

Communications Consumer Panel and ACOD's response to Ofcom's discussion paper on its future approach to mobile markets

About us

The Communications Consumer Panel, established by the Communications Act 2003, is a group of independent experts with direct sectoral experience. We ensure the voice of UK consumers, citizens and micro-businesses 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, 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.

Our response

We believe this strategic review of Ofcom's approach to mobile markets is timely and meaningful. We support Ofcom's initiative to reflect on what works well for people and businesses now and how it might adapt its regulatory approach going forward; we strongly believe that this strategy and any actions flowing out of it should be informed by the consumer voice.

Our engagement with consumer organisations, charities and not-for-profit organisations as participants in our National Stakeholder Hubs and Consumer Advocacy Hubs has shown that a competitive, fair market for consumers is one that provides services that are available and accessible to all (customer service included), and are affordable, reliable and secure.

We believe that this review should take into account the impact on consumers in all parts of the UK of both the Covid pandemic and EU Exit, the former leading to cost-of-living consequences for all UK consumers and the latter including unique effects on services for consumers in Northern Ireland, such as charges for inadvertent roaming.

The Panel has appreciated opportunities to consult with Ofcom on the development of the strategy so far. We raised points for consideration by Ofcom, which included:

Consumers' experiences of mobile connectivity

To further Ofcom's understanding of whether mobile networks were providing good experiences, the Panel advised Ofcom that more data and deeper insights into consumers' experiences of mobile connectivity would be needed.

The Panel advised Ofcom that its strategy should not only focus on whether consumers have a connection but also test whether they can complete certain tasks using that connection. We pressed for more consumer research to validate whether consumers are receiving what they have been promised, and what they need.

Consumers' experiences of the mobile market

We believe Ofcom's strategy should seek to understand the breadth of consumers' experiences across the mobile market, including retail experiences. We believe that access to advice on the right tariff and handset is vital for consumers - and people seek this information in ways that best suit them - from self-service through a website, to asking an expert in-store.

Our engagement with consumer stakeholders across the UK - including organisations representing consumers with additional support needs and financial difficulties has confirmed our understanding that retail stores still play a valuable role in the lives of many consumers.

We believe Ofcom should challenge its understanding of the market from a consumer perspective, by seeking to answer questions such as "*how inclusive of all consumers is the mobile market?*" The insights and intelligence it gleans can be combined to influence regulation and culture change in the market.

The importance of security and resilience levels

To protect consumers from outages and the impacts caused by losing connection, we would welcome the introduction of minimum requirements that mobile providers would need to adhere to.

Future investment in mobile markets and the role of big tech companies

We believe that Ofcom should - in introducing any new approach and understanding the roles of different players in the market - focus on ensuring good outcomes for mobile consumers and businesses.

We have also discussed with Ofcom the impact that private networks could have on the communications market and queried whether there may be potential for these networks to dominate the future market.

To secure and maintain high-quality and resilient networks, we believe the UK Government should consider how investment in networks can be secured beyond what the market can currently deliver, so that the digital needs of consumers citizens, micro-businesses and public services would be met in both the short and long-term.

We have also advised Ofcom to consider the potential impacts of mergers, which could result in less choice and higher prices for consumers. The impact of a reduction in choice

and an increase in cost can be felt more strongly by any group of consumers that is more vulnerable in the market, through having additional support requirements, living in an a hard-to-reach area, being financially vulnerable, or a variety of other reasons as explained below.

Affordability and vulnerability - making sure no-one is 'left behind'

We note that Ofcom's high-level outcomes include support for customers who may be 'vulnerable', including people in financial difficulty.

We would continue to emphasise that Ofcom should consider vulnerability holistically across the sector, ensuring a joined-up approach across different policy areas.

In recent engagement with Ofcom, we raised concerns that international roaming charges were significantly high. We also highlighted that consumers living or working in Northern Ireland were now commonly charged for roaming onto a network across the Irish border, since the EU Exit. Consumers could not predict and would have difficulty controlling this, resulting in unexpectedly high bills or a unreasonably intermittent service. The Panel commented that soon only one provider would allow free data roaming across the Irish border. This situation highlights for us a gap in the current regulatory framework - or a failure in communications sector culture - mobile providers have been able to choose whether they exploit consumers' geographical vulnerability and some have done so. We believe this review presents an opportunity to close that gap.

Ofcom should also seek to improve how data on the support requirements of 'vulnerable' consumers are recorded consistently and tracked, to draw out consumer needs and requirements that are not currently being met and drive inclusivity and fairness by design. This would help to ensure access to the benefits of competition for all consumers using mobile services.

Building consumer confidence and trust

We have discussed with Ofcom's policy team how future changes to the mobile market e.g. the use of e-sims, could improve the market for consumers, such as making it easier to switch. However, we are concerned that such changes could create consumer confusion across the market, if not handled responsibly by industry.

We advise Ofcom to remain alert to emerging consumer protection issues, such as the potential for scams and disengagement by novice users (as highlighted by our December 2020 scams research) and to ensure that industry takes responsibility for doing the right thing when serving consumers. This must include preventing harm to consumers, providing access to clear information that can be accessed by all consumers and providing easily accessible complaints and redress processes that can be accessed by all consumers and third parties representing them. Ofcom must provide clear and firm guidance to industry on where its obligations lie in protecting consumers from harm.

Summary

In summary, we welcome Ofcom's thoughtful approach to the new strategy and we advise



Ofcom that any new strategy for mobile markets should put consumers first, enabling fairness and choice by delivering reliability, accessibility, security and affordability and preventing harm and confusion.

While mobile markets may change, we believe there should be a clear, seamless path for all consumers to shop around to find the best deal for them, switch when that deal no longer serves their needs, provide feedback and have any issues resolved in a timely and respectful manner.

We look forward to further engagement with Ofcom on this strategy and would welcome Ofcom's policy team's engagement with our National Stakeholder Hubs.