

Affordability of Communications Services Omnibus: data pack

Produced by: Kantar Media

Fieldwork: July 2016

Methodology

Sample

- 6,322 adults aged 16+ in the UK
- Quotas set on region, gender, age and working status
- Nationally representative sample plus boost sample in waves 2 and 3 of those who had difficulty paying for communications services

Data collection

- Face-to-face in-home interviews
- Conducted by Kantar Face-to-Face Omnibus
- Fieldwork from 13th July to 31st July 2016
- All respondents in wave 1 were asked all questions (filtered on responses to preceding questions where appropriate). In wave 2 all in Northern Ireland respondents were asked all questions (in order to ensure a robust sample size in Northern Ireland). In waves 2 and 3 all respondents were asked questions 1 – 9 and those who had experienced difficulty in paying for communications services in the last 12 months were asked all questions.

Data reporting

- Overall sample weighted to be nationally representative of the UK. There are three sets of data included in these charts - Nat Rep data based on all three waves of the omnibus i.e. data from questions 1 to 9 that were asked of all who qualified for them; Nat Rep data based on wave 1 plus Northern Ireland wave 2 and data including the boost of those who had had any difficulties affording communications in the past 12 months. Notes have been made on charts to indicate which data is shown
- Given the focus of the omnibus is on the affordability of communications, much of the analysis is among the 4,889 respondents who have some responsibility for the decisions on what communications to pay for and use. This is 76% of the adults aged 16+ who were interviewed. Notes on the charts indicate whether data refers to all adults 16+ or to those responsible for communications services.
- Comparisons are made to the 2015 data on some slides, but as the order and routing of the questions in 2016 were different, these comparisons should not be taken as like for like comparisons
- Significance testing performed at the 99% confidence level against 2015 data. indicates %s significantly higher/lower than 2015.
- Where bases sizes are low in reporting, i.e. less than 100, this is noted on the charts
- Data tables and raw data for the Affordability of Communications Services 2016 research can be found at <https://www.ofcom.org.uk/research-and-data/multi-sector-research/affordability-research>

Key findings

Any difficulties paying for communication services/claimed debt

76% of UK adults aged 16+ have some responsibility in deciding what telephone (mobile and landline) and internet services to pay for and use.

9% of UK adults with some responsibility for deciding the household's communications services have experienced difficulties in paying for the services in the last year. This has remained stable since 2015.

In 2016, among those who have difficulty in paying for communications services, more people have difficulty paying for TV services with additional channels than for any other service. Smartphone/mobile phone and fixed broadband follow close behind.

As in 2015, 2% of those who are responsible for deciding which communications services they pay for and use have been behind on their payment for any communications services by one month or more in the last year

In 2016, the same proportion of UK adults aged 16+ as in 2015 (2%) have experienced 'affordability issues' – This is defined as those who have been behind on their payment for any communications services by one month or more in the last year, or have sold items/taken out a loan as part of their monthly spending in order to afford communications services. Among those who are responsible for paying for communications services, 3% have experienced 'affordability issues'.

Impact due to affordability of communications services

Consumers who have difficulties managing their monthly spending use the same ways as in 2015, to be able to afford communications services, with some slight increases.

- Spend less on, or go without, non-communications items – 54% in 2015 to 63% in 2016 among those who have difficulties managing their monthly spending
- Use communications services less or cancel services – 17% in 2015 to 22% in 2016 among those who have difficulties managing their monthly spending

Seeking financial support or taking financial actions e.g. selling items, has seen a small decrease since 2015 from 25% to 21% in 2016 among those who have difficulties managing their monthly spending.

25% of people with some responsibility for communications services claim not to have at least one of the following communications services due to cost: smartphone, mobile phone, fixed landline, fixed broadband, mobile broadband, calls using a public smartphone. This is significantly higher than in 2015, when only 10% had had to go without one or more communications services. However, this increase is likely to be due to a change in the question wording: in 2015, respondents were asked which services they NEEDED but did not have due to cost, whereas in 2016 they were simply asked which services they did not have due to cost.

- 17% (8% in 2015) do not have one communications service due to cost
- 8% (1% in 2015) do not have two or more services due to cost.

This equates to 19% of all adults 16+ claiming to go without one or more comms service because of cost: 13% going without just one service and 5% going without more than one

Almost three quarters (72%) of those who don't have a service or have cancelled a service due to cost say that not having the service had no negative effect on them at all:

- 59% said it had no specific negative effect; 13% specifically say the lack of service had no negative effect because they have alternatives they can use
- 7% say they miss out on contact with family/friends and 4% say they have less entertainment

This equates to 15% of those responsible for communications and 11% of UK adults 16+ overall saying not having a service had no negative effect at all

Key findings

Use of universal communications services in the last 12 months (Nat rep wave 1 & Wave 2 NI)

9% of all adults in the UK have used any directory enquiries in the last 12 months –

- 6% of all adults in the UK have used directory enquiries via internet
- 3% of all adults in the UK have used directory enquiries via phone
- 2% of all adults in the UK have used directory enquiries via the BT phonebook

This is a significant decrease since 2015, when 16% had used any directory enquiry service

5% of all adults in the UK have used itemised billing that they paid extra for

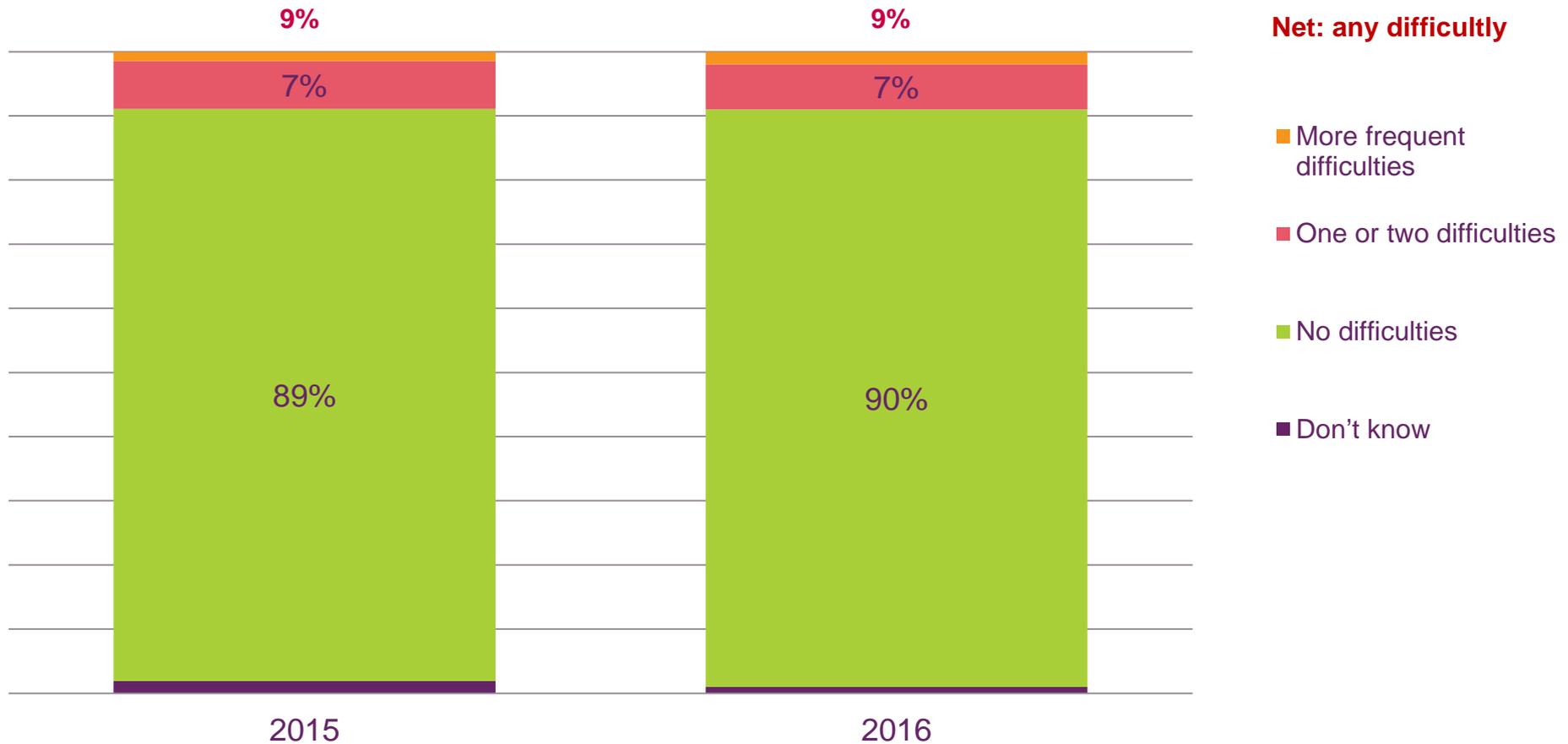
3% of all adults in the UK have used a payphone

Section 1

Claimed difficulties paying for communication services

The proportion of consumers with any responsibility for communications services who said they experienced difficulties paying for these in the last year has remained stable since 2015 at 9%

Difficulties paying for communications services in the last year (Nat Rep, all waves)
% of adults with some responsibility for communications services



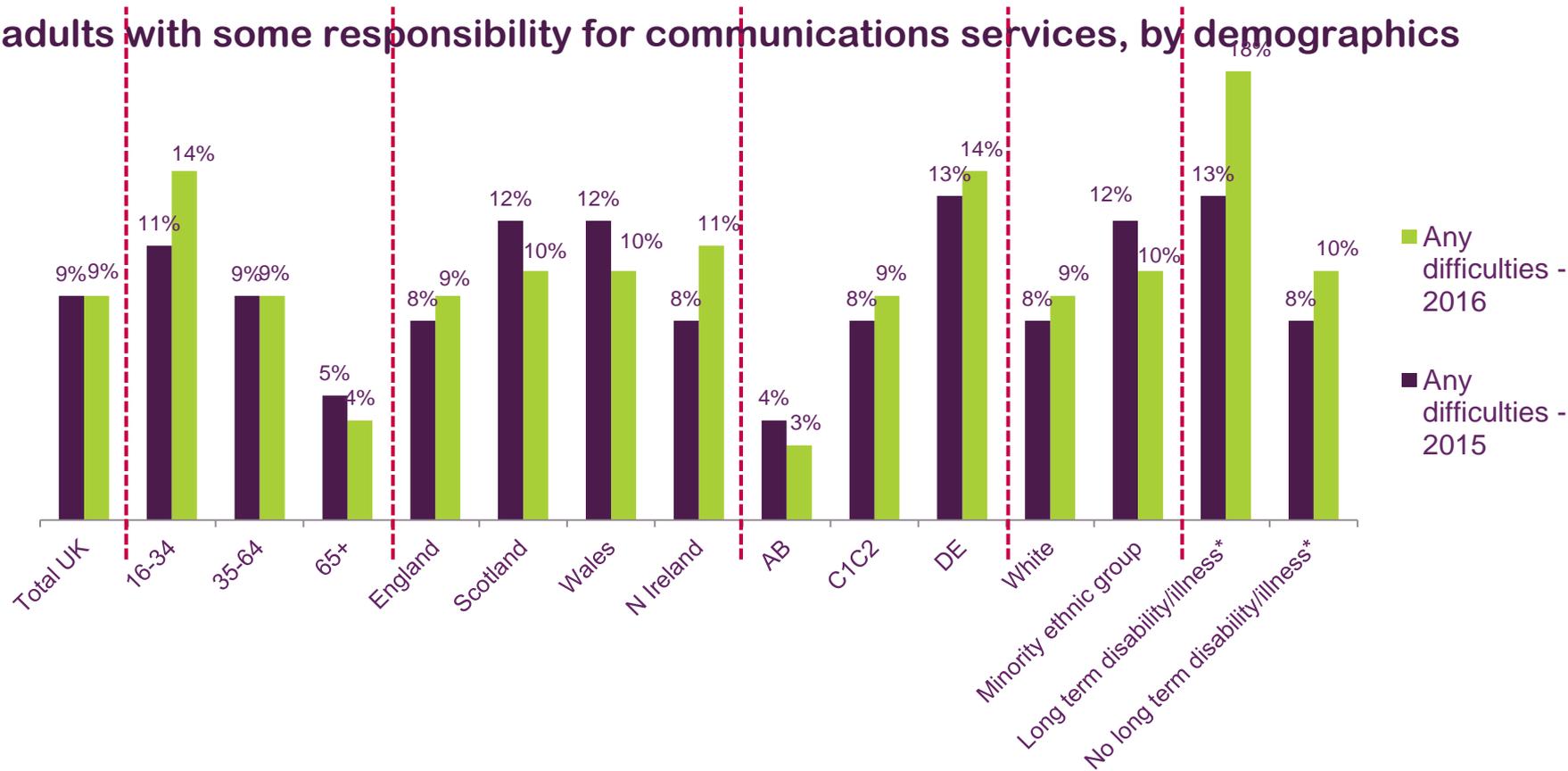
Question: Q5. The next questions are about your experiences of paying for communications services and if you have had any difficulties paying for the services in the last year. Communications services in this questionnaire means a mobile phone (including a smartphone), any sort of internet, landline phone at home, public payphones or a TV service with additional channels you pay to receive (e.g. Sky, BT Vision or Virgin Media). Which of the following applies to you?

Base: All with some responsibility for communications services (N=1719 in 2015, N=4889 in 2016)

Claimed difficulty in paying for any communications service is high among 16-34s and DEs and those with long term disability/illness*.

Any difficulties paying for communications services in the last year (Nat Rep, all waves, Nat Rep, wave 1 & NI wave 2)

% of adults with some responsibility for communications services, by demographics



*This is Nat Rep Wave 1 and wave 2 NI data, i.e. data excluding the Any difficulties affording comms boost sample .
 All other data on this chart is based on waves 1-3 Nat Rep data

Question: Q5. The next questions are about your experiences of paying for communications services and if you have had any difficulties paying for the services in the last year. Communications services in this questionnaire means a mobile phone (including a smartphone), any sort of internet, landline phone at home, public payphones or a TV service with additional channels you pay to receive (e.g. Sky, BT Vision or Virgin Media). Which of the following applies to you?

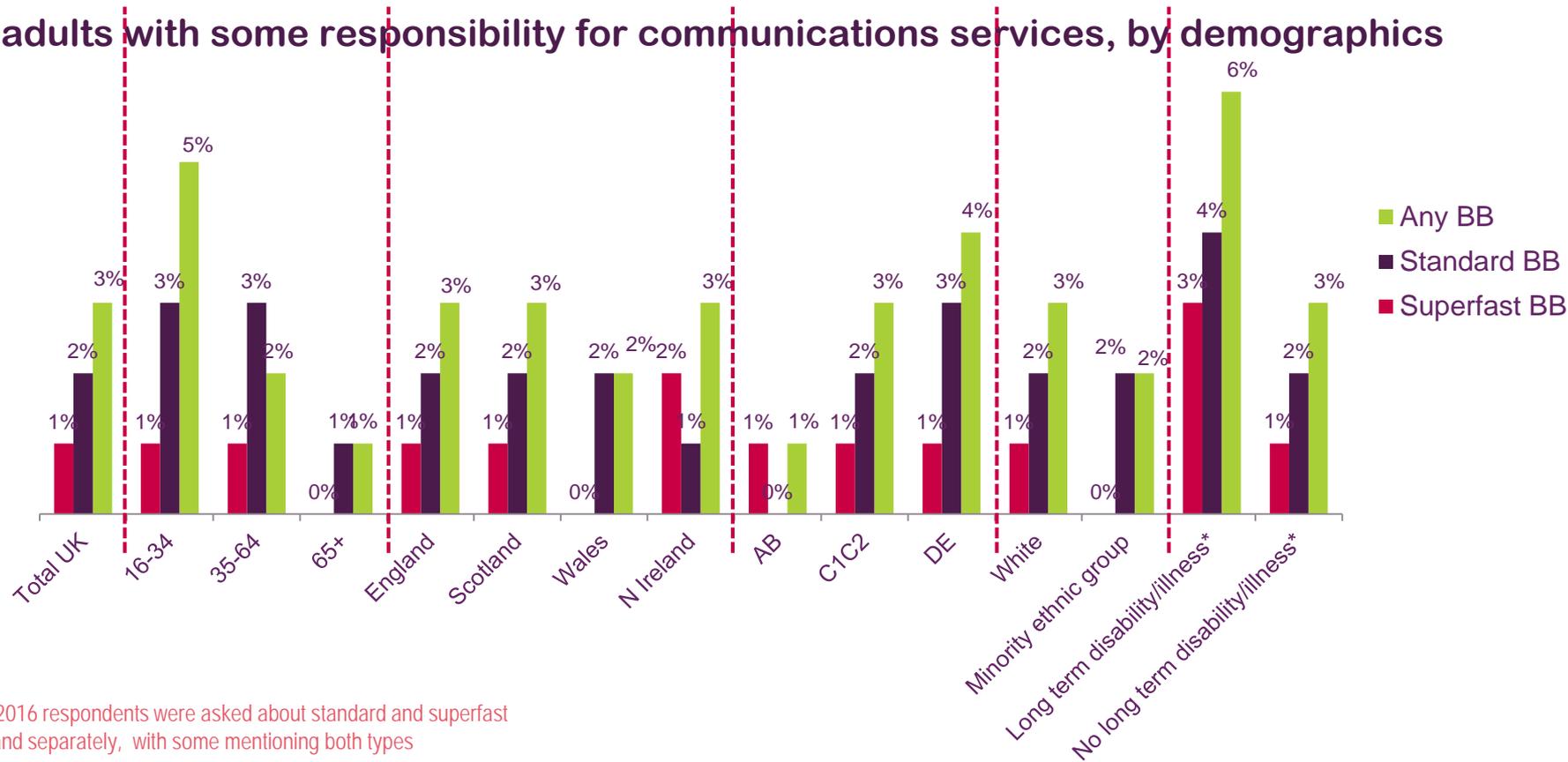
Base: All with some responsibility for communications services (2015: N=1719, 2016: N=4889 Waves 1 – 3 Nat Rep (1670- wave 1 & Wave 2 NI Nat Rep*), 16-34 (1059), 35-64 (2240), 65+ (1590), England (4061), Scotland (422), Wales (247), Northern Ireland (159), AB (869), C1C2 (2274), DE (1746), White ethnic group (4400), Minority ethnic group (464), Any long term disability/illness (388)*, No long term disability/illness (1220)*



Claimed difficulty in paying for broadband is high among 16-34s and DEs and those with long term disability/illness*

Any difficulties paying for Broadband services in the last year (Nat Rep, all waves, Nat Rep, wave 1 & NI wave 2)

% of adults with some responsibility for communications services, by demographics



N.B. In 2016 respondents were asked about standard and superfast broadband separately, with some mentioning both types

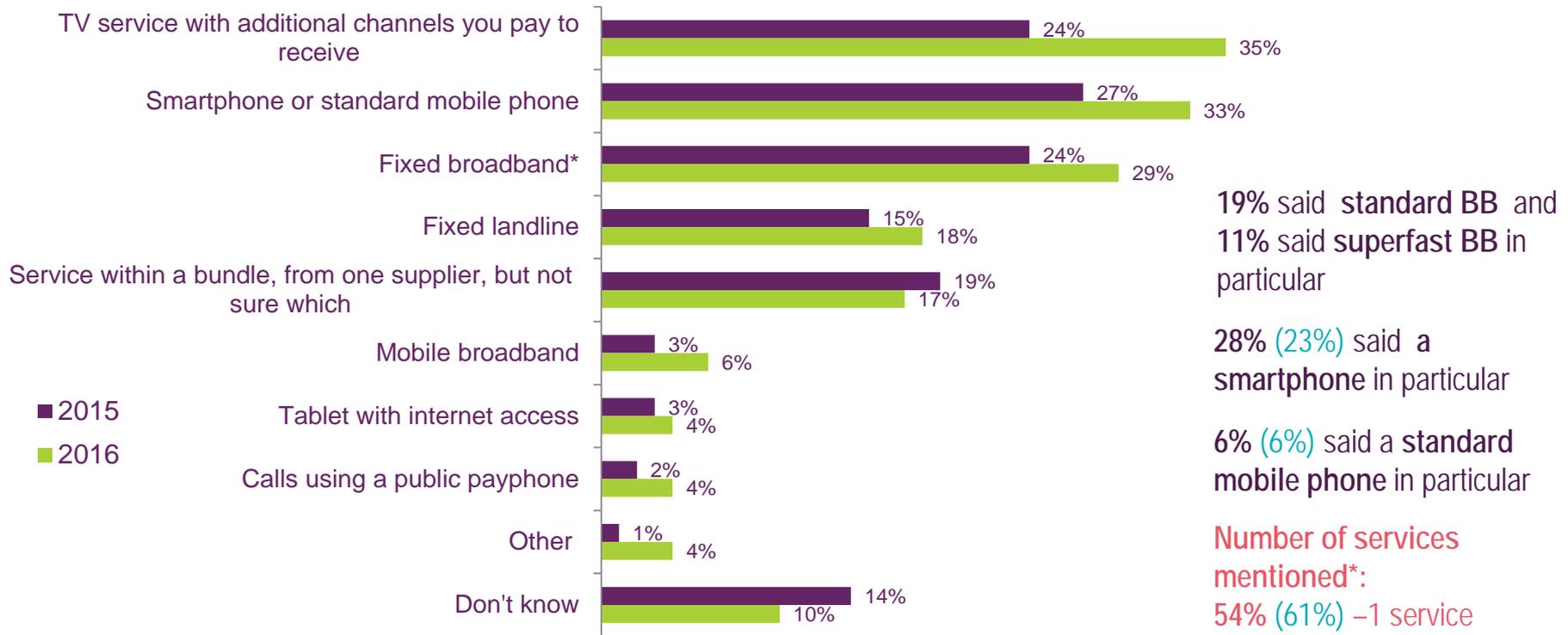
*This is Nat Rep Wave 1 and wave 2 NI data, i.e. data excluding the Any difficulties affording comms boost sample .
 All other data on this chart is based on waves 1-3 Nat Rep data

Question: Q6. Which of the following services have you had any difficulties paying for in the last year?

Base: All with some responsibility for communications services (2015: N=1719, 2016: N=4889 Waves 1 – 3 Nat Rep (1670- wave 1 & Wave 2 NI Nat Rep*), 16-34 (1059), 35-64 (2240), 65+ (1590), England (4061), Scotland (422), Wales (247), Northern Ireland (159), AB (869), C1C2 (2274), DE (1746), White ethnic group (4400), Minority ethnic group (464), Any long term disability/illness (388)*, No long term disability/illness (1220)*

In 2016, TV services with additional channels is the top service that consumers have difficulties paying for, followed closely by smartphone/standard mobile services and fixed broadband services – similar to 2015.

Services had any difficulties paying for in the last year (Nat Rep, all waves)
% of adults with any difficulties paying for communications services in the last year

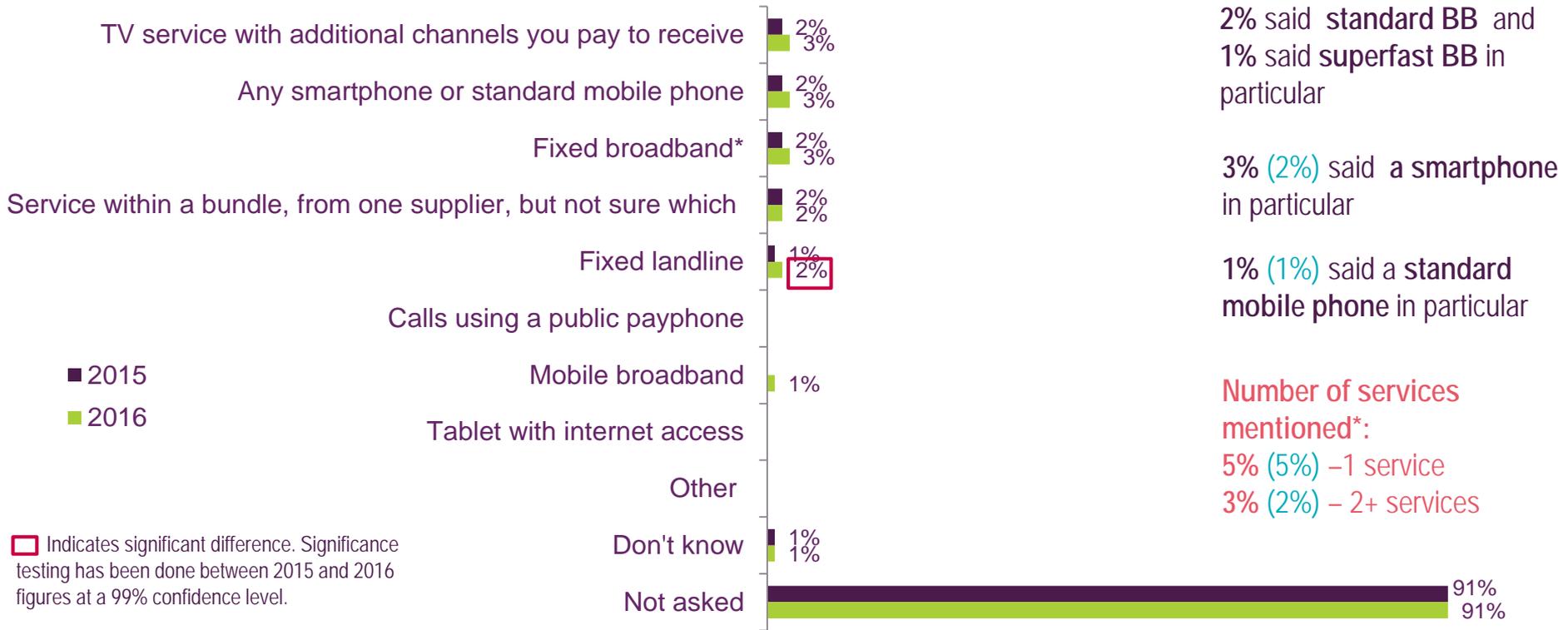


*Fixed broadband' in 2016 is now asked as two codes 'Standard broadband - Fixed Broadband through a phone line or cable service - perhaps using a Wi-Fi router - which is not Superfast' and 'Superfast Fixed broadband - A premium service that delivers higher speeds and received through either a fibre optic or cable that you pay a monthly subscription fee for'

Question: Q6. Which of the following services have you had any difficulties paying for in the last year?

Of those with responsibility for communications services in 2016 2% claim that they have had difficulties paying for fixed landlines compared to 1% in 2015

Services had any difficulties paying for in the last year (Nat Rep, all waves) % of adults with some responsibility for communications services



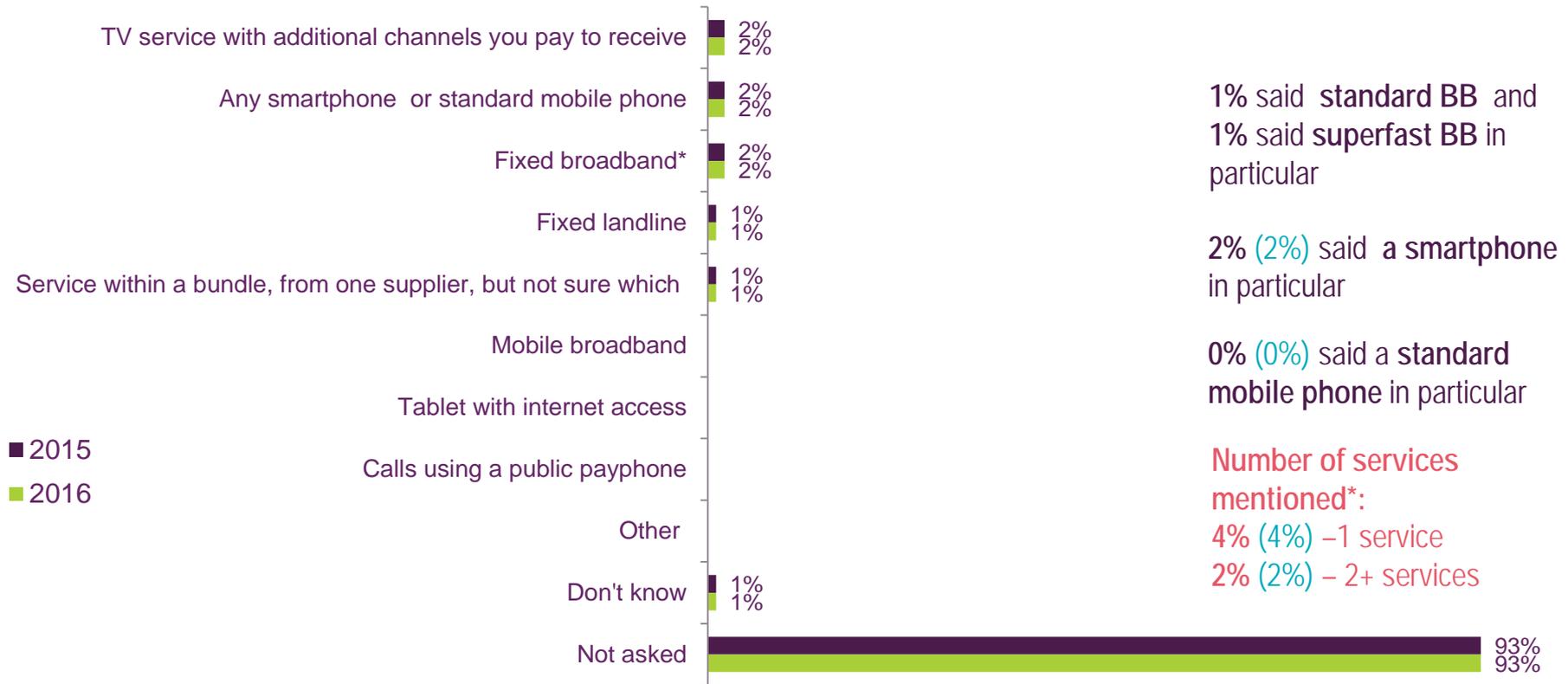
*Fixed broadband' in 2016 is now asked as two codes 'Standard broadband - Fixed Broadband through a phone line or cable service - perhaps using a Wi-Fi router – which is not Superfast' and 'Superfast Fixed broadband – A premium service that delivers higher speeds and received through either a fibre optic or cable that you pay a monthly subscription fee for'

(2015 figures in brackets)

Question: Q6. Which of the following services have you had any difficulties paying for in the last year?

There has been no change since 2015 in the services adults 16+ in the UK claim they have difficulties paying for

Services had any difficulties paying for in the last year (Nat Rep, all waves) % of all adults 16+ in the UK



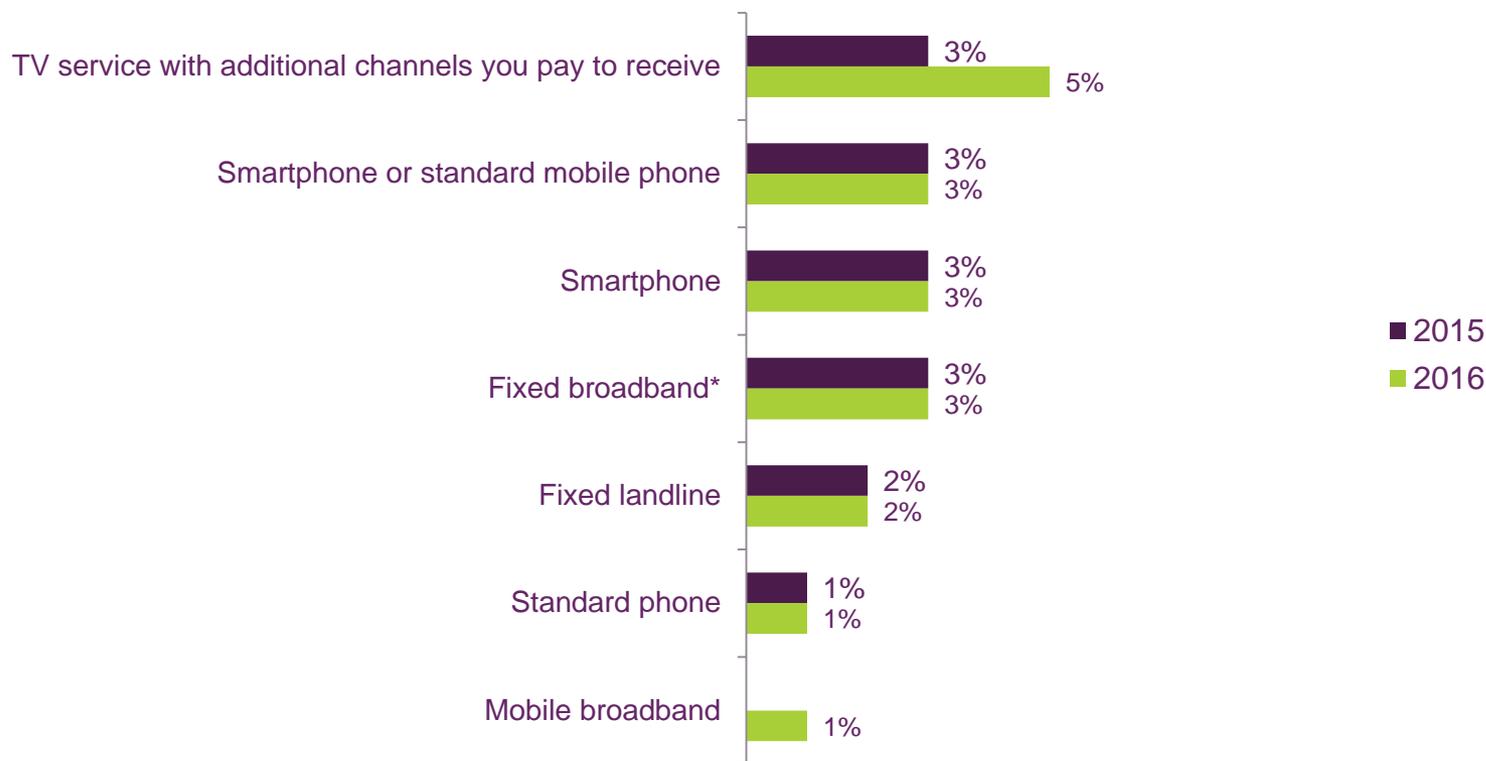
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(2015 figures in brackets)

Question: Q6. Which of the following services have you had any difficulties paying for in the last year?

There has been an increase in the proportion of those paying for TV services who have had difficulties paying for the service (3% in 2015 up to 5% in 2016), albeit not significant.

Services had any difficulties paying for in the last year (Nat Rep, all waves)
 % of adults with some responsibility for communications services and who have each of the services shown



*Fixed broadband' in 2016 is now asked as two codes 'Standard broadband - Fixed Broadband through a phone line or cable service - perhaps using a Wi-Fi router - which is not Superfast' and 'Superfast Fixed broadband - A premium service that delivers higher speeds and received through either a fibre optic or cable that you pay a monthly subscription fee for'

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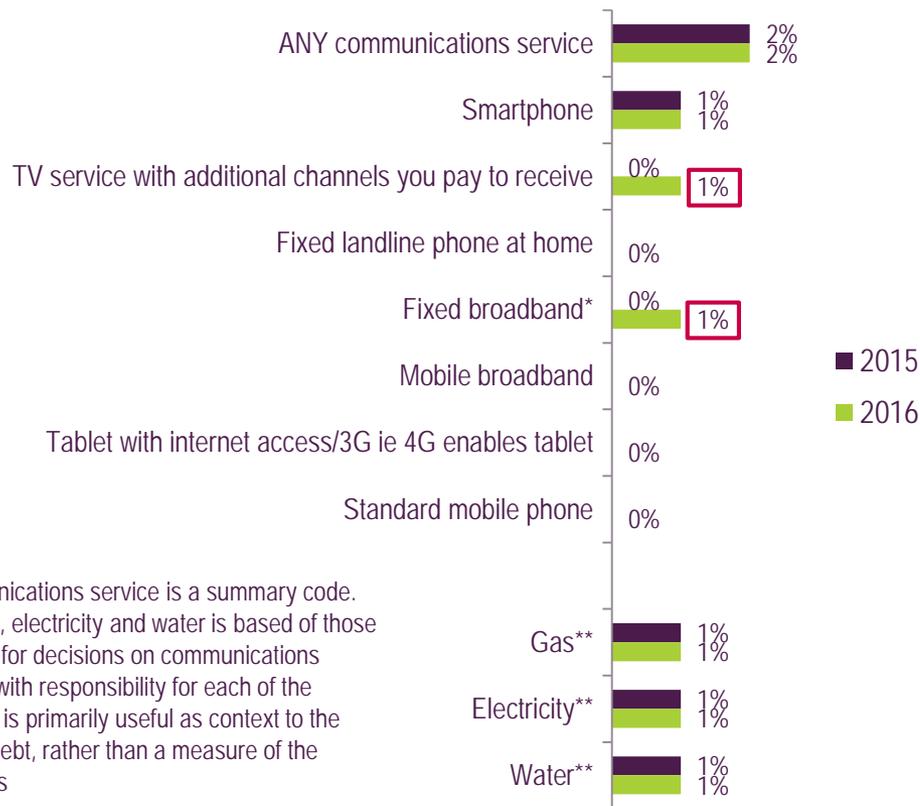
Base: All with some responsibility for communications services with each service type, pay TV (688 in 2015, 1809 in 2016), smartphone/ standard phone (1402 in 2015, 3959 in 2016), smartphone (1053 in 2015, 3083 in 2016), standard mobile phone (410 in 2015, 1071 in 2016), fixed broadband (1050 in 2015, 3466 in 2016), mobile broadband (157 in 2015, 241 in 2016), fixed landline (1204 in 2015, 3344 in 2016)

Section 2

Claimed debt

2% of those with some responsibility for communications services claim to have had some sort of communications debt in the last year (unchanged since 2015)

Debt on communications services in the last year (Nat Rep, all waves) % of adults with some responsibility for communications services



Note: Any communications service is a summary code.

**The data for gas, electricity and water is based of those with responsibility for decisions on communications rather than those with responsibility for each of the utilities – this data is primarily useful as context to the communications debt, rather than a measure of the utilities themselves

Across all adults in the UK **2%** (1%) claim to have some sort of communications debt in the last year.

Of the 100 (32) respondents who said they had a communications debt:

- 72 (22) said this was a 'manageable' debt,
- 23 (9) said this was a 'unmanageable' debt.
- 4 (1) said they didn't know.

*Fixed broadband' in 2016 is now asked as two codes 'Standard broadband - Fixed Broadband through a phone line or cable service - perhaps using a Wi-Fi router – which is not Superfast' and 'Superfast Fixed broadband – A premium service that delivers higher speeds and received through either a fibre optic or cable that you pay a monthly subscription fee for'

(2015 figures in brackets)

Question Q7. Have you been behind in your payment for any of the following services or products by one month or more in the last year?
Question: Q8. Which of these applies to you?

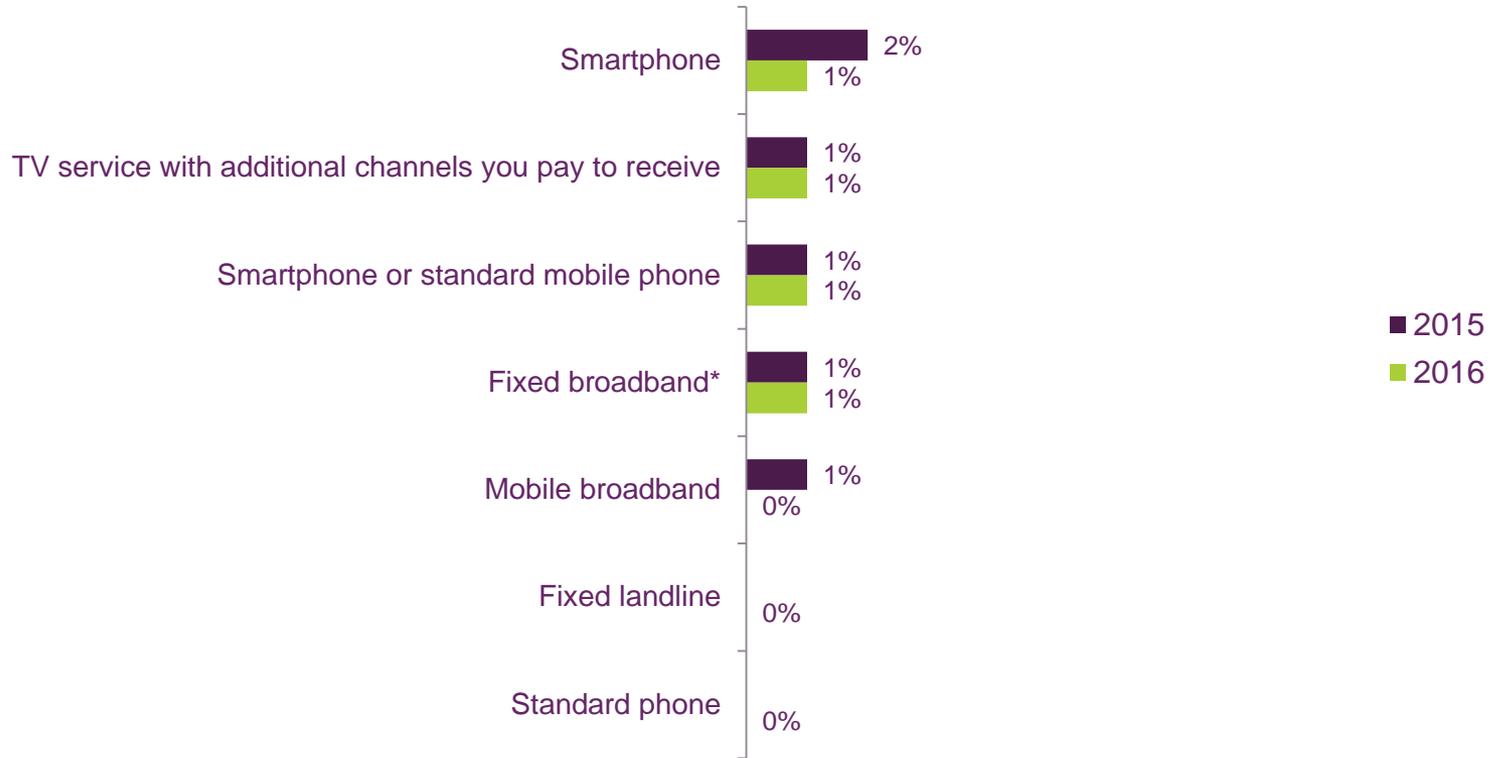
Base: All with some responsibility for communications services (N=1719 in 2015, N=4889 in 2016). Those with communications debt (N=32 unweighted/weighted in 2015, N=93 unweighted, 100 weighted), all UK adults (N=2136 in 2015, N=6322 in 2016)

There has been a decrease in the proportion of those who have smartphones and been behind in payment for this service by one month or more in the last year (2% in 2015 to 1% in 2016).

This, however, is not a significant decrease

Debt on communications services in the last year (Nat Rep, all waves)

% of adults with some responsibility for communications services and who have the service/device being reported



*Fixed broadband' in 2016 is now asked as two codes 'Standard broadband - Fixed Broadband through a phone line or cable service - perhaps using a Wi-Fi router - which is not Superfast' and 'Superfast Fixed broadband - A premium service that delivers higher speeds and received through either a fibre optic or cable that you pay a monthly subscription fee for'

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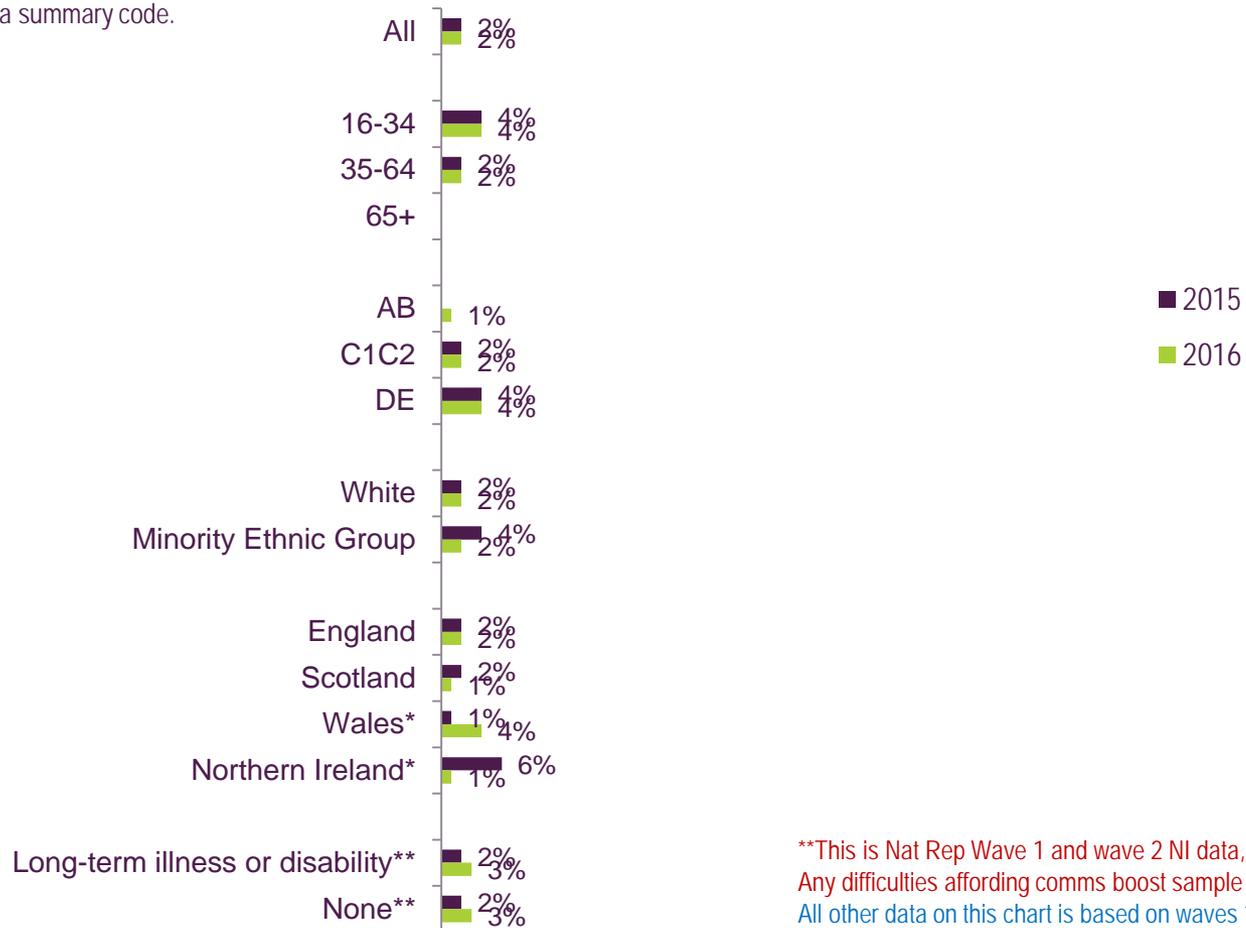
Base: All with some responsibility for communications services with each service type, pay TV (688 in 2015, 1809 in 2016), smartphone/ standard phone (1402 in 2015, 3959 in 2016), smartphone (1053 in 2015, 3083 in 2016), standard mobile phone (410 in 2015, 1071 in 2016), fixed broadband (1050 in 2015, 3466 in 2016), mobile broadband (157 in 2015, 241 in 2016), fixed landline (1204 in 2015, 3344 in 2016)

There has been a decrease in the proportion of those in Northern Ireland with any communication debts who said they are behind in payments (6% in 2015 to 1% in 2016) – again this is not a significant decrease

Debt on communications services in the last year – Any Communication Debt (Nat Rep, all waves, Nat Rep, wave 1 & NI wave 2)

% of adults with some responsibility for communications services, by demographics

Note: Any communications service is a summary code.



**This is Nat Rep Wave 1 and wave 2 NI data, i.e. data excluding the Any difficulties affording comms boost sample .

All other data on this chart is based on waves 1-3 Nat Rep data

Question Q7. Have you been behind in your payment for any of the following services or products by one month or more in the last year?

Base: All with some responsibility for communications services (N=1719 in 2015, N=4889 in 2016 -W1 & NI W2 nat rep (1670- 2016-W1 & NI W2 nat rep**) 16-34 (439- 2015; 1059-2016), 35-64 (758 -2015; 2240-2016), 65+ (522-2015; 1590-2016), AB (306 -2015; 869-2016), C1C2 (826-2015; 2274-2016), DE (587-2015; 1746-2016), White ethnic group (1561-2015; 4400-2016), Minority ethnic group (147-2015; 464-2016), England (1440-2015; 4061-2016), Scotland (133-2015; 422-2016), Wales (85-2015; 247-2016), Northern Ireland (61-2015; 159-2016), Any long term disability/illness (388)** , No long term disability/illness (1220)**)

*Please note low base size

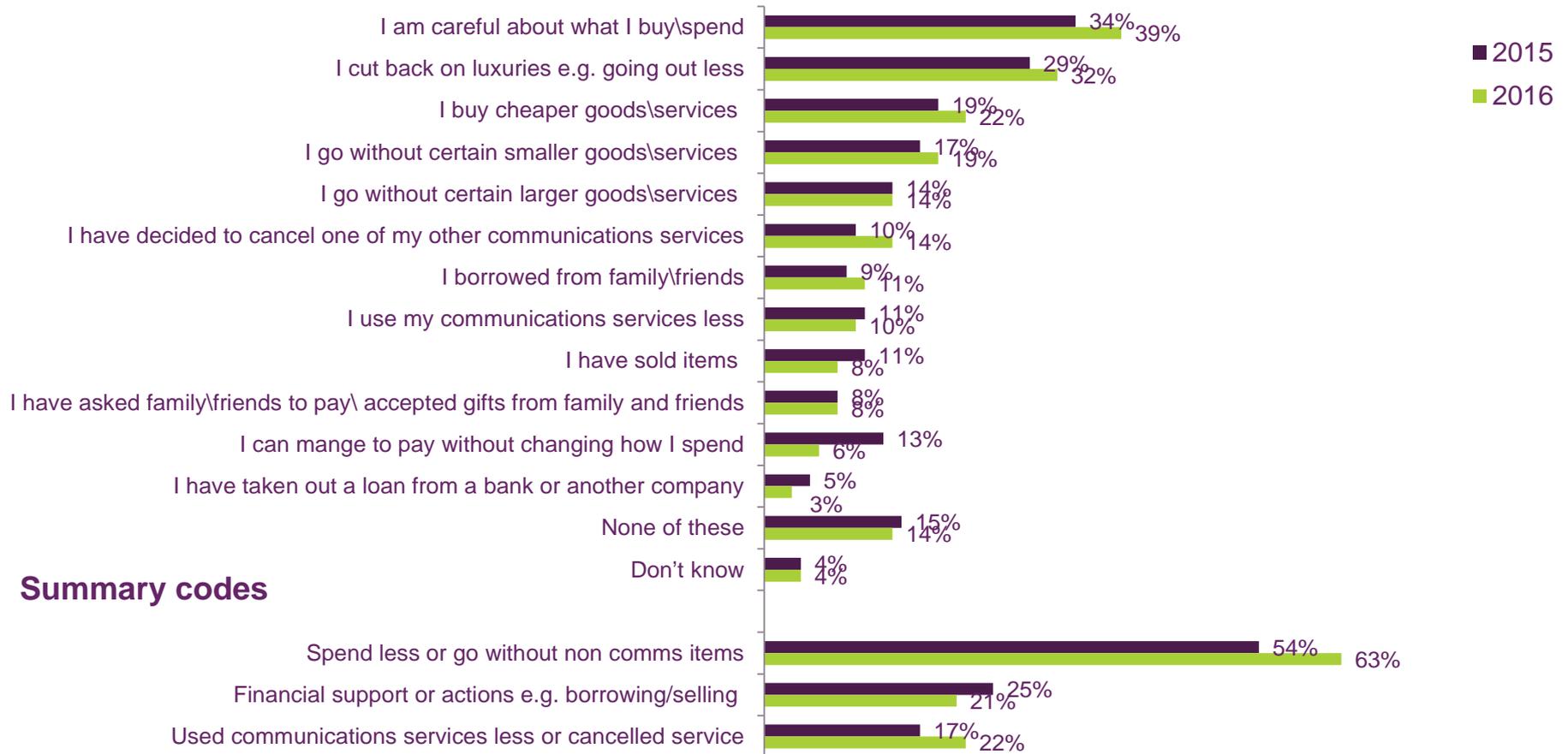
Section 3

Impact of affordability of communications services and any difficulties paying or debt

There has been an increase, albeit not significant, in those claiming to spend less or going without non-comms services or claiming to have cancelled/used comms services less, in order to afford comms.

How consumers afford communications services as part of monthly spend (Nat Rep, all waves)

% of adults with any difficulties paying for communication services in the last year



Question : Q9. When thinking about how you afford your communications services as part of your monthly spending, which, if any, of the following apply to you?

Base: All with any difficulties paying for communications services in the last year (N=150 in 2015, N=433 in 2016). Note: Only responses of 1% or more are shown

29% of consumers who have had difficulty affording comms services have been impacted by affordability issues. This equates to 2% of UK adults, the same proportion as last year.

Communications affordability issues (Nat Rep, all waves)

In order to provide a measure of those impacted by affordability issues, we have identified the portion of respondents who:

- Have been in debt in the last year with any communications service (i.e. behind in the payment by at least a month) (at Q7)

OR,

- Who say they have taken a loan or sold items as a way to afford communications service as part of their monthly spending (at Q9)

• This equates to:

- 29% (28%) of those who have had any difficulty affording communications services in the last year
- 3% (3%) of those who have some responsibility for decision or paying for communications services
- 2% (2%) of the adult population

(2015 figures in brackets)

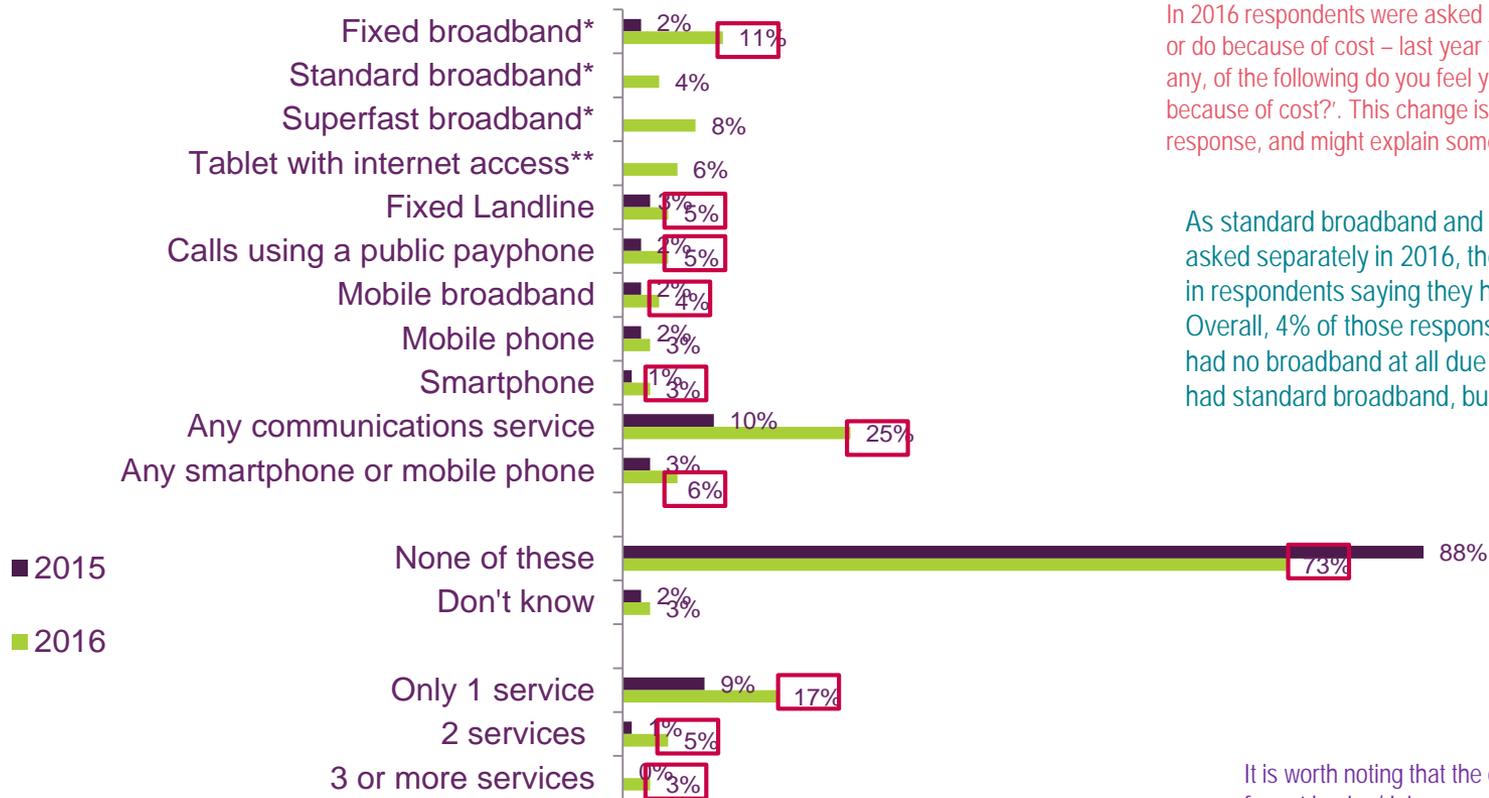
Question Q7. Have you been behind in your payment for any of the following services or products by one month or more in the last year?; Question: Q9. When thinking about how you afford your communications services as part of your monthly spending, which, if any, of the following apply to you?

Base: All adults 16+ in the UK (N=2136 in 2015; N=6322 in 2016), All with some responsibility for communications services (N=1719 in 2015; N=4889 in 2016), All with any difficulties paying for communications services in the last year (N=150 in 2015; N=433 in 2016).

Nearly 3 in 4 (73%) consumers have not had to go without or not use any communications services because of cost

Affordability: communications services do not have or do due to 'cost' (Nat rep, Wave 1 & wave 2 NI)

% of adults with some responsibility for communications services



In 2016 respondents were asked about services they do not have or do because of cost – last year the wording was ‘And which, if any, of the following do you feel you need but do not have because of cost?’. This change is very likely to have impacted on response, and might explain some of these differences.

As standard broadband and superfast broadband were asked separately in 2016, there is a degree of overlap in respondents saying they had neither due to cost. Overall, 4% of those responsible for communications had no broadband at all due to cost and 6% said they had standard broadband, but not superfast due to cost.

It is worth noting that the question on cost as a reason for not having/doing a service is relatively broad in that it does not specify that they cannot ‘afford’ the service (there may have been other factors that influenced their decision or ability to take up the service).

*Fixed broadband' in 2016 is now asked as two codes 'Standard broadband - Fixed Broadband through a phone line or cable service - perhaps using a Wi-Fi router – which is not Superfast' and 'Superfast Fixed broadband – A premium service that delivers higher speeds and received through either a fibre optic or cable that you pay a monthly subscription fee for'

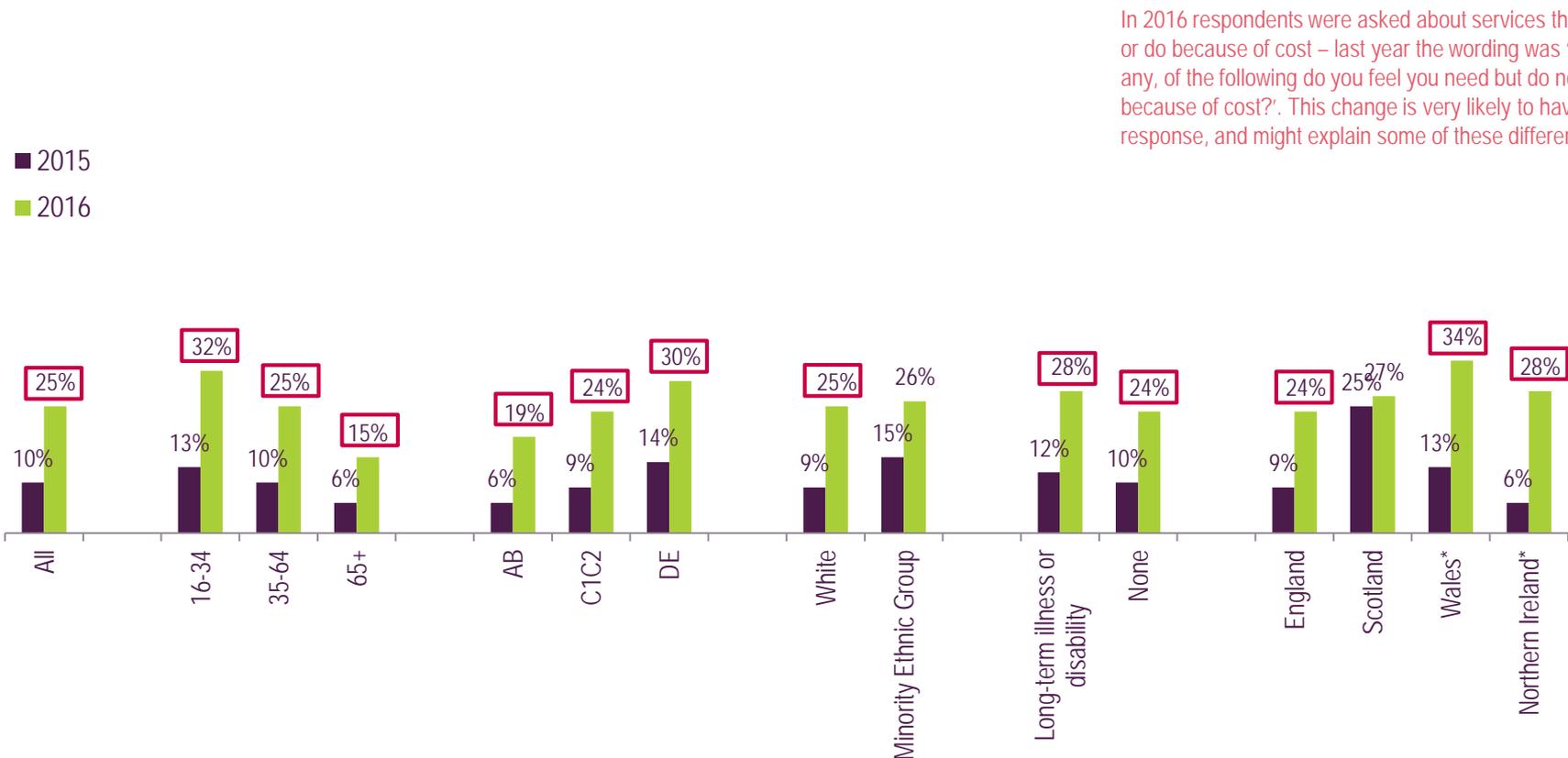
Question Q10. And which, if any, of the following do you not have or do because of cost? Please note: ** New code for 2016

Base: All with some responsibility for communications services (N=1719 in 2015, N=1670 in 2016)

By demographic group, greater proportions of 16-34s (32%), DEs (30%) and those in Wales (34%) claim they don't own a service/do a service due to cost.

Affordability: If any communications services are not owned/done due to 'cost', by demographics (Nat rep wave 1 & wave 2 NI)

% of adults with some responsibility for communications services



In 2016 respondents were asked about services they do not have or do because of cost – last year the wording was 'And which, if any, of the following do you feel you need but do not have because of cost?'. This change is very likely to have impacted on response, and might explain some of these differences.

It is worth noting that the question on cost as a reason for not having/doing a service is relatively broad in that it does not specify that they cannot 'afford' the service (there may have been other factors that influenced their decision or ability to take up the service).

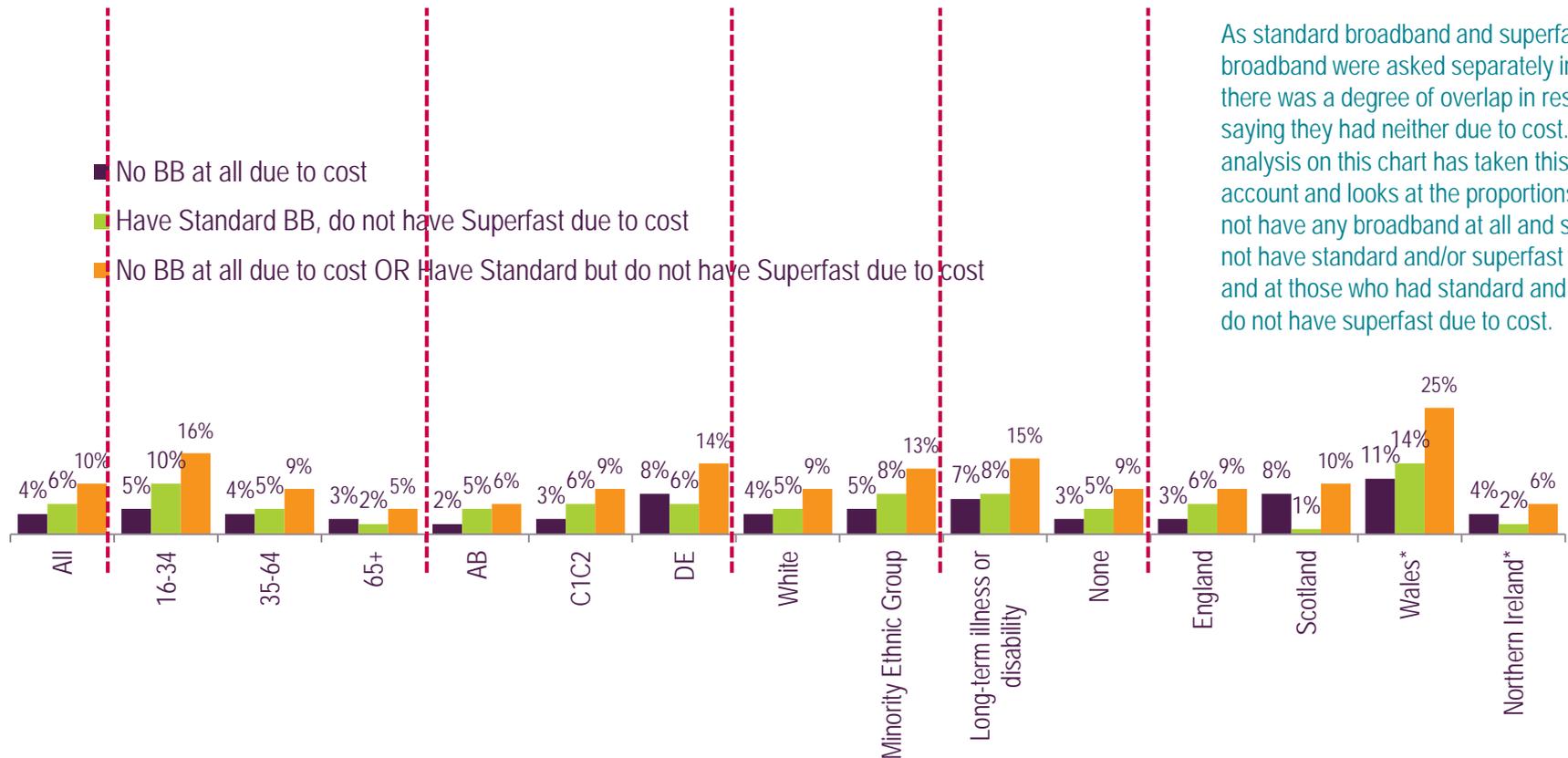
Question Q10. And which, if any, of the following do you not have or do because of cost?

Base: All with some responsibility for communications services ((N=1719 in 2015, N=1670 in 2016), 16-34 (439-2015; 368-2016), 35-64 (758-2015; 743-2016), 65+ (522-2015; 559-2016), England (1440-2015; 1352-2016), Scotland (133-2015; 138-2016), Wales (85-2015; 77-2016), Northern Ireland (61-2015; 103-2016), AB (306-2015; 288-2016), C1C2 (826-2015; 764-2016), DE (587-2015; 618-2016), White ethnic group (1561-2015; 1520-2016), Minority ethnic group (147-2015; 144-2016), Any long term disability/illness (361-2015; 388-2016), No long term disability/illness (1318 -2015; 1220-2016)) *Please note low base size

A tenth of those with some responsibility for communications services claim not to have the broadband service they would like due to cost

Affordability: Broadband services which are not owned due to 'cost', by demographics (Nat rep wave 1 & wave 2 NI)

% of adults with some responsibility for communications services



As standard broadband and superfast broadband were asked separately in 2016, there was a degree of overlap in respondents saying they had neither due to cost. The analysis on this chart has taken this into account and looks at the proportions who do not have any broadband at all and said they did not have standard and/or superfast due to cost and at those who had standard and said they do not have superfast due to cost.

It is worth noting that the question on cost as a reason for not having/doing a service is relatively broad in that it does not specify that they cannot 'afford' the service (there may have been other factors that influenced their decision or ability to take up the service).

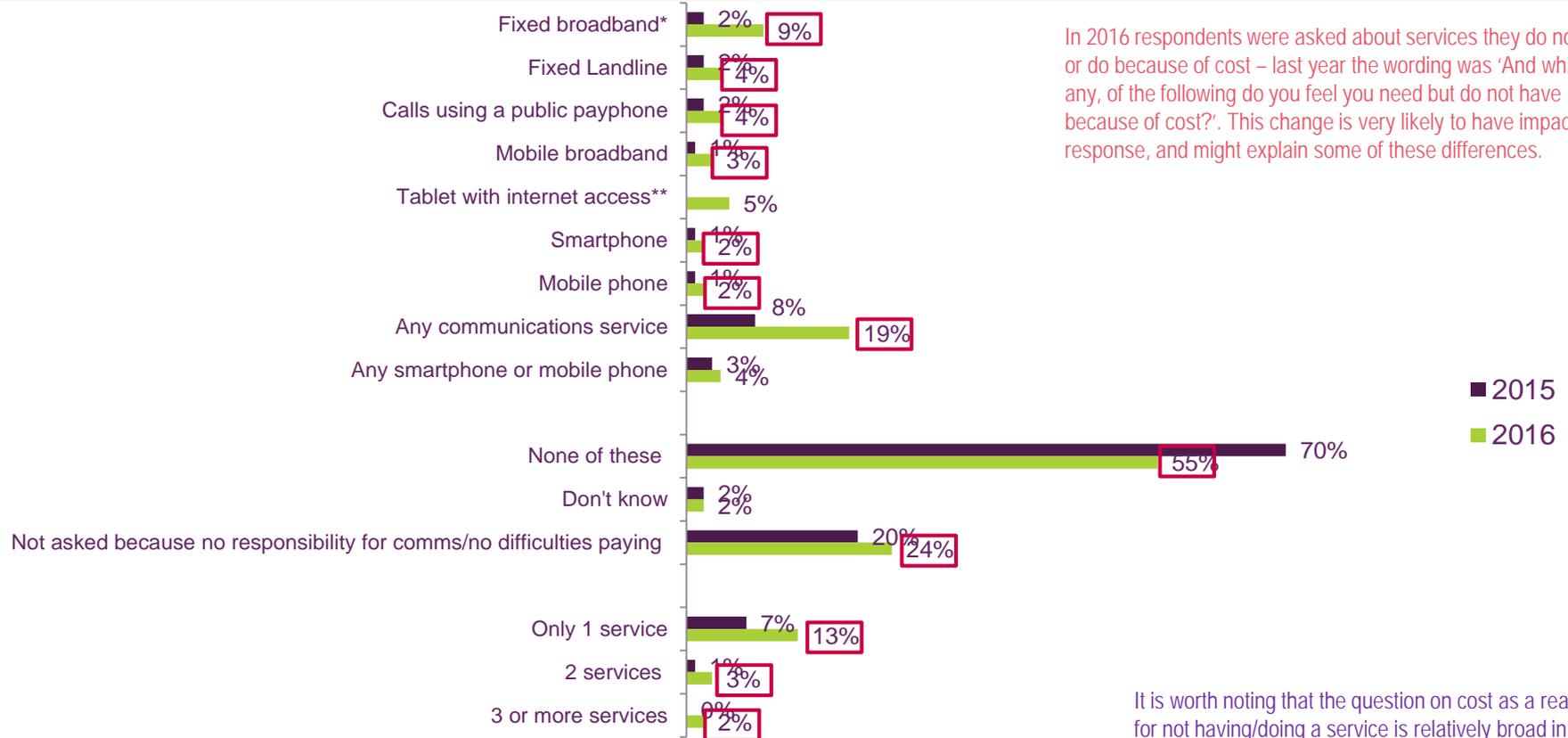
Question Q10. And which, if any, of the following do you not have or do because of cost

Base: All with some responsibility for communications services ((N=1670), 16-34 (368), 35-64 (743), 65+ (559), England (1352), Scotland (138), Wales (77), Northern Ireland (103), AB (288), C1C2 (764), DE (618), White ethnic group (1520), Minority ethnic group (144), Any long term disability/illness (388), No long term disability/illness (1220-2016)) *Please note low base size

Over half (55%) of UK adults 16+ have said they have not had to go without or not use any of the services less because of cost.

Affordability: communications services do not have or do due to 'cost' (Nat rep wave 1 & wave 2 NI)

% of all adults 16+ in the UK



In 2016 respondents were asked about services they do not have or do because of cost – last year the wording was 'And which, if any, of the following do you feel you need but do not have because of cost?'. This change is very likely to have impacted on response, and might explain some of these differences.

■ 2015
■ 2016

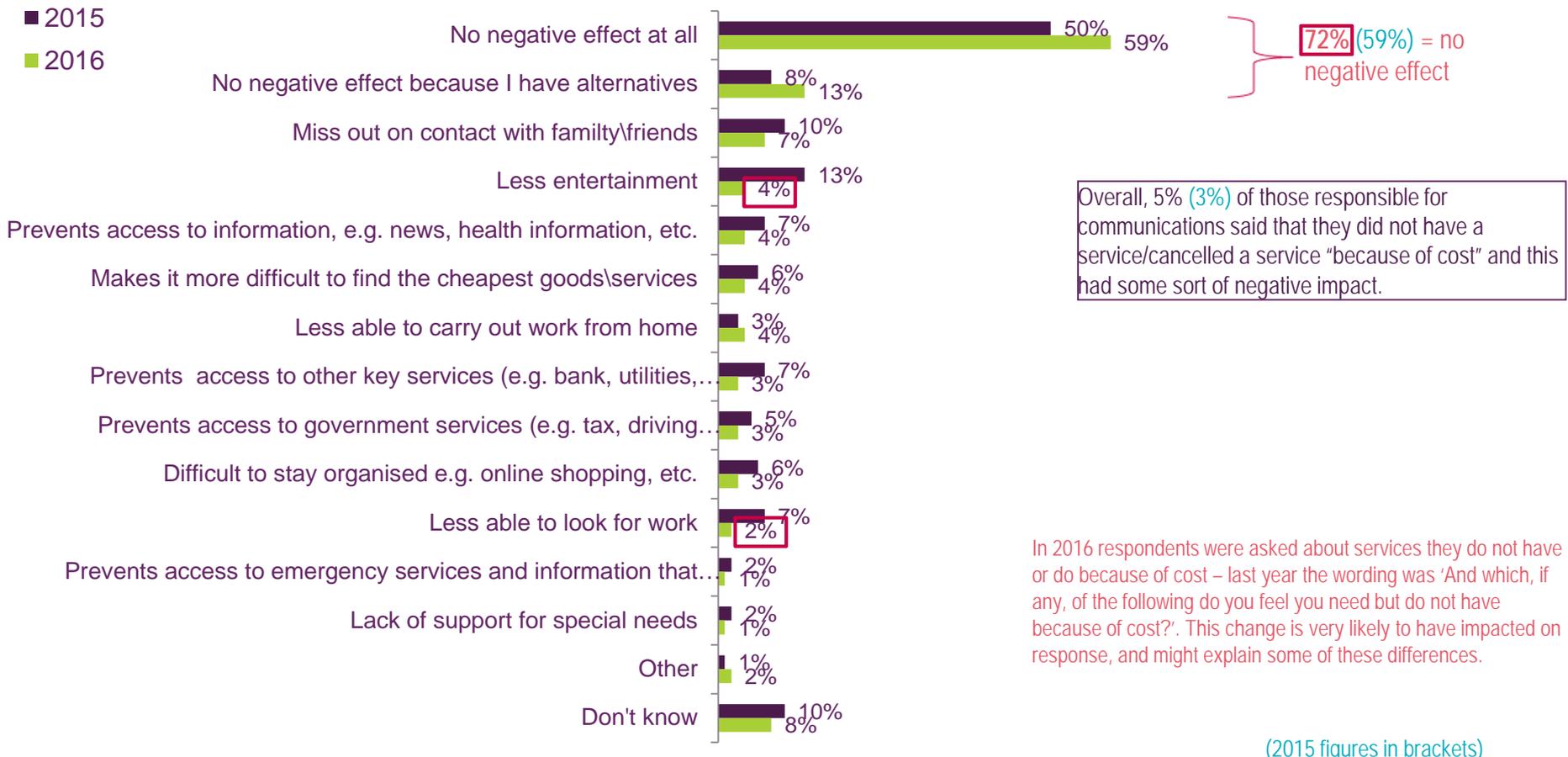
It is worth noting that the question on cost as a reason for not having/doing a service is relatively broad in that it does not specify that they cannot 'afford' the service (there may have been other factors that influenced their decision or ability to take up the service).

*Fixed broadband' in 2016 is now asked as two codes 'Standard broadband - Fixed Broadband through a phone line or cable service - perhaps using a Wi-Fi router – which is not Superfast' and 'Superfast Fixed broadband – A premium service that delivers higher speeds and received through either a fibre optic or cable that you pay a monthly subscription fee for'

Question: Q10. And which, if any, of the following do you not have or do because of cost? Please note: ** New code for 2016

A majority (72%) of consumers who don't have a service or cancelled a service due to cost claim that not having the service has had no negative effect on them – 59% said that it has had no negative effect at all and 13% said they were able to use alternatives.

Affordability: Impact of not having communications services (Nat rep wave 1 & wave 2 NI) % of all who don't have service\cancelled a service due to cost



Question: Q11. You mentioned that you don't have these services because of cost, or you have cancelled a service because of cost. How does NOT having this service affect you?

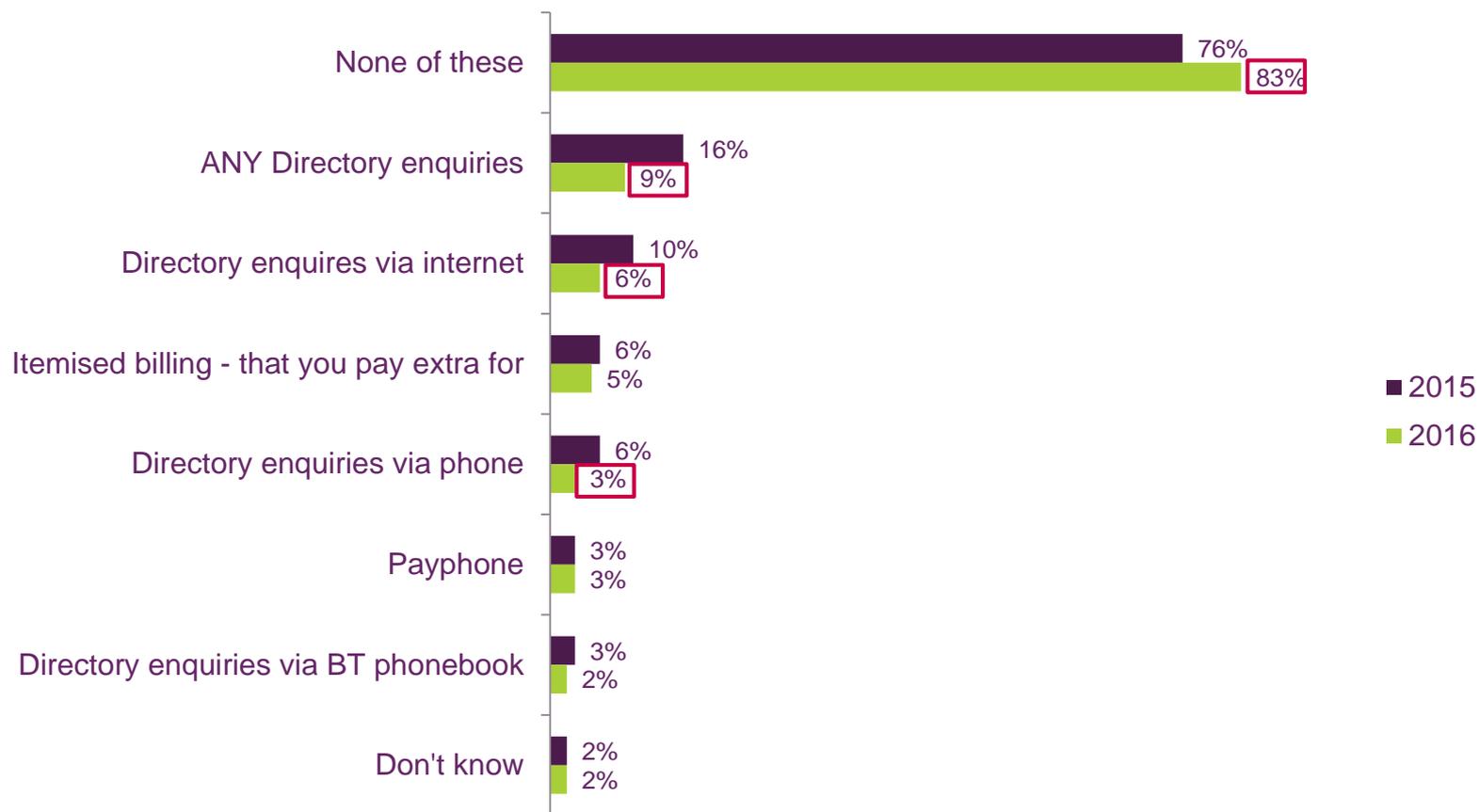
Base: All who don't have service\cancelled a service due to cost (N=179 in 2015, N=399 in 2016)

Section 4

Main findings – Use of universal communications services

The use of universal comms services has decreased significantly since 2015, with 8 in 10 claiming not to have used any of the services in the last year.

Universal communications services used (Nat rep wave 1 & wave 2 NI) % of all adults 16+



Question Q18. Which, if any, of the following communications services have you used in the last 12 months?

Usage of universal communications services is low: only 3% of all adults 16+ claim to have used a payphone in the last 12 months

Universal communications services used (Nat rep wave 1 & wave 2 NI)

Subgroup / %	Base size	Payphone	Directory enquiries vis BT Phonebook	Directory enquiries via phone	Directory enquiries via internet	Itemised bill – that you pay extra for
Total	2163	3%	2%	3%	6%	5%
16-34	611	3%	1%	3%	9%	3%
35-64	892	3%	2%	3%	6%	6%
65+	660	2%	3%	3%	3%	5%
AB	369	1%	2%	3%	11%	7%
C1C2	996	2%	2%	3%	7%	5%
DE	798	4%	2%	3%	3%	3%
Minority Ethnic Group	237	3%	1%	3%	9%	4%
Has a disability or long term illness	472	4%	4%	4%	5%	7%
England	1756	3%	2%	3%	6%	5%
Scotland	180	3%	2%	1%	6%	5%
Wales	103	3%	3%	3%	7%	5%
Northern Ireland	124	6%	2%	3%	10%	2%

Question Q18. Which, if any, of the following communications services have you used in the last 12 months?