

TELECOMMUNICATIONS NUMBERING ADVISORY COMMITTEE

Survey on Demand of Special Telecommunications Numbers

特別電訊號碼的需求調查

Purpose

OFTA commissioned Social Sciences Research Centre (SSRC) of University of Hong Kong (HKU) in 2009 to conduct a telephone survey on the demand of special telecommunications numbers. This paper briefs Members of the survey as well as the survey results.

Background

2. Special numbers refer to a collection of individual numbers, blocks of numbers or codes in the numbering plan for telecommunications services, which are attractive to network operators/services providers (hereafter referred to as “operators”) and end users. In general, special numbers are those which can be easily remembered or contain a chain of lucky digits such as “3”, “6” and “8” carrying propitious meaning. For example, numbers with prefixes 6363, 6868, etc. and/or with suffixes 3333, 8888, etc. could be classified as special numbers. Different users may also have specific preference on numbers. They may consider that those numbers related to their birthday dates or their wedding anniversary dates are special.

3. At the Legislative Council’s Information Technology and Broadcasting (“ITB”) Panel Meeting held on 14 Jan 2008, the number utilisation issue had aroused widespread media coverage and public debates.

There were concerns from the community that telecommunications numbers allocated to operators had not been utilised efficiently. Legislative Councillors advocated that telecommunications numbers should be effectively used and the number assignment to end users should be in a fair and equitable manner. One Legislative Councillor also suggested that the Office of the Telecommunications Authority (“OFTA”) should study the feasibility of arranging auction of special numbers, similar to the auction of vehicle registration marks. The proceeds of the special numbers could be used for alleviating poverty.

4. To assist OFTA to assess the merit or otherwise of a scheme to auction special numbers for assignment to end users, OFTA commissioned SSRC of HKU in 2009 to conduct a telephone survey on the demand of special numbers. The purpose of the survey was to collect relevant market information from the general public on special numbers. The field survey work was carried out from October to December 2009. Some 1,000 residential fixed line users and 1,000 mobile phone users were successfully interviewed through telephone interviews.

5. In early 2010, SSRC compiled a report listing all the statistics collected from some 2,000 respondents. The survey questions together with the survey results are given in Annex.

Key Findings of the Market Survey

6. A wide variety of questions such as the satisfaction with the existing number assignment arrangement, preference on electronic auction platform, demand of special numbers, reasonable price for a special number, etc. were included in the market survey. Based on the market survey results, the following three key findings given in paragraphs 7 to 9 are derived.

Little Dissatisfaction with the Existing Number Assignment Arrangement

7. The survey result on the satisfaction with the existing number assignment arrangement of getting a number directly from an operator showed that about 35% of respondents expressed satisfaction with the existing arrangement, 58% had no idea while 7% expressed dissatisfaction. The survey result demonstrated that only a minority of respondents (i.e. 7%) were dissatisfied with the existing arrangement (see Question Set 1 in Annex).

No Strong Preference on Getting Special Numbers via Auctions

8. The survey result on the preference of choosing a special number via an auction to the current process of selecting a number from an operator showed that about 42% of respondents preferred the current process, 45% did not mind which process while 13% preferred to get a number via an auction. Again, the survey result demonstrated that majority of respondents (i.e. 42%) preferred the current process while only a small portion of respondents (i.e. 13%) preferred to get a special number via an auction (see Question Set 2 in Annex).

Limited Interest to Get Special Numbers via an Auction Method

9. According to the survey result on the level of interest to get a special number, a small portion of respondents (i.e. 20%) indicated that they had some interest whereas only a few percentage of respondents (i.e. 4%) indicated that they certainly had interest to get special numbers via an auction method. From the survey result, it is noted that respondents have limited interest in getting special numbers via an auction method (see Question Set 6 in Annex).

Advice Sought

10. Members are invited to note the findings of the market survey.

Way Forward

11. In formulating the decision on whether special numbers should be assigned, OFTA will take into consideration the survey findings.

Office of the Telecommunications Authority

August 2010

Survey Questions and Survey Results

Question Set 1: How satisfied are you with the existing number assignment arrangement of getting a number directly from a service provider? Please indicate your level of satisfaction with the existing number assignment arrangement.

Result: 35% of respondents expressed satisfaction with the existing number assignment of getting a number directly from a service provider, 58% had no idea while 7% expressed dissatisfaction.

Question Set 2: How much would you prefer to be able to choose a special number or your own preferred numbers via an auction to the current process of selection from a service provider?

Result: about 42% of respondents preferred the current process of selecting a number from a service provider, 45% did not mind which process while 13% preferred to get a number via an auction.

Question Set 3: How much do you support using an Internet-based auction platform, like the system used by eBay and Yahoo, to bid for special numbers?

Result: about 45% of respondents supported using an Internet-based auction platform to bid for special numbers, 17% did not express any view while 38% did not support.

Question Set 4: How much more attractive would you find a number with lucky digits like 3 and 8 (e.g. 3333 8888 or 3838 3838), repeated patterns like 1616/6699 or special meaning like containing your birthday on a scale from 0 to 10 where 0 means no attraction at all and 10 indicates a strong desire for the number? What do you think would be a reasonable fee for getting a number with lucky digits, repeated pattern or special meaning, given the HK\$1,000 minimum for vehicle registration mark?

Result: about 35% of respondents found special numbers, including numbers with lucky digits, repeated patterns or special meaning, are attractive (i.e. rated 6-10 among the scale of 0-10); 30% do not find these numbers attractive (i.e. rated 0). Excluding those 30% respondents who had no interest on special

numbers, 18% considered a reasonable price for a special number is \$1 to \$200, 23% for a price of \$201 to \$500, 19% for a price of \$501 to \$1000, 13% for a price of more than \$1,000, 21% unwilling to pay for a special number and 6% refused to answer.

Question Set 5: A possible new process would be that when each new block of numbers are released by OFTA for allocation to an operator, OFTA would announce the details of the number block concerned to the public, consumers could express an interest in any number within the new number block. If nobody else expresses an interest in that number, the consumer would pay the minimum fee. If there are more than one consumers expressing interest in the same number, the number would be auctioned off, with the proceeds given to charity or supporting the telecommunications industry to carry out education, research and development activities. Please indicate your level of agreement with such a new process on a five point scale. What is your main reason for disagreeing with such process?

Result: about 50% of respondents agreed with such a new process; 36% of respondents did not express any view while 14% disagreed with such a new process with the major reasons of “no need to have a new process”, followed by “do not like to get a number via an auction process” and “do not want to pay for a number”.

Question Set 6: If the process described above is put in place to allow greater choice of special phone numbers, how interested would you be, personally, in obtaining a special number on a scale from 0 to 10 where 0 means no interest at all and 10 means you would certainly want a special number? What is the maximum that you might be prepared to pay for a special number of your choice?

Result: about 20% of respondents had some interest to obtain a special number through a new auction process (i.e. choosing the rating of 6-9 among the scale of 0-10), 4% certainly wanted to have a special number (i.e. choosing the rating of 10) while 35% had no interest at all (i.e. choosing the rating of 0). Excluding those 35% respondents who had no interest on special numbers, 23% considered a reasonable price for a special number is \$1 to \$200, 28% for a price of \$201 to \$500, 20% for a price of \$501 to \$1000, 12% for a price of more than \$1,000, 14% unwilling to pay for a special number and 3% refused to answer.

Question Set 7: How convenient would each of the methods (Credit Card, EPS, Bank Transfer, Payment by phone, Cheque, Cash, pay at 7-11, e-banking) for paying for the deposit or transaction price in the auction be to you?

Result: about 74% of respondents considered the most convenient method to pay any auction fee or deposit was at 7-11; payment by means of EPS, credit card and cash were also convenient.

Question Set 8: How many number(s) would you consider acquiring under the proposed number auction scheme?

Result: about 47% of respondents would consider acquiring one special number while 41% would not.

Question Set 9: To prevent number hoarding, what do you think should be the maximum set of numbers an individual should be allowed to bid for in an auction?

Result: about 78% of respondents considered an individual user should bid no more than five special numbers.

Question Set 10: To prevent number hoarding, what do you think should be the maximum set of numbers a company, irrespective of the size and nature of business of the company, should be allowed to bid for in an auction?

Result: majority of the respondents (i.e. over 54%) considered a company should bid no more than ten special numbers.

Question Set 11: To prevent number hoarding, what would you consider a reasonable time limit within which consumers must activate their special number with a service provider after successfully acquiring the number?

Result: majority of the respondents (i.e. over 70%) considered the reasonable period was within three months.

Question Set 12: Currently, numbers can be transferred to a third party by notifying the service provider. For the special numbers assignment process described above, do you think free transfer should be allowed or not?

Result: about 45% of respondents agreed that special numbers should be

allowed free transfer to a third party, 5% did not express any view while 50% disagreed.

Question Set 13: We would like to know your level of agreement that the net proceeds derived from the special number auction should be donated to different causes (charitable organisations, activities connected with telecommunications). Please indicate your level of agreement with donating to each of the causes.

Result: majority of the respondents (i.e. over 85%) agreed the net proceeds should be donated to charitable organisations.