



# **Number management and consumer protection for premium rate messages**

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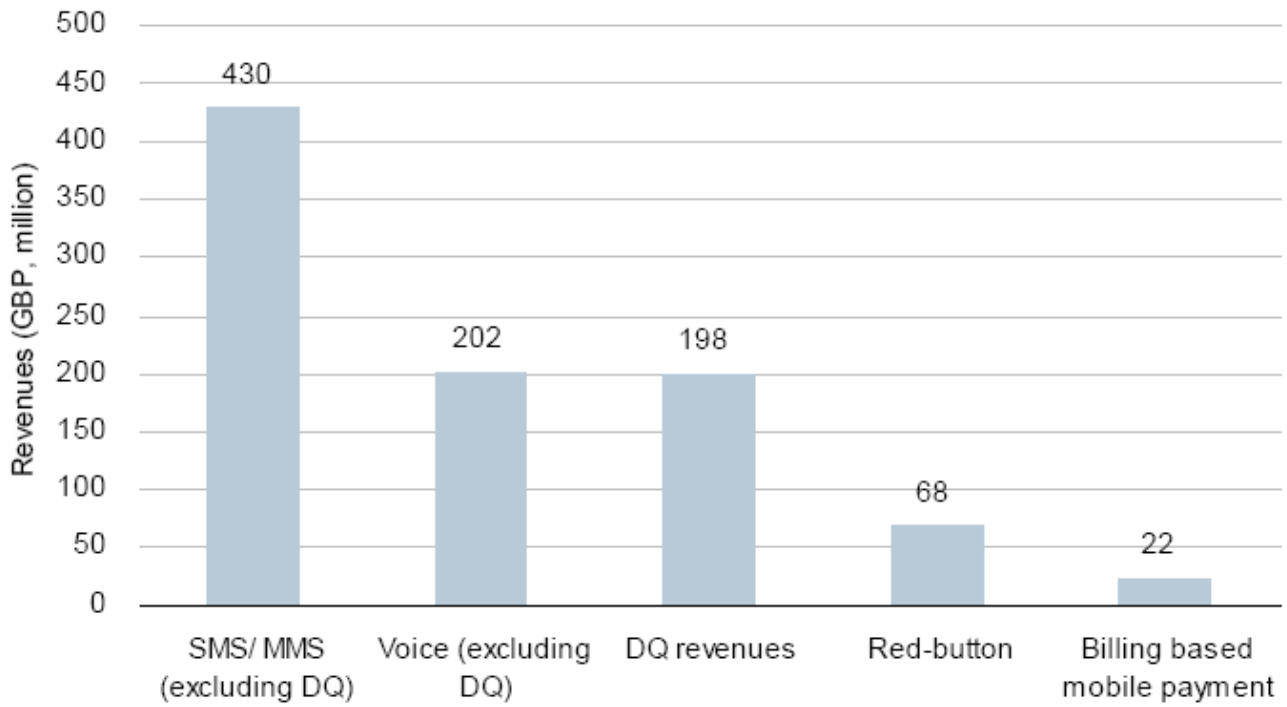
# What are premium rate services?

- First they were **calls** where the originator paid for **contents** at more than the “normal” rate.
- Then they were **calls** where the originator paid for **products or services** at more than the “normal” rate.
- Next they were **calls or messages** where the originator paid for **products or services** at more than the “normal” rate.
- Now they include **calls or messages** where the recipient shares some of the revenue.

# Premium rate market shares in the UK in 2008

- Premium rate **SMS and MMS** messages are often more significant than premium rate **voice calls**, even where fixed networks are large.

Premium rate market shares in the UK in 2008



Source: PhonepayPlus research report (Analysys Mason December 2008)

- Premium rate **SMS and MMS** messages rely on short codes from mobile phones.

# What are short codes?

- Short codes are short numbers for services from phones.
- Short codes may give different (or no) services on different networks.
- Fixed phones often have short codes starting with '1' and local numbers starting with '2', '3', '4', ...
- Mobile phones, having no local numbers, can have short codes starting with '2', '3', '4', ...

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Source: [in.mobile.indiatimes.com/mobile/guru/sms.html](http://in.mobile.indiatimes.com/mobile/guru/sms.html)

# How are short codes used?

- Supporting SMS, MMS, IVR, voice, video, ...
- Providing numbers that are easy to advertise and remember.

**SMS to number 46664 in a new promotion specifically to wish former Mandela 'Madiba' a happy 90th birthday and contribute funds to the Nelson Mandela Foundation and support among other things HIV/AIDS awareness initiatives.**

Source: Tanzania Daily News 7 June 2008

- Avoiding termination charges for passing calls to other networks.



- Avoiding rules about premium rate long numbers ('0900' and so on).
- Occupying a dark corner of the numbering space.

# Why should short code allocation be managed?

- **Small supply**
  - Shorter numbers ➔ greater demand for each
- **Visibility to users**
  - Shorter numbers ➔ easier use
- **Equity to providers**
  - Shorter numbers ➔ bigger benefit in having the first allocations
- **Consistency of meaning between networks**
  - Shorter numbers ➔ more insistence on “my meaning on my network”
- **Value of tariff information**
  - Tariff information is what users often want from numbers
- **Value of content information**
  - Content information is sometimes better than no information

# Who allocates short codes?

Regulatory preference	Number allocator	Examples	Possible advantages	Possible disadvantages
Statutory regulation	The regulator	Hong Kong, Ireland, Italy and Spain	Integrated number plans	Burdensome procedures
Co-regulation	The regulator and the service providers jointly	Australia	Insights into industry wishes Official supervision of activities	Overheads of an extra organisation
Self-regulation	The service providers collectively	France*, South Africa* and the UK*	Insights into industry wishes	Overheads of an extra organisation Unfair reactions to newcomers
No regulation	The service providers separately	Nigeria*	Speedy allocations (by one provider)	Inconsistent meanings for numbers Inconvenient process for content providers

\*= premium rate long numbers are handled differently

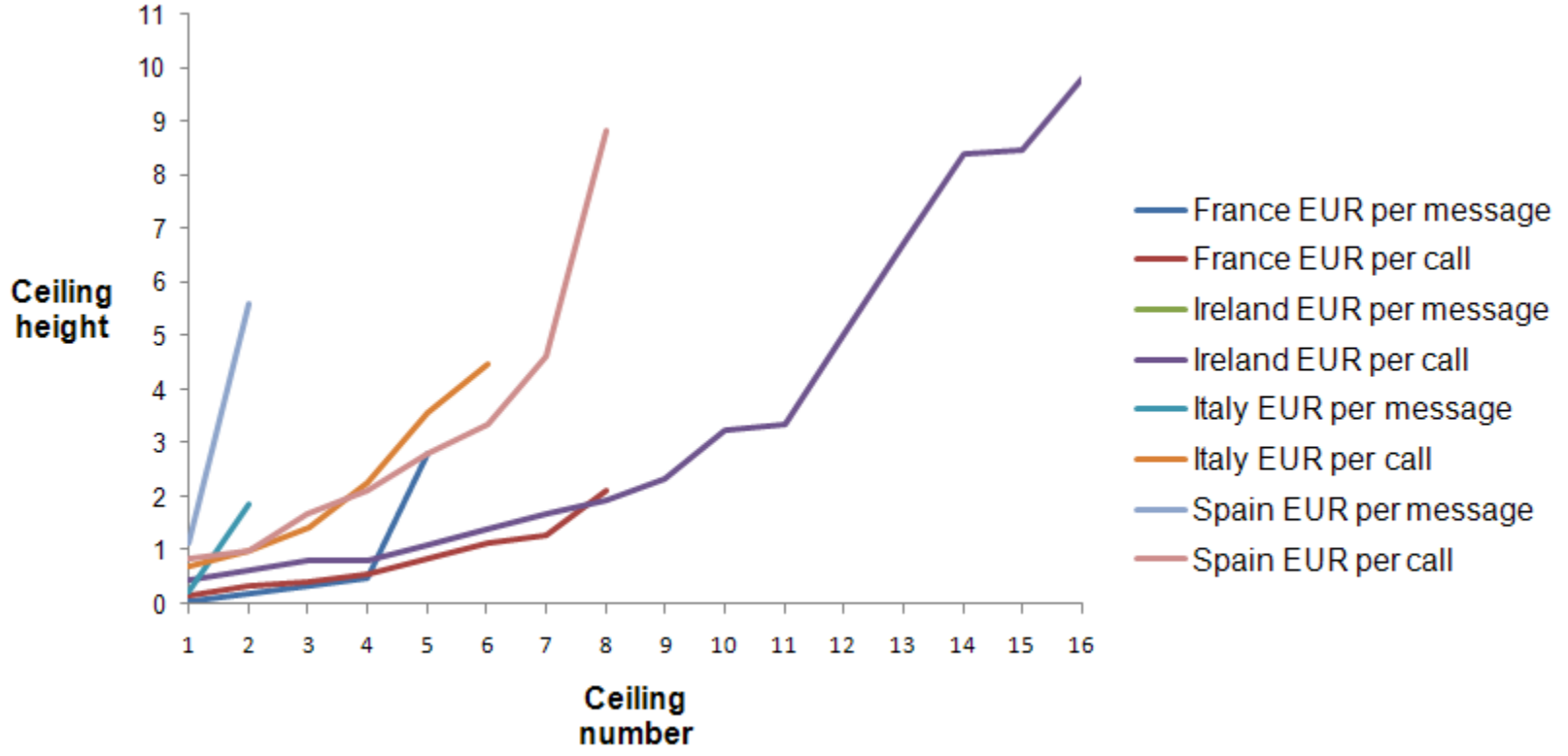
# What do short codes indicate?

Country	Number of message (short code) tariff ceilings	Number of message (short code) content classes	Number of call (long number) tariff ceilings	Number of call (long number) content classes
Australia	0	2	0	3
France	5	2	8	0
Hong Kong	0	2	0	6
Ireland	1	2	15	2
Italy	2	4	6	5
South Africa	11	0	0	0
Spain	2	3	8	9
UK	0	5	3	4

**Numbers of tariff ceilings vary greatly both between countries and between messages and calls.**



# How do tariff ceilings compare?



Messages taken to be charged USD 0 for carriage (France)  
 Calls taken to be charged from fixed networks (Italy, Spain)  
 Calls taken to last 3 minutes (France, Ireland, Italy, Spain)  
 Calls without tariff ceilings ignored (France, Ireland, Spain)

**Heights of tariff ceilings vary greatly  
 both between countries and between messages and calls.**

# Who makes consumer protection rules?

Regulatory preference	Rule maker	Examples	Possible advantages	Possible disadvantages
Statutory regulation	The regulator	Spain	Tariff ceilings combined with rules Rules consistent with those for voice calls	Slow reactions to problems
Co-regulation	The regulator and the service providers jointly	Australia and the UK	Official supervision of activities Rules consistent with those for voice calls	Overheads of an extra organisation Divergent interest groups
Self-regulation	The service providers collectively	France*, Ireland, Italy and South Africa*	Collective buttresses for protection	Overheads of an extra organisation Divergent interest groups Preferences for industry viewpoints
No regulation	The service providers separately	Hong Kong and Nigeria	Rules combined with contract terms	Inadequate tools for protection

\*= premium rate long numbers are handled differently

# How are consumers most commonly protected?

- **Generic rules:**
  - Advertising.
  - Spam.
  - Data protection.
  - Distance selling.
  - Gambling.
  - Illegal content.
- **Specific rules:**
  - Services aimed at children.
  - Subscription services.
  - Chat services.
  - Contact services.
  - Web push services.
  - Sexual entertainment services.
  - ...

**The rules can be very detailed.**

# What can be wrong in advertisements?

**R7.50/week  
+ R1/SMS sent**

**SUBSCRIPTION SERVICE**  
R7.50/week + 3 SMS at R5/SMS received + R1/SMS sent.  
Network charges extra. Stop 31234.  
Errors billed. XYZ Company.  
Help 082123456 (VAS). T&C at xyz.co.za

**Incorrect:**  
Does not provide full, potential upfront cost in price box

**R22.50/week  
+ R1/SMS sent**

**SUBSCRIPTION SERVICE**  
R7.50/week + 3 SMS at R5/SMS received + R1/SMS sent.  
Network charges extra. Stop 31234.  
Errors billed. XYZ Company.  
Help 082123456 (VAS). T&C at xyz.co.za

**Correct:**  
Provides full, potential upfront cost

**Calculation:**  
Fixed periodic cost:  
R7.50 per week

Number of SMSs to be sent to subscriber within the base subscription weekly billing period: 3

Cost per SMS sent: R5

3 x 5 = R15/week

Total: R22.50 week

Includes MO cost

Source: WASPA advertising rules

# What can be wrong in advertisements?

Indication	Correct Abbreviation	Wrong Abbreviation
<b>Additional type &amp; cost</b>	+ 3 SMSs or + Rx.yy (include spaces between + and next character)	+3 messages or +Rx.yy (no spacing shown)
<b>At</b>	At	@ ( <i>unless in an email address</i> )
<b>Cost</b>	R1 or R1.50	R1.00 or R1.5
<b>Day</b>	Day	Dy
<b>MMS</b>	MMS	mms, or Mms, or mmS
<b>Message</b>	SMS	Sms or msg or MSG or msgs or txt or txts
<b>Minimum</b>	Minimum	Min or Mnm
<b>Minute</b>	Minute	Min
<b>Minutes</b>	Minutes	Mnts
<b>Month</b>	Month	Mth
<b>Months</b>	Months	Mths
<b>Pricing</b>	R7.50/week	R7.5/wk or 7.5R / wk
<b>Pricing per period</b>	/	per
<b>Rand Pricing (cents)</b>	70c	R0.70 or R0.7 or ZAR75c
<b>Rand Pricing (Rands+cents)</b>	R7 or R7.50	R7.00; R7.5 or 7.5R or ZAR7.5 etc
<b>SMS Messages</b>	SMS or SMSs	Sms or msg or MSG or msgs or txt or txts
<b>SMS Received</b>	Received	Rvcd or Rcd
<b>SMS Sent</b>	Sent	Snt
<b>Subscription</b>	Subscription	Subs, or Sub or Subscr
<b>Week</b>	Week	Wk or wk

Source: WASPA advertising rules

Reference: [WASPA Mandatory TV Ad Format Example 4x3](#)

# Who enforces consumer protection rules?

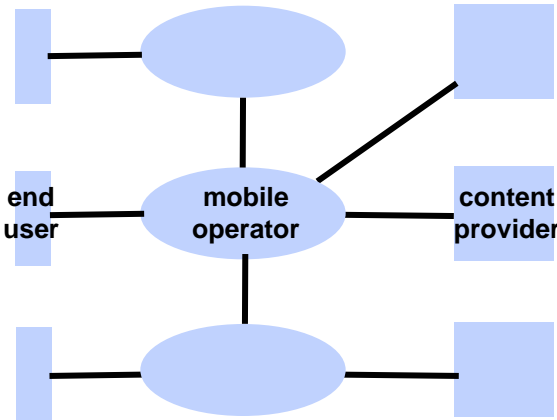
Regulatory preference	Rule enforcer	Examples	Possible advantages	Possible disadvantages
Statutory regulation	The regulator	Italy and Spain	Treatments of cross-media problems	Inflexible choices of solutions
Co-regulation	The regulator and the service providers jointly	Australia and the UK		Overheads of an extra organisation
Self-regulation	The service providers collectively	Ireland and South Africa*		Overheads of an extra organisation No statutory support for remedies
No regulation	The service providers separately	France* and Hong Kong	Simple complaint handling	Contraventions limited to contract breaches

\*= premium rate long numbers are handled differently

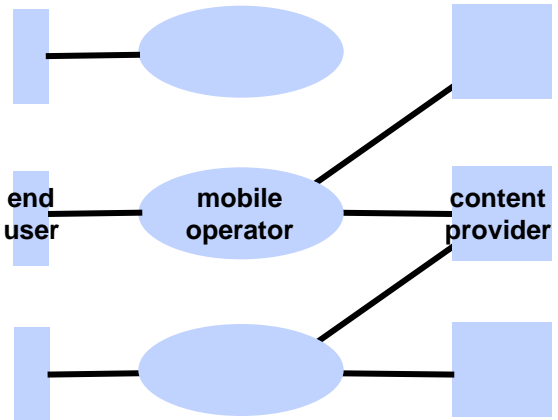
# What sanctions are most common?

- **Improvements to systems.**
- **Formal reprimands.**
- **Checks on advertising or content.**
- **Fines.**
- **Bars on access by users.**
- **Bans on individuals providing services.**
- **Refunds to users.**

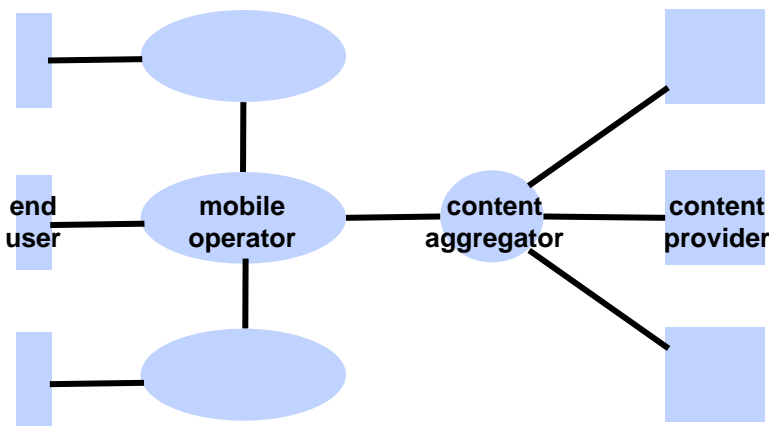
# Simplified value chains



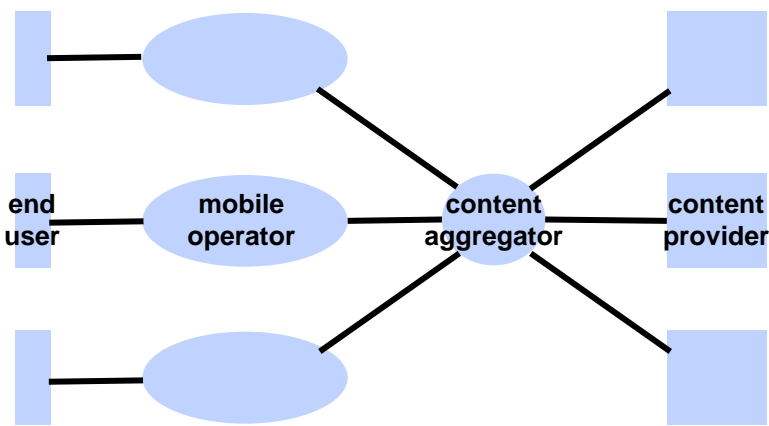
operator interconnection , single provider connection



no operator interconnection, multiple provider connection



operator interconnection, single aggregator connection



no operator interconnection, multiple aggregator connections

The value chains raise questions about interconnecting, porting numbers and making numbers have the same meanings on different networks.



# Conclusions

- **Premium rate messages are often more popular and profitable than premium rate calls.**
- **Short codes (messages) and long numbers (calls) are often subject to very different regimes.**
- **Short codes deserve national attention to:**
  - **Supply short codes for important purposes.**
  - **Make short codes have the same meanings on different networks.**
  - **Have tariff and content rules consistent with ones for long numbers.**
  - **Provide consumer protection consistent with that for long numbers.**

## What are supplementary codes?

- Codes can contain \* or #, especially for USSD.
- They may give different (or no) services on different networks.
- They typically provide messages just to the host network.

Ahora y haciendo uso de una tecnología GSM, Tigo te trae 2 herramientas practicas si eres usuarios Prepago o Cuenta Controlada. Se trata de los codigos cortos USSD que ademas de ahorrarte tiempo, le siven a usuarios con limitaciones auditivas.

### *Para Consultar Saldo:*

Marca desde tu móvil Tigo **\*10#** y luego la tecla **<send>** (con la que se llama) y en instantes obtendrás tu saldo actual en pantalla y su fecha de vencimiento.

### *Para Recargar tu Móvil:*

Ingresa desde tu móvil Tigo **\*11\*** Número de PIN **#y** luego la tecla **<send>** y en instantes recibiras un mensaje en pantalla informandote tu nuevo saldo y el exito de tu recarga.

Source: [http://www.comunidad-ola.com/portal/index.php?option=com\\_content&task=view&id=33&Itemid=602](http://www.comunidad-ola.com/portal/index.php?option=com_content&task=view&id=33&Itemid=602)