

# QVC

European Communications Policy  
Department of Trade and Industry  
151 Buckingham Palace Road  
London SW1W 9SS

2<sup>nd</sup> May 2002

Dear Sirs

QVC is a UK based television shopping channel broadcasting 24 hours a day, 365 days a year with live programming from 09:00 to 02:00 UK time, except on Christmas Day. The channel is available on digital satellite, analogue and digital cable and digital terrestrial television and reaches approximately 11 million homes in the UK and Eire. In addition, QVC has its own transactional Internet site - QVCUK.COM - at [www.qvcuk.com](http://www.qvcuk.com).

Products are sold from the channel as customers view demonstrations and place their orders in a number of ways.

- By telephone, choosing to either speak to an operator or placing an order by using the keys on a touch tone phone (VRU).
- On the website, [www.qvcuk.com](http://www.qvcuk.com)
- Or via our interactive television service, QVCActive that is available on the digital satellite platform, where consumers can access the service and order products using the remote handset. (Work is in progress to bring this to digital cable viewers by the close of 2002)

At the time of writing QVC takes approximately 20,000 customer orders a day through the above range of methods. The majority are taken by automated systems rather than call centre agents and we note your comments that the regulation does not apply to orders placed via voice or VRU systems.

QVC prides itself on being a customer-focussed retailer. Customers are actively encouraged to contact our call centre via our free phone telephone numbers for both placing orders and for any customer service enquiries, 24 hours per day, seven days per week. It is important to QVC that all our dealings with our customers are transparent and that we are providing the highest level of customer support.

Looking at the details of the E-commerce directive in the light of QVC's experience in this market, it seems that it has been written with a view to the majority of transactions being completed via the Internet. From the initial responses to the consultation it appears that most responders are concerned with this aspect. Research conducted for QVC and others suggests that, in the UK in particular, a large proportion of e-commerce orders will increasingly be placed via digital television rather than the internet. While it is clear that the features of the digitally equipped TV set will evolve over time, the facilities available are unlikely to match those available on the average home PC. Placing customer orders via digital interactive television therefore poses different challenges to placing them on the internet.

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With the above in mind we would like to comment on the following areas of the regulation.

## **1. General Comment**

We welcome the fact that in a number of respects the guidance acknowledges that compliance with the draft regulations will necessarily be achieved via a different medium than that in which the information society service is provided.

While we note the suggestion that the provision of Regulation 8 Information might, for example, be satisfied by information posted on an internet site, we would appreciate guidance as to whether the availability of that information by post, email or fax following a consumer telephone request (through contact details notified to the recipient of the information society service) will likewise comply.

## **2. Regulation 8 (2)**

We would appreciate guidance as to whether a clear but general statement that prices are inclusive of tax and/or a statement at the "Shopping Cart" stage, immediately prior to placing of order will meet these requirements. The converse would be that such a statement would have to be attached to every price indicator, which in QVC's case could typically apply to over 10,000 products at any moment in time.

## **3. Regulation 11 (1) (b).**

The draft regulations require the provider to state whether or not the concluded contract will be filed and accessible to the consumer.

While noting that at present there is no requirement for details of the contract to be accessible to the consumer, if such a proposal were to be made, we would appreciate the opportunity of commenting further. From a practical viewpoint we would encourage the DTI to consider the mechanism by which such a filed contract might be made accessible in a mass market.

On a current volume internet retail business the advantages of both PC facilities and scale mean that it is reasonably technologically practical (although expensive) to provide. In the world of interactive TV these advantages are not present and hence the problem is different. In the potentially higher volume TV world it is more likely that requests to check on terms and conditions, contracts etc will be received by telephone or email and responded to in much the same way as any other response regarding account information would be handled.

For example, orders placed with QVC are filed and can be retrieved in response to a customer telephone or email enquiry (subject, of course, to the usual safeguards) but it is not possible for this information to be retrieved via the television set.

## **4. Regulation 11 (3).**

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The requirement is that the terms and conditions of purchase (if provided) should be available in a storable and reproducible form. The issue here is what constitutes “storable”. In a PC/Internet world this is clearly defined as there are very few connected machines without hard disk or printer facilities and it is simply a matter of saving or printing the terms and conditions.

By comparison, the television service arguably does not allow “storage”, as there is no means of printing the information or a ‘memory’ to store it. However, as far as QVCActive is concerned, the information can be viewed at anytime on demand (subject to normal service) by pressing the ‘i’ button and detailed answers to questions are available by contacting our call centre via a free phone telephone number or via email to QVC Webmaster.

We would invite your view as to whether an information society service provider making terms and conditions available via the medium of television as described above will meet the requirements of the draft regulations.

If not we would appreciate guidance as to whether the information can be made available via a different medium to the information society service in question.

## **5. Regulation 13 (1) (a) and (2)**

We would ask you to consider whether communications between a customer and a service provider via the medium of digital interactive television could comprise “equivalent individual communication” for the purposes of this draft regulation, particularly where the provision of the service is initiated by the consumer providing their unique membership number and PIN number.

As far as order confirmation is concerned, as with many internet sites, QVCActive acknowledges receipt of and confirms the placing of the order on screen. The order confirmation reference remains on screen until the consumer chooses to move on.

Having regard to our comments concerning accessibility above, we would appreciate guidance as to whether the requirement for “the order and the acknowledgement of the receipt to be deemed to be received when the parties to whom they are addressed are able *to access them*” [our emphasis] requires the information society service provider to make arrangements to acknowledge an order beyond those described above.

If it would assist in further understanding QVCActive, we are more than happy to forward a powerpoint presentation that demonstrates the service.

Please contact Simon Leach, Commercial Manager, QVC on 020 7705 5636 or [simon\\_leach@qvc.com](mailto:simon_leach@qvc.com).

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