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**PRESS RELEASE**  
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**Think before you click: tips for safe purchasing on the Internet from your cell phone**

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While your cell phone has access to the same Internet that your PC has access to, it also carries a link to your phone bill and this combination affords new billing mechanisms to content providers. This change can catch consumers unaware and could result in unexpected cell phone charges.

With more and more South Africans accessing the Internet from their cell phones, both the opportunities and the risks increase. According to a recent World Wide Worx study, at the start of 2010, 3.36 million South Africans were accessing the Internet via mobile web browsers, and 9 million via mobile applications. This compares with around 5 million PC-based Internet users in South Africa at the beginning of the year.

Consider purchasing an item on the Internet from your PC. As a consumer you are never in any doubt that a transaction has taken place. Typically you've taken out your credit card and typed in your details. Or you have logged into PayPal or another payment gateway. You've agreed to terms and conditions before being able to proceed. You've double-checked the details before confirming the transaction, and then you have received an invoice via email for your records. At the end of the month, your credit card statement will reflect the items purchased. Any unauthorised charge can easily be reversed.

Buying something on the Internet from your mobile can be as easy as clicking on a link. Your mobile operator knows who you are, and has access to your money via your phone bill. No entering credit card details or contact details. No third party gateways. In fact, the mobile makes buying something on the Internet from your PC look pretty cumbersome. But, this ease of use unfortunately can also result in customers signing up for services they didn't intend to, whether through lack of awareness or simply not paying attention to what they click on.

For the moment at least, the ball is in the consumer's court to flag incorrect charges and report them to the industry regulator WASPA (the Wireless Applications Service Providers' Association). WASPA has set out requirements for how WASPs charge consumers for services with some pretty hefty penalties for contravention, and no WASPs are able to charge for services without being a member of WASPA. But there is simply no mechanism for identifying fraudulent billing, apart from customer complaints about incorrect charges on their cell phone account.

All too often, however, consumers have forgotten they have signed up for something, or simply haven't realised they were carrying out a transaction. These erroneous complaints can muddy the waters in an already imperfect situation and prevent real fraud from being picked up. When real fraud occurs, the content downloaded is often questionable itself, and consumers are then reluctant to complain.

As mentioned, WASPA has put in place regulations around how WASPs charge for services in an attempt to mitigate the risk of someone spending money online unintentionally. A further mechanism already in place is that mobile network operators hold back on payments to third parties for two months.

According to the WASPA regulations for once-off purchases of R10 or more the service provider must obtain specific confirmation from the customer and keep a record of the confirmation. The details of what constitutes specific confirmation are not spelled out, however.

If the ad hoc purchase is valued at less than R10 the price must be clearly indicated as part of, or adjacent to, the link or option that will initiate the transaction.

When it comes to subscription services, the regulations are a bit tighter. A second confirmation page must include the name of the service, clearly state that it's a subscription service, the price of the service and how often the subscriber will be billed, and a customer support number. No marketing or other content may be included that might distract the consumer from the pertinent facts.

The reality is though that this situation is still fraught with loopholes as it relies too heavily on consumer complaints to red flag suspicious activity, at which point it becomes the consumer's word against the WASP's. Fortunately for cell phone users, however, a change in the way third parties can bill customers should improve the situation. Currently, WASPs link directly into the cell phone network operator's billing system receives the cell phone numbers of visitors to their sites and handle all the transaction details themselves. This means the network operator will be unaware of whether a WASP complies with the regulations until a customer complaint alerts them to questionable activity, at which point they can cut off the WASP.

This will change in the next few months, however, when the network operators themselves take responsibility for handling the subscription process on behalf of the WASP, thus ensuring all subscription transactions are compliant with the regulations and having the logs to irrefutably prove that a consumer signed up for a service.

This is good news as the opportunities for mobile billing are significant for both content providers and consumers, but it will only be realised if trust in the mechanism is improved. Until then, however, it is worth consumers following these guidelines:

1. Think before you click – spending money on a cell phone is not the same as on a PC.
2. Parents should realise that the cell phones their children use not only have access to the entire Internet, warts and all, but also allow their children to spend money at the click of a button. Parents need to educate their children to be financially savvy on their cell phones.
3. Keep confirmation messages.
4. Check your bill or prepaid balances carefully.
5. Complain to WASPA ([www.waspa.org.za](http://www.waspa.org.za)) if you do notice anything untoward. The more people who complain, the stronger the case against suppliers who contravene industry regulations.