



Fibre advertising

European best practice

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Fibre advertising

The aim

- The new **EU Electronic Communications Code** sets an objective for national authorities to:

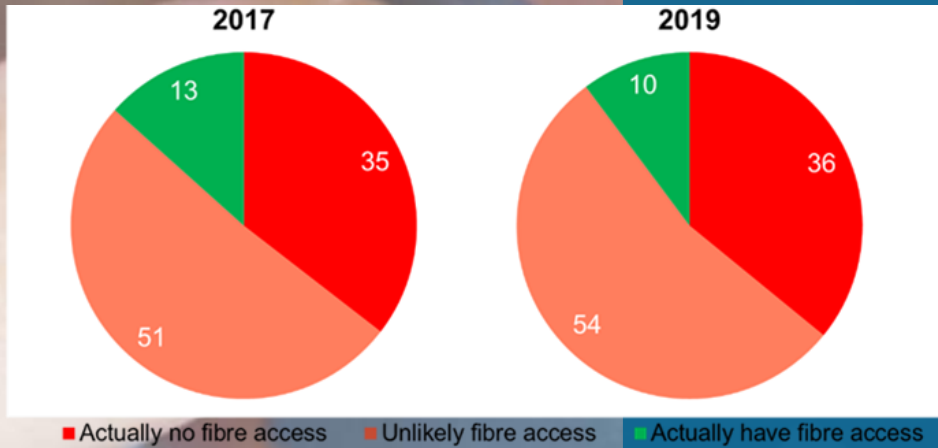
“Promote connectivity and access to, and take-up of, very high capacity networks... by all citizens and business of the Union.”

- This aim has been justified on the basis that very high capacity broadband creates positive spillovers:
 - For the economy
 - For society; and
 - As regards FTTH, for the environment
- Fibre is also more cost-efficient than copper and thus benefits operators engaging in upgrades

Fibre advertising

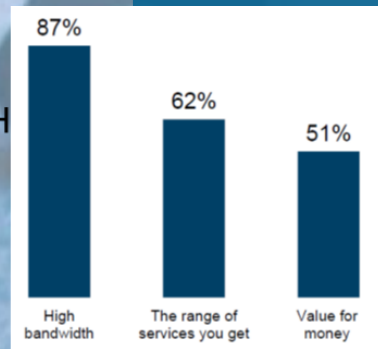
The problem

Consumers in Germany thinking they are on full fibre



Swedish consumers know the benefits from experience

Advantages of FTTH



Percentage share of the maximum available points in a ranking exercise. Source: Representative consumer survey (2017), N=347.

- Many consumers wrongly think they already have a true fibre-based product – and therefore will not subscribe to a full fibre offer
- Other consumers may know they do not have a full fibre offer, but do not think they need fibre e.g. ASA survey results in UK
- However once they have fibre, consumers can see the benefits (see survey results from Sweden)
- Evidence suggests that fibre may be an “experience good”: Consumers may need time to understand the benefits, and once they do, may be willing to pay more (Diffraction 2015)

Fibre advertising

The solution

- A number of surveys have found that consumers want and benefit from clear information
 - Respondents to a survey for Cityfibre noted they wanted a “clear and easy-to-comprehend way to distinguish between different types of access technology”
 - In 2019 Kantar survey for SIRO, 73% of consumers said they wanted a “quality broadband mark” that guarantees the types of services received
 - A 2019 PRICE lab study found that consumer choices are influenced by terminology (such as “lightning fast”) and that providing information to consumers:
 - Decreased the proportion of suboptimal decisions
 - Increased the likelihood of switching; and
 - Improved understanding of speed descriptions
 - Existing information measures may exist re speed, but do not cover other aspects of service quality

Fibre advertising

VHC information measures

Benchmarks highlight involvement of different bodies, and degrees of intervention

Country	Measure	Body	Status
Italy	2018 “Traffic light” system	NRA	Binding
	2018 fines on TI, FW, VF, Wind	NCA	Binding (competition law)
France	2016 Decree	Legislator	Binding
	2018 compensation / order against SFR in favour of Iliad	Authority	Binding (commercial code)
Ireland	2019 ASAI Guidelines	Advertising body	Non-binding
NL	2014 Advertising Committee appeal vs cable by Reggefiber	Advertising body	Non-binding
Denmark	2008 “Dansk Fibernet” industry-led labelling scheme	Dansk Energi	Voluntary / industry led
Germany	2017 Product fact sheet requirement on website, but covers only speed	NRA	
Poland	No measures		
UK	No measures – ASA concluded unnecessary	Advertising body	

Fibre advertising

Spotlight on Italy

Italian broadband labels



- In 2018 the Italian telecoms regulator AGCOM adopted a mandatory “traffic light” system
 - “Fibra” and green labelling is reserved for FTTH/B
 - Yellow refers to part fibre (FTTC or wireless)
 - Red refers to copper (ADSL) or low speed wireless
- In the same year the competition authority imposed fines on 4 operators for misleading advertising of “fibre optics”
 - AGCM found the operators had used wording suggesting exclusive use of fibre and/or max performance and reliability without adequately informing customers of the actual characteristics and limitations of the service
 - AGCM concluded that using the generic term “fibre” meant consumers could not identify special characteristics
- August 2019 AGCOM also accepted complaints by the Consumer Union and imposed fines concerning misleading offers

Source: AGCOM (2018)

Fibre advertising Spotlight on France

- In 2015, Iliad mounted a legal challenge against use of the word “fibre” by cable operator SFR, based on French Commercial Code
- In its Jan 2018 conclusions, the tribunal found in favour of Iliad and required SFR to:
 - Cease using “fibre” where the service does not involve termination via fibre optics in subscriber premises
 - Communicate to clients about their actual service, and offer the option to cease their connection
 - Publish judicial statements in relevant journals noting that they had engaged in misleading advertising; and
 - Pay damages of €51.87 to Iliad
- In 2016 the Government adopted a Decree which requires service providers:
 - To specify whether the connection into the home is fibre (i.e. differentiate FTTH from FTTB); and
 - Specify upload speed, wherever download speed mentioned

Fibre advertising Spotlight on Ireland

- In August 2019, the Irish advertising standards authority released a non-binding Guidance note which states that:
 - Reference should be made to “part fibre” where “fibre” is used, and where the service is not provided on a full fibre network
 - Advertisers should ensure that the use of language such as high speed, superfast or similar “does not mislead” e.g. superfast must not be used for products which are significantly slower than the maximum generally available product on the market
 - Advertisers must not exaggerate the availability of their products e.g. when new products / technologies are launched. Advertising in national media must include a prominent and transparent reference to any limited availability

Fibre advertising Spotlight on Denmark

Industry-led label



- In order to inform consumers about the benefits of fibre, the Danish fibre utility trade association Dansk Energi launched a voluntary label “Dansk Fibernet” as early as 2008
- Certification required participating companies to offer:
 - All-in-one cable for Internet, TV, Telephony and VoD
 - Fast and symmetric speeds, capability to receive HDTV
 - Guaranteed speeds (additional capacity had to be offered to avoid reductions in speed due to data loss or video transmission)
 - Fibre network to be upgradable to capacity of 1Gbit/s or more
 - Signals and services to be provided on fibre network all the way into the customer home (FTTH)
- As of Feb 2008, 14 fibre utilities were participating

Source: Dansk Energi



Fibre advertising Spotlight on the UK

- In 2017 the UK's ASA concluded there were no ground to establish guidance relating to the use of the term “fibre”
- Conclusions were based on consumer research, which found that:
 - The term “fibre” was not one of the priorities identified by participants when choosing a broadband package
 - The word “fibre” was not spontaneously identified within ads and did not act as a trigger for further action. It was considered one of many “buzzwords”
 - Once educated about the meaning of fibre, participants did not believe they would change their previous purchasing decisions and did not think the word fibre should be changed to “part fibre”
- Questions raised:
 - Was consumer view of fibre as “buzzword” due to misleading advertising?
 - Even if consumers didn't want fibre, was that consistent with the “objective” to promote VHC?

Fibre advertising in practice

Spotlight on Italy

The screenshot shows the TIM website homepage. At the top, there is a navigation bar with 'Privati', 'Business', and 'Chi siamo'. A search bar contains 'Di cosa hai bisogno?'. Below the navigation, the TIM logo is followed by 'OFFERTE > PRODOTTI > SMART LIFE > ASSISTENZA > MyTIM'. The main banner features the headline 'L'offerta stellare per la casa è TIM SUPER FIBRA' with a sub-headline 'Fibra fino a 1 Giga, MODEM TIM e TIMVISION'. A call to action says '+ Chiamate illimitate verso tutti SOLO ONLINE' and the price is '29,90€ al mese'. A 'SCOPRI' button is visible. Below the banner are three product cards: 'Supergiga 50GB' (50GB al mese per tablet, modem, smartphone, a 13,99€/mese), 'TIMMUSIC & GIGA PLUS' (La musica che vuoi + 3 GB al mese in un solo abbonamento, a 2,99€/mese), and 'TIM FLEXY' (INTERNET veloce e flessibile per 2, 7 o 30 giorni, a partire da 5,90€/mese). To the right is a 'Ricarica' section with a '25 €' input field, a 'RICARICA SUBITO' button, and a 'Verifica la copertura Fibra e ADSL' section with a 'VERIFICA ORA' button.

The screenshot shows the FASTWEB website homepage. The top navigation bar includes 'FASTWEB un passo avanti', 'Famiglia', 'Partita IVA', 'Aziende', 'Digital Magazine', and 'Area Clienti'. Below this, a yellow bar contains 'Internet, Telefono e Mobile', 'TV, Sport, Energia', 'Assistenza', 'Tecnologia e Digital Life', and 'liveFAST'. The main banner features the headline 'FASTWEB CASA' with sub-headlines 'FIBRA ULTRAVELOCE FINO A 1 GIGABIT/S' and 'SENZA VINCOLI E SENZA COSTI NASCOSTI'. A call to action says 'SOLO ONLINE' and 'PROMO WOW Space'. The price is '27,95€/mese se ti abboni entro il 21/01'. A 'scopri l'offerta' button is highlighted with a white arrow.

- Italian operators focus advertising on fibre offers, despite limited availability
- A single price is offered for all technologies

Fibre advertising in practice

Spotlight on France

Numericable web advertisements prior to the Decree



SFR/Numericable cable web advertising after the Decree

SFR FIBRE	SFR FIBRE POWER	SFR FIBRE PREMIUM	BOX 4G+
<p>19€ /MOIS 12 mois puis 38€ Engagement 12 mois</p> <p>Tester mon éligibilité</p>	<p>29€ /MOIS 12 mois puis 45€ Engagement 12 mois</p> <p>Tester mon éligibilité</p>	<p>39€ /MOIS 12 mois puis 53€ Engagement 12 mois</p> <p>Tester mon éligibilité</p>	<p>35€ /MOIS Location box incluse Sans engagement</p> <p>Tester mon éligibilité</p>
<p>MATERIEL Box + Décodeur</p> <p>CHAÎNES TV 160 chaînes</p> <p>INTERNET FIBRE JUSQU'À 400 Mb/s ↔ 400 Mb/s</p> <p>APPELS ILLIMITÉS VERS Fixes en France</p> <p>STOCKAGE CLOUD 10 Go</p>	<p>MATERIEL Box + Décodeur 4K</p> <p>CHAÎNES TV 200 chaînes</p> <p>INTERNET FIBRE JUSQU'À 1 Gb/s ↔ 400 Mb/s</p> <p>APPELS ILLIMITÉS VERS Fixes et mobiles en France</p> <p>STOCKAGE CLOUD 100 Go</p>	<p>MATERIEL Box + Décodeur 4K</p> <p>CHAÎNES TV 200 chaînes</p> <p>INTERNET FIBRE JUSQU'À 1 Gb/s ↔ 400 Mb/s</p> <p>APPELS ILLIMITÉS VERS Fixes et mobiles en Europe</p> <p>STOCKAGE CLOUD 1000 Go</p>	<p>Le très haut débit fibre vous offre la 4G+ En savoir plus ></p> <p>MATERIEL Box 4G+</p> <p>CHAÎNES TV 0</p> <p>INTERNET 4G+ JUSQU'À 220 Mb/s ↔ 50 Mb/s Dès la limite de 20000 mètres</p> <p>APPELS ILLIMITÉS VERS Fixes et mobiles en France</p> <p>STOCKAGE CLOUD 10 Go</p>



CARACTÉRISTIQUES

Modem

- Chipset Broadcom 3384
- CPU 600MHz (1,6k DMIPS) pour la partie accès DOCSIS
- CPU 1GHz (2k DMIPS) pour la partie applicative
- 1 Mo Flash NOR
- 256 Mo NAND Flash
- 512 Mo DDR3 RAM
- Compatible norme réseau câblé DOCSIS 3.0
- Débit descendant de 1Gbps (selon éligibilité réseau)
- Connexion Ethernet de type gigabit

Décodeur

- Chipset Broadcom 7252s
- Dual coeur 1,5Ghz (12k DMIPS)
- GPU 2,7 Gpixels/s, OpenGL ES 3.1
- 4 Mo Flash NOR
- 4 Go eMMC NAND Flash
- 2 Go DDR3 RAM
- Disque dur jusqu'à 500Go
- 8 Tuners DVB-C
- Compatibilité Vidéo : SD / HD / UHD / 3D, MPEG-2, MPEG-4
- AVC / h.264 et HEVC / h.265
- Fonction Télécommande universelle intelligente avec

- SFR now distinguishes between its fibre offers and those available via cable

Fibre advertising in practice

Effects on cable advertising

Virgin Media Ireland

The screenshot displays three broadband offers from Virgin Media Ireland, each with an 'Online Exclusive' badge. The offers are:

- 500Mb Broadband:** Save €30 extra over 6 months when you buy online. Price: €45 a month (€69 a month after 6 months).
- 360Mb Broadband:** Save €30 extra over 6 months when you buy online. Price: €40 a month (€64 a month after 6 months).
- 250Mb Broadband:** Save €30 extra over 6 months when you buy online. Price: €35 a month (€59 a month after 6 months).

Each offer includes a 'Select' button and a 'Tell me more' link. Below the offers, a list of features is provided for each plan, including Smart WiFi, 12-month contracts, and Free Virgin Media TV Anywhere Sports Pass.

Virgin Media UK

The screenshot shows the Virgin Media UK M200 Fibre Broadband offer. It features the Virgin Media logo and the text 'Broadband M200 Fibre Broadband'. The offer highlights the following features:

- Average download speeds of 213Mbps
- Built for households that do and watch more
- Intelligent WiFi helps to deliver our most reliable signal

UPC Polska


The screenshot displays the UPC Polska 'Super fast fiber optic Internet' offer. It features a 'Super fast fiber optic Internet' heading and a list of benefits:

- ✓ state-of-the-art Connect Box modem
- ✓ super-fast Wi-Fi everywhere in your home
- ✓ reliable speed and stable connection, also via Wi-Fi

The offer specifies speeds of 'up to 500 Mb / s' and 'upload up to 30 Mb / s'. Below the text, there are links for 'Details of offer', 'Connect Box', and 'Wi-Free'. A photograph of the Connect Box modem is shown, along with a list of additional features:

- ✓ download speed: up to 500 Mb / s (512,000 kb / s)
- ✓ upload speed: up to 30 Mb / s (30,720 kb / s)
- ✓ number of public IP addresses: 1
- ✓ data download limit: none
- ✓ number of e-mail accounts: 3
- ✓ capacity of each e-mail account: 5 GB
- ✓ account on the web server: 1x300 MB
- ✓ FTTB technology

- Whereas Virgin Media Ireland refers only to speed, Virgin Media in the UK and UPC Polska market products as based on “fibre”.



Fibre advertising Impacts on take-up

- Trends in France and Italy are favourable towards FTTH:
 - In Italy, FTTH take-up grew by just 34% in the year prior to the Decree compared with 46% between 2017-18 and by 49% between 2018-2019
 - In France FTTB connections have been subject to ongoing decline
- However, the measures described are recent and thus effects may not be fully apparent
- In addition, advertising is one of many factors that could influence fibre take-up (key factor being availability)



Fibre advertising Conclusions

- Survey data indicates that many consumers are confused about the meaning or value of “fibre”, and would like clear information to be available
- A number of European countries including FR, IT and IE have taken action to address “misleading advertising” in relation to fibre
- The case for action has been strengthened by the inclusion of an objective for the European Commission, BEREC and NRAs to foster access to VHC networks
- A review of schemes suggests that the most effective have been those driven by the NRA or Digital/Telecom ministry rather than the ASA
- Labelling systems carry visual appeal, but can have unintended behavioural effects

Fibre advertising Recommendations

- Based on lessons learned from the study, we suggest:
 - Development of policies at EU level such as Guidelines to facilitate best practice approaches to consumer information on VHC broadband
 - Legislative action could also be considered
 - Relevant strategies could include:
 - A labelling system which could also capture environmental impacts; and/or
 - Specific prescriptions preventing the word “fibre” from being used for connections which are not full fibre
 - Care is needed to restrict /qualify the advertising of products which are not yet widely available



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