February 2011

Panel newsletter

Latest news...

Consumer Panel tells broadband providers to stop using 'up to' speeds in ads

The Consumer Panel has told broadband providers to stop using 'up to' when they advertise broadband speeds. Responding to the consultation that will set the rules enforced by the Advertising Standards Authority, the Panel said that advertising 'up to' broadband headline speeds is no longer credible or sustainable and is causing widespread scepticism among consumers. It has called on them to use clear and simple descriptions instead that consumers will understand. Panel Chair Anna Bradley said she wanted to "see 'up to' replaced by a typical speed description, such as "half of our customers receive at least xMbs".

Key recommendations

Adverts should:

- be short and simple, with small print kept to a minimum
- use a single speed rather than a range
- indicate that speed achieved will not be the same for all consumers
- include a prominent statement encouraging consumers to ask for the actual speed at point of sale.

The Panel response to the consultation on proposals for guidance on the use of 'up to' speeds in broadband advertising can be found on our website www.communicationsconsumerpanel.org.uk

Defining consumer outcomes - the Panel calls for greater clarity in Ofcom's draft annual plan

While Ofcom's intention to identify clear and positive outcomes for consumers and citizens is welcome, Panel Chair Anna Bradley said that the regulator should include specific consumer and citizen outcomes for each work area:

"We recognise that Ofcom has outlined the outcomes that it is seeking to achieve in relation to many of the proposed work areas, but particularly in relation to spectrum-related activities, there is still room to do more."

We also want to see clarity about how progress towards those outcomes will be measured," she said.

There should also be more focus on the issues that are likely to affect consumers in the future, the Panel wrote in its response to the regulator's *Draft annual plan 2011/12*.

In short...

Watch this space...

• Improving the usability of mobile phones is not a niche issue, but will benefit all users, including industry, the Consumer Panel writes in a feature for the spring issue of *Ability* magazine. <u>http://www.ability</u> magazine.org.uk/D efault.aspx

The Panel's latest research project is looking at how much consumers really know about how their personal data is used online. The market in consumers' personal data is growing rapidly and producing many benefits. But how is it used and by whom, and what are the risks for consumers? An indepth report will be published at the end of March 2011.



Anna Bradley also stressed that before deciding to provide consumers with information about, for example, communications providers' traffic management policies, Ofcom should establish how consumers make decisions and the role which information plays, adding: "Ofcom is in danger of starting with the remedies that it has power to impose, rather than starting by identifying the problem that needs to be addressed."

She expressed disappointment that mobile coverage is no longer a priority for the regulator: "We think that mobile coverage is an issue where Ofcom could use its 'soft powers' to significant effect, So, we do not want to see Ofcom downgrading their ambition in this area," she concluded.

To read the Panel's response to the Ofcom *Draft annual plan 2011/12* go to <u>www.communicationsconsumerpanel.org.uk</u>

The future of m-commerce is in the hands of consumers

The future for mobile commerce lies literally in the hands of consumers - it will depend on how they behave and the decisions they make, Panel member Bob Warner told the Westminster Media Forum (WMF). So, we need to understand who these consumers are "and the first thing to say is that in the future a lot more of them are likely to be older", Bob Warner explained. This ageing, over 65, group would account for 23% of all the UK's population by 2034, and many "will also have some kind of disability".

He told the WMF that mobile had the potential to play a key role in getting people online but that "work is needed to convince older and disabled users". Some of the real barriers, he explained, are about their ability to use mobiles, but this was a challenge that also made good business sense.

"The Panel's new research on mobile usability shows that this is not a niche issue - everyone likes a mobile that easier to use. This means that the business case for increasing usability is much larger than people might otherwise assume."

The Panel is taking a proactive approach by working with Ofcom to connect with retailers, operators, manufacturers and the voluntary sector in order to come up with usability solutions.

Mobile has the potential to offer considerable benefits to these consumers that includes m-commerce and the internet. "But, this is only going to happen if we have more usable phones," he concluded.

Bob Warner's Westminster Media Forum speech is on the Consumer Panel website <u>www.communicationsconsumerpanel.org.uk</u>

Panel meetings... To read minutes

from previous meetings go to:

http://www.comm unicationsconsumer panel.org.uk/smart web/angenda-andminutes/2010

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February Panel meeting

This month's meeting looked at the following issues:

- Ofcom Chair Colette Bowe discussed future plans for how the Panel will operate.
- The Panel has decided to publish a paper that reflects its policy positions on the broad range of its work since 2008. This will include mobile coverage, superfast broadband and digital participation.
- Broadband Delivery UK (BDUK) reported to the Panel on its work to stimulate the rollout of faster broadband throughout the UK, in line with the Government's strategy. The Panel particularly welcomed BDUK's intention to act on its advice by defining what consumers will be able to expect in terms of the online services and applications they will be able to use.

Future of the Panel

In our October 2010 newsletter we reported that the Panel was going to be abolished and that we would be working through the implications of this decision. Ofcom has now said that it will maintain the Panel for at least a year, while the necessary legislative changes are made. The Panel is currently discussing with Ofcom the resources that will be available to it during this period.

The Panel wants to ensure that it will be able to continue representing consumers in the communications sector effectively. This means having the independence, staff and funding to be able to highlight the issues that matter to consumers and build a case for action, by carrying out consumer research where necessary.

During the next year, the Panel will also continue to work with Government and other stakeholders on new arrangements for consumer advocacy so that consumers and citizens can have confidence that their interests are being properly safeguarded by an independent consumer advocate.