making communications work for everyone

Your response

Question	Your response
Question 1: Do you consider Ofcom should approve the PSA's 15th Code of Practice in its current form? Please provide an explanation to support your response.	No. The implementation of a re-opt in every 12 months for subscription services would be extremely detrimental to the market for existing services and for future growth. All subscription services are currently operated behind a 2 factor authentication, with the majority being account based and behind username and password. If a user is required to register an account with their name, email address, phone number (sometimes with more information such as address) plus authenticate a subscription with a pin verification, this is already a robust consent to charge. Furthermore, due to the current billing requirements of phone-paid subscriptions services each billing period (usually weekly or monthly) accompanied with a receipt message where users are informed how to opt out with a very simply 'STOP' SMS request. Unlike many other contracted subscriptions or auto-renewal products, phone-paid services can be stopped at any time by the user. Providing a key differentiation and choice to the consumer as a payment mechanic. It's also worth noting that whilst a consumer is opted in to a particular merchant's subscription service it's important to consider that the consumer also has a direct contractual relationship with the mobile operator, who they can contact to unsubscribe independently of contacting the merchant. Asking consumers to positively opt back into a service rather than opt out is confusing to the consumer. With consumer marketing requests to ask users to opt in for payment by merchants

very much being considered as a ‘scam’ technique and therefore ignored.

Fonix believes the mechanic should remain as an opt out, users receive weekly / monthly reminders. We believe an SMS / Email to advise people that they are subscribed, and no further action is required unless they want to opt out is the correct course of action.

No other payment mechanic is required to send receipts for each billing charge, as well as the subsequent opt out messaging on such a regular basis. Merchants utilising mobile payments are already required to adhere to regulatory constraints which are not required for other payment mechanics. Further regulation around these services will simply result in merchants removing mobile payments as an option.

With regards to charity regular giving, supporters receive an SMS the day before their donation is due giving them the option to SKIP their donation or get in touch to stop it. We know that they read this message, since around 1-2% of supporters choose to skip their donation.

If the bulk SMS is not successfully delivered to the handset, such that supporters have not been given the option to SKIP, then no donation is taken the following day.

The following day the supporter then receives an additional receipt confirming their donation. We see approximately the same number of STOPS as SKIPS each month, so the existing messaging is effective, supporters are aware that they are making a regular donation and are able to manage their donation (which was the point of introducing the SKIP control initially).

Supporters are used to taking action only to skip or stop a donation, so asking them to re opt-in would introduce the opposite behaviour to continue their donation.

Supporters expect to give a charitable donation on an ongoing basis, rather than just for a 12 month period. There is no loyalty trap since the

	amount of their donation is fixed and never increases without their consent. There is no consumer harm being caused by regular charity donations, so there is no problem which needs to be fixed. The PSMS mechanic would no longer work for charities if a yearly re opt-in were introduced and a successful and popular part of the PSMS industry would be severely adversely affected. Fonix have recorded no consumer complaints on regular giving donation services in the last 6 months. Fonix believes the inclusion of this rule within Code 15 will deter new entrants to the market and significantly impact buoyant sectors such as charity and streaming services.
Question 2: Do you have any views on the appropriate implementation period?	N