

Communications Consumer Panel and ACOD's response to Ofcom's consultation on improving broadband information for customers:

Ofcom's proposal for new guidance to improve customer information

About us

The Communications Consumer Panel, established by the Communications Act 2003, is a group of independent experts with direct sectoral experience. We ensure the voice of UK consumers, citizens and micro-businesses is represented in communications policy development.

The Panel's job is to ensure that the sector works for consumers, citizens and micro businesses - and in particular, people who may be in a more vulnerable position in society. We commission research, provide advice and encourage Ofcom, governments, industry and others to look at issues through the eyes of consumers, citizens and micro businesses.

The Panel pays particular attention to the needs of older people and people with disabilities, the needs of people in rural areas and people on low incomes, and the needs of micro-businesses, which have many of the same problems as individual consumers.

Four members of the Panel also represent the interests of consumers in England, Northern Ireland, Scotland and Wales, respectively. They consult with the key stakeholders in the Nations to understand the perspectives of consumers in all parts of the UK and input these perspectives to the Panel's consideration of issues. Following the alignment of ACOD (the Advisory Committee for Older and Disabled people) with the Panel, the Panel is more alert than ever to the interests of older and disabled consumers and citizens.

Our response

We support Ofcom's proposal to introduce guidance for broadband providers on clearer information for broadband customers, informed by timely research.

Access to digital communications is now seen widely as a vital part of UK consumers' everyday lives, as we hear regularly from those who take part in our independent research.

- "Internet [broadband] I use it like my mobile, for everything. I check my bills online. My son uses it for homework too." (Claire, single parent, 25-34, not working, Croydon)
- "If I didn't have broadband my kids wouldn't be able to cope." (Carol, single parent, 45 60, South Yorkshire)
- "I didn't used to have internet at home and it meant that you had to go to the Job Centre to do your job applications and things to keep getting your benefits. There wasn't one where I lived so it cost you in public transport" (Louise, living with partner and children, 25 34, Larne)



However, the technology used to deliver the internet to homes across the UK has changed at a rapid pace, forcing consumers to keep up with the terminology or to trust their provider to know what's best for them. This can result in confusion and decisions that are not fully informed, leading to consumers making decisions about their spending that could result in an insufficient service, or unexpectedly high bills.

The Panel believes that a minimum standard of digital living needs to be determined by policymakers and consumer groups and we are working stakeholders and academics in our National Hubs to help move this forward. However, to truly have access means, in our view, that consumers and citizens need a basic level of media literacy and digital confidence. This include an understanding of what the technology they are buying can do for them and how to compare tariffs and providers.

We know that access to digital communications can also enable consumers to save money and empower themselves - using price comparison websites, applying for jobs and benefits, having the option to work from home or run a business (including submitting tax returns), and conducting home schooling.

Information for consumers, informed by consumers

The proposed guidance will enable a consistent standard of information to be available to all current and potential broadband consumers, which we believe will better empower consumers to compare broadband deals and services available to them.

Consumers purchasing broadband may have no reason to look into the types of technology on offer to them until they purchase broadband for the first time, or when a long contract ends, by which time technology has moved forward.

We are also aware that some parts of the UK - for example, rural and remote areas - may not offer as much comparison in provider or technology, therefore consumers in those areas may be less likely to need to engage in comparative research. However, when a new technology type does roll out in such a location, we believe it is vital that consumers know what the choice may mean for them. The same applies to consumers who have so far only been able to afford a basic broadband package. Consumers in this situation would be moving from a position of little choice to a position of more choice and this should feel like privilege not a burden.

We know from listening to our consumer stakeholders and from commissioning independent consumer research, that language is not currently consistent across the sector - as highlighted further by the supporting documents to Ofcom's consultation.

We are pleased that Ofcom commissioned independent research with consumers to inform the first draft of this guide. We believe that this should be a living document, listening to the evolving needs of consumers and would like Ofcom to acknowledge that further user testing may be required by providers or the regulator itself to keep pace with the type and level of information needed by consumers.

We know that navigating the broadband market can be particularly challenging for people who are less digitally skilled or digitally confident, so it is not simply the



format and language that needs to be considered by Ofcom and industry, but also the way it is made available. A 'one size fits all' approach isn't applicable if the aim is to encourage consumers and citizens to get online, stay online and understanding what they are buying. We believe that any information provided should be suitably clear for first-time broadband purchasers and people with low digital literacy and confidence.

As per all communications aimed at consumers, we would encourage providers to ensure that these communications are available in formats that are accessible to all, including people who are not yet online, are unable to use the telephone, have a lower than national average adult reading age and have low fluency in English as a native speaker of another language (this may include people whose first language is British Sign Language).

Feedback from our National Hubs

We have heard from stakeholders participating in our <u>National Hubs</u> that some concerns for the consumers they represent include the ability to use communications support services, including live speech-to-text captioning and video relay, affordably.

A stakeholder recently raised the point at our National Hubs that consumers whose services become restricted through falling behind on payments find that everything they used broadband to do is restricted, including keeping up with benefits applications, causing them to rely more on their mobile phone data.

These points highlight how essential it is that consumers understand what is available to them, how much it will cost and are on the right tariff for their specific needs.

We hope that if consumers become better informed and more easily engaged, Ofcom and industry will receive more accurate data on what consumers really need and this will drive towards a demand-based, consumer-centric market, encouraging more competition in the broadband industry.

Additional information for consumers in financial difficulty, to prevent disconnection

Alongside the need for clear information about broadband technology, we believe contract terms should be clear and consumers should understand what to do if they can no longer afford the tariff they have subscribed to. This links to Ofcom's Treating Vulnerable Customers Fairly guide (link), of which all broadband providers should be aware.

We believe that alongside the information proposed to be placed on providers' websites and given at point of sale, consumers should be advised about what they should do if they struggle to pay their bills, to prevent consumers from being cut off. We understand that many providers have steps in place to help consumers to keep connected and that it can be difficult for them to engage financially vulnerable consumers. This may be an opportunity to do so, before difficulties occur.



Summary

While we continue to encourage broadband providers to conduct their own research and customer experience testing, the research by Ofcom provides useful evidence of the current needs of consumers across the breadth of the broadband sector.

We welcome the introduction of the guidance, which is informed by consumer needs. Ofcom's guidance should - we believe - offer clarity to broadband providers on the criteria that are useful to consumers and on Ofcom's expectations on them.

We urge Ofcom to promote the provision consumer information in a range of accessible formats, accessible to first-time broadband consumers and people with low levels of digital and general literacy.

We also encourage Ofcom to consider using the guidance as a way of encouraging broadband providers to connect with consumers to build trust during times of financial difficulty, preventing consumers from debt and disconnection, in line with Ofcom's principles under its Treating Vulnerable Customers Fairly guide.