Good morning and welcome.

I'm Chris Holland and I'm a Member of the Communications Consumer Panel.

And thank you, Jo, for the opportunity to speak at today's event. The agenda item gives a clue to the perspective we'd like to bring to the proceedings – it's that of the consumer.

By way of introduction, the Panel was established under the 2003 Communications Act and is an independent group of eight experts who work to protect and promote people's interests in the communications sector. We carry out research, we provide advice to Ofcom, Government, the EU, industry and other stakeholders; and we encourage those bodies to look at issues through the eyes of consumers, citizens and small businesses.

We pay particular attention to the needs of older people and people with disabilities; people in rural areas; people on low incomes; and the needs of small businesses - which face many of the same problems as individual consumers.

Four Panel members represent the interests of consumers in England, Northern Ireland, Scotland and Wales respectively; and there is also cross-membership with Ofcom's Advisory Committee on Older and Disabled People. In that capacity we provide specific advice to Ofcom in respect of those consumers – and along with communications issues this includes broadcast content on services regulated by Ofcom and issues concerning the postal sector.

But enough about us!

We're very grateful to Ofcom for hosting this event, and we welcome and support this initiative to examine the quality of service experience for mobile consumers. Today more than ever before this is vitally important, with so much reliance on our mobile devices for so many things. Call quality; network availability; and information about the service experience consumers can expect to receive, and what happens if those expectations are not met, are rightly high up the agenda.

A couple of weeks ago – on 3rd April – it was the 40th anniversary of the very first mobile call. On that day in 1973 Martin Cooper of Motorola called up a rival at Bell Labs – just to rub it in! Rumour has it that his first words were: "I'm on the train!". But that is unsubstantiated. If you'd owned a handset then you'd have a piece of kit weighing two and a half pounds, nine inches tall and containing 30 circuit boards. You'd have to charge it up for 10 hours to get half an hour's usage.

Unsurprisingly, not many people had one.

Compare that to today – **who in this room has a mobile phone**?

You are one of an estimated 47 odd million adult mobile phone users in the UK. And where would we be without this device, which is so much more than just a phone? How do we feel when we can't make a call; we get poor voice reception; or we can't access data, or the internet or our messages or our facebook or twitter communities.

Despite the progress that's been made since 1973 and the array of services and apps now at our fingertips, the issue of inadequate or poor mobile coverage has concerned the Panel for a number of years now. In 2009 we undertook research to examine mobile coverage from the point of view of the consumer – looking at the experiences of over 1,700 people and small businesses. This confirmed, perhaps not surprisingly, that mobile phone coverage is a vitally important issue for consumers. Respondents – both consumers and SMEs - rated it as more important than cost when choosing a network provider. We also found that over half (56%) of consumers had experienced problems with reception, a third of them (33%) regularly so. So the impact and importance of this issue should not be underestimated.

In 2010 we published a report called: “Can I cancel? Mobile coverage and contract cancellation”, which examined the information consumers were given about operators’ cancellation policies. The outcome of this work was to encourage the publication of **comparable** information about coverage and to influence industry to simplify coverage cancellation policies; and to make it easier for consumers to cancel contracts on the basis of inadequate network coverage. We also highlighted the importance of ensuring that sales advisers are adequately trained so they can offer consumers appropriate advice. And, needless to say, we encouraged Ofcom to explore ways to improve mobile coverage.

The point to stress here, perhaps, is the usefulness to consumers of **comparable** coverage information. For consumers to make truly informed choices, we believe this is fundamental.

During the design phase of the recent 4G auction, we lobbied Ofcom to include coverage obligations at a national level; and we continue to be interested in the role that, if necessary, roaming might play. We’ve just published our 2013/14 workplan and have identified mobile voice and data availability as an area we will keep under review during the year. The Panel has welcomed the significant contributions made towards addressing the urgent need to drive improvements in rural mobile voice and data coverage. These include, by 2017, the 4G coverage obligation of 98% indoor coverage UK wide, or 95% in each nation; the mobile infrastructure project; and the developments in industry, such as site sharing. All this will be of benefit to consumers.

And these improvements are vital if people are not to be left behind by the rapid development of 21st century communications, the steps towards a digital by default society, and the way businesses interact with each other and their customers.

But what about the here and now? Mobile coverage and reception issues continue to persist - as the Call for Input notes *"The performance of these networks can vary between operators, by location and time of day and may **not always meet the expectations of consumers**."* We noted from the research published alongside the Call for Input that 81% of consumers report overall satisfaction with their mobile provider. That's pretty good you might think. And Ofcom's Consumer Experience report found higher levels of satisfaction at 89% - very good you might think. But I'm not so sure. This still means that around **6.6 million UK adult mobile customers do not express satisfaction with their mobile service**, **and 4.3 million state actual dissatisfaction.** Try to imagine 6.6 million of anything! That is a lot of consumers and I'd ask whether anybody really finds those numbers acceptable.

In the Panel's view, the lack of voice and/or data coverage is no longer one of simple irritation for consumers and small businesses – although that is reason enough for action - but it is now becoming an issue of real detriment. There is an urgent need to drive rapid improvements in rural and semi-rural mobile voice and data coverage if these sections of society are not to be left behind, left out and left wanting.

People from all walks of life are increasingly reliant on mobile devices - and not just for calls/texts but for accessing information, conducting transactions, reporting problems, booking tickets and so on. In the Panel's view, this type of usage is likely to continue to increase rapidly and a lost connection when making, for example, a transaction is potentially extremely problematic. So while coverage may be improving, if that doesn't keep pace with the rate which matches people's reliance on mobile and their related expectations, their perception may well be that coverage is getting worse – or simply isn't good enough.

When we carried out our 2009 research, 87% of UK adults had a mobile phone for personal use. The latest Technology Tracker figures now put that figure at 91%. But even more tellingly, in 2009, 75% of mobile phone users said that they **never** used their phones to access the internet. Now, almost half of respondents - 49% - said they personally use their mobile phone to access the internet. And that is up from 36% a year ago - so mobile internet use is growing large and fast. Having that use disrupted by poor coverage is not welcome.

For small businesses, poor coverage, dropped calls or interrupted transactions can be a cause of lost business and consumer dissatisfaction. The research published alongside the Call for Input noted that SME's used their mobile phones more frequently and were more likely than individual consumers to be dissatisfied with their ability to make and receive calls; and they are more likely to have experienced problems with reception, signal strength, dropped calls and sound quality.

There is, I think, a key statement in the Call for Input, and it's this: "*The extent to which operators are incentivised to improve their consumers' Quality of Experience is in part related to the competitive advantage that they can gain from offering the higher quality. However, unless consumers are able to take the Quality of Experience offered by different operators into account when making purchasing decisions, there is less incentive for operators to invest in improving it*."

In the Panel's view, providing better information that is comparable and up to date will help consumers make better choices, which we hope in turn will drive up services levels even further.

There are other areas of work that Ofcom is undertaking – or that we have urged it to undertake – that are also relevant in this area. The Panel is looking forward to the publication of the assessment of communications provision across the UK – and in the devolved nations particularly. We hope that any recommendations that are made in the report will be explored with stakeholders during the course of 2013/14.

We are particularly pleased to see that one of Ofcom's priorities for the coming year is to promote opportunities for people to participate. This is especially important as we move to a society where there will be a 'digital by default' delivery of many government services. Quite simply, consumers who are not online will become increasingly disadvantaged, disempowered and disenfranchised. Being excluded from an online world has now become a matter of significant consumer and citizen harm – so being able to rely on a good mobile connection becomes more crucial.

In our response to Ofcom's Call for Input, we focussed on what information we thought would be of value to consumers in terms of their holistic experience. This is important. So important that we are currently undertaking a new research project looking at the end-to-end consumer service journey of telecommunications users. We expect to publish our report on that next month and whilst it is not the topic for today, it nonetheless underlines the fact that the customer is buying a whole service, not just a collection of separate elements. So as part of that we believe that consumers deserve comprehensive information before or at the point of purchase. In terms of information that is of value to consumers, we don't believe this should be limited only to technical network and service detail. But today's exercise is essentially about call and network service quality, so looking at that we would highlight the need for information relating to reliability and consistency: including, voice and data coverage by number of operators; call failure rates; dropped call rates, data connection likelihood and speed; and SMS delivery speed.

We think information should be comparable and include indoor; outdoor; and on the move voice and data coverage. Such data needs to be at a granular level, and available in relation to location and time of day. Road and rail coverage is important for people who are travelling, as it is business users. And the information also needs to cover areas where few or no people live - because people regularly travel through such areas. In short, the numbers of consumers living in certain areas is not an accurate reflection of the numbers of people who will want to know what network coverage and service is like in those areas when they choose their service provider.

For some severely disabled and some older people, detailed coverage information is particularly vital when travelling. These people can be especially vulnerable in case of breakdown or other emergency when in isolated rural areas; and the same applies to those consumers who live in such parts of the country. We know that in the Highlands of Scotland there is a specific difficulty experienced by the emergency services when trying to communicate with each other: or when using mobile devices such as smartphones or tablets to take pictures to send to colleagues or access reference information when they're attending accidents or incidents and so on. I'd imagine that a similar situation applies to any other remote rural area throughout the UK.

All information published should be in easily accessible plain English - and in terms of what it means for the consumer. So the Panel has suggested even avoiding using terms like 3G, 4G etc. The important information is about **what** the service does for the consumer. And different people will require information in different formats – so this should not be about providing information that is only likely to be accessed by the most informed, or the most tech savvy people, in society.

In terms of frequency, we think that annual updates of consumer information will be too far apart. We'd suggest that quarterly reports would be far more appropriate. And if operators are willing to share information about the progress of local build plans for extending the networks, that would be extremely helpful to consumers who are considering their longer term plans. As far as possible, information provided should be future-proofed – although we recognise that this may be difficult given the pace of change, which is why we feel quarterly updates would be helpful.

The Panel is also interested by the potential offered by apps to collect data about the mobile coverage experienced by users and its collation for wider-reporting purposes.

We'd encourage the provision of information at a holistic level but today's event is not looking at other elements such as information about billing tools and alerts; how to accurately judge your likely data usage requirements; Ts & Cs; the issue of handsets and accessibility features and so on. But it is important to recognise that all these things contribute towards helping an individual to make a truly informed choice about what service to have and who is best to provide it.

We think that consumer satisfaction statistics should be provided at a detailed level. By way of example - while the consumer research report published alongside the call for inputs provides analysis by rural and urban population and by nation, it **does not** report on the mobile experience for urban and rural populations within nation. In Scotland, for example, 90% of the population live in a quite densely populated swathe across the Central Belt and up the East Coast. In the Panel's experience, the remaining 10% do not enjoy the mobile voice and data experience of the majority. For this reason, it's essential that any quality of experience reporting distinguishes between the urban and rural experience across the UK and within devolved nations.

Satisfaction is based on experience – people in rural areas are likely to have experienced having only one or two providers, or being in areas where there is no coverage at all. So the level of mobile experience that equates to satisfaction in that context may well be lower than that for urban dwellers. For this reason, we'd welcome the provision of objective as well as more subjective measures.

In summary then, mobile telephony has come a long way since that first call in 1973. Today the technology, when you stop to think about it, is quite amazing and it can enrich our lives no end, beyond anything we could have imagined 40 years ago. That is the very reason why even better coverage and information about service expectations is so crucial.

The significant contribution of industry, regulators and other stakeholders over the last 40 years has been remarkable. But each success only buys you an admission ticket to a more difficult problem. That is the nature of progress. So the next problem to crack is providing truly ubiquitous and reliable coverage for consumers wherever they may be.

So, as I said at the start, the Panel strongly supports this initiative and thank you for seeking our views. As both consumers and small businesses are increasingly reliant on mobile devices, excellent network coverage and call quality combined with the provision of better information will help consumers make better choices – and thus make greater use of the functions and applications that they want, which in turn we hope will drive up service levels and ensure that a thriving competitive market benefits all stakeholders.