Section 8

Consumer interest and activity

Introduction

To take advantage of competitive markets, consumers need to be equipped to shop around to obtain the best deal. This section of the report sets out to what extent consumers are interested in, and engaged with, each of the communications markets, and satisfied with their current provider.

We also explore reasons why consumers switch or choose not to switch; this helps to identify current and emerging barriers to switching.

Consumer information plays an important role in enabling interested consumers to participate in the communications market. This section explores whether or not consumers know where to go to obtain comparative information to help them make informed choices.

Analysis points to note:

Please note that measures of switching reported in this section exclude consumers who switched service provider(s) as part of moving house.

The report provides a comparison of switching levels across total markets, and where sample sizes allow, compares purchasing behaviour within markets i.e. standalone fixed-broadband customer vs. bundled fixed-broadband customer. This allows us better to understand the impact of purchasing choices on switching behaviour. Trends prior to 2012 reported on total market data should be treated as indicative only, as the methodology used to calculate ‘total market data’ was improved in 2012.

For the charts in this chapter, the base for broadband from 2010 onwards represents those with fixed broadband rather than fixed or mobile broadband, as in previous years. Use of mobile broadband has declined, and the incidence of mobile broadband among UK adults continues to be too low to allow individual analysis, using the data sources for this report. Trend data prior to 2010 may be affected.

It should be noted that the satisfaction data in this section are not directly comparable to the satisfaction data published in Ofcom’s Communications Market Report 2013. This report publishes satisfaction among decision-makers, whereas the Communications Market Report 2013 published satisfaction levels among owners of each service.

Key trends

- A fifth (20%) of consumers switched at least one communications service between Q3 2012 and Q3 2013. Overall, yearly switching levels remain broadly unchanged at around one in ten in each of the fixed-line (9%), mobile (11%) and fixed broadband (9%) markets. The total level of switching main digital TV provider remains lower, at 3%, and 4% among those with a pay-TV service. A quarter of all switchers switched multiple services at the same time – not significantly different to 2012.
• **Around a fifth of consumers are classified in this report as ‘engaged’** in the telecoms markets. Engagement levels stand at around a fifth in each of the fixed line (17%), fixed broadband (18%) and mobile (20%) markets, but remain lower and unchanged at just over one in ten (12%) in the digital TV market.

• **The level of engagement among standalone fixed broadband and fixed line purchasers has fallen.** In the fixed broadband market this has been driven by falling levels of engagement among standalone purchasers (down 9pp to 15%) while engagement among bundlers is stable (19%).

• **Cost and poor service are both common reasons why consumers say they switch communications provider.** Cost was stated by between 54% and 62% of switchers in each of the fixed voice, fixed broadband, mobile and digital TV markets. ‘Poor service’ was mentioned as a reason for switching by around half as many in each market, ranging from 20% in the mobile market to 29% in the fixed broadband market.

• **In the mobile market ‘reception’ (15%) and ‘handsets’ (13%) are market-specific factors that drive consumers to switch provider** with a minority switching ‘in order to obtain a 4G service’ (5%). The desire for ‘faster speeds’ is a key driver among fixed broadband switchers (15%), as is the ‘choice of channels’ for TV switchers (18%).

• **Satisfaction is increasingly mentioned as the main reason for not switching.** Between 6-8% of consumers across the communications markets said they started looking but did not switch. In all except the digital TV market (where perceived lack of cost benefit is the highest stated reason for not switching), satisfaction is one of the most-mentioned reasons for not switching provider, among those who have only considered doing so. Around three in ten consumers who ‘looked but didn’t switch’ in each of the fixed voice, fixed broadband and mobile markets cited satisfaction as the reason they didn’t. These proportions have risen significantly since 2012.

• **A minority (around one in ten) of switchers, who spoke to their previous provider, said they were put under pressure to stay.** Contact with losing providers is most common among fixed line and fixed broadband switchers, where around three-quarters (73% and 76% respectively) said they had been in contact with their previous provider. This contact is mainly initiated by the consumer. In comparison, contact with losing providers among considerers is lower, at around two in five.

• **Most switchers said they were happy with their decision to switch, but considerers were less happy with their decision not to.** Between 4-9% of switchers said they were unhappy with their decision to switch in each of the markets; this was highest in the fixed broadband market. Happiness with their decision was lower among considerers in each market, and at its lowest among fixed broadband considerers, where three in ten (29%) said they were ‘unhappy with their decision’.

• **The majority of switchers (between 84% and 92%) considered it very or fairly easy to switch provider.** But for some switchers (between 6% and 14%) changing provider was ‘difficult’. The fixed broadband market continues to have the highest levels of stated difficulty in switching, at 13%. Ease of switching telecoms provider remains broadly comparable with utilities. Seven per cent of switchers in each of the gas and electricity markets said switching was difficult, which is comparable to that noted among fixed line (9%) and mobile switchers (8%) but lower than reported among fixed broadband switchers (13%).

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60 Consumers classified as ‘engaged’ may have switched previously and are currently open to the idea of a new provider.
However, when prompted, half of switchers said they experienced some difficulties when switching provider. Stated difficulties varied by market. ‘Provider persuasion to stay’ was one of the most common issues reported in both the fixed broadband and fixed voice markets.

The majority of consumers remain satisfied with their services overall, with dissatisfaction highest for fixed broadband, at one in ten. Dissatisfaction stands between 5% and 11% across markets. Levels of overall satisfaction remained fairly consistent between 2012 and 2013 across each of the communications markets, with little variation in dissatisfaction across demographic groups within each market.

Dissatisfaction with value for money is highest among fixed broadband standalone purchasers (16%), and bundlers (14%). The only significant change in satisfaction levels has been among bundlers, where dissatisfaction now stands at 14%, nearly twice the level reported in 2011 and 2012 (8%).

Dissatisfaction with broadband speeds in rural areas is nearly twice the average (32% vs. 18%). ‘Engaged’ and ‘interested’ consumers were also more likely to state dissatisfaction with the speeds of their fixed broadband service (26% and 19% respectively).

Just under nine in ten (87%) adults are satisfied with the postal service overall. Those aged over 75 were the most likely to state they were satisfied with the postal service (93%). Two-thirds of postal users are satisfied with the value for money provided by the postal service.
These key trends are explored in more detail and are grouped into the following sub-headings:

- Consumer participation in the communications markets
- Switching in the communications markets
- Ease of switching in the communications markets
- Comparison with switching in other markets
- Satisfaction with communications services and providers
- Consumer information sources

8.1 Consumer participation in communications markets

Participation in communications markets is measured by looking at a wide range of ways in which consumers can participate in the market, including switching suppliers, staying informed, and being aware of changes in the markets. The segments analysed below are based on measures of past and present behaviour.

Consumers classified as ‘engaged’ have a high score for both past and present behaviour; they may have switched previously and are currently open to the idea of a new provider. Those classified as ‘inactive’ have a low score for both past and present behaviour; for example, they may not have switched or considered doing so in the past four years and are currently not reporting any interest in doing so.

8.1.1 Around a fifth are engaged in each of the fixed line, fixed broadband and mobile markets

At a total market level, over the past 12 months there have been small but significant falls in engagement in each of the fixed line and fixed broadband markets; down by four and five percentage points respectively. Engagement levels stand at around a fifth in each of the fixed line (17%), fixed broadband (18%) and mobile (20%) markets, but remain lower and unchanged at just over one in ten (12%) in the digital TV market.

Further trend data can be found in previous reports but this should be viewed as indicative only, as a change in methodology means that it is not directly comparable. As such, the following charts show the trend between 2012 and 2013 only.

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61 See Annex 3 for further details on how these segments were calculated
62 Questions around ‘negotiations’ have been removed from the index. This has had minimal impact on the overall data. Data from 2012 have been recalculated to provide a direct comparison and as such will vary slightly to those published in the 2012 report.
8.1.2 Three-fifths of bundlers in each market are ‘engaged’ or ‘interested’

Comparing levels of engagement within each market by purchasing behaviour provides further understanding of what may be driving the changes noted above. As noted in Section 6, three in five consumers purchase communications services as part of a bundle. The most popular bundles are fixed line and fixed broadband services. In fact, the majority of consumers in the fixed line (65%) and fixed broadband markets (74%) purchase these services as part of a bundle. As such, levels of engagement in these markets are skewed towards that of bundlers.

Conversely, in the mobile market the vast majority (93%) of consumers continue to purchase mobile as a standalone service. Purchasing behaviour in the digital TV market continues to be polarised, with 49% purchasing this as part of a bundle.

Levels of ‘engagement’ and ‘interest’ stand at around 60% among bundlers in each of the fixed line and fixed broadband markets. This compares to levels of 50% and 46% respectively among standalone purchasers in these markets.

In the mobile market engagement does not vary by purchasing behaviour, whereas for digital TV those who bundle this service are twice as likely as standalone purchasers to be classified as ‘engaged’ (20% and 8% respectively).
8.1.3 Engagement levels have declined among standalone purchasers in the fixed line and fixed broadband markets

As shown in Figure 130 above, the most notable changes in levels of engagement were in the fixed broadband and fixed-line standalone markets, where levels fell by nine and six percentage points respectively.

Standalone purchasing in the fixed broadband market has declined from 28% to 25% over the past year, while the proportion bundling rose by three percentage points. Total broadband take-up remained stable, so it is fair to assume that much of the growth in bundling of fixed broadband services (+3pp) was driven by switching from standalone purchasing.

As shown below, further analysis of the fixed broadband participation segments among standalone purchasers suggests that the decline in engagement has been driven by fewer consumers considering switching. Despite a rise in switching levels among this group (from 4% in 2012 to 9% in 2013) this has led to lower levels of engagement.

But participation levels remain broadly unchanged among bundlers in the fixed broadband market (who form that majority of fixed broadband customers, at 75%). A fifth (19%) are engaged and a further two-fifths are ‘interested’. And, as shown below, further analysis of this group of broadband customers shows that activity remains broadly unchanged.

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63 The apparent decline in engagement among mobile bundlers is not statistically significant
In the fixed-line market, levels of engagement have fallen among both standalone and bundle purchasers. The chart below shows that significantly fewer standalone purchasers in this market are ‘considering switching’ compared to the proportion doing so in 2012. This, combined with a fall in switching, has led to reduced levels of engagement in this market.

In the digital TV market a fifth (20%) of bundlers are ‘engaged’: a five percentage point rise since 2012. This rise in engagement has largely been driven by higher proportions considering switching.

Figure 131 Level of activity in the communications markets in the past 12 months

Source: Ofcom decision making survey carried out by Saville Rossiter-Base in July to August 2012 and 2013
Base: All adults aged 16+ who are the decision maker for fixed line (whole market, 1636) (single purchase, 610) (service in bundle, 1026), mobile (whole market, 1714) (single purchase, 1653) (service in bundle, 61), broadband (whole market, 1341) (single purchase, 328) (service in bundle, 1013), digital TV (whole market, 1483) (single purchase, 982) (service in bundle, 501). *Caution: Low base treat as indicative only.

8.2 Switching in the communications market

8.2.1 Switching levels remain broadly unchanged at around one in ten across all except the digital TV market

In this report, the data points which report switching behaviour are defined as a consumer actively changing supplier while remaining at the same address. This may not be comparable to industry subscriber data for churn64.

64 Industry churn data includes all customers who have terminated their services from that supplier, excluding customers who have reinstated their services, within a given time period (generally 12 months).
Overall, switching levels for each market (including any switching of services within bundles) remain broadly unchanged at around one in ten in each of the fixed-line (9%), mobile (11%) and fixed broadband (9%) markets. The total level of switching the main TV provider remains lower at 3%, and 4% among those with a pay-TV service. In the mobile market, contract customers (13%) are twice as likely as pre-pay customers (6%) to have switched provider in the past year. Apparent trend differences over the past 12 months, shown in the chart below, are not statistically significant.

**Figure 132 Switching in communications markets in the past 12 months, bi-annual comparison**

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013
Base: All adults aged 16+ who are the decision-maker for fixed line (2013, 1596) mobile (2013, 1718), broadband (2013, 1291), digital TV (2013, 1592), bundle (2013, 1133)
Note: data from 2007 to 2011 are based on standalone purchaser data, for 2013 data is based on total market. Therefore, trend data prior to 2012 are not directly comparable and should be viewed as indicative only.

**8.2.2 A quarter of all switchers changed provider for multiple services simultaneously**

A fifth (20%) of consumers across the communications markets switched at least one service in the past 12 months and a quarter (26%) of these said they switched at least two services simultaneously. There has been no significant change in these levels since last year.

In the fixed-line market, nearly half of switchers (4% total) switched only their fixed line. This compares to around a third of switchers in the fixed broadband market (3% total) who only switched their fixed broadband service. It is more common for fixed broadband services to be switched alongside other services (7% total) than for this service to be switched in isolation.
8.2.3 Rise in switching among bundlers maintained

In total, among all consumers who bundle any services 14% switched provider for at least one of their services in the 12 months prior to fieldwork (i.e. July 2012 to July 2013). Switching was at its highest among bundlers in 2008 (24%) when there was significant growth in triple-play bundling. Following this high, switching among bundlers remained at around one in ten until 2012, when it rose to 14%. As noted above, some of this rise may be attributable to the more engaged standalone purchasers switching to bundled products.

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65 Figures for total switching levels may not match those in previous charts due to rounding. Use Figure 132 above when quoting yearly switching levels.

66 In 2008 32% of bundlers took a triple-play package, rising from 18% in 2007.
8.2.4 Younger consumers continue to drive switching across all markets

Switching continues to be driven by younger consumers, particularly in the mobile market, although fixed voice switching is broadly comparable across all age groups and stands at 8% among those aged 75+.

Figure 135 Switched provider in the past 12 months, by age and gender

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013
Base: All adults aged 16+ who are the fixed-line decision-maker (1596)
*Base size for 16-24 year olds too small to analyse

Socio-economic group and location, in terms of rural or urban, has little impact on propensity to switch. Switching in the mobile market in rural areas remains at the higher level of 11%, up from 4% in 2011 (Figure 136).
8.2.5 Cost and poor service are the main stated reasons for switching

The two main reasons why consumers say they switch, which are consistent across all markets, are: a) cost – another provider offering a cheaper service; and b) poor service – the previous service not meeting requirements.

Cost was stated by between 54% and 62% of switchers in each of the fixed voice, fixed broadband, mobile and TV markets. ‘Poor service’ was mentioned as a reason for switching by around half as many in each market - ranging from 20% in the mobile market to 29% in the fixed broadband market.

In addition to these, other reasons are common across markets e.g. bundling for convenience (most popular in the fixed and fixed broadband markets).

However, all markets other than fixed voice have their own distinct switching drivers. In the mobile market, reception (15%) and handsets (13%) are key factors that drive consumers to change provider, with a minority switching in order to obtain a 4G service (5%). For fixed broadband switchers, faster speeds (15%) are a key factor, and for TV the choice of channels (18%) is driving switching for some.
8.2.6 A minority (around one in ten) of switchers who spoke to their previous provider said they felt they were put under pressure to stay

While not always essential to the switching process, many switchers and considerers contact their existing or current provider (i.e. losing provider) once they have decided to switch. This contact is most common among fixed and fixed broadband switchers, where around three-quarters of switchers (73% and 77% respectively) said they contacted their existing provider once they had decided to switch. The comparable figure in the mobile market is 56%. Contact with losing providers among considerers is lower, at around two in five. Due to low base sizes no data on digital TV are shown below.

As shown below, among both switchers and considerers across the communications markets, who had been in contact with their ‘losing provider’, at least one in ten said they felt they had been put under pressure to stay. This ranged from 10% among fixed broadband switchers to 14% among mobile switchers and considerers. However, the vast majority (between 83%-87%) in each market said that they were not put under pressure to stay.
8.2.7 Most switchers said they were happy with their decision to switch

The majority of switchers said they were happy with their decision to switch. Across each of the markets, between 4-9% of switchers said they were unhappy with their decision to switch; this was highest in the fixed broadband market. Due to low base sizes no data on digital TV are shown below.

Happiness with the decision is lower among considerers in each market, particularly in relation to the proportion stating they were ‘very happy’, which stands at between 15-18% among considerers who did not switch. This is less than half the level noted among switchers. People who considered switching their fixed broadband provider, but didn’t, were the most likely to say they were unhappy with their decision (29%).
### 8.2.8 Satisfaction is increasingly mentioned as the main reason for not switching

As noted in Figure 131 above, around one in ten consumers in all except the TV market (lower, at 3%) have switched their provider in the past 12 months. A consistent proportion (2-4%) of consumers across markets say they are ‘actively looking for an alternative provider’. However, nearly twice as many (6-8%) said they started looking but did not switch.

In all except the TV market, satisfaction is one of the most-mentioned reasons for not switching provider, among those who have considered doing so. Three in ten of these consumers in each of the fixed voice, fixed broadband and mobile markets cited satisfaction as the reason they didn’t switch – proportions that have risen significantly since 2012. Further details on satisfaction appear later in this section.

In the digital TV market a lack of perceived cost benefit is the main reason considerers are not switching (28%). This is followed by around a fifth each stating ‘satisfaction’, ‘terms and conditions’ and ‘hassle’. The proportion of considerers stating this declined in 2013, with figures broadly in line with those noted in 2011. This stated reason for not switching may be affected by consumers’ ability to compare providers on cost (this is covered in more detail in the Consumer information sources section) and consumers negotiating, or being offered, a better deal with their current provider.

Hassle, or at least ‘perceived hassle’ continues to be a factor in consumers’ decision on whether to switch, stated by between 21% and 26% of considerers across the communications markets.
The mention of ‘terms and conditions’ as a reason for not switching among considerers is highest in the mobile market (23%) where we see a growing proportion of consumers tied into a contract (up from 52% to 57% in the past 12 months). The proportion of considerers in the digital TV market stating this as a reason for not switching has also continued to grow – up to around a fifth in 2013. Longer contracts enable consumers to pay the cost of their equipment (e.g. smartphones and set-top boxes) in small amounts over a longer period.

Further details on difficulties/barriers to switching are contained in the following sub-section: Ease of switching.

### Figure 140 Reasons for considering, but not switching, provider

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013
Base: All adults aged 16+ who are the decision-maker for each service who have considered switching but did not switch (fixed line, 176) (mobile, 187) (broadband, 192) (digital TV, 164).

#### 8.3 Ease of switching in the communications markets

For consumers to take advantage of the increasing competition in the communications markets, and for communications markets to work effectively, consumers must be able to switch with comparative ease, if they choose to do so. As mentioned above in the Consumer choice and value section, 60% of consumers choose to purchase at least some of their households communications services as part of a package or bundle, and a quarter (26%) of all switchers across markets switch more than one service at the same time.

#### 8.3.1 Most switchers consider it ‘easy to switch’ – but more than one in ten fixed broadband switchers said it was difficult

The majority of switchers (between 84% and 92%) considered it very, or fairly, easy to switch provider. But for some switchers (between 6% and 14%) changing provider was something they considered ‘difficult’. Stated difficulty varied by market.

The fixed broadband market continues to report the highest levels of stated difficulty in switching, at 13%. Stated difficulty in this market is broadly consistent regardless of purchasing behaviour, or whether additional services are switched at the same time. In the fixed voice market difficulty rises to 14% when this service is switched alongside other service/s – most commonly fixed broadband.
Figure 141 Consumer opinions about ease of switching supplier, by purchasing behaviour, among those who have ever switched

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013
Base: All adults aged 16+ who are the decision-maker and have ever switched provider for fixed line (2013, 619), mobile (2013, 708), broadband (2013, 468), digital TV (2013, 213).
* Low base for mobile bundlers so treat as indicative only. Too few interviews were conducted with mobile and digital TV consumers who switched multiple services at the same time.

8.3.2 Many continue to perceive switching as more difficult than the reality

The mobile market continues to report the lowest levels of perceived difficulty in switching among non-switchers, at around one in ten (11%). Around twice as many non-switchers in each of the fixed voice and fixed broadband markets perceive switching to be either very, or fairly difficult (20% and 21% respectively). This perception may increase the ‘hassle’ barrier for some potential switchers.

As shown in the chart below (Figure 142), the stated ‘ease of switching’ remains broadly comparable among those who have ever switched compared to those who have switched more recently (i.e. in the past two years). None of the differences shown in the chart below are statistically significant.
Figure 142  Consumer opinions about ease of switching supplier, by when switched and never switched

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<th>Fairly difficult</th>
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Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013
Base: All adults aged 16+ who are the decision-maker and have ever switched provider for fixed line (619), mobile (708), broadband (468), digital TV (213). Switched provider in the last 2 years for fixed line (276), mobile (307), broadband (225), digital TV (*86). Never switched provider for fixed line (867), mobile (1010), broadband (719), digital TV (1313) *Caution: Low base, treat as indicative only

8.3.3 Half of switchers said they had experienced difficulties when switching provider

The general perception among switchers, after switching, was that the process was at least relatively easy (as shown above). However, when prompted, around half of switchers in each of the fixed line, fixed broadband and mobile markets said they had experienced some difficulties during their experience. Respondents were read out a list of potential issues and asked if they had experienced difficulties with any of these. The main issues causing difficulty varied by market.

In the fixed broadband market the top three issues causing difficulty were ‘provider persuasion to stay’, ‘arranging start and stop times’ and ‘temporary loss of service’. Each of these issues was stated by around a fifth of fixed broadband switchers.

In the fixed-line market ‘provider persuasion to stay’ was also one of the top mentions, but this was followed by ‘provider sending bills for cancelled service’.

A range of other potential issues were stated by around one in ten switchers in each of the markets. These included ‘technical issues’, ‘contacting provider to cancel the service’ and ‘keeping phone number/email’.

Given the relatively low levels of switching in the digital TV market, sample sizes were too low to provide comparative analysis.
Similarly, in the mobile market around half (51%) of switchers said they had experienced difficulty with at least one of the prompted issues. While chosen by fewer than in the fixed and fixed broadband markets, one of the top-mentioned issues was ‘provider persuasion to stay’. This was followed by ‘paying for two services’. 

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013
Base: All adults aged 16+ who switched provider in the last 12 months for mobile (160).
8.4 Comparison with switching in other markets

8.4.1 Switching communications provider remains comparable with utilities

The following switching data for communications services are based on switching across the total markets.

Consumers were asked whether they had switched supplier for other services and utilities within the past 12 months (Figure 145). Of the markets compared, consumers remain most likely to switch their car insurance provider on a yearly basis (36%). The decline in switching in each of the gas and electricity markets noted last year has been maintained and switching stands at 12% in each of these markets.

Figure 145 Proportion of consumers who have switched communications and utilities supplier in the past 12 months

![Graph showing switching data for different services](image)

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2009, June to July 2011, July to August 2013

8.4.2 Stated ease of switching utilities is comparable with telecoms markets.

Of the markets compared, car insurance (where we see the highest levels of yearly switching, at 36%) continues to report the lowest stated difficulty with switching, at 4%. In comparison, among those who had switched bank account in the past 12 months (where we see some of the lowest switching levels, at 4%), the proportion experiencing difficulty was significantly higher, at 10%.

For switching gas and electricity, 7% of switchers said this was difficult.

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67 Switching data in the communications markets are based on standalone purchasers for 2009 and 2011
Figure 146 Consumer opinions on ease of switching utilities supplier, among those who had switched in the past 12 months

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2010, June to July 2011, July to August 2012 and 2013
Base: All adults aged 16+ who are the decision-maker and have switched provider in the last 12 months for electricity (2013, 185), gas (2013, 153), car insurance (2013, 492), bank account (2013, 59).
*Caution: Low base in 2012 so treat as indicative only, and base too low for reporting in 2010 and 2011.

8.5 Satisfaction with communications services and providers

Please note – with the exception of the data that report satisfaction with value for money, the following satisfaction data for 2012 and 2013 are based on opinions among all decision makers within each market, and as such, are not directly comparable with data prior to 2012\(^\text{68}\). Subsequent charts highlight demographic differences in the levels of dissatisfaction.

8.5.1 The majority of consumers remain satisfied with their services overall, with dissatisfaction highest in fixed broadband, at one in ten

Data prior to 2012 was based on standalone purchasers only and as such are not directly comparable to the 2012-13 data. Consequently, these trend data have been removed and the chart below shows the short-term trend in satisfaction across each market as a whole.

The majority of consumers in each market remain satisfied with their services overall, with dissatisfaction at between 5% and 11% across markets - highest in the fixed broadband market. Just over one in ten (14%) fixed broadband customers said they had had cause to complain about their fixed broadband service in the past 12 months, as reported in the Consumer protection section, which is higher than reported in each of the other communications markets.

\(^{68}\)Data adjusted in 2012 to report total market satisfaction and as such data prior to 2012 are not directly comparable, so although analysis provides a good indication of trend, we cannot be certain whether any changes indicated are real or due to the change in methodology.
Levels of overall satisfaction remained fairly consistent between 2012 and 2013 across each of the communications markets, with very little variation in levels of dissatisfaction across the demographic groups within each market.

**Figure 147  Satisfaction with overall services from communications supplier - total market: 2012-2013**

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2012 and 2013


In each of the fixed broadband and mobile markets, satisfaction varies according to specific factors. In the fixed broadband market around a fifth of engaged consumers (22%) are dissatisfied with the overall service from their current provider, twice the average level (11%). In the mobile market, there are indications of lower satisfaction among contract customers (86%) compared to pre-pay (90%), but this is due to the higher proportions who are neither satisfied nor dissatisfied in the mobile contract market.

### 8.5.2 Dissatisfaction with reliability of mobile and fixed broadband is highest in rural areas

The reliability of a service should not vary according to how consumers purchase it, so, as with overall satisfaction, the following data are based on consumers across each market regardless of purchasing behaviour. We would expect the reliability of a service to be independent of consumers’ purchasing behaviour.

Data prior to 2012 were based on standalone purchasers only, and are not directly comparable to the 2012-13 data. Consequently, these trend data have been removed, and the chart below shows the short-term trend in satisfaction across each market as a whole.
Satisfaction with reliability is highest in the fixed voice (94%) and digital TV markets (93%) and remains unchanged over the past 12 months. Satisfaction is lower in the fixed broadband (83%) market and has declined significantly in the past 12 months, from 88% in 2012, with dissatisfaction remaining at around one in ten (11%).

In the mobile market we ask about satisfaction with reception and the ease of accessing the network. This currently stands at 82%, unchanged since 2012. Dissatisfaction in this market is highest among those classified as ‘engaged’, at 21% compared to the 12% average. As noted above, this may reflect the profile of ‘engaged consumers’ i.e. higher proportions currently considering switching, but it may also suggest that dissatisfaction with the network may be a factor driving these consumers to consider alternatives.

**Figure 148  Satisfaction with reliability of service (reception/ease of accessing mobile network) among total market: 2012-2013**

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2012 and 2013


The highest levels of dissatisfaction with reliability are noted among consumers living in rural areas, with dissatisfaction with fixed broadband at 17% and mobile at 19% - significantly higher than the averages for these markets (11% and 12%). The apparent rise in dissatisfaction noted in the mobile and fixed broadband markets is not statistically significant.
8.5.3 Dissatisfaction with value for money highest among fixed broadband standalone purchasers and bundlers

Consumers purchasing a bundle of services tend to be billed, or pay a set monthly fee, for all the services included in their package. Therefore, the following analysis has been conducted among standalone purchasers in each market compared to those who bundle any services. As such, longer-term trend data are available and bi-annual trend data are reported below.

In the fixed-line market, where there has been a continued shift towards bundling, dissatisfaction among the remaining standalone purchasers stands at 12%, indicating no significant change over the last few years.

Similarly, in the fixed broadband market there are indications that consumers are switching to bundled services. Dissatisfaction with value for money among the remaining standalone purchasers in this market stands at 16%. This has not changed significantly over the last few years.

Purchasing behaviour in the mobile market remains broadly unchanged, with the majority continuing to purchase this as a standalone service. However, there has been a significant shift towards contract mobiles and smartphones. Satisfaction with value for money in the mobile market among standalone purchasers remains broadly unchanged, with dissatisfaction at 8%.

The only significant change in satisfaction levels has been among bundlers, where dissatisfaction now stands at 14%, nearly twice the level reported in 2011 (shown below) and 2012 (8%). Dissatisfaction appears to be driven by levels of engagement and type of package, rising to 23% among bundlers classified as 'engaged' – driven by significantly higher dissatisfaction among those who have considered switching in the past 12 months (31%). Triple-play bundlers are less satisfied with value for money (17% dissatisfied) than dual-play bundlers (11%).
The rise in dissatisfaction with value for money among bundlers is consistent across all demographic groups; up by at least six percentage points, with the highest rises noted among people in socio-economic groups AB (+8pp) and DE (+10pp).
8.5.4 Three-quarters of broadband customers are satisfied with the speeds they are getting while online

A service aspect specific to the broadband market is speed. As stated in the earlier Availability of services and providers section, Ofcom research\(^{69}\) has found that the overall average actual download speed in the UK had increased from 9.0Mbit/s in May 2012 to 14.7Mbit/s in May 2013.

Two in five fixed broadband customers who expressed an opinion said they were very satisfied with the speed of their broadband service (Figure 152) and in total, three-quarters were satisfied.

Dissatisfaction was highest among the more engaged segments and stood at 26% among ‘engaged’ fixed broadband customers and at 19% among those classified as ‘interested’. This suggests that for these consumers speed of service might be a key factor driving potential switching decisions.

Levels of dissatisfaction also vary by urbanity, with fixed broadband customers living in rural areas twice as dissatisfied with the speed of their service while online, than those living in urban areas (32% vs. 16%). There has been no significant change in these levels since last reported in 2012.

**Figure 152 Satisfaction with speed of fixed broadband service while online: 2012-2013**

![Graph showing satisfaction levels](source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2012-2013)

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2012-2013
Base: All adults aged 16+ who are the fixed broadband decision-maker who expressed an opinion (2012, 1318) (2013, 1254).
Note: ‘Don’t know’ responses have been excluded from the base.

8.5.5 Just under nine in ten adults are satisfied with the postal service overall

Almost nine in ten (87%) residential consumers were satisfied with the postal service as a whole (Figure 153). Those aged over 75 were the most likely to say they were satisfied with the postal service (93%).

**Figure 153 Overall satisfaction with the postal service, by age and gender**

![Graph showing overall satisfaction with the postal service by age and gender](image)

Source: Ofcom post tracking survey  
Base: All adults 16+ (4844)

QE2. Thinking about your experience of using the postal service to send and receive mail, how would you rate your overall satisfaction with the postal service?

As shown in Figure 154, satisfaction was higher for those in Scotland (93%), Northern Ireland (93%), off-shore\(^{70}\) (92%) and remote rural\(^{71}\) locations (92%).

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\(^{70}\) The ‘off-shore locations’ quota comprises the Scottish Islands (population 99859) and the Isle of Wight (population 140,500).

\(^{71}\) ‘Remote rural’ is defined as a village or hamlet with a population of fewer than 2,000 or open countryside that is more than ten miles from a large urban area (defined as having a population of at least 15,000).
Figure 154  Overall satisfaction with the postal service, by nation and urbanity

Source: Ofcom post tracking survey
Base: All adults 16+ (4844)
QE2. Thinking about your experience of using the postal service to send and receive mail, how would you rate your overall satisfaction with the postal service?

8.5.6 Around eight in ten consumers are satisfied with most aspects of Royal Mail’s postal service, although only half were satisfied with the cost of postage

Consumers were asked how satisfied they were with specific aspects of the postal services (Figure 155). Aspects of Royal Mail’s service that received the highest ratings were the number of days post is delivered weekly (93%), number of days post box is emptied (91%), closeness of post box to home/work (89%), last collection time each day (87%) and security of the service (85%). The lowest level of satisfaction was around the cost of postage, with just over half (52%) claiming to be satisfied with this aspect of the service. Eighteen per cent of adults claimed to be neither satisfied nor dissatisfied, and almost a third (30%) claimed to be very, or fairly, dissatisfied with the cost of postage.
Figure 155  Overall satisfaction with aspects of Royal Mail’s postal service

Source: Ofcom post tracking survey
Base: All adults 16+ (4844)
Q: RM3: How would you rate the performance of Royal Mail as a recipient or sender in the following areas on a 5-point scale where 1 is very dissatisfied and 10 is very satisfied

8.5.7  Two-thirds of postal users are satisfied with the value for money provided by the postal service

Satisfaction with the value for money of the postal service is higher than with the cost of postage. Overall, 67% of consumers said they were satisfied with the postal service in terms of value for money. 16-24s reported a lower level of satisfaction than other age groups (Figure 156).
As illustrated below, these satisfaction levels are significantly higher among participants in rural and remote locations.

Consumers in Scotland (78%), Northern Ireland (73%) and remote rural locations (75%) were the most likely to be satisfied with the postal service in terms of value for money (Figure 157).
Figure 157  Satisfaction with the postal service: value for money, by nation and location

As shown in Figure 158 and Figure 159 below, when asked about the value for money of First and Second Class stamps, just under half of consumers (49%) considered that First Class stamps offered good value for money, while two in five (41%) considered Second Class stamps good value. The perceived value for money, for both First and Second Class stamps, declined with age.
Figure 158  Value for money of First Class stamps, by age and gender

Source: Ofcom residential post tracking survey.
Base: All adults 16+ (4844)
QF3: It currently costs 60p to send a standard letter First Class within the UK, how would you rate Royal Mail’s First Class service in terms of value for money?

Figure 159  Value for money of a Second Class stamps, by age and gender

Source: Ofcom residential post tracking survey.
Base: All adults 16+ (4844)
QF3: It currently costs 50p to send a standard letter Second Class within the UK, how would you rate Royal Mail’s Second Class service in terms of value for money?
A recent survey asked consumers to rate their main provider, within ten sectors, for value for money. While not directly comparable with the data shown above, this report provides a useful comparison of levels of satisfaction across different sectors.

Home broadband performed the strongest for value for money among the sectors explored, with just under half (49%) rating their provider highly for value for money. Of the other services reported, mobile phone providers (44%), home telephone companies (43%) and the postal service (40%) also rated comparatively ‘high’ for this measure.

Local councils were seen as offering the worst value for money, with just under one in four rating them ‘low’ for this measure. Around one in five also rated gas/electricity, banks and insurance companies ‘low’ for providing value for money.

**Figure 160  Customers’ perception of value for money across sectors**

Over the last nine years the economic climate of the UK has changed. Over the same period consumer ratings of the value for money of nine sectors has been tracked. For many of the sectors value for money ratings have fallen over this time - most markedly banks, gas/electricity providers and supermarkets. Postal services and delivery is the only sector to have seen an increase in consumer perception of value for money.

Perception of value for money of home telephone services, satellite/cable TV providers and mobile providers has remained relatively stable from 2005 to 2013.

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72 Customers in Britain, conducted by Firebrand Insight in 2013
http://www.firebrandinsight.co.uk/sector-experience/our-life-in-britain-series
73 Note: the research was conducted before the autumn 2013 price rises in the energy sector were announced.
8.6 Consumer information sources

8.6.1 The internet continues to dominate as the main source of trusted information

Participants were asked whether they could spontaneously name any information sources if they wanted to find out about:

- fixed-line providers, price plans and tariffs
- mobile phone handsets, price plans and tariffs and network providers
- broadband speeds, price plans, packages and providers
- ways of receiving multi-channel TV, channel packages and providers
- providers offering packages of services, and the types of packages available

Over 90% could name at least one source of trusted information on aspects of the mobile (92%), broadband (94%) and bundle markets (95%) – broadly unchanged since 2012. The proportion able to cite at least one source of information on the fixed-line market was lower than each of these markets, at 86%, but showed indications of a rise in awareness since 2012. Awareness of information on ways of receiving multi-channel TV and the packages and providers available stood at 89%.
However, awareness of trusted sources of information falls dramatically among older consumers for each of these markets. The proportions of consumers aged 65+ unaware of any trusted sources of information are around double the average, and range from 13% in the mobile market to 26% for fixed line. This lower awareness may indicate a lack of interest in these markets, but may also act as a barrier to switching, by increasing the perceived level of hassle involved for these consumers when searching for alternatives.

Figure 162  Actual sources of trusted information

<table>
<thead>
<tr>
<th>Landline providers, price plans and tariffs</th>
<th>Mobile phone handsets, price plans and tariffs and network providers</th>
<th>Broadband speeds, price plans and packages and providers</th>
<th>Ways of receiving multichannel TV, channel packages and providers</th>
<th>Providers offering packages of services and the types of packages available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Websites of suppliers/service providers 9%</td>
<td>8% 10% 9%</td>
<td>8% 12% 8%</td>
<td>57% 11%</td>
<td>9%</td>
</tr>
<tr>
<td>Cost comparison websites                  13% 8% 12% 8%</td>
<td>53% 67% 57%</td>
<td>70%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet in general                       56% 53% 67% 57%</td>
<td></td>
<td>70%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family members                            9% 10% 10% 11%</td>
<td>9% 10% 10% 11%</td>
<td>9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friends                                   9% 10% 12% 11%</td>
<td></td>
<td>11%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Colleagues                                1% 1% 1% 1%</td>
<td>1% 1% 1% 1%</td>
<td>1%</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>Supplier already using for this service   4% 5% 2% 3%</td>
<td>5% 10% 5% 5%</td>
<td>3%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Another supplier not already using        1% 1% 1% 1%</td>
<td>1% 1% 1% 1%</td>
<td>1%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Visit shop/store selling the technology/device 2% 21% 3% 4%</td>
<td>2% 3% 3% 3%</td>
<td>4%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Magazines/newspapers                      4% 2% 3% 3%</td>
<td></td>
<td>4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TV/radio programmes/advertising            2% *% 2% 3%</td>
<td>*% 2% 3% 3%</td>
<td>3%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Leaflets in store/post                    1% *% *% 2%</td>
<td>*% *% *% 2%</td>
<td>2%</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>Government body/regulator                  1% 1% 1% 1%</td>
<td>1% 1% 1% 1%</td>
<td>1%</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>Other source of information                 *% *% *% *%</td>
<td>*% *% *% *%</td>
<td>*%</td>
<td>*%</td>
<td></td>
</tr>
<tr>
<td>Would not look for information/advice       2% 1% 1% 2%</td>
<td>1% 1% 1% 2%</td>
<td>2%</td>
<td>*%</td>
<td></td>
</tr>
<tr>
<td>Don’t know                                 12% 7% 5% 9%</td>
<td></td>
<td>9%</td>
<td>5%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013. Base: All adults aged 16+ who are the decision-maker for fixed line (1596), mobile (1718), broadband (1291), digital TV (1592), bundle (1133).
Use and influence of price comparison sites

A recent survey asked consumers about the use of price comparison sites. Around one in four (27%) reported that they used price comparison websites on a monthly basis and a further 7% used them more frequently. Over-55s and those in the socio-economic group C2DE are the least likely to be monthly users of comparison sites, or indeed use them at all (11% and 9% respectively saying they never use them).

**Figure 163  Frequency of using price comparison websites**

Source: Customers in Britain 2013, Firebrand Insight
Base: All participants (2013, 1018)

When asked about how their use of price comparison sites had changed, two-thirds of consumers (64%) stated that their use of price comparison websites had increased over the past 12 months, with four in ten (42%) reporting they had used them ‘a little more’ and the remainder (22%) saying they now used price comparison websites ‘a lot more’ than 12 months ago. Overall, only 4% of consumers said that their use had decreased over the past 12 months.

Claimed use of these sites has increased the most among those aged 35–54, with more than two-thirds (68%) of this age group stating that their use had increased over the past 12 months (27% claiming it had increased a lot).

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74 Customers in Britain, conducted by Firebrand Insight in 2013  
The importance to consumers of seeking a good ‘deal’ and using the internet and personal recommendations as trusted sources of information is also illustrated in this survey. Four in five (81%) participants stated that they agreed with the statement: “I make more of an effort than in the past to find the best deal”. As shown in Figure 165 below, two-thirds (66%) of consumers stated that price comparison websites had ‘a fair amount’ or ‘a great deal’ of influence on their purchasing decisions. This varies by age, with almost one in five (19%) 18-34s stating they had a great deal of influence, compared to one in ten (10%) over-55s.

Source: Customers in Britain 2013, Firebrand Insight
Base: All participants (2013, 1018)
8.6.2 A quarter of consumers consider it difficult to compare the costs of bundles of communications services

The different ways consumers are using their devices, and the vast number of alternative tariffs and packages available, makes it important that consumers are able to make comparisons across providers on the aspects important to them, with relative ease.

The following analysis focuses on the ease of making cost comparisons within each market and in relation to comparing the costs of bundles of services. Further trend data on ease of making cost comparisons are available in previous reports, although previous data are based on standalone purchasers only.

Consumer opinions on the ease of making cost comparisons are becoming more comparable across markets. While consumers continue to be less likely to say it is easy to make comparisons in the fixed-line market (61%), stated ease of cost comparisons is broadly comparable across each of the other markets, at around seven in ten. But across markets, varying proportions of participants were unable to give a response, and it is interesting to look at the proportion who said it was ‘difficult’ to make this type of comparison. This analysis suggests that the greatest difficulty is in comparing the costs of bundles of communications services, with 25% saying that this is, or would be, difficult to do.

**Figure 166 Consumers’ opinions on the ease of making cost comparisons**


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75 These data are based on standalone purchasers in each market, compared to bundlers as a whole, as consumers who bundle their services are unlikely to be able to separate out costs for individual services.
8.6.3 Lower stated difficulty in making cost comparisons among older consumers may indicate lack of interest

Consumers aged 45-74 appear most likely to consider it difficult to make cost comparisons across each of the markets. The lower stated difficulty among older consumers (aged 75+) may indicate a lack of interest, as opposed to less difficulty

**Figure 167 Age and gender profile of those who find it difficult to make cost comparisons**

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013. Base: All adults aged 16+ who are the decision-maker for fixed line (1596), mobile (1718), broadband (1291), digital TV (1592), bundle (1133). *Caution: Low base size for 75+ adults for broadband, TV and bundle, treat as indicative only. Base too low for reporting for 16-24 for fixed-line, broadband, TV or bundled services

There are indications that consumers in the ABC1 socio-economic group are more likely to think it is difficult to make cost comparisons in the fixed-line, mobile, fixed broadband and bundled services markets, compared to those in socio-economic group C2DE.

**Figure 168 Socio-economic and urbanity profile of those who find it difficult to make cost comparisons**

Source: Ofcom decision-making survey carried out by Saville Rossiter-Base in July to August 2013. Base: All adults aged 16+ who are the decision-maker for fixed line (1596), mobile (1718), broadband (1291), digital TV (1592), bundle (1133).