
Update on Open Communications: Enabling people to share data with innovative services

STATEMENT:

Publication Date: 7 July 2021

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1. Overview

This document summarises the responses we received to our 2020 consultation on Open Communications and outlines our next steps on data mobility.

Open Communications is a possible approach to data mobility in the retail telecoms and pay TV markets. The 2020 consultation set out our initial thinking about the case for implementing it. We received 33 responses to the consultation, which have helped to develop our understanding of the future policy questions for a data mobility initiative.

Summary of responses

Overall, respondents were divided in their views on Open Communications as an approach to facilitate data mobility in telecoms and pay TV services. Some supported an intervention to establish Open Communications. Digital comparison tools said that they could use the data to innovate and consumer groups agreed that this would help consumers find a deal better suited to their needs. Others did not support the emergence of data mobility at all, while some favoured data mobility as an outcome but did not support a regulatory intervention to introduce it.

Respondents were generally supportive of the design principles for Open Communications that we set out in the consultation. However, there were mixed views about which communications providers could be required to enable customers to share data about their services. Respondents also differed in their views on whether Open Communications should incorporate data about pay TV services and whether small businesses could share data in the same way as residential customers.

Many of the consumer groups and digital comparison tools that responded agreed with the potential benefits we outlined in the consultation. However, most providers that responded disagreed, or argued that these benefits might not be significant. They also outlined certain risks that they felt Open Communications could create. Some of the responses that engaged with the question of costs argued that it was too early to provide an accurate estimate and instead reflected on the estimated costs of Open Banking, while others argued that this was not a useful comparison.

Next steps

Through its Smart Data Review, the Government is considering introducing legislation that will enable the launch of Smart Data initiatives in different sectors. We await the outcome of this process. If any legislation gives Ofcom specific powers to implement data mobility, the responses to our consultation will provide a helpful background to further work that we would need to do to establish whether and how data mobility should be introduced in the telecoms and pay TV markets.

In the meantime, we will continue to evaluate what can be learned from data mobility initiatives in other sectors through our membership of the Government's Smart Data Working Group.

2. Summary and Ofcom's next steps

- 2.1 This document is an update to our consultation on Open Communications,¹ which concluded in November 2020. The consultation set out our initial thinking on the potential future introduction of a 'data mobility'² initiative in the retail telecoms and pay TV markets. This would allow people and small businesses to tell their communications provider to share information about their services and how they use them, easily and securely, with third parties of their choice such as digital comparison tools or other communications providers.
- 2.2 The responses to the consultation have helped to develop our understanding of key policy questions for a data mobility initiative. They have also helped to inform our technical advice to Government about the communications market, how people and businesses engage with it, and the role that third parties such as digital comparison tools play today. The Government's Smart Data Review³ is considering legislation to enable data mobility in different sectors. If legislation gives Ofcom specific powers to implement data mobility, these responses will provide a helpful background to further work we would need to undertake. However, future market developments may require us to update some of the evidence we have already collected.
- 2.3 This section recaps the background to the 2020 consultation, sets out some initial observations on responses to the consultation and outlines our next steps.

Background to the consultation

- 2.4 People and businesses increasingly search for and purchase communications services online, and providers interact with their customers online. Providers are able to gather more data about customers and services and they are exploring how to use this data to tailor their offers, improve products and retain customers. Digital comparison tools also gather information about their users to offer more relevant recommendations.
- 2.5 In 2018, the Competition and Markets Authority (CMA) recommended⁴ that Ofcom should explore data mobility remedies to help people engage more effectively with the broadband and mobile markets. In 2019, the Government's Smart Data Review consultation⁵ set out proposals to introduce data mobility initiatives (including Open Communications in the communications sector) to stimulate innovation and promote the development of new services that improve outcomes for people and businesses.

¹ Ofcom, August 2020, [Consultation: Open Communications-Enabling people to share data with innovative services](#).

² Data mobility describes people's ability to choose to share the data that firms hold about them and to derive value from it. For example, they may share data with a digital comparison tool or another provider, which could use it as a basis on which to offer them a better deal, or with a third party that could use it to offer a different service.

³ See Department for Business, Energy & Industrial Strategy (BEIS), September 2020, [Next steps for Smart Data: Putting consumers and SMEs in control of their data and enabling innovation](#) and June 2019, [Smart data: putting consumers in control of their data and enabling innovation](#).

⁴ CMA, September 2018, [Tackling the loyalty penalty: response to a super complaint made by Citizens Advice](#).

⁵ BEIS, [Smart Data: Putting consumers in control of their data and enabling innovation](#).

- 2.6 As the ability of companies in the communications sector to gather and analyse data about customers becomes more sophisticated, we want to make sure these developments work in the interests of people and businesses. In 2019, we began to explore whether data mobility could help people to get better outcomes from communications markets, to reach an independent initial position on its possible impact and to be able to provide technical advice to Government.
- 2.7 We reached the initial view that Open Communications could enable digital comparison tools, providers and others to offer innovative new services that help people to engage with the market, identify the best deal for their needs and receive tailored offers. As such, we considered that data mobility had the potential to remedy factors that can make engaging with the market more difficult for people and businesses today, by stimulating the development of innovative services that make engagement easier.
- 2.8 In August 2020 we published a consultation that set out our initial view of how Open Communications might operate in the communications sector, what benefits it could offer to people and businesses, and what would drive the costs of implementing it. The consultation was not intended to reach a decision on whether to implement a data mobility initiative, or what form this might take. Rather, we asked stakeholders for their views on a range of policy questions, including what the potential costs could be for providers sharing Open Communications data and whether firms would consider using the data to offer new services or enhance existing ones.

Our initial observations on stakeholders' responses

- 2.9 Some stakeholders that responded to our consultation were supportive of Open Communications. In particular, consumer groups felt that it could offer benefits to consumers and businesses, including vulnerable consumers. Third parties welcomed the initiative and said that the data would be useful for them in offering new services or improving current ones. Some communications providers were less supportive of the need for intervention, querying the likely benefits and citing the costs and potential risks of Open Communications. Section 3 provides a detailed summary of these responses.
- 2.10 We welcome the broad range of early views from stakeholders on Open Communications. They have helped to develop our understanding of key policy questions for a data mobility initiative, including by raising new issues, to which we may return in future.
- 2.11 Given the nature of the 2020 consultation we have not responded in full to stakeholder comments, nor reached conclusions on the policy questions considered in the consultation. However, at this early stage we can set out some initial observations on how the responses have developed our strategic thinking about data mobility and some clarification of the thinking set out in our 2020 consultation.
- 2.12 Some stakeholders argued that the 2020 consultation did not provide sufficient evidence to justify intervention and that it did not follow our regulatory principles to operate with a bias against intervention. As set out in the consultation, its purpose was to examine the case for Open Communications and its potential use cases and benefits, furthering the

commitments in our Plan of Work 2020/21 to explore innovative approaches to regulation and foster wider innovation in the market. It was not intended to enable a decision at this stage on whether to implement Open Communications.

- 2.13 With respect to the case for intervention to introduce a data mobility initiative, some stakeholders argued that other Ofcom interventions should lessen barriers to engagement, and that Open Communications was not needed in addition to these. We are making targeted interventions across the consumer journey to prompt people to engage at the right time, help them to search the market and to act, including by switching. These include: the introduction of end of contract notifications and annual best tariff notifications to help people avoid paying higher prices and to take advantage of choice;⁶ our measures to require providers to make more information about their services available to digital comparison tools;⁷ the introduction of Auto-Switch in mobile and proposed new rules to make broadband switching easier and more reliable.⁸
- 2.14 As set out in the consultation, data mobility could have effects that we do not expect from these preceding interventions. For example, it could further reduce barriers to searching for a deal by enabling people and businesses to use innovative third-party services to search the market and to be matched with tailored deals from a range of providers. That said, we have reached no conclusions about the case for any future data mobility intervention. If legislation introduces specific powers for Ofcom to implement a data mobility initiative, it will be important to consider the potential benefits of Open Communications alongside the effects of existing interventions intended to enable people to engage with the market more easily and effectively.
- 2.15 With respect to the design and implementation of Open Communications, some stakeholders noted that the market for small business communications is more complex and fragmented than that for residential providers and argued that it could be more costly to enable these customers to share data about their services. Responses also covered a range of views on whether people could benefit from tailored advice when navigating the pay TV market or when choosing a telecoms bundle that includes pay TV. If legislation gives Ofcom powers to implement Open Communications, it will be important to understand the costs and benefits for including business customers and pay TV services.
- 2.16 Several stakeholders commented on the potential risks to people who share data about their services with third parties, for example with respect to data security. It will be for Government to consider whether regulatory oversight of third parties that make use of Open Communications may be necessary.
- 2.17 Finally, some stakeholders noted that Ofcom had not consulted on our estimate of the costs to industry to provide Open Communications. Given that the 2020 consultation was intended to gather early views on how Open Communications might work and not to

⁶ Ofcom, September 2019, [Helping consumers get better deals: a review of pricing practices in fixed broadband](#).

⁷ Ofcom, October 2020, [Fair treatment and easier switching for broadband and mobile customers](#).

⁸ Ofcom, December 2017, [Consumer switching: Decision on reforming the switching of mobile communication services](#); Ofcom, February 2021, [Quick, easy and reliable switching: Proposals for a new landline and broadband switching process and to improve information for mobile switching](#).

decide whether to implement it at this stage, we did not estimate the potential costs of Open Communications. We will assess the need for further evidence of the potential costs as appropriate if legislation introduces specific powers for Ofcom to implement a data mobility initiative. We may also need to further explore options for how industry would recover the costs incurred in implementing Open Communications.

Next steps

- 2.18 The 2020 consultation has helped us to understand what a data mobility initiative could mean for the telecoms and pay TV markets, determine that digital comparison tools and others would consider using Open Communications data to innovate, and elicit views about a potential regulatory framework. It has also helped us to identify key policy questions that we might explore in any future phase of our work.
- 2.19 In our view, data mobility could potentially be used to improve engagement with the communications market, by enabling new and innovative services. However, for the reasons set out above, we have not yet reached any conclusions about the case for us to implement a data mobility initiative in the markets we regulate.
- 2.20 Government intends to introduce primary legislation extending its powers to mandate participation in Smart Data schemes, when Parliamentary time allows.⁹ We await the outcome of this process. If any legislation introduces specific powers for Ofcom to implement a data mobility intervention, there would be important questions to consider before we reach a view on any proposals and further evidence would be required.
- 2.21 If Ofcom receives such powers, the process for evaluating our approach to Open Communications would be subject to any requirements set out in the legislation. However, as part of this work, we would expect to consider the incremental impact Open Communications could have over and above the other targeted measures we have introduced to enable people to engage with the market more easily. In the first instance, we have plans for 2021/22 to assess the effectiveness of end-of-contract notifications in helping customers to engage and get better deals.
- 2.22 We might also need to consider changes in the market over time, for example by monitoring the development of commercial agreements between communications providers, digital comparison tools and other third parties or understanding what data those providers hold on their customers. Although at this stage we do not envisage that industry will introduce customer data mobility voluntarily, we would consider innovative new services and features that may emerge and deliver benefits similar to those of Open Communications.
- 2.23 In the meantime, we will continue to participate in the Government's Smart Data Working Group, which is considering the possibility of future cross-sector co-ordination.¹⁰ We will

⁹ See BEIS, June 2021, [Smart Data Working Group: Spring 2021 report](#).

¹⁰ See BEIS, [Smart Data Working Group: Spring 2021 report](#), in which Government has consulted on the future of the group.

monitor what can be learned from work on data mobility initiatives in other sectors, including from Open Banking, Open Finance, the Pensions Dashboard, Midata in the energy sector and the considerations of the Digital Markets Unit. The Digital Regulators Cooperation Forum, which includes Ofcom, the Financial Conduct Authority, the CMA and the Information Commissioner's Office (ICO), could also provide an avenue for future discussions about how regulators might collaborate to deliver secure and effective data mobility interventions.¹¹

- 2.24 Our Plan of Work for 2021/22 does not include further thinking on implementing customer data mobility and we await the outcome of the Smart Data Review. However, we will continue to examine industry's growing capacity to gather, process and re-apply data about customers and how we can encourage it to work in the interests of people and businesses.

¹¹ See CMA, March 2021, [The Digital Regulation Cooperation Forum](#).

3. Responses to the consultation

- 3.1 This section summarises the responses to the 2020 consultation on Open Communications. These responses commented on:
- The case for intervention and Ofcom's approach;
 - Design and implementation of Open Communications and oversight of third parties;
 - The potential benefits; and
 - The potential costs.
- 3.2 The responses have further informed our early strategic thinking about the potential impact of data mobility in the communications sector. Given the nature of the 2020 consultation, we have not responded in full to the responses, nor reached any conclusions on the policy questions the consultation raised.

The case for intervention and Ofcom's approach

- 3.3 Below we outline the responses that considered the challenges people face when they engage with the market, the case for implementing Open Communications, and Ofcom's approach to the 2020 consultation.

Summary of the consultation

- 3.4 In the consultation we set out our view that competition in the communications market means that many customers are on good deals, and there is a wide choice of packages and services available. However, we also noted that our market research has found that some customers struggle to navigate the market and get a good deal.
- 3.5 The consultation noted that Ofcom is making targeted interventions across the consumer journey to prompt people to engage at the right time, help them to search the market and to act, including by switching provider. These include requirements for communications providers to send end of contract and annual best tariff notifications, to share more information about their services with digital comparison tools, and making it easier for people to switch broadband and mobile provider.
- 3.6 We set out our view on how increasing third parties' access to data through Open Communications could complement these interventions and go further, including by supporting new and innovative applications.

Consultation responses

Reactions to our initial thinking about data mobility were varied

- 3.7 Overall, respondents were split over support for Open Communications. Some were generally supportive of intervention to establish an Open Communications initiative (in

particular consumer groups, digital comparison tools and BT),¹² while others favoured data mobility as an outcome but did not support a regulatory intervention to introduce it. Some respondents did not agree that Ofcom should encourage data mobility in the communications sector.

BT, consumer groups and third parties were supportive of intervention to establish an Open Communications initiative

- 3.8 Consumer groups Which?, Citizens Advice and Citizens Advice Scotland generally supported Open Communications and our proposed approach. Which? supported the initiative, as it could help customers with less confidence assess the market and find a suitable deal. However, it thought it was unlikely to be a panacea for all consumer engagement issues.¹³ Citizens Advice suggested that data mobility should be implemented across all regulated sectors, including communications, to ensure vulnerable customers receive more consistent support.¹⁴
- 3.9 Comparison tools, including Uswitch, Predict Mobile, WonderBill, Billmonitor and ApTap, were supportive of Open Communications and broadly agreed with our assessment of the engagement challenges customers face, while some pointed out additional challenges.¹⁵ For example, Billmonitor cited its market research, which suggests that the majority of people overpay for their mobile service.¹⁶ Similarly, WonderBill noted its research suggesting that people who believe they can save money on their bills tend to underestimate the amount they could save.¹⁷
- 3.10 Predict Mobile and Billmonitor said that small and medium-sized enterprises (SMEs) face specific challenges in finding a suitable deal and that Open Communications could be particularly beneficial for them.¹⁸ Specifically, Billmonitor argued that accessing customer and product data at the moment is both expensive and difficult, and felt that Open Communications could help it to provide a more personalised service that would benefit its customers, particularly SMEs.¹⁹ It noted in particular a lack of available information about mobile tariffs for SMEs, which it felt made it difficult for SMEs to compare deals.
- 3.11 WonderBill, Billmonitor, Predict Mobile and ApTap said that they would consider using Open Communications data to provide services to customers.²⁰ [3<]
- 3.12 BT was generally supportive of our initial thinking, agreeing with the challenges we had identified for customers in navigating the communications market. It suggested that Open

¹² Technical service providers that currently operate in the Open Banking ecosystem (such as Raidiam and ForgeRock) also expressed support for Open Communications, as did the Open Banking Implementation Entity (OBIE), the ICO, the Open Data Institute (ODI) and three individuals ([3<] and Priyank Chandra).

¹³ [Which? response](#), p. 1.

¹⁴ [Citizens Advice response](#), p. 3.

¹⁵ [Uswitch response](#), p. 1; [Predict Mobile response](#), p. 2; [WonderBill response](#), p. 1; [Billmonitor response](#), p. 1; [ApTap response](#), p. 1.

¹⁶ [Billmonitor response](#), p. 1.

¹⁷ [WonderBill response](#), p. 1.

¹⁸ [Predict Mobile response](#), p. 2; [Billmonitor response](#), p. 1.

¹⁹ [Billmonitor response](#), p. 2.

²⁰ [Wonderbill response](#), p. 1; [Billmonitor response](#), p. 9; [Predict Mobile response](#), p. 5; [ApTap response](#), p. 3.

Communications could help people to make decisions on a range of metrics that are important to them, rather than simply focusing on price and speed or coverage.²¹ BT also noted that Open Communications could introduce risks that should be carefully managed.²²

- 3.13 G.Network broadly supported the idea of Open Communications, but suggested that Ofcom should first consider other interventions to improve consumer engagement, such as mandating clearer labelling of different broadband technologies (for example, making clearer the distinction between services delivered over full-fibre and part-fibre technologies).²³
- 3.14 [S&K] felt that Open Communications had the potential to help people in vulnerable circumstances, who may face additional barriers to engaging in the market, to find better deals. However, it noted several concerns, for example about the incentives of third parties and vulnerable groups' engagement with digital services.²⁴

Some providers were opposed to Open Communications, arguing that communications markets are working well for most people

- 3.15 Fixed broadband providers other than BT, G.Network and [S&K] did not support the emergence of data mobility in the communications sector, and did not consider it a necessary measure to improve consumer engagement.²⁵
- 3.16 Sky, Virgin Media, Telefónica and the Federations of Communications Services (FCS) argued that competition in the communications market is already delivering good outcomes for consumers (both in terms of good value deals and high customer satisfaction), and that many customers already engage.²⁶ Virgin Media suggested that where customers do not engage and pay higher prices as a result, this may be a rational choice given the perceived hassle needed to search for and switch to a new deal.²⁷ Both Sky and Virgin Media considered that value for money in the communications market has increased over time.²⁸
- 3.17 Several respondents, including the Internet Services Providers' Association (ISPA), Sky, Virgin Media, TalkTalk and Vodafone, also argued that existing or planned interventions by Ofcom designed to improve consumer engagement (for example, end of contract notifications and forthcoming requirements for providers to share more information about their products with comparison tools) would address the barriers to engagement we had set out in the consultation.²⁹ They also argued that we had not sufficiently made the case

²¹ [BT response](#), p. 8.

²² [BT response](#), p. 3.

²³ [G.Network response](#), pp. 1-2. INCA also argued that Ofcom should implement clearer labelling of full- and part-fibre broadband (see [INCA response](#), p. 6, 24).

²⁴ [S&K]

²⁵ [G.Network response](#), p. 1.

²⁶ [Sky response](#), p. 9; [Virgin Media response](#), pp. 3-4; [Telefónica response](#), p. 2; [FCS response](#), p. 1.

²⁷ [Virgin Media response](#), pp. 6-8, 16-20.

²⁸ [Sky response](#), pp. 9-14; [Virgin Media response](#), p. 3.

²⁹ [ISPA response](#), p. 4; [Sky response](#), pp. 23-24; [Virgin Media response](#), pp. 10-11; [TalkTalk response](#), p. 4; [Vodafone response](#), p. 2.

for Open Communications over and above these interventions. It was also argued (for example by the Independent Networks Co-operative Association, INCA³⁰) that we had not allowed enough time to understand the impact of these other interventions.

Some providers did not support an intervention but were open to an industry-led approach to data mobility, while others thought any intervention should be more targeted

- 3.18 Three mobile operators (Telefónica, Vodafone and Three) were supportive of the principle of data mobility, or open to the prospect of regulatory intervention in relation to a data mobility scheme, in certain circumstances.
- 3.19 Telefónica argued that the mobile market's complexity (for example, a wide variety of add-ons being sold alongside mobile packages) would make it difficult for a third party to ascertain the value of a deal. It suggested that a targeted version of Open Communications, which would include only data that could be directly compared between providers (such as mobile data usage), would be preferable.³¹
- 3.20 Sky (which was opposed to data mobility) made a similar point, stating that the characteristics and pricing of communications services are complex, and that there is a wide range of metrics and non-price characteristics relevant to consumer choice. It argued that comparisons of communications services are complex and ill-suited to interventions targeted at straightforward comparison.³²
- 3.21 Three suggested that we should adopt a more targeted approach to Open Communications, focusing on increasing engagement among those with low mobile switching levels, for example those aged 55+.³³
- 3.22 Vodafone supported the key principle of data mobility - that people should have control of data about themselves - and noted that, with sufficient transparency and privacy controls, opening up network and customer data had the potential to contribute to the digital identity ecosystem and the digital economy.³⁴
- 3.23 However, Vodafone's view was that Open Communications should be led by industry and delivered voluntarily.³⁵ Telefónica also suggested that a solution should be designed in conjunction with the mobile industry so that it would be appropriate for customers' needs and preferences.³⁶

³⁰ [INCA response](#), p. 5.

³¹ [Telefónica response](#), pp. 1-2.

³² [Sky response](#), p. 29.

³³ [Three response](#), p. 5.

³⁴ [Vodafone response](#), p. 1.

³⁵ [Vodafone response](#), p. 2.

³⁶ [Telefónica response](#), p. 5.

Some respondents argued that we had not presented enough evidence to justify Open Communications

- 3.24 A number of respondents, including TalkTalk, Virgin Media and Sky, argued that we did not provide enough evidence to justify intervention to implement Open Communications, or that we had placed too much emphasis on the evidence we did present.³⁷
- 3.25 Sky suggested that we had relied too heavily on the new market research commissioned for the consultation (rather than wider research). TalkTalk also argued that our market research in support of the consultation had focused too narrowly on consumers' existing use of digital comparison tools, rather than reasons why they may struggle to engage in the market.³⁸
- 3.26 Sky, TalkTalk, and Virgin Media suggested that we had presented our market research in a way that exaggerated the extent of the problems with consumer engagement in the communications market, and therefore overstated the case for Open Communications.³⁹ Virgin Media suggested that we had ignored factors such as the possibility for consumers to 'learn' over time to improve their confidence or understand their usage patterns.
- 3.27 TalkTalk and INCA argued that, by citing market research that had been conducted before some interventions had been implemented (for example, end of contract notifications), the results had not taken into account the effect of these interventions on consumer engagement and behaviour.⁴⁰
- 3.28 Sky and TalkTalk suggested that our approach to Open Communications was premised on assumptions about the success of Open Banking, or similarities between the retail banking and communications sectors, with which they disagreed.⁴¹ Similarly, ISPA, INCA and Zoomm urged caution with making comparisons between the retail banking and communications sector.⁴²
- 3.29 BT argued that we did not present sufficient evidence to conclude that SMEs have difficulty in engaging with the market, and therefore had not made the case to include them in the scope of Open Communications.⁴³

Several respondents suggested that the relevant data is already available to customers and third parties

- 3.30 Some respondents, including the FCS, INCA, Sky, Vodafone and Virgin Media, argued that it was unnecessary to use Open Communications to improve the availability of data in the communications market.⁴⁴ They argued that the data we suggested could be made

³⁷ [TalkTalk response](#), p. 1; [Virgin Media response](#), p. 8-9; [Sky response](#), p. 7-8.

³⁸ [Sky response](#), p. 8; [TalkTalk response](#), p. 2.

³⁹ [Sky response](#), p. 20; [TalkTalk response](#), p. 2; [Virgin Media response](#), pp. 8-9.

⁴⁰ [TalkTalk response](#), pp.2-3; [INCA response](#), p. 5.

⁴¹ [Sky response](#), p. 7; [TalkTalk response](#), pp. 1-2.

⁴² [ISPA response](#), p. 1; [INCA response](#), p. 7; [Zoomm response](#), p. 4.

⁴³ [BT response](#), p. 16.

⁴⁴ [FCS response](#), p. 2; [INCA response](#), pp. 6-7; [Sky response](#), p. 19; [Vodafone response](#), pp. 4-5; [Virgin Media response](#), p.

13.

available to third parties (and, by extension, customers) through Open Communications was already available from other sources - in particular, from providers themselves.

- 3.31 For example, Virgin Media noted that some customer data is already included in an end of contract or annual best tariff notification, or through providers' mobile apps.⁴⁵ Sky made a similar point, noting that its own app, which contains information about customers' usage, products and spend, is widely used.⁴⁶ TalkTalk also said that its MyAccount service already offers some of the features we had suggested that third parties could provide with access to Open Communications data, such as an overview of services taken and money spent.⁴⁷
- 3.32 In addition, some respondents also suggested that relevant product data is already available to third parties, and in any case can be negotiated individually through commercial agreements. Several respondents, including Virgin Media and Sky, cited the recently confirmed requirement, derived from the European Electronic Communications Code, for providers to share information about their prices and tariffs, and minimum quality of service where offered, with qualifying third parties.⁴⁸

Some respondents argued that we had not made the objectives of Open Communications clear

- 3.33 Sky, INCA, ISPA and Zoomm suggested that we had not clarified the objectives for Open Communications and it was therefore not clear what we intended it to achieve.⁴⁹ Zoomm argued that, without clear objectives, we would not be able to assess the effectiveness of Open Communications.⁵⁰
- 3.34 Sky also argued that we had not first identified a problem, and then designed a remedy to address it.⁵¹ This, Sky argued, contravened our obligation to operate with a bias against intervention.⁵² Instead, Sky suggested that our consultation displayed a bias towards implementing Open Communications.

⁴⁵ [Virgin Media response](#), pages 10, 13.

⁴⁶ [Sky response](#), p. 19.

⁴⁷ [TalkTalk response](#), p. 4.

⁴⁸ [Virgin Media response](#), pp. 10-11; [Sky response](#), p. 24.

⁴⁹ [Sky response](#), p. 3-4; [INCA response](#), p. 5; [ISPA response](#), p. 1; [Zoomm response](#), p. 3.

⁵⁰ [Zoomm response](#), p. 3.

⁵¹ [Sky response](#), pp. 4-5.

⁵² See [List of Ofcom's policies and guidelines](#) for a summary of Ofcom's regulatory principles.

Design and implementation of Open Communications and oversight of third parties

3.35 Below we outline comments made by respondents on core principles for the design of Open Communications, other future design questions and the oversight of third parties that might use Open Communications data, such as digital comparison tools.

Summary of the consultation

3.36 In our consultation we set out seven core principles for the design of Open Communications. We set out our initial views about which providers should make data that they hold available to be shared, what data they should make available and other key questions of design and oversight, including what protection users of third-party services might require.

Responses to the consultation

Stakeholders were generally supportive of our core principles, and some suggested additional ones

3.37 Our consultation identified the following design principles as relevant to any future approach to Open Communications:

- Data should be open to all eligible third parties;
- Data should reflect what people need to navigate the market effectively;
- Security should be at the forefront of the design;
- Users should be in control of the data they share;
- Open Communications services should follow inclusive design principles and should be accessible to all users;
- Open Communications should safeguard competition; and
- The design should only impose proportionate requirements on providers.

3.38 Virgin Media, ApTap, Citizens Advice Scotland, the Open Data Institute (ODI), Raidiam, Which?, Equifax and WonderBill broadly agreed with the core principles identified in our consultation.⁵³ In its response, Equifax noted that that Ofcom should also consider the importance of a positive user experience.⁵⁴ Which? emphasised the importance of customers being in control of data about their services and understanding how it is used.⁵⁵

3.39 Telefónica, ISPA, ForgeRock and BT agreed with the principles we set out but put forward additional considerations.⁵⁶ Telefónica noted that Ofcom should introduce an iterative approach to Open Communications so that solutions are developed as and when potential issues emerge.⁵⁷ ISPA said Ofcom should make sure that Open Communications ultimately

⁵³ [Virgin Media response](#), p. 21; [ApTap response](#), p. 2; [Citizens Advice Scotland response](#), p. 3; [ODI response](#), p. 11; [Raidiam response](#), p. 2; [Which? response](#), pp. 2-3; [Equifax response](#), p. 3; [WonderBill response](#), p. 2.

⁵⁴ [Equifax response](#), p. 5.

⁵⁵ [Which? response](#), p. 3.

⁵⁶ [Telefónica response](#), pp. 4-5; [ISPA response](#), p. 4; [ForgeRock response](#), pp. 3-4; [BT response](#), pp. 19-20.

⁵⁷ [Telefónica response](#), pp. 4-5.

improves consumer interaction with the market.⁵⁸ ForgeRock highlighted the need for a digital trust framework between providers and third parties, possibly with regulatory oversight as an additional principle.⁵⁹ BT advocated for a symmetrical data release where only those providers that share their data would have access to data from other providers.⁶⁰

There was a wide range of views from stakeholders on which data should be included in Open Communications

- 3.40 Our consultation set out that Open Communications would make two broad categories of data available: customer data and product data. Customer data is information specific to the tariff, usage or experience of a customer. Product data describes the characteristics of retail services, the service quality they offer and the aggregate experience of the customers who take it. We also provided some initial thoughts on possible examples of both categories of data.
- 3.41 Overall, stakeholders suggested that Ofcom adopt criteria to determine what data may be included. The three common themes were that:
- The data shared should be relevant to the customer’s decision-making;
 - The data that different providers make available should be comparable; and
 - Ofcom should consider the cost or difficulty of making data available before requiring providers to do so.
- 3.42 BT set out that metrics should be wide-ranging, in-depth, and based on evidence of what drives purchasing decisions. It highlighted its own research which suggested people find information on service features and performance, customer service and value-add products helpful.⁶¹ On the other hand, G.Network argued that Ofcom should narrow the scope of data that may be shared so that customers are not overloaded with information.⁶² In its response, Telefónica recommended that any data shared should be ‘factual, specific, comparable and practical’ to allow for ease of comparability and to reduce the burden on providers of developing and standardising metrics.⁶³
- 3.43 Some responses also covered specific metrics that should be included and excluded from Open Communications. The ODI argued for more mobile location data to be made available as it would allow customers to be ‘more active participants in their communities’.⁶⁴ From a third party perspective, BillMonitor flagged that, for any tariff and / or add-on bundle, there should be sufficient product description data to enable a third party to compare a customer's usage to any available tariff.⁶⁵

⁵⁸ [SPA response](#), p. 1.

⁵⁹ [ForgeRock response](#), p. 3.

⁶⁰ [BT response](#), p. 20.

⁶¹ [BT response](#), p. 3.

⁶² [G.Network response](#), p. 4.

⁶³ [Telefónica response](#), p. 6.

⁶⁴ [ODI response](#), pp. 4-7 and page 14.

⁶⁵ [Billmonitor response](#), p. 6.

- 3.44 A few stakeholders highlighted concerns around which data might be included. Virgin Media said that the cost of collecting certain customer data, such as where customers use their mobile phone and their download / upload speeds, may be prohibitive.⁶⁶ Telefónica set out that network service quality data should be offered at the product level rather than individualised for customers, which would make comparability more difficult.⁶⁷ BT put forward that there should be restrictions on what historic data should be shared, as it may not be useful to customers if their needs or preferences have changed over time.⁶⁸ INCA argued that some of the data is already available to customers, either from Ofcom or the providers themselves.⁶⁹ Finally, Sky said it is premature to consider which metrics should be included in Open Communications and that the sharing of personal data may pose significant data protection risks.⁷⁰
- 3.45 Some stakeholders also commented on the regulatory considerations of data mobility. The OBIE said that in order to meet the data portability requirements of the General Data Protection Regulation (GDPR), in-scope data should include all data given by the customer to their provider as well as all data derived from the customer's activity with their provider.⁷¹ The Open Banking Implementation Entity (OBIE) said that proprietary data such as enhanced algorithms should also be excluded.

Stakeholders agreed that data standardisation is a critical component to making Open Communications a success

- 3.46 In the consultation we said that data standardisation could make it easier for third parties to analyse data from different providers and to present customers with meaningful comparisons between services. However, we recognised that standardisation for some metrics could be a complex and potentially costly undertaking.
- 3.47 BT, OBIE and BillMonitor agreed with our initial views on standardisation.⁷² BT set out that, while data standardisation is essential, there should be some degree of flexibility to allow for cost and complexity considerations.⁷³
- 3.48 BT and Telefonica and suggested the development of a cross-industry working group to deal with issues of metric definitions and standardisation.⁷⁴

Some respondents argued that all providers should be required to participate in Open Communications, others felt it should be a smaller set

- 3.49 In our consultation, we set out our view that, in principle, the more providers that participate in Open Communications and share both customer and product data, the more valuable it may be to people and small businesses overall. We acknowledged that Open

⁶⁶ [Virgin Media response](#), p. 22.

⁶⁷ [Telefónica response](#), p. 4.

⁶⁸ [BT response](#), p. 14.

⁶⁹ [INCA response](#), p. 6.

⁷⁰ [Sky response](#), p. 32.

⁷¹ [OBIE response](#), p. 16.

⁷² [BT response](#), pp.23-24; [OBIE response](#), pp. 13-14; [BillMonitor response](#), pp. 6-7.

⁷³ [BT response](#), pp. 23-24.

⁷⁴ [BT response](#), p. 27; [Telefónica response](#), p. 5.

Communications could also require certain network operators and wholesale providers to make some product data available to retail providers, where necessary.

- 3.50 Virgin Media, Three, Telefónica, BillMonitor, and Raidiam⁷⁵ said that all providers that hold customer data should take part in Open Communications.⁷⁶ Raidiam set out a principle that any organisation providing consumers with data should be obliged to share that data securely when directed by the consumer.⁷⁷
- 3.51 Virgin Media agreed with our initial view that it may be disproportionate to impose requirements on smaller providers that have fewer customers and may therefore be less able to bear the technical requirements and costs. However, it said that this should be balanced against the potential benefits of raising awareness of smaller and specialist providers, including full fibre networks.⁷⁸ BillMonitor suggested that a revenue or market share threshold may be used to determine the final list.⁷⁹
- 3.52 Other providers suggested additional considerations. BT said that when considering organisations for mandated participation in Open Communications, this should be done with reference to individual brands.⁸⁰ The ODI and the OBIE asked Ofcom to consider a phased approach to ease implementation and perhaps to gradually scale up the number of participants.⁸¹ Zoomm, ISPA and [3<] said that Ofcom should consider providers' means to bear costs when deciding which providers should be included.⁸²
- 3.53 On the other hand, Sky and TalkTalk said that it was premature to consider how obligations to provide customer and product data should be formulated, as the case for intervention had not yet been made.⁸³

Some stakeholders said that pay TV should be included in the scope of Open Communications, but Sky strongly disagreed

- 3.54 In our consultation we said we would expect customer and product data to be available with respect to standalone and bundled variants of and pay TV services.
- 3.55 BT and Uswitch agreed with our initial view that we would expect customer and product data to be available with respect to standalone and bundled variants of and pay TV services.⁸⁴ BT also said that the exclusion of pay TV would give some providers a competitive advantage, because the importance of TV in purchasing decisions differs widely between providers. It also said that subscription video on demand providers should

⁷⁵ [Virgin Media response](#), p. 21; [Three response](#), p. 10; [Telefónica response](#), p. 7; [BillMonitor response](#), p. 5-6; [Raidiam response](#), p. 2.

⁷⁶ [Telefónica response](#), p. 7; [Three response](#), p. 10.

⁷⁷ [Raidiam response](#), p. 3.

⁷⁸ [Virgin Media response](#), p. 21.

⁷⁹ [BillMonitor response](#), p. 6.

⁸⁰ [BT response](#), p. 21.

⁸¹ [ODI response](#), p. 12; [OBIE response](#), p. 10.

⁸² [ISPA response](#), p. 5; [Zoomm response](#), p. 6; [3<]

⁸³ [Sky Response](#), p. 44; [TalkTalk response](#), p. 1.

⁸⁴ [BT response](#), p. 11; [Uswitch response](#), p. 2.

be in-scope due to their market penetration and impact on consumers' purchasing decisions.⁸⁵

- 3.56 Sky argued against the inclusion of pay TV. Its position was that pay TV services have different characteristics to telecoms services and are ill-suited to data-based initiatives aimed at facilitating comparison or switching.⁸⁶

Some stakeholders said there would be benefits to including SMEs in the scope of Open Communications, others argued against this

- 3.57 In our consultation we set out that understanding and being confident in choosing a suitable communications package can often be more difficult for SME customers than for residential customers. We said that this could mean that Open Communications might be of particular benefit to small business customers.
- 3.58 ForgeRock, ODI, Predict Mobile, BillMonitor and a member of the public believed that SME customers should be able to share data about their communications services with third parties.⁸⁷ In its response, Predict Mobile set out that SME 'pain points' are different to those experienced by residential consumers and the lack of transparency makes it difficult for intermediaries to properly serve this group of users.⁸⁸ BillMonitor also agreed that the lack of publicly available information on SME tariffs means that these customers are not able to compare offers in the same way as residential customers. Drawing on its research, BillMonitor said that this has led to SMEs overspending by 96% (by comparison with 66% of the residential market, by its estimation).⁸⁹
- 3.59 BT argued that the SME market is already well served through the tailoring of offers and the ability to personalise packages in a way that residential customers cannot.⁹⁰ It also set out that, for a meaningful comparison to be made for SMEs, an Open Communications solution would need to include an expanded scope of data, which would be costly.

Stakeholders suggested several secure processes for authorisation and authentication

- 3.60 WonderBill supported the potential option of a 'data trustee' model for authenticating and authorising users of Open Communications and third parties.⁹¹ However, BT said that a provider-led authentication model may be more secure.⁹² CallSign and ForgeRock agreed that it was important to ensure a robust authentication and authorisation framework.⁹³ CallSign argued that alternatives to passwords can be used and suggested the use of multi-factor authentication and analysis of a user's behaviour, device and location could deliver significantly higher levels of security. ForgeRock argued for legislation that encourages

⁸⁵ [BT response](#), p. 6-7.

⁸⁶ [Sky response](#), p. 30.

⁸⁷ [ForgeRock response](#), p. 2; [ODI response](#), p. 2; [Predict Mobile response](#), p. 2, 5; [BillMonitor response](#), p. 2.

⁸⁸ [Predict Mobile response](#), p. 5.

⁸⁹ [BillMonitor response](#), pp. 1-2.

⁹⁰ [BT response](#), p. 16.

⁹¹ [WonderBill response](#), p. 3

⁹² [BT response](#), p. 25.

⁹³ [CallSign response](#), p. 1.

innovative authentication methods such as biometrics and possession factors.⁹⁴ Telefónica questioned how a provider would verify whether a third party has consent.⁹⁵

Stakeholders made suggestions about how third parties should access data and some controls that could apply

- 3.61 Digital Landscapes suggested that Ofcom should manage and host Open Communications data, as opposed to requiring providers to give data to third parties.⁹⁶ In its response, the ODI suggested that Ofcom and other organisations should provide access to aggregated data to benefit researchers and enable its wider use.⁹⁷
- 3.62 Uswitch argued that Open Communications should allow for third parties to get ongoing access to customer data to unlock innovation.⁹⁸ A number of providers disagreed with this view. BT set out that there should be explicit restrictions preventing third parties from accessing Open Communications data after it has been processed and used for the purpose for which it was requested. BT also questioned whether third parties should be asked to store details of the result of each comparison, to allow an audit of whether data was being used in an appropriate way.⁹⁹ [§<¹⁰⁰]. Zzoomm stated that enhanced data sharing could lead to sensitive information being divulged to competitors.¹⁰¹ ISPA said that any implications for competition need to be carefully considered when deciding which parties have access to certain data.¹⁰²

Some stakeholders said that an accreditation scheme would be needed and provided views on how it would work

- 3.63 Respondents were generally in favour of our consultation position around the need for an accreditation scheme for third parties accessing Open Communications data, and some felt its purposes could be broader. Which?, ForgeRock, Billmonitor, Telefónica and BT all agreed that an accreditation scheme would be necessary to ensure customers can trust Open Communications.¹⁰³ Telefónica put forward that having an accreditation scheme will be important to oversee the implementation of Open Communications and resolve any issues that may arise.¹⁰⁴
- 3.64 ForgeRock, and Which? argued that accreditation should be used as a means of assessing third parties' services and ensuring that they are fit to access Open Communications data.¹⁰⁵ [§<].¹⁰⁶

⁹⁴ [ForgeRock response](#), p. 3.

⁹⁵ [Telefónica response](#), p. 4.

⁹⁶ [Digital Landscapes response](#), p. 2.

⁹⁷ [ODI response](#), p. 15.

⁹⁸ [Uswitch response](#), p. 2.

⁹⁹ [BT response](#), p. 15.

¹⁰⁰ [§<].

¹⁰¹ [Zzoomm response](#), p. 4.

¹⁰² [ISPA response](#), pp. 3-4.

¹⁰³ [Which? response](#), p. 5; [ForgeRock response](#), p. 6; [Billmonitor response](#), p. 5, [Telefónica response](#), p. 6; and [BT response](#), pp. 33-34.

¹⁰⁴ [Telefónica response](#), p. 6.

¹⁰⁵ [ForgeRock response](#), p. 8; [Which? response](#), p. 5.

¹⁰⁶ [§<].

3.65 Uswitch proposed that the accreditation scheme for Open Communications should be developed to apply across sectors and should reflect the sensitivity of data to which third parties will have access. However, it considered that it should not be necessary for third parties to be accredited to access certain product data.¹⁰⁷ BT stated that there is a risk that a cross-sectoral accreditation scheme would not address communications-specific concerns¹⁰⁸.

Some respondents argued that further oversight of third parties would be necessary to protect consumers

3.66 In our consultation we set out that Ofcom is mindful that Open Communications could introduce further risks to people and businesses that, where general consumer law may be insufficient, could require dedicated regulatory oversight of third-party intermediaries in the communications sector (in addition to an accreditation scheme).

3.67 Some respondents made arguments for the regulatory oversight of third parties as a means of mitigating the potential risks to users of Open Communications. BT stated that rigorous rules and controls must be in place around data sharing and usage, that standards must be laid out and that all third parties must be subject to regulation by Ofcom through the introduction of new powers.¹⁰⁹ Three agreed that third parties' activities when using Open Communications should be regulated to protect consumers.¹¹⁰ ISPA stated that Open Communications should ensure that the high regulatory standards that are applied to communications providers are mirrored across the Open Communications value chain.¹¹¹ ApTap stated that the risks associated with data sharing could be mitigated by sharing it in a structured and regulated way.¹¹²

3.68 Which? argued that while it is important for the UK to have a clear and coordinated approach to the regulation and oversight of Smart Data initiatives across many sectors, there may also be challenges that are unique to individual sectors. Which? said that firms accessing data must have the necessary regulatory oversight, and there must be clear protection and redress mechanisms in place for people and businesses.¹¹³ Citizen's Advice argued that maintaining consumer confidence in sharing their data will require clear and easy to understand forms of regulatory protection.¹¹⁴ The Communications Consumer Panel (CCP) recommended that all relevant legislation and regulation is followed¹¹⁵.

3.69 A member of the public proposed that there should be a mechanism for conducting a health check for proper use of data and that dispute management should adhere to Ofcom

¹⁰⁷ [Uswitch response](#), p. 4.

¹⁰⁸ [BT response](#), p. 33.

¹⁰⁹ [BT response](#), p. 3.

¹¹⁰ [Three response](#), p. 1.

¹¹¹ [ISPA response](#), p. 1.

¹¹² [ApTap response](#), p. 2.

¹¹³ [Which? response](#), pages 2, 5.

¹¹⁴ [Citizens Advice response](#), p. 5.

¹¹⁵ [Communications Consumer Panel response](#), p. 3.

regulation. They also said that there should be a platform for customers to raise their disputes.¹¹⁶

- 3.70 WonderBill said that, in the early stages of implementation, Ofcom should monitor the nature of disputes that may arise between and among customers, providers and third parties requiring apportioning liability and redress to ensure that they are dealt with in the most effective and efficient way.¹¹⁷

Stakeholders commented on the need to ensure accessibility and said we should consider the needs of vulnerable consumers

- 3.71 A few stakeholders commented on the importance of accessibility. Citizen's Advice said data should capture someone's accessibility needs to allow third parties to make an informed recommendation about switching to a new service.¹¹⁸ Citizen's Advice Scotland agreed with Ofcom's position that Open Communications should follow inclusive design principles and be accessible to all users, which would enable it to help those that are digitally excluded.¹¹⁹ ApTap and Raidiam also said that enabling users to share accessibility data would allow third parties to better support customers.¹²⁰ BT said it would support including accessibility needs if the customer gives explicit consent to sharing this information.¹²¹
- 3.72 Some stakeholders also provided views on vulnerable consumers and how they may benefit from Open Communications. The CCP argued that it is important for the definition of vulnerability to be consistent across the communications sector to ensure all customers who need additional support would receive it in a timely way.¹²² BT said that extra care should be taken that data that reveals a vulnerability is not inadvertently shared.¹²³

Stakeholders suggested that Ofcom should consider the benefits of cross-sector initiatives

- 3.73 Uswitch, the ODI, Which? and Citizens Advice noted that Ofcom should consider the use of Open Communications from a cross sector perspective.¹²⁴ Citizens Advice said that any initiative should be as holistic as possible for essential utility services.¹²⁵ Which? argued that there should be a coordinated approach to the regulation and oversight of Smart Data initiatives that are being used across a variety of sectors. However, it said that any initiative should consider the key challenges present for individual sectors.¹²⁶

¹¹⁶ [Priyank Chandra response](#), p. 4.

¹¹⁷ [WonderBill response](#), pp. 3-4.

¹¹⁸ [Citizen's Advice response](#), p. 2.

¹¹⁹ [Citizen's Advice Scotland response](#), p. 3.

¹²⁰ [ApTap response](#), p. 2; [Raidiam response](#), p. 3.

¹²¹ [BT response](#), p. 18.

¹²² [Communications Consumer Panel response](#), p. 2.

¹²³ [BT response](#), p. 18.

¹²⁴ [Uswitch response](#) p. 3; [ODI response](#) p. 6-7; [Which response](#), p. 2; [Citizens Advice response](#), p. 1.

¹²⁵ [Citizens Advice response](#), p. 4.

¹²⁶ [Which? response](#), p. 2.

The potential benefits

3.74 Below we discuss comments made by respondents on the potential benefits of Open Communications.

Summary of the consultation

3.75 In the consultation we looked at five potential categories of benefits that Open Communications could deliver for people and small businesses:

- Reducing the time and effort needed to search for a new deal;
- Increasing the benefits for customers of searching the market and finding a deal better suited to their needs;
- Enabling innovation and the introduction of new services;
- Enabling services designed to benefit people in vulnerable circumstances, for example people in financial difficulties; and
- More effective competition that could lead to better outcomes for people and businesses.

3.76 We consider the responses in terms of this list of potential benefits – first those which agreed that Open Communications could generate these benefits, and then those that did not.

Responses to the consultation

Some respondents agreed with the benefits we set out

3.77 Many of the responses to the consultation broadly agreed with the benefits we had outlined.¹²⁷ As noted above, it was principally consumer groups and third parties that supported our view.

People may spend less time and effort looking for a new deal

3.78 Uswitch and Which? agreed that Open Communications would allow customers to spend less time and effort looking for a new deal. Both noted that third parties would be able to help customers cut through the complexity of searching for a deal well suited to their needs if they used Open Communications.¹²⁸

3.79 Which? considered that Open Communications had the potential to drive greater switching between providers, by allowing consumers to save time comparing offers and gathering information about the details of their contracts.¹²⁹ It also stated that Open

¹²⁷ BT, Three, Uswitch, Which?, BillMonitor, ApTap, Citizens Advice, Citizens Advice Scotland, OBIE, Equifax, ForgeRock, Radam, Wonderbill, ODI, and three members of the public (S, S and Priyank Chandra).

¹²⁸ [Uswitch response](#), p. 2; [Which? response](#), p. 1.

¹²⁹ [Which? response](#), p. 1, 4.

Communications should be supported by complementary regulatory interventions aimed at facilitating consumer engagement.¹³⁰

- 3.80 Which? agreed with our view that Open Communications could increase people's confidence when searching for a new deal. It considered that Open Communications could help customers who are reluctant to engage because of a fear that they might make the wrong decision when selecting a new package, and also help consumers to overcome the belief that changing broadband packages could result in higher costs than anticipated.¹³¹ Uswitch argued that Open Communications could help to eliminate barriers to engagement related to the understanding of jargon.¹³²

People could benefit more from finding a deal better suited to their needs

- 3.81 Uswitch, Which? and Citizens Advice Scotland all agreed that Open Communications could allow consumers to find a deal better suited to their needs.¹³³
- 3.82 Billmonitor, Equifax and Predict Mobile stated that they would use customer and product data to offer better services to their clients, to improve consumers' journeys in innovative ways and to offer them the most appropriate products.¹³⁴
- 3.83 ApTap argued that information about available deals is over-complicated, leading to low trust in sellers and providers. It stated that, by enabling improved services through the use of more and better data, Open Communications could improve trust in the market.¹³⁵
- 3.84 Uswitch agreed that customers would benefit from more accurate information about the suitability of products, as address level broadband speeds and mobile signal strength data could help third parties give more accurate advice about whether products would work as advertised.¹³⁶
- 3.85 Relatedly, the OBIE considered that Open Communications could improve the transparency of price and service quality for consumers, allowing them to access more suitable deals.¹³⁷ It noted that Open Banking has enabled people to view all their accounts in one place, giving them the ability to make better decisions which are based on a more informed understanding of their own needs.¹³⁸
- 3.86 [X¹³⁹]G.Network agreed that there is demand for better information about broadband reliability, speed and service quality among customers, and that third parties could provide this if they had access to better data.¹⁴⁰

¹³⁰ [Which? response](#), p. 1, 3, 5.

¹³¹ [Which? response](#), pp. 2-3.

¹³² [Uswitch response](#), p. 3.

¹³³ [Uswitch response](#), pp. 2-3; [Which? response](#), pp. 2-3; [Citizens Advice Scotland response](#), p. 2.

¹³⁴ [Billmonitor response](#), p. 9; [Equifax response](#), p. 5; [Predict Mobile response](#), p. 7.

¹³⁵ [ApTap response](#), p. 1.

¹³⁶ [Uswitch response](#), p. 3.

¹³⁷ [OBIE response](#), p. 3.

¹³⁸ [OBIE response](#), p. 2.

¹³⁹ [X].

¹⁴⁰ [G. Network response](#), p. 2.

People may benefit from innovation and the launch of new services

- 3.87 Which? and Citizens Advice Scotland agreed with our view that Open Communications could encourage innovation and the delivery of new services for consumers.¹⁴¹ Uswitch noted that better access to customer data could help unlock innovation and deliver better outcomes for consumers.¹⁴²
- 3.88 The OBIE stated that access to better data could enable third parties to offer new and improved services. It also noted that the use cases outlined in the consultation align with some of the real-world applications of Open Banking, and that innovation would lead to additional use cases and benefits that are not yet envisaged.¹⁴³ WonderBill also noted several ways in which Open Communications could enable third parties to help consumers, including by managing bills when moving home and by cancelling old contracts.¹⁴⁴
- 3.89 BT argued that the metrics and data that should be included in Open Communications would need to be wide ranging and sufficiently detailed to enable innovation.¹⁴⁵

Open Communications could enable services that benefit vulnerable consumers

- 3.90 Many respondents agreed that Open Communications has the potential to help those in vulnerable circumstances.¹⁴⁶
- 3.91 Citizens Advice Scotland agreed that Open Communications could help vulnerable consumers access information about social tariffs.¹⁴⁷ The Open Data institute considered that mobile location data could help vulnerable consumers to find local services.¹⁴⁸ WonderBill stated that Open Communications could enable people to more easily look after the bills of vulnerable people.¹⁴⁹
- 3.92 BT shared research carried out by Populus, which showed that 74% of those with additional needs due to disability would be willing for their details to be shared with their new provider to ensure continued support. This figure was 69% for financially vulnerable consumers and 66% for online vulnerable consumers.¹⁵⁰ BT also said that the inclusion of pay TV data in the scope of Open Communications could facilitate significant savings for some financially vulnerable consumers.¹⁵¹

¹⁴¹ [Which? response](#), p. 2; [Citizens Advice Scotland response](#), p. 2.

¹⁴² [Uswitch response](#), p. 2.

¹⁴³ [OBIE response](#), p. 3.

¹⁴⁴ [WonderBill response](#), pp. 2-3.

¹⁴⁵ [BT response](#), p. 26.

¹⁴⁶ BT, Which?, BillMonitor, ApTap, Citizens Advice, Citizens Advice Scotland, [3], CCP, OBIE, ODI, ForgeRock, Equifax, Radam and Wonderbill.

¹⁴⁷ [Citizens Advice Scotland response](#), p. 3.

¹⁴⁸ [ODI response](#), p. 7.

¹⁴⁹ [Wonderbill response](#), p. 3.

¹⁵⁰ [BT response](#), p. 18.

¹⁵¹ [BT response](#), pp. 13-14.

Open Communications could facilitate more effective competition

- 3.93 Which? and the OBIE agreed that Open Communications could encourage competition.¹⁵² Citizens Advice Scotland proposed that Open Communications could increase competition by making the switching process more straightforward.¹⁵³ BT considered that Open Communications could enable greater competition if providers are able to make use of the data that it makes available.¹⁵⁴

Some respondents disagreed with the benefits we set out in the consultation

People may spend less time and effort looking for a new deal

- 3.94 Virgin Media argued that consumers are likely to learn about their own consumption patterns, and any alternative packages that fit these consumption patterns, over time. Added to this, Virgin Media acknowledged that, while people and businesses may not understand their existing services or needs, that does not imply that consumers would want to make the effort of using Open Communications to (potentially) become less confused.¹⁵⁵
- 3.95 Virgin Media and TalkTalk disagreed with our view of how Open Communications would help to build consumer knowledge and understanding of telecoms terminology and data related to speed of service.¹⁵⁶ Virgin Media stated that we had failed to acknowledge that consumers might become more confident about telecoms terminology over time without Open Communications.¹⁵⁷

People could benefit more from searching the market and finding a deal better suited to their needs

- 3.96 Virgin Media argued that our quantitative research, which found that 52% of pay monthly mobile users were paying for more data than they needed while 27% had an insufficient data allowance, could not be used to make a 'value' statement about consumers being on unsuitable deals.¹⁵⁸ It stated that some customers may deliberately pay for more data than they need to insure against 'bill shock', while others might pay for less data than they need in order to encourage themselves to economise in the future, or because this is cheaper than committing to a higher allowance each month.¹⁵⁹
- 3.97 Added to this, Virgin Media also considered that there was a cohort of customers who – despite not knowing about the alternatives available – think that their service is 'fine' and will only engage with the market in response to negative 'push' factors. It argued that consumers may rationally decide not to shop around if they believe the opportunity cost involved is not worth the effort, as it said has been shown by market research carried out by Ofcom, which found that triple play customers need a monthly saving of around £23 to

¹⁵² [Which? response](#), p. 2; [OBIE response](#), pp. 1-2.

¹⁵³ [Citizens Advice Scotland response](#), p. 2.

¹⁵⁴ [BT response](#), p. 15.

¹⁵⁵ [Virgin Media response](#), p. 8, 10.

¹⁵⁶ [Virgin Media response](#), p. 14; [TalkTalk response](#), pp. 3, 4.

¹⁵⁷ [Virgin Media response](#), p. 8.

¹⁵⁸ See Ofcom 2018, [Consumer engagement quantitative research](#), Q32.

¹⁵⁹ [Virgin Media response](#), pp. 5-6.

incentivise them to switch provider or £20 to persuade them to change deals with their existing provider.^{160,161}

- 3.98 Some respondents argued that recommendations from third parties might not always be in consumers' best interests. For example, [3], INCA and Three highlighted the risk that commission rates given by providers to third parties could influence the results of best tariff options available to customers.¹⁶² Telefónica noted that the services in mobile are not directly comparable and that it is difficult to see how third party organisations could provide comparisons without making their own non-impartial judgements of the relative value of the different parts of an offer.¹⁶³
- 3.99 Three stated that consumers are vulnerable to third-party intermediaries, whose business models are not necessarily based on finding consumers the best deal.¹⁶⁴
- 3.100 INCA proposed that comparison tools might not operate in a way that will serve consumer interests due to entering into 'most favoured nation' agreements with particular providers.¹⁶⁵ Vodafone argued that a price comparison website might favour one operator over another.¹⁶⁶
- 3.101 [3]¹⁶⁷

People may benefit from innovation and the launch of new services

- 3.102 Virgin Media, Three, Sky and TalkTalk considered that account management and account aggregator use cases for Open Communications¹⁶⁸ offer little incremental benefit, as they are very similar to existing services.¹⁶⁹
- 3.103 Telefónica noted that it had not seen any evidence to demonstrate that price and usage data could be of use for innovation rather than simply to promote switching.¹⁷⁰ Virgin Media also considered the opportunities for innovation to be greater for Open Banking (given the daily volume of debit and credit transactions) compared to Open Communications (given that communications bills are often static and recur only monthly).¹⁷¹

Open Communications could enable services that benefit vulnerable consumers

- 3.104 Virgin Media considered that the unengaged (including the vulnerable) are unlikely to want to share their data with third parties.¹⁷² Sky argued that Ofcom hadn't provided meaningful

¹⁶⁰ Triple play customers are those that take a bundle of broadband, landline and pay TV services.

¹⁶¹ [Virgin Media response](#), pages 7, 9.

¹⁶² [3]; [INCA response](#), pp. 41-42; [Three response](#), pp. 7-12.

¹⁶³ [Telefónica response](#), p. 2.

¹⁶⁴ [Three response](#), p. 1.

¹⁶⁵ [INCA response](#), pages 1, 8.

¹⁶⁶ [Vodafone response](#), p. 3.

¹⁶⁷ [3]

¹⁶⁸ As identified in paragraph 5.8-5.13 of the [consultation](#).

¹⁶⁹ [Virgin Media response](#), p. 13; [Three response](#), p. 6; [Sky response](#), p. 23; [TalkTalk response](#), p. 4.

¹⁷⁰ [Telefónica's response](#), p. 3.

¹⁷¹ [Virgin Media response](#), p. 19.

¹⁷² [Virgin Media response](#), p. 21.

evidence of benefits for vulnerable consumers.¹⁷³ Zoomm stated it was concerned that Ofcom thought that comparison websites could be specifically helpful to vulnerable customers, as (it said) third-parties do not always provide objective comparisons.¹⁷⁴

- 3.105 ISPA questioned whether achieving the benefits outlined for vulnerable consumers would require Open Communications, given that spending data is already available via Open Banking and debt advice services are already capable of assessing contract information.¹⁷⁵
- 3.106 [~~3~~¹⁷⁶] Relatedly, INCA argued that Open Communications could lead to the exploitation of vulnerable consumers if they divulge confidential data to parties who stated that they were accredited by Ofcom.¹⁷⁷
- 3.107 Which? stated that vulnerable customers' data may be misused, for example if third parties discriminate on the basis of health conditions or financial problems.¹⁷⁸

Open Communications could facilitate more effective competition

- 3.108 Virgin Media noted that Open Communications could exacerbate the price differential between new customers and customers outside of their minimum contract period. It argued this could occur if Open Communications incentivised providers to offer lower prices to new customers to secure favourable rankings. It stated that the effect might be made more pronounced if Open Communications would allow providers to access customer data to win customers.¹⁷⁹
- 3.109 Virgin Media also stated that Open Communications would only raise the awareness of smaller and more specialist providers if Ofcom imposes data sharing requirements on smaller providers.¹⁸⁰

Some respondents set out additional considerations in relation to the benefits

- 3.110 Virgin Media argued that many of the proposed benefits of Open Communications would not be incremental to the benefits already achieved by existing initiatives. For example, it argued that end of contract and annual best tariff notifications already ensure that customers who are coming to the end of their contracts are notified of this, while General Conditions ensure that digital comparison tools have sufficient access to provider information.¹⁸¹ Similarly, Sky noted that we had not assessed whether the potential benefits were incremental to benefits arising from market developments or regulation.¹⁸²

¹⁷³ [Sky response](#), pp. 22-23.

¹⁷⁴ [Zoomm response](#), p. 4.

¹⁷⁵ [ISPA response](#), p. 3.

¹⁷⁶ [~~3~~]

¹⁷⁷ [INCA response](#), p. 22.

¹⁷⁸ [Which? response](#), p. 19.

¹⁷⁹ [Virgin Media response](#), p. 18.

¹⁸⁰ [Virgin Media response](#), p. 21.

¹⁸¹ [Virgin Media response](#), p. 10.

¹⁸² [Sky response](#), p. 23.

- 3.111 Telefónica also considered that account aggregators may be confusing and duplicative of recent mobile industry requirements to provide end of contract notifications.¹⁸³ Relatedly, Sky also argued that there could be a potential disbenefit to consumers where they are overloaded with sources of slightly different information.¹⁸⁴
- 3.112 Three considered that consumer policy should be tailored towards delivering benefits for unengaged customers.¹⁸⁵ As noted above, Virgin Media considered that there was no evidence that unengaged customers, who do not currently think the saving they can make is worth the effort of switching, would opt to use Open Communications. It questioned whether these customers would be willing to navigate verification and authentication procedures or to consider what permissions to grant a third party.¹⁸⁶ ISPA also noted that currently unengaged consumers are likely to be sceptical about engaging using Open Communications.¹⁸⁷
- 3.113 Some respondents suggested that the scope of Open Communications could have a significant impact on the benefits. BT argued that, due to the nature of the market and complexity of SMEs' communication needs, the inclusion of SMEs in Open Communications would not address the challenges they face engaging in the market.¹⁸⁸ Uswitch and BT argued that the full benefits of Open Communications could only be realised if pay TV were included in scope.¹⁸⁹
- 3.114 Sky was concerned that we had not attempted to quantify the benefits in terms of savings in time or costs of the services, or improvements in the quality of services provided.¹⁹⁰ Virgin Media calculated a small annual incremental benefit for disengaged consumers who use Open Communications to switch (and so pay a lower price), worth £1.5m for consumers purchasing fixed services and £1.4m for consumers purchasing mobile services.¹⁹¹
- 3.115 Virgin Media argued that Open Communications could limit investment in gigabit capable networks, if it encourages users to switch to cheaper deals and reduces provider revenues.¹⁹²

The potential costs

- 3.116 Below we discuss stakeholder responses on the potential costs of Open Communications. This includes consideration of the main sources and drivers of costs, estimates of costs to industry and comments related to cost recovery.

¹⁸³ [Telefónica response](#), p. 3.

¹⁸⁴ [Sky response](#), p. 25.

¹⁸⁵ [Three's response](#), p. 4-6.

¹⁸⁶ [Virgin Media response](#), p. 1, 14.

¹⁸⁷ [ISPA response](#), p. 2.

¹⁸⁸ [BT response](#), pp. 16-17.

¹⁸⁹ [Uswitch response](#) p. 3, [BT response](#), pp. 13-14.

¹⁹⁰ [Sky response](#), p. 23.

¹⁹¹ [Virgin Media response](#), pp. 14-15.

¹⁹² [Virgin Media response](#), pp. 15-17, and page 21.

Summary of the consultation

3.117 In our consultation we said that there was likely to be a significant cost to providers - and to some extent third party intermediaries - in setting up and operating Open Communications on an ongoing basis. Given the nature of the consultation and the early stage of our work we did not quantify the costs, but instead identified the key areas where Open Communications would be likely to incur costs:

Table 1: Categories of costs

Generating and sharing Open Communications data (i.e. costs to providers / data holders)	Enabling and providing services using Open Communications data (i.e. costs for third parties who receive the data)
Database consolidation	Registering as an accredited provider
Standardising metrics	Receiving and processing product data
API development	Receiving and processing customer data
Authentication	Developing the ability to offer services using product and customer data
End-to-end secure data transfer	
IT maintenance and running costs	

Responses to the consultation

Some respondents expanded on the sources of costs that industry could incur

- 3.118 Telefónica, ApTap, ForgeRock and Raidiam agreed with the main sources of costs that we identified in our consultation.¹⁹³
- 3.119 BT considered that we had captured some of the main categories of costs, but it proposed seven additional categories: data development; data quality testing and management; legal and security costs; putting services into production; ongoing service management and development; service support costs; and reliability requirements.¹⁹⁴
- 3.120 Virgin Media agreed with the main sources of costs we identified in our consultation. It also noted an additional category of cost related to ‘oversight expenditure’, which drives some costs of Open Banking.¹⁹⁵ Similarly, ISPA noted that there is a need to consider Ofcom’s governing, monitoring and enforcement costs.¹⁹⁶

¹⁹³ [Telefónica response](#), p. 6; [ApTap response](#), p. 3-4; [ForgeRock response](#), p. 9; [Raidiam response](#), p. 3.

¹⁹⁴ [BT response](#), pp. 37-38.

¹⁹⁵ [Virgin Media response](#), pp. 18-19, 22.

¹⁹⁶ [ISPA response](#), p. 5.

- 3.121 A member of the public agreed that the main sources of costs had been identified, but argued that the setting up of a data trustee would also incur additional costs and that, as a shared initiative, Open Communications would require Government funding along with contributions from providers and third parties.¹⁹⁷
- 3.122 ISPA stated that there would be a need to consider legal and ongoing compliance costs for providers.¹⁹⁸

Respondents outlined different drivers of the overall scale of costs to industry

- 3.123 BT commented on the factors that could drive the scale of the costs of generating and sharing data, under each cost category that we identified in our consultation:¹⁹⁹
- Database consolidation costs, which will be driven by the number of databases and integration points, the different approaches taken across data systems, the data quality and whether data is stored / processed on the cloud or locally.
 - Costs of standardising metrics will be driven by the level of standardisation required, the length of time over which metrics require standardisation, the frequency at which data is refreshed and whether any new metrics need to be collected.
 - Application programme interface (API) development costs will be driven by the complexity of the API, the frequency of API transactions and likely volumes, service level agreement (SLA) requirements and the model for data transfer.²⁰⁰
 - Authentication costs will be driven by the proportion of existing infrastructure that can re-used.
 - End-to-end secure data transfer costs will be driven by the ability to make changes to the data that is required for product data, the scale of data volumes and the type of encryption used.
 - IT maintenance costs will be driven by volumes and frequency, service points and SLA requirements.
- 3.124 BT also proposed four cross-category factors that could drive the scale of the costs²⁰¹:
- The notice period that providers are given to prepare and launch: a longer notice period would lower the cost of Open Communications as it would allow providers to build in required changes into ongoing systems upgrades.
 - The degree to which the approach is prescriptive or flexible: a flexible approach (where this would not affect the end-result) would allow providers to minimise costs.
 - The frequency of data collection: collecting data on a periodic basis is significantly cheaper than making 'live' data available that reflects conditions at the moment of the data request.

¹⁹⁷ [Priyank Chandra response](#), p. 6.

¹⁹⁸ [ISPA response](#), p. 5.

¹⁹⁹ [BT response](#), pp. 36-37.

²⁰⁰ BT also note that the model for data transfer will drive costs for authentication and end-to-end secure data transfer.

²⁰¹ [BT response](#), p. 36.

- The approach taken to implementation: working to make all metrics available from the launch of Open Communications would be cheaper than an iterative approach, which would require fixed costs to be incurred more than once.
- 3.125 Three stated that the data included in the scope of Open Communications would be likely to have a large bearing on the potential costs, while Virgin Media noted that costs would be significantly affected by the number of categories of information that providers were required to share, rather than the make-up of the customers that are served.²⁰² However, BT argued that widening the scope of metrics would be unlikely to add to total costs significantly.²⁰³
- 3.126 Telefónica considered that the most important driver of costs was the complexity of the solution. It argued that making subjectively-measured or aggregated data available would require additional judgment, processing and cost (for little benefit) and that a quicker and lower cost solution would be one that is 'specific, factual, comparable and practical'.²⁰⁴
- 3.127 The ODI argued that we should focus on adopting open and common standards for data to increase data interoperability and reduce costs across the system.²⁰⁵
- 3.128 Raidiam noted that technical development costs would be driven by the current state of infrastructure, but that the requirements of data sharing should not be significant as companies are already investing in digital access for their customers. It also stated that regulatory requirements were another factor which could drive costs, but that these requirements should not be significant as the sector is already regulated. It considered that costs related to the management of technical connectivity could be minimised by using Directory Trust Framework technology (as applied in Open Banking).²⁰⁶ ApTap noted that the costs of data storage would be determined by who was required to store which data, whether providers or third parties.²⁰⁷
- 3.129 BT stated that including SMEs in the scope of Open Communications would be complex and costly. It argued that, for Open Communications to facilitate meaningful comparisons for SMEs, it would need to include all products and services within a provider's portfolio, including communication add-ons, IT and business services, and hardware and product compatibility / interoperability metrics that extend beyond mobile phones to card readers, alarms and security systems. Additionally, the scope of Open Communications would need to be extended to IT service providers.²⁰⁸ ISPA also considered that the complexity and bundled nature of business products made them costly to include.²⁰⁹

²⁰² [Three response](#), p. 17; [Virgin Media response](#), p. 23.

²⁰³ [BT response](#), p. 7.

²⁰⁴ [Telefónica response](#), p. 6.

²⁰⁵ [ODI response](#), pp. 19-20.

²⁰⁶ [Raidiam response](#), p. 4.

²⁰⁷ [ApTap response](#), p. 4.

²⁰⁸ [BT response](#), p. 16.

²⁰⁹ [ISPA response](#), p. 5.

3.130 Relatedly, Telefónica stated that costs for business solutions are often bespoke to the customer, with prices agreed via contract negotiation, making Open Communications impractical, commercially sensitive and not useful for these customers.²¹⁰

Some respondents provided estimates of costs, while others noted that it was too early to provide estimates of costs

3.131 Three, [redacted] and Virgin Media argued that it was too early to provide an estimate of costs of Open Communications.²¹¹ Similarly, Sky considered that it was unable to estimate the costs as it did not know what the regime will look like, but that it was clear that costs would be significant.²¹² The FCS also considered that Open Communications was likely to be expensive and INCA stated that it is likely to impose considerable financial burdens on providers.²¹³

3.132 Telefónica stated that [redacted].²¹⁴

3.133 BT estimated that the implementation and running costs for the first three years of Open Communications would cost BT Group between £40 and £100 million. Of this, between £20 million and £40 million could be attributed to the categories of cost captured by Ofcom in the consultation (see Table 1 above) and £20 and £60 million to the additional cost categories identified by BT (see paragraph [3.119] above).²¹⁵

3.134 A member of the public [redacted].²¹⁶

3.135 [redacted].²¹⁷

Some stakeholders drew comparisons with the estimated costs of Open Banking, while others cautioned against this comparison

3.136 Virgin Media and Sky both reported that Open Banking has cost the banking sector an estimated £1.5 billion since the launch of the OBIE in 2016.²¹⁸ Virgin Media stated that the OBIE has significant annual ongoing operational costs of £38m per annum.²¹⁹ Sky stated that Open Banking has cost Government over £80m.²²⁰

3.137 BT reported that it understood Open Banking has cost each in-scope bank tens of millions of pounds to implement and run thus far, and that the funding of the OBIE had cost the nine largest banks around £80m since its launch.²²¹

²¹⁰ [Telefónica response](#), pp. 6-7.

²¹¹ [Three response](#), p. 17, [redacted]; [Virgin Media response](#), p. 23.

²¹² [Sky response](#), p. 27.

²¹³ [FCS response](#), p. 1; [INCA response](#), p. 5.

²¹⁴ [Telefónica response](#), p. 7.

²¹⁵ [BT response](#), pp. 35-36.

²¹⁶ [redacted].

²¹⁷ [redacted].

²¹⁸ [Virgin Media response](#), p. 18 ; [Sky response](#), pages 6, 27. Both Virgin Media and Sky reference UK Finance as the source of this estimate.

²¹⁹ [Virgin Media response](#), p. 18

²²⁰ [Sky response](#), p. 27.

²²¹ [BT response](#), p. 35.

- 3.138 However, the OBIE argued against using Open Banking as a benchmark for costing Open Communications, in part due to several potential technical differences. It stated that Open Communications would not require costly payment initiation standards or functionality (including the high-cost security, performance and resilience framework associated with this), or the real time information that was a necessity for Open Banking. In addition, both the OBIE and the ODI noted that costs could be minimised by utilising the OBIE's existing standards and assets rather than starting from scratch.²²² In addition, the OBIE stated that some of the costs attributed to Open Banking included costs associated with the upgrading of core technology assets, which banks would have had to undertake in any scenario.²²³
- 3.139 The OBIE also highlighted that the different implementation approaches taken by the banks led to significant variation in the costs they incurred. It stated that the banks with the highest implementation costs tended to focus initially on delivering a minimally compliant product. These banks then incurred higher costs as a result of proprietary build, over-tailoring products and a poor choice of suppliers, which in turn resulted in complexity, delays and repeated work.
- 3.140 On the other hand, the OBIE considered that banks that adopted agile, purpose driven approaches and those that had invested in modern cloud-based platforms, data lakes or outsourced their front-end to technical service providers, incurred lower costs. The OBIE noted that, under Open Communications, providers should be able to implement these best practices from the outset and benefit from better access to experienced technical service providers that can minimise costs for providers constrained by legacy platforms.²²⁴
- 3.141 Relatedly, Raidiam argued that there are lessons, approaches and technologies that could reduce the implementation costs. It considered that digitisation and API-first implementation is now far better understood than when Open Banking was first conceived and that there are multiple commercial providers who can provide support in this area.²²⁵

Several respondents discussed how costs might fall on different providers and how industry could be enabled to recover its costs

- 3.142 Several providers were concerned about a disproportionate cost burden on smaller providers. Zzoomm urged us to consider the ability of smaller network providers to comply with highly complex requirements and to take into account the investments providers were making to comply with the European Electronic Communications Code.²²⁶ [§<²²⁷] Virgin Media also considered that it may be disproportionate to impose requirements on smaller providers who are less able to bear costs.²²⁸

²²² [OBIE response](#), p. 18 and [ODI response](#), pp. 19-20.

²²³ [OBIE response](#), p. 18.

²²⁴ [OBIE response](#), pp. 18-19.

²²⁵ [Raidiam response](#), p. 4.

²²⁶ [Zzoomm response](#), p. 6.

²²⁷ [§<].

²²⁸ [Virgin Media response](#), p. 21.

- 3.143 The FCS also noted that while Open Communications was likely onerous and expensive for providers in general, this would be especially true for smaller providers.²²⁹ G.Network noted that the sharing of ‘average response times experienced by customers when reaching provider’s customer service centre’ could place a disproportionate financial burden on smaller providers.²³⁰
- 3.144 BT noted that the provision of Open Communications data from a network operator or wholesale provider to retail providers would incur significant costs. It argued that, as Open Communications is unlikely to benefit network operators with a material increase in revenues or market opportunities, consideration should be given to how retail operators could reimburse network operators and wholesalers, or how these costs could be fairly split across industry.²³¹
- 3.145 Digital Landscapes did not agree with the provision of ‘free data to the industry to then be sold on for their own benefit and profit’. It noted that third parties should pay for access to data and that these revenues could fund a central data management service, with additional profits being passed on to the data owners.²³²
- 3.146 The OBIE said that it should be made clear to incumbents that Open Communications could lead to revenue-generating opportunities and that participants could charge for access to ‘premium’ APIs.²³³ In the Open Banking ecosystem these are APIs that banks offer voluntarily under contract with third parties (as opposed to regulatory APIs, which are mandatory and are provided free of charge).²³⁴

²²⁹ [FCS response](#), p. 1.

²³⁰ [G.Network response](#), p. 4.

²³¹ [BT response](#), p. 22.

²³² [Digital Landscapes response](#), p. 3.

²³³ [OBIE response](#), p. 19.

²³⁴ [OBIE response](#), p. 19.