Option X - Broadband & Voice switching proposal

Response to Ofcom's initial questions – May 2020

Questions on industry submissions – May 2020

Option X

Please note that the references in brackets relate to the summary report provided in February unless stated otherwise.

Customer switching scenarios

- We understand that the process does not cover:
    - a switching scenario where the customer may be 'unbundling' their services e.g. moving from 1 Losing Provider to 2 Gaining Providers; or
    - where a customer only wants to switch one of the services from the LP to a new GP and either continue to take the remaining service with the LP (if an option) or to cancel it (page 3).

  Can these scenarios be incorporated into the process? If not, how does the group intend that these types of switches are dealt with?

Switching scenarios supported

Ofcom's understanding is correct on the first sub-bullet point: the process does not support a customer moving their broadband & talk (line rental) service from a "single supplier" arrangement to a "dual supplier" arrangement (using the same access network – it can be done using 2 separate access networks).

This switching scenario is not easily built into the process but we do not consider support for it should be a mandatory requirement for 2 reasons.

a) We do not believe that any material volumes of customers are switching from a "single supplier" retail arrangement to a "dual supplier" arrangement (i.e. moving from paying a single supplier for line rental and broadband to paying separate retail suppliers for each service).
b) The "dual supplier arrangement" (over a single access network) is one supported solely by Openreach's WLR network. This technology is being completely withdrawn by end of 2025 and will not available for sale in many locations when any new switching process goes live.
c) We understand that no CP providing access (line rental) to a customer has an obligation to allow another CP to deliver a service over the top of this access line. As an example, Sky and TalkTalk do not allow another CP to provide either a primary voice or broadband service over MPF lines purchased from Openreach. It is not clear whether BT will allow such a dual supplier arrangement to be supported on their SOGEA lines (the way that it is currently supported over all WLR lines).

Ofcom's understanding is incorrect on the second sub-bullet point: the process ***does*** support a customer with a "dual supplier" arrangement switching just one service to an alternative supplier and retaining the other service with their existing provider. It would also allow them to cease the remaining service with their existing provider (if this asset is not required in order for their newly provided service to be delivered).

Obtaining the code and implications of switching information

- Some of the documentation suggests information on implications of switching and the switch code are automatically sent together by the losing provider (pages 5 and 8). Elsewhere (page 4 and the customer journey diagram), it suggests the implications information is sent first, and if the customer then decides to proceed, they can request/are sent the code. Are both of these variants possible as part of the X process? Can you confirm what was intended here? Does this vary by comms channel?
- Do you expect the interaction between the gaining provider and the customer as set out in Steps 4-10 of the customer journey diagram to be possible via Web Chat and Text channels?
- Has the development of Web Chat and Text been factored into costs estimates? If not, what impact would you expect adding it would have on cost estimates?
- We understand that Virgin Media has developed an interactive wireframe of the online code request journey (page 4). Are you able to show/share this with Ofcom?

Switching information sequencing

Option X is designed to broadly mimic the customer journey experienced under mobile auto-switch. As a result, we propose the customer would receive the implications of switching before the switch code but within the same single interaction. This sequencing within the interaction will be demonstrated within the Virgin Media online wireframe example.

Presenting the information before the code has two primary benefits:

- This approach increases the likelihood that the customer will read and digest the switching implications, rather than risking the customer taking note of the code and aborting the interaction if the implications were presented later in the process. (This is similar to our larger concern under Option Y, where a letter sent many days later may not be read.); and
- The Option X approach allows the customer to read and digest the impact of their intended choices and to go back and correct any errors before the code is generated (i.e. inadvertently confirming they did not wish to port their number). If switching implications were only presented at the end of the interaction, the customer may need to undertake the process again to make any intended changes.

Webchat/SMS

Option X was designed to mimic mobile auto-switch by providing two non-realtime request methods (online or mobile/mobile app), alongside real-time options (phone, in-store etc.).

Technically/mechanically, webchat or SMS would be viable communication methods to request a switching code. However, we initially considered these methods and opted not to propose them as mandated mechanisms. We explain our rationale for this below.

Webchat

We anticipate many smaller retailers will not have pre-existing webchat functionality for customer care requests and so mandating this route is likely to be disproportionate for many retailers. We would not propose to prohibit operators from providing a webchat route if they wish to provide this alongside any mandated methods.

For webchat functionality to be effective and secure, this would need to be provided once the customer has logged into their online account and so is authenticated. Were a customer to request a switch code via webchat in this scenario, we would anticipate it would be more effective for the webchat agent (or any initial keyword-based AI if deployed by the operator) to direct the customer to the self-serve webpage to follow the online code request method. For example, the landing page of the online wireframe demo that Virgin Media intends to share.

If a customer prefers to speak to someone to be guided through this process, the phone route would be available.

The cost impact of introducing webchat as a mandated route is likely to vary significantly between operators, depending on whether they already use webchat. Broadly, if an operator already has webchat capabilities and it were to direct customers to a self-serve online route (and/or provide a contact number to discuss with an agent), we expect the implementation cost is likely to be trivial in the context of the broader implementation cost.

SMS

Some of the key benefits of Option X are the strong customer authentication, asset/service validation and the ability to get clear instruction and consent from the customer to proceed, no matter the method of request. Currently, in our view, an SMS request method is likely to undermine these key benefits.

For most retailers, the customer will not have a 'quad-play' package and so if an SMS route were available under Option X, the request would typically be from a mobile device not associated with the account/services to potentially be switched. As a less secure route, this has the potential to become a preferred method for potentially fraudulent activity.

Under Ofcom's mobile auto-switch, the SMS route is available for a single-MSISDN account scenario only. More complex switching scenarios require either the online or phone routes. Under the single-MSISDN scenario, only two permutations are possible; the customer wishes to switch their only relevant service with or without porting the associated number i.e. select a PAC or STAC. More complex multi-MSISDN scenarios would not be practical without introducing a multi-stage process that would be less customer-friendly. In our view, these considerations equally apply to fixed services/accounts as the majority of accounts will be multi-service.

One of the intended benefits of Option X is that it aligns fixed switching processes with Ofcom's recent reforms and enhancements to mobile switching. If Option X were selected, we anticipate there would be opportunities in the future to revisit how these harmonised processes interact

and/or consolidate, particularly if customers increasingly adopt retail packages that combine fixed and mobile services.

We have not assessed the potential cost of implementing an SMS-based request route for Option X. We anticipate this cost would vary materially between retailers, depending on their existing use of SMS for automated customer interactions. As with webchat, we anticipate the cost to implement this capability may be disproportionate for many operators.

Hub

- Is it envisaged that all communications between LP and GP or gaining and losing access network providers would pass through the hub? Does the hub support direct messaging outside pre-determined communications? E.g. what happens if gaining and losing access providers need to resolve problems with delivering/ceasing services?

As set out in our documentation on Option X and critique of Option Y, we believe there is a material difference between both options with regard to the risk of errors, propensity of 'unhappy paths' for the customer and each provider and the need for mechanisms to resolve invalid requests.

As a result, we would not anticipate messaging outside of pre-determined communications would be a major feature requirement under Option X – it is designed to be robust and avoid ambiguity for all parties at each stage of the process.

Nevertheless, Option X proposes the hub will use an open messaging framework. This means that any form of agreed message formats could be exchanged between any two (or more) CPs, regardless of purpose. Furthermore, the hub will not be restricted to only pre-determined switching messaging, it could be used for any inter CP or process communication, including those envisaged in Ofcom's question above. This proposed approach ensure that any relevant party could be connected to the hub, for example the 999 and DQ service being connected and using the hub to send change requests using the same mechanism in future as well.

The fact the hub uses a store and forward model (rather than, say, a real time model envisaged in Option Y) makes it resilient and provides safeguards to mitigate the risk of messages being undelivered. It also means those CPs with infrastructure that may not be able to respond to high loads, or not be available 24x7 (e.g. potentially smaller CPs) will still get all of their messages.

This design also prevents the need for the losing CP to be online to support the switching sales journeys at any given point in time. While we anticipate Ofcom will mandate 'always on' functionality via General Conditions, Option X provides resilience for this process as the hub will be responsible for that process, thus ensuring all sales operations can be available 24x7 regardless of the losing CP capabilities. In our view, this provides a reliable approach to inter-process communication, and we would expect the design to stipulate there should be no messaging requirements that need to be real time, making it easier for all CPs to integrate into the process regardless of their scale and capabilities.

In regards to incident or problem management, as described above, the hub could certainly be implemented to facilitate the communication of problems from one CP to another.

This obviously asks the question of all CPs about their problem management processes as these types of issues, such as those that occur with porting. Today these are usually dealt with by CPs contacting each other by phone or email to get a resolution. The possibility of using messages in the hub to drive into individual CPs fault ticketing systems could be a positive evolution of existing porting processes. For this to be effective, all CPs would need to implement this change otherwise all CPs would need to know how every other CP handles those issues. In our proposals, Option X noted the potential to incorporate porting into these switching reforms (potentially alongside 999 and DQ). If Option X is selected, we continue to be keen to explore these associated changes during future detailed design work.

Mobile wireframe demonstration

We are happy to arrange a session to demonstrate Virgin Media's wireframe example.

Emergency restoration

- We understand that there will be no emergency restoration process (page 3). What happens if something goes wrong with the switch or the port? We note there is an explicit requirement for numbers/services to be reactivated for porting failures.

Emergency restorations

Our rationale for not requiring a process that allows for the booking of a "fast-track" switching process (to support emergency restorations) is because the switching process itself does not add any artificial delay to the process of switching.

The reason an emergency restoration process is currently required is because the switching process has an "artificial delay" built in (i.e. the required "NoT" timescale of 10 working days). The Option X switching proposal requires no artificial delay – a Code that has been provided to a customer 2 minutes ago could be used to support a same-day switch (if the access provider involved is able to switch the service back to the previous CP on a same-day timescale).

Due to the above we see no valid reason why an "emergency restoration" process needs to be defined or supported in the Option X proposal.

Porting

- We understand both processes contain elements that would support future changes to the porting processes. Which part of your cost estimates, if any, cover costs related to porting?

Approach to Number Porting

The Option X proposal envisages number porting being requested as part of a voice service switch (and never being able to be requested outside of a request to switch a customer's voice service). That being the case, the Option X proposal in itself represents a significant future change to the

porting order process. This element of the cost has not been able to split as it is not possible for Sky / VM to identify exactly what proportion of their estimate costs would be specifically related to number porting elements. As an example, we expect a CP to indicate in their Code generation request whether the customer wants to port their number – but this would just be one specific piece of data within multiple that would be required to manage a customer switch.

We understand that Ofcom may be considering how Option X may inter-work with Ofcom's proposed work on a blockchain database to support number porting. Our view is that the "customer authorisation / validation" and "number port order exchange" would be handled within the Option X switching process. When a switch has been successfully completed the Gaining / Losing CPs would undertake network update activity (e.g. their voice network switches) and this could include the updating of a blockchain database that is supporting direct routing of calls for ported numbers.