Improving broadband information for customers

Proposal for new guidance to improve customer information

Improving broadband information for customers – Welsh overview

CONSULTATION:

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Annex

1. Overview

The way fixed broadband services are delivered is changing, with the coverage of new full-fibre networks increasing across the UK and co-existing alongside older networks. In that context, it is particularly important for broadband customers to have sufficient, useful and timely information to choose the right broadband service for them, and to take advantage of new full-fibre networks as these become available.

Customers can, however, perceive the broadband market as complex and difficult to understand. This is likely to be, in part, a result of potentially confusing and inconsistent use of language to describe broadband services. In particular, the term 'fibre' is used inconsistently to apply to both new and older networks.

One of our priorities for the year ahead is to continue to work to make sure customers are treated fairly, are empowered to make choices that are right for them, and are protected. To understand how best to help customers navigate the broadband market, we have undertaken consumer research. The research found that when choosing a broadband service, some people would find it useful to have information about the underlying technology used to deliver their services. This consultation sets out our proposals to help broadband customers make more informed choices about their broadband service.

What we are consulting on – in brief:

We are consulting on guidance under General Condition C2.3 and General Condition C1 that providers should:

- Include a short description of the underlying technology of the network delivering the broadband service, on their websites and in contract information, using one or two terms such as 'fibre', 'cable', 'full-fibre', 'copper' or 'part-fibre'.
- Use those terms consistently to describe the service.
- Only use the terms 'fibre' and 'full-fibre' when referring to fibre-to-the-premises networks.
- Provide an explanation of the one- or two-word terms used to describe the service, in a way that can be easily accessed by customers.

Next steps

We invite responses to the questions raised in this consultation, which are listed in Annex 7, by 5pm on 3 May 2023. Details on how to respond to this consultation are set out in Annex 4. We intend to publish our statement on improving broadband information for customers later in the year.

2. Background

2.1 This section sets out the context and an overview of our work to date relating to broadband information. It also sets out the relevant legal framework.

The broadband market is changing rapidly

2.2 The broadband market is changing, with new technologies being currently deployed, and the coverage of faster networks growing rapidly.[1] Just over 12 million (42%) UK homes now have access to new, fibre-to-the-premises (FTTP) connections. FTTP delivers broadband services over a fibre connection all the way to the premises, provides gigabit-capable broadband services (services able to provide broadband speeds of 1Gbit/s or higher), and is less prone to faults than some older technologies.

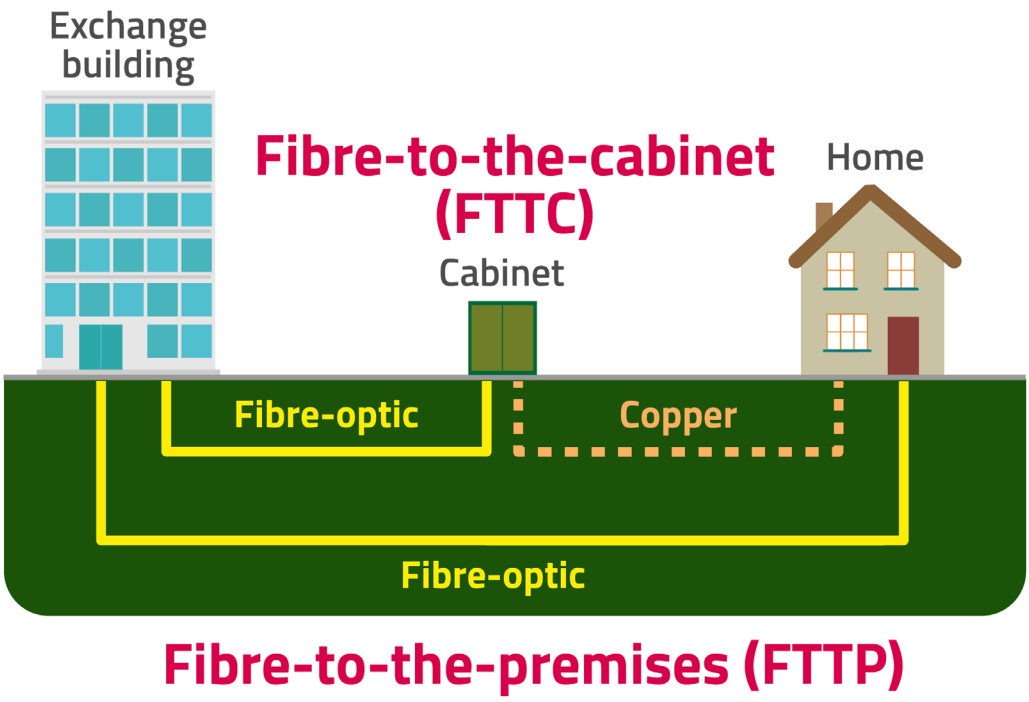
2.3 The coverage of FTTP will continue to expand in future. A number of network operators, including Openreach, CityFibre and Virgin Media O2 have all announced significant plans to deploy FTTP in the next few years.[2] There are other providers such as Hyperoptic and Community Fibre that focus on building FTTP in urban areas, while Gigaclear, B4RN and a number of others focus on more rural areas.[3]

2.4 At the same time, older networks continue to offer both standard broadband and 'superfast' broadband delivered over fibre-to-the-cabinet (FTTC) (see Figure 1 for an illustration of FTTC and FTTP connections). Current cable technology is also available in many parts of the UK and provides gigabit-capable services. These networks deliver broadband services over a copper connection or a coaxial cable from the street cabinet or local exchange.

2.5 The wider availability of FTTP broadband services has resulted in increased choice for customers. The market now features FTTP-only wholesale and retail providers operating at both regional and national scale, in addition to the established large providers, many of which also offer older, copper-based products. Customers in the 42% of UK homes where FTTP is available now have a choice between older and next generation networks, and this percentage will continue to increase as full fibre is rolled out across the country.

[1] See glossary at the end of this document for full definitions of types of technologies.
[2] Ofcom, December 2022. Connected Nations 2022, p.10. Subsequent references are to this document throughout.
[3] Connected Nations 2022, p.10.

Figure 1: FTTC and FTTP technologies from the exchange to premises



Customers find the broadband market difficult to navigate

2.6 Customers can perceive the broadband market in the UK as complex and difficult to understand. Ofcom research found that around 27% of fixed broadband customers were not confident understanding the language and terminology used by providers.[4] Our 2021-22 qualitative research into the migration of landlines to telephone services using voice over internet protocol (VoIP) and using a broadband connection found low awareness at the time of terms such as 'digital voice' and 'full fibre'.[5]

2.7 Currently, providers do not describe broadband services in a consistent way, and it is often not clear what network technology is being used to deliver the service. In particular, the term 'fibre' can be used to refer to different underlying network technologies. It is used by some providers to describe older part-fibre, part-copper technologies like FTTC.[6] It is also used to refer to cable services.[7] In addition, providers increasingly use the term 'full-fibre' for FTTP, to distinguish it from FTTC, but retain the term 'fibre' for FTTC. Customers can also choose from a wide range of headline speeds depending on availability (from <10Mbit/s to c.1Gbit/s), some of which can be delivered over more than one network

[4] Ofcom, 2022. Switching Tracker, table 261. Question: In terms of communications services such as mobile, landline, broadband and TV... How confident are you about understanding the language and terminology used by providers? The 27% reported figure is for fixed broadband customers (total) and is a combination of "not very confident" (20%) and "not at all confident" (7%). 42% reported being "fairly confident".
[5] Ofcom, 2022. Migration to digital landlines, pages 6-7.
[6] Based on desk research on how broadband services are described on the websites of the following broadband providers: BT, Sky, Virgin Media O2, TalkTalk, Vodafone, Zen and Shell. [accessed Sept 2022 and February 2023]
[7] Desk research, Virgin Media website. [accessed 22 February 2023]

technology, which means that customers cannot always identify the underlying technology from speed information.

2.8 In addition, those who are more vulnerable or less engaged with the market may be particularly less confident understanding broadband services. For instance:

- People with a limiting and impacting condition were less likely than those without a condition to feel confident in engaging with their communication providers generally, and in particular in understanding the language and terminology used by providers (57% vs. 74%);[8] this is borne out by previous research.[9]
- Previous qualitative research found that those less engaged with the market consider that greater consistency and standardisation would help make shopping around easier for customers, especially in how providers and digital comparison tools present point of sale information and recommendations.[10]

Work to date on broadband information

Existing rules and measures to support customers in making informed choices about broadband services

2.9 Ofcom has already put in place a number of measures to help customers navigate the broadband market.[11]

2.10 Notably, the following rules aim to ensure the availability of adequate, up-to-date, comparable information, including in relation to the terms and conditions that apply to the communications services being provided:

a) **General Condition C1 (contract requirements)**, which aims to protect consumers by ensuring that contracts for public electronic communications services include key information about the services they are receiving and that such information is provided to them before they enter into their contract, to allow them to make an informed choice. In particular, providers are required to give customers certain Contract Information (GC C1.3) and a Contract Summary (GC C1.5), before entering into a contract. The Contract Information under GC C1.3 must be provided *"in a clear and comprehensible manner*".[12]

[8] Ofcom, 2022. Impacting/limiting conditions tracker Q8, Available from the statistical release calendar 2022.
[9] Ofcom, 2019. Customer engagement in the broadband market (quantitative report), pp 5-6. Ofcom 2019 quantitative research found those in more vulnerable groups were less confident in understanding language and terminology relating to broadband services. 28% of over 75 year-olds and 27% of those with any disability were not very confident or not confident at all in understanding broadband language and terminology, compared to 13% of all respondents.
[10] Ofcom, 2018. Customer Engagement with Communications Services, p35. For example, Ofcom consumer research found: *'Considerable confusion was evident in two main ways: (i) the names used to describe broadband speed, e.g., 'fast broadband', 'faster broadband', 'superfast broadband', 'unlimited broadband', 'fibre', 'standard broadband', etc. and (ii) the primary measure used, i.e., 'up to xx Mb/s', or an 'estimated' range of Mb/s. 'Mb/s' was itself confusing, with some thinking that it referred to data storage rather than speed.*
[11] On speed information for instance, our voluntary Broadband Speeds Codes of Practice commit signatories to providing consistent point-of-sale information about the speeds that customers should expect from different products. Ofcom, 2022, Voluntary Broadband Speeds Codes of Practice (as updated).
[12] General Condition (GC) C1.4.

b) **General Condition C2 (information publication and transparency requirements)** sets out requirements for providers to publish certain information on their website in respect of communications services or bundles they provide under standard terms and conditions. It is designed to enable consumers to easily compare the offers and services available in the market. Among other things, the published information must include *"a description of the services offered, including the main characteristics of each service provided"*.[13]

2.11 More generally in relation to advertising, the Advertising Standards Authority (ASA) has stated in relation to the advertising of 'part-fibre' and 'full-fibre' broadband services that:

- Ads should not describe non-fibre services as 'fibre';
- Ads should make performance claims for 'fibre' services that are appropriate for the type of technology delivering that service, and should hold evidence to substantiate the specific claims made;
- Specifically, ads should refer to speed in a manner that is appropriate for the technology, including by having due regard to CAP guidance on numerical speed claims; and
- Ads should not state or imply a service is the most technologically advanced on the market if it is a part-fibre service.[14]

Work of the Gigabit Take-up Advisory Group (GigaTAG)

2.12 To help ensure that customers and businesses can take advantage of gigabit-capable networks as they become available, in August 2020 the Department of Culture, Media and Sport (DCMS) asked Which?, the Confederation of British Industry (CBI) and the Federation of Small Businesses (FSB) to chair the Gigabit Take-up Advisory Group (GigaTAG). The group was convened to generate recommendations on driving residential and business take-up of full-fibre and gigabit-capable services. Ofcom attended GigaTAG meetings as an observer.

2.13 GigaTAG published its final report in June 2021.[15] GigaTAG's final recommendations were that (among other items):

- Ofcom and industry should look to develop common terminology to describe broadband services and a core set of use cases and benefits to be used by providers; and
- Ofcom should assess the role that a gigabit-ready mark could play in improving customer and business understanding of gigabit-capable broadband.

[13] GC C2.3(b).
[14] ASA, November 2017. 'ASA concludes review of "fibre" broadband', p.2. In its review, the ASA concluded that the word 'fibre' was unlikely to mislead consumers as it was currently used in the advertising of part-fibre broadband services. However, the ASA acknowledged that there are performance differences between different types of broadband service, including between 'part-fibre' and 'full-fibre' services. Because of this, the ASA explained which considerations it would take into account when ruling on any future complaints.
[15] GigaTAG, June 2021. Gigabit Take-up Advisory Group: Final Report.

Industry-led work to develop a voluntary solution

2.14 In 2021, we convened an industry working group to develop voluntary common standards on clear and consistent terminology for gigabit-capable broadband services. The working group membership comprised major UK broadband providers, together with industry representative groups for providers with smaller market shares, across a range of wholesale and retail interests. The group worked towards developing a set of voluntary common standards to describe broadband products to residential and small business customers. However, the group was unable to come to a consensus position, and its work was therefore paused in mid-2022.

Recent Ofcom work and market research

2.15 After pausing the industry-led working group, we considered whether a regulatory approach to common broadband standards would be appropriate. This led us to narrow our consideration to whether the provision of information on the underlying technology of a broadband service would be helpful to consumers in making an informed choice. We explain why we consider that this information is important in the next section which covers our proposals.

2.16 We commissioned new market research to get a better and more up-to-date insight into customer views on broadband technologies and inform our policy options. We wanted to assess customer understanding of broadband networks, what kind of information customers would find useful, and where in the customer journey such information would be helpful, if anywhere.

2.17 We appointed the agency BVA BDRC to conduct the research. BVA BDRC carried out an online survey in November 2022. A summary of the findings is available in Annex 3.

Scope of our consultation

2.18 The proposals set out later in this consultation document do not cover advertising, but cover point-of-sale information on services available to consumers and contractual information. Advertising (including online advertising on providers' own websites) falls within the remit of the ASA. In considering whether advertising is likely to breach the CAP Code by misleading consumers, the ASA has regard to the Consumer Protection from Unfair Trading Regulations 2008 (the 'CPRs'), which prohibit misleading actions and omissions. For the avoidance of doubt, we have not included or undertaken any assessment of whether use of the word 'fibre' is misleading in either our research or the policy development of our proposals.

2.19 In future, the ASA may consider again whether the use of the word 'fibre' in advertising is misleading. However, we note that it remains open to broadband providers to take steps to ensure consistency of terms throughout the customer journey to help reduce potential confusion for customers more broadly.

Legal framework

2.20 We set out below our powers and duties that are relevant to the proposals set out in this consultation document.

Our general duties

2.21 The Communications Act 2003 (the 'CA 2003') places a number of duties on us that we must fulfil when exercising the regulatory powers and functions we have been given. Section 3(1) of the CA 2003 states that it shall be our principal duty, in carrying out our functions:

a) to further the interests of citizens in relation to communication matters; and

b) to further the interests of consumers in relevant markets, where appropriate by promoting competition.[16]

2.22 In performing our duties under section 3(1) of the CA 2003, we are required to have regard to the principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed, as well as any other principles appearing to us to represent best regulatory practice (section 3(3) of the CA 2003).[17]

2.23 Section 3(4) of the CA 2003 provides that we must have regard, in performing our duties, to a number of matters, as they appear to us to be relevant in the circumstances, including the desirability of promoting competition in relevant markets; the desirability of encouraging investment and innovation in relevant markets; the desirability of encouraging the availability and use of high speed data transfer services throughout the United Kingdom; the needs of persons with disabilities, of the elderly and of those on low incomes; the opinions of customers in relevant markets and of members of the public generally; and the extent to which, in the circumstances of the case, the furthering or securing of the matters mentioned in section 3(1) is reasonably practicable.

2.24 In addition, section 3(5) of the CA 2003 requires that, when performing our duty to further the interests of customers, we must have regard, in particular, to the interests of those customers in respect of choice, price, quality of service and value for money.

2.25 When exercising our functions in relation to electronic communications networks and services under Chapter 1 of Part 2 of the CA 2003, we have a duty to act in accordance with certain requirements set out in section 4 – such as promoting the interests of all members of the public in the United Kingdom.[18]

[16] 'Consumer' is defined in section 405(5) of the CA 2003 and includes people acting in their personal capacity or for the purposes of, or in connection with, a business.
[17] Our regulatory principles can be found on our website at What is Ofcom.
[18] Section 4(5) of the CA 2003.

2.26 Importantly, section 4(6) of the CA 2003 also requires us to take account of the desirability of OFCOM's carrying out their functions in a manner which, so far as practicable, does not favour—

a) one form of electronic communications network, electronic communications service or associated facility; or

b) one means of providing or making available such a network, service or facility, over another.

2.27 Finally, we must act in accordance with the requirement to promote connectivity and access to very high-capacity networks by members of the public and businesses in the United Kingdom.[19]

Powers and duties in relation to general conditions

2.28 Section 45 of the CA 2003 says that we may set general conditions which contain provisions authorised or required by one or more of sections 51, 52, 57, 58 or 64. Under section 51(1)(a), we may set general conditions making such provisions as we consider appropriate for the purpose of protecting the interests of end-users of public electronic communications services.

2.29 Section 51(2) of the CA 2003 sets out a non-exhaustive list of the specific types of general conditions that we may set in pursuance of this purpose. This includes:

a) section 51(2)(a) which gives Ofcom the power to set conditions relating to the supply, provision or making available of goods, services or facilities in association with the provision of public electronic communications services;

b) section 51(2)(d), which gives Ofcom the power to set conditions which require the provision, free of charge, of specified information, or information of a specified kind, to end-users.

2.30 Section 47(2) of the CA 2003 governs the circumstances in which we can set or modify a general condition. It states that a condition can be modified where it is objectively justifiable in relation to the networks, services, facilities, apparatus or directories to which it relates,[20] not such as to discriminate unduly against particular persons or against a particular description of persons, proportionate to what the condition or modification is intended to achieve, and transparent in relation to what it is intended to achieve. Section 49(2) of the CA 2003 provides that an equivalent test must be met when modifying directions.

[19] Section 4(10A) of the CA 2003.
[20] Section 47(3) of the CA 2003 states that the setting of a general condition is not subject to the test of being objectively justifiable, although we are likely to consider this in any event when assessing whether the condition is proportionate.

Impact Assessment

2.31 The analysis presented in the entirety of this consultation represents an impact assessment, as defined in section 7 of the CA 2003.

2.32 Impact assessments provide a valuable way of assessing different options for regulation and showing why the preferred option was chosen. They form part of best practice policy-making. This is reflected in section 7 of the CA 2003, which means that generally we have to carry out impact assessments where our proposals would be likely to have a significant effect on businesses or the general public, or when there is a major change in our activities. However, as a matter of policy we are committed to carrying out and publishing impact assessments in relation to the vast majority of our policy decisions.

2.33 For further information about our approach to impact assessments, see the guidelines, 'Better policy-making: Ofcom's approach to impact assessment'.[21] Specifically, pursuant to section 7(4), an impact assessment must set out how, in our opinion, the performance of our general duties (within the meaning of section 3 of the CA 2003) is secured or furthered by or in relation to what we propose.

Equality Act Impact Assessment

2.34 Section 149 of the Equality Act 2010 (the 'EA 2010') imposes a duty on Ofcom, when carrying out its functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct related to the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

2.35 The EA 2010 also requires Ofcom to have due regard to the need to advance equality of opportunity and foster good relations between persons who share a protected characteristic and those who do not.

2.36 Section 75 of the Northern Ireland Act 1998 (the 'NIA 1998') also imposes a duty on Ofcom, when carrying out its functions relating to Northern Ireland, to have due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the NIA 1998. Ofcom's Revised Northern Ireland Equality Scheme explains how we comply with our statutory duties under the 1998 Act.[22]

2.37 To help us comply with our duties under the EA 2010 and the NIA 1998, we assess the impact of our proposals on persons sharing protected characteristics and, in particular, whether they may discriminate against such persons or impact on equality of opportunity or good relations.

2.38 Our proposals apply to information provided at both the point of sale on the website, and in pre-sale contract information regardless of the sales channels. All customers who

[21] Ofcom. Policies and guidelines.
[22] Ofcom, 2019. Revised Northern Ireland Equality Scheme for Ofcom.

purchase a broadband service will therefore benefit from improved information about their broadband service, whatever method of communication they use to negotiate with a broadband provider.

2.39 However, our proposals are likely to particularly benefit those customers who may find it more difficult to navigate the broadband market. Older people, people in lower socio-economic groups, and disabled people are more likely to have lower confidence in understanding language and terminology when engaging with the broadband market.[23, 24] These customers may therefore disproportionately benefit from provision of clear information about the underlying technology used to deliver their service which enables them to more readily and easily compare like with like when making a purchasing decision.

2.40 We do not believe there are any implications for our duties under the EA 2010 or the NIA 1998. We are therefore satisfied that we have complied with the public sector equality duty in the EA 2010, and the NIA 1998, in making the proposals set out in this consultation.

[23] Ofcom, 2019. Customer engagement in the broadband market (quantitative report), pp. 5-6.
[24] Ofcom, 2022. Switching Tracker, Q36C. Separately, we found more recently that a higher proportion of these customers report a lack of confidence in understanding the language used by providers compared with the rest of the population. 40% of those aged 65+ reported a lack of confidence in understanding the language used by providers, compared with 26% of those under 65, and 35% of those reporting an impacting/limiting condition reported a lack of confidence in understanding the language used by providers, compared with 25% of those not reporting an impacting/limiting condition.

3. Proposals

3.1 As we set out in our proposed plan of work for 2023/24, people and businesses increasingly rely on online services for a growing range of activities. We expect continued growth in content and communications being accessed primarily through the internet, with communications networks being increasingly central to the functioning of the economy for both personal and business use. People expect access to fast, affordable and reliable broadband, and ensuring continued investment in networks and services is a priority for us.[25]

3.2 As the broadband market evolves, we need to ensure that customers have appropriate information readily available to help them to choose the right broadband service to meet their needs. To support this objective, we are proposing to introduce guidance under existing regulatory requirements to ensure that providers give information on the underlying technology of the broadband connection using one or two consistent terms.

3.3 Specifically, we are proposing that providers should include a short description of the underlying technology of the network delivering the broadband service on their websites and in contract information, using one or two terms such as 'fibre', 'cable', 'full fibre', 'copper' or 'part fibre'. Providers should use those terms consistently to describe the service, and should only use the terms 'fibre' and 'full fibre' when referring to FTTP networks.

3.4 Providers should also give a more detailed explanation of these terms in a format that is readily accessible to customers.

3.5 This section sets out why we believe it is important for customers to have access to consistent terms describing the underlying technologies delivering broadband services; what our proposals are in more detail; why we believe our proposals are proportionate; and the implementation of our proposals.

Why using consistent terms to give information on the broadband technology is important

Our policy objectives

3.6 We are supporting investment by providers in the deployment of competing full-fibre networks through our regulatory framework for competition and investment. We believe this will enable people and businesses to benefit from fast, reliable, future-proof broadband services.

3.7 Therefore, to enable people and businesses to take advantage of new broadband services where appropriate, and confidently identify the right service for them, we want to ensure that people and businesses can better understand the characteristics of fixed broadband

[25] Ofcom, December 2022. Consultation: Ofcom's proposed plan of work 2023 / 24, p.3.

products. We also want to support customers in migrating with confidence from older to newer technologies, including from copper-based to full-fibre-based broadband.

We have identified potential customer harms resulting from customer confusion

3.8 It is particularly important to empower customers to make an informed choice at this time because of the continued deployment of FTTP networks. As we noted in Section 2, FTTP coverage is increasing at pace. More and more customers have the choice of an FTTP service in parallel with services delivered over ADSL, FTTC and cable technologies.

3.9 We are concerned that providers do not use clear, consistent and unambiguous terminology to describe the characteristics of broadband technologies, or explain what these technologies would mean for customers in a way that customers can easily understand. This means that it may be unduly difficult for customers to assess broadband products, and to compare like-with-like.

3.10 The term 'fibre' can be used inconsistently to refer to a number of technologies. We found that large retail providers increasingly use the term 'full fibre' to describe the FTTP services they offer, as opposed to the term 'fibre' which continues to be used for some FTTC and cable services.[26] It can also be difficult to identify the technology used to deliver services, as this information is not provided or is difficult to find.

3.11 Our recent broadband terminology research suggests that customers may not be clear on the difference between 'fibre' and 'full fibre'. We found that a high proportion of respondents reported at least a little understanding of the terms 'fibre' and 'full fibre', but a lower proportion had an understanding of the terms 'fibre to the cabinet (FTTC)' and 'fibre to the premises (FTTP)'. This suggests that, for those who reported at least a little understanding, that understanding may relate to familiarity or awareness of the term 'fibre' rather than a full understanding of the specific technology being used.[27] More generally, we found that only 46% of customers who reported being on FTTP were living in areas where FTTP is available.[28]

3.12 We believe that clarity on the underlying technology is important because it can have implications for network performance and end-user experience. Notably, FTTP is less prone to faults and is not usually affected by poor weather or distance from the exchange, making it extremely reliable.[29] FTTP also supports faster speeds than FTTC and will be able

[26] Based on desk research on how broadband services are described on the websites of the following broadband providers: BT, Sky, Virgin Media O2, TalkTalk, Vodafone, Zen and Shell. [accessed September 2022 and February 2023]
[27] BDRC, November 2022. Broadband terminology research, slide 12. A very high percentage of customers (91%) claimed a little, somewhat or complete understanding of the term 'fibre', and 87% of the term 'full fibre', but a lower percentage claimed a little, somewhat or complete understanding of the term 'fibre to the cabinet (FTTC)' (58%) and 'fibre to the premises (FTTP)' (67%), suggesting that claimed understanding may relate to familiarity or awareness of the term 'fibre' rather than the association with a specific technology.
[28] BDRC, November 2022. Broadband terminology research, slide 15 (Notes)
[29] Openreach, 2021. Business briefing, Slide 46. The slide states that FTTP sees about half the reported fault rates of copper services.

to support even faster services in the future.[30] In contrast, copper-based services will gradually be retired over the next decade and therefore FTTP is the future-proof technology that means customers will not necessarily need to upgrade their connection again.

3.13 We are concerned that without this information the following outcomes could occur:

- **Customers may be unable to find the right product for their needs**. Some customers who would prefer an FTTP service may end up buying a product that does not suit their needs. For example, some customers may choose an FTTC service described as 'fibre' because they do not know the difference between a product described as 'fibre' or one described as 'full-fibre', or because they mistakenly believe that an FTTC service is FTTP, when buying a service. Others may choose a higher speed FTTP service to be sure they are buying an FTTP product when a cheaper, lower-speed FTTP service might better meet their needs.
- Where information on the underlying technology is hard to find, **customers may have to spend unnecessary effort** finding out about the characteristics of the products available to them.
- **Some customers may disengage from the broadband market**. Customers sometimes perceive the broadband market as complex and difficult to understand, as outlined in the Background section. This could contribute to a lower level of engagement in the broadband market for some customers.[31] Older or vulnerable customers in particular may find confusing or inconsistent terminology a barrier to meaningful engagement in the broadband market.[32, 33] Additionally, some customers may not engage with the marketing of FTTP services when FTTP becomes available, because they believe they already have an FTTP service.

3.14 These outcomes may be harmful to customers who are interested in the underlying technology used to provide their broadband service and for whom the differences in performance between technologies are important. Conversely, we recognise that not every customer will be interested in the underlying technology used to deliver their broadband service or will need the higher performance of some technologies. As discussed below, however, we consider there is no significant downside for these customers in being able to access a short description of one or two words on the underlying technology.

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[30] ISP Review, Sept 2022. 'Openreach Prep UK Pilot of Faster FTTP Broadband ISP Speeds' [accessed 28 February 2023]. Openreach was reported to trial speeds of 1.2 and 1.8 Gbit/s. Many alternative network providers were also reported to deploy 10Gbit/s-capable equipment.

[31] Frontier Economics, 2021. Unlocking the gigabit dividend, pp. 19-20. We note for instance that a report by Frontier Economics commissioned from TalkTalk identified a number of behavioural barriers to FTTP take-up, including that consumers are attracted to easy choices.

[32] Ofcom, 2022. Switching Tracker, Q36C. For instance, 40% of those aged 65+ reported a lack of confidence in understanding the language used by providers, compared with 26% of those under 65, and 35% of those reporting an impacting/limiting condition reported a lack of confidence in understanding the language used by providers, compared with 25% of those not reporting an impacting/limiting condition.

[33] Our research found that three in four agree they are confident comparing the costs of the broadband deals available and understand the different options for broadband services in the market. This proportion was lower for women, the oldest age groups, and those in socioeconomic band DE. BDRC, November 2022. Broadband terminology research, slides 40 and 41.

3.15 More generally, if customers purchase the wrong service to meet their needs or they are put-off engaging in the broadband market, this could in turn reduce demand for FTTP services, which may distort retail competition and reduce incentives to invest in FTTP networks. This would ultimately lead to worse customer outcomes in terms of price, choice and innovation.

Customers would find information on the underlying technology useful

3.16 The market research we commissioned, outlined in Annex 3, looked at customer understanding of broadband terminology, what kind of information customers would find useful, and where in the customer journey any such information would be helpful. The research suggests that customers would find it useful to have clear and consistent information on the underlying technology of broadband services:

- **Customers value a wide range of information about broadband services.** Our research showed that respondents valued much of the information that was already provided to them as part of their sales journey. This included information on the monthly cost of the service and information on the speed of the connection. Respondents also said that they valued information on the reliability of the connection.
- **A large proportion of customers would find information about the underlying technology useful.** The research asked respondents how useful they would find different pieces of information about their broadband service (listed in the footnote below).[34] Cost, reliability and speed were considered most useful by respondents compared with other pieces of information, in particular the underlying technology which was considered one of the least useful pieces of information. However, when considering these pieces of information, about half of respondents said they would find information on the underlying technology very or fairly useful. Only 13% said that a detailed description would not be useful, while 12% said that a one- or two-word term would not be useful.
- **The stage at which information on technology would be most useful would be on providers' websites or at point of sale**. About half of respondents (50% for a one- or two-word description, 55% for a detailed description) agreed that on the website was the place where information on technology would be most useful, followed by about two-fifths of respondents agreeing this information would be useful at point of sale. About a quarter (25% for a one- or two-word description) to a third (29% for a detailed description) of respondents indicated that information on the underlying technology would be useful in the terms and conditions.

3.17 A large proportion of respondents (around half) told us that information on the underlying technology is very or fairly useful to them in its own right. We therefore believe that this

[34] Monthly cost, reliability, download speed, contract length, suitability for your household's needs, cost of equipment/installation, upload speed, other services included in the deal (e.g. TV, landline), an easily understood one- or two-word term on the technology used to deliver your broadband service (e.g. fibre, part fibre, cable), a detailed description indicating the technology used to deliver your broadband service (e.g. fibre, part fibre, cable).

information would help a significant number of people to more easily compare products and chose the appropriate service to meet their needs.

3.18 In addition, a very high proportion of respondents (98%) said that information on the reliability of a connection would be at least somewhat useful, and within this, 55% agreed it would be very useful. Accurate and easy to follow information on the reliability of broadband connections is not currently available to customers as part of their purchasing journey. However, as previously outlined, services provided over an FTTP network are extremely reliable, as an FTTP network is less prone to faults and is not usually affected by poor weather. Therefore, information on the underlying technology will be useful for customers who care about reliability and are informed about the different characteristics of different technologies.

3.19 About half of respondents agreed that on the website or at point of sale was the place where information on technology would be most useful. This is also in line with our objective of enabling customers to compare services and make informed choices before committing to a new broadband service.

3.20 Therefore, we believe that customers should be able to assess the type of technology used to deliver the broadband services that are available specifically at their address. Likewise, we believe that customers should be able to access this information before they purchase a service, regardless of the sales channels.

3.21 Finally, about a quarter to a third of respondents considered that information on the underlying technology would be useful in the terms and conditions. This is particularly important for customers that engage by telephone, as there is a 14-day cooling off period during which the information on the underlying technology provided in the terms and conditions might be important as to whether the customer proceeds with the service. For others, information on the underlying technology in the terms and conditions of the contract will enable customers to have a record of the technology delivering their service described using the same terms as their Contract Summary.

Our proposals

3.22 As set out above, we are concerned that there is potential harm arising for some categories of customers from not having clear, consistent information on the underlying technology. This is particularly the case for those customers who reported that this information would be useful. The addition of information on the underlying technology used to deliver a broadband service to the other service characteristics already provided will help to address these harms by empowering customers to compare like-with-like services across a more complete range of factors.

3.23 Specifically, in summary, clear, consistent information on the underlying technology would:

- enable customers (already aware of the differences in technology or not) to identify the right service for them;
- reduce ambiguity and effort to understand services, and so could encourage some unengaged customers to seek further information on the right deals for them; and

- enable customers to be more certain of how their current service is delivered by identifying the underlying technology in contract information, therefore supporting their ability to make a more informed choice about their future service.

3.24 Some stakeholders have argued that customers do not want, or value, information on the underlying technology. We do not agree that information on the underlying technology is unnecessary. Our research shows that some customers would find it useful, and it is possible that, with more widespread availability of this information and the increasing availability of FTTP services, this proportion of customers will increase.

3.25 Some stakeholders could also argue that there are insufficient differences between FTTP and other broadband technologies to justify providing information on the underlying delivery mechanism of a product to the customer. As noted previously, we believe that there are differences between different types of technologies that may matter to some customers when looking for the right service for them, and about half of customers currently would find that information useful.

3.26 Likewise, we do not agree with the potential argument that, because the term 'fibre' has long been used to describe FTTC, stopping the association of the term 'fibre' with FTTC and associating it with FTTP would increase confusion for customers. This argument relies on the assumption that customers make the link between 'fibre' and FTTC rather than FTTP. As explained previously, our research results suggest that customers may not always be fully clear on the meaning of the term 'fibre' – notably, only 46% of respondents who reported having an FTTP service lived in an FTTP area.

3.27 We also do not support the argument that there is no need for additional information on the underlying technology because customers already understand the different technologies, given our research shows a high level of understanding of broadband terms.[35] Again, our research results also suggest that customers may not in practice always be fully clear on the meaning of those terms. It is possible that respondents report some understanding because the terms are familiar (such as 'fibre'), and because some of those terms are sufficiently descriptive (such as 'fibre-to-the-premises (FTTP)'). Notwithstanding this, a majority still reported they would find information on the underlying technology useful but would not be able to access it as it is not always clearly available.[36]

3.28 There are existing rules already requiring providers to give a description of the service. However, we do not believe that the existing regulations and guidance are sufficient to ensure clarity and consistency of terms and descriptors for the underlying technology used

[35] BDRC, November 2022. Broadband terminology research, Slides 12, 15 and 16. A high proportion of customers report at least a little understanding of the terms the terms 'fibre' (91%), 'cable' (88%) and 'full fibre' (87%). A lower proportion, but still representing over the majority of respondents, claimed at least a little understanding of the terms 'fibre-to-the-premises (FTTP)' and 'fibre-to-the-cabinet' (FTTC) (67% and 58% respectively). When presented with a detailed description of the technology, a high proportion of respondents reporting at least a little understanding of the terms 'fibre-to-the-premises (FTTP)', 'fibre-to-the-cabinet' (FTTC) and 'cable' state that the service description matched their prior understanding (87%, 86% and 81% respectively). Among all respondents, half said they correctly understood 'fibre-to-the-cabinet' (FTTC) and nearly six-in-ten said they correctly understood 'fibre-to-the-premises (FTTP)'.

[36] Based on desk research on how broadband services are described on the websites of the following broadband providers: BT, Sky, Virgin Media O2, TalkTalk, Vodafone, Zen and Shell. [accessed September 2022 and February 2023]

to deliver broadband products, as this information has not been provided clearly and consistently to date.

Issuing new guidance

3.29 Accordingly, we propose to issue guidance under the current rules so that this information is provided at point of sale on websites and in contract information. We consider that this is an effective way of ensuring customers can access the right information while not being costly to implement (see also the section 'Impact of our Proposals').

3.30 Providing information on the underlying technology simply means that providers should include a short description of the underlying technology of the network delivering the broadband service using one or two terms such as 'fibre', 'cable', 'full-fibre', 'copper' or 'part-fibre'.

3.31 In addition, given the current confusion about these terms, it is likely to be beneficial for providers to make available a longer description of what these terms mean. This description should give more detail about the underlying technology, with a clear link to the relevant one- or two-word terms used at the point of sale and in contract information. It should also be given in a form that is accessible and easily understood.

How to provide information on the underlying technology

3.32 We are proposing that information on the underlying technology should be available on providers' websites under GC C2.3, at point of sale on the website and in Contract Information, under GC C1.3 and GC C1.5. Among other things, GC C2.3 and GC 1.3 require providers to give information on the ***description of the services offered***. We propose to clarify in our guidance that the ***description of the services offered*** should include clarity on the underlying technology of the networks used to deliver the service.

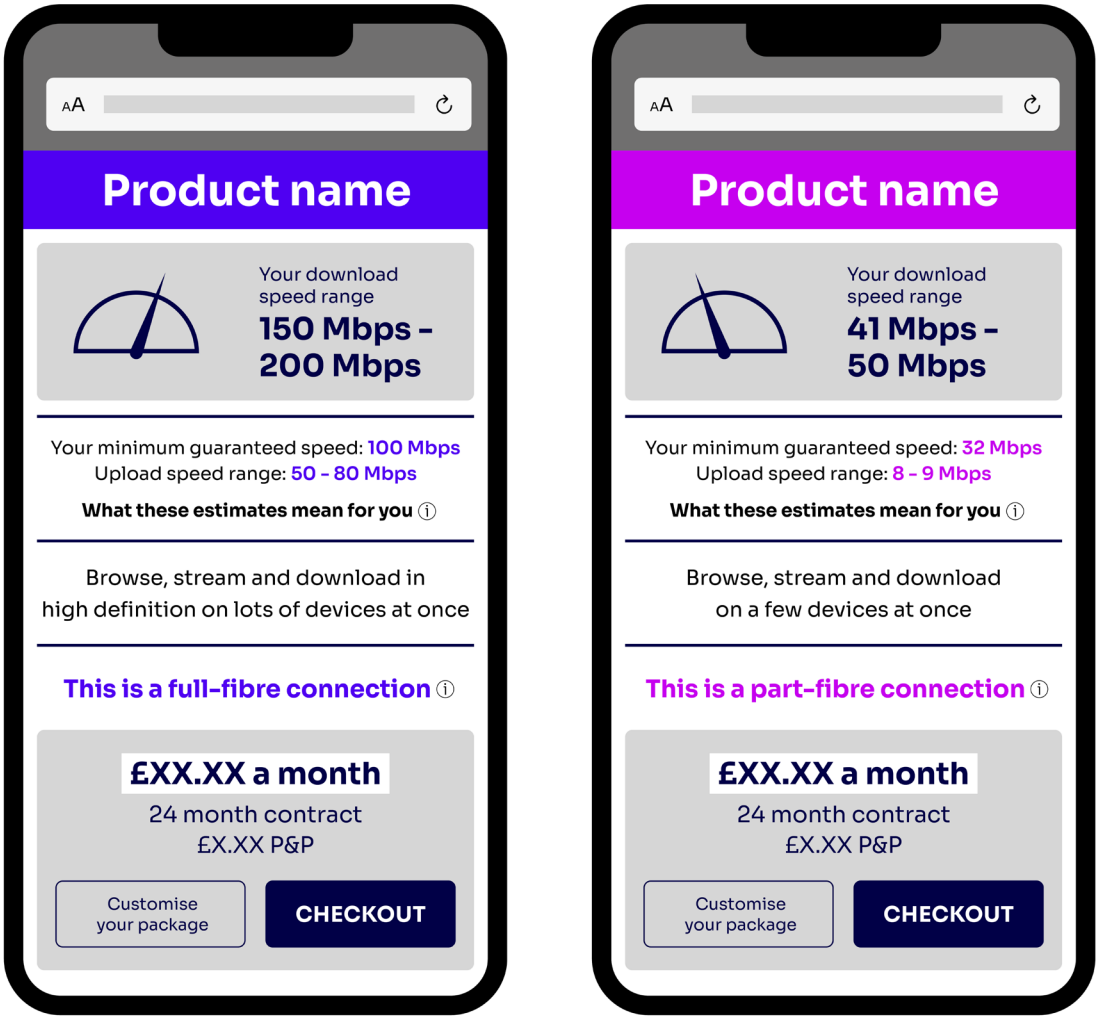
3.33 Our proposal to include this information in contract summaries and terms and conditions will ensure that customers who use telephone sales channels to purchase their broadband product will have access to information about the underlying technology. Customers may use the information during the 14-day cooling off period to help them to decide whether to proceed with the service. It will also mean that customers have a record of the type of product they have purchased when the time comes for them to renegotiate a service or purchase a service from another supplier.

3.34 We also propose to clarify in our guidance, under both GC C1 and GC C2, that terms should be used consistently, and that 'fibre' and 'full-fibre' should only be used when referring to FTTP.

3.35 Figure 2 below shows examples of how providers can use one or two terms to describe the underlying technology at point of sale on the website, once customers have given their postcode and can see the services currently sold by the provider at their address. In the examples below, the one- or two-word terms used to describe the technology are highlighted in bold colour and the service is described as a 'full-fibre connection' or a 'part-

fibre connection'. These examples are only an illustration of how providers could comply with our proposed guidance.

Figure 2: Examples of using one or two terms to describe the underlying technology



3.36 Finally, we propose that providers should make available a longer description of what the one- or two-word term describing the underlying technology means. Figure 3 gives an example of the detail that may be appropriate for the term 'part-fibre'.

Figure 3: Example of a more detailed description of the term 'part-fibre'

Part-fibre or Fibre to the Cabinet (FTTC)

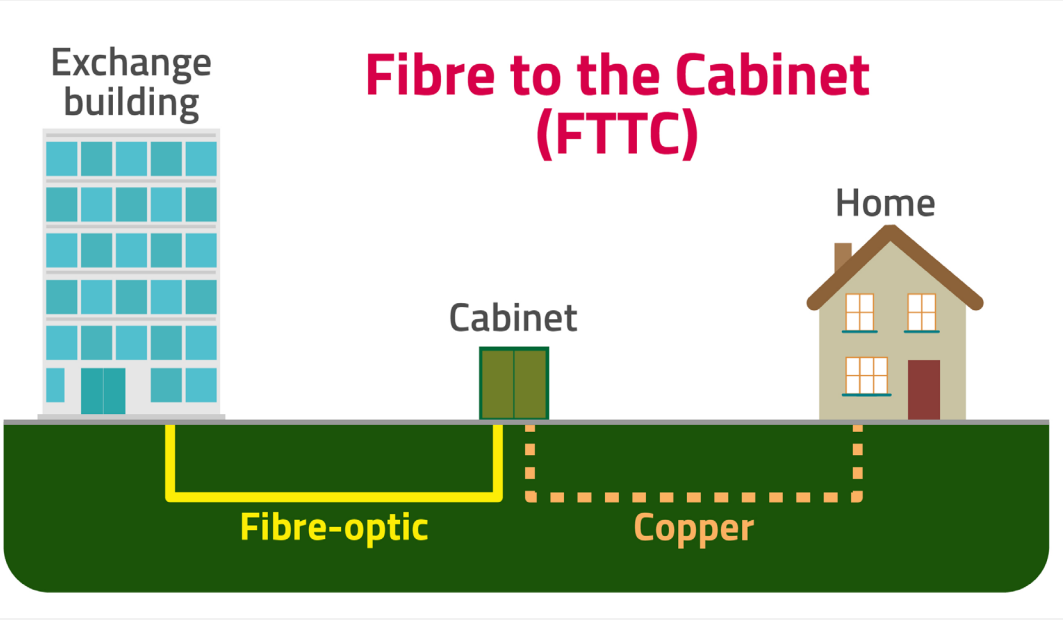
This term refers to a broadband technology also called **Fibre to the Cabinet (FTTC)**.

Fibre-to-the-cabinet has a fibre-optic connection (made up of a bundle of thin glass 'fibre' threads) from the local telephone exchange to the street cabinet.

The final connection from the street cabinet to the customer is usually over a copper wire telephone line.

This means that broadband speeds may decrease the further the customer's home is from the street cabinet.

Fibre-to-the-cabinet is able to support download speeds of up to 80Mbit/s, but this can vary, in particular depending on the distance of the cabinet from your home. If FTTC is available for you, you will get a speed estimate for your address when you have a look at our broadband services and enter your postcode.



3.37 Ofcom has previously published guidance on contract requirements under GC C1, which came into force in June 2022 (the 'GC C1 guidance').[37] Our proposed guidance is intended to complement the GC C1 guidance, not replace it. Should we decide to implement our proposals as set out in this consultation, there would therefore be additional guidance on GC C1 which is not contained in the current GC C1 guidance document. To ensure that stakeholders can easily identify and comply with our guidance, we intend to add cross-references in the current GC C1 guidance document which link to our proposed guidance on broadband information. Please see Annex 2 for the proposed additional text to the GC C1 guidance.

[37] Ofcom, 2022. Ofcom's guidance under General Condition C1 – contract requirements.

3.38 The draft guidance is available separately and via a link in Annex 1.

Other options considered to help address broadband customer information asymmetry

3.39 The industry working group convened to consider voluntary common standards on broadband customer information was ultimately unable to reach consensus to pursue a voluntary option. We note that we would consider an industry-wide voluntary solution if one were to be put forward which met the objectives of these proposals.

3.40 We have considered introducing a new General Condition (GC) or changing an existing GC to help increase the effectiveness of our intervention. However, we believe that this is not currently needed, given that there are GCs already in place which require a description of the services provided, and we can issue guidance to make clear this description should include the underlying technology of the network.[38]

3.41 We have also considered development of a gigabit-capable labelling scheme to help customers distinguish between different types of broadband product, in line with the recommendation of the GigaTAG working group. We consider that there are significant practical issues with the introduction of such a scheme and believe that it is more appropriate in the first instance to consider the impact of our proposed approach before exploring further intervention.[39]

3.42 The GigaTAG working group also recommended that Ofcom and industry should look to develop a core set of use cases and benefits to be used by providers. We note that informative use cases, which indicate the kinds of online activities that customers can expect to experience when using a broadband product (such as the number of devices that can be run simultaneously, or the quality of video that can be streamed over a single connection), are already available and used extensively by providers. We expect industry to continue to clarify and develop these use cases, as the market matures, to ensure that they remain useful for customers and are consistent across the customer sales journey.

3.43 We have considered not intervening in this area and do not believe that it is currently a credible option. We have identified potential harms that need to be remedied and our assessment is that the information would be useful to some broadband customers.

[38] We have also considered whether it would be possible for us to issue guidance under the Consumer Protection from Unfair Trading Regulations 2008 (the 'CPRs'). However, we consider that this approach is not currently needed for the reasons set out in this paragraph.

[39] The application of a logo or label publicly approved by Ofcom could cause further unintentional confusion as customers might consider it a guarantee of good service quality rather than a description of product type. In addition, there are significant difficulties identifying the appropriate service parameters (such as speed or technology) that should be part of any labelling scheme.

Impact of the proposals

3.44 We have considered the impact of our proposals and the unintended consequences of the proposed intervention. We believe these risks to be low, given the limited nature of the proposals.

Benefits to customers in areas where FTTP is available

3.45 Customers who live in areas where FTTP is available usually have a choice of different technologies to deliver their broadband services. Our proposals will provide those customers with useful information both at the point of sale and in their contract information on the underlying technologies of the different services available. This will enable customers to better understand and more readily compare the services on offer at the time of purchase and in future.

3.46 While we believe that our proposal will address the harms we have identified, we recognise that our proposed intervention will not have immediate benefits for some customers. Some customers will not value the extra performance provided by FTTP (for example, because FTTC offers sufficient performance for their needs). Indeed, a minority of consumers considered that one- or two-word terms describing the underlying technology, or a detailed description, would not be useful (12% and 13% respectively).

3.47 Poor information does not currently harm these customers; however, user needs grow rapidly year on year, and households in this category may end up benefitting from improved information in future.

3.48 In addition, some customers will be automatically offered an upgrade to FTTP given retail providers' incentives to migrate new customers onto FTTP and, in this scenario, additional information may have less impact on customer technology choice. [40]

Implications for customers in areas where FTTP is not yet available

3.49 Customers in areas where FTTP is not available do not have the option of purchasing an FTTP product, and the likelihood of harm caused by information asymmetry or lack of education on broadband technology is low. We note, however, that FTTP rollout is continuing at pace, and we expect FTTP availability to increase significantly over the next few years; the total number of properties to have FTTP availability in 2025 could be as high as 24.8m (84% of all properties).[41]

Our proposals balance the risk of information overload with the advantages of better customer information

3.50 Provision of information which is not relevant to a purchasing decision can increase customer confusion and hamper customers' ability to make sound choices. We have

[40] We note that on the Openreach network, the Openreach Equinox offer gives providers cheaper prices for Openreach FTTP products so long as signatories largely stop making new sales of legacy broadband products where Openreach FTTP is available, and switch to selling mainly FTTP products instead.
[41] Ofcom, 2022. Connected Nations: Supplementary report on Planned Network Deployments 2022, p.1.

considered whether there is risk of increased confusion for customers for whom the extra features of FTTP are not relevant. In this instance, we think this risk is plausibly low because providers already use the term 'fibre' extensively in their marketing materials. The intervention would therefore clarify existing terms rather than introduce new terms.

Minimal costs to industry

3.51 There should be minimal cost to industry in implementing a change to the information provided to customers. Providers already give speed and other information via their websites and in contract information, which changes regularly as their products and marketing strategies are developed. We anticipate that the cost of providing additional clear information on delivery method via one- or two-word terms, and supplementary information on what those terms mean, should be minimal.

Conclusion on our proposals

3.52 We believe that our proposals will empower customers to compare broadband products more readily and to make informed decisions, taking into account the underlying technology where this is important to them. Conversely, we do not believe that the proposals will introduce any adverse effects which are disproportionate to the improved customer outcomes we are seeking to achieve. This is because our proposals seek to clarify terms which are already used rather than introduce new ones, and are straightforward to implement for providers.

3.53 Finally, we consider that publishing guidance under GC C2.3, GC C1.3 and GC C1.5 is consistent with our principal duty under section 3(1) of the CA 2003 to further the interests of citizens in relation to communications matters and to further the interests of consumers in relevant markets, where appropriate by promoting competition. In making the proposals in this consultation, we have also had regard to the matters set out in section 3(5) of the CA 2003, including in particular to the interests of consumers in respect of choice, price, quality of service and value for money.

Implementation

3.54 We propose an implementation period of 12 weeks from publication of the final guidance. Providers already hold technical information about how a broadband product will be delivered to a customer at address level. We consider that an implementation period of 12 weeks will be sufficient to allow providers to bring their purchase and contract information systems up to date with the requirements.

3.55 Providers should amend the information published on their websites, and change Contract Summaries and terms and conditions for new and upgrading customers, from the date of implementation.

Consultation questions:

Question 1: Do you agree with our proposals to issue guidance under GC C2.3, GC C1.3 and GC C1.5 to clarify:

(1) that the description of broadband services should be consistent and include a one- or two-word description of the underlying technology; and

(2) that the use of the terms 'fibre' and 'full-fibre' in the information that is provided to customers should only be used to describe fibre-to-the-premises (FTTP) services.

Question 2: Do you agree with our proposal for providers to give an explanation of the one- or two-word terms used to describe the service, in a way that can be easily accessed by customers?

Please provide evidence in support of your views.

A1. Proposed guidance

A1.1 The proposed draft guidance is available.

A2. Proposed link to existing GC C1 guidance

A2.1 This Annex sets out the text to be added to the existing GC C1 guidance should our proposals be confirmed after receiving feedback from stakeholders as part of this consultation. [42] We are proposing to add two paragraphs in the current GC C1 guidance to help regulated providers easily cross-refer between both sets of guidance.

A2.2 After paragraph 1.35, we propose to insert the following:

Broadband information: Guidance under General Conditions C1 and C2 *(Informing customers about the network technology used to deliver their broadband service)*

> 1.35A On 8 March 2023, Ofcom issued guidance on providing consistent information about the type of network technology used to deliver the broadband service ('Broadband information: Guidance under General Conditions C1 and C2'). This sets out that providers should give information about the underlying technology of the network used to deliver the broadband service when describing the broadband service in the provision of Contract Information under GC C1.3. This information should be provided using consistent terms that are useful to consumers looking to make an informed choice about their broadband service. Specifically, providers should only use the terms 'fibre' or 'full-fibre' to describe broadband services which are delivered by Fibre-to-the Premises (FTTP) technology. Providers should also give a clear, detailed explanation of the one- or two-word terms used to describe the service, in a way that can be easily accessed by customers. The Broadband information: Guidance under General Conditions C1 and C2 is available and the statement explaining our reasoning and setting out examples of how to provide information on the underlying technology using one- or two-word terms is available.

A2.3 After paragraph 1.39, we propose to insert the following:

Broadband information: Guidance under General Conditions C1 and C2 *(Informing customers about the network technology used to deliver their broadband service)*

> 1.39A The Broadband information: Guidance under General Conditions C1 and C2 referenced at paragraph 1.35A above also applies to the Contract Summary under GC C1.5.

[42] Ofcom, 2022. Ofcom's guidance under General Condition C1 – contract requirements.

A3. Market research on broadband terminology - summary

Research background and methodology

A3.1 We commissioned market research to assess customer understanding of broadband terminology, what kind of information customers would find useful, and where in the customer journey such information would be useful.

A3.2 We appointed the agency BVA BDRC to conduct the research. BVA BDRC carried out an online survey in November 2022. The survey had several stages:

- BVA BDRC asked respondents how well they understood different terms relating to broadband technologies (fibre, cable broadband, full fibre, fibre-to-the-premises (FTTP), copper broadband, part fibre, fibre-to-the-cabinet (FTTC), ADSL).[43]
- They then showed respondents descriptions and graphics of four broadband technologies (copper broadband, cable broadband, fibre to the cabinet (FTTC) and fibre to the premises (FTTP)) which are used to deliver fixed broadband services and asked if these descriptions matched respondents' original understanding.[44] [45]
- The survey then asked respondents how useful information about different aspects of a product would be when deciding on a broadband service.[46] BDRC also used 'MaxDiff' methodology to measure in absolute terms how useful each piece of information would be relative to each other.[47]
- Finally, the survey asked respondents where in the purchasing journey they would find two specific types of information useful: firstly, a detailed description indicating the technology used to deliver your broadband service (e.g. fibre, part fibre, cable), and secondly, an easily understood one- or two-word term on the technology used to deliver your broadband service (e.g. fibre, part fibre, cable).
- The survey also asked background questions of respondents, including on their purchasing intentions and confidence towards the broadband market and technology, to establish if there were important differences between categories of customers.

[43] The terminology used in that sentence was the terminology used in questionnaire, so what was shown to respondents.
[44] Prior to being shown in the main study, BVA BDRC discussed the four descriptions with ten broadband decision makers and refined them where necessary to ensure maximum clarity to the reader.
[45] BDRC, November 2022. Broadband Terminology research, slide 15.
[46] Monthly cost, reliability, download speed, contract length, suitability for your household's needs, cost of equipment/installation, upload speed, other services included in the deal (e.g. TV, landline), an easily understood one- or two-word term on the technology used to deliver your broadband service (e.g. fibre, part fibre, cable), a detailed description indicating the technology used to deliver your broadband service (e.g. fibre, part fibre, cable).
[47] MaxDiff ("Maximum Difference scaling") is a trade-off methodology in which respondents are presented with small groups of the attributes of interest (e.g. cost, speed, reliability) and asked to indicate which is most and least important. Across many iterations spanning all respondents, the analysis from responses is used to generate utility scores showing the relative importance of each attribute. These scores sum to 100 across all attributes. An attribute with a utility score of 10, for example, is half as important as one with a utility score of 20 and twice as important as another with a utility score of 5.

A3.3 BDRC's report on the findings of the research is available on our website.[48] We summarise the findings of the research below.

Research findings

Claimed customer understanding of broadband terminology was highest with fibre

A3.4 When respondents were first shown different terms to describe broadband technology, only a minority of respondents claimed to 'completely understand' each of the terms tested ('fibre', 'cable broadband', 'full fibre', 'fibre to the premises (FTTP)', 'copper broadband', 'part fibre', fibre to the cabinet (FTTC)',' ADSL').

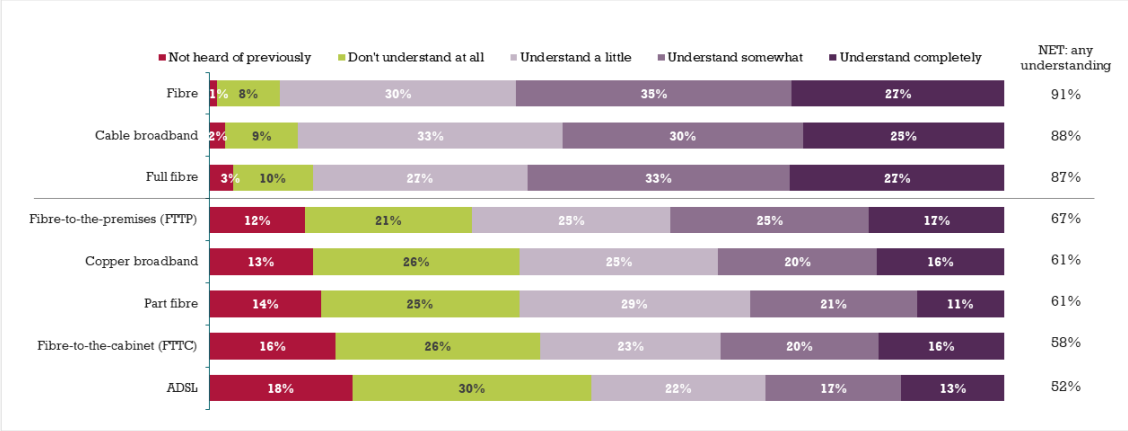
A3.5 Claimed understanding varied by the terms tested. The level of claimed complete understanding reported by respondents was highest for the terms 'fibre' (27%), 'full fibre' (27%) and 'cable broadband' (25%).

A3.6 More generally, the results suggested some familiarity or claimed understanding with the terms tested, 'as a high proportion of respondents reported at least a little understanding. In particular, 91% said they understood the term 'fibre' completely, somewhat or a little, 88% claimed this level of understanding of 'cable' and 87% for 'full fibre' (as set out in figure 4 below).

A3.7 An important minority of respondents did not understand the other five terms tested at all: ADSL (30%), copper broadband (26%), fibre to the cabinet (FTTC) (26%), part-fibre (25%) and fibre to the premises (FTTP) (21%). There was also a lower level of 'complete' understanding of these five terms (ranging from 11-17%) and greater proportions who had not heard of them previously (ranging from 12% to 18%, compared with 1-3% for the first three terms).

[48] BDRC, November 2022. Broadband terminology research, slide 13.

Figure 4: Table setting out the proportion of respondents who understood terms completely, somewhat, a little, not at all, or had not heard of them previously



Source: Broadband Terminology Research 2022
QE1. How well do you think you understand what each of these phrases means, i.e. do you know what it would indicate about the service's attributes and characteristics?
Base: All respondents (1,155)

A3.8 After seeing detailed descriptions[49] of the four different technologies tested ('copper broadband', 'cable broadband', 'fibre-to-the-cabinet (FTTC)', and 'fibre-to-the-premises (FTTP)', a high proportion of those who initially said they had at least a little understanding of the terms said these descriptions closely or exactly matched what they initially thought ('cable broadband' (81%), 'fibre-to-the-premises (FTTP)' (87%), 'copper broadband' (86%), 'fibre-to-the-cabinet (FTTC)' (86%)).[50]

A3.9 Among those who had misconceptions about the different technologies, many of the reasons they gave for these misconceptions related to the technical details of how broadband reached their home. For example, for cable and FTTC, some said they did not realise fibre was involved or that the connection was part-fibre. For FTTC, some said they did not understand the term 'cabinet' or realise a cabinet was involved.

A3.10 In addition, the actual level of misunderstanding of some technologies may be higher than reported by respondents. For example, our data shows that of those who believe they have an FTTP service, only 46% live in a full fibre area.[51]

Respondents find a variety of information on a broadband service useful

A3.11 The research asked how useful respondents would find a broad variety of information that they might consider as part of the purchasing journey (see figure 5 below).

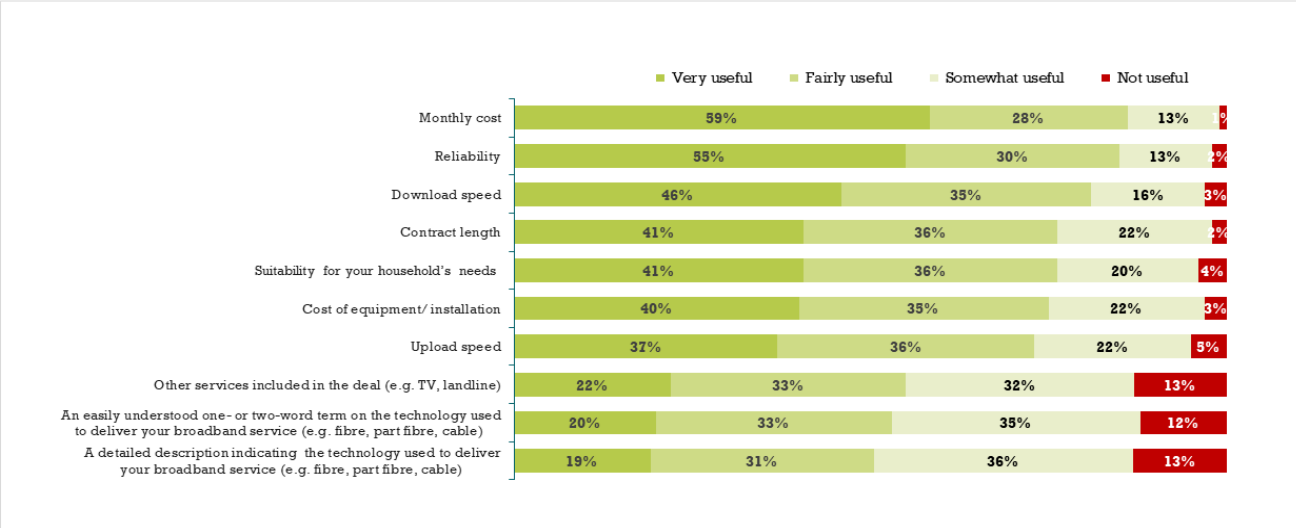
[49] BDRC, November 2022. Broadband terminology research, Annex A.
[50] BDRC, November 2022. Broadband terminology research, slide 15.
[51] BDRC, November 2022. Broadband terminology research, slide 15 (Notes).

A3.12 Respondents generally claimed that all the types of information we tested were useful in absolute terms, with at least half of respondents ranking each of the terms as very or fairly useful.[52] [53]Respondents particularly valued information about:

- Monthly cost (87% found this very or fairly useful);
- Reliability (85% found this very or fairly useful); and
- Download speed (81% found this very or fairly useful).[54]

A3.13 A 'one- or two-word term' and a 'detailed description' on technology was seen as very or fairly useful by 53% and 50% of respondents respectively.[55]

Figure 5: table setting out the proportion of respondents who would find different pieces of information very useful, fairly useful, somewhat useful or not useful



Source: Broadband Terminology Research 2022
QH2. Please use the following scale to say **how** useful information about each item would be when deciding on a broadband service
Base: All respondents (1,155)

A3.14 The research also evaluated the usefulness of different pieces of information relative to each other (using MaxDiff technique – see the Broadband terminology report). Monthly cost is relatively the most useful type of information, followed by reliability, and download speed. Relative to other terms, a 'one- or two-word term' and 'detailed description' on technology ranked lower, although as noted above, these were still useful in absolute terms.

A3.15 We asked respondents where in the purchasing journey they would like to see information about the underlying technology used to deliver the service. The highest proportion of

[52] BDRC, November 2022. Broadband terminology research, slide 18.
[53] The full list of types of information we asked consumers about was: monthly cost, reliability, download speed, contract length, suitability for your household's needs, cost of equipment/installation, upload speed, other services included in the deal (e.g. TV, landline), an easily understood one- or two-word term on the technology used to deliver your broadband service (e.g. fibre, part fibre, cable), a detailed description indicating the technology used to deliver your broadband service (e.g. fibre, part fibre, cable).
[54] For full results, see BDRC, November 2022. Broadband terminology research, slide 18.
[55] BDRC, November 2022. Broadband terminology research, slide 18.

respondents said that information on technology would be most useful on providers' websites, followed by at the point of purchase:

- over half, 50% and 55% respectively, said that 'an easily understood one- or two-word term on the technology used to deliver your broadband service' and 'a detailed description indicating the characteristics of the service' would be most useful on providers' websites.
- about two fifths, 41% and 42% respectively, said one- or two-word term and a detailed description would be most useful at point of purchase.[56]

[56] BDRC, November 2022. Broadband terminology research, slide 23.

A4. Responding to this consultation

How to respond

A4.1 Ofcom would like to receive views and comments on the issues raised in this document, by 5pm on 3 May 2023.

A4.2 You can download a response form from https://www.ofcom.org.uk/consultations-and-statements/category-1/improving-broadband-information-for-customers. You can return this by email or post to the address provided in the response form.

A4.3 If your response is a large file, or has supporting charts, tables or other data, please email it to broadbandinformation@ofcom.org.uk as an attachment in Microsoft Word format, together with the cover sheet.

A4.4 Responses may alternatively be posted to the address below, marked with the title of the consultation:

Broadband Information Consultation
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

A4.5 We welcome responses in formats other than print, for example an audio recording or a British Sign Language video. To respond in BSL:

- send us a recording of you signing your response. This should be no longer than 5 minutes. Suitable file formats are DVDs, wmv or QuickTime files; or
- upload a video of you signing your response directly to YouTube (or another hosting site) and send us the link.

A4.6 We will publish a transcript of any audio or video responses we receive (unless your response is confidential).

A4.7 We do not need a paper copy of your response as well as an electronic version. We will acknowledge receipt of a response submitted to us by email.

A4.8 You do not have to answer all the questions in the consultation if you do not have a view; a short response on just one point is fine. We also welcome joint responses.

A4.9 It would be helpful if your response could include direct answers to the questions asked in the consultation document. The questions are listed at Annex 7. It would also help if you could explain why you hold your views, and what you think the effect of Ofcom's proposals would be.

A4.10 If you want to discuss the issues and questions raised in this consultation, please contact the broadband information team at broadbandinformation@ofcom.org.uk.

Confidentiality

A4.11 Consultations are more effective if we publish the responses before the consultation period closes. In particular, this can help people and organisations with limited resources or familiarity with the issues to respond in a more informed way. So, in the interests of transparency and good regulatory practice, and because we believe it is important that everyone who is interested in an issue can see other respondents' views, we usually publish responses on the Ofcom website at regular intervals during and after the consultation period.

A4.12 If you think your response should be kept confidential, please specify which part(s) this applies to, and explain why. Please send any confidential sections as a separate annex. If you want your name, address, other contact details or job title to remain confidential, please provide them only in the cover sheet, so that we don't have to edit your response.

A4.13 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and try to respect it. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.

A4.14 To fulfil our pre-disclosure duty, we may share a copy of your response with the relevant government department before we publish it on our website. This is the Department for Business, Energy and Industrial Strategy (BEIS) for postal matters, and the Department for Culture, Media and Sport (DCMS) for all other matters.

A4.15 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's intellectual property rights are explained further in our Terms of Use.

Next steps

A4.16 Following this consultation period, Ofcom plans to publish a statement in Autumn 2023.

A4.17 If you wish, you can register to receive mail updates alerting you to new Ofcom publications.

Ofcom's consultation processes

A4.18 Ofcom aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in Annex 5.

A4.19 If you have any comments or suggestions on how we manage our consultations, please email us at consult@ofcom.org.uk. We particularly welcome ideas on how Ofcom could more effectively seek the views of groups or individuals, such as small businesses and residential customers, who are less likely to give their opinions through a formal consultation.

A4.20 If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact the corporation secretary:

Corporation Secretary
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA
Email: corporationsecretary@ofcom.org.uk

A5. Ofcom's consultation principles

Ofcom has seven principles that it follows for every public written consultation:

Before the consultation

A5.1 Wherever possible, we will hold informal talks with people and organisations before announcing a big consultation, to find out whether we are thinking along the right lines. If we do not have enough time to do this, we will hold an open meeting to explain our proposals, shortly after announcing the consultation.

During the consultation

A5.2 We will be clear about whom we are consulting, why, on what questions and for how long.

A5.3 We will make the consultation document as short and simple as possible, with an overview of no more than two pages. We will try to make it as easy as possible for people to give us a written response.

A5.4 We will consult for up to ten weeks, depending on the potential impact of our proposals.

A5.5 A person within Ofcom will be in charge of making sure we follow our own guidelines and aim to reach the largest possible number of people and organisations who may be interested in the outcome of our decisions. Ofcom's Consultation Champion is the main person to contact if you have views on the way we run our consultations.

A5.6 If we are not able to follow any of these seven principles, we will explain why.

After the consultation

A5.7 We think it is important that everyone who is interested in an issue can see other people's views, so we usually publish the responses on our website at regular intervals during and after the consultation period. After the consultation we will make our decisions and publish a statement explaining what we are going to do, and why, showing how respondents' views helped to shape these decisions.

A6. Consultation coversheet

BASIC DETAILS

Consultation title:

To (Ofcom contact):

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY

Please tick below what part of your response you consider is confidential, giving your reasons why

Nothing ☐

Name/contact details/job title ☐

Whole response ☐

Organisation ☐

Part of the response ☐

If there is no separate annex, which parts? _____

_____

If you want part of your response, your name or your organisation not to be published, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response that Ofcom can publish. However, in supplying this response, I understand that Ofcom may need to publish all responses, including those which are marked as confidential, in order to meet legal obligations. If I have sent my response by email, Ofcom can disregard any standard e-mail text about not disclosing email contents and attachments.

Ofcom aims to publish responses at regular intervals during and after the consultation period. If your response is non-confidential (in whole or in part), and you would prefer us to publish your response only once the consultation has ended, please tick here.

Name Signed (if hard copy)

A7. Consultation questions

Consultation questions:

Question 1: Do you agree with our proposals to issue guidance under GC C2.3, GC C1.3 and GC C1.5 to clarify:

(1) that the description of broadband services should be consistent and include a one- or two-word description of the underlying technology; and

(2) that the use of the terms 'fibre' and 'full-fibre' in the information that is provided to customers should only be used to describe fibre-to-the-premises (FTTP) services.

Question 2: Do you agree with our proposal for providers to give an explanation of the one- or two-word terms used to describe the service, in a way that can be easily accessed by customers?

Please provide evidence in support of your views.

A8. Glossary and abbreviations

ASA: Advertising Standards Authority

ADSL: 'Asymmetric Digital Subscriber Line' – a type of technology used to deliver broadband to a customer's home over a traditional copper telephone line. This is the technical term for copper broadband (defined below).

BVA BDRC: a research agency.

CA 2003: Communications Act 2003

Cable broadband: a type of technology used to deliver broadband to a customer's home. Has a fibre-optic connection from a local hub to the street cabinet (see below). The final connection from the street cabinet to the customer is over a type of cable (made up of a copper core, metal sleeve and plastic covering).

Cable: A 'coaxial cable' used by a provider to deliver broadband services from a "street cabinet" to a customer's connection. This is made up of a copper core, metal sleeve and plastic covering. Also used to refer to cable broadband in general.

CAP: Committee of Advertising Practice

Copper broadband: a type of technology used to deliver broadband to a customer's home. Connects from a local telephone exchange usually to a street cabinet (see below) and then to the customer's home on a traditional copper telephone line.

DCMS: Department of Culture, Media and Sport

EA 2010: Equality Act 2010

Fibre: A strand of glass less than a hair's width carrying telecommunication signals in the form of light. Fibres are bundled together in tubes, may be reinforced to avoid breakage and then packed into cables.

FSB: Federation of Small Businesses

Fibre to the cabinet (FTTC): A type of technology used to deliver broadband to a customer's home. Has a fibre-optic connection (made up of a bundle of thin glass 'fibre' threads – see 'fibre' above) from the local telephone exchange to the street cabinet. The final connection from the street cabinet to the customer is usually over a copper wire telephone line.

Fibre to the premises (FTTP): A type of technology used to deliver broadband to a customer's home. Has a fibre-optic connection all the way from the local exchange to the customer's home. Sometimes referred to as 'full fibre.'

Full fibre: See 'FTTP' above.

General Conditions (GC): conditions set by Ofcom under section 45 of the Communications Act 2003.

GigaTAG: Gigabit Take-up Advisory Group

Gbit/s or Gbps: a unit to measure broadband speed. 1 Gbit/s is one thousand times faster than 1 Mbit/s.

Gigabit Capable Broadband: A broadband connection capable of delivering a rate of up to 1 Gbit/s

Mbit/s or Mbps: A unit to measure broadband speed.

NIA 1998: Northern Ireland Act 1998.

Part fibre: Refers to services such as FTTC and cable broadband. Services are usually delivered by fibre from the exchange to a cabinet in the street and from there over a copper connection (for cable broadband, this is made up of a copper core, metal sleeve and plastic covering) to the customer's premises.

Provider: communications provider, defined in section 405(1) of the Communications Act 2003 as meaning a person who (within the meaning of section 32(4)) provides an electronic communications network or an electronic communications service. See Section 3 on the scope of GC C6.

Street cabinet: A box that is normally only a few hundred metres from the customer's home. It is used to connect wires from an exchange building (or local hub) to the customer's premises (in the case of copper broadband, cable broadband and FTTC).

Superfast: a broadband connection capable of delivering a rate of 30 Mbit/s or more.

VoIP: Voice over Internet Protocol (sometimes referred to as "digital voice"). A technology that allows users to send calls over broadband connections using internet protocol, using either the public internet or private IP networks.

Ultrafast: A category of broadband services where the download speed is expected to be at least 300 Mbit/s.

WFTMR: Ofcom's Wholesale Fixed Telecoms Market Review 2021-26.