



Vodafone response to Ofcom's consultation:

*Mobile roaming: Strengthening customer protections
Proposals for new rules and guidance*



Executive Summary

While we welcome Ofcom's work to introduce some guidelines on roaming notifications in order to safeguard consumers, we have some serious concerns with the current proposals. In particular, we do not see any compelling evidence for the proposed changes, the proposals are unreasonably technically rigid, and implementation would incur such significant costs so as to render them entirely disproportionate to any perceived consumer benefits. More importantly, we do not consider that there is sufficient evidence of a problem which requires fixing. Vodafone is currently delivering adequate roaming notifications to its customer with sufficient clarity and detail so as to ensure consumers are adequately informed.

Assuming Ofcom's proposals are in fact looking to correct evidence-based issues with the roaming notifications in order to rectify serious negative outcomes for consumers, we have serious concerns about how technically rigid the proposals are, namely:

- Having a strict requirement of a single SMS would mean a complete overhaul of our current IT platform and require an entirely new system to be set up to enable it. We cannot see any consumer benefit from such a change, other than a perceived minor convenience. We therefore consider this proposal to be grossly disproportionate.
- Requiring bespoke user and billing information in the welcome SMS: While we are able to make changes to our existing systems in order to enable us to provide bespoke information in our welcome messages, the cost of such an upgrade would likely be excessive, and likewise greatly disproportionate to the perceived consumer benefits.

1. We don't see a problem to fix

Ofcom's recognition of providers' current measures to protect consumers from unexpected roaming bills, including from inadvertent roaming, is welcome. Vodafone has implemented several recent roaming initiatives focussed on providing a valued high quality roaming experience, eliminating bill shock and improving customer experience. In the context of existing measures, any aspect of new regulation going beyond these needs to be supported by compelling evidence of the benefits for consumers as it is likely to deliver only marginal gains.

Vodafone's customers already benefit from:

- The choice of roaming-inclusive packages with up to 83 worldwide destinations, the biggest footprint of potential inclusive destinations in the market, on selected Unlimited data Xtra Plans.
- Welcome messages clearly setting out the costs of roaming in a particular country.
- Accompanying SMS messages that provide information about the customer's Vodafone Spend Manager settings and how they apply to roaming spend.
- Inclusive roaming in Republic of Ireland and Isle of Man to protect against inadvertent roaming.



- Inclusive roaming in Iceland and Norway to reflect the Government's trade-deal.
- Vodafone Spend Manager allows customers to set a mobile bill limit whilst customers can also bar each individual element of their data, text and calls at an account level
- Roaming caps to prevent data usage billshock at £39 and £250.
- Extensive on-line information for consumers e.g.: [Check before you travel | Vodafone UK](#); [Global Roaming | Vodafone UK](#); [Travelling abroad \(Pay as you go\) | Vodafone UK](#).
- Vodafone was the first to offer 5G roaming.
- Daily European roaming passes at £2.25 a day or cheaper European Roaming Passes (£10 for 8 days and £15 for 15 days) and for worldwide destinations a daily pass costing £6.85 a day. PAYG worldwide data passes for destinations outside the EU.
- Vodafone has also recently dramatically cut the cost of the most expensive Rest of the World destinations and in 2024 will be introducing Rest of the World data passes to further remove billshock and inadvertent roaming for customers.

We believe these measures already represent outcomes which are in line with Ofcom's objective of 'targeted regulation', delivering positive outcomes for consumers while ensuring a degree of flexibility for providers. Ofcom's proposals go beyond its stated objective, imposing requirements which are onerous and disproportionate to the concerns Ofcom has identified and consequently the status quo should be maintained.

2. Technically rigid and difficult to implement

Ofcom is consulting to codify current arrangements in two areas which can be summarized as:

Roaming alerts

- a) Sent when a customer connects to a network outside the UK
- b) Including personalised information on roaming charges and mobile bill limits
- c) Directing the customer to a free of charge channel with roaming charge information, fair use policies and measures for monitoring, reducing and limiting roaming spend

Inadvertent roaming

- a) Measures to reduce / limit expenditure (e.g. a special tariff)
- b) Published details of those measures
- c) Information for customers on how to avoid inadvertent roaming

Currently Vodafone has no technical solution to enable sending a roaming alert notification and bill limit information in a single message. To do so Vodafone would need to invest in an entirely new platform to send the information in one text rather than two simultaneous SMS as today.



To meet Ofcom's objective of providing bespoke welcome messages and bill capping information Vodafone has instead considered enhancements to its current platform. This could meet Ofcom's regulatory objectives with a minor amendment to the proposed GC C3.15 which considerably reduces both the cost of implementation and associated timescales while delivering the same overall objective:

C3.15 Subject to Condition C3.16, Mobile Service Providers shall notify their Relevant Customers without undue delay when their Mobile Device connects to a Roaming Network. This notification [information] shall be sent to the Relevant Customer's Mobile Device and shall provide clear, comprehensible, accurate, personalised information to enable the Relevant Customer to make an informed decision about whether (and how) to use Roaming Services on that particular Roaming Network...

Without this minor change the proscriptive nature of Ofcom's legal drafting means that that a fundamental rethink of existing system architecture will be required for little discernible customer benefit. Vodafone does not have a technical solution which can readily deliver what Ofcom is proposing. Even then costs we outline below are considerable but are based on enhancements to existing systems and processes. It is our understanding that neither outcome was intended to have such an impact as its consequence. As proposed, GC C3.15 fails Ofcom's stated objective by removing provider flexibility, will require additional unexpected development for MVNOs (see below) and results in poor customer experience for customers in a manner which undermines Ofcom's proportionality tests. Even with the amendment the cost of implementation does not justify a change from the status quo.

Roaming alert delivery

Vodafone's current system architecture for sending customers roaming welcome messages ('roaming alerts') when they arrive in a country, or subsequently roam to a new unvisited network, is based on the ✂. ✂ takes information about a customer's product to match that against ✂ roaming 'campaigns' to provide a customer with a welcome message specific to their tariff and the roamed country and separately information about bill capping¹. Essentially it does this by matching the product and campaign details in order to send the relevant pre-prepared template. Today, it has no existing links to systems containing information about mobile bill limits (Vodafone Spend Manager), no ability to ingest dynamic information nor is it possible to opt-in or -out of specific messages - it is simply opt in or out of all messaging, whether welcome message, bill limit or indeed a future reminder.

In response to the consultation Vodafone has considered ✂. This has had to be discounted as ✂ would itself require significant development. Its current data feeds are not operational, but rather an event / enrichment feed, which means that whilst they are suitable for marketing campaigns, they do not have the rigour necessary to ensure the high levels of reliability needed for roaming alert notifications nor does ✂ cover all the necessary customer base.

Instead, Vodafone has considered the costs of amending its current approach of sending two SMS messages simultaneously, (a roaming welcome message and a bill capping message). The roaming alert delivery would still be sent as today, alongside a second SMS containing bespoke bill limit information. This second notification will still require development to provide a non-generic level

¹ We have provided a recent example of these messages in Annex 1



from Vodafone Spend Manager; however, as Vodafone uses a ladder by which to set Vodafone Spend Manager it is possible to create a corresponding message template within ☒ for each rung².

Amending GC C3.15 as outlined above may still meet Ofcom's objective of providing customers with both roaming notification and mobile bill limit information albeit within two messages rather than one. However the costs entailed fail any general proportionality test or cost benefit analysis.

MVNO impact

Separate development would also be required for Vodafone's TalkMobile brand, MVNOs and ISPs which use a different billing and messaging architecture³.

For Vodafone's MVNO partners there are further complexities. Vodafone sends roaming alert notifications to MVNOs' customers, but Vodafone does not and should not hold details of the MVNOs' customer's bill capping arrangements. As a result, the template methodology outlined above for the ☒ system is unworkable. Vodafone cannot create and maintain large numbers of message templates to accommodate very granular mobile bill limit gradations, nor can we dictate to MVNOs who do their own billing how they should set their mobile bill limits. Instead, Vodafone would need to develop a roaming event notification and push this via APIs to individual MVNOs for them to issue to the customer along with the relevant mobile bill limit information. This development would need to be repeated for each MVNO alongside their own system alterations. Ofcom has not recognised this additional complexity in its proposals⁴ and has not considered its impact or proportionality upon the MVNOs.

Roaming alert delivery every time a customer roams on to a new network

This is a very poor customer experience. Under the current approach, only 1% of customers find the initial roaming alerts annoying; Vodafone believes this number will be considerably higher if Ofcom's proposals to generate an alert each and every time a customer changes network go ahead.

To use an anecdotal example the multi-storey car park at the Brenner Pass would generate roaming alerts at either end of the car park as the mobile device picks up competing services in Italy and Austria multiple times as a driver progresses up the floors. There is no benefit to this as the customer will have a single daily pass covering both countries and there is no additional charge to be incurred.

By contrast Vodafone today alerts a customer each time they roam on to a new network for the first time and then again 7 days later. This provides the customer with all the pricing information they require to make an informed choice, allows them to refer to it again if they need a reminder and protects the customer's experience from the distraction and annoyance of unnecessary alerts.

Ofcom has sought to offset the poor customer experience by introducing the ability for customers to opt-in and opt-out of roaming alert notifications. This entirely undermines the reason for having the notification. 94% of customers rate the initial roaming alert as essential or helpful, it is highly

² See Annex 2 for high-level system overview

³ See Annex 3

⁴ See Annex 4



unlikely therefore that today's arrangements give rise to the need for an opt-in/-out rather it is the result of poorly targeted regulation and a solution for a problem which otherwise does not exist.

Implementation is also not without significant costs. Whilst Vodafone can technically change the limits and logic to send multiple messages to a customer a day, creating an opt-in/-out option requires the creation of a new attribute within the databases to flag the customer's status. This would allow ✂ to toggle the country change notifications.

3. Even if implemented it would cost so much to make it disproportionate for the consumer benefit that results

Ofcom's proposed execution in relation to roaming alerts, particularly the proposed GC C3.15, is gold-plated. There is no quantifiable regulatory benefit that justifies requiring billing limit information and roaming information to be in a single notification. We do not contest that this information is useful, but it should remain in the hands of the Communications Provider to determine and competitively differentiate how the information is conveyed to ensure the best experience for their customers. The unnecessary inclusion of bespoke bill cap information in a single message inadvertently leads to significant and unnecessary technical challenges. Ofcom itself notes that 94% of customers are aware of and few have reason to complain about previous EU based regulation. However, as drafted, Ofcom's proposed change goes well beyond an incremental improvement to already adequate regulation.

Even implementation based on our existing approach of sending two simultaneous SMS will require investment which at a current estimate may cost anywhere from ✂ up to ✂. Moreover, it would not be possible to deliver within the six-month period (if Ofcom publishes a statement in early 2024 as planned). Vodafone would not be in a position to commit resource or funding to assess this project further until April 2024 at the earliest due to other regulatory and commercial commitments such as the delivery of One Touch Switching

As a result we encourage Ofcom to consider the proportionality of its requirements, and the ultimate achievement of consumer outcomes and to allow Vodafone to continue to provide its customers with the appropriate roaming protections that are already in place.

Inadvertent Roaming

Vodafone already includes roaming in Republic of Ireland and Isle of Man within its inclusive tariffs. As such Vodafone considers that it is able to meet the requirements to limit expenditure caused by inadvertent roaming and supports this proposal.



Annex 1: Example roaming welcome message and bill capping message

Hello. Welcome to THE CZECH REPUBLIC. It's one of our Zone B Europe destinations. It's £2.25 per day to use the calls, texts and up to 25GB of data (including Extras) from your plan here. Don't worry, though - you'll only pay for the days you use your plan's allowances. If you purchased an 8 or 15 day Roaming Pass you have nothing more to pay for the duration of the pass. Data used over your allowance and less than 25GB costs the same as it does in the UK. If you use more than 25GB, it's 0.31p per MB (£3.13 per GB). Head free of charge to <https://assistance.vodafone.co.uk/travelling-abroad> or more information. For emergency services call 112. Have a great trip!

One more quick thing... if you've set a spending limit with Vodafone Spend Manager, relax - it's still working hard to protect you against unexpected charges on your travels. Just like it does at home. Want to change your limit? You can do this either in the My Vodafone app (you may need to connect to a Wi-Fi network) or by calling us free on +447836191191. For a reminder about the services your limit covers, and to find out more, visit <http://www.vodafone.co.uk/spendmanager>



Annex 2: ✂

Annex 3: ✂

Annex 4: ✂