

# BSG response to Ofcom's discussion paper on traffic management and net neutrality



September 2010

## Introduction

The BSG welcomes Ofcom's discussion paper which is both timely and constructive.

It reflects the fact that the internet is changing. Consumers are using the internet to access different services and applications than they did in the past and the resultant growth in traffic, and in particular the growth in video traffic has raised questions about the way in which services will be delivered in the future.

Concerns that new commercial arrangements could emerge between network operators and content and applications providers to prioritise the delivery of particular services has led to a burgeoning debate about the fundamental nature of the internet and whether certain principles should be enshrined in legislation.

This debate is unlikely to be definitively resolved in the short-term. However it can be better informed by shining more light on the issue of traffic management; coming to a clear understanding of the various practices that fall under this term; and providing greater transparency to consumers about the policies followed by service providers.

Whether transparency measures alone will be sufficient to safeguard the long-term utility and value of the internet will only become apparent over time. However, enhancing transparency is clearly a first order issue and progress can and should be made in the short-term.

As such our response sets out a process by which the BSG will work with operators and other stakeholders to explore how best to deliver transparency to consumers about traffic management today and the potential evolution of traffic management in the future.

## Traffic management

Congestion and capacity challenges are ongoing for broadband networks. Network upgrades and investment in greater capacity in core, backhaul and access networks will help to mitigate these. However bottlenecks have a tendency to move around networks and greater bandwidth alone will not cancel these out.

Management of traffic over networks has always been part of the operation of the internet and will continue to be the case. Indeed certain forms of traffic management have been vital to underpinning the efficient operation of today's internet and providing a good experience for the consumer.

The term traffic management is used to describe various different types of activities that aim to achieve certain outcomes. Different uses of traffic management currently undertaken include:

- Management of the network to address issues such as packet loss, latency and jitter that may impede consumer access to services and applications
- Blocking of illegal content, such as child abuse images
- Prioritisation of traffic to manage congestion at peak and busy times

It is also used to allude to arrangements that do not currently exist but which could evolve in the future, namely commercial deals that prioritise and offer guaranteed quality of service to certain forms of internet traffic.

## **Transparency**

Operators today do provide information about traffic management, such as the management of traffic in peak hours and what services and applications may be subject to restrictions.

However there is an important distinction between providing information and consumers understanding it.

There are many challenges involved in achieving the latter:

- Translating technical issues into terms consumers will understand.
- Conveying the impact traffic management may have on the user experience when there are various factors, which are often localised, which have a bearing on the service a consumer will experience.
- Finding an effective mechanism, such as making information available to third parties such as price comparison websites, by which consumers can easily compare the use of traffic management on different services and tariffs and make helpful and meaningful choices on the back of this information.

Defining what is meaningful to consumers, considering the range of different things consumers need and value and how these differ between different groups of consumers is not straightforward. Too much information can be as meaningless as too little.

Moreover there is a careful balance that needs to be struck.

On the one hand, a level of consistency should be achieved in the information provided so that consumers are not confused by a range of conflicting terms and can make comparisons.

On the other, we need to risk diminishing the information provided to a commoditised boiler plate model. This may not actually help the consumer and may actually reduce the basis on which ISPs differentiate themselves. It also limits an operator's ability to communicate with consumers in a more holistic way about the services they offer and the range of other factors that can have a bearing on the type of service the consumer can expect to experience.

## **Next steps**

The BSG will facilitate a process with its industry members to progress the transparency issues raised by Ofcom through Q3 and Q4 of 2010.

The BSG proposes to focus work on developing a set of good practice principles to underpin how information about traffic management is delivered to consumers.

These principles will be developed in line with the following objectives:

1. Ensuring consumers have access to meaningful information about the traffic management policies and practices employed by service providers to enable them to compare these policies and make informed choices.
2. Ensuring that there is an industry commitment in place to inform consumers about future commercial and technical innovations and explaining the implications of these changes for the services to which consumers may already subscribe or wish to purchase.
3. Enabling third parties to make a retrospective evaluation of the impact of different traffic management practices on the services provided to different types of end consumer.
4. Supporting independent verification of adherence with the transparency principles

A process shall be developed so that we gain input from the full range of relevant stakeholders in order to present a recommended approach before the end of the year.