

Westminster eForum Seminar - Net neutrality in the UK

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Speech by Anna Bradley, Communications Consumer Panel Chair

Introduction

- There is a tendency in many discussions of net neutrality to focus on the short-term interests of consumers, neglecting potentially conflicting longer-term consumer interests, and the interests of citizens.

Consumers' interests

- In the short term, the interests of consumers are about whether, as a result of any decision on the approach to traffic management, consumers have access to the applications and services that they need and value in a consistently reliable way.
- What do consumers need and value?
- There isn't enough research into this yet, but there are indicators:
 - there is no standard 'basic' set of services that all people value equally - different groups tend to value different types of online services and applications
 - there is a strong desire for filters and guides to help people navigate through content - brands, friends and family
 - consumers are not averse to walled gardens - see the Apple App Store for example
 - Consumers do not necessarily want access to everything, everywhere, all the time. They want guaranteed access to the things they value, at the times they need them.
- There is likely to be a difference between the short-term and long-term consumer perspective. The short-term view looks at the best way for consumers to gain access to services now. The longer-term view asks whether we are putting in place the right framework to allow consumers to access services in the future - services that don't yet exist.

- For most consumers, short-term interests are probably best served by a solution that delivers a range of different services with different approaches to traffic management, potentially including prioritised services or applications paid for by the content provider, the consumer, or both
- But consumers may suffer in the longer-term from reduced innovation resulting from cost barriers to entry into the internet economy.
- And some groups of consumers may suffer in the short-term, including rural consumers who are restricted by the technology available or consumers on low incomes who cannot afford to pay for better quality of service. These consumers would not have the same choice of services, and could find that the quality of service they receive is negatively affected by prioritisation in favour of consumers who are able to pay.
- There are therefore potential conflicts between the interests of different groups of consumers.

Citizens' interests

- The citizen perspective is less about meeting individual needs or wants, and more about assessing the impact on broad societal goals.
- The potential impact is wide-ranging, touching on areas including privacy, freedom of speech, access to essential services and the universal service commitment.
- I will illustrate the potential issues by looking at the last of these two areas.
- The government's UK Digital Champion is promoting the importance of placing key public services online.
- There are two ways in which public services could be negatively affected by traffic management:
 - First, public services could suffer from being in the shadows of more appealing commercial services that take advantage of prioritised quality of service. Thus public services become less attractive - for instance, NHS eHealth versus private eHealth
 - Second, public services could be actively discriminated against - particularly if those services are high bandwidth, like iPlayer or future eHealth services.
- The Government has committed to delivering universal broadband at 2mbs by 2015. The rationale behind this is that broadband is increasingly becoming an essential service, like gas, electricity or water.
- Depending on how the market develops, approaches to traffic management could have a detrimental impact on the universal broadband commitment.

- If ISPs choose to throttle or degrade traffic in order to ensure a higher quality of service for those consumers who have paid a premium, those consumers who are unable or unwilling to pay could receive speeds lower than 2mbs, particularly at peak times.
- These examples show that there are a number of ways in which approaches to traffic management could have a detrimental effect on citizen interests. It may be that we should consider some sort of ‘must carry’ obligation that would ensure all consumers - in their capacity as citizens - get the speeds they need to access any online services deemed essential in future.
- We must have a wider debate that considers where different interests might conflict, and what sorts of trade-offs we, as a society, are prepared to make.

The role of transparency

- I also want to touch on the role of transparency.
- Much of the debate has focused on transparency as a potential solution to questions of traffic management.
- Transparency can play an important role. But getting it right is hard.
- Information about traffic management is very complicated, even for the most tech savvy consumers.
- Transparency also relies on consumers making a decision to switch package or provider on the basis of traffic management policies. However, traffic management is just one of a range of factors consumers consider when choosing provider.
- There are also barriers to switching that need to be overcome, including lack of choice for some, particularly rural, consumers and the increasing prevalence of bundling.
- So to get transparency right we need to know more about how consumers use information, and the role of information about traffic management as one of a wide range of factors consumers may consider when making a decision about broadband.
- We also need to make sure that information is presented in a way that is meaningful and comparable - possibly in terms of positive commitments about what services consumers will be able to access and when, rather than the kind of ‘up to’ model adopted in advertising of broadband speeds.
- It is also important to remember that while transparency could be an important tool for meeting consumers’ short-term needs, it will not necessarily resolve some of the conflicting needs we identified earlier. We will still need to consider how to balance short and long-term consumer interests and the interests of citizens.

Two key questions

- Underpinning everything I've said are two basic questions that I want to leave you with:
- First - are consumer and citizen issues the same? How will remedies to solve one group of issues impact on the other? The consumer and citizen perspectives are not necessarily oppositional but we need to more thoroughly articulate what they are, how they fit together and what the trade-offs might be.
- Second - how do consumers really behave? To understand this we need better research into the way consumers make decisions and use information about broadband generally, not just traffic management. We may also need to the limits of transparency as a solution. And assuming that transparency isn't a magic wand, consider what other options we have.