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**What do you want Ofcom to keep confidential?:**

Keep nothing confidential

**If you want part of your response kept confidential, which parts?:**

**Ofcom may publish a response summary:**

Yes

**I confirm that I have read the declaration:**

Yes

**Ofcom should only publish this response after the consultation has ended:**

You may publish my response on receipt

**Additional comments:**

**Question 1: Do you think hassle is a key issue we should tackle in this review?  
Please provide an explanation for your answer and any supporting evidence.:**

Which? believes that the hassle experienced by consumers when switching and the perception of hassle by those consumers that are considering switching or are inactive is something that Ofcom must address in this review.

Switching in the UK broadband market is low, a Which? survey conducted in September 2010 found that only 3% of respondents had switched provider in the past 6 months. This figure compares to 15% who said they would consider switching at the end of their contract begging the question why does the figure drop from 15% to 3%? Which? research found that the two ISPs with the largest market share (combined market share of 40%) had customer satisfaction scores of 56% and 50%. These figures would suggest that the low switching rates recorded by both Ofcom and Which? are not the result of customer satisfaction with current providers.

Ofcom research that suggests that 68% of consumers said that the switching process for broadband services that they went through was relatively easy but we believe that it would be short sighted to take this to mean that the system cannot be improved significantly. Which? believes that the number of consumers put off switching by their perceptions of the process (48% of inactive consumers) is a more important measure of the success with which the switching process serves consumers. We believe that had those consumers that had recently switched been asked if the process could have been easier / improved the number agreeing would be significant, 48% of respondents to a Which? survey conducted in September 2010 reported experiencing problems with their switching process and for almost half of these (49%) the process took over 1 week and up to 4 weeks.

For a market to be effective and work well for consumers switching must be quick and easy. In order for a more effective communications market to evolve Ofcom must address the current barriers to switching. If one of these barriers is a perception that switching will be a hassle, and Ofcom's research suggests that this is the case with 48% of inactive consumers agreeing that switching providers seems like too much hassle, then it follows that Ofcom should address hassle, or more significantly ease of switching in its review.

**Question 2: Do you agree there is a lack of clarity about the switching processes that consumers need to go through to switch and this may create a barrier to switching? Please provide an explanation for your answer and any supporting evidence.:**

The BEREC report on best practices to facilitate consumer switching highlighted a lack of consumer information as a major obstacle to switching and Ofcom's own research showed that 34% of inactive consumers did not know the steps they need to take to switch provider. The BEREC study found that the lack of clarity focused around pricing structure and the homogeneity of services offered meaning that consumers underestimated potential savings from switching. This could arguably be addressed by instigating a GLP for switching which would see ISPs competing for each others' customers and differentiating themselves to do so.

**Question 3: Do you think clarity is a key issue we should tackle in this review? Please provide an explanation for your answer and any supporting evidence.:**

We believe that a lack of clarity is a key component of the afore-mentioned hassle factor which acts as a barrier to switching and that the need for clarity is particularly important given the increasing trend for bundling of services which will often require the consumer to engage with several different switching processes.

There is a need for a single, simple to follow switching process for broadband and fixed-line

services so that consumers can quickly and easily take advantage of better offers and services. To restrict this ability of consumers to switch easily is to restrict the well-functioning market and as such Ofcom should address this issue in this review. Looking beyond broadband and fixed line, the current system of multiple switching processes for bundled services also needs to be addressed. The fact that there are several different processes that consumers may be required to go through to switch bundled services is by its very nature more complicated for consumers than a single switching system for all.

**Question 4: Do you think continuity of service (including unwanted breaks and double billing) is a key issue we should tackle in this review? Please provide an explanation for your answer and any supporting evidence.:**

We do think that continuity of service is a key issue to take forward in this review. The issue of double billing came top of a recent Which? survey of problems experienced during switching of broadband suppliers. From a base of 308 consumers who had switched in the past 6 months 14% reported to still being billed by their old providers. Unwanted breaks and slow processing were also key issues for consumers with 11% of respondents reporting that they were left without broadband for more than a few hours, a further 11% reporting a lack of communication between ISPs and a further 10% reporting that the switching process was too slow. Our survey found that for 49% of respondents the switching process took longer than one week.

**Question 5: Do you think the ability of providers to frustrate the switching process is a key issue we should tackle in this review? Please provide an explanation for your answer and any supporting evidence.:**

Our research found that 11% of respondents had experienced problems with the switching process caused by ISPs failing to cooperate (almost double the number that experienced the same issue in August 2009) and 10% of respondents reported problems or delays in receiving their MAC code (the same as in August 2009). This represents a significant number of switchers being directly affected by their losing providers and means that providers' ability to frustrate the switching process should be tackled by Ofcom's review.

**Question 6: Do you think consumers' experience of save activity is a key issue we should tackle in this review? Please provide an explanation for your answer and any supporting evidence.:**

We do not think that save activity is a key issue to address in this review. This is because we believe that the advantages that it can offer to consumers in terms of improved deals will be offered no matter what system Ofcom decides to use for switching, GPL or LPL. We believe that the key difference between the two systems will be that the industry will have to be more proactive in identifying when to make save offers under a GPL, where they will know that they are actively competing for that consumer with other providers, than under an LPL where the losing provider can wait to see what the consumer plans to do before making a save offer.

**Question 7: Are there issues specific to either residential or business consumers' experiences of the switching processes that you think we should**

**tackle in this review? Please provide any evidence you have to support your views.:**

**Question 8: Do you agree with our analysis of switching costs? Please provide any evidence you have to support your views.:**

We believe with the analysis of the cost of switching presented in the consultation document but would argue that the scope of the analysis should be widened to include search costs. The consultation document argues that search costs are excluded from the analysis on the basis that they do not differ significantly between switching processes. We question this assessment and believe that a GPL switching process will result in an easier search process for consumers as providers actively market their products to win customers from rival firms.

**Question 9: Do you agree with our analysis of save activity? Please provide any evidence you have to support your views.:**

We agree with the assessment of save activity that Ofcom presents in the consultation document. We also recognise that consumers can benefit from save activity. However, we believe that the benefits from save activity would not necessarily be lost to consumers by switching to a GPL switching process. Losing providers could still contact those customers reaching the end of their contracts to ask if they are happy and would like to renew. If customers say no and that they are looking to leave a save offer could be made.

**Question 10: Do you agree with our analysis around the multiplicity of switching processes? Please provide any evidence you have to support your views.:**

We do. Multiple switching services do not represent the easiest and therefore least costly form of switching for the growing number of consumers who buy their communications services in bundles.

**Question 11: Do you agree with the general switching principles we have identified? Please provide an explanation for your answer.:**

Which? wants consumers to be able to switch provider with minimum fuss and maximum ease, with no loss of service or duplication of payment, and with protection against slamming. The principles that Ofcom have highlighted in the consultation document address these concerns and therefore we agree with them on the whole. However, the first principle talks about 'minimising unnecessary switching costs'. Unnecessary switching costs should not be minimised, they should be removed.

**Question 12: Do you agree with our proposed tier structure for the general switching principles? Please provide an explanation for your answer.:**

Which? research has found that two of the biggest problems consumers face when switching are a loss of service and double billing. In addition, consumers are most likely to consider switching due to a lack of reliable service. Therefore, we believe that there should be no tiered structure for the general switching principles and that to ensure that the market is

working effectively for consumers all of the principles should be given equal weight and adhered to.

**Question 13: Do you agree with our proposal that the preferred switching approach assuming a 'greenfield' basis is GPL?:**

Yes. Which? believes that the switching process must provide the best outcome for consumers and that the GPL process offers the solution with the lowest cost for consumers whilst ensuring the maintenance of a competitive market. However, it must be assured that consumers are affectively protected from slamming and that a process is put into place to ensure that all implications of switching are explicitly provided to consumers by the GP before a switch is agreed.

**Question 14: Which of the identified GPL switching options do you support? Please provide an explanation for your answer.:**

We support option 1 (b) the consumer code on bill because it offers the simplest process for consumers whilst also protecting against slamming. The process could also be altered so that the bill tells the consumer the length of time remaining on their contract and the cost of leaving it. This would allow consumers to make ETC assessments prior to contacting either their current or future provider. It must be ensured that the flow of information to consumers is maintained throughout the switching process to both validate switching requests and confirm the new contract terms and to keep the consumer informed of the switching process itself.

**Question 15: Do you have any information or views on the costs of the switching options outlined above? Please provide any supporting evidence.:**

The current MAC system requires providers to maintain a database of codes. Which? would therefore question why the requirement to add this code to a consumer's bill will lead to large cost rises for providers should this be argued. The costs incurred in confirming new contract terms and keeping the consumer informed of the switching process are arguably justifiable by good industry practice and in terms of contract terms should be a matter of course.

**Question 16: Do you agree with our proposals and implementation priorities for taking forward our work in relation to existing switching processes?:**

Yes and we urge Ofcom to continue to engage with consumer groups throughout this process.