

**SME Development Fund
Final Report of Approved Project**

(covering from [the project commencement date] to
[the project completion date])

Project Title : Implementation of Code of Practice for Hong Kong
(Reference No.) Telemarketing Industry
(D10 002 005)

Period covered : From 1 March 2011 to 31 August 2012
(dd/mm/yy) (dd/mm/yy)

1. Project Details

Please mark with "*" if any of the following project details is different from that in the project proposal appended to the project agreement.

Project Reference and Title

Implementation of Code of Practice for Hong Kong Telemarketing Industry
(D10 002 005)

Project Summary (in not more than 150 words)

The Unsolicited Electronic Messages Ordinance (UEMO) was enforced on 22 December 2007 to regulate all types of commercial electronic messages, including email, fax, or pre-recorded messages, originating from Hong Kong, as well as those sent from overseas to Hong Kong,

Person-to-person voice or video messages without pre-recorded or synthesized elements had been excluded from the regulation. There have been calls to include person-to-person telemarketing into the ambit of the Ordinance. While the Hong Kong Call Centre Association (HKCCA) is supportive of the intent behind the UEMO that contains the problem of spamming in Hong Kong and minimizes the nuisance to the public, the Association has great concern about the possible inclusion of person-to-person telemarketing within the ambit of the Ordinance and the consequences that this could have on small, medium and large enterprises in Hong Kong in particular those SMEs which constitute about 98% of Hong Kong's business community

In order to address the concerns of the population at large, HKCCA took the lead to develop a Code of Practice (CoP) together with several key telemarketing companies (telemarketers). With the support from Office of the Telecommunications Authority (OFTA), the CoP has been effective since 1 July 2010 and it is the intention that responsible industry players will sign and adhere to the Practice when conducting their telemarketing business.

The Approach for this project are:

- HKCCA prepared the CoP with input from key telemarketers and support from OFTA.
 - HKCCA to launch the CoP within the telemarketing industry in Hong Kong and facilitate the industry players to sign up through seminars, workshops and press conference.
 - HKCCA to work with an independent body - Hong Kong Quality Assurance Agency (HKQAA) to conduct audits and certification of the CoP to ensure the participating telemarketing companies and their employees comply with the requirements.
 - OFTA and HKCCA to encourage government departments and private enterprises to use certified telemarketing service providers when outsourcing the telemarketing activities.
 - HKCCA to set up a hotline for public enquiries of UEMO, Data Privacy Ordinance, CoP and related complaints.
 - Structured training programmes to be provided to the frontline staff of the telemarketing companies to enhance their performance.
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Project Objective(s) (in not more than 80 words)

- 1) To encourage best practices and improve the performance of telemarketing businesses both internally and externally in Hong Kong.
 - 2) To promote a cooperative approach by all parties within the telemarketing industry to project a positive image of the telemarketing industry to the public.
 - 3) To outline expectations of performance in conducting the telemarketing business.
 - 4) To encourage high standards within the telemarketing industry seeking from those involved in the industry a commitment to comply with all the laws, regulations and code of practice relating to the industry.
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Recipient/Collaborating/Implementation Organisation

Recipient Organisation : Call Centre Association Limited (HKCCA)

Collaborating Organisation(s) : Nil

Implementation Agent(s) : Hong Kong Quality Assurance Agency (HKQAA)

Key Personnel

	<u>Name</u>	<u>Company/Organisation</u>	<u>Tel No. & Fax No.</u>
Project Co-ordinator	: <u>Mr. Rayland Chan</u>	<u>Call Centre Association Limited</u>	<u>2577 2289 2838 6482</u>
Deputy Project Co-ordinator	: <u>Mr. Michael Cowell</u>	<u>Call Centre Association Limited</u>	<u>2577 2289 2838 6482</u>

Project Period

	<u>Commencement Date (day/month/year)</u>	<u>Completion Date (day/month/year)</u>	<u>Project Duration (No. of months)</u>
As stated in project agreement	<u>1/3/2011</u>	<u>29/2/2012</u>	<u>12 months</u>
Revised (if applicable)	<u>1/3/2011</u>	<u>31/8/ 2012</u>	<u>18 months</u>

Methodology Employed

Seminars, press briefings, media promotion, training, sign-up ceremony, audit by an independent party, certificate presentation ceremony.

2. Summary of Project Results

Project Deliverables

Please list out the targeted project deliverables as stated in the project proposal appended to the project agreement and provide details of actual result achieved, including beneficiaries, for each of them.

(A) Introduction of CoP to the Telemarketing Industry in Hong Kong

A press conference to be conducted to announce the implementation of the CoP and the compliance assurance mechanism.

Three half-day seminars to be conducted with Government and expert speakers on UEMO and introduce the CoP for Telemarketing Industry.

HKCCA Chairman/ Executive Director/ Telemarketing Expert to attend radio phone-in shows to introduce the CoP and answer questions from the audiences.

A CoP signing ceremony to be organised for participating telemarketers to demonstrate their support and commitment to compliant to the requirements.

(B) Audit and Certification

HKQAA to conduct audit for the participating telemarketers to check if they are compliant to the requirements as prescribed in the CoP.

HKCCA to issue Compliance Certificate to telemarketers that had passed the audit.

HKCCA to maintain a list of certified telemarketers on the HKCCA website for public access. The updated list to be submitted to OFTA. The certified telemarketers to be re-audited every 12 months

(C) Establish hotline for Enquiry and Compliant

HKCCA to set up a hotline for public enquiry regarding the UEMO, Data Privacy Ordinance and the CoP and receive complaints regarding non-compliance of telemarketers in conducting telemarketing business.

HKCCA to keep record of statistics of enquiries and complaints and provide statistics of complaints to the relevant authority or public body from time to time for the purpose of monitoring the compliance situation.

(D) Provide frontline staff with structured training programme

A "Core Competence training series for Frontline Telemarketers" to enhance the skills and competence of the frontline Telemarketers. The 6 modules are as follows:

Module 1 - P2P Telemarketing Code of Practice Introduction and Service Excellence

Module 2 - First Call to Success

Module 3 - Effective Communications

Module 4 - Handle Difficult Customer Situations

Module 5 - Performing through EQ and Stress Management

Module 6 - Telemarketing Putonghua

Module 1-5 are 4-hour training courses. Module 6 is a 32-hour Putonghua training programme to be conducted in a span of 16 weeks with weekly 2-hour session. Certificate will be issued to the participants who had completed the training.

Actual Benefits to SMEs

Please indicate in *clear, specific, tangible and quantifiable terms* the benefits of the project and its contribution to enhancing the competitiveness of Hong Kong's SMEs in general or SMEs in specific sectors, in not more than 400 words.

1. Person-to-person Telemarketing Code of Practice was formulated and introduced to SMEs where they are able to follow the guidelines and best practices to conduct their telemarketing business in a lawful and effective manner.
2. Through seminars, media coverage, radio and TV programmes, SMEs understood the specific requirements of the CoP and the proper way to prepare their business for compliance.
3. The training series that were provided for the frontline telemarketers of the SMEs enable them to learn the knowledge of CoP as well as enhancing their skills, techniques, Putonghua proficiency and mentality in doing the telemarketing business.
4. The hotline that was established for this project enabled SMEs to make enquiries on the application of CoP, the UEMO and other telemarketing related issues.
5. The CoP certification audit help verify the SMEs are CoP compliant and that certificate are awarded to those who passed the audit. The certified status of the SMEs and listing of their company names on HKCCA website, CEDB and OFCA records as Certified Telemarketers further help promote their business.
6. The implementation of the CoP, the structured approach to educate the industry practitioners of the compliance requirements and the on-going, independent certification mechanism succeeded in protecting the Person-to-Person Telemarketing industry from legislation. The whole initiative also instills a better image of the industry to the public and helps cultivate a more healthy business environment for the SMEs to grow.
7. Triggered by the Octopus incident, Personal Data (Privacy) (Amendment) Bill 2011 was activated. The Bill regulates the use of personal data in direct marketing and the transfer of personal data. With the implementation of the CoP and the certification mechanism, we were successful in fencing off the proposed amendments of an "Opt-in" mechanism (that data users (telemarketers) have to get the consent of the data subject for using his/her personal data for direct marketing activities) as well as setting up a centralized "Do not call" registry for the public to register their phone numbers for not receiving the marketing calls. Though the Personal Data (Privacy) (Amendment) Bill 2011 was finally passed by LegCo on 27 June 12, the provisions that will come into operation on 1 October 2012 would not impact the competitiveness of the SMEs.

Milestones (in chronological order)

Please indicate if the milestone is completed (C), deferred (D) or not achieved (N). If it is deferred, please indicate the revised completion date. For those milestones which are deferred or not achieved, please also provide the reasons under item 2.4.

<u>Milestone</u> (as set out in the project proposal appended to the project agreement)	<u>Original target completion date</u>	<u>Revised target completion date</u> (if applicable)	<u>Status</u> (C/D/N)#
(a) - Press conference to be held to announce the industry's CoP and the self-governance mechanism. - Targeted telemarketers to be invited to attend CoP introduction seminars	31/3/2011		C
(b) - 3 seminars for telemarketers to be conducted. - HKCCA Chairman, Telemarketing Expert and Executive Director to attend Radio/TV shows to introduce CoP, and the self-governance mechanism and answer questions from the audiences.	30/6/2011		C
(c) - Participating telemarketers sign up ceremony to be organised.	30/6/2011		C
(d) - Initial audit for the participating telemarketers to be conducted	31/8/2011		C
(e) - Hotline to handle enquiries and complaints to be in operation	31/8/2011		C
(f) - Training Series to be conducted for Frontline Telemarketers	31/1/2012		C
(g) - Project evaluation and Final Project Report to be prepared	31/8/2012		C

Reasons for Deferring or Not Achieving certain Milestones, if any.

Marketing/Dissemination Activities (in chronological order)

Please provide details of all completed and on-going promotional and/or dissemination activities for each of the project deliverables. Such activities may include advertisements, seminars, workshops, etc.

<u>Date/ Period</u>	<u>Description</u>	<u>No. of beneficiaries</u> (Please specify whether they are SMEs or not)
21/3/11	Press Conference was conducted to announce the Scheme	The public
19/4/11	HKCCA Chairman presented in Radio HK phone-in show (19:00) hosted by 吳志森 to introduce the Scheme	The public
21/4/11; 31/5/11; 22/6/11	3 half day seminars were organized to promote the Scheme and explain in details of the CoP and the requirements for certification. Experts of the telemarketing industry were invited to share their experience and expertise with the audiences	202 participants
31/5/11	P2P Telemarketing CoP Assessment Guide was published and distributed. The softcopy of the Guide was uploaded onto HKCCA website	300 companies
11/6/11	RTHK Show - HKCCA Chairman and one of HKCCA member companies were interviewed regarding Telemarketing business in HK in RTHK programme All about money (原來錢作怪)	The public
22/6/11	Sign-up Ceremony for the first batch of Certification participating companies was organized to promote the Scheme	13 companies
25/6/11	First Call to Success	300 participants
29/6/11	P2P Telemarketing CoP Introduction and Service Excellence	
9/7/11	Effective Communication	
23/7/11	Handle Difficult Customer Situations	
6/8/11	Performing through EQ and Stress management	
3/8/11 - 22/10/11	Telemarketing Putonghua	
19/1/12	Certificate Presentation Ceremony for the 13 Certified Telemarketers	13 companies
31/1/12	Supplement on Hong Kong Economic Times to promote the Scheme and report on the Certificate Presentation Ceremony	The public
	Supplement on The Standard to promote the Scheme and report on the Certificate Presentation Ceremony	
24/8/12	Conducted an additional half-day seminar on the CoP and the Certification Scheme to further promote the Scheme (sponsored by HKQAA)	52 participants
Total no. of beneficiaries - SMEs		Around 300 companies, 550 employees
no. of companies which are <u>not</u> SMEs		The entire telemarketing industry and the public

Future Plan for Promoting the Project Deliverables

N/A
