



Analysis of Silent Calls

Summary Report

May 2010

Ofcom

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Executive Summary

Mott MacDonald found the Ofcom Advisory Team's (OAT) complaints data to be a good source of information on the drivers and characteristics of silent calls complaints. 83% of complaints related to the receipt of multiple calls, and it was clear that many consumers had received repeated silent calls for a sustained period of time. The majority of the companies responsible for the silent calls were found to be financial services organisations. Whilst the chasing of debt was a small factor in generating repeated calls – and there is some evidence that a few companies are knowingly using silent calls as a tactic to put pressure on consumers – the majority of the calls appeared to be a side-effect of attempts to market financial products of various types. A number of telcos were also high up the list of perpetrators.

Mott MacDonald found little evidence to back up claims that overseas organisations or entities are responsible for generating significant volumes of silent calls. Whilst consumers did occasionally identify or speculate that overseas entities lay behind the calls, there were a far greater number of cases in which the consumers were clear of the identity of the perpetrator and that it was UK based. Mott MacDonald saw no evidence to suggest that the (often very well-known) UK companies identified are the tip of a hidden overseas iceberg. This viewpoint was consistent with most of the external sources consulted.

Data provided by BT provided a high-level snapshot of the volume of calls received about silent calls over the last 4 years. The data shows a decline in the number of calls about the issue. Other major communications providers (CPs) – both fixed and mobile – operate Nuisance Calls Bureaus to advise and support their customers who may be the victims of nuisance and malicious calls. However, the information currently being collected by CPs does not in general provide a detailed insight into the silent call issue. Primarily this is because, even where nuisance call reports are sub-categorised by the CPs, silent calls are not usually separately identified.

However, useful information is provided by annual surveys commissioned by Telephone Preference Service Ltd (TPSL) to investigate consumer awareness of the Telephone Preference Service (TPS) and experiences of silent calls and other types of nuisance call. These surveys provide valuable, nationally representative data which goes back several years. The survey data has also been augmented by occasional in-depth research on silent and unwelcome calls commissioned by TPSL. In addition, TPSL complaints data, and "Report A Call" records collected by trueCall – though not nationally representative – provided further interesting insights into the consumer experience of silent calls and other types of unwanted call. These sources are a useful complement to the data captured by OAT, given that they have proactively sought to understand the consumer experience of silent calls – for example through quantifying levels of anxiety and annoyance – which are apparent but not quantifiable from current information held by OAT.

1. Introduction

One of Ofcom's strategic priorities is to reduce the harm caused to consumers by silent and abandoned calls. Generating such calls is a form of persistent misuse of an electronic communications network or service, and under S128-130 of the Communications Act 2003 (the "Act") Ofcom has the power to take action if it has reasonable grounds to believe that persistent misuse has taken place.

Silent and abandoned are usually made to consumers by companies using automated calling systems (ACS), also known as predictive diallers, to make outbound calls. If the called party answers the call and no agent is available, then the call is disconnected, which results in the consumer receiving an abandoned call. If no recorded information message is played upon disconnection, then the call will be silent. Silent and abandoned calls (of which Ofcom considers silent calls to be more harmful) can cause annoyance, inconvenience and anxiety to consumers, especially to vulnerable groups. Sometimes the caller's number (the Calling Line Identification, the CLI) is withheld, which means that the consumer is unable to find out who made the call.

Ofcom issued revised guidance in 2008 to reduce the harm caused to consumers from silent and abandoned calls. Since June 2006, Ofcom has taken formal enforcement action against nine companies under s128 of the Act. Moreover, after consultation, the government has recently increased the maximum penalty for persistent misuse to £2m.

Ofcom engaged Mott MacDonald in February 2010 to conduct an analysis of information and data on silent calls, in order to provide an insight into the nature of the silent and abandoned calls being generated by companies. The exercise conducted by Mott MacDonald reviewed and analysed data from the following sources:

- The Ofcom Advisory Team (OAT), which is the main point of contact for consumers wishing to seek advice or to make complaints to Ofcom about a range of issues, including silent calls.
- BT's Nuisance Call Advice Line (NCAL) and Nuisance Call Bureau (NCB).
- The Nuisance Call Bureaus operated by other major communications providers (CPs) – both fixed and mobile.
- Telephone Preference Service Limited.
- Other sources identified by Mott MacDonald.

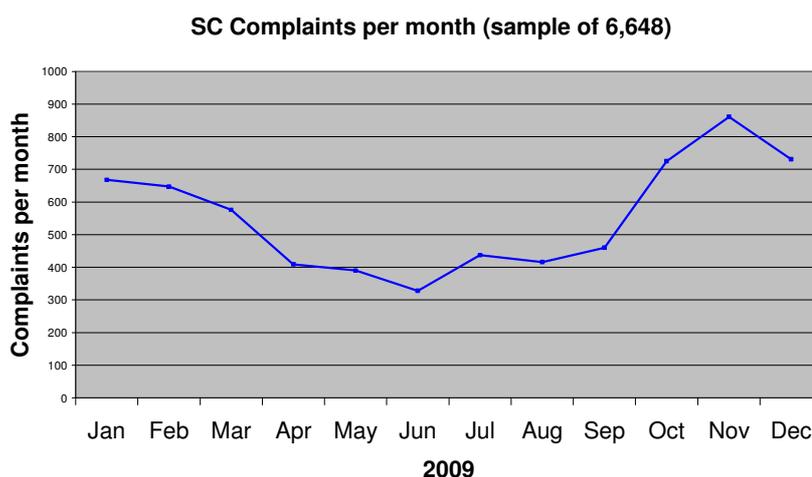
This report presents some key findings of the review.

2. Review of OAT complaints data

2.1 Overview

OAT received 6,648 silent calls cases in 2009 – an average of just over 550 per month. Figure 2-1 shows the distribution of complaints across the year. As this indicates, the number of complaints received each month varied widely from a low of just over 300 in June 2009 to a high of just under 900 in November 2009.

Figure 2-1: Silent Calls complaints per month (all 6,648)



To conduct an analysis of the data within the time available, Mott MacDonald reviewed a sample of around 1,000 of these cases, representing just over 15% of the total Silent Calls complaints received by OAT in 2009. A sampling methodology called stratified random sampling was used to ensure that a representative sample of cases was selected for review. The actual sample analysed by Mott MacDonald focussed on OAT records relating to 1,031 Silent Calls cases.

2.2 Frequency of silent calls

Information collected by OAT about the frequency of Silent Calls was provided in a variety of forms. Where some consumers commented on frequency in terms of the number of calls received per day or per week, others commented on the duration of the issue (ie for how many days or weeks they had been receiving Silent Calls). Others simply stated they had been receiving Silent Calls, without giving any indication of frequency or duration. Nevertheless, the clear impression created was

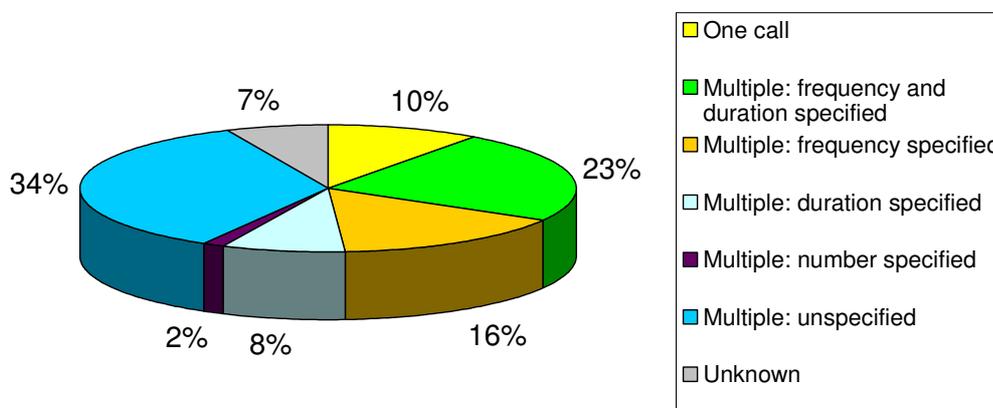
that the majority of consumers complaining have been triggered to do so by receiving multiple silent calls.

It should be noted that customers sometimes complained about more than one number – in fact 42 cases of 1,031 (4%) concerned more than one number. **Nevertheless, it is clear that the predominant generator of repeated multiple calls is the fact that customers are called repeatedly by the same number, rather than being called singly by multiple numbers.**

A breakdown of the 1,031 Silent Calls cases according to the information provided on frequency is illustrated in Figure 2-2:

Figure 2-2: Overview of SC complaint frequency

Frequency of Silent Calls - 1,031 Complaints



As can be seen from Figure 2-2 in 10% of cases (102 of 1,031) the complaint concerned a single Silent Call. In a further 7% of cases the frequency of Silent Calls was unknown – meaning that it was not possible to determine anything about frequency from the information recorded on the case. In the remaining 83% of cases (859 of 1,031) the complaint concerned the receipt of multiple Silent Calls.

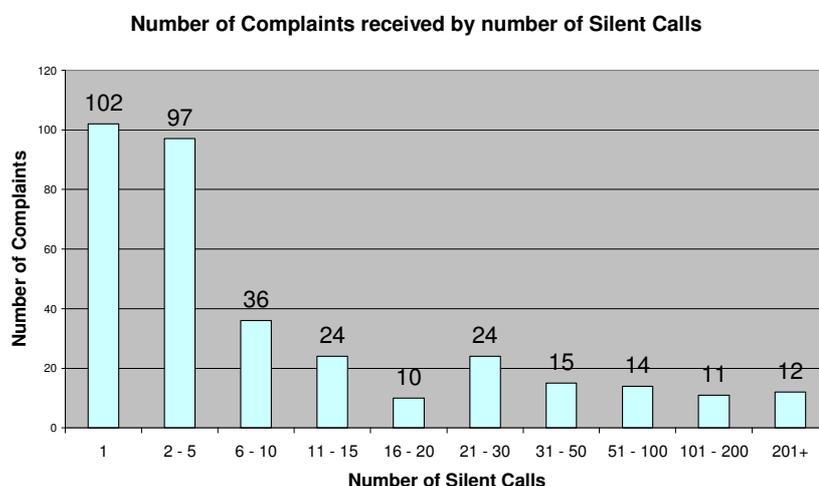
Silent Calls: frequency and duration specified

There were 243 multiple Silent Calls cases (23% of 1,031) for which the customer specified both the frequency of receiving Silent Calls (eg 2 calls per day) and the period of time over which this had occurred (eg for 2-3 weeks). Given the possession of information on both frequency and duration, it was possible to work out the absolute number of calls each consumer has received. As mentioned above, there were also 102

cases in which the customer specified that only a single call was received – making 345 cases in total about which it was possible to state the total number of calls received by the consumer.

A breakdown of these 345 cases is shown in Figure 2-3:

Figure 2-3: Number of complaints received by number of Silent Calls

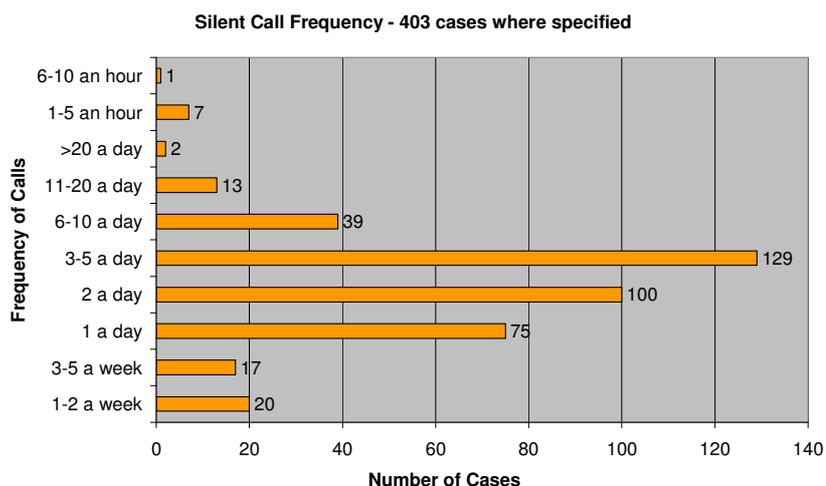


The graph shows that whilst the majority of consumers giving specifics of frequency and duration received a single call or up to 5 silent calls in total, significant numbers of consumers received larger numbers of Silent Calls – with some receiving tens or even hundreds of calls.

Silent Calls: frequency specified

160 consumers gave information about frequency only (eg 2 Silent Calls per day) without stating for how long they had endured this form of nuisance call. As mentioned above, 243 consumers gave details of frequency along with duration (not including cases of only a single call being received). All in all there were therefore 403 cases for which Mott MacDonald was able to gather information on the frequency of Silent Calls complaints. A breakdown of these 403 cases in terms of call frequency is shown in Figure 2-4:

Figure 2-4: Silent Call Frequency – 403 cases where specified



As can be seen from Figure 2-4, 175 consumers (43% of the 403) receiving silent calls and stating call frequency were receiving 1-2 silent calls a day. A further 129 consumers (32%) were receiving 3-5 calls a day. It is also notable that considerable numbers of consumers were receiving Silent Calls at an even higher level of frequency – with 62 receiving more than 5 calls a day (15% of 403) and a small number receiving multiple hourly calls.

Silent Calls: duration specified

There were 81 cases in which the consumer indicated the duration over which they had been receiving Silent Calls, but not the frequency or number of calls received. As mentioned above, there were also 243 cases in which the consumer specified both the frequency and duration of this experience (not counting cases of a single call). There were therefore 324 cases in all for which information on the duration of the problem was provided. A breakdown of these calls is shown in Figure 2-5:

Figure 2-5: Silent Call Duration, where specified (324 cases)

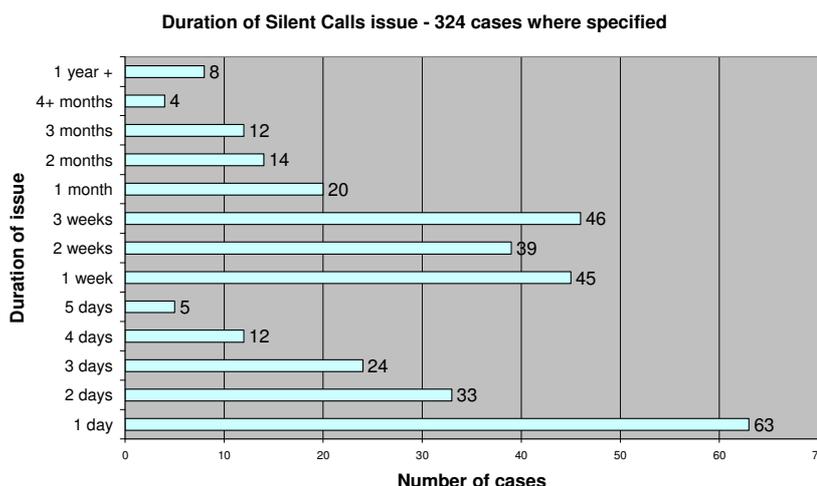


Figure 2-5 shows that many consumers had been receiving silent calls for a few days when calling to complain – with 63 complaints (20% of 324) coming after a day of silent calls, and 74 consumers calling after less than a week (23%). However, a significant number have been receiving silent calls for a longer period, with 130 consumers (40%) experiencing calls from 1-3 weeks, and 58 (18%) for a month or more.

Silent calls: unspecified data

There were a further 359 cases where all that was recorded was that the consumer had experienced multiple Silent Calls, as well as 79 cases for which it was not possible to tell if the complaint related to single or multiple silent calls.

2.3 Complaints by type of CLI

In many cases the consumer complaining was able to attribute a CLI to the party making the silent call, either through having CLI display on their phone or by dialling 1471. A breakdown of the types of numbers responsible for the complaints is shown in Figure 2-6:

Figure 2-6: The number of Silent Calls by type of CLI

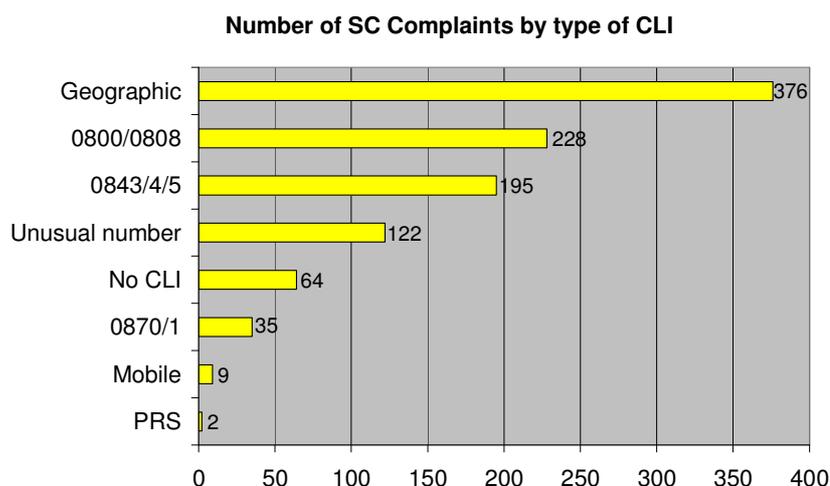


Figure 2-6 shows that the most common source of Silent Calls was UK geographic numbers, responsible for 376 of 1,031 complaints (36%). Freephone numbers were the next most prevalent, with 22% of cases generated by this type of number, and 0843/4/5 numbers were also common, with a further 19% of complaints stating this type – 0845 being the most common type used, with 153 cases. 64 cases came without a CLI, but a further 122 cases came with a CLI which was an unusual number – one with no recognisable significance. Some of these numbers appeared to be UK geographic or non-geographic numbers at first sight, but contained too many or too few digits, or local area codes which do not exist. Other numbers were evidently invalid – such as numbers composed only of zeros.

It is notable that the majority of numbers appear to be UK based, and this was consistent with the impression gained from reviewing consumers’ evidence: that in the majority of cases the organisations behind the calls are believed to be UK based organisations.

2.4 The prevalence of Silent Calls from overseas

As stated above in Section 2.3, in the majority of cases the perpetrators of Silent Calls appear, on the surface at the very least, to be UK based organisations. Firstly, the CLIs involved appear to be largely UK geographic or NTS numbers, and secondly the evidence presented by consumers with knowledge of the companies involved almost all points towards dealings with UK organisations. Of course UK CLIs can be used by overseas contact centres – many large companies have moved

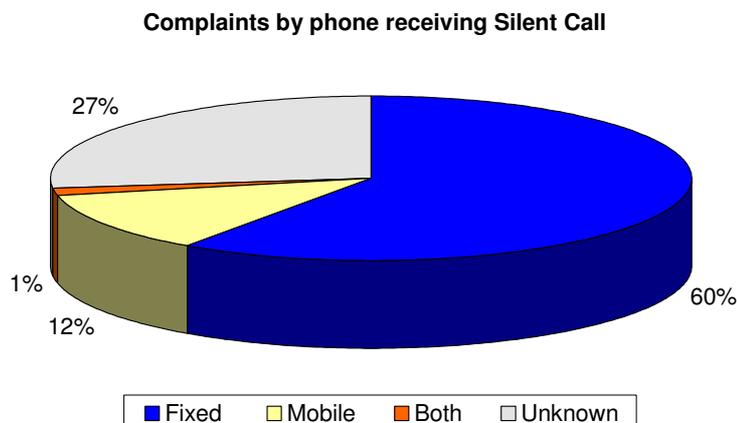
or outsourced their contact centre operations to offshore locations – but the sense gained from reading case notes and listening to consumers’ calls to OAT is that the root of the problem does not lie overseas.

There were 28 cases in which the consumer stated or speculated that the organisation responsible was overseas – though often this was based on little more than the fact that they had spoken to someone with an Asian accent. There are doubtless overseas organisations perpetrating Silent Calls, and some are likely to lie behind some of the unusual numbers encountered and cases for which it was not possible to identify the organisation involved. There is also an argument which suggests that consumers are frustrated by being unable to identify overseas companies which frequently call them, and that they take this frustration out on UK companies which unwittingly make the occasional silent call. The suggestion is that the UK companies blamed are like the tip of an iceberg, with the real issue – nuisance calls from abroad – unjustly hidden beneath the surface. Mott MacDonald saw no evidence in the OAT data to give substance to this view and believes the root of the problem lies currently in the UK, not overseas.

2.5 Fixed versus mobile

A breakdown of the type of phone on which consumers had received Silent Calls is shown in Figure 2-7:

Figure 2-7: Breakdown of phone on which Silent Calls received (1,031 cases)



As might be expected, the majority of calls were received on a fixed-line phone, but a significant proportion were received by mobile, and it is also notable that a few consumers (15 of 1,031) had received calls on both types of phone.

2.6 Consumer reactions and actions

It is hard to present a quantitative view of consumer reactions and actions, because the majority of consumers responded by web form and this type of information was not directly required by the form. Nevertheless many consumers did fill in extensive details of their case and commented on the distress and anxiety the Silent Calls had caused. Words and phrases such as “very annoying”, “harassment”, “extremely irritating”, “abhorrent” and alike were sometimes used – though the majority of customers commented on the practical details of the case rather than the feelings the calls engendered.

In terms of the actions they had taken, many consumers had contacted their CP and asked about either tracing the number and / or having it blocked. Consumers tended to be told by CPs that the number couldn’t be blocked, or that certain types of numbers (eg withheld calls) could be blocked by subscribing to a blocking service. Some consumers objected to this – reasoning that they should not be required to pay to prevent a prohibited activity. Others had previously subscribed to such a service but complained that Silent Calls were still getting through (that is not to say such services are not effective – presumably the consumers they do work for have little reason to complain to Ofcom).

The most common means of blocking unwanted calls was to join the TPS. 127 of the consumers complaining, however, were already TPS members¹, and the fact that they were registered already often added to their ire. Others stated they had recently joined or were planning to do so. Some customers had spoken to the ICO or Cisas in an attempt to prevent further calls.

Many consumers had attempted to call the company making the Silent Calls to request removal from call lists. Often customers had retrieved a number for the company through 1471 and, on calling this number, encountered a pre-recorded message which sometimes gave them the option to opt out. A number of customers had done this but had found it made little difference. Others had called the company and spoken to employees requesting removal – again, often without much success, a factor which had led them to call Ofcom. A few consumers had written to the company in question to ask for a cessation of the calls.

¹ It should be noted that in 870 cases it was not known whether the consumer was a member of the TPS, as this question was not specifically asked by web forms. It is likely higher numbers of consumers are TPS members but did not mention it.

The impression gained overall from consumers was that the measures available to them were inadequate or ineffective. Membership of the TPS was not eliminating the issue, CPs were not doing enough to block numbers and the companies making the calls were not keeping promises to cease the calls. There was also a degree of frustration with Ofcom itself – mainly stemming from the fact that they wanted targeted action rather than advice and a promise to monitor complaint numbers – though many were happy to receive advice.

2.7 Factors driving Silent Calls complaints to OAT

There is no doubt that the primary driver of complaints about Silent Calls complaints to OAT is the experience of having received repeated Silent Calls, often over a sustained period. Whilst 102 cases concerned consumers who had experienced a single Silent Call, most consumers had received multiple calls of one kind and another.

Consumers are also often driven to complain to OAT by having failed to stop the problem by other means – having talked to their CP about tracing or blocking the calls, called the offending organisation to ask it to stop, signed up with the TPS etc, all without much success. There is certainly a sense from some consumers that this is a problem no one seems willing or able to solve, and there is a hope therefore that Ofcom will take action to sort it out.

In terms of the underlying factors causing Silent Calls to occur, which generate complaints to OAT as a result, there was little concrete insight into the causes of Silent Calls. Many consumers speculated that automatic diallers were behind the issue. A few blamed overseas organisations or contact centres for the calls, but many were clearly annoyed with a UK based organisation. However, evidence presented tended to focus on the manifestations of the issue as experienced by the individual or their household, rather than the drivers.

The general drivers of Silent Calls are well documented. In considering the factors driving Silent Calls, Mott MacDonald believes key questions are: who are the organisations perpetrating the calls, how aware are they that the Silent Calls are taking place, and are they doing enough or anything to stop them?

Mott MacDonald is of the opinion that the organisations largely responsible for the calls are UK based organisations. There was no significant evidence from the OAT data to suggest this is a problem which predominantly has an overseas root. The majority of cases have a known CLI which has the appearance of being a UK number. Almost

100% of the organisations identified by consumers are UK companies, many of them well known names. The argument that behind these facts lie a lot of anonymous numbers and organisations that the consumer cannot identify precisely because of their foreign status is hard to justify – principally because it is not an argument consumers themselves commonly make. If the visible UK based part of the problem was merely the tip of an overseas iceberg one would expect to see much more allusion to this in consumer evidence. On the contrary, consumers commonly know who the culprits are – they just have trouble stopping them.

In terms of their business focus, many of the organisations generating Silent Calls are from the financial services industry. Whilst some of these organisations are involved in debt management and recovery, only a small number of cases were identifiable as situations in which the consumer was being pursued for a debt owing. In most cases the financial organisations were involved in some sort of telemarketing activity (judging from interactions the consumers had had with the companies and occasionally connected calls). And there were many examples of other financial products being promoted – such as insurance and loans.

It is hard to say, from the OAT evidence, how aware the organisations are of the offences taking place. Anecdotal evidence suggests consumers often call numbers provided to stop Silent Calls, but that these frequently have no effect. On the other hand the cases do not give much visibility of success stories – since they are complaints – so it is hard to gauge how often perpetrators do comply with such requests. It is also almost certain that some organisations do know this Silent Calls are happening and fail to stop them – as occasional consumer evidence indicates failure to action repeated cease requests, and sometimes rudeness and denial from the staff of offending companies. In some cases the scale of the problem is such that it constitutes harassment – and it seems that some companies not only do not attempt to stop Silent Calls, but use them as a tactic to put pressure on consumers, sometimes in situations of debt. It should be noted too that if companies are not aware Silent Calls are being generated, this is a failing in itself.

3. Review of information from communications providers

3.1 Introduction

All the main CPs provide advice and support for customers who are the victims of nuisance and malicious calls. The following CPs contributed information and opinions on the silent call issue as part of this review:

- BT
- Sky
- TalkTalk
- Virgin Media
- O2
- Orange
- Vodafone.

3.2 BT's NCAL and NCB

BT's Nuisance Call Advice Line (NCAL) and Nuisance Call Bureau (NCB) are services that provide guidance and help to BT customers experiencing problems with unwanted calls, including sales and marketing calls from companies who are largely not complying with call centre best practice. NCAL provides advice to callers, giving them the option of listening to recorded advice or speaking to an advisor. NCAL in turn refers some calls on to the Nuisance Call Bureau (NCB), which has specialists that can provide more detailed advice and can also arrange a trace to be put on a BT consumer's line should it be required. The NCB will also provide a caller with their direct number if the caller may need to call back (for example to follow up on a line trace). Calls can be referred into the NCB from other parts of BT and it deals not only with Silent Calls but all types of malicious and nuisance calls.

NCAL Data

Data provided by BT on the volumes of calls handled by NCAL over the period June 2006 to February 2010 showed the following trends:

- Calls to NCAL on the subject of Silent Calls typically account for about 25% of all calls handled by NCAL
- The total number of calls to NCAL about silent calls has reduced in recent years
- The number of callers choosing to speak to an NCAL advisor has fallen significantly

- There does not appear to be an overall decline in the average number of callers that choose the option to listen to recorded advice on silent calls
- Callers listening to recorded advice represented about 50% of calls to NCAL on the issue of Silent Calls in 2006. By 2009 this proportion was more than 85%.

NCB Data

Regarding the NCB Data, BT is just beginning to undertake additional analysis of both nuisance and malicious calls via analysis of CLI statistics. The objective is to log whether there is a CLI identified with regard to complaints BT considers may fall under the Ofcom Revised statement of policy on persistent misuse .

3.3 Other Communications Providers

The other CPs interviewed for this assignment also operate Nuisance Call Bureaus or equivalents. In most cases, the first line support is provided by customer services representatives, and where required, more serious cases are escalated to specialist NCB teams.

Few of the CPs interviewed were able to provide detailed data about nuisance call volumes, partly due to the tight timescales for the assignment. Those that did provide data were largely unable to quantify the number of silent calls, for a variety of reasons. In particular:

- None of the CPs logs or categorises Silent Calls separately from other types of nuisance/malicious calls
- Several respondents commented that a broad category such as “silent calls” is not necessarily helpful or informative, since the underlying causes of the problem – and therefore the ways to resolve it – may differ. For example, a silent call might be generated by a predictive dialler abandoning a call without playing an information message, but could also be caused by number scanning, fax broadcasting, malicious or accidental reasons

Although unable to quantify the silent call issue, the CP respondents provided some views on causes and trends:

- A number of respondents expressed the view that the scale of the nuisance calls problem, including silent calls, is stabilising or gradually reducing.
- One respondent commented that the problem of silent calls has reduced dramatically in recent years, largely due to the introduction

of more stringent Ofcom regulations governing the use of outbound dialling.

- Several respondents stated that the use of Answer Machine Detect (AMD) technology was one factor driving the generation of silent calls.
- Calls from overseas are part of the problem (whether international companies calling the UK, or UK companies outsourcing their outbound calling to overseas call centres). However, the general feeling is that calls from abroad are not the sole or even major generator of silent/nuisance calls.

4. Review of other external sources

4.1 Overview

Additional key sources identified and contacted by Mott MacDonald included:

- Telephone Preference Service Ltd (TPSL): for some years, TPSL has been conducting annual surveys to assess consumer awareness of the Telephone Preference Service (TPS), and to investigate a range of issues relating to silent and other types of unwelcome calls. In addition, TPSL has commissioned Brookmead Consulting to carry out several in-depth research programmes² into these issues.
- Brookmead Consulting: this company carries out research into problems caused by nuisance telephone calls, and advises call centre operators on how to minimise the nuisance for consumers and remain compliant with regulatory requirements. Brookmead consultants contributed to the development of the Direct Marketing Association's dialler guidelines and have experience of running call centres and installing and maintaining call centre technology.
- trueCall: in October 2008, two directors of Brookmead Consulting launched trueCall – a device that allows consumers to screen and control the phone calls they receive. Customers of the device can also report details of nuisance calls received via a free service called ReportACall (<http://www.reportacall.co.uk/>). Initial ReportACall data has been made available to Mott MacDonald.

4.2 Insights of external parties about the issue of Silent Calls

4.2.1 TPSL

TPSL has conducted regular research on nuisance calls, including silent calls, for a number of years. This research includes:

- Annual consumer surveys to assess awareness of the TPS and a range of issues concerning nuisance calls.
- “Silent Calls Research 2005”, DMA Research & Information Centre: Brookmead Consulting was commissioned in November 2004 to carry out this project. It included an omnibus survey of 1,000 adults interviewed by TNS in January 2005. In addition, 250 questionnaires were completed by new TPS registrants and complainants to the nuisance call bureaus.

² “Silent Calls Research 2005”, DMA Research & Information Centre; “TPS Report on Unwelcome Calls 2008”, TPS/Brookmead Consulting Ltd.

- “TPS Report on Unwelcome Calls 2008”: TPSL re-commissioned Brookmead Consulting in Autumn 2008 to repeat and extend the original research. The research included three separate surveys – a MORI omnibus of 2,000 people, a survey of a sample of people registered with TPS, and a survey of callers to BT’s NCAL and NCB.

In addition, TPSL receives complaints from consumers about unsolicited sales calls and other types of nuisance calls, and since 2008 has been logging these complaints by category on a monthly basis. The majority (c. 75%) of these complaints are made via the TPSL website, where complainants complete an online form. Consumers who call the TPSL to complain are also asked to complete a form.

Key extracts from these various TPSL data sources are presented in Section 4.3 below. The TPSL respondent interviewed for the purposes of this project expressed the following views and opinions concerning silent calls and related issues:

- Since 2005 the scale of the nuisance call problem has declined somewhat. However, TPSL survey data from the past few years suggests that this decline is now levelling out. This trend is also reflected in TPSL complaints data, which suggests that the volume of complaints about silent calls is no longer declining. Indeed, the number of silent calls complaints in 2009 was almost 10% greater than the total for 2008, and the figures for the first two months of 2010 are almost 20% up on the number of complaints for the corresponding period in 2009.
- One reason for this apparent levelling out in the numbers of silent calls may be that consumer awareness of TPS, and the number of landline TPS registrations, appears to have reached a plateau. TPS registrations grew steeply between 2004 and 2006, as the issue of unwelcome calls became the focus of consumer concern and media attention. Growth has slowed dramatically since 2006, and the total number of registrations now stands at 15.5 million, of which about 1.1 million are mobile numbers.
- TPSL survey data suggests that nuisance calls received by consumers on their mobile phones is a much smaller scale problem at present. However, this is expected to increase, particularly if Ofcom’s proposals to reduce mobile termination rates are implemented, thus reducing the costs of marketing to mobile users.
- Awareness of TPS is relatively high – about 55% of consumers interviewed in the last three TPSL surveys said they had heard of the scheme. However, two thirds of these respondents (ie those people who knew of TPS) were not aware that mobile phones can be registered in addition to landlines.

- Undoubtedly, some of the nuisance calls received by UK consumers, including silent calls, are generated by overseas call centres. However, the scale of this problem is hard to quantify. Only about 2% of complaints received by TPSL are specifically about overseas calls, though, as the respondent commented, consumers are not always aware of the origin of the nuisance calls they receive.
- The recent decision to raise the maximum fine for companies that persistently generate unacceptable levels of silent calls may help to reduce the problem further.

4.2.2 Brookmead Consulting

Through the extensive work conducted on behalf of TPSL and clients in the call centre industry, Brookmead Consulting has a great deal of experience of the nuisance call issue and of current trends.

Relevant extracts of the data provided by Brookmead are presented in Section 4.3 below. The respondent's comments and opinions on silent calls and related issues are as follows:

- All the available data shows that the number of silent calls has reduced considerably since the peak in 2004-05. However, the rate of decrease has been arrested.
- There is no clear explanation for the fact that silent call numbers have levelled off at about 2 to 3 per consumer per month on average. The tightening of regulations by Ofcom in recent years has led to most "responsible" call centres curtailing or severely limiting their use of AMD technology, which is thought to have been a major factor driving silent calls. The fact that the numbers of silent calls have hardly fallen in the past three years is therefore somewhat puzzling.
- Many complaints to TPSL concern pre-recorded message calls, which are thought to be increasing in numbers. Organisations using this method to contact consumers include political parties and, increasingly, financial services companies offering debt management solutions.
- Other problem call types expected to increase in numbers include:
 - nuisance calls to mobiles
 - wrong numbers and misdials: these are increasing because telephone numbers are "recycled" more quickly nowadays, and because number ranges are becoming more densely populated, meaning that people are more likely to dial a "real" number when they misdial.

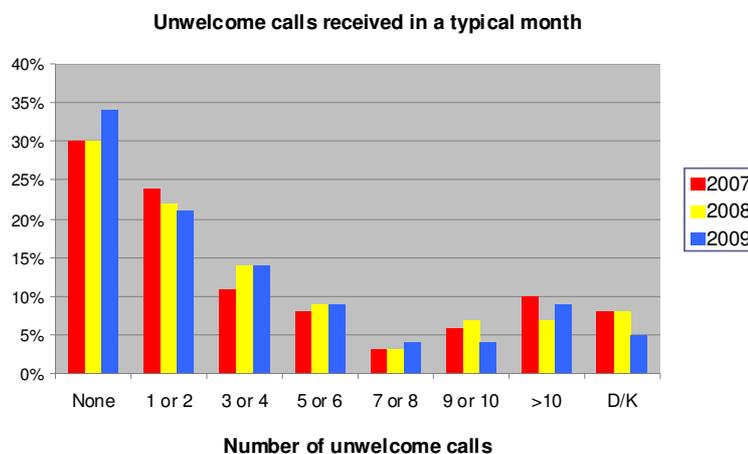
- As with other contacts interviewed for this review, the Brookmead respondent found it difficult to estimate the impact of overseas call centres on the silent call problem. There is some circumstantial evidence to suggest calls from overseas are part of the problem, but there is no doubt that silent calls are also being generated from UK contact centres.

4.3 Key trends

4.3.1 TPSL/Brookmead data

Figure 4-1 shows the number of unwelcome calls received by respondents in the MORI surveys commissioned by TPSL for the last three years.

Figure 4-1: TPSL data on number of unwelcome calls received by consumers



Source: TPSL surveys; MORI 2007, 2008, 2009. Excludes respondents stating "don't know".

The survey defined “unwelcome” calls as meaning unwanted sales calls, silent calls, and unwanted pre-recorded message calls. The average number of unwelcome calls in 2008 fell by 20% compared to the figure in 2007, from 5.7 to 4.6 calls per month. However, the figure for 2009 has increased slightly and is estimated to be around 5 calls per month.

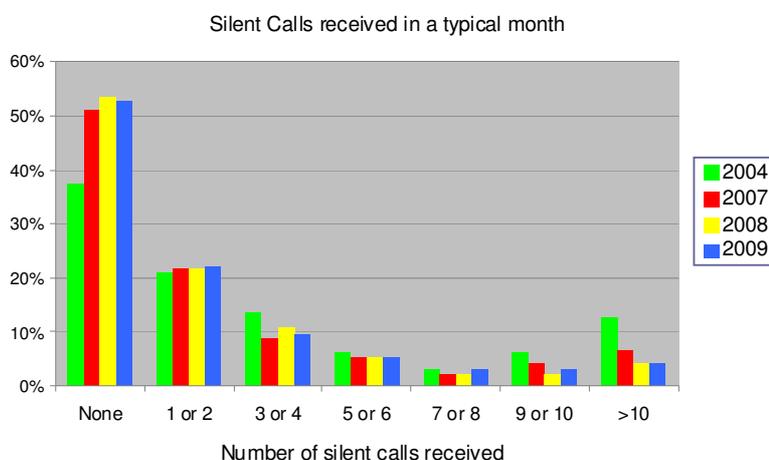
The number of silent calls received by consumers is illustrated in Figure 4-2. This includes data from a TNS survey conducted at the beginning of 2005 and characterised by Brookmead as representing the situation in 2004. The average number of silent calls per month over the period is as follows:

2004 (TNS): 5.7
 2005 (BMRB): 9.6
 2007 (MORI): 3.0
 2008 (MORI): 2.7
 2009 (MORI): 2.5.

The BMRB data comes from research published by Ofcom and mentioned in the Brookmead 2008 report.

Although there has been a significant fall in the number of silent calls since 2005, the level of decrease has been relatively modest in the last three years, as mentioned by the respondents from TPSL and Brookmead Consulting.

Figure 4-2: TPSL data on the number of silent calls received by consumers



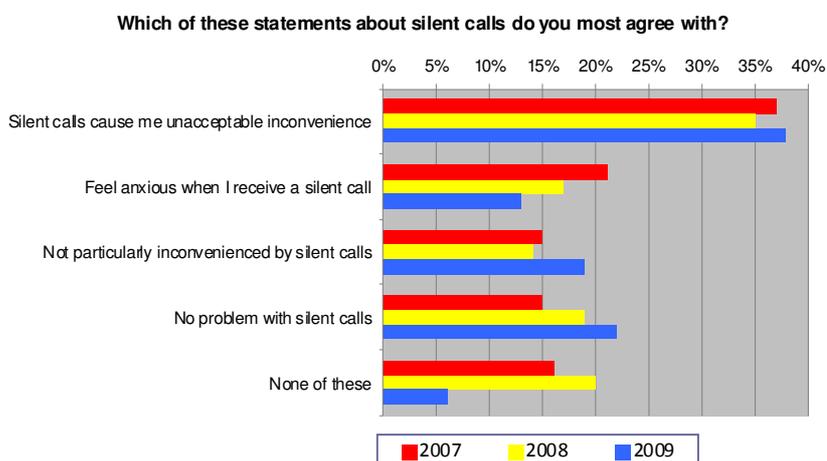
Source: TPSL surveys; TNS 2004, MORI 2007, 2008, 2009. Excludes respondents stating "don't know".

Other key points to emerge from the TPSL and Brookmead research include the following:

- The surveys have consistently shown a significant concentration of calls; although about 50% of respondents received no silent calls in the past three TPSL surveys, a small minority received a very large number. For example, in 2008, 2% of respondents received over 20 unwelcome calls per month, and 1% of respondents reported receiving over 30.

- As Figure 4-3 demonstrates, the levels of anxiety caused by silent calls have fallen over the past three years. However, it is clear they continue to cause unacceptable inconvenience to consumers.
- The 2004 Brookmead Consulting/TNS research identified two demographic groups who expressed particular anxiety about silent calls – women in their 20s and women over 65. The 2008 MORI survey showed that anxiety had reduced from 41% to 19% for young women, and from 35% to 19% for the over 65s.
- Although levels of anxiety about silent calls have fallen, they are still a big concern for some consumers. Of those respondents in the 2008 survey who were anxious when they received a silent call, 18% were concerned that burglars were watching their house and checking whether they were at home, 10% thought that it may be a malicious or offensive caller, and 3% were concerned that it was a family member who was in trouble.

Figure 4-3: The effect of silent calls on the consumer



Source: TPSL surveys; MORI 2007, 2008, 2009.

- In 2009 the TPSL survey asked consumers about other types of nuisance calls they might be receiving. The results showed that:
 - 21% of consumers had received telemarketing calls on their mobile phone (average 1.8 per annum)
 - 10% had received silent calls on their mobile (average 0.38 per month)
 - 46% had received pre-recorded message calls (average 1.98 per month).

As discussed earlier, TPSL also collects data on complaints received from consumers. The figures by category for the past two years are shown in Figure 4-4.

As this shows, most complaints are from TPS registered consumers, complaining about cold calls. However, complaints about silent and pre-recorded message calls are also significant. The main points to note are:

- The number of complaints about silent calls increased between 2008 and 2009.
- Complaints about pre-recorded message calls represented the second largest category in 2008; there were fewer of these complaints in 2009.

Figure 4-4: Total complaints received by TPSL, 2008 and 2009

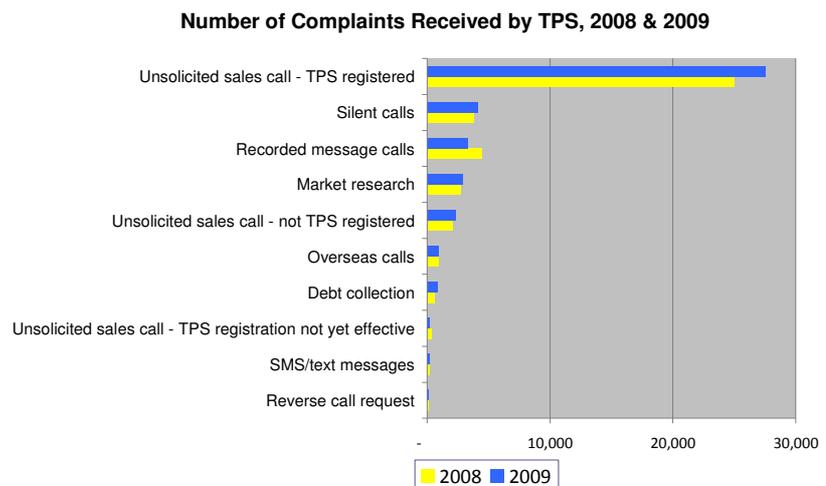


Figure 4-5 and Figure 4-6 show the pattern of monthly complaints about silent calls for 2008 and 2009. There were 314 complaints per month on average in 2008, and 343 in 2009. The picture for 2009 in particular shows a fairly constant level of complaints throughout the year, with no signs of an overall decrease.

Figure 4-5: Silent Calls Complaints, 2008 (TPSL)

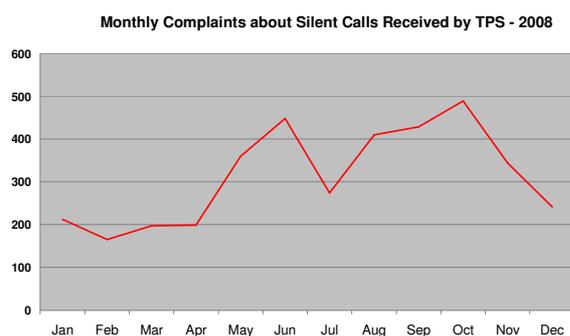
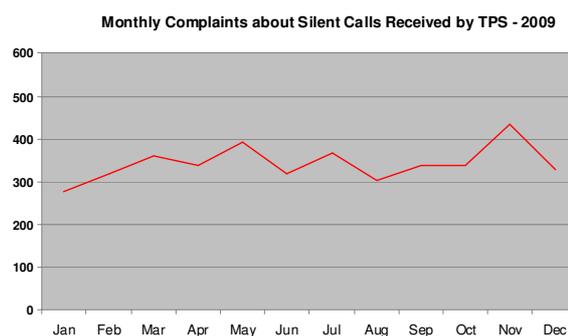


Figure 4-6: Silent Calls Complaints, 2009 (TPSL)



4.3.2 Report A Call data

As mentioned previously, trueCall is a device that allows consumers to screen and control the phone calls they receive

Customers of the device can also report details of nuisance calls they receive, using a free online service called Report A Call (<http://www.reportacall.co.uk>). Customers complete an online form that captures the following information:

- Company calling the consumer (if known)
- Consumer relationship with the company
- Whether the consumer is TPS registered
- Call details
- Level of annoyance and anxiety caused
- Type of call
- Reasons why the consumer considered the call to be unwelcome.

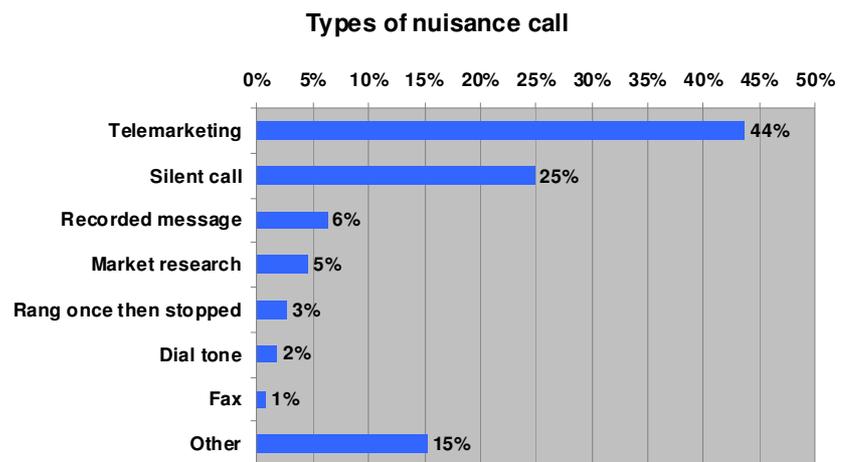
Initial Report A Call data for the period July 2009 to April 2010 has been made available to Mott MacDonald by trueCall for the purposes of this project. A high level analysis of the data provides a valuable insight into the types of nuisance call problems encountered by consumers, and the levels of anxiety and annoyance caused.

When assessing the Report A Call data it should be stressed that the consumers reporting these nuisance calls are not a representative sample of UK consumers. They have (presumably) had sufficient previous problems with nuisance calls to justify the purchase of the trueCall device, and are therefore likely to have strong opinions about

these types of calls. Nevertheless, the data reveals some interesting information:

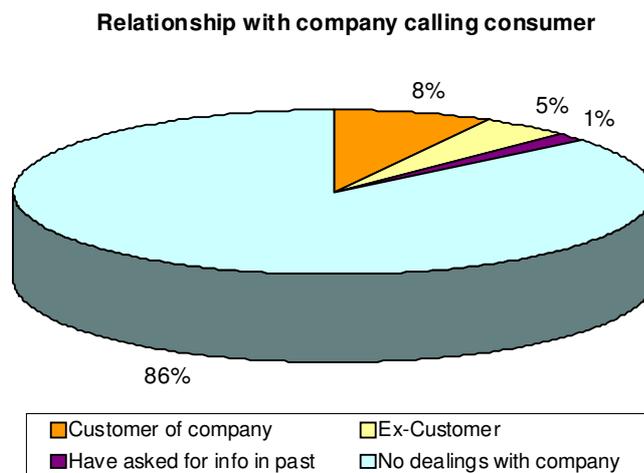
- 60% of the records were received from people registered with TPS.
- Figure 4-7 shows a breakdown of the types of nuisance calls reported, suggesting that silent calls are clearly a major issue for these consumers.
- According to consumers, the majority of these nuisance calls are being made by companies that have no contractual relationship with the consumer (see Figure 4-8).

Figure 4-7: Types of nuisance calls reported to Report A Call



Source: trueCall

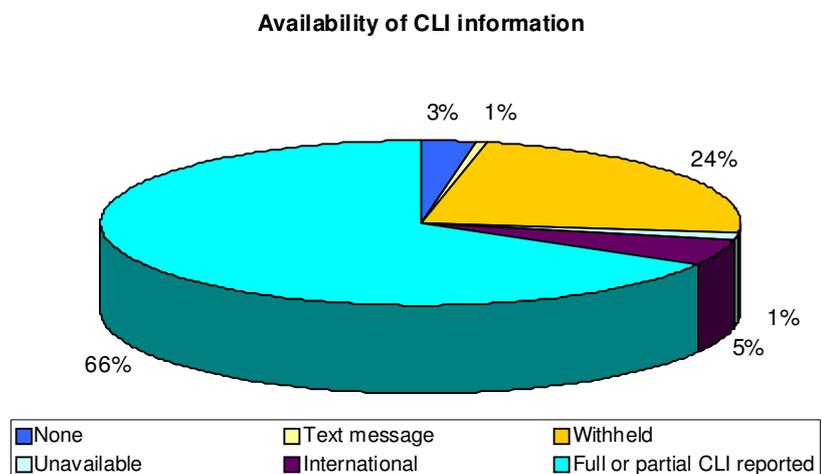
Figure 4-8: Relationship with the company calling the consumer for calls reported to Report A Call, July 2009 – March 2010



Source: trueCall

- Looking at the information about the availability of CLI information, it is not clear that international callers are a major issue, as is sometimes claimed. (See Figure 4-9).

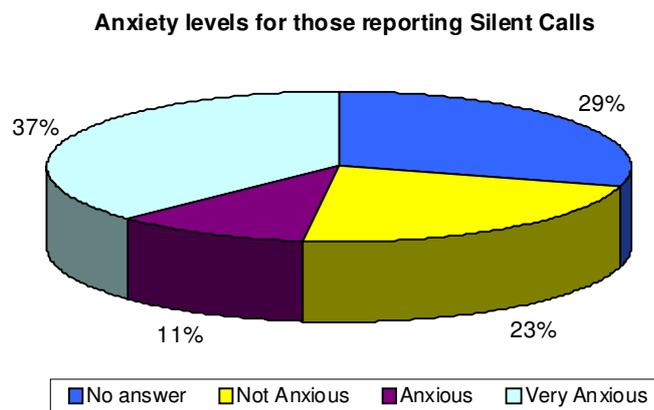
Figure 4-9: Availability of CLI information for calls reported to Report A Call, July 2009 – March 2010



Source: trueCall

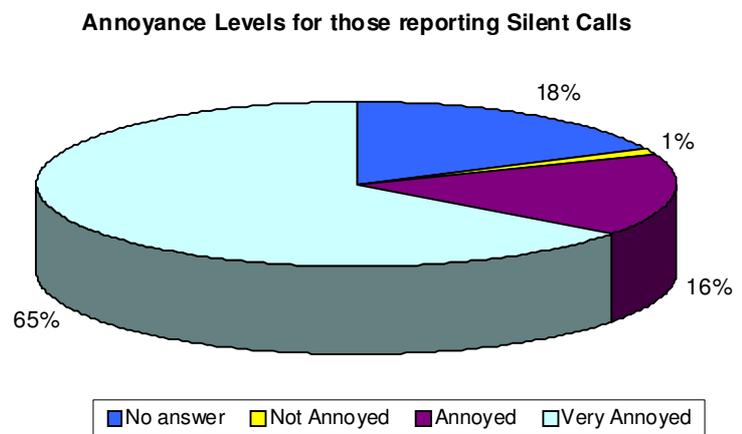
- Figure 4-10 and Figure 4-11 suggest that consumers contacting Report A Call about silent calls had fairly high degrees of annoyance and anxiety about these calls. This contrasts with the most recent TPSL survey (2009), in which 13% of respondents agreed with the statement “I feel anxious when I receive a silent call”. (Also, 38% of TPSL respondents in 2009 felt that silent calls caused unacceptable convenience). It is notable that levels of annoyance are higher than levels of anxiety, though anxiety is arguably more concerning so this should not be dismissed lightly.

Figure 4-10: Levels of anxiety for those reporting silent calls to Report A Call, July 2009 – March 2010



Source: trueCall

Figure 4-11: Levels of annoyance for those reporting silent calls to Report A Call, July 2009 – March 2010



Source: trueCall

www.mottmac.com

