Communications Consumer Panel and ACOD's response to the Gigabit Take-Up Advisory Group's Call for Evidence

The Communications Consumer Panel, established by the Communications Act 2003, is a group of independent experts with direct sectoral experience. We ensure the citizen and consumer voice 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 carry out research, provide advice and encourage Ofcom, governments, the EU, 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 liaise 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.

Response

The Panel welcomes the opportunity to contribute to Gigabit Take-up Advisory Group's (GigaTAG) Call for Evidence and help stimulate demand for gigabit-capable broadband connections across the UK. Our strategic plan 2020/21 outlines that as a baseline, all consumers, citizens and microbusinesses should have the right to demand access to an affordable and reliable communications service and no consumer should be left behind, regardless of circumstances. The Panel's drive to secure ubiquitous availability of communications services has been intensified by the impacts of the Covid-19 pandemic, which have reinforced that communications services are an essential service and that availability of these services should be universal.

We note that GigaTAG seeks to understand the barriers to gigabit take-up and to act on them. The Panel's insights come from a range of sources, from our own independently-commissioned research to our regular engagement with other organisations that work directly with consumers on a daily basis. We look to identify causes of consumer detriment in the communications sector, particularly in relation to consumers who are

less likely to be heard. From 2019/20[1], our insight has also been aided by the establishment of our National Hubs. The Hubs take place across the UK and are attended by consumer-focussed organisations, charities and others, to draw out consumer issues. We then highlight these issues with the regulator and communications providers (CPs). Within this response to GigaTAG's Call for Evidence, we have drawn on consumer insights captured from our research programme and the National Hubs.

We also engage regularly with the Broadband Stakeholder Group, who published research in November 2020, examining 'the attitudinal challenges that the UK faces in encouraging greater internet adoption by 3.6 million digitally excluded citizens, alongside the financial, and skills-based aptitudes'. The qualitative study looked into the lived experience of 30 respondents during the first phase of the Covid-19 pandemic[2].

Participants at our National Hubs have highlighted that the impacts of the pandemic have meant that many citizens and consumers have been thrust wholesale into the digital world – whether or not they previously had strong levels of interest, or skill in using the internet. There have been fundamental shifts in the basis of people's day-to-day interactions and behaviours, including the way people shop, access healthcare and education; apply for jobs, benefits and government services; and communicate with friends and family. These changes will almost certainly embed themselves into people's behaviours in the longer-term, meaning that digital connectivity is now more important than ever – and we believe an essential service for all.

In light of these changes, consumers will require faster, more reliable broadband, to cope with the sometimes-simultaneous demands of video calls for those working from home or studying as well as gaming or streaming activities. The pandemic has also pushed retailers online and poor connectivity could result in financial detriment for micro-businesses particularly.[3] Despite these behavioural shifts and the demand for faster, more reliable connectivity, we have identified a number of barriers that could stop consumers from taking advantage of gigabit-capable connections.

- Affordability of communications services
- Consumer confusion of communications terminology, initiatives and range of services available
- Lack of access to digital infrastructure
- Digital skills and online participation
- Access to communication providers' customer services

A) Affordability of communications services

- Consumers may dismiss the opportunity to upgrade: they may see it as a potentially costly risk, particularly in the current financial climate.

[1] https://www.communicationsconsumerpanel.org.uk/downloads/strengthening-the-consumer-voice-in-communications---statement.pdf
[2] http://www.broadbanduk.org/2020/11/02/new-bsg-report-the-impact-of-covid-19-on-the-digitally-excluded/
[3] https://www.communicationsconsumerpanel.org.uk/downloads/panel-micro-business-report-final.pdf

- An upgrade often requires the negotiation of a new contract and that can be off-putting in times of uncertainty
- Consumers may not appreciate the benefits of upgrading
- Consumers in rural areas may not understand how they can split the cost of connection across their local community.
- For some consumers, cost of devices is prohibitive. While Ofcom does not regulate the sale of communications devices and equipment, affordability for consumers means the affordability of the total cost of ownership and service costs. This has been thrown into sharper relief during COVID with lower income families disadvantaged educationally through lack of sufficient laptops/iPads for household members[4].

In January 2020, we published our research on the experiences of communications consumers living in low-income households in the UK. Our research found that many households struggle to meet payments for broadband services and where difficulties occur, communications providers (CPs) could implement better measures to assist consumers. In times of financial trouble, if consumers do not receive sufficient support from their CP, this is likely to act as barrier to consumers upgrading and paying higher costs for services.

Our research recommendations focussed on how CPs could alleviate consumer stress in times of financial difficulty including realistic repayment plans; greater clarity and transparency on cost and services; and tariff flexibility to reflect consumer usage. Since publishing the research, the pandemic has struck, and we have welcomed greater flexibility by CPs and urge them to continue in this way.

In addition, in rural areas gigabit capability connections are costly – this has resulted in communities collectively investing to establish a gigabit capable connection and we understand from participants in our National Hubs that these initiatives would benefit from being more widely promoted.

Potential solutions to overcome barriers:

- As the digital world evolves and consumers' data demands increase, a balance between affordability and the cost of gigabit-capable services will need to be struck. CPs will need to be clearer on the costs of gigabit-capable services and offer fair and affordable pricing.
- Where payment difficulties arise, broadband providers should allow consumers realistic and flexible repayment plans to reflect their financial circumstances.
- Governments should – with help from consumer-focussed organisations - raise awareness of community-based funding opportunities to reach full-fibre connections.
- A potential solution for the Government may be to recognise the strategic value of a Gigabit-enabled UK, and hence consider increasing its level of centrally funded

[4] See https://futuredotnow.uk/devicesdotnow/

subsidy to ensure Gigabit services are affordable for any user in the UK (at the expense of other forms of national infrastructure investment which are less beneficial to the UK).

B) Confusing terminology and initiatives

- Communications is a fast-paced sector – not all consumers are tech-savvy and there is an information asymmetry which can be confusing and disempowering. Some consumers may struggle to talk to their CP on the same level about their needs and requirements, not understanding jargon such as 'full-fibre', 'superfast' and 'gigabit'.
- Consumers may not understand their current type of service, their usage requirements or what constitutes value for money against quality of service.
- Consumers may not know which organisation to approach or how to arrange better coverage

We have consistently heard from research and Hub participants that consumers find communications terminology and jargon confusing. As a result, consumers find it difficult to differentiate between services and how services accord with their digital requirements. We have previously recommended that CPs should provide a clear explanation of the technical aspects of services, to help consumers understand the value of their service.[5] Our National Hubs recently focussed on UK-wide and Nation-specific connectivity initiatives and rural connectivity - we heard that consumers find it difficult to navigate the market and understand what terms such as 'gigabit' mean. There is also low awareness amongst consumers of the different initiatives across the UK and confusion in terms of what is best for the individual, household or micro business.

Potential solutions to overcome barriers:

- Disseminate information on connectivity initiatives via trusted sourced e.g. consumer groups, in simple, practical language.
- Develop a tool to help consumers easily understand the level of connectivity they require. Make the tool open source, so that it can be used by Ofcom, digital comparison websites and apps; and consumer organisations and charities.
- Ensure accessibility and usability are built into any such tool from the design stage.

C) Lack of access to digital infrastructure

- Gigabit-capable connectivity is not widely available and for many consumers an upgrade is not possible.
- Consumers who live in rural areas or in areas where fibre connections are not yet available are not able to take advantage of the benefits of gigabit connectivity.

We welcome and support connectivity initiatives across the UK and its Nations, and the UK Government's commitment to reach full fibre connectivity by 2025. In rural areas, we understand that both mobile and satellite connectivity solutions work well for rural

[5] https://www.communicationsconsumerpanel.org.uk/research-and-reports/dont-cut-me-off-the-experiences-of-communications-consumers-living-in-low-income-households

consumers but do not reach gigabit speeds. Recent research has also shown that an increasing number of consumers rely on smartphones for connectivity – in Ofcom's Adults and Media Use attitudes research, eleven per cent of adults only use a smartphone to go online, up from 3% in 2014.[6] If this trend continues, consumers might not rely on broadband connectivity, instead connecting via cellular networks.

Potential solutions to overcome barriers:

- Connectivity initiatives should be designed inclusively, and gigabit capable internet achieved via a multiplicity of initiatives. (There may be a multitude of players working to achieve the same goal, but the route to gigabit connectivity for the consumer or micro business should be simple and uncomplicated.)
- Those running connectivity initiatives should collaborate on communications for consumers – and communicate effectively with local councils and consumer organisations to ensure that consumers are aware of initiatives available to them.

D) Digital skills and online participation

- Many consumers relay on other communications services (e.g. landline only consumers) and do not see the relevance of the internet to their needs; the speed of an internet connection will be an abstract concept if they are not interested in accessing the internet.[7]
- Some disabled consumers may not be getting the most out of the internet, due to poor website accessibility; others (text and video relay users, for example) may benefit greatly from higher speeds and better reliability.
- Some consumers and micro businesses only appreciate what reliable internet services can offer them when they are forced to engage with it – examples include the pandemic and the diversification of rural businesses.

Landline-only customers tend to be older, with a disability and/or of a lower socio-economic background and tend to be less engaged with the digital market.[8] Some communications providers will only provide a line rental service alongside broadband and therefore gigabit take-up could be maximised if these consumers are encouraged to participate digitally and taught how to use devices and make full use of internet capabilities. Alongside this, some consumers consider being online unsafe due to cyber-security threats and scams. Our soon-to-be-published research into scams and fraudulent activity over communications networks looks at the 'chilling effect' consumers may experience after hearing of scams or being scammed themselves and deciding not to return to use of the service that they were scammed through. Skills-based learning through a trusted source would help to build consumer knowledge and resilience online.

---

[6] https://www.ofcom.org.uk/__data/assets/pdf_file/0031/196375/adults-media-use-and-attitudes-2020-report.pdf

[7] We believe that while it is vital that there remains a channel of government and public services available to citizens who do not want to go online.

[8] https://www.communicationsconsumerpanel.org.uk/downloads/what-we-do/previous-projects/internet/bridging-the-gap-sustaining-online-engagement/Bridging%20the%20gap%20and%20cover.pdf

Some consumers with a disability may not be able to get the best from the internet, as many websites are not fully accessible. Conversely, consumers using text and video relay services, for example, may benefit greatly from being able to access faster and more reliable speeds, to enable them to participate in social, health and business calls in real-time. We understand from Deaf stakeholders that consumers using text and video relay, and speech-to-text services in rural areas (or connecting with others who are in rural areas) during the pandemic, have found it difficult to participate fully, due to connectivity issues affecting the speed and delivery of the captions and images they rely on. If consumers using text and video relay were automatically upgraded to gigabit connectivity this may also have a 'nudge' effect on those engaging with them online, so that they consider upgrading.

In addition, since the pandemic, many small businesses have been required to move to e-commerce to keep businesses going and this will require reliable and fast connections, however many do not have the digital skills or knowledge to do so. For example, we have heard from organisations representing rural businesses that many farmers are having to upskill to diversify their offering, such as running tourist experiences that require reliable broadband.

Potential solutions to overcome barriers:

- Outreach to consumers who are digitally disengaged may help these consumers develop digital skills.
- CPs websites and apps should be designed in an inclusive, accessible and usable way from the outset, so that disabled consumers get value for money and can participate fully.
- Consumers using text and video relay services should be upgraded to gigabit connectivity where available, for the cost of a standard broadband service. This may 'nudge' others to upgrade when they see the difference higher speeds can make.
- Affordable digital skills training packages for small and micro businesses may encourage business owners to proactively upgrade to build their business.

E) Access to communication providers' customer services

- CPs should foster inclusive communications as part of their business culture to ensure that all consumers can engage in a way that best suits them.
- Ensuring that all consumers can engage in a way that best suits them means that consumers will feel more able to upgrade or downgrade their service easily.

Not all consumers will wish – or are able to - access customer service via the same communications channel to discuss their services. Our research has found that many older consumers and people with a disability want customer service that is inclusive and accessible and recognises that some people have additional requirements.[9] We are aware that customer service levels were impacted during the initial stages of the pandemic and whilst these are steadily returning to more normal levels of service,

[9] https://www.communicationsconsumerpanel.org.uk/downloads/were-not-all-the-same---final-report-171215.pdf

there are concerns that permanent closures of retail stores will further impact consumer access to customer service if these services are moved to online only.

Retail stores are particularly useful channels for consumers who have additional access requirements and prefer to interact face-to-face. In response to this concern, the Panel recently commissioned research into the accessibility of providers' apps and our research has flagged a number of accessibility issues, particularly for consumers who use screen-readers. Adopting inclusive communications would help consumers to make changes to their services easily.

Potential solutions to overcome barriers:

CPs to drive inclusive communications, ensuring that a variety of communications channels are available to enable consumer engagement with customer services.

Enable consumers to communicate in the way that best suits individuals' needs and abilities, so that they can participate in the market.

Key points to increase consumer take-up of gigabit connections

- Move rapidly towards making gigabit connectivity an option for all, so that communications can be rolled out inclusively across the UK, highlighting the benefits to consumers.
- Inform consumer focussed (and small business focussed) organisations across the UK so that they can provide clarity to consumers regarding initiatives in specific areas.
- Help consumers and micro business owners to understand the benefits in quality of service of upgrading, in the context of copper retirement and migration to all-IP networks.
- Use jargon-less terminology to describe gigabit capable connections and what they can offer.
- Use practical examples, to show the differences in usage between gigabit connectivity and slower connections.
- Develop affordable options for consumers who require gigabit-capable connectivity, particularly where using services such as text and video relay.
- Use cost range differences to dispel concerns that gigabit connectivity may be a lot more expensive to the consumer.
- Raise awareness of funding available for community networks and connectivity projects which could help UK Government reach its 2025 connectivity target.
- Ensure all communications with consumers are in accessible formats.