Taking broadband providers to account

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Results from Africa and Europe region
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Consumer Focus
Participating organisations

• Association for the Defence of Consumers and the Environment (ADEC), Senegal
• Consumer Awareness Organisation, Nigeria
• Consumer Focus, UK
• Kenya Consumers Organization
What we did

- Online consumer survey (Kenya, Senegal, UK)
- Online member survey (Kenya, Senegal, UK)
- Focus group (Kenya, Nigeria, Senegal)
- Secondary desk research (Nigeria, Senegal, UK)
Internet access

- Fixed line (home, public access, work)
- Mobile broadband
- Bundle (phone, broadband, TV)
Internet access: Regional differences

• Africa – majority access internet via:
  ➢ public point access (ie cafes and others)
  ➢ mobile broadband

• Europe (UK) – majority access internet via:
  ➢ fixed-line home broadband (59%)
  ➢ bundles (9%)
  ➢ mobile broadband (8%)
Internet access: Regional commonalities

- Poor or lack of coverage in rural and underdeveloped urban areas indicated by factors such as:
  - lack/poor infrastructure
  - lack of choice and competition between providers
  - poor service quality (not spots, slow speeds, connection disruptions)
Even in places where broadband connection is available, there is a significant percentage of population who do not use or have access to the internet at home.

Common barriers include:
- Affordability (costs of equipment/subscription)
- Usability (lack of skills and training, disability)
- Motivation (UK)
- Concerns over online security and privacy (UK)
Competition and choice

• Liberalisation, demonopolisation increased broadband market competition and improved consumer:
  ➢ choice
  ➢ cost reduction

• Exception remote areas where the market in so far has not delivered, consideration needs to be given to public funding
Transparency of information

- Information perceived by consumers as ‘commonly’ displayed by broadband providers:
  - Costs (subscription, equipment, etc)
  - Speeds
- Issues with information accuracy
Transparency of information (cont)

- Information perceived by consumers as difficult to find:
  - contract length (Kenya)
  - excess charges
  - early termination fees
  - usage policies
  - notice on changes to contract terms
  - redress mechanism
  - privacy
Service quality: Regional commonalities

- Misleading claims on speeds
- Poor service reliability (particularly in remote areas)
- Poor customer services (complaint handling and technical advice)
Complaint handling and redress

- Many complaints are left unresolved
- Low consumer awareness of redress mechanisms
Switching

- Switching is low and perceived as difficult
- Switching barriers include:
  - costs (Africa)
  - lack of alternative supplier (both Africa and UK)
  - the ‘hassle factor’ (UK)
  - lack of difference in costs (UK)
  - limited consumers’ practical knowledge on how to switch provider (UK)
Internet content

• Internet use:
  ➢ email
  ➢ instant messaging
  ➢ downloading/streaming
  ➢ browsing
  ➢ social networking and entertainment
  ➢ education
  ➢ shopping
  ➢ payment/online banking
Content issues: Unwanted content

- Malware and spyware
- Spam and frauds
- Unsolicited advertising
Content issues

- Interception and monitoring:
  - majority could not tell whether their online activity was monitored or intercepted
- Copyrights infringement:
  - varies by countries but some respondents did experience warning notices online
Content issues

• Content availability and access:
  ➢ overall most satisfied with content availability
  ➢ some concern over insufficient access to content in native languages with exception of English mother tongue speakers
  ➢ concerns about content availability for visually impaired
Net neutrality and traffic management

• Not identified as a concern with exception of the UK
• The UK case: examples of traffic management:
  ➢ blocking access to VOIP services by some mobile operators
  ➢ slowing down some services and applications during peak time
  ➢ ISPs developed a voluntary code to increase transparency but in so far have failed to agree to the principles of non blocking and non discrimination
Net neutrality and traffic management
UK case

- Consumers do not understand the term traffic management
- Any information currently provided is largely meaningless and not taken into consideration
- Traffic management can impact consumer behaviour and provider selection
Overall conclusions: Address barriers

- Access and take up:
  - connectivity
  - affordability
  - usability

- Service quality:
  - advertising of broadband speeds
  - complaint handling and redress
Overall conclusions: Address barriers

- Switching:
  - improve choice
  - reduce switching costs
  - address ‘hassle’ factor and ‘know how’ to switch
Thank you