

## **Broadband labelling proposal**

### *Preamble*

The retail broadband market is competitive. The three main competitive vectors are price, speed and reliability.

One of these vectors, speed, exhibits wide variation in the terminology used by providers to describe their services. Beyond the defined terms of 'Superfast' and 'Ultrafast' (which, we note, are not universally adhered to), a broad selection of terms are used to describe a wide range of different services and speed tiers (e.g. 'hyperfast', 'megafast', 'lightning fast' etc). In some cases, the same term has been used by different providers to describe both very low and very high speed services.

Any intervention to improve the information available to customers during their purchasing journey should start, in Virgin Media O2's view, with addressing confusion and inconsistency in the terms used to represent one of the most important factors upon which customers base their decisions.

By correcting this clear discrepancy in key customer information Ofcom could deliver tangible improvements in customer understanding and enable them to make more informed choices. This would, in our view, be more effective than mandating the provision of additional information about technology, an element of services that few customers consider to be important.

Similarly, failure to address this information problem would undermine the purported proportionality of creating rules for technology information, which Ofcom accepts is a less relevant competitive vector.

### *Technology information*

ISPs are already advertising "Full Fibre" services, allowing those customers which have technology preferences to select potential providers based on technology, should they so wish.

It follows that for other "technology agnostic" customers, the underlying technology of their provider is of limited importance in their purchasing choice, should they decide to contact providers which are not advertising "full fibre".

We note that in its draft request for information relating to implementation costs, Ofcom is exploring a variation on its original labelling proposal, such that providers would not be required to change the 'naming' of their services in the sales journey, rather they would be required to specify the underlying technology used to deliver the service at the point of purchase.

VMO2 is strongly of the view that requiring ISPs to make significant investments to provide user specific "technology information" would be disproportionate in circumstances where the market has a solution (advertising of "full fibre") and consumers are generally making choices based on other competitive vectors. However, we do believe that elements of the alternative approach set out by Ofcom have merit.

It is within this context that we propose the following, in order to provide the maximum "technology information" in the most proportionate way and in a manner that would be the least disruptive and confusing for customers.

## Proposal

1. The CAP code already provides clarity and imposes restrictions on the use of the terms “Full Fibre” and “Fibre”. These rules could be extended into the Ofcom regulatory framework – for example by including them in the guidance under GC C1 and GC C2. This would provide end-to-end consistency in the use of these terms from product discovery (marketing), through the sales journey to the point of purchase, ensuring continuity of “technology information”.
2. Where ISPs market based on “technology information”, their website should include a technical description of the platform(s) that are used to deliver the service.
3. If the customer asks for information about the underlying technology of their connection, the ISP shall provide this information where it is possible to do so<sup>1 2 3</sup>. For the avoidance of doubt, this rule can be complied with by ISPs informing customers unprompted about the underlying technology.
4. Where it is not possible for ISPs to provide customers with information about their underlying technology, on request, the ISP shall provide the customer with the URL where they can read the generic information about the available platforms which are used to deliver the product being supplied.

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<sup>1</sup> In order for this approach to be proportionate (given points in the preamble).

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