

Your response

| Question | Your response |
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| <p>Question 1: Do you agree with the way we propose to implement the requirement to provide end of contract notifications in terms of the services they should cover?</p> | <p>Confidential? – N</p> <p>Yes. End-of-contract notifications should be provided for the services listed. Our own research from 2017 showed that 46% of households did not know whether their fixed commitment period for broadband had expired, and 92% expected greater communication from their providers.</p> <p>*Research carried out with 2003 UK broadband customers by Opinium between 07/07/17 and 28/07/17.</p> |
| <p>Question 2: Do you agree with the way we plan to implement the requirement to send end of contract notifications to consumers and businesses?</p> | <p>Confidential? – N</p> <p>Partly. We agree with Ofcom’s proposal to mandate end-of-contract notifications for the reasons set out above. We also agree that existing out-of-contract customers should be sent an annual notification. However, providers should not use the end-of-contract notification to market to customers as it will create a two-tiered approach where customers will receive different notifications based on their marketing preferences.</p> |
| <p>Question 3: Do you agree that end-of-contract notifications should be sent to end-users before the expiry of a fixed commitment period, if the contract will be automatically prolonged after that point?</p> | <p>Confidential? – N</p> <p>Yes. This proposal will give customers time to decide which cause of action they’d like to take. In addition, end-of-contract notifications should be sent to customers regardless of whether their contract will be automatically prolonged after the expiry of a fixed commitment period.</p> |
| <p>Question 4: Do you agree with our proposal not to specify in a prescriptive way the words and language used in end-of-contract notifications?</p> | <p>Confidential? – N</p> <p>Partly. We agree that wording should not be prescriptive, provided retailers follow Ofcom’s guidance, to thereby allow providers to communicate in line with their brand. However, should Ofcom allow product offers to be included (which we do not support, see Q2), more prescription will be required setting out</p> |

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| | <p>best tariff advice. Without such prescription, there is a strong risk providers will include heavy marketing messages which will discourage customers from engaging with the market.</p> |
| <p>Question 5: Do you agree with our implementation proposal for the end-of-contract notification to include the date on which the fixed commitment period will end?</p> | <p>Confidential? – N</p> <p>Yes, the end-of-contract notification should include the fixed commitment period end-date. Our research shows that less than half – 46% of broadband customers – know their date.</p> <p>*Research carried out with 2003 UK broadband customers by Opinium between 07/07/17 and 28/07/17.</p> |
| <p>Question 6: Do you agree with our implementation proposal for the end-of-contract notification to include details of the services which the provider currently provides to the end-user under the relevant contract?</p> | <p>Confidential? – N</p> <p>Yes. This will ensure that customers are able to make an informed decision.</p> |
| <p>Question 7: Do you agree with our implementation proposal that the end-of-contract notification must include information regarding notice periods?</p> | <p>Confidential? – N</p> <p>Yes. This is important given customers do not currently understand how notice periods operate. Our 2017 research suggested that of the 71% of customers who failed to switch provider after a price rise, 16% thought they'd be without internet for some time if they chose to move to a new provider, 11% thought the switching process would be confusing and complicated, 15% thought that it'd be a hassle and 9% thought the process would take too long. Outlining notice periods would inform and empower consumers to take action whilst avoiding early-termination charges or overlapping their old and new broadband contracts.</p> <p>*Research carried out with 2003 UK broadband customers by Opinium between 07/07/17 and 28/07/17.</p> |
| <p>Question 8: Do you agree with our implementation proposal that the end-of-contract notification must include information regarding early termination charges?</p> | <p>Confidential? – N</p> <p>Yes. Confusion regarding early termination charges is a barrier to switching and should be clarified.</p> |

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| | <p>*Research carried out with 2003 UK broadband customers by Opinium between 07/07/17 and 28/07/17.</p> |
| <p>Question 9: Do you agree with our implementation proposal that the end-of-contract notification must include information regarding other contracts which the provider currently provides to the end-user?</p> | <p>Confidential? – N</p> <p>Yes – provided the contracts are interlinked, i.e. ending a contract for one service will change the price or service of the other. Providers shouldn't be required to provide information about separate services if the ending of one contract does not affect the other services, as this could cause confusion and prevent action.</p> |
| <p>Question 10: Do you agree with our implementation proposal that the end-of-contract notification must include information regarding how to terminate the contract?</p> | <p>Confidential? – N</p> <p>Yes. The end-of-contract notification should set out how the customer can terminate the contract, including also setting out the optimal "switching window" for a customer to avoid either early termination fees and /or overlapping their current contract with the proposed new one. This will give customers confidence they can switch without incurring unexpected fees. In addition, as is the case in the energy market, end-of-contract notifications should signpost customers to impartial information on switching, such as Ofcom's webpage on 'Switching broadband providers'.</p> |
| <p>Question 11: Do you agree with our implementation proposal that best tariff advice should include the monthly price currently paid, and any changes after the end of the fixed commitment period?</p> | <p>Confidential? – N</p> <p>Partly. The end-of-contract notification should include the current monthly price paid and any changes after the end of the fixed commitment period. However, this should be stand-alone rather than part of any best-tariff advice, which we do not think should be included for reasons set out in response to Q15.</p> |
| <p>Question 12: Do you agree with our implementation proposal that best tariff advice should include changes to the service provided because the fixed commitment period is ending?</p> | <p>Confidential? – N</p> <p>Partly. Providers should include changes to the service provided because the fixed commitment period is ending, but we do not support wider best-tariff advice, as outlined in our response to Q15.</p> |

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| <p>Question 13: Do you agree with our implementation proposal that best tariff advice should include the date on which the fixed commitment period ends for financially linked or otherwise dependent contracts taken with the same provider, for subscribers on residential contracts?</p> | <p>Confidential? – N</p> <p>Partly. We agree that providers should include the date on which the fixed commitment period ends for financially linked contracts or otherwise dependent contracts, but we do not support wider best-tariff advice, as outlined in our response to Q15.</p> |
| <p>Question 14: Do you agree with our implementation proposal that best tariff advice should include the options available to the subscriber after the fixed commitment period has ended?</p> | <p>Confidential? – N</p> <p>Partly. We believe that best tariff advice should include the options available to the subscriber – including switching provider or terminating their contract without incurring charges – this will enable them to engage with the market. However, we disagree that customers should be offered other products as a part of the end-of-contract notification for reasons listed in our response in Q15.</p> |
| <p>Question 15: Do you agree with our implementation proposal that best tariff advice should include the provider’s best tariff and with our draft guidance for subscribers on residential contracts that:</p> <ul style="list-style-type: none"> a) providers should give residential consumers at least one and up to three best tariffs options; b) the tariffs should be based on similarity to the consumer’s previous usage where relevant and otherwise based on service packages that are most similar to what the consumer currently receives; c) one tariff should be the cheapest tariff available to the consumer receiving the advice; d) one tariff should be the cheapest tariff available to any consumer (if not the same as in (c)); e) one tariff can be the cheapest upgrade tariff; f) one tariff should be a SIM-only tariff where the consumer has a bundled handset and airtime contract; and g) tariffs should be for a bundle of services where the consumer receives them under a single contract with the provider or has financially linked or | <p>Confidential? – N</p> <p>No. Providers should not use the end-of-contract notification to market to customers as it will create a two-tiered approach where customers will receive different notifications based on their marketing preferences.</p> <p>In addition, as pointed out by the Information Commissioner’s Office, the inclusion of an offer is likely to result in the end-of-contract communication falling within the definition of direct marketing. We believe that allowing suppliers to market as part of the end-of-contract notification is inconsistent with other regulated processes. For example, in the current unsolicited cease notification process, incumbent broadband providers are not permitted to market to the customer when they notify them of their end-of-contract and termination fees, and we believe that the same no-marketing position should be taken on end-of-contract and out-of-contract notifications.</p> <p>We likewise disagree that best tariff advice should include up to three product offers as this will be confusing. Customers may also think they’re getting a good deal although they could save more by engaging with the market. Our</p> |

interdependent contracts with the same provider and where the fixed commitment period(s) is about to end or has already ended.

research shows that nearly 20%* of customers who received a price-increase notification from their provider were intending to switch and rang their supplier with the intention of terminating their contract, but ended up sticking with the same supplier once a new product was offered. We believe that customers should be encouraged to shop around and we predict that offers as a part of end-of-contract notifications will reduce the number of people engaging with the market.

We are also concerned that the guidance which Ofcom has outlined for providers' best tariffs is subjective. For example, when including cheapest tariff information, would a provider include the cheapest tariff on its website or would it need to include the cheapest product including channel-exclusive offers that are available through third parties i.e. a switching site? In response to Ofcom's decision to include offers that customers aren't eligible for, and explain why they do not qualify for such products, we believe that this is bad practise and goes against efforts to provide good customer service which relies on providing relevant information to customers.

Finally, if Ofcom does pursue best tariff advice, further clarification is needed as to whether broadband providers will need to use customer usage in order to provide suitable tariff information. The consultation itself notes that this information is not relevant for most consumers. In addition, Ofcom should take into account that providing this information will be more difficult for resellers as not all of them will have easy access to customers' usage data.

*Research carried out by Opinion Matters between 01/12/17 and 06/12/17 with a sample of 2,003 respondents shows that 17.8% of people who received a broadband price increase notification intended to switch providers and in the process of ringing to cancel their contract, they were offered an alternative product which they agreed on instead of switching to another supplier.

Question 16: Do you agree with our proposed implementation on the timing of the end-of-contract notification?

Confidential? – N

Yes, we agree with the proposed timing.

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| | <p>However, providers should explain the implications of switching too early and incurring early termination fees, or switching at a point where the customer’s current contract would overlap with their new contract.</p> |
| <p>Question 17: Do you agree with our proposed implementation regarding the form of the end-of-contract notification?</p> | <p>Confidential? – N</p> <p>We largely agree with the timing and form of the end-of-contract notice. However, as outlined in our response to Q15, we do not agree that providers should offer other products as part of the end-of-contract notification.</p> |
| <p>Question 18: Do you agree with our proposals to ensure accessibility of the end-of-contract notification?</p> | <p>Confidential? – N</p> <p>Yes. All customers, including vulnerable customers, should have access to this information in the right format for them.</p> |
| <p>Question 19: Do you agree with our implementation proposal that annual best tariff notifications to be sent only to end-users who are outside of their fixed commitment period?</p> | <p>Confidential? – N</p> <p>Yes, we agree that customers who are already out of their fixed commitment period should receive a one-off notification as well as an annual notification thereafter. We do not support the best tariff proposal and would not support its inclusion on annual notifications.</p> |
| <p>Question 20: Do you agree with our proposed implementation of the requirement to send annual best tariff notifications by specifying that providers must inform end-users of:</p> <ul style="list-style-type: none"> a) the fact that they are not within a fixed commitment period for the relevant contract or contracts; b) the services which the provider currently provides under that contract or contracts; c) any applicable notice period(s); d) details of other contracts the end user has with the provider; e) the monthly subscription price(s); and f) the options available; | <p>Confidential? – N</p> <p>Yes, however to go one step further, providers should also set out the optimum “switching window” to help customers switch without incurring early termination fees or overlapping their current product with a new contract.</p> |
| <p>Question 21: Do you agree with our proposed implementation of the requirement to send annual best tariff notifications by specifying that providers must inform end-users of the</p> | <p>Confidential? – N</p> <p>As per our response to Q15, we disagree that providers should offer other products as a part</p> |

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| <p>provider's best tariffs and with our draft guidance for subscribers on residential contracts that:</p> <ul style="list-style-type: none"> a) providers should give residential consumers at least one and up to three best tariffs; b) the tariffs should be based on similarity to the consumer's previous usage where relevant, and otherwise based on service packages that are most similar to what the consumer currently receives; c) one tariff should be the cheapest tariff available to the consumer receiving the advice; d) one tariff should be the cheapest tariff available to any consumer (if not the same as in (c)); e) one tariff can be the cheapest upgrade tariff; f) one tariff should be a SIM-only tariff where the consumer has a bundled handset and airtime contract; and, g) tariffs should be for a bundle of services where the consumer receives them under a single contract with the provider or has financially linked or interdependent contracts with the same provider and where the fixed commitment period(s) has ended. | <p>of the annual tariff notification. We also believe that further clarification on whether providers have to provide their cheapest deals even if they are not available directly from the provider's website is needed.</p> |
| <p>Question 22: Do you agree with our proposed implementation on the timing of the annual best tariff notification?</p> | <p>Confidential? – N</p> <p>Yes. We agree with Ofcom's proposed implementation on the timing of the annual best-tariff notification. We believe that it will give providers – including resellers – an opportunity to internally prepare so that we're able to fulfil Ofcom's proposed plans.</p> |
| <p>Question 23: Do you agree with our proposal to implement the annual best tariff requirements by specifying that providers should combine the best tariff information in a single notification for those end-users who have two or more contracts outside of their fixed commitment period?</p> | <p>Confidential? – N</p> <p>Yes, however providers should make it clear that they are contacting customers about two (or more) separate contracts so that they are fully aware of their options. Customers should be made aware that they can take separate actions for each contract should they choose to.</p> |
| <p>Question 24: Do you agree with our</p> | <p>Confidential? – N</p> |

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| <p>implementation proposals regarding the form of the annual best tariff notification?</p> | <p>Largely yes. We agree with the the timing and form of an annual out-of-contract notification as with 72% of people being out of contract, we believe that millions of households stand to benefit from such a notification. However, as outlined in our response to Q15, we do not agree that providers should offer other products as part of this notification and therefore the best-tariff information should not be included.</p> <p>*Research carried out with 2003 UK broadband customers by Opinium between 07/07/17 and 28/07/17.</p> |
| <p>Question 25: Do you agree with our implementation proposals for the timescale within which providers must comply with the end-of-contract and annual best tariff notification requirements?</p> | <p>Confidential? – N</p> <p>Yes. We support Ofcom’s proposed timescale for both the end-of-contract and annual out-of-contract notification requirements, and believe it gives providers – including resellers – sufficient opportunity to prepare.</p> |
| <p>Question 26: Do you agree with the way we plan to monitor the effectiveness and impact of end-of-contract and annual best tariff notifications?</p> | <p>Confidential? – N</p> <p>Largely yes, however the ultimate measure of success will be an increase in switching numbers or a reduction in the numbers of people on out-of-contract figures. We propose that perhaps like in energy, Ofcom should provide regular industry statistics showing what switching and out-of-contract figures are for each supplier.</p> |
| <p>Question 27: Do you agree with the impacts from the introduction of end-of-contract notifications we identify in our assessment?</p> | <p>Confidential? – N</p> <p>Yes, although further clarity is needed around point 6.55 of the consultation. At this stage it still unclear whether Ofcom requires broadband providers to offer products based on usage or whether it recommends it as best practise. Further clarification on this will be helpful. If Ofcom requires broadband providers to offer products based on usage, we believe more research will be needed to assess the impact of Ofcom’s decisions on broadband resellers as its proposals could impact the contractual terms between providers and their</p> |

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| | indirect sellers as pointed out by BT in the consultation. |
| Question 28: Do you agree with the impacts from the introduction of annual best tariff notifications we identify in our assessment? | Confidential? – N Please see our response to question 27. |
| Question 29: Do you have any comments on the draft general conditions, set out in Annex A6 to this document? | Confidential? – N No, we do not have any further comments. |