



## REPORT OF THE ADJUDICATOR

**WASPA Member (SP):** Integrat  
**Information Provider (IP):** Peach Mobile  
**Service Type:** Subscription service  
**Source of Complaints:** Public  
**Complaint Number:** 0204

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### Complaint

A member of the public complained to WASPA that she had sent an SMS to a short code number and received a reply that she should send a message to another number to receive a ringtone that costs R20. She stated that she telephoned the customer contact number provided and was advised that she would receive four ringtones that each cost R5. The complainant queried the legality of this type of transaction.

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### SP Response

The SP responded that the content subscription service in question is activated by a message from a consumer in response to an advertisement. If the consumer sends a message from a MTN or Cell-C number, then they receive a response that says the following:

“Thanks 4 your response 2 receive content. Pls sms the same keyword to 40991 & u will receive content to the value of R20.  
Help email support@peachmobile.co.za.”

The SP stated that the price per content item is first advertised and then in the reply SMS the total cost of all the items to follow is presented. If the user does not reply, then there is no content charge to their account.

The SP further explained that the above mechanism was put in place to accommodate MTN and Cell-C subscribers who do not have a subscription option available and that the user pays for the content in advance which is then delivered over a period of time.

## Decision

Subscription services are legal and may be offered by service providers, however there are clear rules that govern the manner in which these subscription services can be advertised and delivered. Section 11 of the WASPA Code of Conduct detail these rules, which I set out below for the benefit of the Complainant.

### **11.1. Manner of subscription**

11.1.1. Promotional material for all subscription services must prominently and explicitly identify the services as "subscription services".

11.1.2. Any request from a customer to join a subscription service must be an independent transaction, with the specific intention of subscribing to a service.

11.1.3. Where possible, billing for a subscription service must indicate that the service purchased is a subscription service.

11.1.4. Customers may not be automatically subscribed to a subscription service as a result of a request for any non-subscription content or service.

11.1.5. Subscription services with different billing frequencies should not have a subscription mechanism likely to cause a customer to accidentally subscribe to a more frequent service.

11.1.6. Members must ensure that children accessing subscription services confirm that they have permission from a parent or guardian do to so.

11.1.7. Once a customer has subscribed to a subscription service, a notification message must be sent to the customer containing the following information:

- a. The cost of the subscription service and the frequency of the charges;
- b. Clear and concise instructions for unsubscribing from the service;
- c. The service provider's contact information.

11.1.8. Once a customer has subscribed to a subscription service, neither the amount and frequency of the charges nor the frequency of the service may be increased without the customer's explicit permission.

### **11.2. Customer support**

11.2.1. Assistance, such as 'help' information, for subscription services must be easily available to customers, and must not be limited to a medium that the customer is unlikely to have access to.

### **11.3. Termination of a service**

11.3.1. Instructions on terminating a subscription service must be clear, easy to understand, and readily available.

11.3.2. All subscription services must have a readily available unsubscribe facility which costs no more than one rand.

11.3.3. Customers must be able to unsubscribe from any subscription service via SMS using no more than two words, one of which must be 'STOP'.

11.3.4. Members must ensure that the termination mechanism is functional and accessible at all times.”

Furthermore, the WASPA Advertising Rules provide that any advertisement that has a subscription service component must indicate the periodic subscription charge, the charging frequency and the full or potential cost of access for fully obtaining the advertised cost of service.

There is no specific allegation in the complaint that the subscription service offered by the SP/IP breaches any of the provisions of the WASPA Code of Conduct nor has any evidence been placed before me that the text of the advertisement to which the Complainant responded breached the WASPA advertising rules.

The complaint is accordingly dismissed.

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