

Review of the Market for Standalone Landline Telephone Services

Consultation response from Fiona Holgate

Question 3.1: Do you agree with our provisional conclusion that there is a separate market for Standalone Fixed Voice residential access which includes both voice-only and split purchase consumers? Please provide reasons and evidence in support of your views.:

No - if you are targeting customers who have the standalone phone line with no other bundles then you are primarily focusing on the elderly, economically disadvantaged and perhaps those with severe learning disabilities. Some of these customers are often baffled by what they have purchased or signed up for and so I think you should think carefully about the decisions you make and the clarity of information that customers have already signed up to.

Question 3.2: Do you agree with our provisional conclusion that there is a separate market for Standalone Fixed Voice residential calls? Please provide reasons and evidence in support of your views.:

Yes to a degree but see my response to 3.1

Question 4.1: Do you agree with our provisional conclusion that, during the period covered by this market review, BT will have significant market power in the standalone fixed voice access market? Please provide reasons and evidence in support of your views.:

I don't think there is any conclusive argument that would say otherwise.

Question 5.1: Do you agree with our provisional conclusion that, during the period covered by this market review, BT will have significant market power in the standalone fixed voice calls market? Please provide reasons and evidence in support of your views.:

Yes.

Question 7.1: Do you agree with the need to trial and test engagement remedies before implementation? Please explain your reasons for this.:

Yes but if you do so, please ensure that there is a good mix of abilities with potential customers who help with any trials - i.e. those over 70 who are less likely to have internet access, those with learning difficulties and those with limited financial resources.

Question 7.2: Do you agree that remedies focussed on improving consumer communications to increase engagement listed below offer a reasonable prospect of success in encouraging competition?

- ***information on savings;***
- ***information on the switching process;***
- ***introduction of a decision point; and***
- ***remedies to facilitate response to this information.***

Please explain your reasons.:

I do but with the usual caveats - the information provided is Clear, Concise, Understood by all customers etc... I take on the role of interpreting information to my elderly parents who now both in their 80s do not understand modern day information; very often CS representatives at BT are too young to understand the need to explain things clearly, or indeed don't actually understand what

they are actually reeling off in their pre-prepared spiel by someone in say, marketing. You are targeting a very specific section of our society and it is only common sense to ensure that information is appropriate to the audience/customers in question.

Question 7.3: Do you agree with our conclusions that the other remedial options we have considered, namely the establishment of a customer database for marketing purposes and automatic switching within BT's tariffs, raise significant implementation risks and therefore do not warrant further consideration? If you do not agree or consider there are other options we should have considered, please provide your reasons.:

Yes absolutely. As highlighted in my other responses and without doing injustice or a disservice to the intended customers but you are potentially offering greater risk of wrong selling of products if automatic switching was to be offered. Its a NO!

Question 8.1: Do you agree with our approach to determining the options for the level of price controls for standalone fixed voice services? If not, please give your reasons.:

Yes, if your trials are successful.

Question 8.2: Do you agree with our proposed basket structure if implementing a price control for standalone fixed voice services? In particular, do you agree with the need for a separate sub-cap on the Line Rental within the basket? If not, please give your reasons.:

Yes.

Question 8.3: Do you agree that it would be appropriate to allow the prices in a price control basket to rise by up to consumer price index? If not, please give your reasons.:

Again, most of the customers that are focused on here will have very low incomes/pensions etc... Does CPI therefore correlate to increases say with the State Pension/Benefits/NMW? If not, then you have to rethink.

Question 8.4: Do you agree that we should exclude Home Phone Saver and Line Rental Plus from the price control? If not, please give your reasons.:

No and I think your explanation that BT could be selling these products for less than market value is ridiculous. BT makes vast profits year on year and this client bank is a relatively small proportion of BT's wider customer market and will no doubt with the older generation deplete in numbers over the coming years. I had to really push this last year to get the Home Phone Saver option for my parents. BT don't actively promote it or encourage takeup in my opinion and it is still costly to those who just simply want to make telephone calls. The Telephone is a life line to most of this customer grouping.

Question 8.5: Do you agree that it is appropriate for the Line Rental sub-cap to have greater price flexibility than the overall price cap to allow BT to rebalance pricing between the line rental and call prices? If not, please give your reasons.:

Not if this means that the advantage will always be given to BT and hidden costs will begin to creep in again on aspects of other charges...

Question 8.6: Do you agree with the services we are proposing to include in a price control remedy basket for standalone fixed voice services? If not, please set out your alternative proposals and please give your reasons.:

Yes again if this means there is good benefit to both customer and service provider.

Question 9.1: Do you agree with our proposed set of remedies for the standalone fixed voice services markets, that is a price control, with a one-off adjustment set with reference to the costs of BT competitors in this market, and an obligation on BT to work with us to explore and ultimately implement information options to promote competition? If not please set out your reasons.:

Yes again if this means there is good benefit to both customer and service provider.

Question 9.2: Do you agree that BT should have at least one month after the date of the statement to implement the new price structure? If not, please set out your reasons.:

No, if a customer owes money to a utilities company it does not have the flexibility to say 'I will pay you next month so I can buy some food instead'. Price changes to the customer happen when the company says it will happen. This will have a better impact if the structure occurs immediately. It shows good customer care from the company itself. Time lapses indicate a reluctance to implement as it may be perceived as a forced implementation.

Question 9.3: Do you have any additional comments on our analysis or conclusions in this consultation?:

Only that in this time of uncertainty for the UK older people, vulnerable members of our society and those with low incomes are continuously being squeezed on the cost of living. The telephone as I have previously said is a life line to many of these groups of people in our society. There comes a time when companies need to re-connect with their customers, acknowledge customer loyalty, as many of these customers will not be the ones who 'shop around'. They have worked hard to secure the little quality of life they often have - so please make sure you are truly representative of the customers in question.