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# **Ofcom Covid-19 – Affordability Tracker**

Consumer research – Technical annex

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**RESEARCH:**

Publication date: 18 December 2020

# 1. Technical annex

## Background

We have been tracking consumers' attitudes and behaviours during the pandemic through Ofcom's Covid-19 Affordability Tracker. Ofcom commissioned monthly telephone interviews among c.1,000 UK households from June. The research focuses on affordability issues that consumers in the communications market may be facing and asks about any actions they have taken to help afford communications services in the month prior to interview.

The research findings in this document are taken from interviews conducted between June and October. Given the increased potential for people's financial situation to change at this current time, it was important to conduct interviews on a monthly basis. This allows monthly monitoring of trends and provides a robust rolled sample allowing comparisons between demographic groups. All data shown in the report is based on the average of combined data between June and October 2020, unless stated otherwise. Full [data tables](#) are available on the Ofcom website.

## Questionnaire changes

The questionnaire has remained largely unchanged. From September, a subset of questions was then asked every other month, analysis of these are based on rolled data from June to September.<sup>1</sup>

## Caveats to analysis

**Proportion who cancelled a service:** A minority of respondents reported that they had cancelled a service in the month prior to interview, and said they have access to that service in the household. The number of respondents saying this varies by service and across different waves. For example, out of 5567 respondents, 14 said they had cancelled their fixed broadband service, 8 of which stated they have fixed broadband in their household. There are different possibilities for this response, including these respondents switching to another provider.

**Income analysis:** Analysis by income (e.g. the lowest household income category), is indicative only as a third of respondents did not answer this question. Non-response is skewed towards lower socio-economic groups therefore it is possible that affordability issues among the lowest income category are understated.

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<sup>1</sup> Questions reported but not asked in October were; importance of communications service/s, confidence contacting communications provider/s for information or advice on how to manage payments.

## Statistical significance testing

When comparing results between demographic groups, or between a group and the total population, we conduct two-tailed statistical tests and only report significant differences at the 95% confidence level.<sup>2</sup>

## Overview of methodology

**Methodology:** CATIbus (telephone) survey run by Ipsos MORI.

**Core objective:** To provide Ofcom with continued understanding of consumer affordability issues in the UK communications markets (covering mobile, landline, fixed broadband, Pay TV and on demand TV services)

**Sample size:** 5567 (rolled across 5 waves).

**Fieldwork period:** The fieldwork referenced in this document was carried out between June to October 2020. Fieldwork takes place in the first week of each month and therefore experiences largely reflect those of the previous month e.g. June fieldwork will largely reflect experiences in May.

**Sample definition:** UK adults aged 18+ who are either the sole or joint decision-maker for communications services in their household and/or those who personally use a mobile phone. Quotas are set on age, gender, working status and geographical regions. This sample also included a Northern Ireland boost.

The respondent base by service includes those who currently have the service in their household and those who said that they cancelled that service in the month prior to interview.

As the overall sample is representative of all UK households, we strongly expect this decision maker sample to also be representative of all households in the UK.

**Sampling process:** Respondents were identified using random digit dialing. Mobile numbers have a selection probability proportional to mobile network market share, while landline numbers have a selection probability proportional to their population distribution across government office regions. Typically, the split between mobile and landline interviews is around 70% mobile and 30% landline.

**Weighting:** Where necessary, the data have been post-weighted to ensure they are representative of the UK adult population. This sample was weighted to be representative of UK profile (including non-telephone owning households) for the key demographic variables of; gender by age, region, social grade and working status. Full details of the sample and weights (i.e. June to October) are included below.

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<sup>2</sup> The confidence interval represents a range in which, if we repeated the survey 100 times, we would expect 95 of 100 samples' confidence intervals to contain a value that is equal to the actual number of households experiencing this issue.

## Full sample and weighting

	Interviews achieved	Weighted
Total	5567 (100%)	5558 (100%)
<b>Gender</b>		
Male	2609 (47%)	2703 (49%)
Female	2943 (53%)	2840 (51%)
<b>Age groups</b>		
18-24	472 (8%)	585 (11%)
25-34	717 (13%)	954 (17%)
35-44	763 (14%)	887 (16%)
45-54	990 (18%)	956 (17%)
55-64	1088 (20%)	865 (16%)
65-74	948 (17%)	824 (15%)
75+	573 (10%)	470 (8%)
<b>Regions</b>		
North East	244 (4%)	226 (4%)
Yorkshire and Humberside	402 (7%)	455 (8%)
East Midlands	430 (8%)	399 (7%)
Eastern	457 (8%)	518 (9%)
Greater London	631 (11%)	724 (13%)
South East	670 (12%)	758 (14%)
South West	415 (7%)	484 (9%)
West Midlands	431 (8%)	489 (9%)
North West	552 (10%)	610 (11%)
Wales	249 (4%)	263 (5%)
Scotland	546 (10%)	466 (8%)
Northern Ireland	540 (10%)	166 (3%)
<b>Socio-economic group</b>		

AB	1437 (26%)	1426 (26%)
C1	1910 (34%)	1438 (26%)
C2	952 (17%)	1159 (21%)
DE	1025 (18%)	1303 (23%)
N/A	243 (4%)	195 (4%)
<b>Working status</b>		
Any working	3186 (57%)	3293 (59%)
Any not working	2371 (43%)	2250 (40%)

## Population estimates quoted in the report

In this report we have included three population estimates based on percentages from the *Covid-19 Affordability Tracker* and ONS estimates on the number of households in the UK. These population estimates are; the number of households that experienced an affordability issue with any communications services ‘in the last month’ (19% of households on average, 17% for October); the number of households that experienced an affordability issue with fixed broadband ‘in the last month’ (6% of fixed broadband households on average, 4% in October); the number of households that missed a payment and/or cancelled a fixed broadband service ‘in the last month’ (1% of fixed broadband households on average, 0.7% in October).<sup>3</sup>

The population estimates quoted in the report are based on the October wave (n=1091) as it is not possible to calculate a population estimate for the combined total number of households that had an affordability issue over the duration of the survey (i.e. June to October). Our survey data suggests some households have continuing affordability issues and others have only experienced these for one or two months over the full survey period. Therefore, adding monthly totals would include some double counting and the survey data is unable to reliably establish to what extent this is the case.

As the overall sample is representative of all UK households, we strongly expect our decision maker sample to also be representative of all households in the UK.

All generated household estimates are reported to the nearest 100,000. This is the standard rounding that Ofcom use in producing population estimates from survey data with a sample size of around 1000. Larger samples sizes are required in order to provide more precision.

The approach taken to calculate the population estimates are shown in the tables below. Data underlined and in red illustrates the %s used in the population calculation.

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<sup>3</sup> 1% of fixed broadband households (rounded from 0.9%) said they had missed a payment and 0.4% said they had cancelled the service. A minority experienced both, hence the net (1%) is not the sum of these experiences.

**Table 1: Any communications affordability issue, in the last month**

	% quoted in report (rolled waves 1-5)	October data (used in population estimate)
	<b>UK households<sup>4</sup></b>	
Base:	<b>Average/Total<sup>5</sup></b> 5557	<b>October</b> 1091
Percentage of base that experienced any affordability issue	19% (n=1032)	<b>17%</b> (n=186)

	<b>October %</b>	<b>ONS - number of households in UK<sup>6</sup></b>	<b>Estimated number of households (rounded to nearest 100,000)</b>
% and population estimate of UK households experiencing any affordability issue (in the last month)	<b>17%</b>	27,824,000	<b>4,700,000</b>
Upper bound	19.2%		5,400,000
Lower bound	14.8%		4,100,000

**Table 2: Any fixed broadband affordability issue, in the last month**

	% quoted in report (rolled waves 1-5)	October data (used in population estimate)	
		<b>Fixed broadband households</b>	<b>UK households</b>
Base:	<b>Average/total</b> 4720	<b>October</b> 924	<b>October</b> 1091
Percentage of base that experienced a fixed broadband affordability issue	6% (n=264)	4% (n=38)	<b>3.5%</b> (n=38)

<sup>4</sup> We consider the sample of decision makers to reflect all UK households.

<sup>5</sup> Rounded to demonstrate the % quoted in the main report.

<sup>6</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2019>.

	October %	ONS - number of households in UK	Estimated number of households (rounded to nearest 100,000)
% and population estimate of households experiencing a fixed broadband affordability issue (in the last month)	<b>3.5%</b>	27,824,000	<b>1,000,000</b>
Upper bound	4.6%		1,300,000
Lower bound	2.4%		700,000

**Table 3: Missed fixed broadband payment and/or cancelled fixed broadband service, in the last month**

	% quoted in report (rolled waves 1-5)	October data (used in population estimate)	
		Fixed broadband households	UK households
Base:	Average/total	October	October
	4720	924	1091
Percentage of base that missed a fixed broadband payment and/or cancelled a fixed broadband service <sup>7</sup>	1% (n=56)	0.9% (n=8)	<b>0.7%</b> (n=8)

	October %	ONS - number of households in UK	Estimated number of households (rounded to nearest 100,000)
% and population estimate of households that missed a fixed broadband payment and/or cancelled a fixed broadband	<b>0.7%</b>	27,824,000	<b>200,000</b>

<sup>7</sup> 1% of fixed broadband households (rounded from 0.9%) said they had missed a payment and 0.4% said they had cancelled the service. A minority experienced both, hence the net (1%) is not the sum of these experiences.

service (in the last month)			
Upper bound	1.2%		300,000
Lower bound	0.2%		100,000

## Definitions

**Any affordability issue:** Some consumers experienced more than one affordability issue either within a given service and/or across multiple services. The nets for ‘any affordability issue’ only count multiple issues/services once.

**Affordability issues with multiple services:** This includes those who have the same issue with multiple services. Those who had more than one issue are only counted once.

**Mobile internet only:** Defined as those whose only method of accessing the internet is through a mobile phone or other mobile broadband device (for example a dongle or USB device).

**Impacting or limiting conditions:** These are households with a resident that has any conditions that impact or limit their use of communication services. These can include, but are not restricted to, problems with hearing, eyesight, mobility, mental abilities or mental health.

**Lowest household income category:** Household income below £15,600 per year.

**Currently unemployed and looking for work:** These are respondents who when asked about their current work status, answered that they are currently unemployed and seeking work. We are not able to distinguish between those who became unemployed before or during lockdown.

**Receive at least one benefit:** These are households who receive one or more of the following benefits: income support, income-based job seeker’s allowance, pensions credit (guaranteed credit), pensions credit (no guaranteed credit), employment and support allowance (ESA), universal credit (both with and without earnings in addition to this), personal independence payment (PIP), carer’s allowance, or ‘other’ form of benefit. Those who receive more than one form of benefit are not double counted.

**DE socio-economic group:** Households where the chief income earner (CIE) falls within one of the following categories: semi-skilled and unskilled manual workers; state pensioners, casual and lowest grade workers, unemployed with state benefits only.<sup>8</sup>

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<sup>8</sup> This definition is provided by the [National Readership Survey](#).