



# Telstra's soft-sell on CND

*Telstra's public education campaign for Calling Number Display fails to deal with the issues of real concern to consumers, argues Tim Dixon*

Australians are about to confront a new challenge to their privacy with the introduction of a Calling Number Display service on ordinary telephone lines. Telstra is currently conducting a CND public education campaign, as required by the Australian Communications Authority (formerly AUSTEL) so that consumers are able to make an informed choice about their use of this new technology when it is launched in December 1997. But as the public education campaign has been rolled out, Telstra's approach to the campaign has raised questions about whether consumers really will be able to make an informed choice about CND

## Why have CND?

The main purpose of CND is to inform the call receiver of the identity of the calling party. This makes it possible to know who is calling (or at least, what number they are calling from) before picking up the phone. While the technology has some uses in the home, its main application will be in the commercial world where it makes it possible for companies to improve the speed of their service, track phone calls and store records of callers.

The introduction of CND has proved controversial overseas. In the United States, where CND technologies first became widespread, there has been ongoing debate between privacy advocates and telecommunications companies over the introduction of CND. Regulatory controls have been used by several states in response to the problems with the use of CND. In many cases, phone companies have allowed people to

block their calls either on a one-by-one basis or permanently – but have charged for these services.

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Australia authorities have promoted public discussion of the impact of CND, aware of the problems associated with the introduction of CND overseas. The AUSTEL Privacy Inquiry in 1992 included discussion of CND, which was later followed up by a more detailed report from AUSTEL's Privacy Advisory Committee (PAC) in 1996. Many issues were canvassed in the debate, including how consumers can block displaying their phone number, whether businesses should be able to receive calling numbers as well as residential customers, what it might cost and what threats it might pose to privacy. But for privacy and consumer groups, the litmus test of privacy safeguards was whether the technology would be 'opt-in' or 'opt-out' – whether, once introduced, everyone's number would be displayed from the start, or whether people would need to sign up before their number was displayed.

## AUSTEL PAC report

For many consumers, the greatest risk to their privacy with CND will come from its use by organisations.

CND allows organisations such as businesses and government agencies to keep a record of the contact time and call number whenever a person makes a call. They can easily reverse-match the calling number with either their own records or an electronic phone directory, allowing the organisation to record where someone is calling from (and potentially who they are) before they have even had the opportunity to speak to anyone. Most consumers are not aware of this technological capability, but unless they are made aware they cannot make an informed choice about whether they want to be 'in' or 'out'.

The PAC decided to recommend the introduction of CND on an 'opt-out' basis, but with the proviso that a high level of public awareness on some critical issues must be achieved prior to the launch of a CND service. The PAC stated that the technology should not be introduced until research had shown that at least 80% of consumers were aware of three key issues:

- that CND is being introduced, and that as a result phone numbers of calling parties will be displayed automatically to consumers who subscribe to CND services
- the privacy implications of sending their number, in that consumers may be identified by their number before their phone call is answered, and that their number may be captured by organisational users of CND
- how consumers can manage their personal privacy by opting out of sending their number through call blocking (line and per call) regardless of whether they subscribe to



CND display services, and that line blocking will enable consumers to maintain their current telephone status.

The report indicates that the 80% awareness should be reflected in special needs groups such as rural and remote consumers, older people, people with disabilities and silent line customers, as well as in the general population. The report also recommended that when CND was made available, consumers should be able to choose to block calls either on a call-by-call basis, or all calls, without extra charges.

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### **Telstra's 'awareness' campaign**

After the release of the AUSTEL report, Telstra decided to launch an Easycall Calling Number Display service in December 1997. In order to achieve this target date, an intensive public education campaign is being conducted over coming weeks to raise awareness of CND. The campaign involves a string of TV and press ads, a bill insert, information booklets, and a 1800 number for further information. Telstra is confident that the public education campaign will achieve the level of awareness required to meet the AUSTEL requirement.

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Telstra has also established a Public Education Campaign reference group to give input into the process of raising awareness of CND and to monitor the research relating to the public awareness campaign. Further down the track, it will con-

duct detailed survey research through an independent firm to establish that it has achieved the level of awareness required for the introduction of CND.

It had appeared from the AUSTEL report and the initiative taken by Telstra that even if the introduction of CND was not up to best-practice in privacy protection, Australia could do better than many countries in introducing CND with a reasonable level of public awareness. At the very least, people would not be discovering CND become something had gone wrong when their number was disclosed.

However, problems have now emerged as Telstra has begun rolling out its public education strategy. Consumer groups consulted by Telstra have raised serious concerns about whether the CND education campaign really complies with the spirit of the AUSTEL requirements. Although the AUSTEL PAC report was mainly concerned with the risks involved in its use, the campaign presents an almost totally positive perception of CND. It largely ignores the problems and risks involved in using CND. Telstra's strategy appears to have blurred the distinction between public education and marketing, assuming that so long as details on costs and how to purchase the service are not provided, it is not a marketing campaign.

The main criticism of the campaign is that it ignores the commercial use of CND – the area of greatest concern to consumers. Instead, the 'education' campaign focuses on situations where residential customers would use CND with other residential customers. Indeed, the Telstra campaign stands accused of trivialising the serious issues raised by CND with an advertising strategy which is centred on how an 8-year old boy uses CND to communicate with his uncle and a prospective

girlfriend. A more responsible public education campaign might have informed consumers about how CND will be used by organisations – the issue which most concerns consumers, as Telstra's own research has shown.

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### **Some of (Telstra's) campaign information risks misleading consumers about the safeguards for their privacy.**

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In fact, not only has Telstra failed to present a balanced view of the impact of CND, but some of the campaign information risks misleading consumers about the safeguards for their privacy. For most households, the most detailed information about CND will come from inserts in their phone bills. Again, the bill inserts give little information about how businesses will use CND. But worse, they indicate that Telstra has developed 'guidelines' for how business will use the information – without mentioning that these guidelines are purely voluntary, and that there is no avenue of recourse or complaint when these guidelines are breached. Even the lengthier information booklets which are provided to customers through the 1800 number appear to belong more to a soft-sell marketing campaign than a balanced education strategy.

Many other countries have bungled the introduction of CND. Australia had a chance to do a much better job after the detailed work of AUSTEL over recent years. Unfortunately, Telstra's approach to the introduction of CND risks undoing much of that good work.

**Tim Dixon represented the Communications Law Centre on Telstra's Public Education Reference Committee. Tim wrote the recent CLC paper on Telecommunications Privacy and is the Director of the Australian Privacy Foundation.**