



# Buying and using Voice over Internet Protocol (VoIP) services

Advice for Consumers

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## Introduction – What are VoIP services?

- 1.1 'Voice over Internet Protocol' (VoIP) is changing the way voice services are delivered. VoIP services typically use a broadband connection to provide telephone calls via a personal computer (PC) with a handset / headset or a special adaptor connected to a traditional telephone.
- 1.2 These new services offer consumers the prospect of benefits including lower call prices (especially for calls from one VoIP service to another), second lines and other sophisticated services such as call handling and unified messaging.

## Who's using VoIP?

- 1.3 Many businesses have been using VoIP for some time. As broadband connections increase, residential VoIP services are now becoming more popular. Industry estimates suggest that there are now more than one million active VoIP users in the UK and take-up growth is forecast to continue.
- 1.4 Awareness of these new services continues to increase, particularly among broadband customers. According to Ofcom research in 2006, around 60% of the adult population know about VoIP services in the UK.

## What's on offer in the UK?

- 1.5 Recently, VoIP services have developed significantly both in terms of the range and number of providers, the services being offered and the equipment that is used by customers. There is now an increasing variety of service propositions. For example:
  - PC-based services that allow calls from one personal computer (PC) to another (such as Google Talk). These are often called PC-to-PC services.
  - Services that allow calls to and from traditional phone numbers. Some of these services include 999 access and some do not.
  - Services that are targeted for 'mobile' use based on using Wi-Fi hotspots and other wireless access.
- 1.6 These services are based on a range of computer software and equipment, including adaptors that support standard phones, adaptors with headsets / handsets, PC-based software, 3G smartphones, and Personal Digital Assistants (PDAs) and Wi-Fi devices.
- 1.7 No single combination of equipment and features is becoming the most popular, and Ofcom expects this range to remain for the foreseeable future as customers use services and equipment in different ways.

## Understanding what VoIP can deliver

- 1.8 VoIP services are still relatively new, and it is not clear how these services and technology will develop in the future. Although these new services may bring more choice and lower prices, consumers need to know what they are buying.

- 1.9 Some VoIP services might 'look and feel' like traditional telephone services but may not offer (in the same way or to the same standard) the features consumers have come to expect from their home telephone service.
- 1.10 If you're considering VoIP, you should establish what the provider's service can and can't do, before you sign up. Here are some things to check on:
- Check whether the VoIP provider offers access to the emergency services i.e. 999 calls
  - Does the VoIP service depend on your home power supply to operate? Does the provider offer back up power in case of power cuts?
  - What happens if there's a problem with your broadband connection – will the VoIP provider offer back up via a traditional telephone connection?
  - If you call the emergency services will they automatically know where you are calling from?
  - What about other features like directory assistance, directory listings and access to the operator? Don't assume that these are on offer
  - Establish whether you'll be able to keep your telephone number if you decide to switch to another provider in the future

### **Obligations of providers under the new Code**

- 1.11 Ofcom has introduced a new mandatory industry Code, which applies to all voice services offered to residential and small business customers. Under the new Code, the provider is required to make clear what their service can and can't do, before you sign up.
- 1.12 From 29 May 2007 all VoIP providers included within the Code must comply with its requirements. Here are some of the key actions providers will have to take before you sign up to their service:
- Providers must make clear where access to the emergency services is not offered, and seek your positive acknowledgement by, for instance, allowing you to tick a box;
  - Providers must make labels available making clear that emergency calls cannot be made and recommend that you fix these labels on your equipment;
  - If you still decide to take up a service without 999 access, an announcement should be played each time you try to access the emergency services from your phone, reminding you that access is unavailable.
  - Providers must make clear during the sales process if a VoIP service depends on your home power supply to operate. The provider should inform you of this and secure your positive acknowledgement by getting you to tick a box for instance. This information is important since 999 access could be interrupted if there is no power or the broadband connection fails;
  - You should also be given the option of receiving labels for your equipment which indicate any dependence on home power supply.

- Providers must make clear the extent to which location information to the emergency services will be provided. Location information is used by emergency services to identify where you are calling from;
- If your provider does not offer this facility they should ensure you acknowledge this by seeking your signature or allowing you to tick a box;
- If your provider does offer location information to the emergency services, you should be required to provide the address of the place where the VoIP service will be used before the service is activated and advised to update your information if you use the service from more than one location.
- The provider must make it clear if directory assistance, directory listings, access to the operator or the termination of calls are not available through their service.
- Any restrictions on number ranges or country codes accessible through the service should be made clear and readily accessible.
- The provider must inform you about your ability to keep your number if you choose to switch providers at a later date.