

# **Consumers in Scotland and the transition to VOIP - summary report**

**2023**

## 1. Overview

The current UK traditional telephone network – the Public Switched Telephone Network (PSTN) is reaching the end of its life and needs to be upgraded. For most customers, the switch to VoIP should be straightforward and they will continue to receive what they recognise as a traditional phone service. However, unlike traditional corded analogue phones, a digital phone will only work in a power cut if it has a battery back-up.

There is a risk that some consumers may be left behind in the migration to VoIP, such as households who are landline only, have poor mobile signal or have additional devices connected to their landline, such as care alarms or CCTV systems. Some consumers may lack the right equipment in their home to switch easily, or others may simply not understand what they need to do when the switchover happens.

The Communications Consumer Panel (CCP) commissioned research in 2022 and 2023 to gain insight on a number of topics related to the migration to VoIP including: current knowledge and awareness; reliance on landline; and consumer concerns and questions about the migration to VoIP.

This report looks in more detail at the survey results for Scotland, highlighting differences and similarities with the findings for the UK, and making recommendations for Ofcom and providers.

## 2. Key findings

### **A significant minority of consumers are potentially vulnerable as a result of the VoIP switchover**

Similar to the findings for the UK as a whole, the survey results suggest that the majority of consumers in Scotland are likely to feel unaffected by, or will have sufficient resilience to cope with, the switch to VoIP.

However, a significant minority of consumers in Scotland - as in the UK - have a preference for using their landline to make calls, either in general, or in emergencies specifically. Over one third of consumers in Scotland (37%) have a preference for using their landline in an emergency, similar to the UK figure of 34%.

More pertinently, 14% of respondents in Scotland reported not using a mobile phone to make calls at home (this is 4 percentage points higher than the figure for the UK).

Consumers who don't have a mobile phone, or can't use a mobile phone reliably in their own home, may be less resilient to the risk that their landline access is interrupted as a result of a power cut, following the transition to VoIP.

The data indicates that 5% of consumers in Scotland also use additional devices connected to their landline. These devices are often related to health or safety concerns, and are perceived as important by the consumers who use them. Consumers reliant on devices attached to a landline are potentially vulnerable to the migration to VoIP.

## Consumers in rural areas of Scotland are more likely to be vulnerable to the VoIP switchover

A higher proportion of consumers in rural Scotland are likely to be vulnerable to the effects of the switchover to VoIP than in other parts of Scotland or the UK as a whole. This is due to several interrelated factors:

- **Consumers in rural areas may be more likely to rely on their landline for calls.** 69% of households in accessible rural and 78%\*<sup>1</sup> of households in remote rural Scotland use a landline for making calls, compared to 62% in Scotland as a whole and 59% across the UK.
- **A higher percentage of consumers in rural areas reported not being able to use their phone everywhere in their home.** While levels of mobile coverage are improving, a lower percentage of respondents in accessible rural and remote rural areas in Scotland report being able to make a call from anywhere in their house (63% and 58%\* respectively) compared to respondents in Scotland and the UK as a whole (81% and 84% respectively).
- **Consumers in rural areas are more likely to experience power cuts.** 87% of consumers in accessible rural parts of Scotland, and 96%\* of consumers in remote rural areas, reported having experienced a power cut in the past two years, compared to 67% of respondents in Scotland and 64% of respondents in the UK. In general, power cuts in Scotland last longer than the UK average, particularly in remote rural Scotland. Climate change projections suggest that observed climate trends will continue to intensify in the future, including an increased risk of flood, drought, and extreme weather events, which will pose issues for infrastructure resilience.
- In addition, **consumers in remote rural parts of Scotland are around twice as likely as consumers elsewhere in Scotland have additional devices attached to their landline, with 100%\* of respondents in rural parts of Scotland considering their additional devices to be important.**

The combination of a higher likelihood of power cuts and greater reliance on landlines in rural Scotland - for both calls and attached devices - suggests that proportionally more consumers in these areas could be vulnerable due the switchover with the risk that they do not have adequate back-up provision.

### Providers awareness of consumers' vulnerability to the switchover is limited

Consumers who have already made the transition to VoIP had often not been asked about potential vulnerabilities by providers. This is consistent with previous Ofcom research which demonstrated a low awareness of the migration to VoIP, with many consumers having limited understanding of what was happening, or the implications of the migration.

Importantly, 51% of consumers in Scotland could not recall their provider asking them any of the following questions prior to switching them to VoIP: whether they had a battery backup, a mobile phone, any connected services, or any health conditions or disabilities. In fact, only 1% of consumers in Scotland could remember being asked if they had a battery

backup. These questions would give providers useful insight into potential vulnerabilities that consumers may have and help providers to identify what support they might need during the transition.

### **Consumers expect more information from their provider**

There is a gap between the way in which consumers expect to hear about the transition and how they are finding out about it. 94% of respondents in Scotland said they would expect to hear about the transition from their provider, but less than a third said that this had been the case.

Concerns that consumers have about the switch include whether they can keep their existing phone number, whether they need to buy new equipment, and changes to bills.

## **3. Recommendations**

Consumer Scotland echoes the view of the Communications Consumer Panel that the migration to VoIP should be handled carefully to protect the safety of consumers in the event of power cuts.

Consumer Scotland supports the Communications Consumer Panel's call for a wide-ranging communications campaign, focussing on target groups who have both high dependency on their landline and low levels of current awareness of the switchover. We welcome recent announcements by some providers which indicate a more risk-based approach to the switchover and would welcome other providers implementing similar approaches which might mitigate risks to vulnerable groups.

In addition, Consumer Scotland recommends that:

- Providers should redouble efforts to communicate information about the change to VOIP services to consumers and should consider collaborating to ensure that consumers receive consistent messaging.
- Providers should also consider how they can best work in partnership with relevant advice bodies that provide support to groups most at risk during the transition.
- Ofcom should work with communications providers to ensure that providers have sufficient awareness and understanding of any potential vulnerabilities that consumers have and are taking sufficient steps to adequately assess the risks that consumers face during the transition. In particular, providers need to be aware of increased risks to consumers who rely on additional connected devices (especially where these are health related), do not have a mobile phone, or who have limited mobile phone coverage.
- Ofcom should continue to closely monitor the plans put in place by communications providers to assess and manage the risk to consumers posed by the migration, and to ensure that consumers are provided with the information and support they need during the transition to VoIP.
- Ofcom should continue to work together with communications providers and wider forums such as the Electronic Communications Resilience and Response Group to consider resilience risks and improve monitoring and reporting regarding the resilience of communications networks. Current incident reporting thresholds, which are based on

the minimum number of end customers affected, may disadvantage remote rural communities who are considerably less likely to meet these reporting thresholds.

- As the migration process continues, Ofcom should consider conducting further follow up research where managed migration to VoIP has taken place to better understand the experiences of consumers, particularly consumers identified as having both high dependency on their landline and low levels of awareness of the switchover.

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<sup>1</sup> \* Once segmented for rurality, some sample sizes are categorised by the Communications Consumer Panel as a 'very small base – unsuitable for significance testing' (under 30). Where this occurs in the results highlighted below, it will be marked with a (\*) next to the relevant statistic.