobile, there’s no point [in landline].” [Male, 65+]*
- Little or no evidence of PRS access via landline

- **The death of the landline**

- Among the younger cohort of customers, unless the phone is part of a telecoms bundle, the landline has become a slightly defunct household device
 - *“When I stay in my Mum’s I’d use the landline but I don’t have one myself. It’s just duplication of my mobile. Why would I want two bills at the end of the month? I have enough bills without another one. But I really don’t need it anyway.” [Female, 25-34]*

The Role of the Mobile

- **Can't live without it**

- For many people, their mobile is an essential part of their day-to-day life
- For those without landlines, dependency on a mobile is even greater
 - *"It plays a big part, I take it to bed (he kills me)! I would be lost without it." [Female, 35-44]*

- **Levels of engagement**

- The Low-techies tend to use their phone quite purposefully: likely to use it for calls and texts only
- The High-techies use their mobile for a multitude of activities, e.g. camera, internet (data), Facebook, downloads, games, Bluetooth, wi-fi etc

- **A functional necessity**

- There was a suggestion that some males may see their mobile as more of a functional item, with many of these focusing more on text messages with less emphasis placed on talking on the mobile
 - *"I don't let it control me or let it rule my life. I use it when necessary." [Male, 18-25]*

- **A status symbol**

- For some the choice of handset is a matter of personal preference and tends to be connected to the aptitude of the phone user, e.g. iPhones & HTC for heavy users with multiple levels of engagement on their phone
 - *"I have it [iPhone] a while. I'm on it the whole time. Well, not in work. But going home on the bus, in the evenings. I'd use it a lot." [Female, 25-34]*
- On occasion may have (and use) multiple handsets, e.g. personal and work phones
 - *"I have a Nokia 6330 and HTC, and 'the brick'. The 6330 was free on upgrade. The HTC is very good for browsing, diary, planning, but awkward for telephone. And the 'brick' is ultimate in reliability, a 10 day battery." [Male, 55-64]*



■ The ideal provider

- Increasingly, customers are searching for a network provider that will allow them to manage their spend in line with their mobile phone activities – they need their provider to be as cost-effective as possible and are prepared to shop around to achieve this
 - They want a *'package that suits me and my needs'*, *"It's all about the money"* [Male, 35-44]
- Additionally they have expectations regarding the customer service element of their mobile network – many provided anecdotes of query and problem resolution related to their provider
 - *"Well, I've had to ring them a few times. There was something wrong with the internet on my phone. It was sorted fairly quickly – they tend to be good in there. It's connecting now but sometimes it can be slow. I don't think they can really do anything about that though."* [Female, 25-34]
 - This increases the likelihood for the network provider to be called for PRS-related queries
- Some respondents [in rural areas] also have to consider the quality of coverage, which can be an issue with certain providers in some areas.
 - However, there was also one mention of coverage problems by one Dublin based respondent in his apartment building



■ A provider among friends

- A key consideration when choosing network provider is the extent to which friends and family are on the same network
 - This often means that people within the same household may be on the same network (i.e. partners both on Meteor or O2 – free calls and texts in package).



Usage Behaviour Of Premium Rate Services

PRS – Spontaneous Associations

“It’s a subscription, isn’t it, text 5XXXX, they give you ringtones, information, sports news, things like that. Aer Lingus flight alerts, sports alerts, etc.”
[Male, 18-25]

“Like directory enquiries, tarot lines, soccer”
[Female, 35-44]

“Subscriptions to websites where they might send you jokes or you can enter competitions. Or like headlines from RTE.”
[Male, 25-34]

“The 1550 numbers, 1850 numbers”
[Female, 35-44]

“The 1550 numbers, or premium numbers on mobiles would be the 55 or 53 numbers.... Then numbers you text for voting in for ‘I’m a Celebrity’... they’re expensive.”
[Male, 35-44]

Clearly understood by some....
Potentially confusing for others...



“Is it evening time rate for calls?” [Male, 35-44]

“I think the premium numbers just charge a lot more than usual numbers, is it? You’d pay a euro or two euro a minute maybe. I don’t really know.” [Male, 35-44]

“Basically anything for which you want to access a service for which there is a charge”
[Male, 55-64]

“Package deals that you can get together that offer you lower price for a higher quality of multiple services. I’d say all the companies offered that.”
[Female, 35-44]

Subscription services are those for which you pay a charge upfront and/or on an ongoing basis to receive the service e.g. signing up to a text alert or news information service.

- Most believe this description is clear
 - Described as a fair description that is consistent with their preconception of a PRS subscription
 - *“Well that’s it, that’s what they are. I get it. I think it’s fair. It’s in black and white there but **it’s not like that really, not in real life** when they’re offering you the chance to win something.” [Male, 35-44]*
 - *“It’s clear there and it’s very clear to me now. Because **I am more wary now**. I wouldn’t have had a clue about that before. But I know now.” [Male, 65+]*
 - Somewhat wordy for some with a slight lack of clarity in the detail of when and how the charges are applied
 - *“Is it and or is it or? Why don’t they just say ‘and’ there. **A first charge and then charges afterwards**. The term ‘signing up’ is clearer.” [Female, 25-34]*
 - A soft description, as it avoids detailing the costs that are incurred through engaging with the service
 - *“Maybe they should tell you that they are ‘**high cost subscription**’ services. It doesn’t tell you anything there about the fact that they will cost you a tenner for a text message.” [Male, 24-35]*

Non-subscription services are those where you initiate a premium rate call or text each time you want to register for/purchase a particular service, e.g. entering competitions, purchasing downloads.

- Again, most believe this description is clear
 - *“So you would have to go in and initiate a download rather than have it already as part of a package deal.” [Female, 35-44]*
- Many attempted to place the description in the context of a PRS service that they were familiar with, thereby illustrating their understanding of sentence
 - *“So like say a radio phone-in show?” [Male, 35-44]*
 - *“Like a once-off payment, if you’re buying a game or something.” [Female, 35-44]*
 - *“Yeah, like the Late Late Show when they have a competition.” [Female, 35-44]*
- Some were still slightly unsure about the description and perceived the distinction between subscription based and non-subscription based services to be less clearly defined in reality
 - *“Non-subscription service.... Eh what does that mean? This is just paying for something up-front. It’s not ongoing I suppose. But ‘non-subscription’ as a term, I don’t know if everyone would understand that exactly.” [Male, 35-44]*
 - *“Yes, it’s clear there but **sometimes you text into those things not knowing you’re signing up.** They hide the hidden charge.” [Male, 35-44]*

■ An omnipresence of PRS...

- Most cited numerous channels where PRS can be observed, with many claiming it be associated with a multitude of reality TV programmes
- Respondents claimed to have seen ads for PRS on TV, in papers and magazines, e.g. free Metro Herald paper, and online
 - *“Generally in rubbish newspapers where you enter a competition and suddenly you’re inundated with texts charging you ten euros a piece!” [Male, 55-64]*
 - *“When I’m flicking through magazines.” [Female, 35-44]*
 - *“Some sites; you’d have these pop-up ads and that but I’d never be interested in them. Sometimes I have gone so far with them and then they ask you for all these details so I haven’t bothered then.” [Male, 65+]*

■ ..but an absence of clarity

- Most suggested that these adverts lack clarity, particularly around the nature of the service and pricing (often unclear a subscription is involved)
 - *“Generally they’re not very clear. Very few will say ‘one-time fee’, I know myself I’ve started to listen for that. Most don’t make it clear there is a subscription.” [Female, 35-44]*
 - *“Not always clear you’re signing up for something” [Male, 35-44]*
 - *“Sure the terms and conditions are so small. And who really reads them or has time to read them anyway. That’s how they get you.” [Male, 25-34]*
- With pricing that is often very difficult to determine, there is a view that the small print can be deceiving
 - *“Not very clear on the prices, you’re probably paying more than you realise, if you just picked up the phone and did it without reading the small print, and then you end up with a big bill.” [Female, 35-44]*

Reason for using PRS

Active Seekers

Leisure – respondents actively use PRS for general leisure and entertainment

“I’m a bit of a gambler so if there’s a competition and it’s going to cost you a euro, I’ll do it. Somebody has to win.”

[Male, 55-64]

“Hopeful that you will win, e.g. The Late Late Toy Show for kids.” [Female, 35-44]

Interest in subject matter – for specific areas, respondents deliberately sign up to PRS services in order to maintain their interest, inform them of developments, provide them with up to the minute news and/or headlines

“If I see something that I like and that I am interested in.”

[Female, 35-44]

“I thought you would get some more information [motorcycling, Moto GP] that you wouldn’t normally get. It’s not like soccer, it’s not on everyday.” [Female, 35-44]

Unlucky Victims

Random texts, whereby respondent received text messages without initiating any contact with the PRS company

“He just got a text message out of the blue. Completely unsolicited. But he just ignored it and kept ignoring them. I told him he must have done something but he’s seventy; he’s still got his senses.” [Male, 35-44]

Curious Couchers

Boredom – others, displayed more passivity in their interaction with PRS services, either as a result of being bored and then engaging with a PRS

Online browsing is often the trigger for many of these respondents initiating contact with a PRS provider - sporadically curious about a particular offer or service.

“I’ve never gone to any of these things looking for them, you come across them, have a look and see what’s involved.”

[Male, 55-64]

“To waste some time.” [Male, 35-44]

Oblivious Connectors

Inadvertently signing up – respondents who did not intentionally sign up to a PRS service but found themselves in receipt of text messages long after their primary contact with the provider


“To get the result [IQ test] I had to give my mobile number so then I got the results. But I kept on getting messages after that. I just wanted the results and that was it.”

[Male, 65+]



“I’ve been stung like that before: not knowing I was signing up and then realising they keep sending you messages at top dollar.” [Male, 35-44]

Experiences Using Premium Rate Services



Sports results

- 
- Providing information that is needed quickly
 - *“There’s always a rate and as long as it’s not excessive I don’t mind. I mean if you’re looking for a result of a race, you’re looking for it quickly.” [Male, 55-64]*
 - *“It was a Liverpool Football Club thing. You’d get team news or squad news. Maybe a text or two a week.” [Male, 25-34]*




Weather

- 
- 
- Used for short-term
 - *“It was good, I knew exactly what I was getting into. We had a specific event happening so I wanted to be fully up to date.” [Male, 55-64]*
 - *“I used it for a while but it got a bit too expensive then and like, I could see the weather on the net anyway so it just became too expensive for what it was.” [Male, 25-34]*

Special interests

- 
- 
- Subscribed to a **motorcycling** PRS, news, Moto GP – got text everyday. Stopped it – had to text and go on website; was difficult to stop, but eventually it did.
 - Subscribed to a **movie** site, get e-mails and the odd text, check out new releases. Not that expensive, once/twice a month.

Ad hoc subscriptions

- 
- 
- 
- Subscribed to **horoscope** for about a month, was advertised on O2 website. Got daily text but stopped as felt wasn't any good so texted 'opt-out' and rang O2 to make sure.
 - Subscribed to a daily **joke** message service but novelty wore off after a few weeks so opt out was used without difficulty.
 - Subscription to **ring tones** but only temporarily as did not want to receive multiple and frequent texts. No problems encountered when opting out of service.

Positive Experiences – Non-Subscription Services



“Entertain me”

Downloads

- e.g. ringtones
- *“I got what I was charged for, I was happy with that” [Male, 55-64]*
- e.g. games via O2 website, about €5 each, some good, some bad but no problems
- e.g. iTunes, pay each time, buy card with code, positive experience, problem free



“It could be me...”

Competitions

- e.g. Late Late Show
- *“I don't mind that, you know how much it's going to cost, it tells you exactly how much the cost of each subscription is” [Male, 55-64]*
- e.g. Magazine competitions such as TV Now, €2 a go, get confirmation text back
- e.g. radio competitions
- *“I'd text in for competitions on some of the radio show – well, if I'm interested in what's being given away. They're usually fine. Text in and that's it.” [Male, 25-34]*



“Finding out....”

Bus /DART Timetable

- Used rarely, charged standard text rate to send and then 25c to receive, no follow-up texts received
- Used in past, not needed now as internet on phone

Directory Enquiries

- Functional, works okay



“Being heard...”

Radio Show Comments

- e.g. Phone/text-in shows
- *“Newstalk is the same, it costs 30 cent per text and they say that each time, I'm far more likely to do it because I know it's only going to cost me 30 cent.” [Male, 55-64]*

Unknowingly or unwittingly subscribing

■ The Fashion Victim (Female, 35-44):

- Entered competition in a magazine or Metro Herald; competition to win clothes (fashion); text in answer a/b/c, got acknowledgement text, then noticed next month she had lost a considerable amount of credit – it did say 1 euro per text but didn't realise it was ongoing. Was starting to see it recur on her bill.
 - *“It did have tiny print down the bottom but I didn't bother to read it – who does?!”*
- Also started to receive additional unsolicited texts about more competitions.
- Called company and representative e-mailed copy of ad to her – was given code to stop service.
 - *“I feel not very smart for not reading the fine print. It's my responsibility in the end, you should read it and in hindsight, I should have, but had there been an asterisk or something I might have.”*



■ The Book Worm (Male, 35-44):

- Used to subscribe to a Book Club, subscribed via a website, with mobile verification, did not realise it involved a Time magazine subscription (which was never received) and was told he owed them hundreds of euro, was told he'd get a free gift but never received it or the magazines.



■ The Jackie's Army Recruit (brother of Female, 35-44):

- A few years ago, brother naively subscribed to 'Jack Charlton' line about soccer, paid by minute, got a bill for over €500! Suggested this was a mistake on behalf of a younger user.

■ The Melody Maker (daughter of Male, 35-44)

- Young daughter of respondent signed up to ring tone subscription on her mobile, not knowing she would be charged on a regular basis, following a TV advertisement.
- *“Sure she didn't know what she was doing. I think we tried to unsubscribe a few times. Eventually it stopped but she was charged a fair bit.”*





- **The Fortune Teller** (husband of Female, 35-44):

- Husband got a text into him (randomly), for Tarot line, *“And instead of saying no he said yes”*
- Continually receiving texts, couldn’t stop it, and it was costing €2 for each one. Kept sending stop and tried ringing the number it came in on (no answer), but eventually got it stopped.

- **The IQ Hopefuls** (Male, 55-64 & Male, 65+):

- Signed up to IQ test via a pop-up ad on screen. Both respondents unaware that they were signing up to a subscription service but did enter their phone number, in their mind only to receive the results of their test.
 - *“It was a website, I was doing nothing, farting around, it was an IQ test, and before I knew it I’d subscribed! It wasn’t made clear that it was chargeable. I got about 15 texts to my phone, instantaneously, and each of them was being charged at €2 or €2.50. It was obviously a kind of spam thing – it was the same message each time. Didn’t know I was charged until I got my bill.... I attempted to make a phone call to the number that was there but got no reply twice. It was a Dublin number. I learned a lesson basically. I felt like I was being pillaged.”*
- One respondent ignored the text messages and incurred significant costs as a result
 - *“I was just checking my balance and I was way down... I knew there was something wrong. I hadn’t agreed to it as far as I was aware. I was getting two or three messages a day. I wouldn’t even read them, not thinking they were costing me money.”*



■ The Competition Casualty (Male, 35-44 and Father of Male, 35-44)

- Entered what he thought was a once off competition but continued to get weekly text messages
 - *“I think that they con you half the time. Like, I entered a competitions, thinking I was just entering for that but then they enter you for loads of others too. And they’ll just take the money.”*
- Father got random text messages which he ignored as he considered them to be spam but realised after a few weeks that his credit was much lower than it should have been. Does not use internet and only used phone for basic functions as a necessity so initiation did not start with phone user. Texts continued, despite opt-outs, until network provider was contacted and company then sent cheque for reimbursement.



■ The Spammer Victim (elderly friend of Female, 25-34)

- Elderly friend was receiving text messages which had gone unnoticed as he was a post-pay customer. Female, spotted inconsistency on bills when going helping to sort out finances. Recipient admitted to receiving messages but believed them to be ‘free spam’ so ignored them for months. Contacted mobile supplier but was told to contact PRS company directly.
- As no ‘STOP’ details were contained in text messages, looked up company online and found others had had similar problems and complaints. Retrieved number to stop subscription and problem was rectified but no reimbursement was achieved, despite claiming not to have signed up in the first place.
 - *“He never would have noticed it only I saw a funny number on his bill and knew they were costing him a lot of money. I would notice it on my phone. I’m credit so your money would be gone but with bill pay..... “*



Complaints About Difficulties Experienced With PRS

- Many had not formally complained at all
 - Generally not considered to be worth the hassle
 - *“Felt the effort I’d have to put in to get at those people wasn’t worth the €20 I lost.” [Male, 55-64]*
 - Or ‘not the done thing’ (an Irish attitude)
 - *“I’m not really that kind of person, it takes a lot to make me complain.” [Female, 35-44]*
 - *“I just moved on from it really. I said what I needed to say to Vodafone and I got them to stop. Reporting them to Vodafone was as far as I went.” [Male, 35-44]*
 - One example of refund by cheque for unsolicited PRS subscription
- Most likely to contact own network provider as a first port of call
 - Perceive themselves as ‘their customer’ – seems like the most obvious body to contact given they are the ones with whom they have their mobile contract
 - PRS lines are often uncontactable; feel the network will resolve quicker
- Some unaware who they could contact to complain
 - *“Most people would say, ‘oh what can we do about it?’ It’s hard to know where to go.” [Female, 35-44]*
 - There seems to be limited awareness of ComReg or the protocols to take if PRS problems have been experienced (discussed later).

■ Commitment phobic

- Experienced users will attempt to assess validity and scope of service before committing
 - *“Some are fine, like texting a radio station, but I draw the line between what I think is an offer and what I think is a scam.” [Male, 18-25]*
 - *“I don’t even think the padlock (symbol) at the end of the web page is enough....I now check the small print and if I’m happy it’s not going to cost me anything, I enter. If I see subscription, I won’t enter. Or if I have to put my mobile number in, I won’t do it” [Male, 35-44]*
- But others admit that they don’t take the time to fully read the T&Cs
 - *“What you need to know is very small, the charges are tiny, wouldn’t take the time to read it all.” [Female, 35-44]*
- Some are now paranoid in general regarding PRS e.g. worried about identity theft
 - *“Wouldn’t trust them very much at all, a lot of them are rip-off merchants trying to make money out of you.” [Female, 35-44]*

■ Personal responsibility

- There is a recognition from some that the onus on the user also to take responsibility for their actions
- *“The responsibility is 50/50 between the service provider and the user, for me I’d have to know what I’m getting into before I do it.” [Female, 35-44]*
- *“I should have known. I learned my lesson the hard way I guess”*

Reactions to PRS Stimulus Materials

Examples of PRS T&C Wording

**This is a subscription service.
You will receive 4 credits / wk.**

- Reasonably clear overall.
- Confusion over what 'credit' means?
 - *"I presume a credit is a text message, is it? If it's not then I don't know but why do they say credits? Why can't they just say texts?" [Female, 25-34]*
 - *"Not clear, looks like you have to pay 4 times a week" [Female, 35-44]*

**You will receive the starting no for each
Comp along with the winner of each
Champ. 60c/msg rec.**

- Among the most clear, no confusion arose.
- Respondents easily interpreted the meaning and deciphered the meaning behind this statement.

**You are subscribed to MyXXYY at 2.50
euro every 6 days. Send 600 SMS/mnth.**

- Some confused whether charged €2.50 every 6 days or €2.50 a day for 6 days.
- Some even confused over the term SMS
"SMS? I'm not telephone literate now, is that like a text message? So you have to send 600 messages to receive.....what do you get for it? Not clear." [Male, 35-44]
- *"I know what SMS per month means but I get to send them for 2.50 every 6 days. So how much a month is that? It's clever the way it's not clear." [Female, 25-34]*

**Welcome to Ireland's best chat! 2euro/
msg rec'd +msg/ 5days.**

- Not clear for some.
- 5 days unclear – could have multiple meanings, e.g. Every 5 days? Within 5 days? For 5 days?
- *"So this would mean it costs me 2 euro to get a message but I'm getting an extra message after 5 days and that will cost me too?" [Male, 25-34]*

Examples of PRS T&C Wording

FREE MSG. This is a competition subscription at €2.50 every week. **18s+.**
SP MTL PO Box 118.

- Thought to be inconsistent - mentions 'free' and a charge at same time.
- All understood MSG to mean message.
- Only one aware of SP acronym.
- PO Box rather than full address raises concerns
"But I would never entertain one with just a PO box number – you can't sue! It sounds dodgy" [Male, 55-64]

You are subscribed to this service at 13cent per text (Avg 1 per day) 18+. SP TCM Ph0818300044. **Unsub? Txt "STOP"** to 53406 13c/**SMS**.

- Reasonably clear overall.
- Option to unsubscribe very clear and welcomed.
"Not a lot of people know you can text STOP to unsubscribe, so that's good." [Male, <25]
- *"Is there a reason they have the question mark there?"*
- Average 1 per day – means it could vary!

Subscription confirmed. Requires **Mbl** WAP/GPRS enabled.

- Mbl caused confusion for some, e.g. thought it was 1 MB (megabyte) or MB'l' ('i')
"I don't know what that means, I can't work that one out. What is M.B.L?" [Male, 65+]
- WAP/GPRS also not known by majority
"I've seen it but I don't know what it is" [Female, 35-44]

Examples of PRS Adverts

Get up to **€100** Bonus Credit for your mobile phone



Enter Your Mobile Number
Competition subscription at 2 x €2.50 every 6 days plus 2 x €2.50 signup fee.

▶

Networks: 087, Meteor, Tesco, Three

Register for up to €100 Bonus Credit

Subscription service at €5 per week.
I agree to the terms and conditions.

Competition subscription service at 2 x €2.50 every 6 days. plus 2 x €2.50 signup fee. 18s+. SP MTL 0818300048. PO Box 1118, D8. Unsubscribe? Text stop to 57030. Entrants enter competition with up to €200 of One 4 All vouchers to be won every 6 days and major prize of new york trip for 2. New york competition closes 30/6/10. IP: Infinity.

Don't forget to visit our Sponsors!

- Many believed this was the most clearly laid out and communicated advert
 - White background aids clarity
 - Terms & conditions are visible
 - A tick box for the subscription
- Interpretation of content
 - Much of the information is clear, i.e. subscription service for €5 a week
 - Bonus credit could be misleading
 - How would this work if on a bill phone?
- Some react with cynicism
 - Trying to 'wow' people with offers
 - *"They emphasise more about what you can win."* [Male, 35-44]
 - *"But anything on the internet offering you money is a scam."* [Male, <25]
 - Others reluctant to enter phone details online.

"Suggests you get the bonus credit, i.e. not a competition. With so much competition between mobile providers, I wouldn't be surprised if they were offering €100 free credit, it sounds believable and authentic." [Female, 35-44]

"With the tick box there you can see straight away that it will cost you a fiver a week." [Female, 25-34]

"What if you just entered your mobile there... would they store it forever than then you'd get text messages in a few months time?" [Male, 35-44]

Examples of PRS Adverts



- While the purpose of this PRS service is clearly communicated, that layout and information of the ad was deemed to be of poor quality.
 - Service perceived as expensive - €20 per month
- The colouring of the terms and conditions was thought to be a cynical attempt to misinform the customer
 - Deliberately unclear and difficult to read
 - Small and illegible T&Cs will lead to higher incidence of people being unaware of their commitment to a PRS subscription service
 - Perceived as a ‘warning signal’

*“That’s ridiculous. There’s no way that anyone would read that. Although the fact that it is so unclear means maybe you would try to see what it says.”
[Female, 25-34]*

“I can’t read that. I think it’s the colour and relative to the ad it’s very small. There’s lots of space there. They could have [made it bigger]”. [Male, 25-34]

*“They made it really hard to read!”
[Female, 35-44]*

Examples of PRS Adverts



- This type of 'dating' page considered dubious by many - questioned who would use this type of service
- Could be perceived as non-subscription (when in fact it is subscription)
- Terms & conditions
 - Provides a help number

"Clear enough, but then again does anyone read that?" [Female, 35-44]

"Why do they make it so hard to see it. Although it's obvious I suppose!" [Male, 25-34]

"I've seen these, 'text in your husband's name and see if you are compatible'. But this one does just look like a once off bit of fun. Like, why would you need to get lots of messages. Maybe that's why it's unclear." [Female, 25-34]

- Others felt it was difficult to read easily
- Could be easy to enter number without reading bottom of ad
- However, some positives on further examination
 - Does say how to 'stop'
 - Landline provided for queries which is somewhat different to other ads they had seen

Examples of PRS Adverts

Weekly entertainment subscription service. 18+*

MYSTIC IRISH PSYCHICS

MYSTIC IRISH PSYCHICS

LOOKING FOR A SOULMATE
THIS SUMMER OR HAPPINESS OR
THAT ELUSIVE FORTUNE?

CALL NOW
1590 998 002
TXT **MYSTIC**
TO **57030**

1590 Calls cost €2.90/min. SP C&T BCM2714 London WC1A 3XX.Help 0818300048. Calls from mobiles may cost more. Calls may be recorded. 57030 cost 2x€2.50/signup and 2 x €2.50/week. Standard messaging and data charges apply. Wap enabled phone required. SP MTL 0818300048 IP MW. To unsubscribe text stop to 57030. MW may offer similar services to mobile users to opt out text stop to 57030.

- Many familiar with the advert but dismissed as unattractive and irrelevant to them

“The whole concept of that is a total farce, but it is clear.” [Male, 55-64]

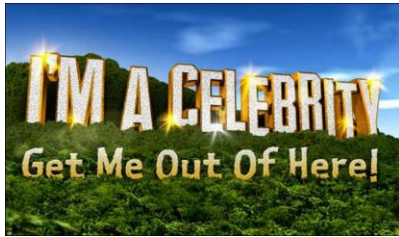
- No reference to cost in main advert meant that actual cost was hidden in T&Cs – this was seen as a negative aspect to the overall layout
- Similarly, no mention of the subscription details until T&Cs
- Advert was a deliberate attempt to capture people’s attention without telling the truth about the nature of the service

“Looks like a once-off thing too. Would really have to read and find out how much it is costing you per minute.” [Female, 35-44]

- Terms & conditions
 - Small print, relevant to the large numbers and details in the main text content of the ad
 - No proper address
 - Costs may be misleading

“2 x €2.50 per week is misleading, why not just say €5 per week?” [Male, 18-25]

I'm A Celebrity – TV Ad



- All respondents were familiar with the programme and the ad to some degree
- The majority believed the ad to be an official ad. However, despite this, the ad and offer were viewed with sceptism with many indicating that they would not entirely 'trust' the ad.
- *"It looks official but I wouldn't trust it."*
- *"Looks official. If it has to do with the TV show, then name association, so you'd think yes I've heard of this so it must be okay, it must be legitimate."*
- The opportunity to win €25,000 was deemed an enticing hook
- The pace of the ad in terms of the information provided about the offer was seen to be quite high tempo.
- *"You wouldn't have time to take that all in. You're not going to pause the telly and read the whole thing."*
- The offer itself, coupled with the presentation and highlighting of the PRS number dominated the overall ad.
- *"Didn't come across as subscription."*
- Terms and conditions were introduced at the same times as the information about how to win €25,000. This meant that respondents could not effectively digest all of the information presented on the screen.
- Repetition of the word 'win' was seen as a ploy to circumvent consideration of the T&C's
- *"I didn't even see them really, I was looking at the ad."*
- *"You wouldn't have had time to read it, there's about 5 lines of text there."*
- *"Reading the small print, it will cost you quite a bit of money to do it and that's not made clear by the spoken bit."*

An official ad that cleverly presents the competition proposition with limited opportunity to analyse the T&Cs.

X Factor – TV Ad



- Again, a high degree of familiarity with the X-Factor programme was evident with the majority of people also felt that this competition was an official X Factor spin-off offer
- Unlike other PRS competition services, for example, the Late Late Show, respondents felt that the nature of this PRS service was less honourable – citing that the X Factor was “*a bit of a scam anyway*” - this was perhaps also influenced by this year’s controversy over voting.
- *“It definitely sounded official. Oh yeah, you’d assume that’s X-Factor [themselves]. It’s got the music and the background and everything.”*
- *“doesn’t look like it would be from anything other than from them”*



- The details of the offer suggested that winning was easy – almost that if you texted in, you would win the prize.
- Respondents queried why they could provide huge detail on the nature of the prize but minimal detail on the nature of the service
- *“It’s designed to cost me money, and there’s no mention of terms and conditions apply.”*
- No-one noticed the ‘subscription service’ alert on the top right hand of the screen.



- In order to enter the competition the correct answer needed to be text to a specified PRS number. However given that this element of the ad required high involvement from the viewer, respondents felt that it would be impossible
- *“Are there terms and conditions?”*
- *“I’d be busy there looking at the answers and the number. How am I supposed to read the small print too?”*
- *“Not easy to read the bottom, doesn’t give you time to read it.”*

An official ad that is heavy on details related to the prize and competition details but deliberately negligible in its presentation of the T&Cs.

General Attitudes Towards Premium Rate Services

Overall Perceptions of PRS Adverts



Visuals

- All adverts were undeniably **unbalanced** in terms of the presentation of the competition or service related information, compared to the T&Cs related information
- This **one-sided** communication style served to amplify respondents' cynicism and prove that many of their negative issues with PRS was vindicated
 - *“You can see how people will sign up without knowing it. It's slightly different with magazines but it's not really that clear. Even if they made it a bit bigger. I actually can't read that.”* [Male, 35-44]

Language

- Most adverts were thought to suggest **'win'**, rather than 'chance to win'
- All emphasise the best prize but in reality, respondents felt they were very unlikely to win it!
 - *“If it says 'win', you really would think you're going to win. 'Chance to win' might tip somebody off.”* [Female, 35-44]
- The word 'free' is not believed to mean **'free'** among this experienced group
 - *“The word 'free' is never free! Some do say, 'text free', and that first text is free but then after that it's not. Most people would think free is free.”* [Female, 35-44]
 - *“Free? Alarm bells would ring, there's no such thing as a free lunch.”* [Male, 55-64]
 - *“There's nothing for free in this world, lets face it.”* [Female, 35-44]
- Use of this type of language is **considered manipulative** - trying to catch out the vulnerable and those who are not savvy to such scams.



■ Once it's broken.....

- Most respondents do not trust PRS in general
 - *Although this audience are now 'tuned in' to PRS as result of their own (first and second hand) experiences and difficulties*
- With the benefit of hindsight, this group now feel that they are equipped to judge and comment on PRS but assert that others that do not fully understand PRS will continue to be caught out



■ Location, location, location

- The context/environment in which the advert is presented plays a large part in trust
 - *"It's an association, if it is in publication X you feel you could trust it." [Female, 35-44]*
 - *"That entertainment.ie, they've been on TV3 so I know they're legit" [Male, 35-44]*
 - *"I think the Late Late Show is different. You kinda know what you're getting. I suppose I do trust that more. [Male. 65+]*



■ Rules of engagement

- It is important to distinguish between active and passive engagement (however, not all do this)
 - *"It's generally the stuff that comes looking for you that I would be cautious of. Rather than you looking for information." [Male, 18-25]*



▪ Speak to me clearly...

- Respondents expressed a desire for the main body of ad to clearly communicate....
 - whether the services is subscription based or not
 - the actual and total costs involved
 - Alongside the details of the offer or service itself



▪ but don't bombard me...

- The way in which the offer (i.e. prize/service) is communicated tends to dominate any other information that is presented on the screen. Respondents felt TV ads in particular were designed to help you ignore the terms and conditions rather than consciously decide on the consequences of interacting with the service
- *"It's very fast paced; it's all offer, offer, offer, win, win, win... you're never going to be able to take in the terms and conditions as well."* [Male, 35-44]

▪I know the devil is in the lack of detail.....

- Respondents felt that the terms and conditions must include....
 - a reiteration of whether subscription or not
 - a recap of costs involved
 - clear instructions of how to STOP
 - a contact landline number for queries
 - the full name and (Irish) postal address of service provider, not just a PO box number
 - *"They have a PO Box there. I wouldn't trust that. Any company that gives a PO Box number is a bit dodgy I think so I'd be wary."* [Male, 35-44]



Appeal of the Double Opt-In Approach

Users unanimous that a double-opt in is a good idea. (Explained as a verification text to ensure that the customer wants to subscribe to a PRS).

- Some have experienced this with PRS they have used in past



Will not make a difference to those who are genuinely interested in the PRS

"If it's something you're really interested in, it's not going to make a difference if you have to say yes twice, you're going to do it anyway." [Female, 35-44]

"If I had had that, I probably wouldn't have got sucked in." [Female, 35-44]

Will stop others from falsely subscribing another user

Allows users to carefully consider (think twice) before committing to the service, thereby removing any uncertainty about whether service is subscription or not

- Would have prevented previous bad experiences from occurring

Important that there are no additional costs incurred for this type of verification.

- Furthermore, should not be charged to unsubscribe.

"That would be a good idea, because then you can't say you didn't know about it." [Female, 35-44]

Awareness Of Organisation Responsible For Code Of Practice (Prompted)



Commission for
Communications Regulation

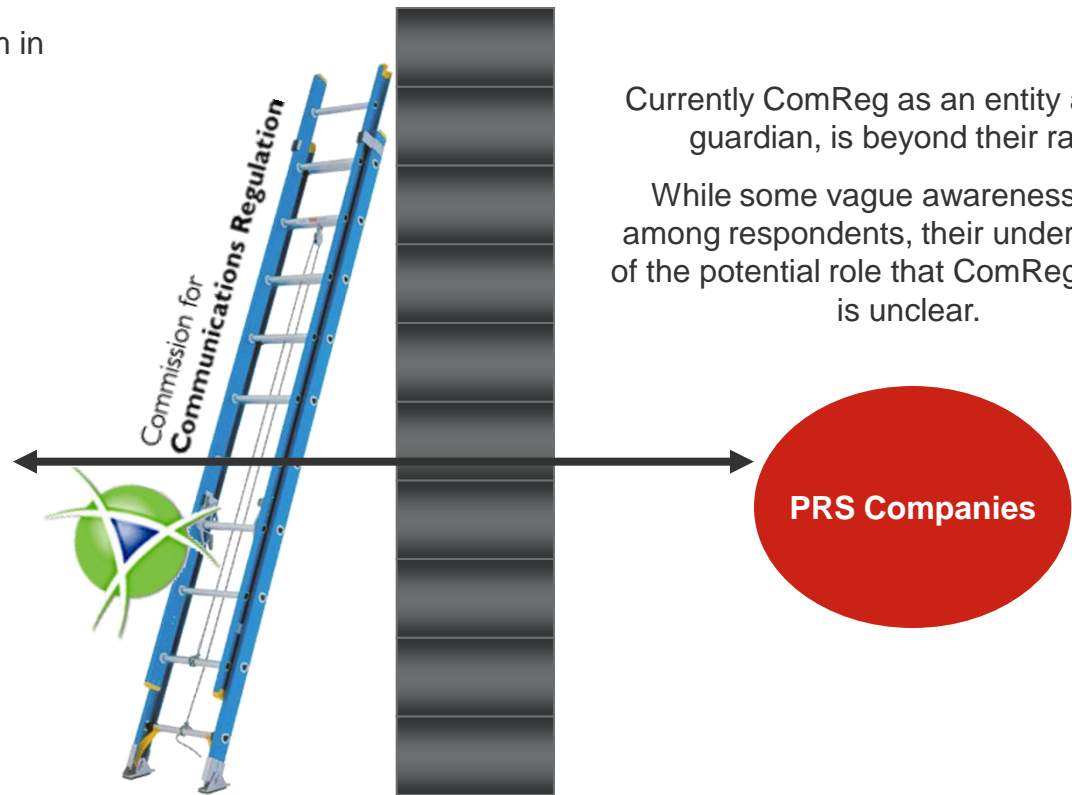
- Several welcome the fact that ComReg is looking at this area
 - *“It’s a good thing they are there, you feel at least someone is defending you That would be fairly important to me.” [Female, 35-44]*
- Some suspect that this type of regulation should be in place
 - When giving out personal details to a third party, consumers expect to be protected
- But recognise the enormity of ComReg’s task
 - *“It’s basically trying to get everyone on the internet to stop downloading, it’s impossible.... It’s a very big exploitation of a weak point in mobile phone technology.” [Male, 18-25]*
- One suggestion that there could be a database of ‘verified’ providers put in place
- Emphasis on the need for people to be more aware of who ComReg are, what they do and how they can benefit the consumer
 - *“I kinda thought there was someone there but I don’t know much about them to be honest.” [Male, 35-44]*
 - *“I know they’re there. I would be totally aware of them. But I just contacted the company – we threatened them.” [Male, 25-44]*

Current Understanding of ComReg

Currently, consumers tend to rely on their network provider to advise and support them in relation to PRS related issues.



This behaviour is driven by the fact that they generally have a good relationship with their provider, are used to liaising with them about phone related problems (and trust them to solve it) and are unaware of an alternative process in order to make a complaint or get assistance.



Currently ComReg as an entity and as a guardian, is beyond their radar.

While some vague awareness exists among respondents, their understanding of the potential role that ComReg can play is unclear.

Consumers that have been through a negative experience with PRS need to be informed of the protocol of complaining.

As a prerequisite, their awareness of ComReg needs to be improved.

At a fundamental level, they need to be motivated to inform ComReg, instead of or alongside their network provider, in order to ensure that they are better protected from PRS.

Conclusions

- *Important to note that this was an audience of PRS users who had experienced some degree of difficulty or dissatisfaction and were therefore 'tuned in' to PRS.*
- The concept of a PRS was understood at a broad level, while the associated complexities were also acknowledged
 - Any definitions of PRS that are shared with the public need to be expressed in user-friendly language, i.e. avoiding complex terms ('initiate') and PRS-like phrasing ('and/or')
- There was unanimous agreement that advertising generally lacks clarity, in particular regarding whether services are subscription-based and also the charges involved.
- The most commonly cited difficulty centred around subscription services, in particular unwittingly subscribing in the belief that interaction was once-off (i.e. non-subscription).
- However, users must also recognise their own responsibility to thoroughly review terms and conditions (particularly in print ads where time permits).
- There was also examples of positive PRS experiences where the consumer was satisfied and able to stop the service when no longer required.

- A review of PRS advertising reveals the following insights;
 - Adverts are dominated with a dominant visual (and auditory) ‘hook’ to entice the user in
 - Notification of a subscription service is not always clear in the main body of advert
 - T&C wording can be open to widespread misinterpretation
 - A clearly communicated ‘unsubscribe’ option does not always appear to be present
 - The presence of full service provider name and contact details is desired
- PRS adverts are felt to be somewhat manipulative;
 - The use of certain words and phrases, e.g. ‘win’ does not always mean win; ‘Free’ rarely means free without an underlying charge
 - Prizes advertised can be misleading
- Above all else, there is a lack of standardisation in the communication of terms and conditions for PRS services.
- A ‘double opt-in’ for PRS subscriptions would easily resolve many issues.

- It is the nature and content of the PRS advert, as opposed to the type of service being offered, that can cause difficulties.
- The environment in which the PRS advert is seen has an impact on trust levels;
 - Well known brand names reassure consumers that offers are genuine
 - Unsolicited calls to action raise suspicion
- In terms of issue resolution, the mobile provider is a trusted source of customer service
 - This is the ‘knee-jerk’ reaction, as PRS providers are typically uncontactable
 - Users see themselves ultimately as customers of their mobile provider
 - Although there is an expectation that a formal complaints body exists, awareness of ComReg is low, but reassuring once explained
- Despite any negative experiences, some PRS users are still open to using these services
 - However, negative experiences and scare stories make consumers more aware of their own personal responsibility in this regard.

Research Conclusions

- Drawing a parallel with other 'T&C'-style communications, e.g. nutritional information on food products, PRS adverts ideally require a standardised verification stamp as follows;



PRS Guide

Subscription?	✓
Charge?	€2.50 per message received
Frequency?	1 message per week.
Queries?	PRS Ltd. 01-1234567