Ease of accessing bills

Consumer research – March/June 2011

Contents

Methodology

Survey methodology

- Ofcom ran two short surveys on the TNS weekly face to face omnibus. The total sample is representative of UK adults aged 16+ (March) and GB adults aged 16+ (June). The questionnaires are contained in the annex to this report.

- The surveys were conducted during March 2011 and June 2011. In March the survey achieved a total of 762 fixed line customers, 385 fixed broadband customers, 729 mobile contract customers, 408 Pay TV customers and 659 purchasing a bundle on a single bill. In June the survey achieved a total of 369 fixed line customers, 163 fixed broadband customers, 697 mobile customers, 169 Pay TV customers and 348 purchasing a package on a single bill

- Data referred to as ‘significantly’ different have been tested at 99% confidence interval and where findings are reported as ‘indicative’ these tested positive at 95%.

Definitions

- *Bundle* – purchases other services from fixed broadband provider and receives a single bill covering all these services

- *Standalone purchaser* – purchases no other services from fixed broadband provider OR purchases other services from fixed broadband provider but receives a separate bill for fixed broadband.

- Analysis by market is based on standalone purchasers as detailed above.

- In order to put the findings from this survey in context this report contains references to Ofcom’s Technology Tracker data. The full data tables from this survey can be accessed via the website http://stakeholders.ofcom.org.uk/market-data-research/statistics/

Background and objectives

- In September 2010 Ofcom published a consultation on switching processes in the UK communications sector. The focus of this consultation was to develop a strategic approach to switching processes and explore ways of improving switching processes (where appropriate) in order to deliver positive consumer experiences and good competition outcomes across the communications sector.

- To support the development of options for inclusion in the second consultation which will focus on switching fixed line and fixed broadband services on BT's copper network (where there is evidence of greatest harm) additional research was required.

- The objective of this specific piece of research was to understand whether consumers receive paper or electronic bills and how easy it is for consumers to access their bills. One of the options that was being considered would require the consumer to get a Unique Service Number from their bill and for them to give this to the gaining provider to allow them to switch.

- The survey covered the following aspects of billing:

  - extent to which consumers receive bills for their communications services
  - format of the bills (paper or electronic)
  - ease of accessing bills

- The survey covered each of the fixed line, fixed broadband, mobile contract, Pay TV and main bundle combinations (fixed and fixed broadband, fixed, fixed broadband and Pay TV).

Executive summary

Billing preferences

- Most consumers in each market say they receive a bill. Pay TV* is the market where consumers are least likely to receive a bill (37% say they do not) followed by those purchasing fixed broadband as a standalone product (17%).
- Preferences for online vs. paper billing vary by market. In the fixed line standalone market there is an overall preference for paper billing, compared to fixed broadband and mobile contract standalone markets where there is a preference for online billing. For bundles preferences are polarised at an overall level but clear preferences are demonstrated by demographic within this market.
- Preferences vary within market largely by age. Older consumers in each of the mobile, fixed line and bundled markets are more likely to receive paper bills than online bills. C2DE consumers in each of these markets were also more likely to receive paper bills.
- Some consumers receive some form of notification of their charges. Largely this is in addition to receiving a bill. Around four in ten consumers in the fixed line and fixed broadband markets say they receive some form of notification compared to around three in ten in the Pay TV market.

Bill checking behaviour

- Fixed line bills are most likely to always be checked (71%). Bill checking is significantly lower but broadly consistent across all other markets with around three in five always checking these and a further one in five sometimes doing so. Around two-thirds of consumers in the bundled market said they always check their bill.
- This behaviour also varies by age – older consumers in each market are most likely to regularly check their bills.

Ease of accessing bills

- On average most consumers who receive a bill in each market say it would take them around 5-6 minutes to access their latest bill. Accessing bills is unsurprisingly easier for regular bill checkers (less than 5 minutes) however, those who say they rarely or never check their bills estimate it would take them between 5-10 minutes to access it.

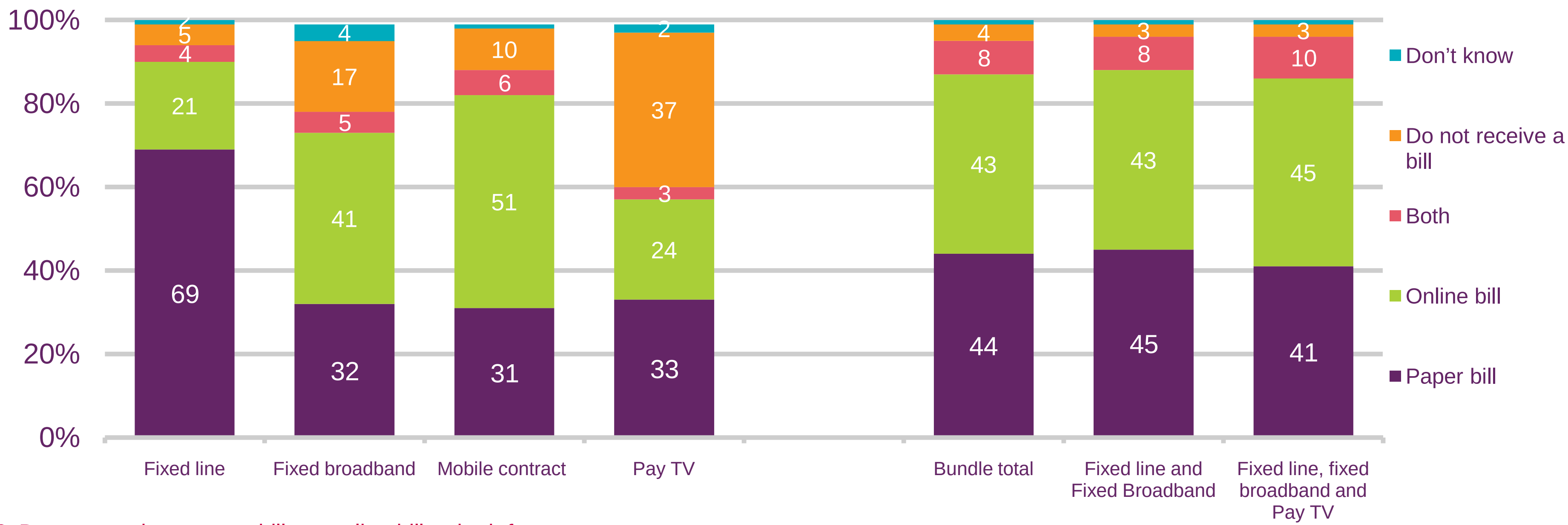
* Billing in the Pay TV market is likely to be somewhat dictated by the type of service being purchased i.e. top-up vs. monthly subscription however, this survey did not collect this data

Billing options by market

Most consumers say they receive a bill for each of their communications services – Pay TV standalone purchasers are least likely to receive a bill.* 17% of fixed broadband standalone purchasers say they do not receive a bill for this service

Online billing is most popular amongst mobile contract, bundled purchasers and fixed broadband customers.

Whether receive a bill for their communications service/s



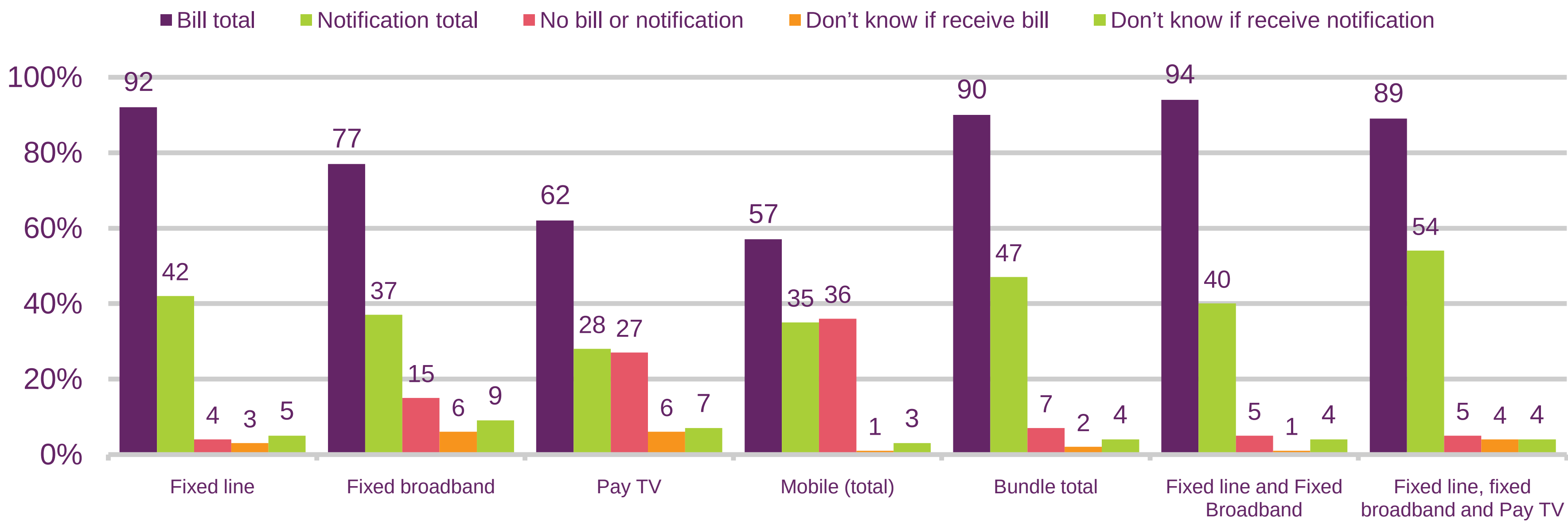
Q6. Do you receive a paper bill, an online bill or both for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All adults with fixed line (762), fixed broadband (385), mobile contract (729), Pay TV (408), Bundle (659)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service
*NOTE: Billing in the Pay TV market is likely to be somewhat dictated by the type of service being purchased i.e. Top-up vs. monthly subscription however, this survey did not collect this data

Bill and/or notification of charges

Receipt of some form of notification of charges is most common in the bundled markets (47%) - particularly amongst triple-play bundlers (54%).

Around four in ten in each of the fixed and fixed broadband markets say they receive some form of notification of their charges which compares to around three in ten in the Pay TV market.

Whether receive a bill and/or notification of monthly/quarterly charges for communications service/s

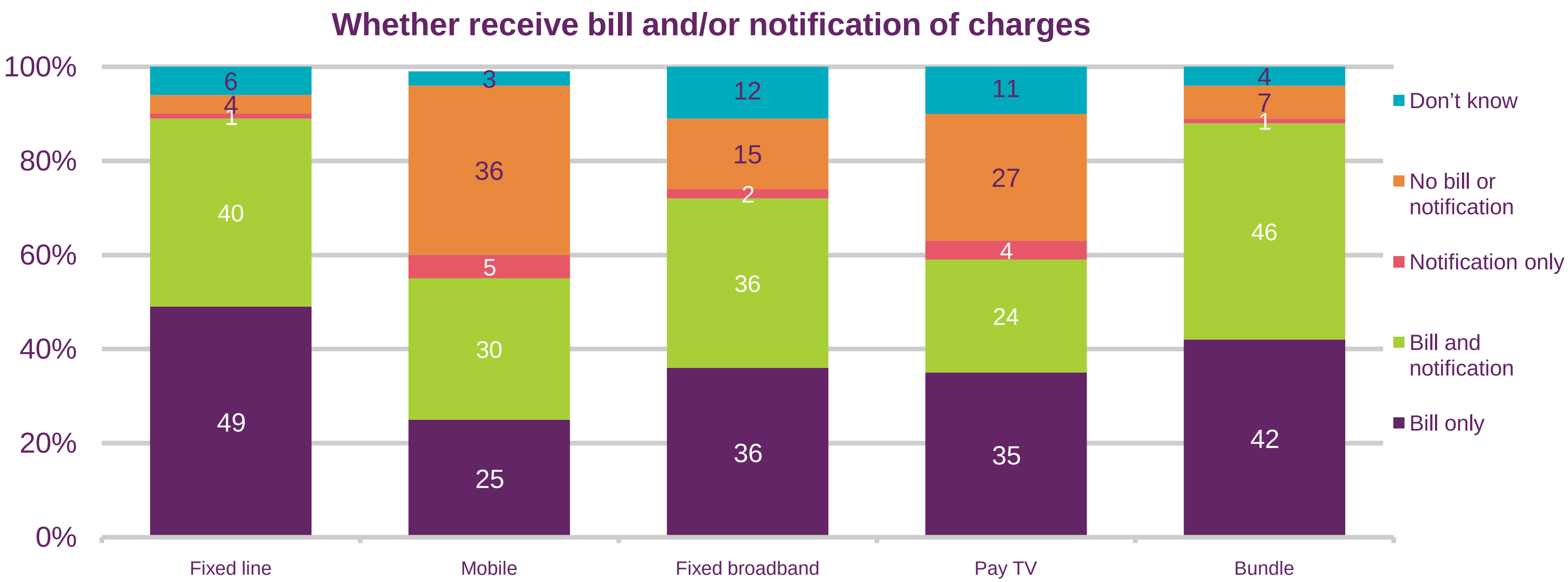


Q6. Do you receive a paper bill, an online bill or both for your…..Do you receive any notification of your monthly/quarterly charges for your….?
Source: TNS face to face omnibus survey, June 2011 [survey results not directly comparable with those on previous slide as run on later survey]
Base: All adults with fixed line (369), fixed broadband (163), mobile total (697), Pay TV (169), Bundle (348)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service
NOTE: Mobile data is amongst all mobile customers - around half of mobile customers use prepay services which explains the higher level of 'no bill or notification' in this market. The mobile data is not directly comparable to data on previous slide which is based on contract customers only.

Notifications and/or bills

Only in a minority of cases do consumers say they receive only a notification of their charges as opposed to both some form of notification alongside a bill.

The proportion of don't know responses is inflated by the proportion of consumers unsure whether they receive a notification – the majority of those in this don't know category said they do receive a bill.

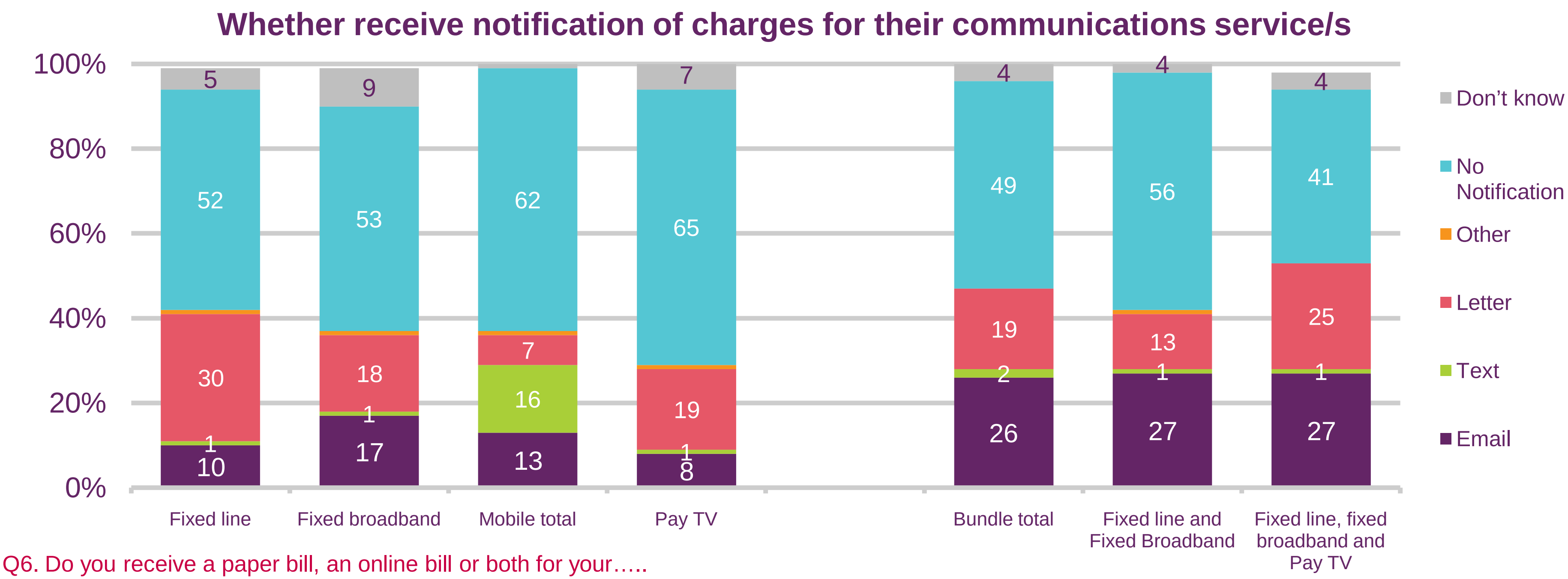


Q6. Do you receive a paper bill, an online bill or both for your…..Do you receive any regular notification of your monthly or quarterly charges?
Source: TNS face to face omnibus survey, June 2011
Base: All adults with fixed line (369), Mobile (697), Fixed broadband (163), Pay TV (169), Bundle (348) Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service
NOTE: Where respondents were unable to answer either one of the questions relating to receipt of bill or notification responses have been allocated to don't know

Type of notification received

Emails are the most common form of notification received in the bundle market with around a quarter of consumers saying they receive an email notifying them of their charges. Slight differences in the types of notification received are noted amongst different bundle options – a quarter of triple-play bundlers (including Pay TV) say they receive a letter notifying them of their charges which compares to just over one in ten (13%) amongst those purchasing just fixed line and fixed broadband services.

In the fixed line market it is more common for consumers to receive a letter notifying them of their charges (30%) and unsurprisingly in the mobile market consumers are more likely to receive a text message than any other market (16%).



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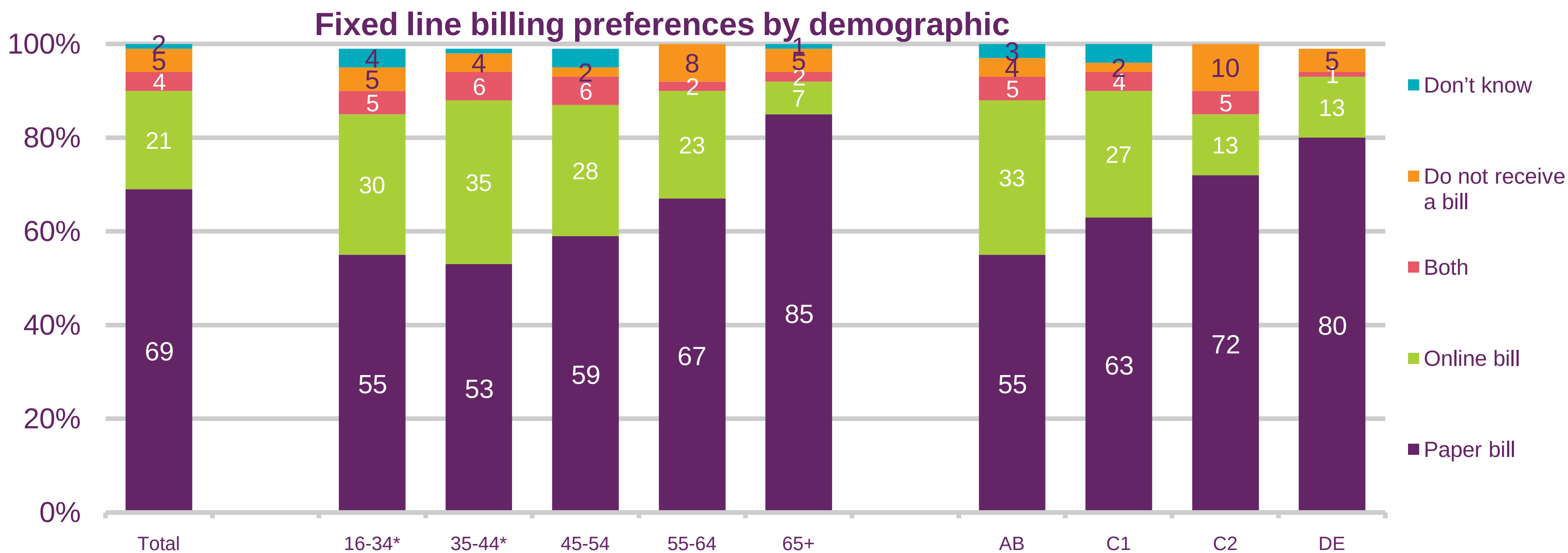
Base: All adults with fixed line (762), fixed broadband (385), mobile contract (729), Pay TV (408), Bundle (659)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service
NOTE: Billing in the Pay TV market is likely to be somewhat dictated by the type of service being purchased i.e. Top-up vs. monthly subscription however, this survey did not collect this data

Fixed line standalone purchasers

Ofcom's Technology Tracker data (W1 2011) suggests standalone purchasers account for just under half of fixed line consumers – with the remaining half purchasing this service as part of a bundle

Billing preferences vary by age and socio-economic group. Paper billing is more popular amongst older consumers (65+) and C2DE socio-economic groups. C2 groups and those aged 55-64 are the most likely to say they do not receive a fixed line bill (8% and 10% respectively)

1% of fixed line standalone purchasers say they only receive an online bill but do not have home internet access.



Q6. Do you receive a paper bill, an online bill or both for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All adults with fixed line (762) Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service * small base size treat as indicative only

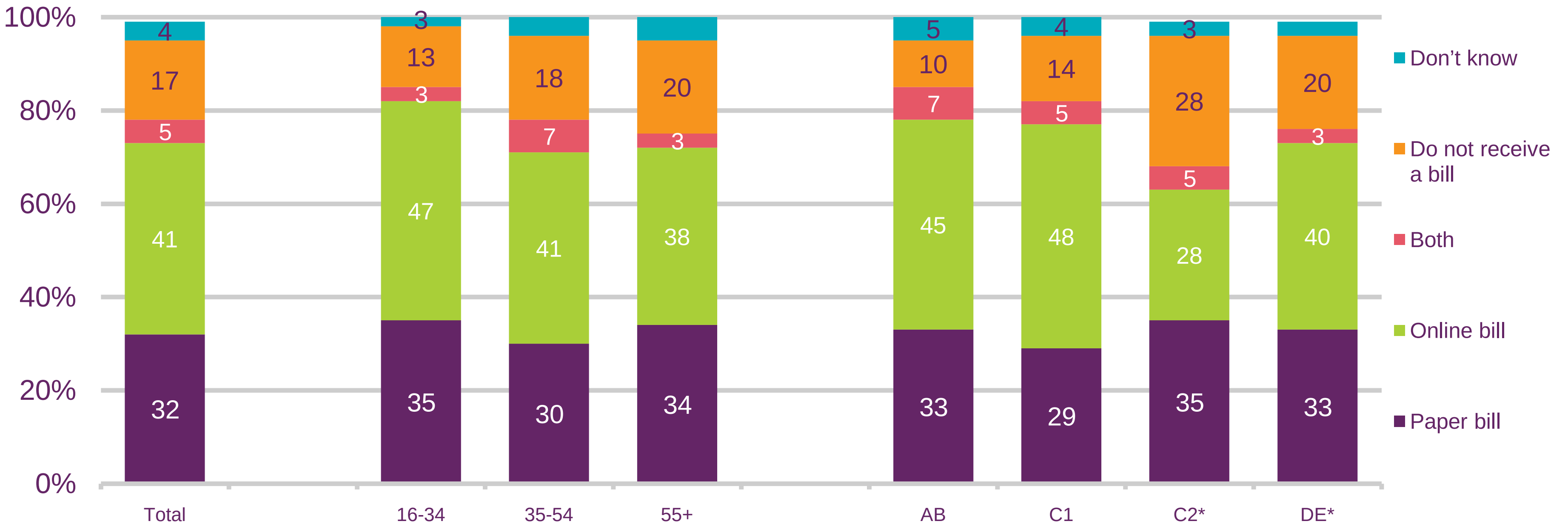
Fixed broadband standalone purchasers

Data from Ofcom's Technology Tracker (W1 2011) suggests that standalone purchasers make up around a third of fixed broadband consumers with the remaining two-thirds purchasing this service as part of a bundle.

Online billing (46%) is more popular in this market than paper billing (37%) although just under a fifth (17%) say they do not receive a bill at all for their fixed broadband standalone service.

There were few demographic differences in billing preferences – indications that C2 groups are less likely to say they receive a bill for this service.

Fixed broadband billing preferences by demographic



Q6. Do you receive a paper bill, an online bill or both for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All adults with fixed broadband (385) Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service * small base size treat as indicative only.

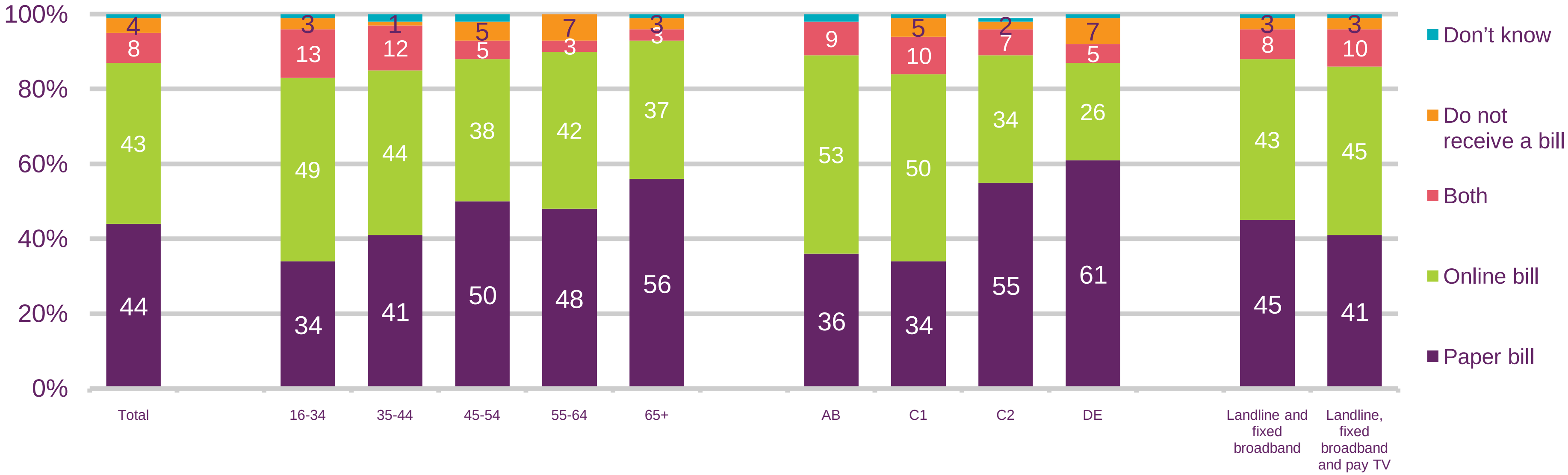
Bundled purchasers (single bill)

Ofcom's Technology Tracker (W1 2011) reports that just over half (53%) of adults purchase at least some of their home communications services as part of a bundle and 94% receive a single bill for this package. The most popular bundles include a combination of landline and fixed broadband.

Almost all (94%) bundled purchasers have internet access at home and at an overall level online billing (51%) is as popular as paper billing (52%) in this market.

Paper billing is higher than average amongst older 'bundlers' and those in C2DE socio-economic groups. Whereas online billing is more popular than paper billing for younger consumers in this market (16-44) and ABC1 groups.

Bundle billing preferences by demographic



Q46 Do you receive a paper bill, an online bill or both for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All adults with bundle of services which they receive on a single bill (659)

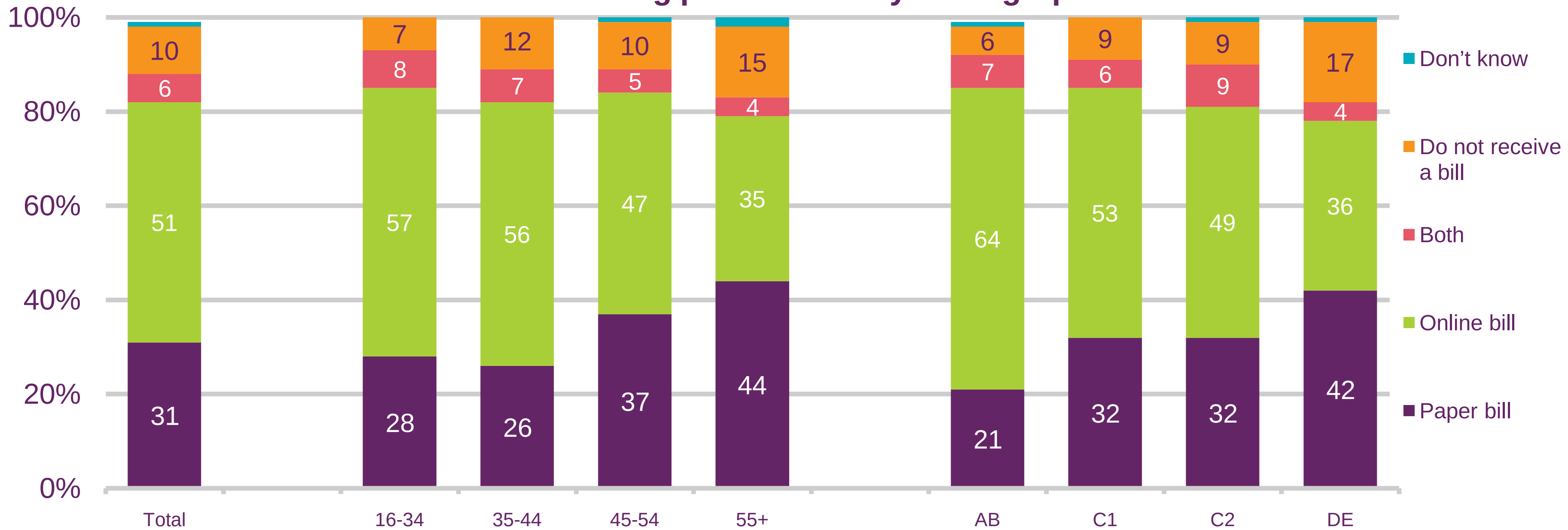
Mobile contract standalone purchasers

Data from Ofcom's Technology Tracker (W1 2011) reports that half (49%) of mobile customers subscribe to a monthly contract.

The majority of these consumers receive a bill for their service with one in ten saying they do not. Online billing is more popular than paper billing in this market with 57% of mobile contract standalone purchasers saying they receive an online bill – this compares to just over a third (37%) who say they receive a paper bill.

Billing preferences vary by age with older consumers in the market more likely to opt for paper billing than younger consumers. There are also varying preferences by socio-economic group with online billing preferred by significantly more AB consumers (71%) than DE (40%) who are significantly more likely than average to say they don't receive a bill at all.

Mobile contract billing preferences by demographic



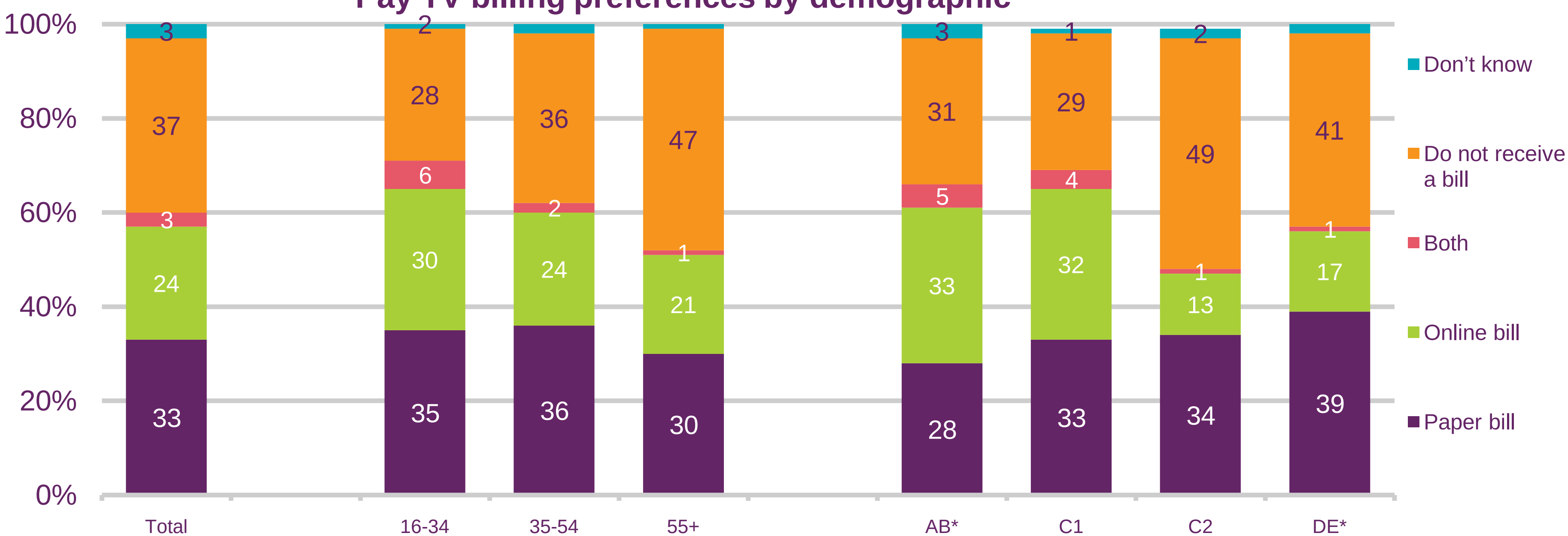
Q6. Do you receive a paper bill, an online bill or both for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All adults with contract mobile (729) Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Pay TV standalone purchasers

Data from Ofcom's Tech Tracker (W1 2011) reports that just over half of Pay TV customers purchase this as a standalone service. It is likely that billing preferences in this market are driven to some extent by the type of Pay TV service being purchased i.e. Sky and Virgin monthly subscription services vs. top up Freeview services. There may be some correlation between billing preferences and the type of Pay TV package being purchased however, this study was not designed to look at this aspect.

Consumers in the Pay TV market (standalone purchasers) are least likely to say they receive a bill for this service. (37%) Of those that do, it is more likely to be a paper bill (36%) than an online bill (27%). Older consumers (55+) and those in C2DE socio-economic groups are least likely to say they receive a bill.

Younger consumers in this market are more likely to say they receive an online bill than no bill at all whereas C2DE socio-economic groups are more likely to not receive a bill.

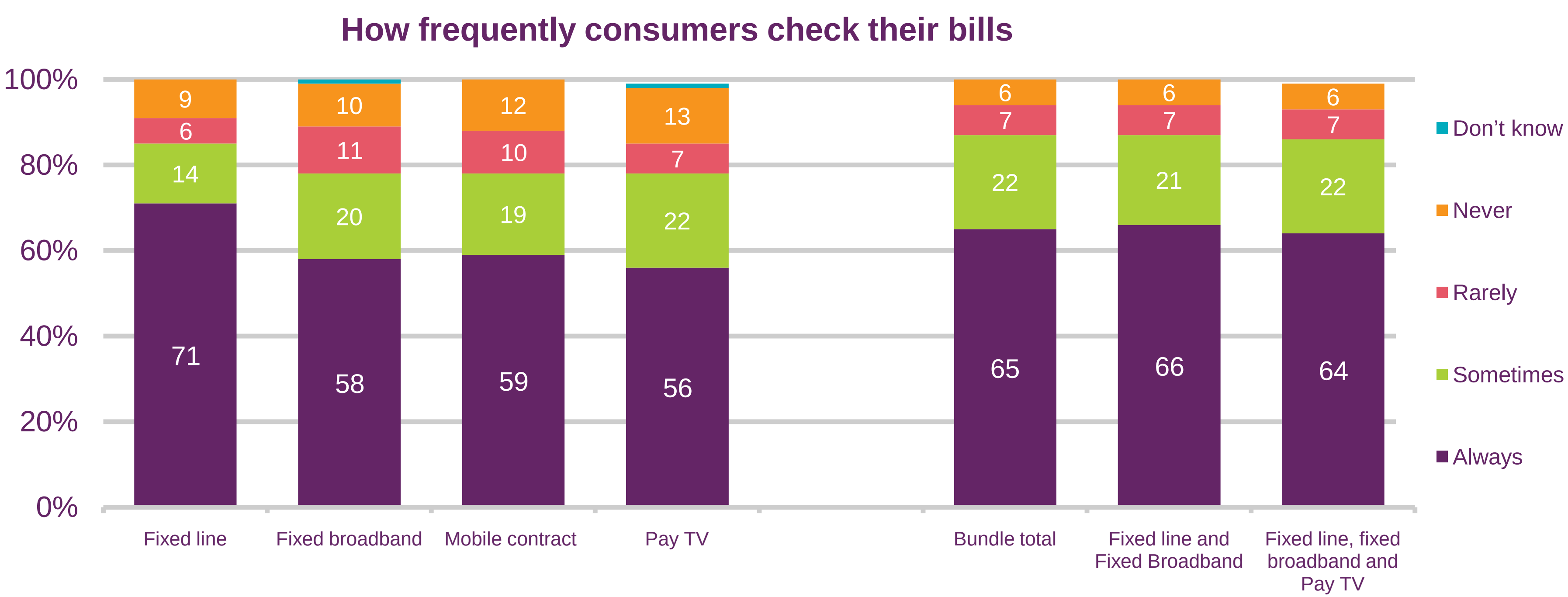


Q6. Do you receive a paper bill, an online bill or both for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All adults with Pay TV (408) Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service * small base size treat as indicative only

Frequency of checking bills – by market

Amongst those who receive a bill – the majority of consumers in each market say they at least sometimes check this – bill checking is most common amongst fixed line standalone (85%) and bundle purchasers (87%)

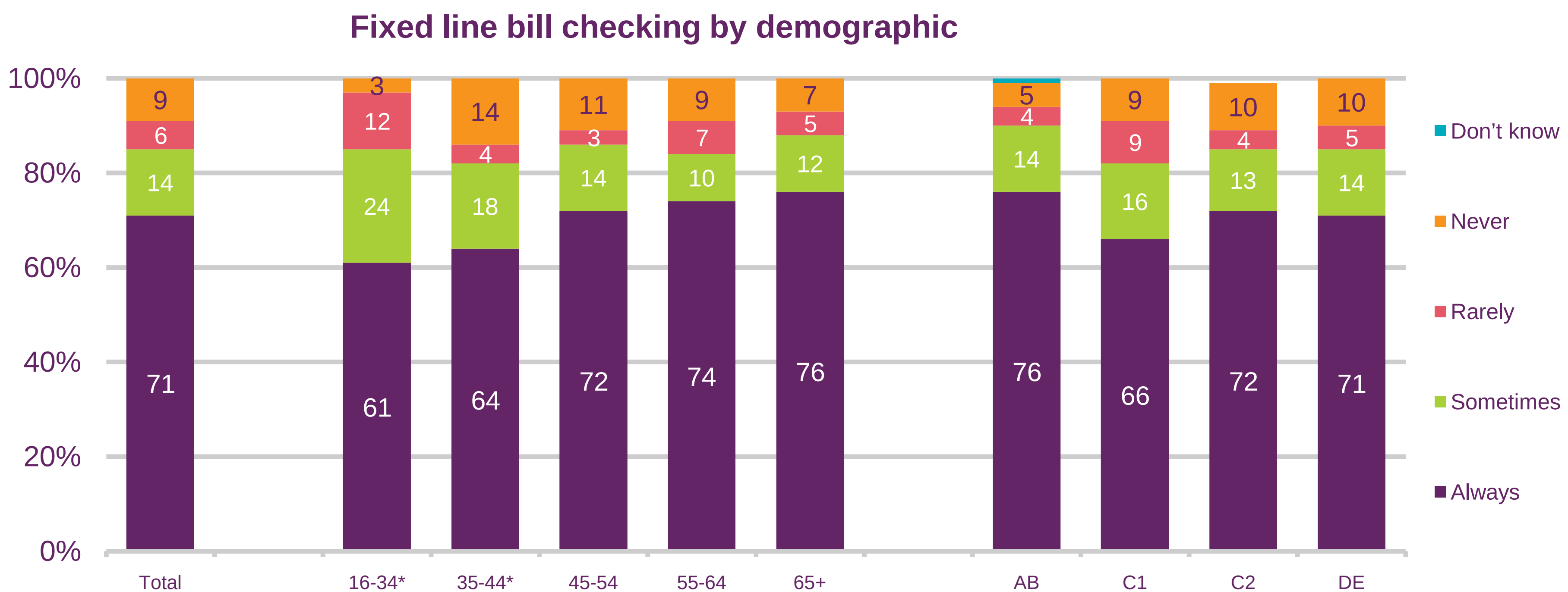
Around a fifth of standalone purchasers in the other communications markets said they rarely or never check their bills.



Q7. How regularly, if at all, do you check the bill for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All aware of/bill received - with fixed line (709), fixed broadband (300), mobile contract (643), Pay TV (241), Bundle (626)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Fixed line bill checking

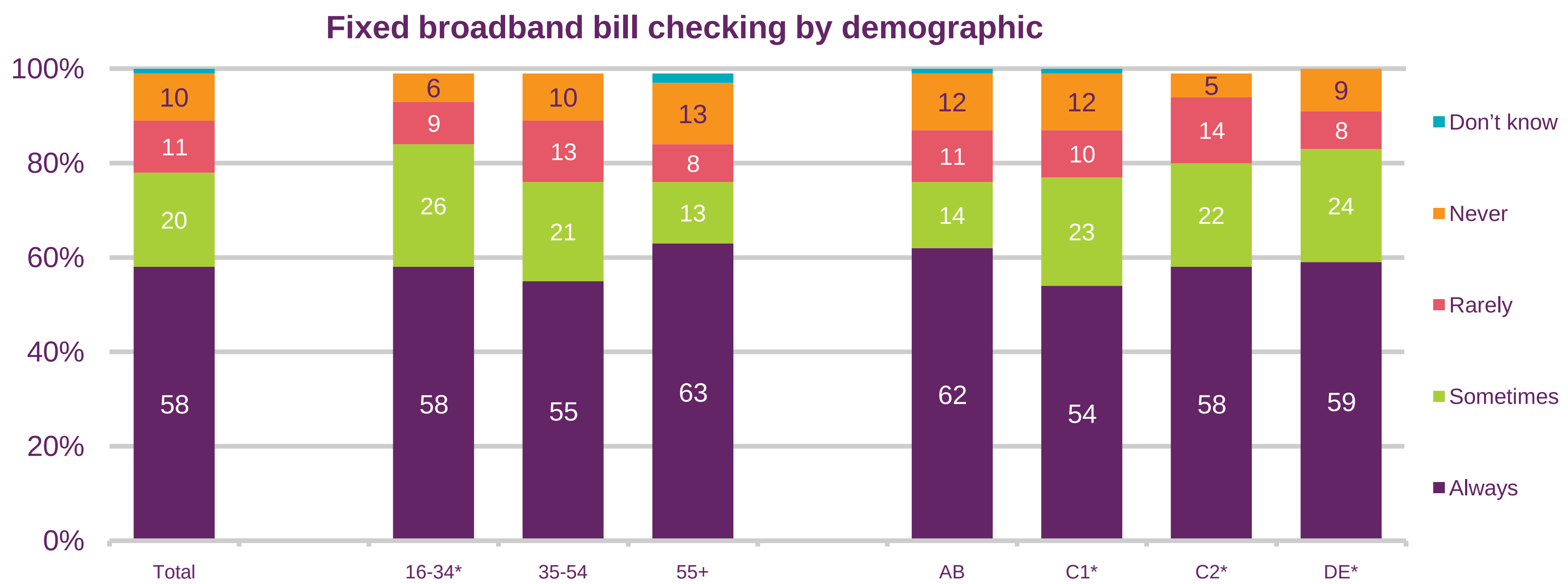
As noted on previous slide – regular bill checking is highest in the fixed line market. Older consumers are the most likely to always check their bill while younger consumers in this market are more likely say they sometimes check their bill.



Q7. How regularly, if at all, do you check the bill for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All aware of/bill received - with fixed line (709)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Fixed broadband bill checking

There are no demographic differences with regards to bill checking in the fixed broadband standalone market.



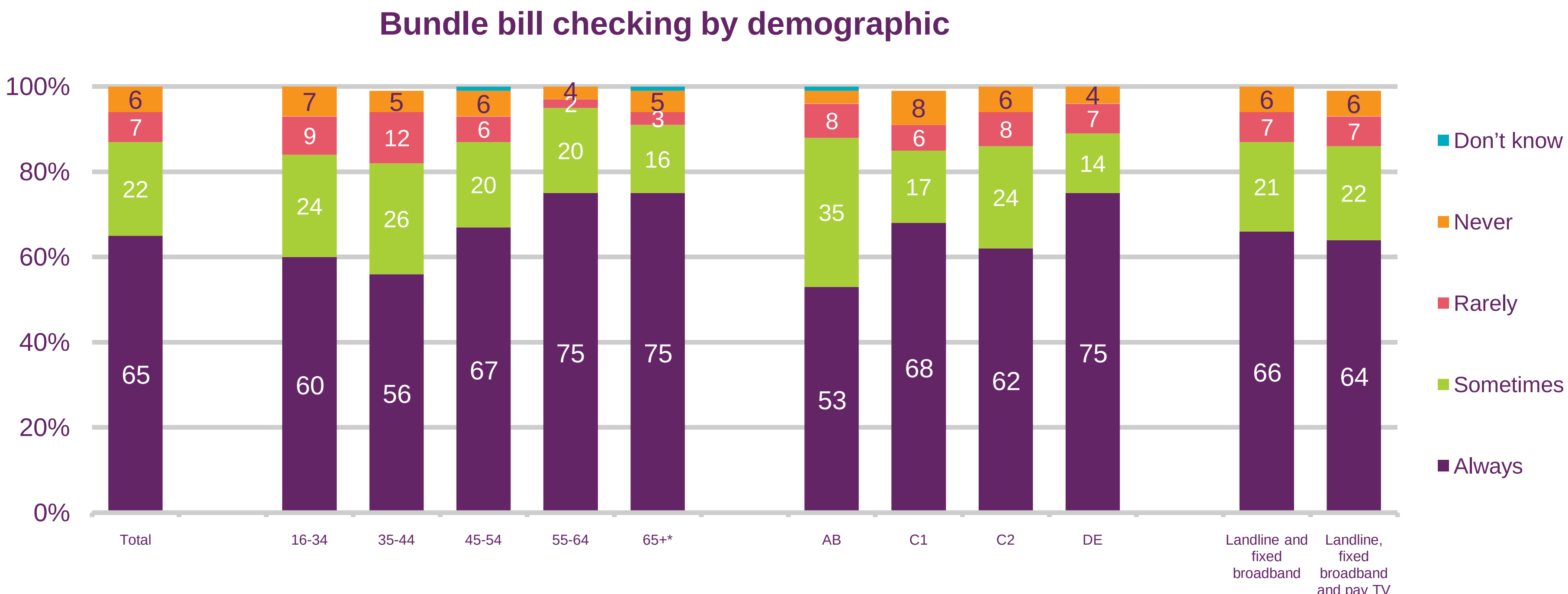
Q7. How regularly, if at all, do you check the bill for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All aware of/bill received – with fixed broadband (300)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Bundled purchasers (single bill) – bill checking

As noted earlier – bill checking is more common for bundles than most standalone services (with the exception of fixed line).

Older consumers in this market are more likely than average to say they always check their bill (75%) compared to behaviour amongst younger consumers in this market (60% for 16-34 year olds and 56% amongst 35-44 year olds).

DE socio-economic groups were significantly more likely to say they always check their bill (75%) compared to AB groups (53%).



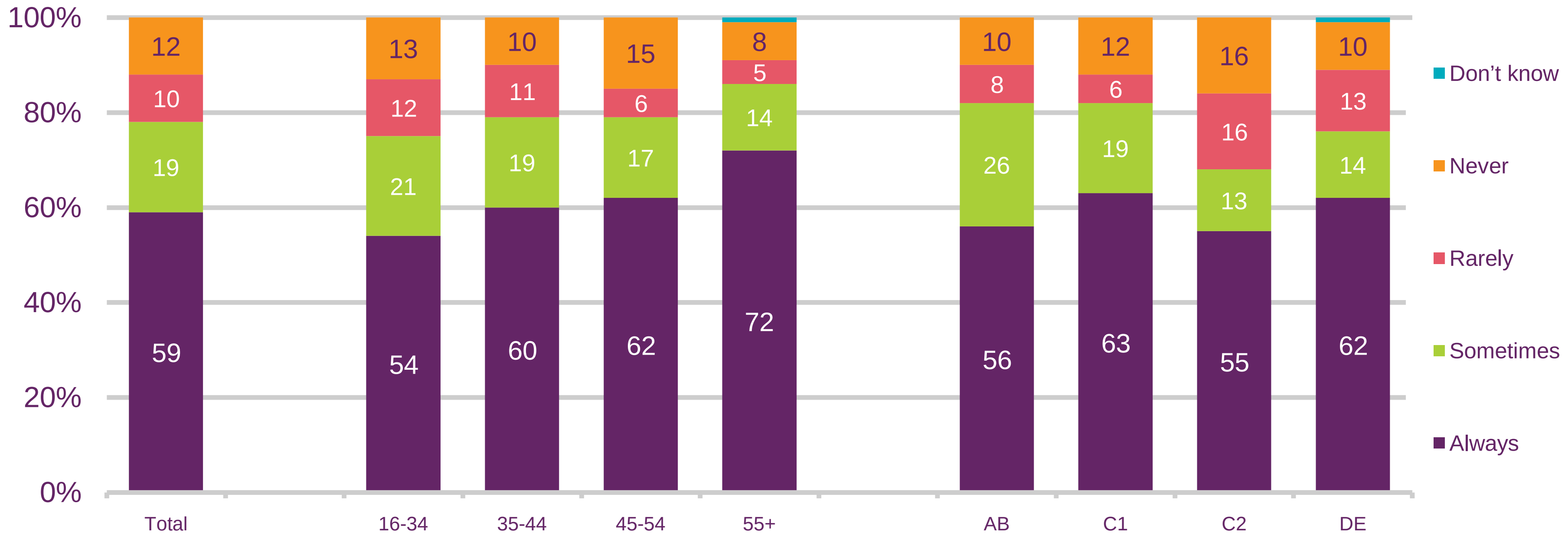
Q7. How regularly, if at all, do you check the bill for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All aware of bill received – with Bundle (626)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Mobile contract bill checking

Consumers are as likely to check their mobile bill as they are to check their fixed broadband and Pay TV bills – around four in five consumers in each of these markets say they check their bills at least sometimes.

Bill checking is more common amongst older consumers (55+) where almost three-quarters say they always check their mobile bill. There were fewer variations by socio-economic group. C2's were the only group less likely than average to check their bill at least sometimes.

Mobile contract bill checking by demographic

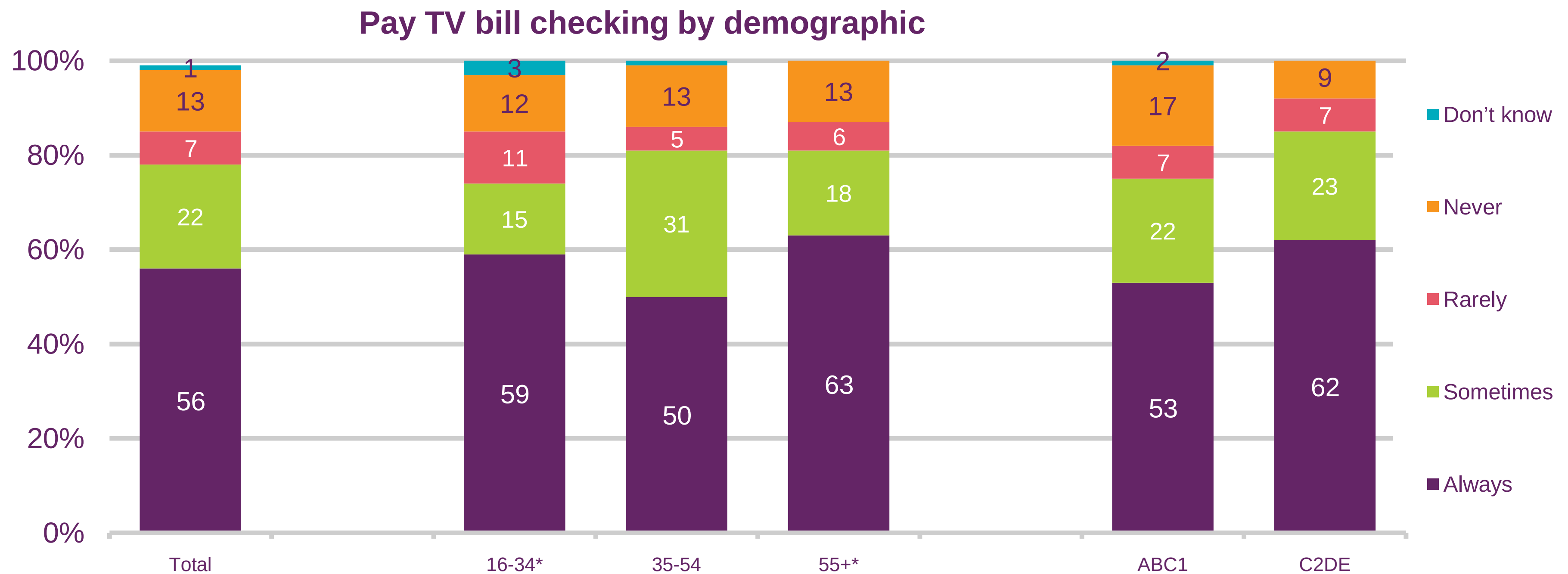


Q7. How regularly, if at all, do you check the bill for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All aware of/bill received – with mobile contract (643)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Pay TV bill checking

The Pay TV standalone market is where non-receipt of a bill is highest (37% say they do not receive a bill). Amongst those who receive a bill in this market just over half (56%) always check this while a fifth say they rarely or never check their bill.

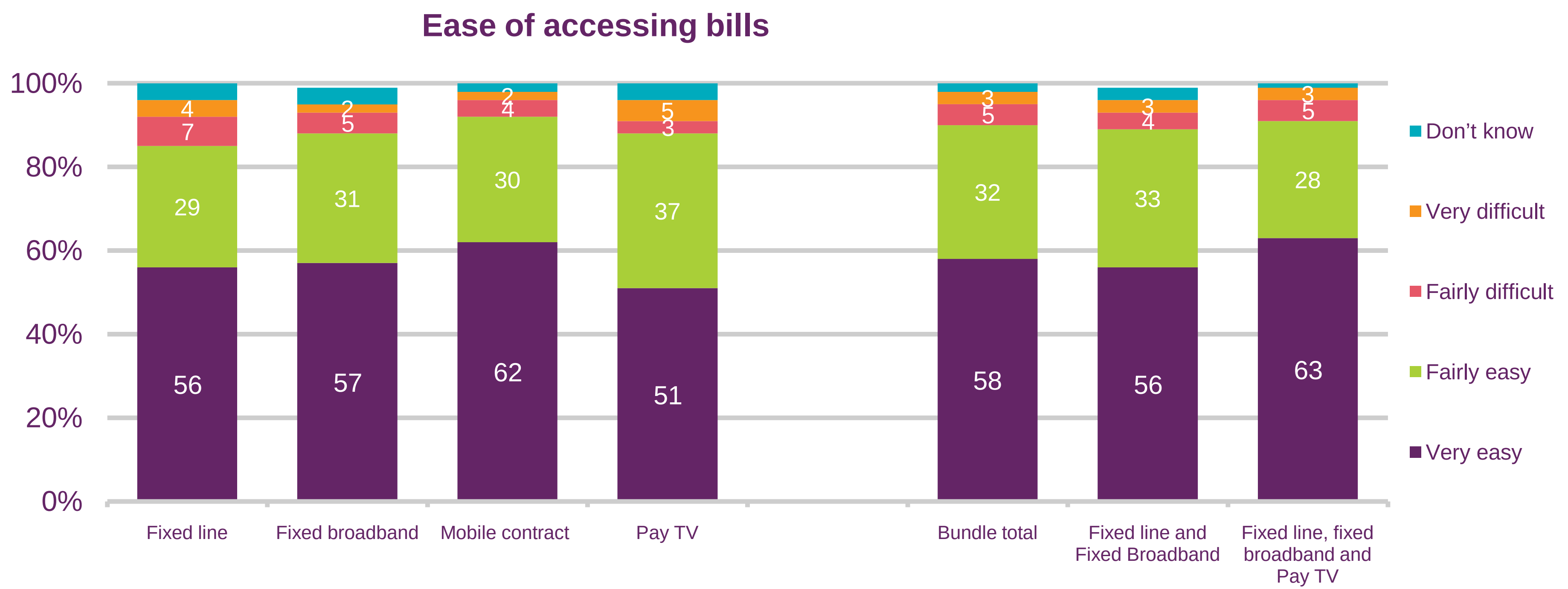
There were some variations on bill checking behaviour by demographic – C2DE socio-economic groups were more likely than ABC1's to say they always check their bill (62% vs. 53%) and less likely to say they never do so (9% vs. 17%).



Q7. How regularly, if at all, do you check the bill for your…..
Source: TNS face to face omnibus survey, March 2011
Base: All aware of bill received – with Pay TV (241)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Ease of accessing bills – by market

Amongst those consumers who receive a bill in each market most thought it would be very or fairly easy to access their bill if they needed to.



Q8. How easy or difficult would it be for your to access the most recent bill for your….
Source: TNS face to face omnibus survey, March 2011
Base: All aware of bill received - with fixed line (709), fixed broadband (300), mobile contract (643), Pay TV (241), Bundle (626)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Time taken to access bill – by market

While most decision makers, aware that they receive a bill, in each market said they would be able to source their most recent bill in up to 5 minutes a minority said it would take more than 30 minutes or they would not be able to access it at all. Fixed line and Pay TV markets indicated the highest proportions stating they would be unable to access their latest bill (6% and 5% respectively)

Accessing bills is unsurprisingly easier amongst those who regularly check them i.e. those who always check their bills tend to say it would take less than 5 minutes to access the latest one. However, even amongst those who rarely or never check their bill most estimate would take them between 5-10 minutes to access it.

	Fixed line	Fixed broadband	Bundle	Mobile contract	Pay TV
Up to 5 minutes	57%	57%	65%	64%	58%
5-10 minutes	22%	27%	23%	24%	22%
11- 20 minutes	3%	4%	3%	3%	3%
21-20 minutes	1%	2%	1%	1%	1%
More than 30 minutes	4%	2%	2%	2%	3%
Don't know	7%	6%	3%	4%	8%
Can't access	6%	1%	2%	2%	5%
Average time (excluding DK and can't access)	**6 minutes**	**6 minutes**	**5 minutes**	**6 minutes**	**6 minutes**

Q10. How long do you think it would take you to access the most recent bill for your….
Source: TNS face to face omnibus survey, March 2011
Base: All aware of/bill received - with fixed line (709), fixed broadband (300), mobile contract (643), Pay TV (241), Bundle (626)
Data for individual services are for standalone purchases – i.e. service not purchased as part of a bundle or receives separate bill for this service

Annex A: Questionnaire 1

ASK ALL
Q1. Which of these services are in your household? MULTICODE
A mobile phone
A landline phone
Fixed line broadband (access through a phone line or cable service (high speed access which is always on, so the home phone and the internet can be used at the same time, you may use a wireless connection)
TV services with additional channels that you pay to receive (Pay TV)
None of these – SINGLE CODE
(DK\CR)

ASK ALL
Q2. Which, if any, of these services are you primarily or jointly responsible for - in terms of deciding which supplier or network to use or paying the bill?
…land line phone
…mobile phone
…fixed-line broadband
…Pay TV

ASK ALL RESPONSIBLE FOR MOBILE
Q3. Which of these best describes the main mobile phone package that you use? SINGLE CODE
Prepay/Pay as you go
Monthly contract
Other
Don’t know

ASK ALL RECEIVING AND RESPONSIBLE FOR MORE THAN ONE SERVICE
Q4. Do you receive any of these services as part of an overall deal, bundle or package from the same supplier? READ OUT SERVICES SHOWN THAT RESPONDENT IS RESPONSIBLE FOR
…land line phone
…mobile phone
…fixed-line broadband
…Pay TV

Annex A: Questionnaire 1

ASK RECEIVING MORE THAN ONE SERVICE FROM SINGLE SUPPLIER
Q5. Do you receive one bill or more than one bill for this package of services? SINGLE CODE
One bill – CONTINUE TO ASK ABOUT PACKAGE FOR SERVICES
More than one bill – CONTINUE TO ASK ABOUT SEPARATE SERVICES BUT WILL NEED ANALYSIS OF THESE RESPONDENTS AS A SEPARATE GROUP (i.e. PACKAGE WITH SEPARATE BILLS)
Don't know

ASK FOR ALL SERVICES RESPONSIBLE FOR INCLUDING THOSE WITH PACKAGE
Q6. Do you receive a paper bill, an online bill or both for your…ALLOW CODE FOR NO BILL
…land line phone
…mobile phone
…fixed-line broadband
…Pay TV
…package of services – ONLY IF SINGLE BILL RECEIVED FOR SERVICES INCLUDED
Paper bill
Online bill
Both
Do not receive a bill
DK

ASK ALL AWARE OF TYPE OF BILL RECEIVED
Q7. How regularly, if at all do you check the bill for your [INSERT SERVICE/PACKAGE]?
…land line phone
…mobile phone
…fixed-line broadband
…Pay TV
…package of services – ONLY IF SINGLE BILL RECEIVED FOR SERVICES INCLUDED
Always
Sometimes
Rarely
Never
DK

Annex A: Questionnaire 1

ASK ALL AWARE OF TYPE OF BILL RECEIVED
Q8. How easy or difficult would it be for you to access the most recent bill for your [insert service] if you needed to? SINGLE CODE
Very easy
Fairly easy
Fairly difficult
Very difficult
Don't know

ASK ALL WHO SAID IT WAS DIFFICULT FOR THEM TO ACCESS THEIR BILL
Q9. Why is it difficult for you to access your [insert service] bill? MULTICODE/
Don't know online details/password
Cannot access internet at home
Paper bill not kept at home
Not sure where paper bill is
Don't keep copies of bill/throw bill away
Other (specify)
Don't know

ASK ALL AWARE OF TYPE OF BILL RECEIVED
Q10. How long do you think it would take you to access the most recent bill for your [insert service] if you needed to? SINGLE CODE
Less than 5 minutes
5-10 minutes
10-20 minutes
20-30 minutes
More than 30 minutes
Could not access it at all/do not have it anymore
Don't know

Annex B: Questionnaire 2

ASK ALL
Q1. Which of these services are in your household? MULTICODE
A mobile phone
A landline phone
Fixed line broadband (access through a phone line or cable service (high speed access which is always on, so the home phone and the internet can be used at the same time, you may use a wireless connection)
TV services with additional channels that you pay to receive (Pay TV)
None of these – SINGLE CODE
(DK\CR)

ASK ALL
Q2. Which, if any, of these services are you primarily or jointly responsible for - in terms of deciding which supplier or network to use or paying the bill?
…land line phone
…mobile phone
…fixed-line broadband
…Pay TV

ASK ALL RECEIVING AND RESPONSIBLE FOR MORE THAN ONE SERVICE
Q4. Do you receive any of these services as part of an overall deal, bundle or package from the same supplier? READ OUT SERVICES SHOWN THAT RESPONDENT IS RESPONSIBLE FOR
…land line phone
…mobile phone
…fixed-line broadband
…Pay TV

Annex B: Questionnaire 2

ASK RECEIVING MORE THAN ONE SERVICE FROM SINGLE SUPPLIER
Q5. Do you make a single payment for this package of services or do you pay for the services individually SINGLE CODE
Single payment – CONTINUE TO ASK ABOUT PACKAGE FOR SERVICES
Pay individually – CONTINUE TO ASK ABOUT SEPARATE SERVICES BUT WILL NEED ANALYSIS OF THESE RESPONDENTS AS A SEPARATE GROUP (i.e. PACKAGE WITH SEPARATE BILLS)
Don't know

ASK FOR ALL SERVICES
Q.7 [Other than a bill for your [SERVICE],/ do you receive any regular notification of your monthly or quarterly charges for your [INSERT]? This may be in the form of an email, text message or letter from your provider.

1: Yes – e-mail
2: Yes – text message
3: Yes – letter
4: Yes – Other way– PEN WRITE IN
5: No – do not receive any notification of charges
DK - BUTTON