Vodafone Response to Ofcom Consultation:

The future of telephone numbers

Executive Summary

Vodafone has the following feedback to Ofcom's consultation regarding the future of telephone numbers:

1. **Local dialing.** We believe that it should be an individual operator matter whether to support local format dialing. In the event that Ofcom considers it essential that all networks behave the same, we think it best that local dialing facilities be removed.

2. **Geographic area codes.** We consider that area codes should retain geographic relevance as the default approach. However, operators should have the flexibility to offer customers numbers with a different area code to the one where they reside, if that is their preference.

3. **084/087 numbers.** These numbers are still used by significant volumes of businesses. The businesses concerned have had the opportunity to migrate to other ranges and chose not to do so, based upon their own contacts strategy. It is not for Ofcom to dictate business customer contact strategies, unless those strategies are causing consumer harm. Other than somewhat vague, and conflicting, evidence that consumers aren't enthusiastic about these numbers, Ofcom has not presented evidence of consumer harm, so Vodafone sees no logic to impose further regulatory change on businesses.

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Introduction

Vodafone welcomes the opportunity to comment on the future of telephone numbers.

This response should be read in conjunction with Vodafone's responses to Ofcom's recent consultations on ensuring trust in telephone numbers, and the evolution of services to IP.

Answers to Questions

Question 3.1: What are your thoughts on the ability to dial local numbers from a landline without the area code? Do you think the local dialling facility has value?

The value of local dialing varies dramatically between individual users, depending upon age-range, geographic location and usage profile. Young users who predominately use mobile phones may not even be aware of the existence of local dialing. Similarly, users in cities with 02x codes might think nothing of dialing in national form – especially given the prevalence of signage with incorrectly formatted numbers (so for example many might believe the code for inner London is 0207, meaning any attempt to local dial would fail!). However, the user in an 01 area code who typically dials local friends and family may well value the facility to dial without the area code.

What is clear is that the current regulatory situation around local dialing cannot prevail. Ofcom cannot mandate that providers make the ability to dial locally available when it is increasingly impracticable to do so on the technology that is becoming most prevalent. Many business communication providers demand that the numbering format from corporate networks into the public network is E.164 in full international form – with any conversion from local format into that form being a matter for the business's call server[1]. In this context, Ofcom cannot continue to place communications providers in regulatory breach – even if only at a technical level – for simply following industry norms.

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[1] Vodafone *does* support local dialling in this context, but it is a significant overhead to do so.

> Question 3.2: Do you think local dialling should be closed on an area by area basis as required to increase number supply or across the whole of the UK at the same time? Why do you think this?
>
> Question 3.3: Do you have any views on allowing telecoms providers to make individual decisions on whether to provide customers with the ability to dial local numbers from a landline without the area code?

The ability to readily support local dialing will depend upon the technology deployed by the telecoms provider:

a. As set out in our response to Q3.1, for business SIP customers, it is increasingly the norm not to support local dialing.

b. For legacy TDM networks, support of the local dial plan sits in the originating switch (DLE in BT terminology) hence local dialing can be supported.

c. For legacy IP networks that adopt an MSAN/H.248 architecture, the call control sits in the originating call server so once again local dialing can be supported.

d. For voice carried as an emulated IP service – which on the whole will replace BT's WLR capability, the customer's router will have an analogue voice socket, and the service will be provided by Analogue Telephony Adaptor (ATA) functionality, acting as a SIP client into the public network. Support of local dialing is possible in this architecture, but it requires either the routers to be individually configured to reflect the local dial plan[2], or for the digits to be passed transparently to the network callserver and for that callserver to support (many) local dial plans. This adds considerable complexity.

Thus, there is considerable technical merit in allowing providers to choose whether to offer local dialing to their customers. We do not believe that the Future of Telephone Numbers research correctly assessed consumer reaction to allowing providers to make this choice. For example, the idea that people would get confused about the ability to use local dialing on some phone lines but not others pre-supposes that people make calls from multiple landlines in the same code area. The reality is that consumers predominately make calls from their own home or place of work landline. The prevalence of people going to other location to make calls from landline calls is limited. So long as consumers are aware of whether local dialing works on their own landline, that is sufficient – and this information/education would form part of the on-boarding process for a given provider's customers. The discrepancy between home and work – for those who live and work within the same area code boundary – is unlikely to be an issue because as we've already explained, typically IPBXs already don't support local dialing.

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[2] For example a London customer's router needs to know to expect 8 digits in local numbers and to add the 020 code before routeing to the public network, a Newbury customer's router need to know to expect 5 or 6 digits in local numbers and to add the 01635 code.

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For the reasons set out in (d) above, Vodafone would prefer to universally dispense with local dialing for our residential customers. Typically our customers also have mobile phones, so it is an anachronism to support local dialing format on one handset but not another. We do not, however, consider that our decision-making should determine whether e.g. BT is allowed to offer local dialing to its customers. For this reason, we advocate making this an operator matter.

In the alternative that Ofcom considers the same approach should be mandated of all providers, Vodafone supports the removal of local dialing universally.

> Question 3.4: For telecoms providers, what are your thoughts on the ability to implement the closing of local dialling in all UK area codes simultaneously?

It is technically feasible to implement closing of local dialing simultaneously, and based upon the experience of the limited closure in the numbering exhaust areas, we are comfortable that our network could accommodate the volume of misdials. It would, however, be difficult to support tailored announcements to cope with every individual location – we would expect announcements to be that callers should redial including the area code, rather than specifying what that area code is. Insofar that callers seeking to use local dialing would inherently be in their local area (vs visiting), we would, however, expect that they would know their area code hence not need to be told it.

> Question 3.5: For telecoms providers, what are your views on the technical feasibility of providing local dialling to customers when offering an IP-based voice service?

Please see our response to Qs3.1-3.3. It is a significant overhead to provide local dialing, but is not impossible.

> Question 3.6: What do you consider are the important factors about geographic numbers? For example, is it the information they provide about the caller/called party? Is it familiarity, trust or confidence in call cost?

To a large degree, it is a combination of the above, with the importance of each factor varying according to the individual.

Numbers being from a geographic range provides important information to end-users that any return call will be charged at geographic rates (and in many cases be included in call bundles), but there is no great significance to *which* geographic area code is used.

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We believe that end-users gain comfort from being supplied a geographic number relevant to their location, so it would be a backward step if this were no longer the default. However, gaining confidence that for example a trader is located locally is somewhat illusory, because it is already the case – and has been for decades – that enterprises have been able to secure usage of a pool of geographic numbers to use as CLIs on calls to their customers to give the perception of being based locally. It would be ill-advised of Ofcom to seek to outlaw such practices without considerable evidence of consumer harm.

> Question 3.7: What are your thoughts on retaining area codes in geographic numbers? Do you think location significance in geographic numbers has value and should be preserved? If so, why? How might your view change over time?

Vodafone considers that there is little evidence that the existing arrangements are broken, so there seems little need to fix them. At best, Ofcom might seek to codify the situation more clearly into regulation.

We believe that when requesting a phone connection, users should be offered a default of a telephone number relevant to their locality. From this perspective, the national telephone numbering plan would continue to say that, for example, numbers from the 020 area code are nominally London. However, if a user wishes to be supplied a number that is "out of area", we see no reason that this should be prevented by regulation. Therefore, if the London user really wants a Manchester number, we do not see any reason why we should restrict this (subject to the 999 database being properly provisioned with location information). But just because a limited volume of users will take up this option doesn't mean that we should *"throw the baby out with the bathwater"* and mandate that 020 is no longer the London code. If, years down the line, customer choice dictates that there is little geographic relevance, that's an issue that can be addressed at the time.

Question 4.1: What are your thoughts about 084 and 087 numbers? What are the benefits and/or disadvantages of contacting an organisation by calling an 084 or 087 number? Can you tell us of any experience you've had calling these numbers? Have you expressly chosen not to call a service that uses these numbers? If so, what led to that decision and how did you choose to make contact instead (if you did)?

Question 4.2: We are interested in hearing from people who use 084 or 087 numbers as a contact telephone number. If you use one of these types of numbers as a means of contacting your service, why did you choose to do so? What do you think about using these numbers in the future?

Question 4.3: For telecoms providers, we are interested in hearing from providers that offer services on 084 and 087 numbers to their customers. If you do, can you provide some examples of use cases? What benefits do you offer to organisations in using 084 and 087 numbers rather than other numbering options? For originating providers, do you have any customer experience of attitudes towards and views on calling 084 and 087 numbers that you can share?

Question 4.4: Are there changes to 084 and 087 number ranges that you think Ofcom should consider proposing to address the concerns highlighted in the research summarised in paragraphs 4.17 to 4.26?

Users of Non-Geographic Call Services (NGCSs) have not been well-served by regulation over the last few years. It was unfortunate that significant changes to the 084, 087 and 09 number ranges by Ofcom (introducing the split charging regime) occurred in parallel enactment of European consumer rights legislation forcing a migration to the 03 number range in many cases. Users of 084, 087 and 09 numbers were forced to make costly decisions as to whether to move to 03, or remain on the 08/09 number ranges (and then, whether to retain their existing number or to migrate to a different one based upon the charging regime). Those sticking to the 084/087 ranges were (rightly) forced to change their marketing materials to convey the call costs. It is therefore fair to say that anyone making usage of an 084 or 087 number range today is doing so after having carried out a thorough review of their contact strategy; therefore Ofcom should not consider making further changes to these ranges or removing these ranges unless there is evidence of significant consumer harm.

As a provider of NGCS to business customers, Vodafone has little self-interest in whether they choose to use 03 or 08 services; there is no particular number range that generates higher margins. Our services are broadly the same across the number ranges, and business customers can choose the combination of numbers which best suits their sector regulation and contact strategy. Despite declining markedly, 084 and 087 remain popular choices, with Vodafone alone hosting numbers that generate over ✂ minutes per year. Our customers using these number ranges include blue chip companies such as ✂. These organisations have chosen a contact strategy whereby their customers contribute to the cost of servicing their calls – this is each company's business decision, and absent consumer harm, it is not for Ofcom, or Vodafone, to dictate whether that strategy is right or wrong.

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Historically, campaigns such as saynoto0870 have successfully lobbied for changes to the NGCS regime. However, we are unaware of any groundswell of public opinion against the usage of 084 and 087 numbers now.

Ofcom has to prompt focus groups to get a reaction on calling 084 and 087 numbers – its switchboard is not inundated with disgruntled consumers. We note that Ofcom's research does indicate that certain groups of consumers dislike calling 084 and 087 numbers. This is hardly surprising – calling these numbers is more expensive than calling an 03 or geographic number. However this in and of itself is not evidence of consumer harm, especially given the requirement to publish call costs alongside each usage of the number. If Ofcom wished to take a full view of consumer opinion, it might highlight that the alternative of using for example 03 numbers is that the cost of handling the call would be spread across all customers, so the cost of the businesses' core products might rise (or indeed force some businesses to jump to 09) – we see no evidence that Ofcom did this. The consumer research as framed at present is analogous to asking someone if they'd like lower taxes, without raising the prospect of service cuts – it gives a slanted view of consumer opinion.

Vodafone considers that geographic numbers, 03, 084 and 087 are all valid choices for businesses to make in their contact strategy. 084/7 provide a range of pricing options and their absence would leave a void between 03 and 09, leaving the market under-served. So long as the call costs are adequately communicated to consumers – and following the introduction of split charging they are – it is not for us, or Ofcom, to force our customers down a specific strategy. Businesses know their customers best, and businesses should make the choice. We therefore see little merit in changing the 084/87 numbering scheme.

Vodafone UK
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