

# Decision makers engagement in the broadband market - Kantar omnibus research

September 2019



# Background and objectives

## Background

- Ofcom wants customers to shop around with confidence, make informed choices and get a fair deal.
- We have been concerned that many fixed broadband customers pay high out-of-contract prices when they could save money by re-contracting or switching to a new provider.
- So we have carried out an in-depth review of broadband pricing practices to determine the best way to help these customers get a fair deal.
- As part of the review we commissioned Kantar Media to conduct research to examine barriers to engagement using their Face-to-Face omnibus among a nationally representative sample of UK adults.
- The results from the research feed into Ofcom's review of pricing practices in the broadband market, published in September 2019.

## Objectives

- To estimate the number of consumers with vulnerable characteristics in the UK with fixed broadband that are currently in/out of contract
- To understand broadband decision makers current contract behaviour, and potential barriers to engagement, e.g. how long have they been with their current provider, how confident are they engaging with the market, did they negotiate, was it successful, what do they think will happen when their current contract ends

# Methodology

## Sample

- 4,253 adults aged 16+ in the UK (2,313 broadband decision makers)
- Representative sample of all UK adults

## Data collection

- Face-to-face in-home interviews
- Conducted by Kantar Media via their omnibus survey
- Fieldwork conducted across two waves of omnibus in 24<sup>th</sup> March – 9<sup>th</sup> April 2019

## Data reporting

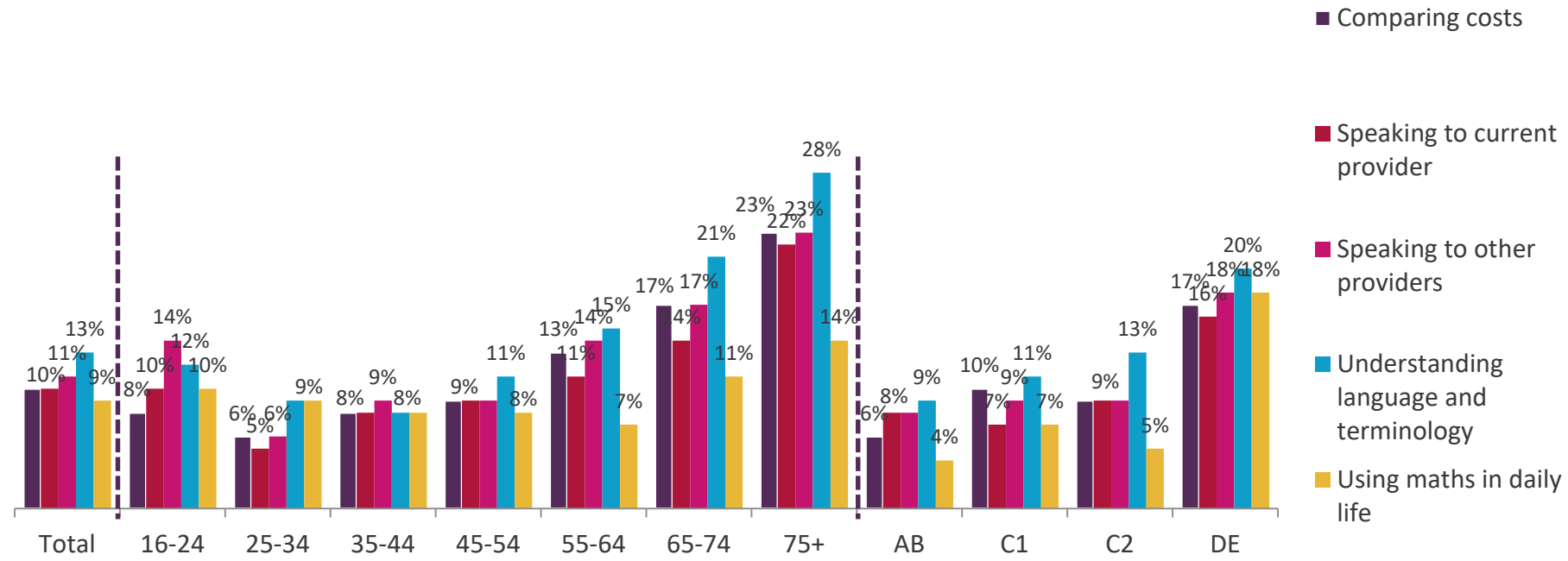
- Data weighted to be representative of the UK population aged 16+
- Data available in pdf tables (aggregated)\*

\* Data tables [available on the Ofcom website](#)

# Confidence with engagement activities

Lack of confidence appears to increase with age and lower socio-economic group. Over one-in-four aged 65+ and one-in-five from DE socio-economic groups are not confident with the language and terminology used by providers.

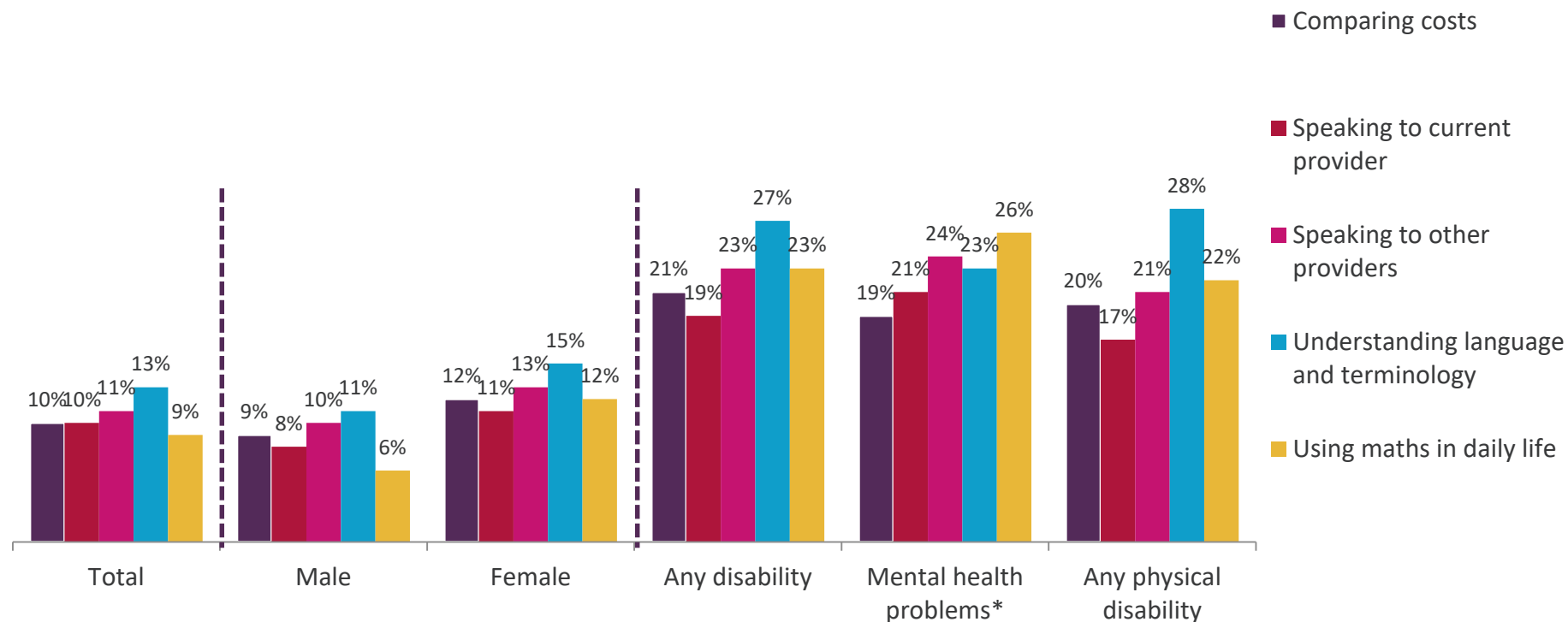
Figure 1: Low confidence in costs, speaking to current provider, speaking to other providers, understanding language and terminology, use maths in daily life by age and socio-economic group



Source: Omnibus research – March/April 2019, conducted by Kantar Media  
 Q15. Just thinking about your broadband service, how confident are you comparing costs/speaking to your current provider about new deals/speaking to other providers about new deals/understand the language and terminology used by providers / Q.16 And which of these options best describes how you feel about your ability to use maths in your day-to-day life?  
 Base: All fixed broadband decision makers (2313), 16-24 (132), 25-34 (388), 35-44 (410), 45-54 (373), 55-64 (369), 65-74 (415), 75+ (226). AB (514), C1 (649), C2 (470), DE (680)  
 Note: Low confidence (NET) of 'not very confident' and 'not confident at all'

Broadband decision makers with a disability are significantly more likely to have lower confidence in a range of engagement activities compared to the average. These levels are similar to those seen among older consumers.

Figure 2: Low confidence in costs, speaking to current provider, speaking to other providers, understanding language and terminology, use maths in daily life by gender and disability group



Source: Omnibus research - March/April 2019, conducted by Kantar Media

Q15. Just thinking about your broadband service, how confident are you comparing costs/speaking to your current provider about new deals/speaking to other providers about new deals/understand the language and terminology used by providers / Q.16 And which of these options best describes how you feel about your ability to use maths in your day-to-day life?

Base: All Fixed broadband decision makers (2313), Male (1223) Female (1090), Any disability (401), Any mental health problems (82\*), Any physical disability (285)

Note: \*caution low base treat as indicative only

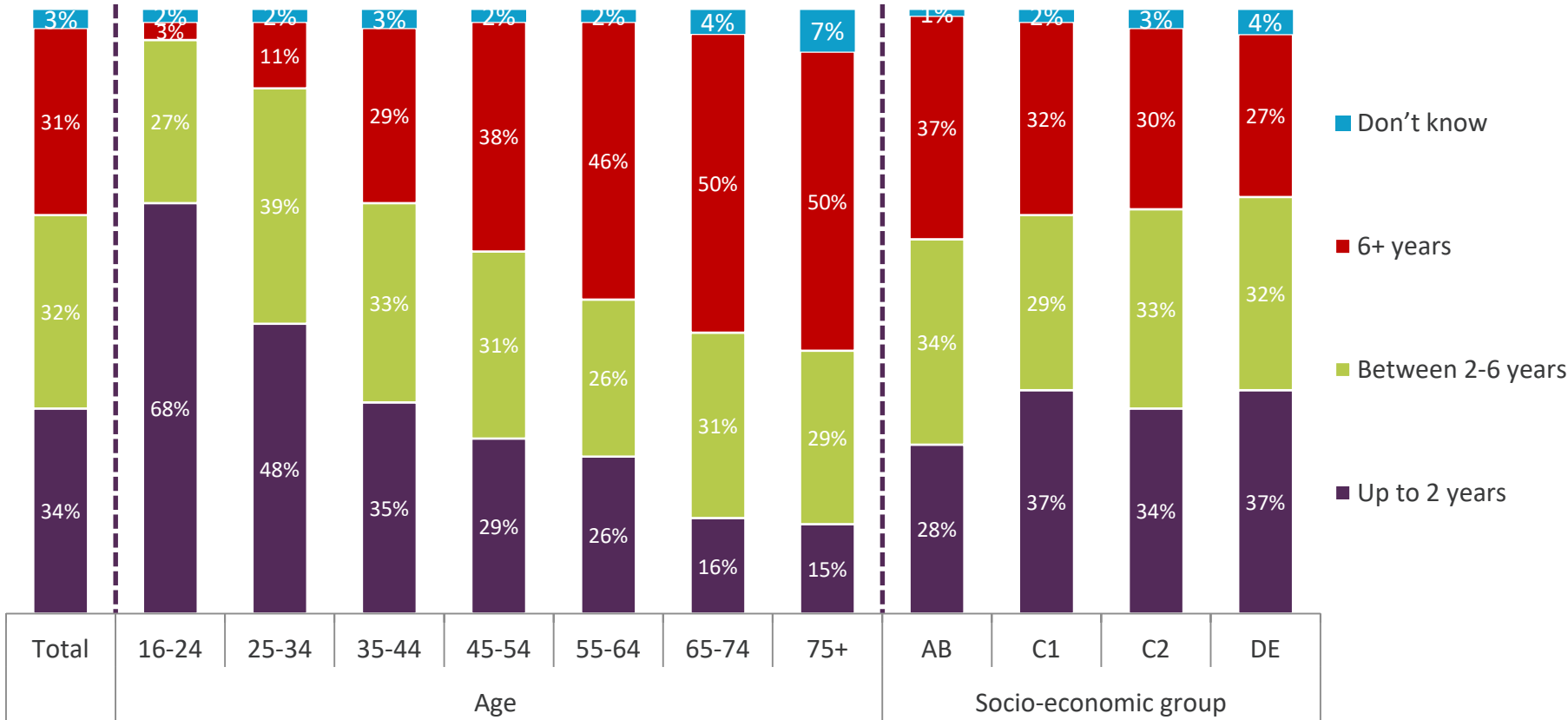
Note: Low confidence (NET) of 'not very confident' and 'not confident at all'

# Length of time with provider

# Half of broadband decision makers aged 65+ said they have been with their provider for 6+ years.



Figure 3: Length of time with current provider, by age and SEG

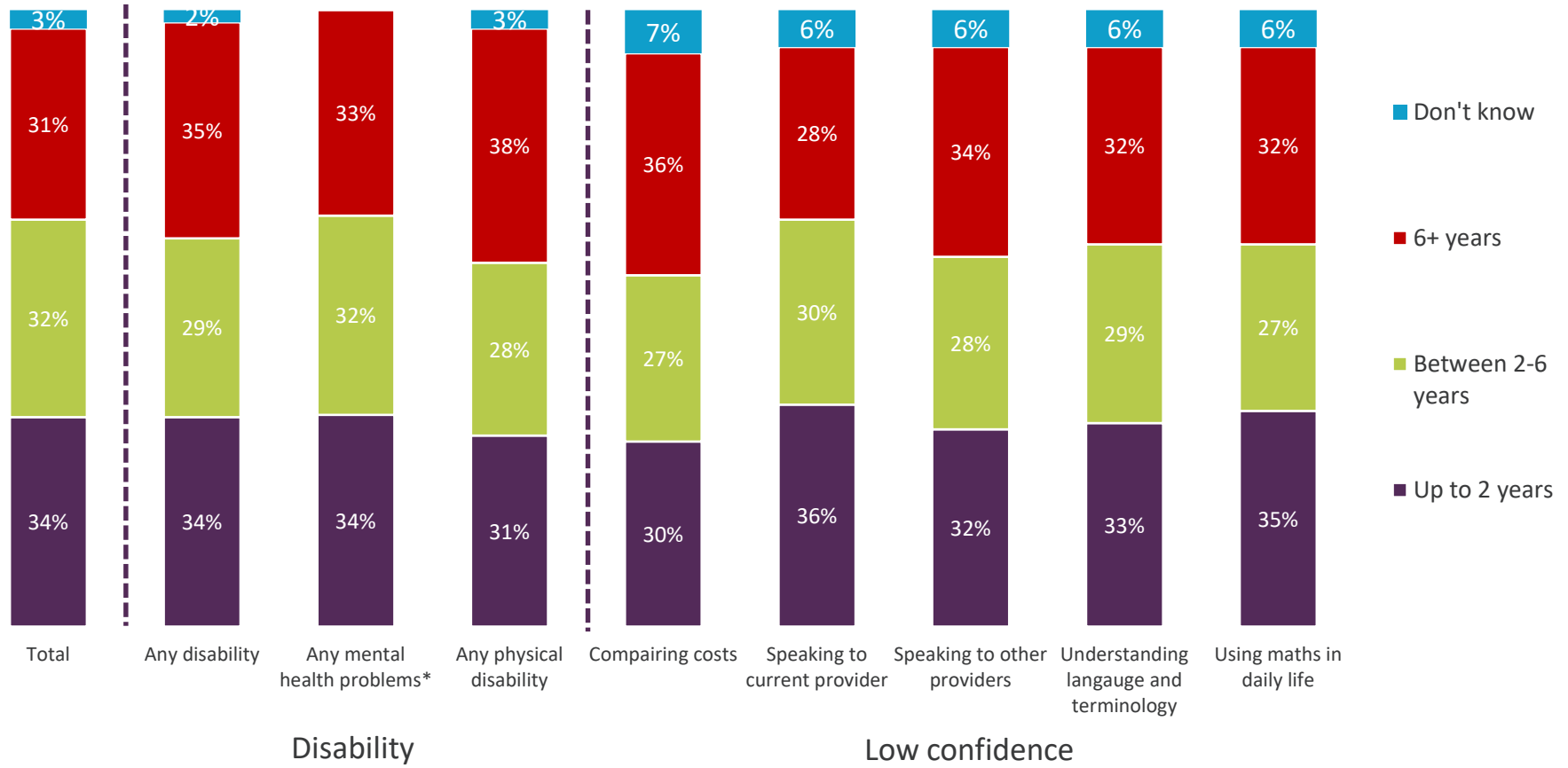


Source: Omnibus research March/April 2019, conducted by Kantar Media  
 Q.4 How long have you been with your fixed broadband service provider for your broadband service?  
 Base: All Fixed broadband decision makers (2313), Male (1223) Female (1090), 16-24 (132), 25-34 (388), 35-44 (410), 45-54 (373), 55-64 (369), 65-74 (415), 75+ (226). AB (514), C1 (649), C2 (470), DE (680)



There were very few differences in the length of time with provider between disabled decision makers or those with low confidence engaging, compared to all consumers.

Figure 4: Length of time with current provider, by disability group and low confidence



Source: Omnibus research - March/April 2019, conducted by Kantar Media  
 Q.4 How long have you been with your fixed broadband service provider for your broadband service?  
 Base: All Fixed broadband decision makers (2313), Any disability (401), Any mental health problems (82\*), Any physical disability (285), Low confidence: comparing costs (275), speaking to current provider (255), speaking to other providers (288), understanding language and terminology (338), using maths in daily life (225)  
 Note: \*Caution low base treat as indicative only  
 Low confidence: NET response of 'not very confident' and 'not confident at all'

# Contract knowledge

**Note:**

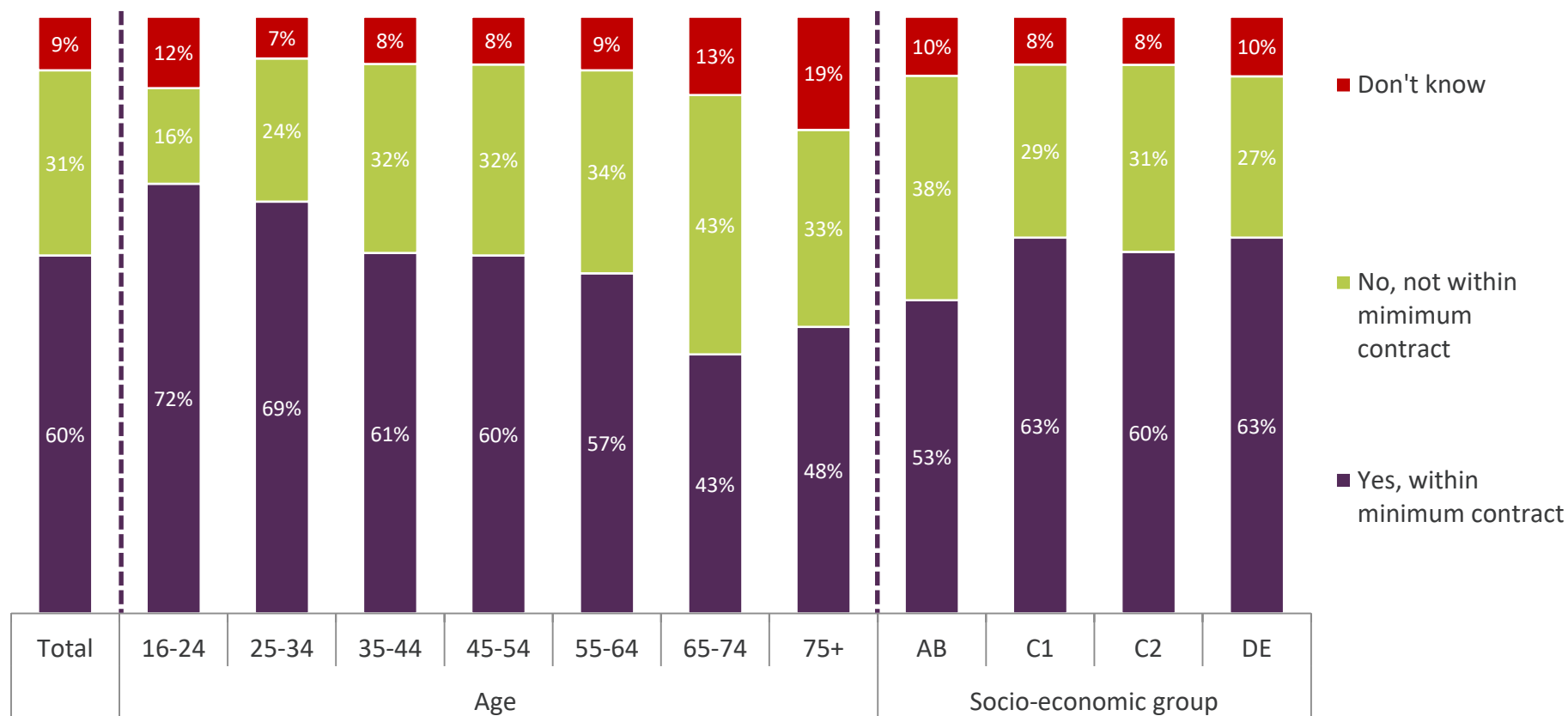
After analysing the responses and comparing them against the data collected from broadband providers\* it is clear that there is some confusion among consumers about whether they are in or out of their minimum contract period. When looking across the different metrics available to us, from the two data sources, there were no particular demographics that were more or less accurate in describing if they were in or out of contract. We have therefore concluded that this issue is one that is widespread among consumers.

Any subsequent data from this research related to consumers being in or out of contract should be taken with the understanding that a proportion of those stating they are in or out of contract are in fact the opposite. We don't believe this finding invalidates the results as they are responding as they would if they were in/out of contract in terms of their decision making.

*\* Please see Annex A4 for details on pricing analysis based on provider data*

One-in-ten broadband decision makers said they don't know if they are in or out of contract, this rises to one-in-five aged 75+.

Figure 5: Claimed contract status, by age and SEG



Source: Omnibus research – March/April 2019, conducted by Kantar Media

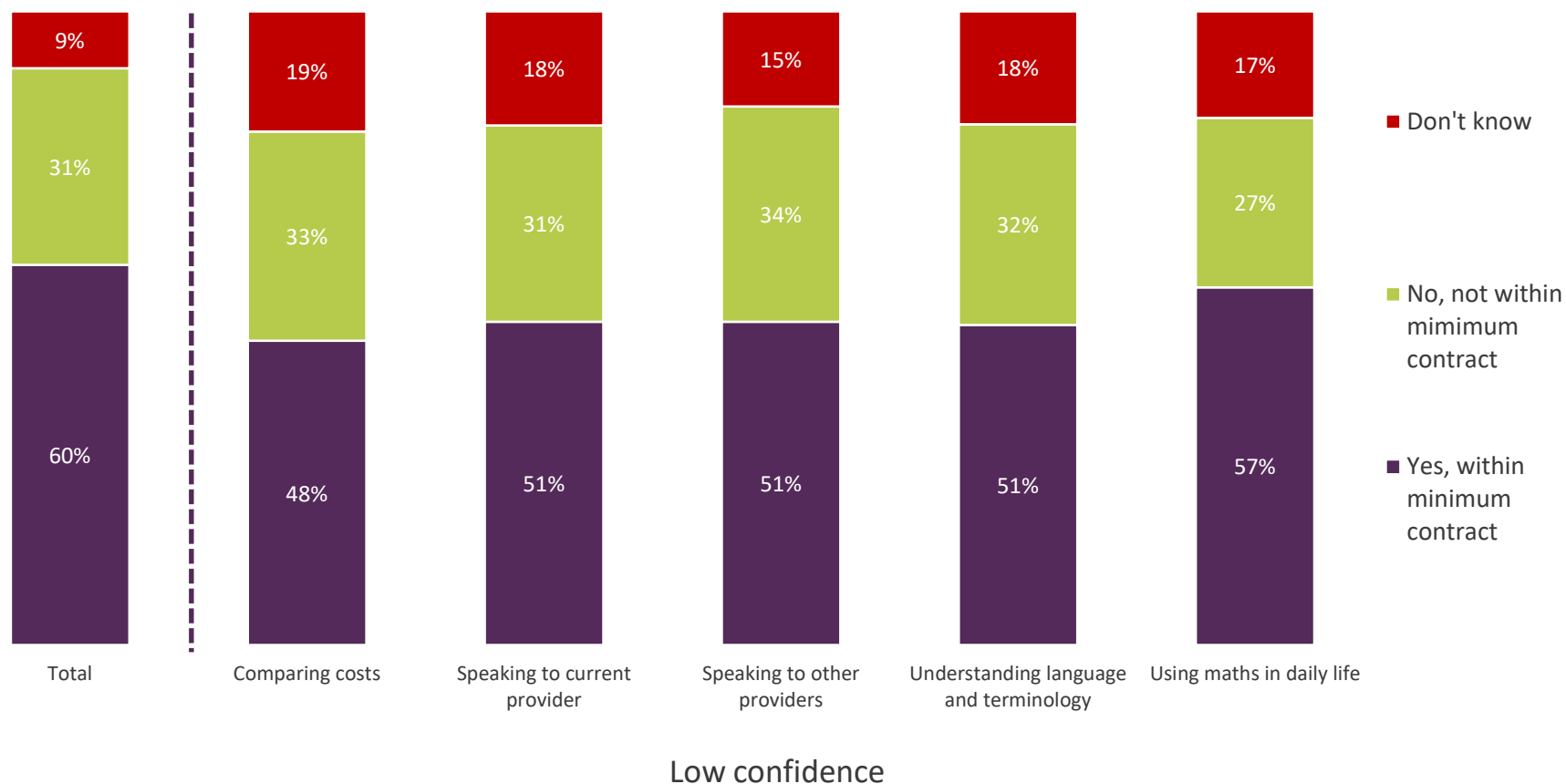
Q.5 Are you still within a minimum contract period for your broadband service from your fixed broadband service provider?

Base: All Fixed broadband decision makers (2313), Male (1223) Female (1090), 16-24 (132), 25-34 (388), 35-44 (410), 45-54 (373), 55-64 (369), 65-74 (415), 75+ (226). AB (514), C1 (649), C2 (470), DE (680)

Note: Net 'don't' know 'for 65+ is 16%.

Those who have a lower level of confidence in engagement activities are less likely know if they are within their minimum contract period.

Figure 6: Claimed contract status among those with low confidence



Source: Omnibus research – March/April 2019, conducted by Kantar Media

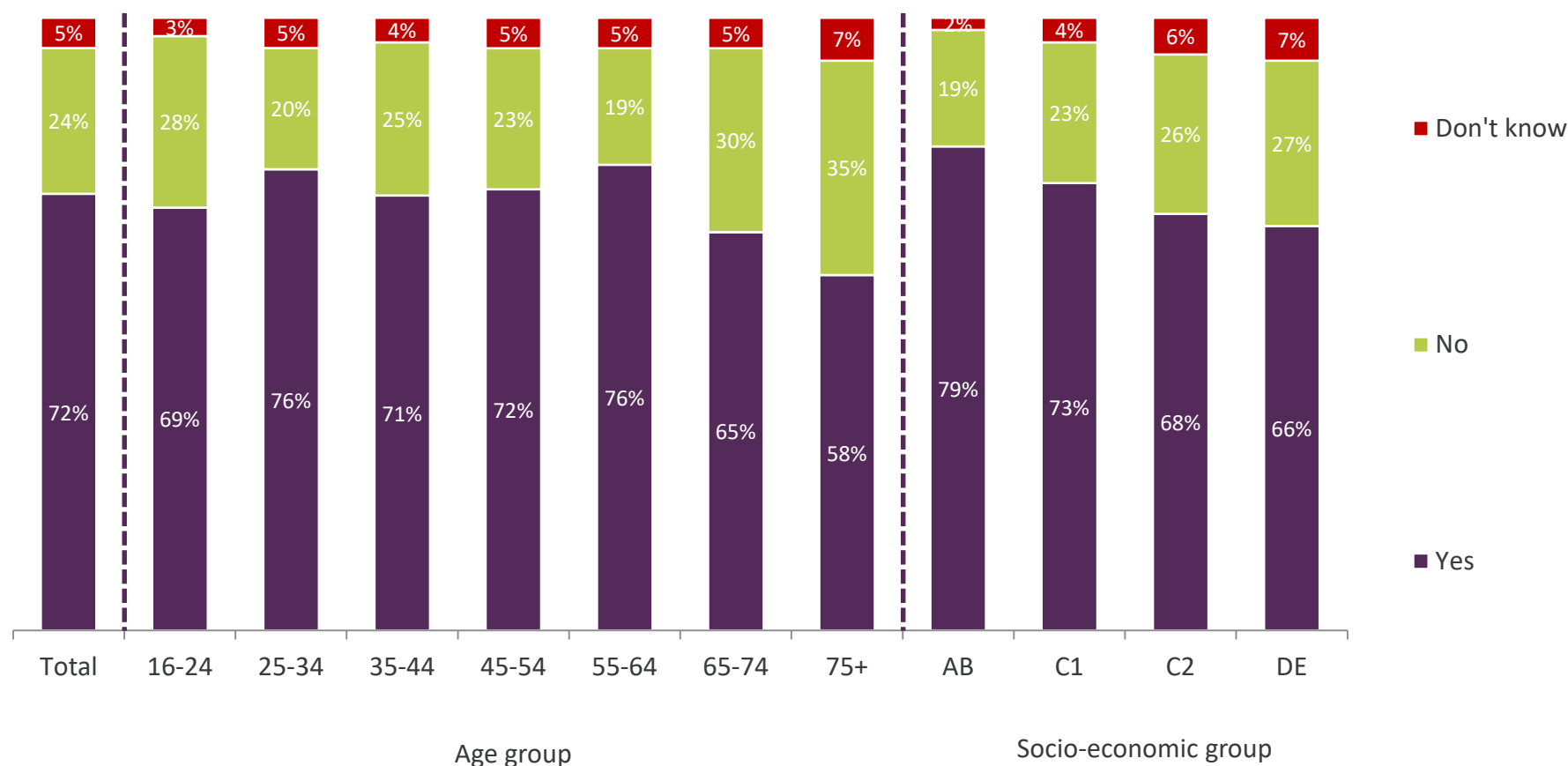
Q.5 Are you still within a minimum contract period for your broadband service from your fixed broadband service provider?

Base: All UK adults aged 16+ Total (2313), Low confidence: comparing costs (275), speaking to current provider (255), speaking to other providers (288), understanding language and terminology (338), using maths in daily life (225)

Low confidence: NET response of 'not very confident' and 'not confident at all'

Seven in ten said they are aware most providers move them automatically to a standard tariff at the end of their contract. Older decision makers were among those least aware of this practice.

Figure 7: Awareness of move to standard price at the end of minimum contract period, by age and SEG



Source: Omnibus research - March/April 2019, conducted by Kantar Media

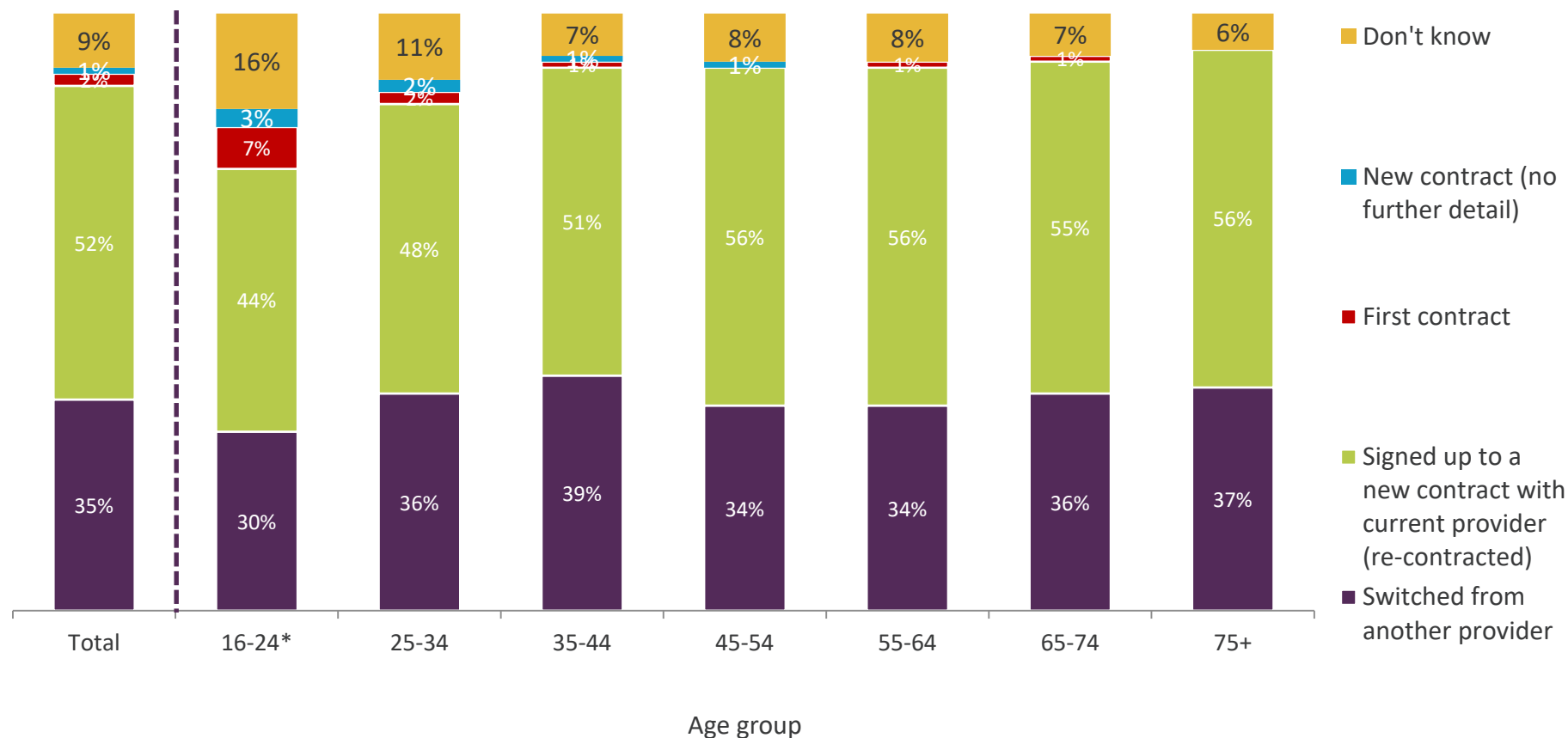
Q.9 When your broadband contract ends, most providers will automatically move you onto their standard price for your service. The standard price may be higher than the 'deal' you signed up to. Before now, were you aware that at the end of your minimum contract period most providers move you onto their standard price?

Base: All fixed broadband decision makers (2313), 16-24 (132), 25-34 (388), 35-44 (410), 45-54 (373), 55-64 (369), 65-74 (415), 75+ (226). AB (514), C1 (649), C2 (470), DE (680)

# Switching and negotiating

Half of those, who said they were within a minimum contract, re-contracted with their existing provider and around a third switched from another provider.

Figure 8: Switched from another provider or signed up to new contract with same provider, by age



Source: Omnibus research - March/April 2019, conducted by Kantar Media

Q.11 Thinking about when you signed up to your current broadband contract, did you switch from another provider, or sign up to a new contract with when your previous contract ended?

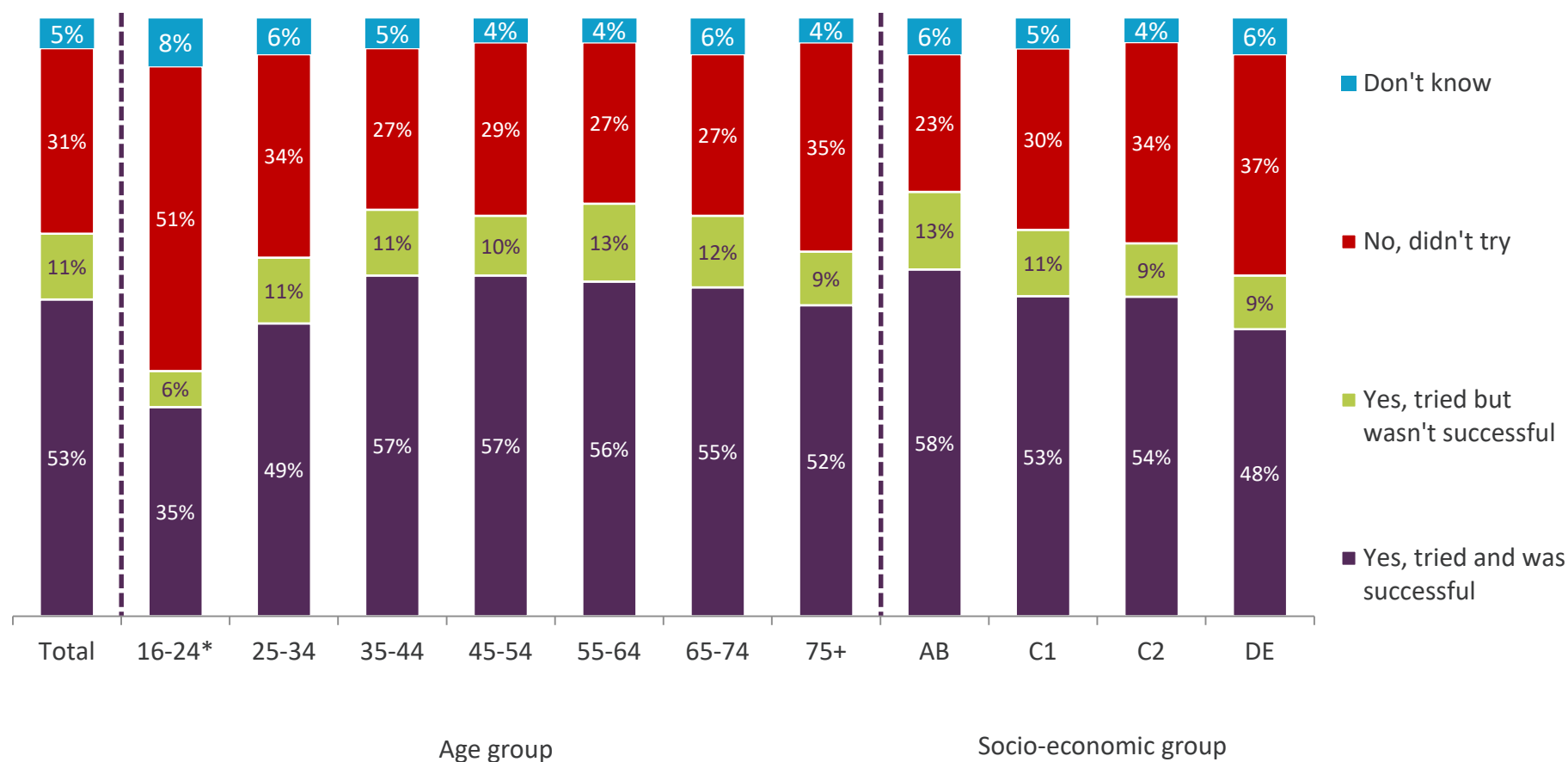
Base: All stating they are within minimum contract period (1349), 16-24 (97\*), 25-34 (270), 35-44 (251), 45-54 (226), 55-64 (214), 65-74 (184), 75+ (107).

Note: \*Caution low base treat as indicative only



Half of those (in contract) negotiated a better deal when they signed up to their current contract, a further one in ten tried but were unsuccessful. 16-24s were least likely to attempt to negotiate.

Figure 9: Proportion who negotiated a better deal than offered or advertised by age and SEG



Source: Omnibus research - March/April 2019, conducted by Kantar Media

Q.12A When you signed up to your current broadband contract, did you try to negotiate a better deal with your provider than the one you were offered or had seen advertised?

Base: All stating they are within minimum contract period (1349), 16-24 (97\*), 25-34 (270), 35-44 (251), 45-54 (226), 55-64 (214), 65-74 (184), 75+ (107). AB (254), C1 (396), C2 (276), DE (423)

Note: \*Caution low base treat as indicative only