

## **Response from Adepra Ltd to the Ofcom Consultation Paper “Tackling Abandoned and Silent Calls”**

### **1. About Adepra**

Adepra provide automated/unattended consumer interactions including voice calls, interactive SMS, e-mail and other digital media. Adepra specialise in automated contact strategies for clients who are mainly in the financial services sector. These contacts fall into two main areas (i) fraud verification and (ii) credit risk interactions on behalf of clients who have contractual relationships with consumers who are actively making use of their services.

As Adepra have outlined to Ofcom before in previous consultations, there are strong consumer service benefits from the provision of these services and consumers generally prefer to be contacted in the manner in which Adepra contacts them as there are clear service benefits for the consumer due to the speed and accuracy of the contact and the consumer is left in control of the contact strategy from our clients.

Eight of the top Ten financial institutions in the UK utilise Adepra solutions to make time critical consumer interactions in a cost efficient, compliant and consumer centric way. Adepra’s strength and experience within the credit risk sector is global and the company processes for more than half of the top 50 financial institutions across 13 countries.

Adepra is PCI/DSS compliant and ISO 27001 certified and was a leading founder of the Ofcom recognised, Interactive Voice Messaging Association. The IVMA was established as the industry body whose objectives were to ensure that all members behaved responsibly and in compliance of all regulatory and legal obligations and to encourage responsible and best practice in consumer interaction and contact.

### **2. Adepra support for the latest Ofcom consultation**

The success of Adepra and the contact strategies of our clients relies wholly on high levels of consumer interaction and call completion. Accordingly Adepra fully supports Ofcom in their objective to reduce silent and abandoned calls since we believe the technology exists to maximise effective communication with consumers whilst improving the methods and efficiency of contact strategies such that consumers are effectively warned about Fraud risk or overdue payments that may effect their use of their credit card or their credit ratings.

To emphasise this point Adepra see an overall upward positive trend in consumer acceptance and the level of interaction utilising automated contact strategies and between June 2008 and May 2010 the following improvements have been recorded:

*	Increase in Right Party ** Connect Rate	Decrease in Disconnect Rate ***
Fraud	+5.10%	-40.0%
Collections	+15.0%	-20.0%

\*These portfolio statistics are generated from 11 unique fraud applications and 11 unique collections clients.

\*\* Right party connect is determined as a consumer who interacts with the call and confirms they are the named contact we are calling for.

\*\*\*Disconnect rate is % of the live contacts that terminate prior to the conclusion of the call.

Automated contact strategies form an important element of overall customer contact strategies and Adepra believes that improvements in its technology, increased customer acceptance and the careful deployment of contact strategies have helped ensure that the company has received no complaint regarding silent calls in recent years. Adepra has been compliant with Ofcom regulation and we believe that our technology is compliant with the changes envisioned in the consultation paper. Our specific responses to the questions in the paper are set out below:

***Question 1: Do you agree that Ofcom should limit the number of times a company can call an answer machine without guaranteeing the presence of a live operator to once every 24 hours?***

Whilst this item does not directly affect Adepra because Adepra **do not** leave more than one message on a device in a given day., Adepra believes that Ofcom should consider the impact of this regulation in the event of a financial services organisation who may be attempting to contact a consumer in the event of a potential fraud.

In the instance of a fraud case where a service provider such as Adepra is not being deployed there are two harmful events that may affect a consumer if there is a delay in making contact with the consumer:

1. They may become the victim of a fraud event, they will suffer the inconvenience of reporting multiple transactions/activities and/or the re-issue of their card or account
2. If the bank is unable to make contact they may apply a block on the card or account and the consumer may be unable to use their facilities until the bank is able to make contact with them.

In addition, benefit might arise when using automated calling to inform customers who might otherwise incur charges because collection due dates were imminent.

We therefore feel Ofcom should consider some form of concession for these types of calls in order for the consumer to be made aware that there is an urgent need for the organisation to speak to the consumer, even in the event that there is a chance a live operator may not be immediately available.

***Question 2: Do you agree with Ofcom that a two month implementation period (from publication of Ofcom's revised statement) would be an appropriate length of time for industry stakeholders to adopt any changes to comply with the proposed 24 hour policy?***

Whilst Adepra could accept that a two month period would be sufficient to enable operational compliance we are aware that some of our customers would require up to four months to make changes and test their own systems.

***Question 3: Has Ofcom provided sufficient clarity on how the abandoned call rate is to be calculated?***

Adepra understand and appreciate the clarification of the abandoned call rate which clearly defines the population upon which abandoned calls are to be calculated against as 'live calls' rather than connected calls.

We understand that a reasonable calculation of abandoned calls to answer phones may be deducted from the total as calls to answer phones are not defined by Ofcom as live calls.

**Question 4: Do you agree with the factors set out by Ofcom for determining a reasoned estimate of AMD false positives in an ACS user's abandoned call rate?**

*Adepra agree with the factors Ofcom suggests should be used to determine a reasonable false negative rate for AMD technology on the ACS.*

**Question 5: Has Ofcom provided sufficient clarity on how AMD users should calculate an abandoned call rate that includes a reasoned estimate of AMD false positives?**

*Adepra believe analysis conducted by sampling AMD detections and listening to the call to establish if the assumption was correct and in what % of cases it was correct gives a best estimate to the % of AMD false negatives.*

**Question 6: Has Ofcom provided sufficient clarity on how non-AMD users should calculate an abandoned call rate that includes an estimate of abandoned calls picked up by answer machines?**

*Adepra agree that there is sufficient clarity on calculating the AMD abandoned call as per our response in question 3. It is clear that the % of calls that are connected to an answer phone can be removed from the abandoned call rate as they are not considered live calls.*

**Question 7: Do you agree that Ofcom should not amend the existing two second policy as set out in the 2009 Amendment from 'start of salutation' to 'end of salutation'?**

*Adepra is able to launch speech as soon as the call is connected and as a consequence this policy does not affect our compliance. We would however make the point that AMD Technology would most likely be more effective if the duration was reduced and believe Ofcom should perhaps consider allowing a greater interval than two seconds, to explore how any increase in duration would effect the accuracy of the solution.*

**Question 8: Do you agree with Ofcom's policy proposal that companies provide a geographic contact number (01, 02 or 03) in addition to a freephone (080) number in the information message provided in the event of an abandoned call?**

*Adepra provide our clients with both Geographic and non Geographic numbers for consumer response principally to allow mobile phone users to return calls when they are perhaps travelling abroad (a common scenario in fraud alerting) but also to prevent the incurrance of additional mobile call charges when dialling a non geographic numbers which can have varying charges and in some cases not be included in the call plan.*

*In addition to this Adepra offer our clients an interactive SMS service where by consumers can respond using a fixed cost SMS. The SMS response can on occasion conclude the interaction or alternatively be used for us to identify a good*

*time to call the consumer and for us to launch a subsequent call where the outgoing call charges are paid by ourselves.*

***Question 9: Has Ofcom provided sufficient clarity on what constitutes a 'campaign'?***

*Adepra interprets a campaign as a singular activity that would be identifiable to the consumer as the same call script, to similar or the same target audience*